

# County of Fulton

COUNTY BUILDING  
JOHNSTOWN, NEW YORK 12095

GA

## Board of Supervisors

16 May 2011

Telephone 518-736-5540

Fax: 518-762-0224

Ms. Barbara Miller-Williams, Chairperson  
Erie County Legislature  
95 Franklin Street  
Buffalo, NY 14202

Dear Chairperson Miller-Williams:

On 14 March, our county Board of Supervisors formally enacted a "Local Law Establishing Truth in Taxation in Fulton County". We believe passage of this local law in counties throughout the State will make a significant impact in turning back unfunded State mandates from Albany. I am writing to ask you to join this initiative.

For too long, State legislators have been able to increase property taxes without accountability for the tax bills that are sent out; however, county governments have the authority to design and administer their own property tax billing procedures. Implementing a truth in taxation local law is a very logical, low cost way to inject transparency into the problem of unfunded State mandates. Our county has been doing something similar for several years and the response from taxpayers has been eye-opening. Our cost is only about \$600.00 per year to print tax bill flyer inserts.

Enclosed is a Truth in Taxation "Introduction Kit" that we put together to assist other counties in adopting this important grassroots legislation. The Kit includes a MS PowerPoint overview of the Truth in Taxation initiative, examples of Fulton County's enactments and sample templates that your Clerk of the Legislature can easily adapt for your county's use. We also have an electronic version of the Introduction Kit that we will e-mail to your staff upon request. Simply call our Board Office, at 518-736-5540, or e-mail us at [fultbos@co.fulton.ny.us](mailto:fultbos@co.fulton.ny.us), and we will e-mail the kit immediately so that you can use it in your 2012 tax billing. We believe wholeheartedly that it is time to take back home rule on property taxes and are confident that this initiative will be a successful first step.

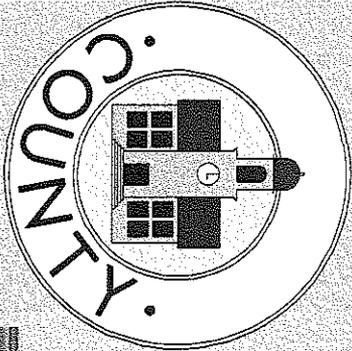
Sincerely yours,



DAVID B. HOWARD  
Chairman of the Board

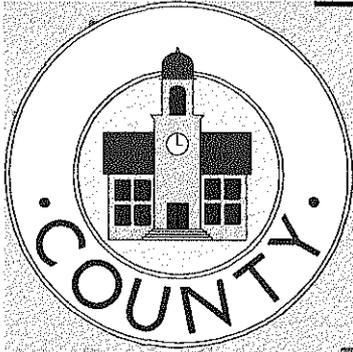
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**INTRODUCTION  
KIT**



***“Truth in Taxation Law”***

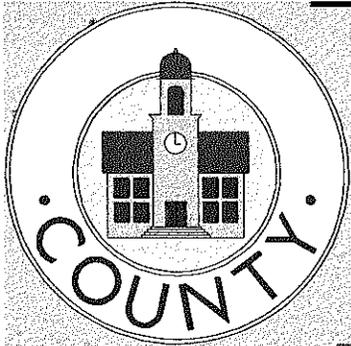
- An initiative to promote fair representation and financial accountability in New York State



# *“Truth in Taxation Law” Goals*

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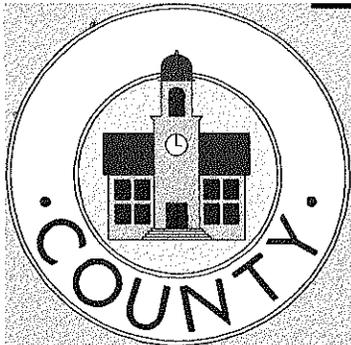
1. Enact local law in every county throughout New York State to delineate the true relationship between State mandates and property taxes.
2. Create a standard system to deliver property tax information to every taxpayer in the state.
3. Promote communication between taxpayers and the state officials responsible for a substantial portion of their property tax bill.



