

# 2024 TENTATIVE BUDGET



# **ORLEANS COUNTY LEGISLATURE**

**William H. Eick**

**District No. 1**

**Lynne M. Johnson**

**District No. 2**

**Fred Miller**

**District No. 3**

**John M. Fitzak**

**District No. 4**

**Edward F. Morgan**

**Member at Large, East**

**Donald J. Allport**

**Member at Large, Center**

**Merle "Skip" Draper**

**Member at Large, West**

# **FINANCE COMMITTEE**

**Lynne M. Johnson**

**Legislative, Chair**

**Merle “Skip” Draper**

**Finance Committee, Chairman**

**John Fitzak**

**Finance Committee, Vice-Chairman**

**John C. Welch, Jr.**

**Budget Officer**

**Kimberly DeFrank**

**Deputy Budget Officer**

# THE PROCESS

- June – July - Budget Office begins preparations
- August - Departments receive budget materials and instructions
- September - Departments return their budget requests to the budget officer
- October - Each department meets with either the budget officers and/or the full finance committee to go over their budget and make changes
- November - The tentative budget is filed with the Clerk of the Legislature
- November 30<sup>th</sup> - Public Hearing and adoption of the budget

# Elements Making up a County Budget

- **Programmatic Expenses (Total Appropriations)**
  - **Minus Federal revenues / aid**
  - **Minus State revenues / aid**
  - **Minus local revenues**
  - **Minus local sales tax share**

**Equals the County property tax levy**

# 2024 BUDGET OVERVIEW

## Key Principles and Goals

- **Maintain core county services and programs in the most cost effective manner possible**
- **Comply with the New York State property tax cap**
- **Provide funding for priority projects and programs while avoiding fiscal stress**
- **Protect operational and fiscal stability**
- **Use realistic estimates for variable revenue**
- **Support capital investment goals**
- **Provide a balanced budget**
- **Respond to new unfunded mandates while remaining under the cap**

# 2024 BUDGET OVERVIEW

## Key components that influence the tax levy and rate

1. Current years operating results
2. Available revenues
3. Cost of NYS and Federal Programs
4. Cost of programs locally
5. Value of real property
6. Capital Investments

# 2024 BUDGET OVERVIEW

## Tax Levy and Rate

- Appropriations \$92,494,994
- Revenue \$66,149,373
- County Cost \$26,345,621
  
- Tax Levy \$19,264,000
- Tax Rate \$8.57



# THE BOTTOM LINE

## **New revised state Mandates for 2024**

**Elimination of eFMAP to counties increased weekly Medicaid payments to New York State by over \$1.1 million annually and erased the reconciliation process that confiscated over \$3 million owed to Orleans County**

**Health Insurance expense – one orphan pharmaceutical drug represents nearly 25% or \$2 million in county costs**

**Sales Tax receipts increased as compared to the last three years. The pandemic sales tax growth has been consumed by the new revised state mandates which include:**

- + eFMAP elimination from the ACA subsidy**
- + Assigned Counsel rate increase to \$158 per hour**

**Levy will increase \$607,000 from 2023**

- Tax Rate decrease \$1.30**
- Solid Waste fee will increase \$4 to \$220 per year**

# MAJOR BUDGET DRIVERS

## **Revenues**

- **Sales Tax**
- **Tax Base: four towns completed reassessment**

## **Expenditures**

- **Medicaid eFMAP eliminated**
- **Assigned Counsel rates increased more than doubled**
- **Health Insurance increase lowest in recent years**
- **Transitioning our workforce out of a 35 hour per week labor force**

# **Sales Tax Revenues**

**2024 year-to-date Sales tax receipts are up 4% compared to the same period in 2023.**

**The rate of increase in sales tax receipts have decreased each quarter in 2023 as compared to 2022.**

**December traditionally represents approximately 15% to 18% of an entire year's sales tax revenue.**

**2024 Sales Tax Projection \$20,843,000  
(up \$2 million from 2023 budgeted amount)**

# **Sales Tax Revenues**

**Internet Sales Tax – Have allowed us to budget more in sales tax than the tax levy for the second year in a row.**

**Financially Distressed Health Facilities – sales tax diversion allows NYS to take \$190,274 per year has been extended with no guarantee these funds will be dispersed**

