

**ULSTER COUNTY LEGISLATURE
COMMITTEE MEETING MINUTES**

NAME OF COMMITTEE: Government Operations and Environmental Services

DATE: March 2, 2011

TIME: 6:00 P.M.

PLACE: UCOB, Library Conference Room, 6th Floor

LEGISLATORS PRESENT: Chairman Shapiro, Legislators Bernardo, Maio, Petit (arr. at 6:02PM), Robert Parete, and Ronk

LEGISLATOR EXCUSED: Legislator Zimet

OTHERS ATTENDING: Marshall Beckman, Deputy County Executive; J.J. Hanson, Deputy Budget Director; Amanda LaValle, UC Department of Environment; Tom Kadgen, LWV; Vic Melville, LWV; Cory Newton, Student, Eastern Oregon University; Victoria Fabella, Deputy Clerk, Legislature

- The meeting was called to order by Chairman Shapiro at 6:00 PM.
- A motion was made by Legislator Parete, Seconded by Legislator Ronk, to approve the February 3, 2011 Meeting Minutes. All in favor. Carried.

Chairman Shapiro reminded the Committee Members that the joint meeting with the Ways and Means Committee about mandated services is scheduled for Tuesday, March 8th at 4:30 PM. The Chairman said he asked Marshall to come to tonight's meeting because there are a number of Legislators who aren't able to attend an afternoon meeting. For those who can make it, today's discussion will provide the opportunity to listen to Marshall and then think about any questions the Committee Members may want to ask at the upcoming meeting. Chairman Shapiro gave the floor to Marshall Beckman.

- Marshall Beckman- Mandates:

Marshall said there is a problem with answering the question he thinks all Legislators will be asking: If we were to eliminate a certain service within a certain department, how much money would we actually save? How much County contribution is there actually attributed to that service? The problem is in the Ulster County budget, like many other counties, fringe benefit costs tend to be lumped in sections of the budget and not distributed directly to the department. Marshall said he, Art Smith and J.J. have spent a lot of time over the last 6 months trying to distribute the benefit costs in an accurate way and it has been a real bear. Although not 100% perfect, they have gotten it as accurate as they feel is possible for everyone to ask questions and be able to figure things out. At the end of the day, if decisions are made to eliminate certain services, they will have to go back and actually calculate the real dollar amount of fringe benefit costs because what they have done here is estimated. When you talk about actually eliminating programs and you find out which specific employees would be excessed, that's the only time you know how much money you are actually talking about; costs of specific health insurance packages, pensions, etc. That said, they've put together an enormous spreadsheet that takes the entire 2011 appropriations and revenues and breaks it down into the individual departments and cost centers, and within those departments and cost centers it's broken down further to mandated, conditionally mandated, and optional

services. (See handout: *County Contribution for All Cost Centers- 2011 Ulster County Budget*) A conditionally mandated service is something where if you take the money from the State, then you are required to provide the package of services they are buying from you. It may also include things like, in the Health Department for example, UC is a full-service provider of health department services. We have an obligation to provide a full package of services and we also get access to grant monies, as there is an incentive for doing that. You can get out of being a full service provider. It requires at least several years to do so because you have to go thru a process with the State where they would be replacing what the County does.

We are facing very, very serious tax levy increases over the next many coming years and it's going to force us all to look at hard decisions Marshall said. Plus, we've already cut a lot of things out of the budget and there isn't a lot left to cut. This spreadsheet, more than anything else conveys that.

All we wanted to do tonight is talk about how the spreadsheet works because a big problem we have is how to distribute it to Legislators. Printing it is fairly useless because it prints too small to make use of. We are looking for input on how to distribute this, knowing upfront that not everyone knows how to use Excel, and some people won't be comfortable with navigating this thing. Marshall demonstrated how to navigate thru the spreadsheet.

Legislator Petit: Q./ You have a contract agency, the RRA, listed on here as a mandated service but we only have a 20 year agreement with them. Why are the funds listed under mandated services? A./ J.J. Hanson: We discussed that at significant length in the budget office and off of Art's advice, it's under County Local Law if I remember correctly, so that's why we put it in that category.

Legislator Parete added that there are many different ways these programs are mandated. For example, the Comptroller's Office is mandated thru the County Charter. The Youth Bureau is funded in the 2011 budget, but it's not a mandated program, it's a conditional mandate. Legislator Parete said this document is a snap-shot of today.

Marshall said that the important thing is not that they are technically 100% right about the nature of the mandate, it's that it's perceived to be a mandate and we need to process that out and really decide where it takes us.

Chairman Shapiro said that one of the things discussed was making the spreadsheet available in cd form with one version of the spreadsheet in read-only format and one modifiable version.

