

Care Center at Sunset Lake pg. 98

Transfer of Assets

2 - In July 2020, the County authorized the formation of the Sunset Lake
3 Development Corporation (the "LDC") to transfer the Center's capital assets and
4 find a management company to run the Center through a lease agreement.

5 - On December 5, 2020, the Center's building and land improvements worth
6 \$1,342,391 were transferred to the LDC, and a lease agreement was signed between
7 the LDC and the County.

8 - In May 2025, a resolution was passed to transfer those assets back to the
9 County, with the LDC's formal dissolution expected in late 2025.

Management Transition

10
11
12 - Effective May 1, 2021, the LDC made a temporary contract with Infinite Care,
13 Inc. to manage the Center.

14 - On September 20, 2021, a permanent management contract was signed,
15 transferring the facility's management to Infinite Care.

16 - The financial impact of this contract allows the management company to
17 keep revenues from billing but requires it to cover most expenses related to the Care
18 Center, including employee-related expenses, patient care, and facility operation.

County Share

20
21 2021 Adopted County Share: \$6,744,491

22 2022 Adopted County Share: \$3,370,217

23 2023 Adopted County Share: (\$238,000)

24 2024 Adopted County Share: \$550,318

25 2025 Adopted County Share: \$0

26 2026 Tentative County Share: \$0

27
28 - The county share is the taxpayer's responsibility for the difference between
29 revenue and expenses.

30 - The \$0 county share in 2025 and 2026 represents the benefits the county
31 must pay for retiree health insurance and active employees' benefits, netted with
32 anticipated intergovernmental transfers (IGT) for that period.

33
34
35 - All other expenses are covered by the management company.

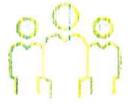
36 - In 2026, the County expects no loss, recognizing \$2.28M in revenue from IGT
against \$2.28M in required benefits to be paid through County funds.

Care Center at Sunset Lake pg. 98

- 38 - If the management company didn't cover the shortfall between revenues and expenses, the facility would cost the County \$5.38 million, calculated by subtracting expenses of \$28,117,679 from estimated room and board of \$14.4 million, IGT of \$2.28 million, interest payments of \$10,000, and removing contract staffing expenses of \$6 million.
- 42 Intergovernmental Transfers (IGT)
- 43
- 44 - The Care Center has received Intergovernmental Transfers (IGT) in past years, specific to government and not every nursing home is entitled to this funding.
- 45 - Subdivision 12(e-1) of Section 2808 of the Public Health Law authorizes supplemental payments to non-state operated public nursing facilities each year.
- 46 - The number allocated to Sullivan County is determined by the Centers for Medicare and Medicaid Services, and the NYS DOH informs Sullivan County of its payment amount.
- 47 - The County must front half of the money through its general fund to receive the full payment.
- 48 - Based on an expected payment of \$2.28 million, the Department of Social Services has to lay out \$1.14 million.
- 49 - These payments will continue until Infinite Care receives their Certificate of Need and fully takes over the facility, which will not happen for a year or more.

