September 2013

OFFICE OF THE COMPTROLLER
2014 BUDGET SUBMISSION

STEFAN I. MYCHALIW
ERIE COUNTY COMPTROLLER

Erie County Legislature
92 Franklin Street
Buffalo, New York 14202

Re: 2014 Office of The Comptroller Budget Submission

Dear Honorable Members:

Director of Budget and Management Robert W. Keating was crystal clear in his memorandum to Elected Officials and Department Heads on July 11th, 2013 that the administration wants all departments not to exceed last year's budget in their respective 2014 budget requests.

"The Division of Budget and Management is requesting that all departments develop their 2014 Budget request with a **status quo approach**."

Source: Robert W. Keating Memo, "2013 Budget Information and SAP Training, "July 11th, 2013.

I am pleased to inform you that the Office of Erie County Comptroller met and exceeded the administration's "status quo approach" when submitting our proposed 2014 budget.

The Office of Erie County Comptroller completed the 2014 budget submission process as prescribed in the County Charter, Section 2502, The appropriation budget submitted to the administration totaled less than the 2013 adopted budget, $3,402,076 verses $3,479,344, **a cut of $77,268**.

This despite the large increase in the fringe benefit rate, as determined by the administration, 65% verses an effective 59% in the 2013 adopted budget and a 2013 projected 52% rate for this Office. In addition, all interdepartmental accounts are equal to the 2013 adopted budget as instructed by the administration despite the fact that those are trending below budget in 2013. Appendix A contains the line-by-line 2014 submission along with the 2013 adopted budget and projections.

This decrease was accomplished by elimination of two positions that were vacant at the time of submission and the transfer of a Revenue Recovery position to the Department of Probation, where that person has been working since 2007. The transfer of the position will allow the County to claim State aid for the position as well as recognizing the fact that the position effectively works for the Department of Probation. As difficult as the decision was, we also cut a filled position earlier in the year.

This transfer of a Revenue Recovery position to Probation is part of the reorganization of the Office that has been on-going since I took office January 1st of this year. Similar to departmental accountants working in various departments with centralized accounting accomplished by a core staff of accounting professionals in this Office, this transfer places the revenue recovery position directly in the department generating the revenue while retaining oversight in this Office. The transferred position including fringe benefits totals $69,321 without adjusting for State Aid.

Once again, the Office of Erie County Comptroller will **reduce its budget by $77,268** by transferring the position to Probation.

That being said, even if the Legislature adopts a budget that keeps the Revenue Recovery position in the Office of Erie County Comptroller, **we still cut our 2014 budget by $7,947**. Let me reiterate: either way, whether or not the Revenue Recovery position remains in the Office of Comptroller, our department will cut our 2014 budget compared to 2013. We have reduced our budget either way. Regardless of whether or not the administration keeps or removes this Revenue Recovery position in the Office of Erie County Comptroller, **we will in fact still cut our 2014 budget.** See Appendix C.

The elimination of the vacant positions demonstrates the short-term success that the Office of Erie County Comptroller has realized in streamlining its procedures. Earlier this year your Honorable Body passed our reorganization plan that eliminated vacant clerical positions and replaced them with professional accounting titles. After filling four of those positions we realigned duties and requested that the positions be eliminated in 2014. The two positions deleted total $135,963 including fringe benefits. This will bring total positions in this Office to 31 the lowest since the Red/Green budget. See Appendix B for the detail of positions.

The year-end projection for this Office estimated a total savings of $475,968 in appropriations. This estimate was prior to two additional vacancies that occurred after submission of our budget. A search to replace those positions has begun and our intent is to have both positions filled before year-end.

I hope that this Office's 2014 submission, containing elimination of two vacant positions, will serve as a model for the administration to follow in developing the 2014 budget. The latest vacancy report lists over 200 vacant positions. The administration has demonstrated that they have continued to maintain County services with a reduced work force. It is anticipated that this will result in the elimination of a large number of these vacancies in the 2014 budget. We should not return to the phantom jobs of the 1990's that resulted in tax increases to fund jobs that were never filled. Instead, we should follow the example of the previous administrations by eliminating unnecessary positions.

Families and businesses are doing more with less. We followed the administration's directive to maintain a "status quo approach" to reducing our proposed 2014 budget. I call on the County Executive to cut his own budget. The administration should also hold their department's feet to the fire and make sure their respective budgets are reduced.

