

STEUBEN COUNTY FINANCE COMMITTEE

Budget Workshop

Tuesday, October 10, 2023

11:00 a.m.

*Legislative Chambers, 3rd Floor, Annex Building
Bath, New York*

****MINUTES****

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| COMMITTEE: | Gary D. Swackhamer, Chair John V. Malter | Kelly H. Fitzpatrick, Vice Chair Brian C. Schu | Jeffrey P. Horton |
| STAFF: | Jack K. Wheeler Mitch Alger | Christopher Brewer Brenda Scotchmer | Tammy Hurd-Harvey |
| LEGISLATORS: | Scott J. Van Etten Wendy Lozo | Carol A. Ferratella Nicholas D. Pelham | Hilda T. Lando |
| OTHERS: | Mary Perham Joe Tobia Allison Hunt | | |

I. CALL TO ORDER

Mr. Swackhamer called the meeting to order at 11:00 a.m.

II. BUDGET WORKSHOP

A. *Budget Summary* – Mr. Wheeler presented the summary of major changes to the committee. We are an organization with a \$220 million budget. This has been a more difficult year largely due to State actions that we have discussed; specifically, the Medicaid intercept of eFMAP funds, which has about a \$1.4 million impact. We also have the 18-b Assigned Counsel rate increase which is also having a major impact. Before we even start, we are \$2.5 million in the hole, and also have to account for contractual raises for employees as well as increased health insurance costs. We are in a strong position with regard to our fund balance. He noted sixteen years ago when he first started, our fund balance was not as strong. You are in a position now where you can use that fund balance to keep the tax levy reasonable, and to also make sure that balance does not get too high. In order to do that, we conservatively budget in a number of different areas. We do not get too aggressive with budgeting our sales tax as other counties and municipalities do. Additionally, we conservatively budget our vacant, funded positions. We have been having difficulty hiring and we are trying to be creative and looking at different avenues for recruitment. We are facing challenges, but with the vacant positions that are funded and the strong sales tax numbers, our fund balance is in good shape. As this budget is being presented to you, whatever result you choose, we will be able to do by anticipating additional sales tax because there is quite a bit of gap between what we collect and what we budget.

Mr. Wheeler stated under personal services we have budgeted our funded vacant positions, which includes both salary and fringe, at 60 percent instead of 100 percent. He noted the reason for this is we do not anticipate being able to fill these positions right away. For the vacant positions in the Department of Social Services, those are being funded at 75 percent because we can recoup the State administrative costs.

Looking at retirement costs, we are seeing an increase of \$1.7 million overall from \$5.7 million to \$7.4 million. With our health insurance, we have increased the equivalent premium by 12.5 percent for both the County and the employee share. We are continuing to see a trend of more high cost claims, along with the rising cost of prescription drugs.

Mr. Wheeler noted with regard to our interest earnings, Mrs. Hurd-Harvey and Mr. Alger have done a phenomenal job. We have a contract with 3+1 who are more actively managing our investments. From a budget standpoint, we have increased our projection from \$2.5 million to \$4.5 million.

Assigned Counsel has increased \$600,000 due to the 18-b rate increases. Those rates have increased from \$65.00 - \$75.00 per hour to \$150.00 per hour. We are essentially picking up about 60 percent of that cost increase.

Mr. Wheeler stated our Medicaid costs will be increasing \$1.4 million to the statutory cap. However, you are only seeing a \$500,000 increase to the budget because we had conservatively budgeted enough for 2023, that at the end of this year the Commissioner of Social Services will be asking to have \$900,000 that we will not be spending in 2023, to be carried over to 2024 and effectively reduce the impact of that increase to the statutory cap.

Mr. Wheeler noted we had budgeted \$500,000 for EMS and for 2024 we will be increasing that budget to \$1.2 million. This factors in the approach to EMS service provision that the Public Safety & Corrections Committee has discussed and is recommending to the Full Legislature. This budget will cover the cost for the EMS Coordinator position, equipment and vehicles. Once we roll out this program, then we will have the ability to bill insurance.

Ms. Fitzpatrick asked will any of the \$500,000 that we budgeted for EMS in 2023 be left over and can we roll that over into the same structure for 2024? Mr. Wheeler replied his recommendation would be to put those funds into a capital reserve and you could spend out of that for operations needs if you needed to. We know there will be more capital needs in the future for EMS. He noted we will be utilizing agency ambulances; the issue is staffing. They don't have the staff for their ambulances and they will be co-branding with Steuben County EMS.

