

FINANCE WAYS & MEANS COMMITTEE
Meeting Agenda – Thursday, February 26, 2015 – 9:00 a.m.
Supervisors Large Conference Room

9:00 a.m. Call meeting to order

9:05 a.m. Approval of Minutes

- January 29, 2015 – Draft
- February 10, 2015 - Draft

9:10 a.m. Cindy Edick, County Treasurer

- Discussion – Emkey Property (Res. 52 from 2/10/15 included)
- Treasurer's Reports (1-2)

9:30 a.m. Resolutions:

1. Approval of Applications for Refund and Credit of Real Property Taxes Under Section 556 of the Real Property Tax Law.
2. Authorizing the Chairman to Enter into an Agreement and Modifying the 2015 County Budget. (fountains spatial)
3. Authorizing the Chairman to Execute Contract Modifications and Modifying the 2015 Adopted County Budget. (Mental Health)
4. Authorizing the Chairman to Enter into an Agreement with Catholic Charities of Oneida/Madison Counties and Modifying the 2015 Adopted County Budget.(Youth Bureau)
5. Authorizing the Modification of the 2015 Adopted County Budget. (Bundle Mods 1-6)

Any other business

Next Meeting

Adjourn

DRAFT

MINUTES

FINANCE, WAYS AND MEANS COMMITTEE

January 29, 2015

Present:

Committee:

Supervisors:

County Staff:

J. Reinhardt, D. Ball, R. Bargabos, J. Pinard, J. Salka

R. Bono, C. Moses

J. Campanie, C. Edick, D. Roe, M. Scimone, S. Trexler,

T. Wayland-Smith

A quorum being present, J. Reinhardt called the meeting to order at 9:02 a.m.

I. Emkey Assessment Reduction

C. Moses gave the Committee an overview of a large assessment reduction pending in the Town of Eaton. The parcel is owned by Emkey, the company that operates a gas compressor station on the property. Moses explained that when the parcel was most recently assessed, the Town Assessor sought a recommendation from New York State Office of Real Property Tax Services (ORPS) due to the unique nature of the valuation. The Town Assessor applied the \$6,085,000 assessment as recommended by ORPS. However, Emkey has since filed a petition to have the assessment reduced to \$19,810, which is the value of the land, only. The Town of Eaton and Morrisville Eaton Central School (MECS) authorized special counsel to defend the challenged assessment, only to discover that because Emkey is transporting its own gas, and not the gas of other companies, that they will most likely lose when/if the matter goes to court.

Emkey ceased paying real property taxes for the past three years while fighting the assessment. The County appropriately made the Town and the School District whole for the past two years, and will be making them whole for a third year no later than March 31, 2015. Assuming that the assessment is reduced to \$19,810 for those three years, all municipalities involved stand to lose substantial amounts of real property tax revenue as follows (excludes County relevy fees and return penalties): Madison County \$131,494.35; Town of Eaton \$86,833.75; MECS \$298,180.56. Once the matter is decided, the County would demand repayment from the Town and the School District. However, Moses is requesting the County consider not requiring repayment from either the Town of Eaton or MECS due to the considerable adverse impact this would have on their taxpayers, through no fault of the Town or School District. The taxpayers would suffer not only from the Town and School District having to repay the County, but also due to the assessment reduction going forward.

ORPS will not take any responsibility for the erroneous assessment or the difficulties now being faced on the local level. The Town and School District have met with Assemblyman Magee and Senator Valesky to request financial assistance, but it does not appear that any assistance will be forthcoming.

Motion by J. Salka for the County to forgive the taxes that will be owed from the Town of Eaton and MECS; second by J. Pinard. There was further discussion about this being a one-time occurrence, which should not be precedent-setting. County Attorney Campanie was asked to review this matter and draft a Resolution for the February 10, 2015 Board meeting. Motion unanimously approved.

II. Approval of Minutes

Motion by R. Bargabos to approve the minutes of the October 24, October 30, November 18, December 5, and December 22, 2014 meetings; second by J. Pinard. Motion unanimously approved.

