

Finance Committee Meeting
Chenango County Office Building – Committee Room
Thursday, January 28, 2021 – 10:00 am

Present were: Chairperson Jeffrey B. Blanchard, Supervisor James J. McNeil, Supervisor Charles A. Mastro, Supervisor John H. Lawrence, Supervisor Joseph M. Henninge, Supervisor Robert M. Jeffrey, Deputy Treasurer Barb Strier, County Attorney Alan Gordon, Real Property Tax Services Director Steve Harris, Director IT Herman Ericksen, County Treasurer Bill Craine, Chief Accounting Officer John Williams, Clerk of the Board/County Auditor RC Woodford, and Board Chairman George Seneck.

Chairman Jeffrey B. Blanchard called the meeting to order at 10:00 am.

Mr. Blanchard stated protecting the budget is the biggest task of this committee and that they are the guardians of this budget. Mr. Blanchard stated the precepts used to set up the budget are a good resource to refer to throughout the year. Mr. Blanchard stated the fiscal year for the state is different than the county which can be a challenge. Mr. Blanchard stated that being informed quickly by other committees regarding budget issues allows them to prepare.

Barb Strier, Deputy Treasurer & Alan Gordon, County Attorney

Tax Foreclosure Status:

Mr. Gordon stated that he would like to give a brief update on tax foreclosure proceedings. Those delinquent on their taxes for four years are subject to foreclosure. Notices are sent throughout the year. Eventually foreclosure proceedings begin, and the property is sold, but it is often not enough to cover the taxes that are owed. The proceedings start in November with the sale occurring in summer. In 2020 there was not a foreclosure proceeding. The 2021 tax foreclosure proceedings may occur this year, but it may be different. This is because of an executive order from the NYS Governor last year prohibiting tax foreclosure proceedings in conjunction with prohibitions of mortgage foreclosures and evictions. Mr. Gordon stated that a new law became effective on December 28, 2020 called the COVID-19 Emergency Eviction and Foreclosure Act which is in effect until May 1, 2021. This mainly prevents tax foreclosures on residential properties, but not on vacant land or commercial properties. To foreclose a residential property a notice and Declaration of Hardship must be included. This Declaration of Hardship can be signed by the property owner and sent back stating that they have been financially impacted by COVID. When this occurs, the property must be removed from the foreclosure list. Mr. Gordon stated they will proceed with tax foreclosures as best they can, but it will not be on the same schedule that has been used in the past.

Supervisor McNeil asked if a commercial property that is used as a rental property is also exempt from tax foreclosure. Mr. Gordon stated the state defined a residential property very broadly. Mr. Gordon stated that it includes apartments that are occupied or available for rent, but it must be owner occupied. Mr. Gordon stated that it is difficult to verify if this is the case. Ms. Strier stated these properties are probably not ones that they want to take possession of because then they would have to worry about the tenants. Ms. Strier stated usually these units do not end up in the tax foreclosure sale which they are happy about.

Mr. Jeffrey asked when the tax sale normally occurs. Mr. Gordon stated the opening of the bids usually occurs in July. Ms. Strier stated they hire abstractors throughout the summer where they do an abbreviated tax and title search, and they must notify anyone with open liens, judgements, or interest in the property. Ms. Strier stated they would file in November normally and send out notices with the last day of redemption usually being March 31st. If payment is not received by March 31st they go to court in April or May. Once the court order is received, bid packets are sent out from May-July, followed by the bid awards occurring in August. Ms. Strier stated the tax foreclosure typically takes a full year followed by the sale which takes about 6 months.

Mr. Jeffrey asked if the current executive order in place by the NYS Governor will impact the timeline for tax foreclosures this year. Ms. Strier stated absolutely. Ms. Strier stated in November they began foreclosure actions against properties that have not paid taxes since 2016 or prior. Mr. Strier stated they filed against 257 properties and there are still 82 properties left from last year that they were not able to foreclose on. Ms. Strier stated that she plans to add those to this year. Ms. Strier stated overall there are about 340 parcels at risk. Ms. Strier stated foreclosure actions probably would not begin until May 1, 2021. If the governor extends the executive order, they plan to move forward with foreclosing the properties that they are able to, but if he does not, they plan to take foreclosure actions on all properties. Ms. Strier stated that they want to reduce tax losses as much as possible.

