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COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

May 1, 2017

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

Re: 2016 Year-End Budget Balancing Amendments and Designations

Dear Honorable Members:

The attached resolution addresses various budgetary issues required to assist in the closing of fiscal year 2016 through the annual Budget Balancing Amendments and designations.

Authorization is requested to approve budget balancing amendments that are necessary to close the County's books and prepare financial statements for review by the County's independent auditors for the 2016 fiscal year. The amendments were identified in cooperation with the Erie County Comptroller's Office and in consultation with departmental accountants based on year-end financial reports.

Included in the resolution is authorization to transfer funds and establish designations to address various departmental needs.

Should your Honorable Body require further information, please contact the Division of Budget and Management. Thank you for your consideration on this matter.

Sincerely,

A handwritten signature in black ink that reads "Mark C. Poloncarz".

Mark C. Poloncarz, Esq.
Erie County Executive

MCP/rwk

MEMORANDUM

TO: Erie County Legislature
FROM: Robert W. Keating, Director of Budget and Management
RE: 2016 Year-End Budget Balancing Amendments and Designations
DATE: May 1, 2017

SUMMARY

The attached resolution authorizes budget balancing amendments that are necessary to close the County's books and prepare financial statements for review by the County's independent auditors at Drescher & Malecki, LLP for the 2016 fiscal year.

FISCAL IMPLICATIONS

The resolution requires no additional funding. Appropriation accounts with available balances are used to transfer budget to accounts where budget has been exceeded. Revenue budget increases are included where appropriate.

It is anticipated that Erie County will end fiscal year 2016 with approximately a \$300 thousand General Fund 110 surplus after approval of this resolution.

BACKGROUND INFORMATION

Numerous fiscal issues previously identified during 2016, especially within personal services accounts, require budgetary "clean-up" adjustments. This resolution requests authorization to decrease appropriations where available, in order to increase appropriations that are currently indicating a budget shortfall. The Budget Balancing Amendments are a normal, routine action annually.

The budget adjustments were identified in cooperation with the Erie County Comptroller's Office and in consultation with departmental accountants based on year-end financial reports. Approval of this resolution will facilitate the year-end closing activity of the Comptroller's Office and will allow for the timely completion of 2016 financial statements by our independent auditors. The 2016 budget adjustments do not increase spending.

Also included in the resolution is authorization to re-appropriate 2016 funds into 2017 so that they may be designated for anticipated expenditure. The following items are in the form of fund reservations.

- Youth Bureau
\$2,500 for West Seneca Youth Baseball
- County Clerk Auto Bureau
\$2,076 for customer queuing system
- Sheriff
\$6,792 for insurance premium
- Jail Management

- \$1,152 for clothing items
- Environment and Planning
 - \$13,416 for the Erie County Fish Advisory Board Online Hot Spot Fishing App.
- Library
 - \$276,787 for Library books, materials and equipment

Authorization is also requested to transfer available balances and utilize unanticipated revenue in order to establish funding in 2016 to be designated and re-appropriated as funds reservations into 2017. The requested items cover anticipated 2017 expenditures and have been deemed essential to maintaining a balanced 2017 Budget. The items are as follows:

- Social Services
 - \$1,500,000 for Disproportionate Share (“DSH”) costs
- Department of Law
 - \$1,200,000 for the Risk Retention Fund

CONSEQUENCES OF NEGATIVE ACTION

If authorization is not granted, the completion of the 2016 financial statements for the County will be delayed and certain funding will not be available for projects and programs in 2017 including the above-noted projects and initiatives.

STEPS FOLLOWING APPROVAL

The Division of Budget and Management will process all required budget amendments.

