WARREN COUNTY TREASURER

To: All Supervisors and Department Heads

From: Christine V. Norton Treasurer

Date: June 22, 2026

Subj: ***2025 Fiscal Year in Review***

Warren County enters 2026 with stronger cash flow, improved collections, higher investment returns, and several major operational successes. The County's most significant priorities remain strengthening governance and internal controls; reviewing the rigor of financial decisions through the established Committee/Board processes vs. time pressured decisions (floor resolutions), including ROI; completing fraud-related forensic reviews, creating and/or updating key policies and contracts, and addressing recurring structural budgeting weaknesses to avoid a future fiscal cliff.

2025 YEAR IN REVIEW

2025 RISKS to LEARN FROM, with page notations for details

- **Critical policies, procedures, and contracts must be formally documented, regularly reviewed, and updated to reflect current practices, mitigate risk, and strengthen internal controls.**
  - Documented procedures across the County's KEY financial and operational departments do not always exist, or are not up to date (***e.g., the Treasurer's Wire and ACH procedures have not been updated since 2017***).
  - The County's Key financial and operational contracts also need to be updated. For example, ***Arrow banking contracts and agreements were last updated in 1998***.

- A countywide effort, led by the County Risk Manager, is establishing and/or updating critical financial, operational and compliance policies, procedures, and contracts to ensure best practices are leveraged and align with NYS Comptroller standards.

- ***The Committee/Board Process and Resulting ROI:***

When boards repeatedly bypass a disciplined committee review process and instead make significant financial decisions through time-pressured floor resolutions, the result is increased risk to the County, poor outcomes, and diminished taxpayer value (***$3m*** Winter's Dream; ***$2.5M*** Johnsburg Sewer Guarantee). Without sufficient analysis, challenge, vetting, and understanding of long-term financial impacts, million-dollar decisions are more likely to result in cost overruns, control failures, missed opportunities, and corrective actions that could have been avoided.

The true cost is not just the dollars lost on any one decision, but the cumulative impact of repeated poor decisions over time. In contrast, a rigorous committee and board review process serves as a critical governance control that improves decision quality, strengthens accountability, protects taxpayer resources, and maximizes long-term return on investment. Repeatedly bypassing that process effectively eliminates one of the County's most important safeguards against financial and operational failure.

Even when the Committee/Board review process operates as intended, it is critical to learn from past Board decisions that did not result in the expected outcome, are no longer value add to the County and/or continue to diminish taxpayer dollars (CDTA, LGTV, Joseph Waren Museum, numerous Occupancy Tax awards challenges and related ROI).

- A review of decisions made via the established Committee/Board processes vs. time pressured decisions (floor resolutions), should be reviewed for the rigor of financial decisions made, including the resulting Return on Investment (ROI):
  - 2022-2026 LGTV: ***$X*** – ***ROI – not calculable***
  - 2023 Winter's Dream: ***$3M*** – ***ROI: TBD***
  - 2024 Joseph Warren Museum: ***$1.1M*** – after approximately 3 years of Committee discussions, from a ***$250K*** simple renovation, to a ***$600K*** design study and a ***$1.1*** bid that could not be broken down to look for potential cost savings, this project did not more forward – ***ROI: Negative***

- 2024/2025 CDTA County Commitment: ***$860K*** investment in 2024 and a ***$1.1M*** investment in 2025, a ***29%*** increase YOY with ridership and value in question: ***ROI TBD***
- 2025 Granicus STR Identification and Compliance Contract: a ***$40K*** investment generated ***$180K*** in income, producing a net gain of ***$140K*** and an ***ROI of 350% (4.4x return on investment).***
- 2025 Johnsburg ***$2.5M*** sewer project guarantee – ***ROI: TBD***
- 2025 CashVest Liquidity Investment: ***$45K*** investment resulting in ***$450K*** in income, producing a net gain of $405K and an ***ROI of 944% (10.3x)***, with an additional ***$350K*** expected by Oct 2026. Another ***$800K*** remains achievable if Arrow meets market rates.