Demographics

Population



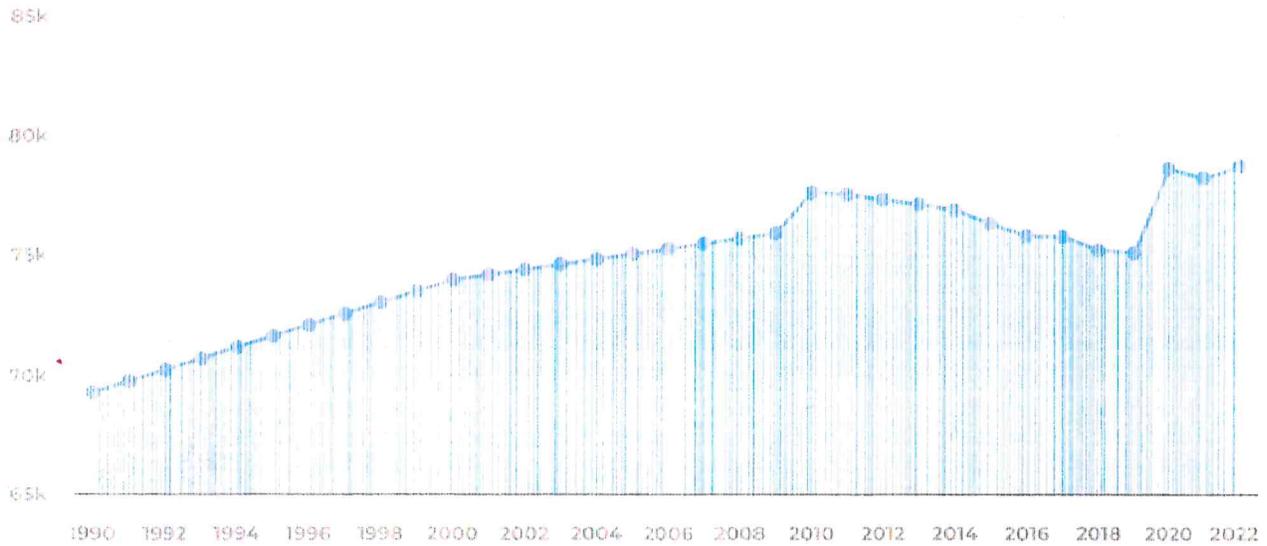
TOTAL POPULATION

78,725

0.63%
vs. 2021

GROWTH RANK

5 out of **63** Counties in New York



* Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses

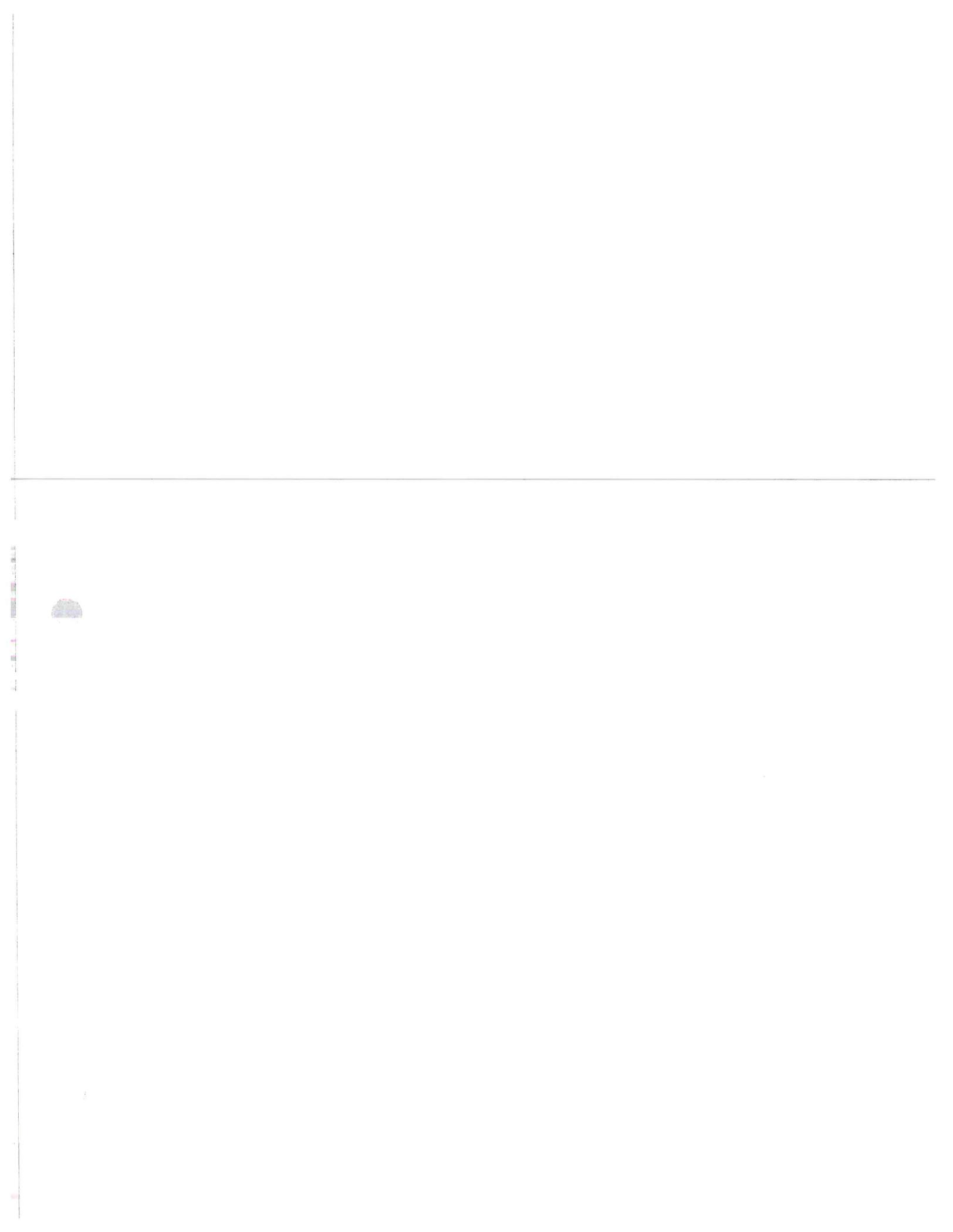


DAYTIME POPULATION

74,290

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. **An increased daytime population puts greater demand on host community services which directly impacts operational costs.**

* Data Source: American Community Survey 5-year estimates



• **Sullivan County Priorities and Issues Pages 68-71**

1 **2026 EXECUTIVE BUDGET SUMMARY**

2
3 **1. Costs are rising while revenue is falling:**

4 - Sullivan County's sales tax revenue is declining more steeply than
5 projected.

6 - Expenses continue to climb, with a \$5 million shortfall expected in
7 the Adopted 2025 Budget's sales tax estimate.

8 - To avoid service cuts and layoffs, lost revenue must be compensated,
9 potentially through a property tax increase.

10 - Rising costs include:

11 - \$3.5 million increase in salaries across the 1,000-person workforce.

12 - Nearly \$3 million increase in healthcare premiums (around 10%
13 greater than before).

14 - \$1.1 million increase in pension budget (10.3% increase next year).

15 - Employees deserve wage increases that keep up with the cost of
16 living and remain competitive, but taxpayers face similar challenges.

17 - The 2026 Tentative Budget aims to balance these needs.

18
19 **2. Improving what we already have:**

20 - Sullivan County maintains 385 centerline miles of highways and 400
21 bridges.

22 - The 2026 Budget allocates:

23 - \$10 million for roadwork (paving, surface treatment, and
24 embankment repairs), with \$7.6 million as the County's share.

25 - \$5.1 million for bridge work Countywide, with \$1 million as the
26 County's share (proposed to be bonded).

