Tioga County Worksession Minutes
October 8, 2026 – 1:00 p.m.

Legislators Present:
Legislator Aronstam
Legislator Brown
Legislator Bunce
Legislator Cantella
Legislator Ciotoli
Legislator Flesher
Chair/Legislator Monell
Legislator Rose
Legislator Standinger

Legislators Absent:
None

Guests:
None

Staff present:
Peter DeWind, County Attorney
Cathy Haskell, Legislative Clerk
Jackson D. Bailey II, County Administrator
Breige Graven, Deputy Legislative Clerk - *departed at 2:04 p.m.*
Linda Parke, Personnel Officer
Chris Korba, MH Director of Administrative Services- *departed at 1:08 p.m.*
Sarah Begeal, Director of Community Services - *departed at 1:08 p.m.*

Call Meeting to Order: Chair Monell opened the meeting at 1:00 p.m.

Department Resolutions: Legislative Clerk Haskell reported that Mental Hygiene Director of Administrative Services Chris Korba and Director of Community Services Sarah Begeal were present to discuss two proposed resolutions identified as late-file submissions during the October 6, 2026 Health & Human Services Committee Meeting. Ms. Haskell suggested presenting the resolutions at the October 8, 2026 Legislative Worksession rather than submitting them as late-file resolutions at the Finance, Legal & Safety Committee, as both were ready for consideration. Hard copies were provided to the Legislature.

- ***J48 - Appropriation of Funds, Budget Modification 2026 – Mental Hygiene:*** Mr. Korba explained that the resolution would appropriate and expend State Aid funds for computer equipment, other hardware, and supplies associated with the State-mandated Assisted Outpatient Treatment (AOT) Program. The expenditures would be fully funded by State Aid, with no additional County local share required.

  Legislator Standinger inquired whether the Department had consulted with Information Technology and Communication Services (ITCS) regarding the proposed equipment purchases. Mr. Korba stated that the Department had not yet done so but explained that sufficient funds had been budgeted and any unexpended funds would be recaptured by the County.

  Chair Monell requested clarification of the proposed total amount. Mr. Korba explained that State Aid funding had already been received in the Department's regular State Aid Mental Health revenue account (A4310 434900) and would be transferred to a separate AOT revenue account, with the $24,000 designated for computer equipment, office equipment and supplies. County Administrator Bailey clarified that the budget modification would transfer funds between revenue accounts for tracking purposes and appropriate $24,000 for AOT expenditures.

  There being no objections, the resolution will be included in the agenda packet for Legislature consideration at the October 13, 2026 Tenth Regular Legislature Meeting.

- ***J49 – Amend Budget & Appropriate Funds – Mental Hygiene:*** Mr. Korba explained that the resolution would use the same State Aid funding to purchase a vehicle for the AOT Outpatient Program Coordinator. County Administrator Bailey explained that because the vehicle is a capital expenditure an interfund transfer between the appropriate budget accounts would be required.

  Mr. Korba stated that delivery of the vehicle might not occur until 2027 and that the expenditure would need to be accounted for in the year the vehicle is received rather than the year in which the purchase is made. He stated that the dealership had not confirmed an anticipated delivery date; however, based on past history, delivery most likely would not be until 2027. Mr. Bailey clarified that the resolution included authorization to carryforward the funds into 2027 and the provision requiring any unexpended funds to be returned to the General Fund for the AOT Program.

  There being no objections, the resolution will be included in the agenda packet for Legislature consideration at the October 13, 2026 Tenth Regular Legislature Meeting.

2027 Tentative Budget Update: County Administrator Bailey distributed and reviewed the following 2027 budget documents:

- ***2027 Budget – Summary of Preliminary Budgets by Fund Worksheet –*** Mr. Bailey reported this worksheet includes the Capital Fund with capital projections merged into the General Fund projection. The budget is currently under Level 3 Legislative purview for review and approval. Total proposed appropriations for the 2027 Tentative Budget are $114,873,720 with estimated revenues of $76,147,188, an earmarked amount for property tax in the General Fund of $29,542,160, leaving an appropriated Fund Balance in the General Fund of $7,197,313. Mr. Bailey reported that the previously reported appropriated General Fund Balance was $8.6 million. The reduction reflected adjustments to projected revenues and

expenditures in coordination with the Treasurer's Office. Figures remained subject to revision following receipt of liability insurance estimates, final salaries, and fringe benefit calculations, which would be reviewed at the next Legislative Worksession.

The Capital Fund included $1,987,060 from Reserves to support anticipated capital expenditures, resulting in a total appropriated Fund Balance of $9,184,373. Mr. Bailey anticipated that the Capital Fund projection would remain relatively unchanged, although the General Fund projection could fluctuate.

