

Chemung County
Sales Tax Re-distribution Proposal
2021 -2022
September 8, 2020



Chemung County Executive
Christopher Moss

Previous Chemung County Sales Tax Distribution Agreements



Pre-2014 Sharing Formula

- The first 1% was retained by the county
- The remaining 3% was allocated as follows
 - Half was retained by the County
 - Half was distributed to municipalities based on population share



2014-2018 Sharing Formula

- The first 1% percent is retained by the County
- The remaining 3% was allocated as follows
 - 65.6 % retained by the County
 - The remaining 34.3 % is distributed to municipalities based on population share



Current Sales Tax Distribution Agreement

- In November of 2018 a new formula was established and approved involving sales tax redistribution for municipalities in Chemung County
- The formula was for a (2) year period, 2019 and 2020



2019 – 2020

Sales Tax Distribution Percentages

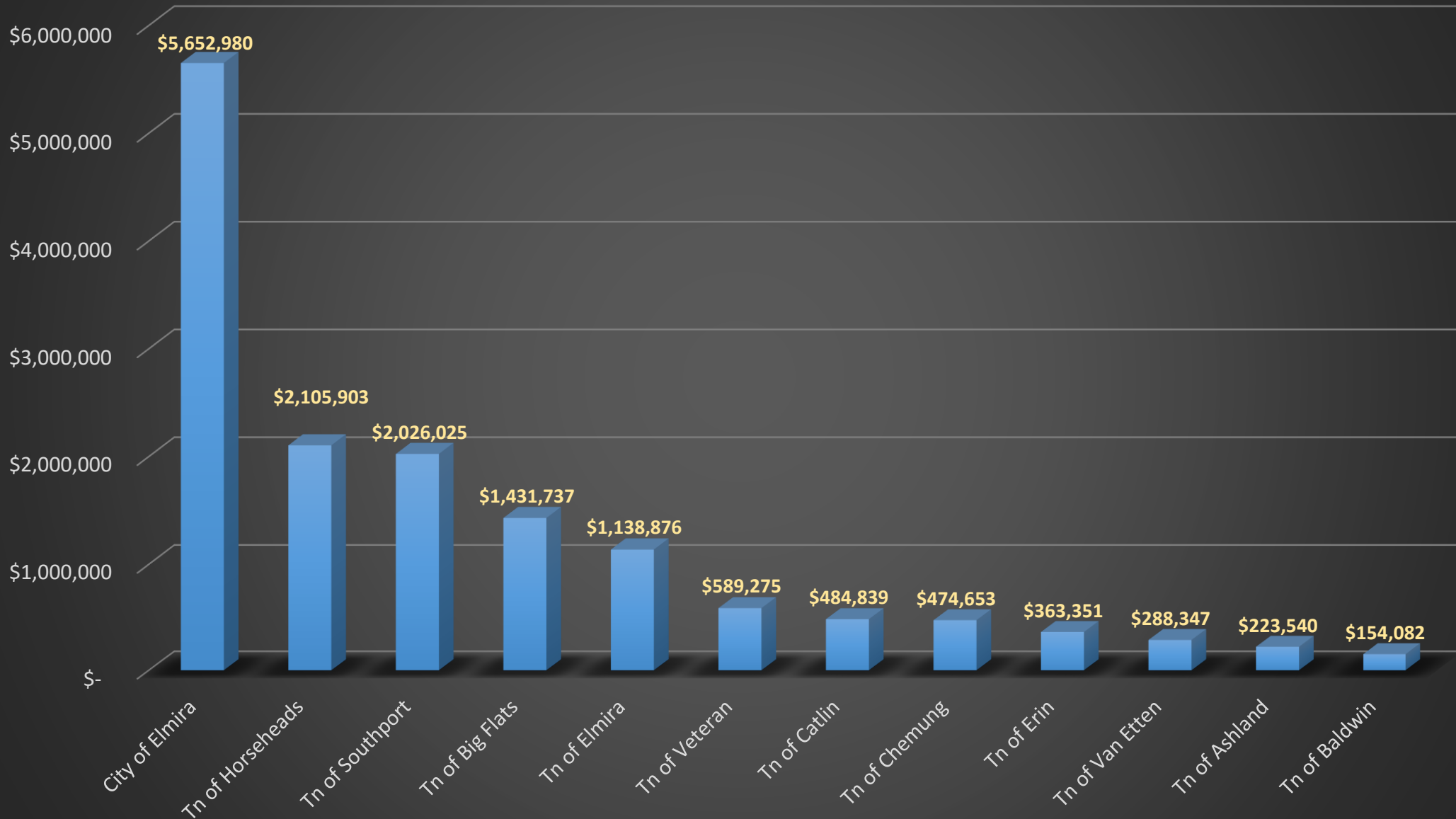
County/City, Towns and Villages

2019 63.3% / 36.7%

2020 63.3% / 36.7%

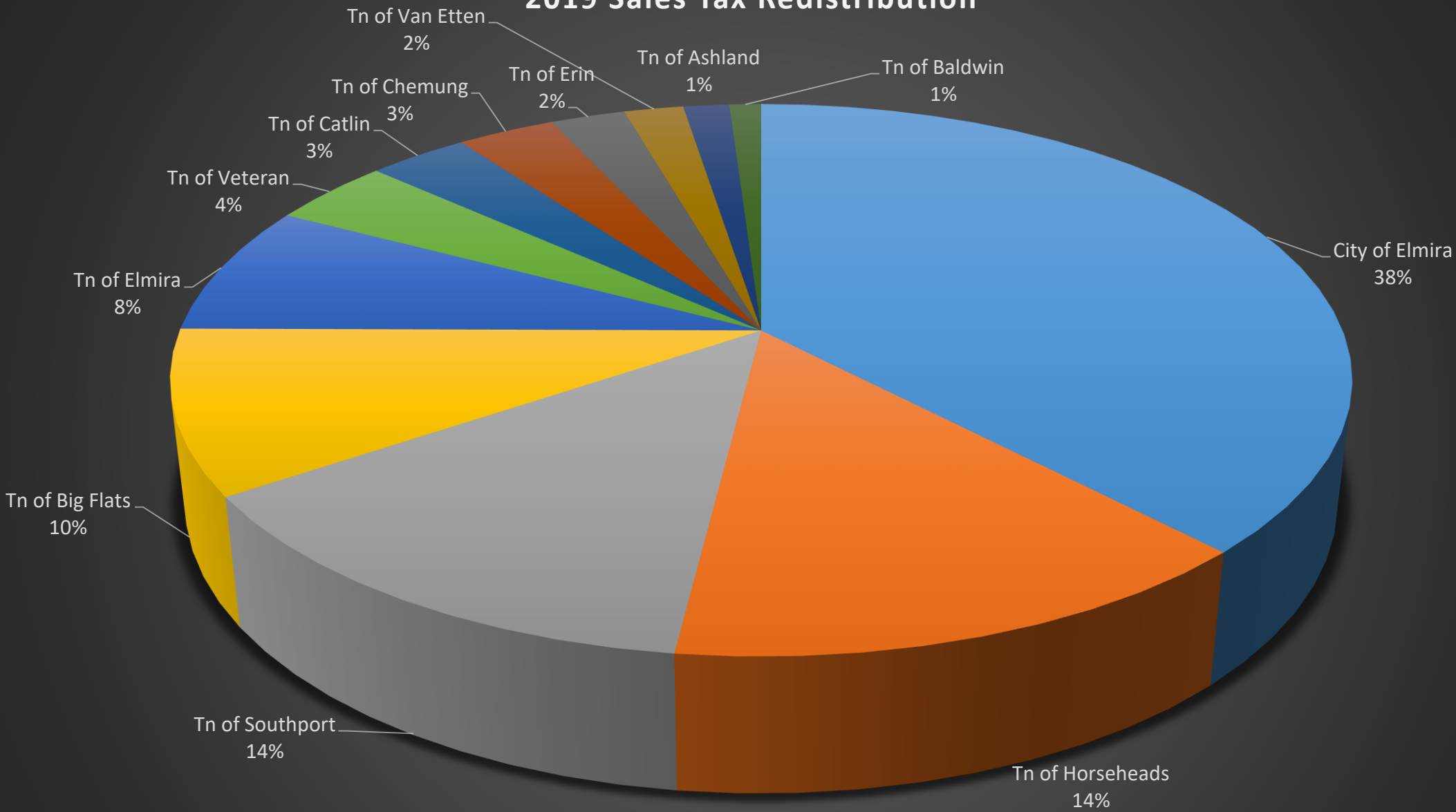


2019 Sales Tax Redistribution*



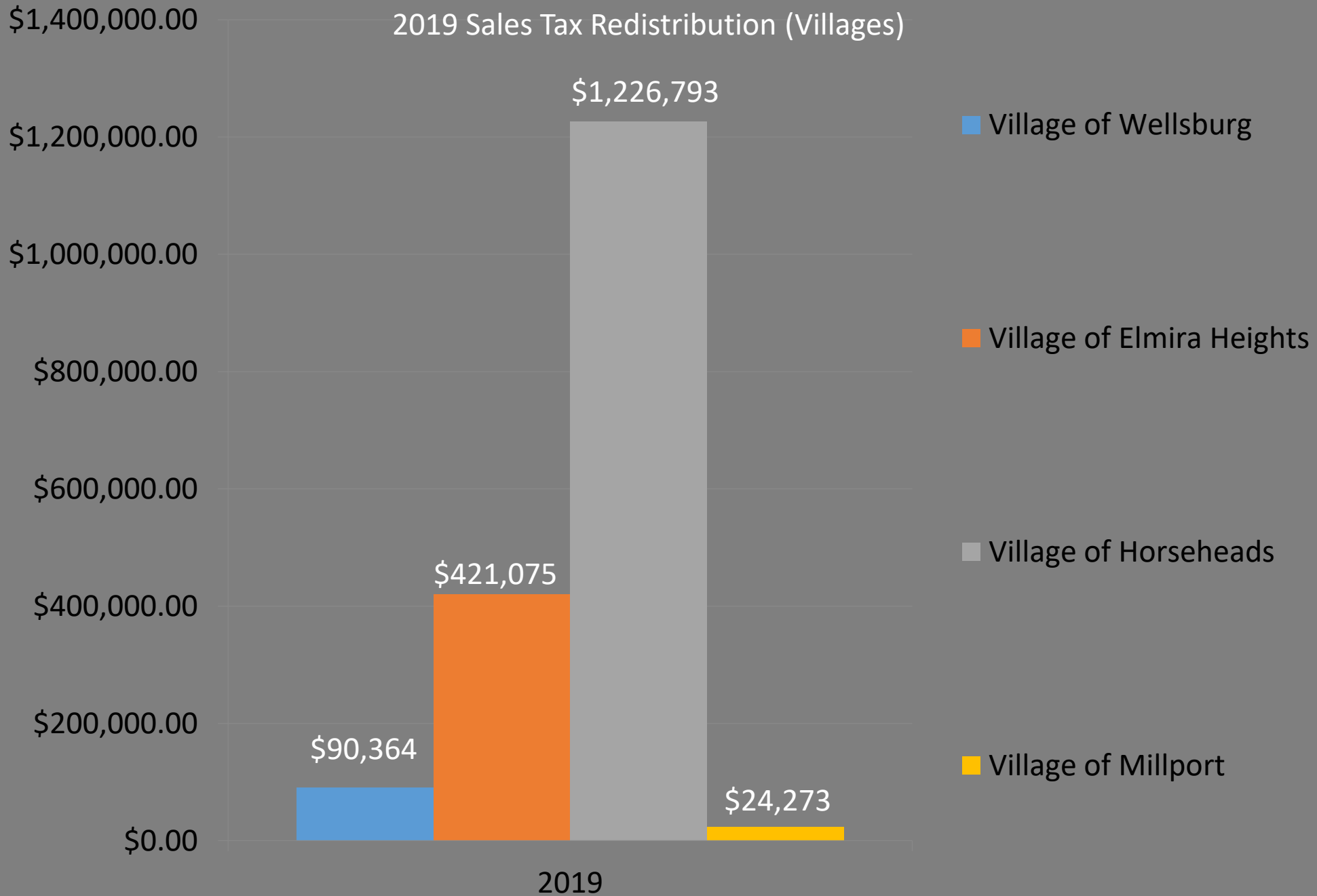
* Of the 35% redistributed to municipalities

2019 Sales Tax Redistribution*



* Of the 35% redistributed to municipalities

2019 Sales Tax Redistribution (Villages)



Regional Distribution Data

Broome	50/50 split of 3%	(year to year growth formula)
Chenango	50/50 split of 3%	(based on property values)
Delaware	100% County	
Schuyler	80/20 split	(\$2 million sharing cap)
Steuben	50/50 w/ T/V on 3%	(Hybrid model for 1%)
Tioga	67/33 split of 3%	
Tompkins	50/50 split on 3%	(Hybrid model for 1%)



Decision Making Process

- Current financial climate
- Shared services agreements
- What measures have our local municipalities taken in order to deal with substantial lack of revenue