27 - \$50,000 to rehabilitate sections of the O&W Rail Trail.

28 - \$50,000 to renovate the Department of Motor Vehicles office in the
29 Government Center, including a second camera for license pictures.

 Kenneth Walter, with the aid of AI, revised the comments made by Mr. Joshua A.
Potosek, the Sullivan County Manager, regarding the 2026 Executive Budget pages 68-71

• Sullivan County Priorities and Issues Pages 68-71

- 30 - \$55,000 to plan improvements for bicycle and pedestrian paths in villages and hamlets.
- 31 - \$1.3 million for capital projects at SUNY Sullivan's Paul Gerry Fieldhouse, including elevator installation (County's half of a \$2.6 million project).
- 32 - \$100,000 for the Sullivan County Land Bank to address blight and dilapidation.
- 33
- 34
- 35
- 36
- 37
- 38 **3. Investing in the future:**
- 39 - The new terminal at Sullivan County International Airport reflects the County's commitment to progress.
- 40
- 41 - The 2026 Tentative Budget includes:
- 42 - \$683,000 for Public Safety technology initiatives, including records management software to enhance communication and coordination among the District Attorney's Office, police departments, and Public Safety Division.
- 43
- 44
- 45 - \$7.5 million to relocate the Division of Public Works' Government Center offices to the Maplewood DPW facility, freeing up space for Health & Human Services offices.
- 46
- 47
- 48 - \$2 million to demolish the old County Jail in Monticello, creating future opportunities for the space.
- 49
- 50 - \$150,000 for designing a composting facility in Monticello (a \$1M project overall).
- 51
- 52 - \$30,000 for a community water testing initiative.
- 53
- 54 **4. Conclusions:**
- 55 - The budget aims to balance service provision with limiting the burden on property taxpayers.
- 56
- 57 - Sullivan County's tax bill is one of the smallest as a percentage of local taxes, but its impact is significant.
- 58

