

Public Hearing
2015 Budget
November 25, 2014

The Public Hearing on the 2015 Budget was called to order by the Chair at 6:00 P.M. Seven Legislative members were present, Legislators Case and Monell being absent.

There were five people in attendance along with Budget Officer Rita Hollenbeck.

The Clerk read the legal notice as published in the official newspapers.

Treasurer James McFadden spoke. "First of all, I would like to say that this is Rita's first budget. She is a veteran of County employment of 26 years. She moved into my office back in July. We love to have her. She is doing great work. I think you are going to enjoy the presentation and she has come a long way since Anchorage, Alaska."

The Chair turned the meeting over to the Budget Officer, Rita Hollenbeck.

Rita Hollenbeck, Budget Officer, spoke. "Honorable Members of Tioga County Legislature and Citizens of Tioga County, I present to you the proposed tentative County budget for 2015.

"2015 marks the fourth consecutive budget year that Tioga County has stayed well under the allowable property tax cap. The no nonsense approach of the Legislature has lead the way and the department heads efficient management of county services and staff have greatly contributed to this accomplishment and to the taxpayers savings. The prior year budgets faced significant reductions in spending as well as windfalls of additional revenue. This has provided both a savings to the taxpayers and essentially a sound fund balance for the County. Certainly though these are deficit budgets with a widened gap between expenditures and revenue.

"Mandated services and contractual employee salaries and benefits are two of the heavy hitters on County operations. We have minimal control over either. State and Federal revenue resources continue to decrease. This perpetuates increases in fees for services passed on to local residents or worse yet the services to be cut all together. The most recent example of this is retiring our rural transportation system. After 25 years the State's non-solution to the lack

of funding strong armed the County to make this difficult decision. Our County simply could no longer afford it. At this time, Legislature and managers are working hard to offer alternative options.

“Efforts have been made to bridge the deficit gap including energy improvement that will save the County approximately \$100,000 annually for electric and fuel costs, continued reduction of staff and establishing reserves or savings with surplus money to fund larger County investments. All of these have proven to be fiscally prudent as is evidenced by positive annual financial reports and the recent State Comptroller’s outstanding fiscal stress score.

“New York State has announced a property tax rebate or freeze initiative this year. Some of the citizens have seen rebates ranging from \$20 to \$100 for the 2014/2015 school taxes. Two requirements to qualify for this are to stay under the property tax cap and to create a shared services plan or efficiency plan that saves the County and taxpayers money. Shared services could be the very thing that will bridge the gap. I encourage all stakeholders, County, Towns and Villages to actively work on cost savings ideas, consolidation, and a progressive shared services plan. These rebates may be minimal, but they are a step in the right direction. I anxiously await real relief in areas such as Pre-K, Handicapped Children’s Education, Indigent Legal Services, and Safety Net to name a few.

“Sales tax revenue received by the County has increased slightly and we continue to share with the Towns and Villages to help balance their local budgets. The 2015 budget distributes over \$4,600,000. Some counties retain this tax or have reduced the distribution percent to fund their own budgets. We continue the same level of funding to outside agencies at a net cost of \$689,363. We value the services they provide to enhance our communities and wish we could do more.

“Department heads were asked to keep their budgets neutral and we attempted to reduce the reliance on fund balance appropriation. I commend those Department heads that came in under budget. This is notable. With the significant cuts the last few years there is little room to reduce the bottom line without cutting services or staff. We missed the mark on both. Inflationary increases to several contracts , a 15.5% to 17.5% increase in health insurance in addition to pending contractual salary increases were the largest factors.

“Frankly, the increase in money drawn from fund balance was to prevent further increase in taxes to our residents, but this is a Band-Aid approach and not sustainable in future years.

“The County tax levy will increase by \$518,562 or 2.45%, to \$21,725,228. Tax rates will vary from Town to Town due to the State established equalization

rates. The Tax levy for recycling in the Solid Waste budget has increased by \$87,092 or 9.48% to \$1,005,658. The sole factor is the renewal of the recycling contract. This contracted service is still more cost effective than hiring additional County staff for this service.

"The combined tax levy increase is \$605,654 or 2.74% bringing the levy to \$22,730,886. Under this proposed budget we are under the tax cap by 1.35% and have anticipated a needed rollover moving into 2016 of \$295,155.

"The coming years will be fiscally challenging. I look forward to the continued opportunity to serve. I would like to thank the County Legislature, Department heads, and all County employees for their participation and added value to this laborious budget process. I especially want to thank the Treasurer's Staff, the Legislative Clerk's Office, and Mary Hogan for their efforts in assisting and educating me while putting the budget together.

"The proposed tax levy cannot be increased after tonight's hearing without an additional public hearing. If you will reserve your comments until after I give you the budget hi-light presentation."

Budget Officer Hollenbeck presented and went over several slides regarding the 2015 budget.

Legislator Huttleston spoke. "You did a really excellent job and your presentation was really super. I want to compliment you because this is your first year here and we are very fortunate to have somebody like you come aboard, and I do not know how everybody else on the Legislature feels, but this is well presented that anybody can understand and I want to compliment you and thank you."

George Penney spoke. "First of all I want to thank the lady for the presentation. I agree with Mr. Huttleston on that. She has done a very fine job. I also thank all of you for what you have been doing as far as attempting to reduce our taxes. As a taxpayer I am very happy with that.

"I hope that you will continue to find ways to reduce these taxes, particularly in the workforce reduction. I think first of all of the economic development situation. We no longer need economic development really. When I came here tonight I saw two hotels in Apalachin and they were doing pretty well. There was a major highway going by there attracting people to them. As I crossed the bridge I saw three more hotels and all of them seem to be in good shape. We really do not need any additional economic development.

“The other thing that I would say is that we do not need much in the way of industrial development. Lockheed Martin is one of our major employees. I think maybe if you would please take a look at these things, things will be looking up instead of down. Thank you.”

There being no further comments, the hearing was adjourned at 6:28 P.M.