



**WESTCHESTER COUNTY**

**FIRST QUARTER UPDATE FOR  
FISCAL YEAR 2019**

**GEORGE LATIMER**  
COUNTY EXECUTIVE

**LAWRENCE C. SOULE**  
BUDGET DIRECTOR

**MAY 15, 2019**





**George Latimer**  
County Executive

**Lawrence C. Soule**  
Budget Director

May 15, 2019

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

Honorable Members:

The following first quarter financial report provides an annualized forecast for the twelve months ending December 31, 2019, based on actual results through March 31, 2019. This forecast takes into account the estimated impacts of the 2019-20 NYS Budget as enacted in April of this year.

Additionally, the Department of Budget meets with department heads and financial personnel regularly to receive updates on budgetary and operational issues. This allows for intra-year adjustments to the financial plan to ensure that spending is maintained within appropriations.

The Department of Budget forecasts a \$6.5 million general fund shortfall for the 2019 fiscal year. This projected shortfall is predominately due to the additional anticipated costs associated with voting reforms.

Respectfully submitted,

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

Lawrence C. Soule  
Budget Director

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**FIRST QUARTER UPDATE FOR  
FISCAL YEAR 2019**

**GEORGE LATIMER**  
COUNTY EXECUTIVE

**BENJAMIN BOYKIN**  
CHAIRMAN, BOARD OF LEGISLATORS

**CATHERINE BORGIA**  
CHAIRWOMAN, COMMITTEE ON BUDGET AND APPROPRIATIONS

**LAWRENCE C. SOULE**  
BUDGET DIRECTOR

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# INTRODUCTION

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## INTRODUCTION

This document presents the First Quarter (Q1) Forecast for Fiscal Year 2019 (FY19). The Department of Budget (DOB) will also release a Second Quarter Forecast in August, and a Third Quarter Forecast in conjunction with the Executive's 2020 Proposed Budget in November. The County operates on a calendar fiscal year, and all projections are shown fully annualized based on information currently available.

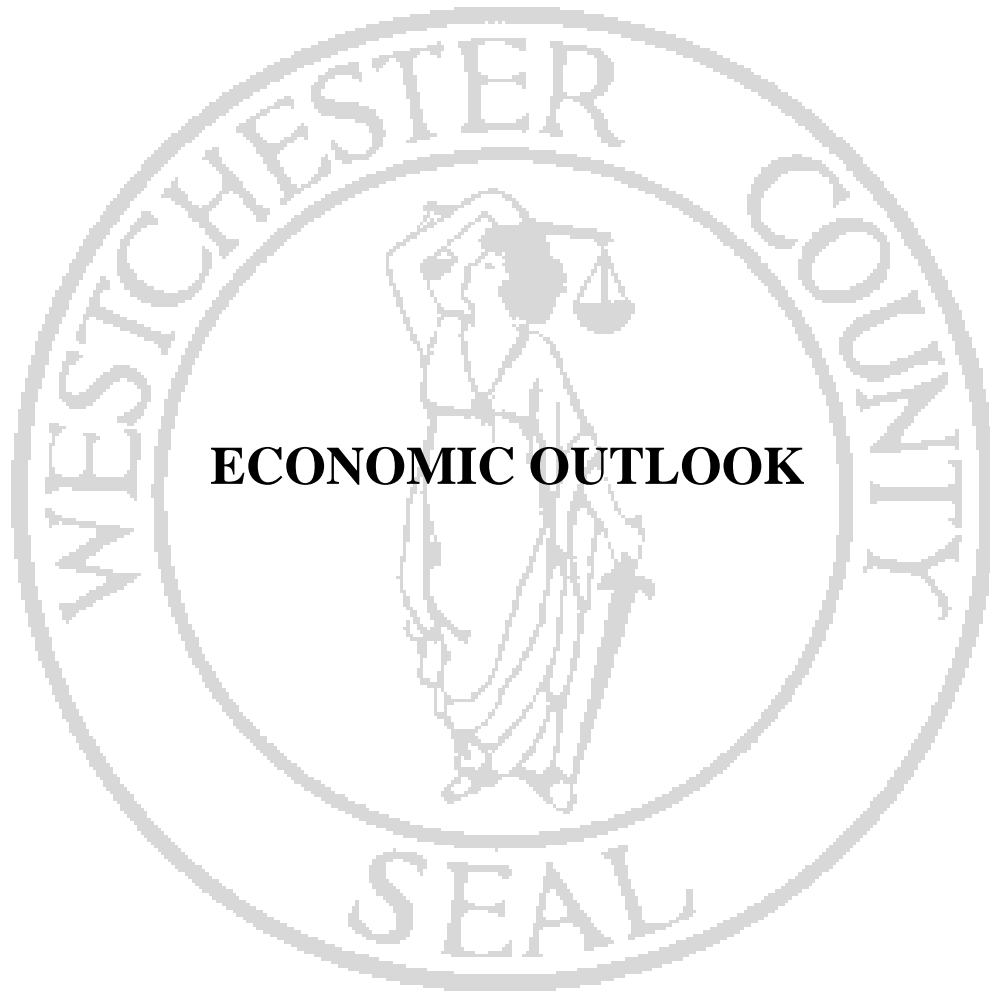
The Q1 Forecast presents financial data in five columns:

1. The budget as originally Adopted in December of 2018 (2019 Adopted)
2. The current budget as modified by rolled encumbrances, amendments, and transfers (2019 Modified)
3. Expenditures and revenues posted to the accounting system as of March 31, 2019 (YTD Mar 31)
4. DOB's fully annualized projections (2019 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 County's accounting system through March 31, 2019. 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.

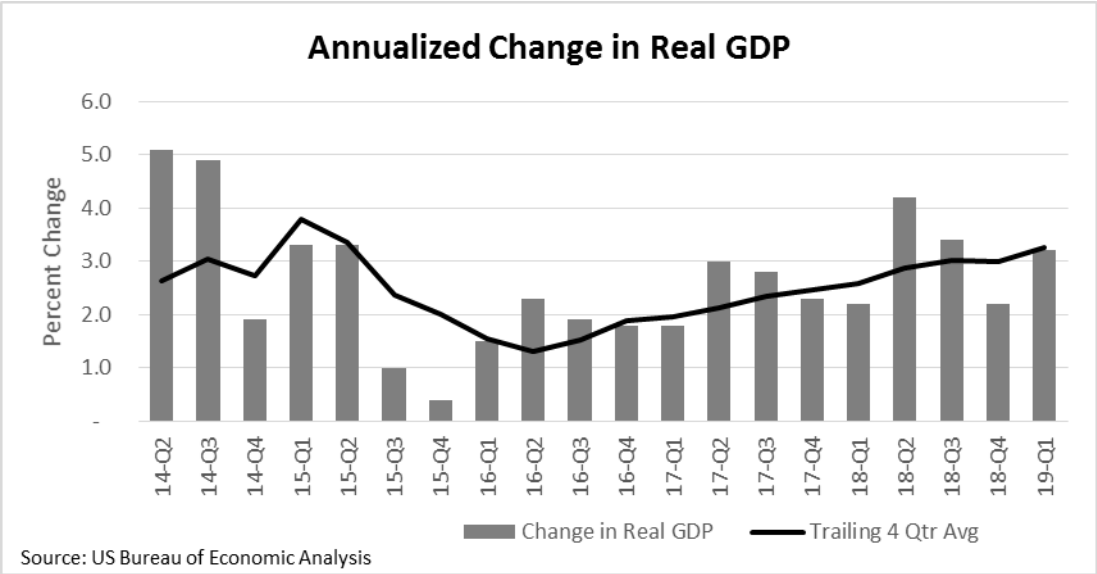




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GROSS DOMESTIC PRODUCT (GDP)

Over the past five years, American economic growth has been consistently positive with economic expansion occurring in each of the last 20 quarters. The trailing four quarter average has steadily increased since mid-2016, and currently stands at 3.3 percent.