- **2025 Fraud Update** (see p. 8)
  - At the April 2026 Board meeting, the WC Sheriff reported that, with assistance from federal and state forensic agencies, the December 2025 ACH fraud had been solved and that all but ***$48K*** of the remaining ***$1.6M*** in fraudulent funds had been identified for recovery by the County.
  - The WC Treasurer requested that the County's ***independent forensic team(s):***
    - ***Independently validate and corroborate all ACH-related statements*** made during April's Fraud Update to the Board, the public, and media, including claims that ***Arrow Bank notified the Treasurer's Office that the $2.1 million and $1.2 million ACH transactions appeared fraudulent;*** and
  - ***Determine whether the County's failure to communicate the July 2025 vendor fraud alert to the Treasurer's Office - the department responsible for vendor payment processing—contributed to the December 2025 ACH loss,*** despite County leadership having been notified of the fraud scheme months earlier, ***and identify the payment control failures throughout the County that contributed to the fraud's success.***
  - The ***New York State Office of the State Comptroller*** is expected to begin an independent forensic investigation of the December ACH Fraud later this month. The Treasurer will request that the review examine not only the fraudulent transaction, but overall County governance and communication breakdowns, as well as all control failures that contributed to the loss.

- **General Fund Balance** (see p. 9 & 10)
    - At the end of ***December 2025***, the County's Minimum General Fund Balance improved from a projected ***$1.5 million deficit to a $266K surplus*** - a positive swing of ***$1.8M (118%).***
    - A similar trend occurred in 2024, when the fund balance improved from a projected ***$250K deficit to a $2.1 million surplus*** - a positive swing of ***$2.4M (1,078%)***.
        - The Budget Team will work with the Budget Officer to improve 2027 budget accuracy, in order to reduce significant year-end variances, go forward.
    - As of ***April 2026***, the Minimum General Fund surplus increased to ***$371K***, driven primarily by a ***$250K*** cyber-liability insurance recovery reimbursement and a contract for forensic accounting fees ***($145K)***.
- **County Department budget line items have been consistently underfunded relative to actual costs** (see p. 10 - 12)
    - Based on a 2019 through 2025 analysis, several County Department budget line items have been significantly underfunded relative to actual costs, most notably ***Overtime, Psychiatric Exams, and Medical Examiner/Coroner services—resulting in recurring and significant unfavorable variances year after year.***
    - Prior to the 2026 annual budget process, the NYS Office of the State Comptroller delivered a Budget Refresher training, focused on avoiding the fiscal cliff, improving budget accuracy and strengthening long-term fiscal sustainability.
    - The NYS OSC Training Director requested that ***Warren County host a second Budget training*** focused on budget accuracy and the transparency of the budget process to ensure all Supervisors, municipal leaders, and finance staff receive this critical training. A ***July 2026 date*** has been requested by the NYS OSC, based on the WC Municipality's request.
    - The Treasurer will work with the Budget Officer to secure a date and location for this critical training.

- **The County's External Auditors, Drescher & Malachi (D&M), 2023 and 2024** Management Recommendations presented to the Chair of the Board, the Budget Officer/Finance Chair and the County Administrator, with current status of each:
    - **Timekeeping Controls:** Weaknesses in timekeeping policies, procedures, and oversight contributed to time abuse. The implementation of UKG and the County's new Time, Attendance, and Approval Policy have addressed all D&M recommendations in this area.
    - **Overtime Management:** Recurring overtime variances of ***100%–500%*** will be addressed through the ***2027 budget process*** and ***enhanced monitoring controls***.
    - **Succession Planning:** Documented succession and transition plans remain outstanding. The County Administrator committed to having these plans in ***place prior to D&M's 2025 audit.***
    - **IT Access Controls:** A formal IT access review process, including segregation-of-duties controls, remains a priority to ensure access permissions are appropriate, current, and documented.

