

FINANCE/TAX REDUCTION/MANDATE RELIEF COMMITTEE

Wednesday, February 14, 2024 - 10:30 AM

Steve McNally, Chairperson
Robin DeLoria, Vice-Chairperson

Chairman McNally called this Finance Meeting to order at 10:30 am with the following Supervisors in attendance: Clayton Barber, Matthew Brassard, Robin DeLoria, Ken Hughes, Steve McNally, Cathleen Reusser, Favor Smith, Ike Tyler, Joe Pete Wilson, Margaret Wood and Mark Wright. Shaun Gilliland, James Monty, Matt Stanley and Davina Winemiller were excused. Chris Clark, Derek Doty and Charlie Harrington were absent.

Department Heads present: Laura Carson, Michael Diskin, Judy Garrison, Jennifer Mascarenas Michael Mascarenas and David Wainwright. Joe Keegan was excused.

News media: None present.

McNALLY: I will call the Finance/Tax Reduction/Mandate Relief committee to order. County Clerk – Chelsea Merrihew.

MERRIHEW: Good morning. Okay so I'll start with I have my annual accounting of monies received and disbursed. The first page is what we collected, the second page is what we sent out. Last year it was \$10.7 million dollars, of that \$2.2 is retained on the county level, just over a million we collected basic mortgage tax which is well or will be disbursed back to the towns and then the vast majority of the remainder goes back to New York State. This is the one report I am required by law to submit to you so I do have a resolution requesting that you accept this report.

RESOLUTION ACCEPTING AND APPROVING THE ANNUAL ACCOUNTING OF MONIES RECEIVED AND DISBURSED IN 2023, BY THE OFFICE OF THE ESSEX COUNTY CLERK, PURSUANT TO COUNTY LAW 406. Hughes, Wright

McNALLY: Questions or concerns? All in favor, opposed – carried.

MERRIHEW: Thank you. I'll just briefly review my monthly reports this is typically what you're going to see from me. The monthly report to the Treasurer is what we collect for the prior month in our office you'll see January we collected \$292,000, \$156,000 of that was transferred to the Treasurer for local retention.

I have a transfer tax report so in New York State every county is required to collect \$4.00 per thousand at the consideration at a property sale. In Essex County in 2010, a local law was enacted where we collect an additional \$2.00 per thousand consideration of property transfers so I believe that goes for the radio project, Mike?

MASCARENAS: That's correct and we currently have legislation that we pushed at the end of last year that we handed our legislators so we could extend that once that is paid because we do have some debt that is being paid off between the radio project and the jail and our ability to continue to collect that tax is currently tied up in those two projects so it's critical for us in terms of what's going to happen moving forward and the hole that it's going to create in the budget if not approved.

McNALLY: Mike, in the budget this year revenue, I see real estate slowing down in '20 we were \$675,018, it seems like it's going down yearly with this \$33,000 in January we're are looking at

over \$400,000.

MERRIHEW: I would say '21 and '22 are record years.

MASCARENAS: Typically the way we budget and I can get you those exact budget amounts. I can tell you that I'm not over aggressive when I see a number that comes in that seems to be an anomaly. We typically look at budgets over a five year period and kind of try to put a number to it that's responsible and not say, well, we're going to get that when we know we aren't because that's just going to create a shortfall in future budget cycles so we want to see something is happening for a period of time before we decide to double down and say that's going to happen next year. So we do the same with sales tax, we do the same with mortgage tax, transfer tax.

McNALLY: We are looking at reductions for the last four years.

MASCARENAS: Yeah, I will get you the exact number but I'm guessing that we're not over aggressive I'm sure we're not.

HUGHES: Can I ask a quick question on this topic? I never really understood transfer tax can you just mentioned, consideration of property sales when is consideration triggered? When does that process take place?

MERRIHEW: Generally it's when the property changes hands so when if it is with an attorney it's at the closing so whatever the sale price is they pay the transfer tax on it.

HUGHES: Perfect. Thank you.

DELORIA: Is that like there is a fee during processing of the deed essentially?

MERRIHEW: Yes, a tax. The \$4.00 per thousand is standard across New York State and there's a couple counties ourselves included that have a local that's kept locally rather than transmitted back to the state.

McNALLY: Anything else?

DELORIA: Yeah, I've got one question for Chelsea. DEC has got this notice going out that they are going to change the paper that they use for their printing of licenses. Do you have any knowledge of that?

MERRIHEW: I haven't seen that yet but often as the licensing officers we are the last to know.

