

WESTCHESTER COUNTY



FIRST QUARTER FORECAST FOR FISCAL YEAR 2015

ROBERT P. ASTORINO
COUNTY EXECUTIVE

LAWRENCE C. SOULE
BUDGET DIRECTOR

MAY 15, 2015

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Robert P. Astorino
County Executive

Lawrence C. Soule
Budget Director

May 15, 2015

Westchester County Board of Legislators
800 Michaelian Office Building
148 Martine Avenue
White Plains, NY 10601

Honorable Members:

I am pleased to present to you the First Quarter Forecast for Fiscal Year 2015. At the request of the County Executive, the format of the forecast has been revised from prior reports to be more informative and transparent. The County Executive trusts that the Board of Legislators will find this new format beneficial as we all continue to monitor the 2015 financial condition of the County and start the process for the ensuing 2016 budget.

As this report will demonstrate, fiscal challenges remain and mid-course adjustments will be necessary in order to ensure that we will remain on budget for 2015. While we are projected to be under budget on the expense side, much of the challenge is on the revenue side with sales tax collections down significantly in the first quarter versus the same period last year.

The year to date data as of March 31, 2015 is presented as required by local law 7 of 2014. However, care should be taken when interpreting these figures due to the seasonal nature of certain revenues and expenditures as well as the timing of transactions.

Respectfully submitted,

A handwritten signature in blue ink that reads "Lawrence C. Soule, III".

Lawrence C. Soule, III
Budget Director

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**FIRST QUARTER FORECAST FOR
FISCAL YEAR 2015**

ROBERT P. ASTORINO
COUNTY EXECUTIVE

MICHAEL B. KAPLOWITZ
CHAIRMAN, BOARD OF LEGISLATORS

SHEILA MARCOTTE
CHAIRWOMAN, COMMITTEE ON BUDGET AND APPROPRIATIONS

LAWRENCE C. SOULE
BUDGET DIRECTOR

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INTRODUCTION

INTRODUCTION

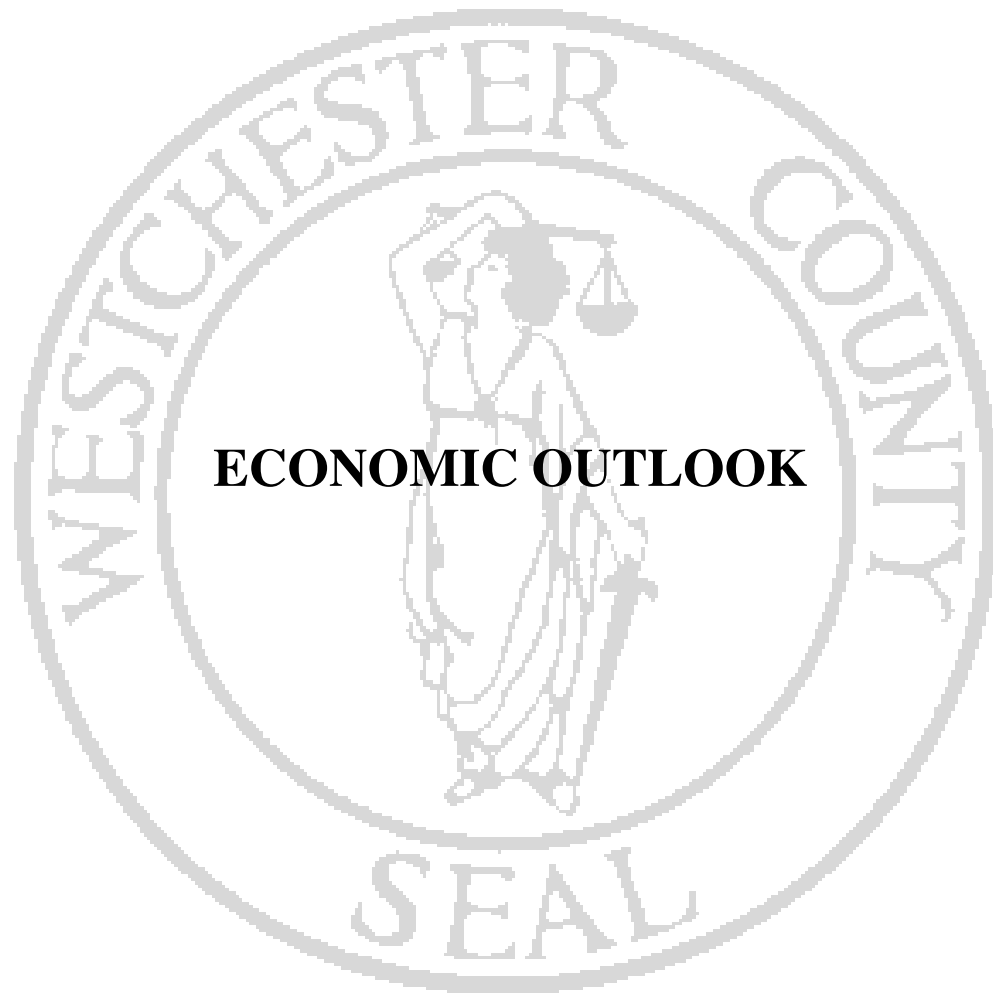
This document presents the First Quarter (Q1) Forecast for Fiscal Year 2015 (FY15). The Department of Budget (DoB) will also release a Second Quarter Forecast for Fiscal Year 2015 in August. The County operates on a calendar fiscal year, and all projections are shown fully annualized based on information currently available.

The Q1 Forecast presents five periods of data:

1. The budget as originally Adopted in December of 2014 (2015 Adopted)
2. The current budget as modified by rolled encumbrances, amendments, and transfers (2015 Modified)
3. Expenditures and revenues posted to the financial system as of March 31, 2015 (YTD Mar 31)
4. DoB's fully annualized projections (2015 Projected)
5. DoB's projections (4) less the current modified budget (2) (Proj. less Modified)

The 'YTD Mar 31' data is required to be presented by local law 7 of 2014, and is a snapshot of the transactions posted to the financial system through March 31, 2015. These figures are not audited. Readers are cautioned from drawing conclusions based on the 'YTD Mar 31' data due to the timing of transactions, and the seasonal nature of certain expenditures and revenues.

Since many factors may materially affect the fiscal and economic conditions of the County, the forecasts, projections, and estimates contained in this document should not be regarded as a representation that such forecasts, projections, and estimates will occur. Statements regarding future outcomes contained herein are based on the County's expectations and are necessarily dependent upon assumptions, estimates, and data that it believes are reasonable as of the date made but that may be incorrect, incomplete or imprecise, or not reflective of actual results. Forecasts, projections and estimates are not intended as representations of fact or guarantees of results.

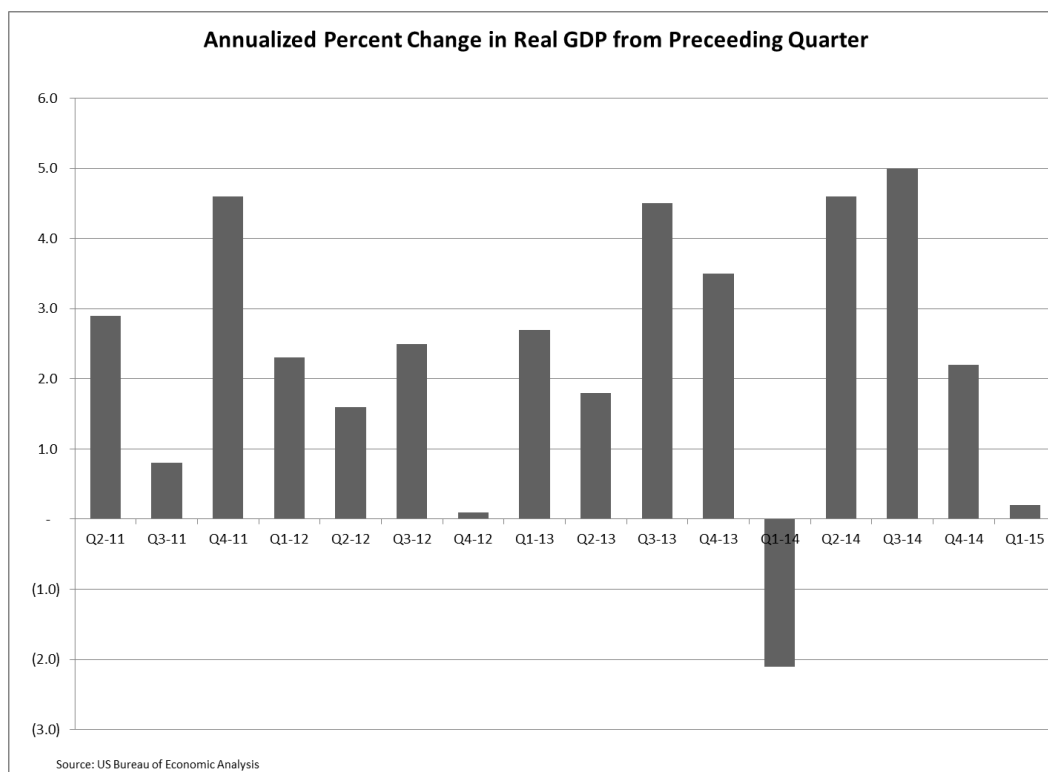


ECONOMIC OUTLOOK

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GROSS DOMESTIC PRODUCT (GDP)

As the nation has recovered from the great recession, there has been a slow, but steady growth in GDP. The U.S. economy expanded by more than two percentage points in each of the past three years after adjusting for inflation (Real GDP). Only once in the past 16 quarters has the U.S. economy contracted (2014, Q1).



During the first quarter of 2015, Real GDP grew by just 0.2% from the previous quarter on an annualized basis. Each of the three times Real GDP growth was less than 1.0% in the past 16 quarters growth in the following quarter surged and the nation continued on the path to recovery. What will happen during the remainder of year is certainly an unknown, but the Federal Reserve economic forecast released after the March Open Market Committee meeting projected 2015 annual growth in the 2.3 to 2.7 percent range. However, this was a downward revision from the 2.6 to 3.0 percent growth projected back in December of 2014.

EMPLOYMENT / UNEMPLOYMENT

The unemployment rate has fallen sharply since its height in 2010. Unemployment rates in the state, region, and county have all fallen approximately 30 percent since their height in 2010 and are at levels not seen since before the great recession (see chart, following page).

ECONOMIC OUTLOOK

| AVERAGE ANNUAL UNEMPLOYMENT RATE | | | |
|----------------------------------|----------|---------------|-------------|
| YEAR | NEW YORK | HUDSON VALLEY | WESTCHESTER |
| 2007 | 4.6% | 3.9% | 3.7% |
| 2008 | 5.4% | 5.0% | 4.8% |
| 2009 | 8.3% | 7.3% | 7.1% |
| 2010 | 8.6% | 7.6% | 7.4% |
| 2011 | 8.3% | 7.4% | 7.1% |
| 2012 | 8.5% | 7.6% | 7.3% |
| 2013 | 7.7% | 6.5% | 6.3% |
| 2014 | 6.3% | 5.3% | 5.1% |

Source: NYS Dept of Labor

The reduction in the unemployment rate is a positive economic indicator, but it is being impacted not only by increases in employment, but reductions in the size of the labor force as well. Since the trough in 2011, employment has grown by 2.7%, 0.6%, and 1.3% for residents of the state, region, and county, respectively, over the past three years. In the case of the State, almost all of the growth has occurred in New York City. The balance of the State had fewer residents employed in 2014 than in 2011.

| AVERAGE ANNUAL EMPLOYMENT | | | |
|---------------------------|-----------|---------------|-------------|
| YEAR | NEW YORK | HUDSON VALLEY | WESTCHESTER |
| 2007 | 9,088,200 | 1,104,500 | 471,400 |
| 2008 | 9,139,100 | 1,104,500 | 472,100 |
| 2009 | 8,844,500 | 1,063,100 | 453,100 |
| 2010 | 8,769,700 | 1,055,200 | 443,500 |
| 2011 | 8,728,000 | 1,043,800 | 440,300 |
| 2012 | 8,796,100 | 1,045,900 | 442,700 |
| 2013 | 8,891,000 | 1,051,600 | 446,100 |
| 2014 | 8,964,000 | 1,049,600 | 446,200 |

