

Law and Finance Committee Minutes
August 14, 2013 – 4:00 p.m.

Present: Chairman Sausville; Supervisors Daly, Rowland, Wood, Veitch, Wormuth, Wright, Hargrave, Grattidge, Kinowski, Collyer, Southworth, M. Johnson, A. Johnson, Lucia, Raymond and Yepsen; Spencer Hellwig, Administrator; Ryan Moore, Mgmt. Analyst; Sandi Cross, Office for the Aging; Peter Klotz, Town of Malta; Sandy Fisher, Maplewood Manor; Jim Murphy, District Attorney; Stephen Dorsey, County Attorney; Jack Kalinkewicz, Personnel Director; Keith Manz, Public Works; Hans Lehr, Mental Health; Karen Levison, Public Health; Wes Carr, Youth Bureau; Brian O’Conor, Auditor; Paul Lent, Emergency Services; Sam Pitcheralle, Cindy Baker, Treasurer; Press.

Chairman Sausville called the meeting to order and welcomed all in attendance.

Mr. Pitcheralle gave a brief overview of the 2013 Independent Audit as follows: The audit was completed with an exit conference on July 16, 2013. The rating was unqualified, which is a good report as there were no findings or issues. The total fund balance in the general fund at the end of 2012 was \$10,300,000. The unappropriated fund balance at that time was \$8.4 million.

There were three recommendations from the auditing firm which included the following recommendations:

- The County should formally adopt and test a disaster recovery plan to address the chance of a major computer failure or natural disaster.
The County Administrator, in 2013 entered into an agreement with Tri-Delta Resources, Corp. to provide an offsite location for a computer disaster recovery plan and the testing and review of the process has already begun with the Data Processing Department.
- The Board of Supervisors has not formally adopted a fund balance policy to address the various aspects of the new standard in the future establishment of restricted, committed, assigned and unassigned fund balances.
A draft proposal of this new fund balance policy will be presented to the Law & Finance Committee for review in September.
- The Capital asset ledger, maintained by an Excel Spreadsheet and; therefore, not a part of the County’s financial reporting system, is updated and reconciled only at year-end. To improve internal control over capital assets, the capital asset ledger should be converted from an Excel Spreadsheet as maintained by the Finance Director to a more advanced proprietary software package specifically designed for this purpose.

The Finance Director is currently implementing capital assets software to be used for capital asset reporting beginning with the County's 2013 financial statements.

Mr. Pitcherelle said the reports have been put out on to the County Website, under financial reports through the Treasurer's office.

On a motion made by Ms. Daly, seconded by Mr. Veitch the minutes of the July 10, 2013 meeting were approved unanimously.

EQUALIZATION AND ASSESSMENT

- **Accepting tender offers on parcels in the Towns of Corinth (44,793.72) and Providence (\$7,664.28)**
- **Canceling delinquent tax liens in the Town of Halfmoon in the amount of \$696.82.**

Mr. Hellwig said the first resolution is for the acceptance of tender offers on two foreclosed properties. The first one is in the Town of Corinth for delinquent taxes in 2010, and 2012. The second is in the Town of Providence for tax years 2010, 2011 and 2012. Both offers were paid on July 25, 2013.

The second item is to cancel tax liens on a parcel that the county owns as the result of a foreclosure. This is a four acre parcel, which is a portion of a 145 acre parcel on Staniak Road, in the Town of Halfmoon. The county pulled the parcel from the March auction and subdivided it for the purpose of retaining ownership of a four acre piece which will be used for the extension of the Zim Smith Trail.

A motion was made by Mr. Wood, seconded by Mr. Rowland the above resolutions were approved unanimously.

PUBLIC HEALTH

- **Authorizing the Chairman to enter into an agreement with Westat, Inc. to reimburse the Saratoga County Public Health Nursing service for home visits conducted in conjunction with a Center for Disease Control (CDC) study from November 1, 2013 through September 22, 2016.**
- **Calling upon the State of New York to take certain measures to resolve inadequacies in the State's administration of the Early Intervention (EI) program, and prevent the collapse of the EI provider network.**

- **Authorizing the Chairman to enter into an agreement with the Lancaster Group for the provision of Medicare and Medicaid billing services for Maplewood Manor in an amount not to exceed \$9,500/month plus expenses.**
- **Amending Resolution 135-09 to authorize an escrow fund in the amount of \$2,500 to be maintained with L-1 Identity Solutions, Inc. to pay for criminal background checks required for applicants for employment at Maplewood Manor.**
- **Authorizing the Chairman to enter into an agreement with Warren County for the provision of Home Based Crisis Intervention Services (HBCI) to be implemented by Parsons Child and Family Center.**
- **Authorizing the Chairman to enter into agreements with appropriately accredited colleges or universities to accept student placements at the Saratoga County Mental Health Center.**

Mr. Hellwig said the first item is to authorize an agreement with Westat, Inc. to reimburse Public Health for nursing services to conduct home visits to collect weight and measurements of children whose families have dropped out of the wick program, which is overseen by the Centers for Disease Control. Westat, Inc. will be conducting an analysis that they will eventually share with the CDC, Public Health Nursing will be conducting the home visits and collecting the data. The reimbursement is \$158 per case, and it is expected that there will be no more than 10 or 12 of these cases per year.