Legislator Bernardo suggested making the spreadsheet a pdf because then it could be magnified to read more easily.

Legislator Parete: Q./ Can I bring my thumb drive in and have you down load the spreadsheet onto it?

A./ J.J. Hanson: Yes. That is probably the best option.

Legislator Ronk said he would do the same.

Chairman Shapiro: Q./ Can you give us some examples of what the larger optional services are that perhaps the Legislature and this Committee can take a look at? A./ Marshall: Going down the list, almost \$1M in the County Attorney's Office. Largely because most of that Office isn't mandated by any regulation or law but it's the type of central infrastructure that you have to have. Now that we've made a major issue of having a Contract Management Unit and getting that much control over our contracts, dealing with civil service issues and arbitrations, lawsuits, etc, we are barely able to keep up there as it is. That's where the Legislative Committees might benefit from bringing in department heads and asking, "What are we getting for \$1M?" Emergency Management is a good example of something that is not mandated, but can you imagine taking it apart. This really conveys the desperateness of the situation. If you jump down to the Information Services Department, that's necessary infrastructure but technically entirely optional. At

almost \$8M, there's a place where you may want to look deeper and determine if we can afford what we are getting. Public Works is a huge cost center, but again necessary.

Legislator Maio: Q./ Why are there brackets around the Finance Department amounts? A./ Marshall: In the Finance division there are certain revenues that are just attributed to that department; that's just where we parked them. It's really more of an accounting issue. You could spend an endless amount of time trying to distribute the costs there. Finally we just said there are revenues that are going to have to be parked in Finance and that's it. That's why there is a negative figure there.

Marshall reiterated that this is not 100% perfect, but he believes it's 99% accurate and totally useful for the purposes being talked about. The main purpose is to stimulate discussion and figure out what we do over the next five years he said.

Chairman Shapiro: Q./ You mentioned the issue of the next five years and how that plays into this. You went over this with me once before. Can you give us a snap-shot of what this means? A./ Marshall: I showed you a previous draft version of what I've been working on. J.J., Art and I are working to incorporate Medicaid and fund balance into this. So we are working on additional assumptions. Interestingly, it's taken us back to where we were last year when Art projected a \$15M - \$25M potential increase in tax levy. It's the health insurance situation, pension contributions, potential salary and FICA increases, reduction in FMAP that we have been getting for Medicaid, and who knows what's going to happen with the Medicaid cap. What bailed us out going into 2011 was the fund balance. We think that we will hit the 2011 budgeted sales tax target. But we know we are not going to see the same savings we saw on vacancies and selling properties. We already accounted for the selling of the CHHA. Art's estimation is that the \$12M we've attributed from the fund balance to cover tax increases the last two years in a row is not going to be any where near \$12M again.

Legislator Parete said the other Legislative Committees should become involved in this. Whether it's just the Chair and Deputy Chair or the whole Committees, they need to be a part of the analysis process.

Chairman Shapiro reminded the Committee that Ways and Means will be heavily involved. There may be direction that comes out of the joint meeting with that Committee, but one thing to think about is inviting the Committee Chairs to the next meeting for further discussion he said. The Committee was in agreement that this is a good idea.

Legislator Parete said he didn't recall the language in the Resolution brought by Legislator Bernardo that initiated this topic. He believes the Committee should have a vision and develop a mission statement so the path forward is clear. Copies of Resolution No. 192, July 20, 2010 were distributed for review by the Committee.

- UC Department of the Environment 2010 Annual Report: (See Report on File)

Amanda LaValle walked the Committee through the Report. There were no questions from the Committee.

- Hydro-Fracking Forum

Chairman Shapiro spoke to Catskill Mountainkeeper, as they had done a presentation to the Environmental Committee in 2008. The Chairman said a lot has happened since then and with the coming of new information it is even more relevant now. There are a lot of questions to be asked about this practice. The Chairman also reached out to the Independent Oil and Gas Producers Association and the DEC. He

believes there will be someone there from the Minerals Division. Chairman Shapiro wants both sides to be represented and envisions an orderly forum or hearing type setting with an opportunity for the Committee Members to ask questions and also give the public a chance to weigh in. He is shooting to pull everything together for a May date. The Chairman acknowledged Legislator Parete's suggestion to hold the meeting in Wawarsing. However, he hopes the College would sponsor a spot as a compromise between the Wawarsing idea and the usual meeting location, Legislative Chambers. The Chairman hopes that a site such as the College will enable residents from all parts of the County to participate. The Committee Members agreed.

Legislator Petit: Q./ Is this going to be a completely open forum like they had in Sullivan County or is this specifically for the Legislature? A./ Chairman Shapiro: It would be sponsored by our Committee. I will Chair it. I would like members of this Committee to lead in asking questions. Legislators, of course, will be invited, and similar to regular government meetings, I'd like to have a section for public comment. I'd rather not have a back and forth between the public and the speakers. Perhaps that could be done through the Committee. I do think this will be well attended so comment would have to be kept to three minutes.

