

# SUSPENSION



## COUNTY OF ERIE

**MARK C. POLONCARZ**

COUNTY EXECUTIVE

January 24, 2013

Honorable Stefan I. Mychajliw Jr.  
Erie County Comptroller  
95 Franklin Street, 11th Floor  
Buffalo, New York 14202

**Re: Comm. 2E-7 – Comptroller’s Reorganization Plan - Request for New Positions**

Dear Comptroller Mychajliw:

As you noted in a recent memorandum to me, the County started 2013 with a budget gap created by the Legislature’s budget amendments in December 2012. In that January 15<sup>th</sup> memorandum you commented on the County’s 2013 budget condition, noted the “first sign of potential budget problems” and wrote “Spending needs to be kept to a minimum. . .”

Yesterday, I received a copy of Comm. 2E-7, your reorganization request in which you are seeking Legislature authorization to delete four (4) existing career positions in your office (possibly five positions) and to create five (5) new positions. In your resolution and the accompanying memorandum, you did not quantify the costs of the reorganization plan and wrote that the fiscal implications of the changes are “positive” and “will result in a savings in the 2013 budget.”

As we do for all such proposals from every department, and as is our responsibility under Section 305 of the Erie County Charter (“Charter”), the Division of Budget and Management reviewed your proposal. Unfortunately, there appears to be an error or omission in your calculations of the costs of your plan. We have determined that contrary to your claim, the fiscal impact from your reorganization plan is not positive. In fact, based on your proposed deletion of four existing positions and creation of five new positions, there could be a new, unbudgeted cost to your department and the County of more than \$100,000 from your plan.

This fact is not altogether surprising, given that you are proposing to delete a number of low ranking clerical and lower ranking professional titles (JG 10, JG 7, JG 6 and JG 4), and to create positions with much higher job groups (JG 14 [with likely the funding needed at longevity Step C], a JG 11, and three JG 9 positions.

The fact that you are proposing a reorganization plan is not surprising or necessarily worrisome. For years, then-Comptroller Poloncarz repeatedly warned about the lack of backup professional accounting experience in the Comptroller’s Office (as more senior employees retire) and he repeatedly requested new positions from two successive county executives and the Legislature, but failed to attain

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support for new accounting titles. To make matters worse, the prior administration also repeatedly attempted to cut positions in the Comptroller's Office, succeeding in several instances, which further reduced the Office's ability to perform its Charter-mandated duties. The Division of Budget and Management agrees with you and outside auditor Drescher & Malecki that succession planning and a new cadre of junior professional accountants is needed in both your office and throughout County departments. Under Section 2507 (b) of the Erie County Charter, you clearly have the right to manage your departmental budget, subject to Legislature approvals, as long as you remain "within the parameters of the adopted budget."

However, we are concerned that you have failed to quantify the costs of your plan, and have represented to the Legislature that the plan will save money when our analysis shows that it will actually create new expense in the 2013 Budget – a budget that you have already gone on record as expressing concern about and issuing public warnings.

I am confident that a full discussion of your proposed reorganization plan in the Legislature's Government Affairs Committee can shed additional light on this matter.

Finally, it appears based on your reorganization plan your administration will no longer be actively collecting revenue on behalf of the County with the deletion of the revenue recovery position. Pursuant to Charter Section 1802 (p) the Comptroller is "responsible for the collection and recovery of accounts receivable due the county... ." As collection of revenues due the county is of a paramount concern in lean budgetary times, I hope your office is not abandoning a duty and obligation under the Charter.

If you have any further questions concerning this matter, or would like to discuss opportunities for additional collaboration between our offices to assist you in your reorganization process, please do not hesitate to contact me.

Sincerely,



Robert W. Keating, Director  
Division of Budget and Management

RWK

Attachment

cc: Honorable Mark C. Poloncarz, Erie County Executive  
Erie County Legislature  
Erie County Fiscal Stability Authority

**Comptroller Mychajliw's Proposed Reorganization**

**DELETE:**

- Billing Collections Specialist JG 10 (vacant)
- Junior Accountant JG 7 (vacant)
- Principal Clerk JG 6 (vacant)
- Account Clerk Typist JG 4 (vacant)

**CREATE:**

- Application Systems Specialist JG 14 (no active civil service list)
- Accounting Analyst JG 11 (erroneously referred to as 'Accountant Analyst'; no active civil service list)
- Accountant JG 9 (no active civil service list)
- Accountant JG 9 (no active civil service list)
- Accountant JG 9 (no active civil service list)

**Note:** in his resolution, the Comptroller also makes reference to deleting one (1) additional Account Clerk Typist JG 4 position by March 31, 2013, but he does not specifically delineate which position (no B-100 numbers are provided in his memorandum or resolution). Both of the other two Account Clerk Typist titles in the Comptroller's Office are currently occupied. We have not included this position above due to the uncertainty regarding the position but have addressed the position in our fiscal analysis.