

BUDGET COMMITTEE
January 20, 2016
NOT APPROVED

Committee Members Present: C. Crandall, K. LaForge, P. Curran, D. Healy, J. Hopkins, D. Root (Absent: D. Fanton)

Others Present: S. Burt, D. Decker, K. Graves, K. Hooker, C. Jessup, J. Margeson, T. Miner, D. Pullen, B. Riehle, T. Ross, R. Scott

Media Present: No media present.

Call to Order: The meeting was called to order at 11:07 a.m. by Budget Committee Chairman Curt Crandall.

Approval of Minutes

A motion was made by Legislator Curran, seconded by Legislator Hopkins, and carried to approve the Budget Committee minutes of September 28, 2015.

A motion was made by Legislator Curran, seconded by Legislator LaForge, and carried to approve the Budget Committee minutes of October 21, 2015.

A motion was made by Legislator Curran, seconded by Legislator Hopkins, and carried to approve the Budget Committee minutes of November 18, 2015.

Sales Tax Report

County Treasurer Terri Ross distributed the Sales Tax Report reflecting receipts through January 20, 2016, totaling \$568,159.65. Receipts for the current period indicate a decrease from one year ago for the same period. Ms. Ross commented this year is not off to a great start. The Budget target for this year is \$20 million.

Ms. Ross also distributed the 2015 Allegany County Sales Tax Report. She reported overall the County was down 3.3 percent or \$677,100.28 from the previous year. She stated she checked with other counties; some were down, while others had an increase. For 2015, the County received about \$19.4 million in sales tax. Ms. Ross stated they did not meet the budgeted target by \$541,000. Chairman Crandall asked about the bonus tobacco settlement. He thought the amount of money they will receive will offset some of the 2015 deficit. Ms. Ross stated they will not get that money until mid-April of 2016. Therefore, it will be 2016 revenue.

Ms. Ross also distributed a summary of the last 8 quarters from the State report. She thought it was a good comparison to see what the prepaid sales tax was each quarter and annually. Ms. Ross noted prepaid sales tax on motor fuel increased from 2014. Ms. Ross stated this is the most information they get from the State regarding sales tax. Legislator Decker commented Senator Cathy Young is now the Finance Chair of the Senate, and she may be able to help get more information. Ms. Ross said the State report is slightly different than how the County reports. Legislator Decker asked about the slight difference in reporting, and wondered why they did not report the same way. Ms. Ross replied that when sales tax first came out, it always followed the date paid to the County. The first one this year is January 4, and it goes in the 2015 Budget because it was for the prior year. If the County changes it to match the State reporting, the Budget will take a hit. She added it has been reported this way since the County started receiving sales tax. Ms. Ross said budget wise, it would take a lot to

change it. Legislator Decker asked if the State ever questioned the difference in reporting; Ms. Ross replied no.

Ms. Ross stated the Treasurer and Finance Officers Association are all concerned with the lack of information they receive regarding prior period adjustments, and why there is a decrease in money. Ms. Ross said the association will meet in February and May to talk about zip codes that cross County borders. For example, someone who lives in Genesee may have a Cattaraugus County zip code. Even though they are an Allegany County resident, the sales tax goes to Cattaraugus County. She stated one county found 700 car sales that went to another county because of zip codes. Ms. Ross said she will keep the Committee posted about this issue.

New Business

County Treasurer Terri Ross distributed copies of the detailed 2016 Budget. Ms. Ross said this copy shows all of the line items. She stated the detailed copy was printed on January 8, 2016, so any expenses for 2016 up until January 8, 2016, should show up on the copy she distributed. She said the copy of the Budget they previously had was summarized by category, and did not contain the line items.

Chairman Crandall suggested the committee look at some of the basic details of the budget over the next couple of committee meetings. He believes it is important for the Committee and the Board to understand the budget and how it works. He would also like County Treasurer Terri Ross to talk about mandated and non-mandated programs. Chairman Crandall thought they could look at some of the forms, how to read reports, and how much local share is supporting programs. If anyone has ideas of what they would like to know about the Budget, they should contact Chairman Crandall.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 11:25 a.m. following a motion by Legislator Healy, seconded by Legislator Curran, and carried.

Respectfully submitted,
Rebecca Scott, Secretary to the Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
February 17, 2016
NOT APPROVED

Committee Members Present: C. Crandall, P. Curran, D. Healy, J. Hopkins, D. Root (Absent: D. Fanton, K. LaForge)

Others Present: R. Hollis, J. Margeson, T. Miner, B. Riehle, T. Ross, R. Scott

Media Present: No media present.

Call to Order: The meeting was called to order at 11:09 a.m. by Budget Committee Chairman Curt Crandall.

Approval of Minutes

A motion was made by Legislator Curran, seconded by Legislator Healy, and carried to approve the Budget Committee minutes of January 20, 2015.

Sales Tax Report

County Treasurer Terri Ross distributed the Allegany County Sales Tax Report reflecting receipts through February 16, 2016, totaling \$2,036,830.42. Receipts for the current period indicate a decrease of \$252,065.99 or 11 percent from this time last year. She stated she talked with Wyoming and Montgomery Counties about their results last year. Their gas tax was down, but taxes from other sources were up. Ms. Ross said for Allegany County it was the opposite. Gas tax was up, but the taxes from other sources were down. She said there is a meeting next Friday, and they will discuss it some more. Legislator Curran said he hasn't spoken to anyone whose business has decreased.

Ms. Ross distributed and reviewed the local brief from the Office of the New York State Comptroller. She spoke about the local collections across the State in 2015. She noted half of the increase in New York City was due to an adjustment for incorrect payments in previous years. The brief includes a 2014 to 2015 chart of all counties and sales tax collections. Ms. Ross talked about Steuben County. They had 9.5 percent because Hornell and Corning repealed their individual sales tax in March 2015. They will now get a distribution of the County's sales tax collections, rather than their own separate collections. Chairman Crandall commented about twenty to thirty counties had a decrease. Allegany County had a 3.5 percent decrease. He noted there were about four to five other counties that were down more than that. He added that the overall financial picture for the County is good.

Chairman Crandall said there was some discussion at the New York State Association of Counties (NYSAC) about the proper reporting or distribution of sales tax on fringe. Ms. Ross said she hasn't heard anything more, and hopefully they will talk about it next Friday along with zip codes. She said a County suggested adding the County on people's driver's licenses so the appropriate County will get the sales tax.

Ms. Ross also distributed the 2015 Demographic Snapshot for Allegany County. It contains a lot of information including home values. She also distributed the most recent data from 2013 for Allegany County on taxable sales which is broken down by industry. This information also includes combined state and county sales tax rates. The second map shows the sales tax each county charged on clothing and footwear. This report includes gas stations under retail trade rather than in utilities – residential energy. Ms. Ross noted the only reason they get a breakdown on the fuel is because gas stations have to prepay sales tax. They pay

when the fuel is delivered, not when they sell it. Legislator Curran said one way to help the sales tax is not to give sales tax exemption to everyone. He noted 60 percent of his sales are tax exempt. Ms. Ross noted many of the big building projects in the County are tax exempt. That includes school and County projects.

Chairman Crandall talked about the Committee monitoring the County Budget and quarterly revenue and expenses. He asked if the Committee wants to know more about mandated and non-mandated programs and the local share costs of programs. He also wondered if they want to know about the different accounts and how they relate to the budget. A majority of the Committee stated they would like to know more information. Chairman Crandall thinks the Committee should understand and know more about the budget in addition to the sales tax report. He believes knowing what the cost to the County for mandated and non-mandated programs is important. He believes if they maintain that information, then they can use that information to talk to State representatives about the increase cost in local share. Ms. Ross stated if they wanted to look at a program or department, she can run reports for the last three years including the net cost for any program. Chairman Crandall stated he sees a shift where some program's local share is increasing. Legislator Curran said a snapshot of a department's overall cost including state and local shares would be useful. Ms. Ross stated she will bring in samples of reports for programs for the last three years.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 12:05 a.m. following a motion by Legislator Curran, seconded by Legislator Root, and carried.

Respectfully submitted,
Rebecca Scott, Secretary to the Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE

March 16, 2016
NOT APPROVED

Committee Members Present: C. Crandall, K. LaForge, P. Curran, D. Healy, J. Hopkins
(Absent: D. Fanton, D. Root)

Others Present: L. Ballengee, D. Decker, K. Graves, R. Hollis, J. Margeson, B. Riehle, T. Ross, R. Scott

Media Present: No media present.

Call to Order: The meeting was called to order at 11:06 a.m. by Budget Committee Chairman Curt Crandall.

Approval of Minutes

A motion was made by Legislator Curran, seconded by Legislator Hopkins, and carried to approve the Budget Committee minutes of February 17, 2016.

Sales Tax Report

County Treasurer Terri Ross distributed the Sales Tax Report reflecting receipts through March 16, 2016, totaling \$3,235,862.20. Receipts for the current period indicate a decrease from one year ago for the same period. Ms. Ross reported they are down about \$329,000 from this time last year. She noted gas prices are down. She stated her only concern is that this is about where they were last year at this time, and they ended the year below the budget target. Ms. Ross is concerned they may be below budget more than last year. She wants them to be mindful of the sales tax number because \$20 million is budgeted.

Legislator Hopkins asked about a meeting Ms. Ross attended since the last Budget Committee meeting. Ms. Ross stated she was named to a subcommittee, and they will meet with the State. There are about four people on the subcommittee. This subcommittee will focus on reporting including what they get for information and adjustments. The subcommittee has not met yet. She thinks they may meet in Syracuse at the Finance School in May. Ms. Ross stated Albany County had issues with seven dealerships and zip codes. The dealerships owed Albany County and other counties suffered. Chairman Crandall talked about a similar issue with the 911 cell phone revenues, and where they are credited. Ms. Ross stated sales tax is collected on cell phones, and they are not sure if it goes by area code or zip code.

Ms. Ross distributed the Sales Tax Receipts for Calendar Year 2015 for all of the New York State Counties. Ms. Ross highlighted the column Cumulative 2015 CASH by highest receipt to lowest receipt. On the back of the report, it shows the percent change. About half of the counties had an increase, and half of the counties had a decrease. They range from 0.1 percent to 6.7 percent decrease. The report shows that Allegany County is not alone.

Chairman Crandall asked if any counties receive a specific breakdown by municipality. Ms. Ross stated the only ones that get a better breakdown are the cities that have their own tax and preempts. She believes cities have the option to preempt sales tax. Chairman Crandall commented the increase in Steuben County was because of a shift in sales tax collection. The sales tax that was generated in the City of Hornell shifted to the County.

County Treasurer Terri Ross distributed the 2016 schedule for one page department budget reports to the Budget Committee. Ms. Ross reported Department of Social Services Commissioner Vicki Grant stated her department will not be available on July 20, 2016. There

was discussion of rescheduling the report for August since they are a large department. Ms. Ross stated she will contact Ms. Grant, and ask about the August Budget Committee meeting date.

Sample Reports

Ms. Ross distributed sample department reports by cost center. Chairman Crandall commented it is important for them to understand the budget and different programs, including the costs within departments. The first report she reviewed was the Department of Health. The reports are for the 2015 fiscal year. The prior year-to-date (2014) is also included on the report. She noted each page shows a different cost center for each account in the Health Department. The reports include any revenue and expenses, and there may be no revenue for some programs. For example, the Medical Examiners and Coroners Program doesn't have any revenue, so it is all County cost. Ms. Ross stated it is important to remember that some of the programs' personnel are not covered by funding. Personnel and fringe are not included unless a grant covers some of it. So, when a program is analyzed, the personnel and fringe need to be taken into account. The point ones and point eights in the budgets are personnel and fringes. Fringe (point eight) is included in the General Fund Budget for everyone unless it is covered by a grant. Ms. Ross noted employee salaries will be shown in point ones. If they are a contracted employee or service, they would be in point fours. Ms. Ross said when a department submits a budget, the budget reports are expanded, and then they will list the contracts under certain accounts. They will not show up after that, it is only during budget time that the contracts will be individually listed. Ms. Ross said equipment is listed as point twos. The last page of the report shows the entire department including revenue and expenses.

Ms. Ross stated they contract with Maximus to come in on an annual basis, and do the cost allocations. Some of the departments need that information for their State and Federal reporting. She added they will also look at indirect costs to the program. Ms. Ross said Maximus comes up with a calculation the departments can use.

Ms. Ross also distributed and reviewed the Department of Public Works (DPW) Report and the General Fund Report including the Treasurer's Office, County Clerk's Office, and County Attorney's Office. She noted part of the DPW budget is in the General Fund, the County Road Fund, Road Machinery, and the Capital Fund. So, the DPW covers four funds. She only distributed the DPW General Fund. DPW's admin is in the General Fund and that includes office staff, Building and Grounds, and Solid Waste. She noted they have several payroll departments. She also said Solid Waste includes everything except fringe. Legislator Hopkins asked where fringe is budgeted. Ms. Ross stated they are in General Fund accounts. At the end of the year, they look at the fringe against what was spent in salaries to come up with a percentage. They use a percentage to estimate fringe.