DELORIA: I will look into it more and send you what I know but they are going to be allowing people to print their licenses from home which is rather bizarre and apparently all this investment they made with these new printers, that paper that is all going to go away but that's typical of the state but you haven't heard anything on that?

MERRIHEW: I haven't heard that. It's not a revenue maker for us we might get like \$800 out of \$20,000 in sales.

DELORIA: I'm sure the state doesn't make much either so if they don't have to pay for the paper right so I don't know what they are doing yet but I'll find out.

MERRIHEW: Thank you.

McNALLY: Anything else.

MERRIHEW: I did also want to talk real quick just for the newer supervisors and just as a recap. I have the mortgage tax collected by town that's what we collect on a monthly basis the basic column is going to show what was collected for your town for that month. It gives you a rough idea of what you can expect at the semi-annual distribution. It is slightly apportioned by the time you get it and then I have the mortgage tax county retention. New York State there are two mandatory mortgage taxes the basic tax which is a half a percent, that is what goes back to the towns and a special mortgage tax which is a quarter percent which is sent back to the State of New York Mortgage agency. Essex County throughout the years opted to enact two mortgage taxes one referred to as the additional tax, one referred to as the local tax both are a quarter percent so this chart represents those two fees combined those monies go towards capital projects over the years they've paid for the Mental Health Building, the county courthouse, the public safety building. I think it's being reallocated soon?

MASCARENAS: Yeah that's what we're trying to do so just so the board understands, we've got this complicated thing that's happening with EMS right now and what we're trying to do is reallocate some of that mortgage tax that allows us to start putting funding into capital projects which might help us long term. Things like roads, bridges those types of things that we are currently funding from general that can be utilized for capital it just always been a bit of a short fall would really help us immensely without adding any additional tax to the people of the county it would just be what it always was but we need permission from the legislature to do that.

McNALLY: I just have a comment on that, just to remind you that before this grant was accepted the EMS there was consideration that towns could opt in or opt out correct?

MASCARENAS: That was correct.

McNALLY: So diverting that money from the jail savings to EMS is not what was designed for that.

MASCARENAS: Yeah, there's two separate things that you're looking at when you're looking at that so that money wouldn't be going to EMS that money would be going to roads, bridges those types of things. Every dollar we collect whether it's from transfer tax or mortgage tax doesn't need all of our debt if that makes sense to you? So some years it does in 2021 we had a higher amount and in 2023 we had a higher amount but there's always a certain amount of funds that are budgeted toward that so where the county funds would come into play Mr. McNally is those additional funds that have been budgeted through the years for debt service. Yes, towns can opt in and opt out of that but to me is about whether you're paying into the system for the service. We do elect to pay for the benefits of that service so if Ike has four employees, Ike is going to pay the wage of those four employees that's not going to come from Minerva that's going to come from Westport but you're not wrong –

McNALLY: Your fringe is coming from Minerva but this is all dedicated on the fact that there was going to be countywide EMS tax so much per 1000.

MASCARENAS: Yes and we don't have the ability to do that currently so general is our only possibility and what I would say is any service that is provided is disproportionately received so if

you're in a town and if you don't have DSS in your town you're probably happy about that right? We are proportionally in other towns so depending on the service and the project you might have more service provided in your town than others.

DELORIA: Exactly and I can relate to that in Newcomb you know we're down in that lower quadrant of the county and we received very little of the services provided that are considered local to Elizabethtown even like our senior car program we buy cars and we schedule and we have people that we pay to take senior citizens to their doctor's appointments if they don't drive. We don't have a taxi service, we don't have any other transportation but that's all on us that onerous is on us and that's our local money that pays for that, not the county money and I will say that Newcomb is number five in the hierarchy on how much money we contribute to the county budget. Spend it if you need it but again, I understand that whole gamut and I'm not complaining. We'll take care of ourselves and our money helps you.

MERRIHEW: So, it's just an overview of the reports you're going to see from me if you ever have any questions about that. Give me a call. I have two resolution requests regarding signers on the bank accounts. I'd like to add Noel Decker a Principal Recording Clerk as an authorized signer to my County Clerk reports. She just got promoted to Principal Recording Clerk and is taking over a lot of the financial burden that I had so that would make myself, my Deputy County Clerk, Stacey Hayes and other Principal Recording Clerk, Pam Williams as authorized signers.

