

**Finance Committee Meeting  
August 14, 2024**

Attendees

Committee: Art Merrill, Wayland Gladstone, Wayne Marshfield, John Kosier, Joe Cetta,  
George Haynes, Eric Wilson, Tina Molé  
Staff: Sherri Falcone, Penny Bishop  
Supervisor: Maya Boukai  
Guest: Village of Delhi Mayor Jeffrey Gearhart, Village of Fleischmanns Mayor Samuel Gil,  
Village of Margaretville Mayor John Hubbell, Village of Sidney Mayor Raymond Baker,  
Village of Walton Mayor Edward Snow, Sr., Village of Delhi Trustee, Barbara Sturdevant

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

On a motion by Mr. Gladstone, seconded by Mr. Wilson, the minutes of the July 24 committee meeting were unanimously approved.

The August 13 Sales Tax report and graph were reviewed. The report indicates a decrease of 3.4358% relative to last year. The June 30 Bank Balance report was reviewed.

Real Property Tax Services – Sherri Falcone

Mrs. Falcone presented a fill vacancy authorization form to move Zebadiah Cohen up to GIS Coordinator because he has taken on GIS responsibilities that Joe Gifford was doing before he retired in July. This is the final authorization for moving people into other positions in her department.

The Clerk stated that Director of Public Health Services Mandy Walsh would attend the August 28 Finance Committee meeting to discuss grant funding that will impact their personal services budget.

Committee members discussed damages around the county caused by the storm. Andes received 10 to 11 inches of rain and may have the most storm damage. Mr. Merrill noted the reservoir level went up 16'. Mr. Marshfield stated that completing the Emergency Services damage assessment report has been a daunting task. Mr. Cetta remarked that putting the GIS coordinates on the pictures has been a challenge.

Ms. Molé stated that a Press Release would be issued today announcing that the New York State Department of Financial Services will be at the Delaware County Jail on Saturday, from 10:00 to 5:00 for people who had personal storm damage to their homes and property that their homeowner's insurance would not cover. Governor Hochul announced that grants would be available up to \$50,000.

Regarding the 2024 Summary of Revenue and Expenditure report that was given out at the last Finance Committee meeting, Mr. Marshfield remarked that the workers' comp payments were already at 69% of the amount budgeted. The Clerk noted that the SIF third party administrator PMA has been negotiating to settle some claims, which would explain why the amount was high. Mr. Marshfield stated that one of DPW's fringe accounts was at 70% as of June 30.

Special Meeting with the Delaware Council of Mayors at 11:00 a.m.

Mr. Merrill welcomed the group of Mayors and Trustee Sturdevant.

Village of Delhi Mayor Jeffrey Gearhart thanked the committee for the opportunity to speak. He is representing the Delaware County Council of Mayors, which has become a legal entity where they can come together to share and discuss the difficulties and problems among all of the villages. They realize that financial woes and problems exist across all these municipalities and all the political entities that are in Delaware County. They are here because the villages are finding that they are at a juncture where their resources are extremely limited and their ability to pay their bills on a daily basis is restricted. He explained that virtually their sole source of revenue is from property taxes, but having to increasingly raise those taxes in order to meet their obligations as villages is becoming more difficult. He stated they when the villages raise property taxes by 1%, it nets them less than \$9,000. The state limit of 2% nets them under \$18,000. That does not even let them keep up with inflation.

One of the resources that they have looked at is they would like to propose that perhaps the county would be willing to share a percentage of sales tax. They recognize that this is a big ask, but there are not a lot of other avenues to pursue at this point. They looked at a lot of information and came up with a proposal for the county to share sales tax revenue with villages and towns. They researched sales tax revenue by zip code and obtained a State Comptroller's document from 2020 of all 59 counties, of which 48 counties share sales tax. They considered what all of what those counties offer, and they put together what they felt is a reasonable ask. Certainly nothing absolute, but something they felt was perhaps doable. They are asking to start with a 12% share of the sales tax. He said that based on \$30 million sales tax receipts, 12% would be \$3.8 million which they would propose be shared not just by the villages, but also with the towns. The plan for that share is 60% would go to the villages and 40% to the towns. For the villages, this would help solve a lot of their problems.

