

ERIE COUNTY CITIZENS' BUDGET REVIEW COMMISSION

October 2, 2015 Meeting

FOR INFORMATIONAL PURPOSES

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ATTENDEES: Jud Payne, Edward Kumrow, Timothy Callan, and Joseph Winter

INVITEES: Robert Lennartz

EXCUSED: R.J. Friedman, Kevin Leffler, Jorge deRosas, Elias Farah, Joseph Hanna, Thomas Webb, Jr., Jeremy Toth and Stefan Mychajliw

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Call to Order:

Session commenced at approximately 8:45 am.

Prior Meeting Minutes:

In light of an absence of a quorum, the review of the prior meeting minutes was moved to a subsequent meeting.

Discussion of Budget Monitoring Report for period ended 7.31.15:

Mr. Winter asked Mr. Callan to review the most recent Budget Monitoring Report for the Committee. A discussion started with Mr. Callan pointing out that total year to date surplus through July 2015 was approximately \$6.1 million compared to the budget for the corresponding period.

Mr. Callan also noted that sales tax collections were off by approximately \$4.5 million compared to budgeted amounts. The Division of Budget was going to continue to closely monitor sales tax collections to ascertain the overall financial impact to the County as well as budget implications. It was noted and further discussed the sensitive nature of the reliance of sales tax dollars to the overall budget along with some of the economic issues that drive sales tax amounts. The Canadian dollar, drop in the price of motor fuel and assumed lower consumption of utilities were also contributing factors to the decrease in sales tax revenue compared to the 2015 budget. It was discussed that overall sales tax revenue increased by approximately 1% year to date actual compared to year to date actual to the prior year.

Further revenue topics were discussed including the costs and revenue reimbursement for children attending OCF schools, the Governor providing positive mandate relief and the State Comptroller upgrading the reimbursement to Department of Social Services on a per student basis.

Next Mr. Callan discussed that year to date expenses were approximately \$5.7 million less than budgeted expenses. It was noted that there is a positive variance (less spending) in personnel related costs of approximately \$4.6 million attributed to budgeted amounts that has been caused by attrition and budgeted positions that have remained unoccupied throughout the year.

A discussion then ensued about costs and capital funding pertaining to Erie Community College (ECC). As one example, Mr. Callan directed the Committee members to the County Resident Enrollment Community College account in which a negative variance of approximately \$420 thousand was noted compared to budget through July 2015. This account is used to help track the cost of Erie County residents attending other county community colleges, most notably Niagara County Community College. A request by administration of ECC for additional operating budget amounts along with capital budget amounts was raised for informational purposes.

Mr. Callan then indicated that the 2016 Budget prepared by the County Executive will be submitted to the Legislature by October 15, 2015 and that this year's Legislative budget hearings are scheduled to take place in the middle of November 2015.

Other Business Matters:

A discussion ensued about the State Comptroller Report on Fiscal Stress. Mr. Callan helped to inform the Committee the approach and manner of scoring Erie County's financial measures in the view of an independent state agency. It was noted that County finances for susceptibility to fiscal stress has improved consistently the past 4 years.

It was also noted that the rating agency, Fitch recently upgraded the County's credit rating from 'A' to 'A+' and Standard and Poor's affirmed the 'AA-', ' rating assigned to the County.

The Committee Opened Questions to the Public:

A representative from The League of Women Voters made note of the lack of a quorum at this meeting and brought up the topic of a similar event for the undertaking of a meeting during the Summer of 2014.

No other matters were discussed at this session.

Next Meeting:

Will be determined by Committee consensus with the goal to be around the middle of November 2015 and in conjunction with the Erie County Legislature Budget Hearings

Adjourn:

Session was adjourned at approximately 10:00 am