B. *Capital Projects* – Mr. Wheeler stated on Friday, at the request of Ms. Fitzpatrick, he emailed out a list of all of the capital projects that we fund. He noted that Ms. Fitzpatrick's question was how are we funding the longer-term items that we know we need to fix or that we need to work on. Generally, if you look at the balances in the Buildings and Grounds projects, Mr. Rose and Mr. Haight have done a good job of setting aside money for those multi-year projects. One example would be the window replacements. They have been setting aside money for those replacements for a number of years. For Buildings and Grounds, we have a pretty good funding program for those three to five year projects. There is about \$2.6 million that has been set aside for those types of projects. Looking at other projects, we have money set aside for animal cruelty prevention as well as the Driver Diversion Program. We have over \$1 million set aside for Information Technology, along with the additional that we are proposing in the 2024 budget. He noted with Elections we have been putting away \$50,000 - \$100,000 per year for voting machine replacement. That will not cover the full cost, which is closer to \$800,000, but we have most of it. Then we have the Jail projects. If we have one area to improve our medium range projects budgeting, it is here. We could benefit from setting aside \$100,000 - \$200,000 per year for these projects.

Ms. Fitzpatrick asked why is there a negative balance for the Jail Cameras capital project? Mrs. Hurd-Harvey replied that happened as a result of the MUNIS conversion. We have fixed the issue within MUNIS and hopefully we will be able to just transfer from some of those other projects that no longer need the funds that remain.

Mr. Horton commented speaking of the window replacements, what would we do if we have to replace all the barbed wire fencing around the Jail? None of us want to spend any more money, but if we had to replace all of that fencing, the cost for that would be outrageous. Mr. Van Etten stated he and Mr. Wheeler discussed this morning the fact that you have to replace roofs every 20 years. I don't see anything listed here, even under Buildings and Grounds, where we are putting money away for long-term projects like roof replacements. Mr. Wheeler stated we did have a project for that and the roof on the Jail was replaced right before I got here, so that is approaching.

Mr. Van Etten asked why is there still \$1.1 million under MUNIS implementation? Mrs. Hurd-Harvey replied when we asked for the funding for that, we funded that so it would cover our annual fee for a few years into the future. Ms. Fitzpatrick commented that would be an item then that we would have to build into the budget here in the future. Mr. Wheeler stated yes. You will see that with IT's budget; for example with Microsoft 365 that is being purchased out of a capital project, but you will see the annual recurring fee being built into the budget. Ms. Fitzpatrick commented it is nice

to be able to discuss this now and be able to see where we are at. It gives us responsibility to make sure that these are all in line and that we are able to give you some direction as to where we think it may need to go. Mr. Wheeler stated that it is a good idea and timely to look at this at a minimum once a year, at this type of meeting.

Mr. Wheeler stated with E-911 and Emergency Management we do draw down some State interoperability grant funds. Those are formula based; we submit our costs and then get a reimbursement. When we submit our salaries, we get about \$150,000 and put that into either the dispatch upgrades or 911 center communications system capital project because we know that any upgrades to technology for either of those is going to be expensive and we have been building up those project balances.

C. *Budget Summary (continued)* – Mr. Malter asked going back to the discussion regarding personnel costs; what was the cost for the vacant funded positions going from 100 percent to 60 percent? Mr. Wheeler replied that was \$1.36 million. Mr. Malter stated he does not know if he is in favor of this or not. We had started funding vacant positions back in the 1980's. I don't know if I am in favor of reducing the fund balance. We should appropriate more of the revenue rather than the fund balance. Mr. Wheeler stated we did fund the vacant positions at 75 percent for about five years or so and then we changed that in better financial times. It is a balance and we try to find those expenditures that we are a little high on to draw those down a bit and we also bump up the revenues a little to use both sides. What concerns me if we just appropriate the revenue to balance, is if we actually start spending that \$11 million. Mr. Malter stated you could just appropriate more fund balance. Mr. Wheeler stated yes, you could. Ms. Fitzpatrick asked could we structure it; do we have to do every single group of positions at 60 percent or could we do some at 100 percent, some at 75 percent, some less? Or does it need to be across the board? Mr. Wheeler replied you could, but I would not suggest doing that. If you were going to change anything, then I would suggest changing the percentage that you fund them at and make it globally uniform. Ms. Fitzpatrick asked of those vacant positions, how many of them are we realistically trying to fill? Mr. Wheeler stated we have 128 vacancies right now and of those 68 are non-DSS positions. We have a few positions where the departments plan to hire before the end of the year, so we left those at 100 percent and we cut the others down to 60 percent, other than the DSS positions which we cut to 75 percent. He stated we are actively recruiting for about a third of those vacant positions. Ms. Fitzpatrick asked have you reduced the number of positions? Mr. Wheeler replied the number of positions has stayed pretty static. We have about the same number of positions overall, but right now we have an inordinate amount of vacancies.

