

2009 BUDGET WORKSHOP

November 14, 2008 – 2:00 p.m.

Vice-Chairman A. Johnson called the meeting to order.

Roll call was taken. PRESENT – Patricia Southworth, Alan Grattidge, Richard Lucia, Mary Ann Johnson, George J. Hargrave, Richard Rowland, Arthur M. Wright, Mindy Wormuth, Thomas Richardson, Frank Thompson, Preston L. Jenkins, Jr., Willard H. Peck, Richard C. Hunter, Sr., Thomas N. Wood, III, Matthew E. Veitch, Joanne Dittes Yepsen, Arthur J. Johnson – 17. ABSENT - Philip C. Barrett, Shawn P. Connelly, Anita Daly, John Lawler, Jean Raymond, Paul Sausville – 6.

Mr. Wickerham, County Administrator, announced the Rules for the Budget Workshop, and he gave the following overview of the 2009 budget:

“The tentative budget with Law and Finance amendments totals just under \$241 million in eight separate funds. The general fund, which generates the property tax levy, Totals about \$178.4 million and is balanced with a little more than \$3,000,000 from the fund balance. Expenses have generally increased by 3.7% over last year’s adopted budget, but there is actually only a .7% increase over the 2008 budget as it has been modified since the first of the year. We are projecting that the opening general fund balance as of January 1st, 2008 will be just under \$30 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 \$24.4 million, not counting the IGT transfer. That’s about a 3.6% 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 three hard mandates that require most of our attention. In addition to our social services costs, we’ll have to spend \$16.9 million on the education of handicapped preschoolers and \$7.8 million on community college tuitions.

In fact, the net cost of our three big unfunded mandates is \$45.2 million, comprising 92 % of our property tax levy.

“The capital budget is just under \$10 million. The largest appropriations are the \$6.7 million budgeted for road reconstruction and bridge rehabilitation. We were able to pare down the expenses by \$500,000 thanks to the innovative use of some surface dressings by Commissioner Ritchey. There are no additional funds set aside for the Animal Shelter, as we had set aside sufficient funds last year to get us through the design phase and the Board will likely take a note to finance the construction phase in 2009. For the first time in years, we will include some funding for debt service to cover the cost of tower erection for the microwave communications project. There is no money in this budget for the County Water Authority. While the County has agreed to underwrite their bonding costs and unfunded operation and maintenance costs with a short-term loan, so far the Authority has been totally self-sufficient. As the Foundry Company becomes operational and more municipalities look to the Water Authority for their future needs, it is conceivable that no loan will ever be necessary.

“Sales tax revenue has been unpredictable over the past several years, so we were very conservative in budgeting only a 2% increase for 2009. The current economic situation in the Country and the lack of transparency in the collection of sales tax revenue by the State is of great concern to us. The \$52 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. The funding can't be taken away without an act of the legislature and we will certainly be asking our legislative delegation to protect the City of Saratoga Springs and us. For the first time in decades, the State of New York is the undisputed owner of the Saratoga Race Course. While we have been assured that there will be no reduction in our authority to levy an admissions tax, receive real property taxes, and continue to collect the OTB surcharge, we have yet to see legislation that clarifies our situation. There is \$2 million in racing revenue that is at risk in the interim.

“Chairman Johnson has added some special initiatives in this budget that are noteworthy. The most visible is a \$600,000 appropriation to help volunteer fire departments with the cost of new pagers that will be necessitated by the new communications system. He has continued to provide funding for the open space preservation program, and in addition has made provisions to

open up some of the County forestland to our constituents for passive recreation purposes. There are also provisions in the budget for another veteran's appreciation concert at SPAC, a Veteran' Assistance program at the City Center, and funding for the quadricentennial celebration for the explorations of Henry Hudson.

“We have tried to account for every possible contingency in this budget, but we have never been in more uncertain economic times. In the space of 12 short months, we have seen the Stock market rise to dizzying heights and then lose nearly half of its value. Gas prices spiked at more than \$4 per gallon and then plunged to \$2.50 in 60 days. Even the immediate unemployment situation is muddled, with area employers retrenching, even as construction jobs relative to the construction of the Chip Fab plant promise to keep all of the skilled trades busy for the near future. Traditionally, when there is a slump in the economy, we expect to experience additional costs in home relief and other welfare programs. Perhaps most importantly, a projected \$12 to \$47 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 join NYSAC in lobbying against cost shifting due to the imposition or extension of unfunded mandates. The 2009-2010 State budget process will be of critical concern to Saratoga County and we will be watching closely to protect our constituents.

