

BUDGET WORKSHOP

November 16, 2007 – 2:00 p.m.

Vice-Chairman Hargrave called the meeting to order.

Roll call was taken. PRESENT –Alan Grattidge, Philip C. Barrett, Anita Daly, Mary Ann Johnson, Jean Raymond, George J. Hargrave, Jeffrey Trottier, Mindy Wormuth, Paul Sausville, Frank Thompson, Harry G. Gutheil, Jr., Willard H. Peck, Thomas N. Wood, III, Joanne Dittes Yepsen, Arthur J. Johnson – 15. ABSENT - Raymond F. Callanan, J. Gregory Connors, Richard C. Hunter, Sr., Albert Janik, Cheryl Keyrouze, John Lawler, Richard Lucia, Thomas Richardson – 8.

David Wickerham, County Administrator, reviewed the rules of the Budget Workshop.

Vice-Chairman Hargrave said he released the tentative County budget three weeks ago. This week the Law & Finance Committee, in concert with Chairman Barrett, reviewed the budget and made some changes, and the complete list of changes is included in your packets. Today is your chance to comment on the budget, ask questions or propose changes, he stated. He said at this point, the County Administrator will give a brief overview of the 2008 budget.

Mr. Wickerham stated the tentative budget as amended by the budget committee, totals just under \$231.9 million in eight separate funds. The general fund, which generates the property tax levy, Totals about \$172.4 million and is balanced with \$2,295,866 from the fund balance. Expenses have generally increased by 2.1% over last year's adopted budget, but they're actually 4.7% less than the 2007 budget as it has been amended to date. We are projecting that the opening general fund balance as of January 1st, 2008 will be about \$27.9 million. The average equalized tax rate will continue to be \$2.155 per thousand of assessed value. Based on historic levels in the growth of tax base, sales tax receipts, and net expenses. That rate can be maintained through 2012. Our largest single expenditure continues to be Medicaid at \$23.5 million. That's about a 2.5% increase over 2007 and is proof that the soft cap on Medicaid costs is having some impact. Its not pleasant that 10% of our budget goes to this one item, but at least the rate of increase has slowed down from the double digit days. While more than 75% of our budget is mandated in one form or another, there are tree hard mandates that require most of our attention. In addition to our social services costs, we'll have to spend \$15.4 million on the education of handicapped preschoolers and \$7.4 million on community college tuitions. In fact, the net cost of our three big unfunded mandates is \$41.6 million, comprising 90 % of our property tax levy.

The capital budget is just over \$10 million. In addition to our annual investment in Roads, Bridges, and the County Campus, there are two outlays for building projects. \$500,000 has been appropriated for preparation of all schematics and engineering designs to take us through the construction documents stage for a new animal shelter. There is an additional appropriation of \$1 million for similar work on a proposed public safety/public health building. There is no money in this budget for the County Water Authority, but it is likely we'll have to advance funding to the agency for cash flow purposes until the bonds are sold.

Sales tax revenue has been unpredictable over the past year, so we were very conservative in budgeting only a 2% increase over the amount we actually expect to receive this year. The \$51 million in sales tax we are budgeting represents 22% of all County revenues. We are budgeting \$1.3 million for VLT revenues, even though we recognize the Governor might try to strip this revenue away from us in his upcoming budget. There is also \$2 million in racing revenue that must be considered at risk, due to the expected drafting of a new racing franchise after NYRA's current contract expires on December 31, 2008. We have tried to account for every possible contingency in this budget, but there are still plenty of reasons for concern. Our taxpayers are being squeezed by high energy costs that could have a chilling effect on sales tax receipts. If that leads to any kind of slump in the economy, we can probably expect to experience additional costs in home relief and other welfare programs. We can't expect to continue to grow our tax base by double digits every year, and it would not be surprising to see values flatten for the next three years. Perhaps most importantly, a projected \$4.6 billion shortfall in the State budget is very troubling. The State has a habit of sharing the pain, and has balanced their budget on the backs of local municipalities before. We'll need the active support of Senator Bruno and our entire legislative delegation to ensure that we are not similarly burdened with more unfunded mandates in 2008.

