

**WARREN COUNTY BOARD OF SUPERVISORS
BOARD MEETING
FRIDAY, NOVEMBER 5, 2010**

The Board of Supervisors of the County of Warren convened at the Supervisors' Room in the Warren County Municipal Center, Lake George, New York, at 10:00 a.m.

Mr. Frederick Monroe presiding.

Salute to the flag was led by Supervisor Champagne.

Roll called, the following members present:

Supervisors Conover, Monroe, Girard, McDevitt, Taylor, Loeb, Kenny, Belden, Bentley, Goodspeed, McCoy, Merlino, Stec, Strainer, Champagne, VanNess, Sokol, Thomas and Geraghty - 19.

Absent: Town of Thurman - vacant - 1.

Chairman Monroe announced he would turn the meeting over to Kevin Geraghty, Budget Officer, for the formal presentation of the proposed 2011 County Budget.

Mr. Geraghty addressed the board members and presented the 2011 Budget Message as follows:

"Mr. Chairman, members of the Board of Supervisors and to all those in attendance, I am pleased to present the 2011 tentative budget for Warren County.

"With a \$518,195 decrease in spending and a 1.09 % tax increase over the 2010 Spending Plan, this budget confronts and addresses the difficult economic times faced by our County and its County residents and continues us on the path that we started last year toward improving the fiscal condition of Warren County.

"More importantly, this budget is responsive to the calls by the taxpayers and residents of this County to reduce government spending and shrink the size of government.

"This budget cuts 13 positions - 7 full time and 6 part time - and stresses job sharing and workforce productivity.

"This budget continues the cuts in spending made this past year and adds new ones. Seventeen County departments now have appropriations which are less than those adopted in the 2010 budget.

"This budget also addresses the very important matter of fund balance. As you know the county has been in the precarious position of having a fund balance that was too low - in fact so low that it has been necessary in recent years for the county to borrow money for cash flow purposes. As was accomplished last year, this budget does not use general fund

balance to balance the budget, as had been done for a number of years, and keeps us on the path to establishing a fund balance sufficient for cash flow purposes and fiscal stability.

“While there is considerable good news in this budget, there were serious economic hurdles, which we needed to address and that made drafting this budget difficult. We will need to be cognizant of these as we begin 2011, as the slide presentation will show in more detail:

- Total projected revenues for 2011 are down \$3,247,957 below those in the 2010 budget;
- Our revenues from sales tax collections did not meet expectations in 2010 and we therefore felt compelled after consultation with the Treasurer’s office to lower our expectations for 2011 by \$1,000,000;
- Likewise, our mortgage tax revenues have come in far below projected for 2010 and we had to lower our expectation by \$650,000 for 2011;
- Mandated State Retirement costs to the County are projected to increase in 2011 by \$1,286,193;
- Employee health insurance costs increased by \$646,468, and Social Services costs increased by over \$2,000,000;
- Added to all this, was a significant drop in the County tax base by approximately \$377 Million dollars.

“In order to address these economic difficulties while still maintaining essential services for our residents, the budget team worked with county departments to cut or keep spending at a bare minimum.

“We also made some more difficult decisions such as proposing a decrease in funding to the EDC, using some of the County road fund balance, planned financing of certain expenses, and providing for no raises for County management and non-union employees for a second year in a row along with Elected Officials.

“While I believe that this budget and decisions we made continues the County on the path of fiscal responsibility and is responsive to the economic difficulties faced by our residents, I think this must be viewed as another positive step on a much longer journey. We must continue to be vigilant in holding the line on County expenditures and seizing every opportunity that presents itself to hold the line on staffing and increase the productivity of our employees.

“As we go forward, we have one distinct and incredible advantage that I believe assures us success - our County workforce.

"This budget process would not have been as smooth as it has been or even possible if it were not for cooperation of our Department Heads. These folks "get it" and have demonstrated outstanding leadership in managing the staff, providing valuable services for the benefit of County residents and dealing with department finances. These Department Heads understand the economic times we live in and the need to be fiscally conservative and control the size of government. They have been fully supportive.

"From the Department Heads to the rank and file employees, Warren County has a workforce that has and continues to demonstrate a (can do) attitude and a willingness to work with what they have.

"From the ingenuity of the DPW in creating a temporary bridge out of salvaged materials, to the time and labor saving programs of the IT department, to the single handed work of our Indigent Defense Office Administrator and the passionate care and hard work provided by our Public Health Care staff, Westmount Nursing Home and Countryside Adult Home. Warren County workers demonstrate not only a dedication, but a spirit of effort and cooperation that I believe is second to none.

"All one has to do is look to professionalism and commitment of our Administrator and staff, Treasurer and staff, Board of Elections, Tourism Department, Sheriff's Department, District Attorneys, Defense and Civil Attorneys, Emergency Services staff, Probation Department and Weights and Measures to know that Warren County is in good hands.

"Our Social Services, Youth Bureau, Office for the Aging, Veterans staff, Employment and Training office and County Clerk's office all stand ready everyday to assist and when necessary support our residents, while our Planning, Building Codes Department, and Airport staff provide needed services for our residents and businesses. Our Parks Division provides for their relaxation and recreation.

"Not to be forgotten is the many support staff that enables all this to happen, from our Clerk of the Board and staff, County Auditor, Human Resources and Civil Service Department, Purchasing, Real Property Tax Services, Self Insurance Department, mail room and print shop employees to our cleaning staff and excellent grounds workers. Their work and efforts are certainly an important part of the County's ability to provide services.

