

BUDGET COMMITTEE

October 19, 2022

Call to Order: The meeting was called to order at 1:35 p.m. by Budget Committee Chairman Brooke Harris.

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

Other Attendees: G. Barnes, D. Bigelow, A. Carrow, P. Curran, A. Cyr, K. Dirlam, G. Hanchett, K. Hooker, C. Jones, C. Knapp, T. Linn, R. Lynch, J. Ricketts-Swales, B. Riehle, D. Root, T. Ross

Approval of Minutes:

A motion was made by Legislator Fanton, seconded by Legislator Demick, and carried to approve the September 22, 2022, Budget Committee minutes.

Sales Tax Report

County Treasurer Terri Ross distributed the 2022 Allegany County Sales Tax Report reflecting net receipts totaling \$22,054,984.68 through October 19, 2022. The year-to-date figures show gross receipts had an increase of \$1,202,995.49, or 5.705 percent more compared to last year at this time, with net collections up approximately 4.6 percent.

Gas Tax

Committee Chairman Harris asked how many Counties are still participating in the local gas tax pause and how many have let it expire. Ms. Ross stated that she did not have that information in front of her, but there was participation of three, six, or nine months. Committee Chairman Harris asked when the State's sales tax pause ends. Ms. Ross stated that she believed it ended in January.

Tax Cap

Committee Chairman Harris asked how confident the Treasurer's Office was that they would be able to stay within the 2 percent tax cap this year. Ms. Ross stated that they are confident they will remain within or below the cap. Legislator Root stated that years ago, NYSAC was making a case that counties were hurting themselves by staying within the tax cap because they had to take from their own resources to make up the difference. Legislator Root stated that some municipalities are not staying within the cap and wondered what the pros and cons would be and what happens if we don't stay within the cap. Ms. Ross stated that the old rule of thumb was that State aid would be held back if we didn't stay within the cap. Ms. Ross explained that there is an option to override the cap and there may be a slight difference in how they might penalize us. Ms. Ross explained that the con is that the cap does limit how much they can raise the levy. Ms. Ross stated that Towns and Villages have a much harder time staying within the cap because one capital project could throw them over, and they have very limited resources to pull from. Ms. Ross stated that the pro to the taxpayer is that we limit ourselves to the increase in the levy. Legislator Fanton asked if the cap would be increased due to the increase in the cost of living. Ms. Ross stated that the cap will not increase, and the maximum amount is set at 2 percent. Committee Chairman Harris commented that with 8 and 9 percent inflation rates, it will not be long before people start talking about raising the cap.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 1:50 p.m. following a motion by Legislator Fanton, seconded by Legislator Healy, and carried.

Respectfully submitted,

Tiffany Linn, Confidential Secretary
Allegany County Board of Legislators