

Minutes

Audit & Control Committee

February 18, 2021, 8:35 a.m., Virtual Meeting via Zoom

Gerace Office Building, Mayville, NY

Members Present: Nazzaro, Odell, Gould, Harmon, Niebel

Member Absent:

Others: Tampio, Ames, Walsh, Noel, Cummings, Riley, Button, DeAngelo, Griffith, Bentley, Abdella, Crow, Swan, Quattrone, K. Swanson, Sanderson, Pennington, Schuyler, Dennison, Zafuto, Chagnon, Carrow, Almeter, Wendel

Chairman Nazzaro called the meeting to order at 8:37 a.m.

Chairman Nazzaro: We have a long agenda because February is typically the month in which we approve many year end reconciliations so we'll get started.

Approval of Minutes (1/21/21)

MOVED by Legislator Gould, SECONDED by Legislator Odell.

Unanimously Carried

Privilege of the Floor

Chairman Nazzaro: Olivia, do we have any communications to be read during the privilege of the floor?

Deputy Clerk Ames: I have received no communications.

Proposed Resolution – Authorize Acceptance of WIIA Grant with EFC Financing for North Chautauqua County Water District

Clerk Tampio: The Water District received funding through the WIIA in the amount of \$3 million dollars for a Phase II project which is hopefully going to be starting this spring. In order to receive some initial funding through that process, the grant is administered through EFC, Environmental Facilities Corporation, and we need to complete our SRF application and accept this grant funding at this point. So we need a resolution to do that and allow the County Executive to process the paperwork.

Chairman Nazzaro: Thank you Kathy. Any questions or comments from the Committee?
Unanimously Carried

Proposed Resolution – Amend 2020 Budget for Year End Reconciliations – South & Center Chautauqua Lake Sewer Districts (SCCLSD)

Mr. Walsh: This resolution is an increase in appropriations for personal services and employee benefits and the *(inaudible)* of a total of \$217,529. *(Inaudible)* base pay adjustment *(inaudible)* increases and also there is adjustments due to pension funding at the sum of \$178,226. This is a significant increase and Kathleen, I don't if you want to give a quick summary as to where the State *(inaudible)*?

Mrs. Dennison: The quick summary is that the State tells us how much to charge and we don't have any control over it. We do budget based on the most recent year of actual. So the 2020 budget is based on what the actual pension liability expenses were in 2018. However, those expenses fluctuate wildly and we really do not know what they are going to be until we get the advice from the State Comptroller's office. So, unfortunately for 2020 we got that information and it's not good, as you can see. So, we have significant overages, not only in the South & Center Sewer district but in the other enterprise funds as well. So you will see similar adjustments for the other sewer districts as well as for the landfill.

Chairman Nazzaro: Thank you Kathleen and we never shoot the messenger. This is information that we receive that we really have no control over and some are GASB, what 68, I believe?

Mrs. Dennison: Yes, this for GASB 68. We don't have the information yet for the other post-employment benefits which are associated with GASB 75. The 68 information we got earlier than usual this year so a lot of times we are not making these adjustments until March. So we do have the GASB 68, the pension liability entry, but as I said, the other post-employment benefits have not yet been booked. I see Todd is on if he would like to make any other comments.

Mr. Button: The only thing that I would like to add with the GASB 68 is that it is the intention of GASB 68 to spread the – to show what the long-term pension liability is across government entities. Of course the State controls the basic pension program but the GASB 68 is a method to show all the government units, what their long term liability is based on the health of the investment portfolio at the State. We've been doing this for about four years now and the first time we did it, it was a significant number, the next year it went down significantly, the next year it went up and then it went down and now we're back up again. So, unlike the annual pension invoice that we pay that's allocated across our basic payroll, this is more a function of what the actuaries feel the long term position of the investment portfolio is with the State and since that valuation was taken on around March 1, 2020, which was just before the COIVD situation really tanked, I think that's part of the reason things went south on us. So, it will come back and we'll probably have a credit next year, who knows. But, there is not a lot of insight that I can give you into those numbers other than it's a mandatory booking that we have to do based on a bunch of actuarials sitting in a dark room some place.

Chairman Nazzaro: Thank you Todd. As you pointed out, this is what it is at this point and time and it highly fluctuates and if things keep going as they are in the economy hopefully that number will be the reverse next year or be a much better number.

Mr. Button: Just like when the stock market is bad, the economy is down, we see our annual pension contribution invoice and retirement invoice go up significantly. This also fluctuates the same way.

Chairman Nazzaro: We'll see it as reoccurring in some other resolutions. Thank you for the explanations. Any questions or comments?

Legislator Odell: I caught this discussion during Public Facilities earlier this week on the livestream, actually went back to re-watch it just to make sure I was doing everything right, which made me take a little bit of pause just to look back. So I just want to make sure that some of the back numbers going back prior years are right. As I discovered, 2017 we're about \$7,000 and as Todd said, we're down in 2018, negative 18' figure, 2019 I saw a rise to \$41,000 but this just seems like a significant increase (*inaudible*) size of the agency. Like you said, don't shoot the messenger, I get it, but just want to make sure that those back are sound and if there is a better way we could have some predictability which might not be the case.

Chairman Nazzaro: Todd, you said you thought this evaluation was as of March 1st. I know the stock market went significantly down after the economy shut down which was after March 1st as I recall. It was more like in the middle of March. So is this possible that this could be more like April 1st? Which is when the market was really down.

Mr. Button: It might have been March 31st or April 1st. I'll have to go back and look at the paperwork there.

Chairman Nazzaro: Just to Legislator Odell's point, I think this number is so huge because as you all recall the markets really tanked once the economy was shut down in the middle of March. Then it rapidly came back much quicker than I think everyone thought. Any other comments?

Unanimously Carried

Proposed Resolution – Amend 2020 Budget for Year End Reconciliations – Portland, Pomfret, Dunkirk Sewer District

Mr. Cummings: Same thing as South and Center. The sewer districts are all facing the same problem. Our portion is a little less because we are a smaller district but we were able to cover that expense within our budget. Same situation.

Chairman Nazzaro: Same situation, just smaller numbers.

Mr. Cummings: Smaller amount because we're a little bit smaller and have less employees. Luckily the district work careful on their expenditures for 2020 and we had some funds in the budget to cover this, I'm anticipating it.

Mr. Button: Chuck, the measurement date on the GASB 68 was March 31st.

Chairman Nazzaro: That makes more sense.

Mr. Button: That explains it.

Legislator Odell: That explains the actuaries sitting in the dark room on that day.

Chairman Nazzaro: My first job by the way Legislator Odell was an actuary. Thank you. I'm still in a dark room. Any questions or comments?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – North
Chautauqua Lake Sewer District

Mr. Cummings: Yes that is the other district that we oversee for this office and same situation.

Chairman Nazzaro: Any questions or comments?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Public Facilities
Road Machinery and Debt Service

Mr. Bentley: I have this and the next couple of resolutions. Overall message on these resolutions is, A, D, and the DM funds are all self-balancing. There is a lot of information on the next couple of sets of resolutions but the big message is that they are all self-balancing which is really good news given the year we had last year trying to figure out everything. *(Cross talk)* a lot of folks on my team and just everybody to watch what they are doing to have this favorable outcome. But for this specific resolution, there is debt service on here which was the loan for the heavy equipment that we took out in 2020. That's the principal and interest payments that we put in there and we saved some money from heavy equipment repairs because we are buying new equipment. Also had some personal savings due to retirements that were anticipated but not initially budgeted but it's hard to tell exactly when people retire because I've seen people change their minds too. We also had some fuel cost savings in here as well. There is a lot of things that go into these things but overall, we're able to cover that principal and interest payments.

Chairman Nazzaro: Thank you Brad and at any time Kathleen if you ever feel it necessary to chime in, please do on any of these because I know there is a lot of work to these.

Mrs. Dennison: I just want to comment on this one that the debt services is budgeted as of date it exists as of a particular time. That is why some times the budget and the actual don't correspond because the debt is entered into after the budget is prepared.

