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News

Ulster County gets budget kudos

Saturday, September 17, 2011

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KINGSTON — Ulster County has seen relatively restrained budget growth and a stable property tax levy over the past three years, according to a consultant hired to assist lawmakers in their review of the administration's proposed 2012 spending plan.

Joseph Stefko, director of public finance for the Center for Governmental Research, outlined for members of the county Legislature's Ways and Means Committee this week the services the firm will provide for lawmakers as well as trends identified so far.

For the past several weeks, the firm has been reviewing past budgets, Stefko said, in order to determine any government trends.

Among those identified so far, he said, is that the county has exhibited "relatively restrained budget growth" between 2009 and 2011. During that time, general budget spending increased by 2 percent, he said, noting that's below the rate of inflation.

Stefko also said the county's property tax levy has remained relatively stable during that time, with an increase of only 3.5 percent from 2009 to 2010 and no increase from 2010 and 2011.

Sales tax revenues, however, have decreased over the past several years, Stefko noted. He said revenues in the 2011 budget are "virtually identical" to what the county received five years ago.

"Prior to the recession, sales tax revenue was the one dependable growth revenue that county's had," Stefko said. "You all had one particular year where the sales tax dropped off, and you're just beginning to climb back up to it."

The Center for Governmental Research will be paid \$59,640 to analyze the 2012 budget developed by County Executive Michael Hein and offer to lawmakers recommendations for possible changes to revenues or spending.

Hein must present his budget to county legislators by Oct. 7.

Hein has declined to discuss what that proposed budget might look like, saying: "It's premature to even discuss any components of the budget."

But he warned that anticipated cuts in state aid along with a state-imposed 2 percent cap on property tax hikes will make this budget especially difficult.

"There are unprecedented financial challenges facing Ulster County and the vast majority of counties in the state," Hein said. "Difficult decisions will be made, and innovative solutions will be required to protect property taxpayers."

Stefko said that after the release of Hein's budget proposal, the Center for Governmental Research will look to meet with members of the administration and begin its analysis of the spending plan.

The Legislature must adopt a county spending plan for 2012 no later than the second Thursday in December.

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