## *“Truth in Taxation Law”*

★ **Adopt a county local law that requires certain steps to be included in county property tax bills on an annual basis:**

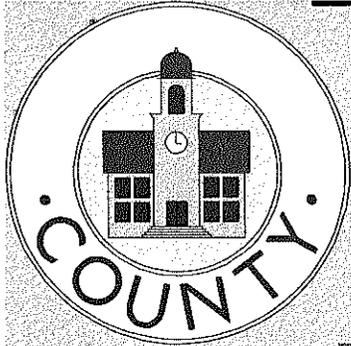
- **Mandate Itemization**
  - “NYS Medicaid Mandate” line
  - “NYS Welfare Mandate” line
  - “NYS Mandates (other)” line
- **Enclosure of a *Tax Bill Flyer***
  - Front: summary of major impacts of state mandates
  - Back: contact information for state legislators



# Mandate Itemization on Tax Bills

Taxing Purpose	Total Tax Levy	% Change	TAV	Rate per \$1000	Tax Amount
GENERAL COUNTY	1,166,186	7.5	166,800	3.710000	618.83
→ NYS MEDICAID MANDATE	1,458,519	-8.3	166,800	4.640000	773.95
→ NYS WELFARE MANDATE	239,999	2.0	166,800	.760000	126.77
→ NYS MANDATES (OTHER)	519,999	3.2	166,800	1.650000	275.22
TOWN TAX	281,950	1.3	166,800	.900000	150.12
FIRE PROTECTION	33,275	-0.9	166,800	.490000	81.73
<b>TOTAL TAXES DUE</b>					<b>\$ 2,026.62</b>

*Sample section of a county tax bill*



# Tax Bill Flyer

1. Standard statement defining “mandate”
2. Summary of key financial impacts
  - “NYS Medicaid Mandate”
  - “NYS Welfare Mandate”
  - “NYS Mandates (other)”
3. “Pie Chart” showing mandated portions of county budget



**YOUR PROPERTY TAXES**

The Fulton County Board of Supervisors is providing this flyer which is all property taxpayers in Fulton County to inform them about how State and federal mandates affect their annual property tax bills.

The 2008 County Budget totals \$26,847,877. Of that amount, 64% (\$12,406,789) is transferred to County government to help pay for its normal operating costs.

Approximately 22% of the mandated programs proposed in the 2008 County Budget are not accompanied by increased State or Federal funding. In other words, over 1/3 of the County's total operating and mandated program funding will be the responsibility of the local taxpayers.

**The NYS Medicaid Mandate:** New York State has the most expensive Medicaid program in the nation. Its spending has risen 10% in the last five years, and more than tripled since 1990. California and Texas are the only two states that have not increased their spending to pay for Medicaid. In fact, the State's cost of the Medicaid program will be \$12.7 billion in 2008 and will increase by 3% every year as mandated by the State.

In 2006, about 58% of the property tax you pay will pay for this bill – Medicaid.

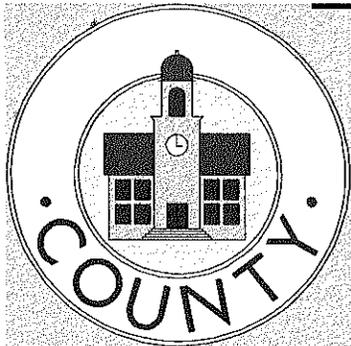
**Increasing Mandates:** State government is also increasing its direct and indirect public programs by increasing its mandated programs. This is also growing. The total cost of all operations will increase by over \$120 million (1.2%) tax levy rate for the 2008 program. One of the fastest growing budget sectors will increase by 18.7% (1.5% levy rate) in 2008.

Approximately 22% of the mandated programs proposed in the 2008 County Budget are not accompanied by increased State or Federal funding. In other words, over 1/3 of the County's total operating and mandated program funding will be the responsibility of the local taxpayers.

