

Policy Guiding the Expenditure by Clinton County of Funds Received Through the Tobacco Settlement

Adopted: Resolution #723 dated 10/22/14

Amended: Resolution #286 dated 4/27/16

Amended: Resolution #294 dated 4/26/17

Background

In 1998, the New York State Office of Attorney General announced a \$206 billion national settlement proposal between the Federal Government and the tobacco industry resulting in a financial settlement that restores to taxpayers hundreds of billions of dollars that have been spent treating smoking-related illness. New York State shared the monies gained by the State in the settlement with New York Counties under the premise that the counties incur a substantial portion of the Medicaid expense. The Attorney General's Office encouraged the counties to use the Tobacco Settlement monies for capital projects/infrastructure, but did not restrict the use of the monies. As detailed in the Resolutions below, Clinton County decided to use the Settlement funds primarily for road maintenance and paving, but reserved 5 percent of funds for community-related projects. No one can say with certainty how long the County will continue to receive Tobacco Settlement funding; however, funds are expected to be received every year as long as tobacco sales continue.

Acceptable use of Tobacco Settlement Funds

By Resolution #422 dated June 14, 2000, the Clinton County Legislature declared 95 percent of all revenue received from the Tobacco Settlement shall be utilized for "pavement management" within the County.

By Resolution #742 dated October 10, 2012, the Clinton County Legislature declared 5 percent of all revenue received from the Tobacco Settlement shall be utilized for "community-related projects" within the County.

Definition of Terms

Community-Related Projects: Projects that increase the quality of life experience in Clinton County in a measurable way for residents of and visitors to the County.

Policies Guiding Award of Tobacco Settlement Funds for Community-Related Projects

1. An opportunity to award funds will be available once each year (April 1st) unless the Clinton County Legislature determines that an eligible project is critically important and delaying award until the next award date would likely result in the inability to complete the project.

2. Eligible applicants shall include local municipalities and registered not-for-profit organizations in Clinton County. Individuals or organizations that are not local municipalities or registered not-for-profits must be sponsored by an eligible applicant.
3. Eligible applicants shall submit a completed “*Tobacco Settlement Funding Proposal Form*” to the Clinton County Legislative Office prior to April 1st to be considered for funding.
4. The Clinton County Legislature shall have complete discretion regarding the maximum award and the number of awards provided each year, however, it is recognized that retaining funds in this account is generally regarded as wise policy in case important projects arise throughout the year.
5. To the extent possible, the sum of \$100,000 shall be retained in the fund on a regular basis to insure that the fund contains reserve monies in case an important project arises during the course of the year that the Legislature decides to award monies from the fund. Establishing such a “cap” on expenditures from the fund thereby limits the funding available for any round of the program, and therefore the number of projects that can be accepted for award of funding.
6. Proposals received from eligible applicants shall be received by the Clinton County Legislative Office where they will be tabulated and presented to the next Clinton County Finance Committee meeting for consideration. All applicants shall be invited to the meeting of the Finance Committee, at which time they are expected to provide a brief presentation of their application, and be available to answer any questions Legislators may have. All applications shall then be placed on the agenda for the next Legislative Economic Development Committee for review and recommendation of award at the next full meeting of the County Legislature.
7. Only community-related projects shall be eligible for funding under this program, and the following criteria shall be utilized for determination of awards by the Clinton County Legislature:
 - a. Extent to which the project increases the quality of life in the County or the magnitude of impact presented by the project;
 - b. Amount of the request in relation to the projected impact of the project;
 - c. The extent to which the applicant provides matching funds and/or resources to the project thereby demonstrating a commitment to the project;
 - d. The extent to which the proposal benefits and is sponsored by multiple local municipalities and/or organizations;
 - e. The likely value of the project in future years in terms of economic return to the County (i.e. increased tourism dollars expended, generation of increased tax revenue, etc.); and
 - f. The funding being requested is for a one-time project rather than a project that is considered a routine operating cost.

NOTE: A numerical value was not assigned to the criteria listed above in order to provide maximum flexibility to the County Legislature in determining awards.

8. Proposals must request a specific amount of funding and must detail the specific actions that shall be undertaken.
9. All applications for funding shall be limited to a request of no more than \$15,000.
10. All applicants that are awarded funding under this program shall not be eligible to submit another application for a period of three years (ie. if an application for an April 2016 round of funding receives an award, that applicant is not eligible to submit another application for funding until April 2019.)
11. The funds shall be awarded as a reimbursement after it has been demonstrated by the applicant that the project has been completed as proposed. (Exceptions will be considered on a case-by-case basis for those projects for which funding by reimbursement does not make sense or results in a hardship to the applicant.) In no case shall funds in excess of the award and in excess of documented expenses be provided under this program.

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