Mr. Bailey provided a comparison of the 2026 Adopted Budget with the 2027 Level 3 Preliminary Budgets by Fund. He reported increases of $5,277,151 in appropriations, $2,801,433 in estimated revenues, $2,091,278 in the allowable real property tax levy, and $384,439 in appropriated Fund Balance. He further reported that the CI, CD, D, and DM Funds are not independently sustainable and rely on interfund transfers, subject to General Fund appropriations. These funds are currently balanced and subject to further adjustments.

- ***2027 Budget –General Fund Balance Worksheet –*** Mr. Bailey reviewed the current General Fund Balance Worksheet as of October 7, 2026. Mr. Bailey reported the YTD General Fund Balance of approximately $55,341,496 and an estimated 2026 year-end balance of $34,092,449 after revised revenue and expenditure projections. After accounting for $20,741 in non-spendable prepaid expenditures and $5,188,628 in restricted legal reserves, estimated unassigned/available Fund Balance is approximately $28,883,081.

  Mr. Bailey explained that the County's Fund Balance Policy establishes a minimum threshold of 12% and a maximum threshold of 28% of adopted budget appropriations. The projected 2026 unassigned available Fund Balance of $28,883,081 represented approximately 29.9%, or $1,840,687 above the policy maximum, and was estimated to support approximately four months of General Fund expenditures.

  For 2027, Mr. Bailey used the projected 2026 year-end balance of $34,092,449 as the starting balance for 2027. After accounting for non-spendable and restricted reserves and the proposed $7.1 million appropriation of General Fund Balance, the projected year-end 2027 unassigned available Fund Balance was approximately $21,685,768, or 21.3% of projected 2027 General Fund appropriations. This was approximately $6,874,232 below the policy maximum and represented approximately three months of General Fund expenditures.

  Legislator Standinger inquired as to how long the County could sustain operations using only its available fund balance. Mr. Bailey explained that the three-month estimate represented how long County operations could continue if all revenues ceased and expenditures were paid entirely from available Fund Balance. Chair Monell noted that the declining number of months reflected both reduced available funds and the increasing operating costs. Mr. Bailey cautioned that the projections assumed dollar-for-dollar use of appropriated Fund Balance and could vary with actual revenues, expenditures, Reserves, and other financial conditions.

  Legislator Flesher questioned whether exceeding the policy maximum resulted in penalties. Mr. Bailey explained that there was not necessarily a penalty, although the Office of the State Comptroller (OSC) could recommend that the County determine how excess fund balance should be used. He stated that, historically, excess fund balance

identified through prior County audits had been appropriated for capital expenditures consistent with the County's Fund Balance Policy. Mr. Bailey further explained that per the policy, if the County's available Fund Balance fell below the 12% minimum, he and Treasurer Barbara Roberts would present recommendations to the Legislature on how to rebalance the Fund Balance to the established thresholds.

Legislator Brown inquired about potential OSC concerns when balances near the maximum. Mr. Bailey explained that an excessive balance could create the appearance of over taxation. However, he noted that the County's history of significant financial events, including flooding and the COVID-19 pandemic showed the importance of maintaining adequate reserves.

Mr. Bailey reported that projections showed a declining Fund Balance and closer alignment of revenues and expenditures. He acknowledged efforts by the Personnel Department to control benefit costs and discussed potential State and Federal funding changes, particularly anticipated reductions in Department of Social Services (DSS) SNAP administrative funding during the final quarter of 2027. If reductions continued without offsetting support, the full year impact in 2028 could approach $1.8 million, depending on admirative costs.

Legislator Standinger and Chair Monell emphasized the need to monitor the declining Fund Balance noting the County was not currently in an alarming financial position and that County auditors had identified the trend. The Legislature also discussed potential effects of State and Federal changes, inflation, utility costs, consumer spending, sales tax distributions, casino revenue, and the long-term sustainability of County revenues. Chair Monell reported that the County had consistently maintained its tax levy within the State's allowable 2% tax cap formula.

Mr. Bailey reported that discussions at the New York State Association of Counties (NYSAC) Fall Conference had included concerns regarding a State proposal to permit withdrawals from funds designated for Indigent Legal Services (ILS), which support County public defense services. NYSAC was advocating against the proposed withdrawal.

Legislator Rose commented there are also Federal factors and that can change radically. Additionally, there are also other factors related to consumer behavior, including changes in spending, real estate purchases, and ability to open businesses. Additional discussion followed regarding State spending, Federal funding changes, inflation, utility costs, and the potential impacts of consumer behavior on County revenues. Legislators also discussed broader economic uncertainty and the potential impact on the County's tax base and revenues. Legislator Ciotoli noted we have not yet seen the impact on the increased fuel costs from sales tax.

