

FINANCE AND RULES COMMITTEE
October 18, 2022

Present: Phil Hathway, Vice-Chair; Jeffrey Nellenback; Jessica Moser; and Josh Leviker. Tom Osborne was excused.

Others present: Legislators Larry Dolhof, Lisa Virkler, Andrea Moroughan, Richard Chartrand; and Ian Gilbert; County Manager Ryan Piche; County Attorney Joan McNichol; and Human Resource Director Caitlyn Smith.

Committee Vice-Chair Phil Hathway called the meeting to order at 1:50 p.m.

Legislator Nellenback made a motion to approve the September 20, 2022 committee meeting minutes as recorded, seconded by Legislator Leviker and carried.

2023 Budget Workshop – Ryan Piche, County Manager & Eric Virkler, Treasurer

Ryan Piche explained the 2023 budget process, which started in August with Department inputting their requests, then the County Manager and Treasurer met with each Department Manager to discuss the requests, the initial discussion on Personnel and Capital budget issues was discussed in Committee meetings in September, today is the budget workshop, then the tentative budget will be handed out on November 1st, with the budget hearing scheduled for November 22nd and then anytime after that the budget can be adopted.

The 2023 budget philosophy is to allow property tax and sales tax to fund county operations; avoid “pre-charging” taxpayers for unknown expenditures; rely on fund balance for unforeseen expenditures and “one-time” projects; and rely on “risk pool” instead of incorporating “potential” expenditures in budget, like Medicaid, IGT, and payroll. The fiscal targets established in 2015 to maintain \$13 million in our fund balance or 10% of county and hospital operations; maintain county’s A+ credit rating; and maintain current County service levels were used to assist in building the 2023 budget. The current fund balances or “Money in the Bank” as of 9/30/2022 are: General Fund \$24,133,873; County Road \$509,879; Highway Machinery \$647,429; Solid Waste \$687,564; Lewis County General Hospital \$20,481,000; Workers Compensation Insurance Fund \$2,658,508; Health Insurance Fund \$2,894,874; and Capital (which includes bond funds to be spent) \$19,668,725.

The 2023 Tentative Budget shows total appropriations of \$59,259,245; Total revenue of \$38,637,291; Balance raised by taxes as \$20,621,954; Applied fund balance of \$1,829,076; Property Tax Levy of \$18,792,878; and a taxable value of \$2,493,529,400 which is a tax rate of \$7.54, which is the same as 2022. In 2022, there was a 5.8% increase of full taxable value on all property, and over the last 10 years it has grown 30%. The budgeted revenue from sales tax will be \$14,750 for

2023, as historically the county has been too conservative because over the last 10 years on average the county has collected \$1,547,086 over what was budgeted.

New York State Mandates make up for 70% of the 2023 tax levy. Some of these programs are Indigent Legal services, Probation services, Pre-K program, Early Intervention, Medicaid, Pensions, Foster Care, Safety Net program, Youth Detention, and IGT which equate to \$13,045,440 for the county. The Health Insurance Fund is budgeted for a 10% rate increase in 2023, even though the recommendation by our actuarial is an increase of \$14.1%. There will be another actuarial report done in February or March of 2023 to see if there have been any significant changes. The costs of health insurance, especially the PPO plan is getting to be more than what the average employee can afford. The total cost of the PPO family plan for both the employee and the employer combined is \$30,156.00.

The "Risk Pool" items for the 2023 budget are Health Insurance Premiums; Intergovernmental Transfer (IGT); Medicaid (MMIS); Jail Medication Assisted Treatment (MAT); and Coroner Expenditures. Many of the items can only be estimated but could end up being more or less than anticipated so having a "risk pool" seems like a better way to budget for these items, rather than be too conservative and add the burden to the taxpayers.

Some department highlights are: Public Defender is up \$100,000 (25%) due to increases in contracts for Lewis Defenders and McClusky; Contingency and Legislative Contingency increased by \$100,000 each; Jail – inmate boarding increased from \$35,000 to \$200,000 for the upcoming HVAC project as they will need to be moved out for roughly two months; Trail Security included for \$200,000; Planning has a new line item for Town and Village Comprehensive Plans in the amount of \$160,000; Planning also has another \$100,000 for Façade Program for the fall of 2023; Veterans is being recommended to continue contracting with Jefferson County for at least the next 6 months, but the position is fully budgeted in case it needs to be brought back in house; Public Health has a new line items for Suicide Prevention and Crisis Response Team; Highway has a new line items for Road Sweeping in the amount of \$15,000; Debt payments for the 2008 Courthouse addition and 2022 Capital Projects has increased to \$1,856,000; and E911/Dispatch will keep the same personnel as they currently have and any retirements will be addressed as they come up.

Social Services Department highlights are Foster Care, with revenue decreasing 15% and rate to providers increasing; TANF, with a 24% increase from \$300,000 to \$400,000 due to eviction moratorium expired and rents increasing; Safety Net, with county share increasing from \$300,000 to \$350,000; and Youth Employment, with Post Graduate Fellowship being introduced from American Rescue Plan Funding and enhanced Summer Youth Employment increased by \$30,000. Ryan pointed out that Social Services Commissioner, Jenny Jones requested \$4,400,00 for IGT and \$5,800,000 for Medicaid the budget is only \$2,400,000 for IGT and \$5,200,000 for

Medicaid. If Ryan is wrong and it comes in more in line with Jenny's planning, she will be able to tell him "I told you so."

