

BUDGET COMMITTEE

April 20, 2022

Committee Members Present: D. Healy, J. Burdick, K. Demick, D. Fanton, S. Havey, J. Ricci, P. Stockin, (Absent: B. Harris)

Others Present: G. Barnes, D. Bigelow, T. Boyde, P. Curran, A. Cyr, K. Dirlam, G. Hanchett, K. Hooker, C. Knapp, T. Linn, J. Ricketts-Swales, B. Riehle, T. Ross

Call to Order: The meeting was called to order at 1:30 p.m. by Budget Committee Vice-Chairman Dwight "Mike" Healy.

Approval of Minutes

A motion was made by Legislator Fanton, seconded by Legislator Ricci, and carried to approve the March 18, 2022, Budget Committee minutes.

Sales Tax Report

County Treasurer Terri Ross distributed the 2022 Allegany County Sales Tax Report reflecting receipts totaling \$7,650,886.07, through April 20, 2022. The year-to-date figures show an increase of \$912,457.98, or 13.471 percent more compared to last year at this time. Ms. Ross stated that we received \$113,000 more than this same time last year, and overall gross receipts have increased approximately \$912,000 before the diversion. Committee Vice-Chairman Healy asked Ms. Ross to explain the diversion. Ms. Ross explained that the Distressed Hospital diversion of approximately \$35,267 is what has been taken out this year, and we will have one more AIM diversion in May of approximately \$233,000 which will end the diversions from our Sales Tax for those two programs. Committee Vice-Chairman Healy stated that the diversions are Stated mandated. Ms. Ross explained that the State put that mandate in place approximately two years ago. Ms. Ross explained that these diversions will sunset with the newly passed State Budget. Legislator Barnes asked when the diversions will sunset. Ms. Ross explained that the diversions will end with the Village AIM diversion in May. Legislator Barnes asked if there are diversions planned for next year. Ms. Ross replied that there are no diversions planned for next year.

NYSAC Enacted Budget Report

Committee Vice-Chairman Healy asked County Treasurer Terri Ross to give a brief summary of the NYSAC Enacted Budget Report. Ms. Ross gave a list of a few items that would have either a positive or negative impact for Allegany County as follows:

- Reversed AIM Diversion - \$507,000 impact
- Reversed Distressed Hospital Diversion - \$141,000 annually
- Suspended State Gas Excise and Sales Tax - approximately 0.16 cents per gallon
- Real Property One-Time Tax Rebate linked to STAR - unknown benefits
- Large \$300 million Broadband Initiative on a Connect All Series of Grants
- Restore New York and Economic Development Regional Grant funds
- Elections - provide prepaid postage envelope with absentee ballots with provisions to reimburse counties
- Casino Compact Revenue Funding Source changes
- Additional Cyber Security Funding
- Changes to Virtual Meetings
- Enhancements to Human Services Funding
- Continuing Hurrell-Harring Settlement
- Increased Article 6 Funding by \$100,000, and allowing the County to apply for reimbursement of up to 50 percent of the fringe benefits for operations

- Amendments to Tier 6 Retirement regarding overtime, and modified the 10-year vesting period
- Maintained CHIPS and Marchiselli Program money
- Increased Funding for Veterans Department from \$10,000 to \$25,000
- Increased Summer Youth Funding

Committee Vice-Chairman Healy noted that Allegany County is one of the counties without a casino, and it was his understanding that we will never be allowed to have a casino, or off-track betting in the County. Ms. Ross stated that she can't speak to the restrictions in the County, but that she did receive word that the money the County was supposed to receive since 2016 was paid to the State, and she is anticipating a payment for an amount covering what should have been paid between 2016 and 2022. Ms. Ross stated that Allegany County is part of a calculation for a "non-host" county. Legislator Healy asked Ms. Ross if she had an idea of the dollar amount the County should receive. Ms. Ross stated that revenues are calculate based on casino profits and if we remained on the previous route and receiving funds every quarter, we could receive from \$1 to \$1.2 million in back payments. Legislator Healy stated that the amount likely pales in comparison to what a host county will receive. Ms. Ross replied, "yes it does."

Opioid and Tobacco Settlement Updates

County Treasurer Terri Ross stated that the County received Tobacco Settlement funds of \$838,890.64 this past week. Ms. Ross explained that the County has been receiving these funds since 1999 based on the cigarette and tobacco manufacturers settlement. Ms. Ross stated that the County has received approximately \$19.5 million dollars of the Tobacco Settlement funds since 1999. Committee Vice-Chairman Healy stated that he understood at that time we had a choice to take a lump sum or to take payments. Ms. Ross stated that was correct. Legislator Healy asked if there is any sunset to the settlement funds. Ms. Ross stated that to her knowledge, there is not a sunset date. Legislator Fanton asked if there had been any funds received for the Opioid Settlement. Ms. Ross stated that we have not received any funds yet, but that she received a notice that we should be receiving the first check from the Opioid Settlement for approximately \$238,000 sometime this week. Legislator Fanton asked if the settlement funds were something that would be locked in. Ms. Ross explained that it will depend on who settles and when, but that this will be the first payment we have received. Committee Vice-Chairman Healy stated that there are several settlements. Ms. Ross stated that is correct, and that she does not have any details yet of what settlements this first payment entails. Legislator Fanton asked if there were restrictions with how we could use the funds. Ms. Ross explained that initially there were restrictions of 50 percent, but we do not have all of those details yet. Chairman Stockin stated that the news gave the amounts for the Opioid Settlement for all Western New York Counties, and Allegany County was just under \$300,000. Ms. Ross stated that she may have read the amount wrong, but will confirm it. County Administrator Knapp stated that it does not include all of the settlements that we have approved but have not received yet. Ms. Knapp stated that the first payment is only the direct amount through the Attorney General.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 1:44 p.m. following a motion by Legislator Demick, seconded by Legislator Burdick, and carried.

Respectfully submitted,

Tiffany Linn, Confidential Secretary
Allegany County Board of Legislators