

**Finance Committee Meeting
January 8, 2025**

Attendees

Committee: Art Merrill, Wayland Gladstone, Wayne Marshfield, George Haynes, John Kosier, Joe Cetta, Tina Molé, Eric Wilson
Supervisor: Maya Boukai
Staff: Beverly Shields, Penny Bishop, Sherri Falcone

Mr. Merrill called the meeting to order at 10:35 a.m.

On a motion by Mr. Kosier, seconded by Mr. Gladstone, the December 11 committee meeting minutes were unanimously approved.

The December 31 Sales Tax report was reviewed. The sales tax deposit was an increase of \$386.038 over the comparative deposit from 2023. Overall, the revenue is down .2052% from last year at this time. The November 30 Bank Balance report was reviewed. The contingency report was reviewed. The balance of the contingency account is \$150.487.15. Mr. Merrill explained that once these funds are exhausted, it will be necessary for departments to transfer money from accounts that have excess. Mr. Kosier stated there may be resources available in personal services if departments had vacant positions that were funded. Mr. Merrill said the committee trimmed a lot of budget, perhaps too much. In addition, some revenue was less than what was estimated for some departments. Mr. Cetta expressed that moving funds is not new, especially since the transfers are made within the general fund and are necessary to balance the account lines. Mr. Merrill stated transfers would be made through the first audit in March. That is the last audit where expenditures for 2024 could be paid.

A tentative schedule for 2025 Finance Committee meetings was distributed. The meeting schedule will remain the same to be held on the second and fourth Wednesday of the month at 10:30 a.m. in the Board Room.

Treasurer's Office – Beverly Shields

In reply to Mr. Merrill, Mrs. Shields said their office is making progress on the property foreclosures.

Mr. Merrill stated the committee would need to come up with a plan to designate funds and create a dedicated fund for capital repairs of county-owned buildings. In reply to Mr. Cetta, committee chair said this would be one account for all buildings. Regarding closure of the capital account for the new Behavioral Health Facility, Mr. Cetta said he would bring this up for discussion at the next Mental Health Committee meeting. Mr. Haynes said he would speak with Buildings Superintendent Pete Montgomery and request figures to provide Finance for consideration to establish a reserve. He noted that the Public Safety Building is 20 years old now. Mr. Merrill said the auditors like fund balance to be designated and they frown upon unassigned fund balance. The funds must be assigned so they are usable as needed, and he

would prefer a reserve account that would only require a permissive referendum to fund the account rather than require a permissive referendum to withdraw funds for each project. He suggested that funds could be moved into the reserve at year's end to keep the fund balance down.

Regarding ways to help villages, Mr. Marshfield questioned how village sales of tax-acquired properties are going. Mrs. Shields said they are not going well. She stated she had been working with the Village of Hancock but was not able to get sufficient information to help them. She confirmed with Mr. Marshfield that villages do have properties that they cannot collect taxes on. She noted that the State Comptroller wrote up the Village of Sidney for not doing foreclosures for many years. That's when she contacted the Village of Hancock to help them but was unable to get the information she needed, and the Village hired legal counsel to handle their foreclosures. Mr. Marshfield said he has an undated letter to the Finance Committee from County Attorney Amy Merklen about a proposed inter-municipal agreement with every taxing authority to handle all In Rem foreclosures. Mrs. Shields said In Rem is a legal term for type of foreclosure. Mr. Marshfield said he understands the agreements would mean an extra burden on the Treasurer's Office. Mrs. Shields said it would protect the County to assure the County would receive funds from the sale. Mr. Marshfield stated it would work both ways and help the municipality as well. Mr. Merrill said that the County does not make Villages whole like they do for towns and school districts. Mrs. Shield noted that Delaware County is one of only two counties that do not. She noted that when counties made the schools whole, the school budgets increased at will. Mr. Cetta questioned how much money it would take and if the amount could be set aside? He understands it could be a substantial amount to make them whole. Mr. Merrill stated the committee would need to look at what the actual numbers are. Mr. Merrill stated this is obviously a financial burden on villages. Mrs. Shields stated she believes the Village of Walton is the only village that is consistent with foreclosures. Mr. Merrill said the committee needs to operate from the position of knowledge and the better handle they have on the numbers, the better decisions they can make one way or another. The data would need to come from the villages. Mr. Marshfield requested further discussion with the County Attorney.

Mr. Marshfield questioned what the full market assessments are including the tax-exempt property for every town and village in the County. Since the Villages are concerned about tax exempt properties, this data is needed to investigate these concerns. Mr. Merrill stated Colchester has thousands of state-owned and Forever Wild acres which are untaxable. Mrs. Shields said the data is on the tax rolls and Real Property would be able to provide it.

Mr. Marshfield also had questions about his property tax bill relating to the County levy. He knows the County kept under the 2% tax cap, but his tax bill shows the County went up 5.6%. He also investigated several other Hamden tax bills that showed the same county increase of 5.6%. In addition, he noted the center of the tax bill contains a comparison of county tax, town tax, fire protections, etc. and his bill indicates the county tax was 11% higher than the previous year. He does not understand that. Ms. Molé beckoned Mrs. Falcone to the meeting to address these questions. Mr. Cetta shared that Walton tax bills show a 5.2% county increase.

Mrs. Falcone said she would provide a report of assessments as requested. Regarding the county tax increase of 5.6%, she explained that what happens is when they calculate on the tax bills, it goes from each town's levy to the next levy. It is going by each town's levy.

Mr. Marshfield stated the town and fire protection tax are what he expected, but all Hamden residents show a 5.6% increase for county tax. Mrs. Falcone said the equalization rate affects everything. Mr. Marshfield said the tax bill indicates the difference for the County tax from the previous year is more than 11%. Mrs. Falcone stated the change could be exemption changes or equalization changes. These all factor into what percent the change will be. The calculations are in the tax program. She agreed it could be confusing especially when people do not understand what an equalization rate is or what it does or how it works. Ms. Molé said she understands that when the equalization rate goes down, it means the taxes will go up.

Mr. Cetta indicated they are doing a revaluation in Walton. Mrs. Falcone said she believes that would not be beneficial until the market settles. Mr. Cetta explained that it would be beneficial to residents who must make up the difference when a high-selling property is purchased but the new owner pays less in taxes. The revaluation would balance these taxes. He stated they decided on a revaluation because their equalization rate is down to 74%. The town budgeted the funds for the revaluation and once completed, they will keep the contract in order to maintain the rate at 100%. Mrs. Falcone opined it would be difficult to maintain 100% because the market is still inflated and guessed it would remain inflated for another two to three years.

Mr. Marshfield questioned the difference between a revaluation and a reassessment. Mrs. Falcone stated a reassessment is considered a revaluation. She asked if perhaps Hamden is trending, which is the process of changing everybody by a percentage. She stated that trending is different than a revaluation. That is something when the percentages are dropping like they are because of the market, they go through and everyone gets a certain percent of a bump to bring them closer to 100%. The committee thanked Mrs. Falcone.

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

Upon a motion the meeting adjourned at 11:25 a.m.