During the first quarter of 2019, real GDP grew by 3.2 percent on an annualized basis. This represented an economic acceleration from the fourth quarter of 2018 which has been revised downward from 2.6 to 2.2 percent annualized growth. In March, the median projection of the Federal Open Market Committee (FOMC) was a growth rate of real GDP of 2.1 percent for 2019. This was a downward revision from the median projected in December of 2018 (2.3%). The FOMC expects real GDP growth to remain just below 2.0 percent for 2020 and 2021. In January, the NYS Division of Budget projected higher figures, with 2.4 percent growth for 2019 and 2.1 percent growth for 2020.

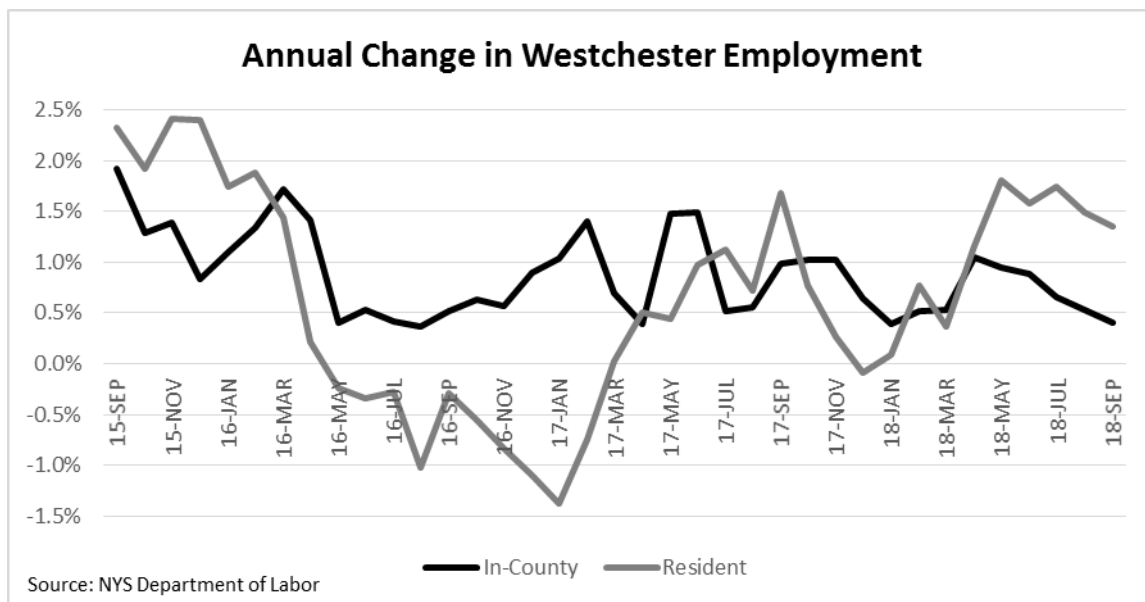
EMPLOYMENT / UNEMPLOYMENT

Unemployment rates across the State have returned to their pre-recessionary levels (see table, following page). Westchester and Long Island exhibited unemployment rates of approximately three and one-half percent, while New York City and the remaining 54 counties were approximately four and one-quarter percent. The unemployment rate for NYC residents remained stable as compared to one year ago, while the balance of the state experienced a decline in its unemployment rate on both an increase in employment and an expansion of the labor force. The national unemployment rate for March stands at 3.8 percent, which is in the range of the FOMC’s long run full employment target and 0.2 percentage points below the 4.0 percent posted for March 2018. While there will be volatility in the unemployment rate due to labor market shifts and seasonality, it is not anticipated that the unemployment rate will drop much below current levels for any sustained period of time.

MARCH UNEMPLOYMENT WITHIN NEW YORK STATE				
YEAR	NYC	WESTCHESTER	LONG ISLAND	54 REMAINING
2010	10.0%	7.7%	7.8%	8.9%
2011	8.6%	7.1%	7.3%	8.3%
2012	9.6%	7.4%	7.6%	8.7%
2013	8.7%	6.5%	6.6%	7.9%
2014	8.1%	5.5%	5.6%	6.7%
2015	6.0%	4.7%	4.8%	5.7%
2016	5.4%	4.3%	4.2%	5.1%
2017	4.5%	4.4%	4.2%	5.2%
2018	4.3%	4.2%	4.2%	5.1%
2019	4.2%	3.6%	3.5%	4.3%

Source: NYS Department of Labor

In March, the County unemployment rate fell to 3.6% from 4.2% one year ago. This was primarily due to a 1.9% increase in the number of residents employed. The March resident employment of 468,600 matches the previous all-time high (March 2008). Additionally, employment within the County has continued its steady growth. The County has added jobs over the prior year in every month since March 2013, a streak of 66 consecutive months through September 2018. Each of the nine months of 2018 for which data is available set the record for highest in-County employment in history. Given that the unemployment rate has returned to pre-recessionary levels and in-County employment is achieving all-time highs, employment levels within the region may be peaking.



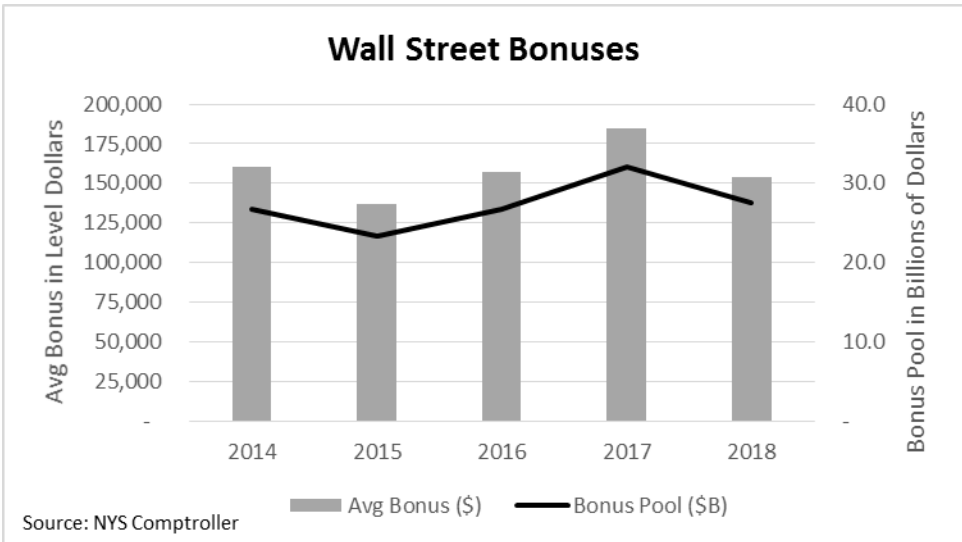
An excellent leading indicator of economic growth has been temporary employment. Temporary workers are among the first hired in expansionary periods, but they are also among the first workers to lose their jobs during economic downturns (see chart, following page).



Declines in temporary employment in 2000 and 2007 signaled the beginning of the past two recessionary periods. Growth in temporary employment bottomed out at -1.1% in December 2016, but has rebounded since. Growth in temporary employment has averaged 2.3% over the past year, and the level was 1.6% higher in March than one year ago.