RESOLUTION AUTHORIZING TO ADD NOEL DECKER, PRINCIPAL RECORDING CLERK, AS AN AUTHORIZED SIGNER ON THE COUNTY CLERK'S BANK ACCOUNTS. Tyler, Wright

McNALLY: Any questions, concerns? All in favor, opposed – carried.

MERRIHEW: And the second would be similar, I would like to add Deputy County Clerk, Stacey Hayes as authorized signer on my DMV bank account which would make myself, Charlotte McGinn, Brittany Borden and Stacey as authorized signers on that account. Charlotte is the Motor Vehicle Supervisor and Brittany is an Assistant Motor Vehicle Supervisor.

RESOLUTION AUTHORIZING TO ADD STACEY HAYES, DEPUTY COUNTY CLERK, AS AN AUTHORIZED SIGNER ON THE DMV BANK ACCOUNTS. Tyler, Barber

McNALLY: All in favor, opposed – carried.

MERRIHEW: Alright that is all I have today unless there is any questions?

McNALLY: Anything else?

WRIGHT: Chelsea can you give me the status of the satellite office in Ti, where we are at with it?

MERRIHEW: Yes, so just to recap in October 2022, we had four of six employees. We were waiting on a civil service test and that came back and we were able to make two of the four permanent employees. One then turned around and left. We hired one more person off the civil service list giving us four employees that individual exhausted the civil service list so we requested a new test. That new test was held October 2023, so a year later. We have hired one individual who we know took the test. She's working out very well so we are up to five employees. I got an update from Personnel, we're hoping the results will be back in March maybe. I'm hoping there

is still some individuals left on the list to hire a sixth. It's going well but the group that I have is good at their jobs and they are learning. While I'm still hopeful that we'll be able to be back at the satellite offices in some form by early summer I will say your constituents are quite aggressively vocal and they want for us to be back.

McNALLY: And it's the same employees that do North Elba as well as Ti?

MERRIHEW: Yeah we budgeted six full time employees.

MASCARENAS: Yeah and I'm not speaking for Chelsea but just to chime in on that a little bit I think we do need to look at that. I think when we started North Elba in particular we didn't really increase staffing levels at the DMV to account for starting North Elba. I don't know that we were ever properly staffed to be quite honest with you so anybody that you take to a satellite office is going to leave Chelsea short here and we've got to really look at those things in terms of budget and I certainly will work with Chelsea on this but we need to look at the finances of this thing. We know that Ti was doing well. We know that Ti was profitable. I'm not sure North Elba was ever so we need to really look at that especially with our staffing shortage and work with the town, Mr. Doty and Chelsea on making a decision on whether or not that makes sense to do.

MERRIHEW: And there are some other considerations with the change in the revenue model, we are now being reimbursed at a fair rate for people doing online transactions. Online transactions are being utilized more so as time goes on, I'm not sure there is going to be as much as a need for in person services but Ti is on top of my list. I'm reminded on almost a daily basis how much our presence is missed there.

HUGHES: Isn't there a DMV in Saranac Lake?

MERRIHEW: Yes.

MASCARENAS: There is and that's another issue that we have to look at in terms of being good neighbors and we're competing for the same individual potentially.

HUGHES: The nice part about Ti is you're bringing people up from Hague, you're bringing people up, you know.

MASCARENAS: That is correct.

HUGHES: Northern Warren County.

MASCARENAS: Washington.

HUGHES: Washington County as well.

McNALLY: Possibly Minerva, Schroon Lake.

WRIGHT: We will support any operational plan the county wants I just need to tell the people with pitch forks and the flames what's going on.

MERRIHEW: Yes, I'm still hopeful in some form even if it's not, it probably won't be like the two days a week we were before we will have some presence in Ti.

WRIGHT: Okay, thank you.

McNALLY: We have resolution on the floor, all in favor, opposed – carried. Anything else Chelsea?

MERRIHEW: That's all I have. Thank you.

McNALLY: Auditor's – Laura Carson.

CARSON: Good morning. Alright, page 1, I'll just review this really quickly the Coroners have responded to 9 calls and funeral homes handled 1 removal. I have only received vouchers from Mr. Heald since December I'm not sure what Ms. Valentine has yet so far.

Page 2, is our supervisor expense report. Page 3, is our invoice data collection summary. In January we processed 1900 invoices and noted 335 errors. We prevented about \$6,300 in overpayments and \$3200 in duplicate payments. Page 4, is the Auditor budget. Page 5, is our assigned counsel summary. We received over 200 vouchers, we paid out 121 at \$200,000. I will have final number for assigned counsel next month I'm almost there. Page 6, is the assigned counsel budget and page 7 is our tax roll corrections we received five from real property.

