

**SECOND DAY OF ANNUAL SESSION**

November 18, 2013

Johnstown, NY

Roll Call- Quorum Present

Supervisors: Argotsinger, Born, Callery, Capek, DiGiacomo, Fagan, Handy, Howard, Johnson, Kemper, Kinowski, Lauria, MacVean, Ottalagano, Potter, Waldron

TOTAL: Present: 16 Absent: 4 (Supervisors Bradt, Gendron, Ottuso, Ponticello)

Chairman Waldron called the meeting to order at 10:03 a.m. Following the Pledge of Allegiance, Chairman Waldron recognized Supervisor Lauria. Supervisor Lauria requested a moment of silence in honor of John F. Kennedy who was assassinated fifty (50) years ago this week.

Chairman Waldron advised that County Historian interviews will be held on Monday, November 25, 2013 at 11:00 a.m. in the Board Chambers.

Chairman Waldron advised that the purpose of today's meeting is to conduct budget review. He asked that any Supervisor who has a particular question on a line item, please announce the page number and account number so everyone can be on the same page at the same time.

Chairman Waldron invited Finance Committee Chairman John Callery to join him on the dais to begin budget review for the 2014 Tentative Budget. Mr. Callery advised that the Finance Committee has met several times regarding this budget and right now it stands at a 2.6 percent decrease. Chairman Callery thanked the Finance Committee, Mr. Stead, Ms. Kuntzsch and all department heads for their hard work on this budget.

*(Supervisor MacVean arrived at 10:05 a.m.)*

Budget Director Alice Kuntzsch welcomed everyone to the meeting. She reviewed the 2014 Tentative Budget as presented. She noted that the average County Tax Rate is \$11.42 per thousand, which is a decrease of 2.6 percent. She also presented several small proposed budget adjustments. As a result of these budget adjustments, the average county tax rate would be \$11.44 per thousand with a \$2.5 percent decrease.

*(Supervisor Born arrived at 10:08 a.m.)*

**Supervisor Howard made a motion to approve budget adjustments as presented, seconded by Supervisor Kemper and unanimously carried.**

Chairman Waldron asked if anyone had any questions or comments in regards to the revenue portion of the budget. Supervisor Lauria asked if Revenue line 1001 Real Property Tax on page 4 could be increased. Ms. Kuntzsch explained that this is the tax levy that results from increases or decreased in all other line items.

*(Supervisor Potter arrived at 10:12 a.m.)*

Ms. Kuntzsch also advised that Revenue line 1081 on page 4 is currently budgeted at \$154,161.00; however, the County Treasurer has requested that this be increased to \$207,036.00. It was the consensus of the Board, that this increase would be noted; however, a motion will not be taken on this action until all items have been reviewed.

Chairman Callery asked if Revenue line 2260 – Jail Inmate Charges on page 6 could be increased. Mr. Stead explained that Captain Curtis at the Jail felt that \$500,000.00 was a fair amount and did not anticipate this going much higher.

Chairman Callery questioned why Revenue line 3610 on page 11 – DSS Administration was reduced. Ms. Kuntzsch stated that the Commissioner is more comfortable with this amount not being increased at this time due to reduction in state aid regarding Medicaid administration takeover.

#### Review of Appropriations:

DA – Pg. 21 .409 Professional Services. Chairman Callery stated he thought this line item would be reduced but it is higher than what was budgeted in 2013. Supervisor Born asked if the DA gave any justification as to why this has been increased. Chairman Waldron stated that the DA uses a different service now and this cost has increased. Mr. Stead stated that this account has not increased. He recalled that there had been a budget amendment during the year. Supervisor Lauria stated the court stenographer is a situation where the DA does not know how much service will be needed. Supervisor Born recommended that this be reduced from \$26,300.00 to \$22,000.00.

Ms. Kuntzsch advised that there is a new part-time Typist position proposed in the tentative 2014 budget for the District Attorney.

Supervisor Fagan asked if the District Attorney is going to make an argument for the part-time position. Mr. Stead advised that Ms. Sira will be attending the upcoming Finance Committee meeting to discuss this position.