Chairman Nazzaro: Any questions or comments?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Public Facilities
Admin and Snow Removal: Co Roads (D Fund)

Mr. Bentley: For admin, we have a capital allocation for some of my time and some of the administrative staff to work on capital projects. Since we had deferred some of the capital projects that I was going to help out on, we had some overages that we needed to cover because of those allocations as well as COVID concerns. Then on the snow removal, that's really just a small timing of a salt delivery that we have to account for. It came in a little bit earlier than we thought so no big deal there. It's easy to cover and we're using the interest earnings that we got, about \$282,000, so we're only using a portion of that money to cover that overage for this.

Chairman Nazzaro: Thank you Brad. Any questions or comments? Kathleen, I do have one question because we're using interest earnings, can you just inform the committee, I know that we get the reports, how the interest earnings came in compared to budget?

Mrs. Dennison: Sure. The "D" fund as you may recall, the "D" fund prior to 2020 or prior to the end of 2019 was next to nothing and so the 2020 budget did not include any interest on the "D" fund balance because it was not expected to be any. The "D" fund balance is a lot larger because of wind farm, essentially, prepayments that we received. Permit fees that we got for work that will be done in the future. So those permit fees on their own is \$2.4 million dollars and that money was in the "D" fund balance for all of 2020. So there essentially was no budget for interest income on the "D" fund and we ended up realizing income of over, like I say, about \$280,000. So there is a healthy positive variance in interest revenue so that's able to, as he said, cover the overages in the other areas.

Chairman Nazzaro: O.k., so that's very good news actually.

Mrs. Dennison: Yes, and we did for 2021, recognizing that some of that permit fee would have continued to stay in the fund balance until all the road construction is done. We do have a budget for interest revenue in "D" fund in 2021.

Chairman Nazzaro: Thank you Kathleen. All those in favor?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Public Facilities
(A Fund)

Chairman Nazzaro: I believe there was some changes to this. Is that correct?

Mrs. Dennison: That is correct. Do you have the revised version?

Chairman Nazzaro: I do. I printed it last night. Brad, are you going to go over that or Kathleen are you going to.

Mrs. Dennison: I will talk about the changes because I actually did them late yesterday and Brad was kind of advised after the fact. So it's me, not him on this one.

Chairman Nazzaro: Let me just ask the committee, does everyone have the changes that we're discussing? It came last night about 6:30, did it?

(Committee seemed to have it)

Mrs. Dennison: Probably. I found out probably on Tuesday that the second entry for expected FEMA reimbursements due to *(inaudible)* activities, the total revenue was correct but I made an error in the distribution between the departments. So, I did a correction yesterday and that redistribution of the revenue affected the Buildings and Grounds department. So there are some changes in the increase to the revenue accounts for those different departments and sub-departments. Overall, there was just a, I believe, a \$35.00 change in the revenue and then I balanced that by changing the decrease in appropriations for the Dunkirk Airport. So the resolution is still self-balancing but just some changes in which revenue accounts are being changed within Buildings and Grounds organization.

Chairman Nazzaro: So Kathy, do I have to ask for a motion to amend as presented by Kathleen?

Clerk Tampio: Yes or amend by substitution with this new version.

Chairman Nazzaro: O.k., does everyone understand the amendments on the committee?

(Committee agreed)

Chairman Nazzaro: Do I have a motion to amend by substitution?

Legislator Odell: So moved.

Legislator Niebel: Second.

Chairman Nazzaro: All in favor?

Unanimously Carried (amend by substitution)

Chairman Nazzaro: O.k., so now we'll discuss the amended resolution by substitution. Maybe that would be Brad now. I know that you had gone over some changes that were directly attributed to the COVID.

Mr. Bentley: Yes. I'll try and be brief here as well but certainly if there is questions, I'll take any question that come up. Under the increase appropriation accounts, the engineers, that went over similar to the admin. Less capital work was authorized due to COVID so *(inaudible)* budget allocations for a certain percentage of their work on capital projects. So that did not happen so we were over. Under the Building & Ground items, there is a host of things in there but really it's the COVID extra cleaning and the cleaners on staff that caused the overages there. The Jamestown Airport, that was just a personal election so in a small group, kind of see just elections change over the year so *(inaudible)* anticipated. Under the CARTS, again that was primarily due to COVID and some bus drivers that work more than anticipated because other drivers were out which lead to some increased costs. Parks, there is some COVID impacts in there as well. Under the decrease appropriation accounts, the first grouping of contractual under engineers under Buildings and Grounds, equipment, really these are small amounts and we try everything we could to save money. Any kind of discretionary in *(inaudible)* work could be deferred. We basically tried it and these are some of the net results of doing that. The Jamestown Airport and Dunkirk Airport, we have personal savings in there from not hiring an account clerk *(inaudible)* tell you all about *(inaudible)* we've hired that person now but we did have some savings in there as well as some savings from EAS personnel not being hired. Then on the second page is the increase in revenues due to some of the FEMA reimbursements for the COVID cleaning. Those are what Kathleen just mentioned. Those are billed out by how whatever ratio she's *(inaudible)* as far as what's reimbursable. A lot of information there. I went through it very quickly so certainly if there is any questions, please let me know?

Chairman Nazzaro: Any questions for Brad? Kathleen, the FEMA reimbursement, I know that we talked about this. Is it 75%?

Mrs. Dennison: The actual results are based on 75% of eligible costs. There are recent directives from the Federal government that the reimbursement will be 100%. That was in a Presidential Miranda from January. We kept the revenue at 75% to be conservative. The rules for what is eligible for reimbursement changes on a frequent basis and so I'm a little bit reluctant to include revenue up to 100% because some of the things that we believe are eligible may be declared ineligible when the claim is reviewed by FEMA.

Chairman Nazzaro: We're taking the conservative approach, which is fine.

Mrs. Dennison: Yes.

Legislator Odell: I like that, thank you.

Mrs. Dennison: When we look at the County overall, we are, right now assuming that unreimbursed incremental expenses due to FEMA, they are about \$220,000 across all County departments. That includes items that are – incremental expenses that we know are not reimbursable and it includes that 25% that we're viewing as a local match. So right now, as I say,

the bad news is \$220,000 but it could end up being less than that if we get the 100% reimbursement.

Chairman Nazzaro: Thank you. Any further questions or comments?

Unanimously Carried

Proposed Resolution – Amend 2021 Capital Project Account (DPF Large Equipment)

Mr. Bentley: We received an insurance recovery for an accident where a car hit our plow and totaled it basically. We got a little over \$7,000. We've bought a replacement plow which cost \$9,700 and we're covering with our other funds but this is in recognition of that insurance recovery.

Chairman Nazzaro: O.k., this was straight forward. Any questions or comments?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Landfill Environment

Mr. Bentley: This one is similar to the water and sewer districts. The employee benefits, that line item of \$400,000, that's primarily the GASB affect there. So that's (*inaudible*) portion of that and we're covering that with the user fees (*inaudible*)....

Chairman Nazzaro: Another big adjustment due to the GASB pension. Any questions or comments?

Unanimously Carried

Proposed Resolution – Amend Capital Project Budget for Landfill Phase IV Construction

Mr. Bentley: I'm going to give an update on the Phase IV construction itself. It's essentially complete. The reports and paperwork have been sent to the DEC, their certification of the cell so that we can open it and use it. So we are awaiting their review. I would think in the coming months that we'd hear back from them. The DEC has been onsite throughout the project and we've been able to answer questions along the way so this isn't new information for them. It's not going to be a big huge review so it should be very familiar to them and we're certainly anticipating a favorable review of that. What was not included in the budget as we went through it and are looking to open the cell is, there is a dirt road to the new constructed cell. It's kind of right past where you turn up from the existing landfill hill, there's a dirt road and that is going to be the access road for all the trucks to bring garbage in and that really needs to be paved for mud and dust control. So, this would be a brand new road, about a quarter to a third of a mile. Based on some data that I've gathered about cost for a new road in a rural setting, so we're not talking curbing or any kind of (*inaudible*) drainage issues, is about \$2-\$3 million per mile so I'm estimating that if we had to contract this work out, because we need this work done even though

I'm going to try and do it in-house, plan for the worst case but want to see if we can over achieve. I'm putting in about \$750,000 for that new road. Certainly our goal would be to spend less money if we can do it in-house. Making sure our crews are available. That also includes using some of the landfill staff and equipment to assist in that as one. So it's pretty much all hands on deck and coordinating and asking my engineer team here to design the road and lay it out. So, doing that in-house as well. The other \$250,000 is for an ongoing wetlands mitigation costs. The DEC and the Army Corp, these obligations that we have with building the new cell, it's a long term commitment and additional funding is needed to make sure we're meeting our obligations with regards to the wetlands mitigation.

