

FINANCE & RULES COMMITTEE
October 15, 2024

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

Legislator Osborne called the meeting to order at 1:42 p.m.

Legislator Osborne moved to approve the September 17, 2024 committee meeting minutes as recorded, seconded by Legislator Frost, and carried.

The following dockets were reviewed:

1. Setting the Public Hearing for the 2024 Tentative Lewis County Budget to be held on Tuesday, November 26th, 2024, to begin at 5:00 p.m.

AYE 5 NAY 0

2. Authorizing agreement with NYS HCR to administer the Lyons Falls NY Forward Downtown grant fund program in the amount of \$150,000.00 to provide funding for building renovation projects, public art, commercial machinery, and business equipment in the Village of Lyons Falls with an understanding that the eligible recipients will be obligated to meet the 25% total project cost match; along with determining that the program constitutes a Type II action as defined under the SEQRA of the State of New York and approving the Director of Planning & Community Development to post and award an RFP to the lowest professional consultant/firm to complete the required environmental reviews for an amount not to exceed the grant reimbursable amount of \$10,000.00.

AYE 5 NAY 0

3. Authorizing agreement with Bronze Contracting to undertake hazardous materials abatement services, both the immediate abatement services required for 2nd floor stabilization area, and the full abatement services for the remainder of the buildings to be completed this winter on 6832 McAlpine Street, Lyons Falls NY under the Round 8 Restore NY Grant award.

AYE 5 NAY 0

4. Authorizing "I LOVE NY" campaign matching funds in the amount of \$50,000.00 and designate Naturally Lewis, Inc. as the County's Agent to supervise promotion and marketing of the campaign.

AYE 5 NAY 0

2025 Tentative Budget Workshop – County Manager Tim Hunt

Tim began with a Budget Overview and going over what the Budget Process looks like from beginning to end. His goals are to continue to grow revenue at a higher

percentage then expenses. Sales tax remaining flat, 600,000 additional in IGT Funding and Labor costs are all budget drivers this year. Tim went over the Fiscal Targets that were adopted in 2023 of Maintaining a General Fun Balance between 10% and 30% as well as a Health System Fun Balance of at least 16% of annual operations. We also need to retain a A+ credit rating and invest at least 3% of annual operations into capital equipment and projects while maintaining a debt ratio of no greater than 50% of the constitutional limit. Our total debt right now is \$22,827,000.00 which puts us well within our constitutional limit. As of September 30, 2024, our Fund Balance is as follows: General Fund \$20,030,892; County Road \$262,960; Highway Machinery \$-603,918; Solid Waste \$ 398,778; Lewis County General Hospital \$25,400,000; Workers Compensation Fund \$3,067,175; Health Insurance \$-574,808 and Capital \$4,868,564. Our Fund Balance as a percentage of Operating Expenses is 20.20% which is within our target of 10% to 30% although Tim would like to see us at a higher Fund Balance. Our revenue comes from various sources including Departmental non-tax revenue with \$24,882,355, sales tax with \$17,950.00 and property tax with 19,929.191. We are proposing to increase our sales tax budget to \$17,950,000 which would put it within \$2,000,000 of the property tax levy. This is new to Lewis County and would put it closer to the actual sales tax revenue.

Propery assessed value continues to grow. Our total budget for the property tax levy is \$19,929,191 which is a \$1,639,191 increase. The tax rate is \$6.31 per \$1,000 assessed value which is a decrease on our rate but an increase on our levy. Looking at the equalization rate, which is set by New York State and is adjusted based on the assessed property values of the individual towns, some towns are going to see a larger increase. Tim went on to explain some of the increases and decreases among the various towns in Lewis County. He then summarized the budget changes looking at total appropriations increasing 3.5% while revenue increased 0.7%. The balance being raised by taxes is 9.5% and the property tax levy increased 8.9%. The County Tax rate is decreasing .9%.

Personnel is one of the first items that is driving the tax levy up. After Tim's presentation last month regarding personnel realignment to keep our costs at \$0, it was requested of him to add a Sheriff's deputy which added \$102,944 to the Tentative Budget. Tim went on to more detail regarding Labor Costs, Health Insurance, Retiree Health, and Retirement and their impact on the Tentative Budget. Contingency will be remaining the same as 2024.

Highlights and Noteworthy items are Indigent Defense increasing \$36,000, OFA increasing their Nutrition Program \$80,000 and Buildings & Grounds have increased costs for two additional buildings. The DMV/BOE Buildings will share the cost of a security officer which should help with the amount on the Tax Levy as the BOE portion should be reimbursed through a NYS grant. The Sheriff's department Personnel Services increased 10.7% while the Vehicle Lease cost increased 12% as well. The Jail MAT program decreased from \$400,000 to \$300,000 for 2025. In the Treasurers Department, our interest revenue went from \$425,000 to \$950,000. We

are projected to earn over 2,000,000. DSS has budgeted \$3,000,000 for IGT for 2025, which is an increase of \$600,000. Medicaid is expected to continue at \$96,304 per week. In 2025, Medicaid Programs will total \$8.2 million which is 41% of Property Tax Levy and 12% of entire county budget.

Tim then went over some SWAG Numbers including our New Buildings, Health Insurance premiums, Intergovernmental transfer, Coroner Expenditures, Sales Tax and Juveniles in detention. All of these items are an unknown and we are making our best guess at where they will end up. Tim then moved to Outside Agencies and pointed out that none of these Non-Departmental Agencies received an increase. We are keeping everyone at exactly the same amounts as they received last year. Capital Transfers will use a little bit more of the Fund Balance. We will continue some Budget Funding by working on the Courthouse HVAC 1st Phase at \$250,000, the PSB Back up Generator at \$250,000 and Aerial Imagery Year 3 of 6 at \$52,000. We will also continue working on various bridges and road paving using BridgeNY Funds and CHIPS Funding.

Tim then summarized the 2025 Tentative Budget presentation by talking about the proposed decrease in the tax rate, the need to protect the Fund Balance and the Levy increasing 8.9%. He then asked the Legislators for their input and questions. Various Legislators asked for clarification on different items from the Budget including sales tax, PILOT revenue and equalization rate. Legislator Leviker would like us to educate more towns on the value in reassessing their property regularly to help keep equalization rate changes more spread out. Questions were also brought up regarding the Non-Departmental Outside Agencies and whether some of the Agencies could be trimmed off the list and reapply the money to agencies that could help increase our sales tax. The Legislators requested that the backup documentation be sent to them so they could take a look at it. Legislator Osborne thanked Tim for his presentation.

There being no other business to come before the committee Legislator Nortz moved to adjourn the meeting at 2:32 p.m., seconded by Legislator Forst, and carried.

Respectfully submitted,
Amanda Lawton, Deputy Clerk of the Board