

District hopes to fill gap

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JOHNSTOWN — Hudson River-Black River Regulating District officials are in the process of looking for money to fill in the gaps of the Hudson River area budget's \$4 million shortfall.

However, it remains unclear how they will get that money and where the money might be coming from.

Office of State Comptroller Thomas DiNapoli's General Counsel Luke Bierman sent the Fulton County Board of Supervisors a letter Nov. 24 in response to the supervisors concerns that the regulating district would not be able to pay area school taxes, which are currently due, amounting to \$936,000.

In response to the board's concerns, Bierman mailed assurance they were assisting the district in the preparation of legislation that would allow inter-fund transfers. Citing Environmental Conservation Law, the comptroller's office told the district in October it could not authorize a recent proposal that requested a "loan" to the Hudson River account from Black River funds.

"I am informed that representatives from the district are now working with the governor's office to finalize, and ultimately introduce, this legislation," Bierman wrote.

Regulating district Executive Director Glenn LaFave refuted this statement. Instead, he said the comptroller's office is "working on it," and said questions concerning the issue should be directed there.

"I know they are working on it, that's about all I know about it. I don't have any other information ... I don't know the status of it," LaFave said.

OSC Spokesman William Reynolds said consulting with county and district officials, and the governor's office, the comptroller's office made suggestions on what could be done to resolve the issues.

"We have not drafted any legislation. Our role in this matter has been to provide assistance whenever and wherever possible," Reynolds said.

Media representatives from the governor's office did not return repeated phone calls seeking comment.

In a related matter, LaFave said the district board awarded a beneficiary study to be conducted by American Economics Group in the amount of \$122,000.

"We just have to work out a contract that reflects board action and scope of service. We just have to have both sides ironed out," he said.

LaFave said he "thinks" the contract has been sent to the state comptroller. Reynolds said the office hasn't received it yet.

The district hopes the beneficiary study will be complete by June 2010, and LaFave said he is "cautiously optimistic" this self-imposed deadline will be met, as the district expects to run out of revenue then.

The district has also retained bond counsel, Lemery Greisler LLC of Saratoga Springs. The comptroller's office urged the district to retain counsel to explore funding sources available, including a revenue anticipation note, a tax anticipation note, or a budget note.

The district discussed pursuing a tax anticipation note, which would allow them to bring in monies now in anticipation of assessment in the future.

The district's December 9 agenda seeks board authorization to solicit a fiscal advisor in connection to the tax anticipation note.

"We're trying to move forward on all these tracks at once," LaFave said