**2008 Fulton County Budget**  
(\$26,847,877)

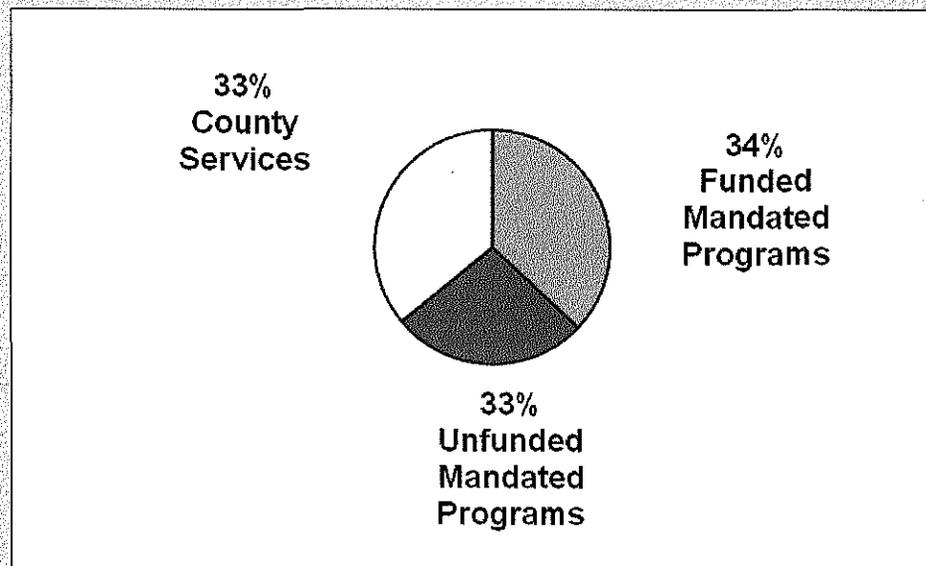
36% County Services	37% Mandated Programs with Funding
	27% Unfunded Mandated Programs

*sample front*



# Budget "Pie Chart"

## 2011 County Budget (\$100,114,645)



*sample*



# Contact Information for State Legislators

## CONTACT INFORMATION FOR STATE & FEDERAL REPRESENTATIVES

### UNITED STATES SENATORS

#### **Charles Schumer**

313 Hart Senate Office Building  
United States Senate  
Washington, D.C. 20510-0605  
(202) 224-6542 Fax: (202) 228-3027

#### **Kirsten Gillibrand**

United States Senate  
487 Broadway  
Saratoga Springs, NY 12866  
518-581-8247

### REPRESENTATIVES IN CONGRESS

21st Congressional District—Includes Gloversville, Johnstown and Town of Johnstown

#### **Paul D. Tonko**

128 Cannon HOB  
Washington, DC 20515  
(202) 225-5076 Fax: (202) 225-5077  
Website: <http://www.house.gov/tonko>

23rd Congressional District—Include Bleeker, Broadalbin, Caroga, Ephratah, Mayfield, Northampton, Oppenheim, Perth & Stratford

#### **Bill Owens**

2366 Rayburn House Office Bldg.  
Washington, DC 20515  
(202) 225-4611 Fax: (202) 226-0621  
Website: <http://owens.house.gov>

### STATE REPRESENTATIVES

#### NEW YORK STATE SENATOR (44th Senatorial District)

#### **Hugh Farley**

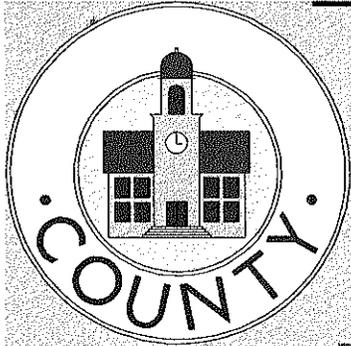
Room 706, Legislative Office Building  
Albany, NY 12247  
(518) 455-2181 Fax: (518) 455-2271

#### NEW YORK STATE ASSEMBLYMAN (117th Assembly District)

#### **Marc Butler**

Room 318, Legislative Office Building  
Albany, NY 12248  
(518) 455-5393 Fax: (518) 455-5889  
or  
District Offices  
235 N. Prospect St., - Suite 101  
Herkimer, NY 13350  
(315) 866-1632 Fax: (315) 866-5058

