**MINUTES**

**COMMITTEE:** Scott J. Van Etten, Chair
John V. Malter
Gary D. Swackhamer
Robin K. Lattimer
Robert V. Nichols
Brian C. Schu
Carol A. Ferratella

**STAFF:**
Jack K. Wheeler
Jennifer Prossick
Shawn Sauro
Lise Reynolds
Christopher Brewer
Tammy Hurd-Harvey
Eric Rose
Kathryn Muller
Brenda Mori
Nate Alderman
Rob Wolverton
Gary D. Swackhamer

**LEGISLATORS:**
Kelly H. Fitzpatrick
Frederick G. Potter
K. Michael Hanna
Gary B. Roush
Steven P. Maio

**OTHERS:**
Mary Perham

I. **CALL TO ORDER**

Mr. Van Etten called the meeting to order at 9:00 a.m.

II. **APPROVAL OF MINUTES**

MOTION: APPROVING THE MINUTES OF THE MAY 7, 2020, MEETING MADE BY MR. SCHU. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

III. **NEW BUSINESS**

A. *Update on Federal Funding for State and Local Governments* – Mr. Wheeler stated Federal Stimulus 4, which focuses on State and local governments, is still looking pretty optimistic. He stated he talked to Congressman Reed’s office for an update. The CARES Act has been passed by the House, but was dead on arrival in the Senate. This will all depend on the formula that is used. This will be better under the CARES Act and Congressman Reed has provided significant funding to us and smaller counties, as well as other municipalities. We were hoping that it would have been done by now and we are hoping to see something later this month or the beginning of July. The longer this goes, the more concerning. The State is sitting on grants and obligated money from the federal government as well as other revenue sources to make their own cash flow. Mr. Wheeler stated the Governor was supposed to release his proposed cuts by the end of May and did not, and he assumes he is waiting to see what the federal government is doing. We are in a wait and see mode and we will keep monitoring. It sounds like Senator McConnell backed off his opposition to the fourth stimulus. Mr. Van Etten stated the biggest issue Senator McConnell had was the timing as he wanted to see that Stimulus 3 actually worked before they did another one. Mr. Wheeler stated we will keep everyone posted and we are having weekly calls with NYSAC. Everyone is experiencing the withholding of revenue and State aid.

Mr. Malter asked if the stimulus funding is released how much will come to the County? Mr. Wheeler replied that is uncertain as a lot of the funding is for testing. The State is sitting on $750 million between testing money, CDBG money and other things. The problem with the original CARES act is that municipalities over 500,000 made out really well and the language was not defined enough. Only 17 States released any of their money to the smaller local governments because it was not specifically defined in the bill. Congressman Reed and others are working on specific language to prohibit the State from holding that money.
Mr. Malter commented if the State releases the money to the counties, the State will probably make cuts to the counties anyway. Mr. Wheeler stated if the State gets made whole by the stimulus, that will help, but we will have to wait and see.

B. *Savings from Vacant Positions* – Mr. Wheeler reviewed the report of vacant positions which he receives monthly. It is useful to see and there is a little room for error in this report. With these positions, there would be a $900,000 current year local cost savings. The Department of Social Services positions are factored in and on average the State funds 45 percent of most of those positions. The good news is we are creating budget efficiencies by not filling positions. There are certainly some that we would refill, but very, very judiciously. He stated he has signed one vacancy since Covid started. I wanted to show you we are creating savings budget to budget and this report is through the end of May.

Mr. Malter asked were positions filled at one point that have not been refilled? Mr. Wheeler replied there are positions that are not necessarily budgeted, but not filled. In some cases the positions became vacant at the beginning of this year.

Mr. Swackhamer asked are these positions in the 2020 budget? Mr. Wheeler replied yes. Mr. Swackhamer asked but we are not filling at this point? Mr. Wheeler stated he cannot universally say that. Mr. Swackhamer asked some of these we have to fill? Mr. Wheeler replied correct. The Public Defender positions under Hurrell-Harring are still in effect and are 100 percent funded. When we can fill those positions, we will. The Hurrell-Harring funding looks pretty good.

