

Present: Legislator Bausch, Hancock, Leadley, Cianfrini, Ferrando, Stein, Lawrence, Clattenburg. Also Present: Clerk Typist Fiorentino, County Manager Gsell, , Facilities Management Director Ciaccia, Supervisor of Buildings and Grounds Ross, Executive Secretary Jasinski, GCEDC Director Hyde, Nursing Home Administrator Schaller, County Treasurer German, Deputy Treasurer Landers, Director of Real Property Andrews, Reporter Mrozek.

Chair Bausch called the meeting to order at 4 PM in the Legislature Conference Room. The minutes of the August 7, 2013 meeting were approved upon motion of Legislator Leadley seconded by Legislator Cianfrini.

Executive Secretary of the Workers Compensation Plan Jasinski presented her 2014 budget. There is very little change from 2013 except for an increase in the Excess Insurance cost. \$150,000 is assessed per year to increase the reserve with the intent to become fully funded in 18 years. Legislator Bausch asked why there was not anything listed for the Villages or Schools for their contributions. Ms. Jasinski stated that the Towns now only pay for the fireman. It used to be that the Villages, Schools and Towns were all being billed for fireman. The Comptroller's office stepped in and requested that it only be billed under the Towns. Legislator Bausch asked if a Fireman goes outside the County for a fire call and submits a Workers Comp claim, how does that claim get paid? Ms. Jasinski stated that she is not allowed to bills for other towns outside of the County. This is something that should be addressed between the towns. If a person does get hurt in another County, the County does not receive payment from another county towards that claim. Legislator Cianfrini asked Ms. Jasinski to explain what the \$60,000 goes towards in the Contracted, Legal Services line. Ms. Jasinski stated that is used for the Third Party Administrator, the Actuary, and County Attorney. Mr. Cianfrini asked if the County Attorney works for the County in Workers Compensation matters. Ms. Jasinski stated that she refers to the County Attorney for matters that may come up, however she uses a Workers Compensation Lawyer from the Rochester area. Legislator Cianfrini asked how much is spent each year on these outside legal services. Ms. Jasinski stated that is comes off of the claims submitted but she can work on getting that figure. The Compensation Board now requires that a Lawyer is present at the hearings. Legislator Cianfrini asked that Ms. Jasinski look into if it is more cost effective for the County to have their own Attorney rather than contract it out to a firm. Legislator Stein was asking why the County is still using assessment values rather than payroll values? Ms. Jasinski stated that they are exploring going in that direction, but the assessed values are used because that is the way this plan was set up. Legislator Stein asked how soon this budget goes out to the participants in the plan. Ms. Jasinski answered that most of the participants have these figures but that it will officially go out after it is approved by the full Legislature. This was approved for placement on the next Legislature Agenda upon motion of Legislator Leadley seconded by Legislator Hancock.

Ms. Jasinski then presented her Department Review. Some of the key 2013 accomplishments include a renewal contract with First Niagara Risk Management for Third-Party Administration of the Plan. There have been some changes in key people in the new contact which has brought new ideas but that still have the experience. A new

system of payments has been set with First Niagara. They will be sending out the county checks from their office, with the County Treasurer's signature on them. This will eliminate the sending of checks to the county for signature. Ms. Jasinski reviews the check register prior to the checks actually being sent out. The Excess Insurance Broker has been changed to Lawley Insurance, a local broker. This not only keeps the money in the County, but they are providing the County with risk management services. This was not available with the past broker. The claims review with the Genesee County Nursing Home and First Niagara provided valuable information to the Nursing Home and highlighted the trouble cases. A seminar for the participants of the plan has been set for November. This year it will include the TPA, Buckner & Kourofsky law firm and Lawley Insurance. This is an opportunity for the participants to see what the County has accomplished and talk about the administrative and legal issues and Worker's Comp. changes. The volunteer fire rosters have been updated and sent to the departments. Only those fire people on the roster are covered by the plan. The system for increasing the reserve by \$150,000 each year was put in place with no resistance from the participants. This will continue for 20 years. Ms. Jasinski continues her membership in the Western New York Region Worker's Compensation Group in the New York State Association of Self-Insured Counties. Participation in these groups keeps Genesee County informed on issues and involved in cost-saving methods. Key 2014 goals include working with the risk management through Lawley Insurance Brokers to address closing old cases and reducing the number of injuries. Presently, they are assessing the types and numbers of injuries to see where the problem areas are. They will be addressed with the plan participants. The review of the method of assessing participants is ongoing. Some counties are incorporating payroll into the formula and will be discussing this at the NYS ASIC seminar in 2013. The Plan continues to improve on seminars for participants to include review of claims, legal issues and claim management. Ms. Jasinski plans to set up individual claim review sessions with larger participants in an effort to help reduce their costs. She will also continue to work with the Genesee Association of Municipalities and New York State Association of self-insured counties in writing resolutions of support for workers comp reform and lobbying our elected officials to support legislation to lower cost to municipalities. The self-insurance plan continues to operate with one part-time Executive Secretary, using TPA services and several contracted services such as nursing, legal and pharmacy. Benefits and awards have remained the same, with the addition of a line for contribution to the reserve, it is not important to have a balance at the end of the year. This amount used to be used to increase the reserve. Ms. Jasinski has held the line as directed by the County Manager for all line items that are under her control, such as office supplies, postage, phone services, etc. State workers comp assessments have increased every year with no local control. The excess insurance is increased by \$11,399 and the volunteer fire charges have decreased by \$20,000. Their cost is paid only by the towns. The committee thanked Ms. Jasinski for her department review.

