



Report to the Legislature on the Review of the 2018 Executive Budget

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Agenda / Contents

- Budget Overview
- New Initiatives
- Discussion Items
 - Revenues
 - Expenditures
- Summary of Findings
- 5 year Fund Balance Analysis
- Conclusion
- Questions?



Budget Overview

- The 2018 Executive Budget is \$324 million, a decrease of \$910,000 (.28% decrease) as compared to the adopted budget for 2017.
- The budget as proposed contains a property tax levy of \$76,700,783 a decrease of \$192,223 (.25% decrease) as compared to the 2017 Adopted Budget.
- The appropriation of fund balance:
 - 2017 Adopted Budget of \$16.34 million
 - 2018 Executive Budget \$12.75 million
 - \$3.59 million decrease



New Initiatives

- The Restorative Justice and Community Empowerment Center – \$1.6 million
- Continuation of the Infrastructure Investment Program – \$15 million being allocated to Capital Budget
- Greater effort to protect Ulster County’s fresh water resources
- The Resorts World Catskill Casino is scheduled to open in March 2018



REVENUES

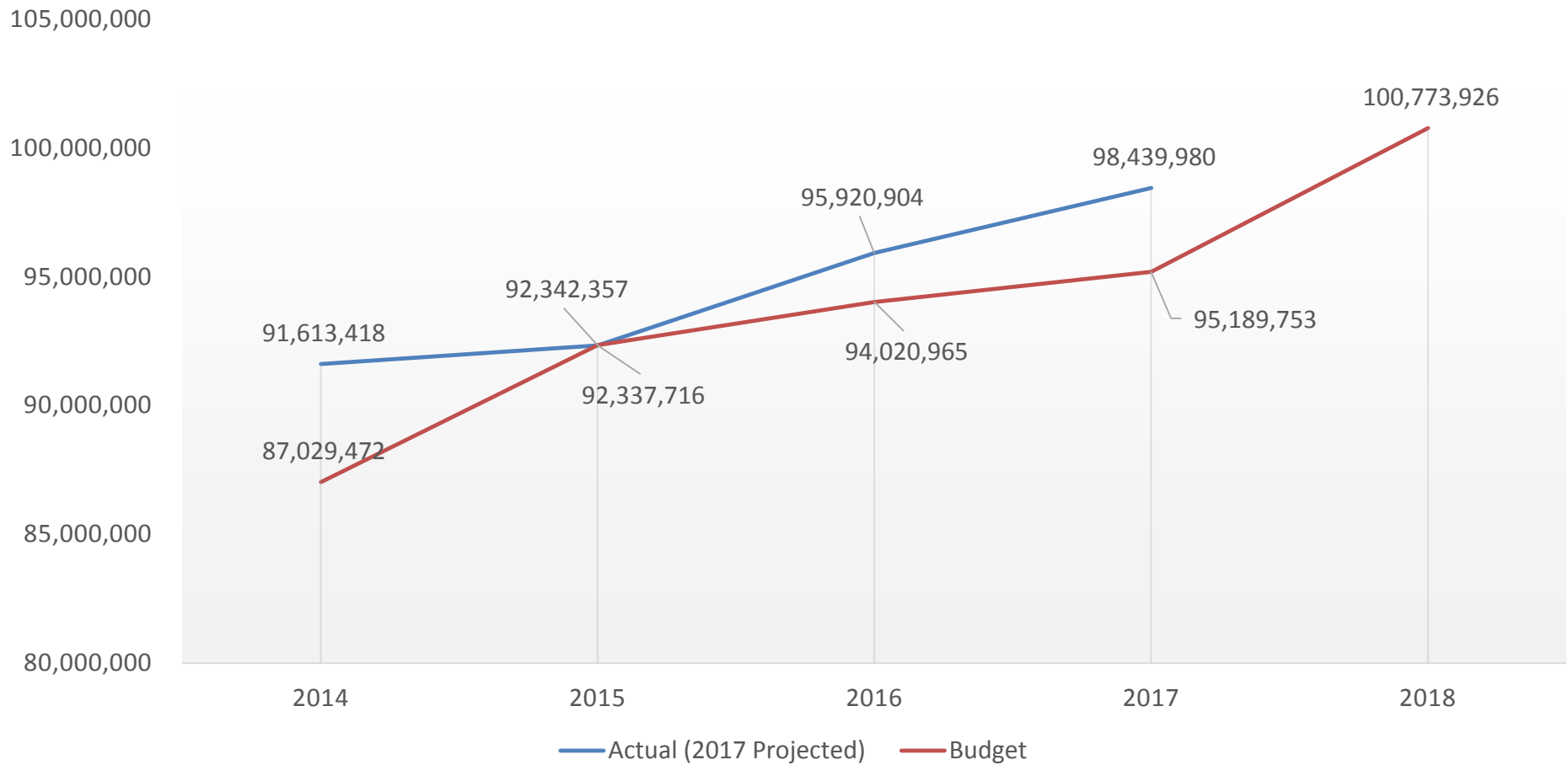


- 2017 Adopted Budget = \$95.19 million
 - Our projection of revenue = \$98.44 million
 - \$3.25 million more than the 2017 Adopted Budget
- 2018 Executive Budget = \$100.8 million
 - Our projection of revenue = \$101.42 million
 - 3.00% growth on our 2017 projection
 - \$620,000 more than the 2018 Executive Budget

Our projection indicates a favorable variance of \$620,000 when compared to the 2018 Executive Budget.



