

FINANCE & RULES COMMITTEE
June 18, 2024

Present: Tom Osborne, Chair; Jeffrey Nellenback, Vice-Chair; Herb Frost; Vincent Nortz; and Barry Lyndaker.

Legislator Osborne called the meeting to order at 2:49 p.m.

Legislator Osborne moved to approve the May 21, 2024 committee meeting minutes as recorded, seconded by Legislator Frost, and carried.

Lewis County Audit – Thomas Smith, EFPR Representative

County Treasurer Eric Virkler introduced Thomas Smith from EFPR Group, LLP who has been working with Lewis County for 12 years. Mr. Smith handed out the Lewis County Board Summary as of December 31, 2023, for review. The Financial Statements and Auditors Report were reviewed with the County's management. Unmodified opinions have been issued on the County's financial statements. No material weakness or significant deficiencies were noted in the County's internal controls over financial reporting or federal awards. One instance of noncompliance was noted and is described in the schedule of findings and questioned costs as item 2023-001 but wasn't anything major. Management provided everything that was asked for in a timely manner. Total governmental fund balances decreased \$11.5 million to a total of \$32.2 million as of December 31, 2023. At the general fund level there was a decrease in fund balance of \$3.4 million to a total of \$21.3 million as of December 31, 2023.

The following summarizes the changes in the general funds fund balances from December 31, 2022 to December 31, 2023: Nonspendable amount increased from \$1,829,904 to \$2,296,889, an increase of \$466,985; Restricted DWI amount increased from \$53,596 to \$77,537, an increase of \$23,941; Restricted E911 amount decreased from \$191,471 to \$161,399, a decrease of \$30,072; Restricted Trail Maintenance amount increased from \$157,302 to \$206,365, an increase of \$49,063; Restricted Bus Operations amount decreased from \$347,829 to \$297,159, a decrease of \$50,670; Assigned amount increased from \$2,124,441 to \$2,894,313, an increase of \$769,872; and Unassigned amount decreased from \$20,052,960 to \$15,409,557, a decrease of \$4,643,403. The total Fund Balance decreased from \$24,757,503 to \$21,343,219, a decrease of \$3,414,284. Treasurer Eric Virkler pointed out that the balances were at the end of 2023, before IGT payment were made. He also explained that some of the decrease was due to setting money aside for building project, PSB parking lot, and Rail Trail project.

Senior Citizen Tax Exemption – Candy Akin, Director of Real Property Tax

Candy Akin explained the current Senior Exemption on the 2023 Final Tax Roll with 219 parcels currently receiving the exemption. The total value of these exemptions

is \$7,530,810, with a cost to taxpayers of \$55,500.00. The current income limit for the 50% exemption is less than \$17,000, which includes 123 parcels; the 45% exemption is \$17,000 to \$18,000, which includes 21 parcels; the 40% exemption is \$18,000 to \$19,000, which includes 13 parcels; the 35% exemption is \$19,000 to \$20,000, which includes 15 parcels; the 30% exemption is \$20,000 to \$20,900, which includes 18 parcels; the 25% exemption is \$20,900 to \$21,799, which includes 18 parcels; and the 20% exemption is \$21,800 to \$22,700, which includes 11 parcels.

The recent census data shows that there are 5,261 residents that are 65 and older; with 31% of them having an annual income below \$30,000; 8.4% living below the poverty level; and 1,259 parcels that are owner occupied. Out of the 1,259 owner occupied parcels, 423 of them already received the exemption. If the income limits were raised up to \$30,000 there would be another 553 parcels that would qualify. There was discussion on increasing the limits. A few reasons were because Social Security has issued 20.7% in COLA increases since 2019; the COLA increases have put some property owners over the income limits; property taxes increase each year; the actual cost of living has increased greater than the COLA increases; and seniors are struggling to pay their taxes.

Real Property Tax Law 467 is the law that allows taxing jurisdictions to set the maximum income for the 50% exemption between \$3,000 and \$50,000. Lewis County last updated their Local Law in 2019 setting the 50% exemption income limit at \$17,000. In 2019 there were 232 seniors benefiting from the exemption. Several municipalities have passed local laws increasing their limits above the county's current limit. The proposal is to increase the 50% exemption maximum income to at least \$21,000. The estimated impact of this increase would be 365 parcels with a total exemption value of \$9,853,031, and a cost to taxpayers of \$62,800, which is only an increase of \$7,300 above the current cost.

Candy went on to share with the committee the impact of increasing the 50% exemption maximum income to \$23,000. The estimated impact would be 523 parcels with a total exemption value of \$10,618,442, and a cost to taxpayers of \$67,600, which is only \$12,100 above the current cost. The impact of increasing the 50% exemption maximum income to \$25,000 would be a little over 600 parcels with a total exemption value of roughly \$12 million to \$15 million, and a cost to taxpayers of \$76,400 up to \$95,500.

Candy concluded that the County has until December 31, 2024 to pass a Local Law and it will take effect on January 1, 2026. She clarified that the exemption is only available on the individual's main residence. There are several Towns that have a maximum income limit of \$17,500 up to \$23,300. There was further discussion with many committee members agreeing that a \$25,000 limit seemed possible. Legislator Osborne requested that Candy put information on paper with the various options of maximum income limits. Ryan Piche stated that this topic will be brought back up at the September Committee meeting for possible action.

The following dockets were reviewed:

1. Accepting NY Swims Lifeguard Program reimbursement-based award funds in the amount of \$20,000.00 and authorizes Lewis County Planning Director to prepare and submit the application and oversee administering the reimbursable grant funds to the local eligible entities.

AYE 5 NAY 0

2. Authorizing Planning and Community Development Department to submit the online application to the NYS Office of Community Renewal for up to \$500,000 in 2024 NY Main Street funding for a Downtown Stabilization project located at 6832 McAlpine Street in the Village of Lyons Falls.

AYE 5 NAY 0

3. Authorizing Lewis County Planning and Community Development Department to submit the online Consolidated Funding application through the Smart Growth Community Planning and Zoning Grant Funds Program for up to \$500,000 in funding to update the 2009 Lewis County Comprehensive Plan.

AYE 5 NAY 0

4. Rescinding Resolution No. 119-2024 and resubmitting corrected Standard Work Day and Reporting Resolution for District Attorney Jeffery Tompkins; Legislator Barry Lyndaker, Legislator Jessica Moser, Legislator Herb Frost, and Legislator Thomas Kalamas.

AYE 5 NAY 0

At 3:14 p.m. Legislator Osborne moved to enter executive session for personnel issue, seconded by Legislator Nortz, and carried.

At 4:02 p.m. Legislator Nellenback moved to enter regular session, seconded by Legislator Nortz, and carried.

There being no other business to come before the committee Legislator Osborne moved to adjourn the meeting at 4:03 p.m., seconded by Legislator Frost, and carried.

Respectfully submitted,
Cassandra Moser, Clerk of the Board