

## LAW AND FINANCE BUDGET HEARING

NOVEMBER 13, 2007 – 5:00 P.M.

Present: Chairman Hargrave; Supervisors Gutheil, A. Johnson, M. Johnson, Peck, Thompson, Wood, Barrett, Yepsen, Sausville, Grattidge and Raymond; David Wickerham, County Administrator; Mark Rider, County Attorney, Bill Baker, Personnel Director; Press.

Chairman Hargrave called the meeting to order and welcomed all in attendance.

Mr. Wickerham reviewed the Rules for approving amendments to the 2008 budget as follows:

1. The Law and Finance Committee will review all requests for budget amendments during their Budget Hearings, and will not vote on those amendments until all presentations have been made.
2. Each member of the Law and Finance Committee and the Chairman of the Board shall have one vote. For an amendment to the budget to be approved, it must receive the affirmative vote of at least four committee members and win a majority of the members voting. Members may not cast a vote unless they were present for the discussion and request for the amendment. If a member was present for the discussion but is unable to stay for the actual vote, he or she may leave a sealed vote to be cast by the Chairman.
3. The tentative budge, along with the amendments approved at the Law and Finance hearing, will be presented to the full Board of Supervisors at the Friday Workshop meeting on November 16<sup>th</sup> at 2:00 p.m. Any changes to that document will require action by a majority of the weighted vote of the entire Board (100,318) votes.
4. The 2008 Tentative Budget, as amended at the Friday Workshop and the Law and Finance Hearings, will be presented to the public at a public hearing on November 27<sup>th</sup> at 5:30 p.m. in the County Board Room.

**On a motion made by Mr. Barrett, seconded by Mrs. Johnson the rules for approving amendments to the 2008 budget were approved unanimously.**

Mr. Wickerham said the tentative budget totals just over \$231.2 million in eight separate funds. The general fund that generates the property tax levy totals \$171,800,000 and is balanced with \$1,746,000 from the general fund balance. Expenses have generally increased by approximately 2.1% over last years adopted budget, but during that has been amended substantially, so in reality it is actually 4.7% lower than the 2007 budget as is currently constituted. We are projecting that the opening general fund balance as of

January 1, 2008 will be approximately \$28 million. The averaged equalized tax rate will continue to be \$2.15 ½ per thousand of assessed valuation. Based on the historic levels of the growth tax base, sales tax receipts and then expenses, we can expect that the rate can be maintained until 2012. The largest single expenditure continues to be Medicaid at \$23.5 million, which is approximately a 2.5% increase over 2007 and is proof that the soft cap on Medicaid costs is having some impact. It is not pleasant that 10% of the budget goes to this one item, at least the rate of increase has slowed down. Although 75% of the budget is mandated in some form or another, there are three hard mandates that require most of our attention. In addition to our Social Services costs, we will have to spend \$15.4 million on the education of handicapped preschoolers and \$7.4 million on community college tuition. The costs of the three big unfunded mandates are \$41.6 million, which comprises 90% of the tax levy. The capital budget is just over \$10 million in addition to our annual investment in roads and bridges and the county campus, there are two outlays for buildings projects. Five hundred thousand has been appropriated for the preparation of all schematics and engineering designs that takes us to the construction documents phase 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 the budget for the county water authority, but it is likely that we will have to advance funding to the agency for cash flow purposes until their bonds are sold. Sales tax has been unpredictable over the past year so we were very conservative in budgeting only a 2% increase over the amount that we expect to receive. The \$51 million in sales tax that we are budgeting represents 22% of all county revenues. We are also 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 New York Racing Association's current contract expires December 31<sup>st</sup>.

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 smoke in the economy we can probably expect to experience additional costs in home relief and other welfare programs.

We can't expect to continue our tax base by double digits every year. It would not be surprising to see values flatten for the next two or three years. Perhaps more importantly, the 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 budgets on the backs of the local municipalities before. We are going to need the act of support from Senator Bruno and the entire legislative delegation to ensure that we are not similarly burdened with unfunded mandates in 2008.

**Outside Agency Requests:**

1. Lakes to Locks (\$1,500) - Ms. Janet Kennedy - Lakes to Locks is requesting another \$1,500, which is part of a two year request totaling \$3,000. A 64,000 federal grant from the National Scenic Byway Program was received, which requires a \$16,000 match, she said. Dividing the \$16,000 match between five counties, of which Saratoga County was one, formed the \$3,000 two-year request.
2. Domestic Violence & Rape Crisis Services (\$7,000) - Ms. Maggie Fronk, Executive Director for the Domestic Violence and Rape Crisis Services in Saratoga County – The Domestic Violence and Rape Crisis Services operate the counties 24-hour hotline for domestic violence and rape crisis and the counties emergency shelter. The agency serves over 1,000 clients a year, all at no cost to the client, and all services are confidential. The request is to provide renovations to the shelter that has been providing services for fifteen years, with anywhere from 100 to 150 people living in the house each year. A bid has been received from Saratoga Restorations and two other bids are forthcoming. The building is approximately 3,400 sq. ft.
3. Ballston Area Community Center (\$18,000) - Ms. Kathi Lee – Executive Director of the Ballston Area Community Center – A request was made for \$18,000 to build a playground that would serve approximately 215 children daily from the before and after school programs. The Park would be available to the area communities on weekends and after school hours. Currently approximately \$40,000 has been raised.

Mr. Hargrave said there has been discussion with regard to the 3.81% salary increase versus a flat dollar amount of \$2,956 for management positions grades 10 through 25.

The committee agreed that this would be an issue for the Personnel Committee to address when it is formed in 2008.

Mr. Gutheil said if we go by the current plan there are increases in excess of \$10,000 up to \$13,000. We need to take a look at this. “I don’t want to have to defend that on my turf”, he said. We need to look at all the steps.

**On a motion made by Mr. Peck, seconded by Mrs. Johnson the meeting was adjourned until November 14<sup>th</sup> at 5:30 p.m.**

Respectfully submitted,  
Chris Sansom