Mr. Gordon stated there are other executive orders in place that affect this such as an order prohibiting default judgments in general. Mr. Gordon stated that tax foreclosures are almost always default judgments and it is rarely taken to court. Mr. Gordon stated this could potentially stop things as well. Mr. Gordon stated he is hopeful that starting May 1, 2021 they will be able to return to foreclosure proceedings as normal.

Mr. Jeffrey asked if typically, tax sales bring in revenue of \$100,000-\$200,000 dollars each year. Ms. Strier stated historically there was due to gas leases but typically there is no longer a gain. Ms. Strier that they have cleaned up many properties in Chenango County where the owners were bouncing in and out of bankruptcy to avoid foreclosure. Ms. Strier stated that there were many years of delinquent taxes on these properties and they took action to get these properties back on the tax roll. Ms. Strier stated the Great American in Bainbridge has been delinquent on taxes since 2014 with the owner filing bankruptcy a few times. Ms. Strier stated there are \$90,000 in back taxes on this property so she would like to push forward with foreclosure actions against this property. Ms. Strier stated they would probably hire an auctioneer and she plans to begin foreclosure actions on this next month as it falls outside of the executive order.

Mr. Gordon stated they have done separate foreclosure proceedings on commercial properties and they intend to do this more in the future. Mr. Gordon stated, as Ms. Strier said, many property owners who are delinquent on their taxes are abusing the bankruptcy process. Mr. Gordon stated many will file for bankruptcy right before taxes are due which prevents tax foreclosure but, then they do not follow through with the bankruptcy. Mr. Gordon stated they have taken these property owners to court to fight this and have been very successful.

Mr. Jeffrey asked if they predicted any negative financial impacts because of the executive order. Ms. Strier stated that they have about \$100,000 less cash on hand than the year prior. Ms. Strier stated she was surprised that it stayed within reach, but they did see some impact.

Mr. Jeffrey asked if Chenango County could claim they were negatively impacted financially by COVID due to these executive orders. Mr. Craine stated that he is not sure if anyone knows the answer to that. Mr. Craine stated our cash flow has been good and with the current taxes they collected about 2.5% more. Mr. Craine stated that in delinquent taxes we usually collect about 6.6 million and last year we collected about 6.3 or 6.4 million in taxes, so we came close. Mr. Craine stated he is not certain but that he believes any COVID relief we have received has to be spent on extra hires due to COVID or personal protective equipment. Mr. Craine stated that it is unlikely they would be able to make such a claim.

Mr. Craine stated that a property owner in Chenango County needs to be delinquent on taxes for 4 years before they can take tax foreclosure action but there are counties that are only 2 years. Mr. Craine stated that the board chose many years ago to be as generous as they could.

Mr. Jeffrey asked if the county would be responsible for paying the school and village taxes on these properties. Mr. Craine stated that yes, the county is responsible, and the county also gets pulled into covering other expenses such as shoveling the sidewalks and mowing the grass. Mr. Craine stated they have been very aggressive though on those who are abusing the bankruptcy process. M. Crain stated that they don't usually win the first year, but they typically do the second year once the judge sees a pattern.

Mr. McNeil asked if a taxpayer is behind on their taxes for several years, but they only have money for one-year, which year do they pay the taxes on. Ms. Strier stated that they must be paid in reverse chronological order. If tax foreclosure actions are being taken though because they are delinquent four years, they must pay all four years at once. Ms. Strier stated they send out many notices to give them as much chance as possible to prevent this.

Mr. Lawrence asked if a property owner loses their property due to foreclosure if they can bid to purchase it back. Ms. Strier stated no that anyone with delinquent taxes older than the current year cannot make a bid on any properties.