- ***Performance Review Process:*** based on a 10 year look back of non-union salary increases that needs to be confirmed or refuted, and if confirmed, an audit should be performed to validate the rigor of supporting performance management processes, with a best practice solution developed go forward. In addition, COLA should be based on the prior year's salary only and not the nest year's merit increase.

- **Debt Borrowing Best Practices:** Borrow only when funds are needed and deploy proceeds promptly for their intended purpose. Bonds should support near-term capital needs, while Bond Anticipation Notes (BANs) should be used strictly as short-term financing—not as a long-term borrowing strategy.
    - The Treasurer asked to see the ***2024 Prioritized Culvert Assessment Plan*** before and after securing the 2024 ***$20M*** bond, to understand the timing and planned use of these funds, in order to maximize interest earnings, but was told that the plan was "not in her purview".

- **County Road Projects** (see p. 11 - 12)
  - DPW ended 2025 with ***$14M (49%)*** of its budget unexpended, primarily due to ***$12.M*** culvert bond proceeds received in late 2024 that remain unspent to date.
  - To maintain tax-exempt status, ***85% ($10.2M)*** of the proceeds must be spent by November 2027. DPW expects to fully meet this requirement.
  - While the County paid ***$1.7M*** in debt service on these bonds in 2025, and another ***$850K*** to date, the unspent proceeds are now being invested in the County's highest-yielding ICS account, generating approximately ***$360K*** in interest income.
- **CDTA:** There was a ***29% YOY increase*** in CDTA fees in 2025 (***$1.1M*** in 2025 vs. ***$860K*** in 2024), due to the increase in additional mortgage tax revenue.

2025 OPPORTUNITIES to BUILD ON, with page notations for details:

County Treasurer

- **Property Tax Collections** (see p. 13)**:** Delinquent taxes decreased by ***$1.4M (12%)*** in 2025, driven by the Treasurer's implementation of ***delinquent tax courtesy letters***, increasing receipts and improving cash flow. However, the remaining ***$10M*** in delinquent taxes continues to strain liquidity and ***underscores the importance of maintaining the County's minimum fund balance.***
- **Sales Tax*:***
  - There was a ***1.9%*** increase in sales tax in 2025 vs. 2024. The ***2026 sales tax budget*** is based on ***2024 actual*** sales tax received ***plus $1M***.
  - The Treasurer's Office is working with the NYS Dept of Tax & Finance to quantify the impact of the NYS STR Sales Tax Law on County Sales Tax. Current estimates are approximately ***$1.0M*** in 2025 and ***$1.6 million*** in 2026.
- **Interest & Earnings and CashVest ROI** (see p. 13 & 14)**:**
  - At 12.31.25, we experienced a 14% decrease in Interest & Earnings (I&E) YOY due to a ***$15M*** shift to fixed income, which caused the timing of interest payments to deviate from historical trends in order to maximize the County's returns over the long run. As of April

2026, Interest & Earning is ***up $88M, or 12%*** YOY and ***$186K, or 29%, above budget*** because of our change in strategy.

- The County's ***$45K*** investment in cashVest has generated an additional ***$470K*** in interest to date - ***a 944% return on investment (10.3x).***
- An estimated ***$800K of additional annual interest revenue remains available*** if Arrow provides the County with competitive market rates. This possibility ***depends entirely on the resolution*** of the County's Letter of Intent to Arrow Bank related to the December ACH Fraud.

