

# WARREN COUNTY TREASURER

To: All Supervisors and Department Heads  
From: Christine V. Norton Treasurer  
Date: January 15 ,2025  
Subj: *November 2025 Budget Variance Report (BVR)*

## **Budget Variance Report**

One of the primary purposes of the monthly Budget Variance Report (BVR) is to keep the County Supervisors and Administration informed of any issues that could pose potential budgetary problems in the near future and/or down the road. By identifying these concerns early, appropriate action can be taken to address them before they develop into significant challenges.

We have analyzed the revenue and expenditure budgets for the County departments as of October 31,2025 and have noted the following items Supervisors should be aware.

### **EXECUTIVE SUMMARY, with page notations for details:**

- **General Fund Balance:** Balance of Surplus Exceeding/(Below) the required Minimum Fund Balance: \$1M (p 3)
- **Adult Use Cannabis (AUC) revenue** – NYS Office of Cannabis Management (NYSOCM) reporting continues to be incomplete, preventing the distribution of AUC sales tax to the appropriate municipalities (p 3)
- **Time Management System implementation:** Discovery stage completed, moving into Design/Build stage in January with Department Super Users, expected completion timing late March (all but Sherriff)/April (Sherriff) (p 3)
- **Sales Tax:** - the sales tax trend remains consistent, potentially increased by STR Sales Tax (\$1.2-\$1.5 potential) (p 4)
- **Occupancy Tax:**
  - **Collections:** While collections are up 2% overall, implementation challenges with the NYS STR Sales Tax Law continue to hinder accurate reporting. Platforms refuse to provide sufficient (VRBO) or any (Airbnb) STR Occ Tax details. As a result, we are unable to allocate lump sum dollars received for STRs. Which in turn means we will be unable to distribute Occ Tax collections to municipalities on these funds until reconciled. (p 4)

- **Portal Implementation:** initiating Discovery Stage in Jan 26, with the Design, Build and Testing stages to be completed in Q126, Go Live and Hyper Care = late Q1/early Q2

**NOVEMBER BVR DETAILS:**

• **General Fund Balance:**

The following shows the balance of unappropriated surplus for the General Fund as of the date of this report compared to the minimum balance needed to operate which equates to two months of operating expenses or 16.7%.

Fund Balance Surplus - 2024	\$37.9M
Appropriated For 2025 Budget	<u>\$(1.9)M</u>
Unappropriated Surplus - 2024	\$35.9M
Additional Appropriated During 2025	<u>\$(2.1)M*</u>
Balance Unappropriated Surplus 2025	\$33.8 M
Minimum Surplus Balance Needed (2 months operating expense)	<u>\$33.2M</u>
<b>Balance of Surplus Exceeding/(Below) Minimum Balance</b>	<b><u><u>\$600,000</u></u></b>

**\* - The details of the Additional Appropriated Surplus through November 2025 is as follows:**

<b>Date</b>	<b>Resolution</b>	<b>Description</b>	<b>Amount</b>
03/23/2025	129	Treasurer - Insurance Reserve Fund	\$52,786
04/14/2025	162	Legislative Board - Office Chairs	\$986
04/14/2025	164	County Clerk - Travel/Education/Conference	\$4,500
04/30/2025	128	Various - CSEA grade allocation for certain titles	\$38,748
07/23/2025	266	Sheriff - CBA - Salaries/ Overtime shortfalls	\$598,171
07/23/2025	271	Treasurer - Cash Vest (Three Plus One) contract	\$45,500
07/23/2025	273	Treasurer - Countywide new Time Management system	\$105,380
09/23/2025	339	Mental Health - Psychiatric Exp/Criminal	\$500,000
10/20/2025	394	Social Services -Medicaid	\$225,880
11/7/2025	405	Food Bank contribution	\$150,000
12/22/2025	530	Sheriff -salaries	\$370,000
12/22/2025	525	Sheriff – animal control services	\$ 10,000
12/22/2025	521	Bldgs and Grounds -boiler replacement	\$ 20,958
			<b>2,122,910*</b>

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- **Time Management System (TMS) Implementation: please note the following 2026 Committee Members:**
    - ***Chairman of the Board, Finance, Personnel, Criminal Justice, H Committee Level Support and Commitment*** secured to ensure the success of this critical implementation
      - Kevin Geraghty: Steering Committee Lead
      - Finance Chair: Frank Thomas
      - Personnel: Mike Wild
      - Criminal Justice: Mike Geraci
      - Health Services: Dave Strainer
      - Human Services: Ben Driscoll
      - Public Works: Ron Conover
    - ***Executive and Departmental Core Team Members/SUPER USERS identified:***
      - Executive Team: Norton, LaFarr, Hajos, Colvin, Figueroa, McBryne, Taflan
      - Core Team Members/Departmental SUPER USERS: Paddock, Jockimo, Comeau, Florentino, Beadnell, Colvin, Baker, McBryne, DeLorenzo
    - ***Core Team Members/Departmental SUPER USERS will work directly with MM Hayes to ensure their solution works for their department through every stage gate of the process (design, build, test, GO LIVE, post go live support).***

### **REVENUES**

- **Adult Use Cannabis Revenue** – the situation continues to present a compliance risk.
  - The county received the third quarterly payment and is required to distribute 75% of the funds to municipalities that reported sales to the state.
  - However, due to the lack of supporting documentation, we are unable to determine which municipalities should receive the distributions.