Mr. Gearhart emphasized that it is difficult meeting state mandates that are imposed upon the villages and the mandates are eating away at their budgets. He stated that 74% of properties in the Village of Delhi are tax exempt and that makes a significant impact on their budget. Mr. Hubbell opined that businesses also need help whether it be subsidies or holding events to draw people to help businesses thrive. The way this plan is set up, towns would also receive money so that everyone could benefit. Mr. Baker explained they lost 138 homes due to floods in Sidney and spent \$10 million in tax revenue. They have cut everything they can cut. They have no new hires and there is only one part-time employee for their airport down from two full-timers allowing the airport to break even now. He noted they are short staffed for police officers. He stated he had to raise taxes 11% this year and he has tough decisions to make concerning their police department. He said that the Village of Sidney Police Department handles more calls than the Sheriff's Office does for the whole county. Mr. Snow said it is about the same in Walton where it costs the Village about \$600,000 a year to maintain the village police department, which is also short staffed. The only taxes they receive is from the taxpayers and it has really been tough. They have a tight budget with no waste, and he had to raise the budget 3% this year when they normally keep it under 2%. They are hoping everyone here could work together by giving something from the sales tax. He believes everyone would benefit and the county would look good working with them.

Mr. Merrill inquired as to how the Council came up with their request of 12%. Mr. Gearhart said he sent their calculations for the proposal to the Chairman, who will forward to the committee members. Mr. Marshfield stated that all the village problems sound identical to the county's problems and the town's problems. Mr. Wilson requested mayors submit their financial statements for the committee to review. Mr. Merrill said the Finance committee would review the reports and consider the proposal.

Mr. Marshfield informed the mayors of the following county programs that the county is not required to do but are funded to help our communities:

- Ambulance backup services – \$1.5 million
- Summer Youth Employment Program for Towns and Villages
- Watershed Affairs Department – \$1 million+
- Delaware County Soil & Water – \$200,000
- Cornell Cooperative Extension – \$400,000
- Economic Development Tourism
- DPW maintains 20 foot+ bridges in the County
- Solid Waste Disposal – One of the best in the state
- Animal Shelters funded
- Rabies Clinics

Of the 57 counties in the state, he noted that 11 counties do not share any sales tax funding. There are 10 counties that do not share anywhere near 12%. He reviewed percentages shared with towns and villages by several other counties ranging from .125% to 9.5%.

Mr. Marshfield explained that the county budgets \$29.5 million of \$31 million sales tax revenue which does not leave too much leeway. On top of that, if the county exceeds the 2% tax cap, then the state penalizes the county on Raise the Age and will no longer fund \$1.5 million for the program. He expressed that there are different things that the county deals with that towns and villages don't.

In response to Mr. Marshfield, Mr. Baker explained that because there is a lot of low-income housing in Sidney and since they have a hotel where several counties shelter homeless people, their police department receives a lot of calls and keeps very busy.

The Council thanked the committee for their time.

Mr. Wilson stated that the reality of this is that if something is not done, ultimately this is liable to be dumped on their laps. If a village becomes insolvent, then it becomes the town's problem. Mr. Merrill stated that might not be the worst thing that could happen. He noted that for several of the issues such as for water treatment plants, there are a number of grants available, and actually, there are current negotiations with DEP regarding water treatment in the watershed.

Mr. Marshfield said that sharing taxes would not result in an equivalent reduction for the village. Using the Village of Delhi's own calculation with a receipt of \$380,000 would mean their taxes would decrease 38% and noted that most likely would not happen. Mr. Wilson stated that the Sidney School tax budget is higher than the town and village budgets combined and he recognized that a large portion of the school budget is covered by the state. Mr. Cetta acknowledged that some of these small entities need our help and asked that if they cannot give 12%, what can they give to help, especially since sales tax revenue is generated in the villages. Mr. Merrill clarified that if we give all this sales tax away, the county would become financially strapped. The reality of it is that we already have dozens of programs that are helping the villages and the towns. And number one is every bit of the sales tax goes to prevent us from raising taxes on every individual in the county because we are using the sales tax to keep the county budget down. He believes the county is already sharing sales tax revenue with everybody in the most equitable possible way we can. Every individual saves money because we keep our budget under control.

In reply to Mr. Cetta, Mr. Marshfield said the ask is to have all these programs plus 12% of the sales tax. Mr. Haynes said they need to consider where the sales tax dollars are generated from. He remarked the tax may be collected in a village but the customer who is paying the tax could be from outside the village. Everyone throughout the county pays sales tax.

In reply to Mr. Wilson and Mr. Cetta, Finance Chairman Merrill said nothing can be decided without working through the budget for 2025.

In response to Mr. Marshfield regarding village foreclosure sales, Mr. Cetta questioned if an easier way to help would be to make villages whole the same way towns are made whole by the County. Currently, towns and schools are made whole, but not the villages.

Mr. Merrill said there is no easy answer and they will have a lot to discuss for the proposal.

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

Upon a motion the meeting adjourned at 12:05 p.m.