Source: NYS Dept of Labor

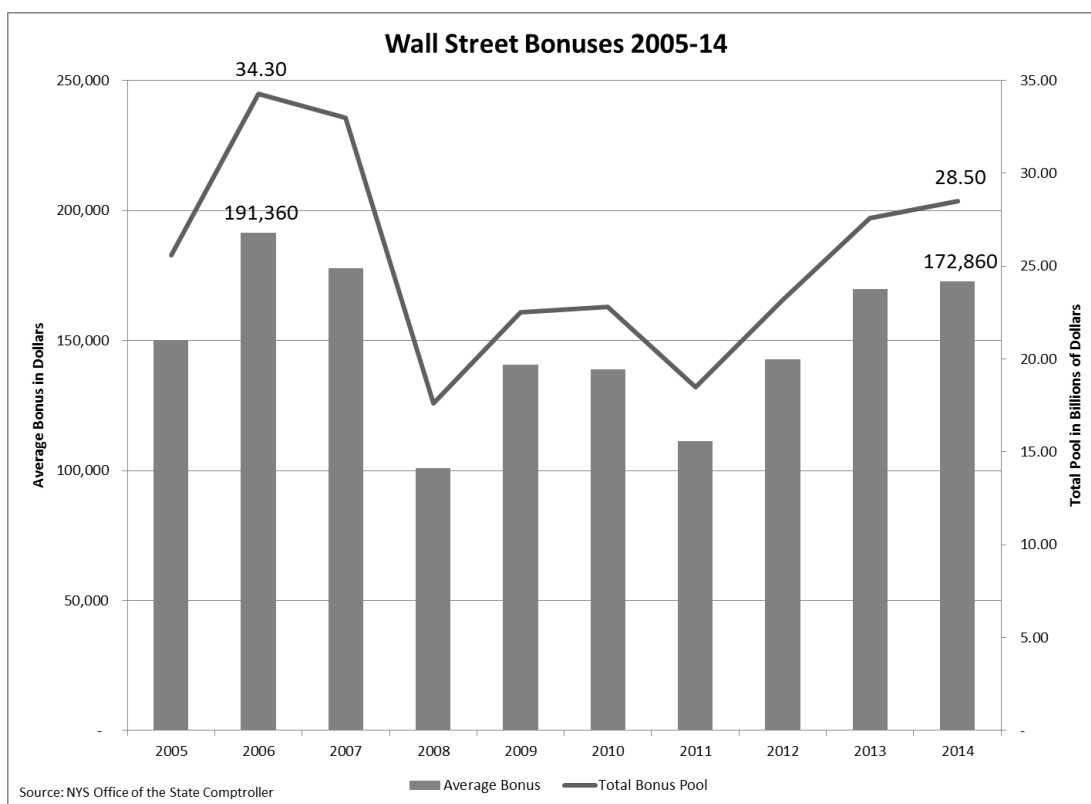
The shrinking of the labor force has also contributed to the decline in the unemployment rate. While the State has been somewhat buoyed by labor force increases within New York City, the Hudson Valley labor force has declined steadily since the onset of the great recession.

| AVERAGE ANNUAL LABOR FORCE | | | |
|----------------------------|-----------|---------------|-------------|
| YEAR | NEW YORK | HUDSON VALLEY | WESTCHESTER |
| 2007 | 9,522,100 | 1,149,600 | 489,600 |
| 2008 | 9,664,800 | 1,162,700 | 495,800 |
| 2009 | 9,647,500 | 1,147,200 | 487,600 |
| 2010 | 9,595,400 | 1,141,900 | 478,700 |
| 2011 | 9,517,800 | 1,126,600 | 473,900 |
| 2012 | 9,615,000 | 1,131,500 | 477,300 |
| 2013 | 9,631,800 | 1,125,000 | 475,800 |
| 2014 | 9,569,100 | 1,108,300 | 470,300 |

Source: NYS Dept of Labor

FINANCIAL SERVICES SECTOR

The financial services sector is a key economic driver within the New York City Metropolitan Area, representing 8.5 percent of total employment. Within the New York City Metropolitan Area, 737,700 persons were employed within the sector in 2013. One sub-set of the sector, the securities industry, has traditionally had their compensation heavily weighted toward performance-based bonuses.

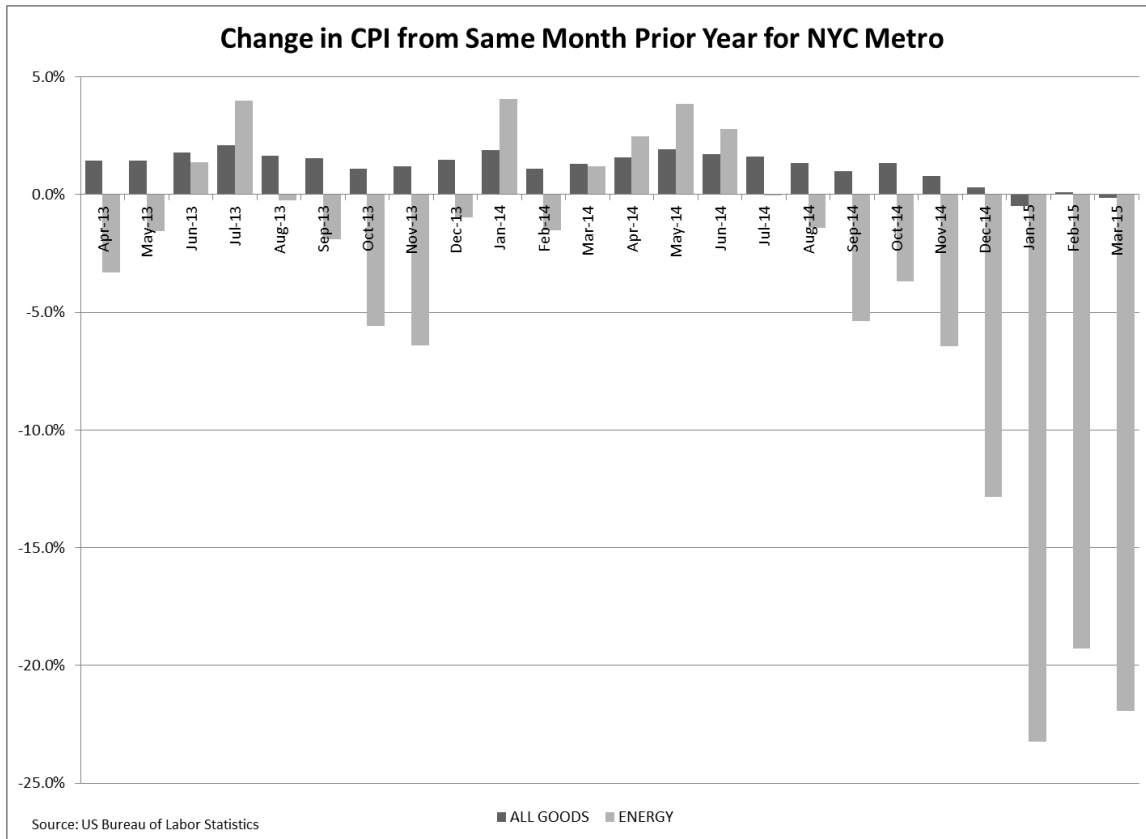


The average bonus for New York City securities industry workers grew by 2 percent to \$172,860 and the total bonus pool grew 3 percent to \$28.5 billion in 2014. While the average bonus and total pool are at their highest level since the recession, they are still below their height in 2006 by 10 and 17 percent, respectively. Bonuses do not just affect the 167,800 New York City securities industry workers. The State Comptroller estimates a significant multiplier effect, as each securities job is projected to create three additional jobs in the region.

INFLATION AND PRICES

In March, the all goods Consumer Price Index (CPI) for the New York City Metropolitan Area remained virtually unchanged from the prior month and fell 12 basis points (0.12%) when compared to March of 2014. After a period of sustained price growth during 2013 and most of 2014, a sharp decline in energy prices has put a substantial drag on the overall price level.

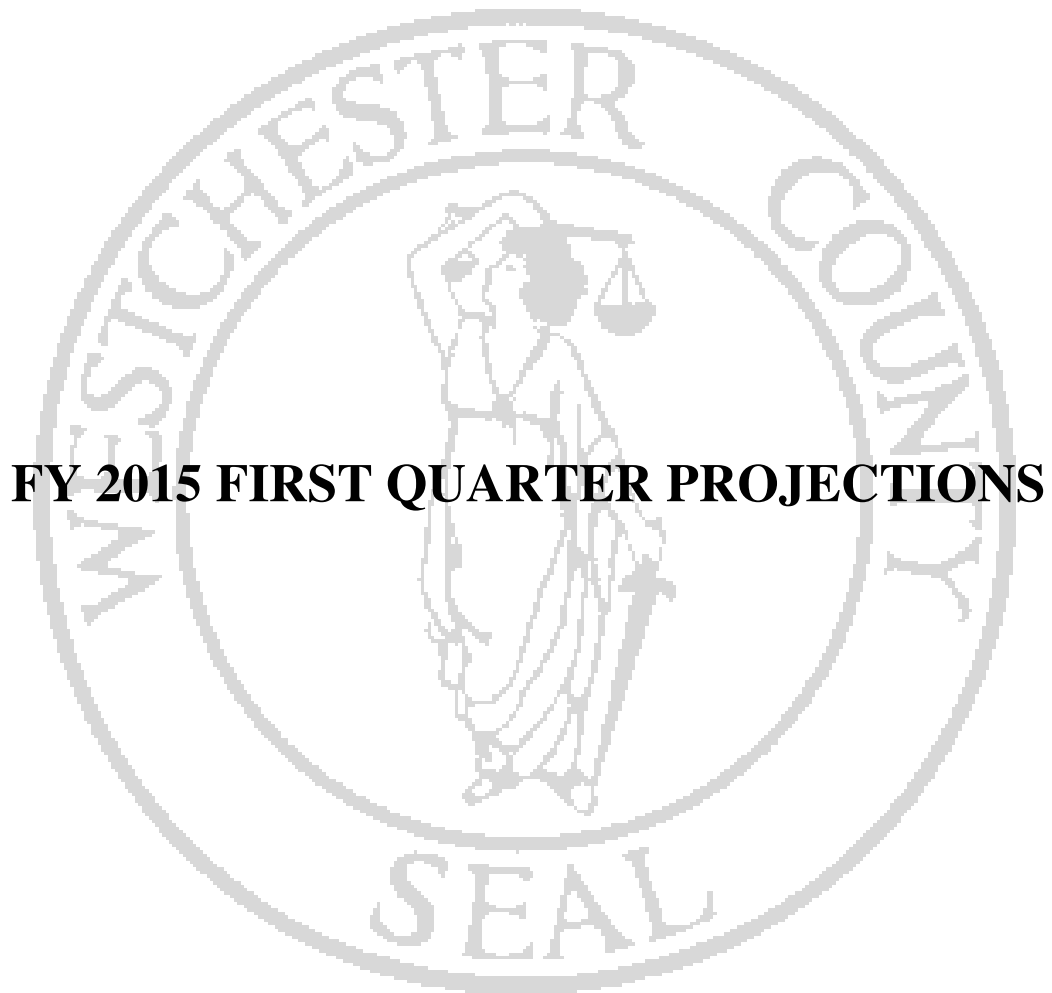
ECONOMIC OUTLOOK



While the decline in energy prices has helped consumers with the costs of heating their homes and filling up their cars, it has been a contributor to the weak County sales and use tax collections for the past two quarters. Since the County does not opt in to the motor fuel tax cap or the residential energy exemption, the County’s sales and use tax collections are particularly vulnerable to fluctuations in energy prices as compared to other jurisdictions.

ECONOMIC RISKS TO THE FINANCIAL PLAN

Heavy dependence on the financial services sector and the recent trend of deflation pose significant downside risk to the financial plan. The volatile nature of interest rates, commodity prices, and equity markets can cause the incomes of securities industry workers to change substantially from year to year. If deflation continues for an extended period and consumers decide to use the additional discretionary income afforded to them by the lower price levels to save or pay down debt rather than increasing consumption, sales and use tax collections will be negatively impacted.



FY 2015 FIRST QUARTER PROJECTIONS

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2015 FIRST QUARTER PROJECTIONS

GENERAL FUND FORECAST

On December 9, 2014, the County adopted a General Fund Operating Budget in the amount of \$1.749 billion for Fiscal Year 2015 (FY15). This section will present the Department of Budget's (DOB) First Quarter Forecast for Fiscal Year 2015

The 2015 Budget has been modified upward by \$8.2 million to allow for the expenditure of funds in FY15 for items that were contracted for during FY14. DOB expects a similar amount to roll from FY15 to FY16 resulting in a minimal effect to the FY15 Financial Plan. The First Quarter (Q1) Forecast contains expenditure reductions in the general fund of \$4.5 million from the modified budget for this effect.

| GENERAL FUND PROJECTIONS | | | | | |
|--|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| REVENUES | | | | | |
| Tax Levy on Real Property | 548,423 | 548,423 | - | 548,423 | - |
| Sales and Use Tax | 528,169 | 528,169 | 54,216 | 515,669 | (12,500) |
| Federal and State Aid | 447,807 | 447,807 | 976 | 435,731 | (12,076) |
| Departmental Income | 147,275 | 147,275 | 23,289 | 146,723 | (551) |
| Other Revenues | 71,277 | 71,277 | 9,399 | 72,377 | 1,100 |
| Sub-Total | 1,742,951 | 1,742,951 | 87,880 | 1,718,923 | (24,028) |
| Use of General Fund Balance | 6,110 | 14,288 | - | 6,110 | (8,178) |
| TOTAL | 1,749,061 | 1,757,239 | 87,880 | 1,725,033 | (32,206) |
| NET EXPENDITURES | | | | | |
| General Government and Support | 51,549 | 54,220 | (8,003) | 51,522 | (2,698) |
| Home and Community Services | 555,735 | 556,217 | 132,011 | 547,827 | (8,390) |
| Health Services | 163,092 | 163,401 | 37,114 | 164,000 | 599 |
| Education | 29,305 | 29,305 | 14,653 | 29,305 | - |
| Public Safety, Correction, and Courts | 230,540 | 231,282 | 53,721 | 230,069 | (1,213) |
| Roads, Transportation, and Parks | 216,668 | 218,684 | 55,305 | 218,184 | (500) |
| Miscellaneous and Fixed | 502,171 | 504,130 | 83,634 | 500,130 | (4,000) |
| TOTAL | 1,749,061 | 1,757,239 | 368,434 | 1,741,038 | (16,201) |
| GENERAL FUND BUDGET (GAP) / SURPLUS | - | - | (280,553) | (16,004) | (16,004) |

As of the First Quarter, DOB projects a General Fund Budget Gap of \$16.0 million. This deficit is the result of projected revenues falling short of modified budget targets by \$24.0 million, and the removal of \$8.2 million of appropriated fund balance for rolled encumbrances offset by projected expenditures at \$16.2 million below modified appropriations.

