

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: **BUDGET**

DATE: **OCTOBER 23, 2006**

COMMITTEE MEMBERS PRESENT:

SUPERVISORS CAIMANO
 MONROE
 BELDEN
 GABRIELS
 O'CONNOR
 CHAMPAGNE
 KENNY

OTHERS PRESENT:

WILLIAM THOMAS, CHAIRMAN
JOAN PARSONS, COMMISSIONER OF
 ADMINISTRATIVE AND FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISOR GERAGHTY
SUPERVISOR GIRARD
SUPERVISOR MERLINO
SUPERVISOR STEC
SUPERVISOR TESSIER
SUPERVISOR F. THOMAS
SUPERVISOR VANNESS
RICHARD MURPHY, DEPUTY COMMISSIONER OF
 FISCAL SERVICES
LARRY CLEVELAND, SHERIFF
WILLIAM LAMY, SUPERINTENDENT OF DPW
LINDA WEBB, CORNELL COOPERATIVE EXTENSION
CYNTHIA DAVIS, CORNELL COOPERATIVE EXTENSION
DAN WEST, TREASURER, CORNELL COOPERATIVE
 EXTENSION
NICOLE LIVINGSTON, SECOND DEPUTY CLERK

Mr. Caimano called the meeting of the Budget Committee to order at 3:15 p.m.

Mr. Caimano apprised the meeting was a continuation of the previous Budget Committee meeting, therefore no approval of the minutes was necessary.

Joan Parsons, Commissioner of Administrative and Fiscal Services, distributed handouts to the committee members, copies of which are on file with the minutes.

Mr. Caimano stated that the memo that was discussed at the last Budget Committee meeting regarding the recommended cuts to the budget had been distributed to the Department Heads and the majority of Departments had responded. He illustrated that the 2006 budget, in its final component, showed an amount to be raised by tax was approximately \$29,500,000 and within that budget the salary budget total was \$32,965,988. He further explained that once they entered 2006, the actual number became \$35,567,391; a difference of \$2,601,403 actual, plus 35% in fringes which amounted to another \$910,491, giving an actual figure of \$3,511,894 more than the \$29.5 million to be raised by tax. He stated that going into the 2007 budget cycle, it was already up 12%.

Mr. Caimano apprised that this was the year to learn how to live within the budget because there was a need for a new building. He noted that would accumulate to \$7 million worth of additional debt service in the 2008 budget. He added that the County needed to plan during the year for things that needed to be done. Mr. Caimano stated that in addition, he felt that requests to fill

vacant positions should be researched in depth to determine their necessity prior to giving the permission to fill them.

Mrs. Parsons expounded that she and Mr. Caimano had discussed other options in regards to making cuts to the budget. She said their suggestions were as follows:

1. to go back to departments that had not taken 7% out of their .4's and require that they do so;
2. to eliminate all unnecessary travel;
3. to review revenues with certain departments, which they were currently in the process of doing;
4. to look at vacant positions in the budget;
5. to look at new positions in the budget.

Mr. Caimano added that he would like to see the Department Heads limit travel to emergency situations only, saving those funds for necessary services.

Mr. Champagne asked if the Budget had been cut sufficiently and Mr. Caimano stated that it had not. He added that steps were being taken to cut unnecessary costs on various levels.

Mr. O'Connor noted that the 2007 Budget Notes handout reflected \$925,000 in Tobacco Securitization funding was planned to offset debt services and he asked if those funds were guaranteed. Mr. Caimano replied that to the best of his knowledge, they were.

Mr. Champagne asked Mr. Caimano to compare the surplus funds used in 2006 to those planned for 2007 and Mr. Caimano advised that there was a difference of \$500,000 between the two years. He said that he intended to request the amount be removed from surplus funds to aid in the 2007 Budget. Mr. Champagne asked if the increase in the Sheriff's contract settlement was included in the Budget last year and Mr. Caimano replied in the negative. He noted that the negotiations were not completed until after the 2006 Budget had been adopted and therefore could not be included. Mr. Champagne asked if a good portion of the surplus funds used in 2006 could be attributed to the contract settlement and Mrs. Parsons advised that \$2.6 million had been used for this purpose. She explained that the total represented the settlement amount, compounded by the funds needed for 2007 as the second year of their settlement; Mrs. Parson's added that the re-allocation of staff and addition of fringe benefits were also included in that number. Mr. Caimano noted that those funds did not need to be recovered in the 2007 Budget.

As another means of Budget reduction, Mr. Caimano suggested that road machinery and road construction costs be banned. He added that if this step were taken, however, the costs would have to be included in the 2008 Budget, leading to additional deficits at that time. Mr. Champagne said that banning the purchase of road machinery and construction might be a reasonable option. Mr. Caimano reiterated that if the purchases and construction were not completed in 2007 they would become a necessity in 2008, and funding would have to be secured at that time, leaving an even larger deficit. Mr. Kenny stated that if \$1 million worth of machinery were cut from the 2007 Budget it would lead to spending \$2 million in 2008, so it did not make sense to cut those costs.

Mr. Geraghty asked if \$500,000 could be removed from investment funds and Rick Murphy, Deputy Commissioner of Fiscal Services, replied it would be futile to borrow funds from

investment income because if the funds borrowed were not used for the exact purposes they were borrowed for, they must be used to retire the debt owed.

Mr. Caimano stated that funds needed to be managed tightly for 2007 to make the 2008 budget more bearable.

Dan West, as the new Treasurer of Cornell Cooperative Extension, noted that the entire budget of Cornell Cooperative Extension fell under the .4 category; however, the majority of those expenses were attributed to salaries. Mr. West noted that his organization was struggling with the budget cuts because over 3/4 of their budget consisted of salaries. Mrs. Parsons advised that 7% was not cut from the Extension Services budget and that the 2006 appropriation levels were applied. She added that this measure was used for both the Cornell Cooperative Extension and Soil and Water Conservation Budget requests because the proposals were too extreme from these two Departments.

Mr. Haskell asked which Departments had not made additional cuts to their Budgets and Mr. Caimano replied that DPW, Board of Elections, Health Services and Office for the Aging were among the Departments that had attempted to make additional cuts but could not, without decreasing services provided.

Mr. Stec asked what had driven the majority of the Budget increases and Mr. Caimano advised that the majority of the increases could be attributed to salaries and new hire employees.

Mr. Caimano apprised that he and Mrs. Parsons would continue to work on the Budget, and he asked that the Committee members contact him with any ideas for further Budget reduction. Mr. Caimano noted that there would be no new employees hired in 2007.

As there was no further business to come before the Budget Committee, on motion made by Mr. Gabriels and seconded by Mr. Belden, Mr. Caimano adjourned the meeting at 3:40 p.m.

Respectfully Submitted,
Nicole Livingston, Second Deputy Clerk