

BUDGET COMMITTEE

June 15, 2022

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

Others Present: G. Barnes, B. Budinger, A. Carrow, P. Curran, A. Cyr, K. Dirlam, G. Hanchett, K. Hooker, C. Knapp, T. Linn, J. Ricketts-Swales, B. Riehle, D. Root, T. Ross, R. Sobeck-Lynch

Call to Order: The meeting was called to order at 1:30 p.m. by Budget Committee Chairman Brooke Harris.

Approval of Minutes

A motion was made by Legislator Ricci, seconded by Legislator Burdick, and carried to approve the April 20, 2022, Budget Committee minutes.

Sales Tax Report

County Treasurer Terri Ross distributed the 2022 Allegany County Sales Tax Report reflecting net receipts totaling \$12,268,614.60 through June 13, 2022. The year-to-date figures show gross receipts had an increase of \$1,964,350.63, or 18.642 percent more compared to last year at this time, with net collections up approximately 16.5 percent. Ms. Ross stated that June is the month that a 3-payment reconciliation is done and we will get one more payment around June 30. Committee Chairman Harris asked if the 16 percent was similar to other Counties in New York State. Ms. Ross replied that it is similar from what they have heard. Ms. Ross stated that she reached out to NYSAC for a breakdown of regular gasoline versus diesel, but they do not have any of that information available at this time. Legislator Healy stated that this report shows the health of our sales tax which is one of the two places we get our local share of the budget, but asked how the expense side of the Budget is doing. Ms. Ross stated that we are not over spending the Budget, and we are on target for the first six months of the year. Ms. Ross stated that she will be running some analytics to report in the near future. Legislator Healy stated that they had recently closed the books for last year. Ms. Ross stated that is correct, and that the auditors have been here this week finalizing their analytics and field work, and we should be receiving our audited statements soon. Legislator Healy stated that he and Ms. Ross recently discussed whether it would be possible to get a report to the committee of the top five departments after the books were closed for 2021. Ms. Ross stated that she can have that report for the committee next month. Ms. Ross stated that they are also currently working on the proposed time table for the 2023 Budget, and plan to have that available as soon as they can. Ms. Ross stated that they informed the department heads last week that the forms will be coming, and that they will need to get their budgets submitted sometime in July. Committee Chairman Harris asked if Ms. Ross typically provides the departments with line items they should be looking at as it pertains to inflation before they submit their drafts. Ms. Ross stated that they do not, but in the past they usually have a meeting with the department heads and provide them with a list of suggestions with submitting their salaries. Ms. Ross stated that this year, all unions are included in the contract so it will be easier for them to do their salaries for 2023, but they can certainly include some guidance on certain line items affected by inflation in their memo. Committee Chairman Harris stated that he would guess it would save the Budget Officer some energy if there was some honest budgeting with line items susceptible to inflation, and that gasoline line items will be a "double whammy" because we limited travel so much during COVID-19. Ms. Ross stated that when they run their report, they will not only look at 2020 and 2021, which are anomaly years because of COVID-19, but they will also look at 2019 when considering inflation because it was the last normal budget year. Legislator Burdick asked if the increase in diesel and gasoline was affecting the DPW budget. Ms. Ross stated that DPW is okay right now, but they are watching that closely. Legislator Fanton stated that DPW's fuel supply should be good for another month or two, but then they will need to reallocate for diesel.

Resolution for Enhanced Federal Medicaid Assistance Percentage (eFMAP) Reconciliations

Committee Chairman Brooke Harris presented a draft resolution calling on the Governor to complete the Enhanced Federal Medicaid Assistance Percentage reconciliations that are five years overdue, and immediately release the Federal funds owed to Allegany County. County Treasurer Terri Ross explained that FMAP had not been reconciled since 2015, and that NYSAC has been attempting to get us our reimbursement. Ms. Ross stated that the State has gotten all of the money from the feds, and they have been holding that money until they reconcile our FMAP claims. Ms. Ross stated that Counties around the State sent a FOIL request for what was owed to us. Ms. Ross stated that they received that FOIL request which showed that approximately \$1.4 million is owed to Allegany County alone. Ms. Ross stated that NYSAC had previously indicated that \$1.7 billion in total was owed to all of the Counties and 5 Burroughs of New York State. Ms. Ross stated that this resolution is an attempt to get the State to give us the money. Committee Chairman Harris asked what the difference is between FMAP and eFMAP. Ms. Ross stated that it is a technical question for Deputy Social Services Commissioner Horan, but explained that we pay claims as part of our contribution towards Medicaid. Ms. Ross stated that New York State is one of the few States that require a County to pay 25 percent of the State's 50 percent share. Committee Chairman Harris asked if the \$1.4 million is what is owed to Allegany County in back reconciliations. Ms. Ross stated that is correct through the State Fiscal year ending 2021. Committee Chairman Harris stated that this is not State money, it is Federal money. Ms. Ross stated that it is Federal money, and it is ours because we pay 25 percent. Legislator Burdick asked if we will receive interest as well. Ms. Ross stated that her guess is no. Chairman Stockin asked if the money does come back to us, is it designated for something, or because it has been so far in arrears, is it free to use wherever we need it now? Ms. Ross stated that this money will go as a refund to prior year's expense against DSS revenue collections for those years. Mr. Horan explained that the only difference with FMAP and eFMAP is the affordable cares act FMAP portion, and the COVID-19 FMAP portion. Mr. Horan stated that the COVID-19 portion enhanced it and we got the lower weekly share reports that were \$158 per week. Mr. Horan stated that they calculate the figures based on five quarters, but when they recalculated it, they only recalculated it on three quarters, and then raised our weekly share reports by \$20,000 to \$178 per week. Ms. Ross stated that they will see that increase on the back side of the audit report. Ms. Ross explained that the \$178 per week would have been reflected the beginning of June. Committee Chairman Harris asked if that is something that is supposed to be corrected with this reconciliation. Ms. Ross stated no, that is a totally separate weekly share amount we pay every week toward Medicaid. Mr. Horan explained that the State will calculate the total 100 percent FMAP reimbursement, and then they only give the County 80 percent, holding back 20 percent to cover potential overages once they complete the actual final reconciliation. Committee Chairman Harris stated that basically, if this \$1.4 million that is owed to us does not come from the State, then it will essentially come out of the local share when you close the books at the end of the year. Ms. Ross stated correct, because we paid the bill, and now we are just waiting for that reconciliation to come back based on the actual payments that we made. Ms. Ross explained that the weekly amount is just a calculation to get us through the year, and right now they owe us. Committee Chairman Harris thanked everyone involved with putting this resolution together, and that he appreciates their efforts. The request for resolution was approved on a motion made by Legislator Burdick, seconded by Legislator Havey, and carried. **Refer to Ways and Means**

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 1:46 p.m. following a motion by Legislator Healy, seconded by Legislator Havey, and carried.

Respectfully submitted,

Tiffany Linn, Confidential Secretary
Allegany County Board of Legislators