2015 FIRST QUARTER PROJECTIONS

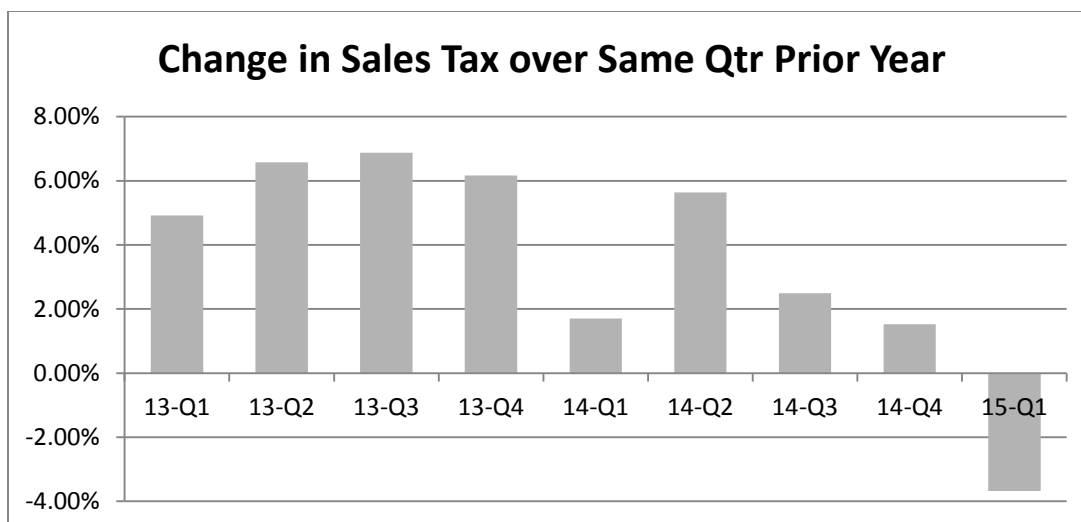
GENERAL FUND REVENUES

Revenues are projected to come in below budgeted targets by \$24.0 million due to significant shortfalls in federal aid, state aid, and sales and use tax. The projected shortfall in federal aid of \$9.2 million is primarily due to \$6.0 million of additional federal transportation aid being recognized in FY14 and a reduction of \$3.6 million in Temporary Assistance for Needy Families (TANF) revenues due to lower than budgeted caseloads. State aid projections have been lowered by \$4.0 million to reflect the uncertain timing associated with a Medicaid cost recovery program, and \$0.8 million for the state match to the aforementioned federal transportation aid. These reductions are offset by \$2.2 million in additional child welfare funds as a result of higher than budgeted expenditures for those programs. Sales and use tax collections are now projected at \$12.5 million below the budgeted level.

| GENERAL FUND REVENUE SUMMARY | | | | | |
|---|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Tax Levy on Real Property | 548,423 | 548,423 | - | 548,423 | - |
| Payments in Lieu of Taxes | 10,903 | 10,903 | 357 | 10,903 | - |
| Sales and Use Tax | 528,169 | 528,169 | 54,216 | 515,669 | (12,500) |
| Mortgage Recording Tax | 15,992 | 15,992 | 2,029 | 15,992 | - |
| Auto Use Tax (DMV Registrations) | 15,682 | 15,682 | 1,135 | 15,682 | - |
| Hotel Tax | 5,700 | 5,700 | 1,105 | 5,700 | - |
| State Aid | 248,174 | 248,174 | 976 | 245,333 | (2,841) |
| Federal Aid | 199,632 | 199,632 | 8 | 190,397 | (9,235) |
| Departmental Income | 147,275 | 147,275 | 23,289 | 146,723 | (551) |
| Other Revenues | 23,001 | 23,001 | 4,763 | 24,101 | 1,100 |
| Sub-Total | 1,742,951 | 1,742,951 | 87,880 | 1,718,923 | (24,028) |
| Use / (Deposit) of General Fund Balance | 6,110 | 14,288 | - | 6,110 | (8,178) |
| TOTAL | 1,749,061 | 1,757,239 | 87,880 | 1,725,033 | (32,206) |

After a significant period of sustained growth from the beginning of 2013 through the summer of 2014, sales and use tax growth has slowed dramatically. Growth over the last three quarters has averaged less than one-tenth of one percent (see chart, following page). The poor growth for the 2014 holiday season of just 1.5%, combined with the year-over-year decline in collections of 3.7% in the first quarter has caused a major setback for the revenue side of the financial plan. The downward revision of \$12.5 million will result in a reduction of net County share sales tax of \$9.8 million after accounting for the reduction in municipal (\$2.0 million) and school district (\$0.7 million) distribution.

2015 FIRST QUARTER PROJECTIONS



The other three economically-driven taxes (mortgage recording, auto use, and hotel) are trending near budgeted levels through the first quarter. DOB projects no changes from the original budget targets at this early stage in the year.

FEDERAL AND STATE AID

As mentioned above, the projected shortfall in federal aid of \$9.2 million is primarily due to \$6.0 million of federal transportation aid no longer being available for FY15 and a reduction of \$3.6 million in Temporary Assistance for Needy Families (TANF) revenues due to lower than budgeted caseloads.

| GENERAL FUND FEDERAL AID SUMMARY | | | | | |
|----------------------------------|-----------------|------------------|---------------|-------------------|------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| FEDERAL AID | | | | | |
| Emergency Services | 363 | 363 | - | 363 | - |
| Social Services | 179,450 | 179,450 | (30) | 176,242 | (3,208) |
| Community Mental Health | 995 | 995 | - | 968 | (27) |
| Correction | 1,076 | 1,076 | 9 | 1,076 | - |
| Public Safety Services | 450 | 450 | 29 | 450 | - |
| Transportation | 17,299 | 17,299 | - | 11,299 | (6,000) |
| TOTAL | 199,632 | 199,632 | 8 | 190,397 | (9,235) |

2015 FIRST QUARTER PROJECTIONS

Overall, state aid projections have been reduced by \$2.8 million from modified budget levels. Most of this reduction, \$2.7 million occurs in the Department of Social Services (DSS). In DSS, state aid projections have been lowered by \$4.0 million to reflect the uncertain timing associated with a Medicaid cost recovery program and \$0.6 million for lower than budgeted caseloads for the Safety Net program. These reductions are offset by \$2.2 million in additional child welfare funds as a result of higher than budgeted expenditures for those programs. In Transportation, the reduction reflects the state match to the aforementioned federal transportation aid while the upward revision for Public Safety represents additional state funding appropriated in the 2015-16 State Budget for the parkway patrol. Additionally, small adjustments were made in the Departments of Mental Health and Health to reflect slightly lower and higher expenditures respectively.

| GENERAL FUND STATE AID SUMMARY | | | | | |
|---------------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| STATE AID | | | | | |
| County Executive | 208 | 208 | - | 208 | - |
| Planning | 60 | 60 | 60 | 60 | - |
| Social Services | 102,671 | 102,671 | (49) | 99,961 | (2,710) |
| Community Mental Health | 1,525 | 1,525 | 76 | 1,479 | (46) |
| Health | 71,580 | 71,580 | 9 | 71,930 | 349 |
| Laboratories and Research | 1,427 | 1,427 | - | 1,427 | - |
| Correction | 68 | 68 | - | 68 | - |
| District Attorney | 80 | 80 | - | 80 | - |
| Public Safety Services | 2,772 | 2,772 | - | 3,088 | 316 |
| Probation | 8,034 | 8,034 | 491 | 8,034 | - |
| Parks, Recreation, and Conservation | 61 | 61 | - | 61 | - |
| Transportation | 54,065 | 54,065 | 235 | 53,315 | (750) |
| Public Works | 2,726 | 2,726 | - | 2,726 | - |
| DASNY Bond Reimbursement | 532 | 532 | 154 | 532 | - |
| Court Facilities | 2,365 | 2,365 | - | 2,365 | - |
| TOTAL | 248,174 | 248,174 | 976 | 245,333 | (2,841) |

DEPARTMENTAL REVENUES

Most county departments collect departmental income. This income is generally derived in one of two ways: (1) the department charges for services provided to other governmental entities not within the general fund, or (2) the department charges for services provided to the public in the form of rent or user fees.

Due to the fact that the Parks Department generates 20 – 25 percent of all departmental income, and almost all of that income is generated during the 2nd and 3rd quarters, the projection of departmental income is somewhat difficult at the 1st Quarter mark.

2015 FIRST QUARTER PROJECTIONS

Overall, a slight decrease of \$551,000 in departmental income is projected in the Q1 Update. The two major adjustments are within the Departments of Human Resources and Transportation. Human Resources' revenue has been reduced by \$200,000 due to the fact that a police officer exam will not take place in 2015 as originally anticipated. In Transportation, bus fares are trending slightly below budgeted levels.

| GENERAL FUND DEPARTMENTAL REVENUE | | | | | |
|--|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| County Executive | 1,215 | 1,215 | - | 1,215 | - |
| Human Resources | 750 | 750 | 346 | 550 | (200) |
| Budget | 595 | 595 | 76 | 595 | - |
| Board Of Elections | 1,407 | 1,407 | 2 | 1,407 | - |
| Finance | 2,181 | 2,181 | 121 | 2,181 | - |
| Information Technology | 7,845 | 7,845 | 2,440 | 7,845 | - |
| Board of Acquisition and Contract | 6 | 6 | 1 | 4 | (2) |
| Law | 3,602 | 3,602 | 393 | 3,602 | - |
| Planning | 853 | 853 | 7 | 903 | 50 |
| Emergency Services | 75 | 75 | 0 | 75 | 0 |
| County Clerk | 8,781 | 8,781 | 1,421 | 8,781 | - |
| Social Services | 3,900 | 3,900 | 809 | 3,900 | - |
| Consumer Protection | 3,345 | 3,345 | 634 | 3,345 | - |
| Community Mental Health | 35 | 35 | - | 35 | - |
| Health | 7,491 | 7,491 | 1,451 | 7,491 | - |
| Laboratories and Research | 2,618 | 2,618 | 527 | 2,618 | - |
| Correction | 6,800 | 6,800 | 928 | 6,732 | (69) |
| Tax Commission | 0 | 0 | - | 0 | - |
| District Attorney | - | - | 0 | - | - |
| Public Safety Services | 13,620 | 13,620 | 3,177 | 13,620 | - |
| Probation | 326 | 326 | 89 | 326 | - |
| Public Administrator | 470 | 470 | 5 | 470 | - |
| Solid Waste Commission | 1,573 | 1,573 | 175 | 1,573 | - |
| Parks, Recreation, and Conservation | 32,878 | 32,878 | 2,106 | 32,938 | 60 |
| Transportation | 37,754 | 37,754 | 7,824 | 37,363 | (391) |
| Public Works | 9,154 | 9,154 | 756 | 9,154 | - |
| TOTAL | 147,275 | 147,275 | 23,289 | 146,723 | (551) |

2015 FIRST QUARTER PROJECTIONS

GENERAL FUND EXPENDITURES

As of the end of the 1st quarter, general fund net expenditures are projected at \$16.2 million below modified appropriations. The largest reductions are associated with personal service savings due to vacant positions, the anticipation that some contractual and technical services expenditure will roll to FY16, lower Medicaid expenditures due to higher than budgeted Enhanced FMAP, and lower than budgeted caseloads within DSS for certain programs. With most DSS programs being at least partially reimbursed by the federal and/or state government, there is a significant revenue loss of \$5.5 million resulting from the lower expense projections for Social Services Relief.

| GENERAL FUND EXPENDITURE SUMMARY | | | | | |
|----------------------------------|------------------|------------------|----------------|------------------|-----------------|
| Thousands of Dollars | | | | | |
| | 2015 | 2015 | YTD | 2015 | Proj. less |
| | Adopted | Modified | Mar 31 | Projected | Modified |
| Annual Regular Salaries | 340,671 | 340,664 | 79,318 | 338,949 | (1,715) |
| Other Personal Service | 267,837 | 267,844 | 58,252 | 267,264 | (580) |
| Equipment | 1,702 | 1,940 | 164 | 1,906 | (35) |
| Materials and Supplies | 37,433 | 38,529 | 7,254 | 38,031 | (498) |
| Expenses | 699,169 | 705,938 | 124,376 | 700,284 | (5,654) |
| Social Services Relief | 429,223 | 429,296 | 99,546 | 421,575 | (7,721) |
| Inter-Departmental Expense | 88,857 | 88,859 | 38,643 | 88,860 | 1 |
| Gross Expenditures | 1,864,893 | 1,873,071 | 407,553 | 1,856,869 | (16,201) |
| Inter-Departmental Revenue | (115,832) | (115,832) | (39,119) | (115,832) | - |
| NET EXPENDITURES | 1,749,061 | 1,757,239 | 368,434 | 1,741,038 | (16,201) |

PERSONAL SERVICE

Approximating one-third of the general fund budget, personal service expenses are the largest County expense. Below is a table summarizing the contracts of the County's eight unionized bargaining units.

| LABOR CONTRACT SUMMARY | | | | | | |
|--|--------------------------------|----------------------------------|-------|-------|-------|------|
| | CURRENT CONTRACT EXPIRATION | NEGOTIATED BASE SALARY INCREASES | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| Civil Service Employees Assoc. | 12/31/2011 | TBD | TBD | TBD | TBD | TBD |
| New York State Nurses Assoc. | 12/31/2015 | 0% | 0% | 2.00% | 1.50% | TBD |
| International Brotherhood of Teamsters | 12/31/2015 | 0% | 0% | 0% | 2.75% | TBD |
| Police Benevolent Assoc. | 12/31/2014 | 2.50% | 2.50% | 2.50% | TBD | TBD |
| Superior Officers Police Benevolent Assoc. | 12/31/2014 | 2.50% | 2.50% | 2.50% | TBD | TBD |
| District Attorney Criminal Investigators | 12/31/2015 | 2.50% | 2.50% | 2.50% | 2.50% | TBD |
| Correction Officers Benevolent Assoc. | 12/31/2015 | 2.50% | 2.50% | 2.50% | 2.50% | TBD |
| Correction Superior Officer Assoc. | 12/31/2015 | 2.50% | 2.50% | 2.50% | 2.50% | TBD |

CSEA, the County's largest labor union, has been out of contract since January 2012, and all eight unions will be out of contract at the end of this year. The ever-increasing costs for labor continue to place significant pressure on the County's financial plan.