**FINANCIAL SERVICES SECTOR**

The financial services sector is a key economic driver within the New York City Metropolitan Area (NYC Metro), representing 7.8 percent of total employment. Within the NYC Metro 769,900 people were employed within the sector in March 2019. This was a decline of 3,500 jobs (0.5%) as compared to one year ago. Due to the heavy reliance on the financial services sector, the NYC Metro is disproportionately affected by swings in financial markets.



Wall Street bonuses for 2018 fell considerably from the prior year. The bonus pool dropped 14% to \$27.5 billion, while the average bonus fell 17% to \$153,700.

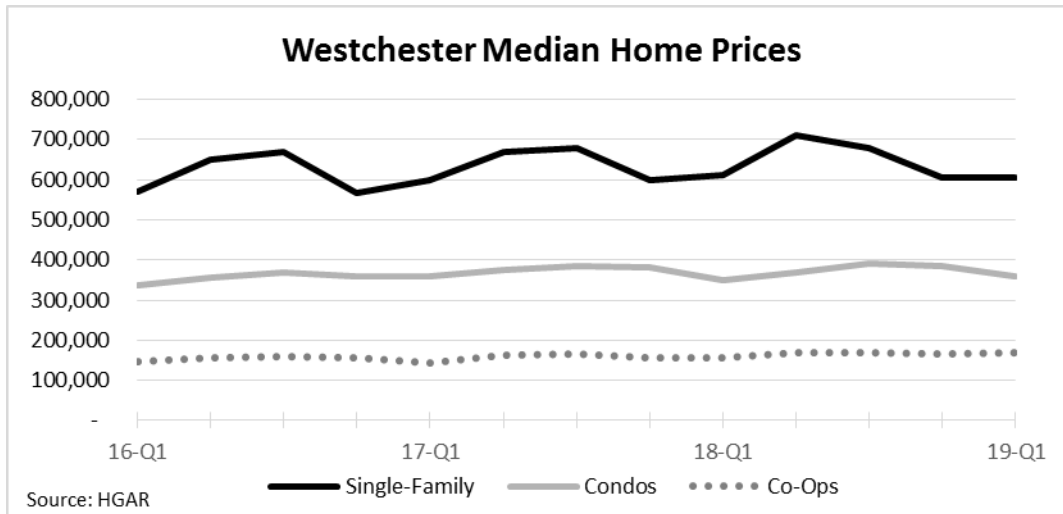
# ECONOMIC OUTLOOK

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## HOUSING

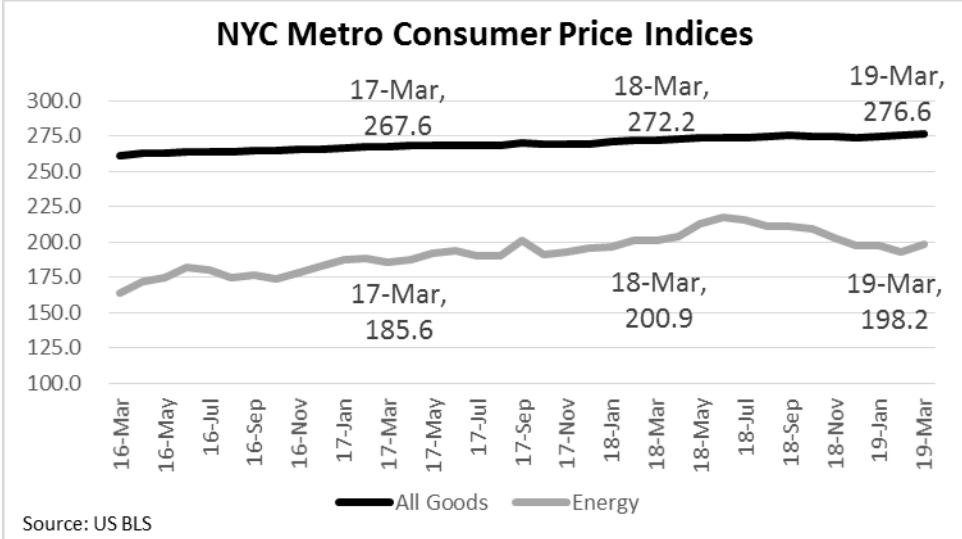
Prices within the County have remained quite stable over the past three years. The median prices for each type of home has exhibited the expected seasonal variation by quarter, but have also stayed within a tight range. During the first quarter of 2019, the median single family home price fell 1.2% as compared to one year ago to \$604,900. However, condo and co-op median prices rose by 2.5% and 9.7%, respectively.

The Federal Reserve's increases in the Federal Funds Target Rate from a targeted range of 0.25 – 0.5% to the current target of 2.25 – 2.5% over the past three years may be limiting price growth as the cost to borrow has increased. Additionally, it is anticipated that the limitation of the State and Local Tax (SALT) deduction imposed by the American Jobs and Tax Cuts Act will depress price growth, especially for higher-end homes.



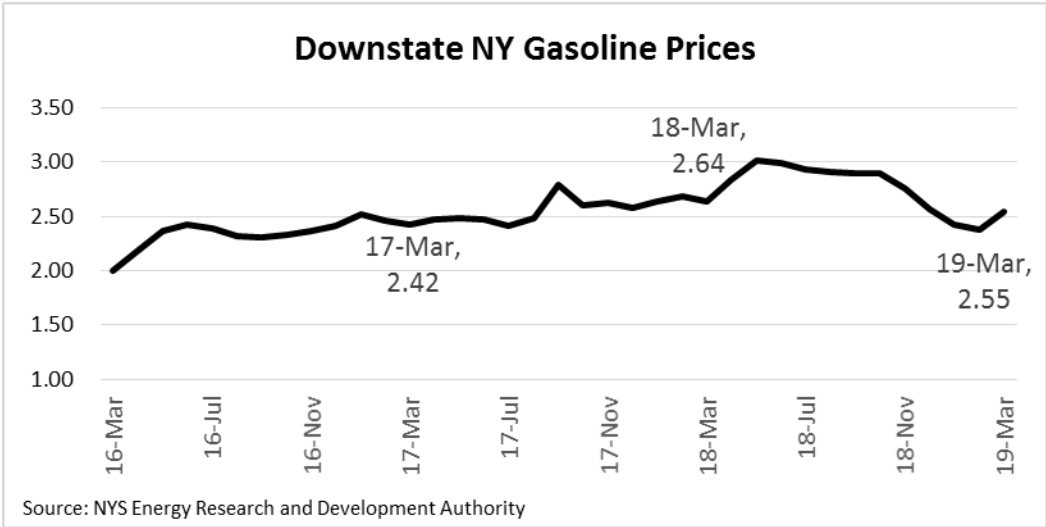
## INFLATION AND PRICES

Inflation has remained fairly constant over the past three years at an average rate of just under two percent. All goods inflation was 1.9% for the 12 months ending March 2019 (see chart, following page). The NYC Metro Region is lagging slightly behind the Federal Reserve's annualized target for the nation of two percent.



Energy price levels for March 2019 declined by 1.3% as compared to one year ago. However, the energy price level still remains higher than March 2016 and 2017. 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 sensitive to fluctuations in energy prices as compared to other jurisdictions within the State. Stronger sales and use tax growth has coincided with the rise in energy prices over the past three years.

As a large component of total energy, gasoline prices have shown a substantially similar trend. Prices are down 9 cents per gallon (3.6%) from last year, but the March 2019 price per gallon remains higher than March 2017 and 2016 by 13 and 55 cents, respectively. The dip in prices experienced over the winter was short lived, with prices rebounding sharply so far this spring. With approximately 300 million gallons of gasoline sold within the County, the increases in price over the past three years have expanded the County sales tax base.