The budget committee, consisting of the Chair of the Board and the members of the Law and Finance Committee, held hearings on November 13th and 14th and the full Board of Supervisors reviewed the budget on November 16th. They amended the tentative budget to add funding for three outside agencies. The friends of the Kayaderosseras will receive a second year of funding in the amount of \$3,000 to complete their creek clean up efforts. We reimburse them for the cost of disposing of tires removed from the creek. The Lakes to Locks consortium also received their second year of funding in the amount of \$1,500. Warren and Washington Counties have made similar contributions. Finally, the committee authorized a one-time appropriation of up to \$7,000 to help renovate the shelter operated by Domestic Violence and Rape Crisis Services. The agency will be required to get three quotes for the renovation work and the County will reimburse them half of their expenses, up to \$7,000. They also increased the appropriation for the Land Preservation fund by 50% to \$750,000

The Board considered requests for nearly \$1.4 million for a variety of personnel actions. Ultimately, they amended the budget to create the following new positions:

- 1 Animal Shelter Aide – PT
- 1 Road Patrol Deputy

1 Utility Worker in Maplewood manor
1 Assistant District Attorney
1 Crime Victim s Advocate
1 Senior Typist in the County Attorney's office
1 Assistant County Attorney.

They also abolished the title of Bioterrorism coordinator and made a number of other small personnel changes.

That's the overview of the budget as it has been developed so far.

Mr. Baker briefly reviewed the criteria they have to look at when they make their personnel recommendations and a brief history of what the Board has done in the past with positions. He stated for 2008, the Personnel Department is recommending 5 full-time positions; 2 part-time positions; 2 reclassifications; 2 title changes; 1 position transfer; and 3 abolishments for a total of \$285,082. He reviewed these recommendations with associated costs to the County (including fringe):

Animal Shelter

Create 1 Shelter Aide, PT - \$14,162
Veterinarian Salary Adjustment – From \$50/hr. to \$70/hr. - \$3,200

General Services

Reclassify 1 Sr. Account Clerk Typist to Principal Account Clerk - \$2,489

Sheriff's Dept.

Create 1 Deputy Sheriff - \$64,571
(To cover court transportation)
Reclassify 1 Sergeant to Lieutenant - \$6,804
(That Sergeant position will go by the wayside due to an in-house promotion)

Mr. Thompson asked how many department heads came before Law & Finance requesting positions. Mr. Baker said none. Department heads do not normally make an appearance before Law & Finance, he stated. Normally, we have discussions with department heads in my office and discuss options, he stated.

Mr. Kalinkewicz, Deputy Personnel Director, reviewed their following recommendations:

Maplewood Manor

Create 1 Utility Worker - \$46,272

Real Property Tax

Transfer 1 Tax Map Technician to the Planning Department – (\$62,478) covered in 2008 budget

Public Health

Abolish 1 Bio-Terrorism Coordinator - -\$64,179

We have lost money in that department from the grants they had received. Their mission has been somewhat accomplished in the education area which was the real body of that position.

District Attorney

Create 1 Assistant District Attorney F/T - \$108,071

Create 1 Crime Victim Advocate P/T - \$23,194

We now have a mandated Domestic Violence court, and up to 300 cases could come out of the population for that particular court.

County Attorney

Create 1 Assistant County Attorney F/T - \$13,509

Create 1 Senior Typist - \$6,010

There is State and Federal reimbursement attached to this.

Youth

Abolish 1 Stipend Project Manager for the Water Project -
-\$5,000

The Executive Director of the Water Authority has now taken over those responsibilities.

Mr. Kalinkewicz said they appreciate the Board's support, and questions can be taken at this time on their recommendations.

Mr. Thompson asked what the Utility Worker was for. Mr. Kalinkewicz said for Maplewood Manor. They do evening work and will provide security for the facility, some cleaning and minor maintenance. Mr. Thompson asked how many Utility Workers were there now, and Mr. Kalinkewicz said there are 6 there now.

