

MINUTES

FINANCE COMMITTEE

Tuesday, September 10, 2019 8:30 a.m.

Present: Supervisors Pagano, Miller, Deming, Groat and LeRoy, County Administrator Rick House, Fiscal Assistant Ken Blake, Information Technology Director Matt Ury, Deputy Information Technology Director Andrea Petrus, Auditor Kristen Scott, Real Property Tax Director Karen Ambroz, Assistant Tax Services Aide Lisa Kendt, County OTB Representative Ken Lauderdale, Land Bank Director Mark Humbert, County Attorney Dan Connors and Treasurer Patrick Schmitt. Supervisor Crane was not present for the meeting.

Minutes from the August 8th Committee meeting were approved as written.

The following transmittals were referred to the Finance Committee:

--Authorization to accept the resignations of five members of the County's Technical Decontamination and Hazard Assessment Team. Approved 4-0.

--Authorization for the District Attorney's Office to accept grant funding in the amount of \$255,003 through the New York State Office of Victim Services. Approved 4-0.

--Authorization for the Sheriff's Office to expend funds under the 2018 State Law Enforcement Terrorism Prevention Program in the amount of \$42,488 for the purchase of a drone. Approved 4-0.

--Authorization for the Public Works Department to renew the contract with Ty Lin for code enforcement services. Approved 4-0.

--Authorization for the Chairman of the Board to sign an agreement between the Public Works Department and ThyssenKrupp to provide quarterly elevator maintenance and inspection services in all County buildings for a price of \$35,437. Approved 4-0.

--Authorization to amend the Central Garage budget due to an increase of materials needed for repairs. Approved 4-0.

--Authorization to amend the Machinery budget due to an unanticipated increase in the cost of diesel and gasoline in 2019. Approved 4-0.

--Authorization for the Public Works Superintendent to prepare a change order in the amount of \$4,480 with Roadtek for the Lakeshore Road paving project. Approved 4-0.

--Authorization to dispose of surplus equipment from the Highway Department. Approved 4-0.

--Authorization to designate Christine Worth, Wayne County Tourism Director, as the Tourism Promotion Agent for Wayne County. Approved 4-0.

--Authorization for the Tourism Director, as Promotion Agent, to submit an application for State Tourism Matching Grant Funds in the amount of \$220,400. Approved 4-0.

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--Authorization for the Chairman of the Board to sign an agreement with Lakeshore Riders to provide volunteer improvements to the Erie Canal Trail for the use of snowmobiles. Approved 4-0.

--Authorization to amend Board Resolution No. 112-12 in relation to a policy for the appointment of Board members to the Wayne County Industrial Development Agency. Approved 4-0.

--Authorization for the Chairman of the Board to sign a sub recipient agreement with Wayne Economic Development Corporation for administration of Community Development Block Grant Funds. Approved 4-0.

--Authorization for the Chairman of the Board to sign an agreement with Voiance Language Services for voice translation services by telephone or video conferencing at a cost of 95 cents a minute. Approved 4-0.

--Authorization to appoint Karen Ambroz as Director of Real Property Tax Services for a six-year term. Approved 4-0.

--Authorization for the Chairman of the Board to sign a memorandum of agreement with the Civil Service Employees Association to allow for certain agreed upon changes in the collective bargaining agreement. Approved 4-0.

--Authorization to adopt management and confidential position wage and salary ranges for 2020. Rates were increased 2.75%, the cost of living increase for the past year. Approved 4-0.

--Authorization for the Board of Elections to accept State of New York Capital Project grant funding in the amount of \$61,194. Funding is to be used for the implementation of early voting in the County. Approved 4-0.

--Authorization for the Chairman of the Board to sign a contract amendment between the Mental Health Department and the Ten-Eleven Group in regard to the County's purchase of a clinical health care electronic medical records system and the need to purchase an additional software license for a price of \$1,800. Approved 4-0.

--Authorization for the Chairman of the Board to sign an indemnification agreement for the Mental Health Department with Genesee County. Approved 4-0.

--Authorization to set the 2020 private pay room rate at the Wayne County Nursing Home at \$350 for a semi private room and \$380 for a private room. Approved 4-0.

--Authorization for the Chairman of the Board to sign a rental agreement between the Nursing Home and Mission Health Concepts for the provision of equipment rental for an amount not to exceed \$63,000. Approved 4-0.

--Authorization for the Chairman of the Board to sign a contract amendment between the Nursing Home and VNA Homecare Options. Approved 4-0.

--Authorization for the Chairman of the Board to sign an agreement between the Nursing Home and SNFQAPI for the provision of computer software services. Approved 4-0.

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--Authorization for the Chairman of the Board to sign a service agreement between the Public Health Department and Common Ground Health for the provision of developing regional collaborations for data and analysis for a price not to exceed \$7,500. Approved 4-0.

--Authorization of the Chairman of the Board to sign a related services contract between the Public Health Department and Kevin Penner for the provision of occupational services to a child in the County's Pre-K Program. Approved 4-0.

--Authorization to amend the Veterans Services hospital benefit budget line due to an additional employee taking coverage through the County's health care plan. Approved 4-0.

--Authorization for the Chairman of the Board to sign an agreement between the Department of Social Services and ARC Wayne to provide outreach activities for the Home Energy Assistance Program. Approved 4-0.

--Authorization for the Department of Social Services to accept New York State Office of Children and Family Services funding in the amount of \$30,000 to be used to prepare for implementation of the Family First Prevention Services Act. Approved 4-0.

--Authorization for the Chairman of the Board to sign a contract between the Department of Social Service and Legal Assistance of Western New York for the provision of legal advocacy services for a price not to exceed \$40,000 annually. Approved 4-0.

Mr. Schmitt informed the Committee the Appellate Court made a ruling regarding the Monroe County case that questioned if maintenance fees charged against a tax bill are a tax or not; the Court ruled property maintenance fees are not a tax. The Treasurer's Office sent letters with this information to all towns and villages. Mr. Schmitt noted a municipality can place any charges they want on their tax bill; however, the County does not have to make the municipality whole if these charges remain on a delinquent tax bill that is sent to the County. The amount of additional staff time it will take the Treasurer's staff to purge tax bills to find erroneous charges was noted.

Mr. Schmitt updated Supervisors on a property the County took through tax foreclosure on Fisher Road in Williamson that was not sold at the tax foreclosure auction or by sealed bid due to a legal challenge. The first legal issue was resolved; however, another legal challenge was filed with the Court of Appeals. The County is taking no action regarding the sale of this property at this time.

The Treasurer's Office had 84 new tax payment contracts completed during August. To date there are 532 parcels within the County that are facing tax foreclosure; this number has continued to decline since June when foreclosure notices were first sent to residents.

Mr. Schmitt informed the Committee there was a recent problem with the MUNIS financial system; it was not calculating the interest on delinquent taxes correctly, the issue is currently being work on by IT staff.

Mr. Schmitt submitted a report on interest earnings. The County has generated more revenue in interest earnings in the first eight months of the year than they budgeted for in the entire year. With this in mind, interest revenue will be increased from the 2019 level in the 2020 budget.

The following transmittals were presented for the Treasurer's Office:

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--Authorization to establish a policy regarding the transfer of tax foreclosure properties to towns and villages. The proposed policy states requests from municipalities for foreclosure properties must be made in writing and include the public purpose the land will be used for; the County Treasurer will then submit the request to the Finance Committee for approval. Once approved, the municipality will be responsible to re-pay the County for any taxes that have been cancelled on the parcel at the time of transfer if the municipality sells the property within 10 years of the transfer. If the municipality makes a decision the parcel is no longer needed for public purpose it can be transferred back to the County. Approved 4-0.

--Authorization to amend the County Attorney's budget with the addition of \$15,000 for the cost of outside counsel to represent the County in tax foreclosure proceedings; funds will come from the County's contingent account. This unanticipated expense was not included in the 2019 budget. Approved 4-0.

--Authorization to advertise for sealed bids for the sale of a County property on Stuart Avenue in the Town of Arcadia. The minimum accepted bid on the property will be \$20,000. Approved 4-0.

--Authorization to issue banking request for proposals and authorization for the Chairman of the Board to sign an agreement with Three + One Advisors for a cost of \$10,900 for the provision of cash flow analysis and rate of return analysis. Approved 4-0.

Supervisor Emmel arrived at the meeting at 8:52 a.m.

Mr. Ury reviewed work done during August in the Information Technology Department. A total of 347 requests were submitted to the Help Desk, 14 new computers were installed and the migration of the new e-mail platform was started. Staff began work on the migration to the new Nursing Home software package and continued work on Mental Health software migration. School tax bills were processed and printed; this process was much more time consuming than previous years due to the temporary relocation of the Department. Work continued on the new phone system. A list of projects staff will be working on in the coming several months was presented with Mr. Ury's monthly activities report.

The following transmittals were presented for the Information Technology Office:

--Authorization to abolish the full-time IT Coordinator position in the Social Services budget and create a full-time Computer Services Assistant position in the County's IT budget. The interim Social Services Commissioner agreed the consolidation of IT staff is in the best interest of that Department and the County. The cost of the new position is less than the one being eliminated. Approved 4-0.

--Authorization to transfer the currently filled full-time Computer Services Assistant in the Department of Social Services budget to the IT Department and transfer funds. It has been agreed by administration that all IT services should come through the IT Department directly. Approved 4-0.

Mr. Miller made a motion the Committee enter into executive session at 8:57 a.m. to discuss an issue of potential litigation with Mr. Connors, Mr. Schmitt, Mr. Ury and Mrs. Petrus in attendance, Mr. Deming second. The regular meeting resumed at 9: 25 a.m.

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Ms. Scott review an audit she performed on the Sheriff's Civil Office; this audit is conducted annually. Following the audit it was recommended the Account Clerks in the Civil Office ensure all receipts are filled out correctly and all payments receipted. In his response, the Sheriff stated there is not adequate staff to send receipts for the hundreds of payments the Civil Office receives weekly, not to mention the cost of postage to do this. As the overwhelming majority of individuals send their payments by check, it was agreed they would already have a receipt of their payment. Cash payment will be receipted.

Ms. Scott presented a transmittal requesting authorization to adopt a Family Court invoice submission policy. The proposed policy states invoices must be received within 120 after the disposition, re-assignment or dismissal of the case and any request for payment submitted after the stated time will be denied. Ms. Scott said some payments have recently been denied because requests for payments were submitted a long time after the case was closed. Approved 4-0.

Lisa Kendt from the Real Property Tax Office was introduced to members, she will be attending the September 24th Board meeting in the absence of Mrs. Ambroz.

Mrs. Ambroz reviewed her activities report for August which included a list of meetings and events she attended. The Office spent time processing school tax bills; the process was a little delayed this year due to the temporary location of the Real Property Tax and Information Technology Offices. The State was also delayed with getting changes in the STAR program out. The Town of Ontario has the first condominium project in the County; how units will be assessed in the structure is being reviewed. The Office processed over 244 transfers of real property during August.

Mrs. Ambroz presented a transmittal requesting authorization to establish town equalization rates for 2020 County taxes. Five towns are at 100%; Galen had the lowest equalization rate at 78%. Approved 4-0.

Mr. Miller made a motion the Committee enter into executive session at 9:35 with Mr. Connors for potential litigation, Mr. Deming second. The regular meeting resumed at 9:53 a.m.

Mr. Lauderdale introduced Scott Kiedrowski, vice president of Batavia Downs operations, to members. The two men presented a check in the amount of \$63,644 for the net revenue payable to Wayne County for OTB operations. So far in 2019 the County has received over \$74,000 from OTB; this budgeted revenue will be exceeded this year. Mr. Kiedrowski stated this is the largest quarterly earning distribution in the history of Western Regional Off Track Betting, which he attributed to the change in business model at the facility. Mr. Lauderdale commended the work being done at Batavia Downs by management staff in promotion of the facility. Due to recent concern over financial management of OTB facilities, Batavia Downs requested the State Comptrollers Officer perform an audit of their operations; the audit is currently underway.

Mr. Humbert updated member on activities of the Land Bank Office this summer. An environmental engineer is now under contract, as all sites being worked on with the use of grant funds will need an environmental review. Mr. Humbert has been in communities where Land Bank project will be occurring speaking to both Supervisors, Mayors and the public. As the Land Bank is a new program the scope of its work has yet to be well defined. The demolition of the first Land Bank properties will take place in the very near future. Mr. Humbert thanked Supervisors for their support of the Land Bank program, noting the State is considering additional Program funding in their 2020-21 budget. Mr. Groat questioned if the Land Bank would be

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requesting the \$250,000 appropriation from the County in 2020; asking if this was the second or third year of this appropriation. He was informed 2020 will be the third and final year of this appropriation to the program. Mr. Humbert said these funds have been used for project start-up funding, as a cost share for grants or as upfront funds for reimbursable costs.

Mr. Humbert requested consideration from Board members to send a letter to the Governor asking for additional funding in the State's upcoming budget for Land Banks.

Mrs. Pagano informed members the next Land Bank meeting is scheduled for September 19th.

Mr. Blake updated Committee members on the 2020 County budget. Salaries and fringe benefits are up in every budget, revenues are down by \$3.3 million, sales tax revenue will remain at \$32 million in 2020, and community college appropriations will be slightly reduced from \$5.6 million to \$5.3 million. The current budget will require \$7.4 million in additional revenues to keep the tax rate at the same level as this year. It was noted the County will be losing its \$1 million tobacco revenue in 2024. Mr. Blake questioned if the Board would want to consider eliminating its current local law regarding not charging sales tax on clothing under a certain value. He believes if this local law were changed it could generate up to an additional \$1 million in County revenue. Mr. Schmitt reviewed the process the County would have to follow to eliminate this sales tax change, noting the State would have to be made aware of the County's intention to take this action at least 90 days prior to the change going into effect. The Committee supported removal of this tax exemption due to the current status of the County budget. It was agreed Mr. Schmitt would work with the County Administrator and County Attorney on a transmittal to remove the local law that put the elimination of this sales tax in place.

Mr. Blake said the County could start to bill the Nursing Home for Nursing Home indirect costs paid by the General Fund, which would help offset the General Fund cost of IGT funding or they could eliminate the third year of Land Bank funding of \$250,000. The County's Land Bank received \$700,000 in Community Development Block Grant funding this year and County tax foreclosure sale money. Mrs. Pagano said this issue will be discussed with the Land Bank Board next week when they meet. The County's unassigned fund balance at this time is \$53.5 million, Mr. Blake said he would personally like to see the County fund a tax stabilization reserve account and a capital equipment replacement account. Supervisors agreed with the present budget there were not funds to establish reserve accounts.

Mr. House noted the only new position in the 2020 County budget is a Quality Assurance position at Public Health, of which a majority is reimbursed by State Aid and some of the ending machine proceeds. The other position in the tourism budget is a change from part-time to full-time, being offset by a retirement in the Office. There are some new positions created in 2019 that will need funding for the entire year in 2020. Contractual costs are up overall in the budget due mostly to the 911 Center CAD system upgrade and increased cost for the Early Intervention Services Program.

In 2020 the County will need to make a request to the State to keep the local sales tax at 4%, otherwise it will return to 3%. This is a time sensitive process and loss of this revenue would be costly.

The Ginna PILOT program will have financial implications on the County in coming years.

It was agreed Mr. Blake would supply the Committee with a list of funding requests from outside agencies for review.

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The meeting adjourned at 10:48 a.m. The next meeting of the Finance Committee is scheduled for Friday, September 20th at 1:00 p.m. for budget review.