- The City of Glens Falls was not on the third quarter distribution letter but they have been on the first and second quarter. We emailed the City of GF mayor and controller's office to verify if the dispensaries have closed but not answer back yet.
- **Sales Tax:**
  - The summary below is also provided to the supervisors in the bi-weekly sales tax update emails:
    - We have collected \$1,113,353 more in sales taxes through November 30, 2025 than we did through November 30, 2024 which is a 1.6 % increase.
    - We have received \$1,023,349 more than the 2025 revenue budget to date which is a 1.45 % increase.
    - The net County budget surplus after accounting for the distribution to the Towns and Village is \$542,375.
    - We are working with NYSAC and the NYS OSC to determine how we can determine the NYS STR Sales Tax
- **Occupancy Tax:**
  - We have experienced a 2% increase in TOTAL Occ Tax dollars YOY thru the month of October, broken out as follows
    - Hotels, Motels and Resorts are up \$91,046 or 2% YOY
    - Short Term Rentals (STR's) are up \$7,692 or 1% YOY
- **County Clerk:**
  - **County Clerk Fees:** As of November 30, the department has received \$1,350,750 in 2025 and \$1,150,181 in 2024 which is an increase of **14.85%**
    - November actual revenue is **16%** ahead of expected 2025 budgeted amounts.
    - The increase in DMV fees YOY is one factor that drives the revenue increase along with the retention percentage allowed by the state on transactions

- **Mortgage Tax:**
  - As of November 30th, the department has received \$2,028,981 in Mortgage Tax in 2025 and \$1,548,198 in 2024 which is an increase of **23%**.
  - November actual revenue is **5.4%** ahead of expected budgeted amounts.
  - The County Clerk attributes both of these positive variances to the increased housing prices due to high demand and increased construction costs.
- **Automobile tax** – we have not received any automobile fees since October and the County Clerk is investigating with the DMV liaison the holdup.

### **OCCUPANCY TAX RESERVES**

We created the following *Occupancy Tax* (OT) sub accounts: ***OT Available Balance***, ***OT Minimum Balance*** and ***OT Encumbered Balance*** in order to better track occupancy reserve funds:

- The Occupancy Tax Reserve:
  - ***Available Balance*** is equivalent to the unappropriated surplus balance for the General Fund and represents what amount is currently available.
  - ***Minimum Balance*** represents the amount of reserve that we must keep on hand for cash flow.
  - ***Encumbered Balance*** represents the amount that has been obligated either through a contract or purchase order and is not available for other uses. A significant amount of the Occupancy Tax Reserve – Encumbered balance covers periods throughout the year.

Date	Available	Minimum Bal	Encumbered	Total
12/31/2024	2,289,689	1,500,000	384,043	4,173,732
1/31/2025	1,260,810	1,500,000	1,133,318	3,894,128
2/28/2025	(233,770)	1,500,000	2,326,466	3,592,696
3/31/2025	(123,379)	1,500,000	2,141,065	3,517,686
4/30/2025	(1,905,142)	1,500,000	3,783,538	3,378,396
5/31/2025	(2,032,984)	1,500,000	1,785,264	1,252,280
6/30/2025	(1,840,169)	1,500,000	1,966,744	1,626,575
7/31/2025	(1,569,206)	1,500,000	1,160,895	1,091,689
8/31/2025	(864,171)	1,500,000	1,021,225	1,657,054
9/30/2025	712,612	1,500,000	807,035	3,019,647
10/31/2025	831,871	1,500,000	948,035	3,279,906
11/30/2025	833,814	1,500,000	837,330	3,171,145

**DEBT SUMMARY:**

The following shows the County's current debt outstanding as of November, 2025 along with ending debt balances for future years:

	Current Balance	End of 2025 Balance	2026	2027	2028	2029	2030-2034	2035-2039
<b>Bonds</b>								
Recovery Act Bonds, Various Proj	9,445,000	8,660,000	7,840,000	6,990,000	6,110,000	5,200,000	-	-
Court Expansion - 2015	5,120,000	4,720,000	4,305,000	3,880,000	3,445,000	2,995,000	530,000	-
Court Expansion - 2017	5,910,000	5,520,000	5,120,000	4,715,000	4,295,000	3,865,000	1,550,000	-
SUNY Adirondack NSTEM - 2017	4,000,000	3,735,000	3,465,000	3,190,000	2,905,000	2,615,000	1,050,000	-
Paving, Culverts and SUNY ADK	19,795,000	18,935,000	18,045,000	17,110,000	16,125,000	15,090,000	9,095,000	1,665,000
<b>Leased Commitments</b>								
Copiers/Printers - National Busines	168,118	135,457	68,690	-	-	-	-	-
Copier - Toshiba	13,723	11,835	7,936	3,871	-	-	-	-
Office Space - Mental Health	16,822	-	-	-	-	-	-	-
<b>Total Outstanding</b>	<b>44,468,662</b>	<b>41,717,292</b>	<b>38,851,626</b>	<b>35,888,871</b>	<b>32,880,000</b>	<b>29,765,000</b>	<b>12,225,000</b>	<b>1,665,000</b>

## **EXPENDITURES:**

- **Budget Exception Report**

- Please see the attached Budget Exception report which summarizes budgeted expenditure line items where there is currently a problem or there may be a problem in the future. We are reporting on an exception basis only.
- Each department is responsible for ensuring that their budgets including salary and fringe are not over expended and if they are, the issue should be addressed immediately. Legally, the County is not allowed to incur costs for goods or services without sufficient budget in the expenditure line item to cover these costs.

*Again, we invite comments from Supervisors and department heads to expand this into a more useful management tool in these critical financial times.*