

Minutes

Administrative Services Committee

Tuesday, April 18, 2017, 5:00 pm, Room 331

Gerace Office Building, Mayville, NY

Members Present: Scudder, Vanstrom, Whitford, Muldowney

Member Absent: Starks

Others: Tampio, Himelein, Horrigan, K. Gustafson, Heitzenrater, Dennison, Crow, DeAngelo, Caflisch, Hemmer

Chairman Scudder called the meeting to order at 5:00 p.m.

Approval of Minutes (3/13/17)

MOVED by Legislator Whitford, SECONDED by Legislator Vanstrom

Unanimously Carried

Privilege of the Floor

No one chose to speak at this time.

Local Law Intro. 4-17 – A Local Law Amending Local Law 1-83 Providing Fringe Benefits for Managerial Employees

Mr. Gustafson: This was one of the requirements of the Corrective Action Plan from the auditors that came in. The change is underlined there and pretty much speaks for itself that some of the benefits that previously have been given are no longer allowed to be given according to the Comptroller's office. That is what prompted this local law.

Chairman Scudder: That's pretty simple.

Legislator Muldowney: They are pretty much dictating this.

Mr. Gustafson: It seems like that.

County Executive Horrigan: It was a decision of the Legislature in the body that we had that the Legislature did not want those benefits to continue. So it was really the decision of the Legislature and the working group that we had and the proposal that went through. So it was the

Legislature here that did it. They weren't dictating it, in my judgement because we had a local law that said it was o.k.. I mean, they recommended it, they didn't like it but ultimately it was a decision of the Legislature.

Chairman Scudder: O.K., very good. All in favor?

Unanimously Carried

Proposed Resolution - Confirm Appointment - Chautauqua County Ethics Board

Chairman Scudder: Any discussion?

Unanimously Carried

Proposed Resolution - Amending Resolution 44-13 Regarding RPTL Article 11 Tax Foreclosures

Mr. Caflisch: Before you this evening is a small change in the Real Property Tax law and what it involves is, it's under "C", paragraph 4. We had previously required reacquisition payments to be in 2 weeks before the auction and due to a number of court decisions that allowed people to actually go right up to the day before, we need to amend our process to go to the day before the auction. So, it will have a positive effect in the sense that property owners and reacquire up to the day before the perspectives buyers who come to the auction are going to be less prepared or less knowledgeable on what properties may be available. So they are going to show up for the auction and the property they may be looking at could be gone. You have seen those first hand, those issues.

Chairman Scudder: Oh yeah. It makes it much more interesting day.

Mr. Caflisch: So, I'm asking that we change it to be in accordance with the court decisions and move in that direction.

Chairman Scudder: Does everybody understand this, what we're doing?

Legislator Vanstrom: Doing it the way we used to do it.

Chairman Scudder: Yes, basically we're reverting back to the way we used to do it.

Mr. Caflisch: Yes, we used to do it 6 or 7 years ago.

Chairman Scudder: Any questions comments or concerns?

Unanimously Carried

Proposed Resolution – Consolidate Information Technology Network Equipment Capital Projects

Mr. DeAngelo: In I.T., we've had several projects dating back many years, even before I came in that are kind of ongoing projects because they all relate to our network infrastructure. So, they involve things like our wireless network, which is relatively new to the County which was a separate project, our network switches, the software that supports those switches and other network security related items. So we had all these out there, probably a good four or five different projects that in working with Todd and Kathleen, we think that it's best to consolidate them into one so we'll focus enterprise wide on our network infrastructure on one capital project which will be ongoing instead of multiple ones. So it will make a lot of things simpler for not only myself to manage but also in bookkeeping and finance as well. Anything to add?

Mrs. Dennison: Just to say local share, no effect, we're just rolling the budgets from for capital projects into consolidating them into one.

Chairman Scudder: Streamlining. Any questions?

Unanimously Carried

Proposed Resolution – Accepting Grant Award for New York State Municipal Consolidation and Efficiency Competition (*Amend by Substitution*)

Mr. Heitzenrater: Hopefully you all have heard by now that the County is proceeding in the State's municipal consolidation efficiency competition. We passed phase one as one of only six applicants in the State to compete for \$20 million as part of our phase one advancement is a \$50,000 grant so this resolution would allow the County to accept the grant from the State up to \$50,000 to develop a plan which is what we compete for the \$20 million with. So this funding would allow us to contract to have any basic study done and have someone help us prepare the application. No local match so it would be just accepting the grant and also establishing the proper budget lines to pay out for whatever services and accept reimbursement from the State.

Clerk Tampio: Mr. Chairman, the County Executive's office has offered an amendment by substitution to this resolution with the addition of revenue and appropriation accounts.

Chairman Scudder: So we need to move to amend.

Legislator Vanstrom: I make a motion to amend.

Legislator Muldowney: Second.

Chairman Scudder: All in favor?

Unanimously Carried

Chairman Scudder; Any questions or comments for Dan?

Legislator Muldowney: When is the application due?

Mr. Heitzenrater: Our application is due to the Department of State, June 26th. That is partially also why we wanted to amend the resolution to take care of everything we need since it's really only a couple month project to get it done.