Net Sales Tax





Interest & Penalties on Real Property Taxes

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- 2017 Adopted Budget = \$4.8 million
 - Our projection of revenue = \$4.4 million
 - \$400,000 less than the 2017 Adopted Budget
- 2018 Executive Budget = \$4.65 million
 - Our projection of revenue = \$4.40 million
 - \$250,000 less than the 2018 Executive Budget

Our projection indicates an unfavorable variance of \$250,000 when compared to the 2018 Executive Budget.



- 2017 Adopted Budget = \$1.35 million
 - Our projection of revenue = \$1.50 million
 - \$150,000 more than the 2017 Adopted Budget
- 2018 Executive Budget = \$1.58 million
 - Our projection = \$1.60 million
 - \$20,000 more than the total 2018 Executive Budget

Our projection indicates a favorable variance of \$20,000 when compared to the 2018 Executive Budget.



Gain on Sale of Tax Acquired Property

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- 2017 Adopted Budget = \$800,000
 - Our projection = \$950,000
 - \$150,000 more than the 2017 Adopted Budget
- 2018 Executive Budget = \$800,000
 - Our projection = \$800,000

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.



- 2017 Adopted Budget = (\$1,000,000)
 - Our projection = (\$300,000)
 - \$700,000 less than the 2017 Adopted Budget
- 2018 Executive Budget = (\$1,000,000)

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.

County Clerk Fees

(Recording Division)

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- 2017 Adopted Budget = \$1.55 million
 - Our projection = \$1.78 million
 - \$230,000 more than the 2017 Adopted Budget
- 2018 Executive Budget = \$1.75 million
 - Our projection = \$1.78 million
 - \$30,000 more than the 2018 Executive Budget

Our projection indicates a favorable variance of \$30,000 compared to the 2018 Executive Budget.

- 2017 Adopted Budget = \$850,000
 - Our projection = \$950,000
 - \$100,000 more than the 2017 Adopted Budget
- 2018 Executive Budget = \$950,000
 - Our projection = \$950,000

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.

- 2017 Adopted Budget = \$1.23 million
 - Our projection = \$1.19 million
 - \$40,000 less than the 2017 Adopted Budget
- 2018 Executive Budget = \$1.23 million
 - Our projection = \$1.25 million
 - \$20,000 more than the 2018 Executive Budget

Our projection has a favorable variance of \$20,000 when compared to the 2018 Executive Budget.

Jail

(Inmate Board-Ins)

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- 2017 Adopted Budget = \$195,000
 - Our projection = \$315,000
 - \$120,000 more than the 2017 Adopted Budget
- 2018 Executive Budget = \$195,000
 - Our projection = \$260,000
 - \$65,000 more than the 2018 Executive Budget

Our projection has a favorable variance of \$65,000 when compared to the 2018 Executive Budget.



Department of Public Works

(Sale of Real Property)

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- 2017 Adopted Budget = \$1.0 million
 - Included sale of property on **300 Flatbush Ave., Kingston, NY** and **25 South Manor., Kingston, N.Y.**
 - These sales are not expected to close by 12/31/2017
 - \$1.0 million less than the 2017 Adopted Budget
- 2018 Executive Budget
 - There is no estimated revenue related to the Sale of Real Property in the Department of Public Works

- 2017 Adopted Budget
 - There are no estimated revenues related to the Casino Gaming Fees
- 2018 Executive Budget = \$1.5 million
 - New York State Department of Budgets projected Ulster County to receive \$3.0 million
 - The Casino, Resorts World Catskill is expected to open March 1, 2018
 - Other regions whose casinos are operating had revenues that were 60-70% of the state's initial estimate, the administration felt it necessary to use the lower percentage
 - Our projection = \$1.5 million

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.