I look forward to reviewing the 2014 Proposed Budget and reporting back to your Honorable Body as required by the County Charter as well as make my staff available to you to assist in your deliberations of that document. It is important that your Honorable Body continue the work that was done with the 2013 budget that eliminated what has since proved to be an unnecessary property tax increase on Erie County taxpayers.

Sincerely yours,

Stefan I. Mychajliw
Erie County Comptroller

cc: Erie County Fiscal Stability Authority

Appendix A

ACCOUNT	2013 ADOPTED BUDGET	2013 PROJECTION	2013 VARIANCE	2014 BUDGET REQUEST
APPROPRIATIONS				
SALARIES	1,911,517	1,711,022	200,495	1,796,443
PART TIME WAGES		462	-462	
HOLIDAY WORKED	1,800	1,200	600	1,400
OTHER EMPLOYEE PYTS	2,500	2,100	400	2,250
FRINGE BENEFITS	1,138,527	888,259	250,268	1,170,060
OFFICE SUPPLIES	10,909	10,909	0	11,000
LOCAL MILEAGE REIMB		100	-100	100
OUT OF AREA TRAVEL	1,000	425	575	1,000
TRAINING & EDUCATION	7,200	7,200	0	6,117
PRO SERVICE CTRCTS	322,330	339,325	-16,995	330,645
MAINTENANCE CTRCTS	1,191	1,191	0	1,191
OTHER EXPENSES	200	200	0	200
ID PURCHASING	6,111	4,735	1,376	6,111
ID FLEET	2,021	1,020	1,001	2,021
ID COMPTROLLERS	-58,000	-58,000	0	-58,500
ID DPW MAIL	18,245	11,914	6,331	18,245
ID DISS	113,793	81,313	32,480	113,793
TOTAL	3,479,344	3,003,376	475,968	3,402,076

Appendix B

POSITION TITLE	2013 Budget	2014 Budget Request
COUNTY COMPTROLLER	80,615	80,615
DEPUTY COMPTROLLER	112,677	112,677
ASSOCIATE DEPUTY COM	63,204	71,343
SECRETARY, COMPTROL	30,765	34,581
DIRECTOR OF ACCOUNTI NG	93,987	93,987
DIRECTOR OF GRANT ACTNG	93,987	93,987
CHIEF OF ACCOUNTING	84,883	84,883
SENIOR ACCOUNTING ANALYST	73,097	73,097
SENIOR ACCOUNTING ANALYST	73,097	73,097
SENIOR ACCOUNTING ANALYST	73,097	73,097
ACCOUNTING ANALYST	61,688	61,688
ACCOUNTING ANALYST	42,031	47,312
SYSTEMS ACCOUNTANT	61,688	61,688
SYSTEMS ACCOUNTANT	57,775	58,437
SYSTEMS ACCOUNTANT	47,312	49,947
SUPV DATA PR CT CL	53,749	53,749
ACCOUNTANT	46,556	46,556
ACCOUNTANT	35,423	39,912
ACCOUNTANT	37,690	37,690
ACCOUNTANT	37,690	0

POSITION TITLE	2013 Budget	2014 Budget Request
CHIEF ACCOUNT CLERK	44,048	44,048
DATA PROCESSING CONT	36,195	36,195
DATA PROCESSING CONT	33,013	33,013
ACCOUNT CLERK-TYPIST	31,049	31,049
SENIOR CLERK-TYPIST	29,977	31,049
DEPUTY COMPTROLLER	69,238	78,187
SENIOR AUDITOR	73,097	73,097
STAFF AUDITOR	52,542	55,157
STAFF AUDITOR	47,312	49,947
STAFF AUDITOR	44,712	0
ACCOUNTANT AUDITOR	41,031	43,251
ACCOUNTANT AUDITOR	37,690	38,822
SENIOR BILLING ACCOUN	42,013	0
DATA PROCESSING CONT	34,285	34,285
TOTAL	**1,877,213**	**1,796,443**

Appendix C

BUDGET WITH TRANSFER OF POSITION TO PROBATION	
2013 ADOPTED BUDGET	3,479,344
2014 BUDGET SUBMISSION	3,402,076
CUT	**-77,268**

BUDGET WITHOUT TRANSFER OF POSITION TO PROBATION	
2013 ADOPTED BUDGET	3,479,344
2014 BUDGET SUBMISSION	3,471,397
CUT	**-7,947**