Facilities Management Director Ciaccia presented his Department review. Terry Ross the Supervisor of Buildings and Grounds was also present. This department maintains 13 buildings within in the County. Mr. Ciaccia feels that his department is doing a good job keeping up with maintaining these buildings and grounds, and staying within budget. The County's experience a savings on their energy costs as a result of the massive energy

efficiency project. This is now starting to pay off for the County. This is also due to the fact of locking in a lower energy rate. The approximate savings to the County is \$20,000. Mr. Ciaccia explained the renovations that have recently been completed at the County Jail. This is something that would typically be contracted out however, these renovations were done by the Facilities Management Department. Mr. Ciaccia did put together a cost analysis to see how much the savings were to do this project in-house. Had this been contracted out it would have cost the county approximately \$89,000. As a result of Facilities Management handling this in-house it cost the county approximately \$53,000. This resulted in a savings of approximately \$35,000. This is due mostly to the wages. To hire a contractor would have resulted in paying prevailing wage rates. Facilities Management is also handling the renovations to the 911 backup at the Genesee Justice building, which will also result in a savings. Mr. Ciaccia is working on putting together bid specifications to award a contract to an engineering firm to be on retainer for Facilities Management upcoming engineering and architectural jobs. He can't think of a better way to increase the County's engineering costs than to go out for quotes on every single engineering project. The County will end up paying more this way. This is because any engineering, architectural firm. The costs are contained through relationships knowing that if they serve you well and there is a chance that you will award them more projects. Legislator Cianfrini asked if the County needs 13 buildings? Mr. Ciaccia stated that he has done an analysis in the past in terms of the cost in terms of square footage and they do know the variances that exist in each building and what it costs to maintain them. Mr. Ciaccia feels that they need to look at how many buildings the county has and if they need to keep. Mr. Ciaccia feels that this is a well worth investigation. Mr. Ross stated that this is the busiest year he has seen in 11 years. The Committee thanked them for their review.

Mr. Andrews presented his appointment as Director of Real Property Tax Services. The current term expires on September 30 and part of the New York codes, rules and regulations was amended for terms beginning on October 1, 2013 to create one set of minimum qualification standards to be the same as what is known as Director of Real Property Tax Services III. The annual salary for this position is 59,000 per year. This is effective October 1. Legislator Cianfrini stated that Mr. Andrews is doing a great job. This was approved for placement on the next Legislator Agenda upon motion of Legislator Hancock seconded by Legislator Cianfrini.

County Treasurer German and Deputy Treasurer Landers were present to discuss borrowing money for the County Nursing Home. The County Nursing Home has a \$5 million RAN due in November and there is no way to pay this back without borrowing money. The Nursing Home currently owes the County's General Fund approximately \$500,000. Mr. German doesn't see any way of paying this back unless the outstanding IGT funds are paid. The maximum amount the County is allowed to borrow at this point is \$5.8 million. \$4.2 million was borrowed earlier in the year for the new radio upgrade project, and there is a \$10 million cap. Going forward, if the General Fund doesn't start giving the Nursing Home funds on an annual basis and the Nursing Home continues to lose money the County will be borrowing more and more money and no means to pay it back. Next year if nothing is done, the County will most likely have to borrow \$10

million for the Nursing Home cash flow and there will be nothing left for Capital Projects. There was a discussion on where the money should come from, how much should be borrowed. Mr. German was given permission by the Ways and Means Committee to go forward with the borrowing of \$5 million to help pay the Nursing Home's RAN.

County Manager Gsell presented the sales tax 1% increase resolution. This is the last step in the approval process. This was approved for placement on the next Legislature Agenda upon motion of Legislator Cianfrini seconded by Legislator Hancock.