EXPENDITURES

Personnel Costs

(Excluding Overtime)

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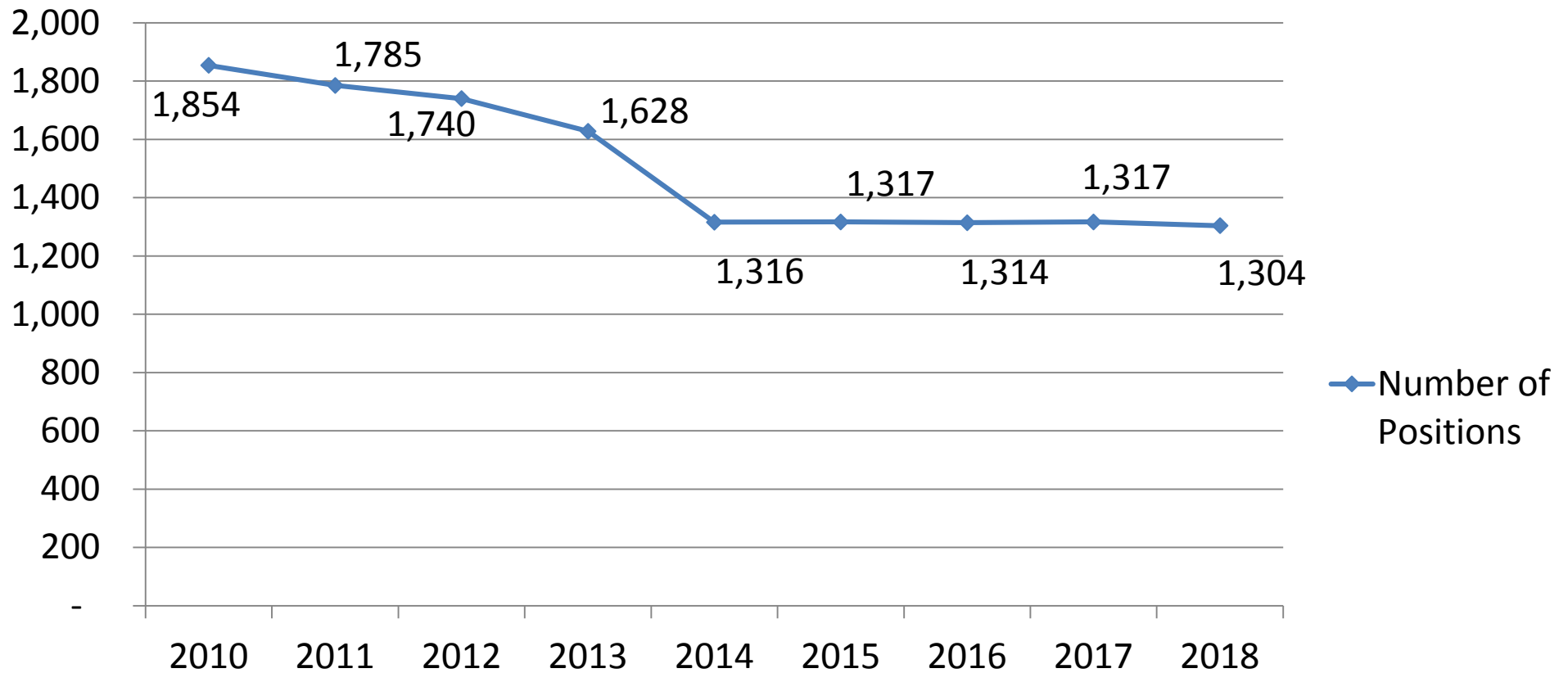
- 2017 Adopted Budget = \$78.2 million
 - Our projection = \$74.2 million
 - \$4.0 million less than the 2017 Adopted Budget
- 2018 Executive Budget = \$79.05 million
 - The administration has indicated to us that they do not include a vacancy factor in the budget as a matter of policy

Our projection indicates that budgetary savings may be available. The County has never budgeted salary savings in order to remain conservative and to have budget flexibility if unforeseen emergencies occur.



Budgeted Positions

Number of Positions





Vacant Positions

Department	Positions	Salary
Department of Social Services	10	\$368,922
County Road	7	263,208
Department of Health	4	160,446
Jail	4	156,196
Mental Health Admin	2	144,745
Buildings and Grounds	2	102,017
Mental Health Programs	1	112,098
Real Property	1	77,350
Office for the Aging	1	62,117
Information Services	1	57,275
Sheriff	1	53,393
Environmental Control	1	49,449
UC Area Transit	1	48,256
Safety	1	45,646
County Clerk	1	42,151
Personnel	1	39,294
Alternative Sentencing	1	35,164
Emergency Communications	1	-
Totals	<u>43</u>	<u>\$1,904,650</u>



- Budget Assumptions
 - Vacancies remain stable through 2017
- 2017 Adopted Budget = \$2.65 million
 - Our projection = \$3.30 million
 - \$650,000 more than the 2017 Adopted Budget
- 2018 Executive Budget = \$2.95 million
 - Our projection = \$3.40 million
 - \$450,000 more than the 2018 Executive Budget

Our projection indicates an unfavorable variance of \$450,000 when compared to the 2018 Executive Budget.



<u>Status</u>	<u>Expiration Date</u>
■ Staff Association	12/31/18
■ Civil Service Employees Association	12/31/17
■ Police Benevolent Association	12/31/17
■ Superior Officer's Unit	12/31/16
■ Sheriff's Employees Association	12/31/16



Jail

(Food Costs)

- 2017 Adopted Budget = \$700,000
 - Our projection = \$730,000
 - \$30,000 more than the 2017 Adopted Budget
- 2018 Executive Budget = \$730,000
 - Our projection = \$750,000
 - \$20,000 more than the 2018 Executive Budget

Our projection has an unfavorable variance of \$20,000 when compared to the 2018 Executive Budget.