Mr. Craine stated that this committee could decide at some point in time to make changes and send it to the board but what is currently in place is a result of various things that have happened in the past to prevent them again in the future. Mr. Craine stated that they do not currently have any recommendations for changes. Mr. Craine stated that exceptions cannot be made to the rules and that he and Ms. Strier strictly adhere to the rules which were created by the Board of Supervisors.

Steve Harris, Director, Real Property Tax Services

Authorizing Payment in Lieu of Taxes Agreement for Solar Energy System Pursuant to Real Property Tax Law 487 – German Community Solar LLC – Town of German:

Mr. Harris stated that this is a resolution to authorize an agreement to receive a payment in lieu of taxes for a solar energy system in the town of German. It is a 5-megawatt project. Each taxing entity has made an agreement requesting payment in lieu of taxes. The school district, property owner, town, and Chenango County have all negotiated an agreement. The county has agreed to \$1,500 per megawatt or \$7,500 per year in a PILOT payment to the county. This agreement will last for 15 years after which the property will be returned to the tax role and will be assessed as usual. Mr. Harris stated there are two

different avenues a solar property can take. Mr. Harris stated they can go through the IDA such as the town of Norwich Evan's property which has a 30-year PILOT agreement. Under real property tax law 487 solar and wind properties can seek a 15-year tax exemption. Part of that law allows the municipalities to negotiate a payment.

Mr. McNeil made a motion, seconded by Mr. Mastro to refer to the next Board of Supervisors meeting to authorize a payment in lieu of taxes agreement for solar energy system pursuant to Real Property Tax Law 487 - German Community LLC - Town of German. Carried.

Resolution to Follow.

Discussion: Mr. Mastro asked if the town and the school system have backed out of this and will not be receiving any taxes. Mr. Harris stated that the town and school negotiated their own PILOT and will be receiving payment in lieu of taxes as well. Mr. Harris stated that he believes the town and school negotiated for the same amount as the county which overall will result in a total of about \$4,500 per megawatt. Mr. Harris stated that this is also the exact same amount that the solar project in the town of Norwich pays as well. Mr. Harris stated there is legislation now to put in a standard evaluation PILOT formula for all solar projects.

Correction of Error

Mr. Harris stated there are corrections of errors that occur throughout the year, but many happen after the county tax bills go out. Mr. Harris stated, often the property owners approach them with what they believe to be errors. Mr. Harris stated for example there is one in the town of Greene where the school taxes were relieved that should not have been. Mr. Harris stated other properties request to remove the school relevy due to bankruptcy, as Mr. Harris spoke a little bit about earlier. Mr. Harris stated the last one was a property that was subdivided, and the new tax assessments were not entered previously as they should have been.

Mr. Mastro made a motion, seconded by Mr. McNeil, to refer to the next Board of Supervisors meeting to approve a list of corrections for Real Property Tax Services. Carried.

Resolution to Follow.

Mr. Harris stated that he would like to let them know where the Real Property Tax Services Department stands since the ransomware attack. Mr. Harris stated they do a process called replication where the townships and the county send one another assessment changes. Mr. Harris stated since the computer issue this system has been shut down. Mr. Harris stated when they rebuilt everything, they used the 2020 software and many of the townships are still using the 2016 software. Mr. Harris stated that everyone had planned to update to the 2020 software anyways, but the files need to be in sync. The indicators needed to sync the town and county systems are no longer in place. The townships do plan to update to the 2020 system, but they need to replicate changes that have been made to match all of their files. Mr. Harris stated that they need someone from the state to help them replicate the files. Mr. Harris stated that he needs wireless internet access because the person from the state works remotely. Mr. Harris stated that towns with network systems can be done differently. Mr. Harris stated that he just wanted to notify the finance committee in the event that the assessors have any questions.