## ECONOMIC OUTLOOK

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### ECONOMIC RISKS TO THE FINANCIAL PLAN

Heavy dependence on the financial services sector and the potential peaking of the current business cycle expansion pose the largest downside risks to the financial plan. The volatile nature of interest rates, commodity prices, and equity markets can cause the incomes of financial services sector workers to change substantially from year to year. Based on the determination of the National Bureau of Economic Research, the current expansionary period of slightly under 10 years is the second longest in US history since recordkeeping began in 1854 (March 1991 – March 2001). It seems likely that the current expansionary period will become the longest in history later this year. While economic fundamentals currently appear to be strong, the current expansion is approaching the limits of historical precedent.





**FY 2019  
FIRST QUARTER PROJECTIONS**

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## 2019 FIRST QUARTER PROJECTIONS

### GENERAL FUND FORECAST

On December 10, 2018, the County adopted a General Fund Operating Budget in the amount of \$1.944 billion for Fiscal Year 2019 (FY19). This section will present the Department of Budget's (DOB) First Quarter (Q1) Forecast for Fiscal Year 2019.

The 2019 Budget has been modified upward by \$6.0 million to allow for the expenditure of funds in FY19 for items that were contracted for during FY18. DOB expects a similar amount of expenditures to roll from FY19 to FY20 resulting in a minimal effect to the FY19 Financial Plan as has historically occurred.

<b>GENERAL FUND PROJECTIONS</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
<b>REVENUES</b>					
Tax Levy on Real Property	570,579	570,579	-	570,579	-
Sales and Use Tax	578,718	578,718	59,948	578,718	-
Federal and State Aid	467,716	467,716	1,154	471,374	3,658
Departmental Income	183,175	183,175	20,490	184,297	1,122
Other Revenues	144,142	144,142	10,240	137,327	(6,815)
<b>Sub-Total</b>	<b>1,944,330</b>	<b>1,944,330</b>	<b>91,833</b>	<b>1,942,295</b>	<b>(2,035)</b>
Use of General Fund Balance	-	5,997	-	-	(5,997)
<b>TOTAL</b>	<b>1,944,330</b>	<b>1,950,327</b>	<b>91,833</b>	<b>1,942,295</b>	<b>(8,032)</b>
<b>NET EXPENDITURES</b>					
General Government and Support	54,514	57,235	14,908	58,813	1,578
Home and Community Services	627,392	627,440	101,093	627,369	(71)
Health Services	161,829	161,973	25,063	163,788	1,815
Education	30,129	30,129	13,997	23,988	(6,141)
Public Safety, Correction, and Courts	259,769	260,658	48,449	259,296	(1,363)
Roads, Transportation, and Parks	237,478	239,243	49,422	240,205	963
Miscellaneous and Fixed	573,219	573,649	101,703	575,363	1,714
<b>TOTAL</b>	<b>1,944,330</b>	<b>1,950,327</b>	<b>354,633</b>	<b>1,948,823</b>	<b>(1,505)</b>
<b>GENERAL FUND (GAP) / SURPLUS</b>	<b>-</b>	<b>-</b>	<b>(262,800)</b>	<b>(6,528)</b>	<b>(6,528)</b>

As of the first quarter, DOB projects a general fund budget gap of \$6.5 million. Available resources are reduced by \$8.0 million from the modified budget as a result of projected revenues falling short of modified budget targets by \$2.0 million, and the \$6.0 million of appropriated fund balance for rolled encumbrances being excluded from the projection. These resource reductions are offset by lower projected expenditures in the amount of \$1.5 million below modified appropriations.

## 2019 FIRST QUARTER PROJECTIONS

The major components of the \$6.5 million projected budget gap are highlighted in the table below:

<b>Q1 PROJECTED GENERAL FUND GAP ANALYSIS</b>	
Thousands of Dollars	
	<b>Variance to Modified</b>
<b>STARTING BUDGET (GAP) / SURPLUS</b>	<b>-</b>
<b>UNFAVORABLE</b>	
Early Voting (net)	(3,990)
Children with Special Needs (net)	(1,071)
Out of County Community College	(1,060)
Central Heating Plant Operations	(1,000)
Mortgage Recording Tax	(863)
Indigent Criminal Defense	(787)
<b>Sub-Total</b>	<b>(8,771)</b>
<b>FAVORABLE</b>	
Bus Operations (net)	1,201
Correction Revenues	1,033
Pharmaceutical Rebates	794
<b>Sub-Total</b>	<b>3,028</b>
<b>Other Adjustments (net)</b>	<b>(785)</b>
<b>PROJECTED Q1 (GAP) / SURPLUS</b>	<b>(6,528)</b>

The Q1 forecast contains few major adjustments to the County's financial plan. The largest unfavorable item is the additional cost for the board of elections to provide early voting within the County. Caseloads for several programs are trending higher than originally anticipated. Children with special needs programs in the departments of social services and health are exceeding budgeted levels by an estimated \$1.1 million net of reimbursements. An increase in the number of County residents attending community colleges outside the County, particularly CUNY colleges, results in higher expense within that line item. Indigent criminal defense caseloads are also trending above budget levels. Mortgage recording tax has been lowered on slower than anticipated real estate activity in the first quarter. Finally, additional costs for the operations of the central heating plant at Valhalla round out the major unfavorable adjustments.

Major favorable adjustments include a reduction in the County share of bus operations primarily as a result of additional state transportation operating assistance being included in the recently enacted 2019-20 NYS Budget. Department of correction revenues are projected higher on an earlier implementation of an increase in the County's federal inmate per diem rate. Finally, higher pharmaceutical manufacturer rebates reduce the County share of healthcare costs by \$0.8 million.

GENERAL FUND OPERATIONS AND UNRESTRICTED BALANCE

Below is a summary of the preliminary, and unaudited, estimated general fund operations for 2018, and the projected general fund operations for 2019. The majority of the estimated \$40 million 2018 general fund operating deficit is due to the expenses associated with the settlement of collective bargaining agreements with the County’s two correction officer unions and the Civil Service Employees Association (CSEA). The costs associated with these settlements were not included in the 2018 Budget as originally adopted in December 2017. In the case of CSEA, the liabilities associated with the outstanding contract period from 2012-17 had been neither budgeted nor accrued in prior years. This resulted in the 2018 fiscal year being charged with the costs for all seven fiscal years (2012-18).

<b>PROJECTED UNRESTRICTED GENERAL FUND BALANCE</b>		
Thousands of Dollars		
	<b>2018 Est.*</b>	<b>2019 Proj.</b>
<b>UNRESTRICTED FUND BALANCE JAN 1st</b>	<b>108,243</b>	<b>64,658</b>
<b>REVENUES</b>	<b>1,868,714</b>	<b>1,942,295</b>
Gross Expenditures	2,007,845	2,061,042
Inter-Departmental Revenues	(99,544)	(112,220)
<b>NET EXPENDITURES</b>	<b>1,908,300</b>	<b>1,948,823</b>
<b>OPERATING (GAP) / SURPLUS</b>	<b>(39,586)</b>	<b>(6,528)</b>
Fund Balance Re-Class for		
Medicaid Pre-Payment Timing	(3,998)	3,998
<b>UNRESTRICTED FUND BALANCE DEC 31st</b>	<b>64,658</b>	<b>62,129</b>
As a % of Net Expenditures	3.39%	3.19%

\*2018 estimate is preliminary and unaudited

As previously mentioned, DOB is projecting a \$6.5 million operating deficit for 2019. The pre-payment of the County’s Medicaid payment due January 1, 2019 on December 31, 2018, results in a reclassification of fund balance between restricted and unrestricted categories that has zero impact over the two fiscal years. DOB anticipates unrestricted fund balance to approximate only three percent of operations at the end of both fiscal years.

