



News from Livingston County, NY

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Livingston County Plans for Sales Tax and State Aid Losses ***Position Freezing, Furloughs and Cost Cuts Round out Response Measures***

Geneseo, NY, June 2, 2020 — In response to both realized and expected losses of revenues from major impact areas like sales tax and state aid, Livingston County government has tightened its belt.

As COVID-19-related business impacts abound, the County is on pace to experience a significant loss in sales tax revenues. "Our largest revenue center is sales tax. Reports indicate we will be far off from our budget projections given the economic calamity statewide," stated County Administrator Ian M. Coyle. Losses of 10-25% are expected with corresponding dollar totals in the \$3.5 - \$8 MM range.

Additionally, Governor Andrew Cuomo is signaling his intent to cut State Aid, another major revenue center for the County, by up to 20%. "This number, if fully materialized, is around \$4-5 MM," stated Coyle.

The County, with excellent bond ratings and a healthy fund balance, is in a better position than many to withstand the pressures but difficult decisions have been made, with many more, draconian-level cuts pending State Aid discussions.

"We have furloughed employees and processed around \$2MM in budget cuts to the 2020 adopted budget. These efforts, coupled with some surpluses in departments and one-time revenue uses will allow us some breathing room in the months ahead as we look to start work on the 2021 budget," commented Coyle. "We are prepared for some of this in that we have reserves, we have a contingency account and we have healthy fund balances. All the years of effort of this Board and these Department Heads to buy into a system of planning ahead and fiscal prudence are on full display right now as we weather this fiscal crisis."

The fiscal crisis, coupled with unemployment rates not seen since the Great Depression, will make the 2021 budget process the most difficult one on record for the County.

"Absent Federal support and/or the holding off of projected State Aid cuts, I see a large budget gap and I do not see a scenario where all county programs and services can be maintained. We cannot tax our way out of a hole that big," said Coyle.

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