Chairman Nazzaro: Thank you Brad. I know we had a fair amount of discussion on this in Public Facilities. Like Brad pointed out, this is an estimate. Hopefully it's a high estimate and also hopefully this is an enterprise account and this does not necessarily mean that we're going to have to increase the user fees. Hopefully the landfill will be able to absorb this costs without an increase. So any questions or comments?

Legislator Odell: Just a brief comment. (*Inaudible*) more valuable to me than going around and taking that tour last year when we got to tour the new cell and everything that goes into it and learning more about the operation. Like you said, wetland mitigations and everything else that is behind the scenes. The devils in the detail and I'm glad that this is all taken into account in here. Glad to support this and get this cell going. Thank you.

Mr. Bentley: I'd say this, if there is anything that highlights the ability of the County to do things cost effectively and not have to contract things out, if things go according to plan, which you know, most times they do but we all have bumps in the road getting there, the ability to perform even the engineering, the paving and also the construction to do that all in-house, that's really a benefit to the County because we do it at cost. If we have to contract it out then that means that there is a profit margin out there somewhere. So by default, we do things (*inaudible*) for the County than having to put it out for bid and stuff. To the extent that we can do that, this is a great benefit for the County to have this capability.

Chairman Nazzaro: Any other questions or comments?

Unanimously Carried

Proposed Resolution - Authorize Continuation of Natural Gas Lease at Chautauqua County Landfill

Mr. Bentley: This is the last one I believe that is on for me. There is two gas wells – there are several, but either two or three, I try to map them up there at the landfill. These are not gas wells into the cell, they are gas wells into the ground. So, just a regular gas well that (*inaudible*) can put in. There is a lease up there with PPP Future Development and they want to extend it for an additional 10 year period. The royalty is 15% and as we discussed at Public Facilities, that's double what would be considered the traditional amount. So, anybody that wants to negotiate with Pantelis better watch out because 15% is real good.

Chairman Nazzaro: Thank you, any questions or comments?

Unanimously Carried

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

Mrs. Dennison: P.J., would you like me to speak to that?

County Executive Wendel: Yea, Kathleen go ahead.

Mrs. Dennison: In the County Executive's budget, there was an overrun in employee benefits and then savings in personal services and contractual costs and also some additional revenue. The revenue is from efforts in the County Executive's office to respond to the COVID crisis and so there was some overtime and some over scheduled hours which we anticipate receiving reimbursement. The main reason that the employee benefits are over budget is that it was budgeted assuming George Borrello in the post with a family of two health insurance and P.J. has family three health insurance so there is an increase in the health insurance costs due to a change in elections. So that's the main run down. The other comment I would make is that the reason the contractual costs are significantly under budget is that the Executive's office did have a contract for some census work and the work associated with the contract was less than anticipate so the contractual costs were lower.

Chairman Nazzaro: O.k., thank you. P.J., we won't hold it against you having a family plan. Any comments or questions?

Mrs. Dennison: When you have a small department and somebody changes the elections it will pop right out at you, so there you are.

Chairman Nazzaro: There you go. It is was it is. All in favor?

Unanimously Carried

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

Mr. Abdella: We experienced an increase in our employee benefits which is, I think mostly due to the changes in the collective bargaining agreements regarding health insurance and that was a topic that was discussed at other committees this week and you heard in other departments as well. We were able to balance that off with some surplus in our .1 and .4 accounts so we are able to self-balance within the department.

Chairman Nazzaro: Thank you Steve. Any questions or comments?

Legislator Odell: Self-balancing is good Mr. Chairman.

Chairman Nazzaro: Yes and if you notice so far, all of these have been self-balancing which is significant to recognize. All in favor?

Unanimously Carried

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

Mr. DeAngelo: Similar to the other departments that have just spoken, we went over budget a little bit in our .1's by about \$23,000 and that was due to the new contract that was in place with some increases that were not budgeted for and we went over in our employee benefits with a similar reason with regards to the plan that was fully funded that also wasn't budgeted for. So thankfully we're being frugal in our expenses on our .4 contractual line items as requested by this body so we were able to offset those overages with reducing our .4's by \$46,662 which primarily was, we put off some hardware maintenance and some communication expenses. We kind of deferred them into this year, tried to spread that out a little bit, so that's how we were able to make up the large difference. The rest of the accounts were just within \$3 to \$6,000 of being on budget so they kind of work each other out. Any questions?

Mrs. Dennison: I don't have a question but I just want to add a couple of comments. I probably should have mentioned earlier some overarching effects on the budget of the contractual changes that are not included in the 2021 budget so I just want to reiterate those now because they do pertain to Jon's Department as well as to the Law Department. Just keep in mind that the 2020 budget for wages does not include the CSEA increases that were negotiated after the budget was prepared. Does not include a 50 cent increase that was awarded in (*cross talk*) of 19' and does not include a 3% increase going into effect January 1st of 20'. So in some of the smaller departments, they did have trouble absorbing that increase that was not budgeted. Then when it comes to health insurance, also not in the budget was the fully funded high deductible for all members of CSEA. So again, small departments have to absorb that that is not in their budget. When the budget was prepared some people were on the former PPO health plan and of course everyone had to migrate to the high deductible plan in 2020. So some of the larger departments that had quite a few people that migrated to the new plan, they have seen a savings in their employee benefits but smaller departments or departments that already had the preponderance of people on the high deductible plan already do not have that savings because they were already budgeted with the high deductible plan. So just a couple of comments on wages and benefits that affect all departments. The other comment I wanted to make about Information Technology specifically is that I really think the department deserves a lot of credit for their budget management. Based on current results their local share is \$144,000 under the amended budget. So they brought the budget down when asked to during the COVID crisis in a COVID amendment earlier this month and still came in \$144,000 under that budget. With all of the extra work that I.T. has had to do this year with all of us working at home, it's really quite an accomplishment.

Mr. D'Angelo: Thank you Kathleen, appreciate that.

Chairman Nazzaro: Thank you Jon. I know that your team works very hard and like Kathleen said, these were certainly unusual and difficult circumstances so to come in under \$144,000 to the amended budget – was it the amended budget Kathleen?

Mrs. Dennison: Yes.

Chairman Nazzaro: To come in \$144,000 from the amended budget, is a huge accomplishment.

Mr. D'Angelo: Thank you. We wanted to make sure we were doing what we were asked to do by the County Executive and you guys. I will say it's probably not sustainable moving into the future but this year we were extremely, extremely tight on our budget. I appreciate that.

Chairman Nazzaro: Thank you. Any other questions or comments from the committee?

Legislator Odell: Mr. Chairman only to say that Kathleen stole all my thunder that is what I was going to say. Even pre-COVID, there was a significant savings realized through I.T. and Jon's department diligence as well with doing more with less. Getting us all into zoom world and trying to make this as seamless as possible so again, thank you for all you've done.

Chairman Nazzaro: Very good. Any other questions or comments?

Unanimously Carried

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

Mrs. Riley: Kathleen pretty much explained – she just explained what happened in Human Resources as well. We were over budget on wages and benefits because of the contract. We were significantly over actually but the savings that we were able to capture from not holding exams, substantially decreased our deficit but still wasn't enough to cover the total deficit so ultimately we are asking to take about \$4,200 from the sales tax account to zero balance our budget.

Chairman Nazzaro: You did a good job explaining that. Kathleen, do you want to add anything? You usually do.

Mrs. Dennison: I would like to add something, thank you. To point out that Human Resources reduced its budget earlier in 2020 largely because of anticipated savings because we wouldn't be administering the exams as Jean mentioned. But when we did that reduction we really forgot to factor in the (*inaudible*) of the increased wages. So the department actually, if it had not done the reductions mid-year, it came in under its adopted budget was not able to do the (*inaudible*) that proposed in May and cover the unbudgeted contractual changes. So just wanted to point out that the department has that they were over budget versus its adopted budget.

Chairman Nazzaro: Thank you, any other questions or comments from the committee?

