

## **2009 SARATOGA COUNTY BUDGET PUBLIC HEARING**

**December 3, 2008 – 5:30 p.m.**

Vice-Chairman Arthur Johnson called the public hearing to order.

Vice-Chairman Johnson introduced the Supervisors present for the hearing: Patricia Southworth, Ballston; Alan Grattidge, Charlton; Phil Barrett, Clifton Park; Anita Daly, Clifton Park; Richard Lucia, Corinth; Mary Ann Johnson, Day; Jean Raymond, Edinburg; George Hargrave, Galway; Arthur Wright, Hadley; Mindy Wormuth, Halfmoon; Paul Sausville, Malta; Thomas Richardson, Mechanicville; Frank Thompson, Milton; Preston Jenkins, Moreau; Bill Peck, Northumberland; Richard Hunter, Providence; Tom Wood, Saratoga; Joanne Yepsen, Saratoga Springs; Matt Veitch, Saratoga Springs; Shawn Connelly, Stillwater; Jack Lawler, Waterford.

The Clerk read the Notice of Public Hearing.

David Wickerham, County Administrator, gave the budget overview. He stated he 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 1<sup>st</sup>, 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 all of us. That's the overview of the 2009 budget, he stated.

Vice-Chairman Johnson reviewed the Rules for Participation.

Vice-Chairman Johnson asked if there was anyone wishing to speak.

Kyle York, 59 Railroad Place, Saratoga Springs, requested the Supervisors to include in the County budget a line item in the County Water Authority to set aside a contingency fund of \$1,533,000. He pointed out AMD's \$25 a share is now down to \$2. Currently, the water system is being funded by Ballston Spa (500,000 gpd), Wilton (300,000 gpd); and Luther Forest Technology Park or SEDC who committed to 2.4 million gallons per day. That was only as a placeholder for AMD. If AMD does not succeed, SEDC or LFTP, is still stuck with that obligation. That comes out to \$4,200 per day -- \$1,533,000 per year. SEDC doesn't have that kind of money. LFTP was built on a \$9 million loan from the State, still outstanding. Luther Forest was able to lend \$10 million to the County Water Authority. No way

can it pay that \$4,200 per day if, God forbid, AMD does not happen. You cannot say this was not forewarned. In the February, 2007 meeting of this Board of Supervisors, then Supervisor Cheryl Keyrouze asked where the \$10 million from SEDC was coming from. Water Authority Chairman Lawler said SEDC is a private corporation, and he would hesitate to talk about their business plan. Mr. Green said the source of that that money in the past was from public and private partnerships, so it would be a public and private mix of dollars, and he couldn't get into the details of that. We are on very shaky ground, and we are putting all of our eggs in one basket, and that's why I'm asking for this line item, he said.

Daryl S. Cutler, 71 Lake Road, Ballston Lake, said he is here as the Treasurer and former President of the Board of Directors of Saratoga County Cornell Cooperative Extension. Thank you all for your financial support and the amount you propose to fund CCE. We provide many services to the community and the County. It has tried very hard to pick low cost, high impact programs that will provide the biggest benefit to County residents. Because of funding through State and Federal grants and other sources, you are actually getting a lot of bang for your buck because it better than doubles your investment dollars through the resources of the other sources of funding. He said CCE provides a lot of benefits to the community such as: Horse Park Feasibility Study; Agricultural Economic Development Program; 4-H that trains youth about science, engineering and technology; and the Diabetes program to teach and train on on-going diet and life style. Thank you for your past and future support, he stated.

Margie Van Meter, 175 Washington St., Saratoga Springs, said there appears to be a 4% increase in salary for all County employees. She requested the Board to direct the new Personnel Committee to look at the salary increase policy for the County. With the Union contract completed, the County budget often gives all County employees the same increase given to all unionized employees. That may be fair for those employees who have no ability to advocate for themselves. There are highly paid County employees where a 4% increase is very generous. She said 4% for an employee with a salary of \$130,000 is very generous compared to an employee with a \$30,000 salary. She said she recently read where the Saratoga Springs' School Board has made the decision to fund the percentage increase of the lower paid teachers more generously than the higher paid long tenured teachers. She has heard other school districts do this as well. She proposed that the Board of Supervisors direct its Personnel Committee to look into

similar policies to adjust salary increases to favor the lower paid employees in the next budget.