D. *Budget Review*

1. *Outside Agencies* – Mr. Wheeler stated he wanted to point out that there is an error on the outside agency requests; the Hornell Humane Society shows a request for \$2,500, however, they have actually requested \$10,000. These funds are specifically for the SPIRIT Program at the Jail and the Trap Spay Neuter Program for feral cats. Additionally, they are proposing a retainer contract for \$10,000 for the boarding of animals from animal cruelty cases, for a total of \$20,000.

Mr. Swackhamer asked the funding for the Industrial Development Agency is for an additional person? Mr. Wheeler replied yes. Right now they have JC Smith who works part-time doing community outreach. They are requesting funding for a full-time person to take over Mr. Smith's responsibilities and help with the other grant programs.

Ms. Fitzpatrick asked with regard to the United Way, last year we reduced their allocation to \$10,000 and they are requesting \$20,000 for 2024? Mr. Wheeler replied the United Way is requesting a \$20,000 allocation to be used for the Dolly Parton Imagination Library. They have requested and will receive the same amount from Chemung County. This is a multi-county effort by United Way and they have indicated that the readership is very strong. This has been a great program. Mrs. Ferratella asked do we know how many of these are under ProAction's program? Mr. Wheeler replied he believes that ProAction partners with United Way, but United Way is the umbrella organization that does this and they have the total counts.

Ms. Fitzpatrick asked are there other youth programs that we could consider contributing some money to other than this? I am not against reading and I am not against books, but we have a lot of libraries and systems for books. Are there other programs that we could consider giving money to instead of bumping up the allocation to

the United Way? Mr. Wheeler replied there is a youth section in the budget. We will be getting more funding from the State because of online sports betting. In your next iteration of the budget, you will be seeing that different revenue with the expenses offset. That additional funding that will come in will be focused on sports or other recreational activities, but you will have the opportunity to fund more programs.

Mr. Wheeler stated he can get the participation numbers. There has been strong participation and it seems that the participation numbers for this program are remaining high.

Mr. Van Etten stated that he would prefer to keep the allocation at \$20,000 especially if our neighboring county is also funding this program. I think it is worthwhile for the kids that do get these books. We can find \$10,000 in a lot of other places rather than whittling this down. Ms. Fitzpatrick stated I'm just suggesting that we look at other opportunities well. I am not against youth programs and I am not against books. We have committed to \$10,000 in the past and I would like to leave it at \$10,000.

Mr. Malter stated I think we need a report showing what we are getting for \$10,000 and what the additional \$10,000 would do for us. Have we had a report? Mr. Wheeler stated he thought last year he shared the rough numbers. Essentially, your allocation would offset their administrative costs of the Dolly Parton Imagination Library.

MOTION: SETTING THE APPROPRIATION TO THE UNITED WAY AT \$10,000 FOR THE DOLLY PARTON IMAGINATION LIBRARY MADE BY MS. FITZPATRICK. SECONDED BY MR. HORTON. MOTION CARRIES 4-1. (MR. MALTER OPPOSED)

Secretary's Note: What are the participation numbers for the Dolly Parton Imagination Library. Is there a report showing a breakdown of costs and county allocations for this program? Mr. Wheeler has provided this information to all Legislators.

Mr. Malter asked with regard to the Industrial Development Agency, will that full-time position be generating revenue? Mr. Wheeler replied that position is not generating revenue, but they will be able to leverage grant funds and development opportunities to the municipalities. They are helping to bring money into the communities.