“That's the overview of the budget. If you have any specific questions, I'll be happy to entertain them.”

Mr. Kalinkewicz, Deputy Personnel Officer, reviewed their recommendations on the creation of proposed full-time positions, part-time positions, extension of hours, salary adjustments, temporary positions and abolishments. He said there are important guidelines they must adhere to with Civil Service. He mentioned there are determination indicators or factors that they use when making decisions.

Mr. Kalinkewicz reviewed the historical analysis of position requests from 2004 through 2008. He stated the positions requested for the 2009 budget total \$201,663, and he reviewed the amendments to the budget that were made at the Law & Finance Budget Hearing (Base Salary + Fringe Benefits):

OFFICE FOR THE AGING

Create 1 position of Typist p/t - \$16,741. Position creation is consistent with Federal/State funding continually being available for position to remain filled. This position will terminate upon funding no longer being available.

ANIMAL SHELTER

Create Animal Shelter Aide, p/t - \$14,705. To assist the Veterinarian with evening and weekend coverage.

PUBLIC HEALTH

Create Account Clerk Typist - \$49,825. Clerical responsibility for the immunization program which has blossomed over the last year or so. Should the Federal/State funding disappear for this position, it will be brought back for further consideration.

SHERIFF

The Sheriff has requested 3 Desk Officers, but the Law & Finance Committee approved 2 Desk Officers to deal with the increase in 9-1-1 calls - \$109,950.

CLERK TO THE BOARD

Extension of Historian's hours from p/t to f/t - \$48,914. To provide more services to the public and to the County. Increase in internet requests and more geneology and family history inquiries.

DISTRICT ATTORNEY

Extend hours of Assistant District Attorney from 30 hr. ww to 35 hour ww due to the vacancy of an ADA position who has retired - \$27,793.

Create School Truancy Program Coordinator p/t - \$17,334. The Saratoga Springs School District has had a successful truancy program due to the cooperation of the D.A.'s office. As those truancy cases become very serious, the D.A.'s office must get involved to help remediate any family problems. Virtually all school districts in the County have joined in with the same model that Saratoga Springs is using. That created a great number of resources required from the D.A.'s office to help coordinate the school attendance officers and truancy officers from the schools. This Coordinator will help all of those school districts.

SOCIAL SERVICES

Create 2 Social Welfare Examiner positions (Food Stamps) - \$106,497

Create 1 Senior Typist (Food Stamps) - \$49,687

Funds have been made available to us to create these positions. These positions will terminate if funding is no longer available.

MAPLEWOOD MANOR

Restore Pastoral Care Associate - \$28,744. That essentially was requested to be removed from the budget for financial and fiscal reasons.

BOARD OF ELECTIONS

Create 2 Election Voting Machine Technicians to help with electronic machine requests – Base salary \$33,646; total cost of recommendation \$99,592. Funding available within the 2009 departmental proposed budget due to HAVA changes. There will be a determination in 2009 whether electronic machines will take the place of the old type voting machines. Should that happen, they will be the only voting machines on hand at every polling place, and it is important to have them running correctly.

Mr. Kalinkewicz said the total amount of requests is \$201,663 from the General Fund.

Mr. Thompson asked if we would get funding for some of the truancy program. Mr. Kalinkewicz stated Mr. Baker suggested we could chargeback some of the schools for that. In discussions with the D.A., he said the school truancy officers are making sure they are doing everything they can do to patrol truancy. Our responsibility comes in later with the most serious cases that need the D.A.'s involvement. There is no money available from grants or funding sources we are aware of at this point, he stated. This is a unique, brand new p/t position, he said.

Vice-Chairman Johnson announced there will be a public hearing on the 2009 budget at 5:30 p.m. on December 3rd in the Board room. Adoption of the budget will be at a special Board Meeting on December 10th at 4:45 p.m., he said.

On a motion by Mr. Rowland, seconded by Mrs. Johnson, the workshop was adjourned.

Respectfully submitted,

Elaine M. Sodemann