

WARREN COUNTY TREASURER

Michael R. Swan
County Treasurer

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Deputy Treasurer

To: All Supervisors

From: Michael R. Swan, Treasurer

Date: August 24, 2016

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.

We have analyzed the revenue and expenditure budgets for the County departments as of July 31, 2016 and have noted certain items Supervisors should be aware of.

Revenues

County Clerk

County Clerk Fees – As of July 31, the department has received \$687,573 in County Clerk Fees in 2015 and \$681,103 in 2016 which is a decrease of 0.9%. It should be noted that the 2016 amount is at 57% of the budget for this account, so the actual revenue received is on target with the budget.

Mortgage Tax – As of July 31, the department has received \$933,531 in Mortgage Tax in 2015 and \$1,526,669 in 2016 which is an increase of 64%. It should be noted that the 2016 amount includes \$463,377 which relates to an unclaimed mortgage tax overpayment in 2014 which was not claimed by the borrower within two years of the recording date. The County can now keep this money. If you factor this payment out, the 2016 amount shows an increase of 14% over prior year and is at 73% of the budget.

Automobile Use Tax – As of July 31, the department has received \$289,333 in Automobile Use Tax in 2015 and \$282,577 in 2016 which is a decrease of 2.3%. It should be noted that the 2016 amount is through July and is at 59% of the budget for this account, so the actual revenue amount received is on target with the budget.

Tourism

Occupancy Tax – The department has collected \$101,432 less in occupancy taxes as of July 31, 2016 than we did as of July 31, 2015 which is a 10% decrease.

County Treasurer

Sales Tax – It has been noted that we have collected \$351,508 more in sales taxes through July, 2016 than we did through July, 2015 which is a 1.3% increase. In order to meet the 2016 budget, we need a 0.15% increase over 2015 actual.

VL/Tribal Compact Moneys (Casino) – As of July 31, the department has received \$95,929 in casino money in 2015 and \$96,368 in 2016 which is an increase of 0.5%. It should be noted that the 2015 and 2016 amounts are through March and is at 21% of the budget for this account, so the actual revenue amount received is lagging behind the budgeted amount of \$450,000.

Sheriff's Correction Division

Jail Services, Other Government – As of July 31, the department has received \$255,213 in Jail Services, Other Government in 2015 and \$251,807 in 2016 which is a decrease of 1%. It should be noted that the 2016 amount is through June and is at 63% of the budget for this account, so the actual revenue amount received is on target to exceed the budget.

Health Services

Home Nursing Charges – As of July 31, the department has received \$2,256,906 in Home Nursing Charges in 2015 and \$1,939,144 in 2016 which is a decrease of 14%. It should be noted that the 2016 amount is through June and is at 46% of the budget for this account, so the actual revenue amount is lagging behind the budget. It should be noted that a \$55,646 adjustment was made in March to reduce 2016 revenue in order to align the Home Nursing Charges and the Long Term Care programs. If you factor out this adjustment, then the 2016 actual amount through June for Home Nursing Charges is still at 46% of the budget, so the unadjusted revenue amount is still lagging behind the budget.

Lake George Watershed Conference

This issue was previously reported in prior 2013, 2014 and 2015 budget analysis reports and it has been reported that an application for payment has been submitted to the State. We have received \$30,000 in March and were notified that we should expect to receive \$50,000 during the second week in May (we have not received this payment as of the date of this report which was to be paid by the Town of Queensbury) and \$22,000 which was expected to be received in June (we have not received this payment as of the date of this report which was to be paid by the Town of Bolton).

We currently have an outstanding receivable from the Lake George Watershed Conference for \$102,500 dating back to 2007 relating to a Valley Woods Road Project. It is unclear whether or not we have a contract with the Lake George Watershed Conference for this project, but it is our understanding that they are to pay us when they receive State Aid reimbursement. If we do not collect on this receivable soon we will have to write it off and it will then have to be taken out of the County Road surplus.

Invasive Species Boat Washing

This issue was previously reported in prior 2015 budget analysis reports. We have received a copy of the signed agreement and a copy of a draft version of a State Aid claim to review.

The Invasive Species Boat Washing capital project was approved in January of 2014 and as of June, 2014; the County has incurred \$362,731 in expenditures. We are not aware of any claims have been filed with the State for reimbursement and it has been our understanding that this is because we do not even have a contract yet with the State. The same individual who administered the funding for the Valley Woods Road Project with the Lake George Watershed Conference is also administering the State grant for the Invasive Species Boat Washing which has caused us great concern that we will not have timely filing of documents and State Aid claims.

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.

Court Expansion Bond Interest Subsidy

We have received notice that the County will receive a 25% interest subsidy from the State for the court expansion project. We will be receiving quarterly payments with the first payment expected to be received this month. We are expected to receive \$51,447 for 2016.

County Debt Balances

The following shows the County's current debt outstanding as of July, 2016 along with ending debt balances for future years:

	Current	End of 2016				2020-	2025-	2030-
	Balance	Balance	2017	2018	2019	2024	2029	2034
Bonds								
Pub Safety Bldg & Com Upgrade	7,695,000	7,695,000	6,555,000	5,430,000	4,325,000	-	-	-
Recovery Act Bonds, Various Proj	18,190,000	17,575,000	16,935,000	16,265,000	15,570,000	11,545,000	6,405,000	-
Court Expansion	8,000,000	8,000,000	7,665,000	7,325,000	6,980,000	5,120,000	2,995,000	530,000
Capital Leases								
Westmount Co-Generation Plant	375,497	221,019	-	-	-	-	-	-
Municipal Center Energy Project	1,570,826	1,397,703	1,209,177	1,003,899	781,029	-	-	-
Countryside Adult Home Energy Pr	153,439	141,209	115,818	88,084	59,553	-	-	-
Bond Anticipation Notes								
SUNY Adirondack NSTEM	3,278,000	3,278,000	-	-	-	-	-	-
Alder Brook Brdg over Trout Brdg	60,336	30,168	-	-	-	-	-	-
Harrington Road Bridge	23,913	11,957	-	-	-	-	-	-
Beach Road Bridge	239,972	119,986	-	-	-	-	-	-
2011 Storm Damage	440,000	220,000	-	-	-	-	-	-
West Brook Parking Lot	61,200	30,600	-	-	-	-	-	-
Total Outstanding	40,088,183	38,720,642	32,479,995	30,111,983	27,715,581	16,665,000	9,400,000	530,000

Please note that an estimated additional \$8.5 million will be issued for the Court Expansion project in bonds in 2017 and the SUNY Adirondack NSTEM BAN will be rolled into a \$5.8 million bond in 2017.

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