

WARREN COUNTY TREASURER

Michael R. Swan
County Treasurer

Robert V. Lynch II, CPA
Deputy Treasurer

To: All Supervisors

From: Michael R. Swan, Treasurer

Date: May 26, 2020

Subject: Budget Analysis Report

Budget Analysis Report

The purpose of the monthly budget analysis report is to make the County Supervisors and Administration aware of certain issues that may present a problem in the near future or are currently a problem. It is important that appropriate action be taken to address these issues or concerns before they become a problem.

Revenues

County Clerk

County Clerk Fees – As of April 30, the department has received \$419,840 in County Clerk Fees in 2019 and \$351,693 in 2020 which is a decrease of 16%. It should be noted that the 2020 amount is at 28% of the budget for this account so the actual revenue received is behind the budget which is attributable to State shutdown.

Mortgage Tax – As of April 30, the department has received \$319,601 in Mortgage Tax in 2019 and \$575,636 in 2020 which is an increase of 80%. It should be noted that the 2020 amount is at 30% of the budget for this account so the actual revenue received is slightly behind the budget. This variance was caused by the State Legislature failing to authorize a portion of the County's mortgage recording tax which expired on December 1st, 2018. The State Legislature approved the additional mortgage tax in 2019 and it was imposed with an effective date of April 1, 2019.

Automobile Use Tax – As of April 30, the department has received \$113,025 in Automobile Use Tax in 2019 and \$106,073 in 2020 which is a decrease of 6%. It should be noted that the 2020 amount is through March is at 22% of the budget for this account, so the actual revenue amount received is below the budget.

County Treasurer

Sales Tax – It has been noted that we have collected \$228,423 less in sales taxes through April, 2020 than we did through April, 2019 which is a 1.6% decrease. \$10,386 of the decrease is attributable to New York State withholding payment to fund the AIM payment to the Village of Lake George and the balance is related to the State shutdown. The County is \$303,150 under the 2020 budget through April, 2020 and \$142,481 under the Distribution of Sales Tax expenditure 2020 budget for a net budget loss of \$160,669.

VL/Tribal Compact Moneys (Casino) – We have not received our 4th quarter payment from the State as of the date of this report. We typically receive this payment in April. We have estimated the payment to be \$88,841. We have contacted the NYS Gaming Commission and they noted that they have not yet received the payment from the Mohawk Indians.

Tourism

Occupancy Tax – The department has collected \$37,373 less in occupancy taxes as of April 30, 2020 than we did as of April 30, 2019 which is a 10% decrease. Please note that we are expected to see a significant decline in occupancy tax in the upcoming months due to the State shutdown.

Tourism Promotion (Matching Grant) – It has been noted that the department will not receive its 2020 matching grant from the State which was budgeted for \$89,577 which is attributable to the State shutdown.

Sheriff's Correction Division

Jail Services, Other Government – As of April 30, the department has received \$87,017 in Jail Services, Other Government in 2019 and \$7,134 in 2020 which is a decrease of 92%. It should be noted that the 2020 amount is through March and is at 4% of the budget for this account, so the actual revenue amount received is significantly below the budget.

Building & Fire Code

Building Permits – As of April 30, the department received \$51,394 in building permits in 2019 and \$36,693 in 2020 which is a decrease of 29%. It should be noted that the 2020 amount is at 18% of the budget for this account so that actual revenue received is significantly below the budget which is attributable to the State shutdown.

Health Services

Home Nursing Charges – As of April 30, the department has received \$912,977 in Home Nursing Charges in 2019 and \$758,649 in 2020 which is a decrease of 17%. It should be noted that the 2020 amount is through March and is at 18% of the budget for this account, so the actual revenue amount received is below the budget.

Expenditures

Please see the attached Budget Exception report which summarizes budgeted expenditure line items where there is currently a problem or there may be a problem in the future. We are reporting on an exception basis only.

Employee Hazard Compensation

Some municipalities and local businesses are compensating their employees that are required to work onsite during the COVID-19 pandemic with additional pay. We recognize that this could create a financial hardship for Warren County if we did the same. In lieu of additional pay, we propose compensating our County employees that are required to work onsite during the pandemic with additional vacation days with a cap of five days. These days would be earned on the ratio of hours worked onsite over total hours paid during the State ordered shut down period. These employees are risking their health and the health of their families by leaving the safety of their homes and working for the County onsite and should be compensated.

SUNY Adirondack Culinary Expansion

During 2018, the County advanced \$1 million to SUNY Adirondack for a culinary building expansion project in Glens Falls. SUNY Adirondack has submitted paperwork to the EDC which has been approved and is waiting for reimbursement from the State in order to repay the County.

Capital Projects

Departments should be reviewing their capital projects to make sure that they are closed soon after completion of the project. The following are capital projects where there has not been any recent activity and a determination should be made by the responsible department whether or not the project should be closed. Responsible departments should also determine if any outstanding State/Federal receivables associated with their projects are collectable and if not, they will have to be written off and a funding source will have to be identified for the costs not reimbursed by State/Federal government. **We haven't seen any action taken on the current list below.**

Department of Public Works	Date of Last Activity	Cash	State/Federal Receivable	Deposit with Other Govt
H199 - Corinth Road	5/2016	100,508	22,119	-
H200 - Quaker Road Signal Imp	12/2013	-	11,283	-
H219 - RR Track Restoration	5/2009	-	534	125,000
H258 - Tannery Bridge over Stony Creek	8/2010	-	63,791	-
H355 - Municipal Cntr Security Renovation	10/2016	-	-	-
H361 - Brant Lake Lower Dam	12/2015	-	-	-

Notes:

1. H200 – Quaker Road Signal Imp – There is a liability back to the General Fund that is not funded for \$136,647 which will need funding before it can be repaid and the project closed.
2. H219 – RR Track Restoration – The Treasurer's Office has made numerous requests to DPW over the years to obtain an accounting from the State for the \$125,000 deposit that was made to the State without any success. We need some sort of documentation from the State showing that they spent the County's money on this project.

County Debt Balances

The following shows the County's current debt outstanding as of April 30, 2020 along with ending debt balances for future years:

	Current Balance	End of 2020 Balance	2021	2022	2023	2024-2028	2029-2033	2034-2038
Bonds								
Pub Safety Bldg & Com Upgrade	4,325,000	3,240,000	2,165,000	1,085,000	-	-	-	-
Recovery Act Bonds, Various Proj	13,070,000	12,305,000	11,630,000	10,935,000	10,205,000	6,110,000	1,140,000	-
Court Expansion - 2015	6,625,000	6,625,000	6,260,000	5,890,000	5,510,000	3,445,000	1,055,000	-
Court Expansion - 2017	7,390,000	7,390,000	7,030,000	6,665,000	6,290,000	4,295,000	2,040,000	-
SUNY Adirondack NSTEM - 2017	5,010,000	5,010,000	4,765,000	4,515,000	4,260,000	2,905,000	1,380,000	-
Capital Leases								
Municipal Center Energy Project	781,028	539,914	279,884	-	-	-	-	-
Countryside Adult Home Energy Proj	52,291	37,615	7,630	-	-	-	-	-
Total Outstanding	37,253,319	35,147,529	32,137,515	29,090,000	26,265,000	16,755,000	5,615,000	-

Again, we invite comments from Supervisors and department heads to expand this into a more useful management tool in these critical financial times.