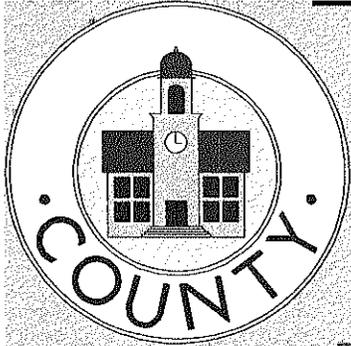
*sample back*



# *NYSAC “9 for 90” Mandate Categories*

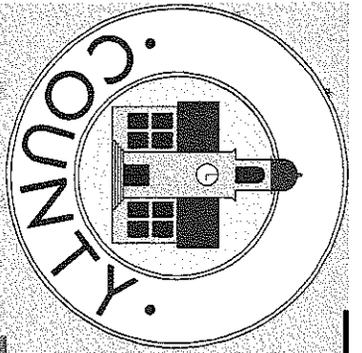
- “NYS Medicaid Mandate” [ 1. Medicaid
- “NYS Welfare Mandate” [ 2. Public Assistance/Safety Net  
3. Child Welfare
- “NYS Mandates (other)” [ 4. Preschool Special Ed.  
5. Early Intervention  
6. Probation  
7. Indigent Defense  
8. Youth Detention  
9. Pensions

*Reference: “The County Call to Cut Property Taxes in NYS: Counties Call for a Collaborative Effort to Reform the Nine Mandates that Consume 90 Percent of the County Property Tax Levy”; New York State Association of Counties, December 2010.*



# *“Truth in Taxation” Kit*

- ★ MS PowerPoint Overview
- ★ County Local Law:
  - Local Law Template
  - Resolution Example (enacted by Fulton County)
  - Local Law Example (enacted by Fulton County)
- ★ Tax Bill Flyer:
  - Flyer Template
  - Flyer Example (w/ Fulton County data)



## *Initiative...*

- ★ Local Laws in all counties...
- ★ Press Releases...
- ★ Letters to the Editor...
- ★ Guest columns...

**LETTER TO THE EDITOR**

**It's time for truth in taxation**

**To the editor:**

These days, there is a tremendous amount of attention on the high property taxes residents of New York State are burdened with. The attention is certainly warranted because school taxes and county property taxes in our state are among the highest in the nation and are the highest in the nation in relation to home values. New York is, in many ways, unique in this regard.

For several decades, its legislators have chosen to fund expansion of health and human services programs with the property tax system rather than with the state income tax system. This has been accomplished by shifting more and more shares of state program costs to local governments through legal, but unfunded, mandates. Property tax is one of the most regressive tax systems in existence and is ill-suited to support the wide variety of social welfare spending New York state legislators have become famous (or infamous) for.

Shifting state spending on to the property tax system also produces a situation that curtails government accountability to its citizens and impairs voters' ability to discern who is responsible for policy-making and the spending that results from it. By statute, property tax is the primary revenue source for county government, and therefore, expensive state mandates become expensive property taxes on local taxpayers. These taxes are billed on county tax bills in January each year, leaving the impression that they result from locally generated spending rather than from the spending of state legislators.

For example, unlike most other states, New York mandates that counties pay one-half of the state's share of Medicaid, the federally administered health care insurance program for the poor. New York state has the most expensive Medicaid program in the nation and includes expanded optional benefits for recipients that exceed what is required by federal regulations. Spending per recipient is the highest in the country, with costs that nearly exceed those of California and Texas combined. In 2011, about 52 percent of the property tax paid by

STATE PROGRAM	2011 Local Share	%/Property Tax Levy
1. Medicaid	\$13,438,763	51.52%
2. Pub. Assistance/Safety Net	1,045,500	4.01
3. Child Welfare	475,000	1.82
4. Pre-School Special Educ.	1,302,218	4.99
5. Indigent Defense	640,313	2.45
6. Probation	424,123	1.63
7. Early Intervention	30,226	.12
8. Youth Detention	95,000	.36
9. Pensions	4,178,249	16.02
<b>TOTALS</b>	<b>\$21,629,392</b>	<b>82.92%</b>

a Fulton County resident, will pay just one bill — Medicaid.

In 2010, the New York State Association of Counties (NYSAC) conducted a detailed analysis of mandated expenditures throughout the state. The analysis produced an astonishing statistic: on average, 9 state mandates consume 90 percent of the county property taxes collected statewide. That means, in most counties, only 10 percent of the county tax levy collected goes to operate local services and projects. This is borne out, similarly in Fulton County. As part of the NYSAC project, the Fulton County budget director's research revealed the accompanying breakdown [see chart] of state mandated costs and the corresponding local share of property tax paid for each.

