

April 14, 2014

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

Re: 2013 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 2013 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 2013 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 re-appropriate specific 2013 funding into the 2014 fiscal year.

Should your Honorable Body require further information, I encourage you to contact the Division of Budget and Management or the Comptroller's Office. Thank you for your consideration on this matter.

Sincerely,

Mark C. Poloncarz, Esq.
Erie County Executive

MCP/jc

MEMORANDUM

TO: Erie County Legislature
FROM: Robert W. Keating, Director of Budget and Management
RE: 2013 Year-End Budget Balancing Amendments and Designations
DATE: April 14, 2014

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 2013 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. Funding for all re-appropriations is available within each associated department.

It is anticipated that Erie County will end fiscal year 2014 with approximately a \$1.2 million Fund 110 surplus after approval of this resolution.

BACKGROUND INFORMATION

Numerous fiscal issues previously identified during 2013, especially within personal services accounts, require budgetary "clean-up" adjustments. This resolution requests authorization to decrease appropriations where available, in order to increase appropriations 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 2013 financial statements by our independent auditors. These adjustments do not in any way increase spending.

Also included in the resolution is authorization to re-appropriate 2013 funds into 2014 so that they may be designated for anticipated expenditure. These items are in the form of fund reservations and include funding for the County Attorney's Risk Retention Fund in the amount of \$411,680, \$65,000 for Fleet Services fuel, \$2,000 for Buildings and Grounds computer equipment, \$130,000 for document verification services in the County Clerk Registrar Division (previously authorized by your Honorable Body in Comm. 2E-18 on February 6, 2014), \$8,100 for contractual services in the County Clerk Registrar Division, \$10,000 for armored car service in the Office of the County Clerk, \$2,368.76 for equipment in the County Clerk Auto Bureau, \$20,000 for Probation Department county share of grants, \$3,101 for Office of Disabled training expense, \$169,000 for Senior Services Grants, \$2,000 for the 2013 payment to the Buffalo Music Hall of Fame, \$1,000 in the Department of Environment and Planning for the Steel Plant Museum sign initiative, \$183,000 for County share of grants in the County-wide Budget Accounts, \$200,250 for seasonal positions in Highways as budgeted in the County-wide Inter-

fund Accounts (previously authorized by Comm. 23E-11 on December 12, 2013), and \$321,717.24 in Social Services and Youth Services for various community agencies and child protection initiatives.

In addition, the County will reappropriate 2013 funds in the amount of \$231,652 for book and equipment expense at the Buffalo and Erie County Public Library, \$8,235 in the Highway Fund for computer equipment and \$114,460 for Sewer Fund equipment.

Authorization is also requested to transfer available balances and utilize unanticipated revenue in order to establish funding in 2013 to be re-appropriated as funds reservations into 2014. The requested items cover anticipated 2013 expenditures and have been deemed essential to maintaining a balanced 2014 Budget. The items are as follows:

- County-wide Budget Accounts
 - \$7,000,000 to offset a portion of the 2014 budgeted Employer Contribution Stabilization Program
- County Attorney's Office
 - \$175,000 to enhance the County's foreclosure program conducted by the Department of Real Property Tax Services in close consultation with the Department of Law
 - \$225,000 for the Risk Retention Fund
- Department of Environment and Planning
 - \$100,000 for the purchase of a parcel adjacent to the Seneca Bluffs parkland
- County-wide Interfund Accounts to Road Fund
 - \$1,000,000 for the Division of Highways to cover the cost of additional road repair necessitated by the severe winter
 - \$1,000,000 for the Division of Highways to cover the cost of overtime, fringe benefits, salt, and other budgetary items that will to ensure a balanced 2014 budget

CONSEQUENCES OF A NEGATIVE ACTION

If authorization is not granted, the completion of the 2013 financial statements for the County will be delayed and certain funding will not be available for projects and programs in 2014.

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: 2013 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 2013 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, 2013 funding within the County Attorney's Risk Retention Fund, Division of Buildings and Grounds, the County Clerk's Registrar and Auto Bureau Divisions, the Bureau of Fleet Services, the Probation Department, Office of Disabled, Department of Senior Services, Cultural Agencies, Department of Environment and Planning, County-wide Accounts, the Buffalo and Erie County Public Library, and for the Department of Social Services, is designated for re-appropriation into 2013, and

WHEREAS, additional 2013 fund transfers are also requested in order to establish fund reservations which will be re-appropriated into 2013 to maintain a balanced 2014 budget and provide additional services, including an additional \$7,000,000 for the Employee Contribution Stabilization Program, \$2,000,000 for the Division of Highways, \$225,000 for the Risk Retention Fund, \$175,000 to enhance the County's foreclosure program, and \$100,000 to purchase a parcel of land at the Seneca Bluffs parkland.

NOW, THEREFORE, BE IT

RESOLVED, that the Director of the Division of Budget and Management is hereby authorized to adjust the 2013 Budget in order to facilitate the completion of 2013 financial statements, based on the following schedule:

2013 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.

Department	Account	Increase/ (Decrease)
General Fund 110 - Expense Adjustments		
116	Jail Management	
	500000 Full Time - Salaries	(1,405,555)
	500010 Part Time - Wages	(57,336)
	500020 Regular PT - Wages	(1,855)
	500300 Shift Differential	(55,631)
	500320 Uniform Allowance	70,700
	500330 Holiday Worked	(101,382)
	500340 Line-up Pay	(114,394)
	500350 Other Employee Payments	35,780
	501000 Overtime	2,089,874
	502000 Fringe Benefits	21,737
	505200 Clothing Supplies	(6,557)
	505400 Food & Kitchen Supplies	71,455
	506200 Maintenance & Repair	(11,687)
	Jail Management Total	535,149
11510	Sheriff Division	
	500000 Full Time - Salaries	42,736
	500010 Part Time - Wages	(18,608)
	500030 Seasonal - Wages	68,882
	500300 Shift Differential	(8,851)
	500350 Other Employee Payments	39,205
	501000 Overtime	784,552
	502000 Fringe Benefits	515,941
	505200 Clothing Supplies	(5,277)
	505600 Auto, Truck & Heavy Equip Supplies	(9,628)
	506200 Maintenance & Repair	(21,697)
	510100 Out Of Area Travel	(20,669)
	517817 Suicide Prevention and Crisis Svcs	(20,520)
	Sheriff Division Total	1,346,066
120	Department of Social Services	
	500000 Full Time - Salaries	(4,385,855)
	500010 Part Time - Wages	(112,842)
	500350 Other Employee Payments	63,032

Department	Account	Increase/ (Decrease)
	502000	Fringe Benefits (4,807,461)
	516020	Professional Svcs Contracts & Fees 186,052
	516430	Employment Services Contracts (367,679)
	525000	MMIS - Medicaid Local Share (1,868,021)
	525020	UPL Expense 6,268,015
	525030	MA - Gross Local Payments (446,042)
	525040	Family Assistance (FA) 2,516,864
	525060	Safety Net Assistance (SNA) 4,200,110
	525070	Emerg Assist To Adults (EAA) 514,219
	525091	Child Care-Title XX 183,497
	525130	State Training Schools (STS) (167,088)
	525140	HEAP Program Costs 79,030
	525150	DSH Expense (849,226)
	530010	Chargebacks (146,032)
	530030	Pivot Wage Subsidies (756,554)
	545000	Rental Charges (104,019)
	DSS Total	0
163	Senior Services	
	500000	Full Time - Salaries (13,429)
	502000	Fringe Benefits 13,429
	Senior Services Total	0
12220	DPW Building & Grounds	
	500000	Full Time - Salaries (264,916)
	500350	Other Employee Payments 26,599
	501000	Overtime 28,829
	502000	Fringe Benefits 144,063
	506200	Maintenance & Repair (111,249)
	575040	Interfund Expense-Utility Fund 176,674
	DPW Building & Grounds Total	0
12520	Youth Detention	
	500000	Full Time - Salaries (47,824)
	500010	Part Time - Wages 14,006
	501000	Overtime 33,818
	517879	Yth Super/Treatment 1,930
	530000	Other Expenses (1,930)
	Youth Detention Total	0

12700	Health Division		
	500000	Full Time - Salaries	(69,087)
	500020	Regular PT - Wages	(53,097)
	501000	Overtime	21,412
	502000	Fringe Benefits	97,759
	516020	Professional Svcs Contracts & Fees	(71,231)
	<u>Health Division Total</u>		<u>(74,244)</u>

12720	Emergency Medical Services		
	502000	Fringe Benefits	19,028
	<u>Emergency Medical Services Total</u>		<u>19,028</u>

12730	Public Health Lab		
	500000	Full Time - Salaries	(18,883)
	500350	Other Employee Payments	18,883
	502000	Fringe Benefits	(229,286)
	<u>Public Health Lab Total</u>		<u>(229,286)</u>

12750	Special Needs		
	500000	Full Time - Salaries	(13,526)
	501000	Overtime	13,526
	516050	Dept Payments to ECMCC	(572,465)
	<u>Special Needs Total</u>		<u>(572,465)</u>

12760	Correctional Health		
	500000	Full Time - Salaries	(60,580)
	500020	Regular PT - Wages	(15,776)
	500300	Shift Differential	23,241
	500320	Uniform Allowance	14,251
	500330	Holiday Worked	50,568
	500340	Line-up Pay	39,126
	500350	Other Employee Payments	26,581
	501000	Overtime	561,023
	502000	Fringe Benefits	254,293
	505000	Office Supplies	(4,713)
	505800	Medical & Health Supplies	539,460
	516020	Professional Svcs Contracts & Fees	556,034
	516050	Dept Payments to ECMCC	682,519
	<u>Correctional Health Total</u>		<u>2,666,027</u>

14010	County-wide Accounts Budget		
	504990	Reductions - Personal Services Acct	1,787,585
	516050	Dept Payments to ECMCC	42,936
	520070	Buffalo Bills Maintenance	(494,658)

	County-wide Acct Budget Total		1,335,863
14020	County-wide Interfund Accounts		
	570000	Interfund Transfers Subsidy	705,641
	570020	Interfund - Road	293,967
	570025	Interfund County Share E-911	(263,591)
	570040	Interfund Subsidy-Debt Service	168,918
	Inter-Fund Total		904,935
14030	Community College		
	520020	Cty Residents Enrolled/Comm College	880,803
	Community College Total		880,803
15000	Board of Elections		
	500000	Full Time - Salaries	147,440
	500010	Part Time - Wages	(100,000)
	500020	Regular PT - Wages	(47,440)
	Board of Elections Total		0
16410	Parks		
	500000	Full Time - Salaries	(114,484)
	500010	Part Time - Wages	(13,859)
	500030	Seasonal - Wages	(9,523)
	500330	Holiday Worked	10,090
	500350	Other Employee Payments	30,851
	501000	Overtime	145,772
	502000	Fringe Benefits	63,153
	515000	Utility Charges	(4,925)
	575040	Interfund Expense-Utility Fund	(36,155)
	Parks Total		70,920

Total - General Fund 110 Expense Adjustment 6,882,796

General Fund 110 - Revenue Adjustments

116	Jail Management		
	408530	State Aid - Criminal Justice Prog	22,325
	410150	SSA-SSI Prison Incentive Program	15,200
	410180	Fed Aid - School Breakfast Program	34,094
	411500	Fed Aid - Medical Assistance	576,975
	412000	Fed Aid - School Lunch Program	50,684
	414020	Miscellaneous Federal Aid	41,386
	415620	Commissary Reimbursement	100,512
	420040	Jail Facilities For Other Govts	838,451

	Jail Management Total		1,679,627
14010	County-wide Accounts Budget		
	466280	Local Source - Erie Cty Medical Ctr	5,203,169
	Cty-wide Acct Budget Total		5,203,169
	Total - General Fund 110 Revenue Adjustment		6,882,796
	Net - Fund 110 - Revenue less Expense		0

Fund 140 - Utility Fund

Expense

12110	Utilities Fund-(DPW)		
	515000	Utility Charges	(37,185)
	516020	Professional Svcs Contracts & Fees	37,185
	Utilities Fund-(DPW) Total		0

Fund 210 - Highway Fund

Expense

123	Highways (DPW)		
	500000	Full Time - Salaries	(343,138)
	500030	Seasonal - Wages	(18,212)
	500300	Shift Differential	(27,193)
	500330	Holiday Worked	(4,229)
	500350	Other Employee Payments	54,704
	501000	Overtime	225,165
	502000	Fringe Benefits	484,906
	505600	Auto, Truck & Heavy Equip Supplies	(10,761)
	506400	Highway Supplies	61,853
	516020	Professional Svcs Contracts & Fees	(2,576)
	516030	Maintenance Contracts	(1,056)
	545000	Rental Charges	(2,859)
	910600	ID Purchasing Services	(25,761)
	910700	ID Fleet Services	(115,459)
	980000	ID DISS Services	(102,808)
	Highways (DPW) Total		172,576

Revenue

123	Highways (DPW)		
	407000	Consolidated Highway Aid	49,000
	420180	Sale Of Supplies, Other Gov't	18,000
	421010	Highway Work Permit Fees	12,576
	486000	Interfund Revenue Subsidy	93,000
	Highways (DPW) Total		172,576

