

BUDGET COMMITTEE
January 17, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, T. O'Grady, C. Crandall
(Absent: Kruger)

Others Present

S. Brown, W. Dibble, J. Margeson, B. Riehle, T. Ross, W. Tompkins

Media Present

P. Jannace – Wellsville Daily Reporter; K. Doyle – Olean Times Herald

Approval of Minutes

The December 20, 2006 Budget Committee minutes were approved on a motion by Hall, seconded by O'Grady and carried.

Sheriff's Office

Budget Committee Chairman Theodore Hopkins briefly explained the function of the Budget Committee to newly elected Sheriff Tompkins. Legislator Hopkins explained a few of the financial reports that the Sheriff's Office will be expected to submit and encouraged Sheriff Tompkins to work with the County Treasurer regarding reporting.

Legislator Hopkins talked about tracking overtime and how it is created noting that there has to be an understanding of what is creating overtime to solve the overtime problems. Sheriff Tompkins stated that he has taken some steps to get a handle on overtime in his office, and some checks and balances have been instituted with the hope of reducing overtime costs.

Mr. Hopkins briefly discussed using a time clock and noted that County Treasurer Terri Ross and Information Technology Director Deborah Button have been looking at overtime systems to see if a system could be integrated with our current payroll system.

County Administrator/Budget Officer John Margeson stated that he is also closely watching the operating expenses for the new jail noting that there was no history to guide them when they were budgeting for gas and electric expenses for 2007, and Sheriff Tompkins will not be held responsible for staying within the estimated amounts. Legislator Hopkins requested the Sheriff to keep the committee informed regarding operating costs or any other budgeting concerns that may come up.

Sheriff Tompkins informed committee members that INS (Immigration & Naturalization Service) did a final site visit at the jail yesterday, and they were very impressed with our operation. Mr. Tompkins indicated that the INS would like to make arrangements to be able to house prisoners with us if the need suddenly arises. Legislator Dwight Fanton asked if the County would be responsible for providing INS inmates with certain provisions, and Sheriff Tompkins indicated that the County would be responsible to supply what an inmate could be provided if they were in a federal facility. Sheriff Tompkins indicated that the Jail Administrator has been working with INS on some of these issues. The Sheriff indicated that the INS fee schedule is determined by the performance of the agency and the facility they are contracted with.

Grant Writing

Stuart Brown, Director of Stuart I. Brown Associates, Inc. submitted a proposal to the County back in September for grant writing services. Mr. Brown provided a brief history of his company stating that they are currently working for municipalities in 14 counties in New York, and most of their clients are rural communities. They have been in business for 31 years and have seven people on staff. They

recently merged with LaBella and now have a tremendous amount of resources available. Mr. Brown indicated that they like to work on a per diem basis, and they submit monthly reports of what they've done and the progress that has been made. They generally work under the County Administrator or Manager. In the last 27 years they have brought around \$80 million into Livingston County, and they usually have a 75-day per year contract with Livingston County. Mr. Brown noted that they have been under the 75-day mark every year but two, and they are always willing to work with the county to come to an amicable agreement. Once Livingston County agreed to pay them additional funds, and once the days were carried over to the following year.

Mr. Brown stated that 95 percent of their funding comes from public sources noting that most private foundations typically want to fund private organizations. Mr. Brown explained that they ask their clients to give them a wish list along with an explanation of their needs and priorities, and then they do an evaluation to identify which grants should be written and where funds might be available. There is a lot of funding available, but not all of it may be feasible. Stuart Brown Associates would search out projects that are not only eligible but fundable. Chairman Crandall said that the County needs to determine what our needs are, and what Stuart Brown can do to help fulfill them. What would guide us to decide how many days we might need for a contract?

Legislator Dwight Fanton asked Mr. Brown about his success in securing funding for courthouses and landfill expansion. Mr. Brown indicated that there used to be a lot of money for landfills, and that there are still some funds available for closing costs. Legislator Fanton also asked about water and sewer funding, and Mr. Brown indicated that they have done hundreds of sewer and water projects. Mr. Brown added that in most cases you build infrastructure for one of two reasons -- to eliminate a public health and safety problem or to support economic development. Funding is different depending on need. Key factors for development projects include whether or not you have a company that is willing to put something in that will create jobs once the water and sewer are in place. If you just say that you are doing it to make land more attractive, you are not as likely to be successful. Legislator William Dibble mentioned that more advanced technology needs to be included in Allegany County's infrastructure needs.

Mr. Brown indicated that they do take care of some of the grant administration as well as the grant writing. They want to make sure that their clients can live with the obligations of the grant. Mr. Margeson asked if other counties have funds set aside so that local match requirements can be met. Mr. Brown indicated that Livingston County diverted some of the sales tax revenues for this purpose; however, they try to use existing resources to help pay for the match.

Legislator Hopkins expressed concern about the possibility of Mr. Brown's company writing grants for entities that are actually competing for the same funds. Mr. Brown asserted that they do the best job possible for each project they do. Mr. Brown stated that if his company doesn't bring into the County funds amounting to many times over what they are paid in fees, then they aren't doing their job. Committee members briefly discussed the proposal that Mr. Brown previously submitted. Mr. Margeson confirmed that legislative approval would be required to move forward. No additional action was taken at this time.

Sales Tax Report

County Treasurer Terri Ross distributed copies of a Sales Tax Revenue Report through the end of 2006. The total sales tax revenue collected was \$16,865,297.72, which was \$565,297.72 more than the \$16.3 million that was budgeted and \$983,158.92 (6.19%) more than 2005. Interest on our sales tax revenue was \$28,486.08 for the year.

Overtime Report

County Treasurer Terri Ross distributed copies of an Overtime Report covering December 2006 payroll. Over 3,330 overtime hours were worked in December, and the total overtime costs were \$94,545.42. The December overtime figures were less than November which had over 4,791 overtime hours worked with total overtime costs of \$133,346.59.

Legislator Hopkins expressed concern about a few departments not submitting overtime documentation. Ms. Ross will be sitting down with a few departments to assist them. Committee members discussed overtime accountability noting that as the overtime reports continue to be produced, the committee will have a history of overtime.

Executive Session

A motion was made by Hall, seconded by Fanton and carried to enter into executive session to discuss collective negotiations pursuant to article fourteen of the civil service law. Immediately following the executive session a motion was made by Fanton, seconded by Hall and carried to end the executive session and return to regular session.

Next Meeting

The Budget Committee will continue to meet on the third Wednesday of the month; however, they will move their meeting time from 1:30 p.m. to 1 p.m.

It was noted that the larger departments will be expected to submit financial reports on a quarterly basis, and the smaller departments will report on a semi-annual basis.

Adjournment

There being no further business to come before the committee, a motion was made by Hall, seconded by O'Grady and carried to adjourn the meeting.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE

February 21, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, W. Hall, K. Kruger, C. Crandall
(Absent: Fanton, O'Grady)

Others Present

D. Beardsley, W. Dibble, J. Margeson, B. Riehle, T. Ross

Media Present

P. Jannace – Wellsville Daily Reporter; K. Doyle – Olean Times Herald

Approval of Minutes

The January 17, 2007 Budget Committee minutes were approved on a motion by Hall, seconded by Hopkins and carried. (Abstaining: Kruger)

Sales Tax Report

County Treasurer Terri Ross distributed copies of a sales tax report covering receipts through February 13, 2007. So far this year we have received \$1,893,038.67 in sales tax revenue. This figure is down slightly from last year at this time; however, it's too early to really tell anything. Most of the sales tax revenue received reflects December spending.

Overtime Report

Ms. Ross distributed copies of an overtime report noting that over 4,022 overtime hours were worked in January. Of the overtime hours worked, 2,497.50 hours were paid and 2,298.49 were banked. The total overtime costs were \$116,885.46. The overtime hours worked in December were approximately 3,330 and approximately 4,791 in November. Payrolls one and two in January both contained holidays which makes a difference in some departments.

Ms. Ross reported that she is still not getting overtime reports from some of the departments. Committee members discussed the need to identify what is creating overtime and expressed concern that some departments are not reporting the requested information. Committee members would like the departments that are not providing the requested information to come to the committee meeting on March 21 to explain why they are not providing the information and to identify the cause of overtime in their departments. Chairman Curtis Crandall also talked about the need to control unnecessary overtime and suggested the committee have a few additional departments come in to discuss the overtime in their departments.

Committee members would like to continue receiving the overtime reports. Legislator Theodore Hopkins, Chairman of the Budget Committee, suggested including another column on the report that would show a running total for 2007. Mr. Hopkins questioned if the County controls when employees can get paid for overtime. Ms. Ross explained that most contracts call for banked time to be paid at the end of the year; however, occasionally we get requests to receive payment for a certain number of hours.

Legislator Karl Kruger brought in an article regarding the Fair Labor Standards Act noting that some people that are receiving overtime may not actually be eligible for it. After a brief discussion, a motion was made by Kruger, seconded by Hall and carried to refer the material to the Personnel Committee for further review and referral to the Human Resources Office. **Refer to Personnel**

Committee

Community College Report

Ms. Ross distributed copies of a report on Community College Expenses from 2003 through 2006. The report includes summaries of 2006 expenses by town and community colleges sorted both

alphabetically and by number of registered students and cost. The state sets the rates which vary by college, and the figures are based on the number of students attending and what they are taking. The total Community College expenses for 2003 through 2006 are as follows:

2003	\$ 516,191.85
2004	\$ 610,693.00
2005	\$ 639,796.97
2006	<u>\$ 707,206.79</u>
Total	\$2,473,888.61

Legislator William Hall stated that the trend seems to show an increase in community college use. Many community colleges are building residence halls, and they are expanding the number of students they can take all over the state. Committee members discussed the fact that the community college expenses are actually a town responsibility, and this is one of the expenses the County absorbed in lieu of sharing sales tax. Committee members requested County Administrator John Margeson to send a letter and a copy of the report to all town boards. **Refer to County Administrator**

Grant Writing

Mr. Margeson stated that he has been talking with department heads regarding ideas they might have for projects affecting their departments. Mr. Margeson distributed a partial list of projects that have been identified that might potentially be performed with acquisition of grant funding. The list included:

1. Funding for the acquisition and installation of water/sewer infrastructure for Crossroads Development.
2. Funding for the potential construction of a new Criminal Justice Facility to include the Courts, District Attorney, Public Defender, Child Support Enforcement and Probation.
3. Funding for the construction of a Department of Public Works Administration building at the Highway Division headquarters in Friendship, New York to include permanent accommodations for the training of Emergency Medical Technicians.
4. Funding for the construction of administrative office for the County Office for the Aging to include the Single Point of Entry System and a senior citizen activity center.

Mr. Margeson stated that if anyone has any ideas for grant funding for projects, he would be happy to discuss the ideas with them. Mr. Margeson mentioned he has been discussing some ideas with Legislator William Dibble regarding better Internet access in the County. Mr. Margeson noted that a lot of the grant money currently coming into the County is historically applied for on a regular, ongoing, departmental basis. If we are going to work with Stewart Brown Associates, we want to find new money that we haven't received before.

Mr. Margeson explained the Single Point of Entry System and the redundancy it would eliminate between the Health Department, Social Services, Mental Health and the Office for the Aging. Committee members briefly discussed the condition of the current Office for the Aging building and the possibility of building a structure that could be dedicated to the Office for the Aging with a Single Point of Entry System office that could receive all of the referrals primarily on behalf of senior citizens as well as a senior citizen activity center.

Committee members briefly discussed how the departmental five-year plans could be used to increase our list of potential projects for which grant acquisition may be appropriate. Ms. Ross stated that she would send something out to department heads requesting them to update their five-year plans.

Daniel Beardsley from Alma attended the meeting and expressed concern regarding the quality of catering services stating that they generally use pre-packaged and prepared foods that aren't as nutritional or as tasty and asked if the Board had considered getting better nutrition programs in place. Committee members very briefly discussed the Meals on Wheels Program. *(It was later noted that the caterer supplying food for the Allegany County Meals on Wheels Program does not use pre-packaged and prepared foods.)*

Bonding Equipment and Machinery

Legislator Hopkins talked about the need to get away from bonding equipment and machinery. Legislator Karl Kruger asserted that the only way to get away from bonding equipment and machinery is to stop the cycle and refuse to borrow any more money for that purpose. Mr. Kruger stated that we can't plan for stopping the borrowing cycle because we are always too far in debt. Mr. Kruger suggested voting "no" on the upcoming resolution to bond, and if a piece of machinery goes down, bond or borrow then. Chairman Crandall countered that we can plan to stop the current borrowing cycle we are in. Mr. Crandall stated that we need to have an equipment replacement plan; we don't want equipment to just breakdown and not be able to replace it noting that it costs money to go out to bond, and we only like to do it once at a scheduled time every year.

Legislator William Hall stated that sometimes you need to determine if it will cost the County more to fix a vehicle or piece of equipment over the next several years, or if it will be cheaper to buy new off of state contract. Legislator Kruger provided a few examples of used equipment and large trucks that are still running long after they were deemed too expensive to keep.

