

# BOARD OF SUPERVISORS

## SENECA COUNTY

Waterloo, New York 13165

**RESOLUTION TO RE-INTRODUCE LOCAL LAW “9” OF 2023 OF 2023 TO AUTHORIZE AND ALLOCATE SURPLUS SALES TAX REVENUE IN EXCESS OF BUDGETARY REVENUE ESTIMATE TO THE TOWNS AND VILLAGES OF SENECA COUNTY AND SCHEDULE PUBLIC HEARING**

RES 266-23, moved by Sprvr. Reynolds, seconded by Sprvr. Partee and adopted.

WHEREAS, following public hearing this date, certain amendments were made to proposed Local Law “9” of 2023, A Local Law to Authorize and Allocate Surplus Sales Tax Revenue in Excess of Budgetary Revenue Estimate to the Towns and Villages of Seneca County; and

WHEREAS, by making said amendments, a further public hearing is required pursuant to Section 10 of the Municipal Home Rule Law; now, therefore, be it

RESOLVED, that copies of the amended proposed local law be laid upon the desks of each member of the County Board as of this date; and be it further

RESOLVED, that a Public Hearing shall be held on Tuesday, November 28, 2023 at 6:00 p.m., or as soon as possible thereafter, at the Seneca County Board of Supervisors meeting room, County Office Building, 1 DiPronio Dr., Waterloo, NY; and be it further

RESOLVED, that the Clerk to the Board publish or cause to be published a notice of said public hearing in the official newspaper of the County at least five (5) days prior thereto.

**SENECA COUNTY LOCAL LAW “9” OF 2023  
A LOCAL LAW TO AUTHORIZE AND ALLOCATE SURPLUS SALES TAX REVENUE IN EXCESS OF BUDGETARY REVENUE ESTIMATE TO THE TOWNS AND VILLAGES OF**

Be it enacted by the SENECA COUNTY BOARD OF SUPERVISORS:

**SECTION I – STATEMENT OF PURPOSE**

A. Seneca County periodically receives a greater amount of annual sales tax revenue than the amount estimated for income in its annual budget. Based upon review and analysis of the historical data on anticipated or budgeted sales tax revenue and actual sales tax revenue, it has been determined by the Seneca County Board of Supervisors that when such income exceeds the budget year estimated income, a portion of such surplus sales tax revenue could be well utilized by the towns and villages for projects or programs at the town or village level that are otherwise beyond the fiscal means of such towns or villages, rather than utilized solely for fund balance or other reserve purposes.

B. By action of Resolution No. 190-23, the Board of Supervisors directed that when the County’s actual budget year sales tax revenue is in excess of the amount of the estimated sales tax revenue set forth in that year’s annual county budget, after retention of the first \$750,000.00 of such surplus, such excess income shall be available for distribution to the local towns and villages of Seneca County. This distribution is limited to not exceed 10% of the prior budget year’s actual sales tax revenue.

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C. By adopting a specific formula for the determination of such surplus and its allocation would serve to address the concerns of all levels of government fairly and responsibly in the county for fiscal responsibility, economic development, as well as continuing to minimize property tax impact on all residents.

### **SECTION II – DEFINITIONS**

**“Annual Budget”** shall be the annual budget, as finally adopted by required by law to adopt for Seneca County of an annual budget of expenditures to be made for a fiscal year for the general support or for the expenses of government of such municipal cooperation during such fiscal year. Such document shall also provide for sources and amounts of revenue to be used to pay for all budgeted expenditures.

**“Budget/Adopted Annual Budget”**

The budget prepared, submitted, subject to public hearing, and adopted by the county for a specific year.

**“Distribution Formula”** – the mathematical application of the Equalized Assessed Value for each of the municipalities (towns and villages) within the county, by percentage, to the Surplus Sales Tax Revenue for Distribution.

**“Equalized Assessed Value”** – using the equalization rate, which is the state’s measure of a municipality’s level of assessment (LOA). This is the ratio of total assessed value (AV) to the municipality’s total market value (MV). The municipality determines the AV; the MV is determined by the state.

**“Estimated revenue”** means revenue from a specific source which is expected to be received during a fiscal year and which is included in the annual budget as adopted for that fiscal year.

**“Excess or Surplus Sales Tax Revenue”** -The difference in the amount of sales tax received by the County for the specific Budget Year, year after subtraction of the amount specified in the initially Adopted Annual Budget, and \$750,000, as specified herein.

**“Full Valuation of Real Property”** - The assessed valuation of real property divided by the equalization rate as determined in accordance with Article 8 of the Real Property Tax Law.

**“Sales Tax Revenue”** - the distribution of the collected sales tax, as referenced under NY Tax Law. Currently such tax is collected at the Seneca County level is 4%. The tax is collected by the state and the County’s share is distributed on a periodic basis to the Finance Department during the year.

**“Surplus Sales Tax Revenue for Distribution”** - The Surplus Sales Tax Revenue as defined herein, shall not exceed 10% of the prior year’s actual sales tax revenue.

**“Surplus Sales Tax Valuation”** – During the review of the audited financial reports as filed with or by the Finance Director for the budget year, the Finance Director and the County Manager will prepare a report to the Board of Supervisors indicating the final determination of the surplus sales tax revenue available for distribution under the Local Law.

