



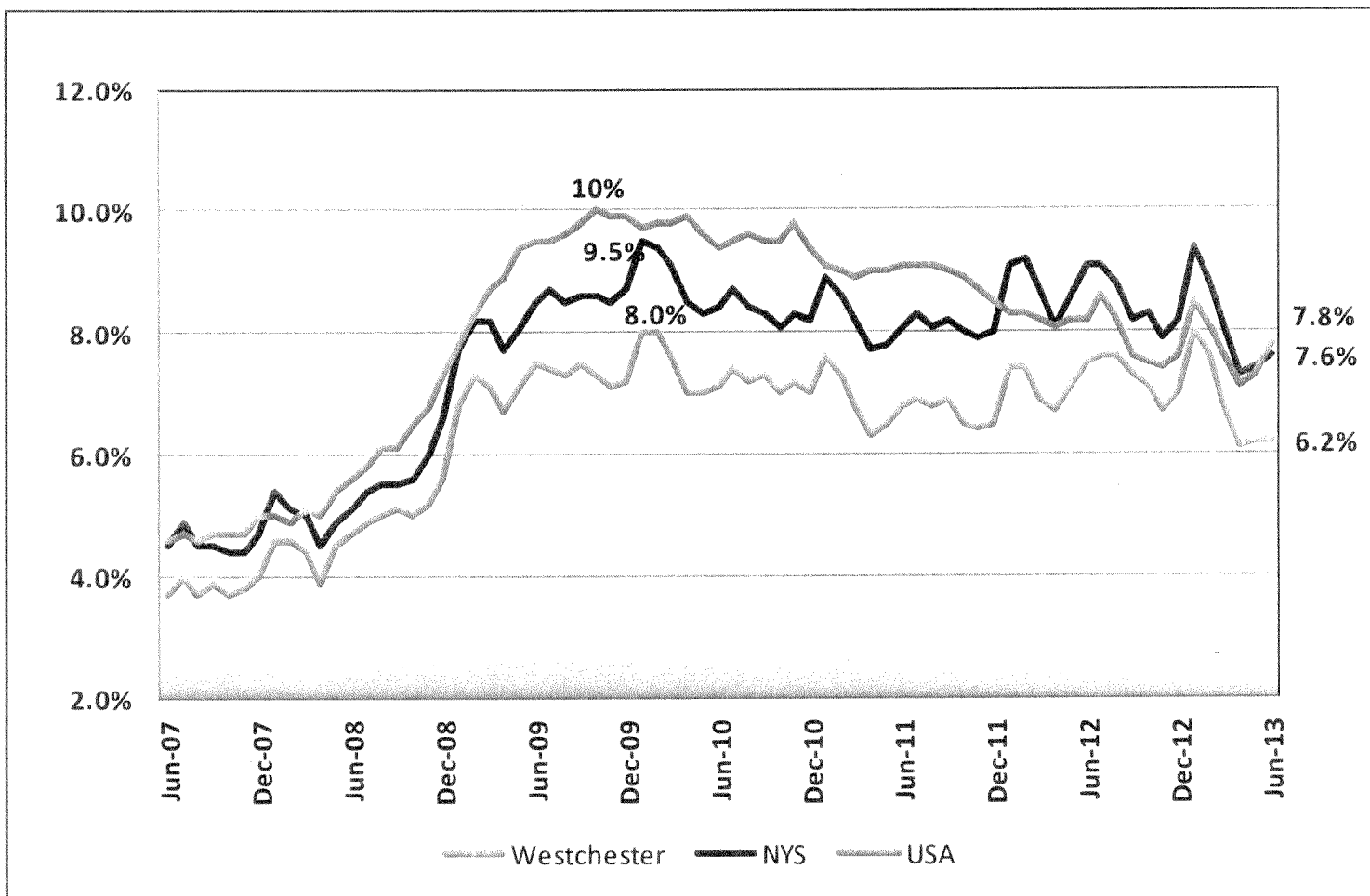
# 2013 Q2 Forecast

September 3, 2013

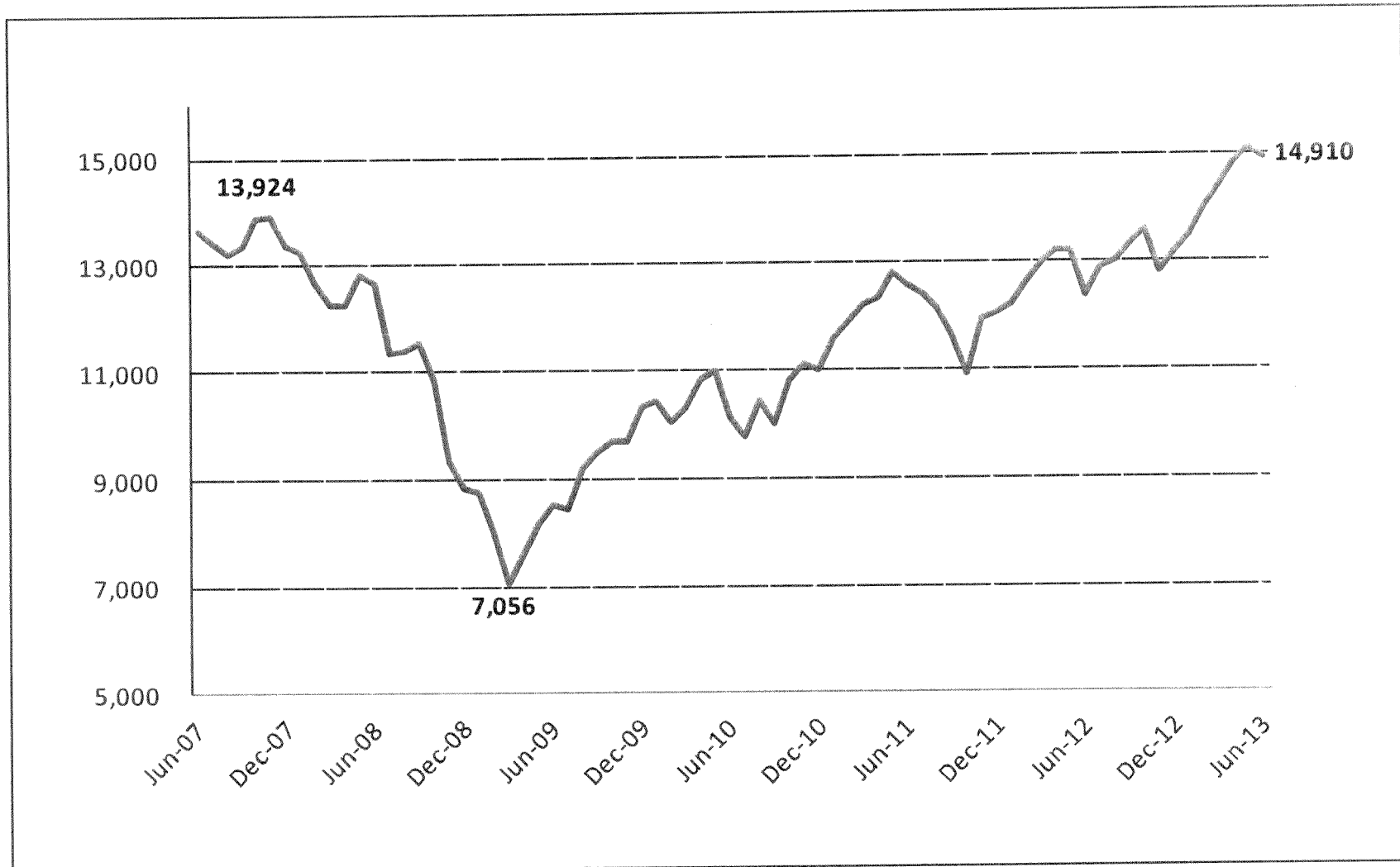
Lawrence C. Soule  
Budget Director

# Unemployment Rates

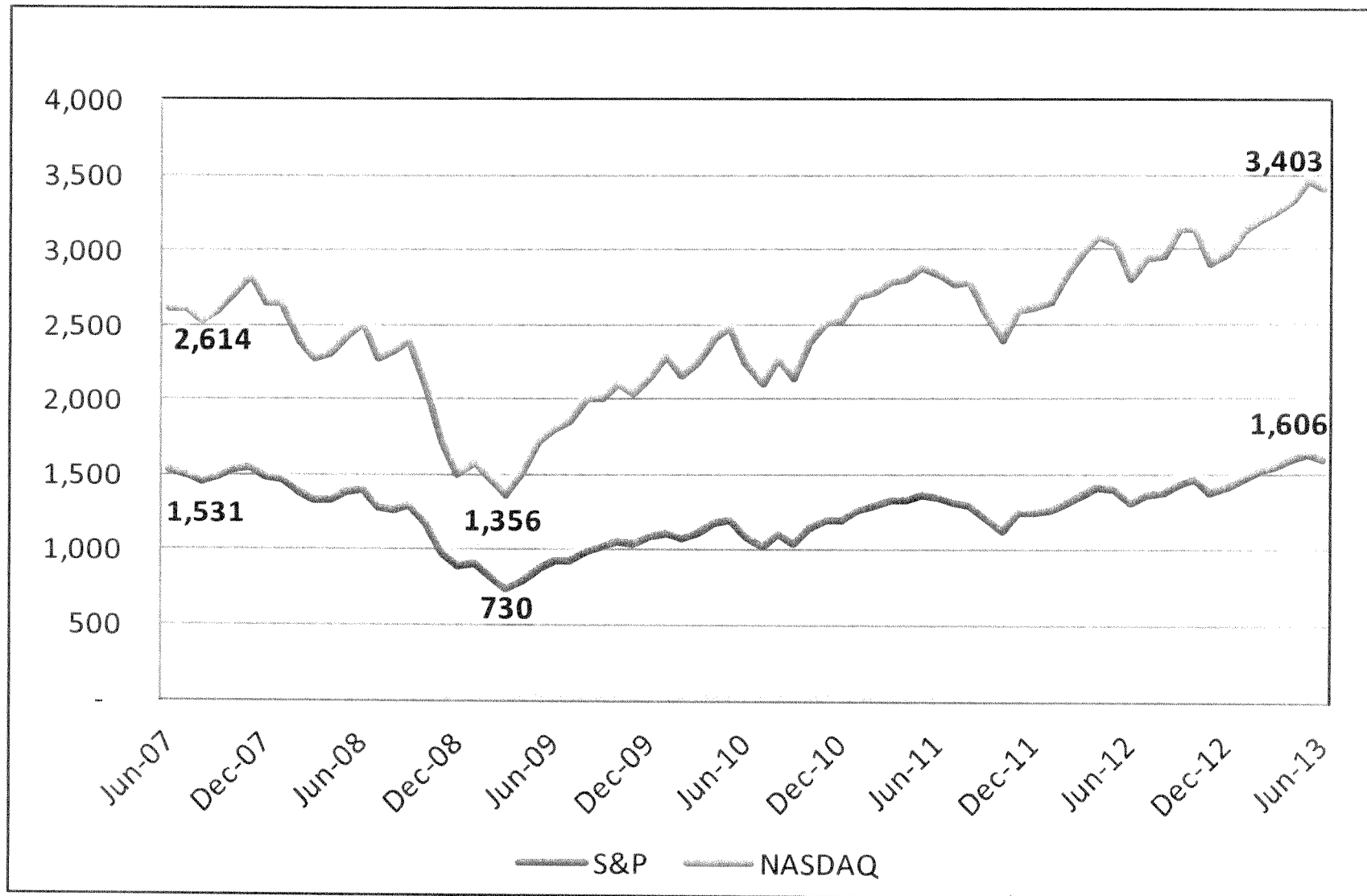
## June 2007 to June 2013



# Dow Jones Industrial Average



# NASDAQ and S&P 500 Indices



# 2013 Q2 Forecast

## Expense Variances from Budget

### □ Annual Regular Salaries (100S)

- There is a favorable variance in the Q2 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
- Additional vacancy savings is anticipated from the District Attorney though the savings is not reflected in the Q2 forecast