- **Successful implementations:**
  - **MyWarren Property Tax System:** Developed entirely in-house and launched May 1, 2026, MyWarren saved taxpayers an estimated ***$300+K*** while delivering a modernized tax platform with stronger controls, greater efficiency, lower risk, and no ongoing vendor programming costs - ***a significant County achievement led by Jeremy Scrime, Kim Smith and Amanda Thompson!***
  - **Countywide UKG Implementation:** Successfully launched May 4, 2026, creating a single platform for timekeeping, attendance, payroll, leave management and labor costs. UKG improves accuracy, transparency, and internal controls while reducing manual processes - ***another major County accomplishment made possible by Brooke Paddock, Heidi LeClair, Tammie DeLorenzo, Mike Colvin, Neil Baker and the DSS, Public Health, Countryside and DPW core teams!***
  - **Installment Agreement Update:** In partnership with the County Attorney's Office, the County adopted a new Installment Agreement law to align with NYS Real Property Tax Law, ***reduce abuse***, and provide taxpayers with flexible monthly payment options.
- **Unpaid County Federal/State Claims** (see p. 14):
  - Improved collection of Federal and State receivables ***reduced outstanding balances by 60% YOY***, including a ***43%*** reduction in balances aged ***90–365*** days and a ***73%*** reduction in ***balances over one year old***, significantly strengthening County cash flow.
  - The largest improvements were achieved in DPW and Public Health, where outstanding balances declined ***52%*** and ***87%***, respectively.

- **Adult Use Cannabis (AUC) revenue:** This revenue is new in 2025, with a total of ***$318K*** received through year end, with ***75%*** distributed to the municipalities in late January (Town of Queensbury: ***$103K***; Town of Warrensburg: ***$65K*** and the City of Glens Falls: ***$69K***).

- **ARPA:** All awards are ***on track to be spent*** by the end of 2026.

- **Occupancy Tax** (see p. 15)**:** We have finalized the 2025 occupancy tax numbers. As of December 31, the department received ***$8.3M*** in Occupancy Tax revenue in 2025 and ***$8.0M*** in 2024 which is an increase of ***$294K*** or ***3.7%***. Platform receipts and reporting continue to be a ***significant issue***.

- **Casino Revenue:** After a four-year COVID-related interruption (2020–2023), this revenue source resumed in 2023 and 2025, with the County receiving ***$321K*** and ***$500K*** respectively to cover these outstanding years; reflecting an annual average of ***$205K/year*** compared to a pre-pandemic annual average of ***$429K***.
    - ***Casino Revenues for 2024 and 2025 remain outstanding***

<u>2025 RISK DETAILS</u>

- **2025 ACH Fraud & the WC Sheriff's April 2026 Board Fraud Update:**
    - While the Sheriff's Department was qualified to execute the criminal investigation of the ACH Fraud, the Sheriff does not possess the necessary credentials to investigate or opine on the forensic process investigation.
    - As such, the County has hired specialized forensic experts (***$170K*** in fees) to conduct the ***ACH forensic process investigation***. The County's third-party forensic investigation will be followed by a final – County-wide - forensic review conducted by the ***NYS OSC***.
        - The County's forensic team is independently validating and corroborating all key process statements made during the April 2026 fraud update, including ***ACH approval thresholds ($2M not $1M)*** and ***Arrow Bank's verification procedures***, which includes ***reconfirmation of ACH amount and authorization ONLY***, with ***NO reference to the possibility of fraud***.

- **General Fund Balance:** The following analysis shows the balance of the General Fund's Surplus or Deficit from the ***$34.9M***, or ***16.7%,*** minimum balance required to operate per the County Resolution 186 of 2016.

Warren County
General Fund Balance
6/1/2026

	2026	2025
Fund Balance Year End	$37 M	$38 M
Appropriated For Budget**	-$2 M	-$2 M
Unappropriated	$35 M	$36 M
Additional Appropriated During Year		-$4 M
Balance Unappropriated	$35 M	$32 M
Minimum Surplus Balance Needed (2 months operating expense) - 2026	$35 M	$33 M
Balance of Surplus Exceeding/(Below) Minimum Balance	**$371 K**	**-$2 M**

  - ** - the Treasurer is trying to locate the financial analysis and rationale that supports the ongoing $2M Appropriated for Budget amount…more to come.