Ms. Ross stated her department doesn't have a lot of revenue. She stated she has some tax revenue that offsets her budget. Ms. Ross stated the County Clerk has more revenue than expenses, and that goes back to the General Fund. The County Attorney's office also generates revenue. She noted most of the departments cost the County money. Chairman Crandall stated that the County is different than a business because they provide services, and the services cost money. He added they are different because they don't produce things.

Chairman Crandall discussed the local share of programs, mandated and non-mandated programs, and the County net cost. He added some things are not mandated, but are necessary. For example, the County Attorney is not mandated but is needed. Chairman Crandall asked how much detail the Committee would like to see. Ms. Ross stated the samples she distributed are what the Departments use to do their one page reports. Chairman Crandall

stated the one page report is extremely valuable. The report allows the Committee to know if they are on track, and if not why.

Legislator Decker stated it looks like the Committee, County Treasurer Terri Ross, and the County Administrator, have done a lot of work to make the budget information understandable. Chairman Crandall reminded everyone as Legislators they are required to vote on the Budget, and are asked about taxes and expenses all of the time. Legislator Graves stated he likes to look at percentages, and break the year into quarters. He looks at the percentages, and how much they are spending. For example, if they have spent 50 percent of the budget by the end of March, he knows there is a problem. Ms. Ross stated she runs a different report at the end of the quarter to look at percentages. She said it is easier to look at expenses quarterly, but it can be hard with revenue. Legislator Healy commented the process they went through today was good. He had a question about the pilots. Ms. Ross stated they have their own separate account, and are posted as they are paid.

Good of the Order

Chairman Crandall stated he was contacted by the *Cuba Patriot*. They received a report from the Comptroller's Office on County Governments, and were going to do an article. The *Cuba Patriot* was going to give Allegany County's rank for sales tax and property tax rate, and asked if he would like to give a comment. He was thankful for the opportunity to give a reply. He took what may be seen as a negative and kept it positive.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 12:03 a.m. following a motion by Legislator Healy, seconded by Legislator Curran, and carried.

Respectfully submitted,
Rebecca Scott, Secretary to the Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
APRIL 20, 2016
NOT APPROVED

Committee Members Present: C. Crandall, P. Curran, D. Fanton, D. Healy, J. Hopkins, K. LaForge, D. Root

Others Present: L. Ballengee, B. Budinger, S. Burt, D. Decker, S. Decker, M. Gasdik, V. Grant, K. Graves, G. James, J. Margeson, T. Miner, K. Monroe, V. Pettit, D. Rahr, B. Riehle, T. Ross, R. Whitney

Media Present: B. Quinn (Wellsville Daily Reporter)

Call to Order: The meeting was called to order at approximately 11:00 a.m. by Budget Committee Chairman Curtis Crandall.

Approval of Minutes

A motion was made by Legislator Curran, seconded by Legislator Root, and carried to approve the Budget Committee minutes of March 16, 2016.

Sales Tax Report

County Treasurer Terri Ross distributed the 2016 Allegany County Sales Tax Report reflecting receipts through April 13, 2016, totaling \$5,125,772.51. Receipts for the current period indicate a decrease of \$339,163.70 (6.206 percent) from one year ago for the same period. Ms. Ross also distributed copies of the first quarter Sales and Use Tax Statement from the State noting that sales tax revenue was down 2.6 percent from last quarter. Legislator Healy asked the County Treasurer if there was anything specifically causing the low sales tax numbers. Ms. Ross stated that some will say it's just the state of the economy, lower fuel prices, and some people are trying to reduce their debt and just aren't spending as much. Ms. Ross also mentioned that the County had just received Tobacco Settlement payments. Our annual payment is about \$720,000. Because of the Tobacco Settlement lawsuit, we received another one-time payment of \$751,000 for the last ten years. She noted that this will help the budget if sales tax doesn't recover. Legislator Hopkins asked how increasing fuel prices affect sales tax. Ms. Ross replied that it does help, but not to the extent it did in 2014 when fuel prices were \$4 per gallon. Legislator Curran asked about the collection of sales tax on fuel that is delivered from outside of the County. Ms. Ross indicated that the sales tax is paid upon delivery, so any taxable fuel delivered in Allegany County would have sales tax paid to Allegany County.

Department Budget Reviews (Big 5)

Office for the Aging

OFA Director Madeleine Gasdik and Accountant Vicki Pettit were in attendance to discuss the budget for Office for the Aging. Ms. Pettit stated that they are in good shape. Ms. Gasdik noted that Ms. Pettit usually is able to leave County money "on the table" every year. Last year she was able to have a surplus of around \$30,000.

Department of Health

Public Health Director Lori Ballengee started by saying she was concerned about appropriations for the Preschool program. They had to do a revenue reversal of almost \$500,000. Another area of concern is Early Intervention. Currently they have a large number of children, especially children with high needs. She estimates they could be about \$24,000 short in that area at year-end. The numbers all depend on how many children they get and what their needs are. Legislator Fanton asked if it was State mandated. Ms. Ballengee indicated that both Preschool and Early Intervention are mandated. Ms. Ballengee stated that the grant they get from the State for that program is miniscule. There used to be funding under Article 6, but the program is not eligible anymore. She did note that the County recoups forty-nine percent of all Early Intervention expenses from the State. She also indicated that her department has had three employees with long tenure retiring in a short period of time. The payout of benefits for those three employees amounts to almost \$50,000. She did say that replacing them with individuals at lower pay rates will help offset that expense.

Department of Public Works

Superintendent of Public Works Guy James addressed the committee regarding the status of the budget for Public Works. Mr. James commended DPW Fiscal Manager Yvonne Marks for keeping their budget in check. Mr. James remarked that they are going to receive an increase in CHIPS funding. He did note that repairs to real property for the Jail were straining their budget. They've had to make roof repairs and boiler replacement. He also mentioned the huge effect fuel prices have on their budget, saying that they are constantly monitoring that. He suggested any guidance the committee could offer in helping them put together their 2017 budget would be greatly appreciated. County Administrator John Margeson asked about the status of their budget for snow removal. Mr. James replied that based on past history, they should be close, but ultimately it will depend on the weather between October and December. Chairman Crandall asked about the budget for fuel. Mr. James indicated that they took fuel prices into consideration when putting the budget together. When prices were lower, they didn't experience a large surplus because they had budgeted for less. Legislator Decker questioned if they have multiple suppliers for fuel, and if they were looking for the best price. Mr. James explained that they choose a supplier from State bid. They only use that supplier because they are low bid.

Sheriff's Office

Sheriff Rick Whitney stated that the Sheriff's Office is in pretty good shape with their budget. The only area they may be behind is for the E-911 Dispatch appropriations. They are still trying to figure out a schedule that can be agreed upon. Once a schedule is determined with the union, there shouldn't be an issue with the budget. In speaking with Accountant Randy Hartwick, they should be able to absorb the extra E-911 Dispatch costs elsewhere. Legislator Fanton asked if the jail population had changed. Sheriff Whitney indicated that right now they actually have more local inmates than federal inmates housed, which is rare. Legislator Curran asked about the progress on construction of the E-911 Dispatch area. Sheriff Whitney stated that things had gone well, and they are working on moving the equipment into place.

Department of Social Services

Commissioner Vicki Grant explained that they haven't received some State funding yet, so that affects their revenues. She also said there was a fire code issue with some of their office cubical walls. It cost the department \$17,000 to replace those walls. Chairman Crandall asked about medical transport and whether it was more of a services related issue than budgetary. Ms. Grant indicated that yes, it is almost a pass-through type of thing.

Chairman Curtis W. Crandall

Resolution Calling on NYS to Fund DA Salary Increase

Chairman Crandall remarked on the recent passage by our Legislative Board on a resolution to increase the District Attorney salary. He mentioned that some counties have not done so. The committee discussed a sample resolution asking the State of New York to reimburse counties for the District Attorney's salary increase required by the State. Legislator Decker asked if this would cover every year going forward or just the current year. Chairman Crandall stated that there are no guarantees. It would be part of the State budget process. Legislator Decker remarked that if over time they quit the funding, we'd be in a pickle. Chairman Crandall replied that right now we've got \$30,000 that they aren't funding. County Administrator John Margeson stated that Livingston County had defeated their resolution for the salary increase. Their rationale was that there wasn't anything in the State budget to cover the increase. A motion was made by Legislator Fanton, seconded by Legislator Hopkins, and carried to refer the issue of asking the State of New York to reimburse counties for the District Attorney's salary increase to Ways & Means. **Refer to Ways & Means**

CHIPS & Local PAVE-NY Funding

Chairman Crandall shared a memo from Senator Catharine Young announcing additional CHIPS funding for our municipalities in Allegany County. Allegany County will be receiving over half a million dollars in additional funding for SFY 2016-17.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 11:42 a.m. following a motion by Legislator Fanton, seconded by Legislator Root, and carried.

Respectfully submitted,
Sarah M. Decker, Journal Clerk/Deputy Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
MAY 18, 2016
NOT APPROVED

Committee Members Present: C. Crandall, K. LaForge, P. Curran, D. Fanton, J. Hopkins, D. Root (Absent: D. Healy)

Others Present: S. Decker, K. Hollis, J. Margeson

Media Present: No media present

Call to Order: The meeting was called to order at approximately 11:07 a.m. by Budget Committee Chairman Curtis Crandall.

Approval of Minutes

A motion was made by Legislator Curran, seconded by Legislator Root, and carried to approve the Budget Committee minutes of April 20, 2016.

Sales Tax Report

Committee members reviewed the 2016 Allegany County Sales Tax Report reflecting receipts through May 18, totaling \$6,503,855.64. Receipts for the current period indicate a decrease (4.833 percent or \$330,278.40) from one year ago for the same period.

NYSAC 2016-17 State Budget Impact Report

Committee members reviewed the 2016-17 State Budget Impact Report from NYSAC. Chairman Crandall indicated that the report is specific to the State budget and how it relates to the municipalities. Legislator Curran noted that the Town of Alfred was excluded from the chart on page 8. After reviewing the figures it was decided that most likely the Village of Alfred and Town of Alfred were combined. Legislator Graves remarked that he was glad to see an increase in CHIPS funding. He feels the State hasn't paid enough attention to the infrastructure here. The group also discussed revenue from the Native American casinos. Chairman Crandall stated that he'd like to have a financial advisor come in and take a look at the overall financial status of the County. The group also discussed the timing of the budget process for 2017.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 11:43 a.m. following a motion by Legislator Fanton, seconded by Legislator Hopkins, and carried.

Respectfully submitted,
Sarah M. Decker, Journal Clerk/Deputy Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE

June 15, 2016

NOT APPROVED

Committee Members Present: C. Crandall, K. LaForge, D. Fanton, D. Healy, J. Hopkins, D. Root

Others Present: H. Budinger, K. Graves, R. Hollis, D. Horan, C. Jessup, J. Margeson, T. Miner, J. Norris, D. Pullen, B. Riehle, T. Ross, D. Scholes, N. Ungermann, T. Boyde, K. Hooker, R. Hollis, D. Rahr

Media Present: B. Quinn, *Wellsville Daily Reporter*

Call to Order: The meeting was called to order at 11:01a.m. by Budget Committee Chairman Curt Crandall.

Approval of Minutes

A motion was made by Legislator Fanton, seconded by Legislator Curran, and carried to approve the Budget Committee minutes of May 18, 2016.

Sales Tax Report

County Treasurer Terri Ross distributed the 2016 Allegany County Sales Tax Report reflecting receipts through June 13, 2016, totaling \$382,040.87. Receipts for the current period indicate a small decrease from one year ago for the same period. The year-to-date figures show a decrease, currently of \$352,624.01 or -4.217 percent over last year at this time. The third quarter will reflect summer activity.

2017 Budget

Terri Ross, Treasurer, handed out the timetable for the 2017 Budget and it was noted everyone will need to have their proposed budgets for 2017 ready by July 8, 2017, for review. Departments should make cuts wherever they can cut.

At the July Budget meeting the committee should go over the individual department budgets.

The end of the quarter will occur at the end of June. At the Budget Committee Meeting in July, the big five departments will report, which includes Office for the Aging, Department of Health, Department of Public Works, Sheriff's Office, and the Department of Social Services. It was noted the Department of Social Services will not be able to attend that meeting. Social Services will report in August.

Ms. Ross distributed a list of some projects that were kept track of from past meetings. The first item on the list is the closure of the Landfill. This item is really off the list and some funds have been appropriated for that purpose. Three million of the required funds needed have been earmarked for this purpose. The old Jail renovation was discussed as a possible future renovation project. There is about six thousand square feet in the old Jail facility that can be renovated. Friendship Shop needs a new roof but is not slated to be done at this time. The County is looking into installing a new phone system but unsure of the costs involved at this time.

Legislator Root asked for an activity report on what has been spent and where work has been done. Some of these items will be addressed out of the current budget.