New York state has earned a dubious distinction as the most heavily taxed state in America. The growth of taxes, particularly property taxes, is unsustainable and squelches economic activity and business growth. Residents are fleeing New York in record numbers and unless our state's citizens are provided with the truth about their taxation, the real problem is unlikely to be solved. With government office, comes responsibility and accountability. Only when taxpayers finally "connect the dots" between state-imposed mandates and their local property tax bills, will they be able to hold state Legislators accountable.

**JON R. STEAD,**  
**Johnstown**

*The writer is administrative officer and clerk of the board of supervisors in Fulton County.*

**Resolution No. 116**

Supervisor GENDRON offered the following Resolution and moved its adoption:

RESOLUTION ADOPTING LOCAL LAW 1 OF 2011 ENACTING  
"TRUTH IN TAXATION" IN FULTON COUNTY

WHEREAS, proposed Local Law "A" of 2011 entitled, "A LOCAL LAW ENACTING TRUTH IN TAXATION IN FULTON COUNTY " has laid upon the desks of the Board of Supervisors for the required period; and

WHEREAS, a public hearing was held on March 14, 2011, after due posting thereof and everyone who wanted to speak was heard; now, therefore be it

RESOLVED, That Local Law No. "A", hereinabove referenced, be and hereby is approved; and, be it further

RESOLVED, That the Clerk of the Board is directed to number said local law for appropriate recording and filing purposes; and, be it further

RESOLVED, That the Chairman of the Board of Supervisors and County Attorney be authorized and empowered to do each and every other thing necessary to further the purport of this Resolution; and, be it further

RESOLVED, That certified copies of this Resolution be forwarded to the County Treasurer, NYS Secretary of State, Fulton County Code Book, Budget Director/County Auditor, Administrative Officer/Clerk of the Board, and to each and every other person, institution or agency which will further the purport of this Resolution.

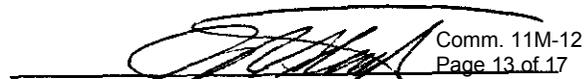
Seconded by Supervisor KINOWSKI and adopted by the following vote:

TOTAL: Ayes: 18 Nays: 0 Absent: 2 (Supervisors Johnson and Waldron)

STATE OF NEW YORK )  
COUNTY OF FULTON ) SS:

I, Jon R. Stead, Clerk of the Board of Supervisors of Fulton County hereby certify that I have compared the foregoing resolution with the original resolution, adopted by the Board of Supervisors of said County, at a duly called and held meeting of said Board on the 14<sup>th</sup> day of MARCH 2011, and the same is a true and correct transcript therefrom and the whole thereof.

Witness my hand and official seal  
this 14<sup>th</sup> day of MARCH 2011 .

  
Clerk of the Board of Supervisors of Fulton County  
Comm. 11M-12  
Page 13 of 17

**COUNTY OF FULTON  
LOCAL LAW NO. 1 OF 2011 ENTITLED,  
“LOCAL LAW ESTABLISHING TRUTH IN TAXATION IN FULTON COUNTY”**

BE IT ENACTED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF FULTON,  
AS FOLLOWS:

***Purpose:***

It is the intent of this law to provide a legal mechanism to ensure that citizens receive accurate tax bill information and county budget information on an annual basis.

**1. Annual Property Tax Bill Data.**

The Budget Director and Administrative Officer/Clerk of the Board are hereby directed to identify the portion of each annual property tax bill dedicated to NYS Medicaid Mandate, NYS Welfare Mandate and NYS Mandates (other) within the taxing purpose section of each such bill.

**2. Tax Bill Flyer.**

The Budget Director and Administrative Officer/Clerk of the Board are hereby directed to take any and all action necessary to cause a Tax Bill Flyer summarizing financial information regarding state and federal mandates to be included as an enclosure with each annual property tax bill. The Tax Bill Flyer shall include the following sections:

- a. Standard statement defining mandate.
- b. Narrative summary of key financial impacts of State and Federal mandates.
- c. A chart illustrating mandated portions of the County budget.
- d. A list of all the names, addresses and contact information of the Governor and federal and state legislators representing areas of the County of Fulton.