Jail

(Medical Services)

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- 2017 Adopted Budget = \$2.81 million
 - Our projection = \$2.79 million
 - \$20,000 less than the 2017 Adopted Budget
- 2018 Executive Budget = \$2.95 million
 - Our projection = \$2.95 million

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.

Employee Benefits - Summary

	2017	2018	
	Executive	Executive	
	Budget	Budget	Variance
<u>Fringe Benefits</u>	<u>(millions)</u>	<u>(millions)</u>	<u>(millions)</u>
Medical Benefits	\$ 28.5	\$ 28.8	\$ 0.3
Retirement	12.9	12.5	(0.4)
Social Security	6.3	6.4	0.1
Other Employee Benefits	4.4	4.3	(0.1)
Totals	<u>\$ 52.1</u>	<u>\$ 52.0</u>	<u>\$ (0.1)</u>



Employee Benefits (Retirement)

- 2017 Adopted Budget = \$12.90 million
 - Our projection = \$12.54 million
 - \$360,000 less than the 2017 Adopted Budget
- 2018 Executive Budget = \$12.5 million
 - Our projection = \$12.5 million

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.

Employee Benefits

(Medical Benefits [Health, Dental & Vision])

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- 2017 Adopted Budget = \$28.43 million
 - Our projection = \$25.95 million
 - \$2.48 million less than the 2017 Adopted Budget
- 2018 Executive Budget = \$28.77 million
 - Our projection = \$28.77 million
 - Allows for an 11% increase in claims costs as compared to 2017 projections

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.

Employee Benefits

(Social Security)

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- 2017 Adopted Budget = \$6.3 million
 - Our projection = \$5.9 million
 - \$400,000 less than the 2017 Adopted Budget
- 2018 Executive Budget = \$6.36 million
 - Our projection = \$6.20 million
 - \$160,000 less than the 2018 Executive Budget

Our projection indicates a favorable variance of \$160,000 when compared to the 2018 Executive Budget.

	2016 Actuals (000's)	2017 Adopted Budget (000's)	2018 Executive Budget (000's)
DSS Administration	\$ 29,031	\$ 30,731	\$ 30,653
Purchase of Services - Day Care Program	3,631	4,000	3,600
MMIS - Medicaid	34,976	35,306	35,659
Family Assistance	11,639	12,640	10,650
Children's Services	25,032	25,000	26,600
Safety Net	8,548	10,200	7,750
Other Programs	1,264	1,750	1,930
Total Department of Social Services	<u>\$ 114,121</u>	<u>\$ 119,627</u>	<u>\$ 116,842</u>
 County Taxation	 <u>\$ 51,019</u>	 <u>\$ 59,085</u>	 <u>\$ 58,938</u>



- 2017 Adopted Budget = \$4.0 million
 - Our projection = \$3.4 million
 - \$600,000 less than the 2017 Adopted Budget
- 2018 Executive Budget = \$3.6 million
 - Our projection = \$3.6 million

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.



- 2017 Adopted Budget = \$35.31 million
 - Our projection = \$34.94 million
 - \$370,000 less than the 2017 Adopted Budget
- 2018 Executive Budget = \$35.66 million
 - Our projection = \$35.66 million

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.



- 2017 Adopted Budget = \$12.64 million
 - Our projection = \$9.25 million
 - \$3.39 million less than the 2017 Adopted Budget
 - (\$1.4 million less in aid)
 - \$1.99 million local share savings
- 2018 Executive Budget = \$10.65 million
 - Our projection = \$9.62 million
 - \$1.03 million less than the 2018 Executive Budget
 - (\$670,000 less in aid)
 - \$360,000 in local share savings

Our projection indicates a favorable variance of \$360,000 when compared to the 2018 Executive Budget.



