WARREN COUNTY TREASURER

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To: **County Board of Supervisors and Department Heads**

From: Warren County Treasurer

Date: July 6th, 2026

Subject: May 2026 Budget Analysis Report

Budget Analysis Report

The purpose of this monthly Budget Analysis Report is to inform County Supervisors of current and emerging budget risks. Early identification allows for timely corrective action.

This report analyzes County department revenues and expenditures as of May 31, 2026

EXECUTIVE SUMMARY, with page notations for details:

- General Fund Balance: Surplus exceeds minimum reserve by **$471,000** (p. 2)
- Sales Tax: Collections totaling $32,783,779 is **3.4% above May 2025** and at **4.0%** above budget. The budgeted amount as of May 2026 is $31,478,400 (p. 3)
- Interest & Earnings: Revenue is $954,332 or **6.5% above May 2025** but **0.9% below** budget. The budgeted amount as of May 2026 is $963,750 (p. 3)
- Adult-Use Cannabis: May payment received; municipal allocation pending State guidance (p. 4)
- Occupancy Tax: Collections are at $714,492 through May or **3.6% above May 2025** (p. 5)

- Psychiatric/Criminal Costs: $418,405 through May 2026 or **52%** of annual budget of $800,000. (p. 8)
- CDTA: Additional Mortgage Tax revenue increased **32% year over year**, fully funding the CDTA contract (p. 8). Last year's amount through May 2025 was $420,058 and through May 2026 is $556,182.

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 equals two months of operating expenses or 16.7%.

Fund Balance Surplus – December 31,2025	$37.1M
Appropriated for 2026 Budget	$(1.9)M
Unappropriated Surplus - 2026	$35.2M
Additional Appropriated During 2026	$(145)K*
Insurance recoveries – ACH fraud	$250K
Insurance recoveries – ACH fraud	$100K
Balance Unappropriated Surplus 2026	$35.4M
Minimum Surplus Balance Needed (2 months operating expense)	**$34.9M**
Balance of Surplus Exceeding/(Below) Minimum Balance	**$471K**

*** -** The details of the Additional Appropriated Surplus through March 2026 is as follows**:**

Date	**Resolution**	**Description**	**Amount**
03/24/2026	129	Treasurer – Forensic Audit	**$145,000**

REVENUES as of May 31,2026

Sales Tax:

- Sales tax collections through May 31, 2026, exceeded the same period in 2025 by $956,004, an increase of 3.4%.
- We received **$1,116,356** more in sales tax through May 31st, 2026, than budgeted, which is a 4 % increase.
- The net County budget surplus after accounting for the distribution to the Towns and Village is $591,670

Interest & Earnings

• As of May 31, 2026, Interest & Earnings revenue exceeded the same period in 2025 by $58,775, representing a 6.5% increase.
• Interest revenue is **behind budget** projections by $9,000 or **0.9%.** The Wealth Management account that holds our Treasury bonds has underperformed in May. Treasury bond values declined during May as market interest rates increased. Higher inflation and changing market expectations regarding Federal Reserve policy contributed to weaker bond performance during the month.

• The ICS (Insured Cash Sweep) account established in December 2025 for Culvert Repair bond proceeds earned $161,000 through May 31, 2026. These earnings may only be used to offset debt payments. To maintain tax exempt status 85% ($10.2 million) of the proceeds must be spent by November 2027.
• Below is a breakdown of interest earned through May 31, 2026, for the General bank account, ICS investment account, and Wealth Management investment account.

Account	Interest Rate	May 2026 Revenue	May 2025 Revenue	Amount change	% Change
General Checking	2%	$119,580	$302,535	($182,955)	-60%
General Insured Cash Sweep	3.6%	$401,859	$402,640	($780)	-.2%
Wealth Management	4.1 %	$432,892	$190,381	$242,511	127%
TOTAL		**$954,332**	**$895,556**	**$58,775**	**6.56%**

Adult Use Cannabis:

- First quarter adult-use cannabis revenues were received and distributed at the end of April.
- May 28th,2026 we received another deposit for $28,882 but the funds cannot yet be distributed as we do not have the breakdown of the municipalities who produced the sales
- We are waiting on a response from the NYS Office of Cannabis Management regarding how to distribute the May revenue

Occupancy Tax:

Please see below the occupancy tax figures through May 31st,2026.