Mr. Pelham asked what are the increases for Soil and Water and Cornell Cooperative Extension? Mr. Wheeler replied increases for both Soil and Water and Cornell Cooperative Extension are cost of living adjustments and the cost of administration.

Mr. Horton asked what is the increase for the Hornell Arts Council? Mr. Wheeler replied a lot of it is their programming. He stated we can resend their budget presentation. They were talking about offering an increase in support to local arts and they are aware of the increase in sales tax and would like to get a portion of that.

Secretary's Note: Request to see the Arts Council of the Southern Finger Likes 2024 budget presentation materials. Mrs. Chapman resent the 2024 budget presentation materials to all Legislators on October 16, 2023.

Mr. Van Etten asked is any of the tourism and publicity monies inclusive of our now additional overnight tax revenue? The Conference and Visitors' Bureau, they basically take out the largest portion of room tax revenues every year out of a fund and that fund is normally running what kind of a balance? Mr. Wheeler replied in normal, good years, about \$1 million. Mr. Van Etten stated we are expecting this new incremental overnight sales tax to bring in about \$200,000. Is there any increased spending shown on these details that is reflective of that incremental \$200,000? Mr. Wheeler stated it is in the context of those additional funds coming in and room tax being strong. If we did not have that, I have a feeling that the tourism agencies would have pared back their requests. They know that room tax collections are strong and that we are also tacking on the short-term rental taxes. So, there is more money to dole out, essentially, should you choose. It is the context of more money being received.

Mr. Horton stated so my question, along with Mr. Van Etten's, is if they want a \$65,000 increase, plus funds to maintain public relations; we don't even know if we are going to get that \$200,000, right? Mr. Wheeler stated generally, but from a room tax standpoint, we are in a position where you could fit those in. We have had a strong rebound. Mrs. Hurd-Harvey stated at the end of last year we were at about almost \$1 million.

Mr. Van Etten asked didn't the Conference and Visitors' Bureau come to us with a program totally dependent on the additional room tax, where they were going to review project proposals from outside agencies and award grants, but we were going to be the ones that made the decision on whether to fund or not? Mr. Wheeler stated correct. I have not heard anything more on that. That was going to be a wait and see what the revenue stream looks like and if there were going to be extra funds available without depleting or diminishing the fund balance too much. If there are extra funds to allocate toward that grant program for tourism development, you could look at that. That is wholly separate from this budget.

2. *Major Equipment/Minor Equipment/Capital Projects/Computer Equipment* – Mr. Wheeler noted this budget reflects the continuation of the \$1 million CHIPs funding which will help to offset the highway equipment. Overall, the County share for capital equipment is \$3.7 million which is close to last year's amount.

a. Social Services – Major Equipment

Request for one generator (\$20,000) – where will this be located? Wattage should be 30 kw, not 30 watts

Secretary's Note: This generator will be located at the Berkshire House (formerly the Glove House) on County Route 113, Bath.

b. Jail – Major Equipment

Dodge Durango (\$44,000) should be listed as a **Replacement**.

Secretary's Note: This has been completed.

c. Law Department – Computer Equipment

What is the price for the HP Printer?

Secretary's Note: Instead of budgeting for this item in 2024, it was suggested to order now through IT during the department budget meeting. The cost of this color printer is expected to be approximately \$1,000.

E. *Line Item Review*

1. District Attorney

Why did the Vehicle Lease/Chargeback line double from \$9,500 for 2023 to \$18,550 for 2024 with only \$7,524.27 being expended to-date?

Secretary's Note: The increase in 2024 was part of a budget transfer request approved by the Finance Committee on August 8th, 2023, between DSS & the DA's office. This line (\$17,250 for 2024) now reflects their current leases and the proposed new leased vehicle for a DSS Investigator.

2. Public Defender

Why did the Software line increase from \$6,000 for 2023 to \$33,000 for 2024 with only \$842.31 being expended to-date?

Secretary's Note: The increase in Software is for a program called Justice Text. This software will take five hours of discovery video and convert this into a time-stamped transcript, which is searchable, in about five minutes. The YTD

amount spent being below budget is strictly due to timing. The PDCMS Software is on an October – October contractual agreement and will be paid soon.

3. Finance

Secretary's Note: Need to include salary and fringe for additional Deputy Commissioner position.

Mrs. Hurd-Harvey to look into why there are negative balances on Workers' Compensation lines for various departments.