Unanimously Carried

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

Ms. Sanderson: Due to the COVID 19 response, our .1's (*inaudible*) are over mostly because of additional staff that had to be hired to assist with the absentee ballots and also because grant funding received to cover additional wages was amended into our contractual budget instead of personal services. So our .2's are over because equipment purchases were not anticipated but were necessary to assist with the absentee ballots. Again the grant funding (*inaudible*) with these expenditures but the budget was amended in the contractual costs to assist with these expenditures but the budget was amended into the contractual budget instead of the equipment and at the time that the grant was awarded, we were sure where the additional spending would be needed. With that being said, we are very pleased that even with the additional costs or unexpected expenses, we were able to reconcile our budget within our budget.

Chairman Nazzaro: Thank you so it is self-balancing. Any questions or comments from the committee?

Legislator Gould: What was the \$30,000 worth of equipment?

Ms. Sanderson: The Board of Elections had purchased a (*inaudible*) mail opener, envelope opener which included a counter which allowed us to prepare our absentees or open our absentees much quicker with the amount that we had this year. We also had purchased additional equipment for the print shop, (*inaudible*), a cutter, again, just with the assistance of absentee ballots, the additional and we also leased 7 new high speed printer copier for our Print Shop.

Legislator Gould: Thank you.

Chairman Nazzaro: Any other questions or comments?

Unanimously Carried

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

Mrs. Dennison: I will present this one on behalf of the Clerk. As you can see there are quite a number of adjustments in the Clerk's organization. The Clerk department is one similar to Human Resources in that it did reduce its personal services budget because of an anticipated position that would not be filled and that position was left unfilled but as with the other departments, the unbudgeted increase in the wages caused the department to go over the amended budget. They are under the adopted budget. Also changes in employee benefits that we had previously discussed. So those are the two main elements causing the overages in appropriations. There are quite a few savings in the Clerk's area as well so we captured all of those savings, just kind of miscellaneous smaller dollar items however the department is out of balance by \$14,989 so we're proposing to use some of the sale tax surplus to cover that. So, obviously it's not an outcome but one thing that is notable with the Clerk's operation is that the DMV fees are substantially under budget this year by \$382,000. But that is somewhat better than we expected at earlier points in 2020 so the performance is greatly affected by COVID but not as badly as we had expected. When you look at the bottom line for the Clerk's organization the local share is over budget but almost exactly the amount that they suffered in the decline in the DMV fees.

Chairman Nazzaro: Kathleen, I just want to clarify, at the beginning you said we are – I think I have this reversed. Over the adopted but under the amended? Or is it the other way around?

Mrs. Dennison: Over the amended, under the adopted.

Chairman Nazzaro: O.k.. Eventually those fees should come back, correct? I mean, is this a timing issue due to the COVID because people could not renew their licenses.

Mrs. Dennison: I believe so. As I said, their performance in the later part of the year was coming back to a more normal situation but there still certainly a potential risk when it comes to the budget for 2021. The revenue budget is essentially the same as the 2020 budget because at the time we did the budget we were expecting the COVID crisis to a little bit shorter. So I think those fees are showing some rebound but right now, I would not expect them to come all the way back to the budget that we have in place for 2021.

Chairman Nazzaro: O.k., we'll keep a watchful eye on that as we move along in 2021. Any questions or comments from the committee?

Unanimously Carried

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

Ms. Crow: Before I get into the specific resolution, I know Kathleen kind of already explained the reasons for a lot of the amendments in various departments related to wages and benefits and the CSEA contract but, I hope that you all received or was able to take a look over the information that I sent out earlier this week, specifically on health insurance and making a couple of notes with respect to our performance in total because it's hard to see that from department to department because of the various election changes within the department or those who might have had a greater percentage of employees on the PPO who had the benefit of them switching them over to the high deductible and the savings in those departments whereas other departments that have had a lot of their employees already on the high deductible and having savings in prior years might have seen a hit because we fully funded the deductible for one year. Also as a reminder, in 2021, that was one year thing in terms of fully funding the deductible (*inaudible*), the only remaining component – I mean units that would have any full funding of the deductible are new hires for managers and new hires in the CCSEA contract for the corrections unit. So, you'll see that drop down significantly the HAS contribution. But overall our performance in the health plan had been good.

Chairman Nazzaro: Kitty, that information was very helpful, thank you.

Ms. Crow: You're welcome. So on this particular resolution of the "M" fund, as a reminder too, part of that email is the "M" fund is where we collect all of the expenses of the health plan which ultimately are offset with what we pay back to the departments for the cost of active employee plans as well as our (*inaudible*) plan. So just a couple of (*inaudible*) that were

needed at year end in the “M” fund at this point are a re-categorization for a new, I wouldn’t say necessarily a new benefit but we did create the option for a health retirement account versus a health savings account that goes along with our high deductible plan because some employees are not eligible to make contribution to health savings account so we gave them the option for a health reimbursement account. Has to do with the IRS rules related to either of those types of contributions. So, we just have expenses in the HRA category now and are reflecting the offsetting employer contribution for revenue. So that \$174,000 was (*inaudible*) in a revenue that was new for this year that wasn’t broken out in the budget originally. Then the benefit surcharge line of \$61,000 that mainly is attributable to increase pharmacy costs and some retiree expense of again, which is offset by the retiree contribution that we’re charging and collected from retirees. So those offset each other in terms of revenue.

Chairman Nazzaro: Thank you Kitty. Any questions or comments? I hope everyone got a chance to review the information that Kitty sent. It’s a very complex subject, a lot of moving parts but all in all, as Kitty pointed out, the results were positive. All in favor?

Unanimously Carried

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

Ms. Crow: There is two main items here. The first one where you see the use of unassigned fund balance, this has to do with the accounting treatment for the proceeds from the sale of the Star Flight helicopter that we did last year. In the budget, I reflected that as a revenue in 2020 but in fact, we had sold them before them so those proceeds are essentially in our fund balance and we have assigned them for the repayment of debt on the helicopters. So, in this resolution, we’re decreasing the revenue but showing the use of the undesignated fund balance from those proceeds. We did make this correction already in the 2021 budget. You might recall that (*inaudible*) showed that use of fund balance for the repayment of the debt for the helicopters. The other adjustment going on here have to do with the bonds that we issued on behalf of JCC where they pay in full the debt service on those bonds. They actually pay directly to the bank but we still need to report that as an expense and a revenue back from them even though the cash doesn’t really come through the County that way. So, I didn’t include the expense or revenue when I prepared the 2020 budget but it should have been reflected as an expense and a revenue (*inaudible*) in the 2021 budget.

Chairman Nazzaro: So again Kitty when I read this, at first I said, why are these two combined into one resolution and the reason is because both are related to debt service correct?

Ms. Crow: Yea, they’re all in account 9730 is where we record our principal and interest.

Chairman Nazzaro: So the bottom line the reason we’re using \$292,300 of unassigned fund balance is really related to the, which was corrected, related to the sale of the helicopter.

Ms. Crow: Yea, because those proceeds are in our designated fund balance right now and that’s what we had dedicated to repay the debt so it doesn’t get recorded as a revenue in 2020.

Chairman Nazzaro: O.k., I understand so now we've corrected. Any questions or comments?

Unanimously Carried

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

Ms. Crow: So the account that are included here are the general administrative department of Finance as well as some of what we call department miscellaneous accounts which also are under my responsibility of budgeting. So, several of the increases are like I said, related to the changes in the contract, wages and benefits. As far as the contractual under account 1330, the increase there is mainly due to unplanned software maintenance on our tax system and then the increase expense in account 1362 is mainly due to search fees that we incurred in 2020. The fees themselves increased by \$10.00 but we also did about 600 more searches in 2020 than we did in 2019. Now those search fees are offset by revenue which you'll see under the increased revenue account.

Chairman Nazzaro: Any questions or comments?

Unanimously Carried

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

Mrs. Dennison: I will speak to that resolution but I think Mr. Nazzaro you probably know more about it than I do. You've done most of the negotiations with JCC. But, we have been talking with the college for quite some time about developing a new fee structure. One which would guarantee the college a certain minimum amount of tuition reimbursements or expenditures and also a maximum amount. In the past, it was just based on the number of students. So that agreement was reached late in the year, early this year to implement the floor and ceiling model for 2020 and so we did have to make an extra payment to JCC to bring them up to the minimum sponsorship that is referenced in the resolution, \$4,182,000. When we developed the budget for 2020 the floor/ceiling model had not been finalized so we did not use that model in developing the budget. We budgeted a little on the low side because the number of students have been declining over time. So, this adjustment is needed to, as I said, compensate JCC for the floor based on the new agreement. It is the only item in this department so there is nowhere to balance it other than (*inaudible*) outside of the Community College tuition department so it's proposing to make up that overage with surplus in sales tax.