III. County Clerk

D. Roe discussed the rationale for requesting an increase in hours for one of the department's Motor Vehicle Representative/Recording Clerk positions. Roe also distributed a handout detailing the Historian's activities during 2014.

IV. County Treasurer

C. Edick reviewed an Analysis of Sales Tax Receipts, Analysis of Off-Track Betting Revenue, and Actual Medical and Prescription Claims Payments. She also gave an update regarding Munis, the County's new financial management system.

V. Resolutions

1. Increasing the Hours of a Position in the County Clerk's Office and Modifying the 2015 Adopted County Budget – Motion by D. Ball to approve the resolution as amended; second by J. Salka. Motion unanimously approved.
2. Authorizing the Modification of the 2015 Adopted County Budget – Motion by J. Salka to approve the resolution; second by R. Bargabos. Following discussion, motion unanimously approved.
3. Authorizing the Chairman to Enter into an Agreement with New York State Department of Health for the Administration of Early Intervention and Modifying the 2015 County Budget – Motion by J. Salka to approve the resolution; second by R. Bargabos. Motion unanimously approved.
4. Authorizing the Chairman to Execute Contract Modifications and Modifying the 2015 Adopted County Budget – Motion by R. Bargabos to approve the resolution; second by D. Ball. Motion unanimously approved.
5. Authorizing the Chairman to Execute Contract Modifications and Modifying the 2015 Adopted County Budget – Motion by R. Bargabos to approve the resolution; second by D. Ball. Motion unanimously approved.

6. The Resolution Authorizing the Issuance of Bond Anticipation Notes for Sewer and Water Pipeline Projects was pulled.
7. Approval of Application for Refund and Credit Under Section 550 of the Real Property Tax Law - Motion by D. Ball to approve the resolution; second by J. Salka. Motion unanimously approved.

VI. Adjournment

1. The next meeting is scheduled for Tuesday, February 10, 2015, in advance of the Board meeting. The time of this meeting is yet to be determined. The next regular meeting is scheduled for Thursday, February 26, 2015 at 9:00 a.m.
2. Motion by J. Salka to adjourn the meeting; second by J. Reinhardt. Motion unanimously approved. Meeting adjourned at 10:34 a.m.

Respectfully submitted,

Cindy J. Edick
Madison County Treasurer

DRAFT

MINUTES

FINANCE, WAYS AND MEANS COMMITTEE

February 10, 2015

Present:

Committee:

J. Reinhardt, D. Ball, R. Bargabos, J. Pinard, J. Salka

Supervisors:

J. Becker, R. Bono, R. Bradstreet, L. Carinci, D. Degear, J. Goldstein,
S. Henderson, D. Jones, C. Moses, E. Shwartz, A. Stepanski, P. Walrod,
B. Zupan

County Staff:

J. Campanie, C. Edick, M. Scimone, T. Wayland-Smith

A quorum being present, J. Reinhardt called the meeting to order at 2:03 p.m.

I. Resolutions

1. Authorizing the Forbearance from Exercising the Right of Repayment to the County of Sums Paid by Reason of an Erroneous Assessment – Motion by J. Salka to approve the resolution; second by D. Ball. Motion approved with Ball, Bargabos, and Salka voting Aye, and Pinard and Reinhardt voting Nay.

II. Adjournment

1. The next meeting is scheduled for Thursday, February 26, 2015 at 9:00 a.m.
2. Motion by D. Ball to adjourn the meeting; second by J. Reinhardt. Motion unanimously approved. Meeting adjourned at 2:06 p.m.

Respectfully submitted,

Cindy J. Edick
Madison County Treasurer

**Madison County
Analysis of
Sales Tax Receipts**

Actual Sales Tax Receipts

<u>Distribution Date</u>	<u>2014</u>	<u>2015</u>	<u>Increase</u>	<u>%</u>
February 6	\$1,324,359	\$1,434,464	\$110,105	8.31%
February 13	\$346,011	\$436,487	90,476	26.15%
Total	<u>\$1,670,370</u>	<u>\$1,870,951</u>	<u>\$200,581</u>	<u>12.01%</u>