Changes in Fund Balance

	2021-2022	2022-2023	2023-2024	2024-2025
Total Fund Balance Current Year	$ 40,208,679.00	$ 40,376,956.00	$ 35,929,157.00	$ 35,214,793.00
Total Fund Balance Prior Year	$ 36,590,975.00	$ 40,208,679.00	$ 40,376,956.00	$ 35,929,157.00
Increase (Decrease) from Prior Year	$ 3,617,704.00	$ 168,277.00	$ (4,447,799.00)	$ (714,364.00)
Increase (Decrease) from Prior Year	10%	0%	-11%	-2%
	2022 VS 2021 Unused ARPA	**2023 VS 2022**	**2024 VS 2023**	**2025 VS 2024**

- General, Debt Service, County Road and Road Machinery Funds may be able to utilize some of the Restricted & Assigned Funds throughout the year to offset unexpected costs and/or budget shortfalls, rather than depleting the General Fund Balance and/or Contingency Accounts (see p. 15)

- **In a 2019-2025 analysis, adopted budgets have consistently failed to reflect actual operating costs.**
  - In a review of the ***2019 to 2025 WC Adopted Budget to Actual expenses incurred***, the following variances were noted:
    - ***Overtime*** consistently underfunded by ***100%-500%*** across the County, with various ***2026 OT budget lines underfunded*** by ***24% to 106%,*** compared to 2025 actuals:
      - ➢ Sheriff: Comms, Patrol and Corrections: ***100% to 500%*** unfavorable variances experienced since 2019, with Patrol and Corrections underfunded in the 2026 adopted budget by ***87%-90%*** compared to actual 2025 expenses incurred;
      - ➢ Social Services, Countryside and DPW (Airport): ***150% to 300%*** unfavorable variances experienced since 2019, with Social Services and Countryside underfunded in the 2026 adopted budget by ***24%*** compared to actual 2025 expenses incurred;
    - ***Psychiatric Exams*** consistently underfunded, with ***800% to 3,000%*** unfavorable variances since 2021. The 2025 and 2026 adopted budgets were underfunded by ***63% and 90%*** respectfully, compared to prior year actual expenses incurred.
    - ***Medical Examiner & Coroners*** fees consistently underfunded: on average ***71%*** since 2019, with the 2026 adopted budget underfunded by ***37%*** compared to 2025 actual expenses incurred.
  - It should be noted that the above variances, except for the Medical Examiner/Coroner variances, were noted in the County's ***External Auditor's (Drescher & Malecki/D&M)*** 2023 WC Management Recommendation Letter delivered to County leadership in August 2024 (see p. 3)
  - ***Based on 2024 and 2025 adopted budget to actual variances, additional training and rigor is required (see below NYS OSC Budget Refresh training request).***

- ***Budgeting accuracy must improve to "Avoid a Future Fiscal Cliff" -*** the unsustainable practice of relying on fund balance reserves to cover recurring underfunded budgets, budget shortfalls and unforeseen costs, to artificially suppress tax increases.
    - Prior to the 2026 budget process, the NYS Office of the State Comptroller delivered a Budget Refresher focused on avoiding the fiscal cliff, improving budget accuracy and strengthening long-term fiscal sustainability.
    - Despite being intended for all County Supervisors, municipal leaders, and finance staff, attendance was limited to the Board Chair, Budget Officer/Finance Chair, County Administrator, and County department heads and finance leads. County Department Heads and their finance leads reported the training was highly valuable and instrumental in developing their 2026 budgets.
    - Following the success of the initial session, the NYS OSC Training Director requested that ***Warren County host a second Budget Refresher*** focused on avoiding the fiscal cliff to ensure all Supervisors, municipal leaders, and finance staff receive this critical training.
    - The Treasurer and 2026 Budget Officer will coordinate this countywide training for late July/early August 2026.
    - ***Best practice budgeting:*** Annual budgets should be based on historical actual results, current operating realities, and known future costs—not prior adopted budgets. Accurate budgeting, combined with ongoing budget-to-actual monitoring, reduces reliance on fund balance, improves forecasting accuracy, and helps avoid the fiscal cliff.
- **County Road Projects:** The following analysis shows the County Road project amended budget and costs for the past five years.
    - Please note that any unexpended balance gets carried over to the subsequent year and is added that year's budget for road projects.
        - Per the analysis below, DPW did not spend ***$14M or 49%*** of the amended budget for the road projects in 2025.
        - This was due to the ***$12M*** in bonded culvert dollars that have not yet been utilized.
        - ***85%*** of these bond proceeds, or ***$10.2M***, need to be expended by November 2027 to meet our Tax-Exempt compliance requirement. DPW Dept Head sees no problem complying with this requirement.

