

Fiscal Update 2023-2024



Year-to-Year Anomalies

GASB #87 Accounting for Leases

- Increased Revenue and Expense related to qualified leases- Inflated \$33 million in 2022
- Presentation excludes this impact

GASB #96 Subscription- based technology

- Inflated 2023 \$1.5 million
- Treats subscription-based technology software user agreements as the financed purchase of an asset

Capital projects and debt payoff non-recurring

2023
Overall
Operating
Surplus
All Funds

\$2.4M

- General Fund Revenue \$553.5 million- Decreased \$700,000
 - State and Federal Revenue up \$15 million
 - \$12 million mandated offset
 - \$3 million ARP
 - Offset by:
 - Sales tax decreased \$1 million
 - Decrease \$5 million related to no auction (pending in rem) vs 2 auctions in 2022
 - Decrease in Real Property tax \$5 million due to late payments and no foreclosure action which prompts payments
- General Fund Expense \$556.7 million- increased \$5.4 million
 - \$15 million- increase in personnel costs including benefits
 - \$14 million- Increase in Mandates
 - Medicaid \$3.3 million
 - Day Care- \$3.1 million
 - Family Assistance- \$2 million
 - Foster Care & Institutions- \$2 million
 - EI / PS Special Education \$4 million
 - Significantly Offset by:
 - \$12.3 million- Housing Trust in 2022 non-recurring
 - \$2 million- Decrease in County funded grant programs
 - \$6 million- Pay down of debt in 2022 non-recurring
 - \$3 million- Sales tax payment to City of Poughkeepsie in 2022 non-recurring

2023 Fund Balance

From \$77.4 million in 2022 to \$85.3 million in 2023

Policy

- 1-2 Months of Operating \$47-93 million
- Use unassigned fund balance to pay down debt, avoid debt and provide tax relief

Change in categories

- Decrease in Appropriated fund balance
- Decrease in encumbrances

2024

2024-2025 State Budget Neutral Impact

Grant Opportunities

- \$85 million public safety communications
- \$50 million infrastructure grants
- BOE grants for e-poll books and pre-paid postage on absentee ballots
- \$10 million DA and \$5 million Sheriff to combat retail theft.
- Local Government Efficiency Grants
- NY SWIMS municipal swimming grant opportunities

Assigned Counsel Match

- Increase in rate offset 50% by State continues

DCC Funding Floor

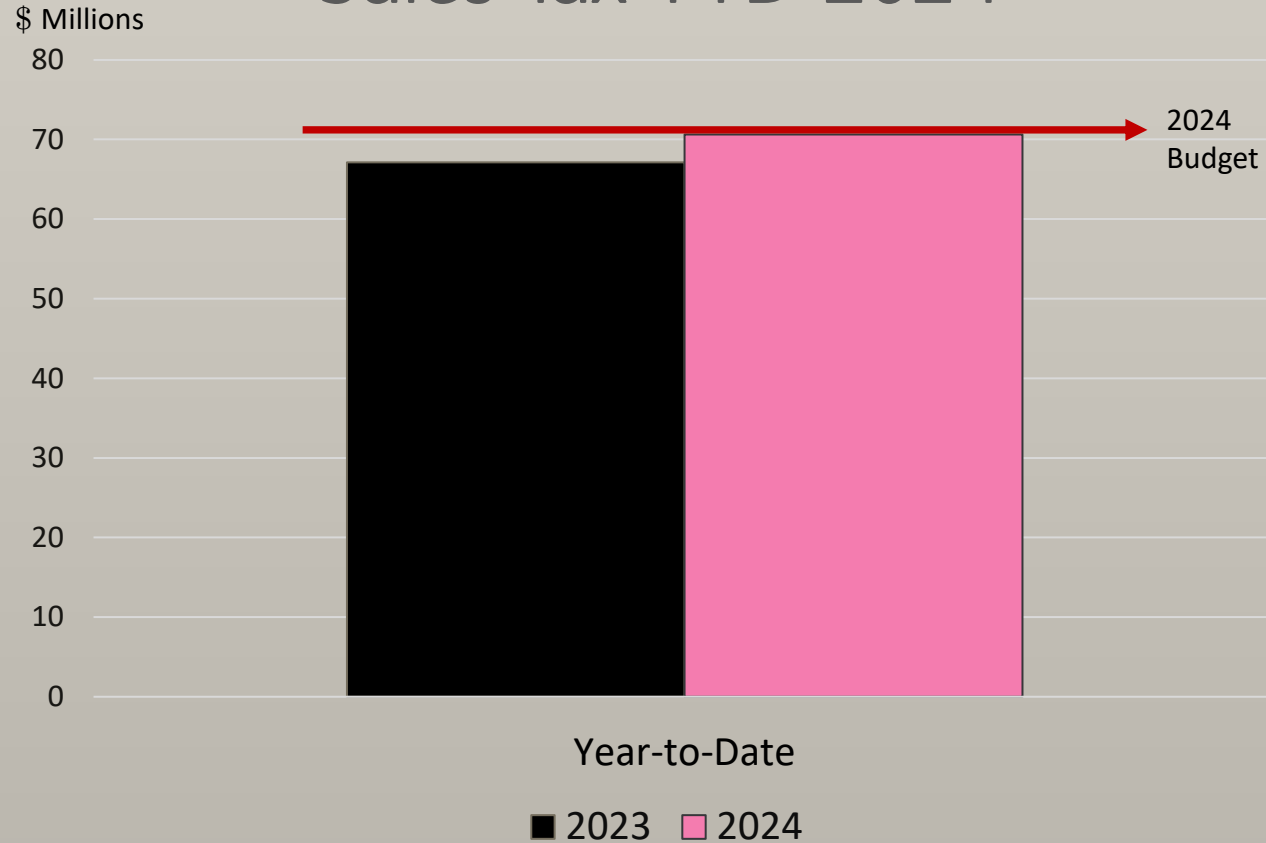
- Sets minimum amount of State Aid no lower than last year regardless of enrollment

In Rem

- Surplus funds returned to prior owner
- Land Bank implications
- Will control the losses and establish land policy

2024

Sales Tax YTD 2024



- Budget included rate increase 3.75 to 4% effective June 1. Growth will need to be over 5% to meet budget
- Sales tax supports 44% of Budget
- Sales tax YTD \$70.6 or 5.2% higher than last year.
- Mid-July we'll get reconciliation for 2nd Quarter

ECONOMIC CONDITION

- Unemployment 3.6%
- Inflation cooled from 6.4% in January 2023 to 3.4% currently
- Housing Market- Average Selling price up 7% and volume down (2%) from this time last year.
- Wages outpacing inflation fueling consumer spending
- Consumer spending stable but expected to slow throughout 2024

2024-2025 Challenges

- PBA out of contract- will be a retro
- Health Insurance continues to increase
- State Pension increase likely
- Increase in Pre-school Special Education rates- 5%
- Uncertainty of sales tax

ARP

- Working on the Annual Report, which is due at the end of the month
- Will provide an update to the Legislature which outlines how we intend to draw down all funds by the end of the year.

QUESTIONS?