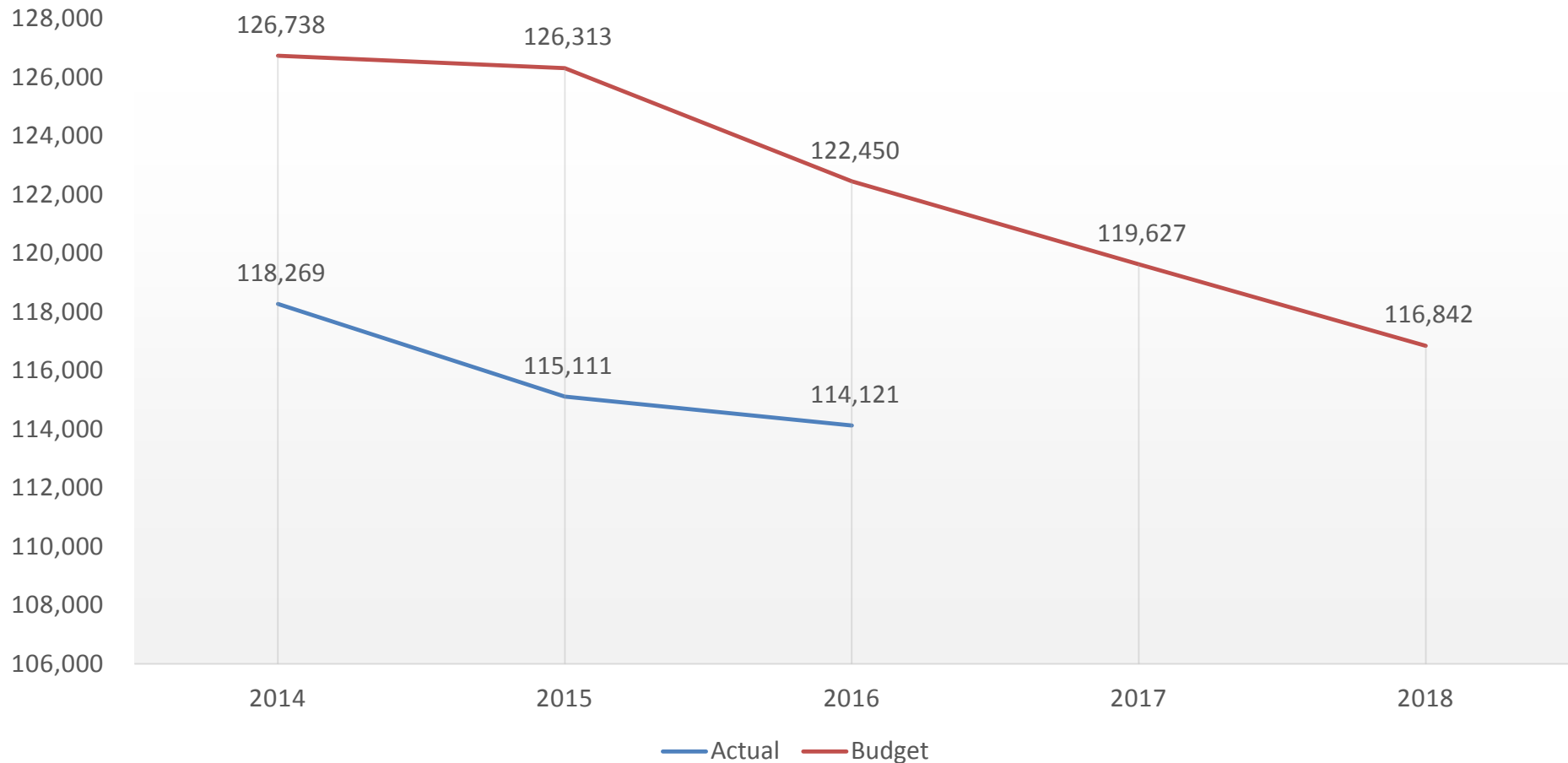
- 2017 Adopted Budget = \$10.20 million
 - Our projection = \$6.98 million
 - \$3.22 million less than the 2017 Adopted Budget
 - (\$1 million less in aid)
 - \$2.22 million in local share savings
- 2018 Executive Budget = \$7.75 million
 - Our projection = \$7.28 million
 - \$470,000 less than the 2018 Executive Budget
 - (\$140,000 less aid)
 - \$330,000 in local share savings

Our projection indicates a favorable variance of \$330,000 when compared to the 2018 Executive Budget.

- 2017 Adopted Budget = \$25 million
 - Our projection = \$26.26 million
 - \$1.26 million more than 2017 Adopted Budget
 - (\$676,000 more in aid)
 - \$1.94 million local share cost
- 2018 Executive Budget = \$26.60 million
 - Our projection = \$27.33 million
 - \$730,000 more than the 2018 Executive Budget
 - (\$440,000 more in aid)
 - \$290,000 local share cost

Our projection indicates an unfavorable variance of \$290,000 when compared to the 2018 Executive Budget.

DSS Program Expenditures (000's omitted)





- 2017 Adopted Budget = \$9.85 million
 - Our projection = \$10.40 million
 - \$550,000 more than the 2017 Adopted Budget
- 2018 Executive Budget = \$10.10 million
 - Our projection = \$10.10 million
 - Must be adjusted for any new debt issued in 2017, that may impact 2018

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.



- 2017 Adopted Budget = \$1.42 million
 - Our projection = \$1.31 million
 - \$110,000 less than the 2017 Adopted Budget
- 2018 Executive Budget = \$1.3 million
 - Our projection = \$1.34 million
 - \$40,000 more than the 2018 Executive Budget

Our projection indicates an unfavorable variance of \$40,000 when compared to the 2018 Executive Budget.



