

A Special Meeting of the Fayette County Board of Commissioners was held on Tuesday, June 3, 2008 at 9:30 a.m. in the Public Service Building, Uniontown PA.

Present: Commissioner Vince Zapotosky, Chairman  
Commissioner Vincent Vicites, Vice Chairman  
Commissioner Angela Zimmerlink, Secretary  
Warren Hughes, County Manager  
Joseph Ferens, County Solicitor

- Meeting called to order
- Silent Prayer
- Pledge of Allegiance

**Commissioner Zapotosky** stated the purpose of this meeting is disclose to the public what had transpired in regards to a matter that had an impact on the 2006 Surplus and involved the 2008 Budget. A loan was issued to Children & Youth Services on November 28 2007. Zapotosky said the County Commissioners prepared a Budget which was proposed November 29, 2007, at this time \$500.000 was listed on the revenue side as temporary loan to CYS and it was documented and signed by 2 of 3 Commissioners who were on the Board at that time. After the budget was proposed on November 29, 2008 the Commissioners reviewed it and made additional changes to pass in December. Up to the adoption of the 2008 Budget one of the changes was the CYS Revenue from \$500.000 to \$750.000, they made the request for the Loan on Dec. 14, 2007. Controller Mark Roberts provided a report on the financial condition of the County, Dec. 31, 2007 which included the loan and it was owed to the General Fund, at that time there was a Surplus of \$1.7 million. The information the Controller provided did issue a comment in regards to \$750,000 on Dec 21, 2007.

**Sam Lynch** of Susquehanna Group stated to the Commissioners that they should not use the surplus in its entirety, based on the fact of a \$750,000 shortfall in the revenue side of the 2008 budget. Commissioner Zapotosky said Mr. Lynch sent him an e-mail which described the matter in detail on the morning of May 22, 2008, at that time Commissioner Zapotosky briefed Commissioner Vicites and Commissioner Zimmerlink to Table any action for use of the Surplus until the matter can be corrected.

**Commissioner Vicites** commented he agreed with Zapotosky.

**Commissioner Zimmerlink** stated the documents were reviewed by the County Controller, Sean Lally and County Manger, Warren Hughes and are available for review by the Commissioners. Commissioner Zimmerlink said Mr. Lynch explained before that these should be treated as book transfers and noted as a receipt and not as a revenue but it was placed in the budget as a revenue. She commented that the General Fund, at times, must loan departments funds because of the payment schedule of the State. She stated that the County Manager was aware that these are book transfers to be done on a ledger noting revenue vs. receipts but the budget did not reflect it. She indicated that the funds are forthcoming from CYS as a receipt.

**Dave Madison**, Director of Children & Youth Services, explained that because of the way the office receives funding he must provide and pay for services prior to receiving the federal and state share of the funds from the Department of Public Welfare. It is a serious cash flow issue statewide.

- Public Comment

Delinda Young commented this is a Surplus of \$500,000 which comes from taxpayers. She suggested eliminating the Per Capita Tax. Commissioner Zimmerlink stated it generates approximately \$200,000 a year and becomes revenue to the General Fund. Controller Sean Lally Fayette County Controller questioned Mrs. Young on how could we recapture that amount? Mrs. Young responded that the Budget is missing taxpayer's money from tax exemption programs which could be put back on the books.

**Moved** by Commissioner Zapotosky and seconded by Commissioner Vicites to adjourn the meeting.

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| Commissioner Zapotosky  | aye |
| Commissioner Vicites    | aye |
| Commissioner Zimmerlink | aye |

Motion passed unanimously