Net - Fund 210 - Revenue less Expense **0**

Fund 220 - Sewer Fund

Expense

18010	Sewerage Management		
	500030	Seasonal - Wages	(42,028)
	500350	Other Employee Payments	42,028
<hr/> Sewerage Management Total			0

Fund 230 - E-911

11510	Sheriff Division		
	500000	Full Time - Salaries	(20,279)
	501000	Overtime	20,279
<hr/> Sheriff Division Total			0

Fund 310 - Debt Service Fund

Expense

17200	General Debt		
	550000	Principal - Bonds	640,000
	550010	Principal - Long Term Loan	3,745,000
	550110	Bond Issue Costs	145,833
	550120	Payments to Refunded Bond Escrow	35,895,295
	550800	Interest - Bonds	554,966
	550810	Inter-Long Term Loan	4,195,650
<hr/> General Debt Total			45,176,744

Revenue

17200	General Debt		
	445070	Premium On Obligations	4,907,000
	466350	Principal - Long Term Loan Reimbursement	3,260,744
	475030	Bond Proceeds For Advance Refunding	31,135,000
	486010	Residual Equity Transfers In	5,874,000
<hr/> General Debt Total			45,176,744

Net - Fund 310 - Revenue less Expense **0**

Fund 820 - Library Fund

Expense

420	Library		
	500010	Part Time - Wages	(139,491)
	500020	Regular PT - Wages	126,766

980000	ID DISS Services	12,725
Library Total		0

and be it further

RESOLVED, that authorization is provided to re-appropriate available 2013 funding for the County Attorney’s Risk Retention Fund in the amount of \$411,680, Fleet Services fuel in the amount of \$65,000, \$2,000 for Buildings and Grounds equipment, \$233,368.76 of various items for the County Clerk Registrar and Auto Bureau Divisions, \$20,000 for Probation Department county share of grants, \$3,101 for Office of Disabled training, \$169,000 for Senior Services Grants, \$183,000 in the County-wide Budget Account for county share of grants, \$2,000 for the 2013 payment to the Buffalo Music Hall of Fame, \$1,000 in the Department of Environment and Planning for the Steel Plant Museum sign initiative, \$200,250 for seasonal positions in Highways as budgeted in the County-wide Interfund Accounts, and \$321,717.24 in Social Services and Youth Services for various community agencies and child protection initiatives; and be it further

RESOLVED, that 2013 funds in the amount of \$231,652 is hereby re-appropriated for the Buffalo and Erie County Public Library; \$8,235 for the Road Fund and \$114,460 for the Sewer Fund and be it further

RESOLVED, that authorization is provided to transfer available 2013 funding for additional designations and establish re-appropriations into 2014 as follows:

- \$7,000,000 to offset a portion of the 2014 budgeted Employer Contribution Stabilization Program
- \$2,000,000 for the Division of Highways to cover the costs associated with the impact of the recent severe winter
- \$100,000 for the purchase of a parcel adjacent to the Seneca Bluffs parkland
- \$225,000 for the Risk Retention Fund, and
- \$175,000 for foreclosure action; and be it further

RESOLVED, that authorization is hereby provide to make the following 2014 budget adjustments in order to establish funding for the reappropriations outlined in the preceding resolve:

Department	Account	Increase/ (Decrease)
General Fund 110 - Expense Adjustments		
14010	County-wide Accounts Budget	
	502400 Employer Contribution Stabilization	7,000,000
14020	County-wide Interfund Accounts	
	570020 Interfund – Road	2,000,000
16010	County Attorney's Office	
	516042 Foreclosure Action	175,000
16020	County Attorney - Risk Retention	
	555000 General Liability	225,000

Department	Account	Increase/ (Decrease)
16200	Department of Environment and Planning	
	561100 Land Acquisition	100,000
500	ECMC	
	502000 Fringe Benefits	<u>(3,294,566)</u>
	Total - General Fund 110 Expense Adjustment	6,205,434
 General Fund 110 - Revenue Adjustments		
14010	County-wide Accounts Budget	
	400050 Interest & Penalty on Real Property Taxes	(7,202,488)
	466060 Property Tax Rev Adjustment	<u>13,407,922</u>
	Total - General Fund 110 Revenue Adjustment	6,205,434
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Net - Fund 110 - Revenue less Expense		0

and be it further

RESOLVED, that the Director of Budget and Management is hereby authorized to make any required 2013 and 2014 budgetary adjustments to implement the budgetary amendments and reappropriations authorized in this resolution; and be it further

RESOLVED, that the Director of Budget and Management is authorized to make any further 2013 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.