NEW YORK POST

OPINION

The latest hit to New York governments: soaring pension costs

Post Editorial Board

Aug 5, 2020 | 8:42pm



NY ranked last in nation for economic outlook

U.S. ECONOMY · Published August 13

By Ronn Blitzer | FOXBusiness |

The poor projection comes during a pandemic and a rise in crime



Office of the NEW YORK
STATE COMPTROLLER
NYS Comptroller Thomas P. DiNapoli

NEWS from the Office of the New York State Comptroller

Contact: Press Office 518-474-4015

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DiNapoli: State's Financial Plan Reflects a Bleak Economic Outlook

Without Aid From Washington, Hospitals, Schools and Local Governments Could Face Billions in Budget Cuts

Appendix B

Projected New York County COVID Revenue Losses, 2020 & 2021

	Fiscal 2020 Revenue Losses		Fiscal 2021 Revenue Losses		Fiscal 2020 & 2021 Losses	
	Milder	Severe	Milder	Severe	Milder	Severe
Albany	\$50,607,450	\$68,819,883	\$12,651,862	\$34,409,941	\$63,259,312	\$103,229,824
Allegany	\$6,721,642	\$13,206,632	\$1,680,410	\$6,603,316	\$8,402,052	\$19,809,948
Broome	\$31,369,789	\$50,225,868	\$7,842,447	\$25,112,934	\$39,212,236	\$75,338,801
Cattaraugus	\$11,941,860	\$20,492,988	\$2,985,465	\$10,246,494	\$14,927,326	\$30,739,482
Cayuga	\$10,844,800	\$18,338,948	\$2,711,200	\$9,169,474	\$13,555,999	\$27,508,422
Chautauqua	\$16,299,362	\$26,134,534	\$4,074,840	\$13,067,267	\$20,374,202	\$39,201,801
Chemung	\$12,517,703	\$19,417,704	\$3,129,426	\$9,708,852	\$15,647,129	\$29,126,556
Chenango	\$5,945,099	\$10,582,280	\$1,486,275	\$5,291,140	\$7,431,374	\$15,873,420
Clinton	\$12,259,300	\$19,669,300	\$3,064,825	\$9,834,650	\$15,324,125	\$29,503,950



2019 & 2020 Sales Tax Receipts

2019 Payments thru August

\$35,603,920

2020 Payments thru August

\$32,625,191

Difference \$2,978,729

Estimated Sales Tax losses to date

Year to date losses:	\$2,978,729
2022 budgeted projections	<u>\$1,914,540</u>
Total:	\$4,893,269

September 8, 2020 \$654,281

- Gambling revenues
- Hotel/Motel
- State Aid reductions

Total
\$5,547,550



Shared Services



Reviewing Shared Services Agreements

- Buildings and Grounds
- Department of Public Works
- Information Technology



City Buildings and Grounds Shared Services Agreement

As of March 1, 2021 a re-payment amount of \$1,370,219 is owed by the City to the County.

If no agreement for repayment of the deferred \$1,370,219 is duly approved, outstanding balance is payable no later than February 28, 2022