Pg. 36 - .415 Gas & Electric – Supervisor DiGiacomo stated that \$70,000.00 for this account seemed very high. He noted that only \$36,000.00 has been spent through October 2013. Supervisor DiGiacomo recommended that this be reduced to \$65,000.00.

Pg. 37 .458 Co Offices & Bldgs-Fuel Supplies – Supervisor DiGiacomo stated that under \$20,000.00 has been spent through October but budgeted for \$28,125.00 for 2014. Mr. Stead suggested cutting it to last year's budgeted amount. Supervisor DiGiacomo recommended that this be reduced to \$24,500.00.

Pg. 38 .415 Ft. Johnstown Annex-Gas & Electric – Supervisor DiGiacomo recommended that this be reduced to \$10,000.00.

Pg. 39 .415 Jail Bldgs – Gas & Electric - Supervisor DiGiacomo stated that \$165,000.00 has been budgeted. However, only \$120,000.00 was budgeted for 2013 only \$80,000.00 has been spent through October. Supervisor DiGiacomo recommended that this be reduced to \$135,000.00. Ms. Kuntzsch advised that she spoke with Account Clerk who handles the accounts and she is comfortable with reducing this to \$135,000.00.

Pg. 39 .415 – St. Marys Annex – Gas & Electric – Supervisor Johnson recommended that this be reduced to \$17,500.00.

Pg. 38 .413 – Jail Bldgs-Waste Removal – Supervisor DiGiacomo noted that this contract was just awarded to County Waste. Supervisor DiGiacomo recommended that this be reduced to \$5,500.00.

Pg. 40 .403- Probation Bldg-Repairs – Supervisor DiGiacomo questioned why this was increased from \$1,000 to \$8,500. Chairman of Buildings & Grounds/Highway Argotsinger advised that this was possibly for painting and replacing in carpet in the Probation Department.

Pg. 40 .415 – Probation Bldg.-Electric – Supervisor Potter recommended that this be reduced to \$7,000.00.

Pg. 43 .415 – Visitors Ctr - Gas & Electric – Supervisor DiGiacomo recommended that this be reduced to \$3,000.00.

Pg. 47 1990 Contingency Fund – Supervisor Lauria asked if the \$500,000.00 budgeted in this line item could be reduced. Ms. Kuntzsch stated that traditionally \$500,000.00 is budgeted. She stated that the Board never knows what unanticipated expenses will arise in the upcoming year. Mr. Stead explained that this is used when budget shortfalls occur, possibly as a result of fuel cuts just made to Highways and Facilities.

Pg. 48 .417 Educ of PHS-3-5 Tuition & Other Exp – Chairman Callery questioned whether this could be reduced by \$100,000.00 Mr. Stead stated that this is budgeted based on the number children registered in the program. With a new Public Health Director coming on board in January, he would hate to see the budget reduced.

Pg. 50 .458 Sheriff Dept-Fuel & Gas – Supervisor DiGiacomo recommended that this be reduced to \$85,000.00.

Pg. 51 .408 Civil Off–Telephones – Supervisor DiGiacomo recommended that this be reduced to \$1,300.00. Mr. Stead stated that he felt this was cutting this line item pretty tight. It was the general consensus of the Board to reduce this line item to \$1,300.00.

Ms. Kuntzsch advised that the Probation Department reflects an upgrade of a Probation Officer to a Senior Probation Officer in 2014. This equates to an additional \$2,900.00 in the payroll line item.

Pg. 55 .408 Jail-Telephones – Supervisor DiGiacomo recommended that this be reduced to \$11,000.

Pg. 55 .403 Jail-Repairs/Tuneups – Chairman Callery recommended that this be reduced to \$4,000.00. A vote was taken on this recommendation. Supervisor Callery made a motion to reduce the .403 line item to \$4,000.00 seconded by Supervisor Johnson. After the vote of 8 for and 8 opposed, this recommendation was approved by weighted vote.

Pg. 56 .465 Jail-Rescue/Riot – Supervisor DiGiacomo recommended that this be reduced to \$5,000.00.

Pg. 59 .454 Civil Def–Generator-Gas/Oil, Etc.- Supervisor DiGiacomo recommended that this be reduced to \$500.00.