### □ Other Personal Services (101S)

- There is an increase in overtime expenses in Corrections and Public Safety. Corrections had a smaller than expected class in 2012. A new class of correction officers commenced in April and another class is scheduled in the fall.
- The overtime expenses are partially offset by the vacancy savings within *Annual Regular Salaries* and 207C expenses
- There is a slight reduction in pension and FICA expenses as a result of an overall decrease in personal service expenses versus budget
- There is hourly expense savings related to the Ice Casino

# 2013 Q2 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
- Other savings in Professional & Contractual expenses within IT, Law, DSS, CMH, Health , Corrections, DPS, Probation, Parks, and DPW
- There is savings versus budget related to 207-C expenses in Corrections
- Municipal Sales Tax distribution expenses has increased from the last forecast due to an increase in gross sales tax collections versus budget

# 2013 Q2 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 \$6.9M in Family Assistance due to lower than budgeted caseloads for non-homeless families; this program is 100% reimbursed thus resulting in no net impact on the County's operating budget
- There is an increase of \$1.7M in Safety Net expenses due to higher than budgeted caseloads partially offset by increased state aid
- There is an increase of almost \$1M in EAF and Child Welfare expenses

# 2013 Q2 Forecast

## Revenue Variances from Budget

### □ Non-Property Taxes (30S)

- \$1.3M increase in mortgage recording taxes versus budget
- \$5.4M increase in sales tax revenues; there is an increase of \$1.1M in municipal sales tax distribution expenses

### □ Departmental Income (50S)

- Reduction of ~\$300K in Human Resources exam fees
- Reduction of \$7.7M in revenues primarily due to Early Intervention administration takeover by state Department of Health
- U.S. Marshal revenues have been reduced by \$1.5M due to a lower number of federal inmates (average is 175 versus budget of 202)
- Parks' revenues have been reduced by \$2.6M due to Playland, the Ice Casino and lower than anticipated golf revenues
- DOT reduction of \$700K due to reduced MetroCard fares (the County's auditors recommended this revenue addition)

# 2013 Q2 Forecast

## Revenue Variances from Budget

### □ Capital Revenue (56S)

- \$13M budgeted for the bonding of tax certiorari payments has been removed from the Q2 forecast

### □ Appropriated Fund Balance (57S)

- \$7.2M variance 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 there will be rolls from the 2013 budget into the 2014 budget which should offset this.

# 2013 Q2 Forecast

## Revenue Variances from Budget

### □ State Aid (97S)

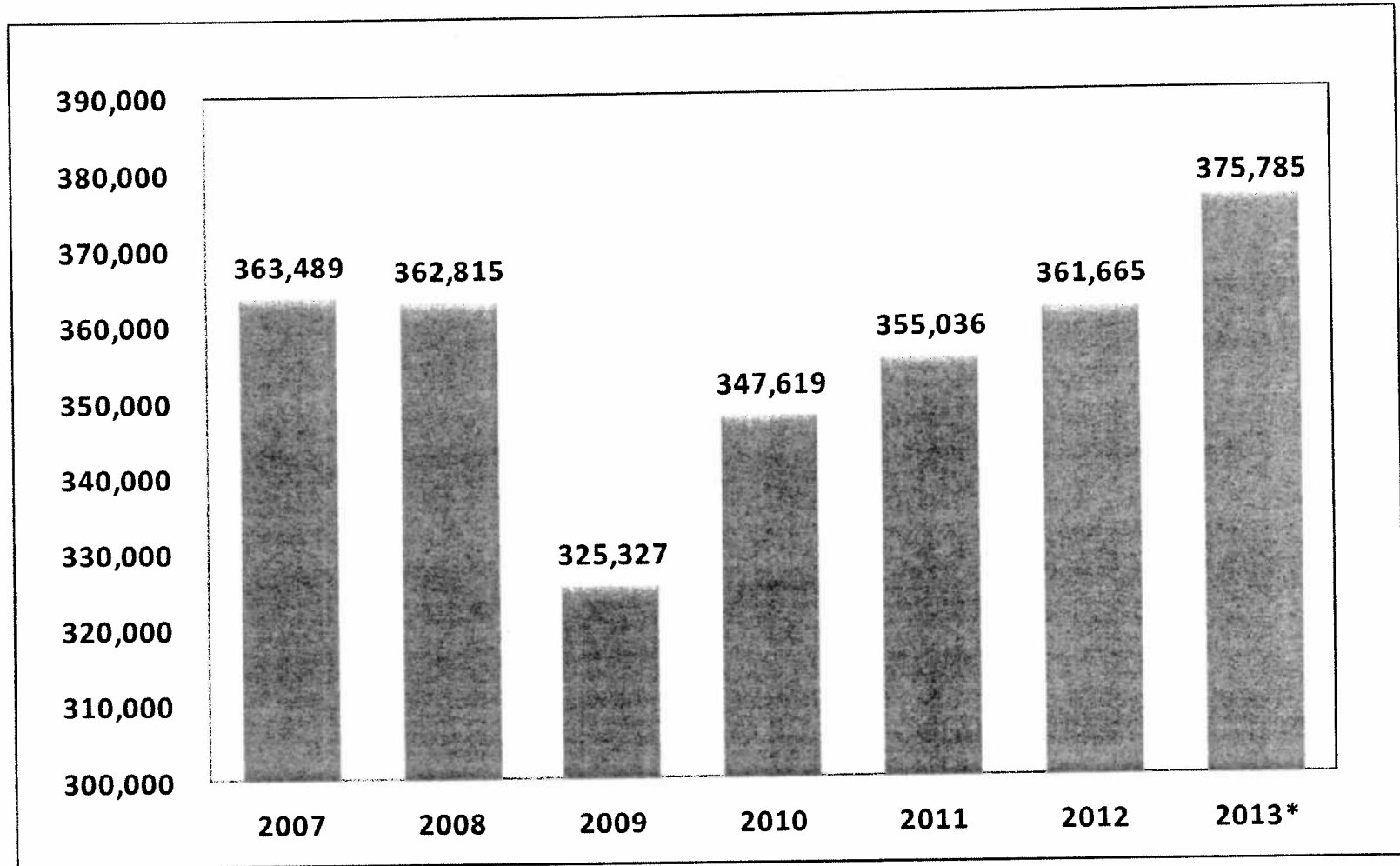
- \$1.6M reduction in Health Department revenues primarily due to Early Intervention administration takeover by state Department of Health
- Additional funding of almost \$2.8M for DSS Relief State Aid as it relates to an increase in Safety Net
- Increase of \$4.1M in State Transportation Operating Assistance (STOA) funding; offset in 5307 preventive maintenance funds (additional federal aid)
- Additional revenue of ~\$140K from state for Consolidated Highway Improvement Program (CHIPS)

### □ Federal Aid (98S)

- \$2M 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)



\*Budget

# County Net Share Sales Tax Quarterly Comparison

(\$000s)

<b>Year</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>FY</b>
2007	71,246	92,116	90,151	109,976	<b>363,489</b>
2008	75,836	91,767	93,293	101,919	<b>362,815</b>
2009	65,583	79,640	82,128	97,976	<b>325,327</b>
2010	68,052	88,260	85,892	105,415	<b>347,619</b>
2011	68,634	88,853	87,318	110,231	<b>355,036</b>
2012	73,518	89,175	88,734	110,238	<b>361,665</b>
2013*	77,009	94,819			

\*Unaudited Actuals

# 6N and 6J BALANCE SHEETS

(\$000s)

<u>6N Fund</u>	<u>As of</u> <u>06/30/13</u>	<u>As of</u> <u>06/30/12</u>
Assets	76,345	76,897
Liabilities	(36,970)	(44,017)
<b>Net Balance</b>	<b>39,375</b>	<b>32,880</b>
 <u>6J Fund</u>		
Assets	10,987	13,234
Liabilities	(37,652)	(39,310)
<b>Net Balance</b>	<b>(26,665)</b>	<b>(26,076)</b>