Last Wednesday I forgot to mention to the newer supervisors if you need to see us for anything our office is right off of the mailroom. It looks like a closet door in the mail room and I'm always available by email 24/7. Any questions?

HUGHES: I have two questions for you. Good morning. Question number one does the Coroners have a timeline for when they need to turn in their vouchers by?

CARSON: They are supposed to turn them in within 45 days. I have no issue with Mr. Heald. Ms. Valentine I actually just emailed again last week. I receive bills from other entities so I know that she has taken calls as far back as December but I don't have her vouchers.

HUGHES: Is that 45 days, is that a local policy? Is that a state policy?

CARSON: That is our local law.

McNALLY: That was enacted because they were waiting for the end of the year.

HUGHES: I remember having that conversation.

McNALLY: If they don't give it within that day they don't get paid is what the plan is.

HUGHES: I remember we talked about that a year or two ago.

DELORIA: We had a situation with Ms. Valentine and I will say it because I went to bat for her and I said just pay her. It was always late and the board was not going to pay her so I took my ground and we paid her anyway but, my God, if we are sending out these reminder notices and they don't –

McNALLY: It's on her.

DELORIA: It would have to be. I mean we do what we can being compassionate and considerate but it is a responsibility to have.

HUGHES; My second question, I have had the opportunity to attend the recent department head meeting where you shared your department's background with the new supervisors and everybody in the room and you mentioned that even the Auditors are audited and I'm just curious, who, when does that happen and who does that? Does that auditing company change every year? Do we vote on that? Can you fill me in?

CARSON: We just went with a new company last year.

MASCARENAS: Yeah, I can't think of their name.

HUGHES: Do we RFP for that? Do we just use the same firm every year?

MASCARENAS: Michael can answer that better. Who is the group we use Mike?

DISKIN: We have an auditing group Drescher Malecki out of Buffalo. We do RFP's about every three years. We like to change them just so we get a new face in there. I don't think we had one for more than five years. We just like to change them around because some counties keep them for twenty, thirty years I like to have a new face come in and look at things, changes and every Auditor does things a little bit different but our current company is Drescher Malecki I think they are in maybe their fourth year with us.

HUGHES: Great. I appreciate that. Thank you.

CARSON: Thank you.

McNALLY: Real Property – Dave Wainwright.

WAINWRIGHT: Good morning. My budget is there if there are no questions you should have all found a 2024 Real Property Annual report in your boxes this morning. We would like a resolution to accept the 2024 annual report.

**RESOLUTION ACCEPTING AND PLACING ON FILE THE REAL PROPERTY TAX OFFICE
2024 ANNUAL REPORT. Hughes, DeLoria**

McNALLY: Questions, concerns? All in favor, opposed – carried.

WAINWRIGHT: The last thing I just want to mention is those postcards for the second notices reminding senior citizens that they may be eligible for an exemption, they all went out on time and so far I have heard no complaints from the assessors, the wording or anything.

McNALLY: Thank you very much. This year has been much better.

WAINWRIGHT: Good, glad to hear it. That's all I've got.

TYLER: It's been better but I can tell you there has still been plenty of phone calls. It's not as bad as it was last year but still I wish we could make it better, even better.

WAINWRIGHT: You know, one assessor said to me that they've been getting a lot of phone calls from people and people saying, well, I live in Buffalo and I want to get this exemption. The Assessor says, but that's not your primary residence right? Well, no, it's not. He says, you have

to read the card, all of the card and that seems to be a problem.

TYLER: Maybe we should put pictures on the back side of them or something.

WAINWRIGHT: We can try that next year.

McNALLY: Alright, anything else for Dave? Alright, you're all set. Thank you. Treasurer's office – Michael Diskin.

DISKIN: I apologize for not getting this out earlier. I was away last week and most of the information on here was not available before I left.

Sales tax – both checks for February came in when I was gone and you can see the first check was about \$107,622 more, the second check was slightly less it was about not quite \$49,000, \$48,567.00 less for the month the total was not a lot more than it was last year. It was a little over \$59,000 so right now we are running at about 5% ahead of last year. That doesn't show in here but the year we are about \$300,000 over last year. It's early to tell yet but as I've said in the past for those of you who have been here a long time this month sort of finalizes last year's budget because the sales tax runs kind of from March 1 to April 28 and our view when we budget so this is kind of a final number. When you look at that we ended up probably exceeding what we put in our budget. You have to remember that the county doesn't get all that. It was a little over \$2 million in sales tax we took in last year went back out to the towns and the county took in about \$40 million of it.