Pg. 67 .403 Airport-Repairs - Supervisor Potter asked why this was increased. Mr. Stead stated he believed there is a project that is being budgeted for.

Pg. 68 .402 DSS-Travel – Supervisor Potter recommended that this be reduced to \$38,000.00.

Pg. 72 .422 Prom Ind-FC Ec Dev – Supervisor DiGiacomo stated that he was not in favor of an increase to the CRG in 2014. Mr. Stead stated this is the county's economic development program. Supervisor DiGiacomo made a motion to reduce to \$75,000.00.

Supervisor Potter stated there should be no funding until the audited financial statements are received and CRG follows through. He stated it should only get \$75,000.00 until some performance results. Supervisor DiGiacomo suggested looking at the contract to see if there are any performance incentives included.

Supervisor Fagan stated that Fulton County needs to move forward with economic development. Chairman Waldron agreed that economic growth needs to occur within Fulton County.

Supervisor Howard stated he doesn't disagree, but he wants to make sure there is accountability this time. Supervisor Born asked if they have been accountable on a monthly basis. Mr. Stead stated that they have attended all but one Economic Development & Environment Committee. Their vouchers are also submitted on a monthly basis and audited by him.

Supervisor Potter stated that he is in favor of allotting \$75,000.00 for 2014 and revisit increasing the contribution in the Fall of 2015. Supervisor DiGiacomo stated that he agreed with Supervisor Potter. He also stated that if the CRG does not produce results, the County should look somewhere else for promoting economic development. Supervisor Kemper stated that she agreed with Supervisors DiGiacomo and Potter. She further stated that Fulton County really needs economic development.

Mr. Stead stated that 2013 was a transition year and hopefully after CRG divests themselves of some of their properties, things will improve.

Supervisor Argotsinger asked Supervisor Fagan if there is a specific reason CRG is asking for an increase of \$25,000.00. Mr. Stead stated he believes it is to assist Mr. Reese to get out to more businesses to promote Fulton County. Mr. Stead did state that, in his opinion, the \$75,000.00 is sufficient for 2014 because the Tryon Project is behind schedule. The IDA will not be able to get much work started at the Tryon campus until Spring 2014.

Supervisor DiGiacomo made a motion to reduce the allocation for the CRG from \$100,000.00 to \$75,000.00 for 2014, seconded by Supervisor Lauria and carried. (Supervisors Fagan, Ottalagano and Waldron were opposed, Supervisor Callery abstained)

Pg. 80 Cornell Cooperative Extension. Supervisor DiGiacomo stated that he does not see a big benefit in having a contract with CCE and doesn't think the County should fund them. He stated funding should be totally eliminated. Supervisor DiGiacomo made a motion to cut the \$40,000.00 budgeted for Cornell Cooperative Extension in 2014, seconded by Supervisor Born.

Supervisor Potter stated he has had the opportunity to work with the master gardeners and would hate to see this service ends, but he believes the funding should be cut. Supervisor Johnson asked what is being lost in services if the funding is cut. He asked what CCE is helping people with.

Supervisor Ottalagano stated other agencies were cut a few years ago and they have not been reestablished in the budget. He stated that he is not in favor of funding CCE as they are providing no service to Fulton County.

Supervisor MacVean stated that the 4H Club does a lot of good. It teaches kids to be productive rather than hanging around on street corners.

Supervisor Kemper stated that government cannot continue to provide all of the services that it used to and she is not in favor of allocating funding in the budget.

Supervisor Argotsinger stated that the contract proposes a reduction over three years and this proposal is \$40,000.00 in 2014, \$20,000.00 in 2015 and \$0 for 2016.

Supervisor Fagan stated he will advocate for some type of funding over the next few years for CCE. Without funding from a county sponsor, CCE cannot apply for grants. He stated they provide a valuable service to the agricultural population.

Supervisor Kinowski stated he is in favor of cutting them off at this point, which is what was decided by the Board three years ago.

Supervisor Lauria stated the 4H Program a good program that helps kids. Supervisor DiGiacomo stated that 4H is good but so is the Boy Scouts and Girl Scouts and scouts are probably bigger in Fulton County than 4H. Supervisor Ottalagano stated that other people are stepping up and providing things without 4H.