Legislator Muldowney: Do you know when they are going to award it?

Mr. Heitzenrater: They are going to award them they said August/September so it will be by this fall that we'll know.

Chairman Scudder: Fairly quick.

Legislator Whitford: Is that part of a requirement to have a budget line to apply for it? It seems like the cart before the horse. Before you are awarded that you are setting up –

Ms. Crow: We're expecting the \$50,000.

Mr. Heitzenrater: Right. There is basically two grants. We won the first phase.

Legislator Whitford: And now this is to set up the accounts.

Chairman Scudder: We haven't put in the \$20 million line in yet.

Legislator Whitford: You should.

Mrs. Dennison: Unfortunately this resolution is just to amend the budget to allow us to accept the \$50,000 in revenue and also to enter into a contract to do the work.

Chairman Scudder: Well, here's hoping we're on our way. I feel good about it. I'll say it right here, right now. I feel good about it. All in favor?

Unanimously Carried

Proposed Resolution – Requesting Amendment of State Legislation Regarding Imposition of Occupancy Tax

County Executive Horrigan: Mr. Chairman, every two years we have to request Occupancy Tax and sales tax that are coming up. So this is a request to the State to keep our 5% occupancy tax. That will go to the State Legislature before they adjourn in April, I'm sure they will approve that. I'm not aware that they wouldn't so we're just keeping it the same.

Chairman Scudder; This is not a new tax, this is a continuation. In years past we used to argue over whether this was a new tax – never mind.

County Executive Horrigan: A continuation of the same occupancy tax that we have.

Chairman Scudder: All in favor?

Unanimously Carried

Proposed Resolution - Requesting Continuation of State Legislation Authorizing 1.0% Additional Sales Tax

County Executive Horrigan: We have our sales tax. It says the 1% increase. The State of course gets 4. Three is kind of the State standard and if you want more than that you have to ask for it so we're continuing the same total of 8% sales tax that we had before and this is a request for the same thing. Keeping it the same No new taxes.

Chairman Scudder: Well put. All in favor?

Unanimously Carried

Discussion – Senior Citizen Partial Real Property Tax Exemption – Jim Caflisch and County Executive Horrigan

Other

Proposed Resolution - Denial of Level 3 Communications, LLC Applications for Corrected Tax Rolls Form RP 554 and Applications for Refunds/Credits of Real Property Taxes Form RP 556 for the 2013, 2014, 2015, 2016, and 2017 Tax Years

Chairman Scudder: We have one more resolution and we all have a copy of this in front of us.

Mr. Caflisch: This is the continuing legal battle we're having with Level 3 Communications and denial of their applications for corrected tax rolls and/or refunds. We have about \$9 million dollars of assessed valuation at stake in the County and for the County it's about \$81,000 a year in tax revenue. There is a similar amount for the schools, villages, and towns, and City of Dunkirk, along the north shore. So, in total, we're looking at \$160 some odd thousand dollars a year of tax revenue. It is substantial. It's unfortunate that we have to fight this battle alone. We have no support from ORPS or the State of New York. The State Legislature has had three years to look at this and has walked away from it three years in a row. We are hopeful in the litigation that has been gone through so far that we will be exempt from having to pay refunds but what I will be asking this Legislature to do is set up a reserve account for refunds for 2016 and 2017 as the litigation has progressed. The issue of payment under protest. We won on the argument but Level 3 is now paying under protest. They did make some payments last year. I didn't tally exactly how much but this year they paid everything that I am aware of under protest and this litigation could go on for 2 to 3 more years. It's very complex, very arcane, -

Chairman Scudder; Weren't we going to get some help from - wasn't there a group of counties or something.

Mr. Caflisch: Not on this one. There was another one several years ago. We have not had any –

Chairman Scudder: Wasn't there something at one time?

Mr. Caflisch: There was a case I think in Wayne County Kurt, several years ago where we participated or helped them out. There are several counties, Erie County has the biggest stake in this battle but there are probably 6 or 8 more counties that I am aware of across New York State. There have been mixed results in litigation. We have been successful or I should say, counties have been successful in the 2nd Appellate Court division where they ruled that fiber optic cable was taxable. We have decisions in two others, Kurt?

Mr. Gustafson: Right.

Mr. Caflisch: (*Cross talk*) third and fourth that are unfavorable. So we think that this may go to the Board of Appeals at some point but right now it's just a big legal battle. So, what I am asking for again is your approval to deny the applications that they have put forward and we continue to try to make this a taxable, as it has been for over 30 years, this is just a tragedy that New York State will not come to help us on this issue.

Chairman Scudder: Any questions, comments, or concerns?

Unanimously Carried

Chairman Scudder: Anything else to come under "other"? Seeing none.

MOVED by Legislator Vanstrom, SECONDED by Legislator Muldowney to adjourn.
(5:33 p.m.)

Unanimously Carried

Respectfully submitted and transcribed,
Kathy K. Tampio, Clerk/Lori J. Foster, Deputy Clerk/Secretary to the Legislature