Chairman Nazzaro: Thank you Kathleen and I will comment on this before I open this up to the committee. Yes, I was quite involved in this, actually going back to pre-COVID. Myself, Chairman Chagnon, and P.J., we had met with JCC (*inaudible*) pre COVID to come up with a new model to minimize the fluctuations in cash flow to both the college and to the County. The way the charge back method is developed for in County students, is based on FTE's and as Kathleen pointed out, there can be quite a fluctuation so we wanted to be a good partner because the college is a very valuable asset to the County so we developed this floor/ceiling model. As

Kathleen pointed out, they did not reach the floor so this payment is to bring them up to what we had agreed to but it was not part of the 2020 budget. Later, you will see an additional resolution developing that model going forward. Again, it protects the college to guarantee them a minimum payment from the County but also rewards them for an increase in FTE's but at the same time protects the County with the ceiling in case they exceed that FTE. So I do feel it's a good model and I have met several times with the college on this at the direction of our Chairman Pierre Chagnon so I appreciate your support on this. Any questions or comments from the committee?

Legislator Odell: Probably going to speak to the funding model downstream later on in a resolutions right?

Chairman Nazzaro: Correct, yes sir.

Legislator Odell: Great thank you.

Chairman Nazzaro: This is just to do the year end reconciliation for the 2020 budget. All in favor?

Unanimously Carried

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

Mr. Button: This is an application for an adjustment to the 2021 tax bill for this gentleman. His original parcel was one parcel and he had it (*inaudible*) I believe into three parcels. When the assessor did that, he did not prorate the original total assessment properly so that when we were done the sum of the parts were greater than the original piece so that is what this adjustment is here.

Legislator Niebel: This was original a 216 acre parcel. In doing some research on this, Todd, I'm not exactly sure, did Nobles sell off 162.9 acres and retained 53.4 or did he retain 162 – well, just reversed. Do you happen to know offhand?

Mr. Button: I don't know whether he sold part of it Terry. I just know that the parcel was split.

Legislator Niebel: It was split and I'm just – do you happen to have a new SBL for Nobles because the old SBL 337.00-1-63.1 is now – it shows the current owner Timothy Ball. But, wasn't able to track Nelson Nobles new parcel. Look, it's no big deal these large acreages and this was a dairy farm. They are split off all the time and sometimes the information that we get for the Tax Department and our GIS, lags behind the local assessors. I just wondered if you happen to know.

Mr. Button: The parcel in question is the one that is in the resolution. That's the 163.1 and that's where –

Legislator Niebel: Understood but that's now currently owned by Timothy Ball. Does Nelson Nobles own – well, he must own a new SBL but we're not sure what it is.

Mr. Button: I don't know. That may have happened afterwards.

Legislator Niebel: O.k., gotcha. Chuck, I don't have any further questions.

Chairman Nazzaro: O.k., thank you Terry for your very thorough research. Any other questions or comments? The adjustment is less than \$300 correct?

Legislator Niebel: No, \$3,000.

Chairman Nazzaro: Isn't the correction of the liability the \$3,096 and it was originally levied at \$3,326. Isn't it the difference?

Mr. Button: We're going from \$3,300 down to about \$300.

Legislator Niebel: The correction is about \$3,000.

Mr. Button: The first number in the first WHEREAS is the amount of the adjustment. The second WHEREAS is the original tax bill.

Chairman Nazzaro: So the adjustment is the \$3,000 then.

Mr. Button: Yes.

Chairman Nazzaro: All in favor?

Unanimously Carried

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

Chairman Nazzaro: Todd, you want to talk about this one?

Mr. Button: This one as I explained in Admin Services meeting the other day, this one caught my eye because of the size of the adjustment and the fact that it said the tax bill was from the City of Dunkirk. Then the adjustment request referenced a PILOT agreement and when I saw PILOT, I knew in my mind that I had never seen any revenue for a PILOT agreement referencing this property which the property in question is the Clarion Hotel up in Dunkirk on the harbor. So after doing a little digging and talking to Rich Dixon down at IDA he said, oh, this is a very old PILOT that was originally initiated by the City of Dunkirk so you have to talk to them. So I got a hold of Richard Morrisroe at the City of Dunkirk. He sent me the agreement and this original PILOT goes back to like 1985. It's like 35 years ago and it's been renewed, renewed and renewed. The bottom line is the assessor removed the PILOT exemption from the property in error which generated the 2021 tax bill. However, I noted when reading the PILOT that the PILOT has expired as of June 30, 2020 and has not been renewed yet due to – they haven't

talked about it due to COVID complications. So, I just find it odd that Dunkirk has its own PILOT agreement with these people, the County gets nothing on this so somebody may want to look into that one. But, the reason for this is, the exemption was taken off when it should not have been.

Chairman Nazzaro: Interesting.

Mr. Button: I didn't realize you could have a PILOT agreement that lasted for 35 years or more.

Chairman Nazzaro: That's what I was wondering especially when you said it goes back to 1985 and it doesn't benefit the County. It's with the City of Dunkirk. Rather unique. With that being said, -

Legislator Niebel: Perhaps it wasn't taken off in error because of the fact that it did expire in June.

Mr. Button: But the roll was finalized as of March/April. So the taxes were based on what the roll was supposed to be (*cross talk*)..

Legislator Niebel: Got it. Todd in this property –

Mr. Button: I believe their intention is to renew that thing but why are they getting all the benefit out of that and we don't see anything?

Legislator Niebel: Todd, can the County be involved in the renewal? Or should it be?

Mr. Button: My opinion, yes. I mean, when I first talked to Rich Dixon because I call Rich Dixon first wanting to know what he knew about it and he said well this goes back to when the cities were allowed to do their own PILOTS before the IDA had to coordinate everything. So that's when he referred me to Dunkirk and that's when I found out this thing goes back 35 years.

Legislator Niebel: Yea, it may go back to 1988 Todd, either 88' or 85' but the property is actually owned by the Dunkirk IDA?

Mr. Button: Not to my knowledge.

Legislator Niebel: You might want to check the GIS. Chuck, I do think on this one, I mean, this is o.k., based on what Todd said. I'll go ahead and vote in favor of this but I do think our legal department should be involved as far as the extension on this PILOT.

Chairman Nazzaro: Based on what I have heard Terry, I agree. At least with our vote, we're approving the credit here but based on what I've heard, it wouldn't hurt to have Mr. Abdella's department look into this and report back to what, Administrative Services I believe. Not really to Audit & Control but I think that would be a good thing to do.

Legislator Gould: How long can they keep renewing it?

Chairman Nazzaro: In perpetuity according to this, forever. That's a good question Jay.

Mr. Button: That's why I don't think IDA actually owns it because of the City owns it, why do you need a PILOT. You own the property. The hotel people own it but they negotiated this PILOT.

Legislator Gould: The legal department better look into it.

Legislator Niebel: Todd, if you just call up the GIS information on this, under property information, current owner, it does say City of Dunkirk Industrial Development Agency.

Mr. Button: Yes, but that listing of owner isn't always reflective to actually owns it.

Legislator Niebel: I understand.

Mr. Button: Because we have some properties that say the County owns them and that was only done because they were foreclosure issues and they didn't want the bills running all over the place. So sometimes names get put in there that aren't the actually owners.

Legislator Niebel: Understood but I think this warrants further investigation.

Chairman Nazzaro: What I will do is, we'll move on and vote on the resolution Terry. I agree with you. If Steve is still on here or whoever, we'll have our legal department just look into this and report back to Administrative Services, would be my recommendation.

Legislator Niebel: I agree.

Chairman Nazzaro: Any discussion on the resolution that's before us?

Legislator Odell: Just a couple of quick observations. Todd, thank you (*cross talk*) the IDA Board we deal with PILOT's often and COVID doesn't seem to be a bearer to extending or offering PILOT's so that excuse sounded a little suspect. So, I think we'll shine a little spot on that just to get some clarification. Appreciate it.

Chairman Nazzaro: More clarification, that's good.