Warren County
Road Projects
2021-25

	2021	2022	2023	2024	2025
Amended Budget	5,579,432	12,453,922	10,289,246	12,344,210	29,503,608
Amount Expended	2,988,870	7,072,336	6,621,086	10,245,822	15,012,861
Amount Unexpended	2,590,562	5,381,586	3,668,160	2,098,388	14,490,747
% of Budget Unexpended	46.4%	43.2%	35.7%	17.0%	49.1%
Transfers of County Road Budget to Capital Projects	219,220	559,186	1,073,704	-	-

DEBT SUMMARY: 2025 YEAR IN REVIEW – OR – through APRIL 2026:

The following shows the County's current debt outstanding as at December 31, 2025 and March 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	-

2025 OPPORTUNITY DETAILS

County Treasurer

- ***Tax Levy Collections:***
  - The following analysis shows the amount of uncollected County taxes at the end of each tax year along with the unpaid amounts from all taxes as of December 31, 2025.

Warren County
Tax Levy Collections

County Taxes	2023 Tax Year		2024 Tax Year		2025 Tax Year
Tax Levy	$ 47,655,788	$	48,866,409	$	52,165,736.00
Uncollected Taxes	$ 2,810,429	$	3,428,558	$	2,023,353.00
% Uncollected	5.9%		7.0%		3.9%
Total Uncollected County/Town Taxes	(years 2004-2025)			$	4,514,396
Total Uncollected School Taxes				$	5,676,027
Total Uncollected City School Taxes	(years 2006-2025)			$	258,395
Total Uncollected Village Taxes				$	143,379
Total Uncollected Taxes as of 12/31/25				**$**	**10,592,197**
Total Uncollected Taxes as of 12/31/24				**$**	**11,994,441**
Year over Year difference				**$**	**(1,402,244)**
% Decrease					**-12%**

  - Uncollected property taxes declined by approximately ***$1.4*** million (***12%***) in 2025, driven by the Treasurer's implementation of delinquent tax courtesy letters, improving collections and strengthening County cash flow. 2026 courtesy letters were mailed on June 1st.
  - While the 2025 reduction of ***$1.4M*** in uncollected taxes has a positive impact on cashflow, the remaining ***$10.6M*** in uncollected taxes has a negative impact on cashflow. The delinquent tax courtesy letters and the new Installment Agreement Law will assist in driving this balance down go forward.

- ***Interest Income***
  - At 12.31.25, we experienced a 14% decrease in Interest & Earnings (I&E) YOY due to a ***$15M*** shift to fixed income, which caused the timing of interest payments to deviate from historical trends to maximize the County's returns over the long run. As of April 2026,

Interest & Earning is ***up $88M, or 12%*** YOY and ***$186K, or 29%, above budget*** as a result of our change in strategy.

- Our ***$45K*** investment in cashVest's liquidity strategy has yielded an additional ***$470K*** in interest earnings resulting in ***944% ROI***, or a ***10.29x ROI on*** our initial investment to date.
  - Since partnering with cashVest, the County has significantly optimized its investment portfolio, ***reducing*** cash held in low-yield accounts from ***53% to 20%***, while ***increasing*** high-yield deposits from ***30% to 54%*** and Treasury ***investments from 17% to 26%.***
- There is an ***additional $800K in interest revenue potential*** if Arrow meets competitive market interest rates. This is currently non-negotiable until the County's existing Letter of Intent is resolved.