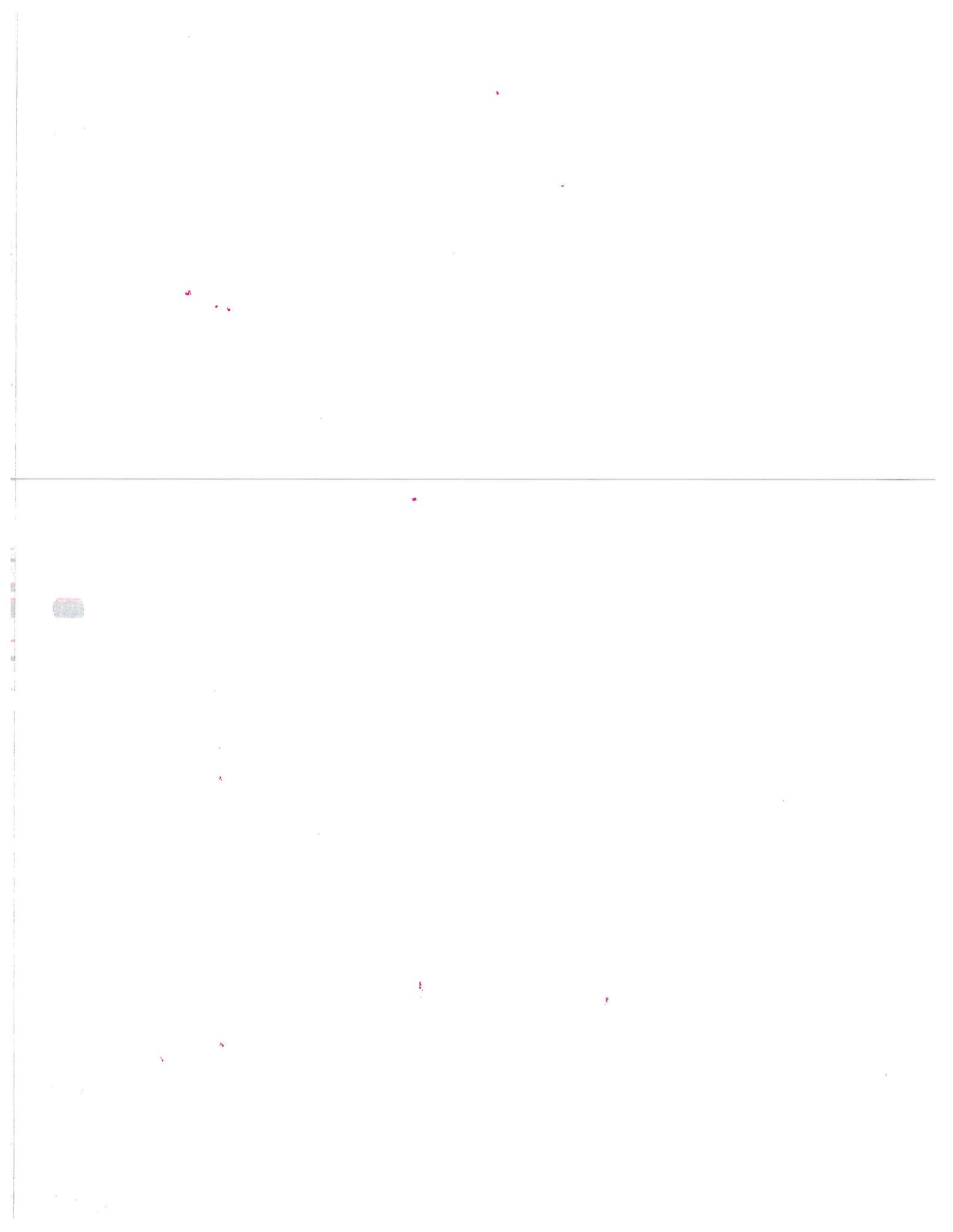
- **Sullivan County Priorities and Issues Pages 68-71**

59 - Costs are not decreasing, necessitating aggressive economic
60 development to attract tax ratables and reduce the burden on residential
61 properties.

62 - Sullivan County can balance natural beauty and open spaces with
63 industry and business, as seen in other regions like the Great Smoky
64 Mountains and Saratoga Springs.

65 - Collaboration among legislators, town/village leaders, and economic
66 development partners is essential to attract industry and create large-scale
67 job opportunities.

