

WARREN COUNTY TREASURER

Michael R. Swan
County Treasurer

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Deputy Treasurer

To: All Supervisors

From: Michael R. Swan, Treasurer

Date: September 26, 2018

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 August 31, 2018 and have noted certain items Supervisors should be aware of.

Revenues

County Clerk

County Clerk Fees – As of August 31, the department has received \$818,040 in County Clerk Fees in 2017 and \$868,754 in 2018 which is an increase of 6%. It should be noted that the 2018 amount is at 72% of the budget for this account so the actual revenue received is on target to exceed the budget.

Mortgage Tax – As of August 31, the department has received \$1,226,101 in Mortgage Tax in 2017 and \$1,277,097 in 2018 which is an increase of 4%. It should be noted that the 2018 amount is at 80% of the budget for this account so the actual revenue received is on target to exceed the budget.

Automobile Use Tax – As of August 31, the department has received \$291,628 in Automobile Use Tax in 2017 and \$296,553 in 2018 which is an increase of 1.7%. It should be noted that the 2017 amount is through July and is at 62% of the budget for this account, so the actual revenue amount received is on target to exceed the budget.

County Treasurer

Sales Tax – It has been noted that we have collected \$1,708,052 more in sales taxes through August, 2018 than we did for the through August, 2017 which is a 5.1% increase.

Tourism

Occupancy Tax – The department has collected \$229,569 more in occupancy taxes as of August 31, 2018 than we did as of August 31, 2017 which is a 15.3% increase.

Sheriff's Correction Division

Jail Services, Other Government – As of August 31, the department has received \$67,068 in Jail Services, Other Government in 2017 and \$106,208 in 2018 which is an increase of 60%. It should be noted that the 2018 amount is through July and is at 58% of the budget for this account so the actual revenue amount received is on target with the budget.

Westmount Receivables

Medicaid – The County is currently owed \$552,683 in patient Medicaid claims.

The Board has elected to pursue collection of the receivables. On January 22, 2018, the County contracted with a third party for the purpose of determining whether or not the County can rebill for the outstanding claims. If it is determined that the County can rebill, then we will have to hire someone to do the rebilling.

The consultant has completed his analysis of the outstanding claims and submitted a request to the NYS Department of Health to determine whether or not the County will be paid on these claims and is awaiting a response.

Universal Settlement - \$327,093 was recorded as a receivable for a universal settlement prior to the sale of Westmount. This amount is to be paid over a five year period. The first payment is being held up because the new owners of Westmount are contesting that they are entitled to receive a portion of this settlement. **A settlement has been reached whereby Warren Operations Associates, LLC will be receiving \$120,000 of the Universal Settlement. We have received \$131,579 of the amount owed to the County with the balance coming at a later date.**

Building & Fire Code

Building Permits – As of August 31, the department received \$121,154 in building permits in 2017 and \$125,107 in 2018 which is an increase of 3%. It should be noted that the 2018 amount is at 69% of the budget for this account so that actual revenue received is on target with 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 \$72,500 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.

The grant administrator handling this project for the County has been charged with a felony and everything is currently under investigation so it is uncertain when and if the County will receive payment. Based upon information provided by the Town of Queensbury, the Town fully paid their \$100,000 share of the project to the grant administrator who was acting on behalf of the Lake George Watershed Conference. The County only received \$50,000 of this money. We have recorded an allowance for doubtful accounts in the County Road fund for this other \$50,000 because it is questionable if the County is going to be able to collect these funds and it is likely that we will have to write this balance off.

Health Services

Home Nursing Charges – As of August 31, the department has received \$2,134,391 in Home Nursing Charges in 2017 and \$2,286,227 in 2018 which is an increase of 7.1%. It should be noted that the 2018 amount is through July and is at 54% of the budget for this account, so the actual revenue amount is lagging behind 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.

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.

Department of Public Works	Date of	State/Federal		Deposit with
	Last Activity	Cash	Receivable	Other Govt
H199 - Corinth Road	5/2016	100,508	22,119	-
H200 - Quaker Road Signal Imp	12/2013	-	11,283	-
H214 - Woolen Mill Bridge	10/2013	31	18,486	-
H219 - RR Track Restoration	5/2009	-	534	125,000
H258 - Tannery Bridge over Stony Creek	8/2010	-	63,791	-
H291 - Elevator Repair - Municipal Center	No Activity	-	-	-
H298 - Stony Creek Bridge Projects	9/2013	-	-	-
H323 - Gaslight Festival Space	4/2013	128	-	-
H329 - Warren Co Bikeway Improvement	12/2015	-	-	-
H346 - Env Assess - Airport Obstruct Rem	8/2016	1,758	301	-
H348 - Airport Equipment Building Repair	10/2016	-	-	-
H355 - Municipal Cntr Security Renovation	4/2015	-	-	-
H357 - CR Wood Park Fest Space Fence	12/2015	-	-	-
H361 - Brant Lake Lower Dam	3/2016	-	-	-
<u>Planning</u>				
H297 - County Quadricentennial Program	2/2012	-	-	-
H314 - First Wilderness Scenic Byways	5/2013	10	-	-
H341 - Flood Mitigation Grant	12/2014	-	-	-
H363 - Loc Gov Records Mgmt Impr Fund	12/2016	11	-	-

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.
3. H291 – Elevator Repair – Municipal Center – This project was opened in August, 2008 for \$41,800 and has had no activity. This project was funded with reserve money and if there is no expectation to expend this money in the near future then it must be returned to the Reserve, Rehab County Buildings (A 871.00) in the General Fund.
4. H329 – Warren Co. Bikeway Improvements – This project was budgeted to receive \$20,800 in Federal money with a \$4,000 local match. The County expended \$13,351 on this project, none of which met the eligibility requirements for Federal reimbursement. As a result, \$9,351 of these costs need a funding source before the project can be closed.
5. H341 – Flood Mitigation Grant – There is a liability back to the General Fund that is not funded for \$858 which will need funding before it can be repaid and the project closed.

County Debt Balances

The following shows the County's current debt outstanding as of August, 2018 along with ending debt balances for future years:

Bonds	Current Balance	End of 2018 Balance	2019	2020	2021	2022- 2026	2027- 2031	2032- 2036	2037
Pub Safety Bldg & Com Upgrade	5,430,000	5,430,000	4,325,000	3,240,000	2,165,000	-	-	-	-
Recovery Act Bonds, Various Proj	16,935,000	16,265,000	15,570,000	14,845,000	14,080,000	9,635,000	4,015,000	-	-
Court Expansion - 2015	7,325,000	7,325,000	6,980,000	6,625,000	6,260,000	4,305,000	2,060,000	-	-
Court Expansion - 2017	8,085,000	8,085,000	7,740,000	7,390,000	7,030,000	5,120,000	2,975,000	535,000	-
SUNY Adirondack NSTEM - 2017	5,485,000	5,485,000	5,250,000	5,010,000	4,765,000	3,465,000	2,015,000	360,000	-
Capital Leases									
Municipal Center Energy Project	1,209,177	1,003,899	781,029	539,915	279,884	-	-	-	-
Countryside Adult Home Energy Proj	102,050	95,092	66,762	37,616	7,630	-	-	-	-
Total Outstanding	44,571,227	43,688,991	40,712,790	37,687,531	34,587,515	22,525,000	11,065,000	895,000	-

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