Legislator Gould: I'm not going to support this because we need a lot more clarification.

Chairman Nazzaro: Does anyone want to table this? Well, it wasn't approved in Administrative Services.

Legislator Gould: It's going to go to the Legislature meeting.

Chairman Nazzaro: All in favor say aye?

FAILED - 2 Yes; 3 No's – (No's – Nazzaro, Gould, Harmon)

Chairman Nazzaro: It did not pass Audit & Control but it will be on the agenda because it went through Administrative Services. The reason I voted no was because I need more information.

Legislator Niebel: Chuck, I understand that but as Todd will tell you, if it's on the rolls as of March/April, that's what it is.

Chairman Nazzaro: I agree but we've already voted and I do at this point, I want to thank Todd Button. He has served dual roles here for what, 6 months, is that correct?

Mr. Button: Yes, since August.

Chairman Nazzaro: Since August as the Acting Real Property Tax Director besides his Deputy Director of Finance and Todd, (*inaudible*) as you have with other Legislators and you stepped in this responsibility in the Real Property Tax Department. You discovered areas that we could improve on, a lot of areas (*inaudible*) and work your heart and soul into this and I just want to thank you for all the additional time you put in these last 6 months. I know it wasn't easy.

Mr. Button: Thank you, appreciate that.

Legislator Niebel: Yes, he's done a good job.

Chairman Nazzaro: Yes he has.

Chairman Chagnon: I would like to second the comments you just make that we certainly appreciate the work that is done and his recent exposé that he shared with this recommendations for improvements in the Real Property Tax office. Exposé may a little hard, but suggestions for improvement are fabulous, absolutely terrific. So thank you Todd for all the work that you have done and particular your latest recommendations.

Mr. Button: Thank you Pierre, I appreciate that. Additional information is forthcoming. I'm working on some additional detail in reference to that. So you'll be getting that in the next few days.

Chairman Chagnon: Wow, I can't wait.

Chairman Nazzaro: I want you to know Todd, this stuff really excites our Chairman. He was very pleased with what you did. You having given a nice road map for the future that we can follow and make improvements and it was very helpful.

Mr. Button: That was my intention. Not to point fingers but get us out of the ditch here a little bit.

Chairman Chagnon: Yes, well done.

Proposed Resolution – Amend 2020 Budget for Year End Reconciliations – Office of the Sheriff

Mrs. Swan: I don't know if the Sheriff wants to kick it off but –

Sheriff Quattrone: I am not because I'm going to signing off because I have to get on for a 10:00 meeting. So, I'm leaving it up to Jennifer.

Mrs. Swan: Really quickly, I will refer to both Kitty and Kathleen's explanation of a lot of the .1 and .8 variances that you see for 2020. There were a number of collective bargaining agreements that were settled at the end of 2019. The changes of which were not applied to the 2020 budget and that is where the vast majority of these adjustments. (*Inaudible*) of .4's total about \$31,000. Those are ultimately our contractual which as you know, we are (*inaudible*). Regardless of those large variances for the .1's and .8's, we were still able to adjust within our budget. So it's self-balancing and we're very thankful for that. That's just the general overview, I guess.

Chairman Nazzaro: Thank you Jen. Kathleen, did you want to comment?

Mrs. Dennison: I will just add a little more information particularly about the variance in 2020 Dispatch .8's and in the Jail .8's, employee benefits in both categories. At the end of 2019 or I guess in the 3rd quarter of 2019, the CCSEA, the correction contract was settled and so we did put in an estimate of the effects of that contract into the 2020 budget. We had to put it in at the very end of the budget cycle and so it was not factored in, in the very detailed like we normally do the budget. But we did put in an estimated effect of the new contract, both benefits and in (*inaudible*), but the effect of that contract was all put in through the Jail department. There was not any put into dispatch and the dispatchers are in that union so there are some variances in dispatch that are related to the new contract because there was no adjustment to the contract in dispatch. The other thing that is going on here is that the actual cost of the health insurance premiums for that particular bargaining unit were quite a bit higher than budget, about 10% higher and that was an unusual bump-up particular to that union. So that's another reason there's a significant overrun in the benefit costs in the Jail and in dispatch.

Chairman Nazzaro: Thank you.

Mrs. Dennison: Oh, I should also comment that there is a turn over savings built in also in the 2020 budget that affects the Jail and that was a reduction to the wages and benefits in the Jail so there is obviously some turnover - there was turnover that was experienced in late 20' but you don't have an exact correspondence between the reduction in the budget and the actual experience. So, my assumption is that some of the negative or unfavorable variances are attributable to turnover savings that wasn't completely realized.

Chairman Nazzaro: Again, thank you. Any questions or comments from the committee?

Unanimously Carried

Proposed Resolution – Amend 2020 Budget for Year End Reconciliations – District Attorney’s Office

Mrs. Dennison: I’m going to speak to this one on behalf of District Attorney Schmidt. In the District Attorney’s department, they’re were relatively large (*inaudible*) in wages and benefits for the main department in the District Attorney’s organization. This is due, again, to the turnover savings I just mentioned. The turnover savings reduction was applied in the District Attorney’s department and in fact, there were not significant (*inaudible*) during 2020. So that coupled with the unbudgeted contractual increases caused the department to be over in wages and benefits. The department does have a fairly significant savings in contractual costs. Some of that is due to a grant that was awarded for COVID related work and that grant was really not utilized in 2020 so the contractual budget for that, there was a surplus associated with that grant work that was not done. That is about half of the savings. The other half is just due to contractual savings. The District Attorney’s office did do a good job of reigning in their contractual costs. They also had a fairly significant reduction in their budget when we amended the budget mid-year so there were, as I said, some significant contractual savings. However, this department is not self-balancing so we are looking to use some of the sales tax surplus in the amount of \$15,560 that is out of balance.

Chairman Nazzaro: Thank you Kathleen, I did not add – I should have because there were was a couple of other resolutions that we’re using sale tax because they were not self-balancing. What was the total amount of sales tax that we’re using? I know it’s not a large amount.

Mrs. Dennison: It’s not a large amount. The biggest chunk of it is due to the Community College. The total usage -

Chairman Nazzaro: See if you can come up with that. I know the big chunk was for the college but you’ve had a few others.

Mrs. Dennison: The total usage is \$135,311.

Chairman Nazzaro: So that is very insignificant if you take off the college, you’re only using a little over \$35,000 of sales tax where all the other ones are self-balancing.

Mrs. Dennison: Correct. There is \$4,250 in Human Resources, about \$14,600 in the Clerk’s office and \$15,560 in the District Attorney and then a \$100,000 plus in Community College.

Chairman Nazzaro: O.k., thank you. Any questions or comments on the resolution?

Unanimously Carried

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

Mr. Griffith: This is employee benefits throughout the department that exceeded what the budget projections were. We were able to decrease appropriation accounts that we had to offset those really just an exchange for year-end reconciliation.

Chairman Nazzaro: Any questions or comments?

Unanimously Carried

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

Mr. Griffith: This is a grant that ran through last year. We did get permission to extend it due to COVID. This \$15,516 is going to be used for training for our Haz Mat team.

Chairman Nazzaro: Any questions or comments?

Legislator Gould: No local share?

Mr. Griffith: No sir, no local share.

Legislator Odell: Only Federal according to the MIS, right?

Mr. Griffith: Yes sir, through the State.

Chairman Nazzaro: All those in favor?

Unanimously Carried

Proposed Resolution - Amend 2021 Budget for State Homeland Security Program (SHSP) Grant Award (2018-2021)

Mr. Griffith: Again, this is funds (*inaudible*) grants that are now being moved into for spending. The \$14,500 is for our Tech Rescue Team to replenish some agent supplies that they have. The \$7,300 is for the dive team for a high end depth finder. No local share.

Chairman Nazzaro: And this grant was not included in the 2021 budget so that's why we have it here.

Mr. Griffith: Yes.

Chairman Nazzaro: Any questions or comments?

Unanimously Carried

Proposed Resolution – Amend 2021 Budget for State Homeland Security Program (SHSP) Grant Award (2020-2023)

Mr. Griffith: Again, this is one of our grants that we get through the State Homeland Security. This is going to be split away on the contractual for hazardous materials, \$2,500 for *(inaudible)* equipment, \$7,700 is going to the Tech Rescue team for shoring equipment and \$9,546 is going for new computers for Command 7, update of the computers in the vehicle. No local share.

