

2020 Tentative Budget Workshop  
November 18, 2019

Vice Chairman of the Board Allen called the meeting to order.

Roll call was taken: PRESENT – Alan Grattidge, Philip C. Barrett, Jonathan Schopf, Preston Allen, Jean Raymond, Michael Smith, Daniel Pemrick, Kevin Tollisen, Thomas Richardson, Theodore Kusnierz Willard H. Peck, Sandra Winney, Thomas N. Wood, III, Tara N. Gaston, Matthew E. Veitch, Edward D. Kinowski, John Lawler, Arthur J. Johnson – 16. ABSENT – Timothy Szczepaniak, Richard Lucia, Arthur Wright, Darren O’Conor, Scott Ostrander - 7.

The Clerk read the rules of the Budget Workshop.

Mr. Hellwig said the Tentative Budget as amended by Law & Finance is \$338,022,538. Amendments were approved by Law & Finance on November 14<sup>th</sup>. The worksheets were distributed to the Board that contain all of the changes on an account level. The General Fund portion totals \$277M. The largest revenue source is Sales Tax, which is budgeted at \$128M. The second largest source of revenue is Property Tax and Saratoga County will continue to have one of the lowest property tax rates and levy in the entire State. The rate will remain the same at \$2.26 per thousand of assessed value. Saratoga County will remain under the State’s Sales Tax Cap. The total unfunded State Mandates next year are \$101.5M and the net cost to the County after State aid is factored in will be \$64.8M. That means State Mandates will consume the entire \$62.9M in Property Taxes collected. Highway and Equipment Fund expenses have increased by \$187,000 to \$25.6M; which is about a 1% increase. That increase is tied to Capital Equipment costs. The Interfund Transfer from the General Fund to cover the expenses not covered by aid will be \$19.3M. The County’s three self-supporting funds Job Training, Sewer and Self Insurance are budgeted respectfully at \$1.3M, \$24.8M and \$5.2M. Finally, the Capital costs that were approved by the Long Range Capital Committee are \$21.9M with the net cost to the County of \$7.2M after State and Federal Aid. The Unappropriated/Unassigned Fund Balance \$22.2M and is net of the \$3.56M that will be needed to balance the budget as amended by Law and Finance.

Mr. Hellwig said the Law and Finance Amendments have been provided. The General Fund amount, the changes that were approved by Law and Finance, and the revenues are located on the last page of the handout. The grand total after the amendments \$1,460,544.

Mr. Tollisen said a discussion needs to take place about putting \$150,000 for SEDC and \$150,000 for the Economic Development Fund in to the budget. He said he believes the Economic Development Committee has passed the contract so this funding needs to be in the budget. He said it is time to amend the budget to add these two items. Mr. Hellwig said it was his understanding that the funding that was approved in terms of funding for SEDC was going to come out of the subsidy for the SCPP and asked if that was no longer the case. Mr. Barrett said that was not part of the Economic Development structure that was passed. Mr. Tollisen said it was his understanding that SCPP made a budget request for a lower amount and that was the amount that was put in the budget request. He added he did not think that included the \$150,000 for the Economic Development Fund. Mr. Hellwig said there is \$816,000 in Contingency if the Board would like to amend the budget to set up the payment to SEDC as well as the other Economic Development program giving more money back to the Towns for their own initiatives; he would recommend the funding come from there. Mr. Peck asked for clarity in the amounts. Mr. Tollisen said \$150,000 was for SEDC and \$150,000 was set aside for towns for grants to be administered through SCPP. Mr. Hellwig said it was his understanding at an Economic Development meeting, these costs were being calculated based on a portion of the funds from SCPP and asked if this has changed. Mr. Barrett said the structure that was approved gives SCPP half of the bed tax. He said there was not anything set up about taking from one and putting it in another line. SCPP was going to get half of the bed tax, the contract with SEDC as well as the Economic Development fund to be set up would each be \$150,000. Mr. Kinowski said the Unity agreement currently states that the bed tax being referred to and any additional funds requested the \$150,000 for SEDC and the Fund are what is being discussed. Mr. Barrett said this was not the Unity Agreement as that is between SEDC and SCPP. He said this is the new Economic Development structure that was approved. Mr. Kinowski said he thinks there is a difference between the Unity Agreement and what is being presented today. Mr. Kusnierz said Resolution 145-2019 was passed and attached to that was the Unity Agreement. In that agreement, it is clearly spelled out that \$150,000 would go to SEDC, SCPP would get half of the bed tax with an additional \$150,000 earmarked for localities to implement grant funding. Mr. Kusnierz said it was clear moving forward this was the intent and SCPP was asked to reduce the funding. The funding request was reduced from \$775,000 to \$680,000. He added he is working under the premise the Board approved the resolution in which the Unity Agreement was attached to and this funding structure was a part of. Mr. Kinowski said he respects that viewpoint but does