## 2019 FIRST QUARTER PROJECTIONS

### GENERAL FUND REVENUES

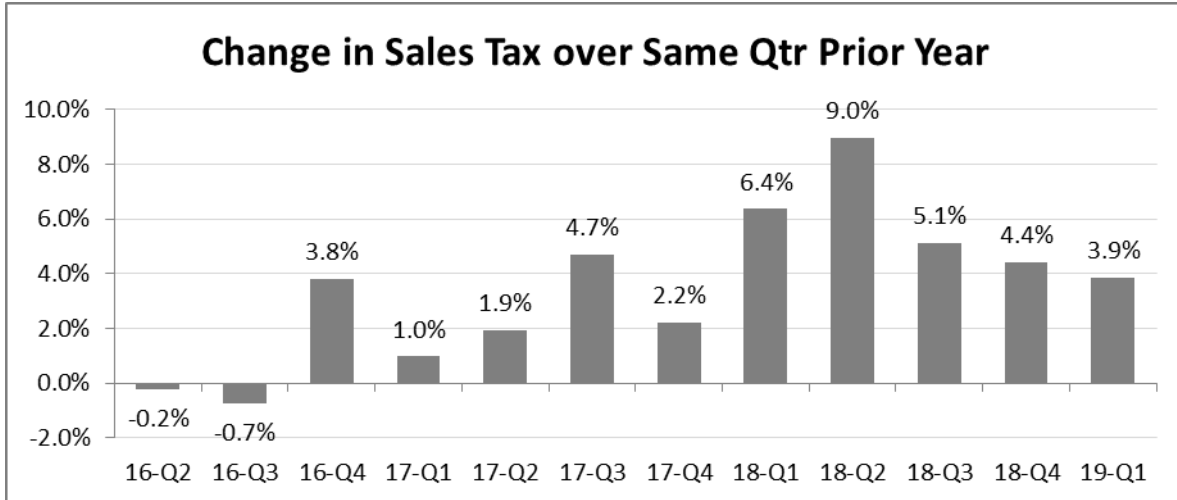
The general fund revenue projection has been revised downward by \$2.0 million from the modified budget to \$1.942 billion. The reduction of \$6.2 million in other revenues is driven by a change in the accounting treatment of debt service for the community college. There is an offsetting expense reduction associated with this change as well. State aid exceeds the adopted budget target primarily due to an increase of \$3.0 million in state transportation aid resulting from the 2019-20 NYS Budget. Federal aid is reduced on lower TANF caseloads and DSS administrative reimbursement. Departmental Income has been revised upward by \$1.1 million primarily as a result of the US Marshal Service granting the County an increase in the per diem rate for federal inmates earlier than anticipated. Capital revenues are projected to exceed budget as a result of larger premium revenues associated with the County's tax anticipation notes.

<b>GENERAL FUND REVENUE SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Tax Levy on Real Property	570,579	570,579	-	570,579	-
Payments in Lieu of Taxes	10,140	10,140	338	10,140	-
Sales and Use Tax	578,718	578,718	59,948	578,718	-
Mortgage Recording Tax	19,342	19,342	2,425	18,479	(863)
Auto Use Tax (DMV Registrations)	16,661	16,661	-	16,661	-
Hotel Occupancy Tax	7,529	7,529	847	7,129	(400)
State Aid	290,136	290,136	1,154	294,714	4,579
Federal Aid	177,406	177,406	23	176,485	(921)
Departmental Income	183,175	183,175	20,490	184,297	1,122
Capital Revenues	8,750	8,750	-	9,349	599
Other Revenues	81,895	81,895	6,607	75,744	(6,151)
<b>Sub-Total</b>	<b>1,944,330</b>	<b>1,944,330</b>	<b>91,833</b>	<b>1,942,295</b>	<b>(2,035)</b>
Use / (Deposit) of General Fund Balance	-	5,997	-	-	(5,997)
<b>TOTAL</b>	<b>1,944,330</b>	<b>1,950,327</b>	<b>91,833</b>	<b>1,942,295</b>	<b>(8,032)</b>

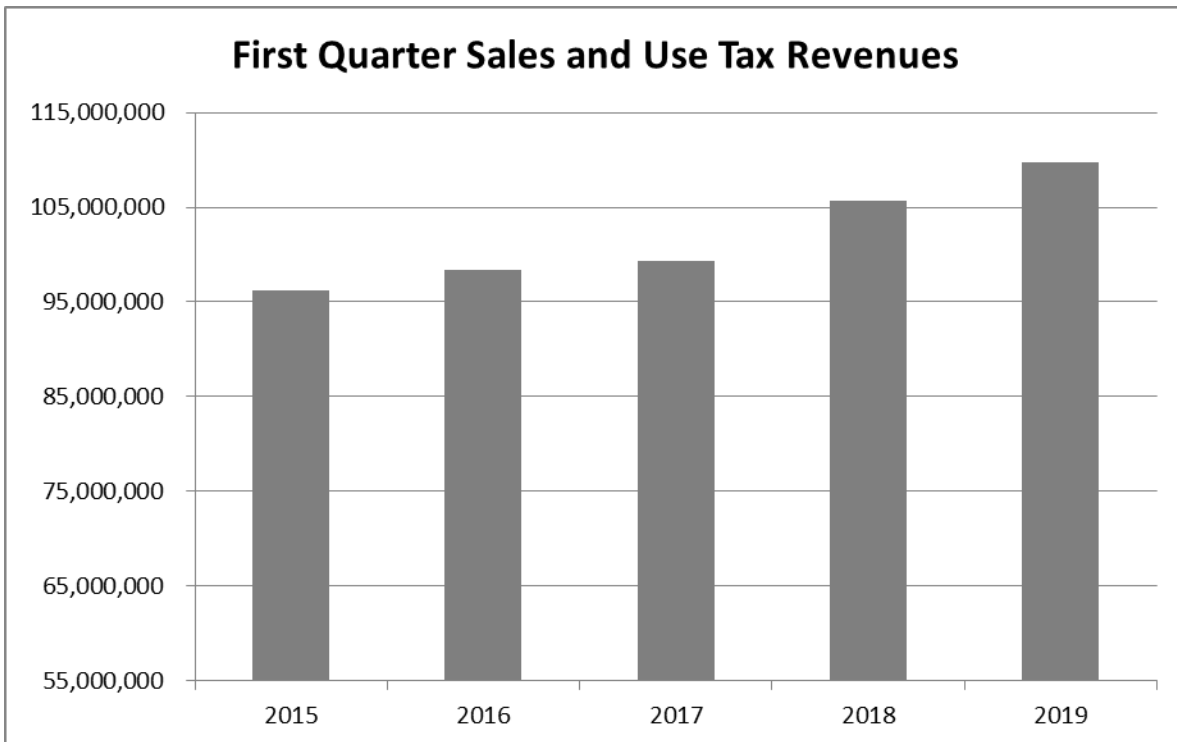
### NON-PROPERTY TAXES

Sales and use tax is the second largest County revenue source after the real property tax, and is levied on most goods and services purchased within the County. The County imposes a 1.5 percent tax within the Cities of Mount Vernon, New Rochelle, White Plains, and Yonkers; and a 3.0 percent tax in the remainder of the County which is shared with the other municipalities and school districts. The NYS Department of Taxation and Finance collects the tax on behalf of the County and remits the collections to the County each month.

The County also imposes a mortgage recording tax administered by the County Clerk, an auto use tax administered by the NYS Department of Motor Vehicles, and a hotel occupancy tax remitted directly to the County Department of Finance.