Shared Services County/City DPW

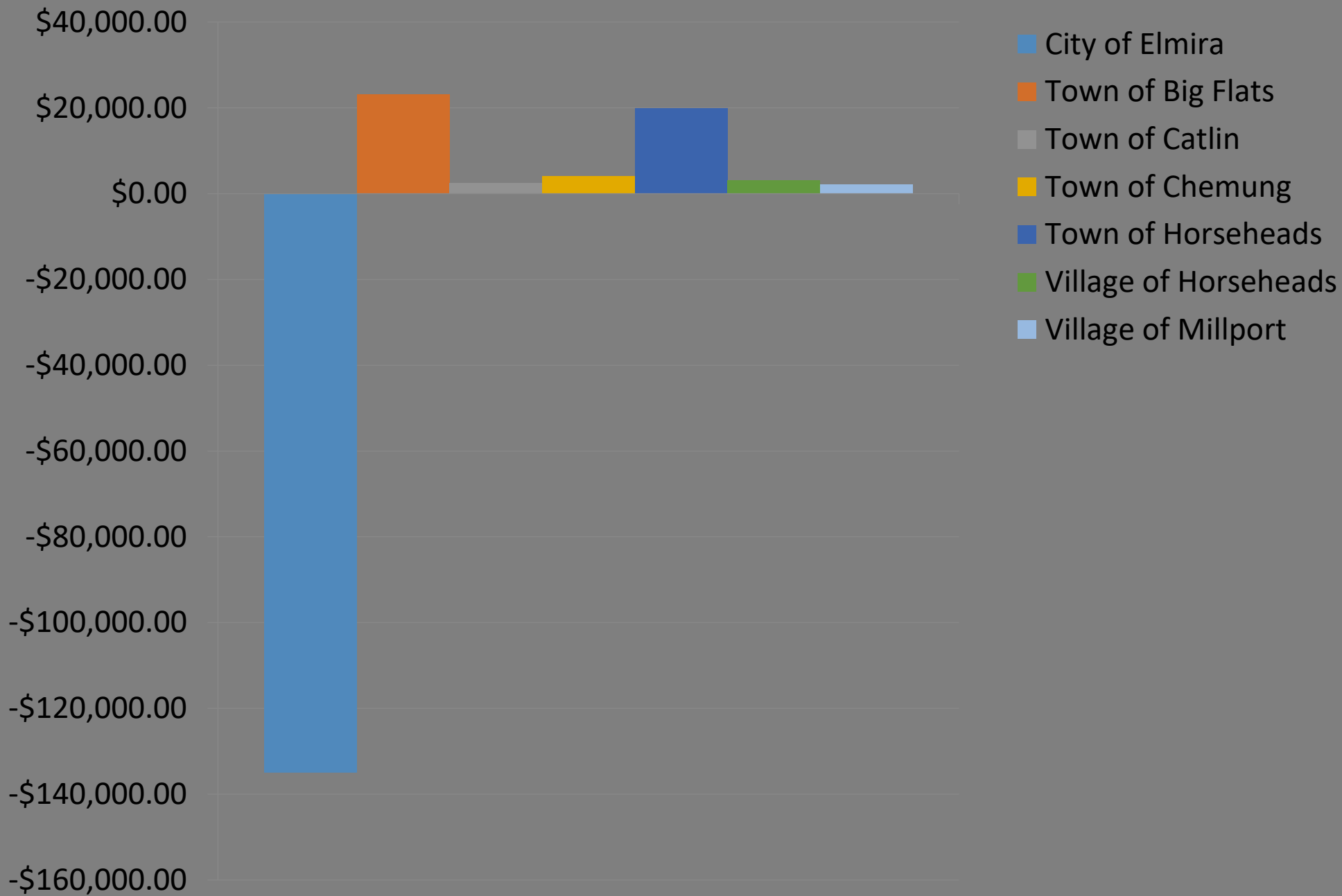
We're currently working on reconstructing this agreement for presentation to the City of Elmira



Town of Elmira

Shared service agreement with the Town of Elmira for a Highway Superintendent was reconstructed resulting in a new deal whereupon the town pays for a portion of the salary 35%, 40% and 45%





2020 IT Shared Services



Municipal Surveys Involving Cost Cutting Measures

The goal was to simply review the types of cost cutting measures that are being implemented by local municipalities to meet the challenges of the anticipated revenue losses



The survey asked municipalities to specifically look at the following areas and advise what type of action, if any, was being taken and monetary savings affiliated with same

- Personnel
- Capital projects
- Equipment
- Contracts



Survey's were sent to 16 Municipalities

City of Elmira

Town of Ashland

Town of Big Flats

Town of Catlin

Town of Chemung

Town of Elmira

Town of Southport

Town of Horseheads

Village of Horseheads

Village of Elmira Heights

Town of Baldwin

Town of Erin

Town of Van Etten

Town of Veteran

Village of Millport

Village of Wellsburg



Survey's Returned

City of Elmira

Town of Ashland

Town of Big Flats

Town of Catlin

Town of Chemung

Town of Elmira

Town of Southport

Town of Horseheads

Village of Elmira Heights

Village of Horseheads



The Big Four anticipated savings



\$376,000



\$196,859



\$501,638



\$350,920

\$1,425,417





City of Elmira Savings

Personnel:	\$ 382,500
Capital Budget City cost reduction:	\$1,186,435
Compost Center not open:	\$ 25,000

Total: \$ 1,593,935



Village of Horseheads

Over \$400K in anticipated cuts and postponements

Postponement of 1 plow truck
alone over \$175K



Town of Chemung

Cost cutting measures implemented
saved an approximate **\$215,000**



2021 – 2022

Sales Tax Distribution proposal

2021 County/City, Towns and Villages 63.3% / 36.7%

1% County - 3% County/City, Towns and Villages

2022 County/City, Towns and Villages 66.7% / 33.3%

1% County - 3% County/City, Towns and Villages





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