Ms. Ross noted that the annual financial report for fiscal year ending December 31, 2015, was sent in on April 29, 2016. Chairman Crandall requested a couple of copies of the annual report be available for legislator's review.

Ms. Ross was talking with Moody's Investors Service about a review. Moody's has upgraded the County rating from A2 to A1 Allegany County New York's \$16.6 million General Obligation limited Tax debt.

Ms. Ross and Chairman Crandall indicated they would like to have a financial advisor come in and have a meeting sometime in the near future.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 11:31 a.m. following a motion by Legislator Dwight Fanton, seconded by Legislator Mike Healy, and carried.

Respectfully submitted,
Janet Norris, Secretary to the Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE

August 17, 2016

NOT APPROVED

Committee Members Present: C. Crandall, K. LaForge, P. Curran, D. Fanton, D. Healy, J. Hopkins, D. Root

Others Present: T. Boyde, H. Budinger, V. Grant, K. Graves, R. Hollis, D. Horan, T. Miner, D. Pullen, B. Riehle, T. Ross, D. Scholes, N. Ungermann, M. Washer

Call to Order: The meeting was called to order at 11:05 a.m. by Budget Committee Chairman Curt Crandall.

Approval of Minutes

A motion was made by Legislator Root, seconded by Legislator Fanton, and carried to approve the Budget Committee minutes of July 20, 2016.

Sales Tax Report

County Treasurer Terri Ross distributed the 2016 Allegany County Sales Tax Report reflecting receipts through August 15, 2016, totaling \$11,045,960.27. Receipts for the current period indicate a small decrease from one year ago for the same period. The year-to-date figures show a decrease, currently of \$593,272.57 or 5.097 percent over last year at this time.

PUBLIC WORKS DEPARTMENT

2017 Budget Requests

County Treasurer Terri Ross noted that the report handed out at the beginning of the meeting is the entire budget for Public Works. The report shows everything budgeted as well as actuals from 2014 forward.

Superintendent of Public Works Guy James approached the committee to make the following 2017 Budget requests:

Capital Projects

Mr. James has included in this year's program three town structures that will be town rehabs. This is a simpler process for Mr. James because they can go back and reuse the same abutments but put new super structures in place. Two of the County structures, located in the north part of the County, are currently culverts that were impacted by the July 2015 flooding. Mr. James stated that because of the span length they were not adequate hydraulically, therefore, when they are completed, one will become a bridge and have a longer span length. The second will also have a longer span length than what is currently there but it will remain a culvert even though it has all of the characteristics of a bridge.

Town Projects

1. BR #16-11	Friendship, Moss Brook Road	\$240,000
2. BR #17-10	Genesee, Deer Creek Road	\$291,000
3. BR #22-04	New Hudson, Rush Creek Road	<u>\$324,000</u>
	Total Cost	\$855,000
	County Share 85%	\$726,750
	Town Share 15%	\$128,250

County Projects

1. Culvert 15A-06	County Road 15A, Allen	\$210,000
2. Culvert 15B-51	County Road 15B, Grove	<u>\$300,000</u>
	Total County Cost	\$510,000

Total County share for 2017 Capital Projects is \$1,236,750.

Vehicle and Equipment

Superintendent of Public Works	(1) Extended Cab Pickup or SUV	\$ 34,000
Building and Grounds	(1) Pickup Truck	\$ 25,000
Solid Waste	(1) Mechanics Truck with compressor and welder	\$ 50,000
County Road Traffic	(1) One Ton Truck with utility body	\$ 40,000
Road Machinery	(1) Fifty Ton Lowboy Trailer	\$ 75,000
	(3) Broom/Mowing Tractor (\$53,000/ea)	\$159,000
	(1) Force Feed Sod Loader	\$215,000
	(1) Wood Chipper	\$ 47,000
	(1) Tag Roller	\$ 26,000
	(1) Tractor w/Boom Mower & Rotary Boom Head	\$122,000
	(1) One Ton Truck with Plow	<u>\$ 40,000</u>
	Total	\$833,000

Mr. James made the following highlights regarding the vehicle and equipment requests:

- The first two requested vehicles are in the Vehicle Replacement Fund Budget. One is a replacement vehicle for Superintendent Guy James. His current vehicle will go to Engineering and Engineering's vehicle will move to Highway or Solid Waste and an old vehicle of Highway or Solid Waste's will be taken out of the system. Mr. James currently believes that vehicle will be a 19 year old Dodge Caravan. Mr. James stated the second vehicle for Building and Grounds is being requested because they seem to have quite a bit of travel back and forth between the Jail, Courthouse and other out buildings and in the past have had employees not be able to get out where needed due to the unavailability of vehicles.
- The mechanics truck with compressor and welder will replace a 1991 Dodge.
- The one ton truck with utility body will replace a 2006 truck with 220,000 miles. On a monthly basis, this employee has to travel every mile of every County road to inspect and report on 4,400 signs.

- The fifty ton lowboy trailer will replace a 2001 trailer that could not pass inspection done by our own people. They have tried to see what could be done to refurbish the trailer, as that is something that has been done in the past, but with this particular trailer being 16 years, they were unable to do so. Mr. James also noted that typically lowboy trailers sit 8-10 inches off the ground and see a lot of salt spray.
- The three broom/mowing tractors will go to the other three counties that have not received one and they will replace a 1972 tractor and two 1974 tractors. Being 43 and 45 years old Mr. James stated they are beginning to have a hard time finding parts for them.
- The force feed sod loader commonly referred to as Athey loaders will replace a 1981 loader and a 1983 loader that again are becoming difficult to find parts for.
- The wood chipper will replace a 27 year old chipper currently being used.
- The tag roller will replace a 27 year old roller and will primarily be used in patching operations for blacktop.
- The tractor with boom mower and rotary boom head will replace a 2001 John Deere and is primarily used to cut back the brush on the backside of the ditches. Mr. James noted due to the off season for vegetation, these vehicles are used a lot in the winter months as it is the best time to perform this maintenance.
- The one ton truck with plow will be used primarily to plow the County and Jail parking lots.

Dean Scholes noted that the current 1991 truck being used is on the road quite a bit and will not pass inspection as the frame is rotted and broken. Mr. Scholes went on to say that we do our own inspections and always make sure everyone is safe and in this case passing this vehicle cannot be done again.

Legislator Healy questioned if we have compared the cost of leasing vs. purchasing for our vehicles. Mr. James stated they are currently exploring that option but it is not set in stone and it can only apply to any vehicle that does not require a commercial driver's license (any vehicle that is less than 26,000 pounds of GVW), so would not include any of their big trucks or heavy pieces of equipment.

Legislator Fanton stated the life use of equipment being discussed to replace has been extended to save us a lot of money and while he is not sure how it will work in regards to the rotation process, he feels we need to carefully look at extending the life use of these pieces of equipment before making the decision for all of these purchases. He went on to state that we have been able to keep a lot of our equipment on the road because we do take good care of it ourselves and cautions the committee not to rush to a decision. Legislator Healy noted he agrees with Legislator Fanton but if we don't look into our options we won't know for the future. Mr. James stated that one thing they have seen is while keeping vehicles longer does cut down on capital expenditures, they see the repair side of the budget increase so they need to come to that balance of not going too long and it becoming detrimental to the parts side vs. not going long enough and it becoming detrimental on the purchase side.

Mr. James stated that within the County Road Budget the biggest item that stands out is to budget around \$300,000 for surface treating which is our oil and stone program we use and is funded 100 percent with local County dollars.

Budget Committee Chairman Curt Crandall questioned how these requests fit into what has typically been done in this part of the budget. Mr. James stated that while the pieces of

equipment are more, the dollar amounts are comparable. Mr. James also wanted to note that they understand cuts may need to be made and there is some flexibility, but with this being round one of the budget, he would like to demonstrate their needs as they are not just requesting to replace pieces of equipment that are only five years old.

Legislator Hopkins questioned how this budget compares to last years in regards to whether there are more increases or decreases. Legislator Root stated they have \$200,000 more in equipment but capitals are comparable.

Legislator Fanton noted the town will need to get these in their budgets if approved and questioned when we would need to get this in by. Mr. James stated they have a little bit of a later initial deadline than the County. We like to have ours in by July 1 and they are September 1. Budget Committee Chairman Curt Crandall questioned if all towns are on board. Mr. James stated that, yes, all of these have been requested by their respective towns, Friendship, Genesee and New Hudson.

Buildings and Grounds

Mr. James stated they are requesting another position in Building and Grounds out at the Jail. They could use extra help and are anticipating the retirement of one of their veteran employees.

Snow and Ice

Mr. James stated they are anticipating an increase to town contracts as they usually see a slight increase in materials cost and hauling costs.

Solid Waste

Mr. James wanted to make a generalized statement that there is a big concern that we are raising taxes by having solid waste, however, public works and most of our budget is raised by taxes. There is a cost for the services we provide whether we are providing a building and facility, maintaining our infrastructure with roads and bridges, performing winter or summer maintenance as well as the cost to maintain the solid waste system. Mr. James brought up a previous discussion on ways to close the gap on our revenues and noted that they are hoping to have their expenditures high and their revenues low to help the committee for when reality comes and they have spent less but brought in more. Mr. James also stated there are still two positions being recognized in the County system, however, we are not funding them. Therefore, personnel will be two less in the Solid Waste division which has been factored into the budget that has been submitted.

Legislator Hopkins questioned if the staff has a recommendation on which scale and hangtag fees to use in keeping with finding the balance of making money but not overcharging people. Mr. James stated with the hangtags, they found Oswego County only had one that was comparable, and they charge \$175 so we are below that. As far as the across the scale fee, we are charging the lowest of the ones we looked at. The average we looked at was \$55 per ton across the scale. Steuben County was \$59 per ton. Mr. James stated we need to ask the question of whether or not we want to be comparable with other counties. If yes, his recommendation would be to charge \$200 per hangtag and \$50 scale fee.

County Treasurer Terri Ross stated that for comparison purposes, this is the first year that we have adjusted some revenues because of the changes made in 2016. This is the first year we are paying to dispose of our own garbage; so it is not always going to be apples to apples if you look at old years because of the changes made in 2016.

Old Business

Chairman Curt Crandall asked Don Horan from DSS if there are any highlights or notes that he'd like to point out. Mr. Horan stated they continue to watch the safety net line. It continues to grow but is beginning to stabilize. He continues to track cases and the monthly expenditures have flattened out which is good for DSS and noted that we are doing quite well for the 6 month mark. Settlements from the state are coming in slowly, so we have not received all money that we have reported on.

Chairman Curt Crandall questioned if we have a handle on the state coming in to take over the administration for Medicaid cases. Mr. Horan stated the state does continue to try and take over Medicaid cases to alleviate the cost of local workers, but has not taken over all of them yet.

New Business

A motion was made by Legislator LaForge, seconded by Legislator Hopkins, and carried to enter into attorney/client session at 11:45 a.m. Immediately following discussion at 12:16 p.m., a motion was made by Legislator LaForge, seconded by Legislator Fanton, and carried to end the attorney/client session and return to the regular meeting.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 12:17 p.m. following a motion by Legislator Root, seconded by Legislator Curran, and carried.

Respectfully submitted,
Meghan Washer, Secretary to the Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
Special Budget Review
August 29, 2016
NOT APPROVED

Committee Members Present: C. Crandall, K. LaForge, P. Curran, D. Fanton, D. Healy, J. Hopkins, and D. Root

Others Present: T. Boyde, H.R. Budinger, R. Christman, G. Green, M. Hennessy, C. Jessup, B. Kelly, J. Luckey, T. Miner, B. Riehle, T. Ross, K. Slep, B. Starks, M. Washer, R. Whitney

Call to Order: Budget Committee Chairman Curt Crandall called the meeting to order at 9:06 a.m.

Clerk of the Board – 2017 Budget Review

Clerk of the Board Brenda Rigby Riehle attended the meeting to discuss her 2017 budget requests for the following cost centers: Legislative Board (A1010), Clerk of the Board (A1040), Central Services – Printing (A1670), Central Services – UPS (A1672), Central Services – Postage (A1673), Unallocated Insurance (A1910), Municipal Association Dues (A1920), and the CS Risk Retention Fund. Mrs. Riehle's 2017 budget requests were very similar to 2016. The A1010 (Legislative Board) is \$16,000 less as the Legislative Board chairs were purchased in 2016.

Mrs. Riehle stated if additional cuts needed to be made in A1010 (Legislative Board), Board members would have to cut back on their conferences and travel. Legislator Root questioned if we have seen a savings in our postage (A1010 Central Services) since moving to iPad's. Mrs. Riehle said that yes we have seen a savings in regards to distributing agenda's, minutes, etc., but we do still have a significant amount of mail so the need for postage still remains. Mrs. Riehle stated the CS Risk Retention Fund is where all of the County insurance claims are paid from, and we have budgeted for \$290,000 for 2017. County Treasurer Terri Ross stated the minimum this account needs is \$250,000 which covers our deductible. Mrs. Riehle also added that she has requested the Secretary to the Clerk of Board be made a full time position.