Occupancy Tax YoY
As of 5/31/2026

TOTAL RECEIPTS

2026 Revenue Collected Through 5/31/**2026**	$	685,721.78
Unallocated VRBO - Q1	$	28,770.73
Adjusted 2026 Revenue through 5/31/2026	$	714,492.51
2025 Revenue Collected Through 5/31/**2025**	$	689,852.23
Increase/Decrease from 2025	**$**	**24,640.28**
Percent Change:		**3.6%**

HOTEL MOTEL & RESORT

2026 Revenue Collected Through 5/31/2026	$	528,022.65
Estimated Unallocated VRBO - HMR Revenue	$	470.37
Adjusted 2026 HMR Revenue through 5/31/2026	$	528,493.02
2025 Revenue Collected Through 5/31/2025	$	563,397.93
Increase/Decrease from 2025	**$**	**(34,904.91)**
Percent Change:		**-6.2%**

SHORT TERM RENTAL COLLECTIONS

2026 Revenue Collected Through 5/31/2026	$	157,699.13
Estimated Unallocated STR - HMR Revenue	$	28,300.36
Adjusted 2026 STR Revenue through 5/31/2026	$	185,999.49
2025 Revenue Collected Through 5/31/2025	$	126,454.30
Increase/Decrease from 2025	**$**	**31,244.83**
Percent Change:		**24.7%**

County Clerk:

County Clerk Fees:

- As of May 31st, 2026, the department received **$**502,770 compared to $507,925 during the same period in 2025, representing a **1%** decrease.
- The 2026 actual revenue is **0.5%** ahead of the expected 2026 budgeted amounts. The budgeted amount through May 2026 is $500,000

Mortgage Tax:

- Mortgage Tax revenue through May 31st,2026 totaled $1,066,188 compared to $838,067 during the same period in 2025, representing a **27%** increase
- Actual 2026 revenue is currently **28%** above budgeted expectations. Variances are directly tied to the positive housing market activity.

Auto Use Tax:

- As of May 31,2026, only January through March Auto Use Tax revenues had been received. This analysis compares those months with the same period in 2025. The County Clerk's Office continues working with the State to resolve delays.
- January/February/March 2026 Auto Use Tax revenue was $10,485(8.4%) below the same period in 2025.
- Actual 2026 revenue of $114,462 is **3.6%** below budget expectations of $118,750. Auto Use Tax revenue is tied to vehicle registration numbers and weight-based charges for Warren County residents. While a current deficit exists, it is anticipated to normalize during 2026. Inconsistent reporting is likely attributable to the State experiencing reconciliation issues with its new software system.

- This analysis reflects a three-month comparison and is not yet indicative of a full-year trend.

Building Permits

- Building Permit revenue through May 31, 2026, exceeded the same period in 2025 by $34,938 (38%). This increase is attributable to both higher permit fees and the scale of current development projects.

- Revenue exceeded budget expectations by $12,511 or **11%**

EXPENDITURES:

Psychiatric Exp/Criminal:

- As of May 31st, 2026, **52%** of the budget has been utilized, compared to **67%** by the same date in the prior year.
- Expenditures totaled $418,405 compared with an annual budget of $800,000.
- We continue to work with NYSAC, our local state legislators, and WC Supervisors and Department Heads (Mental Health, District Attorney, Public Defender), to look for ways to reduce these mandatory county costs.

CDTA:

- The CDTA contract is funded entirely (100%) through the County's allocated Additional Mortgage Tax revenue. Because this funding source is directly tied to overall mortgage tax collections, available revenue fluctuates with market activity.
- As of May 31, 2026, Additional Mortgage Tax receipts totaled $556,000, compared to $420,000 through May 31, 2025. This represents an increase of $136,000**,** or approximately **32%** year over year

DEBT SUMMARY:

The following shows the County's current debt outstanding as of May 31, 2026, along with ending debt balances for future years:

Warren County
County Debt - Future Balances

Bonds	Current Balance	End of 2026 Balance	2027	2028	2029	2030-2034	2035-2039	2039-2040
Recovery Act Bonds, Various Proj	8,660,000	7,840,000	6,990,000	6,110,000	5,200,000	-	-	-
Court Expansion - 2015	4,720,000	4,305,000	3,880,000	3,445,000	2,995,000	530,000	-	-
Court Expansion - 2017	5,520,000	5,120,000	4,715,000	4,295,000	3,865,000	1,550,000	-	-
SUNY Adirondack NSTEM - 2017	3,735,000	3,465,000	3,190,000	2,905,000	2,615,000	1,050,000	-	-
Paving, Culverts and SUNY ADK \	18,935,000	18,045,000	17,110,000	16,125,000	15,090,000	9,095,000	1,665,000	-
Leased Commitments								
Copiers/Printers - National Busines	135,457	68,690	-	-	-	-	-	-
Copier - Toshiba	11,835	7,936	3,871	-	-	-	-	-
Office Space - Mental Health	71,070	36,060	-	-	-	-	-	-
Total Outstanding	41,788,362	38,887,686	35,888,871	32,880,000	29,765,000	12,225,000	1,665,000	-

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 monitoring its budget, including salary and fringe benefit appropriations, to ensure expenditure remains within authorized levels. If a budget issue is identified, corrective action should be taken immediately. State law prohibits the County from incurring expenditures without sufficient appropriations.
- We appreciate the County Administrator's office support in addressing these over budgets in a timely manner.