**Madison County
Analysis of
Off Track Betting Revenue**

Annual Revenue

2003	\$307,643	2009	\$119,427
2004	\$194,834	2010	\$143,045
2005	\$250,843	2011	\$ 79,383
2006	\$228,748	2012	\$ 76,249
2007	\$176,283	2013	\$ 66,954
2008	\$149,406	2014	\$ 60,904

Year-to-Date Revenue Comparison

<u>thru</u>	<u>thru</u>	<u>(Decrease)</u>	<u>Percent</u>
<u>2/21/14</u>	<u>2/21/15</u>	<u>(\$70)</u>	<u>(2.10)%</u>
<u>\$3,327</u>	<u>\$3,257</u>		

**OTB History
1982 - 2015
as of February 21, 2015**

Source of Funds

Capital District OTB	\$7,481,346
Interest Income thru May 2009	<u>362,433</u>
Total Source of Funds	<u>\$7,843,779</u>

Use of Funds

Contribution to Correctional Facility Capital Project 1987	\$850,000
Transfer to Debt Service to Reduce Annual Tax Levy for Debt Expense - Corr. Fac.	6,263,947
Transfer to Public Safety Comm. Upgrade Reserve	<u>729,832</u>
Total Use of Funds	<u>\$7,843,779</u>

RESOLUTION NO. 52

AUTHORIZING THE FORBEARANCE FROM EXERCISING THE RIGHT OF REPAYMENT TO THE COUNTY OF SUMS PAID BY REASON OF AN ERRONEOUS ASSESSMENT

WHEREAS, the assessment for a parcel of land of Emkey Resources LLC, together with the taxes attributable thereto, set forth and identified on the attached Schedule A, has been determined to have been erroneously made; and

WHEREAS, as a result of a legal challenge such assessment will be reduced affecting the taxes due for a three-year period; and

WHEREAS, Emkey Resources LLC has not paid any of such taxes and as a result of the application of New York State Real Property Tax Law the County has or will have made the jurisdictions set forth and identified on Schedule A whole based on such erroneous assessment by paying over the sums set forth and identified on Schedule A to such jurisdictions; and

WHEREAS, the County is entitled under law to charge back to and recover from such jurisdictions the entire amount of such payments; and

WHEREAS, such jurisdictions have requested the County to forgive and forbear from requiring such repayment and this Board finds and acknowledges that to insist on such repayment would cause considerable hardship to such jurisdictions and their taxpayers.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors hereby determines that it will forbear from and not require the repayment by such jurisdictions of the sums resulting from such erroneous assessment, as more particularly set forth Schedule A, attached to and made a part hereof.

Dated: February 10, 2015

John A. Reinhardt, Chairman
Finance, Ways and Means Committee

In 2009, the Town of Eaton had a townwide reassessment and Norse Energy Corporation owned gas compressor station was assessed by the Office of Real Property Services. Our assessor asked ORPS to make the assessment due to this being an unusual type of assessment. ORPS assigned a value to the property of just over \$6 million. The gas company paid the taxes for two years and then filed for bankruptcy. It was bought out by Emkey Resources, LLC in 2012 and when the purchase was completed, Emkey filed for a reduction in assessment. They stopped paying Town, County, Fire District, and School taxes. The 2015 taxes makes the third year that Emkey has not paid taxes and Madison County has made everyone whole during that time. The papers filed by Emkey were to reduce the assessment to \$19,000 (value of land) from the \$6 million.

In the fall of 2013, the Town of Eaton and Morrisville-Eaton Central School District hired a law firm from Albany that specializes in this type of tax reduction requests. The firm has worked for over 16 months and in November, reported to us that the court will decide that Emkey is entitled to the reduction due to a section of the law that distinguishes between gas lines that transport only their own gas and those who transport other gas company's gas. There is also a similar prior court case ruling that ruled in favor of the gas company. The compressor station is part of the economic unit and based on the statute, it is taxed on the amount of the gas produced rather than the inherent value of the facilities.

