

**WAYS AND MEANS COMMITTEE
MINUTES**

**(REMOTELY)
TUESDAY, JUNE 23, 2020
3:30 P.M.**

PRESENT: Leigh J. Benton, Chairman
Mike Anagnostakis, Katie Bonelli, Kevin W. Hines,
James M. Kulisek, Joseph J. Minuta, Michael D. Paduch, Janet Sutherland

ALSO

PRESENT: L. Stephen Brescia, Chairman
Michael Amo, Independence Party Leader
Barry J. Cheney, Legislator
Thomas J. Faggione, Legislator
Kevindaryán Luján, Legislator
Kathy Stegenga, Legislator
Antoinette Reed, Legislative Counsel
Harry Porr, Deputy County Executive
Dan Bloomer, Director, Operations and Cost Control
Damian Brady, Chief Assistant County Attorney
Kerry Gallagher, Deputy Commissioner of Finance
Eric Ruscher, Director, Real Property Tax Service
Daniel G. Castricone, Risk Manager
Deborah Slesinski, Budget Director

Chairman Benton opened the committee meeting at 3:34 p.m. by asking everyone to stand for the Pledge of Allegiance. All committee members were present.

Mr. Castricone addressed the committee with a department update for Risk Management. He stated that his office is fully back and lucky enough to have the space they have in order to be able to social distance. They had 100% participation in the contact tracing course which he is proud of. One thing he instituted since he became the Risk Management Officer is, as policies come up for renewal, each insurance broker gets an exclusivity with each company that they try to get insurance from. He instituted a policy where the four qualified brokers are given the opportunity to bid on the policies as they come up. The brokers send him three choices of carriers that they would like to quote with which he will automatically assign the incumbent carrier to the incumbent broker if he is satisfied with the service the county is receiving. He stated that he randomly draws a name and assigns each broker their first choice if it is available, then their second or third until everyone who wishes to quote has been assigned carriers. The brokers will then send him their exclusivity letter which he will transfer the letter to county letterhead and sign. Furthermore, this has been working well as he has seen significant increases in what the county is paying over the incumbent policies. He then moved on to state they still do not have an update on the estimated 2021 health insurance rates. The department budgeted a 10% increase for the county and are letting the contract with the insurance consultant expire on September 30, 2020 which will save the county \$3,000 in 2020 and \$12,000 in 2021. One employee accepted the retiree incentive. After the incentive and vacation/sick accrual payouts,

the savings for the rest of 2020 is \$20,000.00. Regarding the Orange County Safety and Loss Control Program for the time period of May 1, 2020 to June 19, 2020, he stated he is proud of the employees who have taken part in this. They have been converting and presenting the safety classes in an on-line format. An additional course was developed to train workers on cleaning restrooms during the COVID-19 pandemic and a PowerPoint course was created that can be presented by an instructor or viewed by an individual worker. In anticipation of opening to the public, discussions were conducted with Division of Buildings and Personnel Department regarding markings and signage necessary for social distancing. The Middletown and Newburgh DMV's were used as examples since they will be opened first under an appointment-only condition. The Property Coverage files were reviewed and updated for policy renewal. He mentioned that they are continuing to study the new building codes issued for 2020 and the safety training schedule is being extended through the summer as on-line based only. Since mid-March the focus has been on respiratory protection. First, in ordering more inventory of masks and cartridges for the respiratory protection courses and second, they are assessing the training status of those employees who are essential during the pandemic. Two areas needed development: Replacement employees for the Sewer Plant Operation and the volunteers within the Medical Reserve Corps. Furthermore, additional EF&S and DPW employees were trained as they will serve as replacements for essential EF&S positions as needed. The MRC volunteers were trained from within the Health Department specifically on N95 respirator procedures. The presentations are powerpoint based and the instructor discusses each slide as it is presented. In addition, he explained that there are several quiz questions interspersed throughout the presentation. This serves two purposes; to ensure that students understand the material and to verify attendance for the entire presentation. So far, there have been three presentations: Respiratory Protection/Biohazards/HAZCOM (chemical safety), Confined Space Awareness (two sessions with both in-person and online as an option and a Front Desk Safety and Security class which had twenty-five participants throughout several departments. There are several other classes being offered between now and May 15th which was sent to Department and Area Safety Coordinators to share with their departments.

Mrs. Bonelli commended Mr. Castricone for a very comprehensive report.