68 - Without such efforts, taxpayers may face unsustainable financial
69 pressure.



Building on our strengths Pages 66-67

2026 EXECUTIVE BUDGET SUMMARY

2

3

1. Keeping need services:

4

- From Move Sullivan to EMS fly cars, Sullivan County is setting a standard other upstate counties are noticing.

5

6

- Ensuring residents and visitors have the services they need.

7

8

2. Focusing on the future:

9

- Increased rail trail network.

10

- New airport terminal.

11

- Free workforce training.

12

- Building a place where work, life, and play come together.

13

- Goal to attract people to visit and call Sullivan County their home.

14

15

3. Consideration for the 2026 budget:

16

- Sales revenues and tax considerations for Sullivan County have begun to plateau.

17

18

- Tentative Budget for 2026 developed with financial projections.

19

- Focus on maintaining fiscal stability to prepare for future expenses, Federal and State funding contraction, and potential economic downturns.

20

21

- Includes dipping into fund balance (surplus), cautious debt management, and investment in aging infrastructure through a long-term strategic plan.

22

23

- Proposed 2026 Tentative Budget: \$305,746,606 (less than 0.9% higher than 2025's Adopted Budget).

24

25

- Includes a 9.1% increase in the tax levy.

26

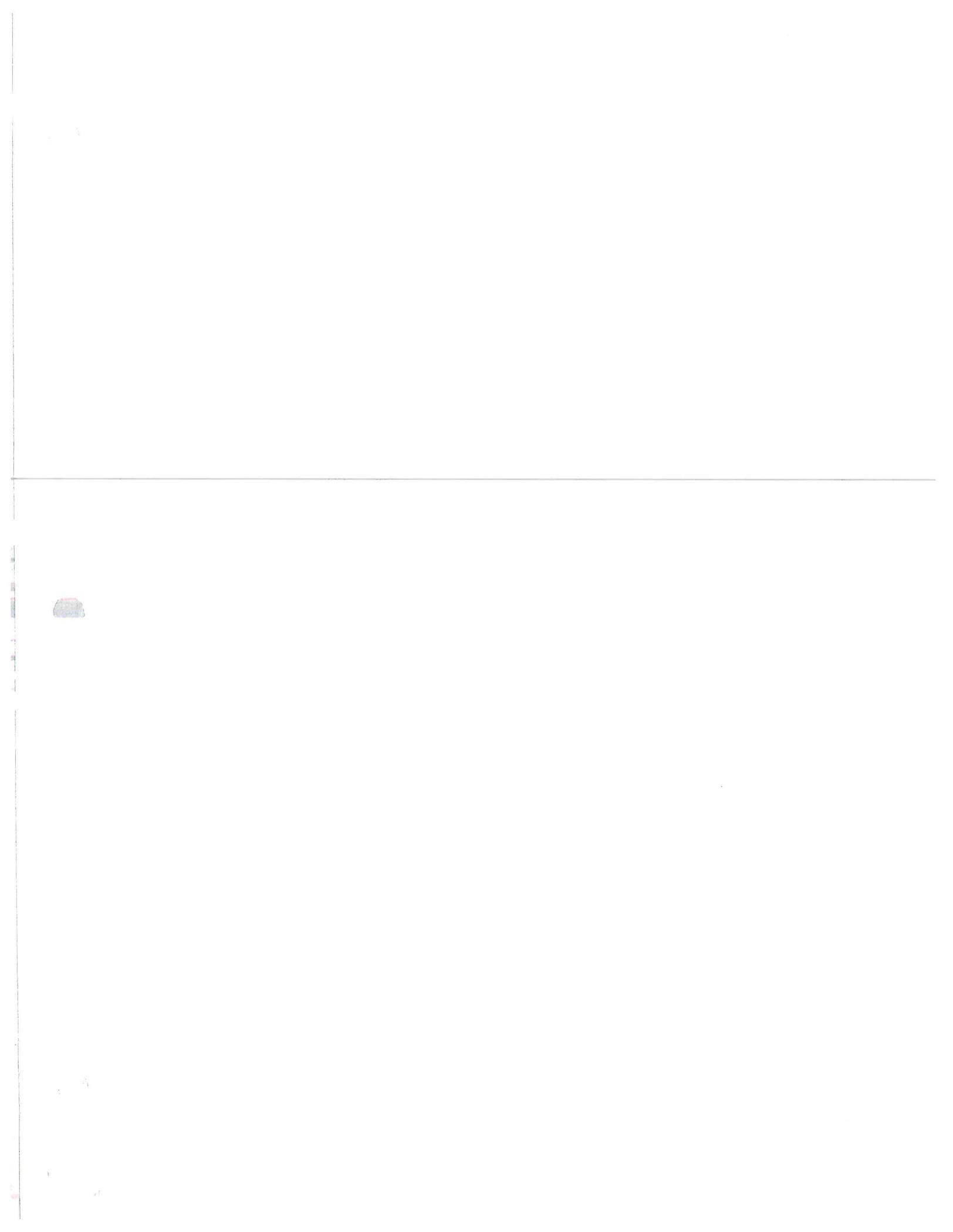
- No layoffs or service cuts included in the Tentative Budget.