That brings me to my reason for this email. Now that the assessment will be reduced to \$19,000 (value of land), we are responsible for the three (3) years of back taxes. This is a total cost of almost \$400,000. I don't have to tell you that repayment costs of this amount will devastate the budgets of the Town, School District and Fire District. For example, the School District has to raise the tax levy 1% for every \$35,000 increase in the budget. Paying back the amount owed (over \$300,000) will result in a tax increase of almost 10% by itself. The Town of Eaton's taxes would increase almost the same percentage as well.

In the past, Madison County has forgiven tax paybacks such as town and school affected by the Indian Nation taking land off the tax rolls. I believe that this situation is as extenuating as those.

The Town of Eaton, Eaton Fire District and the Morrisville-Eaton Central School District are asking that the Madison County Finance Committee approve a resolution to waive the payback of the taxes to the county for the past three (3) years. I met with the Finance Committee last week and they approved sending this resolution to the full board. I ask for your support in this resolution.

Revised
Schedule
A #52

Emkey Resources LLC
Town of Eaton
Tax Map #152.-1-2.1

Assessed Value Reduced from \$6,085,500 to \$19,810

Morrisville-Eaton Central School (includes Library)

2012-2013 School Taxes	\$ 97,076.00
2013-2014 School Taxes	99,871.08
2014-2015 School Taxes	<u>101,233.48</u>

Total Morrisville-Eaton Central School \$ 298,180.56

Town of Eaton (includes Fire District)

2013 Town Taxes	\$ 27,214.31
2014 Town Taxes	29,343.38
2015 Town Taxes	<u>30,276.06</u>

Total Town of Eaton \$ 86,833.75

Grand Total School District & Town \$ 385,014.31

RESOLUTION NO. 1

**APPROVAL OF APPLICATIONS FOR REFUND AND CREDIT OF REAL PROPERTY TAXES
UNDER SECTION 556 OF THE REAL PROPERTY TAX LAW**

WHEREAS, the following applications for refund and credit of real property taxes were made in accordance with Section 556 of the Real Property Tax Law;

**Lawrence C & Sharon Apgar
1795 Route 20 West
Cazenovia, NY 13035**

**Tax Map #94.4-2-3.2
5.74 Acres & Residence
Town of Cazenovia**

WHEREAS, the 2012, 2013 and 2014 Town and County tax bills were paid in the amounts of \$5,098.81, \$5,047.60 and \$5,560.87 respectively; and

WHEREAS, the 2012, 2013 and 2014 Town and County tax bills reflected a 1.0 unit charge in the amount of \$286.00 for Sewer Maintenance in error for each of these years; and

WHEREAS, due to a clerical error as defined under Section 550, 2(e) of the New York State Real Property Tax Law, these charges are incorrect by reason of a mistake in the determination of the special assessment based on units of service provided by the special district; and

WHEREAS, the Director of Real Property Tax Services recommends approval of these applications;

NOW, THEREFORE, BE IT RESOLVED, that the County Treasurer be and here is directed to refund the 2012, 2013 and 2014 Town and County Taxes in the amount of \$858.00 due to this error.

Dated: March 10, 2015

John A. Reinhardt, Chairman
Finance, Ways and Means Committee

RESOLUTION NO. 2

**AUTHORIZING THE CHAIRMAN TO ENTER INTO AN AGREEMENT
AND MODIFYING THE 2015 COUNTY BUDGET**

WHEREAS, the Madison County Real Property Tax Services Department recently purchased a new computer and has installed updated software versions that are needed to perform tax mapping functions for the department; and

WHEREAS, fountains spatial performed the tax map edging for Madison County in 2010, and fountains spatial supports the ArcGIS mapping software utilized by the County; and

WHEREAS, fountains spatial has provided a quote of \$1,500 for onsite support and training for tax mapping.