The next agenda item was an update from the Budget Department.

Ms. Slesinski stated that the department is currently transitioning back into the office. They have one employee who is on leave for the summer due to the birth of her baby, so that leaves them with four employees during the busiest season. Currently, departments have completed their position budgeting and are finalizing their contractual and equipment lines which are due this Friday. During the month of July, an analysis will be done for each department to prepare to present a budget to the County Executive. They are awaiting the final tax cap inflation factor which should come out in early July and based on the monthly trend, she expects that number to come in around 1.5%. She expects this to be a challenging budget with the lower inflation factor and the uncertainty in state funding. This month they are really seeing the full effects of the reductions in sales tax and other revenues. She is working on updating the data; however, June is a month where they get a third sales tax payment that comes in at the very end of the month. The first two payments have resulted in a reduction of 35% from what they would have expected. The department continues to monitor vacant positions and as of June 19th there were 276 vacant full and part-time positions, which includes the employees who took the furlough in June. Based on the number of positions that

are vacant, the county has achieved a savings of \$7.3 million. The capital committee meetings have been completed and the final wrap-up will be tomorrow to finalize the 2021 plan. As she mentioned last month, they are in the process of upgrading the budgeting software, and this month have put in about 20 hours of work with the Cherry Road team for the design phase of this project. They are also working with the Finance Department and Department of General Services to classify the purchases for the COVID-19 response into the correct budgetary lines. Lastly, she knows that the forecast is on the agenda today but would like to point out that this document was done based on the numbers from March, as they used calculations and percentages based on the prior year to come up with the projections. While she did take into consideration a reduction in revenues, they had not had a full picture of the extent and duration of the shutdown and restrictions as well as the still unknown loss of state revenues.

Mr. Benton stated that he will not be discussing the 2021 Financial Forecast Summary today, he wanted to make sure everyone received it as it will be a formal presentation for the overall outlook for the future by O'Connor Davies, LLP.

Mr. Paduch moved to discuss deed sale parcels, seconded by Mrs. Bonelli.

The first deed sale parcel is in the Town of Blooming Grove (54-1-30) and has a minimum bid of \$2,100.00 an amount bid of \$2,100.00. Mr. Ruscher recommended the parcel be denied because he would like to raise the minimum bid to cover the back taxes. The next two parcels are in the Town of Greenville (9-5-2, 9-13-5) and both meet their minimum bid. He recommends that they be approved. Parcel number four is in the Town of Montgomery (9-2-3) and has a minimum bid of \$12,500.00 and an amount bid of \$10,000.00. Mr. Ruscher stated that he would like this parcel to be denied because he can get more money for it.

Mr. Hines moved to accept Mr. Ruscher's recommendation to approve deed sale parcels Nos. 2 and 3.

Motion carried. All in favor.

Mr. Benton stated that the next agenda item is the report on Property RFP's and everyone should have received the email that included them (see original minutes).

Mr. Ruscher mentioned that the RFP's are live and there has been a lot of good teamwork in putting them together.

Mr. Benton noted this is a lot to read, so if any legislators have a question, they can call Mr. Ruscher or Mr. Brady.

Mr. Brady asked that everyone keep in mind, they are free to share the RFP's, but it is important to remember we are in a "quiet time" now, so any questions that bidders may have must be directed to the question section of the RFP. He stated that he does not want questions answered scattered, he would like them to be answered collectively.

Mrs. Reed pointed out that all legislators were given a copy of the RFP's, so everyone should have an electronic version. They are also available on the county website. It is very comprehensive, and they did a great job on each of the RFP's. She emphasized what Mr. Brady stated regarding questions and asked that legislators please be careful if any individuals contact them that have questions as they should be referred to the RFP. All questions are written down and answered in the collective.

Mr. Benton asked Mr. Ruscher to briefly review the updated map of the Quarry (see original minutes) which was sent to everyone via email.

Mr. Ruscher reviewed the map with the committee and pointed out that the buffer is now included in the cave area, so it has expanded from 13.2 acres to 16.8 acres. As far as the appraisal is concerned, everything is in motion.

Mr. Benton clarified that since the county has entered Phase III, the appraisers can continue doing their job.

Mr. Ruscher stated that is correct.

Mr. Kulisek moved the request to accept and affirm the Orange County Investment Policy, seconded by Mr. Paduch.

Ms. Gallagher stated there have been no changes to the policy.

Motion carried. All in favor.