- 2017 Adopted Budget = \$380,000
 - Our projection = \$190,000
 - \$190,000 less than the 2017 Adopted Budget
- 2018 Executive Budget = \$300,000
 - Our projection = \$220,000
 - \$80,000 less than the 2018 Executive Budget

Our projection indicates a favorable variance of \$80,000 when compared to the 2018 Executive Budget.



- 2017 Adopted Budget = \$900,000
 - Our projection = \$980,000
 - \$80,000 more than the 2017 Adopted Budget
- 2018 Executive Budget = \$1.0 million
 - Our projection = \$1.0 million

Our projection is similar to the amount contained in the 2018 Executive Budget. Therefore, there is no variance.



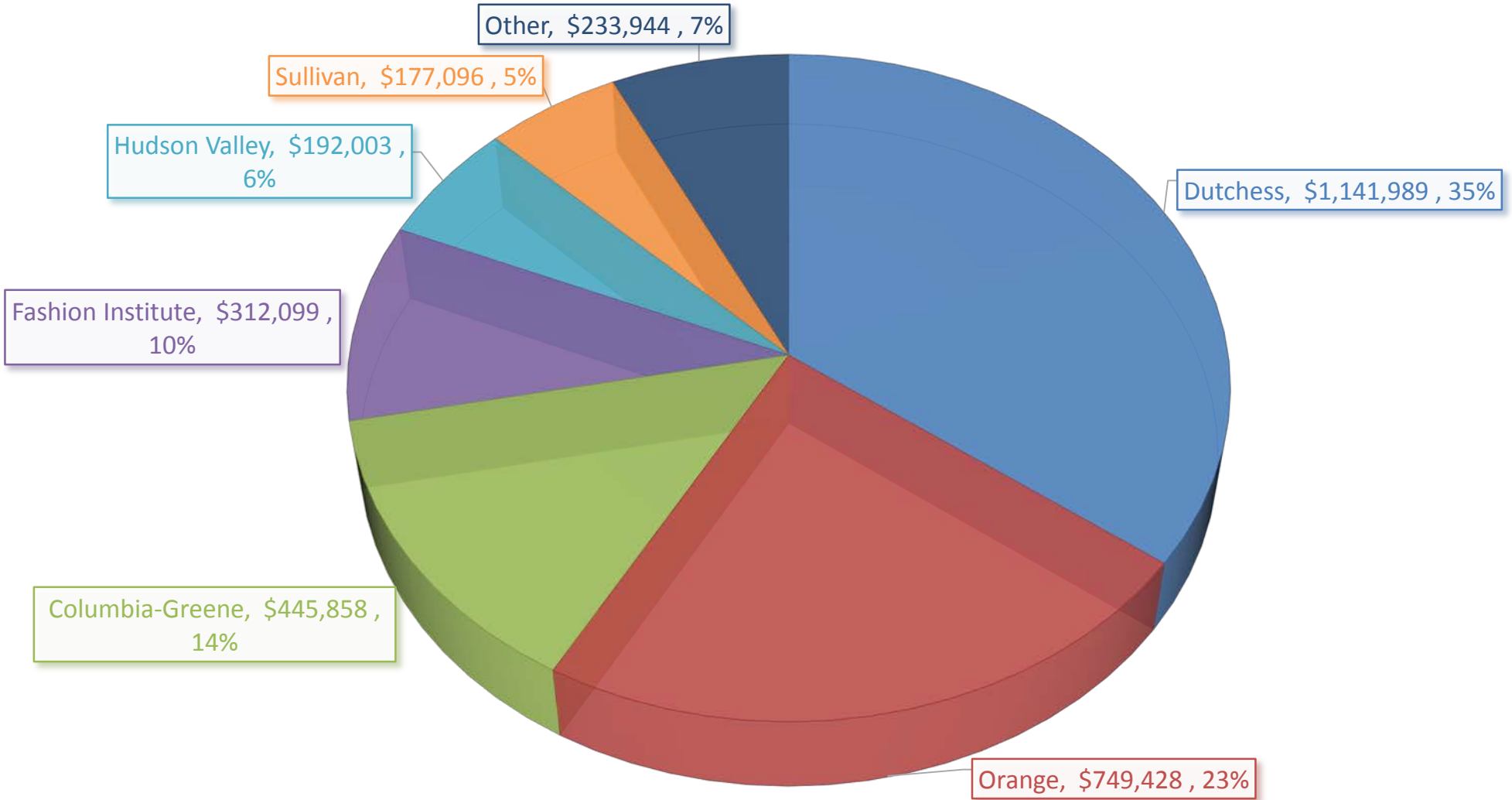
- 2017 Adopted Budget = \$3.3 million
 - Our projection = \$3.5 million
 - \$200,000 more than the 2017 Adopted Budget
- 2018 Executive Budget = \$3.7 million
 - Our projection = \$3.9 million
 - \$200,000 more than the 2018 Executive Budget

Our projection indicates an unfavorable variance of \$200,000 when compared to the 2018 Executive Budget.