Mrs. Van Meter said she recently read that the County IDA has the authority to waive County sales taxes in order to encourage business to locate in the County. In the most recent instance, it was to waive AMD's construction expenses. She believes the Board of Supervisors should have a decisive role in such decisions. Currently county law does not allow the County to overrule an IDA decision with regard to a sales tax waiver. There may be other instances where the County Board has delegated its taxing authority which may merit additional review. The Board should review the IDA agreement and add a stipulation that any action of the IDA which limits the income of the County should be subject to review by the Board of Supervisors. The power of the Board of Supervisors should not be casually delegated to any board that is not elected by the people of this County.

Sean Kelleher, 501 State Rte. 32, Schuylerville, said he is the Historian for the Town of Saratoga. He said he is one of the few speakers speaking in favor of the proposed County budget especially with the County Historian's position to be made full-time. As we all know, Saratoga County is a very special spot. What makes Saratoga so special, in part, is its history. It's right that the County Historian's position should be full-time so that our community can recruit and retain a top qualified professional in this position. The Historian's position is really a cultural position which works to increase the understanding and appreciation in the area's profound history and showcase our County's rich historical resources. According to NYS Education Law, an Historian has several broad areas of responsibility. In addition, the County Historian is responsible for assisting the various municipal historians. We have to be mindful to preserving the high quality of life that we currently enjoy in Saratoga County. It is my belief to increase the County Historian's position to full time, it is part of the equation of managing opportunities for the future and preserving the high quality of life, he said.

Barbara Thomas, 220 West Milton Rd., Ballston Spa, requested the Board to consider doubling the amount of money that has been budgeted for farmland preservation and open space. You currently have \$750,000 in the budget, and this should at least be doubled. We only have so much land, and it is not going to last forever. It is important we spend the money now to make those preservation efforts. We do not want to see farmers in the position where

they are pressured into selling their precious farmland for development. We need to put the money into this now and possibly postpone something else. We need to make that effort to preserve that land now, she stated.

Scott Miller, 31 Brookline Road, Ballston Spa, said holding the line or reducing this budget item would be appropriate if it hadn't been funded for the last two years since the adoption of the Green Infrastructure program. There has been a consistent and vast disconnect between the goals of the program and the budget. The Board should be positioning itself to take advantage of the slow real estate market to cost effectively meet the goals of the Green Infrastructure Plan. The failure to build up the open space fund during boom times will cost a lot more to meet those goals. Residential development drives other taxes higher. The Board's policy goals and budget priorities should be directed at controlling the total tax burden of which the County taxes are a tiny part. He said he supports the Board's conservative budget, but your priorities are way out of whack.

Nancy Bambara, 47 Vista Dr., Saratoga Springs, thanked the Board with what they have done with the fiscal responsibility of managing the budget especially in such crazy economic times. Saratoga Rowing Association is not affiliated with any high school. There are approximately 150 junior rowers and 65 adults from Saratoga Springs, Schuylerville, Town of Saratoga, Wilton, Milton, Clifton Park, Ballston Spa, Ballston Lake, Middle Grove and Charlton. These are your kids in your communities. Through the help of Saratoga Rowing Association hosting major regattas, these rowers have earned over \$10 million in scholarship funds, and many may have gone on to colleges they may never have dreamt of going to. Saratoga County is known as a rowing mecca in the U.S. It sits along large cities like Boston, Philadelphia, San Diego, and Seattle. Conservative estimates are that Saratoga Rowing Association brings over 45,000 people to this County each year. She asked the Board to consider a request of an assessment to help purchase the necessary improvements to bring this scholastic national championship event to this County. This event, which takes place Memorial Day weekend, will bring more than 4500 athletes and 10,000 spectators to our community. This is a very prestigious event and one that Saratoga County should be proud to host. This event also brings economic development opportunities to our County such as the ability to showcase and market our athletes. College recruiters come in and look at every one of these on our local water. You have all received letters from Joe Dalton, of the Saratoga County Chamber of Commerce, David Zunker of the

Convention & Tourism Bureau, Tom Roohan of Roohan Realty and very soon from Kirsten Gillibrand, all of whom support this event. Saratoga Rowing will still have to put up expenses of \$47,000 additionally to set up for nationals. We are a small non-profit that cannot afford to put up this money all on our own. Please look at this event as an investment in the County. We will be thrilled that the Board consider a portion of this request which will then enable us to have leverage and credibility to go out and seek private sector money.

Madison Beumer, 586 Acland Blvd., Ballston Spa, said she is a resident of the Town of Milton and has been rowing for Saratoga Rowing Association for three years. When nationals was held in Saratoga in 2006, she thought it was very cool and wanted to join. The next spring, she became a national champion. She is headed to a D1 program next year to row on a scholarship, and she can only thank SRA for it.

Alexander Loy, 14 Castlegate Rd, Ballston Lake, said he has been rowing since 6<sup>th</sup> grade. He is one of the many rowers in the Capital District wishing to go to college with a scholarship. Hosting this in 2010 would give the Capital District rowers a great advantage especially the ones who row on home turf. I encourage you all to allow Saratoga to have the honor of hosting such a prestigious event.

Lauren Boudreau, 43 Oregon Trail, Town of Halfmoon, has been rowing since 7<sup>th</sup> grade and she is currently a Senior at Shenendehowa High School. She has spent 11 seasons of her rowing career rowing for Shenendehowa, and she recently has joined Saratoga Rowing. This past spring, she accomplished a national championship while in Tennessee. If her family wasn't fortunate enough to have taken her to Tennessee, then she wouldn't have had the opportunity for college that she has right now or the privilege of becoming national champion. If nationals were held in Saratoga, there would be a lot more opportunity for the people who live here. To be able to go to college, with the economy the way it is, is an incredible opportunity. I encourage the Board to consider this request.

Laura Lee Linder, 2115 Route 67, Charlton, and Charlton Town Historian, said she was happy to read in the newspaper that the Office of the County Historian might be full-time, but there was still another vote on it, and she is here for the third year in a row on this matter. She wondered if anyone read the brochure of the Association of Public Historians on the job description of

what municipal and county historians should be doing, which is more than a full-time job. She said she would like to see the County Historian's office become a full-time position. She mentioned how the County Historian works with all of the County's departments and courts to come forth with information that is vital to the functioning of the County. Also this coming year will be the Quadricentennial – the 400<sup>th</sup> anniversary of Hudson and Champlain, and there is so much this County could be doing if there was more organization and more time. The office also works hard with all of the historians in the County's municipalities. We lead New York State in doing this. She said that's why she feels it is important that Saratoga County take a leadership position in having a full-time County Historian. Heritage tourism is a multi-billion dollar industry, and our County leads in that industry. Our County Historian's office is vital in working with industry coming here.

David Torres, 217 Lake Avenue, Saratoga Springs, said he is here to thank the Board for supporting the student truancy prevention program coordinator position in the Saratoga County D.A.'s office. He said he is responsible for starting that program in the Saratoga Springs School District in 2000. Eight years later, there are 11 school districts on board with the program. This program will benefit 36,000 children in our County, he said.

Frank Palumbo, 6 Any How Lane, Gansevoort, said he is President of the Saratoga Springs School Board. He said what you have is a \$30,000 investment being asked of you by the Saratoga Rowing Association. He said the dollars will come back to the community in just sales tax revenue. Many of you have individuals in your communities who will be advantaged by this. This will be a function that 4500 rowers come to, and they and their families spend dollars here. Please reconsider and include this \$30,000 back into your budget. This is a program that is a guarantee if we host it.

Vice-Chairman Johnson thanked everyone for their participation. The Board will be meeting to address the budget on December 10<sup>th</sup> at 4:45 p.m., he said.

The public hearing adjourned at 6:20 p.m.

Respectfully submitted,  
Elaine M. Sodemann