Solid Waste highlights are that from the 2022 Budget workshop it was discussed that DANC was increasing their tipping fees by 6.8% on January 1st, 2022, however the board felt that the county could absorb that increase without changing our fee schedule. DANC is increasing their tipping fees by 6.4% in 2023, so in 2023 the county will have to increase their fees by 7.1%, which is roughly \$6.00 a ton or \$90.00 a ton. We are still more competitive than Jefferson County at \$123 per ton, and St. Lawrence at \$166 per ton. The Solid Waste Fund balance will be at \$300,000 once the scale house project is completed and paid for, which is still 20% of their operational budget.

Outside Agencies were reviewed and a few changes have been introduced. Advocate Drum (FDRLO) was increased from \$5,000 to \$50,000 as this was requested of local counties so more emphasis can be made on the importance of Fort Drum to local economies; Double Play Community Center was increased from \$20,000 to \$40,000 as their request was for \$100,000; Lewis County Humane Society was added at \$2,000; and Old Tyme Fiddlers Association was added at \$2,000. The Capital Budget is only requiring \$1,100,00 from the tax levy the additional \$2,200,00 will be used from Fund Balance for some one-time projects.

All of the Fiscal Targets Established in 2015 were met. The tax rate has only gone up \$0.05 over the last five years which points to the efficient and effective budget planning that has been done but it is likely that there will be increases down the line. There are many opportunities in 2023 for special projects with a fund balance of \$24 million. Many projects are already in the works like Homeless Housing, Water Infrastructure, Recreation Assets, and EMS support.

Legislator Chartrand questions how much Jefferson County was asked to give to Advocate Drum, Ryan responded that they are appropriating \$100,000. Legislator Gilbert suggested that the county should meet the request of Cornell Cooperative Extension at \$336,000 as they helped make a valuable connection with the Amish population during the pandemic and has expanded the parenting classes to help out with the county obligation. Ryan stated that they were increased last year and are already getting far more than other organizations. Legislator Gilbert felt that a 5% increase wouldn't be too difficult and explained that they receive no other sources of income except for limited state funding.

Legislator Nellenback questioned what the funding for Double Play was going to be used for, Ryan stated that it will likely go towards a community center in the county. Legislator Nellenback then stated that it seemed that Double Play was more of a local Lowville community benefit versus Cornell Cooperative Extension being a benefit to the whole county. Ryan stated that Double Play's motto of Mind & Body health is a benefit to all residents. Treasurer, Eric Virkler stated that he thought with the summer recreation numbers increasing for outside of the Village

of Lowville kids that it might be used to help offset those costs. Legislator Hathway questioned if the funding would be used towards a new facility, Ryan stated that they do have a couple of irons in the fire.

Ryan stated that there are many initiatives going on right now which is why the contingency was doubled. The reduced fund balance use does mean that eventually there may need to be an increase in the tax rate. Legislator Chartrand commended Ryan for not increasing taxes and keeping services at the same level. Legislator Virkler also recognized Ryan for putting together a great presentation that is all digestible and recognized the amount of time being put into making the budget.

The following dockets were reviewed:

1. Adopting Local Law No. 6-2022 “A Local Law Providing For One-time Employee Retention Incentive Payment For Certain Exempt Appointed Employees.”
AYE 4 NAY 0
2. Setting the public hearing for comments on the 2023 Tentative Lewis County Budget for Tuesday, November 22nd at 5:00 p.m. in the second floor Legislative Chambers of the Lewis County Courthouse.
AYE 4 NAY 0
3. Authorizing renewal agreements between the County of Lewis and various Media Entities for Planning Departments Public Transportation Advertising and Marketing Campaigns, with Spectrum running advertising from January 2, 2023 through December 24, 2023 at a cost of \$8,710.00; and WWNY 7News running advertising from December 31, 2022 through December 31, 2023 at a cost of \$15,008.00.
AYE 4 NAY 0
4. Setting additional advertising opportunities and rates on the Lewis County Public Transportation buses and bus stop shelters.
AYE 4 NAY 0
5. Authorizing renewal agreement between the County of Lewis and Adavance2000 for support and maintenance services for the Lewis County telephone system at a cost not to exceed \$22,275.32 for the term of January 1, 2023 through December 31, 2023.
AYE 4 NAY 0
6. Approving grant applications to Federal Emergency Management Agency (FEMA) Building Resilient Infrastructure and Communities (BRIC) funding to update Hazard Mitigation Plan for an estimated total project cost of \$150,000 with the local share to be \$37,500, and \$7,500 for grant management, and for scoping of East Martinsburg Road (CR 22) with estimated project costs still to be determined.

AYE 4 NAY 0

7. Authorizing application for NYS DEC Organics Reduction & Recycling grant program to develop a Lewis County Organics Waste Management Program consistent and in support of the County's designation as a Clean Energy Community; with estimated project costs to be \$48,000 with \$12,000 as the local share cost. *Casandra Buell, Planning Director, explained that this would more about outreach and developing a small waste management plan to implement at Solid Waste, which would be DANC's preference, but just not sure how it would work yet.*

AYE 4 NAY 0

The following motions were made:

1. Legislator Hathway moved to authorize Information Technology Director, Conner Biolsi to submit an application to the US Department of Homeland Security and FEMA for the FY2022 State and Local Cybersecurity Grant Program to improve critical infrastructure security and resilience of government services with a 10% local match, seconded by Legislator Nellenback and carried.

At 2:51 p.m. Legislator Nellenback moved to enter executive session for update on potential property acquisition, seconded by Legislator Leviker and carried.

At 3:38 p.m. Legislator Hathway moved to enter back into regular session, seconded by Legislator Nellenback and carried.

With no other business to come before the committee Legislator Leviker moved to adjourn the meeting at 3:40 p.m., seconded by Legislator Nellenback and carried.

Respectfully submitted,
Cassandra Moser, Clerk of the Board