27

- Original budget estimates indicated a 15% tax increase might be necessary, but reduced to avoid further burden on taxpayers.

28

Kenneth Walter, with the aid of AI, revised the comments made by Mr. Joshua A. Potosek, the Sullivan County Manager, regarding the 2026 Executive Budget pages 66-67



Building on our strengths Pages 66-67

2 - Falling sales tax revenues projected to decline by 5%, constituting 6.7% of
30 the 9.1% property tax increase.

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3.)

County-Infinite Care Reconciliation

Sullivan County/Infinite Care Reconciliation Statement 4Q21-3Q25

	1Q25	2Q25	3Q25	4Q25
Due To Infinite				
1 Billings for DOS for quarter w/ adj for bad debt	3,222,058.21	3,368,607.90	2,780,590.08	
2 Reimbursement for Infinite Employees				
3 Meals on Wheels Chargeback				
5 My IT Works invoices for quarter				
6 Reimbursement for Expenses Laid out in quarter				
7 ATB Payment				
8 Stimulus Payments @ 50%				

Due From Infinite 3,222,058.21 3,368,607.90 2,780,590.08 0.00

1 County Payroll - Salaries	1,115,590.21	1,004,119.00	1,039,538.49	
2 County Payroll - FICA	84,066.00	76,344.00	78,897.28	
3 Health Insurance Comp to IC	155,221.95	181,078.30	150,586.31	
4 Pension considering 65% comp*	81,523.65	46,951.62	46,951.62	
5 County Payroll - Disability*	1,587.00	1,614.00	1,614.00	
6 County Payroll - Workers Comp	18,732.00	26,455.02	26,455.02	
7 Contract Services and Staff	84,759.41	79,202.30	59,152.30	
8 Medical Supplies & Pharmaceuticals	214,889.53	466,809.33	361,915.74	
9 Office Supplies	2,378.65	2,767.17	642.90	
10 Operations and Maintenance	96,267.43	109,626.76	58,986.36	
11 Food	184,806.99	202,799.17	153,133.62	4.77
12 County Chargebacks	798,541.45	875,509.70	988,822.38	
13 Cash Receipts Assessment	181,557.00	192,115.00	271,741.00	
14 Real Estate/School Taxes	116,133.28	116,133.28	116,133.28	

Monthly fee paid to Infinite	3,136,054.55	3,381,524.65	3,354,570.30	0.00
Running Total	90,000.00	90,000.00	90,000.00	90,000.00
Net Due (To)/From County	(3,996.34)	(102,916.75)	(663,980.22)	(90,000.00)
Running Total	(8,407,832.85)	(8,510,749.60)	(9,174,729.82)	(9,264,729.82)
Running Total Net Due (To)/From County				(9,264,729.82)