Mr. Harris stated in the Tax Map Department they use two forms of software, AutoCAD and ArcGIS. ArcGIS is used to create shape files that are shared and used by the Sheriff's Office, the Planning

Department, and many others. Mr. Harris stated they currently use AutoCAD and then convert it to GIS to create the shape files. Mr. Harris stated that the AutoCAD software is old, and they had an issue reloading it. Mr. Harris stated that the updated software is expensive and that it is now a yearly subscription costing about \$3,400. Mr. Harris stated that Chenango County is one of the only remaining counties using AutoCAD and he would like to use ArcGIS instead so that they are only using one software product. Mr. Harris stated the cost of converting the files into GIS is quite expensive. Mr. Harris stated Madison County had a vendor come in to do the full conversion and it cost them around \$125,000 - \$150,000. Mr. Harris stated he is fortunate that he has an employee who has figured out how to convert the maps but there are parts he does not know how to do. Mr. Harris stated he would like to have this employee complete a 3-day online training from February 17-19, 2021. Mr. Harris stated this training costs \$2,250.00 and he has tentatively signed him up. Mr. Harris stated he believes this training would provide this employee with the rest of the tools he needs to complete this conversion. Mr. Harris stated that he would probably need to work with IT to provide a laptop for this training as it is based out of California and therefore follows Pacific Time.

Mr. McNeil asked if the money was available for this in the Real Property Tax Services Department budget. Mr. Harris stated that he spoke with the County Treasurer and the Clerk of the Board previously and he was able to encumber \$23,000 for ArcGIS going forward from last year's budget.

Mr. McNeil stated that this training for the employee would clearly save Chenango County a significant amount of money. Mr. Harris stated there is additional software needed in conjunction with ArcGIS that the Sheriff's Office has. Mr. Harris stated he conversed with others about trying to set up a more centralized GIS system for the county as the Sheriff's Office, the Planning Department, and others use it as well. Mr. Harris stated they need to find out how many people can connect at once to make edits, but as far as they can tell the software is sold in increments of 4 users. Mr. Harris stated that he just wanted to let the board know but no action was needed at this time.

Mr. Lawrence asked since software is updated often if they would need to pay for updates again within the next couple of years. Mr. Harris stated that the software is an annual subscription which includes updates. Mr. Harris stated the subscription is currently \$3,400 for Real Property Tax Services and the Planning Department but it may go up to \$5,000-\$6,000.

Mr. Lawrence asked if ArcGIS will be a thing of the past anytime soon. Mr. Harris stated that GIS is widely used, and he highly doubts it will go away any time soon. Mr. Woodford stated that he worked in the Planning Department when they installed the AutoCAD software, and it was funded by a State Archives Grant. Mr. Woodford stated that this was probably 20 years ago. Mr. Woodford stated the norm was to map with AutoCAD but not long after that conversion was done the GIS software was improved significantly. Mr. Woodford stated that Chenango County is probably one of the later ones to make this transition. Mr. Woodford stated that he does not see the GIS software going anywhere anytime soon.

Herman Erickson, Director, IT

Update on Computer System:

Mr. Ericksen stated that the county computers were hit with ransomware back on October 18, 2020. Mr. Ericksen stated since then they have made quite a bit of progress. Mr. Ericksen stated that they are working on their last server, which is the documenting and imaging server. Mr. Ericksen stated that the

majority of desktops are done. Mr. Ericksen stated that there are a handful of laptops left to work on. Mr. Ericksen stated that they have done enough now that the normal day to day issues are taking up most of their time now.

Mr. Blanchard asked what the IT Department needs to get everything done. Mr. Ericksen stated that he needs more overtime. Mr. Ericksen stated he also has an IT Technician position open that he has not received any applications for.

Mr. Blanchard asked if Mr. Ericksen knew why they were not receiving any applications for this open position. Mr. Ericksen stated that he was not sure why. Mr. Ericksen stated he was not sure if it was the pay rate for this position.

Mr. Blanchard asked if there was a different way, they could advertise the position to make it more attractive. Mr. Ericksen stated that he could investigate this.

Mr. Jeffrey asked if they needed to bring in outside contractors or resources to get everything done. Mr. Ericksen stated that he did get some help from the state with the desktop reimaging. Mr. Ericksen stated that everything that remains requires more specific knowledge so it would be difficult to bring in someone else. Mr. Ericksen stated there are a lot of little things left to configure everything.

