

**Finance Meeting  
July 12, 2023**

Attendees

Committee: Art Merrill, Wayne Marshfield, Jeff Taggart, Mark Tuthill, Tina Molé  
Absent: Wayland Gladstone, John Kosier, George Haynes  
Staff: Kathy Preston, Penny Bishop  
Guest: Thomas Smith, EFPR Group

Mr. Merrill called the meeting to order at 10:30 a.m.

On a motion by Mr. Marshfield, seconded by Mr. Taggart, the draft minutes of the June 28 meeting were unanimously approved.

Mr. Merrill introduced Thomas Smith from EFPR Group to present the draft 2022 Financial Report. Mr. Smith stated the audit went very smoothly regardless of several changes in personnel at the County. There are a few final steps to handle before he can issue an opinion and the final reports. His firm has reviewed internal controls, financial statements, laws, and regulations, and they did not find any weaknesses or deficiencies. They completed a single-audit as they do every year because Medicaid is always subject to a SA, and this year they included HEAP and the American Rescue Plan Act (ARPA) funds. He expressed Delaware County did an incredible job putting together the ARPA Committee and spending the funds, noting there was not a lot of guidance out there. They went through the audit with no findings, and everything was in compliance.

Mr. Smith indicated the County has an overall increase in the fund balance. The general fund increased by \$9 million and is currently at \$63.2 million. He stated that the Capital Projects fund had an \$8.9 million dollar decrease. Overall, the fund balance increase is not that significant because the County is not bonding for many of their capital projects. He noted an increase in restricted funds for money that is set aside to pay off a bond in a few years. Once the \$21 million in restricted funds is used as intended, there will be no issue with having a higher fund balance. In reply to Mr. Taggart, Mr. Smith stated Delaware County is perhaps the most healthy financial county that he works with.

Mr. Merrill reported the committee has discussed creating a capital reserves fund for repair and maintenance of older county-owned buildings. Mr. Smith agreed and encouraged setting up reserve funds as needed and perhaps one general reserve for building repair and maintenance would be sufficient to cover various buildings. Mr. Merrill said that 97 Main Street in Delhi needs a lot of work done and though we may think this building at 111 Main Street is new, it is not anymore. In reply to Mrs. Preston, Mr. Smith said he would forward a .pdf of the OSC Reserve Manual that contains a list of every legally adoptable reserve fund.

Mr. Marshfield recalled a discussion about setting aside funds to maintain the emergency towers that could cost up to \$1 million a year. Mr. Smith noted he will verify if there is an E-911 reserve.

Mr. Marshfield stated he believes funds should be set aside in an ambulance reserve. Ms. Molé said she is certain that \$500,000 was set aside in an ambulance reserve this year. Mr. Marshfield noted that once the ARPA funds run out, then ambulance service will fall onto the budget.

Mr. Merrill stated the committee would review the reserves list and make a plan to reserve funds.

In reply to Mrs. Preston, Mr. Smith referred to the Internal Service Fund statement on Page 19 of the Financial Statement and said when they revisited a few of the old methodologies they noted two receivables on the books, Accounts Receivable and Due from Other Governments. The latter includes worker's compensation liability from the actuarial report which was previously reported at \$11 million. Theoretically, they have always looked at this as approximately 50% being the County's liability and 50% attributable to towns, villages, and fire districts. With this fund, if everything were to get called today, the County would have to pay the \$11 million off. He explained that they removed the county side from the fund because essentially it showed that the county had a liability to this fund. Realistically, the net position of this fund is a decrease by \$5 million. The key thing to consider is there is still \$6 million in that fund and it is still a very healthy fund.

Mr. Taggart made a motion to accept the draft of the Financial Report. The motion was seconded by Mr. Tuthill and unanimously carried. Mr. Smith said he expects to have the final report completed shortly and thanked the Committee for their time.

Ms. Molé reported that the IRT is going exceptionally well. She gave a welcoming speech to the troops Monday afternoon and she attends the debriefing meeting each night at 6:00 p.m. She said that every day at the debriefing, they will announce how many people received services and the total dollar amount they are saving our residents. She reminded Supervisors that the Distinguished Visitors Day is tomorrow, Thursday, July 13, with a tour at the High School and then they will go to the Bridge Dedication at Veterans Plaza. Two of Lieutenant Stephen Doane's brothers will attend the bridge dedication. It is a very moving story of Medal of Honor recipient Stephen Doane. The luncheon will be held at the Firehall immediately following the dedication. The following Thursday, July 20, the Board of Supervisors will hold a thank you dinner at the Fairgrounds. They are expecting 200 to 300 people for the dinner. She said she cannot say enough about Shelly Johnson-Bennett who has been working 15-hour days to oversee the IRT.

Mr. Taggart implored the Committee to consider sharing a small portion of occupancy tax with towns to help cover issues that are directly related to short-term rentals. Mr. Marshfield noted the Town of Hamden passed a local law to charge a \$100 annual fee for these rentals. Mr. Merrill reported there is an increase in tourism in the County and the Tourism Advisory Board is looking to possibly increase the occupancy tax when the law is extended next year. Mr. Taggart expressed that many of the short-term rentals are owned by out-of-county LLCs, not necessarily keeping that income local. Mr. Tuthill said he has asked for a report of short-term rentals located in the Town of Delhi from Economic Development but has not received any reply. He has an issue with a particular business and he needs the data to address the problem.

Travel, equipment, and vacancy requests were approved as presented.

Upon a motion, the meeting adjourned at 11:18 a.m.