County Infinite Care Reconciliation

Sullivan County/Infinite Care Reconciliation Statement 4Q21-3Q25

		2Q24	3Q24	4Q24	
Due To Infinite					
1 Billings for DOS for quarter w/ adj for bad debt					
2 Reimbursement for Infinite Employees	3,255,086.00	3,187,986.24	3,043,623.69	3,606,257.14	
3 Meals on Wheels Chargeback					
5 My IT Works invoices for quarter					
6 Reimbursement for Expenses Laid out in quarter					
7 ATB Payment					
8 Stimulus Payments @ 50%					
Due From Infinite	3,255,086.00	3,187,986.24	3,043,623.69	3,606,257.14	
1 County Payroll - Salaries	932,804.00	889,186.00	919,435.00	961,916.00	
2 County Payroll - FICA	69,755.00	67,048.00	69,815.00	73,812.00	
3 Health Insurance Comp to IC	155,548.90	177,456.50	157,977.95	191,339.85	
4 Pension considering 65% comp*	169,426.67	169,426.67	169,426.67	81,523.65	
5 County Payroll - Disability*	1,509.00	1,551.00	1,512.00	1,548.00	
6 County Payroll - Workers Comp	35,818.25	35,818.25	35,818.25	18,732.00	
7 Contract Services and Staff	178,339.92	253,926.52	202,624.98	39,807.56	
8 Medical Supplies & Pharmaceuticals	37,455.69	48,068.20	54,032.13	201,055.59	
9 Office Supplies	17,868.84	2,084.95	1,666.31	1,428.86	
10 Operations and Maintenance	94,782.39	102,193.39	98,458.07	103,495.92	
11 Food	181,261.37	185,517.08	179,881.49	191,610.78	4.82
12 County Chargebacks	830,517.05	819,986.39	803,799.76	931,174.58	
13 Cash Receipts Assessment	163,617.00	191,971.00	177,321.00	191,832.00	
14 Real Estate/School Taxes	25,233.28	25,233.28	25,233.28	25,233.28	
	2,893,937.36	2,969,467.23	2,897,001.89	3,014,510.07	
Monthly fee paid to Infinite	90,000.00	90,000.00	90,000.00	90,000.00	
Net Due (To)/From County	271,148.64	128,519.01	56,621.80	501,747.07	958,036.52
Running Total	(9,090,724.39)	(8,962,205.38)	(8,905,583.58)	(8,403,836.51)	
Running Total Net Due (To)/From County					(8,403,836.51)

County-Infinite Care Reconciliation

Sullivan County/Infinite Care Reconciliation Statement 4Q21-3Q25

* Estimated

Due To Infinite

	1Q23**	2Q23**	3Q23**	4Q23
1 Billings for DOS for quarter w/ adj for bad debt	2,856,411.95	3,062,919.80	3,014,836.38	3,418,690.95
2 Reimbursement for Infinite Employees	-	-	-	-
3 Meals on Wheels Chargeback	-	-	-	-
5 My IT Works invoices for quarter	-	-	-	-
6 REIMBURSEMENT FOR EXPENSES LATE OUT III	-	-	-	-
7 ATB Payment	-	-	-	-
8 Stimulus Payments @ 50%	-	-	-	-

Due From Infinite

1 County Payroll - Salaries	2,856,411.95	3,062,919.80	3,014,836.38	3,418,690.95
2 County Payroll - FICA	1,369,968.00	1,189,282.00	1,134,746.00	1,040,203.00
3 Health Insurance Comp to IC	102,057.00	90,137.00	85,838.00	73,113.00
4 Pension considering 65% comp*	234,331.50	233,699.70	186,314.70	181,082.85
5 County Payroll - Disability*	109,295.82	109,295.82	109,295.78	106,731.95
6 County Payroll - Workers Comp	2,031.00	1,983.00	1,983.00	1,614.00
7 Contract Services and Staff	59,894.00	29,947.56	29,947.56	23,901.00
8 Medical Supplies & Pharmaceuticals	1,545,528.94	977,940.07	66,574.13	163,478.18
9 Office Supplies	52,741.82	78,981.71	61,138.03	58,437.23
10 Operations and Maintenance	3,688.85	1,938.60	2,503.21	2,610.69
11 Food	92,767.55	84,805.86	79,812.46	86,657.31
12 County Chargebacks	139,612.47	155,386.02	136,690.95	165,239.08
13 Cash Receipts Assessment	804,223.14	770,798.92	812,668.97	849,586.75
14 Real Estate/School Taxes	183,387.00	134,102.00	100,593.00	189,586.00
	111,399.85	111,399.85	111,399.85	111,399.85
				3.89

Monthly fee paid to Infinite

Monthly fee paid to Infinite	90,000.00	90,000.00	90,000.00	90,000.00
Net Due (To)/From County	(2,044,514.98)	(596,773.34)	5,330.74	275,050.07
Running Total	(8,374,326.90)	(9,371,100.24)	(4,365,774.46)	(9,090,724.39)
				(9,090,724.39)