Steve Hyde from GC EDC presented his quarterly update. National Public Radio did a whole session on the growth of yogurt in New York. Most of the session was spent talking about the yogurt industry in this area. Legislator Stein was interviewed as part of the session. Mr. Hyde presented the GCEDC Tax Base Analysis. He started by giving a little back ground history. A Public Benefit Corporation was established in 1979. This was the Lead Agency for countywide economic development strategy, sales and marketing. There are 7 board volunteer seats that are appointed by the Legislature. A Local Development Corporation was established in 2004 by the GCEDC. This is a project-based entity that supports development activities leading to the generation of IDA projects. This is a less complicated mechanism for shovel ready development. The IDA risk management protection for the IDA and County is relative to real estate deals. This is made up of nine Board volunteer seats appointed by the GC EDC board and business professionals. In 2008 a Public-Private Partnership was established by the GG LDC and Rural Investments, Inc. Rural Investment, Inc. is a subsidiary of Farm Credit East. The GAB, LLC was developed to foster growth, investments, and sustainability in state and local agriculture by creating the shovel ready 211 acre Genesee Valley Agribusiness Park. As of May 2012, the GG LDC became the sole member acquiring all outstanding membership interest from Rural Investments, Inc. and is managed by the GG LDC Board. The reason for this establishment was for risk management protection to LDC, IDA and County related to real estate deals. In 2009 a Local Development Corporation was established by the County Legislature. This allows for tax-exempt bond issuance for area civic facility projects such as hospitals, college, and nonprofits. This board is made up of six appointed members, three direct appointees by legislature and three GC EDC board members. In order to drive economic development the focus is on the development of an ecosystem that fosters business investment in sustainable long-term economic activity. The returns from economic developments is measured by success. Traditionally, there is job creation, totality in the number of projects, capital investment, tax base and jobs and overarching the ecosystem activity/projects. The New York State Authorities Budget Office requires only a subset of GC EDC projects to be reported into its Public Authorities Reporting Information System. Only projects where local tax incentives are provided are reported into the system. Significant other GC EDC projects are not reported in to this. These projects are typically revolving loan fund projects, site location consulting projects, shovel ready development projects, grant and loan funds secured, workforce development projects. The GC EDC gross project portfolio has grown from 90 projects in 2006, 274 in 2012. This reflects new projects added by year per the PA RIS reporting rules. On average, there are 14 new projects yearly since 2006. In 2012, 13 new

projects were added and GCEDC was ranked number 3 in project volume statewide and number 1 for non-metro IDA's. When a community's long-term PILOT portfolio in terms of projects in capital investment is growing, long-term property tax base is growing. GCEDC's capital investments tied to its portfolio of PILOT projects reported in PARIS has grown 366% over the last 10 years. Year over year growth is 153% due to the Muller Quaker dairy project. For every one dollar and operating budget invested in GCEDC by Genesee County, \$18 in Property Tax and PILOT payments are being received by local taxing jurisdictions in the same time. An active economic development organization driving capital investment, fosters growth in the community's property tax base. Genesee County has seen strong growth and trends and economic development project activity and PILOT's. Capital investment has exceeded \$.5 billion in 2012 portfolio the current 2012 PILOT and property tax payments from expired PILOT's have more than doubled since 2006. Future property tax payments from the 2012 PILOT portfolio at PILOT expiration will yield \$4.7 million annually in property tax payments

The following referrals from the Human Service Committee were approved for placement on the next Legislature Agenda upon motion by Legislator Leadley:

Salary Schedule/Nursing Home-Executive Assistant was seconded by Legislator Hancock

Budget Amendment/Mental Health-Medical Insurance Reimbursement- seconded by Legislator Cianfrini

The County Manager presented a resolution for the authorization to close completed, GCC capital projects. This project is the GCC athletic field expansion and Jim/locker room renovation. This was approved for placement on the next Legislature Agenda upon motion of Legislator Cianfrini seconded by Legislator Hancock.

Next, Mr. Gsell presented another resolution for the authorization to close various capital projects within the County. These projects consists of the highway economic stimulus project, Sheriff's administration building, modification, facilities management, Building #1 roof, and the Sheriff VHF narrow banding project. This was approved for placement on the next Legislature Agenda upon motion of legislator Leadley seconded by Legislator Cianfrini.

Lastly Mr. Gsell presented the Nursing Home Collections contract was approved at the last Legislature meeting but has been returned to Ways and Means for further discussion. Legislator Cianfrini would like to see an actual amount set in the resolution. It was decided that the resolution will read not to exceed \$37,500 with an hourly rate of \$250 for the maximum of 150 hours for the period of September 1-October 31, 2013. Legislator Hancock stated that she hopes Freed Maxick Healthcare is getting the information they need as quickly as possible to recover the outstanding receivables. Mr. Gsell stated that if they do not get information they need from the Nursing Home they then contact his office and he will provide them with the information. This was approved for placement on the next Legislature Agenda upon motion of Legislator Hancock and seconded by Legislator Leadley.

Legislator Cianfrini made a motion to adjourn to Executive Session to discuss the Human Resource candidates at 6:15 PM seconded by Legislator Leadley.

At 7:30 PM a motion was made to adjourn from Executive Session. It was decided to have a special Committee of the Whole on Wednesday September 11, 2013 to make a final decision on the Human Resources position.

At motion to adjourn was by Legislator Leadley seconded by Legislator Cianfrini.

Robert Bausch, Chair
Ways & Means Committee
Submitted 9-17-13 ssk