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Authorities Budget Office Issues Report on the Water Authorities in Saratoga County

The New York State Authorities Budget Office (ABO) today issued a report on the three public water authorities operating in Saratoga County. The report evaluated whether the three authorities should remain separate, or whether they could be consolidated into a single authority. The ABO also reviewed the management practices at the three authorities. The three authorities are the Wilton Water and Sewer Authority, the Clifton Park Water Authority, and the Saratoga County Water Authority.

The report found that it is not only possible, but practical to combine and consolidate the operations of the three individual authorities. The ABO determined that combining and consolidating the operations of the three authorities would provide an opportunity to improve the overall management and operations of the authorities, and still maintain the level of service that has been provided to customers. Potential benefits of consolidation would be improved efficiencies through a combined staff, coordinated purchasing of common items, such as water treatment chemicals, as well as reduced administrative costs now associated with operating three separate authorities.

The report did not find any significant issues with the management practices at the Wilton Water and Sewer Authority, but did recommend improvements at the Saratoga County Water Authority and the Clifton Park Water Authority. The ABO found that the board of the Saratoga County Water Authority has not ensured that an adequate financial or operational control structure is in place, due primarily to a reluctance to hire full time financial or executive managers. Instead, the board currently relies on a part time consultant to provide this oversight. As a result, numerous errors and inaccuracies in the Authority's billing practices were identified. For example, the Town of Ballston was overbilled by more than \$10,000 for water in 2011, an error that was not realized until the ABO's review.

The ABO did not find any serious control deficiencies at the Clifton Park Water Authority, but did recommend that improvements be made to reduce unnecessary operating costs. For example, the report found more than \$9,500 was spent over a three-year period for items such as food and drink supplies, flowers and gifts, and coffee for employees and board members. The ABO also found that the board Chairman was receiving a \$3,000 annual stipend, although the board has no authority in statute to approve such compensation. The Authority also pays its general counsel as an employee, with health insurance and retirement system benefits, although the general counsel's relationship with the authority has evolved into that of a contractor.

A copy of the report may be obtained at: www.abo.ny.gov.