

ERIE COUNTY CITIZENS' BUDGET REVIEW COMMISSION

Minutes of Meeting from August 26, 2016

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ATTENDEES: Joseph Heins, Mark Davis, Michael Otto, Jud Payne, Edward Kumrow, Timothy Callan and Joseph Winter

INVITEES: Buffalo News, League of Women Voters

EXCUSED: Jorge S. deRosas, Joseph Hanna, Jeremy Toth and Stefan Mychajliw  
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Call to Order:

Meeting commenced at approximately 8:45 am

Introduction of Committee Members:

A discussion began with a welcome to the new Commission members in attendance then all Commission members gave a brief background about themselves to the Commission and general public at the meeting

Overview of Erie County finances and role of the Citizens' Budget Review Commission:

Mr. Winter asked Mr. Callan to elaborate and discuss his presentation of 'The Erie County Budget and Budget Process' for the benefit of the Commission and to get new members an understanding of some of the intricacies pertaining to the County Budget.

In summary Mr. Callan discussed the need and law for a balanced County budget; various funds that make up the 2016 County Budget; mandates pertaining to County finances; small 2016 budget increase and limited cap growth in the 2016 budget along with an overview of the responsible County officials and their role in establishing, regulating and managing the budget.

Particular questions from Commission members that Mr. Callan directly responded to included: the direct sources of costs and types of emergency services that are County responsibilities, a further clarification of the formulas developed by New York State Government regarding allowable property tax cap amounts, and an overall increase of certain spending categories on a comparison basis of 2015 with 2015.

Mr. Callan also discussed some of the major sources of County revenue such as sales tax, property tax, different sources of federal and state aid and along with, when needed the use of appropriated fund balances in order that the County does not run an operating deficit. Mr. Callan noted that approximately 89% of the County budget is mandated by either federal and/or state laws or regulations.

Mr. Callan they outlined budget policies such as County Executive needs to submit to the Legislature a budget annually by 10.15, timing for approval of the budget by the

Legislature, spending changes, budget amendments, veto overrides, public hearings and budgetary controls.

Mr. Callan also advised the Commission members that if they had any follow up concerns or questions, that he can be reached directly.

Discussion of Budget Monitoring Report for period ended 6.30.16:

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 a total year to date budget variance of approximately \$1.9 million exists at 6.30.16. Total revenues were approximately \$9.2 million less than budget while total operating expenses were approximately \$7.4 million less than budget leading to the variance.

A couple of the matters that the Commission discussed in more detail for financial clarification included the budget shortfall in gross sales collections of approximately \$2.2 million at 6.30.16; 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. Also a discussion occurred regarding a 2013 New York State reconciliation of Medicaid indigent care expense that was charged in June 2016 and the costs of intergovernmental transfer payments owed to ECMC amounting to approximately \$10.9 million over budget at 6.30.16. Some cost saving measures including positive spending variances in personal costs of approximately \$4.1 million, fringe benefits of approximately \$4.2 million and contractual expenses of approximately \$3.7 million were also indicted.

Other Business Matters:

A discussion ensued about the possibility of inviting specific department directors such as social services or Erie County Medical Center to the Commission to discuss areas of financial or operational concern along with gaining a better understanding of certain functions.

The Committee Opened Questions to the Public:

No matters were discussed at this meeting.

Next Meeting:

Will be determined by Committee consensus

Adjourn:

Meeting was adjourned at approximately 10:10 am

Chairman:

Joseph Winter