Secretary's Note: The negative amounts resulted from dropping the fringe costs for the 40% salary reduction for the vacant positions. The reduction was done at a flat 3% of gross, regardless of the risk class of the related vacant position. The negative amounts have been eliminated now that we have brought the vacant positions back to 100% funding.

4. Elections

What changed with the Operating Supplies line? 2023 budget was \$15,000, 2024 budget is \$15,000 with only \$3,242.08 being expended to-date.

Secretary's Note: The Board of Elections did not plan on having any grant money in 2023. They also were waiting on the ballot on demand printers to be approved, and then see what they were going to need to purchase for setting them up. Normally, their expenses do not occur until the last couple months of the year. They never know what they may have to purchase each time there is a change to Elections Law. They had also hoped to have new voting machines for this year's general election and were not sure what additional supplies they would need, for example, security seals.

5. Addiction Services – Clinic – Corning

Under revenues, the committee asked for an explanation of the Medicaid Managed Care line. Revenue for 2023 was budgeted at \$337,000, 2024 revenue is budgeted for \$337,000 and to-date \$164,653.40 has been received.

Secretary's Note: Corning clinic will be fully staffed with MMC billable clinicians and providers in 2024 (effective October 2023). As of August 2023, (60% of the year on the time line), 50% of budgeted revenue was realized with vacancies, therefore, \$337,000 with additional MMC billable staff is achievable. Previous year actuals for this revenue source also reflects that Medicaid Managed Care Line revenue increases for the 4th quarter of each year.

6. Mental Health Administration

2023 budget for the total of all fringe benefits was \$616,761, 2024 budget is \$375,087 with \$203,946.83 being expended to-date. Mrs. Hurd-Harvey to check to see how the fringe lines are being allocated.

Secretary's Note: The 2023 budget included the fringe costs for 13 positions whereas the 2024 budget has only 11 funded positions. Additionally, one of the 2023 retirements who carried family health coverage was replaced with a person who does not currently carry the County health, dental or vision coverage.

7. Mental Health Clinic

What has caused total revenues to decrease \$500,000 from the 2023 budget to 2024 budget? 2023 budgeted revenue was \$6,139,813 and 2024 budgeted revenue is \$5,645,382.

Secretary's Note: Munis shows Budget for 2023 for Mental health Clinic as \$6,039,813, a difference of \$394,431. The \$394,431 due to the below:

- 4 DSS positions have been transferred from Community Services to DSS – these were formally “reimbursable” positions from DSS. Loss of revenue \$219,983 (we are still in a “partnership” with DSS for some services)

- *Opioid Settlement funding of \$185,000 was budgeted for 2023 for two positions. These positions were split in 2024; 1 for Mental Health Clinic and 1 to SCASAS – Loss of Revenue \$92,500 (the other \$92,500 is under SCASAS Bath)*
- *CASP Grant - no longer qualify - COVID Grant – Loss of Revenue \$81,948*
Total “loss” of revenue \$394,431

What caused the \$200,000 decrease in personal services from \$2,235,161 in 2023 budget to \$2,038,815 in 2024 budget? Is this the transition of positions from Mental Health back to Social Services?

Secretary’s Note: There were 29 funded positions in the 2023 budget and 30 funded positions in the 2024 budget. After returning the 2024 vacancies to 100% funded, the decrease is only about \$57,000 which is attributed to staff turnover.

8. Mental Health Emergency Outreach

Why has \$40,000 been budgeted in the Repair/Maintenance Vehicles line item for 2024 with only \$635.04 expended to-date?

Secretary’s Note: This amount is equivalent to the amounts budgeted on this line from years past (2022 - \$40,000, 2021 - \$39,500). This amount is budgeted in case of emergency repairs, such as a vehicle breaks down and or significant maintenance is needed, as these vehicles are essential to the work being done. Currently have 3 leased and 1 county vehicle under Mental Health (Crisis and Mobile Crisis use these vehicles). We have reduced this to \$10,000.

