

**FINANCE AND RULES COMMITTEE**  
**October 17, 2023**

Present: Tom Osborne, Chair; Phil Hathway, Vice-Chair; Josh Leviker; Jeff Nellenback and Jessica Moser.

Others present: Legislators Larry Dolhof, Lisa Virkler, Richard Chartrand, Andrea Moroughan and Ian Gilbert; County Manager Ryan Piche; Treasurer, Eric Virkler; Human Resources Director, Caitlyn Smith and County Attorney Joan McNichol.

Committee Chair, Legislator Osborne called the meeting to order at 2:25 p.m.

Legislator Osborne moved to accept the September 19<sup>th</sup> meeting minutes, seconded by Legislator Hathway, and carried.

**2024 Tentative Budget – Ryan Piche, County Manager**

Ryan Piche began with the 2024 Budget Process which began back in August with Departments beginning to input their budget requests, then August and September where when the County Manager and Treasurer met with Department Managers, September 19<sup>th</sup> the Committee discussed preliminary budget issues and the Capital Improvement Plan for 2024, today is the Budget Workshop, on November 7<sup>th</sup> the Tentative Budget will be given to the Board, and on November 21<sup>st</sup> there will be a public hearing on the budget and then it can be adopted anytime after that. The preview of the 2024 Tentative Budget is for consensus-building before official Tentative Budget is handed out, it is an opportunity for questions and input from legislators, additional “workshops” can be scheduled if needed, and focus on “broad strokes” rather than department-by-department rundown.

The 2024 Budget Philosophy is to allow property tax and sales tax to fund county operations; rely on Fund Balance for unforeseen expenditures and “one-time” projects; don’t “pre-charge” taxpayers for unknown expenditures; be slightly short, and dip into fund balance, then run a large surplus. In the long run the best way to contain taxes is to expand the tax base. The Fiscal Targets established earlier this year which are maintaining a general fund balance between 10% and 30% of annual operation; maintaining a health system fund balance of at least 16% of annual operations; retain A+ credit rating; invest at least 3% of annual operating budget into capital equipment and projects; and maintaining a debt ratio of no greater than 50% of the constitutional limit.

The current Fund Balance as of September 30, 2023 shows \$27,300,000 in the General Fund (which is an end of year estimate); \$1,040,580 in County Road; \$(3,704) in Highway Machinery; \$282,687 in Solid Waste; \$18,000,000 in Lewis County Health System Fund Balance; \$2,830,401 in Workers’ Compensation Insurance Fund; \$944,900 in Health Insurance Fund; and \$7,412,055 in Capital Fund (includes remaining bond funds to be spent). The General Fund Balance has

increased significantly since 2018 when it was only a little over \$8 million all the way up to \$27 million.

The Budget Summary shows the difference from 2024 over 2023 with Total Appropriations up 5.1%; Total Revenue up 9.9%; Balance raised by taxes is down 4%; Applied Fund Balance is down 17.6%; Property Tax Levy is down 2.7%; Taxable Value is up 15.2%, which bring the county tax rate down by 15.6%. The Full Taxable Value has grown 15% from 2023 to 2024 and 30% from 2015 to 2024. This is supported by the increase in building permits from 2018 to 2023, with a total of \$233,356,434 in permitted development.

The Property Tax Levy has decreased by 3% over 2023. The Tax Rate per \$1,000.00 of assessed value has decreased by roughly 16% over 2023. This is the lowest tax rate that Lewis County has seen in 27 years! The median household which has an assessed value of \$122,800.00 will see a \$144.00 savings. The Equalization percentage was shown for each Town, with Croghan having the lowest at 47.5% and the Towns of Diana and Lowville at 100% due to revaluations.

Sales Tax continues to increase so the 2024 budget will plan for \$17,750,000.00. Sales Tax is now nearly equal to the Property Tax Levy which is new for Lewis County but normal in other counties. It continues to be driven by online purchases and tourism spending. This is a good when sales tax offsets the levy growth. Online sales now make up 10% of total sales tax collected; building materials and supplies up to 9.8% from 2022; direct selling establishments up 7.9% from 2022; and restaurants and other eating places up 5.1% from 2022. New York State Regional Tourism Report 2023 shows that Tourism accounted for \$60M of direct spending in 2024; Tourism accounted for \$19.7M in direct wages; Tourism spending has increased 131% since 2019; and Lewis County is still last in the region in tourism revenue.

State Mandates equate to 75.60% of the 2024 Tax Levy which is \$13,838,197.00 for the following programs: Indigent Legal; Probation; Pre-K; Early Intervention; Medicaid; Pension; Foster Case; Safety Net; Youth Detention; and IGT. The Retiree Health Insurance Savings will reduce the County expenditure by \$700,000.00; Pension Expenditure is expected to increase by 14% across all retirement tiers in 2024, due to stock market conditions; Health Insurance rates will likely increase by 5% effective June 1, 2024; and the Debt Payments for 2008 Courthouse and 2022 Capital Projects will be \$1,830,000.00.

The Contingency was kept the same at \$300,000.00 for both regular contingency and Special Legislative contingency; the revenue for interest has been increased to \$400,000.00; the \$100,000.00 estimated revenue from Tax Foreclosure Auction has been removed due to changes to In Rem Tax Foreclosures; and Fire Prevention and Emergency Management have been consolidated into one department.