2015 FIRST QUARTER PROJECTIONS

In addition to the \$1.7 million in salary savings currently projected, the Q1 Update also estimates \$580,000 of savings for other personal service as well. The majority of this reduction is due to lower pension and payroll tax expenditures resulting from the \$1.7 million in projected vacancies. An increase in hourly wages at the County Center, which are offset by higher than projected revenues, and Police overtime trending below budget round out the major adjustments at this time. Employee and retiree healthcare expenses, one of the largest single items in the budget, are trending on budget through Q1.

| GENERAL FUND OTHER PERSONAL SERVICE SUMMARY | | | | | |
|--|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Hourly Wages | 8,301 | 8,309 | 967 | 8,457 | 148 |
| Fees and Officers Pay | 318 | 318 | 76 | 318 | - |
| Overtime & Holiday | 19,396 | 19,396 | 3,091 | 19,128 | (268) |
| 207-C | 2,482 | 2,482 | 266 | 2,447 | (36) |
| Differential and Detective Pay | 5,381 | 5,381 | 1,252 | 5,387 | 6 |
| Pension | 66,277 | 66,277 | 14,154 | 65,987 | (290) |
| Social Security and Medicare | 26,382 | 26,382 | 6,445 | 26,249 | (133) |
| Healthcare | 133,102 | 133,102 | 31,145 | 133,102 | - |
| MCTD Mobility Tax | 1,338 | 1,338 | 251 | 1,332 | (6) |
| Benefit Fund | 4,133 | 4,133 | 604 | 4,133 | - |
| Unemployment Insurance | 725 | 725 | 1 | 725 | (0) |
| TOTAL | 267,837 | 267,844 | 58,252 | 267,264 | (580) |

EXPENSES (Class 400)

Overall, DOB projects class 400 expenses at \$5.7 million below modified appropriations. Below is a summary of the departments with significant adjustments in the Q1 Update (see appendix A for detail on all departments).

| GENERAL FUND EXPENSE CLASS 400 SUMMARY | | | | | |
|---|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Information Technology | 21,049 | 22,333 | 4,662 | 21,050 | (1,283) |
| Community Mental Health | 4,150 | 4,150 | 97 | 4,600 | 450 |
| Health | 120,176 | 120,214 | 24,477 | 120,615 | 401 |
| Correction | 23,269 | 23,363 | 3,390 | 22,556 | (807) |
| Transportation | 149,657 | 149,745 | 34,863 | 150,309 | 564 |
| Public Works | 30,605 | 32,175 | 6,005 | 31,034 | (1,141) |
| Miscellaneous Budgets | 224,589 | 226,529 | 36,377 | 222,944 | (3,585) |
| Other | 125,674 | 127,429 | 14,505 | 127,176 | (253) |
| TOTAL | 699,169 | 705,938 | 124,376 | 700,284 | (5,654) |

2015 FIRST QUARTER PROJECTIONS

For Information Technology and Public Works, the projected savings of \$2.4 million results from the expectation that some technical and contractual expenditure budgeted in 2015 will roll and take place in 2016. Mental Health and Health are both projected slightly above their modified class 400 expense appropriation. In Mental Health criminal law proceedings are trending above budgeted levels while Children with Special Needs (CSN) caseloads are higher than anticipated in Health. The Department of Correction is projected to achieve savings from the inmate food and healthcare contracts in the amount of \$807,000 from the modified budget. Higher than anticipated general liability claims to date have resulted in an upward revision to the projection for bus operating assistance with the Department of Transportation. In the Miscellaneous Budgets, the municipal sales and use tax distribution is projected at \$2.7 million lower than modified appropriations as a result of the downward revision of sales and use tax collection, and \$0.9 million for the expectation that some contractual expenditures budgeted in 2015 will roll and take place in 2016.

SOCIAL SERVICES RELIEF

DOB projects an overall expense reduction of \$7.7 million from the modified budget within the social services relief appropriation. However, with most DSS programs being at least partially reimbursed by the federal and/or state government, there is a significant revenue loss of \$5.5 million resulting from the lower expense projections for Social Services Relief. The major variances from the modified budget projected at this time are substantial reductions in the medical and public assistance programs offset by increases in child welfare and low-income daycare expenditures.

| GENERAL FUND SOCIAL SERVICES RELIEF SUMMARY | | | | | |
|--|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Emerg Assist To Fam & Child - Non Homeless | 5,892 | 5,892 | 1,589 | 5,892 | - |
| Emerg Assist to Fam & Child - Foster Care | 20,247 | 20,247 | 4,228 | 20,081 | (166) |
| Emerg Assist to Adults | 825 | 825 | 221 | 825 | - |
| Old Age Assist - MA | 6,282 | 5,935 | 66 | 3,354 | (2,580) |
| Aid to Disabled - MA | - | 125 | - | 125 | - |
| Family Assistance - MA | - | 223 | 6 | 303 | 80 |
| MMIS-Medical Assist (Medicaid) | 211,779 | 211,779 | 51,391 | 207,813 | (3,966) |
| Family Assistance (TANF) | 48,016 | 48,022 | 10,609 | 43,839 | (4,183) |
| Safety Net | 56,654 | 56,654 | 14,278 | 54,900 | (1,754) |
| Child Welfare - Foster Care | 28,388 | 28,388 | 7,092 | 32,234 | 3,846 |
| Child Welfare - Independent Living | 1,701 | 1,701 | 182 | 1,701 | - |
| Child Welfare - Adoption Subsidies | 8,865 | 8,865 | 2,090 | 9,056 | 191 |
| Social Svcs Spec Items | 305 | 305 | 62 | 305 | - |
| Indirect Social Service | 38,869 | 38,935 | 7,524 | 39,747 | 812 |
| Day Care (Title XX) | 1,400 | 1,400 | 207 | 1,400 | - |
| TOTAL | 429,223 | 429,296 | 99,546 | 421,575 | (7,721) |

Under the medical assistance programs, reductions within the Old Age Medical Assistance program reflect the uncertain timing associated with a Medicaid cost recovery program. This expenditure reduction is coupled with a revenue loss of \$4.0 million. The County's Medicaid share has been lowered

2015 FIRST QUARTER PROJECTIONS

by \$4.0 million due to a larger than anticipated increase in Enhanced FMAP allocable to the County for FY15.

Caseloads for the two public assistance programs, TANF and Safety Net, are trending below budget through the first quarter. This has resulted in downward revisions of \$4.2 million for TANF and \$1.8 million for Safety Net. These two programs are heavily subsidized by the federal and state governments; the \$6.0 million expense reduction is coupled with a \$4.7 million revenue loss.

Child welfare and low income daycare expenditures are projected to be \$4.8 million higher than modified appropriations. Both the utilization of services and the cost per case have been trending at higher than budgeted levels through the first quarter. This expense increase will be offset by additional federal and state revenues of \$3.4 million.

SPECIAL DISTRICTS FUNDS FORECAST

On December 9, 2014, the County adopted a Special Districts Operating Budget in the amount of \$225.7 million for Fiscal Year 2015 (FY15). \$124.9 million was appropriated for sewer district operations, \$22.1 million for water district operations, and \$78.7 million for refuse district operations. This section will present the Department of Budget's (DOB) First Quarter Update to the FY15 Financial Plan.

Beginning with Fiscal Year 2007, the County consolidated sewer district operations into a single fund. This fund contains all of the operations and maintenance expenses of the districts while the district funds themselves retained district specific costs such as debt service, tax certioraris, and the district's share of the consolidated fund's expenditures.

2015 FIRST QUARTER PROJECTIONS

CONSOLIDATED SEWER OPERATIONS FUND

The 2015 Budget has been modified upward by \$1.4 million to allow for the expenditure of funds in FY15 for items that were contracted for in FY14. While no specific expense reductions have been identified at this time, DOB expects a similar amount to roll from FY15 to FY16 resulting in a negligible effect to the FY15 Financial Plan. DOB projects no other changes from the modified budget for the Consolidated Sewer Operations Fund at this time.

| CONSOLIDATED SEWER OPERATIONS FUND SUMMARY | | | | | |
|---|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| EXPENDITURES | | | | | |
| Annual Regular Salaries | 18,405 | 18,405 | 4,306 | 18,405 | - |
| Other Personal Service | 16,984 | 16,984 | 3,918 | 16,984 | - |
| Equipment | 723 | 1,056 | 33 | 1,056 | - |
| Materials and Supplies | 20,541 | 20,637 | 2,925 | 20,637 | - |
| Expenses | 20,735 | 21,700 | 3,754 | 21,700 | - |
| Inter-Departmental Expense | 3,549 | 3,549 | 1,545 | 3,549 | - |
| Gross Expenditures | 80,936 | 82,331 | 16,480 | 82,331 | - |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 80,936 | 82,331 | 16,480 | 82,331 | - |
| REVENUES | | | | | |
| Departmental Income | 3,463 | 3,463 | 312 | 3,463 | - |
| Interest on Investments | 29 | 29 | - | 29 | - |
| Miscellaneous Revenue | 407 | 407 | (7) | 407 | - |
| Interfund Revenue | 77,037 | 78,432 | 8,793 | 77,037 | (1,395) |
| TOTAL | 80,936 | 82,331 | 9,098 | 80,936 | (1,395) |
| BUDGET (GAP) / SURPLUS | - | - | (7,382) | (1,395) | (1,395) |

2015 FIRST QUARTER PROJECTIONS

SEWER DISTRICTS FUNDS

DOB projects no changes from the 2015 Sewer Districts Funds Budgets adopted on December 9, 2014 at this time.

| SEWER DISTRICT FUNDS SUMMARY | | | | | |
|-------------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| EXPENDITURES | | | | | |
| Expenses | 48,880 | 48,880 | 3,585 | 48,880 | - |
| Inter-Departmental Expense | 75,979 | 75,979 | 8,697 | 75,979 | - |
| Gross Expenditures | 124,860 | 124,860 | 12,282 | 124,860 | - |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 124,860 | 124,860 | 12,282 | 124,860 | - |
| REVENUES | | | | | |
| Real Property Taxes | 98,802 | 98,802 | - | 98,802 | - |
| Payments in Lieu of Taxes | 80 | 80 | - | 80 | - |
| Interest on Investments | 8,370 | 8,370 | 700 | 8,370 | - |
| Appropriated Fund Balance | 17,135 | 17,135 | - | 17,135 | - |
| Interfund Revenue | 473 | 473 | 473 | 473 | - |
| TOTAL | 124,860 | 124,860 | 1,173 | 124,860 | - |
| BUDGET (GAP) / SURPLUS | - | - | (11,110) | - | - |

WATER DISTRICTS FORECAST

Four water districts are under the jurisdiction of the County. Districts #1 and #3 are directly operated by the County while districts #2 and #4 are operated by Northern Westchester Joint Waterworks and United Water of Westchester, respectively. This section will present the Department of Budget's (DOB) First Quarter Update to the FY15 Financial Plan for Water Districts #1 and #3.