County Attorney – 2017 Budget Review

County Attorney Thomas Miner attended the meeting to discuss his 2017 budget requests for the County Attorney's Office (A1420). Attorney Miner stated his 2017 budget request reflects Section 4 salaries as they existed at that time, but since have been reduced; therefore, those reductions to his budget are not reflected yet. Attorney Miner stated they have been successful in reducing postage costs by utilizing technology more. Attorney Miner stated their mileage and conference expense has been increased. Attorney Miner has served as President to The County Attorney's Association Board for the last two years, and with the addition of four new attorneys who will need ongoing training to stay current with the law, these conferences and training are needed. Attorney Miner stated he was able to cut \$4000 in office supplies due to a newly negotiated contract with their major supplier Westlaw.

District Attorney – 2017 Budget Review

District Attorney Keith Slep attended the meeting to discuss his 2017 budget requests for the District Attorney's Office (A1165) and for Grand Jury (A1190) cost centers. Attorney Slep stated he will make every effort to live within his budget; however, he believes next year we will need to budget to pay for experts needed in an upcoming trial. Attorney Slep also stated he would like to budget for a replacement vehicle as the current vehicle has a lot of miles and is increasing the need for repair money.

Public Defender - 2017 Budget Review

Public Defender Barbara Kelley attended the meeting to discuss her 2017 budget requests for the Public Defender's Office (A1170). Ms. Kelley stated she is optimistic they will have new offices to move into and will use grant funds for furnishings. Ms. Kelley stated because of the way grants are written she doesn't have a lot of room in the budget for major cuts. Ms. Kelley went on to say their mileage budget is high because our attorney's go to justice court several times a week; however, we use our own personal vehicles so are only receiving reimbursement for the mileage.

Emergency Services/Fire Service - 2017 Budget Review

Emergency Management and Fire Director Jeff Luckey attended the meeting to discuss his 2017 budget requests for Emergency Services (A3640) and Fire Services (A3410). Mr. Luckey noted there are no major changes to the budget this year.

Legislator Root questioned what falls into the Communications line item. Mr. Luckey said this line item is where they purchase their radios and pagers from. Legislator Hopkins questioned how often these pieces of equipment last, and Mr. Luckey stated they can typically expect a 10-15 year lifespan.

Real Property Tax Department – 2017 Budget Review

Real Property Tax Director Joe Budinger attended the meeting to discuss his 2017 budget requests for the Real Property Tax Department (A1355), noting that this year unfortunately they have an increase of \$1500 in expenses due to the cost of a new software module on their website. Chairman Crandall questioned if there were any other areas in the budget this money could be shifted from, and Mr. Budinger stated he did look and doesn't see where there is any wiggle room as it's already going to be a struggle not having a lot of discretionary funds with most things being a fixed cost each year. Legislator Root questioned where their primary revenues come from. Mr. Budinger stated there are several major revenues with the biggest being the sale of tax maps and printing of tax rolls. Legislator Root questioned if this new software will take away from these revenues of printing them, and Mr. Budinger said he didn't believe so as the new software is showing real-time information, but if anyone wants detailed data they will still need to have the printed files.

County Clerk's Office – 2017 Budget Review

County Clerk Robert Christman attended the meeting to discuss his 2017 budget requests for the County Clerk's Office (A1410). Mr. Christman stated if you look at his .1s you will see a dramatic decrease as two DMV positions went from full-time to part-time and two senior deputy staff retired. Mr. Christman stated it's a substantial savings of \$50,000 - \$60,000. Mr. Christman stated they are currently digitizing their deed books and putting them in long-term storage, and this process helps us significantly in our labor because the more we digitize the less we are making copies. Mr. Christman stated they receive \$10,000 - \$11,000 per year for this project and it is working out well to do these in smaller chunks because if we find any errors, it's easier to go back and make corrections. Mr. Christman noted there is an increase to office supplies but with these being the primary piece of running the County Clerk's office; it's not something we can eliminate.

Information Technology – 2017 Budget Review

IT Director Keith Hooker attended the meeting to discuss his 2017 budget requests for Information Technology (A1680) and Central Service Telephone (A1610). Mr. Hooker noted a decrease of \$11,000 in A1610 (Central Service Telephone). Chairman Crandall questioned the increase of \$3,800 in A1680.405 (Conference Expense). Mr. Hooker explained that this expense was typically paid out of the County Treasurer's budget but due to additional staff members attending training conferences this year; this expense needs to be transferred back to Information Technology's

budget. Mr. Hooker went on to state that the Health Department and Social Services receive funding back from the state for services we provide; therefore, we can budget an additional \$5,000 in revenue. Legislator Root questioned when departments need to purchase new computers if this expense comes out of Information Technology. Mr. Hooker stated Information Technology will make recommendations based on needs and wants, but each department pays for their own computers. County Treasurer Terri Ross noted that Information Technology has a \$21,000 savings in their 2017 budget request.

County Treasurer – 2017 Budget Review

County Treasurer Terri Ross attended the meeting to discuss her 2017 budget requests for the following cost centers: Treasurer (A1325), Tax Sale and Redemption (A1362), Auditing (A1671), Taxes on Municipal Property (A1950), Community College (A2495), County Reforestation (A8710), and Debt Service Fund. Ms. Ross noted her department doesn't get any real revenue other than what is generated from copies that are sold or tax searches. Chairman Crandall questioned why there is such a reduction in charges for tax sales services. Ms. Ross explained that they are seeing a decrease in the number of searches we are actually doing, and that we estimated on the high end in 2016. Our postage can now be charged back to a delinquent taxpayer so we have seen a reduction in our postage costs so Ms. Ross feels comfortable reducing that budget item by \$3,500. Ms. Ross doesn't anticipate any increase aside from the normal 2.5 percent to their New World System Maintenance contract. Ms. Ross stated while it's really hard to predict what can happen with A2495.421 (Community Colleges), we are doing well with our budgeting and can reduce that by \$70,000. Ms. Ross went on to discuss the Debt Service Fund which is where we make our payment on our bonds. For the last couple of years we've been fortunate enough to have remaining funds from the Jail project to make our payments, but with that no longer available, we need to increase this account by \$505,000.

Veterans' Service Agency – 2017 Budget Review

Veterans' Service Agency Director Michael Hennessy attended the meeting to discuss his 2017 budget requests (A6510). Mr. Hennessy stated they have a good workable budget and with what the Veterans are bringing in, their request is reasonable. Mr. Hennessy wanted to note that recently he has done a lot of advocating for two veterans, and it resulted in one receiving \$167,000 in back compensation and the second receiving \$147,000 in back compensation. Mr. Hennessy also noted that he's booking into October for Veteran's to come see him. Legislator Healy wanted to note that on several occasions he has had several veteran's approach him and comment on what a good job Mr. Hennessy is doing with this program.

Consumer Affairs (Weights & Measures) – 2017 Budget Review

Weights & Measures Director Gilbert Green attended the meeting to discuss his 2017 budget requests (A6610). Mr. Green stated his budget is straightforward, and he was able to make cuts in his conference and vacation/school expenses due to receiving a grant from the Weights and Measures National Conference.

Sheriff/Jail/E-911 – 2017 Budget Review

Sheriff Rick Whitney attended the meeting to discuss 2017 budget requests for the Sheriff's Office/Jail/E-911 (A3117, A3020, A3110, A3111, A3112, A3152, A3510, and A3150). Sheriff Whitney stated that while the Jail is only 8 years old, it is a 24/7 operation, resulting in an increased need for maintenance and equipment replacement. Sheriff Whitney also noted that the cost of ammunition has increased significantly and it's getting harder and harder to get so they typically have to order it a year ahead to ensure it's here at the range. Sheriff Whitney noted that in the past we've been fortunate to have low medical expenses so we could possibly make cuts in that area. County Administrator Timothy Boyde questioned how often we are replacing uniforms. Accountant Randy Hartwick stated

every two years everyone runs through a set of clothing. Full-time employees receive three sets, and part-time employees receive two sets. County Administrator Boyde questioned the \$120,000 increase in overtime costs and whether or not we are at a point to bring on additional staff. Sheriff Whitney stated that they have done that in the past and it has helped to decrease that expense. Accountant Randy Hartwick added it would be about a \$10,000 - \$15,000 savings per year.

Probation - 2017 Budget Review

Probation Director Robert Starks attended the meeting to discuss his 2017 budget requests for the Probation Department (A3140, A3142, and A3143).

Mr. Starks stated he was able to keep his budget the same as 2016 with the exception that he was informed by Information Technology they need a new server; therefore, he needs to increase his expenses by approximately \$10,000. Mr. Starks indicated they do currently have additional funds in their rental account, so if additional cuts needed to be made he could see it being there. Legislator Hopkins questioned the request to purchase nineteen phones when we plan to move over to the new phone system by end of the year. Mr. Starks stated this request is what we pay annually for our service plan to the phones. County Treasurer Terri Ross noted that Mr. Starks' department is one of the few that is charged separately on a monthly basis for his phones service plan.

Adjournment

There being no further business to come before the committee, a motion was made by Legislator Fanton, seconded by Legislator Root and carried to adjourn the meeting at 12:08 p.m.

Respectfully submitted,

Meghan Washer, Secretary to Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
Special Budget Review
August 30, 2016
NOT APPROVED

Committee Members Present: C. Crandall, K. LaForge, P. Curran, D. Fanton, D. Healy, J. Hopkins, and D. Root

Others Present: R. Anderson, L. Ballengee, T. Boyde, C. Braack, K. Dirlam, L. Edwards, K. Francisco, M. Gasdik, V. Grant, R. Hollis, C. Jessup, R. Lynch, M. McCormick, V. Pettit, D. Rahr, B. Riehle, T. Ross, B. Thierman, M. Washer

Call to Order: Budget Committee Chairman Curt Crandall called the meeting to order at 9:09 a.m.

Health Department – 2017 Budget Review

Public Health Director Lori Ballengee and Accountant David Rahr attended the meeting to discuss 2017 budget requests for the Health Department (A1185, A2960, A3645, A4010, A4035, A4037, A4043, A4046, A4050, A4051, A4052, A4053, A4054, A4056, A4060, A4070, A4071, A4072, A4189, and A4190). Ms. Ballengee noted that overall; Department of Health is \$31,602 to the good compared to their 2016 budget. Expenses are a little higher for 2017 but revenues are looking to be over \$100,000. Ms. Ballengee stated they always try to under budget revenues and over budget expenses and while their expenses are typically high, they always have the revenue to back it up. Legislator LaForge questioned our ability to handle the potential Zika virus epidemic going on and if it were to hit Allegany County, would we have the elasticity to take care of people. Ms. Ballengee stated that the state provides money to handle these situations and is currently appropriating money for the Zika virus. Ms. Ballengee also noted that it's mainly man power that is needed and that aspect is already in the 2017 budget.

Office for the Aging – 2017 Budget Review

Office for the Aging Director Madeleine Gasdik and OFA Accountant Vicki Pettit attended the meeting to discuss their 2017 budget requests for the Office for the Aging (A6772, A6773, A6774, A6775, A6776, A6777, A6778, A6779, A6781, A6782, A6783, A6784, A6785, A6786, A6787, A6788, and A6789). Ms. Gasdik noted the biggest change for 2017 is the need to add a Senior Account Clerk Typist position. Ms. Gasdik stated the agency is growing rapidly and she also needs to start thinking about a succession plan for Ms. Pettit's future retirement. Ms. Pettit stated that the increases to their budget for 2017 are driven by the increase to the cost of meals going from \$4.25/meal to \$4.40/meal as well as the request to fill a position. Legislator LaForge questioned if they have an idea of how many people from Allegany County are going to seek our services of the Office for the Aging. Ms. Gasdik stated that when she first started, there were 9,000 over the age of 60 and this year she currently has 10,500 with the number continuing to increase every year as they are aging. Ms. Pettit noted that they recently received the Alzheimer's Grant; therefore, will not be spending as many County dollars as originally anticipated. Ms. Gasdik wanted to note to the committee that every year Ms. Pettit leaves County dollars on the table and does extremely well handling their budget. Chairman Crandall questioned the increase in the cost of meals, and asked if there is a way to increase our contributions to possibly cover that 15 cent increase in meals. Ms. Gasdik said she would take the idea to Advisory Council to consider increasing the contribution rate from the current \$3.00/meal to \$4.00/meal.

County Historian - 2017 Budget Review

County Historian Craig Braack attended the meeting to discuss his 2017 budget requests for the County Historian's Office and Museum (A7510). Mr. Braack stated that he is presenting the same budget as he has for the last 7-8 years and is very content and happy with what he has.

