

**Finance Committee Meeting  
July 24, 2024**

Attendees

Committee: Art Merrill, Wayland Gladstone, Wayne Marshfield, John Kosier, Joe Cetta, George Haynes, Eric Wilson, Tina Molé  
Staff: Beverly Shields, Kathy Preston, Amy, Merklen, Penny Bishop, Sherri Falcone  
Guest: Thomas Smith, EFPR Group  
Supervisor: Maya Boukai

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

On a motion by Mr. Gladstone, seconded by Mr. Cetta, the minutes of the July 10 committee meeting were unanimously approved.

Mr. Merrill introduced Thomas Smith from EFPR Group to present the draft 2023 Financial Report. Mr. Smith stated they are essentially ready to issue clean, unmodified opinions on the County's financial statements pending approval of the Finance Committee today. These are the highest level of opinions that can be given on financial statements. The clean opinion basically means that everything in these reports is fairly stated and there were no issues found. The audit was conducted according to government auditing standards which is another layer of standards that they must adhere to. The financial statements indicate compliance with county internal controls, laws, regulations, non-profit grants, contracts, agreements, and the like. No violations of these items were found. There were no findings on the federal single audits on Medicaid, Highway Planning and Construction, and Coronavirus State and Local Fiscal Recovery Funds (ARPA) for compliance. Mr. Smith thanked Kathy Preston and the Fiscal Affairs team for their hard work. The audit went very smoothly with all the help they provided.

Mr. Smith reported that the total governmental fund balances increased by \$7.8 million. The main driver of the increase was the non-property tax which is largely sales tax revenue. This revenue is higher across the state mainly from when the state began taxing online sales. This is one of the numbers you can't control because there are so many external factors to be considered. Mr. Smith noted the general fund had a decrease in fund balance of \$4.6 million and was \$58.6 million on December 31, 2023. The decrease is a result of repaying the capital projects fund BAN of \$14.2 million.

Mr. Smith answered several questions from committee members. Mr. Marshfield questioned the consequence for Raise the Age funding if the County were to exceed the 2% tax cap.

Mr. Haynes made a motion to accept the draft of the Financial Statements and Auditor's Report. The motion was seconded by Mr. Wilson and unanimously carried. The committee thanked Mr. Smith and Mrs. Preston for all their hard work on the audit. Mr. Smith said he will finalize the reports to close out the 2023 Fiscal Year. He thanked the Committee for their time.

In reply to Mr. Wilson and Mr. Marshfield regarding reserves and restricted fund balance, Mr. Merrill stated they have studied creating a specific capital reserve for O&M on county buildings. Some funds had been assigned for capital projects including the DPW Complex and the Behavioral Health Facility.

The clerk distributed Summary of Revenue and Expenditure reports for 2023 through December 31 as well as 2024 through June 30. These reports will be instrumental as we start the budget process.

### Treasurer's Office – Beverly Shields

Mrs. Shields announced that Moody's raised the County's rating to AA.

In reply to Mr. Marshfield, Mrs. Shields confirmed the 2019 tax sale is still planned for November. There are currently 153 parcels scheduled for the sale. Her office is already starting to look at 2020 foreclosures. Mr. Gladstone remarked that with the new legislation, the county must absorb the loss on these sales but are not allowed to keep any profit. Mrs. Shields explained that all the surplus must be sent to the court then it would be returned to the Treasurer's Office to be deposited into a court and trust fund. Both her office and the court are required to notify the property owner that they can request the surplus. Property owners must request the surplus within three years, otherwise, the surplus would be returned to the County. She stated administrative charges will be withheld from the sale proceeds, and only the surplus is sent to the court. She noted the state will allow counties to keep \$250 of a sale for administrative charges. The breakeven point for the \$250 would be 2% of a \$12,500 sale. Alternatively, they can keep track of actual expenses to claim for administrative fees.

### Real Property Tax Services – Sherri Falcone

Mrs. Falcone referenced a not-prefiled resolution she distributed for a correction of tax rolls. She explained that they had issued a refund to the Catskill Watershed Corporation with the first court order in 2022. The order was changed with the new judgement, and this resolution is to refund the overpayments of 2022, 2023, and 2024 for a total of \$199,536.10 to correct the tax rolls. She indicated that the CWC assessments for the next ten years are listed in the court order of 2024.

Mr. Merrill announced four additional not-prefiled resolutions: An OFA resolution to accept \$20,000 from Bassett Healthcare Network O'Connor Hospital Board for a food box distribution pilot project to promote stay healthy wellness programs; A resolution to include agricultural land into certified ag districts in the Towns of Walton and Bovina; a resolution to schedule a public hearing on the Community Development Block Grant for CARES Act for the August 28 Board meeting; and a resolution for the payment of audit.

Mr. Marshfield observed that the County budgets \$21.5 million in the general fund, \$1.6 for solid waste, and \$6.8 in reserves, a total of \$29,900,000 in sales tax revenue to balance the budget. This amount proves to be very close to the actual revenues collected. Mr. Haynes noted that currently, the sales tax revenue is down 4.5%. Mr. Merrill stated the reality of it is, that the way sales tax revenue is being used, every taxpayer in the county benefits exactly the same from it.

In reply to Mr. Marshfield, Ms. Molé explained that when the Treadwell School was sold in the Sheriff's Auction, the purchaser had to pay the auction price in addition to the delinquent taxes as well as the bank mortgage. She stated that significantly more was paid than what was published in the newspaper.

Upon a motion by Mr. Cetta, seconded by Mr. Kosier and unanimously carried, the Committee entered executive session to discuss potential contractual negotiations.

Committee reconvened in regular session. Mr. Marshfield made a motion to approve financial support for the County Attorney's Office to pay for extra help needed to ensure foreclosure sale records are accurate and complete. The motion was seconded by Mr. Wilson and unanimously approved.

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

Upon a motion the meeting adjourned at 12:25 p.m.