The total budget for Indigent Defense increased 17% due to the rate increase for State 18B Panel attorneys; The OFA Meals program was increased \$98,000.00 due to increased senior citizen participation; Evening Meals Program will continue in 2024, special pandemic funding has phased out in 2023 but it is a very popular program; Buildings & Grounds budget increased \$77,000.00 due to a few new buildings that may have minor issues; Board of Elections rent has been reduced from \$63,000.00 to zero.

Legislator Compensation was increased from \$10,500.00 to \$13,000.00 and the Chairperson's salary was raised from \$12,000.00 to \$15,000.00. Legislator Hathway stated that he had done some research and compared the positions to Town Supervisors, which has similar time and commitment requirements and falls more in line with the increased compensation levels. The Jail MAT program increased the budget by \$400,000.00 and the Inmate Board line was reduced from \$385,000.00 to \$75,000.00 now that the HVAC project has been completed. Trail Security was removed from the budget as it wasn't utilized much in 2023, so that is saving \$200,000.00; Forest Product Sales increased from \$95,000.00 to \$170,000.00 due to strong sales in 2021-2023; OHV Permit Revenue is holding steady at \$200,000.00.

A handout highlighting all the personnel requests was given to each legislator. There were \$743,543.00 worth of new personnel requests, but the budget is only funding \$393,429.00. Codes will create a FT Inspection Officer who will handle all junkyard and property maintenance issues; County Manager will have a FT Community Engagement Specialist to increase public engagement and communication; Planning & Community Development will create a FT Grant Coordinator to manage the expanding portfolio of grants in that Department; Real Property will create a FT Assessor to assess for the five towns having their assessors retire and create a FT Data Collector to assist all Town Assessors with inputting correct data; Sheriff will create one FT Chief Deputy which will move all Sergeants to the road for three-car coverage and Create one FT Investigator who will be assigned FT to the Drug Task Force.

In 2024 Medicaid Programs will total \$7.6M which is 41% of the Property Tax Levy and 12% of the entire County Budget. Counties have no control over Medicaid eligibility or services. The weekly share will go from \$82,868 up to \$97,899. The eFMAP revenue has been diverted by NYS and the state will not return revenue owed to counties from 2015-2023. The IGT was budgeted at \$1M for the hospital and \$1.4M for the Nursing Home. Weights & Measures will continue to be contracted through Jefferson County at an amount not to exceed \$73,900; Veteran Services will also be contracted through Jefferson County at an amount not to exceed \$43,000; and Coroner was budgeted for 30 autopsies with transportation and will now use doctors in Syracuse, Binghamton, Onondaga, and Albany due to the retirement of Dr. Livingstone.

The “Risk Pool” will be for possible first year maintenance costs; Health Insurance Premium increases; Additional IGT transfers; additional costs with MAT program; increased Coroner expenditures; 730 Mental Competency Evaluations and Rehabilitation; Medicaid increases; and Sales Tax shortages.

Solid Waste rates will be increased to keep pace with DANC’s increases, also restructuring fee schedule to make it easier on customers. The increase will only be 10%, and the Solid Waste Fund Balance will be watched closely in 2024 due to the current balance only at \$284,000. Outside Agency funding has some minor changes, Double Play will be raised to \$60,000; Lewis County Historical Society was increased to \$40,000; funding for Mountain View Prevention Services was removed; Lewis County Development Corporation, Lewis County IDA, and Lewis County Chamber of Commerce funding was combined into one account line for Naturally Lewis, Inc.

There will only be three Capital Accounts in 2024 compared to the 15 accounts in 2018. It will be a Capital Project; Capital Equipment; and Capital Property Cleanup. To help facilitate continuing the momentum in 2024 the budget includes funding for Glenfield Complete Streets at \$600,000; Naturally Lewis at \$315,000; Façade Program, Round 3 at \$250,000; Planning Projects at \$215,000; Vacant Property Revitalization Program, Round 2 at \$500,000; Lyons Falls School at \$200,000; and Blight Remediation at \$104,000. All of the 2023 Fiscal Targets have been met with this budget.

The Health Insurance Fund need to be at \$1,000,000 but should climb up to \$2,000,000. Double Play is receiving increased funding due to Public Health targets not being met and due to their expanding facilities, which are congruent with the Public Health mission. Legislator Leviker pointed out that the areas of the most growth are the areas for recreation in Lewis County, mostly near the Tug Hill. Legislator Virkler stated that the County has a healthy fund balance for future endeavors.

The following dockets were reviewed:

1. Adopting Local Law No. 1-2023 “A Local Law to Authorize Overriding the Tax Levy Limit Established by General Municipal Law §3-C (A/K/A “2% Tax Cap”) for the Lewis County 2024 Budget.” *Legislator Hathway was opposed.*  
AYE   4              NAY   1
2. Adopting Local Law No. 2-2023 “A Local Law of the County of Lewis Providing Partial Real Property Tax Exemptions for Volunteer Firefighters and Ambulance Workers Pursuant to Section 466-A of the Real Property Tax Law.”  
AYE   5              NAY   0

At 3:21 p.m. Legislator Leviker moved to enter executive session for personnel compensation. Seconded by Legislator Nellenback and carried.

At 4:03 p.m. Legislator Nellenback moved to enter regular session, seconded by Legislator Leviker, and carried.

There being no other business to come before the committee Legislator Leviker moved to adjourn the meeting at 4:04 p.m., seconded by Legislator Moser, and carried.

Respectfully submitted,  
Cassandra Moser, Clerk of the Board