Mr. Van Etten asked what about the four positions under P.R.O.S; they are vacant but no savings? Mr. Wheeler replied those were positions that were budgeted last year in 2019 and we zero-based them for 2020. Any positions that have zeroes mean that we didn’t budget for it. Mr. Van Etten stated so they are just placeholders. Mr. Wheeler replied yes.

Mrs. Ferratella asked for positions that have been vacant for a few years, do you anticipate filling them at some point? Mr. Wheeler replied some positions we carry over year to year. With the Department of Social Services positions we can draw down State funding. Many of those positions we do not fill. Mr. Van Etten stated I understand we have that as it helps create a buffer. You would want to keep some because we know the process the departments have to go through to create positions.

Mr. Swackhamer stated he heard on the news that Allegany County furloughed 25 percent of their employees. Mr. Wheeler commented there are pros and cons to that and that would be a conversation for executive session.

Mr. Malter asked are you finding a lot of positions where they are not needed? Mr. Wheeler replied no. We are carrying anywhere from 60 – 100 funded positions. He would say the baseline is 60 and we carry positions over for flexibility and budget purposes. There are some positions that in a normal year that would have been closed and that would have brought us closer to 70 – 80.

Mr. Malter commented with the pandemic, what it comes down to is we are finding a lot of work can be done at home. Will you look at doing that in the future? Mr. Wheeler replied I would think so. I think we have found a lot of flexibility. Some are doing it and when normal business resumes remote work will not be as possible. However, there are a number of positions where remote work is possible.

Mr. Van Etten commented positions that require client interface makes it tough. Some major banks are leaving New York and relocating to a lower cost State because it is cheaper and they can do their work remotely. It is cost inherent on our part for doing that and we have to provide them with the equipment to do that.

Mr. Malter commented it may stop more building in the future. Mr. Wheeler stated that is a good point. We are nowhere near normal operation. When we get to the ability to get to 75 percent staffing then we can get more insight on how many could telework.

Mr. Malter asked is the work getting done with the staffing we have? Mr. Wheeler replied yes. The Department of Social Services is handling emergencies and everything that pops up. When we have the ability to have walk-in’s, they will see an uptick. There are some backlogs and they still have a backlog. With DMV that work is not getting done to the extent
it needs to because of the State. There is a new Executive Order extending the opening of DMV until Phase III. Mr. Swackhamer asked when will that be? Mr. Wheeler replied that should be June 12th or June 13th if the metrics are good. Other than that, the work is getting done. The courts are shut down. Based upon State guidelines things are getting done, but things are getting deferred. Ms. Prossick stated there will be a backlog in the courts for a long time.

Mr. Swackhamer asked with the occupancy tax, with not having the races we will lose millions. Any idea how we will be affected by that? Mrs. Hurd-Harvey stated I can roll that out a few more months. We will not see any for a while as nobody is traveling.

Mr. Van Etten stated Corning is a ghost town without Corning Museum of Glass operating. Mr. Wheeler stated Corning Museum of Glass will operate at reduced capacity and the wineries will be reduced capacity. It will be a big hit. Mr. Swackhamer stated we are looking pretty severe for 2020 losses. We are also losing the three races at Watkins Glen. Mr. Wheeler stated it will be interesting. He has talked with Mr. Costello about when summer comes and if people will be taking shorter vacations. It will not be the same as it was.

Mr. Swackhamer stated it will affect sales tax. Ms. Lattimer stated I am more concerned about sales tax than anything. That will make us constrain our budget. Mr. Nichols stated there are fewer cars on the road and the gas price is lower. Mr. Wheeler stated 17 percent of all of our sales tax collection is fuel. Mr. Swackhamer stated looking at personnel will not solve our problems. Mr. Wheeler stated unless we get backfilled by the stimulus. Next year all bets are off. There will be some ancillary effects. Mr. Swackhamer asked how long will the stimulus funds be held up? Mr. Wheeler stated that will be a problem for Mrs. Hurd-Harvey in reconciling. If the federal government bills the State it is our money and he would be confident in budgeting. It might take a year to get it.