Running Total Net Due (To)/From County

County-Infinite Care Reconciliation

Sullivan County/Infinite Care Reconciliation Statement

4Q21-3Q25

	1Q22	2Q22	3Q22	4Q22
Due To Infinite				
1 Billings for DOS for quarter w/ adj for bad debt	1,925,649.74	2,068,391.10	2,125,386.29	2,453,186.32
2 Reimbursement for Infinite Employees	75,237.93	20,376.84	-	-
3 Meals on Wheels Chargeback	34,392.00	46,470.00	53,184.00	-
5 My IT Works invoices for quarter	17,124.04	-	-	-
6 Reimbursement for Expenses Laid out in quarter	31,993.86	-	-	-
7 ATB Payment	43,811.00	-	-	-
8 Stimulus Payments @ 50%				
	2,128,208.57	2,135,237.94	2,178,570.29	2,453,186.32
Due From Infinite				
1 County Payroll - Salaries	1,315,081.00	1,331,978.00	1,360,773.00	1,838,302.00
2 County Payroll - FICA	97,418.00	101,696.00	102,247.00	138,709.00
3 Health Insurance Comp to IC	307,868.60	211,695.25	219,482.25	226,733.65
4 Pension considering 65% comp*	145,316.45	147,183.57	292,338.15	109,295.55
5 County Payroll - Disability*	2,565.00	2,587.50	2,565.00	4,477.00
6 County Payroll - Workers Comp	36,657.00	36,657.00	34,380.00	34,773.00
7 Contract Services and Staff	233,724.34	109,504.13	329,663.59	16,993.75
8 Medical Supplies & Pharmaceuticals	69,394.26	52,327.35	44,560.39	53,200.55
9 Office Supplies	2,674.90	2,063.16	2,484.50	2,335.39
10 Operations and Maintenance	279,741.02	127,506.58	145,533.20	127,847.93
11 Food	140,289.39	171,470.33	152,481.07	140,842.43
12 County Chargebacks	524,171.84	717,422.95	725,214.48	731,203.02
13 Cash Receipts Assessment	89,001.00	129,343.00	150,332.00	115,749.00
14 Real Estate/School Taxes	114,510.21	114,510.21	58,097.56	58,097.56
	3,358,413.01	3,255,945.03	3,620,152.19	3,598,559.83
Monthly fee paid to Infinite	90,000.00	90,000.00	90,000.00	90,000.00
Net Due (To)/From County	(1,320,204.44)	(1,210,707.09)	(1,531,581.90)	(1,235,373.51)
Running Total	(2,352,149.42)	(3,562,856.51)	(5,094,438.41)	(6,329,811.92)
				(6,329,811.92)
				(5,297,866.94)
				3.95

County-Infinite Care Reconciliation

Sullivan County/Infinite Care Reconciliation Statement 4Q21-3Q25

	4Q21	
Due To Infinite		
1 Billings for DOS for quarter w/ adj for bad debt	1,697,547.43	
2 Reimbursement for Infinite Employees	94,275.76	
3 Meals on Wheels Chargeback	36,480.00	
5 My IT Works invoices for quarter	81,679.91	
6 Reimbursement for Expenses Laid out in quarter	14,201.02	
7 ATB Payment	43,811.40	
8 Stimulus Payments @ 50%	221,500.00	
	2,189,495.52	
Due From Infinite		
1 County Payroll - Salaries	1,259,601.00	
2 County Payroll - FICA	121,423.00	
3 Health Insurance Comp to IC	200,000.00	
4 Pension considering 65% comp*	153,156.32	
5 County Payroll - Disability*	2,202.00	
6 County Payroll - Workers Comp	36,513.00	
7 Contract Services and Staff	223,267.38	
8 Medical Supplies & Pharmaceuticals	62,017.19	
9 Office Supplies	861.03	
10 Operations and Maintenance	109,480.77	
11 Food	122,829.87	3.21
12 County Chargebacks	484,208.27	
13 Cash Receipts Assessment	147,209.00	
14 Real Estate/School Taxes	208,671.67	
	3,131,440.50	
	90,000.00	
Monthly fee paid to Infinite		
Net Due (To)/From County	(1,031,944.98)	
		Running Total Net Due (To)/From County (1,031,944.98)