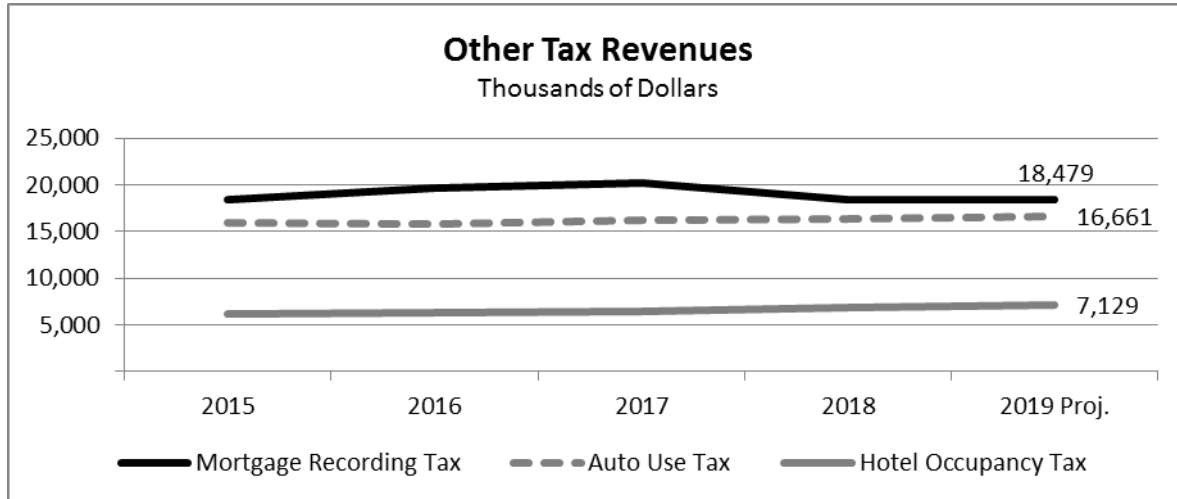
First quarter sales and use tax revenues grew at 3.9% over the prior year. The County has now posted ten consecutive quarters of sales tax growth, coinciding with the rise in energy prices that has occurred over the same period. Additionally, overall inflation continues to accelerate. NYC Metro inflation excluding medical care (as it is largely non-taxable) stands at 1.8% for the 12 month period ending March 2019. This is 5% higher than the inflation rate posted for the year ending March 2018.



Sales and Use Tax revenues were \$109.8 million for the first quarter of 2019. Revenues increased 3.9% against a 2019 base growth target of 3.8% for the quarter. DOB has made no revision to the sales and use tax projection at this time, but will be closely monitoring the impact of the imposition of tax on internet sales beginning June 1<sup>st</sup>.

## 2019 FIRST QUARTER PROJECTIONS

Mortgage Recording Tax, Auto Use Tax (DMV Fees), and Hotel Occupancy Tax have been revised downward by a combined \$1.3 million. The mortgage tax projection has been reduced \$0.9 million on lower than anticipated first quarter activity, and hotel tax \$0.4 million due to a delay in the imposition of tax on room remarketers and online marketplaces. The auto use tax projection remains unchanged.



### FEDERAL AND STATE AID

Comprising approximately one-quarter of general fund revenues, federal and state aid are the County's third largest revenue source after real property and sales and use taxes. The Departments of Social Services (DSS), Health (DOH), and Transportation (DOT) receive approximately 90% of the County's federal and state aid.

<b>GENERAL FUND FEDERAL AID SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Emergency Services	357	357	-	357	-
Social Services	160,642	160,642	-	160,054	(588)
Community Mental Health	896	896	-	896	-
Correction	1,146	1,146	15	813	(333)
District Attorney	134	134	-	134	-
Public Safety Services	291	291	8	291	-
Transportation	13,940	13,940	-	13,940	-
<b>TOTAL</b>	<b>177,406</b>	<b>177,406</b>	<b>23</b>	<b>176,485</b>	<b>(921)</b>

DOB projects a shortfall in federal aid of \$0.9 million (0.5%) below modified budget targets. This is primarily due to projected reductions in temporary assistance to needy families (TANF) expenditures and a lower estimation of administrative reimbursement within DSS.



## 2019 FIRST QUARTER PROJECTIONS

Overall, state aid projections have been increase by \$4.2 million from modified budget levels. The major driver of the upward revision is the aforementioned increase in state transportation aid of \$3.0 million

Departments with changes in their state aid projection are highlighted in the table below:

<b>GENERAL FUND STATE AID SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Social Services	114,133	114,133	607	114,204	71
Community Mental Health	3,321	3,321	92	3,118	(203)
Health	68,473	68,473	4	69,750	1,277
Public Safety Services	2,721	2,721	5	2,784	63
Transportation	59,842	59,842	-	62,849	3,008
Other	40,756	40,756	447	40,756	-
<b>TOTAL</b>	<b>289,245</b>	<b>289,245</b>	<b>1,154</b>	<b>293,461</b>	<b>4,217</b>

In addition to the change mentioned above, the Department of Health is projected to exceed their budgeted expenditure levels. As a result, they will receive additional state reimbursement for those expenditures. Lower expenditures drive the reduction in reimbursement for Mental Health.

### 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. Overall, a relatively small increase of \$1.1 million (0.6%) in departmental income is projected in the Q1 Update. Departments with changes in their departmental revenue projection are highlighted in the table below:

<b>GENERAL FUND DEPARTMENTAL REVENUE</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Health	7,889	7,889	1,513	8,050	161
Laboratories and Research	2,544	2,544	423	2,594	50
Correction	9,442	9,442	1,084	10,808	1,366
Parks, Recreation, and Conservation	59,033	59,033	2,739	58,588	(445)
Transportation	39,023	39,023	7,568	38,332	(691)
Public Works	9,789	9,789	971	10,470	681
Other	55,454	55,454	6,191	55,454	-
<b>TOTAL</b>	<b>183,175</b>	<b>183,175</b>	<b>20,490</b>	<b>184,297</b>	<b>1,122</b>

## 2019 FIRST QUARTER PROJECTIONS

In Correction, the US Marshal Service granting the County an increase in the per diem rate for federal inmates earlier than anticipated drives the projection. Capital project delays at Maple Moor Golf Course reduces the projection of golf fees in Parks. A delay in the MTA MetroCard fare increase and lower than anticipated ridership results in lower bus fare revenues for Transportation. In Public Works, additional rents at the Valhalla Campus have been added to the projection.

### GENERAL FUND EXPENDITURES

As of the end of the 1<sup>st</sup> quarter, general fund net expenditures are projected at \$1.5 million below modified appropriations. Lower than budgeted social services caseloads, an accounting change to remove debt service from the community college sponsor contribution, and the anticipation that some non-personal service expenditures will roll to FY20 are the two main factors reducing the expenditure projections. These reductions are offset by higher costs for bus operations and contractual services for the County's central heating plant in Valhalla.

<b>GENERAL FUND EXPENDITURE SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	361,367	361,342	80,456	360,612	(729)
Other Personal Service	306,831	306,856	67,822	307,671	815
Equipment	2,693	2,985	430	2,693	(291)
Materials and Supplies	35,380	35,967	5,957	35,976	9
Contractual Expenses	765,772	770,878	124,910	771,164	286
Social Services Relief	478,252	478,264	74,371	476,446	(1,818)
Inter-Departmental Expense	106,206	106,206	9,085	106,480	274
<b>Gross Expenditures</b>	<b>2,056,501</b>	<b>2,062,498</b>	<b>363,031</b>	<b>2,061,042</b>	<b>(1,456)</b>
Inter-Departmental Revenue	(112,171)	(112,171)	(8,398)	(112,220)	(49)
<b>NET EXPENDITURES</b>	<b>1,944,330</b>	<b>1,950,327</b>	<b>354,633</b>	<b>1,948,823</b>	<b>(1,505)</b>

### PERSONAL SERVICE

Approximating one-third of the general fund budget, personal service expenses are the largest single County expense. All bargaining units are currently under contract. On the following page is a table summarizing the contracts of the County's eight unionized bargaining units.