Mr. Van Etten stated the other mechanism, if you choose to use, is bonding the building project. We agreed to use the fund balance to pay for it. If we are worried about the budget that may be $10 million we would be willing to finance, especially with the rates out there now. Where are we now on Phase II and the bids? Mr. Wheeler replied we had a meeting yesterday for the final review of Phase II. We scaled down some finish work and tried to get as much flexibility as we can. Once we get the draft final design, we can email that to you. Once we have the final design then the estimators can do their work. The bids are scheduled to go out the second week of July. They will have substantial completion on the Public Works space in a couple of weeks. With the Annex Building they are waiting for an ERV unit and are looking at substantial completion in mid-July. Mr. Van Etten asked what is an ERV? Mr. Wheeler replied it is an air handling unit.

Mr. Van Etten stated when you do large project bids you look at the timing for the year. It will be interesting this year because so many school projects are already going and it will be interesting to see what we get back. Mr. Wheeler stated we had a discussion about whether this was a good time and both Werth and Labella stated it was good.

Mr. Malter asked for the portion of the project that has been completed, can that be bonded? Mr. Wheeler replied I think only the part of the project that hasn’t been started can be bonded. The second part of the project is the biggest portion with 60 – 70 percent of the cost.

Mrs. Ferratella asked have you heard about any guidance on churches and graduations? Mr. Wheeler replied we have worked with the schools. They submitted their plans to us and we forward them through the control room to Albany. They all look very good. The schools are looking at social distancing with two tickets per graduate and holding ceremonies in their soccer/football stadiums. We don’t know about the guidance and they will be told what will be permissible. We do know that anything car-based is permissible. The State has told us guidance would be issued yesterday or today and we keep pushing. Mrs. Ferratella stated Ithaca held their high school graduation. Mr. Wheeler stated yes and there are others that are staggering their ceremonies. Mr. Van Etten stated they did a staggered ceremony last night at Corning High School. Mr. Nichols commented Addison is doing the same thing outside and doing one family at a time. Mr. Wheeler stated some are live streaming their ceremony.

Mr. Wheeler stated we have not heard anything about churches with regard to larger congregations. Mr. Nichols asked what about outside sporting events? Mr. Wheeler stated large sporting events, such as a Buffalo Bills game, will have no
fans. We are hearing that leagues are ramping up. Mr. Swackhamer stated baseball is starting tonight. Mr. Wheeler stated we have had conversations about youth sports.

Mr. Nichols asked what about shooting sports or hiking? Mr. Wheeler stated the Executive Order issued a couple days ago talked about expanded outdoor recreation, but what does that mean? They say that guidelines are forthcoming. Hiking is okay now, but club events are a big deal.

Mr. Van Etten commented social clubs are supposed to be in Phase III; American Legions, VFW’s. Mr. Wheeler stated he is not sure what they did with the change by the State liquor authority. Now it is confusing. The new language states a licensed operator, but it doesn’t say restaurants, so to me that would be Legions, Elks, etc. He stated that he will call and ask what that means for bars and social clubs. Can they set up tables? It looks to me like they can. We will find out and that is the frustration with all of this.

IV. OTHER BUSINESS
A. Next Meeting – The date of the next meeting will be determined based upon the status of Federal funding.

B. Executive Session Re: Personnel

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS’ LAW, ARTICLE 7§ 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MS. LATTIMER. SECONDED BY MR. MALTER. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MS. LATTIMER. SECONDED BY MR. SCHU. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

MOTION: TO ADJOURN MADE BY MRS. FERRATELLA. SECONDED BY MR. NICHOLS. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature