



EGLEG OCT02'18 M. P. 2018

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. 1, 2, 3, 4, 5, and 6
Debt Service Accounts Closeout**

Dear Honorable Members:

Enclosed please find a memorandum from the Department of Environment and Planning pertaining to the closeout of several 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 District Nos. 1, 2, 3, 4, 5 and 6
Debt Service Accounts Closeout
Date: September 28, 2018

SUMMARY

Approval of the transfer of funds from eleven (11) Erie County Sewer District (ECSD) debt service accounts to the applicable capital reserve account is requested. In addition, approval to closeout these debt service accounts that are no longer necessary is requested.

FISCAL IMPLICATIONS

There are no fiscal implications to the County's general fund due to this request. This resolution will transfer funds to the respective ECSD capital reserve account, allowing the funds to be utilized for sewer district capital improvement initiatives.

REASONS FOR RECOMMENDATION

The ECSDs are unable to utilize funds in debt service accounts for anything other than debt service payments unless authorized by the Erie County Legislature. The debt associated with these eleven (11) debt service accounts has been paid in full and no additional borrowings will be made in the capital accounts associated with these debt service accounts.

BACKGROUND INFORMATION

The debt service accounts that have balances with no remaining debt are as follows:

Account Number	ECSD No.	Balance as of 8/31/18	Reason for Balance
C.00019	3	\$10,968.11	Amount represents interest earned.
C.00024	2	\$2.22	Amount represents interest earned.
C.00026	5	\$2,352.83	Amount represents balance from SFG and interest earned.
C.00040	4	\$5.15	Amount represents interest earned.
C.00043	1	\$178.72	Amount represents interest earned.
C.00049	1	\$95.29	Amount represents interest earned.
C.00052	2	\$347.25	Amount represents interest earned.
C.00053	4	\$11,502.05	Amount represents balance from SFG and interest earned.
C.00054.1	6	\$4,114.05	Amount represents balance from SFG and interest earned.
C.00059	2	\$14.00	12/2008 transfer from operating exceeded debt payment.
C.00060	3	\$1.02	2007 and 2008 transfers from operating exceeded debt payments.

These eleven (11) debt service accounts carry a total balance of \$29,580.69 have no remaining debt. After transfer of these monies, these accounts should be closed.

CONSEQUENCES OF NEGATIVE ACTION

The debt service accounts balances will not be available for use to benefit sewer district projects and the district's ratepayers.

STEPS FOLLOWING APPROVAL

The Comptroller's Office will be requested to transfer funds into the appropriate ECSD capital reserve accounts, and facilitate final accounting and close out of the eleven (11) aforementioned debt service accounts as necessary.

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. 1, 2, 3, 4, 5, and 6
Debt Service Accounts Closeout**

A RESOLUTION SUBMITTED BY:
Department of Environment and Planning

RE: Erie County Sewer District Nos. 1, 2, 3, 4, 5, and 6
Debt Service Accounts Closeout

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, all debt payments funded by debt service accounts C.00019, C.00024, C.00026, C.00040, C.00043, C.00049, C.00052, C.00053, C.00054.1, C.00059, and C.00060 have been made; and

WHEREAS, the abovementioned debt service accounts have a total balance of \$29,580.69 as of August 31, 2018; and

WHEREAS, the Erie County Division of Sewerage Management is requesting a transfer of these funds to the appropriate capital reserve account in order to fund sewer district capital projects; and

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

NOW, THEREFORE BE IT

RESOLVED, that the following funds transfers be made:

ECSD No. 1

Debit:

Fund 310	1730010	C.00043	570000	Interfund Transfers (Subsidy)	\$178.72
Fund 310	1730010	C.00049	570000	Interfund Transfers (Subsidy)	<u>95.29</u>
				Total	<u>\$274.01</u>

Credit:

Fund 430	181	C.00033	486000	Interfund Revenue Subsidy	<u>\$274.01</u>
				Total	<u>\$274.01</u>

ECSD No. 2

Debit:

Fund 310	1740010	C.00024	570000	Interfund Transfers (Subsidy)	\$ 2.22
Fund 310	1740010	C.00052	570000	Interfund Transfers (Subsidy)	347.25
Fund 310	1740010	C.00059	570000	Interfund Transfers (Subsidy)	<u>14.00</u>
				Total	<u>\$363.47</u>

Credit:

Fund 430	182	C.00008	486000	Interfund Revenue Subsidy	<u>\$363.47</u>
				Total	<u>\$363.47</u>

ECSD No. 3

Debit:

Fund 310	1750010	C.00019	570000	Interfund Transfers (Subsidy)	\$10,968.11
Fund 310	1750010	C.00060	570000	Interfund Transfers (Subsidy)	<u>1.02</u>
				Total	<u>\$10,969.13</u>

Credit:

Fund 430	183	C.00007	486000	Interfund Revenue Subsidy	<u>\$10,969.13</u>
				Total	<u>\$10,969.13</u>

ECSD No. 4

Debit:

Fund 310	1730010	C.00040	570000	Interfund Transfers (Subsidy)	\$ 5.15
Fund 310	1730010	C.00053	570000	Interfund Transfers (Subsidy)	<u>\$11,502.05</u>
				Total	<u>\$11,507.20</u>

Credit:

Fund 430	181	C.00034	486000	Interfund Revenue Subsidy	<u>\$11,507.20</u>
				Total	<u>\$11,507.20</u>

ECSD No. 5

Debit:

Fund 310	1730010	C.00026	570000	Interfund Transfers (Subsidy)	<u>\$2,352.83</u>
				Total	<u>\$2,352.83</u>

Credit:

Fund 430	181	C.00005	486000	Interfund Revenue Subsidy	<u>\$2,352.83</u>
				Total	<u>\$2,352.83</u>

ECSD No. 6

Debit:

Fund 310	1760010	C.00054.1	570000	Interfund Transfers (Subsidy)	<u>\$4,114.05</u>
				Total	<u>\$4,114.05</u>

Credit:

Fund 430	186	C.00006	486000	Interfund Revenue Subsidy	<u>\$4,114.05</u>
				Total	<u>\$4,114.05</u>

and be it further

RESOLVED, that debt service accounts C.00019, C.00024, C.00026, C.00040, C.00043, C.00049, C.00052, C.00053, C.00054.1, C.00059. and C.00060 be closed; 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 closeout the debt service accounts; 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.