not recall a discussion or decision on how the \$150,000 be split/spent. Mr. Kusnierz said he was correct the SCPP Board did not have any discussion on using \$150,000 out of their budget on this fund. Mr. Lawler asked what the funding request from SCPP was for 2020. Mr. Hellwig said \$680,000 and that's what's in the budget. Mr. Lawler asked how much of that would come from the bed tax. Mr. Hellwig said \$400,000 to \$500,000. Ms. Gaston said the Unity Agreement estimated it at \$540,000. Mr. Hellwig said the figure in that agreement is not relevant to his budget and added they are entitled to come up with their own estimate but he has looked at a five-year trend to arrive at his figure. Mr. Lawler is asking if the number for SCPP and the funding for SEDC, does this take the County to a higher number for Economic Development. He said the funding as he sees it is \$680,000 for SCPP, \$150,000 for SEDC and \$150,000 for the Economic Development Fund for a total of \$980,000. The County will be increasing the spending for Economic Development by \$205,000 and that's the \$980,000 for 2020 minus the \$775,000 for 2019. Mr. Lawler said it was his understanding the funding for SEDC would come out of the SCPP funding with the reason being the amount of work SEDC would do that SCPP wouldn't have to do. He would like to see a contract outlining the services SEDC would be providing for the \$150,000 as well as the outcome of the compliance issue with the ABO. Mr. Tollisen said he is not proposing another \$205,000 in Economic Development spending. The discussion is \$150,000 for funding for SEDC and not about the ABO and it's opinion. There are provision in the contract as to the requirements for funding; and, what they need to provide and do just as other agencies that contract with the County. Also, the \$150,000 for the Economic Development fund and where that funding will come from. Mr. Tollisen added the only funding in the tentative budget is the request from SCPP and he would like to see the budget amended to provide for the other \$300,000. Mr. Lawler said this is a good time to bring this forward but disagreed with the clarity of the contract. He wants to be sure as his colleagues vote for this amendment there is an understanding if the ABO says SEDC must comply then they must or the contract is terminated. Mr. Tollisen he does not disagree as the law is the law. He said he would expect all County funded agencies to comply and if they don't then the contract is terminated and funding is not given. He firmly believes that if the County Attorney feels that there is a compliance issue with any organization then he fully expects to be made aware of it so it can be dealt with. Mr. Lawler said he is relieved to hear him say that. Ms. Gaston asked if there is a contract and Mr. Hellwig said there is not. Ms. Gaston said it makes sense that no money be approved until the contract has been seen and adopted. Mr. Barrett said the 2018 bed tax was about \$1.1M. He said the Chamber expected this to remain flat so it's safe to say the number will be \$1.1 with half being \$550,000. Mr. Barrett said the SEDC contract contains very specific details and tasks they must undertake. Each year SEDC will provide a budget, a compensation schedule and audited financial statements. If these documents are not submitted, they will not receive the funding. The contract has the funding split in to quarterly payments and won't receive any of the payments unless all documents are provided. Mr. Lawler said the County should have the 2018 Audited Financial Statements and budget from SEDC.

**On a motion by Mr. Veitch, seconded by Mr. Kinowski adding \$150,000 for SEDC and \$150,000 for an Economic Development Fund was unanimously added to the 2020 Tentative Budget.**

Ms. Raymond said she would like comparative budget information included in the Tentative Budget.

Ms. Gaston said she would like to propose an amendment to provide some support to the Saratoga County Historical Society/Brookside Museum. She understands there has been past "bailing out" but they hold items of significant importance to Saratoga County History. She suggested \$15,000 or \$20,000 for this year to assist them as well as funding for 2020 after the Public Safety Facility is opened and things settle down. Mr. Hellwig said he has had conversations with Supervisors Ostrander and Szczepaniak regarding the museum. The last conversation he had with the museum's board members was they were going to provide financial documents in terms of their situation. After receipt of those documents, funding would be discussed. Mr. Hellwig has not received any documentation. Once he receives the documentation, he will return to the Board with the documents and his recommendation. Mr. Barrett asked if there was a plan. Ms. Gaston responded they do have a plan to move forward and do have funding to get them through this year. Mr. Lawler asked if Ms. Gaston had a number in mind. Ms. Gaston replied \$15,000. Mr. Lawler asked if the funding could be contingent upon the Administrator receiving the documents he asked for. Mr. Lawler offered a second to the motion contingent upon documents that are requested being received and approved by Law & Finance. Mr. Allen asked for clarification on the timing. Mr. Hellwig said they are in crisis mode now and need the funding now. Ms. Gaston said her request was for 2020. Mr. Pemrick said this is not a good way to spend taxpayer's dollars. He said Law & Finance members have agreed the County would not be handing out or assigning funding on an application basis to non-profits. There was a healthy discussion and this was agreed upon. He said the Board should wait until Mr. Hellwig receives the information and consider this request at that time. He does not support this request at this time. Ms. Raymond said a number of years ago there was a policy that any outside agency that was not providing a specific service in order to get a donation had to provide financial papers; she asked Mr. Hellwig if that was still happening. Mr. Hellwig said there is an application that requires financial paperwork for requests.

Ms. Raymond said she agrees with Supervisor Pemrick that the County should not be handing out money just because they say they need it. **Ms. Gaston removed her motion from the floor.**

Mr. Richardson made a motion to add \$25,000 to the Trails fund. He said he has been the Chairman of the Trails Committee for the last couple of years. The funding allocated has not been enough to cover the requests being submitted by the Towns. The budget contains \$50,000. Mr. Barrett seconded the motion. **On a motion by Mr. Richardson, seconded by Mr. Barrett, \$25,000 was unanimously added to the Trails Fund bringing the total to \$75,000.**

The remaining budget schedule is: Public Hearing will be held on December 4<sup>th</sup> at 4:40 p.m. followed by the December 11<sup>th</sup> special Board meeting at 4:45 p.m.

Mr. Lawler thanked Supervisor Allen, Mr. Hellwig and all those who worked on the 2020 budget.

On a motion by Mr. Veitch, seconded by Mr. Richardson the meeting was unanimously adjourned.

Respectfully submitted,

Pamela Wright, Clerk