

BUDGET COMMITTEE
June 19, 2019

Committee Members Present: P. Curran, P. Stockin, J. Burdick, D. Fanton, B. Harris, J. Ricci

Others Present: L. Ballengee, G. Barnes, T. Boyde, D. Decker, W. Dibble, K. Dirlam, K. Graves, D. Healy, J. Hopkins, G. James, C. Knapp, R. Lynch, D. McDonnell, B. Riehle, D. Root, T. Ross, T. Shaw, M. Washer

Media Present: C. Potter – *The Spectator*

Call to Order: The meeting was called to order at 1:40 p.m. by Budget Committee Chairman Phil Curran.

Approval of Minutes

A motion was made by Legislator Harris, seconded by Legislator Burdick, and carried to approve the Budget Committee minutes of May 15, 2019.

Sales Tax Report

Ms. Ross distributed the 2019 Allegany County Sales Tax Report reflecting receipts totaling \$8,852,461.86 through June 19, 2019. The year-to-date figures show an increase of \$80,182.47 or 0.914 percent more compared to last year at this time. Ms. Ross stated they are back on track to being 1 percent over what we had at this time last year, adding they are in good shape and everything seems to be stable at the moment. Ms. Ross reminded the committee that the previous month's decrease was due to prior year adjustments and not actual sales tax reduction. Legislator Harris asked if prior year adjustments only happen once a year. Ms. Ross indicated they could happen twice; however, they typically see it done once during tax season.

2019 Budget Reports

Committee Chairman Curran reminded everyone that the committee will review semi-annual reports at the July 17 Budget Committee meeting.

Budget Hearing Process Expansion

Legislator Harris distributed a handout laying out how he would like to expand the budget hearing process. Legislator Harris would like the committee to generate a survey prior to the hearings and presentations from department heads to have the following topics addressed and questions answered:

Departmental Goals and Objectives

Goals and objectives of the department for the next year.

Is there anticipated expansion of current services.

New services being added.

Grading of the efficiency of the department in the last year.

Comparison of end-of-year actual budget to the anticipated budget.

Year to Year Changes:

Community needs and resources and how they have changed over the last year.

New mandated programs that have been encountered in the last year.

Staffing, Payroll, Contracts

- Changes made to staffing levels in the last year and if there are any vacant positions.
- New employee contracts that significantly increase payroll for the next year.
- Any duties or services that have been shifted from County staff to contractors or vice versa.
- Areas for reduction in staffing

Financial Trends:

- Any significant changes in revenue sources over the last year.
- Any lost funding from state or federal sources.
- Any significant vehicle, equipment, or software purchases in the near future.

Peer Comparisons

- Comparison of County department to same department in other similarly sized counties.

Legislator Stockin asked if there has been thought about how the department head is going to receive this. Legislator Harris stated they would receive and complete the survey, and return it to prior to the budget hearings to allow the committee to better understand their 2020 Budget requests as well as how their budget works. Legislator Harris indicated that he has very little understanding of where our revenues are coming from and why the appropriations and expenditures are what they are. Legislator Healy stated the end goal should be to reduce costs and taxpayer's money. Legislator Decker stated the best place to start is by looking at a 10 percent cut for each department, adding the state is in trouble, and we don't know when they are going to start restricting and withdrawing funds. The County could end up in a difficult situation if our 2020 Budget looks like our current one. Legislator Decker continued that they need to make some hard decisions and cut spending in case these grants don't come through. Legislator Fanton stated they did cut spending last year, and it was all taken from Public Works. Legislator Harris stated he is not of the opinion that cuts across the board is good budgeting; however, he does believe there are some departments that should cut more than others, and that is what they need to be looking at. Legislator Healy suggested the staffing analysis be ongoing, noting that most job descriptions haven't changed with the state in years. A lot of things are done electronically and faster now so some of these jobs could be consolidated. Legislator Stockin asked how much of this requested information is already at the fingertips of the department heads. Ms. Ross indicated that after reading through some of these questions, it would be a good idea to sit down and determine which are departmental and which are County, noting that fund balance is County-wide, not per department. Historically, the reports the board receives when budget requests are presented reflect the prior three years' actual numbers. When they are looking at the detail, they already see the historical data that Legislator Harris is requesting, and it would be unnecessary to ask the department to re-create something that already exists. The committee briefly discussed how year-end transfers are handled and Legislator Harris asked how they should proceed. County Administrator Deborah McDonnell stated that as she begins her first year, the questions Legislator Harris wants answers to are all questions she will be asking anyways, so she will be able to produce that information and find a way to present it to the committee. Legislator Harris asked that it be presented prior to the budget hearings so they have time to digest it. Ms. McDonnell indicated it's also good to get it out to the public as the more we share with them, the stronger sense they will have of how government works. Ms. Ross reminded the committee that budget requests are due by July 5 and hearings are in August; therefore, they will need to get started very soon. Legislator Stockin stated he would prefer to have the department heads involved

sooner than later, noting that including them will be more beneficial than just telling them to do it. Public Health Director Lori Ballengee noted that she has 21 cost centers so it will take her time based on what the questions are. Legislator Harris noted they are broad questions and not specific to line items. Committee Chairman Curran noted that Ms. Ballengee also has a lot of revenue streams that go in and out; however, they have no idea what goes beyond that, and they need something to help them better understand the budget process. Legislator Graves stated he likes the County Administrator's approach and would like to give her the chance, adding that as long as she maintains communication, they're on the right track. Legislator Hopkins commended Legislator Harris for his efforts, adding that these questions will also be very helpful as they discuss the possibility of developing a review process for department heads as far as determining raises, etc. Legislator Ricci added that he also thinks it's a great idea.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 2:02 p.m. following a motion by Legislator Stockin, seconded by Legislator Ricci, and carried.

Respectfully submitted,

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