

**BUDGET COMMITTEE**  
**October 21, 2015**  
**NOT APPROVED**

**Committee Members Present:** P. Curran, D. Root, C. Crandall (Absent: T. Hopkins, K. LaForge, D. Fanton, T. O'Grady,)

**Others Present:** M. Alger, L. Ballengee, K. Graves, D. Healy, R. Hollis, T. Miner, K. Monroe, V. Pettit, D. Rahr, B. Riehle, T. Ross, R. Scott, J. Tomasi, R. Whitney

**Media Present:** No media present.

**Call to Order:** The meeting was called to order at 11:10 a.m. by Chairman Curt Crandall.

**Approval of Minutes**

Since there wasn't enough committee members for a quorum, approval of minutes will be tabled until the next meeting.

**Sales Tax Report**

County Treasurer Terri Ross distributed the 2015 Allegany County Sales Tax Report reflecting receipts through October 21, 2015, totaling \$15,263,432.19. Receipts for the current period indicate a small decrease of about 5 percent from one year ago for the same period. Ms. Ross noted it has been positive for the last few months, but not enough to cover the whole year. Legislator Graves noted the car sales seem to be strong. He has spoken to car dealerships, and they have reported sales have been good the past few months. Ms. Ross also discussed the quarterly report. She calculated the last three quarters of adjustments the State made, which totaled \$269,000 in negative adjustments. She noted some of the adjustments go back to 2013. Ms. Ross stated the first quarter was positive; the second and third quarters were negative. County Administrator Mitch Alger explained the \$41,000 on the Comparison by Month column on the 2015 Allegany County Sales Tax handout would have been \$141,000 if the County was not hit with adjustments. Ms. Ross noted the adjustment for this quarter was \$100,000. Ms. Ross added without any adjustments, the County is 3.4 percent below the amount collected last year. Chairman Crandall asked if the County receives details on the adjustments. Ms. Ross replied the only details are the timeframe it was adjusted, and noted on the bottom of the report it says it includes current dishonored check, refunds, and bank adjustments. Legislator Graves asked if other counties in the State are affected by the adjustments. Ms. Ross replied most of the Counties in the State are in the same position. Ms. Ross noted there are six more payments before the end of the year. Chairman Crandall inquired about the next adjustments from the State. Ms. Ross stated she expects a report on the adjustments again after the January 2016 payments. Chairman Crandall asked if the January 2016 adjustments will reflect this year's calculations. Ms. Ross stated it will affect the 2016 calculation, and what quarter it goes back to, but the County doesn't make those adjustments. Ms. Ross noted the Budget is set up by the calendar year, January to December. She said they take the first payment in January, and accrue into the prior year to get twenty-six payments within a year. The State Budget calendar year is April to March.

**Department Budget Reviews (Big 5)**

Third-quarter reports from the "BIG 5" with department representatives were presented:

**Office for the Aging**

Office for the Aging Accountant Vickie Pettit attended the meeting on behalf of Director Madeleine Gasdik. She stated she doesn't see any problems, and they are staying within budget. Ms. Pettit noted they are spending \$7,000 less in County money than they budgeted.

**Department of Health**

Public Health Director Lori Ballengee reported the Department is doing well in most of the line items. She noted it appears revenue is down because the Department has not received the third quarter reimbursement. She noted expenses are in good shape, except for two programs she highlighted on her report. The first program is the Preschool Program. Ms. Ballengee discussed each line item in the program. The Department is lacking \$1,000 in parent transportation; more parents are transporting their kids. Center Based Tuition will be \$60,000 less than what was budgeted. She said transportation is \$53,500 over budget because of the distance the children have to travel to get to school. Ms. Ballengee reported Evaluations are \$10,000 under budget. She also discussed School Administration Fees that are about \$50,000 over budget. Schools are allowed to charge an administration fee, and the Department budgeted \$30,000 based on the trend for the last five years. However, for 2014, the School Administration Fees were \$80,000. Chairman Crandall and Legislator Curran asked how the administration fee is determined. Ms. Ballengee stated the State sets the rate, and it depends on the number of kids attending the school. Accountant David Rahr later added, "Annually the school district will report to SED that number of CPSE referrals, the salaries and employee benefits for CPSE related activity, as well as any other CPSE costs (purchased services, supplies, materials, travel, indirect costs, and equipment). From that information SED will create an "Administrative Cost Listing" report which will calculate an approved rate per child and will depict the number of students in the County STAC and the total CPSE amount that can be billed to the County. Since the rate is ultimately based on actual costs incurred by the school district, it will change from district to district. It is worth noting, however, that SED does cap the cost per child to a maximum amount. In 2012-13 that cap was \$507 per child." Ms. Ballengee stated SEIT will remain even. Finally, the Related Services such as speech, physical therapy, and occupational therapy will be \$81,000 over budget. For the Preschool Program, the Department is \$115,500 over budget. Ms. Ballengee added of the \$115,500, 59.5 percent or \$68,000 is reimbursable. Medicaid revenues were budgeted at \$150,000; however, they have already received \$198,000 through August. Ms. Ballengee stated the Department will monitor the Budget, and she is hoping they will come in about even, especially since they are over in Medicaid revenue.