2015 FIRST QUARTER PROJECTIONS

WATER DISTRICT #1

Water District #1 (WD#1) encompasses the municipalities of Mount Vernon, Scarsdale, White Plains, and Yonkers. The 2015 WD#1 Budget has been modified upward by \$398,000 to allow for the expenditure of funds in FY15 for items that were contracted for in FY14. While no specific expense reductions for rolls have been identified at this time, DOB expects a similar amount to roll from FY15 to FY16 resulting in a negligible effect to the FY15 Financial Plan.

| WATER DISTRICT #1 SUMMARY | | | | | |
|----------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| EXPENDITURES | | | | | |
| Annual Regular Salaries | 217 | 217 | 49 | 217 | - |
| Other Personal Service | 235 | 235 | 39 | 235 | - |
| Equipment | 20 | 20 | - | 53 | 33 |
| Materials and Supplies | 16,857 | 16,859 | 1,212 | 16,859 | - |
| Expenses | 1,315 | 1,711 | 313 | 2,918 | 1,207 |
| Inter-Departmental Expense | 426 | 426 | 5 | 426 | - |
| Gross Expenditures | 19,070 | 19,468 | 1,618 | 20,708 | 1,240 |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 19,070 | 19,468 | 1,618 | 20,708 | 1,240 |
| REVENUES | | | | | |
| Real Property Taxes | 2,336 | 2,336 | - | 2,336 | - |
| Departmental Income | 16,040 | 16,040 | 17 | 16,040 | - |
| Interest on Investments | 9 | 9 | - | 9 | - |
| Appropriated Fund Balance | 550 | 948 | - | 1,790 | 842 |
| Miscellaneous Revenue | 135 | 135 | - | 135 | - |
| TOTAL | 19,070 | 19,468 | 17 | 20,310 | 842 |
| BUDGET (GAP) / SURPLUS | - | - | (1,601) | (398) | (398) |

The other changes from the modified budget at this time are due to the anticipated settlement between WD#1 and the United States Department of Justice and the Environmental Protection Agency. Included in the proposed settlement is a \$1.1 million civil penalty and requirements for the district to undertake supplemental environmental projects. These projects are estimated at \$131,000 for FY15. DOB anticipates these expenditures to be funded by the fund balance of the district. Unaudited 2014 results place the district's fund balance at an amount approximating \$6.8 million as of December 31, 2014.

2015 FIRST QUARTER PROJECTIONS

WATER DISTRICT #3

Water District #3 (WD#3) encompasses the County’s Valhalla Campus at Grasslands within the Town of Mount Pleasant. The 2015 WD#3 Budget has been modified upward by \$33,000 to allow for the expenditure of funds for items in FY15 that were contracted for in FY14. While no specific expense reductions for rolls have been identified at this time, DOB expects a similar amount to roll from FY15 to FY16 resulting in a negligible effect to the FY15 Financial Plan. DOB projects no other changes from the modified budget for Water District #3 at this time.

| WATER DISTRICT #3 SUMMARY | | | | | |
|----------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| EXPENDITURES | | | | | |
| Annual Regular Salaries | 180 | 180 | 43 | 180 | - |
| Other Personal Service | 226 | 226 | 40 | 226 | - |
| Equipment | 10 | 10 | - | 10 | - |
| Materials and Supplies | 734 | 736 | 44 | 736 | - |
| Expenses | 1,555 | 1,585 | 279 | 1,585 | - |
| Inter-Departmental Expense | 226 | 226 | 7 | 226 | - |
| Gross Expenditures | 2,930 | 2,963 | 413 | 2,963 | - |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 2,930 | 2,963 | 413 | 2,963 | - |
| REVENUES | | | | | |
| Departmental Income | 1,900 | 1,900 | - | 1,900 | - |
| Interest on Investments | 9 | 9 | - | 9 | - |
| Appropriated Fund Balance | 1,022 | 1,055 | - | 1,022 | (33) |
| TOTAL | 2,930 | 2,963 | - | 2,930 | (33) |
| BUDGET (GAP) / SURPLUS | - | - | (413) | (33) | (33) |

2015 FIRST QUARTER PROJECTIONS

REFUSE DISTRICT

Created in 1982, the County Refuse District encompasses 36 municipalities in the southern and western portions of the County representing 90 percent of the County population. The 2015 Refuse District Budget has been modified upward by \$115,000 to allow for the expenditure of funds in FY15 for items that were contracted for in FY14. While no specific expense reductions for rolls have been identified at this time, DOB expects a similar amount to roll from FY15 to FY16 resulting in a negligible effect to the FY15 Financial Plan.

| REFUSE DISTRICT SUMMARY | | | | | |
|--------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| EXPENDITURES | | | | | |
| Annual Regular Salaries | 1,719 | 1,719 | 406 | 1,719 | - |
| Other Personal Service | 1,422 | 1,422 | 313 | 1,422 | - |
| Equipment | 295 | 295 | - | 295 | - |
| Materials and Supplies | 1,107 | 1,119 | 151 | 1,119 | - |
| Expenses | 71,553 | 71,657 | 13,766 | 71,157 | (500) |
| Inter-Departmental Expense | 2,649 | 2,649 | 558 | 2,649 | - |
| Gross Expenditures | 78,745 | 78,860 | 15,195 | 78,360 | (500) |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 78,745 | 78,860 | 15,195 | 78,360 | (500) |
| REVENUES | | | | | |
| Real Property Taxes | 45,036 | 45,036 | - | 45,036 | - |
| Payments in Lieu of Taxes | 289 | 289 | - | 289 | - |
| Departmental Income | 20,867 | 20,867 | 2,277 | 20,687 | (180) |
| Interest on Investments | 416 | 416 | 8 | 416 | - |
| Appropriated Fund Balance | 12,028 | 12,143 | - | 12,028 | (115) |
| Miscellaneous Revenue | 90 | 90 | 18 | 90 | - |
| Interfund Revenue | 19 | 19 | 19 | 19 | - |
| TOTAL | 78,745 | 78,860 | 2,322 | 78,565 | (295) |
| BUDGET (GAP) / SURPLUS | - | - | (12,873) | 205 | 205 |

DOB projects \$500,000 less in expenditures due to a lower projection in the tonnage of municipal solid waste from the Department of Environmental Facilities. This expense reduction will be offset by approximately \$180,000 of revenues. The First Quarter Update projects a budgetary surplus for the Refuse District in the amount of \$205,000.

2015 FIRST QUARTER PROJECTIONS

AIRPORT FUND FORECAST

The 2015 Airport Budget has been modified upward by \$1.8 million to allow for the expenditure of funds in FY15 for items that were contracted for in FY14. While no specific expense reductions for rolls have been identified at this time, DOB expects a similar amount to roll from FY15 to FY16 resulting in a negligible effect to the FY15 Financial Plan. No other changes from the modified budget are projected at this time.

| AIRPORT OPERATIONS FUND SUMMARY | | | | | |
|--|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| EXPENDITURES | | | | | |
| Annual Regular Salaries | 8,615 | 8,615 | 1,631 | 8,615 | - |
| Other Personal Services | 4,018 | 4,018 | 759 | 4,018 | - |
| Equipment | 687 | 896 | 71 | 896 | - |
| Materials & Supplies | 2,699 | 2,717 | 552 | 2,717 | 0 |
| Expenses | 18,369 | 19,944 | 6,447 | 19,944 | (0) |
| Inter-Departmental Charge | 10,610 | 10,610 | 2,852 | 10,610 | - |
| Gross Expenditures | 44,998 | 46,799 | 12,312 | 46,799 | (0) |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 44,998 | 46,799 | 12,312 | 46,799 | (0) |
| REVENUES | | | | | |
| Departmental Income | 43,814 | 43,814 | 6,957 | 43,814 | - |
| Interest on Investments | 40 | 40 | - | 40 | - |
| Appropriated Fund Balance | 1,144 | 2,945 | - | 1,144 | (1,801) |
| TOTAL | 44,998 | 46,799 | 6,957 | 44,998 | (1,801) |
| BUDGET (GAP) / SURPLUS | - | - | (5,355) | (1,801) | (1,801) |

WORKERS COMPENSATION (6J) AND GENERAL LIABILITY (6N) FUNDS

The County is self-insured for both workers compensation and general liability. The balance sheet for each reserve fund as of March 31, 2015 is shown below.

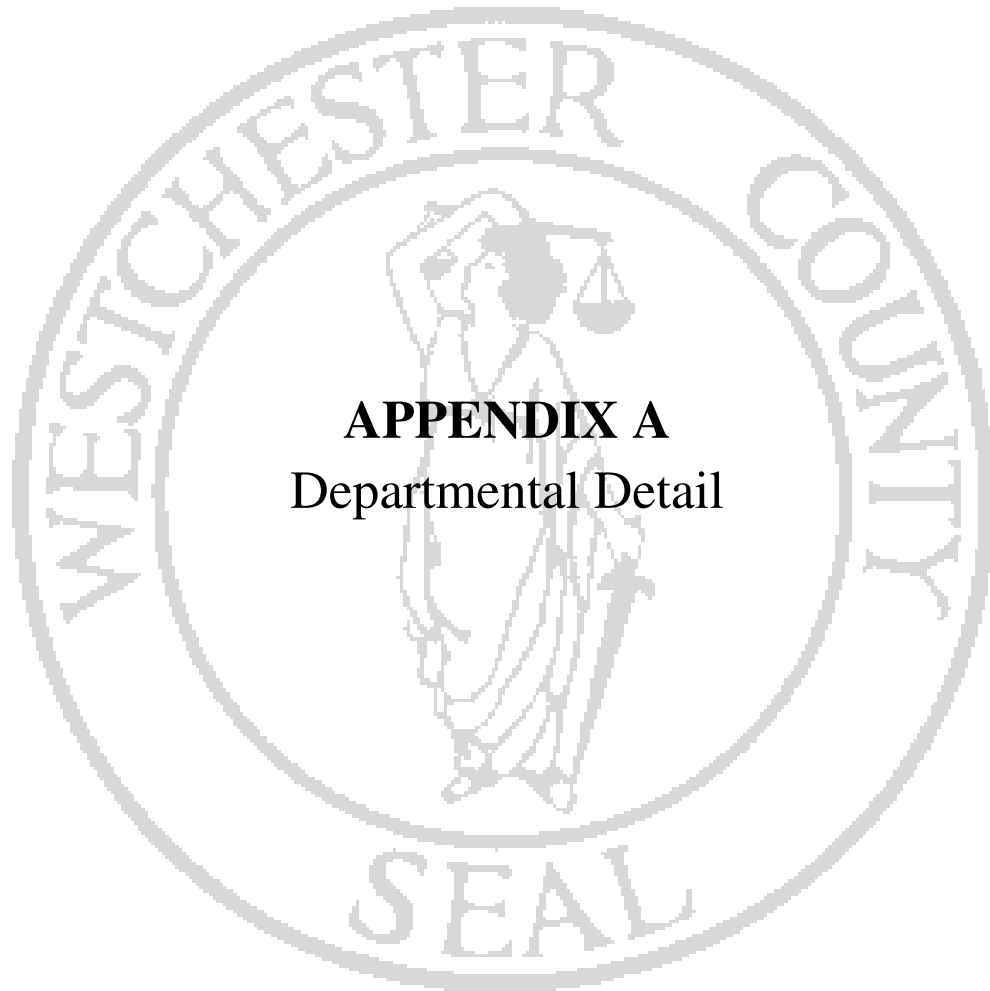
| WORKERS COMPENSATION (6J) & GENERAL LIABILITY (6N) FUNDS AS OF 3/31/2015 | | |
|---|-----------------|----------------|
| Thousands of Dollars | | |
| | 6J FUND | 6N FUND |
| TOTAL ASSETS | 2,812 | 66,184 |
| TOTAL LIABILITIES | 38,741 | 25,459 |
| NET POSITION MARCH 31 | (35,929) | 40,725 |

2015 FIRST QUARTER PROJECTIONS

The general liability reserve fund is in a positive net position of \$40.7 million, while the workers compensation fund is in a negative net position of \$35.9 million. These figures have been fairly consistent over the past several years. The healthy fund balance of the 6N fund has allowed the operating funds to forgo contributions to the fund since 2009, and it is anticipated that no contributions will be necessary in the near future. The nature of workers compensation claims, small payouts over long periods of time, does not necessitate a large fund balance within the 6J reserve fund. Cash, on the other hand, is needed to make the weekly distributions to recipients. Due to the amount of claims being paid exceeding the amount being contributed by the operating funds, the cash balance of the workers compensation reserve fund has been declining.

| WORKERS COMPENSATION (6J) CASH BALANCE | |
|---|-------|
| Thousands of Dollars | |
| December 31, 2012 | 7,886 |
| December 31, 2013 | 5,138 |
| December 31, 2014 | 3,513 |

If the claim level does not drop below the recent trend of \$9 - 10 million, the operating funds will be required to increase their contribution above the \$7.6 million that is currently budgeted for FY15 in future years.



APPENDIX A
Departmental Detail

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DEPARTMENTAL DETAIL

| BOARD OF LEGISLATORS | | | | | |
|-----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 3,683 | 3,683 | 853 | 3,683 | - |
| Other Personal Services | 271 | 271 | 55 | 271 | - |
| Materials & Supplies | 238 | 238 | 16 | 238 | - |
| Expenses | 326 | 356 | 63 | 356 | - |
| Inter-Departmental Charge | 4 | 4 | 1 | 4 | - |
| Gross Expenditures | 4,525 | 4,555 | 989 | 4,555 | - |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 4,525 | 4,555 | 989 | 4,555 | - |
| | | | | | |
| TAX LEVY | 4,525 | 4,555 | 989 | 4,555 | - |

FIRST QUARTER HIGHLIGHTS

No changes from the modified budget are projected for the Board of Legislators at this time.