## 2019 FIRST QUARTER PROJECTIONS

<b>LABOR CONTRACT SUMMARY</b>					
	<b>CONTRACT EXPIRATION</b>	<b>NEGOTIATED BASE SALARY INCREASES</b>			
		<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Civil Service Employees Assoc.	12/31/2021	2.00%	2.25%	2.25%	TBD
New York State Nurses Assoc.	12/31/2021	2.50%	3.00%	2.50%	TBD
International Brotherhood of Teamsters	12/31/2020	2.50%	3.00%	TBD	TBD
Police Benevolent Assoc.	12/31/2019	2.75%	TBD	TBD	TBD
Superior Officers Police Benevolent Assoc.	12/31/2019	2.75%	TBD	TBD	TBD
District Attorney Criminal Investigators	12/31/2019	2.75%	TBD	TBD	TBD
Correction Officers Benevolent Assoc.	12/31/2019	2.85%	TBD	TBD	TBD
Correction Superior Officer Assoc.	12/31/2019	2.75%	TBD	TBD	TBD

DOB now projects salary expenses \$0.7 million (0.2%) below modified appropriations. The only major change is an increase in the projection for board of elections due to the costs associated with early voting. The remaining changes to the salary projection are relatively small within the respective departments. Please see Appendix A for more detail on these adjustments.

Departments with changes in their salary projection are shown in the table below:

<b>GENERAL FUND SALARY SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Human Resources	3,444	3,444	773	3,539	96
Budget	1,519	1,519	291	1,494	(25)
Board Of Elections	7,648	7,648	1,747	7,968	320
Information Technology	14,030	14,030	3,096	13,902	(129)
Law	9,209	9,209	1,935	9,059	(150)
Planning	2,475	2,450	538	2,475	25
Community Mental Health	3,286	3,286	665	3,188	(98)
Labs and Research	8,645	8,645	1,887	8,545	(100)
Correction	83,687	83,687	18,864	83,280	(407)
Tax Commission	194	194	34	150	(44)
District Attorney	25,512	25,512	5,220	25,387	(125)
Public Safety Services	35,366	35,366	7,996	35,560	194
Probation	19,668	19,668	4,287	19,407	(261)
Public Works	15,725	15,725	3,520	15,700	(25)
Other	130,958	130,958	29,603	130,958	-
<b>TOTAL</b>	<b>361,367</b>	<b>361,342</b>	<b>80,456</b>	<b>360,612</b>	<b>(729)</b>

## 2019 FIRST QUARTER PROJECTIONS

Other personal service (OPS) expenditures are expected come in over modified appropriations by \$0.8 million (0.3%). Increased projections for the departments of correction and social services and board of elections in the overtime category drive the increase. The pension projection is increased due to a recalculation using actual SFY 2019 wages. Savings in employee and retiree healthcare expense are a result of higher than anticipated pharmaceutical manufacturer rebates, and retiree drug subsidies from the Center for Medicare Services (CMS).

<b>GENERAL FUND OTHER PERSONAL SERVICE SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Hourly Wages	10,722	10,747	1,097	10,722	(25)
Fees and Officers Pay	493	493	101	493	-
Overtime & Holiday	25,981	25,981	4,858	27,218	1,237
207-C Disability	2,733	2,733	547	2,833	100
Shift and Detective Differentials	5,521	5,521	1,210	5,414	(107)
Pension	72,880	72,880	16,637	73,433	553
Social Security and Medicare	28,770	28,770	6,693	28,621	(149)
Healthcare	152,937	152,937	35,832	152,143	(794)
MCTD Mobility Tax	1,417	1,417	274	1,417	-
Benefit Fund	4,996	4,996	573	4,996	-
Unemployment Insurance	381	381	1	381	-
<b>TOTAL</b>	<b>306,831</b>	<b>306,856</b>	<b>67,822</b>	<b>307,671</b>	<b>815</b>

### MATERIALS AND SUPPLIES

The materials and supplies expenditure class is dominated by utilities as energy (\$19 million), and water (\$3 million) comprise 60% of the category. The remainder of the expenditure class consists of items such as postage, motor fuel, and office, laboratory, and facility repair supplies.

Overall, DOB projects materials and supply expenditures at modified budget appropriations. On the following page is a summary of the departments with adjustments to their materials and supplies expense projection in the Q1 Update:

## 2019 FIRST QUARTER PROJECTIONS

<b>GENERAL FUND MATERIALS AND SUPPLIES SUMMARY</b>					
Thousands of Dollars					
	<u>2019 Adopted</u>	<u>2019 Modified</u>	<u>YTD Mar 31</u>	<u>2019 Projected</u>	<u>Proj. less Modified</u>
County Executive	95	96	15	95	(1)
Human Resources	28	30	1	28	(2)
Board Of Elections	1,769	1,771	17	2,369	598
Information Technology	275	287	41	275	(12)
Law	65	68	14	65	(3)
Social Services	690	697	107	690	(8)
Labs and Research	1,137	1,229	253	1,137	(93)
Correction	1,565	1,634	273	1,565	(69)
District Attorney	295	298	43	291	(7)
Public Safety Services	1,722	1,842	401	1,722	(120)
Probation	216	224	14	216	(8)
Parks, Recreation, and Conservation	8,171	8,219	1,173	8,171	(48)
Public Works	16,794	17,011	3,025	16,794	(217)
Human Rights Commission	7	9	0	7	(2)
Other	2,552	2,552	579	2,552	-
<b>TOTAL</b>	<b><u>35,380</u></b>	<b><u>35,967</u></b>	<b><u>5,957</u></b>	<b><u>35,976</u></b>	<b><u>9</u></b>

The materials and supplies category includes an upward revision within board of elections for additional costs associated with the provision of early voting. This increase is being offset by projected savings of \$0.6 million due to DOB's expectation that these expenditures will roll and take place in FY 2020.

### CONTRACTUAL EXPENSES

The County utilizes outside vendors to provide a variety of services for both County operations and public services across nearly every department. In addition to service contracts, the County is contractually obligated to pay bond holders for the debt the County has issued in prior years, and statutorily mandated to distribute a share of the sales and use tax to the non-city municipalities and school districts.