NOW, THEREFORE, BE IT RESOLVED, that the Chairman of the Board be, and hereby is, authorized to enter into an agreement with fountains spatial for onsite support and training, as is on file with the Clerk of the Board; and

BE IT FURTHER RESOLVED, that the 2015 Adopted County Budget be modified as follows:

General Fund

1362 Tax Advertising & Expense

<u>Expense</u>	<u>From</u>	<u>To</u>
A136210 541310 Tax Advertising Expense	\$ 9,500	\$ 9,200

1355 Assessment

<u>Expense</u>	<u>From</u>	<u>To</u>
A135510 541020 Travel Expense (Conference/Seminar)	1,200	1,500
Control Totals	<u>\$10,700</u>	<u>\$10,700</u>

Dated: March 10, 2015

John A. Reinhardt, Chairman
Finance, Ways and Means Committee

RESOLUTION NO. 3

AUTHORIZING THE CHAIRMAN TO EXECUTE CONTRACT MODIFICATIONS AND MODIFYING THE 2015 ADOPTED COUNTY BUDGET

WHEREAS, the Office of Alcohol and Substance Abuse has approved one-time funding for Liberty Resources, Inc., to offset a deficit resulting from a reduction in actual food stamp revenue; and

WHEREAS, these additional funds result in 100% State Aid for 2015 to this agency;

NOW, THEREFORE, BE IT RESOLVED that the 2015 Adopted County Budget be modified as follows:

<u>4316 Mental Health - Liberty Resources</u>	<u>From</u>	<u>To</u>
<u>Revenue</u>		
A4316 434908 St. Aid MH Liberty Resources	289,614	296,143
Control Total		<u>\$ 6,529</u>
<u>Expense</u>		
A4316 542760 Liberty Resources - Halfway	289,614	296,143
Control Total		<u>\$ 6,529</u>

BE IT FURTHER RESOLVED, that the Chairman of the Board be hereby authorized to execute a modification agreement, a copy of which is on file with the Clerk of this Board, for the period January 1, 2015 through December 31, 2015 with Liberty Resources, Inc.

Dated: March 10, 2015

Alexander Stepanski, Chairman
Health and Human Services Committee

John A. Reinhardt, Chairman
Finance, Ways & Means Committee

RESOLUTION NO. 4

**AUTHORIZING THE CHAIRMAN TO ENTER INTO AN AGREEMENT
WITH CATHOLIC CHARITIES OF ONEIDA/MADISON COUNTIES AND
MODIFYING THE 2015 ADOPTED COUNTY BUDGET**

WHEREAS, the need has been identified for additional short-term intervention and supportive case management services for at-risk youth to assist them in developing the skills, knowledge and competencies needed to resolve their presenting issues and make positive choices in their lives; and

WHEREAS Catholic Charities of Oneida/Madison Counties has the experience and expertise to provide this service; and

WHEREAS, the Madison County Youth Bureau desires to enter into an agreement with Catholic Charities of Oneida/Madison Counties to operate the 'Community Case Management for At-Risk Youth' program during the period of January 1, 2015 – December 31, 2015 in the amount of \$12,000; and

WHEREAS, the Madison County Youth Board and the Health and Human Services Committee have recommended funding this program; and

WHEREAS, these costs are reimbursed 100% by State Aid;

NOW, THEREFORE BE IT RESOLVED, that the Chairman of the Madison County Board of Supervisors be authorized to enter into an agreement on behalf of the County of Madison with Catholic Charities of Oneida/Madison Counties in the form as is on file with the Clerk of the Board; and

BE IT FURTHER RESOLVED, that the 2015 Adopted County Budget be modified as follows:

General Fund

7146 Youth Programs - Agencies

Expense

	<u>From</u>	<u>To</u>
A714670 541007 Anticipated Agency Allocation	\$ 48,000	\$ 36,000
A714670 542732 At-Risk Case Management (CC)	<u>0</u>	<u>12,000</u>
Control Totals	<u>\$ 48,000</u>	<u>\$ 48,000</u>

Revenues

A714670 438201 St Aid Anticipated Youth Programs	\$ 48,000	\$ 36,000
A714670 438210 St Aid-At-Risk Case Management (CC)	<u>0</u>	<u>12,000</u>
Control Totals	<u>\$ 48,000</u>	<u>\$ 48,000</u>

Dated: March 10, 2015

Alexander Stepanski, Chairman
Health & Human Services Committee

John A. Reinhardt, Chairman
Finance, Ways and Means Committee

RESOLUTION NO. 5

AUTHORIZING THE MODIFICATION OF THE 2015 ADOPTED COUNTY BUDGET

RESOLVED, that the 2015 adopted County Budget be modified as follows:

Modification No. 1

General Fund

1165 District Attorney

	<u>From</u>	<u>To</u>
<u>Expense</u>		
116510 543010 Liability Insurance	\$10,403	\$11,926

1930 Liability & Fleet Insurance

	<u>From</u>	<u>To</u>
<u>Expense</u>		
A193010 544002 Excess Insurance Premiums	\$557,000	\$555,477
Control	<u>\$567,403</u>	<u>\$567,403</u>
Totals		

Modification No. 2

General Fund

3110 Sheriff Department

	<u>From</u>	<u>To</u>
<u>Expense</u>		
A311030 511000 Personal Services	\$2,439,522	\$2,416,135
A311030 541030 Training & Staff Development	8,500	33,676
A311030 582100 Social Security Expense	186,624	184,835

9030 Social Security & Medicare Expense

	<u>From</u>	<u>To</u>
<u>Expense</u>		
A903090 582100 Social Security Expense	\$1,556,378	\$1,554,589
A903090 581301 Allocation of Social Security	<u>(1,556,378)</u>	<u>(1,554,589)</u>
Control Totals	<u>\$2,634,646</u>	<u>\$2,634,646</u>

Modification No. 3

General Fund

3315 Special Traffic Programs-STOP DWI

	<u>From</u>	<u>To</u>
<u>Expense</u>		
A331530 546210 Equipment-LE Agencies	\$-0-	<u>\$2,632</u>
Control Total		<u>\$2,632</u>

Revenue

A331530 488004 Appropriation of Stop DWI Reserves	\$-0-	<u>\$2,632</u>
Control Total		<u>\$2,632</u>

Modification No. 4

General Fund

6010 Social Services Administration

	<u>From</u>	<u>To</u>
<u>Expense</u>		

A601060 522000 Vehicles	\$128,420	\$122,065
A601060 540101 Computer Equipment	\$ 33,067	\$ 39,422
Control Totals	<u>\$161,487</u>	<u>\$161,487</u>

Modification No. 5

County Road Fund

5110 Maintenance of Road and Bridges

Expense

	<u>From</u>	<u>To</u>
D511050 549105 Transfer to Capital Projects	\$-0-	<u>\$99,512</u>
Control Total		<u>\$99,512</u>

Fund Balance

D 300599 Budgetary Fund Balance Unreserved	<u>\$1,000,000</u>	<u>\$1,099,512</u>
Control Total		<u>\$99,512</u>

Capital Projects Fund

5197 Highway Road & Bridge Projects

Expense

H519750 529007 S Court St Over Clockville Creek	\$-0-	\$29,077
H519750 529008 Creek Rd Over Clockville Creek	\$-0-	\$25,435
H519750 529009 Hunt Road Bridge/DER661	\$-0-	\$22,500
H519750 529019 Middle Lake Road Bridge/DER654	\$-0-	<u>\$22,500</u>

Totals	\$-0-	<u>\$99,512</u>
Control Total		<u>\$99,512</u>

Revenue

H519750 540315 Transfer from County Road	<u>\$1,478,240</u>	<u>\$1,577,752</u>
Control Total		<u>\$99,512</u>

Modification No. 6

Enterprise Environmental Landfill Fund

8176 Landfill Utilities Gas to Energy

Expense

	<u>From</u>	<u>To</u>
EE817680 594201 Contribution to General Fund	\$-0-	<u>\$20,000</u>
Control Total		<u>\$20,000</u>

Revenue

EE817680 488017 Approp. of Gas to Energy Reserves	\$-0-	<u>\$20,000</u>
Control Total		<u>\$20,000</u>

General Fund
8020 Planning
Expense

A802080 544010 Municipal Utility Expenses	<u>\$-0-</u>	<u>\$20,000</u>
Control Total		<u>\$20,000</u>

9999 Non-Departmental Revenue
Revenue

A999995 450311 Transfer from LF Gas to Energy	<u>\$20,000</u>	<u>\$40,000</u>
Control Total		<u>\$20,000</u>

Dated: March 10, 2015

John A. Reinhardt, Chairman
Finance, Ways & Means Committee