DEPARTMENTAL DETAIL

| COUNTY EXECUTIVE | | | | | |
|----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 5,171 | 5,171 | 1,107 | 5,171 | - |
| Other Personal Services | 39 | 39 | 10 | 39 | - |
| Materials & Supplies | 105 | 140 | 46 | 140 | - |
| Expenses | 3,616 | 4,024 | 258 | 4,024 | - |
| Inter-Departmental Charge | 559 | 559 | 423 | 559 | - |
| Gross Expenditures | 9,490 | 9,934 | 1,844 | 9,934 | - |
| Inter-Departmental Revenue | (1,193) | (1,193) | (49) | (1,193) | - |
| NET EXPENDITURES | 8,297 | 8,741 | 1,795 | 8,741 | - |
| Departmental Income | (1,215) | (1,215) | - | (1,215) | - |
| State Aid | (208) | (208) | - | (208) | - |
| REVENUES | (1,423) | (1,423) | - | (1,423) | - |
| TAX LEVY | 6,874 | 7,318 | 1,795 | 7,318 | - |

FIRST QUARTER HIGHLIGHTS

No changes from the modified budget are projected for the County Executive at this time.

DEPARTMENTAL DETAIL

| DEPARTMENT OF HUMAN RESOURCES | | | | | |
|-------------------------------|-----------------|------------------|---------------|-------------------|------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 3,401 | 3,401 | 790 | 3,284 | (117) |
| Other Personal Services | 53 | 53 | 16 | 79 | 26 |
| Equipment | 22 | 22 | 17 | 22 | - |
| Materials & Supplies | 39 | 40 | 1 | 40 | - |
| Expenses | 1,003 | 1,049 | 130 | 1,011 | (38) |
| Inter-Departmental Charge | 706 | 706 | 607 | 706 | - |
| Gross Expenditures | 5,225 | 5,272 | 1,562 | 5,144 | (129) |
| Inter-Departmental Revenue | (392) | (392) | (0) | (392) | - |
| NET EXPENDITURES | 4,834 | 4,881 | 1,562 | 4,752 | (129) |
| Departmental Income | (750) | (750) | (346) | (550) | 200 |
| REVENUES | (750) | (750) | (346) | (550) | 200 |
| TAX LEVY | 4,084 | 4,131 | 1,216 | 4,202 | 71 |

FIRST QUARTER HIGHLIGHTS

DOB projects \$91,000 of personal service savings from the modified budget for the Department of Human Resources (HR) as a result of vacancies offset by additional hourly and overtime costs.

HR is projected to have a small amount of contractual expenditure savings, but will not collect \$200,000 of revenues as a police officer exam is not expected to occur in 2015.

DEPARTMENTAL DETAIL

| DEPARTMENT OF BUDGET | | | | | |
|-----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 1,360 | 1,360 | 303 | 1,342 | (18) |
| Other Personal Services | 7 | 7 | - | 7 | - |
| Materials & Supplies | 3 | 3 | 0 | 3 | - |
| Expenses | 12 | 12 | 3 | 12 | - |
| Inter-Departmental Charge | 263 | 263 | 240 | 263 | - |
| Gross Expenditures | 1,645 | 1,645 | 546 | 1,627 | (18) |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 1,645 | 1,645 | 546 | 1,627 | (18) |
| Departmental Income | (595) | (595) | (76) | (595) | - |
| REVENUES | (595) | (595) | (76) | (595) | - |
| TAX LEVY | 1,050 | 1,050 | 470 | 1,032 | (18) |

FIRST QUARTER HIGHLIGHTS

DOB is projecting \$18,000 of personal service savings from the modified budget as a result of a vacancy within the department.

DEPARTMENTAL DETAIL

| BOARD OF ELECTIONS | | | | | |
|----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 6,307 | 6,307 | 1,401 | 5,921 | (386) |
| Other Personal Services | 1,050 | 1,050 | 81 | 1,050 | - |
| Equipment | 80 | 80 | - | 80 | - |
| Materials & Supplies | 1,684 | 2,099 | 512 | 1,684 | (416) |
| Expenses | 3,847 | 3,999 | 161 | 3,847 | (152) |
| Inter-Departmental Charge | 1,969 | 1,969 | 1,116 | 1,969 | - |
| Gross Expenditures | 14,935 | 15,503 | 3,270 | 14,550 | (953) |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 14,935 | 15,503 | 3,270 | 14,550 | (953) |
| Departmental Income | (1,407) | (1,407) | (2) | (1,407) | - |
| REVENUES | (1,407) | (1,407) | (2) | (1,407) | - |
| TAX LEVY | 13,528 | 14,096 | 3,268 | 13,143 | (953) |

FIRST QUARTER HIGHLIGHTS

DOB is projecting \$386,000 of personal service savings from the modified budget for the Board of Elections as a result of vacancies within the department.

Additional savings of \$568,000 within supplies and contractual expenses are expected due to these expenditures budgeted in FY15 actually occurring in FY 2016.

DEPARTMENTAL DETAIL

| DEPARTMENT OF FINANCE | | | | | |
|------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 4,150 | 4,150 | 967 | 4,150 | 0 |
| Other Personal Services | 8 | 8 | 1 | 8 | - |
| Materials & Supplies | 40 | 40 | 9 | 40 | - |
| Expenses | 119 | 145 | 13 | 119 | (26) |
| Inter-Departmental Charge | 971 | 971 | 535 | 971 | - |
| Gross Expenditures | 5,289 | 5,314 | 1,525 | 5,289 | (26) |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 5,289 | 5,314 | 1,525 | 5,289 | (26) |
| Departmental Income | (2,181) | (2,181) | (122) | (2,181) | - |
| Miscellaneous Revenue | - | - | 0 | - | - |
| Undistributed Revenues | - | - | (0) | - | - |
| REVENUES | (2,181) | (2,181) | (121) | (2,181) | - |
| TAX LEVY | 3,108 | 3,133 | 1,403 | 3,108 | (26) |

FIRST QUARTER HIGHLIGHTS

DOB is projecting a reduction within the Department of Finance of \$26,000 in contractual expenses budgeted in FY15 occurring in FY 2016.

DEPARTMENTAL DETAIL

| DEPARTMENT OF INFORMATION TECHNOLOGY | | | | | |
|---|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 14,428 | 14,428 | 3,398 | 14,178 | (250) |
| Other Personal Services | 3,571 | 3,571 | 593 | 3,571 | - |
| Equipment | 322 | 358 | - | 324 | (35) |
| Materials & Supplies | 326 | 340 | 20 | 327 | (13) |
| Expenses | 21,049 | 22,333 | 4,662 | 21,050 | (1,283) |
| Inter-Departmental Charge | 1,493 | 1,493 | 664 | 1,493 | - |
| Gross Expenditures | 41,187 | 42,523 | 9,336 | 40,942 | (1,581) |
| Inter-Departmental Revenue | (34,388) | (34,388) | (30,430) | (34,388) | - |
| NET EXPENDITURES | 6,799 | 8,134 | (21,093) | 6,554 | (1,581) |
| Departmental Income | (7,845) | (7,845) | (2,440) | (7,845) | - |
| Appropriated Fund Balance | (6,110) | (6,110) | - | (6,110) | - |
| REVENUES | (13,955) | (13,955) | (2,440) | (13,955) | - |
| TAX LEVY | (7,156) | (5,820) | (23,534) | (7,401) | (1,581) |

FIRST QUARTER HIGHLIGHTS

DOB is projecting an overall expenditure reduction of \$1.581 million from the modified budget within the Department of Information Technology (DoIT). This reduction is a result of \$250,000 of vacancy savings as well as the expectation that \$1.331 million of expenditures budgeted in FY15 will occur in FY 2016.

DEPARTMENTAL DETAIL

| BOARD OF ACQUISITION & CONTRACT | | | | | |
|---------------------------------|-----------------|------------------|---------------|-------------------|------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 225 | 225 | 53 | 225 | - |
| Materials & Supplies | 1 | 1 | 0 | 1 | - |
| Expenses | 2 | 2 | 0 | 2 | - |
| Inter-Departmental Charge | 50 | 50 | 41 | 50 | - |
| Gross Expenditures | 278 | 278 | 95 | 278 | - |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 278 | 278 | 95 | 278 | - |
| Departmental Income | (6) | (6) | (1) | (4) | 2 |
| REVENUES | (6) | (6) | (1) | (4) | 2 |
| TAX LEVY | 272 | 272 | 94 | 274 | 2 |

FIRST QUARTER HIGHLIGHTS

DOB is projecting \$2,000 in lower revenues for the Board of Acquisition and Contract due to bid plans being available on the Empire State Purchasing Group website at no cost.

DEPARTMENTAL DETAIL

| DEPARTMENT OF LAW | | | | | |
|----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 9,278 | 9,278 | 2,191 | 9,278 | (0) |
| Other Personal Services | 1 | 1 | - | 1 | - |
| Equipment | 15 | 15 | 7 | 15 | - |
| Materials & Supplies | 69 | 71 | 11 | 71 | - |
| Expenses | 772 | 992 | 115 | 992 | (0) |
| Inter-Departmental Charge | 795 | 795 | 691 | 795 | - |
| Gross Expenditures | 10,930 | 11,151 | 3,016 | 11,151 | (0) |
| Inter-Departmental Revenue | (10,341) | (10,341) | (787) | (10,341) | - |
| NET EXPENDITURES | 589 | 810 | 2,229 | 810 | (0) |
| Departmental Income | (3,602) | (3,602) | (393) | (3,602) | - |
| REVENUES | (3,602) | (3,602) | (393) | (3,602) | - |
| TAX LEVY | (3,013) | (2,792) | 1,836 | (2,792) | (0) |

FIRST QUARTER HIGHLIGHTS

DOB projects no changes from the modified budget for the Department of Law at this time.

DEPARTMENTAL DETAIL

| DEPARTMENT OF PLANNING | | | | | |
|----------------------------|-----------------|------------------|---------------|-------------------|------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 2,443 | 2,443 | 544 | 2,452 | 8 |
| Materials & Supplies | 11 | 11 | 0 | 11 | - |
| Expenses | 1,120 | 1,120 | 158 | 1,120 | - |
| Inter-Departmental Charge | 662 | 662 | 315 | 662 | - |
| Gross Expenditures | 4,236 | 4,236 | 1,017 | 4,244 | 8 |
| Inter-Departmental Revenue | (65) | (65) | - | (65) | - |
| NET EXPENDITURES | 4,171 | 4,171 | 1,017 | 4,179 | 8 |
| Departmental Income | (853) | (853) | (7) | (903) | (50) |
| State Aid | (60) | (60) | (60) | (60) | - |
| REVENUES | (913) | (913) | (67) | (963) | (50) |
| TAX LEVY | 3,258 | 3,258 | 951 | 3,216 | (42) |

FIRST QUARTER HIGHLIGHTS

DOB projects a small increase in personal services within the Department of Planning. This is a result of transferring two employees from a trust fund to the general fund. The additional expenditures are offset by vacancy savings as well as additional state aid that will be recognized within the general fund instead of the trust fund.

DEPARTMENTAL DETAIL

| DEPARTMENT OF EMERGENCY SERVICES | | | | | |
|----------------------------------|-----------------|------------------|---------------|-------------------|------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 1,734 | 1,734 | 421 | 1,734 | - |
| Other Personal Services | 330 | 330 | 46 | 330 | - |
| Equipment | 12 | 12 | 0 | 12 | - |
| Materials & Supplies | 242 | 242 | 31 | 272 | 30 |
| Expenses | 602 | 638 | 76 | 604 | (34) |
| Inter-Departmental Charge | 3,156 | 3,156 | 2,258 | 3,157 | 1 |
| Gross Expenditures | 6,076 | 6,112 | 2,832 | 6,108 | (4) |
| Inter-Departmental Revenue | (294) | (294) | - | (294) | - |
| NET EXPENDITURES | 5,782 | 5,818 | 2,832 | 5,814 | (4) |
| Departmental Income | (75) | (75) | (0) | (75) | (0) |
| Federal Aid | (363) | (363) | - | (363) | - |
| REVENUES | (438) | (438) | (0) | (439) | (0) |
| TAX LEVY | 5,344 | 5,379 | 2,832 | 5,375 | (4) |

FIRST QUARTER HIGHLIGHTS

Overall, DOB projects a small expenditure from the modified budget savings within the Department of Emergency Services. The additional expenditures for water services are completely offset by contractual expense savings.

DEPARTMENTAL DETAIL

| COUNTY CLERK | | | | | |
|----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 4,432 | 4,432 | 1,026 | 4,432 | - |
| Other Personal Services | 85 | 85 | 0 | 85 | - |
| Equipment | 6 | 6 | - | 6 | - |
| Materials & Supplies | 158 | 158 | 40 | 158 | - |
| Expenses | 517 | 517 | 39 | 517 | - |
| Inter-Departmental Charge | 1,890 | 1,890 | 1,523 | 1,890 | - |
| Gross Expenditures | 7,087 | 7,087 | 2,627 | 7,087 | - |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 7,087 | 7,087 | 2,627 | 7,087 | - |
| Departmental Income | (8,781) | (8,781) | (1,421) | (8,781) | - |
| REVENUES | (8,781) | (8,781) | (1,421) | (8,781) | - |
| TAX LEVY | (1,694) | (1,694) | 1,206 | (1,694) | - |

FIRST QUARTER HIGHLIGHTS

DOB projects no changes from the modified budget for the County Clerk at this time.