9. Substance Abuse & Mental Health Contracted Services

What is this line item for? (\$95,040.00)

Secretary’s Note: Please see below breakdown:

- *Capabilities Contract \$60,040*
- *Opioid Prevention Coalition –Catholic Charities- this should probably be moved to 543303 (Coalition Contracts) - \$25,000*
- *Preta Watches- this should probably be moved to 543345 (Opioid Treatment Contracts) - \$10,000*
Total \$95,040

10. Social Services Administration

Committee asked for more analysis on the Vehicle Lease/Chargeback, Motor Pool Chargeback and Employee Mileage lines. Vehicle Lease/Chargeback budget request to increase from \$57,300 in 2023 to \$80,000 in 2024. Motor Pool Chargeback 2024 budget at \$32,000, budgeted \$15,000 for 2023 and year-to-date have spent \$7,887.71. Employee Mileage for 2023 and 2024 budgeted at \$86,000 and have spent year-to-date \$43,646.81.

Secretary’s Note: Current spending \$5,114.26 month = \$61,371 (we will still be within budget due to buying later in budget year) Plus: Capital request +2 Additional Vehicles (Lease) -\$766.69 each- \$18,401 = \$79,780 , rounded to account for possible rate changes.

The \$7,887.71 Motor Pool Chargeback represents Quarter 1 billing. 2022 spending was \$31,095. We will have to transfer funds to cover 2023 as we will be over budget.

For Employee Mileage, we estimate the payments thus far cover an average of 50% of the year. We spent \$60,000 in 2022. This estimate is difficult because it has so many variables. This year employees are providing more transportation because we have had difficulty in recruiting transporters and have had vacancies throughout the year. We still have one vacant. The other factor is when employees submit for their mileage reimbursement. Often times these are late in the year for the entire year. There is no provision in the contract that employees submit their mileage within a timely fashion.

11. TANF Administration

Why has there been a reduction in total revenues from \$1,909,804.24 in 2023 to \$1,297,423 for 2024?

Secretary's Note: 4 positions were transferred from Community Services to DSS and are funded under DSS Administration Budget # 6010 (\$527,000), Reduced funding/expenditure for Wheels (\$22,000) and reduced one Housing Case Manager Pathways (BILT) (\$63,381).

12. Medical Assist MMIS Medicaid

What has caused the reduction in total revenue from \$1,865,000 in 2023 budget to \$1,441,570 for 2024 budget?

Secretary's Note: Please note the 2023 revenue is \$1,535,000 and the 2024 budget is \$ 1,171,570 as Munis has a flaw that changes the negative appropriation in revenue, therefore showing the appropriation increase. Mrs. Hurd-Harvey is working on the fix. The decrease in anticipated revenue is a result of the phase out of the increased FMAP under ACA and COVID.

13. Child Care

What has caused the increase in the Foster Care and ADC Foster Care line items to go from a total of \$7.3 million in 2023 to \$9 million for 2024?

Secretary's Note: Effective July 1, 2023 the County must pay full Maximum State rate for the Foster Care and Adoption Care services. For example, Level 1 foster care and adoption rate per day was approximately \$14.00. Imposing the new maximum rate (July 1, 2023) increased the daily rate to approximately \$31.00 per day. This rate change began in 2022 where in July we began by paying 50% of the rate increase. This July 2023 imposed the remaining 50% increase. In addition, effective September 1, 2023, adoption subsidies are no longer adjusted for income going forward. Previously adoptive parent income drove the adoption rate per family. This is no longer the case for any new families adopting. On average this is a 31% increase across all levels, July 1st forward. An additional \$400,000 was shifted amongst lines (FC; ADC FC; EAF; Residential Schools) based on child type.

14. Program for Aging – Admin

What is the Steuben Senior Services Fund – Ancil? We have never budgeted for before and 2024 request is \$25,000?

Secretary's Note: NYSOFA is allowing us to use EISEP Ancillary funds for SSSF's Full Circle America in-home monitoring and support. (These are our home care dollars that we have so much trouble spending.) This has been part of the actual SSSF contract for the past couple years. For 2024, we decided to have the ancillary Full Circle part of the contract have its own expense line and to keep separate the employment contract and the FCA program contract.

15. Serial Bonds

How many years are left on the bond on the new building?

Secretary's Note: The final year of payments will be made in 2027.

16. County Roads Administration

Did a District Supervisor position get put into the wrong cost center?

Secretary's Note: There are two District Supervisor positions in org 501000, County Road Administration. There have been three positions added to this budget organization; Senior Environmental Planner, Building Supervisor and a Senior Account Clerk Typist. Additionally, a Senior Account Clerk position was upgraded to Senior Account Clerk Typist.