**3. Procedure.**

The procedures required by this local law shall be carried out in addition to, and in accordance with, other annual tax billing procedures existent within the County of Fulton.

**4. Effective Date.**

This law shall become effective 30 days from the date of its enactment.

# YOUR PROPERTY TAXES...



**The Fulton County Board of Supervisors is providing this information to all property taxpayers in Fulton County to inform them about how State and federal mandates affect their annual property tax bills.**

**\* The 2011 County Budget totals \$100,114,645. Of that amount, 67% is mandated. County government has little or no control over these costs.**

*"Mandates" are federal or State created programs that are required to be operated by lower level governments. In New York State, most of these mandates are not accompanied by State money to pay for them or are only partially paid for. Because County government relies primarily upon property taxes to operate, expensive State mandates become expensive property taxes on local taxpayers.*

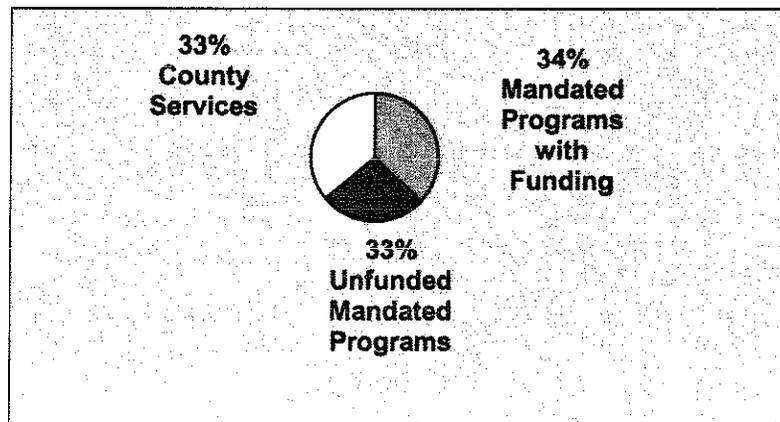
**NYS Medicaid Mandate:** New York State has the most expensive Medicaid program in the nation. State legislators have authorized optional services for recipients that exceed what is required by federal regulations. Spending per recipient is highest in the country, and nearly exceeds those of California and Texas combined. New York is one of only a few states that mandate county governments to pay a portion of the State's cost. **Fulton County's Medicaid bill will be \$13.4 million in 2011 and will increase by 3% every year, as mandated by the State. In 2011, about 52% of the property tax you pay will pay just one bill – Medicaid.**

**NYS Welfare Mandate:** The State has established an extensive system of welfare benefits to assist needy individuals and families. Three central program groups: Public Assistance, Safety Net and Child Welfare cost the County \$1,520,500, which is 5.8% of this year's tax levy.

**NYS Mandates (other):** State legislators mandate numerous other expenses included in Early Intervention services, probation, indigent defense, youth detention and the public pension system. These mandates cost the County \$6,670,129 which is 25.6% of this year's tax levy.

Approximately 49% of the mandated programs imposed upon Fulton County government are not accompanied by monies to operate them. As illustrated in the chart below, 33% of the County's total expenses are mandated without funding by the state or federal governments.

## **2011 Fulton County Budget** **(\$100,114,645)**



**COUNTY OF [ \_\_\_\_\_ ]**  
**LOCAL LAW NO. [ \_\_\_ ] OF 2011 ENTITLED,**  
**“LOCAL LAW ESTABLISHING TRUTH IN TAXATION IN [ \_\_\_\_\_ ] COUNTY”**

BE IT ENACTED BY THE [ \_\_\_\_\_ ] OF THE COUNTY OF [ \_\_\_\_\_ ],  
AS FOLLOWS:

***Purpose:***

It is the intent of this law to provide a legal mechanism to ensure that citizens receive accurate tax bill information and county budget information on an annual basis.

**1. Annual Property Tax Bill Data.**

The [ \_\_\_\_\_ ] is/are hereby directed to identify the portion of each annual property tax bill dedicated to NYS Medicaid Mandate, NYS Welfare Mandate and NYS Mandates (other) within the taxing purpose section of each such bill.