Mr. Jeffrey asked if it would help to bring in an outside contractor for the interim until Mr. Ericksen can get the open position filled. Mr. Ericksen stated that he was concerned about how long it would take to train an outside contractor.

Mr. Seneck stated that they have looked at another approach to advertise the open Network Technician position. Mr. Seneck stated Ms. Kerr has put some things together and will be releasing a new ad. Mr. Seneck stated they took off some of the job requirements. Mr. Seneck asked that if anyone has other contacts for Network Technicians in area businesses to make some inquiries about salary. Mr. Seneck stated that they are currently limited in what they can offer due to the CSEA contract. Mr. Seneck stated he has checked with some contacts at Raymond's and it looks like the salary is comparable, but he is not certain. Mr. Seneck stated he is hopeful that with the new advertisement there will be some applications for this position.

Mr. Blanchard stated that word of mouth sometimes is the best method. Mr. Blanchard asked if any of the other staff members in the IT Department had any contacts. Mr. Ericksen stated not currently.

Mr. Seneck stated he believes BOCES has a Computer Technician program and they may want to contact them to see if they have any recent graduates who have carried on in the field that they would recommend.

Mr. Lawrence asked if the county had used any online platforms such as Indeed or LinkedIn to advertise the Network Technician position. Mr. Ericksen stated that they used Indeed. Mr. Lawrence asked if they should try some of the other ones. Mr. Woodford stated that they do use Indeed. Mr. Woodford stated that he spoke with another Department head who is also not receiving applications for open positions. Mr. Woodford stated it is not a problem only within the IT Department and that recruitment is difficult.

Mr. Blanchard asked if employees should be required to complete training on what to look for to prevent another ransomware attack in the future. Mr. Ericksen stated there is some training in place where a phishing simulation is conducted quarterly. Mr. Ericksen stated based on the results they assign employees training. Mr. Ericksen stated there is an initial training in place for new hires as well.

Mr. Seneck asked if the Board of Supervisors were included in this training as he felt that he might be susceptible to phishing himself. Mr. Ericksen stated that he does not believe the board has been included in the past but anyone with a county email can be set up for this training.

Mr. Jeffrey asked if there was a system backup used prior to October 18, 2020. Mr. Ericksen stated that he does use software to create backups.

Mr. Jeffrey stated he felt that Chenango County should take some preemptive actions to try to prevent a ransomware attack in the future. Mr. Jeffrey asked if there were any firewalls in place to prevent county employees from accessing certain outside websites such as social media. Mr. Jeffrey stated he felt that actions should be taken to prevent county employees from using work computers for their personal use. Mr. Ericksen stated that there are firewalls in place and that access is restricted. Mr. Ericksen stated that some things like Facebook can be difficult to control because of how they are designed. Mr. Ericksen stated an assessment had been done with help from the state and they discovered some areas that could use some improvement moving forward. Mr. Ericksen stated they will be working on that throughout the year.

Mr. Jeffrey asked if a ransomware attack could happen again if the county does not establish certain policies or require training. Mr. Ericksen stated that they are taking measures to upgrade security and train employees but unfortunately there is never a guarantee that it won't happen again. Mr. Ericksen stated that they are taking measures to decrease the likelihood of it though.

Mr. Blanchard asked about a transfer Mr. Ericksen was requesting that would provide more funds for overtime pay. Mr. Ericksen stated he is requesting to have \$5,000 for overtime pay.

Mr. McNeil made a motion, seconded by Mr. Lawrence, to refer to the next Board of Supervisors meeting to transfer \$5,000 from Network Technician A1680.161 to overtime A1680.190. Carried.
Resolution to Follow.

Mr. Blanchard asked how Mr. Ericksen is prioritizing tasks that need to be completed. Mr. Ericksen stated right now he has a Word document he is using that lists what needs to be accomplished. Mr. Ericksen stated one of the things he would like to do is set up a help desk ticket system so that he could prioritize and assign tasks from this.