Community Services – 2017 Budget Review

Community Services Director Dr. Robert Anderson attended the meeting to discuss the 2017 budget requests for the accounts associated with Community Services (A4191, A4220, A4310, A4311, A4312, A4313, A4314, A4315, A4316, A4317, and A4390). Dr. Anderson stated other than the request for a vehicle replacement, the budget is pretty standard. Dr. Anderson wanted to remind the committee that typically they were always able to budget \$20,000 for the mental health law, but last year they spent \$175,000 on one person, and will most likely do the same in 2017. Dr. Anderson also noted that with a recent retirement and two resignations, they are hoping to hire two new employees to help keep up with the workflow.

Social Services – 2017 Budget Review

Social Services Commissioner Vicki Grant and Director of Administrative Services Don Horan attended the meeting to discuss the 2017 budget requests for the Social Services Department (A6010, A6055, A6070, A6101, A6106, A6109, A6119, A6129, A6140, A6141, A6142, and A6150). Ms. Grant noted that their 2016 retirements allowed her to reduce her personnel budget. Ms. Grant stated there are increases to homecare cases, daycare as well as food stamps. Chairman Crandall questioned the increase to food stamps and what it does to our bottom line. Ms. Grant noted that more people being eligible to receive food stamps will increase their caseload so her ability to reduce staff becomes difficult. Legislator Fanton questioned what the new eligibility percentage is. Ms. Grant stated that it is 200 percent of the poverty level. Director of Administrative Services Don Horan stated that a family of four with a \$42,000 annual income would now be eligible. Legislator Hopkins questioned the \$2.25 million request. Ms. Grant stated this request is for Institutional Care which is very expensive care as the children are in Randolph and/or surrounding cities. Ms. Grant stated that with all of the increases and decreases to her budget their request only includes a one percent local share increase.

Human Resources – 2017 Budget Review

Human Resource Specialist Kim Francisco attended the meeting to discuss the 2017 budget requests for the Human Resources Office (A1430). Ms. Francisco stated a lot of the budget stayed the same and remains straightforward. Ms. Francisco noted there is an increase to the Employee Assistance Program as they have added a new module for training on benefits. Chairman Crandall questioned how the EAP (Employee Assistance Program) is calculated, and if it is a flat rate. Ms. Francisco stated it's based on how many employees use the service as well as the number of full-time employees.

Economic Development, Planning & Tourism – 2017 Budget Review

Director of Planning H. Kier Dirlam attended the meeting to discuss the 2017 budget requests for Development (A6430), Planning (A8020), and Tourism (A6989). Mr. Dirlam stated that they have recognized this year that historically there was no attendance to any conferences and since Dr. Clark has come on board, we've realized we need to start attending several different conferences or people will never get to know us, and we'll never be aware of the opportunities out there. Mr. Dirlam noted he adjusted the travel budget to help take that increase into account. Mr. Dirlam stated there is an increase of \$12,000 to the Comprehensive Plan because they are updating the plan itself and previously they utilized in-house employees, but with this update it is not feasible to go that route again. Mr. Dirlam has received estimates of \$2,000 on graphic designs and \$10,000 for printings. Mr.

Dirlam has put in two requests to fill positions. The first is an Account Clerk Typist who will take a lot of the clerical duties off the desks of those who acquired the previous Account Clerk Typists' job responsibilities. Mr. Dirlam noted this position will also help as he needs to begin considering a succession plan for Cathleen Whitfield as she nears retirement. Mr. Dirlam stated his second request is to create a new Social Media Marketing Coordinator position. This person will proactively work with all of the departments in the County to make sure their sections of the new website are current and being updated on a regular basis. Mr. Dirlam noted the writing that goes out to the media not only represents the County, but the Legislators, and we could benefit from a professional to make sure that what we are sending out is optimistic, well written and will provide Allegany County with some better PR. Legislator Root added that we have a lot of positive stories, but they aren't ever making it out to the media, and a position like this can give a new sense of optimism to Allegany County.

Employment & Training Services - 2017 Budget Review

Employment & Training Director Reita Sobeck-Lynch attended the meeting to discuss the 2017 budget requests for the Employment & Training Center (CD1 Fund). Ms. Lynch stated there is a significant increase to their Equipment because they received a grant specifically for people with disabilities to upgrade their center. County Treasurer Terri Ross stated that the Employment and Training Budget is financed from their own Appropriated Fund Balance, and only \$35,000 will come from the local County share. Chairman Crandall questioned if the fund balance is sustainable. County Treasurer Terri Ross stated this fund replenishes itself through grants that overlap years which allows that money to be carried through each year's budget.

Board of Elections - 2017 Budget Review

Board of Elections Commissioners Richard Hollis and Michael McCormick attended the meeting to discuss the 2017 budget requests for the Board of Elections (A1450). Mr. Hollis stated that because the state passed the law allowing us to use the standard not-for-profit postage rate, he is comfortable cutting his postage expenses by \$4,000. Mr. Hollis wanted to note to the committee that overall his budget is in the black, and he has cut it down by \$32,000.

Youth Bureau/STOP-DWI - 2017 Budget Review

Youth Bureau/STOP-DWI Director Linda Edwards attended the meeting to discuss her 2017 budget requests for the Youth Bureau (A7310) and STOP-DWI (A3141) cost centers. Ms. Edwards stated the revenue on the STOP-DWI side is staying the same with a slight increase during the second quarter. Ms. Edwards noted that with the significant increase in DWIs this year they are in constant need of referral forms so she needed to increase their printing budget. Chairman Crandall questioned the sudden increase in DWIs. Ms. Edwards stated there was a steady decline happening; however, there has been a sudden jump in offenses which could be due to a number of different reasons which makes it difficult to pinpoint a specific one. Ms. Edwards noted it could very well be that we have more law enforcement out there and that makes a big difference. Ms. Edwards stated there are no major changes to the Youth Bureau budget and it remains primarily County funded.

County Administrator – 2017 Budget Review

County Administrator Timothy Boyde attended the meeting to discuss his 2017 budget requests for the following cost centers: A1011, A1171, A1320, A1340, A1990, A5630, A7180, and CSH Risk Retention Health Fund. Mr. Boyde noted the 2017 budget is straightforward. Mr. Boyde stated Cornell Cooperative Extension is receiving \$277,000 and they are currently looking into a number of grants that will help offset their expenses. Mr. Boyde wanted to note to the committee that this program is more than a feel good program, offering positive changes among our youth; therefore, we need to try our best to keep this program in our budget. Mr. Boyde stated the Bus Transportation has come a long way, and we are looking to come out with our heads above water. There was

discussion amongst the committee in regards to having the Average County Tax Rate remain the same at 16.29 percent.

Adjournment

There being no further business to come before the committee, a motion was made by Legislator Fanton, seconded by Legislator Healy and carried to adjourn the meeting at 4:24 p.m.

Respectfully submitted,

Meghan Washer, Secretary to Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
September 21, 2016
AMENDED

Committee Members Present: C. Crandall, K. LaForge, P. Curran, D. Fanton, D. Healy, J. Hopkins, D. Root

Others Present: L. Ballengee, T. Boyde, H. Budinger, S. Burt, V. Grant, K. Graves, K. Hollis, R. Hollis, C. Jessup, T. Miner, T. O'Grady, D. Pullen, B. Riehle, T. Ross, T. Shaw, M. Washer

Media Present: B. Quinn *Wellsville Daily Reporter*, B. Clark *Olean Times Herald*

Call to Order: The meeting was called to order at 11:24 a.m. by Budget Committee Chairman Curt Crandall.

Approval of Minutes

A motion was made by Legislator Fanton, seconded by Legislator Healy, and carried to approve the Budget Committee minutes of August 17, 2016.

A motion was made by Legislator Curran, seconded by Legislator Fanton, and carried to approve the Budget Committee minutes of August 29, 2016.

A motion was made by Legislator Curran, seconded by Legislator Fanton, and carried to approve the Budget Committee minutes of August 30, 2016.

Sales Tax Report

County Treasurer Terri Ross distributed the 2016 Allegany County Sales Tax Report reflecting receipts through September 15, 2016, totaling \$12,674,940.24. The year-to-date figures show a decrease, currently of \$422,413.44 or 3.225 percent compared to last year at this time.

Budget

There was discussion amongst the committee regarding adjustments and cuts that have been made to the 2017 Budget. County Treasurer Terri Ross stated so far there has been approximately \$1.5 million in cuts to the 2017 Budget. County Administrator Timothy Boyde noted the tentative 2017 Budget will be released Monday, September 26, 2016.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 11:50 a.m. following a motion by Legislator Fanton, seconded by Legislator Healy, and carried.

Respectfully submitted,
Meghan Washer, Secretary to the Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
October 19, 2016
NOT APPROVED

Committee Members Present: C. Crandall, K. LaForge, P. Curran, D. Healy, J. Hopkins, D. Root (Absent: D. Fanton)

Others Present: L. Ballengee, T. Boyde, H. Budinger, S. Burt, R. Christman, D. Decker, K. Graves, D. Horan, G. James, C. Jessup, T. Miner, V. Pettit, D. Rahr, B. Riehle, T. Ross, M. Washer, R. Whitney

Media Present: B. Clark *Olean Times Herald*

Call to Order: The meeting was called to order at 11:06 a.m. by Budget Committee Chairman Curt Crandall.

Approval of Minutes

A motion was made by Legislator Curran, seconded by Legislator Hopkins, and carried to approve the Budget Committee minutes of September 21, 2016.

Sales Tax Report

County Treasurer Terri Ross distributed the 2016 Allegany County Sales Tax Report reflecting receipts through October 16, 2016, totaling \$14,855,320.57. The year-to-date figures show a decrease, of \$408,111.62 or 2.674 percent compared to last year at this time. County Treasurer Terri Ross distributed a summary received from NYSAC showing the overall County Sales Tax collections for the last three quarters. The report shows that the overall County Sales Tax collections grew 2 percent in the third quarter, and from January to September the overall County Sales Tax collections grew by 1.2 percent.

Allegany County Active Payroll

County Treasurer Terri Ross distributed a report requested by Chairman Curt Crandall showing a summary of employee wages and statistics. There was discussion amongst the committee as to how often they would like to receive this summary as well as any additional information they would like to see added that will assist them for budgetary purposes.

THIRD QUARTER BUDGET REPORTS

Public Works

Public Works Superintendent Guy James submitted his third quarter budget report to the committee for review. Mr. James stated their revenue accounts are very close to projection with some, primarily Solid Waste, having a surplus. Mr. James stated A3152.412 (Building & Grounds Jail: Contractual Expenses) will run short due to unexpected repairs to the kitchen boiler and roof flashing, but anticipates that they have those costs covered. Chairman Crandall questioned if the surplus in revenue for Solid Waste was from running the Landfill longer than anticipated. Mr. James stated they projected the revenues low, and hoped they would exceed that projection. County Treasurer Terri Ross commented that when the 2016 Solid Waste Budget was put together, they were unsure at the time what was going to happen with the

transfer station tags and punch cards; therefore, leaving it as it was and selling more than they anticipated, led to additional revenue as well. Legislator Graves questioned if Mr. James could duplicate this revenue in the 2017 Budget. Mr. James stated they have already included more revenue in the 2017 Budget with the increase in the Hang Tag and Scale fees, so it will be a little bit higher next year as well. Legislator Hopkins questioned if they have started planning for the upcoming winter. Mr. James stated with last year's winter being fairly mild, any leftover materials were left at the towns' sheds. Mr. James stated along with the leftover materials, he is also fortunate enough to be able to work with two budgets during the winter months; using the tail end of 2016 when winter begins and rolling into the 2017 Budget to finish up the winter months. Mr. James noted they have done this enough that they know what materials need to be used, and while there are sometimes extreme cases that can change things; they typically are able to cover what they have with what's been appropriated. Mr. James thanked Fiscal Manager Yvonne Marks for her hard work in putting together their budget report, as well as the rest of the staff for adhering to what they have in the budget. Mr. James also noted they are always out there looking for ways to increase our revenues and areas where we can spend less and everyone does a great job at toe-ing the line.

Department of Social Services

Director of Administrative Services Don Horan submitted his quarterly budget report to the committee for review. Mr. Horan stated they are stable and on track for what they have budgeted. Mr. Horan stated HEAP (Home Energy Assistance Program) is currently looking a little low, but they typically don't see that pick up until the month of November. Chairman Crandall questioned if the cycles from the state are going well, and Mr. Horan stated, yes, they are already at 71 percent of revenue received.

Health Department

Public Health Director Lori Ballengee submitted her quarterly budget report to the committee for review. Ms. Ballengee stated they are only at 55.4 percent for appropriations through October 11, 2016, and she is very pleased with how well they are doing so far. Ms. Ballengee stated one of the concerning areas, that they continue to watch closely, is Early Intervention, and that it is an area they don't have much control over as it all depends on how many kids they get and how high needs they are. Ms. Ballengee stated they are currently averaging \$20,000 per month for Early Intervention programs and project they will be \$70,000 over budget; however, that will be offset by approximately \$52,500 in additional insurance, Medicaid, and 49 percent state aid.

Office for the Aging

Office for the Aging Accountant Vicki Pettit submitted her quarterly budget report to the committee for review. Ms. Pettit stated all is well and there are no areas they see going over budget. Ms. Pettit noted their new Alzheimer's Grant is a new five year grant, and she is hopeful to receive those funds soon. Chairman Crandall questioned if there is one source where the funds come from. Ms. Pettit stated the funds come from Department of Health to Catholic Charities then on to the Southern Counties; therefore, it takes extra time to go through so many channels.

Sheriff

Sheriff Rick Whitney submitted his quarterly budget report to the committee for review. Sheriff Whitney stated they recently had their administrative budget meeting and they are looking to be on track with what has been budgeted. Sheriff Whitney stated they are over budgeted in E-911 Dispatch; however, they have additional funds in A3110.1 (Sheriff: Personnel Services) and A3150.1 (Jail: Personnel Services) to cover it. Legislator Hopkins questioned since we are getting more local prisoners, do we still have room to hold federal prisoners. Sheriff Whitney stated currently they are at 123 prisoners, 69 federal and 64 local, and have enough room to take in approximately 25 additional federal prisoners. Legislator Root questioned why our housing is so low for other county prisoners. Sheriff Whitney stated we were once ahead of the curve, but they have all built new facilities and are doing the same thing as we are, so we can't count on those prisoners. Legislator Graves questioned if Wyoming County added on or made changes to our recently renewed contract. Sheriff Whitney stated without looking at the contract he can't say exactly what changed, but they typically only house female prisoners, and it could just be that their female prisoner number is down.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 12:02 p.m. following a motion by Legislator Healy, seconded by Legislator Root, and carried.

Respectfully submitted,
Meghan Washer, Secretary to the Clerk of the Board
Allegany County Board of Legislators

**2016 ALLEGANY COUNTY TENTATIVE BUDGET
PUBLIC HEARING**

NOVEMBER 10, 2016

CALL TO ORDER: The Public Hearing on the 2017 Allegany County Tentative Budget was declared open at 7:03 p.m. by Chairman Curtis W. Crandall

PLEDGE OF ALLEGIANCE TO THE FLAG: The Pledge of Allegiance was led by Chairman Crandall.

INVOCATION: The Invocation was given by Legislator Pullen.

ROLL CALL: 10 Legislators Present: Curtis Crandall, Philip Curran, Dwight Fanton, Karl Graves, Dwight (Mike) Healy, Judith Hopkins, Charles Jessup, Kevin LaForge, David Pullen, Norman Ungermann, Jr. Absent: Scott Burt, David Decker, Aaron McGraw, Timothy O'Grady, Debra Root

ALSO PRESENT: T. Boyde, S. Decker, L. Edwards, M. Gasdik, V. Grant, R. Hollis, G. James, J. Kelley, T. Miner, B. Riehle, T. Ross, T. Shaw, (Reporters: B. Clark, C. Dutton, B. Quinn), and approximately 20 County residents

Chairman Curtis Crandall gave a Power Point presentation which included information on the County Budget process. Data from the slides is shown below:

2017 Budget Process

Allegany County has made the development of the County's Budget a year-round process. The Budget Committee is continuously keeping a "finger on the pulse" of the County Budget with quarterly updates from the "Big 5" departments on where their revenues and expenditures are projected to be at year-end. The budget process begins five months into the fiscal year and shows a commitment to presenting a budget that is accurate, fiscally responsible, and timely.

2017 Tentative Budget Tax Rate

Decrease of \$ 0.20 / \$1,000

Total Assessed Value: \$1,892,279,415
Total Appropriations: \$116,636,224
Total Revenue: \$86,191,139
Property Tax Levy: \$30,445,085
Average County Tax Rate: \$16.09

The bottom line for property owners
Is the Tax Rate

What is the property tax cap?

- In a given year, the property tax levy can only increase by 2% or the CPI (Consumer Price Index), whichever is less.
- For 2017, the CPI is 0.68%—which is the maximum the levy can grow.
- However, certain items impact the calculation for each municipality's cap such as charge backs for real property services, worker's compensation, payments in lieu of taxes (PILOTs), etc...
- This means the 2017 'actual' cap allows the levy to be increased \$316,757 or 1%.
- The 2017 tentative budget calls for a levy increase of \$67,412 or .22% increase, meeting the tax cap legislation.
- The County-wide average property tax rate is decreasing by 20 cents per one thousand dollars of assessed value from \$ 16.29 in 2016 to \$16.09 in 2017.



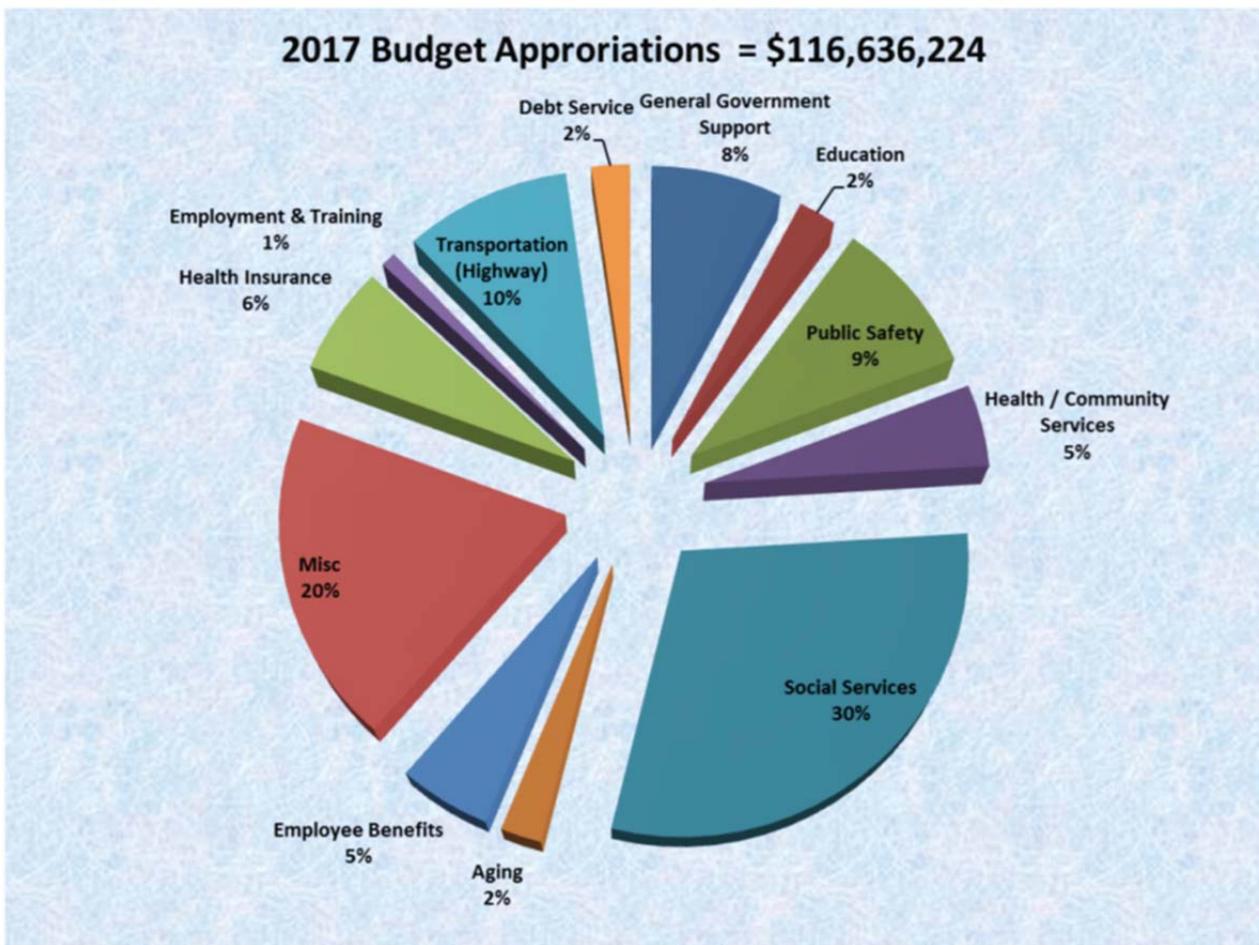
Piggybank (Fund Balance) – Then and Now:

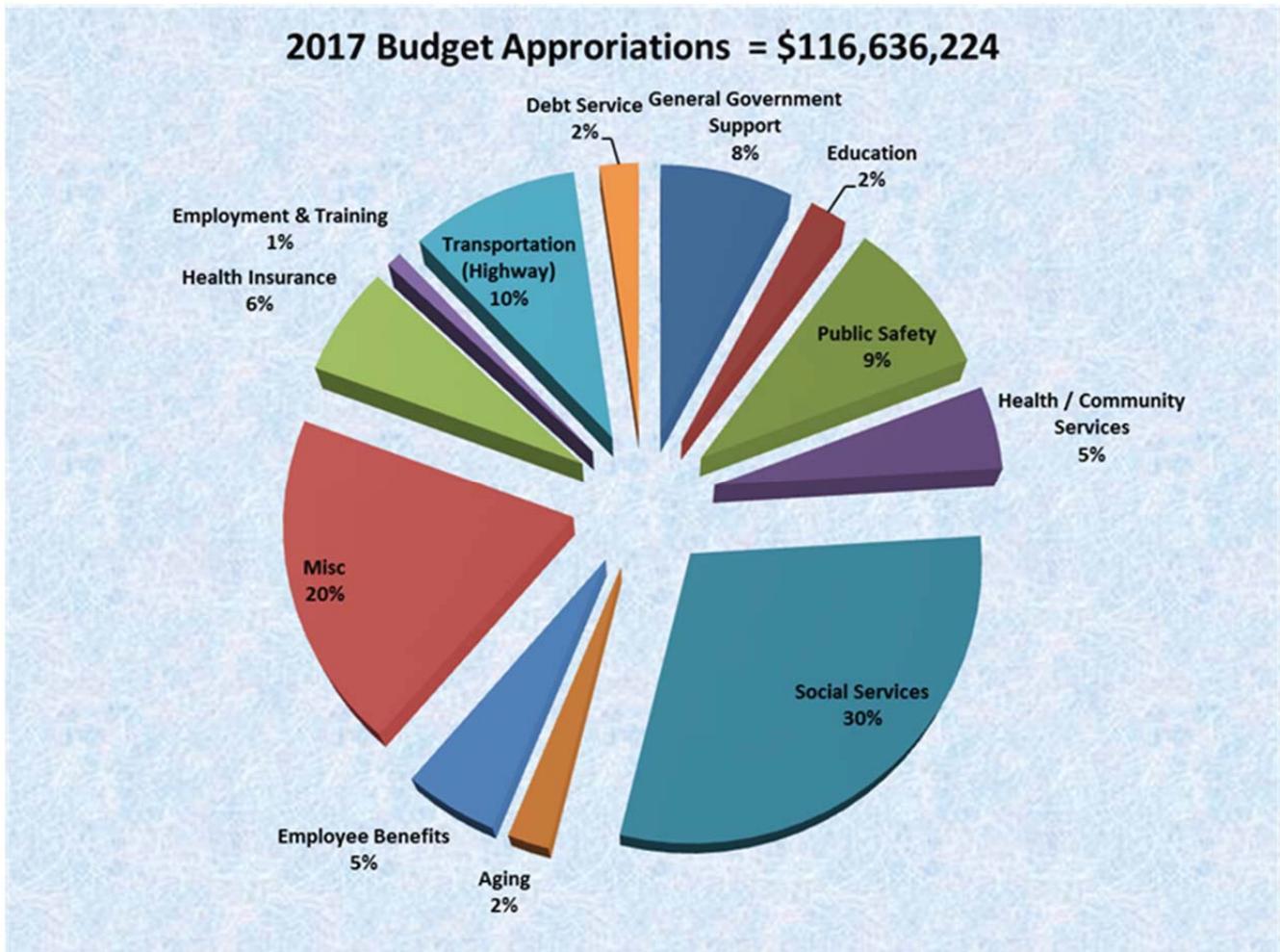
Then:

- Didn't have a Piggybank.
- County running a budget deficit.

Now:

- Stabilized the Property Tax Rate.
- Improved Bond Rating by Moody's Investor Service which assigned Allegany County to A1, up from A2 in May of 2016.
- Investing in economic development.
- Able to comply with increasing State mandates and the property tax cap.
- Avoided interest costs by paying bonds off early and able to pay-as-we-go on large purchases.
- Avoided interest charges by paying the retirement incentive bill at the front end.





What are the un-funded mandates?

- State or Federal programs that Allegany County must provide BY LAW – that are not completely funded by State or Federal taxes
- Programs that you and I as county taxpayers have no choice in paying.

2017 Tentative Budget

Property Tax Levy = \$30,445,085.

This the amount to be raised by taxes

How much of this is Mandated Programs?