The second resolution calls for the State of New York to correct serious problems that have arisen since the State's administrative takeover of the Early Intervention Program, which occurred on April 1, 2013. Some of the deficiencies include, the performance of the State's billing software, their inability to collect revenue from third-party insurers or commercial insurers, and their inability to pay providers in a timely manner. The Social Program Committee and Public Health Committee have formed a joint resolution to lay out a number of items or issues that will need to be remedied at the State level.

Mr. Hellwig said one of the major issues at the State Department of Health was that the providers were not getting reimbursed, and that was primarily due to the private insurers, of which 20% of the cases in Saratoga County are insured by private companies. Since those companies were holding back payments for a variety of reasons, there were providers out there that were not being reimbursed. The State initially asked the County to front the money for these insurance companies and then they would reimburse the counties at a later date. This was not supported. Ultimately, the State has decided to make those payments. He said there is still a list of items that need to be remedied; therefore a request is being made to carry the resolution forward.

The third item is a contract with the Lancaster Group, who was hired earlier this month under a minor contract to take over the billing services for Medicaid and Medicare due to the

resignation of an employee that had been responsible for that task. The contract is for \$9,500 /mo. and will include a clause that will allow the County to terminate the agreement with a 60-day notice if necessary.

The fourth item is an escrow account that the county authorized in 2009 in the amount of \$500. The amount will be maintained with L-1 Identity Solutions for the purpose of conducting background checks that are required by the NY State Department of Health for employees that have a need to enter a resident's room. Maplewood Manor has discovered that due to the time that it takes to replenish the account based on the turnover and the volume of activities, it is necessary to increase the number. This company will not conduct the investigations without being able to get the money at the time that the request is made. The Public Health committee is requesting that the account be increased \$2,500 so there is no delay in having the checks ready when necessary.

The fifth item is from the Mental Health Department, where the NYS Office of Mental Health had made funding available for the tri-county home based crisis intervention program that will prevent the hospitalization of children and adolescence that are dealing with various mental health issues. Warren County is administering the grant and they have selected Parson's Child and Family Center to implement the services. The resolution will authorize the inter-municipal agreement between three counties that will allow the program to be carried out.

The final item will allow the Mental Health Center to accept student placements from colleges and universities that are regionally accredited or registered by the NYS Department of Education who wish to give students some hands on experience at the Mental Health Center.

On a motion made by Mr. Veitch, seconded by Mrs. Wormuth the above resolutions were approved unanimously.

Mr. Veitch said he wholeheartedly supports the above initiatives which are vital programs for children with disabilities. What the State is doing to providers is really unconscionable when all the providers care about are children with troubles. He said the state should have made sure they had a plan before they started.

BUILDINGS AND GROUNDS

- **Authorizing a six month lease extension with the United States of America, on behalf of the USDA, for office space in Building 55 at a rate of \$19.67 per sq. ft. from October 1, 2013 through March 31, 2014.**

Mr. Hellwig said the above item is for authorization to extend a lease agreement with the Federal Government for office space in the solar building that is occupied by the Soil and Water Conservation District. Due to the lengthy process that they have to go through, it takes as much as six months to get the approvals that they need to come back to the Board to renew a lease. Typically, the lease is for a five year term, so this is an extension so they can get through

that process. By the end of the year, it is expected that they will come back with a proposal for a five year lease. The rate that you see is the current rate, and that is what is being proposed as being used throughout the extension period.

On a motion made by Mr. Wright, seconded by Mr. Rowland the above resolution was approved unanimously.

PUBLIC SAFETY

- **Authorizing the Chairman to accept an Office of Victims Services radio tower in the Town of Providence and amending the budget in relation thereto.**
- **Authorizing the Chairman to enter into a four-year agreement with Pittsfield Communications to provide radio and light bar installation and removal and other related radio services for the Emergency Services, Sheriff's and Public Works departments.**

Mr. Hellwig said the first item is the annual acceptance of grant funds by the District Attorney's office to partially offset the costs of the Crime Victim Advocates in his office. There are currently one part time and two part time positions. The grant comes from the State Department of Victim Services. The amount of \$66,985 is the same as 2012.

The second item is for authorization to install a new lighting system for the Emergency Radio System in the Town of Providence. Due to the height of the tower, the FAA requires that the county maintains the lighting system. If a failure were to result, there could be fines up to \$10,000 a day. The current system uses incandescent bulbs and was installed as a part of the towers original construction in 2009. The two year warranty has expired, and due to the ongoing repair costs, some of which have occurred after the warranty expiration, a recommendation to purchase a new lighting system was made by the Emergency Services Department. The system that has been selected will have a five year warranty and utilizes the LED technology which is more efficient than the incandescent bulbs. The amount of \$13,498 was the low proposal, of which two were received. There will need to be a budget amendment to appropriate the funds from the contingency account to cover this expense.