**A RESOLUTION SUBMITTED BY:
DIVISION OF BUDGET AND MANAGEMENT**

RE: 2016 Year-End Budget Balancing Amendments and Designations

WHEREAS, year-end budget balancing amendments are necessary to close the County's books and prepare financial statements for review by the County's independent auditors for the 2016 fiscal year; and

WHEREAS, amendments were identified in cooperation with the Erie County Comptroller's Office and in consultation with departmental accountants based on year-end financial reports; and

WHEREAS, existing 2016 funding within the Youth Bureau, the County Clerk Auto Bureau Division, the Sheriff, Jail Management, Environment and Planning, and the Buffalo and Erie County Public Library, is established as fund reservations and designated for re-appropriation into 2017; and

WHEREAS, additional 2016 fund transfers are also requested in order to designate funding for specific projects which will be re-appropriated into 2017 to maintain a balanced budget and provide additional services.

NOW, THEREFORE, BE IT

RESOLVED, that the Director of the Division of Budget and Management is hereby authorized to adjust the 2016 Budget in order to facilitate the completion of 2016 financial statements, based on the following schedule:

2016 Year End Budget Balancing Amendments

The following list of accounts is balanced by fund and indicates where adjustments are needed to match year-end spending. In most cases the source of funds was obtained from within the department from where the shortfall occurred.

<u>Department</u>	<u>Account</u>	<u>Increase/ (Decrease)</u>
General Fund 110 - Expense Adjustments		
10110	County Executive	
	500000 Full Time - Salaries	(18,538)
	502000 Fringe Benefits	52,497
	<u>County Executive Total</u>	<u>33,959</u>

10210	Division of Budget & Management		
	500010	Part Time - Wages	(13,147)
	502000	Fringe Benefits	(18,923)
	530000	Other Expenses	(1,889)
	Budget & Management Total		(33,959)
105	Information & Support Services		
	515000	Utility Charges	(37,360)
	545000	Rental Charges	37,360
	Information & Support Services Total		0
11110	Real Property Tax Services		
	500000	Full Time - Salaries	22,294
	500010	Part Time - Wages	(1,507)
	502000	Fringe Benefits	(15,758)
	530000	Other Expenses	(5,029)
	Real Property Tax Services Total		0
11310	County Clerk-Registrar		
	502000	Fringe Benefits	(38,216)
	561420	Office Furniture & Fixtures	38,216
	County Clerk-Registrar Total		0
120	Department of Social Services		
	500000	Full Time - Salaries	(4,219,114)
	501000	Overtime	(350,799)
	502000	Fringe Benefits	(4,187,652)
	525000	MMIS-Medicaid Loc Sh	(5,907,778)
	525020	UPL Expense	12,968,603
	525040	Family Assistance	(4,255,115)
	525050	CWS - Foster Care	(843,240)
	525060	Safety Net Assist	(5,608,918)
	525070	Emer Asst to Adults	(519,890)
	525092	Child Care-CCBG	406,221
	525140	HEAP Program Costs	225,507
	525150	DSH Expense	10,900,570
	530010	Chargebacks	197,566
	530030	Pivot Wage Subsidies	(514,030)
	DSS Total		(1,708,069)

500	ECMC		
	502000	Fringe Benefits	267,533
	ECMC Total		267,533
510	EC Home		
	502000	Fringe Benefits	64,596
	EC Home Total		64,596
11400	District Attorney		
	502000	Fringe Benefits	(284,788)
	District Attorney Total		(284,788)
11510	Sheriff Division		
	500000	Full Time - Salaries	(161,281)
	500010	Part Time - Wages	(55,307)
	500030	Seasonal Emp. Wages	77,677
	500300	Shift Differential	12,476
	500320	Uniform Allowance	(19,499)
	500330	Holiday Worked	(51,606)
	500340	Line-Up	16,020
	500350	Other Employee Pymts	53,817
	501000	Overtime	1,314,559
	502000	Fringe Benefits	(561,550)
	Sheriff Division Total		625,306
116	Jail Management		
	500000	Full Time - Salaries	(1,349,326)
	501000	Overtime	1,098,853
	502000	Fringe Benefits	(374,833)
	Jail Management Total		(625,306)
12220	DPW Building & Grounds		
	500000	Full Time - Salaries	(47,252)
	501000	Overtime	47,252
	DPW Building & Grounds Total		0
12410	MH - Program Admin.		
	516010	Cont Payts-Non Prof POS	(199,999)
	517581	Court Ordered-MH Srv	595,648
	MH - Program Admin. Total		395,649