Mr. Blanchard asked if many department heads are bothering him and making it difficult to accomplish tasks. Mr. Erickson stated that most of them have been good about sending emails with a list of what needs to be accomplished so that he can focus on his work.

Mr. Blanchard asked if there was anything else Mr. Ericksen needed to make his job easier. Mr. Ericksen stated that he did not need anything else at this time.

Mr. Jeffrey asked what percent of the recovery process was accomplished at this time. Mr. Ericksen stated that they are close. Mr. Ericksen stated that they only have one server left to work on along with a few computers. Mr. Ericksen stated they are about 80% done. Mr. Jeffrey thanked Mr. Ericksen for everything he has done thus far.

Mr. Blanchard asked Mr. Ericksen to keep the Finance Committee updated on the search for a Network Technician.

Mr. McNeil stated Mr. Ericksen needed help desperately. Mr. McNeil asked if they could borrow someone from elsewhere to help accomplish the smaller tasks. Mr. McNeil stated he understands the difficulty with having someone trained who is familiar with the county's system. Mr. McNeil stated he would like to get Mr. Ericksen assistance right away. Mr. McNeil stated that he felt there were outside contacts that could provide assistance.

Mr. Lawrence asked if this is generating a sizable amount of unusable computer parts. Mr. Lawrence asked if there was a plan in place to take care of this and whether the items were taking up space that Mr. Ericksen's needs. Mr. Ericksen stated that he does have some unusable items stored and that he periodically recycles them.

Mr. Jeffrey asked Mr. Ericksen if he would be open to bringing in an outside contractor. Mr. Jeffrey stated that he knows some very talented individuals who could possibly provide help after hours. Mr. Ericksen stated that he was concerned about training them properly.

Mr. Woodford stated that there is a lot of sensitive information given the nature of the business that the county conducts. Mr. Woodford stated that remote logins are risky. Mr. Woodford stated that this is something to be cognizant of if they were to consider using outside assistance.

Bill Craine, County Treasurer

Governor's Budget and Proposed Federal Stimulus:

Mr. Craine stated for those new to the committee that Mr. John Williams is the Chief Accounting Officer and Ms. Barb Strier is the Chief Tax Collection Officer. Mr. Craine stated there are three long-time staff members who are retiring from his department. Mr. Craine stated some staff members may be promoted internally and therefore is requesting to both refill and backfill these positions as needed.

Mr. McNeil made a motion, seconded by Mr. Mastro to refer to the Personnel Committee to refill Payroll Clerk A1325.17 Carried.

Refer to Personnel.

Mr. Craine stated they had to use Mr. Williams personal phone as a hotspot to complete payroll for approximately 6-8 weeks. Mr. Craine stated that this was not a comforting feeling. Mr. Craine stated that they are having an issue producing 10-99 and W-2 forms. Mr. Craine stated that these are due either tomorrow or Monday and that the IRS is very unforgiving if those documents are late. Mr. Craine asked Mr. Williams to provide the board with an update on this.

Mr. Williams stated there were some changes to the 10-99 files this year and it has been difficult to get hold of IT for their assistance. Mr. Williams stated that unfortunately it seems to require an emergency to get the IT Department's attention right now. Mr. Williams stated the W-2s are not balancing but they made some headway this morning. Mr. Williams stated the reports keep changing each time they are run. Mr. Williams stated IT was currently working on it and hopefully by now it's been resolved. Mr. Williams stated they brought in some outside help today to hopefully meet the deadline. Mr. Williams stated they were still waiting for help from the IT Department for the 10-99 issue though. Mr. Williams stated he has a staff member who is very familiar with Access. This staff member created a copy of the Access file before trying to make the necessary changes herself as they are still waiting for IT to respond to this issue. Mr. Williams stated he does not know if they are going to meet the deadline on Sunday. Mr. Craine stated that they just wanted the Finance Committee to be aware of what was happening. Mr. Craine stated they will get through it but they wanted to disclose to the Finance Committee that it could be done a couple days late.