**2. Tax Bill Flyer.**

The [ \_\_\_\_\_ ] is/are hereby directed to take any and all action necessary to cause a Tax Bill Flyer summarizing financial information regarding state and federal mandates to be included as an enclosure with each annual property tax bill. The Tax Bill Flyer shall include the following sections:

- a. Standard statement defining mandate.
- b. Narrative summary of key financial impacts of State and Federal mandates.
- c. A chart illustrating mandated portions of the County budget.
- d. A list of all the names, addresses and contact information of the Governor and federal and state legislators representing areas of the County of [ \_\_\_\_\_ ].

**3. Procedure.**

The procedures required by this local law shall be carried out in addition to, and in accordance with, other annual tax billing procedures existent within the County of [ \_\_\_\_\_ ].

**4. Effective Date.**

This law shall become effective 30 days from the date of its enactment.

# YOUR PROPERTY TAXES...



The [ legislative body ] is providing this information to all property taxpayers in [        ] County to inform them about how State and federal mandates affect their annual property tax bills.

\* The [2012] County Budget totals [ \$            ]. Of that amount, [     % ] is mandated. County government has little or no control over these costs.

"Mandates" are federal or State created programs that are required to be operated by lower level governments. In New York State, most of these mandates are not accompanied by State money to pay for them or are only partially paid for. Because County government relies primarily upon property taxes to operate, expensive State mandates become expensive property taxes on local taxpayers.

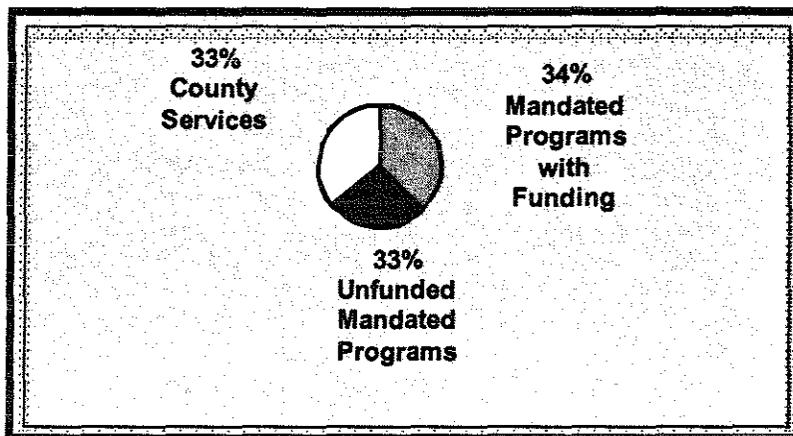
**NYS Medicaid Mandate:** New York State has the most expensive Medicaid program in the nation. State legislators have authorized optional services for recipients that exceed what is required by federal regulations. Spending per recipient is highest in the country, and nearly exceeds those of California and Texas combined. New York is one of only a few states that mandate county governments to pay a portion of the State's cost. [            ] County's Medicaid bill will be [ \$     ] million in [2012] and will increase by 3% every year, as mandated by the State. In [2012], about [     % ] of the property tax you pay will pay just one bill – Medicaid.

**NYS Welfare Mandate:** The State has established an extensive system of welfare benefits to assist needy individuals and families. Three central program groups: Public Assistance, Safety Net and Child Welfare cost the County [ \$            ], which is [     % ] of this year's tax levy.

**NYS Mandates (other):** State legislators mandate numerous other expenses included in Early Intervention services, probation, indigent defense, youth detention and the public pension system. These mandates cost the County [ \$            ], which is [     % ] of this year's tax levy.

Approximately [     % ] of the mandated programs imposed upon [            ] County government are not accompanied by monies to operate them. As illustrated in the chart below, [ (     % ) ] of the County's total expenses are mandated without funding by the state or federal governments.

**[2012] [            ] County Budget**  
 ([ \$            ])



Prepared by the [            ] County [ legislative body ] and the [            ] County Budget Office.  
 References: New York State Association of Counties research data; County of [            ] Budget data, 1995-2011.