

SECOND DAY OF ANNUAL SESSION

Johnstown, NY

November 17, 2014

Roll Call – Quorum Present

Supervisors: Argotsinger, Born, Bradt, Capek, Christopher, Fagan, Gendron, Greene, Groff, Handy, Howard, Kinowski, MacVean, Potter, Waldron, Young

TOTAL: Present: 16 Absent: 4 (Supervisors Callery, Johnson, Lauria and Ottuso)

Chairman Argotsinger called the meeting to order at 1:00 p.m. Following the Pledge of Allegiance, the Chairman advised that the purpose of today’s meeting is to conduct budget review for development of the 2015 Budget.

Upon a motion by Supervisor Gendron, seconded by Supervisor Bradt and unanimously carried, the Board entered into executive session at 1:02 p.m. for employment history of a contractor.

Upon a motion by Supervisor Fagan, seconded by Supervisor Waldron and unanimously carried, the Board re-entered into Regular Session at 1:52 p.m.

Chairman Argotsinger invited Finance Committee Chairman Greg Fagan to join him on the dais to begin budget review for the 2015 Budget.

Budget Director Alice Kuntzsch provided a brief overview of the 2015 Tentative Budget. She noted that the average County Tax Rate stands at \$11.14 per thousand, which is an increase of 2 percent. She also presented several small proposed budget amendments received from Department Heads or discussed earlier in the day by the Finance Committee. As a result of these budget amendments, the average county tax rate would be \$11.15 per thousand.

Supervisor Young made a motion to approve the proposed budget adjustments as presented, seconded by Supervisor Gendron and unanimously carried.

Chairman Fagan stated that there has been a lot of discussion regarding the Nuisance Abatement Vehicle that was identified in the approved 2015-2017 Capital Plan. He stated that he is recommending that this project be removed from the Capital Plan; however, to continue an emphasis on crime deterrence, he suggested earmarking \$100,000.00 in 2016 and again in 2017 for “Crime Deterrence Initiatives”. A working group of local law enforcement leaders could advise on how best to spend the monies.

Supervisor Howard made a motion to amend the 2015-2017 Capital Plan by removing the Nuisance Abatement Vehicle at a cost of \$50,000.00 for 2015 and earmarking \$100,000.00 in 2016 and \$100,000.00 in 2017 for Crime Deterrence Initiatives, seconded by Supervisor Greene and unanimously carried

Chairman Fagan asked if Supervisors had any suggestions regarding proposed budget cuts.

Supervisor Greene stated that he is recommending that the 2 percent raise proposed for Supervisors be eliminated. His second request is to increase the Soil and Water Conservation District allocation by \$23,000.00 to include a technician to deal with invasive species. He stated that the District is also trying to conduct an inventory with relation to infrastructure in the County. He stated this is a small investment in what could end up being a good thing and something that people could actually see. He stated that he is in favor of the investment of an additional \$23,000.00 for the Soil and Water District to be able to hire an additional technician.

Supervisor Greene made a motion to increase the budget appropriation (A-725-8730.417) for the Fulton County Soil and Water Conservation District from \$39,020.00 to \$62,020.00 to cover the cost of a full-time technician, seconded by Supervisor Young. 2-14 Motion Defeated by a vote of 2 in favor to 14 opposed. (Supervisors Argotsinger, Born, Bratt, Capek, Christopher, Fagan, Gendron, Groff, Handy, Howard, Kinowski, MacVean, Potter and Waldron opposed)

With regards to the proposed raise for Supervisors, Mr. Stead stated this should be addressed after the public hearing on that topic is held on November 24, 2014 at 2:00 p.m..

Supervisor Gendron stated that every budget is unique and difficult. The Finance Committee has sent up a tentative budget for full Board review and it is a solid budget.

Supervisor Handy stated that the Finance Committee did a terrific job with the budget.

Pg. 77 - .457 OFA-Books & Sub and .460 Special Program Supplies - Supervisor Young stated that he would like to see the increase of \$10,000.00 between these two accounts provided to the Gloversville Senior Center. He stated that he is not sure if this money could be used for that, but would like consideration given to this. Ms. Kuntzsch stated these increases are tied to certain state or federal reimbursement, the Balance Incentive Program (BIP), and the money has to be spent based on grant eligibility requirements.

Mr. Stead asked the Board go to Page 55 of the Budget which identifies Correctional Facility budget line items. He asked the Board to take another look at this budget and consider adjustments because of the substantial decrease in revenue related to boarding of inmates.

