

# WARREN COUNTY TREASURER

**Michael R. Swan**  
County Treasurer

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Deputy Treasurer

To: All Supervisors  
From: Michael R. Swan, Treasurer  
Date: August 23, 2022  
Subject: Budget Analysis Report

## **Budget Analysis Report**

One of the purposes 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, 2022 and have noted the following items Supervisors should be aware of.

### **General Fund Balance**

The following shows the current balance of unappropriated surplus for the General Fund compared to the minimum balance needed to operate which equates to two months of operating expenses or 16.7%. This does not include the other union salary increases which will most likely also come out of General Fund balance. We should not try and factor in any 2022 sales tax surplus until year end because amounts are not certain.

Unappropriated Surplus as of 12/31/21	\$ 36.0 million
Additional Appropriation of Surplus in 2022	<u>(3.2) million</u>
Current Unappropriated Surplus - 2022	32.8 million
Minimum Surplus Balance Needed (2 months operating expenses)	<u>28.2 million</u>
Balance of Surplus Exceeding Minimum Balance	<u>\$ 4.6 million</u>

### **Revenues**

#### **American Rescue Plan Act (ARPA)**

In June, 2021, the County received \$6.2 million in ARPA funding to be used for various purposes in response to the COVID pandemic. The County received the second \$6.2 million payment in June, 2022. As noted in the US Treasury Final Rule, costs must be obligated by December 31, 2024, and expended by December 31, 2026. The following is an accounting of the amount of ARPA funds expended and obligated as of July 31, 2022 and the balance available. Please note that this does not include the \$1 million for Mental Health which has not been budgeted yet and \$3.5 million for Stormwater/Culvert projects and \$0.5 million for the Old Jail Abatement project which were approved in August.

Balance Remaining as of 1/1/22	6,190,459
2021 Expenditures Approved in 2022	(122,335)
2022 Expenditures	(115,725)
2022 Obligations	(114,268)
2nd Installment - June 2022	6,210,186
Budgeted but not expended/obligated	<u>(1,872,887)</u>
Balance Available as of 7/31/22	<u>10,175,430</u>

## County Clerk

**County Clerk Fees** – As of July 31, the department has received \$854,997 in County Clerk Fees in 2021 and \$772,896 in 2022 which is a decrease of 10%. It should be noted that the 2022 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 \$1,696,854 in Mortgage Tax in 2021 and \$1,740,845 in 2022 which is an increase of 3%. It should be noted that the 2022 amount is at 77% of the budget for this account so the actual revenue received is on target to exceed the budget.

**Automobile Use Tax** – As of July 31, the department has received \$270,402 in Automobile Use Tax in 2021 and \$231,292 in 2022 which is a decrease of 14%. It should be noted that the 2022 amount is through June and is at 46% of the budget for this account, so the actual revenue amount received is behind the budget for the year.

## County Treasurer

**Sales Tax** – It has been noted that we have collected \$3,383,719 more in sales taxes as of July 31, 2022 than we did through July 31, 2021 which is a 9.8% increase. This increase would have been greater if \$81,489 had not been withheld by the State for fiscally distressed health care facilities and \$10,386 wasn't withheld for the Village AIM payment. We have received \$7,326,589 more than the 2022 revenue budget to date. **It should be noted that the net County budget surplus after accounting for the distribution to the Towns and Village is \$3.8 million.**

## Tourism

**Occupancy Tax** – The department has collected \$400,200 more in occupancy taxes as of July 31, 2022 than we did as of July 31, 2021 which is a 31% increase.

## Sheriff's Correction Division

**Jail Services, Other Government** – As of July 31, the department has received \$250,601 in Jail Services, Other Government in 2021 and \$308,339 in 2022 which is an increase of 23%. It should be noted that the 2022 amount is at 95% of the budget for this account so the actual revenue received is on target to exceed the budget.

## Building & Fire Code

**Building Permits** – As of July 31, the department received \$128,351 in building permits in 2021 and \$149,308 in 2022 which is an increase of 16%. It should be noted that the 2022 amount is at 69% of the budget for this account so that actual revenue received is on target to exceed the budget.

## Health Services

**Home Nursing Charges** – As of July 31, the department has received \$1,393,981 in Home Nursing Charges in 2021 and \$931,029 in 2022 which is a decrease of 33%. It should be noted that the 2022 amount is through June and is at 23% of the budget for this account so that actual revenue received is significantly behind the budget.

## Public Defender

**State Aid Claims** – The Public Defender department has not submitted any State Aid reimbursement claims for 2022. It is important that State Aid claims be submitted on a quarterly basis for cash flow and financial reporting purposes. **This has been an issue for the last several years and it still has not been addressed.**

## 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. **Over expended budget line items are highlighted in red.**

**Please note that we have included the date that the account became overbudget by the department. Each department is responsible for ensuring that their budgets are not over expended and if they are, the issue should be addressed immediately. There are numerous cases where a departmental budget line has remained over expended for several months. The following departments have not addressed their over expended budget line items which has been an issue for a significant period of time:**

**Public Defender**  
**Budget Officer**  
**County Attorney**  
**Waste Management Containment**  
**Mail Room**  
**Information Technology**  
**Telecommunications**  
**School Resource Officers – Queensbury School District**  
**Sheriff’s Correction Division**  
**Social Services**  
**OFA-Hamilton County**

### Capital Projects

Departments are responsible for administering their capital projects and making sure that they are closed in a timely manner after completion. 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. This has been a recurring issue and the County has been written up in the past by our auditors.

DPW	Date of	Balance owed to	
	Last Activity	Cash	Other funds/Govt
H391-Airport Two New Snow Plows	12/2020	132	-

### County Debt Balances

The following shows the County’s current debt outstanding as of July 31, 2022 along with ending debt balances for future years:

	Current	End of 2022						
	Balance	Balance	2023	2024	2025	2026-2030	2031-2035	2036-2037
<b>Bonds</b>								
Pub Safety Bldg & Com Upgrade	1,085,000	1,085,000	-	-	-	-	-	-
Recovery Act Bonds, Various Proj	11,630,000	10,935,000	10,205,000	9,445,000	8,660,000	4,250,000	-	-
Court Expansion - 2015	5,890,000	5,890,000	5,510,000	5,120,000	4,720,000	2,535,000	-	-
Court Expansion - 2017	6,665,000	6,665,000	6,290,000	5,910,000	5,520,000	3,425,000	1,050,000	-
SUNY Adirondack NSTEM - 2017	4,515,000	4,515,000	4,260,000	4,000,000	3,735,000	2,320,000	710,000	-
<b>Capital Leases</b>								
Municipal Center Energy Project	279,885	-	-	-	-	-	-	-
Countryside Adult Home Energy Proj	-	-	-	-	-	-	-	-
<b>Bond Anticipation Notes</b>								
Paving, Retaining Wall & Countryside	7,900,000	7,900,000	6,320,000	4,740,000	3,160,000	-	-	-
<b>Total Outstanding</b>	<b>37,964,885</b>	<b>36,990,000</b>	<b>32,585,000</b>	<b>29,215,000</b>	<b>25,795,000</b>	<b>12,530,000</b>	<b>1,760,000</b>	<b>-</b>

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