The second program, Ms. Ballengee discussed was the Early Intervention Program. The Department budgeted low because they went by the five-year trend. She noted they will be \$50,000 short in Health Contracts. She commented when the 2015 Budget was prepared, expenses for the first half were \$74,000, so, \$150,000 was budgeted. The second half of 2014 had a marked increase in expenses resulting from higher needs and/or more children needing services. Expenses for 2014 totaled \$195,000. By adding the \$50,000 to Health Contracts, the 2015 Budget for Early Intervention will be \$200,000. Ms. Ballengee added the Department will be reimbursed by Medicaid at a rate of 100 percent if the children are Medicaid eligible. If the children are not Medicaid eligible, private insurance will pay a small portion, and another 49 percent will be recovered from State Aid. Ms. Ballengee also stated the revenues in the Program are doing well right now, so they are hoping to even out. She also noted that the \$50,000 is for services they are projecting they are going to need. They will not know how much they will actually need until the kids are enrolled and receiving services. This projection is based on historic trends.

Legislator Curran asked how long the County can wait to make changes for the 2016 Budget. County Administrator Mitch Alger stated the Legislators can amend the tentative Budget. County Treasurer Terri Ross stated the 2016 Budget should pass before the County will know what the 2015 year-end Budget for the programs will look like. She added they always look at the year behind when working on the Budget. Legislator Graves stated they should be able to look at a three-year average to come up with a number. Ms. Ballengee reported she looks at the five-year trend, but it is hard to budget for these two programs because they don't know how many kids they are going to have, and the services they need. Ms. Ballengee added she is on track to hit the \$650,000 of the 100 percent reimbursement under the Article 6, Public Health/General Public Health Work.

### **Sheriff's Office**

Sheriff Rick Whitney highlighted the housing revenue from other counties. They budgeted \$40,000 in revenue to house inmates from other counties, and they have already received \$48,000. Chairman Crandall and Legislator Healy asked what counties are sending inmates to the Jail. Sheriff Whitney responded the Jail houses mostly Genesee County female inmates, and some inmates from Wyoming County. Sheriff Whitney also spoke about the 911 appropriations. They will probably be over budget, but hopefully the full-time dispatchers next year will solve that problem. He also talked about the \$1,176 survey fee for one of the new tower sites that was not budgeted, and noted the grant does not cover land acquisition. Sheriff Whitney also mentioned the \$40,000 in 2015 retro pay for the staff that was not in the Budget for this year. Sheriff Whitney believes they will be close to being on budget by the end of the year. Chairman Crandall asked about federal housing. Sheriff Whitney stated they are right on track. Legislator Healy asked if the Sheriff's office had to sign a new contract for federal inmates this year. Sheriff Whitney replied there was an amendment with the Immigration and Customs Enforcement (ICE) contract to accept funds for equipment. Legislator Healy asked how much per day the federal rate has increased comparable to labor costs. Sheriff Whitney stated it hasn't change, and the only item they have negotiated is the transportation with the Federal Marshalls. Sheriff Whitney said the inmates from the Marshalls are down, but the ICE inmates have increased since last year. Legislator Root noticed they are \$225,000 over budget, and wondered how they will be close if they are over budget right now. Sheriff Whitney stated they will have higher revenue in some areas than they anticipated, and spending less in a couple of areas. He reiterated they are already over \$8,000 in housing inmates from other counties.

### **Department of Social Services**

Accountant Julie Tomasi attended on behalf of Social Services Commissioner Vicki Grant. She stated the line items were where they expected them, and nothing stands out.

### **Department of Public Works**

Department of Public Works personnel were unable to attend because they were at a conference in Syracuse. County Treasurer Terri Ross reported the only concern the Department expressed to her was snow removal because of the expenditures at the beginning of the year.

### **New Business**

County Treasurer Terri Ross stated she wanted to review the County-wide third quarter numbers. So far, the County has received 75 percent of the revenue that the County had budgeted, and has expended 70 percent of the County's appropriations. She noted the County is in good shape, and has two and a half months left in the 2015 Budget year. She added she

doesn't anticipate any surprises, and is aware of some of the budget line items the Sheriff mentioned such as the survey fee for one of the tower sites. Ms. Ross noted if anyone wanted to see summarization or details, she has them.

Ms. Ross also mentioned the Tobacco Settlement. Yesterday, she received notice that the County is scheduled to receive a payment of almost \$600,000 in addition to the normal Tobacco payments. Chairman Crandall asked about the status of the Casino payments. Ms. Ross stated they budgeted \$300,000, and the County has received \$100,000 for two quarters. Legislator Root asked if the County receives money from the Casino in Salamanca or from New York State Casinos. Ms. Ross stated no, we get money from the State under the non-host aid ten percent of the Upstate New York Gaming and Economic Development Act (UNYGEDA) of 2013.

County Administrator Mitch Alger gave an update on the County's Efficiency Plan. He stated the County has received notification that the plan was approved. Mr. Alger noted the checks going out in November this year are for last year, and this year's check will go out in 2016. Chairman Crandall stated the acceptance of the County's Efficiency Plan should be announced in a press release.

### **Adjournment**

There being no further business to come before the Committee, the meeting was adjourned at 11:59 a.m.

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