- ***Unpaid County Federal/State Claims***
  - ***As of December 31, 2025, the County*** has ***$1.5M*** in unpaid claims that are more than 90 days old, of which ***$563 (37%)*** are over a year old. The following shows the breakdown by department.
  - Great progress in this area with a ***60%*** reduction in this total balance compared to last year's unpaid claims balance. Thanks to all!

Unpaid Federal/State Claims
More than 90 Days Old
12/31/2025

Department	90-365 Days	Over 1 Year	Total
DPW - Road/Bridges	$ 703,392	$ 514,115	$ 1,217,507
Public Health	43,487	38,086	$ 81,573
Planning	-	-	$ -
DPW - Airport	896	11,226	$ 12,122
DPW - Bldgs	75,338	-	$ 75,338
Public Defender	4,911	-	$ 4,911
Office of the Aging	112,483	-	112,483
	$ 940,507	$ 563,427	$ 1,503,934

- ***Occupancy Tax:***
  - We have finalized the 2025 occupancy tax numbers. As of December 31, the department received ***$8.3M*** in Occupancy Tax revenue in 2025 and ***$8.0*** in 2024 which is an increase *of **$294K or 3.7%.***
    - NYS counties and ***NYSAC continue to face significant challenges with Airbnb, VRBO,*** and similar platforms in complying with New York's Short-Term Rental sales tax requirements—either by failing to properly collect and remit occupancy taxes on behalf of counties, or by remitting funds without providing sufficient reporting to accurately allocate revenues to individual STR operators.
    - Since Q2 2025, VRBO has provided quarterly reporting; however, approximately $50,000 in collections remain unallocated due to insufficient reporting detail. In addition, VRBO continues to advertise unregistered STRs in Warren County, exposing the platform to NYS STR Sales Tax Law penalties of ***$250/day/listing*** for a first violation and ***$500/day/listing*** for subsequent violations. The County would receive these fees.
    - At the May NYSAC Finance School, counties across New York reported consistent and widespread platform non-compliance with the STR Sales Tax Law. With the Attorney General's Office participating in the session, NYSAC believes State enforcement action will be necessary to bring platforms into compliance.
  - The following represents the balances at the end of each year for the three occupancy tax reserve accounts. The three Occupancy Tax Reserve accounts are defined as follows:
    - ***Available Reserve Balance***: is equivalent to the unappropriated surplus balance to the General Fund and represents what is currently available.
    - ***Minimum Reserve Balance***: represents the amount of reserve that we must keep on hand for cash flow.
    - ***Encumbered Reserve Balance***: represents the amount that has been obligated either through a contract or purchase order and is not available for other uses.

Date	Occ Tax Reserve-Available	Occ Tax Reserve-Minimum Balance	Occ Tax Reserve-Encumbered	Total
2023	2,043,167	1,500,000	760,023	4,303,190
2024	2,289,689	1,500,000	384,044	4,173,733
2025	2,340,377	1,500,000	164,556	4,004,933

- It is ***CRITICAL*** that Committee & Board Members refer to the Tourism Director's Occ Tax Reserve balances, as well as her monthly Cashflow projections, to ensure the County is ***NOT*** obligating funds before available/appropriate.

- **Insurance Reserve/Surplus:**
  - The ***19%*** decrease in this reserve in 2025 is the direct result of the County ***using a portion of this reserve to help control the cost of insurance for the County and employees***. The County should continue to work closely with Marshall & Sterling, to gradually decrease this surplus to an appropriate level, by reducing both the employee and employer contributions.
  - **Insurance Reserve History**: Resolution number 594 of 2011 authorized the creation of an insurance reserve in the amount of ***$550K*** to offset potential costs if the County decides to terminate coverage with BSNENY and Resolution number 624 of 2014 increased the reserve to ***$1M***.
    - A surplus is created when more funding is collected for the County and employee portions of health insurance than what is needed to pay health insurance administrative costs and claims.
  - The County implemented a self-insurance program starting December 1, 2017. As a result, ***$919K*** was paid to BSNENY to terminate coverage. As noted below, the balance of the reserve and surplus as of December 31, 2025, is ***$5,9M***.