12700	Health Division		
	500300	Shift Differential	10,794
	500350	Other Employee Pymts	54,616
	501000	Overtime	48,608
	502000	Fringe Benefits	(114,018)
	Health Division Total		0
12720	Emergency Medical Services		
	500010	Part Time - Wages	2,836
	Emergency Medical Services Total		2,836
12730	Public Health Lab		
	500000	Full Time - Salaries	(241,679)
	502000	Fringe Benefits	(166,229)
	516020	Professional Services Cont & Fees	(438,233)
	Public Health Lab Total		(846,141)
12740	Medical Examiner		
	500000	Full Time - Salaries	(47,930)
	500350	Other Employee Pymts	10,758
	501000	Overtime	44,357
	502000	Fringe Benefits	(7,185)
	Medical Examiner Total		0
12750	Special Needs		
	502000	Fringe Benefits	39,605
	528000	Svcs Spec Need Child	(96,304)
	528010	Srvs Early Inv Prog	56,699
	Special Needs Total		0
12760	Correctional Health		
	500000	Full Time - Salaries	(129,057)
	500020	Regular PT - Wages	(10,672)
	500300	Shift Differential	37,888
	500330	Holiday Worked	13,610
	500340	Line-Up	4,949
	500350	Other Employee Pymts	70,524
	501000	Overtime	64,376
	502000	Fringe Benefits	(41,356)
	505800	Medical & Hlth Supp	(11,872)
	516050	Dept Payments-ECMCC	1,610
	Correctional Health Total		0

14010	County-wide Acct Budget		
	504990	Reductions Per Srv	2,000,000
	511000	Control Board Expense	65,809
	520070	Buffalo Bills Maint	(57,820)
	520072	Working Capital Asst	(27,845)
	<u>Cty-wide Acct Budget Total</u>		<u>1,980,144</u>
14030	Community College		
	520020	Co Res Enrl Comm Col	128,240
	<u>Community College Total</u>		<u>128,240</u>
16110	Personnel		
	500000	Full Time - Salaries	10,638
	502000	Fringe Benefits	(10,638)
	<u>Personnel Total</u>		<u>0</u>
16200	Env.&Planning Divn.		
	502000	Fringe Benefits	(40,614)
	559000	County Share-Grants	40,614
	<u>Env.&Planning Divn. Total</u>		<u>0</u>
	<u>Total General Fund 110 Expense Adjustments</u>		<u>0</u>

Highway Fund 210 - Expense Adjustments

123	Highways (DPW)		
	500000	Full Time - Salaries	(448,189)
	500330	Holiday Worked	3,624
	500350	Other Employee Pymts	80,319
	501000	Overtime	364,246
	<u>Highways (DPW) Total</u>		<u>0</u>

E-911 Fund 230 -Expense Adjustments

11510	Sheriff Division		
	501000	Overtime	36,203
	502000	Fringe Benefits	10,478
	<u>Sheriff Division Total</u>		<u>46,681</u>
12720	Emergency Medical Services		
	500000	Full Time - Salaries	(11,595)
	501000	Overtime	11,595
	<u>Emergency Medical Services Total</u>		<u>0</u>

16500	Central Police Svcs		
	500000	Full Time - Salaries	(182,102)
	501000	Overtime	135,421
	<u>Central Police Svcs Total</u>		<u>(46,681)</u>
<u>Total E-911 Fund 230 Expense Adjustments</u>			<u>0</u>