Mr. Kulisek moved the request to accept, amend, and affirm the Orange County Debt Management Policy, seconded by Mr. Paduch.

Ms. Gallagher stated there is one change to this policy. On page 10 (see original minutes) it read, "The County Legislature reviews, approves, and formally adopts the Tax-Exempt Governmental Bond Compliance Guidelines" and after researching with the legislative staff to determine where the policy was, it was determined that this policy was set by the former Commissioner of Finance, Joel Kleiman, and page one and two are missing. As they continue to look to see whether this is needed, she will bring the policy back. Since it was a separate policy, she spoke with the County Attorney and Legislative Counsel Reed who stated it should be a separate matter. She then pointed out Appendix A and B are updated each year.

Motion carried. All in favor.

The next agenda item was a brief report on sales tax (see original minutes).

Ms. Gallagher stated there is one more payment due on June 30th which is the third and final payment for the month of June. Overall, year-to-date the county is down 10%; however, in the month of June we are down 34%. She continued to review the spreadsheet with the committee (see original minutes) and pointed out that they are unsure of how things will be since the pandemic began but are monitoring this closely with the County Executive and Budget.

Mr. Benton asked what the anticipated June 30th payment will be.

Ms. Gallagher replied \$8.4 million was budgeted and she cannot say what is anticipated until the final number comes in on June 30th.

Regarding the next agenda item which was a discussion regarding the 2021 Financial Forecast Summary, Mr. Benton stated everyone should have received the 2021 Forecast that will be followed-up by a special meeting which will include all legislators, Nick DeSantis and team at a future date. He then pointed out that everyone should have also received an email from Commissioner Gross regarding the incentive program, he then read it to the committee.

Mrs. Bonelli moved to request funding for
Diversity Intervention Initiative RFP, seconded
by Mr. Benton.

Mr. Amo stated that last week at the Rules Committee, this was discussed at large, so he does not want to be too redundant. The key point is that this topic was discussed several years ago which ended up with a \$75,000.00 line item in the budget to work on the diversity initiative. For a reason he cannot explain, no action was taken; therefore, it went away. Over the last two years legislative leaders have discussed how they can intervene on diversity conflicts in Orange County with the most obvious being in the southern part of the county with its fast growth and annexations in the village of Kiryas Joel and Town of Palm Tree. Leadership worked in coordination with County Attorney Langdon Chapman, Senior County Attorney Susan Whalen and Legislative Counsel Reed to finalize the proposed Request for Proposal (RFP). This concept was originally approved in March or April, but due to the COVID-19 pandemic they agreed to delay it until June. He stated his resolution is requesting \$100,000.00 in order to send out the Request for Proposal (RFP) and to see what comes back that could help the county in dealing with some of these conflict issues. There are four main purposes to the proposal: a model to be used throughout Orange County where diversity conflicts may arise; create a pilot program to test the model; establish an ongoing sustainable process that would allow them to stay on top of a conflict issue in the southern, western and/or any other part of the county in which they need to provide and/or offer assistance and lastly, it proposes ongoing reporting to the Rules, Enactments and Intergovernmental Relations Committee. He understands this request passed the Rules Committee (5-3) and was brought to this committee to modify some of the rules which he just explained.

Mr. Benton thanked Legislator Faggione and members of the Rules Committee for the extensive discussion which was well done. He asked Mrs. Reed if the committee needs to verbally read the modifications.

Mrs. Reed replied that she will point out the modifications (see original minutes).

Mr. Paduch commented that the revisions make a difference now that it can be county-wide and he is sure that once the interviews are complete, if there are any additional changes, they can submit them at that time. He added that he is in support of this.

Mr. Benton reminded the committee there are no expenditures yet, they just must delineate that they are serious about putting funds in the budget for an RFP.

Mrs. Bonelli commented that as mentioned, there was a very thorough discussion at the Rules Committee meeting and she is a strong proponent of the world being different now versus when they began looking into this particular initiative over a year ago and bringing it to fruition at the beginning of this year. She added that it was appropriate to make the adjustments and thanked Mrs. Reed for addressing it.

Mr. Lujan stated he was one of the legislators that is critical of the initiative and appreciates the changes but is not as optimistic about what will be found. He is hopeful they will find a model that will be suitable for all the different locations.

Motion carried. All in favor.

Mr. Benton thanked Mr. Amo for his efforts.

The meeting adjourned at 4:32 p.m.