

WARREN COUNTY TREASURER

Michael R. Swan
County Treasurer

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Deputy Treasurer

To: All Supervisors

From: Michael R. Swan, Treasurer

Date: March 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 February 28, 2018. Please note that we have not closed the year as of this date and we will provide final 2017 numbers near the end of April, 2018. We have noted the following items Supervisors should be aware of:

Revenues

County Clerk

County Clerk Fees – As of February 28, the department has received \$173,582 in County Clerk Fees in 2017 and \$182,427 in 2018 which is an increase of 5.1%. It should be noted that the 2018 amount is at 15.2% of the budget for this account so the actual revenue received is lagging behind the budget.

Mortgage Tax – As of February 28, the department has received \$239,124 in Mortgage Tax in 2017 and \$340,604 in 2018 which is an increase of 42.4%. It should be noted that the 2018 amount is at 21.3% of the budget for this account so the actual revenue received is on target to exceed the budget.

Automobile Use Tax – As of February 28, the department has received \$32,532 in Automobile Use Tax in 2017 and \$37,028 in 2018 which is an increase of 13.8%. It should be noted that the 2017 amount is through January and is at 8% of the budget for this account, so the actual revenue amount received is on target with the budget.

County Treasurer

Sales Tax – It has been noted that we have collected \$92,079 more in sales taxes through February, 2018 than we did through February, 2017 which is a 1.3% increase.

Tourism

Occupancy Tax – The department has collected \$179,075 more in occupancy taxes as of December 31, 2017 than we did as of December 31, 2016 which is a 4.2% increase. This amount represents collections for each year through March 21. We have not finalized 2017 figures yet and expect to receive payments for 2017 through March 31, 2018.

Saratoga & North Creek Railway

The railroad has not paid the County's share of October, November and December, 2017 gross revenues as of the date of this report which was due by the 10th of the following month. We received a revenue report which notes that the County is owed \$27,211 for these three months. We have also not received payment or a revenue report for January and February of 2018. This has been a recurring problem with the railroad.

This was reported in the 2017 October, November, December and 2018 January budget analysis reports.

Westmount Receivables

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

The Board has elected to pursue collection of the receivables. The County Attorney has been approved to enter into a contract with a third party to pursue the collection of Medicaid receivables on behalf of the County.

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.

Sheriff's Correction Division

Jail Services, Other Government – As of February 28, the department has received \$18,608 in Jail Services, Other Government in 2017 and \$25,364 in 2018 which is an increase of 36%. It should be noted that the 2018 amount is through January and is at 13% of the budget for this account so the actual revenue amount received is on target to exceed the budget.

Building & Fire Code

Building Permits – As of February 28, the department received \$19,082 in building permits in 2017 and \$22,351 in 2018 which is an increase of 17%. It should be noted that the 2018 amount is at 12% of the budget for this account so that actual revenue received is 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 \$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. 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.

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.

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.

Lake Champlain Lake George Regional Planning Board

The County currently has an arrangement with the Lake Champlain Lake George Regional Planning Board to pay their payroll, payroll taxes, retirement, health insurance and retiree's health insurance and the LCLG Planning Board then reimburses the County. The organization is currently late in reimbursing the County for January, 2018 health insurance in the amount of \$6,144.

The organization is routinely one payroll behind in reimbursing the County for wages, taxes and retirement. They should be reimbursing the County each pay week for that particular payroll so that the County isn't advancing funds.

This was reported in the October, November, December, 2017 and January, 2018 budget analysis reports.

County Debt Balances

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

	Current Balance	End of 2018 Balance	2019	2020	2021	2022- 2026	2027- 2031	2032- 2036	2037
Bonds									
Pub Safety Bldg & Com Upgrade	6,555,000	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	7,665,000	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	115,818	95,092	66,762	37,616	7,630	-	-	-	-
Total Outstanding	46,049,995	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.