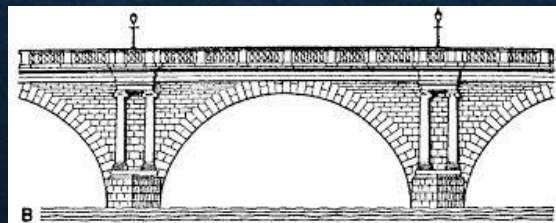
# INFRASTRUCTURE PROJECTS

## CAPITAL PROJECT SCHEDULE – For 2024

Highway Reconstruction	\$2,150,000	(100% CHIPS)
Culvert and Bridge Repairs Local	\$1,300,000	(Local)
Patch and Seal County Roads	\$1,242,000	(Local)
Bridge: design-3, replace-1	\$1,500,900	(TIP, BridgeNY)
Software & technology	\$ 396,935	(Local)
DPW equipment	\$ 557,199	(CHIPS, SAM)
Buildings & Grounds projects	\$ 265,686	(Local)
Sheriff – vehicles & equipment	\$ 195,493	(Local)
Jail – general repairs	\$ 200,000	(Local)
Emergency Management vehicle	\$ 75,000	(SHSP/EMPG)

**INFRASTRUCTURE INVESTMENT \$7,883,213**

**County cost \$3,525,358**



# 9 FOR 90 MANDATES - 2024

		change to 2023
<b>Medicaid</b>	<b>\$ 8,693,594</b>	<b>17.7%</b>
<b>Public Assistance/ Safety Net</b>	<b>\$ 2,330,569</b>	<b>21.6%</b>
<b>Child Welfare/Protection</b>	<b>\$ 2,193,962</b>	<b>21.5%</b>
<b>Special Education</b>	<b>\$ 990,270</b>	<b>4.5%</b>
<b>Probation</b>	<b>\$ 779,651</b>	<b>9.6%</b>
<b>Indigent Defense</b>	<b>\$ 700,834</b>	<b>36.6%</b>
<b>Mental Health – Law Expense § 730.30</b>	<b>\$ 50,000</b>	<b>(87.5%)</b>
<b>Early Intervention</b>	<b>\$ 276,385</b>	<b>3.2%</b>
<b>Pension</b>	<b><u>\$ 3,041,025</u></b>	<b>3.2%</b>
<b>Total 9 for 90</b>	<b>\$19,056,290</b>	<b>12.9%</b>
<b>\$2,178,290 over 2023 budget</b>		

# 9 FOR 90 MANDATES

<b>County Property Tax Levy</b>	<b>\$19,264,000</b>
<b>Total 9 for 90</b>	<b>\$19,056,290</b>

**9 Major Mandates equal to 98.9% of the 2024  
county property tax levy**

# CALCULATING THE 2024 PROPERTY TAX CAP

<b>ORLEANS COUNTY ALLOWABLE TAX LEVY</b>	<b>\$ 19,358,733</b>
<b>Real Property Tax Levy for 2023</b>	<b><u>- \$ 18,657,000</u></b>
<b>Allowable growth in the Levy</b>	<b>\$ 701,733</b>
<b>Allowable levy % increase</b>	<b>3.76%</b>
<b>Proposed County 2024 Tax Levy</b>	<b>\$ 19,264,000</b>
<b>Proposed Growth in the Levy</b>	<b>\$ 607,000</b>
<b>Proposed levy % increase</b>	<b>3.25%</b>



# COUNTY FUNDING TO OTHER LOCAL MUNICIPALITIES

- County support to assist other municipalities has grown approximately 45.4% since 2007
- Expenditures including sales tax (Community Colleges, Animal Control, V&T Prosecution and AIM Related Payments which ended in 2022)

\$4,076,040 in 2022

\$3,785,764 in 2023

\$3,834,051 in 2024

Equal to \$1.71 per \$1000 of the County Property  
Tax Rate or 19.90% of 2024 Levy

# BUDGET 2024 vs. 2023

	2024	2023	Difference
<b>Appropriations</b>	<b>92,494,994</b>	<b>93,702,812</b>	<b>(1,207,818)</b>
<b>Revenues</b>	<b>66,149,373</b>	<b>65,226,812</b>	<b>922,561</b>
<b>County Cost</b>	<b>26,345,621</b>	<b>28,476,000</b>	<b>(2,130,379)</b>
<b>LEVY</b>	<b>19,264,000</b>	<b>18,657,000</b>	<b>607,000</b>

# Thank you

*To all the dedicated County  
Department Heads and their staff for  
their cooperation and assistance in the  
development of the 2024 budget*