- ***2027 Budget - Tax Cap 5-Year Analysis Worksheet –*** Mr. Bailey reported that the State property tax cap calculation permitted a maximum allowable levy increase of 7.62% for 2027 without an override. The calculation included the 2% tax cap growth factor and adjustments associated with the declining Payments in Lieu of Taxes (PILOT) revenues as certain properties returned to the taxable assessment rolls. He emphasized that the allowable levy increase did not directly correspond to an increase in the property tax rate.

The maximum allowable levy under the tax cap formula would increase from $27,450,882 in 2026 to $29,542,160 in 2027. Mr. Bailey stated that the actual tax rate would depend on applicable assessments and equalization rates.

Legislator Flesher inquired as to whether the increase in the allowable tax levy was beneficial to the County. Mr. Bailey explained that reducing the allowable levy could adversely affect projected revenues and the overall budget. The Legislature would determine the final tax levy amount at the October 22, 2026 Legislative Worksession; no decision was required for today's meeting.

Legislator Brown questioned whether the 7.62% increase required specific justification from the Legislature. Mr. Bailey confirmed that 7.62% represented the maximum allowable levy increase under the State's tax cap calculation without requiring an override. The Legislature discussed the long-term implications of PILOT agreements, particularly those associated with solar energy projects. Legislator Flesher expressed concern that properties could cease operations after agreements expired, reducing taxable value and future revenues. Chair Monell explained that properties would return to the tax rolls upon expiration of a PILOT agreement. Discussion also addressed potential transfers of solar facilities between investors and the long-term impact on the County tax base.

Additional discussion followed regarding the transfer of solar facilities between investors and the potential long-term impact on the County's tax base.

Mr. Bailey reiterated that a final determination on the 2027 levy was needed by the October 22, 2026 Legislative Worksession to allow calculation of equalization and estimated tax rates.

- ***2027 Budget - Fringe Benefit Estimate Worksheet –*** Mr. Bailey reviewed preliminary estimates for State retirement contributions, Social Security, Workers' Compensation, life insurance, unemployment, disability and health insurance.

State retirement costs were estimated at $4,471,681, an increase of $304,223. Social Security fringe costs were projected to increase by approximately $105,000 based on current salaries and proposed salary adjustments for Management/Confidential employees, CSEA employees, law enforcement and corrections personnel. Workers' Compensation, life insurance, unemployment and disability rates were expected to remain relatively unchanged.

Mr. Bailey stated that the preliminary budget reflected a proposed health insurance rate increase of 3.75%. He thanked Personnel Officer Linda Parke and Kiehl Hutchings, Insurance Broker for the County, for their efforts in negotiating the proposed rate. Final health insurance projections would also incorporate retiree insurance costs and estimated employee contributions.

Total fringe benefits were preliminarily estimated at $19,632,511, an increase of $804,220, or approximately 4.27%, over the previous year. Mr. Bailey anticipated that adjustments to retiree benefits and other outstanding calculations could result in a final increase of closer to $1 million dollars.

- ***2027 Budget – Legislator Salary Worksheet –*** Mr. Bailey advised the Legislature that a decision on proposed 2027 Legislative salaries was needed for inclusion in the Tentative Budget and required public hearing notice. He reviewed Legislative salaries from 2023 through 2026 and proposed amounts for 2027, noting that Legislator salary increases had generally followed Management/Confidential recommendations. The proposed Management/Confidential salary increase for 2027 was 3.5%.

  Legislator Standinger recalled that the Legislative salary increases had previously followed Social Security cost-of-living adjustments before transitioning to Management/Confidential recommendations. He stated that he had no objection to continuing the current practice for consistency.

  Legislators unanimously agreed to continue the current practice of following the Management/ Confidential salary increase. Legislators will receive a 3.5% salary increase for 2027. Legislative Clerk Haskell reported the proposed Legislator salaries would be published in the legal notice for the 2027 Tentative Budget Public Hearing.

- ***2027 Budget – Capital Budget Summary Worksheet –*** Mr. Bailey reviewed a summary of what has been approved for the 2027 Capital Budget and explained that the capital projections had been incorporated into the overall 2027 Tentative Budget rather than presented separately.

  Legislator Ciotoli inquired whether the Capital Reserves were included in the General Fund Balance or maintained separately for capital expenditures. Mr. Bailey clarified that Capital Reserves were separate from the General Fund and that approximately $1.9 million in appropriated Capital Fund Balance represented funds previously designated for capital purposes.

  Legislator Ciotoli further inquired as to whether the Legislature should establish a specific dollar amount for the General Fund Balance, in addition to the percentage thresholds established by policy. Citing the significant decline in the County's Fund Balance over previous years, he suggested that the Legislature consider establishing a target balance to guide future financial decisions.

  Mr. Bailey explained that a continued decline in Fund Balance could eventually affect the County's ability to fund capital projects. If sufficient funds were not available to replenish Capital Reserves at year-end, the County might need to consider interfund transfers from the General Fund or consider bonding to fund necessary capital improvements and equipment purchases. Mr. Bailey noted that the Capital Fund would likely be among the first areas to be affected by a declining Fund Balance.