The Big Ones

Program	2017 Budgeted Expense		2017 Budgeted Aid		2017 Net Cost		% of Levy on Net
Medicaid	10,185,589	-	4,800	=	10,180,789	or	33%
Safety Net	1,830,219	-	691,110	=	1,139,109	or	4%
Child Welfare	3,848,185	-	2,984,680	=	863,505	or	3%
Special Ed / Pre-K	1,595,451	-	1,216,553	=	378,898	or	1%
Indigent Defense	953,981	-	275,928	=	678,053	or	2%
Probation	978,487	-	274,084	=	704,403	or	2%
Retirement	3,507,433	-	-	=	3,507,433	or	12%
Youth Detention	8000	-	-	=	8,000	or	0%
Totals	22,907,345	-	5,447,155	=	17,460,190	or	57%

2017 Tentative Tax Levy	\$ 30,445,085.00
2017 Tax Levy	\$ 30,445,085.00
2016 Tax Levy	\$ 30,377,668.00
Difference	\$ 67,417.00

Just these 8 mandated costs make up **57%** of the property tax levy for 2017.

What this means is that almost 60 cents on every dollar we raise in property taxes goes towards administering the cost of just these 8 mandated costs **(and there are more than 8)**. This represents the structural imbalance of a Property Tax Cap without Mandate Relief.

Other Required Programs Funded by the County

- Community Colleges
- Elections
- DSS Administration
- Sheriff
- District Attorney
- Early Intervention

More local dollars for Federal / State projects, Less for local projects

What this means...

- It only takes small increases in Mandated Programs to exceed the Property Tax Cap.
- Allegany County administers Mandated Programs that we have no control over.
- Local Programs suffer in order to pay for mandated programs:
 - Roads/Bridges, Economic Development, Maintenance & Repairs, Aging, Employment & Training, E-911, Veteran's Services

New York State and the Federal Government need to address and reduce the Mandated Programs on our County taxpayers.

County Administrator and Budget Officer Timothy Boyde requested that his message be read by the Clerk of the Board.

County Administrator Message:

"The 2017 Tentative Budget, which is the subject of tonight's public hearing, is a joint effort of the County budget staff, the Budget Committee of the Board of Legislators, and our Department Heads.

'The 2017 Tentative Budget is \$116,636,224. This figure represents all nine major appropriation funds. The total revenue appropriations are estimated to be \$82,705,189. This leaves us with a balance of \$30,445,085 to be raised in Real Property Taxes after allocating \$3,000,000 from the General Fund Balance.

'The property tax levy needed to balance the 2017 Tentative Budget is \$67,417 more than the property tax levy for the final 2016 County Budget. The Average County Property Tax Rate has decreased by 20 cents per thousand dollars of assessed value compared to the 2016 Average County Property Tax Rate. The 2016 Rate was \$16.29 per thousand dollars while the proposed Rate for 2017 will decrease to \$16.09 per thousand dollars.

It is anticipated the Final County Budget will be adopted by the Board of Legislators at its regularly scheduled meeting on Monday, November 28, 2016, at 2:00 p.m."

County Administrator Timothy Boyde read the following message:

"The purpose of this hearing is to give the public the opportunity to become familiar with the Tentative Budget, ask questions as to its contents, and offer comment for the benefit of the members of the Board of Legislators.

'The format we will follow tonight in reviewing the Tentative Budget is identical to the format we have used for several years. If you do not have a copy of the Tentative Budget and would like one, they are available on a table just outside the back of the room.'

'The Appropriations portion of the Budget, which is the only portion we review during the public hearing, is comprised of 18 major cost centers beginning with General Government Support and ending with Debt Service Fund. The Clerk of the Board will read the total appropriated amount for each major cost center. We will then pause and ask if anyone has a question or comment with regard to that specific cost center or any departmental budget contained in that cost center. Once questions have been addressed, or if there are no questions or comments, we will proceed until we have worked through the entire budget.'

'Please keep in mind that this is a public hearing. We are here to solicit your input. This hearing is not intended as debate about funding levels or specific programs. If, during this Public Hearing, you wish to address the Board of Legislators, please state your name and identify the town in which you live.'

The Clerk of the Board read each major category of the 2017 Tentative Budget Appropriations, along with the corresponding total. A summary of comments and questions pertaining to each category is included below, with answers indicated in italics:

Total Government Support - \$8,542,225

Legislator Graves asked if \$0 was the correct amount for 2015 for account A1990-Contingent Contractual Expenses. County Treasurer Terri Ross stated that this is not an expense line item. It's just a line item used for contingency money. It's the amount left from what was budgeted.

Total Education - \$2,595,451

Total Public Safety - \$10,790,081

Legislator Graves asked how much of the \$10 million is the Sheriff's budget? Ms. Ross indicated that the \$10 million includes Probation, STOP-DWI as well as other cost centers. He asked if there was an exact figure for the Sheriff's portion of that. Ms. Ross stated that she did not have that number in front of her; you would have to go through and total up the expenses for that department.

Total Health - \$5,632,796

Total Bus Transportation - \$1,098,469

Total Economic Assistance & Opportunity - \$34,590,578

Cindy Gowiski from Birdsall asked if this total included Social Services and Office for the Aging. Ms. Ross indicated that those were included and that it also included the Office of Economic Development, Weights and Measures, as well as the Veterans Service Agency.

Patty Newsome from Wellsville asked about an increase in HEAP expense. Ms. Ross stated that it has increased, but it's 100 percent reimbursed from the federal government.

Total Culture & Recreation - \$527,506

Robert Thompson from Amity asked about Youth Programs being cut. Ms. Ross explained that they haven't been cut. Budget adjustments are made during the year because these programs rely on state allocations. We're not sure yet what's going to be funded.

Total Home & Community Services - \$2,643,795

Total Undistributed - \$23,791,803

Grand Total General Fund - \$90,212,704

Cindy Gowiski asked if this amount included everything that had just been gone through. Ms. Ross stated that yes; it includes all of the General Fund.

Total WIA Grant Fund - \$1,055,577

Total Risk Retention Fund - \$291,000

Total Risk Retention – Health Fund - \$8,422,000

Cindy Gowiski asked if this was the total of all employee benefits. Ms. Ross stated that it includes County employee and retiree health insurance. Legislator Graves added that none of it is reimbursable. Ms. Ross noted that there are offsets from employees' contributions and other revenues such as pharmaceutical rebates. Legislator Graves asked why so much was being budgeted for the Risk Retention Accounts when there was so little charged against them in previous years. Clerk of the Board Brenda Riehle stated that those represent our general liability insurance. Claims are paid out during the year. We have to fund these accounts at a certain level in case we do receive a claim. For instance CS1936, we actually fund that account every year at \$20,000, but we only paid out \$1,485 in claims for that account in 2015. We are self-insured so for the first \$250,000 we don't want to budget less than that. Legislator Graves remarked that it would be nice to be able to look back at more years. Ms. Riehle stated that the funds are rolled over each year. Anything that isn't used is rolled over to next year.

Legislator Pullen commented on the Risk Retention – Health accounts saying his impression is that from prior comments, we are seeing increasing costs in administering our health care coverage. Mr. Boyde stated that in order to put together the budget, some projections had to be made. We haven't seen our costs yet for 2017. We used trending to

come up with a number. We believe this number will go down, but across the board health insurance is going up.

Grand Total County Road Fund - \$10,481,616

Robert Thompson questioned a substantial increase in equipment expense on page 29 of the Tentative Budget. Mr. James indicated that amount includes the purchase of a vehicle.

Grand Total Road Machinery Fund - \$1,507,827

Grand Total Capital Projects Fund - \$1,191,000

Robert Thompson asked why they were budgeting less than what was recommended by the department head under Capital Cost for the Maintenance of Bridges. Ms. Ross stated that a bridge had been cut in the budget process. Mr. James stated that it includes four of the five structures that were proposed. Ms. Ross stated that there is one other bridge that they will look at adding back in. Legislator Graves remarked that he thought they'd determined that there was money to do the fifth bridge. Ms. Ross stated that it was not added back in yet. They haven't yet discussed the final adjustments. That number will change when an adjustment is made, but it won't affect the tax rate.

Total Self-Insurance Fund - \$851,000

Total Debt Service Fund - \$2,623,500

Legislator Graves asked about the County's debt load. Ms. Ross stated that there's a summary on page 82 of the Tentative Budget. It shows the debt the County has outstanding. This report is as of September 30. It will be updated. This isn't the final report. Currently the County has two bonds outstanding.

Legislator Ungermann asked about the self-insurance account and whether it was for workmen's compensation. Ms. Ross indicated that is correct.

Following the reading of the budget totals, Chairman Crandall opened up the public hearing for questions.

Cindy Gowiski asked to go back over the "Big Ones" from the slide show. She remarked that a decrease in the tax rate doesn't necessarily mean a decrease in taxes. It just means the rate has gone down. We're spending \$116 million. Last year it was \$114 million. She expressed her concern with using \$3 million out of the fund balance to stay under the tax cap, saying that it would only take five years of doing that to deplete the Fund Balance. Chairman Crandall responded by saying that the \$3 million is a greater amount than has been used over the last few years. Taking money out of the Fund Balance has been part of putting the budget together, but that money hasn't been used. We get to the end of the year and it's not necessary to use it so it's rolled over to the next year. We've been in

the black for a number of years and it's exceeded the amount we used from the Fund Balance. We'd hope for that to happen again in 2017. We've got around \$29 million in the Fund Balance. Some of the pieces to this budget are projections. Things such as insurance and sales tax are just estimates. Sales tax has been down. We've taken a conservative approach with our revenues. Just like in past years, we hope not to have to use any of the Fund Balance. Ms. Gowiski responded by saying that one of these years you may have to offset that. It's a paper game to get you under the tax cap. Taxes have not decreased because assessments have gone up. Using the Fund Balance decreases the tax rate, but taxes are still going up. It's untrue to say it's a decrease in taxes. Chairman Crandall said it's true that assessed values have gone up, but he hopes they continue to go up. The assessments are done at the town level. We have no control over that. He hopes that there is more investment in the County and our total assessed value goes up. That would help decrease the tax rate even more. Ms. Gowiski stated that certainly having new things built would help, but until you lower the taxes you aren't going to attract development. Next Ms. Gowiski brought up the 12 percent that goes to retirement costs. She understands that it's mandated, but feels the Board can directly affect that \$3.5 million by controlling employee wages. She feels it's up to the Board to choose whether or not to hire and what raises may be given. She also feels the County has too many employees. She noted that the County spends more on retirement and insurance for employees and former employees than is spent on County roads. She would like to see the use of timeclocks rather than handwritten timesheets. She wants to see the Board end the practice of employees selling back sick and vacation time. She feels the Legislators shouldn't receive health insurance benefits. She also remarked on Legislator McGraw's lack of attendance at meetings. She would like to see the number of Legislators reduced, noting that only ten of the fifteen showed up for the hearing. She remarked on the number of Landfill employees that remain even though the Landfill is closed. Legislator Fanton said there are only two employees at the Landfill and they are still taking trash. Legislator Ungermann argued that there are a lot more employees still involved in the Landfill. Legislator Fanton insisted that there are only two employees currently working at the Landfill. Ms. Gowiski asked if those individuals were going to be laid off. Legislator Fanton stated that they are in a position to be able to bump to another position. Ms. Gowiski remarked that there are 400 County employees for 40,000 County residents. That's one employee per every hundred residents. She also said that it would take approximately 30-40 households paying property tax to cover the cost of one employee. She feels it's unsustainable to keep this size of government. She would like to see the Board start to listen to Legislator Graves' and Legislator Ungermann's suggestions.

Rick Hollis asked about the interest rates for the debt service and wondered if the rates could be lowered because of the County's improved rating. Ms. Ross stated that they had just renegotiated the rates. The rate in the Tentative Budget needs to be updated. She will have the most current rate corrected for the Final Budget.

Brian Brandes of Wellsville remarked that he doesn't understand why there's no incentive to cut costs. He feels there are many places where costs could be cut. He stated that he is a 4th generation businessman. He is bothered by the legacy costs for people that worked for the County twenty years ago. He feels the Legislators aren't very transparent.

Adam Cyr from Wirt stated that he feels the Sheriff's Office does well for residents. Mr. Cyr stated that he's here because of Legislator Graves. Legislator Graves wants a lot of services to be cut. A lot of those services are funded by the state or federal government. Mr. Cyr then went on to question Legislator Grave's employment history with the County. Chairman Crandall stated that the hearing wasn't the forum for this conversation saying that we're here to discuss the Budget. Mr. Cyr asked if the Sheriff had stayed under budget the last three years. Ms. Ross said she didn't have that information in front of her, but she believes he has been under budget although there may be certain line items that went over.

Legislator Graves touched on the \$3 million being taken from the Fund Balance and remarked that residents are looking for a real relief in taxes. Mr. Boyde stated that the \$3 million is a worst case scenario. We are being conservative. Everything needs to balance. He certainly hopes the County won't need to use that \$3 million. Legislator Graves remarked that he hopes we don't have to use that money, but things don't add up. The Budget goes up every year. Mr. Boyde replied by saying the Budget goes up because of mandates. We are required to provide certain services. Legislator Graves asked what the \$1.6 million increase consisted of. Mr. Boyde said it's the mandated services and labor costs that we are contractually obligated to. He can't stop what already has been done but hopes to stabilize this through smart negotiations.