Ms. Ross stated that these are decisions that need to be made at budget time. Money for equipment purchases has been taken out of the annual budget the last few years with the intention of bonding the cost of replacing the equipment.

Chairman Crandall stated that at a recent Southern Tier West meeting they were discussing selling used equipment and other items at online auctions. The thought is to have an established site where both buyers and sellers go. It greatly increases the marketing area and expands the list of potential buyers. Mr. Crandall stated that Oneida County has had some success with this.

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
March 21, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, T. O'Grady, C. Crandall
(Absent: Kruger)

Others Present

W. Dibble, W. Goetschius, R. Hartwick, J. Margeson, A. Nevol (*Intern in Treas. Office*), B. Reynolds, B. Riehle, T. Ross, D. Russo

Media Present

P. Jannace – Wellsville Daily Reporter

Approval of Minutes

The February 21, 2007 Budget Committee minutes were approved on a motion by Hall, seconded by O'Grady and carried.

Sales Tax Report

County Treasurer Terri Ross distributed copies of a sales tax report covering receipts through March 13, 2007. So far this year we have received \$2,944,487.22 in sales tax revenue and interest. This figure is up slightly (\$12,225.08, .42%) from last year at this time.

Overtime Report

Ms. Ross distributed copies of an overtime report through payroll ending March 2, 2007. More than 10,000 overtime hours have been worked for the first five pay periods of 2007 resulting in \$294,785.32 for total overtime costs. Of the overtime hours worked, 5,878.30 hours were paid and 4,896.66 were banked.

Accountant Randy Hartwick and Undersheriff William Goetschius distributed copies of some overtime analysis they prepared for the Sheriff's Office. Committee members were very pleased with the spreadsheets presented and commended Mr. Hartwick's efforts. Legislator William Hall suggested putting the different information represented by a scale and data points on the graph on two separate spreadsheets to make them easier to see and follow.

Committee members questioned the higher overtime figures shown in a few of the payroll periods, and Mr. Hartwick explained that payroll periods with a holiday are typically higher especially when you are looking at a 24/7 operation. Legislator Timothy O'Grady commented that the Sunday Premium is "killing the County" noting that he has never heard of having Sunday Premium for a 24/7 facility. For payroll number six covering the period March 3 through March 16, 2007, Sunday Premium consisted of 276 hours representing 24.7 percent of all overtime. Mr. Hartwick indicated that a large portion of the overtime is contractual.

Legislator Dwight Fanton stated that he can see there are savings in overtime hours; however, some decrease in overtime might stem from not transporting inmates. It's difficult to compare one year to the next without knowing the overtime costs of transportation since we no longer transport inmates. Legislator Fanton requested Mr. Hartwick to come up with a cost associated with transporting inmates last year.

Committee members noted that in September we will have been at the new Jail for a full year, and it will be easier to compare overtime costs. Mr. Hartwick indicated that hiring the additional eight employees has also helped cut down on overtime costs.

Chairman of the Budget Committee Legislator Theodore Hopkins brought up the subject of using time clocks. Undersheriff William Goetschius indicated that they have a time clock but cannot install it until some union issues are resolved. County Administrator John Margeson stated that he has instructed Norm Stocker to approach all three unions regarding the use of time clocks. Mr. Margeson indicated that we need to explain from management's point of view what the time clocks are for and how they will be used. Legislator Hopkins stated he believes the goal would be increased efficiency.

Filling Positions

Committee members discussed the process used to fill a position. Mr. Hopkins expressed concern about the fact that when an employee whose position has been fully or partially funded retires, the retirement costs become a County obligation. Mr. Hopkins stated that we need to begin looking at some of these positions a little differently. Legislator O'Grady talked about relying on the department heads to justify why positions are needed noting that the legislators can only make decisions based on the information presented. John Margeson suggested offering incentives not to fill positions -- to become smaller and spend less. Legislator William Hall stated that we need to take a more consistent look at the positions that come before us. We are asking the department heads to become more efficient; are there certain things that need to be asked about every position? Chairman Curtis Crandall suggested revising the Request to Fill Position form to add criteria that will help committee members make a decision when a request to fill a position is made. Chairman Crandall stated that if there is a possibility to reduce the workforce through retirement, we can't just say that we are going to reduce the workforce; something has to give. We have been through the process of doing more with less funding all the time. We need to make some decisions regarding services. The Chairman asserted that we need a long-term game plan. Mr. Crandall suggested that there might be better ways to reduce positions and talked about reducing the long-term effect by hiring two part-time people.

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE

April 18, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, W. Hall, K. Kruger, T. O'Grady, C. Crandall
(Absent: Fanton)

Others Present

D. Aumick, P. Cockle, W. Dibble, W. Goetschius, D. Horan, T. Hull, J. Margeson, B. Reynolds, B. Riehle, D. Roeske, T. Ross, E. Ruckle, D. Russo, P. Schmelzer, D. Sirianni, W. Tompkins, D. Washburn

Media Present

K. Doyle – Olean Times Herald

Approval of Minutes

The March 21, 2007 Budget Committee minutes were approved on a motion by O'Grady, seconded by Hall and carried.

FIRST QUARTER DEPARTMENTAL BUDGET REPORTS:

Social Services

Social Services Commissioner Patricia Schmelzer distributed copies of her first quarter financial report stating that her budget figures are accurate and very close to projections. The Social Services Department has expended \$6,982,612 (22.29%) of their \$31,319,551 budget and collected \$3,796,753 (20.67%) of their \$18,368,459 budgeted revenues.

Health Department

Interim Public Health Director Thomas Hull and Accountant Pamela Cockle distributed copies of their first quarter financial report along with some other reports. Mrs. Cockle explained that although the Health Department has only received 11.02 percent of their projected revenues, state aid claims for grant programs and general public health work are due April 30, and they are in the process of being completed. In addition the revenues for nurses only reflect services through February 28 due to the lag time in billing.

Both Mr. Hull and Mrs. Cockle expressed concern regarding revenue receipts for the Pre-K 3-5 Program. There is a problem at the state level, and no counties can bill Medicaid for these services at this time. Part of the problem falls within the school districts involving the accreditation of the people providing the services. These are mandated programs, and we hope to see some revenue before the end of the year, but it's up in the air. The Health Department has \$205,000 revenue budgeted for these programs.

Sheriff's Office

Sheriff William Tompkins distributed copies of his first quarter financial report. Sheriff Tompkins noted that they have only received a small portion -- \$11,665 (2.87%) of the budgeted revenue of \$406,000, but he believes that all revenue will be obtained by the end of the year. The Sheriff indicated that most of their revenue comes from Court Security.

Sheriff Tompkins stated that they have been investigating their personnel costs and discovered that some known costs have never actually been included with the budget. The Sheriff asserted that costs associated with paying for show-up time, Sunday premium per contract, and holiday pay should be included with the base salary budgeted, and they have not been. In addition, unanticipated turnover in

the E-911 Center and jail staff have caused additional expenses, and based upon 2006 personnel costs, the Sheriff projects that the .1 accounts may be over budget by \$430,360. The Sheriff stated that he hopes they can continue the positive cycles such as reducing overtime costs, etc., and that the projected overage of \$430,360 will actually end up being much lower. The Sheriff distributed several spreadsheets summarizing personnel costs and analyzing overtime for the year as well as others for several years. The Sheriff distributed a pie chart showing a breakdown of overtime hours through payroll period number seven. Of the 1,235.25 overtime hours, 1,094.25 (88.59%) were obligated, and only 141 (11.41%) were non-obligated, or something the Sheriff could control. It was noted that it costs about \$12,000 in overtime for community-based events.

Committee members discussed utility bills at the Jail, and County Administrator/Budget Officer John Margeson stated that although it's early to make predictions, he believes there is enough money in the budget to pay the utility bills through the end of the year. The temperature of the Jail along with ways to increase air circulation to obtain more uniform heat throughout the Jail was discussed.

Committee members discussed the costs associated with covering for an employee on 207-C (Workers' Compensation). Sheriff Tompkins stated that he believes the County can apply for a disability pension on someone's behalf after they are off for two years. It was noted that per the union contract, the positions of employees off on Workers' Compensation must be backfilled with full-time employees on overtime. Committee members briefly discussed the possibility of creating additional positions and not backfilling the position of employees off on Workers' Compensation if we were already meeting minimum staffing levels.

Public Works Department

Public Works Superintendent David Roeske distributed copies of his first quarter financial reports noting that the reports reflect revenues invoiced through March 31 and payables through the April 23 Board meeting. Mr. Roeske stated that they have two problem areas. They believe that the revenues for Solid Waste may fall short approximately \$125,000 primarily because Olean isn't bringing their sludge any more which accounted for about \$30,000, and permit sales are down. Last year was the first year we pro-rated the permits so many have delayed purchasing them. Last year at this time, we had collected about \$30,000 more in permit fees. Mr. Roeske indicated that he won't really be able to project the total loss of revenue until September because we may have a big surge of permit sales in June as citizens come back to the area for the summer. It's also possible that we may make the shortage up in other areas such as scaled garbage, but we need to keep our eye on it.

The other area Mr. Roeske expressed concern about is the account (A3152) where he purchases equipment and supplies for the new Jail. Mr. Roeske indicated that when they budgeted for this account, they expected to be able to use more money out of the capital account; however, that account was depleted before they could order things such as filters. They will need \$4,000-\$5,000 in filters this year. In addition, one of the equipment rooms was not included in the air conditioning plan, and the equipment in the room makes the temperature go up to around 130 degrees fairly quickly when it should be kept around 70 degrees. They had to purchase a separate commercial air conditioning unit which cost around \$5,000.

Office for the Aging

Office for the Aging Deputy Director Daniel Washburn distributed copies of his first quarter financial report noting that they have only received about five (5) percent of their anticipated revenues because they have not yet received any revenues from their grants. Grant vouchers are sent in quarterly. Mr. Washburn indicated that they have only used about 17 percent of their appropriations for the year; however, they have a large expenditure coming up. The single point-of-entry (SPOE) software will be purchased in May or June, and that will cost roughly \$25,000 of the \$52,000 budgeted. The SPOE is 100 percent funded.

Mr. Washburn stated that the cost of gas is eating into their budgets. They have also provided approximately 100 more rides this year than last year at this time. Mr. Washburn explained that the Office for the Aging provides medical, banking, pharmacy, and grocery shopping transportation for senior

citizens. Part of the increase stems from citizens and caretakers realizing that the service/program is available. They do try to combine trips when possible.

Probation Department

Probation Officer David Sirianni distributed copies of his first quarter financial report to committee members. Mr. Sirianni stated that he anticipates that revenue account A10.3310.05 (SORA Level 3 Sex Offender Fees) will be increased an additional \$8,000 for a total of \$16,000 because we have two more level three sex offenders than we had when the budget was adopted. Mr. Sirianni also noted that the figures listed do not include an additional \$6,000 he received in state aid for work performed last year associated with the Sex Offender Program.

Sales Tax Report

County Treasurer Terri Ross distributed copies of a Sales Tax Report reflecting receipts through April 13. So far this year we have received \$4,668,897.79 in sales tax revenue, \$7,266.18 in interest for a total of \$4,676,163.97. This figure is \$175,641.26 (3.626%) less than last year at this time. Based on an average of our receipts to date, we are below our estimated budget projection of \$17.1 million by \$846,162. Last month our receipts were up by less than half a percent. Committee members will continue to monitor the account.

Overtime Report

Ms. Ross distributed copies of an overtime report through payroll ending March 30, 2007. Total overtime hours worked for 2007 (7 pay periods) were 13,633.27 resulting in \$402,490.61 for total overtime costs. Of the overtime hours worked, 8,058.43 hours were paid and 6,359.42 were banked. The total overtime costs for the first quarter of 2006 were \$412,000 so we are down slightly.

Request to Fill Position Form

At the last Budget Committee meeting, committee members discussed the process used to fill a position and agreed to revise the Request to Fill Position form to add criteria that will help committee members make a decision when a request to fill a position is made. Committee members reviewed and discussed the proposed changes to the form. Chairman Curtis W. Crandall suggested adding a line for the *Source of funding for benefits*. A motion was made by Hopkins, seconded by O'Grady and carried to refer the form with the suggested changes to the Personnel Committee for approval. **Refer to Personnel Committee**

Additional Concerns

Legislator Theodore Hopkins, Chairman of the Budget Committee, asked if there was anything else to come before the committee.

Legislator Karl Kruger indicated that he would like to look at the following items:

- 1. *Parking cars.*** Mr. Kruger stated that we have proven that it saves money to park cars. We should be parking all vehicles that do not bring benefit to the taxpayer; we should not be providing free rides back and forth to work. Legislator Reynolds stated that we gave department heads an opportunity to justify their vehicles back several months ago. Do you want to go through that process again? Legislator O'Grady stated that the officers in his department do not drive vehicles home, and he agrees with Legislator Kruger on parking the cars.
- 2. *Streamlining departments.***
- 3. *Contributions to health insurance.*** Mr. Kruger suggested that everyone should be paying 15 percent toward health insurance expenses. Legislator Timothy O'Grady asked how many part-time employees receive health insurance benefits, and Personnel Officer Ellen Ruckle indicated that there are not too many.
- 4. *Action on vacation and sick sell back.***
- 5. *Time clocks.***

Mr. Kruger asserted that it is time for some affirmative action, and if we wait until later, it will be too late to do anything about it. If sales tax continues its current trend, we will be in trouble. Rather than talk about eliminating people if things fall short, we need to tighten our belt now.

Legislator Theodore Hopkins stated that we have an ad hoc committee that is already looking at some of these issues. They are also looking at the bigger issue of how to compensate department heads fairly. We can't violate the contracts that are in place.

Legislator Norman Ungermann stated that Allegany County has a \$9 million fringe benefit package which averages out to about \$18,000 per employee. A package for half that amount would be a very good benefit package. Legislator Hopkins asked how much of that is contractual and Legislator Ungermann stated that you negotiate as the contracts become due. Legislator O'Grady stated that negotiating is a tradeoff, not just a "take" – you have to give something to get something major. Legislator Kruger added that the bargaining units would be far more apt to make concessions if management gives first.

Legislator Timothy O'Grady stated that he thought the committee was going to examine cell phone usage – who the phones are assigned to and what the usage is. Committee members agreed that they would like to look at this issue at the next committee meeting. **Refer to IT Director Deborah Button**

Legislator Kruger stated that due to the fact that our sales tax revenues are down, Public Works' revenues are down, there are too many additional unknowns, and it is dangerous to be this short so early in the year he is making a motion to have the above five items referred to the appropriate committees with a request that the committees report back to the Budget Committee by the end of this quarter. Legislator O'Grady seconded Mr. Kruger's motion, and Chairman Crandall and Legislator Hopkins both voted "no" indicating that the items are already being looked at. **Referrals to Ways & Means Committee, Compensation and Benefits Ad Hoc Committee**

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
May 16, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, K. Kruger, T. O'Grady, C. Crandall

Others Present

J. Margeson, D. Button

Media Present

K. Doyle – Olean Times Herald

P. Jannace – Wellsville Daily Reporter

Approval of Minutes

The April 18, 2007 Budget Committee minutes were approved on a motion by D. Fanton, seconded by W. Hall and carried.

Deborah Button:

Ms. Button distributed copies of the cell phone usage report so far this year. In March the County entered into a new contract with Cellular One. There are currently 100 cell phones with 12,600 minutes under the new contract. The County has never exceeded the limit. The County's share of the bill is 58%. The monthly phone bill averages \$1,500. There was discussion on the possibility of cutting the amount of phones we use in half. This would not be productive, due to the cutting of allowed minutes to the new plan if implemented.

John Margeson:

Mr. Margeson distributed copies of the 2007 Allegany County Sales Tax report through May 14, 2007. The sales tax through April is down from \$6,074,545.95 last year to \$5,863,952.98 this year. There are two adjustments per year, one at the end of June and in December. Mr. Margeson does not know the formula the State uses to estimate each county's sales tax. At the July meeting the committee will take a serious review of the whole budget once the sales tax adjustment figures are determined, as suggested by Legislative Chairman, C. Crandall.

There was discussion on Medicaid reform and the health insurance costs in regards to the effect it has on this year's budget.

New York State Sales Tax

Mr. Margeson distributed copies of a letter from the State Department of Taxation and Finance and also a report on the NY State Sales Tax Medicaid Intercept Option for the committee to review for further discussion at the next meeting. There is a deadline for all Counties to make a decision by September 30, 2007. Mr. Margeson made a suggestion to have a NYSAC Representative – Kenneth Crannell meet with the Legislators in regards to the NY State Sales Tax Medicaid Intercept Option to help clarify the concept of this proposal. This will help them determine if this proposal is in the best interest for the County. The committee agreed to have Mr. Margeson set up a time with Mr. Crannell.

Overtime Report

There was not an overtime report at this time.

Budget Process

Mr. Margeson invited the committee to attend the Department Head meeting that is scheduled for June 6, 2007, in the Legislative Chambers at 10:00 a.m., to start the 2008 Budget process.

Meeting Adjournment

A motion was made by W. Hall, seconded by D. Fanton and carried to adjourn the meeting at 1:40 p.m.

Respectfully Submitted:
Alice Alsworth

BUDGET COMMITTEE
June 20, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, d. Fanton, W. Hall, K. Kruger, C. Crandall
(Absent: O'Grady)

Others Present

D. Button, W. Dibble, J. Margeson, B. Riehle, T. Ross, E. Ruckle, P. Schmelzer, K. Toot

Media Present

P. Jannace – Wellsville Daily Reporter, K. Doyle – Olean Times Herald

Approval of Minutes

The May 16, 2007 Budget Committee minutes were approved on a motion by Hall, seconded by Fanton and carried.

Sales Tax Report

County Treasurer Terri Ross distributed copies of a Sales Tax Report reflecting receipts through June 13, 2007. So far this year we have received a total of \$7,078,176.80 in sales tax revenue which is about 2.201 percent less than last year at this time. Based on our 2007 budget projection of \$17.1 million, estimated annual receipts are below our 2007 budget estimate by almost \$606,000. Although our sales tax figures are still down slightly, we are seeing improvement over previous reports.

General Financial Report

Ms. Ross distributed copies of a financial report as of June 15, 2007 for miscellaneous general fund accounts as well as for accounts in the Treasurer's Office. The following notations were made:

- Revenue account A1113.00 (Tax on Hotel Room Occupancy) has only received \$14,205 (24%) of the \$60,000 in the 2007 budget. Ms. Ross indicated that the revenues received only reflect one quarter; therefore, she does not anticipate any shortage in the revenue projected for 2007.
- Revenue account A2401.00 (Interest & Earnings) has received \$201,198 (161%). That account was budgeted for \$125,000, and Ms. Ross attributes the huge improvement to improved cash flow that enables her to move money around and invest it.
- The Contingency account indicates a balance of \$373,000 out of the \$500,000 budgeted.

Overtime Report

Ms. Ross distributed copies of an overtime report through payroll number eleven ending May 25, 2007. Total overtime hours worked for 2007 (11 pay periods) were 21,537.47 resulting in \$636,446.95 for total overtime costs. Of the overtime hours worked, 12,867.54 hours were paid and 9,443.51 were banked.

Committee members expressed concern over the fact that the Treasurer is still not receiving the requested overtime information from all departments. County Administrator/Budget Officer John Margeson stated that he will contact the departments that are not submitting the requested information.

Five-Year Plan

Terri Ross stated that she received five-year plan information from most departments; however, a few departments still have not submitted the requested information. Terri Ross distributed copies of a

Five-Year Capital Improvement Plan from Steuben County and Yates County noting that she does not believe the plan belongs in the Treasurer's Office. Ms. Ross feels that such a plan involves more planning, policy and procedure – budgeting for things is a much different matter than planning for them. Although the Treasurer should be directly involved, Ms. Ross believes a plan is more than finances and requires broader collaborative input. Legislator William Hall talked about the need to determine what is important to the County, and what we can do to accomplish our goals.

Ms. Ross plans to compile and summarize the information submitted. Committee members talked about having a Planner look at the information and move forward from there.

Legislator Kruger stated that the number of places we lease and rent needs to be addressed and briefly spoke of the deficiencies in the places that we currently occupy.

Budget Review Meetings

Committee members set the following dates to begin reviewing the 2008 tentative budget:

August 9	9 a.m. to noon
August 10	9 a.m. to noon
August 15	9 a.m. to noon

Medicaid Sales Tax Intercept Option

Clerk of the Board Brenda Rigby Riehle gave committee members a copy of the Medicaid Sales Tax Intercept Option material that was presented by Ken Crannell at an Inter-County Association meeting on June 15. Mr. Margeson plans to contact Mr. Crannell and ask him to make a presentation to the Board regarding this matter.

April 18, 2007 – Budget Committee Referrals:

The following items were referred to the committees of jurisdiction with a request that the committee report back to the Budget Committee by the end of the quarter.

- 1. *Parking cars.***
- 2. *Streamlining departments.***
- 3. *Contributions to health insurance.***
- 4. *Action on vacation and sick sell back.***
- 5. *Time clocks.***

Report on Referrals

- 1. *Parking cars.*** The issue of parking additional cars was discussed at the May 16 and May 29 Ways and Means Committee meetings, and the committee decided not to revisit the issue again at this time. Committee members did agree that the vehicle log books should continue to be used, and Mr. Margeson discussed this matter with Department Heads at a meeting earlier in the day. Legislator Karl Kruger stated that the Health Department Accountant indicated that over \$5,719 was saved by parking cars in the Health Department.
- 2. *Streamlining departments.*** A referral was sent to the Personnel Committee to investigate the possibility of streamlining departments. Personnel Officer Ellen Ruckle distributed an organizational chart showing each department noting that changes need to be made to the chart. It was determined that the Ad Hoc Committee is currently working on these changes so no action was taken by the Personnel Committee.
- 3. *Contributions to health insurance.*** The Compensation and Benefit Ad Hoc Committee continues to discuss this matter on a regular basis.

4. **Action on vacation and sick sell back.** The Compensation and Benefit Ad Hoc Committee discussed this matter at their June 4 committee meeting and plan to discuss the ability to sell back vacation and sick time again at a later date.
5. **Time clocks.** The Ways and Means Committee will review a referral from the May 7 Personnel Committee meeting regarding setting up the time clock system in the County Jail at a price not to exceed \$7,000. The referral to Ways and Means is to identify and approve a funding source.

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
July 18, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, K. Kruger, C. Crandall
(Absent: O'Grady)

Others Present

J. Margeson, B. Reynolds, B. Riehle, T. Ross

Media Present

P. Jannace – Wellsville Daily Reporter, K. Doyle – Olean Times Herald

Approval of Minutes

The June 20, 2007 Budget Committee minutes were approved on a motion by Kruger, seconded by Hall and carried.

Sales Tax Report

County Treasurer Terri Ross distributed copies of a Sales Tax Report reflecting receipts through July 13, 2007. So far this year we have received a total of \$8,861,945.69 in sales tax revenue which is about 1.804 percent less than last year at this time. Based on our 2007 budget projection of \$17.1 million, estimated annual receipts are below our 2007 budget estimate by approximately \$539,000. Committee members discussed the fact that increased gasoline prices may help increase our sales tax revenue.

Overtime Report

Ms. Ross distributed copies of an overtime report through payroll number thirteen ending June 22, 2007. Total overtime hours worked for 2007 (13 pay periods) were 25,881.96 resulting in \$762,319.59 for total overtime costs. Of the overtime hours worked, 15,748.85 hours were paid and 10,906.69 were banked.

Committee members briefly discussed the overtime for the Sheriff's Office and Jail, and Legislator Dwight Fanton indicated that he doesn't see a lot of difference between last year and this year.

Medical Costs

Legislator Theodore Hopkins, Chairman of the Budget Committee, indicated that the Treasurer would bring account information for our medical expenses to the next regular meeting. In the past we have under budgeted that account, and it appears that we are still exceeding our budget. Legislator Karl Kruger commented that costs could have been about 15 percent higher if we hadn't switched to NOVA for our insurance. This account can be very difficult to budget, but history indicates that we need to budget this account a little higher, and hopefully we will have a few "healthy" years, and there will be a surplus.

Future Meetings

Committee members plan to meet from 9 a.m. to noon on August 9 and 10 to review the 2008 budget figures. County Administrator/Budget Officer John Margeson hopes to be able to give committee members copies of the information sometime the week before so they can review the figures prior to meeting. If they are not able to complete their review of the 2008 budget figures, on August 9 and 10, they will plan to meet on the morning of August 15 as well. Currently the next regular Budget Committee meeting is scheduled for 2 p.m., and the largest six departments have been asked to attend and provide a six-month report. The smaller departments have been requested to forward their six-month budget report to Clerk of the Board Brenda Rigby Riehle to bring to the meeting.

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
Special Budget Review
August 9, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, K. Kruger, T. O'Grady, C. Crandall

Others Present

L. Ballengee, D. Button, P. Cockle, W. Dibble, J. Foels, G. Green, D. Guiney, R. Hartwick, D. Horan, J. Margeson, S. Presutti, Y. Rechichi, B. Riehle, T. Ross, E. Ruckle, P. Schmelzer, D. Sirianni, W. Tompkins

Mandated Programs

County Administrator and Budget Officer John Margeson distributed copies of a color-coded spreadsheet listing each agency or program within the County and identifying whether or not each agency or program is mandated and funded along with funding percentages and funding sources.

County Attorney – 2008 Budget Review

County Attorney Daniel Guiney indicated that the only increases in his budget compared to prior years are a request for \$2,000 to upgrade computer equipment which was included in his five-year plan, and an increase in his A1420.407 to cover the increased cost in books. Attorney Guiney indicated that they have already reduced their books down to the basic necessity. Legislator William Hall asked if there has been any move on the part of the state to have a central library where people can access books and other reference material. Attorney Guiney noted that the state has not done this; however, his office does share a West Law account with the District Attorney's Office as well as the Public Defender's Office. Mr. Guiney indicated that they try to make use of everything they can. His office has the ability to access research material in some of the larger law libraries, and they also take advantage of training available from social services agencies that are generally free or at a minimal cost. It was noted that the revenues for the County Attorney's Office exceed the expenses associated with running the office.

Department of Social Services – 2008 Budget Review

Social Services Commissioner Patricia Schmelzer and DSS Accountant Donald Horan attended the meeting to discuss their 2008 budget requests. The submitted budget request called for estimated expenditures of \$35,735,927 to be offset by \$20,954,166 in revenue for a local share of \$14,781,781.

Mrs. Schmelzer suggested removing \$23,100 (Connections Swap) from the \$65,415 request for account A6010.201. The state indicated that the computer system for the Child Welfare Workers had to be replaced; however, the counties are all protesting the requirement noting that the state is responsible for this computer system, and it should not be a local cost. **Adjust Budget Officer Recommendation by subtracting \$23,100 from A6010.201 on Page 115 of Workbook**

Mrs. Schmelzer requested that the committee consider adding \$80,000 back to Mr. Margeson's cut for A6101.474 (MMIS and Miscellaneous Medicaid). Mr. Margeson stated that due to the fact that the fiscal year of the state does not follow the County's, the adjustment should be made. **Adjust Budget Officer Recommendation for A6101.474 to 9,135,559 on Page 120 of Workbook.**

Mrs. Schmelzer expressed concern about the Budget Officer's recommended \$662,025 cut to the A6109.474 (TANF – Temporary Assistance to Needy Families) account. Mrs. Schmelzer indicated that she believes they might be able to operate within the new amount; however, she is a little concerned. Mrs. Schmelzer went on to say that she is even more concerned with Mr. Margeson's \$392,328 cut to the A6119.474 (Child Welfare) account. Mrs. Schmelzer stated that

costs are driven by the number of children in care, and that number continues to rise. It was noted that approximately \$1.4 million has been spent from the account so far this year. Legislator William Hall stated that Mr. Margeson's recommendation of \$3 million appears to be consistent with last year's figures, and what we are expecting for this year. Legislator Karl Kruger believes the children in the program will continue to increase, and he would like to see the budgeted amount increased. No adjustments were made at this time.

Mrs. Schmelzer called the committee's attention to A6141.474 (HEAP) which went from a budget of \$525,000 in 2007 to a request of \$2,398,798 for 2008. Mrs. Schmelzer indicated that they hope to have the state take over the program. For budgeting purposes, the account is completely offset by a revenue account, and they receive 100 percent reimbursement for any expenditures from this account.

Mr. Margeson noted that he still needs to make some adjustments to the revenue portion of the Social Services budget to reflect changes he made to the expense side.

Legislator Timothy O'Grady asked for an explanation of the services provided by accounts A6101.475 through A6101.477. Mrs. Schmelzer explained that non-emergency transportation reflects the costs associated with transporting Medicaid recipients to necessary medical appointments noting that about 200 to 250 people use this service. Emergency transportation reflects transportation to an emergency room or other facility that resulted from a 911 call by a Medicaid recipient. Mrs. Schmelzer also briefly explained the Safety Net Program (account A6140.474).

Chairman Curtis W. Crandall briefly mentioned the Governor's expansion of the health care system, and Mrs. Schmelzer stated that with the Medicaid Cap the state would have to absorb any expansion of services. As long as the Medicaid Cap Program remains in place, our bill for Medicaid expenses remains a known, fixed expense every year.

Clerk of the Board – 2008 Budget Review

Clerk of the Board Brenda Rigby Riehle indicated that the Budget Officer made only one change to her 2008 budget requests for the following accounts, and she didn't have any comments or concerns:

A1010	Legislative Board
A1040	Clerk, Board of Legislators
A1670	Central Service – Copying/Printing
A1672	Central Service – UPS
A1673	Central Service – Postage
A1910	Unallocated Insurance
CS Accts.	CS Risk Retention Fund

Public Works Department – 2008 Budget Review

Public Works Superintendent David Roeske expressed concern regarding Mr. Margeson's recommendation to cut an additional \$20,000 from account A8160.495 (Solid Waste – Engineering). The 2007 budget for this account is \$90,000, Mr. Roeske requested \$70,000 for 2008, and Mr. Margeson cut that request to \$50,000. Mr. Margeson indicated that he will get together with Mr. Roeske and Deputy Public Works Superintendent John Mancuso to discuss the funding of this account more thoroughly when Mr. Mancuso returns from vacation.

Mr. Margeson noted that in past years, he has removed all appropriation requests for bridge construction from the budget in anticipation of bonding the required funds. Mr. Margeson stated that due to discussions against borrowing money to finance certain expenditures, Mr. Margeson has left the figures for bridge construction in the 2008 budget; however, he may want to make a different recommendation as the budget process moves along.

Legislator Timothy O'Grady questioned account A3152.412 (Bldgs. & Grounds – Jail, Repairs to Real Property) noting that the Budget Officer cut Mr. Roeske's request of \$50,000 to \$15,000. Mr. Roeske indicated that some of the items that will need repair in the coming year are partly due to engineering problems and partly from installation, but they are no longer covered under the original warranties. We have already spent \$15,000 out of that account this year to finance heating and plumbing issues that have come up. Mr. Margeson recommended that the account should probably be bumped up to \$25,000. **Adjust Budget Officer Recommendation for A3152.412 to \$25,000 on Page 73 of Workbook.**

Yvonne Rechichi, DPW Fiscal Officer, clarified that the \$450 budgeted in A8160.406 was to finance the cost of extra insurance at the Wellsville Transfer Station required by the DEC because it is located in a flood plain.

Committee members discussed account A1620.412 (Repairs to Buildings) that the Budget Officer cut from \$205,000 to \$50,000. It was noted that some of the items such as the asbestos abatement at the Support Collection Building will end up being incorporated into larger capital projects.

Mr. Roeske requested that Mr. Margeson consider adding another \$10,000 back to his \$25,000 cut to account D3310.465 (Centerline and Edge-Line Striping of County Roads). This would bring the account to \$135,000, and Mr. Margeson agreed that the change should be made. **Adjust Budget Officer Recommendation for D3310.465 to \$135,000 on Page 256 of the Workbook.**

Mr. Margeson indicated that he will come back with all of the vehicle requests in one account, and the Board will have to decide how much they want to put aside for vehicles.

Information Technology – 2008 Budget Review

Information Technology Director Deborah Button stated that they are almost ready to put the time clocks in the jail. Legislator Theodore Hopkins, Chairman of the Budget Committee, asked if the Board decided to expand the use of the time clocks to the other departments, if Ms. Button had included money in her 2008 budget for the expansion. Ms. Button indicated that she did not. Ms. Button indicated that it would probably cost \$8,000 to \$10,000 to expand the time clock system; and it may be 2009 before we are ready to do that. Ms. Button explained how she has to purchase licenses in order to use the required software. Legislator William Hall expressed concern that the cost of the time clock systems may be greater than the benefits we reap.

The Central Service Telephone accounts under A1610 did not change from last year.

Probation Department – 2008 Budget Review

Probation Director David Sirianni indicated that his budget requests show a modest increase over last year. Mr. Sirianni indicated that his revenue accounts are up almost \$16,000 due to increases from a Mental Health Grant and high-level sex offenders.

Consumer Affairs – 2008 Budget Review

Weights & Measures Director Gilbert Green indicated that his transportation costs are up, and he requested an additional \$315 in his 2008 budget to compensate for these increases. Mr. Green indicated that he did put in for a new van, and noted that the net cost of a van will continue to go up every year. Mr. Green confirmed that he checks gas stations once a year for octane and once a year for quantity noting that most are very close to what they should be.

Health Department – 2008 Budget Review

Public Health Director Lori Ballengee and Health Department Accountant Pamela Cockle attended the meeting to discuss their 2008 budget requests. This year's budget request represents the lowest increase requested in quite a few years. Once Mr. Margeson's recommendations have been factored in, the requested increase is 2.66 percent. Ms. Cockle distributed copies of an

additional spreadsheet showing the personnel services allocated to each program. Ms. Cockle noted that it takes approximately \$1.1 million County tax dollars to support the Health Department programs, and that figure does not include fringe benefits. Special Education is the most costly program, and it is mandated. Ms. Cockle stated that the tuition rate for the Special Education Program is \$26,000 per child. Mr. Margeson confirmed that there has been some push to get Special Education funded, and he believes the program should be funded under the school systems.

Chairman Crandall asked about the projected \$370,000 decrease in revenue for A4011 (Certified Home Health), and Ms. Cockle confirmed that funding streams are paying less and less for these services.

Ms. Ballengee stated that the nurses are negotiating a contract this year, and the biggest issue with the contract is overtime. Currently the nurses receive double time for all overtime worked, and they also receive a minimum of four hours when they are called out even if the time worked is actually much less. The County ends up paying close to \$50 per hour for overtime hours. Committee members briefly discussed that the nursing services are not mandated, and there are private entities that provide these services. We may want to determine if the private sector can provide these services more reasonably than the County can. Legislator Hopkins informed Ms. Ballengee and Ms. Cockle that the committee may want to meet with them again. Ms. Ballengee stressed the need to work together to be part of the solution, not the problem. Ms. Ballengee added that the Health Department is striving to become fiscally sound and still keep the nursing program here noting that if we can provide the services at a reasonable rate, it would benefit the County residents to have the nursing services.

Sheriff's Office – 2008 Budget Review

Sheriff William Tompkins and Sheriff's Office Accountant Randy Hartwick attended the meeting to discuss their 2008 budget requests. Sheriff Tompkins stated that he believes they can live with Budget Officer Margeson's cuts. The Sheriff called committee members' attention to account A3110.403 noting that we may not receive another grant for the Sex Offender Watch System, but it is a very important tool, and the Sheriff does not want to see the program done away with. The program allows citizens to see the level two and three sex offenders that are living in their areas. Legislator O'Grady asked about the \$4,100 earmarked for E-Justice noting that at Alfred the E-Justice is free.

Sheriff Tompkins indicated that he recently discovered that the County's E-Justice is also free, and that money can go toward the Sex Offender Watch System. Software maintenance for the time-keeping system is \$1,250, and Mr. Margeson confirmed that \$1,250 should be added to the account.

Adjust Budget Officer Recommendation for A3110.403 from \$5,100 to \$6,350 on Page 60 of the Workbook.

It was noted that the \$125,000 that the Sheriff put in for vehicles will be looked at in another account. Mr. Tompkins talked about replacing some of the vehicles and also suggested buying a larger van so that more inmates could be transported with fewer deputies.

Sheriff Tompkins indicated that he believes they should be able to work within Mr. Margeson's \$15,000 cut to the food supply. The Sheriff briefly talked about the garden and the positive experience it has been, and indicated that they have been eating all of the food from the garden.

Sheriff Tompkins indicated that they are required by the COC to provide haircuts; however, the inmates are required to pay for their own haircuts if they have the ability to pay. They have been looking at alternatives regarding providing haircuts, but they could possibly fall short in that A3150.449 account.

Sheriff Tompkins stated that they are currently housing six federal inmates, and he believes they will be getting more. Initially we will be transporting about three times per week, but it should slow down after that.

Development Office – 2008 Budget Review

Development Director John Foels indicated that he is asking for a Resource Specialist to work with the Planner and Development Director. To help finance the cost of the position, Mr. Foels suggested that account A6430.475 which pays for the contract with ACCORD for the Friendship Empire Zone be decreased from \$39,500 to \$20,000. It was also noted that the \$30,000 to finance the cost of contractual specialists in account A6430.478 has been eliminated. Mr. Foels noted that he did include \$3,500 in his budget to upgrade their computers.

Mr. Margeson asked Mr. Foels how realistic the creation of the new revenue account for the IDA contribution to offset the Executive Director's salary is, and Mr. Foels indicated that he believes the County can count on the revenue, and it may possibly be more to catch up from last year.

Planning – 2008 Budget Review

Mr. Foels indicated that they are in the process of interviewing for the newly created Planner position, and they hope to have someone in place early this fall. Mr. Foels noted that the Planner will need equipment, mileage reimbursement as well as GIS training.

Legislator Dwight Fanton noted that we have a contract with Southern Tier West for approximately \$20,000 per year (account A8020.492), and he asked how beneficial the contract is. Mr. Foels indicated that he believes it is a good investment and pays for itself. Southern Tier West provides planning, land management and data for the entire Southern Tier. They have been active with our companies, they are good partners, and we have to be a part of a region.

It was noted that the Planning Liaison Contract financed under A8020.493 for \$4,800 will be eliminated because the Planner will take over those services.

Human Resources – 2008 Budget Review

Personnel Officer Ellen Ruckle indicated that her budget is very similar to last year. She did request upgrades to the computer equipment in the office. Ms. Ruckle noted that one of the biggest increases to her .4 accounts was a \$500 increase in postage to cover the increased postage costs and increase in mailings.

Real Property Tax Service Agency – 2008 Budget Review

Real Property Tax Director Steven Presutti indicated that his budget is pretty straight forward, and he tried to keep things very similar to last year. The maintenance contract for the web page paid to SDG Website Maintenance for \$7,000 under account A1355.403 represents the biggest increase. Mr. Presutti noted that Mr. Margeson increased his revenue projections slightly, but he believes they are reasonable increases that they should be able to meet.

Chairman Crandall mentioned the availability of grant money for shared services programs, and suggested we might be able to obtain some for our maintenance fee. County Treasurer Terri Ross suggested incorporating other things into our grant request and asking for a larger amount. Ms. Ross indicated that it would be nice to have the towns come on board with the tax collection system.

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
Special Budget Review
August 10, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, K. Kruger, T. O'Grady, C. Crandall

Others Present

R. Anderson, D. Aumick, C. Braack, R. Christman, J. Garmong, C. Lorow, J. Margeson, V. Pettit, B. Riehle, T. Ross, S. Spillane, K. Toot

Employment & Training – 2008 Budget Review

Employment & Training Director Jerry Garmong indicated that there is very little change in his budget from last year. Mr. Garmong stated some grants have gone down, and others have gone up so they do tend to offset each other; however, overall funding is down slightly and Mr. Garmong requested \$9,600 from his appropriated fund balance. Mr. Garmong noted that he doubled his education line item in hopes of receiving additional incentive funds as he has in the past, and the incentive funds must be used toward training. Some items such as rent are allocated over four different grants. Mr. Garmong indicated that the upstairs carpeting needs to be replaced.

Community Services – 2008 Budget Review

Community Services Accountant James Mulholland stated that they are able to shift how they use some of their funds which allows them the opportunity to keep their net cost to the County at \$218,000 which is the same as the last year and the year before that. Mr. Mulholland indicated that they have been able to absorb increases in salaries, and they hope to be able to do that again this year. Mr. Mulholland noted that the \$10,000 appearing under A4390.456 (Mental Hygiene Law) is controlled by the courts, and the County and Community Services have no input on this matter. Mr. Mulholland mentioned that the new jail has allowed them to do more in-house treatments which ends up saving money. They are requesting one vehicle which is 100 percent funded, and the new vehicle will replace one that has over 100,000 miles on it. After five years, Community Services can pass any vehicles that still have some useful life left on to the County.

Office for the Aging – 2008 Budget Review

Office for the Aging Director Kimberley Toot and OFA Accountant Vicki Pettit attended the meeting to discuss their 2008 budget requests. Ms. Toot distributed copies of a spreadsheet summarizing the expenses associated with their 17 grants.

Ms. Toot stated that their personnel costs have gone up 6.24 percent which includes increasing a part-time position to full time. The part-time position has not been filled in 2007, but they will need a full-time person in 2008 for the new Single Point of Entry Program. Ms. Toot anticipates that they will restructure how the Office for the Aging does business. Rather than individual people working for certain programs, everyone will be cross trained, and existing technicians will help with everything except case management. With the single point of entry, additional people will require case management. Office for the Aging will be the first stage for the point of entry and will provide information and direct people to the right place. The Office for the Aging has budgeted \$52,000 from the NYS Department of Health to provide the single point of entry. In 2007 the funds were used to purchase software so that the Health Department, Social Services and Office for the Aging were all using the same software. Ms. Toot hopes that additional financial help may be available from other agencies in the future.

Overall the Office for the Aging is only asking for an additional \$11,824 more in County funding which represents a three percent increase. The total Office for the Aging budget is \$1.6 million, and the most costly programs are the luncheon sites and meals. The total County share of the \$1.6

million is \$362,760. Chairman Crandall commented that the Office for the Aging is not mandated; however, the County receives a greatly needed and valued service for their \$362,760 investment.

Treasurer's Office – 2008 Budget Review

County Treasurer Terri Ross stated that she requested \$2,000 to replace a cash register purchased back in 1987 with something functional with financial software and accounts receivable module. Ms. Ross indicated that they are trying to upgrade everything in the Treasurer's Office to be electronic, and she would like to put the cash receipts journal into the financial system. Ms. Ross indicated that her postage costs are have increased tremendously noting that many things now have to be sent certified where they didn't before. They try to charge back certain fees to the delinquent tax payer, but sometimes it's difficult to collect. Ms. Toot noted that all expenses are increasing, and they try to save where they can.

Ms. Ross indicated that they will probably be over budget this year for the Community College Charge Backs (account A2495.421). Ms. Ross stated that the expenses in that account for the spring semester were \$355,908, and the fall bills are usually higher. Based on 2006 fall actual expenses of \$361,144, Ms. Ross indicated we could possibly fall short by \$40,000 in 2007. Ms. Ross believes the Community College expenses for 2008 could easily hit \$750,000, and she expressed concern about the Budget Officer's \$20,000 cut to that account. It was noted that many of the new costs are coming from the high schools because more students are taking the advanced placement classes. Committee members talked about sending the towns a memo showing what each town's community college expenses are.

Ms. Ross stated that the proceeds from the tax sale auction (revenue account A01.1051.00) are difficult to predict as they depend on the value of parcels and the auction results, and she is always concerned about meeting the projected revenue. Mr. Margeson increased the projected revenue from \$250,000 to \$260,000.

County Clerk – 2008 Budget Review

County Clerk Robert Christman indicated that he is less optimistic about meeting his projected revenues than he was when he prepared his budget. Mr. Christman indicated that the mortgage tax will be directly affected by the drop in the market, and some of the lending companies could potentially go out of business.

Mr. Christman stated that his budget is very similar to last year. He increased his postage and office supply accounts slightly, and the biggest increase is under account A1410.411 (Repairs to Personal Property) which went from \$1,500 to \$10,000 to finance the cost of restoring some of the books and ledgers. Mr. Christman explained that the County is responsible for the maintenance of the deed and mortgage books. The County received a grant this year to begin the restoration process, and the \$10,000 will enable the County Clerk's Office to continue having additional books restored.

Veterans Service Agency – 2008 Budget Review

Veterans Director Scott Spillane noted that his \$84,221.30 budget is offset with \$5,000 revenue for a net County cost of \$79,221.30. Mr. Spillane stated that he must attend school to retain his accreditation, and he tries to go just every other year to help keep the costs down. Mr. Spillane talked about the need to have access to the people coming back to our County after serving in Iraq and Afghanistan, and he hopes these people will come in to see him.

Board of Elections – 2008 Budget Review

Deputy Election Commissioner Cass Lorow attended the meeting to talk about their 2008 budget requests. Ms. Lorow stated that most of their budget is contingent on the voting machines and new laws. Ms. Lorow stated that the number of machines that the County will need has increased because they have decreased the number of people that can be served by one machine, and with more machines you will need more inspectors.

Chairman Curtis Crandall talked about the negative effect the new HAVA requirements are having on our tax dollars. First, the new HAVA requirements were not going to cost the counties anything, then it was five percent (5%), and the total cost keeps creeping up. With the cost of the machines, training, etc., Allegany County's local share has increased about \$240,000. John Margeson and Terri Ross will look at the history for the last three to four years, and report back to the committee.

Office of Emergency Services – 2008 Budget Review

Office of Emergency Services Director John Tucker stated that their largest account A3640.447 budgeted at \$60,000 is for EMS training, and it is completely offset with funding from the state. Mr. Tucker stated that they are still concerned about a facility for training. Mr. Tucker indicated that they are currently using space at Crossroads, and they would be happy to continue using that facility if funding for the rent can be worked out. Mr. Tucker indicated that paying rent really cuts into their ability to update and replace equipment. A few committee members suggested alternative sites, and Mr. Tucker indicated that two problems they run into are a secure place to store their equipment and the necessity for a central location within the County. Mr. Tucker will be contacting the BOCES Center this fall to see if any space might be available.

Youth Bureau – 2008 Budget Review

Youth Bureau Director Deborah Aumick stated that the state has come up with additional funding for administration so revenue account A10.3820.03 can be increased by \$101 bringing the total up to \$16,601 which will reduce the County's local share for the program to \$18,461. Ms. Aumick indicated that she increased her postage, office supply and printing accounts by \$50 each to help cover increased expenses in those areas. Ms. Aumick noted that she does share some expenses with the STOP DWI Program. **Adjust Budget Officer Recommendation for Revenue Account A10.3820.03 on Page 15 of the Workbook from \$16,500 to \$16,601**

STOP DWI – 2008 Budget Review

Ms. Aumick is also the STOP DWI Coordinator, and she indicated that the accounts are pretty much the same as last year. All DWI fines go into reserves, and we appropriate from the reserves to run the program. There is no County cost for the STOP DWI Program.

Youth Court – 2008 Budget Review

Ms. Aumick presented a \$41,500 Youth Court budget which is supported entirely by gifts, grants and donations with no County share. Ms. Aumick explained that the \$3,000 increase in the A7321.806 insurance account represents the difference between the insurance buy-out amount and the premium equivalent for a single policy which changed when a new Youth Court Coordinator was hired. The Youth Court hopes to continue as a partner with the Rural Justice Institute and obtain additional grant funding as it becomes available from the federal government. Ms. Aumick also indicated that a 503-C Foundation was recently created to help support the program. It will be a private, non-profit foundation which can receive funding from sources that governments are not normally eligible for. Donations from these sources can be used to offset our expenses and will enable us to maintain and predict future funding.

Historian – 2008 Budget Review

County Historian Craig Braack indicated that his budget is very similar to last year. He did request a \$50 increase to A7510.402 (mileage) and a \$25 increase to A7510.483 for the fair booth rental which is the first increase in eight years.

Mr. Braack stated that Frank O'Brien retired at the end of last year, and he is greatly missed. In addition to providing many services over the years, Mr. O'Brien covered the office when Craig had speaking engagements or had to be away from the office. Now that Mr. O'Brien is gone, the office is closed when Craig is on the road or off, and some people have expressed frustration if they can't get in the office when they want to. The use of computers and availability of genealogy records online has helped the situation.

Mr. Braack indicated that the storage building at the landfill is 99 percent full, and we have to start looking toward finding, building or creating a good storage place. Mr. Braack indicated that he is stable on records storage right at the moment, but we do need to start looking at options.

Tourism – 2008 Budget Review

Mr. Braack stated that he left the Tourism budget the same as 2007. Mr. Braack explained how the I LOVE NY funding can be used noting that most of the funding is used for advertising. Mr. Braack indicated that we can use the matching funds if we advertise outside of the County for events that we will be held in Allegany County for the purpose of drawing outsiders into the County.

County Administrator – 2008 Budget Review

County Administrator John Margeson stated that the only increase in his budget is \$200 under account A1011.201 so that his secretary can obtain a new typewriter.

Beach and Pool – 2008 Budget Review

Mr. Margeson stated that the A7180 Beach and Pool accounts represent the budget for the public beach area at Rushford Lake, and the program is 50 percent funded by the Division for Youth. Mr. Margeson noted that the .1 personnel accounts are down slightly because we over budgeted last year.

Risk Retention – Health – 2008 Budget Review

Mr. Margeson explained that the CSH Fund accounts represent employee health insurance. In 2007 the accounts were budgeted for \$5 million, and Mr. Margeson added an additional \$270,000 for 2008 but indicated that it might not be enough.

Legislator Dwight Fanton questioned the cost savings that we were supposed to see when we switched to Nova. Committee members briefly discussed the matter, and it was noted that the savings appear as cost containment as we otherwise would have seen a larger increase.

Legislator Theodore Hopkins, Chairman of the Budget Committee, stated that the account has historically been under budgeted. Committee members discussed the fact that the costs are driven by who gets sick and how sick they are, and that we are budgeting for these unknown expenses. Mr. Margeson indicated that he is fairly comfortable with these numbers, but indicated that we may want to adjust them slightly after we have another month of history.

Legislator Timothy O'Grady asked about the difference between being self-insured and having a policy that covers the expenses. Mr. Margeson indicated that when policies were looked at last year, it still appeared to be less expensive for the County to remain self-insured.

Committee members talked about employee contributions and premium equivalents. County Treasurer Terri Ross commented that premium equivalents should be figured twice a year, and that we need to ensure that new employees are paying on a current equivalent. Ms. Ross also mentioned that there have been problems with employees not paying their contribution when they are off, and that a policy should be created that would address how many issues should be handled. Committee members indicated that some of these items will have to be worked on by the Human Resources staff.

Contingency – 2008 Budget Review

The A1990.429 Contingency account was budget at \$500,000, the same as 2007.

Architectural Services – 2008 Budget Review

Mr. Margeson indicated that we do not usually fund this account (A1621.429); however, he believes we should put \$150,000 in the account to cover the costs of a contract with LaBella for engineering services related to the development of the Crossroads area as we do not have enough funds in the Reserve Fund to satisfy the contract. Later in the year we may want to take \$150,000 out of Contingency, and if that is done, it would not be necessary to fund this account in 2008.

Soil & Water Conservation District – 2008 Budget Review

The 2008 budget for account A8730.492 is \$100,000. This account is to finance the cost of our agreement with the Soil and Water Conservation District approved on August 14, 2006 by Resolution No. 174-96.

Agricultural Society – 2008 Budget Review

Mr. Margeson indicated that he honored the Agricultural Society's request for an additional \$500 to bring their total 2008 appropriation up to \$7,000.

Allegany County Federation of Sportsmen – 2008 Budget Review

Mr. Margeson explained the services provided under the A8720.4 (Wildlife Habitat) and A8730.493 (Education Conservation) accounts noting that the Education Conservation account helps finance the cost of sending children to camp every year. Mr. Margeson recommended granting their request to increase the Education Conservation account by \$500 for a total appropriation of \$3,000.

Blind Association – 2008 Budget Review

Mr. Margeson recommended continuing our \$7,500 appropriation to the Blind and Visually Handicapped Association.

Self-Insurance Plan – 2008 Budget Review

It was noted that the 2008 Budget for the Self-Insurance (Workers' Compensation) 2008 budget was previously approved by the Personnel Committee.

2007 Sales Tax Revenue

County Treasurer Terri Ross noted that we are still about \$400,000 below projected estimates for this time of year for sales tax revenue receipts. Ms. Ross noted that the 2007 budget is very tight, and she hopes we will not end up in the red.

Future Meetings

Committee members agreed to move the regular August 15 Budget Committee meeting from 2 p.m. to 1:30 p.m.

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE

August 15, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, K. Kruger, C. Crandall
(Absent: O'Grady)

Others Present

L. Ballengee, P. Gallmann, B. Kelley, J. Margeson, T. Parker, Y. Rechichi, B. Riehle, D. Roeske, T. Ross, W. Tompkins, P. Schmelzer, K. Toot

Media Present

T. Washer – Wellsville Daily Reporter, K. Doyle – Olean Times Herald

Approval of Minutes

The July 18, 2007 Budget Committee minutes were approved on a motion by Hall, seconded by Fanton and carried.

Probation Department – Six-Month Financial Report

Probation Director David Sirianni distributed copies of his six-month budget report noting that figures are accurate and very close to projections. Mr. Sirianni indicated that the state aid claims have been filed through March 2007 for reimbursement, and he is very comfortable with the figures and doesn't have anything to bring to committee members' attention.

District Attorney – 2008 Budget Review

District Attorney Terrence Parker attended the meeting to discuss his 2008 budget requests. Mr. Parker indicated that he hopes to add an additional half-time person based on the receipt of a DSS Grant for Welfare Fraud Prosecution. If the grant is received, Mr. Parker plans to increase the hours of one of the part-time Assistant District Attorneys. If the funding is eliminated, the additional hours financed by the grant would also be eliminated.

Mr. Parker indicated that the Grand Jury budget has been the same for many years. Mr. Parker requested an additional \$2,000; however, the Budget Officer recommended an increase of \$1,000 making the total appropriation for account A1190.4 \$7,450.

Fire Service – 2008 Budget Review

Fire Service Coordinator Paul Gallmann attended the meeting to discuss his 2008 budget requests. Mr. Gallmann submitted a budget of \$121,663.74, and the Budget Officer made some minor cuts to the requests. Mr. Gallmann informed committee members that his 2007 repair account may run over budget, but he should have funds in other accounts that can be transferred to cover the overage.

Sheriff's Office – Six-Month Financial Report

Sheriff William Tompkins distributed copies of his six-month financial report for committee members to review. Committee members discussed revenue accounts A03.2264.CTR and A03.2264.FDR which represent revenue received from housing inmates from other counties as well as federal inmates. These revenue accounts should not be used to offset current expenses as they need to be appropriated to a reserve account to pay debt service on the jail. County Treasurer Terri Ross confirmed that revenue received in 2007 for housing-in inmates can be appropriated in 2008 to pay the debt service on the jail. Mr. Tompkins will request the accountant to revise the report.

Mr. Tompkins stated that his budget could possibly be over budget by approximately \$453,906, but he hopes the figure will end up being much lower. Sheriff Tompkins indicated that their spending is primarily over budget in the areas of cleaning supplies and personnel costs. The Sheriff

distributed copies of an overtime report noting that he has saved \$75,210.73 over last year's overtime costs at this time of year, and he hopes that number will continue to grow. Budget Committee Chairman Legislator Theodore Hopkins asked Sheriff Tompkins to notify the Budget Committee as soon as possible if any of his budget overages increase.

Public Defender – 2008 Budget Review

Public Defender Barbara Kelley attended the meeting to discuss her 2008 budget requests. Moving the Public Defender's Office to the County Building has eliminated many of the costs associated with operating from a different location such as phone, electric, and fuel. Ms. Kelley indicated that in addition to the cost savings, it is much more convenient to be housed here, and they are very happy with their space. Attorney Kelley indicated that she requested modest salary increases.

Social Services Department – Six-Month Financial Report

Social Services Commissioner Patricia Schmelzer distributed copies of her six-month financial report noting that the accounts are accurate and very close to budget projections. Ms. Schmelzer stated that account A6141.4 covers the HEAP Program, and although they have expended 136.5 percent of that budget, the account is fully funded, and they will be reimbursed for all expenditures. The account was originally budgeted for less because the state was going to be taking the program over rather than having it done locally. Ms. Schmelzer believes that they will come in under budget as they have in the past. Budget Officer John Margeson commented that they have received 58.4 percent of their revenues, and he asked if Ms. Schmelzer believes that year-end revenues will exceed projections. Ms. Schmelzer indicated that it is difficult to tell, and she wouldn't want to make that prediction without talking to the accountant who is not available today.

Health Department – Six-Month Financial Report

Public Health Director Lori Ballengee distributed copies of the Health Department's six-month financial report along with a memo from their accountant noting that they are very close to projections for both revenues and appropriations and have no major concerns at this time.

The revenues appear to be down slightly due to the way the billing is done. The total Certified Home Health Care Agency revenue is \$482,623, or 28 percent of the budgeted amount. We are seeing a decrease in the Medicare revenue due to the Medicare Advantage Programs. This is a trend nationwide. The Medicare Advantage Programs do not cover as many services and leave the patient with high co-pays in many incidences. Ms. Ballengee noted that we recently had an outside agency review our Medicare claims, and we were found to be billing Medicare at a 99 percent accuracy rate. Committee members indicated that they would like to see the numbers on self-pay and where we stand on collections. Legislator Hopkins briefly talked about how the Medicare Advantage Programs shift the expense to the taxpayers.

Office for the Aging – Six-Month Financial Report

Office for the Aging Director Kimberley Toot distributed copies of her six-month financial report. Ms. Toot asserted that when the legislators are considering insurance products for retirees, she wanted them to know that the Medicare Advantage Programs do not pay for home care.

Ms. Toot stated that they have spent 43 percent of their budgeted appropriations and received 36 percent of their revenues. One month they voucher the state, and the next month the federal government is billed. Ms. Toot anticipates receiving all budgeted amounts and indicated that the projections might increase slightly due to budget modifications. The Office for the Aging will not be over budget in any of their accounts; however, they will have to juggle some accounts to cover mileage reimbursement as well as gas and oil costs. Ms. Toot stated that they deliver 400 to 450 meals a day all over Allegany County for a total of 120,000 meals a year, and it is costing more and more.

Public Works Department – Six-Month Financial Report

Public Works Superintendent David Roeske distributed copies of his six-month financial report showing revenues invoiced through July 28 and payables through August 13. Mr. Roeske indicated that his projected revenues for Solid Waste will fall short by an estimated \$100,000 due to a reduction in the sale of solid waste permits and the loss of revenue from the City of Olean since they did not renew their contract for us to take their sludge. The Public Works' appropriation accounts are accurate and very close to projections. Mr. Roeske noted that they hope to do some pre-purchasing of pipe and steel for next year.

Six-Month Financial Reports for Smaller Departments

Clerk of the Board Brenda Rigby Riehle distributed copies of financial reports from the smaller departments. Legislator Theodore Hopkins stated that he would like departments to fill out the area indicating if their accounts are accurate and very close to projections or if they expect to fall short or have an excess so that committee members can tell where each department stands at a glance. Committee members took the financial reports with them to review.

Overtime Report

County Treasurer Terri Ross distributed copies of an Overtime Report through payroll number fifteen ending July 20, 2007. Total overtime hours worked for 2007 (15 pay periods) were 30,509.95 resulting in \$895,503.21 for total overtime costs. Of the overtime hours worked, 19,031.61 hours were paid and 17,188.33 were banked.

Sales Tax Report

Ms. Ross distributed copies of a Sales Tax Report reflecting receipts through August 13, 2007. So far this year we have received a total of \$10,129,516.28 in sales tax revenue and \$17,374.65 in interest which is about 1.155 percent less than last year at this time. Based on our 2007 budget projection of \$17.1 million, estimated annual receipts are below our 2007 budget estimate by approximately \$429,534.35. We appear to be gaining a little ground from prior reports.

Committee members requested Mr. Margeson to send a memo to Department Heads requesting that they not just spend money remaining in their accounts to use it up if it is not really necessary. Legislator Fanton requested Mr. Margeson to include a statement about the use of overtime also.

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
September 5, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, K. Kruger, T. O'Grady, C. Crandall
(Absent: Hall)

Others Present

J. Margeson, B. Riehle, T. Ross, N. Ungermann

Media Present

T. Washer – Wellsville Daily Reporter

Amendments to 2008 Preliminary Budget

County Administrator/Budget Officer John Margeson presented a list of additional changes he plans to make to the 2008 preliminary budget before filing the tentative budget. The changes were as follows:

<u>Appropriation Adjustments:</u>	<u>Net Change</u>
1. Reduce A6010.101 Social Services - Personnel from \$3,464,797 to \$3,370,969	(\$ 93,828)
2. Reduce A1620.101 Buildings/Grounds – Personnel from \$315,873 to \$292,746	(\$ 23,127)
3. Reduce A3110.101 Sheriff – Personnel from \$706,006 to \$687,006	(\$ 19,000)
4. Reduce A3112.101 E911 Dispatch – Personnel from \$314,850 to \$302,850	(\$ 12,000)
5. Reduce A3150.101 Jail – Personnel from \$3,058,783 to \$2,911,783	(\$147,000)
6. Reduce A1621.429 Architectural Services from \$150,000 to \$0 (Fund with 2007 Contingency)	(\$150,000)
7. Reduce A8160.204 Solid Waste – Motor Vehicles from \$181,500 to \$140,500	(\$ 41,000)
8. Reduce D5110.408 County Road – General Supplies from \$750,000 to \$700,000	(\$ 50,000)
9. Reduce DM5130.204 Road Machinery – Motor Vehicles from \$297,000 to \$186,000	(\$111,000)
10. Reduce A6430.474 Economic Development from \$50,000 to \$30,000	(\$ 20,000)
11. Reduce A6010.103 Social Services – Premium Pay from \$39,600 to \$18,600	(\$ 21,000)
12. Reduce A3140.103 Probation – Premium Pay from \$28,200 to \$4,200	(\$ 24,000)
13. Reduce D5020.103 County Road – Premium Pay from \$10,000 to \$2,000	(\$ 8,000)
14. Reduce D5110.103 Maint. Rd/Bridges – Premium Pay from \$50,000 to \$40,000	<u>(\$ 10,000)</u>
Total:	(\$729,955)

Revenue Adjustments

1. Increase A01.1135.00 Auto Use Tax from \$260,000 to \$290,000 (\$ 30,000)

2. Increase A02.1610.02 Private Insurance – Skilled Nursing from \$50,000 to \$90,000 *(\$ 40,000)*
3. Increase A10.3025.1172 Assign. Counsel Indigent Fund from \$120,000 to \$140,000 *(\$ 20,000)*
- Total:** *(\$ 90,000)*

Mr. Margeson briefly explained the rationale behind each change. County Treasurer Terri Ross indicated that a one percent (1%) change in the budget represents approximately \$227,000. With these changes, the preliminary budget currently calls for an 18.9 tax increase; however, Mr. Margeson believes that there are still some areas where cuts can be made, and we might be able to make some impact. Mr. Margeson also indicated that the bridges are still in the budget, and he plans to discuss different options regarding the bridges at a future meeting.

Legislator Timothy O’Grady asked if the vehicles scheduled to be replaced in 2008 appear in the 2008 preliminary budget. Mr. Margeson and Ms. Ross confirmed that the majority of the vehicles are not currently in the budget. Legislator O’Grady suggested that the size of the County’s fleet should be looked at as well as the individual vehicle choices that are made suggesting that sometimes a smaller, less expensive vehicle might be a better economic choice that would still meet our needs.

Committee members requested Mr. Margeson to talk to Department Heads about making additional cuts. Legislator Dwight Fanton commented that he would like to see an additional \$4 million cut from the 2008 budget.

Future Meetings

The next Budget Committee meeting will be Wednesday, September 12, at 1 p.m.

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
September 12, 2007

**** NOT APPROVED****

Committee Members Present

T. Hopkins, D. Fanton, K. Kruger, C. Crandall
(Absent: Hall, O'Grady)

Others Present

J. Margeson, B. Riehle, T. Ross, N. Ungermann

Media Present

T. Washer – Wellsville Daily Reporter

Amendments to 2008 Preliminary Budget

County Administrator/Budget Officer John Margeson presented a list of additional changes he plans to make to the 2008 preliminary budget before filing the tentative budget. The changes were as follows:

	<u>Net Change</u>
1. Reduce A1990.429 Contingency from \$500,000 to \$400,000	<i>(\$100,000)</i>
2. Reduce DM5130.204 Road Machinery Motor Vehicles from \$186,000 to \$69,000	<i>(\$117,000)</i>
3. Reduce County Road Fund from \$896,350 to \$51,000	<i>(\$845,350)</i>
4. Increase A01.1090.00 Interest and Penalties from \$975,000 to \$1,025,000	<i>(\$ 50,000)</i>
5. Increase A02.1606.03 Environmental - Loan Survey from \$0 to \$30,000	<i>(\$ 30,000)</i>
6. Increase A03.2260.00 Police Service – State from \$275,000 to \$350,000	<i>(\$ 75,000)</i>
7. Increase A04.2401.00 Interest & Earnings from \$200,000 to \$250,000	<i>(\$ 50,000)</i>
8. Increase A04.2410.00 Rental of Real Property from \$0 to \$7,000	<i>(\$ 7,000)</i>
9. Increase A04.2412.01 Rental MH Facilities from \$0 to \$2,000	<i>(\$ 2,000)</i>
10. Reduce A3110.421 Sheriff – Education from \$10,000 to \$0	<i>(\$ 10,000)</i>
Total:	<i>(\$1,286,350)</i>

Mr. Margeson briefly explained the rationale behind each change noting that the changes would bring the preliminary 2008 budget down to a 13.3 percent tax increase.

Mr. Margeson stated that he is recommending taking everything out of the 2008 budget for bridge construction except \$51,000 which represents the County's 5 percent share for the CR20, Main Street Bridge in Friendship (BIN 3047780). That bridge estimated at \$1,020,000 is 80 percent (\$816,000) federally funded and 15 percent (\$153,000) state funded. Mr. Margeson indicated that he discussed the matter with Public Works Superintendent David Roeske who believes that they should leave two County bridges in the budget; however, they are a little behind on bridge construction, and the 2007 projects which we have already borrowed money for should take us through July 2008. Committee members discussed forgoing the construction of any bridges for towns in 2008 and trying to construct the two County bridges. Committee members briefly discussed funding options, and

County Treasurer Ross reminded them that if they pull the bridges from the 2008 budget, there are also revenues to pull which will make the overall gain a little less.

It was noted that the bond payment on the jail is \$1.6 million. Committee members discussed the budgeting of revenue received from housing in prisoners. Ms. Ross indicated that she has been discussing Resolution No. 118-04 (Establishment of Public Safety and Training Facility Debt Reserve Fund) with the Comptroller's Office to confirm whether or not the funds received from housing in prisoners can be used as anticipated revenues. The intention of Resolution No. 118-04 was to put all revenue received for housing out-of-County inmates in the Debt Reserve Fund, and the revenue would have to be received before it could be appropriated. Committee members talked about the need to use these known revenues in the 2008 budget.

Committee members briefly talked about the constitutional tax limit, and it was noted that debt services does not go against our tax limit. Mr. Margeson and Ms. Ross indicated that the Comptroller's Office is in the process of revamping our tax limit for 2006. They are looking at other exclusions that may apply regarding our constitutional tax limit, and making a huge effort to get counties to include all exclusions that are allowed when figuring their constitutional tax limit.

Future Meetings

The next Budget Committee meeting will be Wednesday, September 19, at 2 p.m. Mr. Margeson indicated that he is still combing through the figures, and he will come to the next meeting with additional suggestions. Committee members talked about contractual obligations noting that the increase in the point one accounts was 5.4 percent over last year.

Adjournment

There being no further business to come before the committee, the meeting was adjourned following a motion by Fanton, seconded by Kruger and carried.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
September 19, 2007

**** NOT APPROVED****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, K. Kruger, C. Crandall
(Absent: O'Grady)

Others Present

J. Margeson, M. McCormick, D. Pullen, B. Reynolds, B. Riehle, T. Ross, P. Schmelzer, K. Toot

Media Present

K. Doyle – Olean Times Herald

Approval of Minutes

The Budget Committee minutes of August 15 and September 5 were approved on a motion by Fanton, seconded by Hall and carried.

Overtime Report

County Treasurer Terri Ross distributed copies of an Overtime Report through payroll number seventeen ending August 23, 2007. Total overtime hours worked for 2007 (17 pay periods) were 36,550.49 resulting in \$1,010,555.98 for total overtime costs. Of the overtime hours worked, 24,029.07 hours were paid and 18,752.95 were banked. Our overtime does not appear to be changing significantly from last year.

Sales Tax Report

Ms. Ross distributed copies of a Sales Tax Report reflecting receipts through September 13, 2007. So far this year we have received a total of \$11,304,050.31 in sales tax revenue and \$19,946.72 in interest which is about .824 percent less than last year at this time. Based on our 2007 budget projection of \$17.1 million, estimated annual receipts are below our 2007 budget estimate by approximately \$373,687.71. We continue to gain a little more ground every month.

Health Insurance Costs

Ms. Ross reported that as of September 7, 2007, we have spent \$4,231,000 on health insurance costs which is down about \$180,000 from last year at this time; however, we only budgeted \$5 million. Legislator Theodore Hopkins, Chairman of the Budget Committee, stated that the health insurance line item has historically been under budgeted, but hopefully we increased it enough in 2008 to narrow the gap.

Review of Resolution No. 118-04

Resolution No. 118-04 establishes the Public Safety and Training Facility Debt Reserve Fund. Although the resolution just establishes the Fund, backup documentation indicates that all revenues received for housing out-of-County inmates will be placed in that special Debt Reserve Fund. All bond payments have to be budgeted, and Committee members discussed wanting to be able to use the revenues from housing prisoners to reduce the tax burden and not reserving it when it is needed to offset current operating expenses and every day obligations. County Treasurer Ross spoke with the State Comptroller's Office to confirm options available for the accounting of the anticipated revenue and noted that we may want to adopt legislation amending or rescinding Resolution No. 118-04 before moving forward. Chairman Curtis Crandall indicated that he initially made the motion to approve Resolution No. 118-04 because it had to be passed to accomplish what the Board was trying to do; however, he believes the situation may warrant looking at it in a different way, and he is willing to do that. Committee members will discuss the matter further at a special meeting scheduled for 4 p.m. on September 26.

Amendments to 2008 Preliminary Budget

County Administrator/Budget Officer John Margeson presented a list of additional changes he plans to make to the 2008 preliminary budget before filing the tentative budget. The changes were as follows:

1.	Reduce A1011.101 from \$107,765 to \$106,465	\$ 1,300
2.	Reduce A1040.101 from \$129,536 to \$128,836	\$ 700
3.	Reduce A1170.101 from \$150,671 to \$147,500	\$ 3,171
4.	Reduce A1325.101 from \$301,213 to \$291,000	\$ 10,213
5.	Reduce A1355.101 from \$201,738 to \$201,038	\$ 700
6.	Reduce A1410.101 from \$497,452 to \$493,952	\$ 3,500
7.	Reduce A1420.101 from \$320,758 to \$312,758	\$ 8,000
8.	Reduce A1430.101 from \$125,310 to \$121,310	\$ 4,000
9.	Reduce A1680.101 from \$183,875 to \$178,375	\$ 5,500
10.	Reduce A3110.101 from \$687,006 to \$686,006	\$ 1,000
11.	Reduce A6010.101 from \$3,370,969 to \$3,368,969	\$ 2,000
12.	Reduce A1910.416 Un All. Inc. from \$439,000 to \$400,000	\$ 39,000
13.	Reduce A9030.803 FICA from \$1,604,900 to \$1,400,000	\$204,900
14.	Reduce A9040.804 Works Comp from \$360,426 to \$305,426	<u>\$ 55,000</u>
	TOTAL:	\$338,984

Mr. Margeson briefly explained the rationale behind each change noting that the changes would bring the preliminary 2008 budget down to a 9.78 percent tax increase. Mr. Margeson indicated that he may want to modify the A9030 and A9040 adjustments after he talks with the County Treasurer. Mr. Margeson indicated that there might be a couple of other places we may be able to find additional revenue. Mr. Margeson hopes to officially file the tentative budget next week or the first week in October.

Legislator Reynolds asked if there would be any money left in the 2007 Contingency account that could be carried over to 2008. Ms. Ross explained that you have to balance all of the accounts and be able to end the year in the black before you could use something like that. It's not really something that you can budget for ahead of time.

Legislator Hopkins asked Mr. Margeson if it might be possible to further reduce point four accounts. Mr. Margeson indicated that departmental increases were very minimal, and some departments actually decreased their point four accounts from their 2006 budget. Mr. Margeson asserted that we want to keep the tax increase as low as possible, but we want a budget with integrity that ends in the black.

Future Meetings

The next Budget Committee meeting will be Wednesday, September 26, at 4 p.m.

Adjournment

There being no further business to come before the committee, the meeting was adjourned following a motion by Hall, seconded by Fanton and carried.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
September 26, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, W. Hall, K. Kruger, C. Crandall
(Absent: Fanton, O'Grady)

Others Present

J. Margeson, B. Riehle

Potential Federal Inmate Revenue

County Administrator/Budget Officer John Margeson distributed copies of a sheet showing potential federal inmate revenue using different inmate populations for a 270-day period and a 450-day period. Mr. Margeson stated that on Monday there will be 26 federal inmates in the jail, and the Sheriff's goal is to get that number up to 50 on an average daily basis. Mr. Margeson commented that although the prospects are good to achieve an average of 50 federal inmates per day, he does not believe we should budget as if we plan to receive that much revenue.

Mr. Margeson stated that the Comptroller's Office informed County Treasurer Ross that it would be appropriate to establish a revenue account in the General Fund for revenue received from housing inmates that could be used toward funding the Debt Service Fund. Legislator Karl Kruger questioned if it would be necessary to change Resolution No. 118-04 which established the Public Safety and Training Facility Debt Reserve Fund. Chairman Crandall stated that he believes the creation of the new revenue account in the General Fund would meet the requirements established by that resolution. If we end up exceeding \$1.6 million in revenue from housing inmates, we can either reduce the debt on the new jail by more, or we would have to revisit the resolution to use the funds in a different way. Chairman Crandall commented that although it would be nice to build our reserves, we do not want to build our reserves to the point where we are not using the money in other beneficial ways. Legislator Karl Kruger also made comments about wanting to be able to use the money to offset a large tax increase if necessary once enough revenue has been collected to make the annual bond payments.

Legislator Theodore Hopkins, Chairman of the Budget Committee, suggested looking into putting two bridges along with the piece of machinery that we talked about leasing back in the budget. Mr. Hopkins talked about the need to get away from bonding things noting that we want to have a stable, sound budget that does not require us to borrow money to keep going. Mr. Margeson confirmed that if we put two bridges back in the budget, and then ended up coming short, we could still bond them. Legislator Kruger suggested the committee might want to consider removing the bridges altogether since the bridge replacement schedule for 2007 will create work for the bridge crew through more than half of next year. Mr. Kruger also mentioned that he believes that there will be more federal money that will trickle down to help finance the cost of bridges in the future. It was noted that if the bridges are completely removed from the budget, we will also need to remove the anticipated revenue that has been budgeted for the bridges. Legislator William Hall also spoke in support of funding the services we provide without borrowing funds.

Legislator Hall proposed that we include 12 months of anticipated revenue for housing 30 inmates ($\$83,250/\text{mo} \times 12 = \$999,000$) plus the projected revenue received in 2007 (approx. \$300,000) for a total of \$1.3 million in the 2008 budget. Mr. Hall further proposed that we add the cost of two bridges and the loader we previously took out of the 2008 budget back in at \$658,000. These two actions would result in a net difference of \$642,000 for a 2.83 percent drop in the budget levy.

Mr. Margeson calculated that the changes today should bring the 5.22 percent tax rate increase down to an increase of 2.5 percent, and the increase in levy would drop from 9.5 percent to

6.68 percent. When asked what this would mean for the taxpayers, Mr. Margeson explained that based on today's figures, the tax rate would be \$16.29 per \$1,000 of assessed value, which is up about \$.40 per \$1,000 from \$15.89. Mr. Margeson also noted that the County taxable assessed value increased by over \$58 million from \$1,430,547,351 in 2007 to a tentative \$1,488,796,678.

Mr. Margeson hopes to file the tentative budget on or around October 3 and will contact Committee Chairman Hopkins regarding his budget message before it is released.

Legislator Karl Kruger stated that he did not want to harp on it at every session, but he did want to mention one more time that he believes there is still fat in our budget that could and should be taken out. Mr. Kruger asserted that he wants the County to provide services as cheaply as possible, and he doesn't feel he can support a budget that still includes certain things such as vacation and sick time buy outs and employees driving cars home.

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
October 17, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, K. Kruger, C. Crandall
(Absent: O'Grady)

Others Present

L. Ballengee, P. Cockle, W. Goetschius, R. Hartwick, J. Mancuso, J. Margeson, Y. Rechichi, B. Reynolds, B. Riehle, T. Ross, D. Sirianni, D. Russo, K. Toot

Media Present

T. Washer – Wellsville Daily Reporter

Approval of Minutes

The September 19 and September 26, 2007 Budget Committee minutes were approved on a motion by Kruger, seconded by Fanton and carried.