  Discussion followed regarding the importance of distinguishing between necessary and discretionary expenditures. Legislator Ciotoli emphasized that fixed costs, including salaries, fringe benefits, contractual obligations, utilities and other expenses necessary to maintain County operations, should be considered when evaluating long-term financial sustainability.

  The Legislature continued discussing the State's tax cap requirements and the County's historical use of its maximum allowable tax levy. Legislator Flesher requested clarification that the County was currently utilizing the maximum allowable levy increase. Mr. Bailey confirmed this was and explained that the tax cap is actually a growth factor and that

unused levy authority could be carried forward only within the limitations established by the State.

Chair Monell questioned whether failing to utilize the full allowable levy in one year could adversely affect the amount available in the subsequent years. Mr. Bailey confirmed that carryforward limitations could result in a loss of a portion of unused levy authority. The Legislature acknowledged the importance of considering the long-term implications of annual levy decisions.

Legislator Rose questioned how the County's available Fund Balance Reserves were invested and whether the funds were maintained in an interest-bearing account and if they were subject to stock market fluctuations, noting the importance of considering economic downturns and changes in investment rates. Mr. Bailey reported that County investments generally consist of lower-risk investment vehicles, including Treasury Bills and NYCLASS, rather than equities. He further explained that investment income had been incorporated into the budget conservatively because interest rates could decline and the County should not consider those revenues as stable.

Mr. Bailey explained that the Treasurer's Office conducts regular cash flow analyses to determine the amount of money available for investment while ensuring that sufficient funds remain accessible for payroll and other large expenditures. He further explained that the Treasurer's Office considers anticipated payment schedules, including significant bills and other obligations, such as the Motorola bills when determining the appropriate investment periods for Treasury Bills. Mr. Bailey reported that the County also utilizes NYCLASS, which is highly liquid and allows funds to be transferred as needed while earning interest. He further reported that County Reserves were maintained in separate interest-bearing bank accounts and interest is applied appropriately.

Mr. Bailey reiterated that the 2027 Capital Budget has been incorporated into the overall 2027 Tentative Budget to provide a consolidated budget projection. He advised that the proposed County property tax levy would be determined at the October 22, 2026 Legislative Worksession, along with a review of liability insurance estimates and final salary and fringe benefit adjustments. Additional review would also be conducted with the Treasurer's Office to determine whether certain expenditures could be appropriately allocated among County funds.

Final revisions and review of the 2027 Tentative Budget presentation will be on the agenda for the November 5, 2026 Legislative Worksession in preparation for the November 10, 2026 Tentative Budget Public Hearing.

Approval of Worksession Minutes: On motion of Legislator Brown, seconded by Legislator Ciotoli, the September 24, 2026 minutes were unanimously approved.

Action Items: Currently, there are no action items.

Legislative Support: Legislative Clerk Haskell presented the Legislative Support report, and minutes are documented in a separate document that will be sent to the Legislators.

Resolutions: Ms. Haskell reviewed the agenda and proposed resolutions for the October 13, 2026 Legislature meeting.

Other:

ALS Awareness Month: Legislator Flesher noted that May is recognized as ALS Awareness Month and proposed that the Legislature consider issuing a proclamation at its Fifth Regular Legislative Meeting in May 2027. He explained that a family friend had passed away from ALS several years earlier and that the individual's daughter operates a foundation dedicated to raising awareness and assisting families affected by the disease. Legislator Flesher requested that the Legislature consider recognizing ALS Awareness Month by issuing the proclamation and inviting his friend's daughter to attend the meeting and offer brief remarks. All Legislators unanimously supported the request for the proposed proclamation in May 2027.

Executive Session: Legislators Aronstam, Brown, Bunce, Cantella, Ciotoli, Flesher, Monell, Rose and Standinger were in attendance, along with Legislative Clerk Haskell, County Administrator Bailey, County Attorney DeWind, and Personnel Officer Parke. Motion by Legislator Cantella, seconded by Legislator Brown, to move into Executive Session to discuss an employment matter of a particular individual at 2:04 p.m. Motion carried.

Motion by Legislator Flesher, seconded by Legislator Brown to adjourn Executive Session at 2:31 p.m.

County Administrator Bailey will notify the Board of Election Commissioners that the Legislators reviewed their salary request and agreed to a 4.5% salary increase for both the Commissioners and Deputy Commissioners for 2027. Personnel Officer Parke will prepare the resolution for Legislature consideration at the Twelfth Regular Legislature Meeting on December 15, 2026.

Meeting adjourned at 2:32 p.m.

Next Worksession is scheduled for Thursday, October 22, 2026 at 10:00 a.m.

Respectfully submitted,

Breige Graven

Deputy Legislative Clerk