

*Public Hearing*  
*2014 Budget*  
November 19, 2013

The Public Hearing on the 2014 Budget was called to order by the Chair at 6:00 P.M. Eight Legislative members were present, Legislator Huttleston being absent.

There were five people in attendance along with Budget Officer Chuck Shager.

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

The Chair turned the meeting over to the Budget Officer, Chuck Shager.

Chuck Shager, Budget Officer, spoke. "To: The residents of Tioga County and the Honorable County Legislature.

"I present to you tonight the proposed County budget for 2014.

"During the past year, we have worked diligently on keeping costs down, while still maintaining government services that the taxpayers expect. During the year we secured bonding to update another round of bridge repairs, two new roofs and energy improvements for the County Office building and jail. We have also embarked on improvement to our IT infrastructure to increase the efficiency of government and making information more readily available to the residents. In addition, we have worked diligently to privatize the Home Health Care organization to keep the same level of service our residents have been accustomed to.

"Many state and local governments nationwide have seen an erosion of their finances. We are one of the exceptions. Our fund balance (the county's savings account) at the end of 2013 is anticipated to increase. While in the past we have thought our fund balance would decrease, due to controlled spending and some one time revenue influxes, we have been able to build the fund balance to the level our state government believes we should be at.

"Through October 2013, the Sales Tax Revenue received by the County decreased by 3.25%, which was anticipated in the 2013 budget. The current level is more in line with our prior year trends before the flood of 2011, which caused a spike in the fourth quarter of 2011 and most of 2012.

"Department heads were asked to keep their budgets neutral with the agreed upon salary increase. As a result, we are presenting a budget that decreases spending by over 2.1 million dollars and decreases revenue by close to 1 million dollars in the general fund.

"General Fund expenses have decreased from \$69,473,450 in 2013 to \$67,362,486 in the proposed spending plan. This represents a decrease of 3.03% or \$2,111,964 and over 5% the past two years. The largest decreases were in Public Health and Employee Benefits (high deductible plan and retiree plan changes). The largest increases were in retirement costs and foster care.

"The budget will see a decrease in General Fund Revenues of \$960,623 or 2.1%, from \$45,616,443 in 2013 to \$44,655,820 in the 2014 proposal. State and Federal funding remain stable. Sales Tax was increased and Home Health Care decreased. In 2014 benefits are down from 20% of the total spending to 18% and public health down from 10% to 8%. Benefits is due to the retirees health insurance change and public health is due to the loss of the CHAA Program.

"On the revenue side, department income decreased from 13% to 10%, mainly due to the home health care agency and sales tax has gone up from 26% to 28%.

"There have been significant appropriations in other areas of the budget, such as the Capital Fund. The County plans to meet our infrastructure schedule by replacing six bridges in 2014 along with four major road paving projects

"The total proposed spending plan of \$83,121,922 is a decrease of \$8,277,020 or 9% over the current year. Most of the spending reduction is due to the elimination of the Consolidated Health Fund due to all municipalities within the County going to fully insured health plans individually. It is proposed that an appropriation from the fund balance in the amount of \$1,500,000 be used to minimize tax increases. In 2013, \$2,956,212 was appropriated from the fund balance. It is estimated that this will bring the unappropriated fund balance at the end of 2014 to roughly \$14,000,000. In this budget there are 15 vacant unfunded positions, down from 24 in 2013.

"The county tax levy will increase by \$300,871 or 1.44%, to \$21,206,666. Tax rates will vary from town to town due to state established equalization rates. The composite tax rate for all taxing districts has increased to \$11.36 per \$1000 due to a decrease in net assessments. Within the County an owner of a \$100,000 home will pay between \$ 848 and \$ 869 in County Property Taxes, depending on which town they live in. The chart on the board shows what is going to occur by

town and it ranges from 0.02% in Newark Valley up to 7.79% in Nichols, totally due to the equalization rate set by the State.

"The other tax that appears on your bill is the recycling tax. The tax levy for recycling in the solid waste budget has increased from \$918,143 to \$ 923,566, an increase of \$5,423 or 0.5% for 2014. Appropriations have increased \$15,572 or 1.3% from 2013. However, revenues have also increased \$15,149 or 1.27%. The proposed composite rate for all taxing districts will increase from \$0.494 to \$0.495 per \$1000 of assessed value.

"Under this proposed budget we are under the tax cap by over \$500,000, a significant amount.

"I would like to thank the County Legislature, department heads and all county employees for working very diligently to formulate this 2014 budget. A special thanks to Mary Hogan in the County's IT department for her effort in assisting me in putting this budget together.

"I would like to point out that the projected tax levy cannot be increased after tonight's hearing without an additional public hearing. If you have comments to present to the Legislature regarding the proposed budget, the floor is now open.

George Penney spoke. "I would suggest that while you have these fresh figures in front of you, that you might consider ways even so to reduce county taxes. One of them that appears to me was that several years ago the county built a jail that was supposed to get revenues in that would eventually pay for the jail. I look at these figures and I wonder has that been the case. I hope that you will see that there are other areas also. I think that you could reduce taxes by looking at some of the details that you see before you now."

There being no further comments, the hearing was adjourned at 6:10 P.M.