Community College Tuition Expense

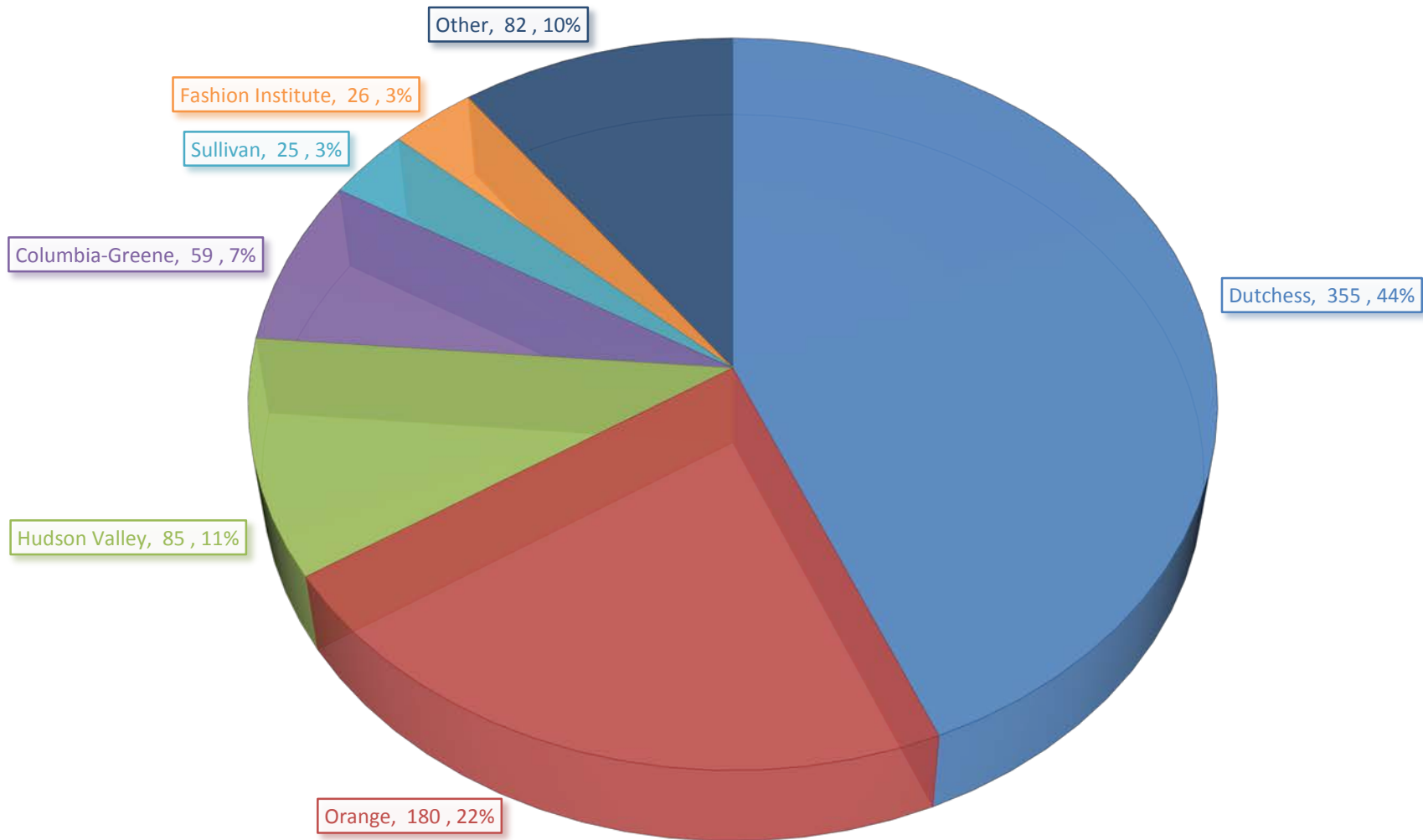
COMMUNITY COLLEGE CHARGEBACKS TOP 6 BY AMOUNT PAID 9/30/16 - 9/30/17





Community College Tuition Expense

COMMUNITY COLLEGE CHARGEBACKS TOP 6 BY FTE STUDENTS 9/30/16 - 9/30/17





2018 Executive Budget

Components

- \$750,000 for general contingency
 - \$50,000 less than the 2017 Adopted Budget

Revenues	2018		2017	
	Unfavorable Increase in County Share	Favorable Decrease in County Share	Favorable Variance	Unfavorable Variance
Sales Tax	\$ -	\$ 620,000	\$ 3,250,000	\$ -
Interest and Penalties on Real Property Taxes	(250,000)	-	-	(400,000)
Hotel/Motel Occupancy Tax	-	20,000	150,000	-
Gain on Sale of Tax Acquired Property	-	-	150,000	-
Deferred Taxes/Tax Overlay	-	-	700,000	-
County Clerk Fees-				
Recording Division	-	30,000	230,000	-
Motor Division Fees	-	-	100,000	-
Automobile Use Tax	-	20,000	-	(40,000)
Jail - Inmate Board-Ins	-	65,000	120,000	-
Department of Public Works-				
Sale of Real Property	-	-	-	(1,000,000)
Department of Social Services-				
Family Assistance	(670,000)	-	-	(1,400,000)
Safety Net	(140,000)	-	-	(1,000,000)
Child Care Division	-	440,000	-	(676,000)
Total Revenues	\$ (1,060,000)	\$ 1,195,000	\$ 4,700,000	\$ (4,516,000)