Chairman Nazzaro: Again, these were not included in the 2021 budget. All in favor?

Unanimously Carried

Proposed Resolution - Amend Emergency Services 2021 Budget for Vehicle Accident Claim

Mr. Griffith: This is an accident that involved *(inaudible)* 74 Medic unit that is normally stationed in Falconer. Was involved in an accident while responding to a call on a snowy night. The estimate came in around \$15,000 so we have this check coming in after the deductible was paid to put in to offset that. However the expense to repair that is still somewhat higher. I believe I checked yesterday with the collision shop, it's almost done, but the bill is now up to about \$24,000 so there will be another check coming to offset that unfound damage at the time. No one was injured in the accident. It's really amazing, the vehicle didn't look damaged but it was all up underneath. It went into a ditch and hit a culvert.

Chairman Nazzaro: It's fortunate that no one was injured.

Mr. Griffith: Yes sir.

Chairman Nazzaro: Any questions or comments?

Legislator Odell: Not on this but while we have John here, I was just thinking of this while we were going through these numbers. John, one of the resolutions a few months ago was for the building repair or roof *(inaudible)* out there. Are you guys all tight?

Mr. Griffith: The roof was repaired, yes sir.

Legislator Odell: Good, you guys are all squared away. Nobody got injured in this one, we can replace steel.

Mr. Griffith: I'm sorry probably *(inaudible)* part of emergency response in the middle of winter, it happens, unfortunately.

Chairman Nazzaro: Any questions or comments?

Unanimously Carried

Chairman Nazzaro: John, best of luck. Thank you for everything that you've done and wish you the best

Mr. Griffith: Thank you Mr. Nazzaro: It's been an honor to have had this job and I've really enjoyed it. I can honestly say that if I was 10 years younger, I'd do this job for 10 more years. It's been a real joy and I've really enjoyed every day getting up and doing this. It's been an honor to serve the County of Chautauqua and thank you to the Legislature for your support that you have given the system, the EMS system and things going forward. It's truly been a joy on my part. Again, thank you.

Chairman Nazzaro: Again, thank you and I've enjoyed working with you. I know it's been interesting times. We've had a lot of discussions but you're a very honest and open person and it's been a pleasure working with you and you always had the best interest of the County residents first and that's the way it should be in that position, so thank you.

Legislator Niebel: John, you've done a great job. It's been a pleasure working with you and you do look 10 years younger than what you are.

Mr. Griffith: Probably I do but yea, like I said, if I had 10 more years, I'd do this job 10 more years, if I was 10 years younger.

Chairman Nazzaro: O.k., best of luck and be safe. All in favor?

Unanimously Carried

Proposed Resolution – Amend 2020 Budget for Year End Reconciliations – Veterans Service Agency

Mrs. Dennison: I will speak to this. The Veterans Services agency did have an overrun in employee benefits due to the factors that we've already mentioned for other departments. It is a smaller department so all those factors played into the overage. Fortunately the department was under budget in its (*inaudible*) costs. The budget assumed that Veterans Services agency would be moving to a new location and it did not so its rent expense was under budget and then there was quite a few travel opportunities that were not undertaken because of the COVID restrictions so there was a savings in contractual so the resolution is self-balancing.

Chairman Nazzaro: Any questions or comments?

Unanimously Carried

Proposed Resolution – Amend 2020 & 2021 Budgets for Year End Reconciliations and Grant Equipment Revenue – Mental Hygiene

Mrs. Kathy Swanson: The A.4322 which is the Mental Hygiene law is over budget by \$169,071 in the .4 contractual and we have a surplus in the A,4320 which is Mental Hygiene (*inaudible*) program. The surplus is from not traveling and other reduce spending due to COVID. So we would like to increase the .4 appropriation in the A.4322 and decrease the .4 appropriation in the A.4320. We would also like to make an adjustment because there were expenditures from the 2020 budget (*inaudible*) that we would want to (*inaudible*) for the CCHC. It ended up being

encumbered and rolled into the 2021 budget. *(Inaudible)* revenue *(inaudible)* did not get rolled forward automatically into the 2021 budget so we would like to increase the 2021 A.4320 Federal revenue budget by \$155,950 and decrease the A.4320 Federal revenue in the 2020 budget by the same amount.

Chairman Nazzaro: Thank you, very thorough, make sense that we're moving that revenue because it was not encumbered in the 2021. Any questions or comments?

Unanimously Carried

Proposed Resolution – Amend 2020 Budget for Year End Reconciliations – Health and Human Services

Mrs. Schuyler: *(Inaudible)* Mr. Chairman and committee. Our year-end resolution is before you. As you can see, most of the accounts that we have there that we had to increase appropriations are related to the COVID 19 pandemic in response in areas where we traditionally have seen come overages such as the Jail and our State Training school also known as OCFS facilities. We were able to cover the increase in the operation accounts internally by decreasing mainly on our Social Services side related to furloughs and changes in Social Services staffing due to the pandemic. I think Kathleen, if you have any further questions, can help me out here.

Chairman Nazzaro: Thank you Christine. Kathleen, do you have anything to add?

Mrs. Dennison: No, I think Christine covered it.

Chairman Nazzaro: Any questions or comments?

Unanimously Carried

Chairman Nazzaro: Thank again Christine for all that you are doing. I see the numbers are getting a little bit better. At least that's a positive trend. Let's hope that trend continues related to the COVID.

Mrs. Schuyler: Thank you.

Legislator Odell: I'd like to interject something else. Christine, I want to thank you so much for your great debrief last night at Health & Human Services under the COVID update. Anyone that hasn't had a chance to look at that in the Legislature, you can pull it up on the Facebook live stream. Thank you.

Proposed Resolution – 2020 and 2021 County Sponsorship Contributions for JCC

Chairman Nazzaro: I've been involved in this as well as Legislator Chagnon and Legislator Gould and others. Do you want to lead it off Kathleen?

Mrs. Dennison: I was going to leave it to you and Chairman Chagnon on this one.

Chairman Nazzaro: That's fine. As we spoke to the previous resolution, we developed a new methodology earlier in 2020 on how to fund the college for in-County FTE's. Of course, part of the budget is also related to out-of-County FTE's which is really beyond our control. What this resolution does is, it sets a floor of \$4,137,192 and an upper floor of \$4,240,792 for the 2021 budget. You all should have received – Kathleen sent these to the entire committee, the outline of the discussion on the model which I did discuss briefly for the other resolution. I had met via zoom with President Daniel DeMarte and the Finance Director Mike, regarding first the 2020 reconciliation but more importantly setting the sponsorship for 2021. In the documents that you received from Kathleen, it shows how the lower floor was calculated and how the upper floor was calculated based on an FTE rate of \$2,660. As you know there is a lot of fluctuation in the enrollments right now. Even pre-COVID, there was fluctuation but now due to the COVID there is more fluctuations. So, the lower floor was established using the FTE rate of \$2,660 and you can see the capital portion, again, the floor was set at \$4,137,192 and then you have a potential for the college to earn additional revenue if they go up to the upper floor which is \$1,432 an FTE. So there is like 35 FTE's difference between the lower floor and the upper floor. So the upper floor is \$4,240,792. You can see the lower floor is based on 1,397.7 FTE's. The upper floor is based on 1,432.7 FTE's. So this gives the college a means to budget and also the County to reduce the fluctuations and this again will need to be reviewed a year from now from what the 2022 amount should be. Based on that, I know that we have Chairman Chagnon on, we have Kathleen and Kitty, if anyone wants to add to that or have questions of me or any others, feel free. I see Pierre showing himself here so Pierre, would you like to comment on this?

Chairman Chagnon: Thank you Mr. Chairman. I think you did an excellent job of explaining it. I would just point out to the committee that the floor that is proposed for 2021 is actually lower than the amount that was funded in 2020. This was based upon a suggestion actually from JCC that the 2% increase that was put in place in the Fall semester of 2020 is not appropriate going forward because of the impacts of COVID. We appreciated their suggestion and we brought that forward as part of the recommendation.

Chairman Nazzaro: Thank you.