Supervisor Howard asked how many boarding inmate days the loss of \$150,000.000 in revenue equates to. Mr. Stead stated he was not sure but he believes the cost is about \$75 a day for boarding an inmate.

Pg. 55 .110 Jail-OT – Chairman Argotsinger made a motion to reduce this line item by \$15,000.000 to \$310,000.00, seconded by Supervisor Waldron and carried (Supervisor Kinowski opposed)

Pg. 56 .459 Jail-Linen Supplies – Supervisor Young made a motion to reduce this line item by \$1,000.00 to \$5,000.00, seconded by Supervisor Potter and unanimously carried.

Pg. 56 .460-Jail-Paper Supplies – Supervisor Young made a motion to reduce this line item by \$1,000.00 to \$18,000.00, seconded by Supervisor Potter and unanimously carried

Pg. 55 .451 Jail -Uniforms – Supervisor Gendron made a motion to reduce this line item by \$2,000.00 to \$20,055.00, seconded by Supervisor Bradt and unanimously carried

Pg. 55 .454 Jail-Personal Supplies – Supervisor Gendron made a motion to reduce this line item by \$1,000.00 to \$7,500.00, seconded by Supervisor Christopher and unanimously carried

Pg. 56 .468 Jail-Dental – Supervisor Potter made a motion to reduce this line item by \$1,000.00 to \$27,000.00, seconded by Supervisor Young and unanimously carried

Chairman Fagan stated that a little progress was made today. He stated that consideration could be given to applying additional Fund Balance to reduce the average tax levy.

Supervisor Howard explained that some caution should be exercised; however, it was probably necessary to appropriate additional Fund Balance to reduce the levy further.

Supervisor Howard then made a motion to apply an additional \$800,000.00 from Fund Balance to the 2015 Budget. The motion was seconded by Supervisor Waldron.

Supervisor Greene asked how much remains in the Fund Balance. Ms. Kuntzsch stated that there is roughly \$13.5 million remaining. Mr. Stead stated that the NYS Comptroller recommends approximately 10-15% of budget be held in Fund Balance, which is about \$12 million.

Supervisor Born stated that a lot of people believe that the Fund Balance should be used to reduce taxes because it is “their money”. She stated that the additional \$800,000.00 from Fund Balance is a fair amount and still leaves a comfortable cushion for unexpected circumstances.

Mr. Stead stated that the public often does not realize that the Fund Balance is not all cash. There are several components in Fund Balance: anticipated state and federal reimbursement, accounts receivable, etc.

Supervisor Groff asked if this \$800,000.00 is the recommendation of the Finance Committee. Chairman Fagan stated that this is one of the amounts that was discussed earlier in the Committee’s meeting.

Supervisor Gendron stated that \$800,000.00 is “beyond my comfort level”. He said that there are many years ahead of us that the County will need such money. He believes the Board is “pushing the envelope” with an additional \$800,000.00 and will vote against this. He stated that additional Fund Balance should be applied, but \$800,000 is too much.

Supervisor Young stated that he concurs with Supervisor Gendron. He would love to lower the tax rate, but he does not want to cut the Fund Balance too low. He stated that “keeping things steady is the way to go”.

Supervisor Howard stated that the figures that the Finance Committee went over this morning also reflect the County Treasurer’s conservative approach to predicting Fund Balance levels.

Mr. Stead stated that over-stating sales tax is one of the biggest pit falls a government can fall into. He stated that the sales tax projected in the Tentative Budget is very conservative. The \$800,000.00 is probably safe as long as the Board doesn't over-inflate sales tax revenue projections.

Supervisor Young asked if the Board will wait to make a decision regarding funding for CRG. Mr. Stead stated that CRG will be presenting a revised itemized Business Marketing Plan for 2015 before the November 24 Board meeting and the Board should wait until that time to make its final decision.

Supervisor Kinowski stated that the decision regarding the use of additional Fund Balance can be made on Monday after decisions regarding the CRG are made.

The Chairman then called for a vote on Supervisor Howard's motion regarding Fund Balance application. The motion carried by a vote of 12 in favor to 4 opposed. (Supervisors Gendron, Greene, Kinowski and Young opposed)

Finance Committee Chairman Fagan projected that this step results in a potential tax rate of \$10.84, which would be a decrease of 1.46 percent.

Mr. Stead advised that public hearing will be held at 2 p.m. on Monday, 11/24. The Finance Committee will be meeting that morning.

There being no further business before the Board, the Board recessed at 2:50 p.m. until Monday, November 24, 2014 at 1:00 p.m.

Certified by:

Jon R. Stead, Administrative Officer/ DATE
Clerk of the Board