

FINANCE COMMITTEE MEETING MINUTES  
SEPTEMBER 26, 2018

FINANCE COMMITTEE MEMBERS PRESENT: Shaw, Campbell, Shay, Idleman, Haff, Hicks, O'Brien, Fedler, Moore, Hogan

FINANCE COMMITTEE MEMBERS ABSENT: Skellie

SUPERVISORS: Henke, LaPointe, Clary

Debra Prehoda, Clerk of the Board

Al Nolette, County Treasurer

Media

Chris DeBolt, County Administrator

Roger Wickes, County Attorney

AGENDA AS PRESENTED IN COMMITTEE NOTICE:

1. Call to Order
2. Distribute 2019 Budget as Requested with Budget Officer Recommendations
3. Other Business
4. Adjournment

Chairman Shaw called the meeting to order at 1:55 PM.

**OTHER BUSINESS:**

- Approve on Call Pay - A motion to approve on call pay for Alternative Sentencing, Probation and County Attorney for the implementation of Raise the Age specifically the youth arraignment part and also an adjustment to the current centralized arraignment compensation for the District Attorney and Public Defender Offices and forward to the October Finance meeting for a budget amendment was moved by Mr. Moore, seconded by Mrs. Fedler and adopted.
- Natural Gas Supply Renewal, handout attached. – MEP is our current supplier. The rates on the handout are from yesterday. The County Administrator is recommend contracting with MEP for 48 months. Mr. Haff recommended 60 months because we are going to export all our excess anyway. By resolution, the Finance Committee is authorized to make this decision and does not require full Board approval. A motion to go with MEP for 60 months was moved by Mr. O'Brien and seconded by Mr. Haff. Discussion. Several Supervisors stated 60 months is too long. A motion to amend to contract with MEGA for 36 months was moved by Mr. Hogan and seconded by Ms. Idleman. Discussion. The County Administrator stated it is the comfort level of the Board of how long they want to lock the rates in for. Mr. Haff stated they are building facilities to export as much as they can and that will keep the price up. He stated there will not be an excess amount of natural gas. The motion to amend to contract with MEGA for 36 months was moved by Mr. Hogan, seconded by Ms. Idleman and adopted. The motion as amended to go with MEGA for 36 months was adopted. Mr. Haff opposed.

**DISTRIBUTE 2019 BUDGET AS REQUESTED WITH BUDGET OFFICER RECOMMENDATIONS** – Budget as requested distributed. Chairman Shaw stated the budget includes a column labeled 2019 Budget Officer that shows his recommendation which is new to the budget process. Budget meetings start on Monday, October 1, 2018. He had informed the committee of the parameters he planned to use in the budget as follows:

Not use more than \$2M in Fund Balance

Formula for applying sales tax – Originally, he stated he was going to use the last twelve known months but after conversations with the County Administrator, he revised it to the last twelve known months but not exceed a \$300,000 increase; safety net if it trends down.

No one-time monies applied to budget

Interest from NYCLASS will be applied toward capital projects, \$500,000. (Budget page 84)

Chairman Shaw worked very closely with the County Administrator and they met individually with the department heads from all the large departments. During this process they found a lot of corrections that could be made which were agreed upon by the department. They found this process very informative. He feels through this process most of the corrections and errors have been addressed. The column labeled 2019 Department Request is as submitted by the department with no changes.

Chairman Shaw stated he worked closely with the County Administrator and Treasurer and developed a budget that is closely balanced. He left \$300,000 unappropriated for personnel requests and probably a few more dollars can be identified.

In this process found a faulty approach to the machinery rental program in the County Road Machinery Fund and needs to be addressed going into the future. He put \$331,000 extra to help offset the deficiencies.

Chairman Shaw thanked Chris DeBolt, County Administrator, for his hard work in helping to get to this point with the budget. He also thanked the Clerk of the Board's office for their time and effort in this process. Mr. Haff appreciated that the index listing was by committee as he had previously requested.

The amount to be raised by taxes is \$33,296,880; \$612,00 increase from previous year, the tax cap amount, 1.94%.

General Fund contribution to County Road fund \$9,495,166, to Road Machinery \$331,607 and to Capital Projects \$500,000 and \$300,000 of General Fund is unappropriated.

Mr. Hicks would like the net total for the personnel requests by Monday for the start of the budget meetings.

The County Administrator stated the current draft Exempt Salary schedule contained within this budget includes a 2.5% increase on base and instituting the fourth and final step.

Another change to the budget is the employee benefits were budgeted in total not by department.

The meeting adjourned 2:47 P.M.

*Debra Prehoda, Clerk*  
*Washington County Board of Supervisors*

## NATURAL GAS SUPPLY CONTRACT RENEWAL

- > The County belongs to a commodity buying group for natural gas supply, Municipal Energy Program (MEP).
- > Prior to joining MEP the County belonged to MEGA (Municipal Electric and Gas Alliance, Inc.)
- > Both MEP and MEGA are largely made up of municipal entities.
- > Commodity buying groups put out bids for natural gas pricing based on the usage of the group as a whole.
- > The current contract with MEP (Municipal Energy Program) is expiring.
- > The expiring contract was a 24 month term / fixed rate contract (10/2016-10/2018).
- > Renewal rates vary based on length of contract term. Longer term = lower rate.
- > Annual usage shown below is based on a 1 year period (August 2017-August 2018).

### EXPIRING CONTRACT

TERM	PRICE PER THERM	ANNUAL USAGE	ANNUAL COST
24 months	\$0.30750	130,523	\$40,136

### RENEWAL OPTION 1

TERM	MEP	ANNUAL USAGE	ANNUAL COST
24 months	\$0.3890	130,523	\$50,773
36 months	\$0.3800	130,523	\$49,599
48 months	\$0.3725	130,523	\$48,620
60 months	\$0.3690	130,523	\$48,163

### RENEWAL OPTION 2

TERM	MEGA	ANNUAL USAGE	ANNUAL COST
24 months	\$0.3836	130,523	\$50,069
36 months	\$0.3763	130,523	\$49,116
48 months	no option	130,523	no option
60 months	no option	130,523	no option

LOCATION	Gas Usage (8/2017 - 8/2018)
Law Enf Center	49,964
Valmet Garage	565
Annex I	10,251
Annex II	1,371
Car Wash	2,857
Municipal Ctr	41,097
Hwy Shop / Office	10,810
Hwy Barn Ft. Ed	7,809
Weld Shop	5,799
<b>TOTAL</b>	<b>130,523</b>