Craig Burdick from Wellsville asked what the cost was for a health insurance plan for County employees. Ms. Ross indicated that the County is self-insured so we pay actual costs. The premium equivalents for employees are around \$500 for a single plan and \$1,370 for a family plan. He asked how much employees contribute. Mr. Boyde stated that it depends on their labor agreement but on average it's 10-15 percent of the premium. Mr. Burdick remarked that he runs his own company. In the public and private sector they realized in the 1980s that they needed to start charging employees a percentage of their health care costs. Allegany County just started doing that. Mr. Boyde stated that they are looking at increasing contributions from employees. Mr. Burdick said he believes the average across the U.S. is 30-40 percent. Legislator Fanton stated that some will be paying 20 percent. Ms. Ross stated that some are paying 25 percent. Mr. Burdick remarked on how much sick time is earned and employees who may work 24 hours and take the next day off. Mr. Boyde responded by saying that this conversation is an area that isn't related to the Budget. Mr. Burdick stated he feels the County benefits are out of line. He feels the County has to have so many employees because employees have so much time off. Legislator Ungermann remarked that 51 percent is the total benefit package. Ms. Ross stated that it's now down to 47 percent. That includes FICA, Workers' Comp., Disability, Medical Insurance, Retirement, etc.

Mr. Brandes asked if part-time employees get full-time benefits. Ms. Ross stated that there are some part-time people who get benefits, but the Board has changed that. Mr. Burdick remarked that it was his understanding that people can collect their time off and get paid for it upon retirement. He feels sick time was put in place as a crutch in case you needed it, and now we're giving people a check for that time.

Chairman Crandall thanked everyone for coming. He remarked that we've had years when no one has come to the public hearing. He said we've got a good budget put together. The Board will be meeting to discuss adjustments to the Budget and suggestions that came out of the public hearing can be discussed.

Adjournment: The Public Hearing was closed at 8:35 p.m.

BUDGET COMMITTEE
November 16, 2016
NOT APPROVED

Committee Members Present: C. Crandall, K. LaForge, D. Fanton, D. Healy, J. Hopkins, D. Root (Absent: P. Curran)

Others Present: L. Ballengee, T. Boyde, D. Decker, K. Graves, K. Hollis, G. James, T. Miner, B. Riehle, T. Ross, M. Washer

Call to Order: The meeting was called to order at 11:05 a.m. by Budget Committee Chairman Curt Crandall.

Approval of Minutes

A motion was made by Legislator Root, seconded by Legislator Fanton, and carried to approve the Budget Committee minutes of October 19, 2016.

Sales Tax Report

County Treasurer Terri Ross distributed the 2016 Allegany County Sales Tax Report reflecting receipts through November 16, 2016, totaling \$16,314,247.14. The year-to-date figures show a decrease, of \$314,134.63 or 1.889 percent compared to last year at this time. Ms. Ross stated overall they are still down just under 2 percent which reflects near a \$1 million shortage of our budget number, but we still have four more payments scheduled to come in. Legislator Decker stated looking at the report he sees we always receive two payments a month, and questioned why in January there is only one. Ms. Ross stated the first payment we receive in January is really for the prior year so it is not reflected on the report.

Vehicle Fleet Management

County Administrator Tim Boyde attended the meeting to discuss our vehicle fleet management with the committee. Mr. Boyde stated he, County Treasurer Terri Ross, and Public Works Superintendent Guy James have been meeting with Enterprise since July 2016 to look for efficiencies to better budget our fleet operations. Mr. Boyde stated currently 44 percent of our fleet is 10 years old. Mr. Boyde explained that year one of this program they would replace 14 vehicles which will cost just under \$75,000. Currently the 2017 Tentative Budget has \$125,000 budgeted to purchase 10 vehicles; therefore, the proposal for year one through Enterprise will net a savings of \$50,000 in our Budget. Mr. Boyde stated that currently we have 88 vehicles, which is a high number of vehicles that we don't need, and this program will be an opportunity to look at reducing that number, and weeding out the vehicles we don't need and further save on cost. Mr. Boyde went on to say that this program will allow them to reduce operating and maintenance costs as well by having newer, safer, more fuel efficient vehicles, and adding a full maintenance solution, including 24/7 Roadside Assistance. Mr. Boyde stated there are some risks that he would like to put out there now, one being you could see a negative number when it comes to cost around year three or four of the program; however, when you offset the sale of the fleet, you are still in a positive cash flow situation. Legislator Fanton questioned how many vehicles they would be selling per year. County Treasurer Terri Ross stated 16 to 20 vehicles per year will be sold, and they have taken into consideration that the older vehicles are worth less. Mr. Boyde added the vehicles will primarily come from Public Works, but some will be Office for the Aging vans, transport vans, and Health Department

vehicles. Mr. Boyde stated they have not looked at the Police side of it, but that he did speak with Wellsville Village Chief of Police Tim O'Grady, who stated they participate in the Ford Leasing Program and have gotten themselves to a position, where turning over their fleet, they now only need one maintenance person. So, over the course of time, you are able to look at a reduction in personnel which will be additional savings. Legislator LaForge questioned if multiple vendors will be participating for the lease. Mr. Boyde stated this program is going to piggy back on Erie BOCES. Chairman Crandall questioned if this has been discussed with any other Department Heads other than Mr. James. County Treasurer Terri Ross stated they have talked with all Department Heads who have vehicles, discussed the usage of them, as well as state aid, and each Department Head has seen the list of vehicles sent to Enterprise. Legislator Decker questioned how this program affects the vehicles taken home by employees. Mr. Boyde stated that is an issue that is going to be addressed separately, but some individuals need to have vehicles to take home for the instances where they leave for the day and plan to leave first thing in the morning for a meeting or conference. Mr. Boyde added he understands that isn't the situation Legislator Decker is referring to, and he is aware they need to look at who the authorized individuals are that take home vehicles and whether or not they should still be taking a vehicle home. Chairman Crandall questioned if there is a timeframe they are up against. Mr. Boyde stated there really is no timeframe; they can make a purchase at any point in time. County Treasurer Terri Ross stated they have the \$125,000 in the Budget to purchase the 10 vehicles, and because the Board has not decided which vehicles to purchase, that \$125,000 is there to use. Legislator Graves questioned if by going that route, will it keep them in Budget. Ms. Ross stated, yes they would have a net savings of \$50,000, as the 14-vehicle replacement program will only cost \$75,000. Chairman Crandall stated this isn't a day to make any decisions; they are just looking for support from the committee so Enterprise can come in and make a presentation. Chairman Crandall then questioned if they have received feedback from other Counties using this program. Public Works Superintendent Guy James stated he has spoken with a few other Highway Superintendents, and while they are in the infant stages of the program, so far they are happy with what they have seen. Legislator Fanton asked if they know of anyone who has been in the program the full five years, as he is interested in hearing feedback from someone who has been through a full cycle. Mr. James stated he believes there are; however, they are more private sectors than Government, but he will look into it. Legislator Root questioned having additional vehicles available for employees that don't have a department car available because currently they are paying mileage, and it may make sense to have a couple extra vehicles available to save on the cost of paying mileage to employees that choose to take their personal vehicle. Mr. Boyde stated Department of Social Services and/or Public Health could have a floating car to be used in those cases. Mr. Boyde added that there are IRS Regulations that state if there is a vehicle available to use, but an employee chooses to take their personal vehicle, the mileage reimbursement rate significantly reduces, so that is something they should be looking into and making sure we are following. Legislator Decker questioned if we will continue to carry our insurance with NYMIR or if additional insurance is required. Mr. Boyde stated the insurance will not change. Legislator Healy stated having an updated fleet will also reduce our liability exposure. Mr. James stated it would because the newer vehicles have more safety features, and in the insurance company's eyes it's a good thing to be driving a newer fleet. A motion was made by Legislator Healy, seconded by Legislator Hopkins, and carried to request that Chairman Curt Crandall schedule a Committee of the Whole meeting and invite Enterprise to come and make a presentation. **Refer to Chairman Curt Crandall**

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 11:55 p.m. following a motion by Legislator Fanton, seconded by Legislator Root, and carried.

Respectfully submitted,

Meghan Washer, Secretary to the Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
December 21, 2016
NOT APPROVED

Committee Members Present: C. Crandall, K. LaForge, D. Fanton, D. Healy, J. Hopkins, D. Root (Absent: P. Curran)

Others Present: L. Ballengee, T. Boyde, K. Graves, K. Hollis, R. Hollis, G. James, J. Kelley, C. Knapp, T. Miner, B. Riehle, T. Ross, M. Washer

Call to Order: The meeting was called to order at 11:05 a.m. by Budget Committee Chairman Curt Crandall.

Approval of Minutes

A motion was made by Legislator Root, seconded by Legislator Fanton, and carried to approve the Budget Committee minutes of November 16, 2016.

Sales Tax Report

County Treasurer Terri Ross distributed the 2016 Allegany County Sales Tax Report reflecting receipts through December 13, 2016, totaling \$17,683,787.80. The year-to-date figures show a decrease of \$355,385.28 or 1.970 percent compared to last year at this time. Ms. Ross stated overall they are still down just under 2 percent which reflects close to a \$1 million shortage of our budget number, but we still have two more payments scheduled to come in by the end of the year. Legislator Hopkins asked if there was any increase seen from this time last year from Christmas shopping locally. Ms. Ross stated no they are actually down \$33,000, but they won't see those payments reflecting holiday spending until February of 2017, which is when things will begin to balance out.

Vehicle Fleet Management

Chairman Curt Crandall followed up with the committee to see if there were any additional questions or comments regarding the Fleet Management Program stating he hasn't been hearing a lot of negative feedback on it. County Administrator Tim Boyde stated they began discussions in August and the process has gone through a lot of back and forth, and they have pretty well vetted the process. Mr. Boyde followed up regarding a concern Legislator Ungermann had with wear and tear on the vehicles, stating if a vehicle gets dented or paint is scratched, Enterprise will look at the damage and if they believe it will help the resale value of the vehicle, they will have the damages repaired. If the damages aren't repaired, we would lose \$200 at trade in. Legislator Hopkins stated currently with NYMIR we get payments back for repairs and/or damages if one of our vehicles are in an accident and asked if there will be any change to that if we were to go with Enterprise. Mr. Boyde stated we are still insuring the vehicles and they will remain covered under our policy. County Treasurer Terri Ross stated that Enterprise has assured them there will be no difference or changes in our insurance coverage. Ms. Ross added that on top of making our vehicles safer, this program is a real plan for the County, and it will eliminate the sporadic requests we get from departments for new vehicles. Public Works Superintendent Guy James stated this program is something that will need to be looked at every year to make sure it's satisfying the needs of what we are trying to achieve. There was concern in the beginning that once we sign up we are locked in and that isn't the case. Having that ability to get out, we need to be constantly looking at it in case it's not ending

up favorable to us. Chairman Crandall stated that in looking at the vehicles to replace, it may not be a bad idea to let go of a vehicle that has some worth to it rather than try to just get rid of every high mileage, run down vehicle. It would be a good for us to look at everything we have and balance it. Legislator LaForge asked if Enterprise was the only vendor we were looking into. Mr. Boyde stated Ford Motor Company offers a program where you make three yearly payments and on the fourth year you purchase the vehicle for \$1.00, but you are limited to your make of vehicle, whereas with Enterprise, we are open to any make and model we find suitable to our needs. Legislator Fanton stated his only concern is that Governments get into these programs thinking it's going to be a great savings and then five years down the road you don't really know if you were better off because you aren't tracking what the cost really is to you, adding that he would like to see the County find a way to really track what this program is going to cost the County. County Treasurer Terri Ross stated the plan is to set up a fleet management account and everything going towards vehicles (i.e., gas, maintenance) will come from this centralized account, and then each department will be get charged back for the cost they incurred. Currently each department pays for everything out of their own accounts, so this new account will make it very transparent where the money is going and how much we are spending. Legislator LaForge asked if the maintenance work on these vehicles will be done locally, stating the vehicles more than likely won't come from a local dealer, so having maintenance done locally will help our local businesses. Ms. Ross stated it is up to the County where we purchase the vehicles from as well as where we send them for maintenance, but they also will need to look at where the vehicle potentially breaks down and where it's most economical to send it for maintenance. Mr. Boyde added that some vehicles could come from local dealerships if they select make and models sold locally. A motion was made by Legislator Healy, seconded by Legislator Fanton, and carried to send the Fleet Management Program to Ways and Means for approval. **Refer to Ways and Means**

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 11:39 a.m. following a motion by Legislator LaForge, seconded by Legislator Root, and carried.

Respectfully submitted,

Meghan Washer, Secretary to the Clerk of the Board
Allegany County Board of Legislators