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**Decline linked to stumbling economy
Sales tax revenues drop in some counties**

By Joe Maher

CAPITAL REGION — The Rockefeller Institute recently reported that state sales tax revenues posted the weakest performance in six years during the first quarter of 2008.

Sales tax is an important source of revenue for state and local governments, which are already feeling the pinch. Officials said this is a direct reflection of the stumbling economy.

The institute, which is the research arm of the State University of New York, studied numbers from 36 of the 45 states that collect sales tax.

Researchers found that 21 of the 36 states received less than the same period a year ago.

Institute spokesman Mark Marchand said it's evidence of trouble nationwide.

Local finance officers said they are keeping close track of the numbers and caution it's early in the year.

Some counties are already lagging when comparing 2008 budget projections and the amount actually coming in.

For example, Fulton County's take for the quarter was \$2.5 million, according to figures compiled and provided by Treasurer Bruce Ellsworth. The Board of Supervisors budgeted \$12.2 million for the entire year but the county is on pace to take in about \$10 million.

The county came up a little short in 2007 as well.

"I kind of went aggressive for the first time in quite a while and it kind of came back and bit me," Ellsworth said of his 2007 projection.

Last year's forecast was for 5 percent growth while actual growth was in the 2.5 percent to 3 percent range, he said.

For 2008 the county forecast growth in the 2.5 percent to 3 percent range.

"And there's no growth at all," Ellsworth said, adding that a prior-period negative adjustment of nearly \$200,000 also hurt.

"Unfortunately, with the way the economy is, those negative adjustments hit even harder and it's hard to make it up. But I'm not giving up. I'm hoping for better numbers in the second and third quarters," he said.

Other counties in the region are bucking the trend detailed in the Rockefeller Institute study.

Kerri Battle, director of communications for Albany County, said collections jumped nearly \$2 million compared to 2007, from \$33.9 million to \$35.7 million.

The county budgeted about \$139 million for the year, so is on track to meet the projection.

"We are carefully monitoring receipts," Battle said.

Saratoga County Treasurer Sam Pitcherelle said numbers through the end of March show a roughly \$2 million increase as well, from \$21.1 million to \$23.06 million.

Those figures represent the total amount collected in the county in the first quarter and the numbers are 17 percent better than a year ago.

"It's a little bit better than it was a year ago in Saratoga County," Pitcherelle said. "I guess we're the oasis in this little storm right now."

Montgomery County and Schoharie County treasurers said their figures are strong.

Montgomery County netted \$3.63 million for the quarter, up from \$3.36 million a year ago.

“We had a pretty good-sized positive adjustment from the last period,” Treasurer Shawn Bowerman said Monday.

Bowerman attributed the increase to higher gas and diesel prices and the number of rest stops and truck stops on and off the Thruway.

Schoharie County Treasurer Bill Cherry said he’s on pace to reach the budgeted amount of \$13.7

million, even though the county took in only \$3.02 million in the first quarter.

Last year, the county received \$13.83 million and the first quarter of 2008 was better than last year’s \$2.57 million. The county typically receives more in the second and third quarters, he said.

“I would call us on track. So far, we’re OK,” Cherry said.

Repeated calls to the Schenectady County finance office went unreturned.