Mr. Sausville said on page 179 of the budget, there is a line item 8714 that deals with the Southern Adirondack Library System for \$34,000. In the past, that line item included a provision that those monies be passed through to the local library groups that are not for profit. **He moved that in the contract with SALS, the monies be passed through to the libraries again for 2008. Mr. Peck seconded, and the motion was passed by a unanimous vote.**

Mr. Peck said page 174 of the budget under Planning, under Acquisition of Development Rights, it is budgeted for \$500,000, and **he moved to increase that amount to \$750,000. Ms. Yepsen seconded.** Mr. Peck said this program has been outstanding since its inception. He stated this year, the program had \$2.5 million in applications put to the committee, and we distributed \$500,000. We have not been awarded any State grants for the last 2 to 3 years, he said. He stated we also need to continue to put an effort into the Green Infrastructure Plan. Mr. Sausville said Saratoga County is one of two counties in the State that is lauded as having an outstanding

economy and quality of life. One of the number one quality of life issues in this County, based on surveys, is the future of our open space and green space, he said. He stated we have awarded \$1.8 million over the last five years while this program has been in place.

Chairman Barrett said with respect to open space preservation in Clifton Park, we have done a great deal in that area in the last few years. He pointed out this amendment was not discussed in Law & Finance, so where would the additional funds come from under that proposal? Mr. Peck suggested the funds would come from fund balance. Mr. Peck said procedurally, he didn't bring this up in Law & Finance because he thought Law & Finance wouldn't be looking at new items, just personnel items. Mr. Sausville pointed out \$.01 per thousand would be sufficient to fund the amendment, and that is a very modest amount. Vice-Chairman Hargrave asked Mr. Sausville if he is asking that the tax rate be raised to pay for this. Mr. Sausville said if need be rather than taking it out of fund balance. Mr. Thompson mentioned that we already said we were not going to raise the tax rate. Mr. Gutheil said he recognizes we have to protect our farms and open space, it's a question of how we are going to do this and at what pace. He said his town had one application since this program started. We need to think about why we need this, and it's generally because of development pressures, he said. We need to think about an assessment on each new development lot, he stated. We are not keeping pace on protecting our open space, and he is open to hearing further dialog on it.

Ms. Yepsen said the higher amounts being requested and more applications being submitted this year than means the program is getting more publicity and visibility. She said Saratoga P.L.A.N. has been a great private partner in this program did a survey over the past year throughout Saratoga County, and there was an overwhelming response from residents asking for more money and support from the Board to preserve and protect open space. Chairman Barrett said the results in his town as far as their survey was also overwhelming. Our County is still the only one with a Comprehensive Open Space Plan, and we put a lot of money towards that program, he said. He congratulated Mr. Peck for getting that done last year. Mr. Grattidge said finding a dedicated stream of funding in the future for this would be a good idea.

Mr. Johnson said this year, we raised the cap on farm preservation. By not having the cap on farmland, it limits the grants we can award because one farmland grant may eat up the entire \$500,000 that's currently in place, he said. Maybe we can do one farmland grant per year as well as open space programs, he added.

Mr. Gutheil said as we increase these programs, we need to find funding streams. I would not support increasing taxes to do it, he said. Next year's committee should provide all options in order to fund this.

Mr. Peck's motion was approved by a unanimous vote.

In discussing the cost of living increases, Mr. Gutheil said he believes next year's committee should review the whole compensation schedule and how to do the cost of

living increases. He has watched every year as we keep giving across the board percentages. He said this year, some people will be getting less than \$1,600 and others will get in excess of \$6,000. He pointed out this is cost of living and not based on luxury income. These lower paid employees still have to meet the cost of their health insurance, and they buy the same loaf of bread and gallon of gas as those with the higher income stream. The spread just gets greater, and eventually you just end up with classes. It is only healthy and appropriate to adjust that occasionally, he said. **He moved to amend the budget by taking the whole pool of money and dividing that up equally amongst the employees involved. Ms. Yepsen seconded.** Discussion.