	Reserve	Surplus	Total	% Change
12/31/2012	550,000	74,487	624,487	
12/31/2013	550,000	1,053,283	1,603,283	157%
12/31/2014	1,000,000	2,737,445	3,737,445	133%
12/31/2015	1,000,000	4,375,037	5,375,037	44%
12/31/2016	1,000,000	4,867,898	5,867,898	9%
12/31/2017	81,078	5,441,408	5,522,486	-6%
12/31/2018	81,078	5,426,650	5,507,728	0%
12/31/2019	81,078	6,577,870	6,658,948	21%
12/31/2020	81,078	7,140,560	7,221,638	8%
12/31/2021	81,078	8,178,492	8,259,570	14%
12/31/2022	81,078	7,984,332	8,065,410	-2%
12/31/2023	81,078	7,627,125	7,708,203	-4%
12/31/2024	81,078	7,259,231	7,340,309	-5%
12/31/2025	81,078	5,874,187	5,955,265	-19%

Restricted & Assigned Funds:

Restricted

General Fund	*Purpose*		*2025*		*2024*	*% Change*
Capital						
Rehabilitation of County Buildings	Future building capital costs	$	45,133	$	145,133	-69%
Up Yonda Repairs & Improvements	Future Up Yonda capital costs		175,793		168,687	4%
Railroad Repairs	Future railroad capital costs		9,580		9,580	0%
County Railroad Repairs	Future County railroad capital costs		152,731		116,838	31%
Computers	Future computer capital costs		93,125		153,086	-39%
Vehicles	Future vehicle capital costs		183,050		182,781	0%
Airport Repair & Projects	Future airport capital costs		55,165		60,713	-9%
SUNY Adirondack Cap Imp	Future SUNY Adironadack capital costs		100,000		100,000	0%
Countryside Rehabilitation	Future Countryside capital costs		3,000		3,000	0%
Election Equipment	Future election equipment costs		249,816		138,939	80%
Total		$	1,067,392	$	1,078,757	
Other Restricted						
Occupancy Tax	Future costs relating to tourism	$	4,004,932	$	4,173,733	-4%
Forfeitures Crime	Future Sheriff and DA crime fighting costs		330,501		420,002	-21%
Environmental Testing Fund	Future costs relating to environmental testing		158,916		158,916	0%
Stop DWI	Future costs of the Special Traffic program		40,617		102,215	-60%
Westmount Legacy Costs	Future costs relating to Westmount retirees		3,293,014		3,436,620	-4%
Insurance	Future costs relating to uninsured losses		12,358		15,000	-18%
Employee Benefit Accrued Liability	Future costs relating to accrued employee benefits		65,000		65,000	0%
PCB Settlement Fund	Future costs relating to PCB cleanup		17,414		17,414	0%
Opioid (Restricted)	Future costs relating to treatment of opioid addiction		410,393		676,224	-39%
Opioid (Unrestricted)	Future costs relating to treatment of opioid addiction		154,802		231,487	-33%
Total		$	8,487,949	$	9,296,610	-9%
Debt Service Fund						
Debt						
Bonded Debt	Future debt service costs	$	147,461	$	112,418	31%
Total		$	147,461	$	112,418	
County Road Fund						
Capital						
Highway Road Projects	Future highway road capital costs	$	1,101,612	$	1,376,817	-20%
Total		$	1,101,612	$	1,376,817	
Road Machinery Fund						
Capital						
Motor Fuel Farms	Future motor fuel farm capital costs	$	30,103	$	29,172	3%
Mobile Brine Unit Repairs	Future mobile brine unit repairs	$	9,940	$	9,632	3%
Total		$	40,043	$	38,804	

Assigned

General Fund						
Other Assigned						
Sexual Abuse Lawsuits	Future sexual abuse settlements	$	650,000	$	1,150,000	-43%
Total		$	650,000	$	1,150,000	-43%