Financial Restructuring Board for Local Governments

Agenda

- Comprehensive Reviews and Awards
- Approval of New Fiscally Eligible Municipality List
- New Applicants
- Approval of Grants for Multi-Year Financial Planning

June 20, 2016

Completed Reviews

Village of Owego

Tioga County

Village of Owego Overview/Fiscal Status

- 2015 and 2016 All Funds budgets were each $4.5m, while General Fund is $3.4m of this. Sewer constitutes the remainder.
- 2016 General Fund relied upon $100k of fund balance, with similar amounts annually.
- The Village estimates it is maintaining approximately $300k in undesignated fund balance aside from the fiscal year 2016 appropriation (8.5 percent of General Fund expenditures).
- If future budgets require $100k appropriations of fund balance annually, the Village Fund Balance will be depleted in a few years.

Findings and Recommendations

Village of Owego

Shared Services

- Board staff examined shared services opportunities among the Village and its neighboring municipalities.
- Potential for additional shared services between the Village and the Town with respect to courts and DPW.
- Police Consolidation or Police Department dissolution is a promising area for sharing between the Village and the County. Board staff have begun discussing this matter with Village officials.

Recommendation:

- The Board recommends that the Village, in conjunction with its governmental neighbors, develop and implement a shared services plan that will lower the annual cost of providing specific services and address the inherent duplication of services via multi-governmental jurisdictions.

Village of Owego

Dissolution

- Village Administration and residents should consider dissolution to address the tax rate imposed solely on the Village residents, which is nearly $15/$1,000.
- If the Village were to dissolve, the combined Town would receive an estimated $718k annually from the Citizens' Empowerment Tax Credit program.

Fiscal Performance and Accountability

- The Village should develop a multi-year financial plan.