Mr. Jeffrey asked about an email that came out on January 8, 2021 about direct deposits. Mr. Williams stated that it was a cost cutting measure and they spent over \$600.00 per year on mail for payroll. Mr. Jeffrey stated that he was more so concerned that the email the Board of Supervisors received came out the day of pay. Mr. Craine stated that he sent out an email to all employees previously and emailed the Board of Supervisors separately. Mr. Craine stated that he had been occupied with the 10-99 and W-2 issues. Mr. Jeffrey asked if W-2 forms would still be mailed. Mr. Craine stated that yes W-2s will still be mailed. Mr. Jeffrey stated he was trying to make things more efficient and save funds. Mr. McNeil stated that he understands the decision to cut those costs as they are using taxpayers' dollars and he prefers to be very careful with how they allocated those funds.

Mr. Craine stated that by now each town has received their sales tax checks. Mr. Craine presented a list with a breakdown of what went out to each township. Mr. Craine stated that Delaware and Chenango County were the only counties with a positive sales tax in the Southern Tier this year. Mr. Craine stated back in the spring they were expecting it to be negative and to recover like this is quite extraordinary.

Mr. Craine presented another document on interest rates. Mr. Craine stated they bought the treasuries early throughout last year, so they earned nearly their whole budget in 2020 but in 2021 they have taken about a million-dollar loss due to a decrease in interest rates. Mr. Craine stated there is some potential budget relief as the NYS Governor's budget calls for certain types of investments. Mr. Craine stated that hopefully this passes.

Mr. Craine also provided a list of upcoming articles that he has been asked to write for the Evening Sun.

Mr. Craine stated that the 2021 NYS budget cut back 20% of aid. Mr. Craine stated that because personal and corporate income taxes were better than thought, NYS is going to cut back the reduction of aid from -20% to -5%. Mr. Craine stated they are likely to receive 1.8 million dollars for the Department of Social Service in February. Mr. Craine stated that the CHIPs money will likely also be brought down to -5% so they might expect \$400,000. Mr. Craine stated he is not certain as to when they might expect that. Mr. Craine stated there are two different 2021-2022 proposed NY State budgets. The first with 6 billion dollars of federal money and the other with 15 billion dollars of federal money. Mr. Craine stated under the 6-billion-dollar budget there would still be a 5% reduction aid which the county could live with. Under the 15-billion-dollar budget there would be no reduction in aid and the county

might see some extra revenue. Mr. Craine stated their preference would be for this extra revenue to come directly to the county rather than the state sending it to us. Mr. Craine stated he will be meeting with Mr. Seneck and Mr. Blanchard to discuss what they might do with these funds. Mr. Craine stated that if they deem it appropriate, he will speak with the Board of Supervisors at the February meeting regarding this.

Mr. Craine stated they asked for relief on staffing at the Correctional Facility. They currently are required to have 62 employees there. Normally the facility has a population of about 105-110 people, but they are down to about 70-80 currently. Despite this reduction they are still required to have 62 staff. The new NYS budget does include regulations to allow counties to staff according to jail population. Mr. Craine stated that a negative of the budget is that it continues to reduce funding for AIM and distressed hospitals. Mr. Craine stated another positive is that the budget would also create a permanent 4% local sales tax.

Mr. Craine presented information displaying trends within the county. Mr. Craine stated the civilian labor force and the resident population within Chenango County have decreased over the last 30 years. Mr. Craine stated this data supports the staff recruitment difficulties that Mr. Woodford and Mr. Ericksen discussed earlier. Mr. Craine stated that the unemployment rate has decreased significantly and that many people have left the area.

Mr. Craine stated that his term is up at the end of next year but at this point he is fully committed to continue to serve the county. Mr. Craine stated that he enjoys his work.