Health Department – Third Quarter Financial Report

Public Health Director Lori Ballengee and Health Department Accountant Pamela Cockle distributed copies of their third quarter financial report noting that they have not been able to close out the third quarter yet, and they will forward the updated reports to committee members when they have been completed. Mrs. Ballengee and Mrs. Cockle stated that their biggest concern is with the Medicare revenue for the Traditional Program which was budgeted for \$1.25 million in 2007. If the current trend continues, they anticipate that they will fall short of the \$1.25 million by approximately \$300,000. Mrs. Cockle explained that we have fewer Medicare patients and the Medicare Advantage programs have had an adverse effect on our revenue due to the high co-pays the elderly are now responsible for. Medicare used to be a better, more significant revenue source than it is now.

Mrs. Cockle stated that the submitted report only shows Nursing revenue through July, and we are just starting to get the August revenue in so committee members are looking at figures depicting seven months of revenue compared to nine months of expenses for the Nursing Program.

The Special Education Program is about \$394,000 in the hole. The NYS Education Department has not set their rates, and we cannot bill until they do. We do accrue anticipated revenue for this program.

Office for the Aging – Third Quarter Financial Report

Office for the Aging Director Kimberley Toot presented her third quarter financial report noting that all accounts are accurate and very close to projections. The Office for the Aging has received 66 percent of their revenues and expended 69 percent of their appropriations. Mrs. Toot stated that they are still under budget and do not anticipate going over. She will be requesting a transfer of funds at the Human Services Committee meeting this afternoon to cover increased gasoline costs.

Public Works – Third Quarter Financial Report

Deputy Public Works Superintendent John Mancuso and DPW Fiscal Officer Yvonne Rechichi distributed copies of their third quarter financial report reflecting revenues claimed through October 15 and payables through October 22. Mr. Mancuso's and Ms. Rechichi's biggest concerns are with the revenue in solid waste – City of Olean sludge was not taken this year, and permit revenues were over estimated. They have experienced some increases in revenue from recycling, and they hope to cover any shortfalls by other revenues or by returning funds in their appropriations. Ms. Rechichi reported that last year they were short in electric for Buildings and Grounds, but this year they should be fine and may be turning a little back in.

Probation Department – Third Quarter Financial Report

Probation Director David Sirianni distributed copies of his report noting that all accounts are accurate and very close to projections with the exception of Revenue Account A10.3310.05 (SORA Level 3 Offender Reimbursement). This account was budgeted for \$6,000, and Mr. Sirianni projects that they should receive \$24,000 which should help if any other areas fall short.

Sheriff's Office – Third Quarter Financial Report

Sheriff Office Accountant Randy Hartwick distributed copies of a financial report for the Sheriff's Office reflecting activity through September 30, 2007. Mr. Hartwick indicated that some of the revenues are up slightly, and he projects that they will take in approximately \$261,700 more than budgeted which is primarily due to housing Federal inmates and inmates from other counties. Mr. Hartwick projects that the appropriation accounts in the Sheriff's Office may fall short by more than \$500,000. Mr. Hartwick indicated that the overages are primarily in the personnel line items, and he explained that they have some officers off on workers' compensation, and those positions as well as others must be backfilled with overtime. Most transports are run by employees working overtime, and Mr. Hartwick distributed a spreadsheet summarizing the transports in 2006 and 2007 noting that the number of transports each month is up significantly. Mr. Hartwick stated that the Feds pay \$29/hour for each employee on a transport, and they also reimburse us for mileage at the IRS mileage reimbursement rate. Our average overtime rate is \$27/hour which does not include FICA or any other costs associated with paying employees.

Undersheriff William Goetschius stated that the Sheriff's Office has a vehicle shortage, and the vehicles used for the transports are in poor condition. The Sheriff's Office has requested two transportation vans. County Administrator/Budget Officer John Margeson indicated that there are three vehicles in the 2008 budget; however, the problem in the Sheriff's Office is becoming critical as most of the vehicles have more than 100,000 miles on them. We need to have reliable transportation on the road, and Mr. Margeson plans to recommend to the Ways and Means Committee that we transfer money from Contingency to purchase the vehicles this year. Mr. Margeson noted that we may be able to wait and pay for two of them in 2008. Legislator Brent Reynolds asked if it is possible to isolate the money received from transports so that it can be used toward vehicles. Mr. Hartwick indicated that the revenue is booked separately.

Overtime Report

County Treasurer Terri Ross distributed copies of an Overtime Report through payroll number nineteen ending September 14, 2007. Total overtime hours worked for 2007 (19 pay periods) were 40,686.08 resulting in \$1,128,237.58 in overtime costs. Of the overtime hours worked, 26,987.07 hours were paid, and 20,172.87 were banked. We should be to a point soon where we can compare information from last year to this year.

Sales Tax Report

Ms. Ross distributed copies of a Sales Tax Report reflecting receipts through October 15, 2007. So far this year we have received \$13,551,523.17 in sales tax revenue and \$22,410.56 in interest. Ms. Ross indicated that we received a prior period adjustment of \$289,000 which helped to bring our projected sales tax revenue for 2007 over the \$17.1 million budgeted.

2007 Budget Figures

Ms. Ross also distributed copies of a report showing miscellaneous General Fund accounts and a copy of the CSH Fund from which we pay our health insurance expenses. The CSH Fund is over budget by more than \$39,500 for 2007 and is \$130,109.28 higher than last year at this time. Ms. Ross indicated that she believes the overages would have been even more substantial if we had not switched carriers.

2008 Budget

The 2008 Tentative Budget was released on October 3, 2007, and Ms. Ross provided committee members with a detail printout of that budget.

Adjournment

There being no further business to come before the committee, the meeting was adjourned.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
November 21, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, K. Kruger, T. O'Grady, C. Crandall

Others Present

J. Margeson, B. Riehle, T. Ross

Media Present

B. Quinn – Wellsville Daily Reporter, K. Doyle – Olean Times Herald

Approval of Minutes

The October 17, 2007 Budget Committee minutes were approved on a motion by Hall, seconded by Fanton and carried.

Overtime Report

County Treasurer Terri Ross distributed copies of an Overtime Report through payroll number nineteen ending October 12, 2007. Total overtime hours worked for 2007 (22 pay periods) were 48,581.06 resulting in \$1,361,015.17 in overtime costs. Of the overtime hours worked, 32,373.87 hours were paid, and 22,681.05 were banked.

It was noted that the overtime for the last two pay periods has increased significantly especially in the Health Department. Legislator Ronald Truax, Chairman of the Human Services Committee, indicated that he was not surprised as the Health Department had several issues that needed to be straightened out with the state in a timely manner.

Committee members discussed the overtime in the jail noting that we are getting to a point where figures can be compared to last year. Committee members questioned how many of the overtime hours in the jail can be attributed to transporting Federal inmates and suggested that a notation should be put on the overtime report revealing this information. Legislator O'Grady asked if there is a way to separate the additional expenses associated with housing Federal inmates so that a net cost/profit figure can be obtained. Sheriff William Tompkins indicated that most transports end up being done by employees on overtime. The Sheriff indicated that housing the Federal inmates has put a lot of additional stress on the agency – there has been a lot of mandatory overtime, and we are using more water, sewer, shampoo, soap, food, etc. Running the jail itself is not an issue with the Federal inmates, providing transports is where the issues come up. The Sheriff will talk with the Accountant about separating and tracking the expenses associated with housing the Federal inmates.

Sales Tax Report

Ms. Ross distributed copies of a Sales Tax Report reflecting receipts through November 13, 2007. So far this year we have received \$14,664,283 in sales tax revenue and \$28,651.51 in interest.

2008 Proposed County Budget Highlights – NYSAC Report

Ms. Ross distributed copies of a State-wide County Budget Highlight Summary that she received from NYSAC. The report indicates that 27 counties reduced taxes. Committee members reviewed the report and commented on some of the differences between counties.

Sales Tax Sharing

Legislator Timothy O'Grady stated that at the District IV meeting, representatives from the Town of Wellsville were inquiring about the possibility of the County sharing sales tax revenue with the towns. Legislator O'Grady asked if there is a formula that we could come up with where we would share a certain percentage of sales tax revenue, but in the agreement we would unload the same

percentage of the County's obligation on bridges, community college payments, etc. that the County currently pays in lieu of sharing the sales tax.

County Treasurer Terri Ross and County Administrator John Margeson indicated that the sharing of sales tax is generally based on either assessed value or a negotiated value that has been accepted by all parties. If sales tax is to be shared, it has to be spread on some established equitable sharing program, and it has nothing to do with how much sales tax is actually reaped in a town. Sales tax revenue does not have to be shared with all municipalities (schools, villages, towns); however, all like entities have to be treated the same – if you share with one town, you have to share with all towns. It was noted that cities can pre-empt sales tax. Currently approximately 14 counties in New York State do not share sales tax revenue. Legislator Reynolds commented that one bridge could end up bankrupting a town if they had to pay for it themselves.

2008 County Budget and Town Tax Rates

Ms. Ross distributed copies of a one-page summary listing all major accounts in the 2008 County Budget. General Fund appropriations total \$83,212,630.

Ms. Ross also distributed copies listing the tax rates and combined tax rates per township.

Bus Transportation

Committee members briefly discussed the Allegany County Transit, and the funding of that service. Legislator Ronald Truax suggested renegotiating if it's going to start costing the County money. Legislator William Hall indicated that the Transportation Task Force has been coordinating some things. Committee members agreed to discuss the issue again after the first of the year.

Adjournment

There being no further business to come before the committee, the meeting was adjourned on a motion by Fanton, seconded by Hall and carried.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators

BUDGET COMMITTEE
December 19, 2007

**** NOT APPROVED ****

Committee Members Present

T. Hopkins, D. Fanton, W. Hall, K. Kruger, C. Crandall
(Absent: O'Grady)

Others Present

T. Claypool, P. Cockle, J. Foels, J. Margeson, M. McCormick, S. Presutti, B. Reynolds, B. Riehle, T. Ross, D. Russo, W. Tompkins

Approval of Minutes

The November 21, 2007 Budget Committee minutes were approved on a motion by Hall, seconded by Fanton and carried.

Overtime Report

County Treasurer Terri Ross distributed copies of an Overtime Report through payroll number twenty-four ending November 21, 2007. Total overtime hours worked for 2007 (24 pay periods) were 52,556.13 resulting in \$1,541,056.19 in overtime costs. Of the overtime hours worked, 34,825.27 hours were paid, and 24,204.72 were banked.

The overtime costs in the Health Department have really jumped up – about \$10,000 per payroll. The holidays also add to overtime costs. Sheriff William Tompkins distributed spreadsheets to committee members comparing prior year's overtime hours and costs with current figures. The Sheriff also included a spreadsheet summarizing how overtime hours are generated. It was noted that the Sheriff's Office billed \$8,500 for transportation costs in November, and 292 overtime hours can be attributed to transporting inmates. A lot of the overtime hours last year were due to training and moving to the new site.

Sales Tax Report

Ms. Ross distributed copies of a Sales Tax Report reflecting receipts through December 13, 2007. So far this year we have received \$15,872,433.05 in sales tax revenue and \$28,651.51 in interest. Ms. Ross indicated that we need approximately \$1.2 million more in sales tax revenue to meet our \$17.1 million budget figure, and she believes that we will meet that revenue figure.

Medical Insurance Costs

Mr. Ross reported that through the end of November we have spent \$6.3 million out of our CSH Risk Retention Health Fund. Last year at this time we had spent approximately \$5.9 million. Ms. Ross noted that our coverage did not change at all, and claim submission appears to be similar to last year. This 6.7 percent increase is not bad compared to some entities who have experienced much larger double digit increases; however, we only budgeted \$5 million, and we are going to be more than \$1.3 million short in that Fund. Finance Committee Chairman Theodore Hopkins commented that history has shown steady increases in that Fund every year, and we need to have closer budget figures. Hopefully we can close the gap more next year so that our budget is more realistic. Legislator Karl Kruger commented that our increase would have been even higher if we had not switched companies.

Year-End Budget Figures

Legislator Daniel Russo asked how many departments will be over budget and how many will be under budget at year end. Ms. Ross indicated that 15 cost centers are currently over budget. Some are grant funded and a budget adjustment will be done. A few of the cost centers are not actually departmental accounts.

Health Department

Health Department Accountant Pamela Cockle distributed copies of two spreadsheets tracking nursing costs through the year. Mrs. Cockle explained how to read the spreadsheets noting that not all of the revenues are in, and billings for state aid are submitted quarterly. Committee members requested Mrs. Cockle to provide an updated report on a quarterly basis and suggested that she may also want to present figures combining the A4011 and A4040 accounts, showing a net cost figure.

Adjournment

There being no further business to come before the committee, the meeting was adjourned on a motion by Fanton, seconded by Hall and carried.

Respectfully submitted,
Brenda Rigby Riehle, Clerk of the Board
Allegany County Board of Legislators