DEPARTMENTAL DETAIL

| DEPARTMENT OF SOCIAL SERVICES | | | | | |
|--------------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 71,653 | 71,653 | 16,460 | 71,092 | (561) |
| Other Personal Services | 1,778 | 1,778 | 320 | 1,778 | - |
| Equipment | 75 | 75 | - | 75 | - |
| Materials & Supplies | 837 | 852 | 116 | 852 | - |
| Expenses | 4,482 | 4,873 | 625 | 4,873 | (0) |
| Social Services Relief | 429,223 | 429,296 | 99,546 | 421,575 | (7,721) |
| Inter-Departmental Charge | 35,598 | 35,598 | 11,290 | 35,598 | - |
| Gross Expenditures | 543,646 | 544,126 | 128,357 | 535,844 | (8,282) |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 543,646 | 544,126 | 128,357 | 535,844 | (8,282) |
| Departmental Income | (3,900) | (3,900) | (673) | (3,900) | - |
| Miscellaneous Revenue | - | - | (136) | - | - |
| Undistributed Revenues | - | - | (1,407) | - | - |
| State Aid | (102,671) | (102,671) | 49 | (99,961) | 2,710 |
| Federal Aid | (179,450) | (179,450) | 30 | (176,242) | 3,208 |
| REVENUES | (286,021) | (286,021) | (2,137) | (280,103) | 5,918 |
| TAX LEVY | 257,625 | 258,105 | 126,220 | 255,741 | (2,364) |

FIRST QUARTER HIGHLIGHTS

DOB projects lower expenditures than the modified budget by \$8.282 million for the Department of Social Services (DSS). The majority of this projected reduction (\$7.7 million) is within Social Services Relief with the remainder coming from projected vacancy savings (\$561,000). With most DSS programs being at least partially reimbursed by the federal and/or state government, there is a significant revenue loss resulting from the lower expense projections. Federal and state aid revenues are now projected to be \$5.918 million below the modified budget for a tax levy savings of \$2.4 million.

DSS is projected to have expenditure savings within Medicaid as a result of additional Enhanced FMAP, and Family Assistance (TANF) and Safety Net as a result of lower caseloads. Foster and daycare programs are expected to exceed budgeted appropriations.

Federal and state aid are now projected below the modified budget due to the TANF and Safety Net caseload reductions mentioned above and the anticipation that certain Medicaid recovery revenues will not be realized in FY15. These reductions are offset by additional state aid for foster care programs as a result of the increased expense.

(see page 18 for additional details on social services relief)

DEPARTMENTAL DETAIL

| DEPARTMENT OF SENIOR PROGRAMS & SERVICES | | | | | |
|--|-----------------|------------------|---------------|-------------------|------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Expenses | 2,605 | 2,605 | 36 | 2,605 | - |
| Inter-Departmental Charge | 628 | 628 | 408 | 628 | - |
| Gross Expenditures | 3,233 | 3,233 | 445 | 3,233 | - |
| Inter-Departmental Revenue | (236) | (236) | - | (236) | - |
| NET EXPENDITURES | 2,997 | 2,997 | 445 | 2,997 | - |
| TAX LEVY | 2,997 | 2,997 | 445 | 2,997 | - |

FIRST QUARTER HIGHLIGHTS

DOB projects no changes from the modified budget for the Department of Senior Programs and Services at this time.

DEPARTMENTAL DETAIL

| DEPARTMENT OF CONSUMER PROTECTION | | | | | |
|-----------------------------------|-----------------|------------------|---------------|-------------------|------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 1,667 | 1,667 | 390 | 1,563 | (104) |
| Other Personal Services | 4 | 4 | 0 | 4 | - |
| Equipment | 40 | 42 | - | 42 | - |
| Materials & Supplies | 43 | 43 | 6 | 39 | (4) |
| Expenses | 27 | 27 | 3 | 27 | - |
| Inter-Departmental Charge | 224 | 224 | 182 | 224 | - |
| Gross Expenditures | 2,005 | 2,007 | 582 | 1,899 | (108) |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 2,005 | 2,007 | 582 | 1,899 | (108) |
| Departmental Income | (3,345) | (3,345) | (634) | (3,345) | - |
| REVENUES | (3,345) | (3,345) | (634) | (3,345) | - |
| TAX LEVY | (1,340) | (1,338) | (52) | (1,446) | (108) |

FIRST QUARTER HIGHLIGHTS

DOB projects savings of \$108,000 from the modified budget for the Department of Consumer Protection. This savings is almost entirely due to lower projected personal service expenditures as a result of vacancies.

DEPARTMENTAL DETAIL

| DEPARTMENT OF MENTAL HEALTH | | | | | |
|-----------------------------|-----------------|------------------|---------------|-------------------|------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 2,987 | 2,987 | 642 | 2,951 | (35) |
| Other Personal Services | 11 | 11 | - | 11 | - |
| Materials & Supplies | 39 | 40 | 2 | 35 | (5) |
| Expenses | 4,150 | 4,150 | 97 | 4,600 | 450 |
| Inter-Departmental Charge | 1,312 | 1,312 | 1,058 | 1,312 | - |
| Gross Expenditures | 8,499 | 8,500 | 1,800 | 8,909 | 410 |
| Inter-Departmental Revenue | (996) | (996) | (50) | (996) | - |
| NET EXPENDITURES | 7,503 | 7,504 | 1,749 | 7,914 | 410 |
| Departmental Income | (35) | (35) | - | (35) | - |
| State Aid | (1,525) | (1,525) | (76) | (1,479) | 46 |
| Federal Aid | (995) | (995) | - | (968) | 27 |
| REVENUES | (2,555) | (2,555) | (76) | (2,482) | 73 |
| TAX LEVY | 4,948 | 4,949 | 1,673 | 5,432 | 483 |

FIRST QUARTER HIGHLIGHTS

DOB projects additional expenditures of \$410,000 from the modified budget for the Department of Mental Health. This upward revision of projected expenditures is primarily due to Criminal Law Proceedings trending at levels \$450,000 higher than budget. The appropriation level included in the 2015 Budget for Criminal Law Proceedings anticipated the transition of certain aspects of the program to Westchester Medical Center during the second half of 2015. This transition will no longer happen in FY15. The department is exploring other options and expects to implement alternatives in outer years.

DEPARTMENTAL DETAIL

| DEPARTMENT OF HEALTH | | | | | |
|----------------------------|-----------------|------------------|----------------|-------------------|------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 16,074 | 16,074 | 3,722 | 15,942 | (132) |
| Other Personal Services | 387 | 387 | 83 | 367 | (20) |
| Equipment | 20 | 20 | - | 20 | - |
| Materials & Supplies | 493 | 496 | 147 | 436 | (60) |
| Expenses | 120,176 | 120,214 | 24,477 | 120,615 | 401 |
| Inter-Departmental Charge | 4,949 | 4,949 | 3,196 | 4,949 | - |
| Gross Expenditures | 142,098 | 142,141 | 31,625 | 142,330 | 189 |
| Inter-Departmental Revenue | (141) | (141) | - | (141) | - |
| NET EXPENDITURES | 141,958 | 142,000 | 31,625 | 142,190 | 189 |
| Departmental Income | (7,491) | (7,491) | (1,455) | (7,491) | - |
| Miscellaneous Revenue | - | - | 4 | - | - |
| Undistributed Revenues | - | - | (13) | - | - |
| State Aid | (71,580) | (71,580) | (9) | (71,930) | (349) |
| REVENUES | (79,071) | (79,071) | (1,474) | (79,420) | (349) |
| TAX LEVY | 62,887 | 62,929 | 30,152 | 62,769 | (160) |

FIRST QUARTER HIGHLIGHTS

Overall, DOB projects additional expenditures of \$189,000 from the modified budget for the Department of Health (DoH). DoH is consists of two units--Public Health and Children with Special Needs (CSN). Expenditures within the Public Health unit are projected \$204,000 below the modified budget while the CSN programs are projected \$393,000 above modified appropriations. The increase in projected revenues of \$349,000 is due to the net change in state aid for these two programs as CSN is reimbursed at a higher rate than Public Health.

DEPARTMENTAL DETAIL

| DEPARTMENT OF LABORATORIES & RESEARCH | | | | | |
|--|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 8,179 | 8,179 | 1,936 | 8,179 | - |
| Other Personal Services | 140 | 140 | 30 | 140 | - |
| Materials & Supplies | 1,122 | 1,290 | 242 | 1,290 | - |
| Expenses | 780 | 879 | 148 | 879 | - |
| Inter-Departmental Charge | 3,440 | 3,440 | 1,385 | 3,440 | - |
| Gross Expenditures | 13,661 | 13,927 | 3,740 | 13,927 | - |
| Inter-Departmental Revenue | (30) | (30) | (0) | (30) | - |
| NET EXPENDITURES | 13,631 | 13,897 | 3,739 | 13,897 | - |
| Departmental Income | (2,618) | (2,618) | (527) | (2,618) | - |
| State Aid | (1,427) | (1,427) | - | (1,427) | - |
| REVENUES | (4,045) | (4,045) | (527) | (4,045) | - |
| TAX LEVY | 9,586 | 9,852 | 3,212 | 9,852 | - |

FIRST QUARTER HIGHLIGHTS

DOB projects no changes from the modified budget for the Department of Laboratories and Research at this time.

DEPARTMENTAL DETAIL

| DEPARTMENT OF CORRECTION | | | | | |
|---------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 78,054 | 78,054 | 18,745 | 78,054 | 0 |
| Other Personal Services | 12,583 | 12,583 | 2,515 | 12,547 | (36) |
| Equipment | 267 | 330 | - | 330 | - |
| Materials & Supplies | 1,503 | 1,637 | 232 | 1,637 | 0 |
| Expenses | 23,269 | 23,363 | 3,390 | 22,556 | (807) |
| Inter-Departmental Charge | 11,701 | 11,701 | 3,237 | 11,701 | - |
| Gross Expenditures | 127,378 | 127,669 | 28,119 | 126,826 | (843) |
| Inter-Departmental Revenue | (137) | (137) | - | (137) | - |
| NET EXPENDITURES | 127,240 | 127,531 | 28,119 | 126,688 | (843) |
| Departmental Income | (6,800) | (6,800) | (928) | (6,732) | 69 |
| State Aid | (68) | (68) | - | (68) | - |
| Federal Aid | (1,076) | (1,076) | (9) | (1,076) | - |
| REVENUES | (7,943) | (7,943) | (937) | (7,875) | 69 |
| TAX LEVY | 119,297 | 119,588 | 27,181 | 118,814 | (774) |

FIRST QUARTER HIGHLIGHTS

DOB projects expenditure savings of \$843,000 versus the modified budget within the Department of Correction (DoC). \$807,000 of this projected savings results from the inmate healthcare and food services contracts costing less than the budgeted appropriation. The remainder of the expenditure savings is due to fewer correction officers than budgeted out on 207-c disability.

DoC is projected to fall short of its departmental income target by \$69,000 as fewer federal inmates than budgeted are incarcerated in the County facility.

DEPARTMENTAL DETAIL

| TAX COMMISSION | | | | | |
|----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 153 | 153 | 34 | 153 | - |
| Materials & Supplies | 1 | 1 | 0 | 1 | - |
| Expenses | 2 | 2 | 1 | 2 | - |
| Inter-Departmental Charge | 32 | 32 | 29 | 32 | - |
| Gross Expenditures | 187 | 187 | 64 | 187 | - |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 187 | 187 | 64 | 187 | - |
| Departmental Income | (0) | (0) | - | (0) | - |
| REVENUES | (0) | (0) | - | (0) | - |
| TAX LEVY | 187 | 187 | 64 | 187 | - |

FIRST QUARTER HIGHLIGHTS

DOB projects no changes from the modified budget for the Tax Commission at this time.

DEPARTMENTAL DETAIL

| DISTRICT ATTORNEY | | | | | |
|----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 21,269 | 21,269 | 4,831 | 21,197 | (71) |
| Other Personal Services | 362 | 362 | 40 | 367 | 5 |
| Equipment | 170 | 170 | 10 | 170 | - |
| Materials & Supplies | 324 | 333 | 57 | 333 | - |
| Expenses | 5,615 | 5,632 | 121 | 5,632 | - |
| Inter-Departmental Charge | 989 | 989 | 387 | 989 | - |
| Gross Expenditures | 28,729 | 28,755 | 5,446 | 28,688 | (67) |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 28,729 | 28,755 | 5,446 | 28,688 | (67) |
| State Aid | (80) | (80) | - | (80) | - |
| REVENUES | (80) | (80) | (0) | (80) | - |
| TAX LEVY | 28,649 | 28,675 | 5,446 | 28,609 | (67) |

FIRST QUARTER HIGHLIGHTS

DOB projects personal service expenditure savings of \$67,000 versus the modified budget within the District Attorney’s Office due to vacancies.