Mr. Jeffrey asked how the online Wayfair Act has affected revenue for the last quarter of 2020. Mr. Craine stated it is difficult to say since there has been an explosion of online purchases due to COVID. Mr. Craine stated the courts ruled in South Dakota vs Wayfair that the state could collect sales tax from Wayfair even though they did not have a presence in South Dakota. Mr. Craine stated the initial understanding was that NYS and the county would evenly split these funds. Mr. Craine stated NYS immediately usurped part of that to fund AIM. Mr. Craine stated NYS usurped it again for distressed hospitals. Mr. Craine stated a list of distressed hospitals has not been provided so no one knows where they are yet. Mr. Craine stated that because of this the state now has all of the one million dollars that was supposed to be split between the county and the state. Mr. Craine stated that is why they would like to see the direct aid sent to the counties.

REFERRALS:

1. Authorizing Appropriation of Prisoner Boarding Revenue for Building Repairs – Sheriff's Office- Public Safety Corrections – TBD.

2. Authorizing Appropriation of Grant Funds from The United States Department of Justice Programs – Bulletproof Vest Partnership (BVP) – Sheriff's Office and Probation Office - \$18,720.

3. Authorizing Supplemental Appropriation of Funds for Repair of Air Compressor – Fire & Emergency Management Services - \$26,890.

4. Authorizing Distribution of Year 2020 Traffic Diversion Program Funds – District Attorney - \$76,266.12.

5. Authorizing Agreement with Leatherstocking Education on Alcoholism/Addictions Foundation, Known as LEAF, Inc. For Substance Abuse Disorder Services – Community Mental Hygiene Services - \$74,017.

6. Authorizing Appropriation of Funds for Safe Harbour Program – Youth Bureau - \$23,000.

7. Authorizing the Transfer of Funds Related to COVID-19 – Department of Public Health - \$88,548.

8. Authorizing Appropriation of Timber Sale Funds for Equipment Needs – Department of Public Works – Waste Management - \$24,000.

9. Authorizing Establishment of Deputy County Historian Position – County Historian

10. Authorizing One-Time Stipend – Department of Public Health

Adjournment:

Mr. McNeil made a motion, seconded by Mr. Mastro, to refer to the next Board of Supervisors meeting to authorize referrals 1-10.

Discussion: Mr. Mastro stated in regard to referral #1, during the Safety and Rules Committee it was his understanding that the total boarding revenue would be put towards this and \$50,000 from the budget. Mr. Mastro asked what the remaining balance would be. Mr. Craine stated he believed it will be about \$130,000. Mr. Craine stated he made an agreement with the Sheriff's Office to budget \$50,000 for boarding and anything above that would be transferred to the building project account. Mr. Craine stated that the building is quite old. Mr. Woodford stated that the resolution is open ended so that the Treasurer's Office and the Sheriff's Office could come together to make the appropriation as needed.

Mr. McNeil asked about why timber sale funds from referral number 8 went to the Department of Public Works. Mr. Woodford stated that the timber came from property immediately surrounding the landfill's cell.

Mr. Blanchard stated that the Finance Committee usually takes turns auditing Mr. Woodford's bills every month. Mr. Blanchard asked each committee member to select two months out of the year to complete this task. The committee members selected to assign each month as follows: Mr. Mastro - February & April, Mr. McNeil - July & October, Mr. Jeffrey - November and December, Mr. Lawrence - May & June and Mr. Henninge - August.

Mr. Woodford stated to keep in mind that the 1095C forms are due in March. Mr. Woodford stated that this is another function of IT. Mr. Woodford stated that they believe it will be done in time, but it will be close.

Mr. Lawrence asked if it is possible to send emails for those Chenango County employees receiving direct deposits. Mr. Williams stated that they would need to integrate software into their system to do this or contract an outside source for this function which could be quite expensive. Mr. Lawrence stated that this would then defeat the purposes of saving costs then. Mr. Williams stated that it is less expensive for them to use direct deposit as it costs \$17.00 for every check written. Mr. Mastro asked what percentage of employees receives direct deposit. Mr. Williams stated that he doesn't know that figure, but he can say that under 100 employees still receive written checks. Mr. Williams stated they are going to encourage signing up for direct deposits quarterly. Mr. Craine stated that they aren't sure they can legally force everyone to switch to direct deposit, but they will certainly encourage it.

Mr. Blanchard adjourned the meeting at 11:49 a.m.

mld