



ECLEG 04702729 AM 9:40

COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

September 28, 2018

Erie County Legislature
92 Franklin Street – 4th Floor
Buffalo, New York 14202

**RE: Erie County Sewer District Nos. 3 and 5
Debt Service Account Transfers**

Dear Honorable Members:

Enclosed please find a memorandum from the Department of Environment and Planning pertaining to the transfer of funds between Erie County Sewer District Debt Service Accounts.

Should your Honorable Body require further information, I encourage you to contact Joseph L. Fiegl, P.E. in the Division of Sewerage Management. Thank you for your consideration on this matter.

Sincerely yours,

Mark C. Poloncarz, Esq.
Erie County Executive

MCP:KAK
Enclosure

cc: Joseph Fiegl, Deputy Commissioner, Division of Sewerage Management

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: Department of Environment and Planning
Re: Erie County Sewer Districts No. 3 and 5
Debt Service Account Transfers
Date: September 26, 2018

SUMMARY

Approval of the transfer of funds from three (3) Erie County Sewer District (ECSD) Nos. 3 and 5 debt service accounts to the other debt service accounts within the same district is requested. These debt service accounts have balances that exceed the total debt outstanding in their respective accounts.

FISCAL IMPLICATIONS

There are no fiscal implications to the County's general fund due to this request. This resolution will transfer excess funds to debt service accounts within the same district in order to be utilized to pay the sewer district's outstanding debt.

REASONS FOR RECOMMENDATION

The ECSDs are unable to utilize funds in debt service accounts for anything other than debt service payments. The balances in ECSD No. 3 debt service accounts C.00020 and C.00023, as well as ECSD No. 5's debt service account C.00017, exceed the outstanding remaining debt.

BACKGROUND INFORMATION

As of August 31, 2018, the account balance information is as follows:

Account	Sewer District	Balance as of 8/31/2018	Outstanding Debt	Remaining Balance
C.00017	5	\$256,084.56	\$52,242.58	\$203,841.99
C.00020	3	\$71,479.67	\$3,095.89	\$68,383.78
C.00023	3	\$47,832.60	\$7,158.43	\$40,674.17

The balance of C.00017 exceeds the remaining outstanding debt by \$203,841.99. Transferring \$100,000.00 to C.00029 and \$103,841.99 to C.00035 will allow this balance to be depleted by paying the respective account's outstanding debt in 2020.

The combined balance of C.00020 and C.00023 exceeds the remaining outstanding debt by \$109,057.97. Transferring these funds to C.00012 will deplete this balance in 2019.

CONSEQUENCES OF NEGATIVE ACTION

The debt service account balances will not be available for use to pay the sewer district's outstanding debt.

STEPS FOLLOWING APPROVAL

The Comptroller's Office will be requested to transfer funds between the appropriate ECSD debt service accounts.

COMPTROLLER'S OFFICE REVIEW

The proposed legislation has been reviewed by the Comptroller's Office and is related to authorized debt service accounts for which there are sufficient funds available for the transfers proposed.

Signed  Date 9/11/18
Gregory Gach
Deputy Comptroller

**Erie County Sewer District Nos. 3 and 5
Debt Service Account Transfers**

A RESOLUTION SUBMITTED BY:
Department of Environment and Planning

RE: Erie County Sewer District Nos. 3 and 5
Debt Service Account Transfers

WHEREAS, transfers are made on a monthly basis from Erie County Sewer District (ECSD) operating funds to debt service accounts to cover respective debt principal and interest payments; and

WHEREAS, the funds in the debt service accounts can only be utilized to make debt principal and interest payments; and

WHEREAS, excess funds were accumulated in these debt service accounts by certain transfers of operating funds that exceeded the total of debt principal and interest payments, balances that were carried over from the previous County accounting software SFG, and interest earned on these balances; and

WHEREAS, the debt service account balances in accounts C.00017, C.00020, and C.00023 exceed the outstanding debt balances of the respective accounts; and

WHEREAS, the capital project accounts for C.00017, C.00020, and C.00023 have been closed, and no future borrowings will be done in these accounts; and

WHEREAS, other debt service accounts in the respective district have outstanding future debt; and

WHEREAS, the Erie County Division of Sewerage Management is requesting a transfer of these funds to other debt service accounts within the respective ECSD; and

WHEREAS, the transfer of said funds will not impact the approved 2018 Budget.

NOW, THEREFORE BE IT

RESOLVED, that \$100,000.00 be transferred to C.00029 from C.00017 (ECSD No. 5); and be it further

RESOLVED, that \$103,841.99 be transferred to C.00035 from C.00017 (ECSD No.5); and be it further

RESOLVED, that \$68,383.78 be transferred to C.00012 from C.00020 (ECSD No. 3); and be it further

RESOLVED, that \$40,674.17 be transferred to C.00012 from C.00023 (ECSD No. 3); and be it further

RESOLVED, the Erie County Comptroller and Director of Budget and Management be authorized to establish all budgeting accounts necessary to facilitate these transfers; and be it further

RESOLVED, that the Clerk of the Legislature be directed to send one (1) certified copy each of this Resolution to the County Executive, the Erie County Comptroller, and the Director of Budget and Management; and two (2) certified copies be sent to Joseph L. Fiegl, P.E. Department of Environment and Planning, Division of Sewerage Management.