



OCTOBER 2025

Sales Tax:

The County has received both sales tax payments for August. Year to date sales tax revenue is \$125,117,534, which represents a 1.98% (or \$2.4 million) increase from where we were this time last year. The County also records sales tax interest received from NYS of \$184,520 to the sales tax revenue line, so we have earned 71.40% of the \$175,500,000 budgeted for 2025. We are cautiously optimistic that the budgeted amount will be achieved for 2025. The proposed 2026 Executive Budget applies a 3% escalator to what we anticipate receiving this year. That level of increase is in line with historical trends.



Interest Earnings:

Interest earnings for the year through September of 2025 are \$6.3 million, or 81% of the budget. Of this, \$886,908 was earned from CDs and the remainder was from demand deposit accounts. We are currently projecting that the County will meet the \$7,743,500 budgeted revenue. The County has finally moved \$40 million to NYCLASS.

Occupancy Tax:

Recorded 2025 Occupancy Tax Revenues are \$5,671,117 through October 15, 2025. This represents 90% of the budgeted amount of \$6.3 million. We believe the County will exceed the budgeted amount for occupancy tax, as the taxes for the autumn visitation will be filed by December 20.

Cannabis Tax:

The County has received adult use cannabis tax payments for 2025 sales totaling \$565,981 and will recognize 25% or \$141,495 as revenue. This represents 109% of the amount budgeted, and the County expects to receive two more quarterly payments for the year (one at the end of October, and one in January). The County's general ledger currently shows \$45,569 more in revenue than it should, as some amounts due to the local municipalities are recorded to the revenue account rather than the liability account. We recommend that finance record these deposits as 25% revenue and 75% liability going forward.

We recently learned from an OCM presentation at the NYS Association of Counties conference that when a dispensary files an amended return it will result in smaller payments to the County that are between quarterly payments. Those are distributed the same way quarterly payments are - that is each municipality receives an amount proportional to their total sales. This has resulted in towns such as Woodstock receiving \$2 payments. That \$2 was Woodstock's share of the additional revenues from an amended filing- not necessarily the Woodstock dispensary.

2024 External Audit:

The County's 2024 external audit has been completed, and the single audit filed on time with the Federal Audit Clearinghouse. We thank the County's external audit firm, PKF O'Connor Davies, and the County Department of Finance for their hard work in meeting this deadline.

The County did not receive a final draft of the financial statements until the day of the audit committee meeting and the external auditor's presentation, as a result of County delays in providing the auditors with requested information. The Comptroller's office was still able to identify and communicate a material error in the Health Insurance fund to the Legislative Clerk, the auditors, and the Administration in time for an adjustment to be recorded and reflected in the final audited financial statements. The 2024 adjustment led to an additional \$2,017,647 of stop loss insurance recoveries and prescription drug rebates being recorded in the health insurance fund, as well as an error correction of \$1,937,939 for the 2022 and 2023 years.

These adjustments increased fund balance \$3,955,586 in the Health Insurance fund. Due to the late timing of the adjustments, that additional \$4 million was not considered in the 2026 health insurance calculations. Additionally, in 2026 the County will begin to phase out the PPO20 plan, which was the high-end plan with most benefits, and raised 2026 health insurance premium equivalents by 8% to 12%, depending on the plan.

iPark

As you know, BOCES recently had their ribbon cutting at the iPark campus. At the same time, we received requests for current tax and mortgage information from the press, who have been attending UCEDA's meetings. As of 10/15/25, iPark owes \$2,296,141.81 in taxes, penalties and interest for their 19 parcels. This includes 2024/2025 school tax, 2025 general tax, and 2025/2026 school tax. According to UCEDA's audited financial statements for 2024, iPark currently owes UCEDA \$10.6 million in total mortgage principal. It does not appear that iPark has made any payment on the West Campus loan of \$6,800,000 beyond the \$100,000 original deposit, which was applied to the loan balance on closing. One payment has been made on the East Campus loan. We estimate that the current outstanding balance due to UCEDA on these two notes is approximately \$4.5 million (\$2.1 million on the West Campus and \$2.4 million on the East Campus). iPark has filed two tax certiorari actions to lower the total assessments from \$31.48 million to \$6.43 million.

Audits/Reports and Initiatives:

Since your last meeting we released a report on the impact of short-term rentals on housing inventory. We also are working on reports on the medical examiner, analysis of the quality of services provided by vendors, the County's use of ARPA funds. We expect to release these reports within the next few months.

We are working to expand the transparency of the vendor dashboard and will be adding payments made through the Welfare Management System (WMS), these are funds dispersed from DSS, which are currently not included but represent a significant portion of the County budget.