**“Town”** - A town is a municipal corporation comprising the inhabitants within its boundaries and formed for the purpose of exercising such powers and discharging such duties of local government and administration of public affairs as have been, or, may be conferred or imposed upon it by law. (New York Town Law § 2) For the purposes of this Local Law, the towns of Seneca County are Tyre, Junius, Waterloo, Seneca Falls, Fayette, Varick, Romulus, Ovid, Covert, and Lodi.

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“**Village**” – A village is a general-purpose municipal corporation formed voluntarily by the residents of an area in one or more towns to provide themselves with municipal services.(New York Village Law Article 2) For purposes of this local law, the villages of Seneca County, with the portion of the town or towns that are included in the village taxing entity are: Village of Waterloo (Town of Fayette, Town of Seneca Falls, and Town of Waterloo); Village of Ovid (Town of Romulus and Town of Ovid); Village of Lodi (Town of Lodi); and Village of Interlaken (Town of Covert)

### **SECTION III PROCESS AND PROCEDURES**

#### **A. Establishment of Baseline Estimated Sales Tax Revenue**

1. Pursuant to NY County Law Article 7, commencing with the initial budget processing period, the County Manager, Finance Director, and if not already designated, the County Budget Officer, will review prior and year to date sales tax revenues as received from the state. The Budget Officer shall determine the preliminary sales tax revenue component as part of the tentative County budget to be filed with the Clerk of the Boad for submission to the Board of Supervisors.

2. During the review of the tentative budget, the preliminary sales tax revenue component may be addressed and adjusted pursuant NY County Law § 354.

3. Following the public hearing required prior to adoption of the budget, any further changes to the preliminary sales tax revenue component shall be made in compliance with County Law § 358.

4. The budget, as adopted, shall contain the estimated sales tax revenue for the budget year, as a component in the calculation of the remaining revenue to be raised through taxes or other sources. Said amount shall be used for the later determination of Surplus Tax Revenue as defined above.

#### **B. Establishment of Surplus Sales Tax Revenue**

1. Sales tax revenue for the budget year shall be monitored by the County Manager and the Finance Director.

2. No later than February 15 of the year following the budget year, a preliminary estimate of sales tax revenue shall be calculated. The Boad of Supervisors shall be advised of this preliminary estimate for information purposes only.

3. Upon the completion and filing of the audited financial reports, the County Manager and Finance Director shall include a report on the actual received sales tax revenue compared to the budget year estimated sales tax revenue.

4. If there is a deficit when the actual sales tax revenue is less than the budgeted sales tax revenue, or, if any surplus is less than \$750,000, then no surplus sales tax sharing shall occur for that budget year.

5. If, after application of Section III (B)4 above, there is a tentative Surplus Sales Tax Revenue, it shall then be compared to the amount of sales tax revenue from the prior budget year. The final Surplus Sales Tax Revenue shall be the lesser of tentative Surplus Sales Tax Revenue compared to 10% of the prior year's sales tax revenue.

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### C. Determination of Distribution Formula

1. In conjunction with the preparation by the Real Property Tax Services Office (RPTS) final data merge prior to the preparation of the Town and County tax bill (Generally November of the year prior to the budget year) the RPTS will take the merged date of equalized assessed values for each of the towns and villages and calculate a percentage said value for each municipality.

2. RPTS shall ensure that the calculated value assigned to the villages is not included in the values assigned to the towns.

3. The determination of the percentage of equalized assessed valuation for each of the towns and villages shall constitute the Distribution Formula to be applied to the Surplus Sales Tax Revenue for Distribution.

### D. Notice and Distribution

1. Once the Distribution Formula has been applied to the Surplus Sales Tax Revenue for Distribution, the resulting amounts shall be verified by the County Manager and Finance Director.

2. A report shall be made to the Board of Supervisors specifying the total amount of Surplus Sales Tax Revenue for distribution and then to be paid to the towns and villages. This report shall contain a list of any accounts due the County from any village or town for any services of any type

3. The Finance Department shall make distribution to the towns and villages within thirty (30) days of the report to the Board of Supervisors, pursuant to Section III (D)2 above, except that portion of the planned distribution to any such municipality shall be withheld by the County until such time as the arrears or account payable is cleared.

### SECTION IV EFFECTIVE DATE AND IMPLEMENTATION

This Local Law shall take effect immediately upon its filing in the office of the New York Secretary of State in accordance with section 27 of the Municipal Home Rule Law.

### SECTION V SEPARABILITY

If any provision of this local law or application thereof to any person or circumstances is held invalid, the remainder of this local law, and the application of such provisions to other persons or circumstances shall not be affected thereby.

*I do hereby certify that I have compared the preceding with the original thereof, on file in the Office of the Clerk of the Board of Supervisors at Waterloo, New York, and that the same is a correct transcript therefrom and of the whole of said original; and that said original was duly adopted at a Regular meeting of the Board of Supervisors of Seneca County held at Ovid, New York on the 14<sup>th</sup> day of November 2023.*

STATE OF NEW YORK  
County of Seneca

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Amanda C. Vavra, Clerk to the Board of Supervisors  
Seneca County, Waterloo, New York 13165

Given under my hand and official seal \_\_\_\_\_