Ms. Yepsen asked if this was for every employee. Mr. Gutheil said this would be for the managerial people, and he believes there are 77 of them who will make just under \$6 million which is an average salary of just under \$17,000, so anybody not making up to \$78,000 would benefit. Mr. Grattidge asked Mr. Gutheil if he is proposing that the raises totaling \$227,629 be divided up by the 77 positions to make it \$2,956. Mr. Gutheil said yes, for those 77 positions that run from Grade 10 to Grade 25. That would be the 3.81% x their base, he said. He said to keep in mind 24 of those 77 people are also going to get Step increases. We would be leaving the Step program alone, he said. Ms. Yepsen asked if this will be on the Personnel Committee's agenda next year. Mr. Gutheil said that was the charge the Subcommittee offered to the new Personnel Committee.

Mr. Peck said we have had several discussions in Law & Finance, and Mr. Gutheil makes a good argument. With a Personnel Committee starting in January, they will be charged with taking that up, he said. We came out of Law & Finance to stay with 3.81% COLA for everybody and have the Personnel Committee do a full-scale evaluation next year, he stated. Ms. Daly said she supports what Mr. Gutheil is attempting to achieve. She said she feels this will be a very complex issue that we need to take the time through the Personnel Committee to understand it. She said she would like more homework done through the Personnel Committee to get a more firm and solid recommendation.

Mr. Gutheil said this is an issue that did not pass unanimously at Law & Finance. This is time to vote with your own conscience, he said.

Mr. Gutheil's motion failed by the following vote: AYES - Mr. Gutheil 13,549; Mr. Thompson 17,103; Ms. Yepsen 13,093. NOES - Mr. Barrett 16,555; Ms. Daly 16,555; Mr. Grattidge 3,954; Mr. Hargrave 3,589; Mr. Johnson 12,541; Mrs. Johnson 920; Mr. Peck 4,603; Ms. Raymond 1,384; Mr. Sausville 13,005; Mr. Trottier 1,971; Mr. Wood 5,114; Ms. Wormuth 18,359. ABSENT - Mr. Callanan 8,729; Mr. Connors 7,522; Mr. Hunter 1,841; Mr. Janik 7,362; Ms. Keyrouze 13,093; Mr. Lawler 8,515; Mr. Lucia 6,259; Mr. Richardson 5,019.

Mr. Gutheil said today, he received an e-mail from one of the board members in the Town of Wilton regarding Household Hazardous Waste Day. He said it was very successful in the Towns of Saratoga, Wilton, Moreau, Northumberland, and the Village

of South Glens Falls. He said he is curious if there would be any interest in a Countywide program. He mentioned 50% is reimbursed through a State program. The ones that have been held throughout the County have been extremely successful, he said. **He moved to recommend having a Countywide household hazardous waste day if there was enough interest. Mrs. Johnson seconded.** Discussion.

Mr. Grattidge said he supports funding this program, but this year, he already budgeted a program for his town for next year. We should look at this over the course of the year and then prepare budgets for it, he said. Ms. Raymond said she could not vote either way without more information. She said there are a million questions to this. She suggested that the Public Works Committee could explore this and come back with information. Principally, I support this, but not at this minute, she said. Mr. Johnson said he supports trying to work out the details, and it may be 2009 before we could get something started. Vice-Chairman Hargrave said there is money in contingency, and later in the year this could be brought forward. Mr. Wickerham said changes can be made during the year if necessary. Mrs. Johnson said it is a great idea for a town to do, but it is cost prohibitive, and she would like to see the County pursue this in 2008. Vice-Chairman Hargrave said Galway did one with the Town of Milton that was very successful. Mr. Peck commended Mr. Johnson on their regional program that was very successful. Mr. Gutheil said he realizes more details are needed. If nothings comes out of this today, the best way would be to have regional ones to get towns participate together to make it more cost effective.

Mr. Gutheil said he appreciates the dialog, and he then **withdrew his motion.**

Vice-Chairman Hargrave said this tentative budget, as amended, will be presented at a public hearing on November 27th at 5:30 in this Board Room. The 2008 County Budget should be adopted at a special Board meeting to be held at 4:45 p.m. on December 12th. Amendments can still be brought forward on the 12th, he said.

On a motion by Ms. Wormuth, seconded by Mr. Barrett, the meeting was adjourned.

Respectfully submitted,

Elaine M. Sodemann