

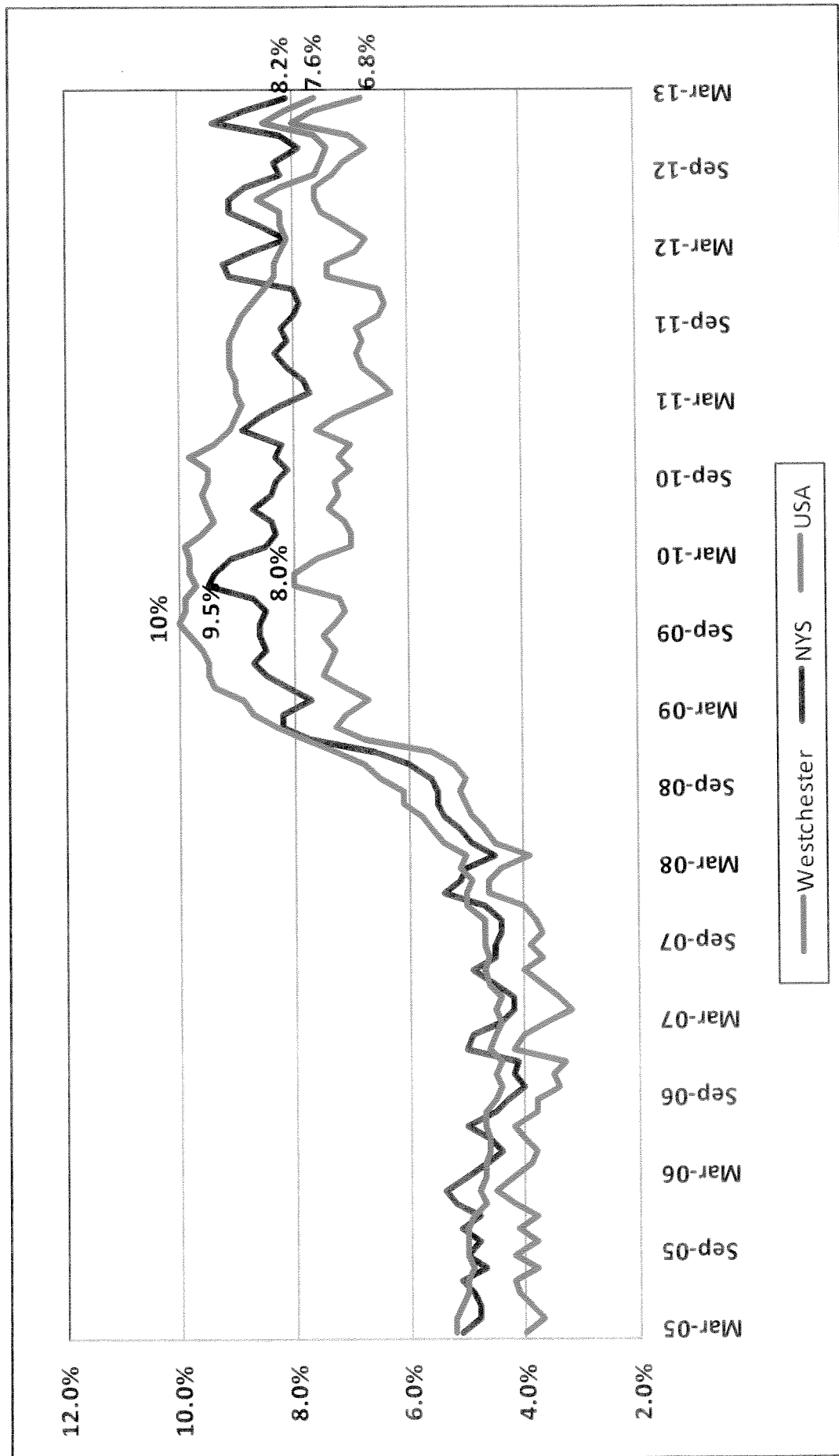
2013 Q1 Forecast

May 13, 2013

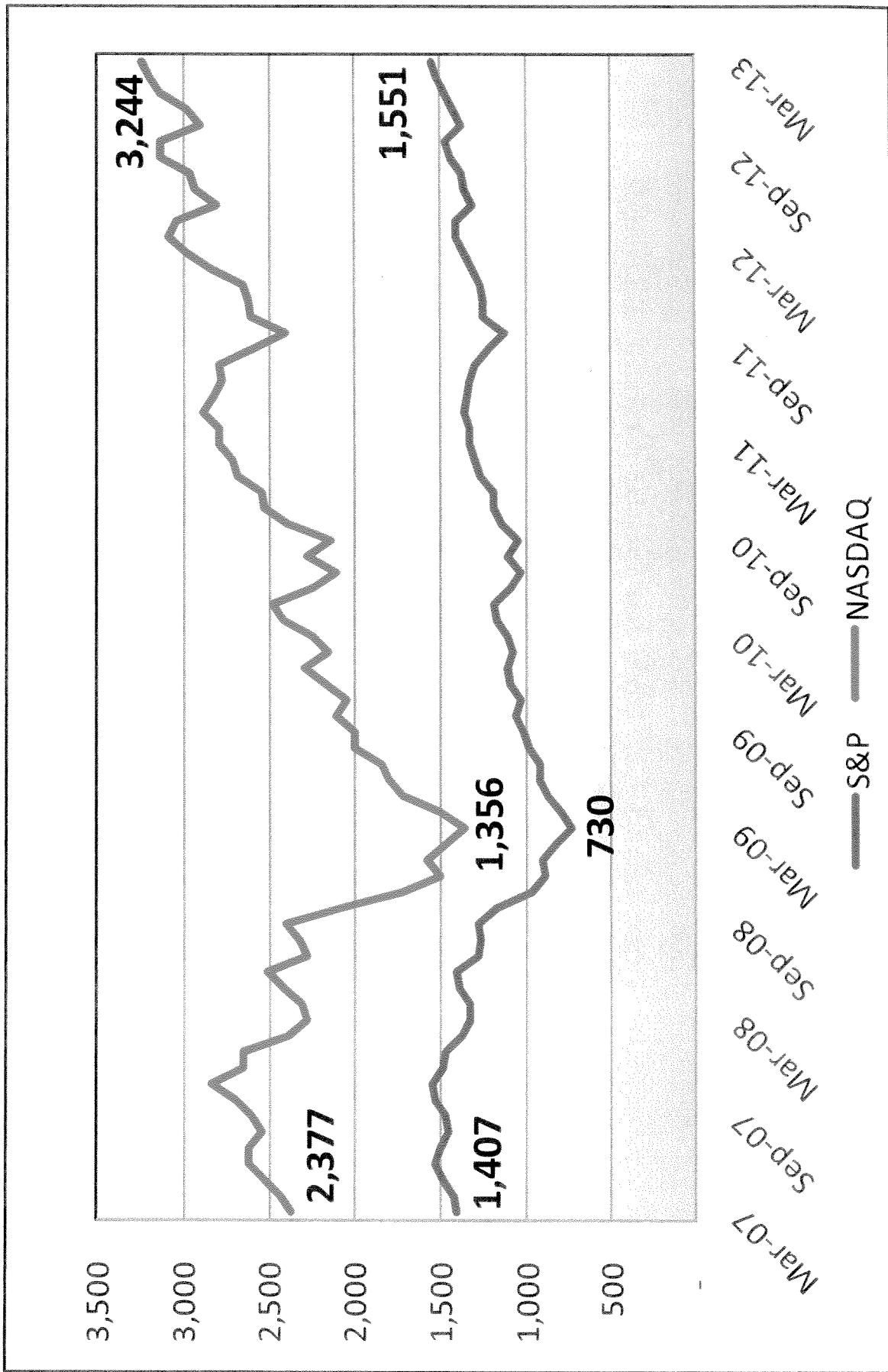
Lawrence Soule
Budget Director

Unemployment Rates

March 2005 to March 2013



NASDAQ and S&P 500 Indices



State and Federal Budget Impact on County

□ New York State Budget

- 9% revenue increase (\$4.275M) for State Transportation Operating Assistance (STOA)
- Increased revenue for Consolidated Highway Improvement Programs (CHIPs) of ~\$140K
- \$1.9M Medicaid expense savings due to a reduction in the County's weekly Medicaid share; state accelerated this savings which was expected to commence in January 2014 (related to Patient Protection and Affordable Care Act of 2010)
- Department of Health/Early Intervention change in payment to providers; County used to receive state funds and pay providers; state will now take over payments; there is no impact on tax levy as the revenues offset the expenses—discussed later in presentation

State and Federal Budget Impact

□ Federal Sequestration

No significant impact on the County to date, however, the full effect of sequestration is yet to be realized. There are potential reductions in funding to the following departments:

- Corrections funding for State Criminal Alien Assistance Program (SCAAP)
- Department of Health--assorted grants (including the Ryan White program) of approximately ~\$800K
- Community Mental Health federal salary sharing revenue
- DES Homeland Security grants
- DSS Social Services Block Grant (SSBG) grants (~\$750K), Child Welfare Title IV-B sub 1 and Safe and Stable Families Title IV-B sub 2 funding, and Workforce Investment Board (WIB)
- Senior Programs grant cuts of ~\$90K
- Office for Women domestic violence program cuts of ~5.2%
- Public Safety grant programs for Urban Area Security Initiative (UASI) and State Homeland Security Program

2013 Q1 Forecast Expense Variances from Budget

□ Annual Regular Salaries (100S)

- There is a favorable variance in the Q1 forecast from the adopted budget primarily due to vacancy savings among several departments
- Parks received incremental federal funding in the form of a National Emergency Grant

□ Other Personal Services (101S)

- There is an increase in overtime expenses in Corrections due to a smaller than expected class in 2012; a new class of approximately 70 correction officers commenced in April
- The overtime expenses are partially offset by the vacancy savings within *Annual Regular Salaries*
- There is a slight increase in pension and FICA expenses as a result of an overall increase in personal service expenses
- There is hourly expense savings related to the Ice Casino

2013 Q1 Forecast Expense Variances from Budget

□ Expenses (400S)

- Favorable variance to adopted budget primarily related to Department of Health Early Intervention savings which is offset by a similar revenue reduction from the state
- Public Safety reflects an increase due to rental vehicles used for undercover operations that is offset by a reimbursement from the IRS; no impact on operating budget
- There is also savings versus budget related to 207-C expense in Corrections

2013 Q1 Forecast

Expense Variances from Budget

□ Social Services Relief (501S)

- Forecast reflects savings of \$1.9M in Medicaid expenses related to the Patient Protection and Affordable Care Act of 2010 components that are slated to begin on January 1, 2014; this includes enhanced federal Medicaid matching rates; the 2013-4 NYS Budget accelerates this savings by 9 months by reducing the County's weekly Medicaid shares
- There is a favorable variance to budget of \$3.8M in Family Assistance due to lower than budgeted caseloads for non-homeless families; this program is 100% federally funded thus resulting in no net impact on the County's operating budget
- There is an increase of \$3.2M in Safety Net expenses due to higher than budgeted caseloads partially offset by increased state aid

2013 Q1 Forecast

Revenue Variances from Budget

□ Departmental Income (50S)

- Reduction of \$7.2M in revenues primarily due to Early Intervention administration takeover by state Department of Health
- Parks' revenues have been reduced by \$1.7M due to Ice Casino as well as lower than anticipated golf revenues
- U.S. Marshal revenues have been reduced by \$241K due to a lower number of federal inmates

□ Capital Revenue (56S)

- \$13M was budgeted for the bonding of tax certiorari payments; the delay in the approval of this bond legislation results in a revenue reduction of \$1M per month
- Almost \$2M in refunds have been paid as of 03-31-13

2013 Q1 Forecast

Revenue Variances from Budget

Appropriated Fund Balance (57S)

- \$7.2M pertains to the 2012 encumbrances that were rolled into 2013 and are reflected in the modified budget. Since 2010, approximately \$7M in encumbrances have been rolled from the closing budget year into the next. It is anticipated that a similar amount will be encumbered from the 2013 budget into the 2014 budget which will result in no impact upon fund balance

State Aid (97S)

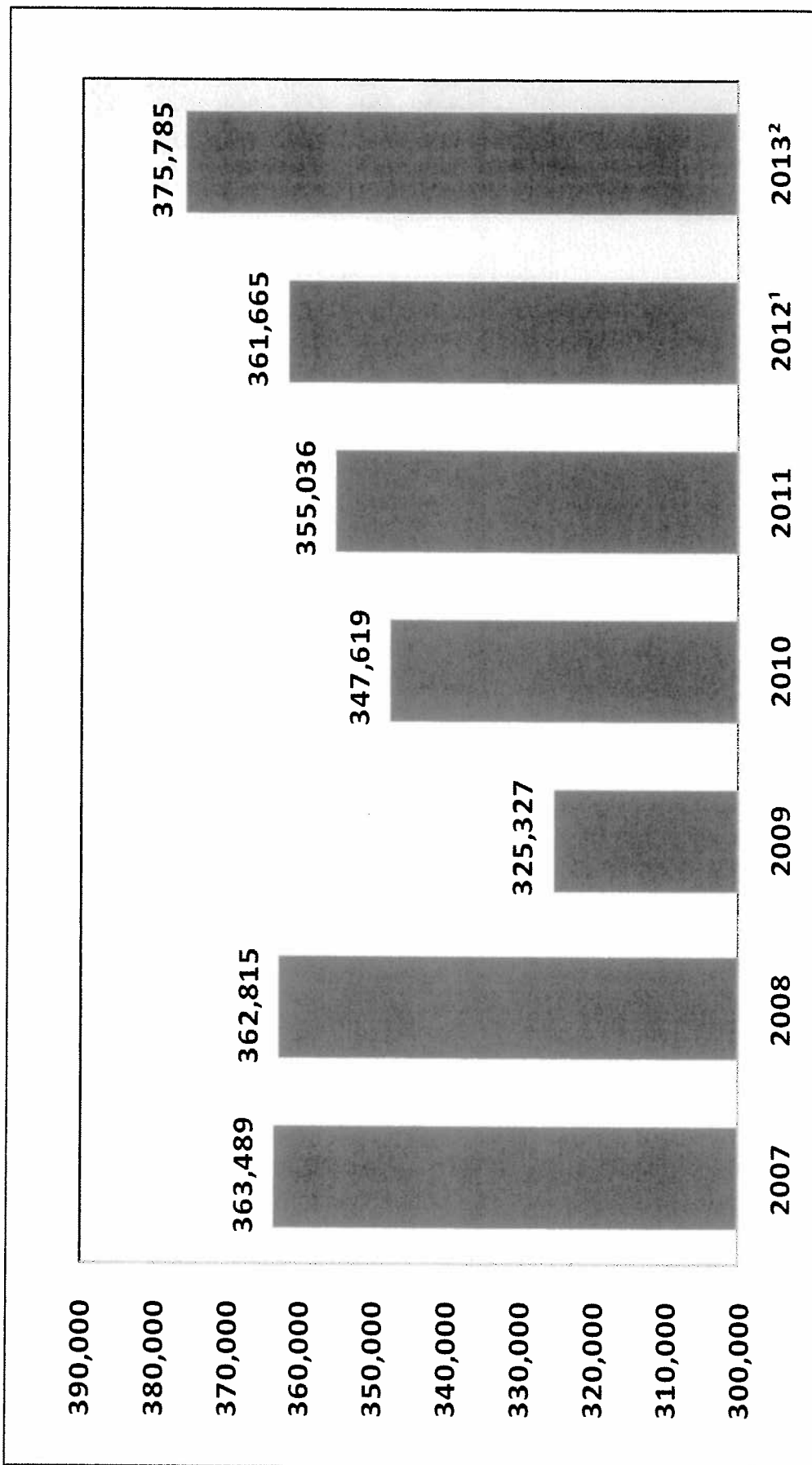
- \$2.2M reduction in Health Department revenues primarily due to Early Intervention administration takeover by state Department of Health
- Additional funding of almost \$800K for DSS Relief State Aid as it relates to an increase in Safety Net
- Increase of \$4.3M in State Transportation Operating Assistance (STOA) funding from state; offset in 5307 preventive maintenance funds (additional federal aid)
- Additional revenue of ~\$140K from state for Consolidated Highway Improvement Program (CHIPS)

Federal Aid (98S)

- \$2.3M reduction in TANF aid primarily due to Family Assistance
- \$4.3M reduction in the draw down of 5307 funding due to an increase in State Transportation Operating Assistance (STOA) funding

County Net Share Sales Tax January - December

(\$000s)



¹ Unaudited Actuals

² Budget

County Net Share Sales Tax Quarterly Comparison

(\$000s)

Year	Q1	Q2	Q3	Q4	FY
2007	71,246	92,116	90,151	109,976	363,489
2008	75,836	91,767	93,293	101,919	362,815
2009	65,583	79,640	82,128	97,976	325,327
2010	68,052	88,260	85,892	105,415	347,619
2011	68,634	88,853	87,318	110,231	355,036
2012*	73,518	89,175	88,734	110,238	361,665
2013*	77,009				

*Unaudited Actuals

6N and 6J BALANCE SHEETS

(\$000s)

	<u>As of</u> <u>03/31/12</u>	<u>As of</u> <u>03/31/13</u>
<u>6N Fund</u>		
Assets	80,592	76,833
Liabilities	<u>(47,630)</u>	<u>(40,399)</u>
Net Balance	32,962	36,434
<u>6J Fund</u>		
Assets	6,502	5,593
Liabilities	<u>(39,077)</u>	<u>(38,171)</u>
Net Balance	(32,575)	(32,578)