17. Landfill Revenues

Why is the Recycling Revenue line showing \$0.00 for 2024? 2023 was budgeted at \$90,000. Did this get included in another line item?

Secretary's Note: Yes, any Landfill revenue line with a \$0 in 2024 budget is now being included in the "Refuse Charges" revenue budget. The Landfill Paradigm software can provide greater revenue detail so it is not needed within the accounting system.

The Committee asked to see a breakdown of recycling revenues by location.

Ms. Fitzpatrick asked what is the projected tax levy? Mr. Wheeler replied for the next meeting they will have tax cap calculations ready. Roughly we are looking at \$1 million if you wanted to increase the tax levy and be compliant with the tax cap. The budget, with these changes, is at \$3.4 million now. You do that or less in sales tax revenue appropriation and be done. Our recommendation would be to appropriate that in sales tax.

Ms. Fitzpatrick asked haven't we in the past couple of years raised the tax levy 1 percent or 1.5 percent? Mr. Van Etten replied yes and our rate per thousand has decreased. Ms. Fitzpatrick asked if we are going to increase the sales tax budget, she would like to see a comparison of the budgeted number versus the actual collections. Mr. Wheeler stated for projected sales tax revenue, rough numbers for the end of the year is you are going to be \$10 million over your budgeted number. Ms. Fitzpatrick asked and then are we going to consider not doing the change in the funding of those vacant positions? Mr. Malter replied he would like to see those vacant positions funded at 100 percent. Mr. Wheeler replied that would add another \$1.6 million to the budget. Mr. Malter commented if it isn't broke, don't fix it. We have been using the same mechanism for the last 20 – 30 years. Why do we want to change that at this point? Mr. Van Etten replied I think it is because we have \$100 million in our fund balance. Mr. Malter stated I understand that, but what it comes down to is if you use more revenue you accomplish the same thing.

Mr. Wheeler stated it's just my opinion, and there is no way right way to do it, but I was viewing it as a mix of bumping up the revenues, but also bringing down the expenses because in the hiring environment there is at least \$1 million that we will not spend in budgeted vacancies. However, the other approach is fine also. Ms. Fitzpatrick asked how difficult is it to make the swap back and forth? Mrs. Hurd-Harvey stated it takes a while because we are doing it by position.

Ms. Fitzpatrick asked what about the funding from the State that you were talking about? Mr. Wheeler replied that was the eFMAP revenue and the last word we heard at NYSAC was that we were going to lose \$1.4 million this year. However, the new budget director is willing to talk about a reconciliation and we may not lose that entire \$4 million in back payments.

Ms. Fitzpatrick stated our Assemblyman and Senator have said that the State budget is in awful shape. Should that be concerning us with regard to daycare funding, CHIPs, etc.? Where will we be if the State really is \$36 billion in the hole? Mr. Wheeler stated when we talked to NYSAC in September, the State has a \$30 billion surplus at the moment. If they keep funding schools and Medicaid at the increases they have, then the five year budget deficit looks to be about \$30 billion. This is a big unknown. There is the statutory Medicaid cap. Could they change that? Sure, but they would get a heck of a fight. It is a risk, but he would see them doing it as they did before; a death by a hundred cuts. That is the approach where they will cut reimbursements in many other areas and that will hurt more and take longer. Mr. Wheeler stated your financial position is strong. You could pull the \$3 million in sales tax and still be conservative on your revenue estimates. Our fund balance grew more than expected and we budgeted conservatively for sales tax revenue, but people have not stopped spending and we have strong sales tax growth.

Ms. Fitzpatrick asked will you have enough money to cover the labor contracts? Mr. Wheeler replied we are fine for 2024. In 2025 you will have the CSEA Main Unit and the Deputies. Also, I'm very likely going to ask that we have a comprehensive market study done for management. That was last done in 2018. You may be looking at marketing rating for your entire staff. Next year absent any change in the State and/or economic situation or any downturns where sales tax may drop, you are going to face the pressure on the wage side.

At Mr. Wheeler's request, the Finance Committee agreed to hold another budget meeting on October 23rd, immediately following the Legislative Meeting.

MOTION: TO ADJOURN MADE BY MR. MALTER. SECONDED BY MS. FITZPATRICK. ALL BEING IN FAVOR. MOTION CARRIES 4-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature