

REQUEST TO CALL SPECIAL MEETING

State of New York
Wayne County
Office of the Clerk of the Board of Supervisors

Upon direction of the Chairman of the Board of Supervisors of the County of Wayne, I do hereby call a Special Meeting of the Board of Supervisors of Wayne County, New York, to be held in the Supervisors' Chambers in the Court House in the Town of Lyons, New York, on **Thursday, November 3, 2016 at 10:30 a.m.** for the following purposes:

- FIRST: The Board will meet then convene as a **COMMITTEE OF THE WHOLE** to discuss the 2017 Tentative Wayne County Budget and County Tax Cap.
- SECOND: To hear, consider and act upon any other matter which may be brought to the Board in the same manner and to the same effect as if the Board were convened in regular session.

Dated at Lyons, New York
October 28, 2016

Sandra J. Sloane, Clerk
Wayne County Board of Supervisors

NOTICE OF SPECIAL MEETING

State of New York
Wayne County

Office of the Clerk of the Board of Supervisors

Upon direction of the Chairman of the Board of Supervisors of the County of Wayne, I do hereby call a Special Meeting of the Board of Supervisors of Wayne County, New York, to be held in the First Floor Conference Room of the Court House in the Village of Lyons, New York, on **Thursday, November 3, 2016 at 10:30 a.m.** for the following purposes:

- FIRST: The Board will meet then convene as a **COMMITTEE OF THE WHOLE** to discuss the 2017 Tentative Wayne County Budget and County Tax Cap.
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Wayne County Board of Supervisors

**15th Day
Thursday, November 3, 2016
10:30 a.m.**

The Special Meeting of the Board of Supervisors was held in their chambers in the Court House, Chairman LeRoy presiding.

The Pledge of Allegiance was led by Supervisor Spickerman.
Upon roll call, all Supervisors were present, except Supervisors Crane and Kolczynski who were absent.

County Administrator House and Assistant County Attorney Daniel Wyner were also in attendance of the mid-morning session.

SCHEDULED BUSINESS:

COMMITTEE OF THE WHOLE

Mr. Smith moved, seconded by Mr. Miller to convene as a Committee of the Whole at 10:34 a.m. Motion carried.

Richard House, County Administrator and Budget Officer addressed the Board to give an update on the 2017 Tentative Wayne County Budget. Mr. House noted the budget process began one month earlier this year. Since June when budget instructions were issued, he and fiscal staff have met with Department Heads to review individual Department budgets. Instructions stated any new position either needs to be mandated or cost neutral. A tentative County budget is due to be filed by the 15th of this month.

Ken Blake, Fiscal Assistant/Deputy Budget Officer said he would appreciate the Board making a decision today on how they would like the tentative budget to depict the tax levy and tax rate for the coming year. In previous years the Board covered a portion of the tax levy with use of Reserve Accounts and the General Fund. Mr. Blake stated the 2017 tax levy is \$41 million. There is \$58,000 remaining in the County's Retirement Reserve that could be used against the 2017 budget; if this is done that account can be closed out. There is no current reason to maintain this account. Mr. Blake stated the current equalization rate increased \$1.36 million from this year, a 2.8% increase. For every \$1 million increase in the tax levy the County's tax rate would increase 20 cents. The budget, as calculated for today's meeting, includes the financial impact of an increase in health insurance premiums, reduced PILOT revenue and department reductions made during Committee review.

Three budget funding options were discussed for consideration:

- Scenario #1 would utilize all of the remaining Retirement Reserve balance of \$58,000; however not utilize any Fund Balance. With the County tax levy at \$41 million, the tax rate would be increased to \$8.46/\$1,000; a 6.3% rate increase.
- Scenario #2 shows use of the remaining Retirement Reserve balance of \$58,000 plus \$2.8 million in Fund Balance to keep the budget under the Governor's Tax Cap. With the use of these revenues, the tax rate would be decreased to \$7.88/\$1,000.
- Scenario #3 would meet the 2017 Governor's Tax Cap and reduce the tax rate by utilizing \$3.5 million in Fund Balance, plus the remaining Retirement Reserve balance of \$58,000 to lower the tax rate to \$7.73/\$1,000.
- Scenario #4 would have the tax rate remain the same at in 2016 at \$7.95/\$1,000 with the remaining Retirement Reserve Balance of \$58,000 used plus \$2.4 million from Fund Balance.

Supervisor Spickerman questioned if the proposed 2017 budget included any new positions: He was informed there are four requests for new positions in the Mental Health Department that are all revenue generating, the position of School Resource Officer in the

Sheriff's Office that is funded by the Williamson Central School District, an increase from part-time to full-time Services Assistant in the Department of Aging and Youth—this position has accompanying revenue to pay for the additional hours, the new position of Probation Supervisors—mandated by the State, the increase from part-time to full-time for the Veterans Service Director and the reduction of full-time County Historian to part-time. Mr. House noted there was a request for a new Early Intervention Coordinator for Public Health, however it was agreed by the standing committee that this position would be reviewed again in 2017 when revenues for the position and possible Department reorganization occurs.

Supervisor Spickerman questioned how much Unassigned Fund Balance has change from one year ago. Mr. Blake said the audited fund balance for 2015 was \$52 million; this was down \$1 million from 2014. Although there are no audited figures for 2016 at this time, he believes the Fund Balance has remained constant. Mr. Spickerman said he believes the County has a healthy Fund Balance and should use it for offsetting the cost of operating the government; however, he would rather see the County budget decreased by reductions in spending. He voiced concern with the number of property foreclosures and the desire not to increase property taxes any more.