DEPARTMENTAL DETAIL

| DEPARTMENT OF PUBLIC SAFETY | | | | | |
|------------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 32,568 | 32,568 | 7,542 | 32,568 | 0 |
| Other Personal Services | 9,153 | 9,153 | 994 | 8,853 | (300) |
| Equipment | 227 | 312 | 39 | 312 | - |
| Materials & Supplies | 2,078 | 2,153 | 459 | 2,153 | - |
| Expenses | 2,979 | 3,126 | 464 | 3,126 | - |
| Inter-Departmental Charge | 4,272 | 4,273 | 2,578 | 4,273 | - |
| Gross Expenditures | 51,277 | 51,585 | 12,075 | 51,285 | (300) |
| Inter-Departmental Revenue | (10,787) | (10,787) | (2,057) | (10,787) | - |
| NET EXPENDITURES | 40,490 | 40,798 | 10,019 | 40,498 | (300) |
| Departmental Income | (13,620) | (13,620) | (3,177) | (13,620) | - |
| State Aid | (2,772) | (2,772) | - | (3,088) | (316) |
| Federal Aid | (450) | (450) | (29) | (450) | - |
| REVENUES | (16,842) | (16,842) | (3,206) | (17,158) | (316) |
| TAX LEVY | 23,648 | 23,956 | 6,813 | 23,340 | (616) |

FIRST QUARTER HIGHLIGHTS

DOB projects overtime expenditures to be \$300,000 below the modified budget within the Department of Public Safety and \$316,000 in additional state aid for the parkway patrol program.

DEPARTMENTAL DETAIL

| DEPARTMENT OF PROBATION | | | | | |
|----------------------------|-----------------|------------------|---------------|-------------------|------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 17,334 | 17,334 | 4,174 | 17,334 | - |
| Other Personal Services | 389 | 389 | 38 | 389 | - |
| Equipment | 26 | 33 | 2 | 33 | - |
| Materials & Supplies | 163 | 177 | (2) | 177 | (0) |
| Expenses | 6,236 | 6,271 | 227 | 6,271 | - |
| Inter-Departmental Charge | 3,362 | 3,362 | 2,291 | 3,362 | - |
| Gross Expenditures | 27,509 | 27,565 | 6,729 | 27,565 | (0) |
| Inter-Departmental Revenue | (1,453) | (1,453) | - | (1,453) | - |
| NET EXPENDITURES | 26,056 | 26,112 | 6,729 | 26,112 | (0) |
| Departmental Income | (326) | (326) | (89) | (326) | - |
| State Aid | (8,034) | (8,034) | (491) | (8,034) | - |
| REVENUES | (8,360) | (8,360) | (581) | (8,360) | - |
| TAX LEVY | 17,697 | 17,752 | 6,148 | 17,752 | (0) |

FIRST QUARTER HIGHLIGHTS

DOB projects no changes from the modified budget within the Department of Probation at this time.

DEPARTMENTAL DETAIL

| PUBLIC ADMINISTRATOR | | | | | |
|-----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 515 | 508 | 106 | 508 | - |
| Other Personal Services | - | 8 | - | 8 | - |
| Equipment | 3 | 3 | 3 | 3 | - |
| Materials & Supplies | 7 | 7 | 0 | 7 | - |
| Expenses | 58 | 83 | 15 | 83 | - |
| Inter-Departmental Charge | 88 | 88 | 68 | 88 | - |
| Gross Expenditures | 670 | 695 | 192 | 695 | - |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 670 | 695 | 192 | 695 | - |
| Departmental Income | (470) | (470) | (5) | (470) | - |
| REVENUES | (470) | (470) | (5) | (470) | - |
| TAX LEVY | 200 | 225 | 187 | 225 | - |

FIRST QUARTER HIGHLIGHTS

DOB projects no changes from the modified budget for the Public Administrator at this time.

DEPARTMENTAL DETAIL

| SOLID WASTE COMMISSION | | | | | |
|-------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 682 | 682 | 155 | 682 | - |
| Other Personal Services | 446 | 446 | 86 | 446 | - |
| Equipment | 27 | 27 | - | 27 | - |
| Materials & Supplies | 25 | 25 | 3 | 25 | - |
| Expenses | 139 | 139 | 18 | 139 | - |
| Inter-Departmental Charge | 254 | 254 | 122 | 254 | - |
| Gross Expenditures | 1,573 | 1,573 | 384 | 1,573 | - |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 1,573 | 1,573 | 384 | 1,573 | - |
| Departmental Income | (1,573) | (1,573) | (175) | (1,573) | - |
| REVENUES | (1,573) | (1,573) | (175) | (1,573) | - |
| TAX LEVY | - | 0 | 209 | 0 | - |

FIRST QUARTER HIGHLIGHTS

DOB projects no changes from the modified budget for the Solid Waste Commission at this time.

DEPARTMENTAL DETAIL

| DEPARTMENT OF PARKS | | | | | |
|----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 16,170 | 16,170 | 3,697 | 16,140 | (30) |
| Other Personal Services | 9,201 | 9,201 | 1,434 | 9,351 | 150 |
| Equipment | 328 | 373 | 76 | 373 | - |
| Materials & Supplies | 7,049 | 7,121 | 1,174 | 7,121 | (0) |
| Expenses | 10,858 | 10,963 | 1,567 | 10,959 | (3) |
| Inter-Departmental Charge | 5,249 | 5,249 | 1,948 | 5,249 | - |
| Gross Expenditures | 48,856 | 49,077 | 9,897 | 49,193 | 116 |
| Inter-Departmental Revenue | (152) | (152) | - | (152) | - |
| NET EXPENDITURES | 48,704 | 48,925 | 9,897 | 49,041 | 116 |
| Departmental Income | (32,878) | (32,878) | (2,106) | (32,938) | (60) |
| Undistributed Revenues | - | - | 45 | - | - |
| State Aid | (61) | (61) | - | (61) | - |
| REVENUES | (32,939) | (32,939) | (2,061) | (32,999) | (60) |
| TAX LEVY | 15,765 | 15,986 | 7,836 | 16,043 | 56 |

FIRST QUARTER HIGHLIGHTS

Overall, DOB projects expenditures \$116,000 above the modified budget within the Parks Department (Parks). This is primarily due to additional personal service expenditures at the County Center that are partially offset by the additional \$60,000 of departmental income projected at this time.

DEPARTMENTAL DETAIL

| DEPARTMENT OF TRANSPORTATION | | | | | |
|-------------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 1,238 | 1,238 | 286 | 1,238 | - |
| Other Personal Services | 27 | 27 | 14 | 31 | 4 |
| Materials & Supplies | 1,852 | 1,852 | 483 | 1,852 | - |
| Expenses | 149,657 | 149,745 | 34,863 | 150,309 | 564 |
| Inter-Departmental Charge | 1,937 | 1,937 | 805 | 1,937 | - |
| Gross Expenditures | 154,710 | 154,798 | 36,451 | 155,366 | 568 |
| Inter-Departmental Revenue | (415) | (415) | - | (415) | - |
| NET EXPENDITURES | 154,296 | 154,383 | 36,451 | 154,952 | 568 |
| Departmental Income | (37,754) | (37,754) | (7,824) | (37,363) | 391 |
| State Aid | (54,065) | (54,065) | (235) | (53,315) | 750 |
| Federal Aid | (17,299) | (17,299) | - | (11,299) | 6,000 |
| REVENUES | (109,118) | (109,118) | (8,059) | (101,977) | 7,141 |
| TAX LEVY | 45,178 | 45,265 | 28,392 | 52,975 | 7,709 |

FIRST QUARTER HIGHLIGHTS

Overall, DOB projects a tax levy impact \$7.7 million above the modified budget within the Department of Transportation (DoT). This is due to a downward revision of projection revenues in the amount of \$7.1 million and an expense projection \$568,000 above modified appropriations.

Federal and state aid are projected below the modified budget by \$6.0 million and \$0.75 million, respectively. This is due to the recognition of an additional \$6.0 million of federal transportation aid in FY14. Additionally, bus and Para-Transit fares are now projected \$391,000 under budgeted levels.

Bus operating expenditures are projected over the modified budget due to insurance claims trending higher than expected.

DEPARTMENTAL DETAIL

| DEPARTMENT OF PUBLIC WORKS | | | | | |
|-----------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Annual Regular Salaries | 15,517 | 15,517 | 3,542 | 15,498 | (19) |
| Other Personal Services | 1,011 | 1,011 | 252 | 1,017 | 6 |
| Equipment | 58 | 59 | 9 | 59 | - |
| Materials & Supplies | 18,983 | 19,120 | 3,648 | 19,090 | (30) |
| Expenses | 30,605 | 32,175 | 6,005 | 31,034 | (1,141) |
| Inter-Departmental Charge | 2,306 | 2,306 | 1,247 | 2,306 | - |
| Gross Expenditures | 68,481 | 70,188 | 14,704 | 69,004 | (1,185) |
| Inter-Departmental Revenue | (54,813) | (54,978) | (5,746) | (54,813) | - |
| NET EXPENDITURES | 13,668 | 15,211 | 8,957 | 14,191 | (1,185) |
| Departmental Income | (9,154) | (8,989) | (756) | (9,154) | - |
| State Aid | (2,726) | (2,726) | - | (2,726) | - |
| REVENUES | (11,880) | (11,715) | (756) | (11,880) | - |
| TAX LEVY | 1,788 | 3,496 | 8,201 | 2,311 | (1,185) |

FIRST QUARTER HIGHLIGHTS

Overall, DOB projects expenditures at \$1.185 million below the modified budget within the Department of Public Works. This reduction in projected expenditures is primarily due to the expectation that \$1.664 million of contractual expenditures budgeted in FY15 will occur in FY16 offset by slight increases in contractual expenses within the White Plains, Leased Space, and Valhalla units.

DEPARTMENTAL DETAIL

| DEBT SERVICE | | | | | |
|----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Expenses | 79,957 | 79,977 | 10,266 | 79,977 | - |
| Gross Expenditures | 79,957 | 79,977 | 10,266 | 79,977 | - |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 79,957 | 79,977 | 10,266 | 79,977 | - |
| Capital Revenue | - | - | (116) | - | - |
| Miscellaneous Revenue | (1,000) | (1,000) | - | (1,000) | - |
| Interfund Revenue | (200) | (200) | - | (200) | - |
| REVENUES | (1,200) | (1,200) | (116) | (1,200) | - |
| TAX LEVY | 78,757 | 78,777 | 10,150 | 78,777 | - |

FIRST QUARTER HIGHLIGHTS

DOB projects no changes from the modified budget for Debt Service at this time.

DEPARTMENTAL DETAIL

| MISCELLANEOUS BUDGETS | | | | | |
|------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|--------------------------------|
| Thousands of Dollars | | | | | |
| | 2015 Adopted | 2015 Modified | YTD Mar 31 | 2015 Projected | Proj. less Modified |
| Other Personal Services | 226,930 | 226,930 | 51,644 | 226,515 | (415) |
| Expenses | <u>224,589</u> | <u>226,529</u> | <u>36,377</u> | <u>222,944</u> | <u>(3,585)</u> |
| Gross Expenditures | 451,519 | 453,459 | 88,020 | 449,459 | (4,000) |
| Inter-Departmental Revenue | - | - | - | - | - |
| NET EXPENDITURES | 451,519 | 453,459 | 88,020 | 449,459 | (4,000) |
| Real Property Taxes | (548,423) | (548,423) | - | (548,423) | - |
| Payments in Lieu of Taxes | (10,198) | (10,198) | (240) | (10,198) | - |
| Non-Property Taxes | (565,549) | (565,549) | (58,486) | (553,049) | 12,500 |
| Departmental Income | (14,915) | (14,915) | (2,505) | (14,915) | - |
| Interest on Investments | (100) | (100) | (4) | (100) | - |
| Capital Revenue | (5,000) | (5,000) | - | (6,100) | (1,100) |
| Appropriated Fund Balance | - | (8,178) | - | - | 8,178 |
| Miscellaneous Revenue | (1,750) | (1,750) | (729) | (1,750) | - |
| Austin Ave | (705) | (705) | (117) | (705) | - |
| Interfund Revenue | (30) | (30) | (33) | (30) | - |
| State Aid | <u>(2,897)</u> | <u>(2,897)</u> | <u>(154)</u> | <u>(2,897)</u> | <u>-</u> |
| REVENUES | (1,149,566) | (1,157,744) | (62,269) | (1,138,166) | 19,578 |
| TAX LEVY | <u>(698,048)</u> | <u>(704,286)</u> | <u>25,752</u> | <u>(688,707)</u> | <u>15,579</u> |

FIRST QUARTER HIGHLIGHTS

DOB projects expenditure savings within the Miscellaneous Budgets of \$4.0 million in the Q1 Forecast. The majority of this reduction, \$2.7 million, is due to the reduction in municipal sales tax distribution as a result of lower than budgeted sales tax revenues. The balance of the expenditure reductions are due to fringe benefit savings associated with a lower wage projection and the anticipation that certain miscellaneous budget expenditures budgeted in 2015 will occur in 2016.

Offsetting the projected expenditure savings are lower revenue projections in the amount of \$19.6 million. The largest adjustment is the downward revision of sales and use tax collections by \$12.5 million. Capital revenues are now projected \$1.1 million over budget as the refunding of the 2014 bond anticipation note later this year will generate general fund revenues in that amount. The reduction of \$8.2 million in appropriated fund balance reflects the expectation for a similar amount to roll from FY15 to FY16 resulting in a minimal effect to the FY15 Financial Plan. The Q1 Forecast contains expenditure reductions in the general fund of \$4.5 million from the modified budget for this effect.