Summary of Findings - Expenditures

	2018		2017	
	Unfavorable Increase in County Share	Favorable Decrease in County Share	Favorable Variance	Unfavorable Variance
Expenditures				
Personnel Expenditures-				
Salaries	\$ -	\$ -	\$ 4,000,000	\$ -
Overtime	-	-	-	(650,000)
Jail-				
Food Costs	(20,000)	-	-	(30,000)
Medical - Health Care Services	-	-	20,000	-
Employee Benefits-				
Retirement Costs	-	-	360,000	-
Health Benefits	-	-	2,480,000	-
Social Security	-	160,000	400,000	-
Department of Social Services-				
Day Care	-	-	600,000	-
Medicaid Management Information Systems	-	-	370,000	-
Family Assistance	-	1,030,000	3,390,000	-
Safety Net	-	470,000	3,220,000	-
Child Care Division	(730,000)	-	-	(1,260,000)
Debt Service-				
Serial Bonds	-	-	-	(550,000)
Department of Public Works-				
Buildings and Grounds				
Electricity/Gas	(40,000)	-	110,000	-
Heating Fuel	-	80,000	190,000	-
Snow Removal-				
Salt and Chloride	-	-	-	(80,000)
Community College Tuition	(200,000)	-	-	(200,000)
Contingency	-	-	800,000	-
Total Expenditures	<u>(990,000)</u>	<u>1,740,000</u>	<u>15,940,000</u>	<u>(2,770,000)</u>
Total Revenues and Expenditures	<u>(2,050,000)</u>	<u>2,935,000</u>	<u>20,640,000</u>	<u>(7,286,000)</u>
Net Impact to County Taxation	<u>\$ -</u>	<u>\$ 885,000</u>	<u>\$ 13,354,000</u>	<u>\$ -</u>

DSS, Net Effect = \$3,244,000 Favorable Variance 2017.

DSS, Net Effect = \$400,000 Favorable Variance 2018.

5 Year Fund Balance

Description	2016	2015	2014	2013	2012
<u>Nonspendable</u>					
Inventories	\$ 38,524	\$ 90,009	\$ 90,009	\$ 56,683	\$ 92,272
Prepaid items	5,902,969	6,156,610	6,122,267	6,841,834	7,075,181
	<u>5,941,493</u>	<u>6,246,619</u>	<u>6,212,276</u>	<u>6,898,517</u>	<u>7,167,453</u>
<u>Restricted</u>					
Future Capital Projects	3,300,000	3,500,000	-	-	-
Risk Retention	126,313	125,998	125,746	125,495	125,245
Tax Stabilization	2,009,998	1,503,109	-	-	-
Civil and DA forfeitures	66,061	101,682	134,101	131,502	127,819
Emergency Telephone	707,492	491,159	255,720	79,414	1,525,414
Stop DWI	178,763	232,667	225,994	314,370	357,538
Probation administration fees	883,403	912,967	917,109	848,770	666,594
Child safety seats	5,860	5,860	5,860	5,860	5,860
Traffic safety board	3,598	3,598	3,598	3,598	3,598
Handicapped parking education	14,824	14,994	18,916	19,347	26,176
	<u>7,296,312</u>	<u>6,892,034</u>	<u>1,687,044</u>	<u>1,528,356</u>	<u>2,838,244</u>
<u>Assigned</u>					
Encumbrances	4,344,669	3,829,539	3,041,630	4,702,340	4,625,947
Subsequent year's expenditures	15,344,341	15,623,624	18,965,400	13,200,000	10,000,000
Jail telephone commissions	274,679	276,465	278,213	338,619	277,779
Tourism	150,000	150,000	150,000	150,000	150,000
Social Services donations	-	621	1,663	2,323	1,335
Social Services restitution	168,173	168,173	168,173	121,665	160,157
Urgent forfeitures	154,829	97,605	40,543	178,981	228,765
	<u>20,436,691</u>	<u>20,146,027</u>	<u>22,645,622</u>	<u>18,693,928</u>	<u>15,443,983</u>
<u>Unassigned</u>					
Unassigned	25,500,073	21,005,861	27,822,963	35,634,611	20,186,316
Total General Fund	<u>\$ 59,174,569</u>	<u>\$ 54,290,541</u>	<u>\$ 58,367,905</u>	<u>\$ 62,755,412</u>	<u>\$ 45,635,996</u>

QUESTIONS?





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