The final item is for authorization for a four year contract with Pittsfield Communications for radio and light bar installation removal as well as other radio related services. The Board has had to amend the minor contract with Pittsfield Communications this year, and to avoid a repeat of that scenario, the Emergency Services Department issued a bid specification. There were two responses, with Pittsfield Communications as the low bidder, and they have agreed to keep their prices the same as they have been since 2011.

On a motion made by Mr. Rowland, seconded by Mr. Wood the above resolutions were approved unanimously.

SOCIAL PROGRAMS

- **Amending Resolution 235-12 and authorizing an alternative subcontract for Dietician Services and SNAP with Christine A. Kudlacik, RD, CDN, of 79 Louden Road, Saratoga Springs, NY 12866.**

Mr. Hellwig said the dietician that was under contract with the Department of Aging to provide services for the SNAP program has taken a full time job, and as a result the position has been vacant. Recently, someone has been found to take over the responsibility. By amending the resolution we will be inserting the new dietician's name into the contract, and she will be paid at the same rate as the individual who recently left.

On a motion made by Ms. Daly, seconded by Mr. Veitch the above resolution was approved unanimously.

PUBLIC WORKS

- **Authorizing Saratoga County, as the owner of the Saratoga County Landfill, to waive the requirement that the Saratoga County IDA file a Notice of Intent with the NYS Commissioner of Agriculture.**
- **Authorizing the Chairman to execute an amendment to the agreement with Mark Schachner for an additional \$18,500 for legal services with respect to the privatization of the County Landfill and amending the budget in relation thereto.**

Mr. Hellwig said because the County Landfill is located within a consolidated agricultural district, there is a requirement that the IDA file a "Letter of Intent" with the State before moving forward with their review of requests from Finch Pruyn to obtain IDA benefits. Since the property is not a working farm or being used for a farming purpose, a request is being made for a waiver to this requirement that will allow the IDA and Finch Pruyn to move forward without any unnecessary delays.

The second item is related to a contract with Mark Schachner for the work that he has done in the creation of a contract with Finch Pruyn for the sale of the landfill. Due to a number of additional tasks that he has been asked to handle during the process, the Public Works Committee is supporting an increase of \$18,500, which will allow him to complete this phase. Notwithstanding any unforeseen changes or surprises between now and the final contract, it is anticipated that this should be more than enough to cover the remaining work.

On a motion made by Mr. Veitch, seconded by Mr. Rowland the above resolutions were approved unanimously.

LAW AND FINANCE

- **Amending the 2013 Budget to increase expenses and revenues by \$1,793,539 for the settlement agreement reached with the Hudson River Black River Regulating District.**

Mr. Hellwig said above item is for authorization to amend the 2013 budget relative to the terms of the legal settlement between Saratoga, Albany, Rensselaer, Warren and Washington Counties and the Hudson River/Black River Regulating District. The terms of the settlement resulted in a \$3.7 million refund to Saratoga County, which was due to the fact that the county, unlike the other counties that were involved, made the taxing entities whole, essentially paying their bills for them up to the point that the settlement was reached. Rather than adjusting the credit balance with the Regulating District, the auditors, Toski and Schafer, have instructed the Treasurer's Office to process the payment through the counties operating budget. The budget will provide the additional \$1,793,539 necessary to run this expense through the budget at no cost to the county since there is offsetting revenue from the Regulating District to cover that.

On a motion made by Mr. Wright, seconded by Mr. Wood the above resolution was approved unanimously.

A copy of the 2013 Second Quarterly Report was distributed to all committee members for their review. Mr. Hellwig said there are a number of expense and revenue variances that are the basis of the second quarter report, which is through June 30, 2013. Some of the more notable adjustments include payments for the Medicaid Assistance Program, an increase in the Community College costs, decrease to transfers of outside funds, and a drop in operating costs at Maplewood Manor. On the revenue side, there is a \$1.9 million increase in property tax collections, which is a combination of the offset to the expenses tied to the Hudson River/Black River Regulating District settlement and other adjustments that have been made by the Finance Director. A \$2.4 million increase in sales tax collections is projected, which represents a 2% growth over last year, and a \$473,000 refund from Medicaid after they verified their case mix index calculations from Maplewood Manor were valid, and that the Medicaid rate formula used for billing was justified. As a result of switching providers this year for health insurance coverage, the county received a \$521,000 refund from Blue Shield for a deposit that was made to cover the claims portion. Since the county went to an ASO agreement there was a different financial arrangement, and early in 2012 the county had to come up with a deposit so some of it could be funded to bring the reserves to where they needed to be. As a result of the change in providers the county received that money back this year.

Mr. Hellwig said while there are other variances within departments on the expense and revenue side, most of the departments at this point, are continuing to trend toward their budgeted amounts. At this time, the net effect of the projected expense and revenue variances will be a projected year end fund balance use of \$2.2 million which is just under \$1 million from the current budgeted use of the fund balance, which is approximately \$3.1 million.

On a motion made by Mr. Wright, seconded by Ms. Daly the meeting was adjourned unanimously.

Respectfully submitted,
Chris Sansom