"All these folks have worked hard and made sacrifices to ride out these difficult times with us and as things improve, which I believe will happen as early as next year, we need to remember them.

"Mr. Chairman, these are difficult times, but with this budget, I believe Warren County is on the right path and ready for the challenge. Thank you."

A power point presentation of the 2011 proposed budget followed, a copy of which is on file with the minutes.

Mr. Geraghty highlighted portions of the presentation and noted that the proposed budget included the lowest increase since 1996. He announced the amount to be raised by tax was \$38,554,822. He briefly discussed retirement and health insurance costs. Regarding the Department of Social Services, he noted that there had been a significant increase in the need for services and public assistance, due to the struggling economic times. He reiterated that there would be no raises in 2011 for management, non-union employees or elected officials. Mr. Geraghty expounded that for the first time that he could remember, the full tax value in the County decreased.

Mr. Champagne questioned why the full value tax base decreased and Paul Dusek, County Attorney/Administrator, surmised the drop in market values over the past few years, as well as numerous filings of Article 7's, coupled with decreases in the overall assessments had all contributed to the decrease. He further explained that one of the ways that Real Property was assessed was based on income that businesses obtained from particular sites. Chairman Monroe added that if comparable sales were down, the argument was made that the value of property had decreased and therefore the assessment should be decreased, as well. Mr. Champagne asked if there had been County growth observed, in terms of new buildings, etc. and Mr. Strainer apprised in 2005 and 2006 prices increased dramatically and quickly and now there had been a decrease in median home sale prices of approximately \$15,000 to \$20,000. He added that appraisers worked on current prices, and when properties were not selling for high prices, that led to the decrease in appraisals. Mr. Stec noted that when a new equalization rate was higher than the old equalization rate, that in itself would lower the full market value.

Mr. Geraghty returned to the power point presentation and reviewed the trends of the General Fund Balance and asserted the goal was to increase that balance. He referred to the tax rates based on the proposed budget and noted the equalization County tax rate was \$3.442. Following Mr. Geraghty's presentation, he turned the meeting back over to Chairman Monroe.

Mr. Belden acknowledged the Budget Officer and Budget Team had done a great job in difficult times and presented an acceptable budget. Chairman Monroe agreed and noted the

result of the proposed budget had exceeded his expectations. Mr. Kenny echoed the statements made and commended all those involved in the process.

Mr. Merlino recalled that a few months ago, the Village of Lake George had presented a request for \$25,000 in occupancy tax funds for the Visitor's Center which had been forwarded to the Budget Committee and he questioned the result of the request, noting that the funds were included in the Tourism Departmental budget. He further suggested that the matter be referred to the Occupancy Tax Coordination Committee and discussed when special event applications were reviewed. Mr. Kenny interjected that the item had been referred back to the Occupancy Tax Coordination Committee for discussion.

Chairman Monroe called for reading of resolutions and discussion.

Mrs. Sady announced a motion was needed to bring Resolution Nos. 695 and 696 to the floor. Motion was made by Mr. Belden, seconded by Mr. Bentley and carried unanimously to bring Resolution Nos. 695 and 696 to the floor.

Chairman Monroe called for a vote on the resolutions.

Resolution Nos. 695 and 696 were approved.

Mr. Belden announced interviews with those that responded to the RFP (Request for Proposal) for the operator of the railroad contract would be conducted on November 12, 2010 and he encouraged all Supervisors to attend.

Mr. Kenny advised that one of tools utilized frequently during the budget process was the Budget Analysis Report from the County Treasurer, and he expressed his desire for that to continue in 2011, due to the effectiveness of said report.

Chairman Monroe pointed out that he had received a letter from the Treasurer's Office indicating that the audit performed by the Bonadio Group had been received and reflected an excellent audit for the twelfth year in a row with no significant findings. He further reported that proposed resolutions would be forthcoming in the future relative to an economic development planning grant for the Adirondack region, as discussed with a number of State agencies. He noted he would keep the board members informed as the discussions progressed.

Privilege of the floor was extended to Zandy Gabriels, resident of the Town of Bolton, who requested permission to address the board.

Mr. Gabriels congratulated all involved in the budget process for presenting an acceptable budget. He referred to the budget constraints at the State level and specifically the New York State Department of Environmental Conservation (NYS DEC). He noted the NYS DEC had targeted hunting, fishing, skiing and camping areas as a means to reduce their budget, all of which were critical elements to the County's recreation and tourist economy. He opined that the Board of Supervisors needed to be proactive in their discussions with the appropriate State agencies to address the NYS DEC's proposed reduction in funding for recreational activities and facilities. Chairman Monroe apprised he had been actively involved in discussions with NYS DEC and other State agencies regarding this matter.

Bud York, Sheriff, requested an executive session to discuss matters relating to the discipline of employees. Motion was made by Mr. VanNess, seconded by Mr. Bentley and carried unanimously that executive session be declared pursuant to Section 105 (f) of the Public Officers Law.

Executive session was declared from 10:40 a.m. to 11:00 a.m.

The board reconvened and Chairman Monroe announced no action was necessary pursuant to the executive session.

There being no further business, on motion made by Mr. Thomas and seconded by Mr. Belden, Chairman Monroe adjourned the meeting at 11:01 a.m.