McNALLY: Anything for Mike? If not, thank you.

DISKIN: I've got more, don't short me out here. Tom Scozzafava used to keep me here for an hour so I'm used to it.

Occupancy – we did finalize the year our figures runs February through January but that's because we are collecting for the prior month when we do it. When you see January money in here that's actually money that was collected for stays in December that finalizes the year and after everything was all said and done even with all the negatives we had for the year we ended up with only about a little over \$48,000 down from the year before which was less than 1% so we are in good shape occupancy wise. We really didn't do bad considering the year prior to that was a banner year people were coming out of Covid and started to travel again and it was probably our biggest year we ever had.

A couple things that I do have quickly, state land money I know the Supervisor from Newcomb just asked me this, state land money it came back I told you we got it late last week so we will be sending notices out to all of you later today about whether you want money from that state land. If you have met your warrant which a number of you have already you won't need to take that money because you will already have enough money to operate on but for those towns that haven't met their warrant whatever they need to fill out their warrant they can just get that out of the state land and I will be sending those notices out later today. I think there are six towns now, maybe seven now that met their warrant as of the time I came in this morning which is good.

The last thing is, I know that everybody has been asking when we are going to get this second check for the CTF funds that's the consolidated tourism funds. We are working on that now. I thought they had it done. I looked at it this morning and I said, wait a minute you only did six months here you actually owe them seven. What they did is they forgot to include June because they had thought we had put that in, in the last one. If you remember, we only gave you five months the first time by the time we calculated it it was almost August, by the time we got all the numbers crunched so you'll be getting another check next week and it will be the seven months

we'll include everything from June to December in there and you'll get that check next week and that will finalize that for the year.

McNALLY: Anything else?

DISKIN: No.

McNALLY: Alright thank you. County Manager, Michael Mascarenas.

MASCARENAS: Yeah, I kind of did mine during Personnel because I thought it was more appropriate but any questions, comments about anything?

McNALLY: Any questions for Mike?

HUGHES: I just want to say I did seriously, I took a tour of the IT Department last week right down stairs, right next to the bathroom there is a non-descript door, you go down those stairs and you go back into the bowels of land there's a really great group of people back there doing some really great work for the county and I was very impressed that the server room, I was very impressed with what they knew and I think we are very fortunate to have them doing the work that they do both for here and public safety and everything in between so I just want to put that on the record.

MASCARENAS: Yeah, we've got a strong group as we ever had right now. Over the last year or two we've been able to reel in a couple of real knowledgeable individuals from other areas. I don't think we share those stories enough we're constantly focusing on the vacant report and the problems we have but we have secured some really knowledgeable individuals in many departments too and we should celebrate that and those folks are a prime example of that and the knowledge they bring to the table they're nothing short of amazing so thank you for bringing that up I appreciate it.

HUGHES: You're welcome.

MASCARENAS: I will pass it along to them.

HUGHES: Thank you.

McNALLY: North Country is not here but Joe Keegan I just want the board to know that at the AATV fall membership in December we had Joe Keegan from the North Country came down with another group and did his presentation on workforce development and workforce pipeline that North Country has graciously decided to offer programs that actually put employees in the field our EMS and our sewer operator courses have been very successful. Well, next week at our Association of Towns AATV will be doing a presentation and Joe graciously has decided to come down and help us out with this it's something we can share throughout the state where you have community colleges are really are not producing things that you need in your community and that's not the case with North Country and thank you JoePete.
We have a special guest -

HUGHES: Do you want to mention who else is on that now?

McNALLY: Yes, if you would.

HUGHES: You want to say the names?

MCNALLY: You can.

HUGHES: It's Paul Hai from SUNY ESF, Zoey Smith from Paul Smiths and I will be moderating.

McNALLY: Thank you. So if anybody is in New York next week please stop by show some support.

MASCARENAS: So just a quick announcement before we adjourn, Nancy Bernstein from Clean Energy Communities is going to do a program update following the meeting. It will be about 15 minutes if anybody can stick around that would be great.

McNALLY: Is there anything else for the Finance committee? If not, we are adjourned.

As there was no further discussion to come before this Finance committee it was adjourned at 11:00 a.m.

Respectfully submitted,

Judith Garrison, Clerk
Board of Supervisors