Mrs. Dennison: I just want to raise a caution that the 2021 budget for tuition is – the 2021 budget is less than the actuals for 2020. Of course the actuals for 2020 now incorporate the floor model so there is a little bit of a risk for our 21' budget. However, as Chairman Chagnon pointed out the floor in 2021 is a little bit less, about \$50,000 less than the floor in 2020. The 2020 actuals are \$65,000 more than the 2021 budget so it's going to be close. It could be o.k., but there is some risk there. The other element that we don't have any control over would be the students that attend the college outside of the County. So that is factored into this year's, 2020 actuals and 2021 budget. It's at least 10% of the total so just wanted to make the committee aware that there is a possible risk factor with going forward with this floor model when it comes to the 2021 budget.

Chairman Nazzaro: Thank you Kathleen and I will add to that, the counter, is that, we also, because of the ceiling, you know, if there was a large increase in the FTE's, that would have a higher cost to the County but we've capped that increase at 35 FTE's between the floor

and ceiling. Also as Pierre pointed out, there is no 2% increase in there. I think it's a win/win for everybody in my opinion.

Chairman Chagnon: Chuck if I might, also I would point out that when we adopted this floor and ceiling model, JCC had experienced many consecutive years of reducing the reduction in their FTE's in the enrollment. We wanted to provide them an incentive to really focus on increasing their enrollment. That's why we established not just floor but also a ceiling so that if they're enrollment went up, they could benefit from that financially and actually before the impact of COVID hit, they actually had an increase in their enrollment. So the model was successful in providing the incentive and the results that we were looking for and we remain hopeful of that going forward. It will also be beneficial to JCC enrollment to see more in-County enrollment at JCC.

Chairman Nazzaro: Thank you Pierre and I just want to point out too because Pierre and I and P.J., had met with the college several time and to President DeMarte's accomplishments, he came in with a lot challenges pre-COVID and he and his team made some difficult decisions in their expenses to reduce costs as well. We were seeing those cost reduction materialize pre-COVID and unfortunately COVID hit and it became a challenge. But again, I believe the college is on the right path with is leadership. With all that, you heard Pierre, myself, and Kathleen, anyone else like to comment on this or any questions?

Legislator Odell: Just a quick comment Mr. Chairman. I think the greatest take away from this in the whole model is the fact that it's going to create funding predictability and stability for all parties.

Chairman Nazzaro: Anything else?

Unanimously Carried

Proposed Resolution - Close Capital Projects – 2020 Year End Reconciliation

Chairman Nazzaro: I know this is a favor of our Chairman (*inaudible*) in this to make sure we close capital projects. Kathleen, are you going to address this?

Mrs. Dennison: For the past several years as part of our year-end closing procedures, we send out a survey, if you will, to the departments. They get a report that I generate that shows all the active capital projects during the year and then they respond to the status of each project. So these are the projects that were identified as ones that are able to be closed. Their work is done and all of the accounting transactions have been completed. There are a few other projects that are pretty close, ones that the work is completed but we're still waiting for final invoices or final reimbursements from other outside sources. So those are not on the list. These are the ones that everything is done. They are closed and then Todd works his magic on reconciling the projects and returning any unused funds to the appropriate reserves.

Chairman Nazzaro: Any questions on any of the projects? All in favor?

Unanimously Carried

Chairman Nazzaro: I believe we have one late resolution that came in.

Mrs. Dennison: I hope there is two.

Deputy Clerk Ames: We never received the second one from the County Executive's office. We have the Office of the Sheriff resolution that you did receive.

Chairman Nazzaro: That's the one that I had before Olivia.

Deputy Clerk Ames: Then there was one that we were expecting to get from the County Executive's office titled, Amend 2020 Budget for Year End Reconciliation Fourth Quarter Unemployment Insurance Expense.

Ms. Crow: I had missed that one so I had not sent that on to the County Executive's office. I have it and forward it to you. It's not that urgent where we could do it next month.

Chairman Nazzaro: Why don't we just do it next month unless it imposes an internal problem closing out the books?

Mrs. Dennison: I don't think that it will since we will have additional amendments in March. That's the amendment we discussed Tuesday where we had a late reduction in the unemployment expenses for the 4th quarter because we're expecting reimbursements from the Federal government. So Chairman Nazzaro, that's the one that you recommended putting all those changes into one resolution instead of changing six or seven individual resolutions.

Chairman Nazzaro: Yes, so it's a small dollar amount and I'm sure you are going to have others like you said. That was the last one. If you can guarantee me that will be the last one, I'll wait –

Mrs. Dennison: Unfortunately that's probably not the last one.

Chairman Nazzaro: O.k., so we'll hold off. We do have one other one that did come in.

OtherProposed Resolution – Amend the 2020 and 2021 Budgets for Grant Equipment Revenue –
Office of the Sheriff

Chairman Nazzaro: Jen, are you going to speak to this one?

Mrs. Swan: Really quickly. There were (*inaudible*) that were encumbered due to anticipated grant equipment purchases (*inaudible*). Those purchases did not happen but obviously those purchase orders stayed open and that expense rolled to the 2021 budget but of

course, the corresponding revenue did not. So, these budget amendments will adjust for that and shift that revenue to the 2021 budget to offset those.

Chairman Nazzaro: So basically you found \$147,000 in revenue?

Mrs. Swan: Yes.

Chairman Nazzaro: Sometimes things work mysteriously here.

Legislator Odell: I like emergency resolution, right boss?

Chairman Nazzaro: That's right.

Mrs. Swan: I just want to point out that there was an amendment made to this last night in Public Safety. Under the 2021 adopted budget section, that first line should be eliminated and the full amount of \$147,556 should be applied to the A.3110.GRNT account. As some of you may recall, we changed our budgeting for this year and all of our grants are now going to be in that grant account. So we're going to be changing the account allocation for those purchase orders as well to correspond with that.

Chairman Nazzaro: Thank you Jen and that change was reflected in the resolution that was sent out last night.

Mrs. Swan: Perfect.

Legislator Niebel: Chuck, we amended this last night in Public Safety and I believe we're looking at the amended resolution as passed last night in Public Safety.

Chairman Nazzaro: That's the one that I'm looking at because it shows the grant (*inaudible*) account. I like that idea of putting everything in that one account. All those grants.

Mrs. Swan: Yes, I think it's (*inaudible*) for everybody going forward. It created some confusion in the past so in order to kind of keep it in one place, makes it more manageable and a little more transparent. That's what we're hoping for.

Chairman Nazzaro: Thank you.

Mrs. Dennison: I always have to add something so I'm going to add a little bit of bad news to rain on the parade. I just want to make sure it's clear that this resolution is taking revenue out of the 2020 budget which effectively is a use of fund balance in 2020 and then contributing revenue in 2021. So it's a use of fund balance in 2020 and a contribution to fund balance in 2021.

Chairman Nazzaro: Excellent point but it all goes to fund balance eventually.

Mrs. Dennison: Yes but it's not really new revenue. It was revenue we were expecting in 2020 but we're going to get it in 2021.

Legislator Niebel: It's a wash basically.

Mrs. Dennison: Correct.

Chairman Nazzaro: It's a timing issue, really. O.k., thank you. Anything else Kathleen?

Mrs. Dennison: No.

Chairman Nazzaro: All in favor?

Unanimously Carried

Chairman Nazzaro: We did it, it's only 10:33 and I blocked off the whole day for this, or the morning anyway. With the permission of the committee, we did receive from Kathleen preliminary results for 2020 budget. She sent it to the committee. There is a lot of positive news here. I just want to be cautious and this is positive news for the County. The County has performed amazingly well under the difficult positions of COVID. The County Executive, his executive team, all the department managers, leadership, as well as our Chairman Chagnon, Legislator Gould, and myself have been meeting regularly every week to review the financial results of the County and I think what we have before us is good news. I just want be cautious that there is still a lot of uncertainty in 2021. We just don't know how things are going to end up. But, I like to go with good news and I think at this time if Kathleen could give us a high level review and I'm sure Kitty will chime in, on how we ended up to both the adopted budget and the amended budget. Just go over the highlights of where we ended up. So Kathleen, I will turn it over to you.

Discussion – 2020 Budget Update – Dennison – Crow

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

Unanimously Carried (11:11 a.m.)

Respectfully submitted and transcribed,
Kathy K. Tampio, Clerk/Olivia Ames, Deputy Clerk/Lori J. Foster, Sr. Stenographer