With that said, the Chairman said there is a resolution on this topic on the table. He would like to hold off on it. He can't get straight answers from the sponsors as to whether it will be pulled. He believes any action that the County takes should occur after the full Legislative body has an opportunity to become educated via the forum.

Legislator Parete commented that he would like more information on the process, for example, what do they pump into the ground? He said he has never been able to get an answer. There is a law on the books prohibiting pesticides and things of that nature on county-owned property. Legislator Parete said that if he could learn more about what goes into the ground, then maybe the Local Law could be amended to include those chemicals. A Local Law would be much stronger than a resolution.

Legislator Ronk commented that he doesn't believe this Resolution is necessary to achieve the goal it looks to achieve.

Legislator Petit said she would like to see the Resolution put forward. It's an important subject and there is a timeframe set forth in it. She is surprised the DEP hasn't stepped up more. One of the largest and purest water sources is the Ashokan Reservoir. Legislator Petit said, however, that Legislator Parete's point about the existing Local Law was a good one.

Legislator Parete: Q./ I brought this up in a previous meeting, did Governor Cuomo continue the Executive Order? A./ Legislator Petit: I believe he did. Legislator Parete suggested adding that to the Resolution to make it more current.

Chairman Shapiro: Q./ What was the timeline you referenced? A./ Legislator Petit: July 1st. The Chairman believes there is time to have the forum and then act before July 1st.

Hearing no objections, the Chairman said the Committee would take no action at this time. However, Legislator Ronk noted that the Resolution was submitted timely and can therefore be brought straight to the floor if the sponsors wish to do so.

- Global Warming Committee Issues

Legislator Petit said she was on the Committee in 2008 and it no longer meets. Although, information compiled by the Committee had been used for *Ulster Tomorrow* and also absorbed as part of the Energy

Policy. Some of the Local Municipalities, the City of Kingston, Village and Town of New Paltz, Rosendale and Saugerties, have signed on as climate-smart communities. Legislator Petit distributed four handouts (Text for the Climate Smart Communities Resolution, How to Set Up a Climate Smart Coordinator or Task Force, Climate Smart Communities, List of Climate Smart Communities) that can be used to draw language from to develop the Resolution. You'll see one of the new things is global warming is now referred to as climate change. Basically the Committee would review issues, make recommendations and do presentations and outreach. Legislator Petit said she saw some of that in Amanda's report and doesn't want to form another subcommittee just because. However, there is a Committee on the books that's not really meeting and the proposal was to dissolve that and create a climate-smart community.

Amanda offered that the Energy Policy is pretty restrictive and they've been able to implement quite a few of the Global Warming Advisory Committee recommendations. So, the County is above and beyond the language that's used in this model resolution from the DEC. However, there is a lot in here that could enhance services, but is out of the purview of the Department of the Environment and beyond the implementation of the Energy Policy.

Legislator Parete: Q./ If we become a climate-smart community could we be eligible for funding?

A./ Legislator Petit: I didn't look into the funding aspect, but it may be possible.

Legislator Petit said she needed to check with Counsel to see if the old committee could be formally dissolved in this resolution or if a separate one is needed. She will do research and bring it to the next meeting. Legislator Petit would also like input with language, as there is quite a bit, including some recommendations Amanda had made last month.

- Discussion: NYS "Millionaire's Tax":

Chairman Shapiro said Albany is steering the bus and County Legislators are left to make tough choices, whether it's with Golden Hill or employee benefits, etc. He feels very strongly on this issue with regards to the millionaire's tax. Instituted in 2009, it has generated about \$5 billion in revenue from those earning over 200K. The Chairman wrote a letter to Governor Cuomo in support of continuing the tax. (See handout) He asked if Committee Members would like to sign on as individuals or as a Committee.

Legislator Parete said he believes in the concept, would be happy to sign on, and would encourage everyone to do the same.

Legislator Ronk said those interested should sign as individuals.

The Chairman said he was going to reach out to other Legislators as he believes it's important for the Legislative body to have a voice on this issue. He asked which Committee members would like to sign on as individuals. Ayes: Legislators Parete and Petit. Noes: Bernardo and Ronk. Legislator Maio was out of the room.

- Motion to Adjourn:

Hearing no further business, Chairman Shapiro asked for a motion to adjourn. The meeting was adjourned at 7:16 P.M. with a motion by Legislator Maio, Seconded by Legislator Ronk, with all in favor, Carried.

Respectfully Submitted,
Victoria Fabella
Deputy Clerk, Ulster County Legislature