E-911 Fund 230 - Revenue Adjustments

11510	Sheriff Division		
	486000	Interfund Revenue-Subsidy	46,681
	<u>Sheriff Division Total</u>		<u>46,681</u>
16500	Central Police Svcs		
	486000	Interfund Revenue-Subsidy	(46,681)
	<u>Central Police Svcs Total</u>		<u>(46,681)</u>
<u>Total E-911 Fund 230 Revenue Adjustments</u>			<u>0</u>
<u>Net E-911 Fund Adjustments</u>			<u>0</u>

Debt Service Fund 310 - Adjustments

17200	General Debt		
	Revenue		
	445180	Interest-Long Term Loan	2,938,000
	466350	Principal-Long Term Loan	5,000,710
	<u>General Debt Revenue Total</u>		<u>7,938,710</u>
	Expense		
	550000	Principal - Bonds	115,000
	550010	Principal-Long Term Loan	4,210,000
	550110	Bond Issue Costs	236,617
	550800	Interest - Bonds	(351,157)
	550810	Interest-Long Term Loan	3,728,250
	<u>General Debt Expense Total</u>		<u>7,938,710</u>

17600	Debt Srv SD 6	
	Revenue	
	486010 Residual Equity Transfer-In	125,130
	<u>Debt Srv SD 6 Revenue Total</u>	<u>125,130</u>
	Debt Srv SD 6	
	Expense	
	550000 Principal - Bonds	125,130
	<u>Debt Service SD 6 Expense Total</u>	<u>125,130</u>
	<u>Fund 310 Debt Service Total</u>	<u>0</u>

and be it further

RESOLVED, that authorization is provided to re-appropriate available 2016 funding established as fund reservations into 2017 for the following items:

- Youth Bureau
 \$2,500 for West Seneca Youth Baseball
- County Clerk Auto Bureau
 \$2,076 for customer queuing system
- Sheriff
 \$6,792 for insurance premium
- Jail Management
 \$1,152 for clothing items
- Environment and Planning
 \$13,416 for the Erie County Fish Advisory Board Online Hot Spot Fishing App.
- Library
 \$276,787 for Library books, materials and equipment

and be it further

RESOLVED, that authorization is provided to transfer available 2016 funding for additional designations and establish re-appropriations into 2017 as follows:

- Social Services
 \$1,500,000 for Disproportionate Share (“DSH”) costs
- Department of Law
 \$1,200,000 for the Risk Retention Fund

and be it further

RESOLVED, that authorization is hereby provide to make the following 2016 budget adjustments in order to establish funding for the re-appropriations outlined in the preceding resolve:

Designations

General Fund 110 - Expense Adjustments

120	Social Services	
	525150 DSH Expense	1,500,000
	<u>Risk Retention Total</u>	<u>1,500,000</u>
16020	Risk Retention	
	555000 General Liability	1,200,000
	<u>Risk Retention Total</u>	<u>1,200,000</u>
	<u>Total Designations Expense</u>	<u>2,700,000</u>

Designations

General Fund 110 - Revenue Adjustments

120	Social Services	
	466070 Refunds P/Y Expenses	2,700,000
	<u>Total Designations Revenue</u>	<u>2,700,000</u>
	<u>Designations Net Impact</u>	<u>0</u>

and be it further

RESOLVED, that the Director of Budget and Management is hereby authorized to make any required 2016 and 2017 budgetary adjustments to implement the budgetary amendments and re-appropriations authorized in this resolution; and be it further

RESOLVED, that the Director of Budget and Management is authorized to make any further 2016 Budget adjustments that may be required based on inter-departmental budget balancing or adjusting entries identified by the Erie County Comptroller or the County's independent auditors, said adjustments would be made in conjunction with the Office of the Comptroller in preparation of their final financial statements and for no other purpose; and be it further

RESOLVED, that the Clerk of the Legislature be instructed to forward certified copies of this resolution to the County Executive, the County Attorney, the Office of the Comptroller and the Director of Budget and Management.