Supervisor Miller questioned if positions that are funded, or revenue generated, would be removed if the funding source is lost. He was informed they would be.

Supervisor Groat said he would not support an increase in the tax rate; he would like to see Fund Balance utilized to reduce the rate to the current level. He questioned how a previous Board resolution regarding County Fund Balance read, and if the \$53 million in this account is too high. He also questioned if the County has been underestimating revenues and overestimating expenses in their budgets.

Supervisor Baldrige said he agreed with the use of Fund Balance to offset budget costs. He does not want to see the County override the Governor's tax cap.

Supervisor Smith cautioned the Board against repeated use of Fund Balance, stating they need to look at the long term effects of this action. He does not want to see County residents have an extremely high tax rate increase in a future year because Fund Balance is not available for use. Mr. Smith stated if a town has not had a property re-evaluation conducted in the last year they would not have to worry about a tax hike, as the proposed rate would be equal to or lower than the current year; those towns that have gone through re-evaluations will experience a tax bill increase even if the rate remains the same because their assessments most likely increase. He suggested the Board be conservative in expending Fund Balance.

Supervisor Manktelow questioned how much of unutilized 2015 revenues were returned to the County at the end of that year. Mr. Blake said the County under spent the 2015 budget by approximately \$12 million; however they also utilized nearly \$10 million from Fund Balance that year to pay for capital projects. The budget that is being reviewed today does not include funding for most capital projects.

Supervisor LeRoy noted the potential financial devastation that could occur to property assessments along Lake Ontario if PLAN2014 is implemented, or the change in tax base should the Ginna Nuclear Power Plant not be re-certified for operation.

Mr. Blake stated to maintain the current tax rate would require an override of the State tax cap and the use of \$2.5 million in Fund Balance.

The Chairman requested a show of hands for those Supervisors that supported keeping the tax rate flat with a tax levy increase. Those in favor were Smith, Marini, Miller and Deyo.

The Chairman requested a show of hands for those Supervisors that supported lowering the tax rate to stay under the Governor's tax cap. Those in favor were Verno, Baldrige, Groat, Spickerman, Chatfield and Baldrige.

Mr. Blake said he would personally recommend a reduction in the tax rate and the use of General Fund monies in the amount of \$2.8 million to keep the County under the Governor's tax cap. He noted uncontrollable expenses in the County budget for State retirement and health insurance. The strong possibility the 2016 County budget would have funds left over to replace some funds into Fund Balance was reviewed.

After additional discussion, it was agreed the scenario that would utilize \$2.82 million in Fund Balance and lower the County tax rate to \$7.88/\$1,000 would be utilized in the formation of the County's tentative budget. The majority of Supervisors present agreed with this action.

Supervisor Groat reiterated his concern with the current level of funds in the County's Fund Balance. He believes a change in policy is needed if a high amount of funds remains in this account.

Supervisor Miller acknowledged the work Mr. Blake did during budget preparation and thanked him.

Respectfully submitted,
Debbie A. Liseno
Deputy Clerk of the Board

REGULAR SESSION

The Board resumed regular session at 11:34 a.m. Motion carried

OTHER BUSINESS

Mrs. Marini moved, seconded by Mr. Verno, that Resolution No. 591-15 , entitled, "Amending Resolution No's 444-95, 700-06, 688-07 And 307-10 Establishing Minimum Standards for County Participation in Litigation Involving Challenges to Real Property Assessments (Article 7)", be put on the floor under Other Business for discussion and possible amendment.

Upon roll call, all Supervisors voted Aye. Absent – Supervisors Crane and Kolczynski. Motion carried.

Mr. LeRoy addressed the board to briefly discuss his concerns of how the change in this 2015 adopted resolution impacts Wayne County towns with the sharing of litigation expenses when certain assessed values are in play.

The Clerk of the Board distributed copies of said resolution, along with documentation compiled by Karen Ambroz, Director of Real Property Tax Services, showing resolutions containing the history of litigation sharing between the county, towns, schools and villages, if applicable, regarding Article 7 Litigation proceedings.

Mrs. Ambroz explained that when the litigation share percentages were established in 1995, the assessed value (AV) rate was set at \$200,000. Over the years, as per the recommendations from responsible standing committees of the Board, the assessed value requirements were increased with no specific standards or process.

In 2010, standards and procedures were set with the AV rate of \$350,000; and to date, the current threshold of assessed value is \$1,000,000, adopted in 2015 with Res. No. 591-15.

Further, the Board adopted Res. No. 592-15 in 2015, awarding the bid for complex commercial/industrial appraisal and consultation services to GAR Associates, LLC. Said services will possibly save the county on real property litigation costs when Article 7 are filed. If property is under the \$1,000,000 threshold for the litigation share, the process in place now will request an *Opinion of Value* to compare the town's assessed value for market value, to whatever the market value has been determined by GAR Associates.

Mr. Verno moved, seconded by Mrs. Marini that this matter relating to Resolution No. 591-15 be referred back to the Finance Committee for future discussion and possible amendment.

Motion carried.

ADJOURNMENT:

The next scheduled meeting of the Board is Tuesday, November 15, 2016 at 9:00 a.m.

Mr. Chatfield moved, seconded by Mr. Miller, that the board adjourn at 11:47 a.m.
Carried.

Sandra J. Sloane, Clerk, Wayne County Board of Supervisors
