Darren "Hal" McCabe Mayor Mayor@HomerNY.org

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Village Office 31 N. Main Street Homer, NY 13077 Phone: 607-749-3322 www.HomerNY.org



Village Police: 607-749-2022 Newton Water Works: 607-749-2511 Glenwood Cemetery: 607-749-3517 Streets and Parks: 607-749-3813 Recreation: 607-749-2161

**Codes:** 607-745-3177 **Homer Fire Department:** 607-749-3121

September 16, 2024

Dear Residents of the Village of Homer,

We are writing to inform you of an important and concerning change to Cortland County's sales tax distribution plan, which will have a significant impact on the Village of Homer. The County has decided to take 50% of the sales tax revenue that was previously allotted to municipalities, drastically reducing the share of funds that go to towns, villages, and cities. This new plan will allocate 69% of the total sales tax revenue to Cortland County, leaving only 12% to be divided among all other municipalities.

What does this mean for the Village of Homer? In short, it leaves us facing a severe financial shortfall. To make up for the lost revenue, the Village would need to either raise taxes by over 40% or make drastic cuts to essential services. Neither of these options are ones we wish to pursue, but they are the result of the County's decision to take more from municipalities without addressing its own budgetary issues.

It's important to understand the broader context of Cortland County's fiscal situation. Cortland County has the ninth highest rate of spending per capita among the 57 counties in New York outside of New York City. Even more concerning, Cortland has the highest effective property tax rate per capita in the entire state. Despite this, the County continues to tax and spend at a rate higher than most other counties. Rather than benchmark itself against other counties to find areas for cuts, the County has instead chosen to take more from local municipalities through the sales tax reallocation, forcing us to raise taxes in order to make up for their lack of fiscal restraint and accountability.

This lack of financial oversight and fiscal mismanagement is making Cortland one of the most expensive counties to live in, tax-wise. Instead of addressing their own spending problems, they are choosing to pass the burden on to municipalities like ours, placing the financial strain on you, our residents.

To help us navigate this challenge, the Village will be sending out a survey in the coming weeks. This survey will ask you which services you feel should be cut first in response to the County's decision. We understand that no one wants to see cuts in services, but we want to make sure your voice is heard as we are forced to make these difficult decisions.

If you believe that Cortland County should take responsibility for its own budget and reduce its spending before taking more of our money, we urge you to contact your County Legislator, as well as the following County leaders:

• **Kevin Fitch**, Chair of the Cortland County Legislature

Email: kfitch@cortlandcountyny.gov

Phone: (607) 753-5048

Cathy Bischoff, Chair of the Budget and Finance Committee

Email: cbischoff@cortlandcountyny.gov

Phone: (607) 753-5048

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## **Paul Heider**

Email: pheider@cortlandcountyny.gov

Phone: 607-261-8012

Your voice is essential in advocating for responsible fiscal management at the County level. We appreciate your understanding as we navigate this difficult situation and thank you for your continued support of the Village of Homer.

Yours,

## Mayor Hal McCabe

PS: When you call, you may be told that Cortland County is one of the most generous counties in terms of sharing the sales tax. This is true. But that is why I am point out the rate at which we currently tax and spend at the county level, and that simply giving them even MORE money to spend is unlikely to address the out of control spending per capita by your county government.

You may also be told that you are only getting half of the story, so here is the data for you to see for yourself:

- 1. See Through NY This document not only compares us to similar counties to ours, and some of our neighbors, but also ranks us in each category against the 57 non NYC Counties:
  - a. Cortland County Benchmarked
- 2. Open Book NY This is a service of the NY State Comptroller's office. I have compared us to 2 counties very similar in size and demographics, and also with Madison County, a neighboring county (But one with nearly twice our population)
  - a. OSC Benchmark
- 3. Cortland County Sales Tax Proposal This is the most recent version of the sales tax grab the county plans to make up for their fiscal irresponsibility.
  - a. Sales Tax Grab