



Tioga County Legislative Worksession Minutes **October 24, 2019 – 10:00 a.m.**

Legislators Present:

Legislator Balliet
Legislator Hollenbeck
Legislator Monell (*arrived @ 10:06 a.m.*)
Legislator Roberts
Chair/Legislator Sauerbrey
Legislator Standinger
Legislator Sullivan

Legislators Absent:

Legislator Mullen
Legislator Weston

Guests:

Matt Freeze, Reporter, Morning Times

Staff Present:

County Attorney Peter DeWind
Legislative Clerk Cathy Haskell
Chief Accountant/Budget Officer Rita Hollenbeck
Public Health Director Lisa McCafferty (*arrived @ 10:04 a.m.*)
Public Health Director of Administrative Services Denis McCann (*arrived @ 10:04 a.m.*)

Call Meeting to Order –

Chair Sauerbrey called the meeting to order at 10:02 a.m.

Budget Update -

Budget Officer Hollenbeck reported she received a PILOT amount change for Spencer-Tioga Solar on October 22, 2019, which affected the tax cap, therefore, required recalculations.

Chair Sauerbrey inquired about PILOTs. Ms. Hollenbeck reported PILOTs have a negative impact on the tax cap levy variance from year-to-year. Ms. Hollenbeck reported this coming year is higher than last year, therefore, will have a negative impact on the variance on the tax cap calculations. However, the PILOTs are a revenue source, therefore, increases the revenue line. Ms. Hollenbeck reported instead of being reported as a levy under the tax cap it is being reported as a



revenue for both the Solid Waste and Real Property, therefore, creating a neutral impact. Ms. Hollenbeck reported the 2% variance or allowable cap is less, but revenue increases so the bottom line of the budget has no impact.

Ms. Hollenbeck reviewed the following handouts:

- **Budget Summary:** Ms. Hollenbeck reported the fund balance amount increased due to the tax cap formula changes, as well as additional funds added to following departmental budgets:
 - **Treasurer's Office** – Additional \$20,000 to the Treasurer's budget for potential contracted services. However, this amount offsets with \$20,000 anticipated revenue, therefore, creating a zero impact but changing the figures.
 - **Personnel Office** – Additional \$40,000 to the Personnel budget for contracted services for a non-union salary study to review current salaries and salary ranges.
 - **Public Health** – Addition of the dental positions.
 - **County Clerk/DMV** – Addition of the DMV position.
 - **Jail** – Since jail negotiations are still not finalized, Ms. Hollenbeck reported she appropriated approximately \$84,000.

Ms. Hollenbeck reported the numbers reflected on this handout should be the final numbers unless a late minute addition arises. Ms. Hollenbeck further reported this includes the adjusted PILOT.

Legislator Roberts inquired about the non-union salary study and how this request was generated. Chair Sauerbrey reported Personnel Officer O'Rourke addressed this request in the Personnel Committee and the Committee was in favor of moving forward. Chair Sauerbrey reported the \$40,000 is an estimated figure.

Ms. Hollenbeck reported the above-referenced changes are the only new ones since the last time she presented the budget to the Legislature.

- **Year-to-Year Analysis:** Ms. Hollenbeck reported this document reflects four years of actual revenue and expenses and two years of budgeted funds. In comparing the 2019 and 2020 budgets, Ms. Hollenbeck reported the overall bottom line went from \$82 million to \$86 million for expenditures, which is an approximate 4.6% increase. However, in regards to revenue there was an overall 5.3% increase from \$78 million to \$83 million.

Chair Sauerbrey inquired about what transpired in 2018 regarding the \$80 million in expenses versus the \$82 million in revenue. Ms. Hollenbeck noted



higher than normal sales tax revenue increase. Ms. Hollenbeck reported a negative represents a contribution to fund balance and a positive reflects a withdrawal from fund balance.

• **Departmental Breakdown/Expense by Function of Government:**

Ms. Hollenbeck reported this is similar to the budget brief she presents at the annual tentative budget public hearing. Ms. Hollenbeck reported this document represents only expenditures from 2019 to 2020 and does not reflect offsetting revenue. However, Ms. Hollenbeck will follow-up with a report indicating local share only. Ms. Hollenbeck reported the local share is the number the Legislature will want to focus on.

In reviewing the document, Chair Sauerbrey inquired about the following budgeted line items:

- **Council on Alcoholism** – Question raised as to whether this line item is for the Coalition grant that goes through Mental Hygiene. Ms. Hollenbeck concurred this is correct.
- **Criminal Psychiatric** - Ms. Hollenbeck reported this line item was left at \$5,000 this past year and based on usage the Legislature opted to increase this line item to \$15,000.

- **Totals by Fund:** Ms. Hollenbeck reported General Government Support is the area that increased the most. Ms. Hollenbeck reported County Clerk/DMV, Law, and Personnel increased primarily due to positions and salary increases over and above the 2.5% across the board salary increases. In addition, the Board of Elections mandated services for early voting and electronic poll books.

Legislator Sullivan inquired as to the reason for the increase in the Law Department. Ms. Hollenbeck reported this was salary and fringe benefit for the transference of the paralegal position from Treasurer's Office to Law Department.

Ms. Hollenbeck reported the Handicapped Education is an escalating annual cost.

Ms. Hollenbeck reported Public Safety decreased, however, this is incomplete due to non-finalized negotiations in the Jail with salary and fringe benefits, therefore, will eventually increase.

Ms. Hollenbeck reported ED&P increased with the addition of Land Bank, however, with an offset of revenues, as well as a portion of one position.



- **2020 Equalization Rates and Taxable Values:** Ms. Hollenbeck reported a few changes, however, all of this information still needs validation through Real Property and the Treasurer’s Office Tax Roll Supervisor based on the final assessment rolls. Ms. Hollenbeck reported total value of the properties marginally increased and the equalization rates have changed slightly for the Town of Candor and Town of Nichols whereas the Town of Spencer decreased.
- **Property Tax Rates:** Ms. Hollenbeck reported these are tentative, as validation still needs to occur. Ms. Hollenbeck reported Town of Spencer and Town of Owego increased. Overall, Ms. Hollenbeck reported the tax increase was \$518,000 and outside of Solid Waste, it was \$529,000 for a 2.32% increase. Ms. Hollenbeck reported Solid Waste decreased due to PILOT revenue.

Ms. Hollenbeck reported she will be working on the budget brief for the November 12, 2019 tentative budget public hearing and there is one last worksession prior to this public hearing.

Ms. Sullivan suggested Chair Sauerbrey review Ms. Hollenbeck’s budget summary letter prior to publication.

Chair Sauerbrey reported the County disburses approximately \$6 million dollars in sales tax collected to the towns and villages, which is approximately 25% of the sales tax collected. Ms. Hollenbeck reported 1% of this is discretionary and a portion of this goes to the capital for bond payment. Ms. Hollenbeck reported the sales tax disbursement is done by local law. Ms. Hollenbeck reported this is disbursed to the towns and villages once per month.

Ms. Hollenbeck reported other revenues disbursed to the towns and villages include:

- Mortgage Tax - paid twice per year via a resolution.
- Traffic Diversion – paid quarterly.

AIM Funding and AIM Related Funding: Ms. Hollenbeck reported she sent an email addressing the difference in AIM Funding and AIM Related Funding to the Legislators.

Ms. Hollenbeck reported if a municipality is reliant on the AIM funding for more than 2% of the towns and village expenditures this falls in the AIM Funding category and the State continues to disburse the funding in September.



Ms. Hollenbeck reported AIM Related Funding is the County's obligation. Tioga County's obligation of \$270,000 will be paid out in December and the \$55,000 will be paid out in May.

Chair Sauerbrey inquired as to whether these funds are solely from Internet sales tax or a combination of Internet and regular sales tax. Ms. Hollenbeck reported this obligatory amount is coming from the County's sales tax and is not tying it exclusively to the Internet sales tax. Ms. Hollenbeck reported initially the Legislation indicated it would be tied to Internet sales tax, however, the actual adopted Legislation tied it simply to sales tax.

Ms. Hollenbeck reported the NYS Taxation and Finance website shows commodities on a quarterly sales tax basis for County and Statewide. Ms. Hollenbeck reported she needs clarification from NYS Taxation and Finance that she is looking at the correct codes on the website to differentiate Internet sales tax.

Chair Sauerbrey inquired whether the AIM Related Funding the County is obligated to pay to the towns and villages at the end of the year comes from the County's collected sales tax and will this be a lump sum amount. Ms. Hollenbeck concurred and stated the State withholds from the sales tax and disburses to the towns and villages.

Chair Sauerbrey inquired as to when the County receives sales tax collected funds. Ms. Hollenbeck reported the County receives a monthly disbursement. Ms. Hollenbeck reported November and December are generally higher months due to holiday sales.

Ms. Hollenbeck reported the County is collecting \$20 million in sales tax annually.

Ms. Hollenbeck reported the distribution or percentage shared with the towns and villages can be changed by local law.

Ms. Hollenbeck reported the State takes the gross sales tax and withholds a dedicated amount for the AIM Related Funding and the distribution to the towns and villages is on the net sales tax.

Legislator Sullivan inquired as to whether the County could see on NYS Taxation and Finance website the gross sales tax collected, withheld amount, and net sales tax. Ms. Hollenbeck reported the County knows the gross sales tax collected and the withheld amount, but we cannot see the breakdown specifically by commodity. Ms. Hollenbeck reported the Towns of Barton, Newark Valley, Nichols, Spencer and Tioga receive AIM Funding.

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Ms. Hollenbeck reported the Towns of Berkshire, Candor, Nichols, Owego, Richford, and Spencer, as well as the Villages of Candor, Newark Valley, Owego receive AIM Related Funding.

Date Change for 2nd December Legislative Worksession -

Chair Sauerbrey reported the 2nd December Legislative Worksession is being rescheduled from Thursday, December 19th, to Tuesday, December 17th. Chair Sauerbrey reported the Organization Meeting agenda and any outstanding year-end issues will be discussed at this worksession.

Ag Resource Group (ARG) Legislative Representative -

Legislative Clerk Haskell reported Ms. Neal, CCE, brought it to her attention that the Ag Resource Group Bylaws indicate the Board makeup includes a Legislative representative to serve as a Board member. Ms. Haskell reported the Board meets monthly and maximum meeting time is 1.5 hours. Ms. Haskell inquired as to whether there was any Legislator interested in serving on this Board.

Legislator Sullivan reported there is County representation on this Board with the Ag Development Specialist in ED&P and information is brought forward through this Department's Legislative Committee, therefore, suggested the Ag Resource Group change their Bylaws with the removal of a Legislative representative to serve as a Board member at this time. Legislators were in favor of this suggestion.

Approval of Worksession Minutes – October 10, 2019 -

Legislator Sullivan motioned to approve the October 10, 2019 Legislative Worksession minutes as written, seconded by Legislator Hollenbeck with Legislators Balliet, Hollenbeck, Monell, Roberts, Sauerbrey, Standing, and Sullivan voting yes with Legislators Mullen and Weston being absent. Motion carried.

Action Items -

Currently, there are no action items.

Other –

No other topics for discussion.

Executive Session –

With no confidential topics for discussion, an Executive Session was not necessary.

Meeting adjourned at 10:45 a.m.

Next worksession scheduled for Thursday, November 7, 2019, at 1:00 p.m.

TIOGA COUNTY, NEW YORK

Legislature

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Respectfully submitted,

Cathy Haskell

Legislative Clerk