Supervisor DiGiacomo made a motion to cut the \$40,000.00 budgeted for Cornell Cooperative Extension in 2014, seconded by Supervisor Born (7-9). (Supervisors Argotsinger, Capek, Fagan, Handy, Howard, Johnson, Lauria, MacVean were opposed) **Motion defeated.**

Supervisor Lauria made a motion to enter into Executive Session at 12:35 p.m. to discuss employment history, seconded by Supervisor Kemper and unanimously carried.

Supervisor Ottalagano made a motion to re-enter into Regular Session at 12:40 p.m. seconded by Supervisor Kemper and unanimously carried.

Pg. 89 .454 Rd Machinery-Tires, Oil, Etc. – Supervisor DiGiacomo recommended that this line item be reduced to \$110,000.00

*(Supervisor Capek left the meeting at 12:45 p.m.)*

**Capital Plan:**

Countywide Energy Project – Supervisor Howard made a motion to remove this project from the 2014 Capital Plan, seconded by Supervisor Johnson. Supervisor DiGiacomo asked what are the chances this would be implemented in 2014, if SmartWatt does not get their report back to the County until early 2014. Mr. Stead stated that there will be no money required in 2014.

Mr. Stead stated that the Board still has to decide what work it wants complete once the report is finished by SmartWatt. Chairman Waldron stated that the energy project does not place any burden on the tax levy. He asked why the Board would want to take it out with no financial implications.

Supervisor Howard stated he has a problem with it because it is a conceptual endorsement for a project that cannot be defined yet. Without this information, he cannot vote for it.

Supervisor Howard made a motion to move this project to the 2015 Capital Plan, seconded by Supervisor Johnstown and carried (Supervisor Waldron opposed)

Mr. Stead stated that this is a very responsible capital plan.

Mr. Stead asked if there is a potential to increase the sales tax revenue budgeted by a few thousand dollars.

County Treasurer Terry Blodgett stated he is comfortable with the \$17.7 million budgeted for sales tax and he is not sure it is a good idea to increase it anymore.

Supervisor Callery stated it would take another \$950,000.00 of fund balance to reduce the average 2014 tax rate to \$10.99 per thousand. Ms. Kuntzsch reminded everyone that next year the temporary reallocation of Tobacco Settlement money expires with this budget.

Ms. Kuntzsch advised that with today's reductions, the Board is looking at a tax levy of \$28,283,507.00, which is a rate of \$11.37 per thousand. This is .36 less than last year. It is also a 3.1 percent decrease of the average rate.

Supervisor Howard made a motion to apply \$950,000.00 from fund balance to reduce the tax rate to \$10.99 per thousand, seconded by Supervisor Handy.

Supervisor Howard stated Fulton County is stable right now and it is time to give a little something back to the property owners.

Supervisor Fagan stated that he is in favor of applying this additional money from fund balance. Supervisor Born stated she is also in favor of this motion. She stated that it will be a boost to the citizens of our county.

Supervisor Lauria stated by lowering the tax rate it also helps with economic development.

Supervisor Potter stated that when the County lowers the taxes, this increases your sales of homes, increases mortgage tax and this in turn increases revenue. He also stated that sales tax will be increased.

Supervisor Howard stated everyone in here works toward this goal. Department heads have done a great job to keep budgets low.

The Board advised Ms. Kuntzsch to adjust the fund balance being applied either up or down to meet the \$10.99 per thousand.

**Supervisor Howard made a motion to apply \$950,000.00 from fund balance to reduce the tax rate to \$10.99 per thousand, seconded by Supervisor Handy and unanimously carried.**

Supervisor DiGiacomo made a motion to approve all reductions as identified (not including CRG or Cornell) above for the 2014 Tentative Budget, seconded by Supervisor Ottalagano and unanimously carried.

Chairman Waldron advised that the next Board meeting will be held on Monday, November 25, 2013 at 1:30 p.m. County historian interviews will be held at 11 a.m. The Finance Committee will meet at 10 a.m. in Meeting Room 1.

Upon a motion by Supervisor Callery, seconded by Supervisor Ottalagano and unanimously carried, the Board recessed at 1:15 p.m. until Monday, November 25, 2013 at 1:00 p.m.

*Certified by:*

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