Overall, DOB projects contractual expenses essentially at modified appropriations. On the following page is a summary of the departments with adjustments to their contractual expense projection in the Q1 Update:

## 2019 FIRST QUARTER PROJECTIONS

<b>GENERAL FUND CONTRACTUAL EXPENSES SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Board Of Legislators	396	402	62	396	(6)
County Executive	4,556	4,724	278	4,556	(168)
Human Resources	901	914	54	901	(13)
Board Of Elections	4,069	4,293	49	6,865	2,572
Finance	124	309	6	124	(185)
Information Technology	24,286	26,031	2,907	24,286	(1,744)
Law	1,793	2,044	715	1,793	(251)
Emergency Services	985	999	72	985	(14)
Social Services	18,777	18,804	3,262	19,660	855
Senior Programs & Services	3,067	3,067	32	3,467	400
Consumer Protection	35	36	3	35	(1)
Health	115,459	115,461	17,208	117,586	2,125
Labs and Research	1,003	1,053	90	1,003	(50)
Correction	21,247	21,505	2,675	21,217	(287)
District Attorney	2,524	2,547	172	2,524	(23)
Public Safety Services	2,550	2,642	540	2,550	(93)
Probation	20,411	20,495	51	20,415	(80)
Public Administrator	59	64	7	59	(5)
Solid Waste Commission	137	176	33	137	(39)
Parks, Recreation, and Conservation	11,376	11,680	2,137	11,376	(303)
Transportation	167,297	167,631	34,987	168,732	1,101
Public Works	21,370	22,226	3,355	22,755	529
Debt Service	96,680	96,706	17,222	97,257	550
Miscellaneous Budgets	239,746	240,147	38,785	235,561	(4,586)
Other	6,923	6,923	207	6,923	-
<b>TOTAL</b>	<b>765,772</b>	<b>770,878</b>	<b>124,910</b>	<b>771,164</b>	<b>286</b>

Most departments within the County are expected to expend at or below their modified contractual expenses appropriation level. The main driver within most departments is the anticipation that some contractual expenses will roll and take place in FY 2020.

Contractual expenses in board of elections exceed modified appropriations due to the costs associated with the provision of early voting. Increases for social services and health are a result of higher than anticipated children with special needs caseloads. Transportation has an increase due to lower than anticipated cash fare collections. An accounting change to remove debt service from the community college sponsor contribution drives the reduction for the miscellaneous budgets. There is an associated revenue reduction in the debt service budget accompanying this change. Offsetting this expense savings are increases for indigent criminal defense and out of county community college.

Please see Appendix A for additional detail on the smaller variances.

## 2019 FIRST QUARTER PROJECTIONS

### SOCIAL SERVICES RELIEF

DOB projects an overall expense decrease of \$1.8 million (0.4%) from the modified budget within the social services relief appropriation. The major variances to budget are for Emergency Assistance, TANF and Safety Net, and the County's three daycare programs.

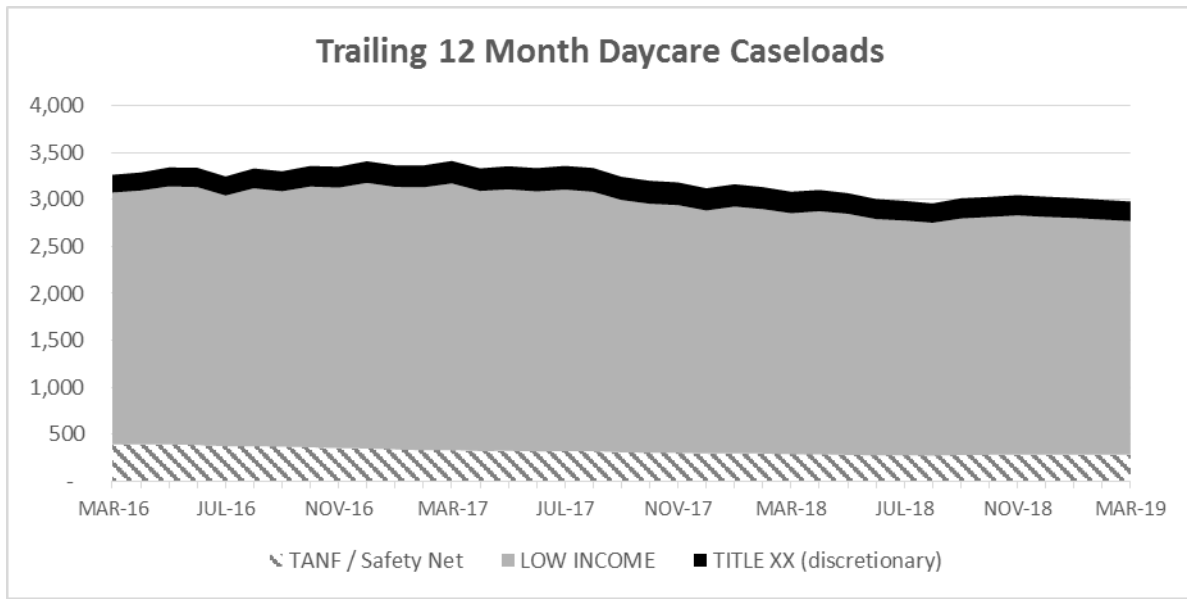
<b>GENERAL FUND SOCIAL SERVICES RELIEF SUMMARY</b>					
Thousands of Dollars					
	<b>2019</b>	<b>2019</b>	<b>YTD</b>	<b>2019</b>	<b>Proj. less</b>
	<b>Adopted</b>	<b>Modified</b>	<b>Mar 31</b>	<b>Projected</b>	<b>Modified</b>
Emerg Assist To Fam & Child - Non Homeless	6,300	6,300	774	6,467	167
Emerg Assist to Fam & Child - Foster Care	9,804	9,804	813	10,065	261
Emerg Assist to Adults	1,307	1,307	123	1,320	13
Old Age Assist - MA	4,022	3,912	318	3,944	32
Aid to Disabled - MA	-	10	-	-	(10)
Family Assistance - MA	-	100	20	-	(100)
Medicaid - Regular	211,108	211,108	51,968	211,108	-
Medicaid - Disproportionate Share	60,000	60,000	4,273	60,000	-
Temp Assist to Needy Families (TANF)	32,110	32,118	4,042	31,469	(649)
Safety Net	50,285	50,286	6,512	49,314	(972)
Child Welfare - Foster Care	29,537	29,537	1,399	29,445	(92)
Child Welfare - Independent Living	888	888	13	888	(0)
Child Welfare - Adoption Subsidies	9,600	9,600	1,681	9,657	57
Social Svcs Spec Items	204	204	(24)	204	-
Indirect Social Service	42,295	42,297	2,259	42,145	(152)
Day Care (Title XX)	2,876	2,876	199	2,503	(373)
<b>TOTAL</b>	<b>460,336</b>	<b>460,348</b>	<b>74,371</b>	<b>458,530</b>	<b>(1,818)</b>

DOB projects expenditure savings to occur in the relief category. Emergency Assistance caseloads are trending above budgeted levels, increasing the projected expenditure by \$0.4 million. Approximately half of this additional expenditure is supported by federal and state aid. The two public assistance programs, TANF and Safety Net, are under modified budget levels by a combined \$1.6 million. These two programs are heavily subsidized by the federal and state governments; the \$1.6 million expense reduction is coupled with a \$0.9 million revenue loss. Across all three programs, daycare subsidy expenditures are now projected \$0.5 million below budgeted appropriations as a result of lower than anticipated caseloads.

## 2019 FIRST QUARTER PROJECTIONS

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Daycare caseloads have stabilized around 3,000 children since early 2018. During the year ending March 2019 the County provided subsidized daycare to an average of 2,982 children per month across the three programs. This is a decline in the average of 104 children as compared to the year ending March 2018. As it is the largest program, three-quarters of the reduction is attributable to the Low Income program. Improvement in the economy and increases in the State minimum wage are likely contributors to the reductions in caseloads.





## 2019 FIRST QUARTER PROJECTIONS

### SPECIAL DISTRICTS FUNDS FORECAST

On December 10, 2018, the County adopted a Special Districts Operating Budget in the amount of \$220.5 million for Fiscal Year 2019 (FY19). \$123.5 million was appropriated for sewer district operations, \$23.5 million for water district operations, and \$73.5 million for refuse district operations. This section will present the Department of Budget's (DOB) First Quarter Update for FY 2019.

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.

### CONSOLIDATED SEWER OPERATIONS FUND

The 2019 Budget has been modified upward by \$2.7 million to allow for the expenditure of funds in FY19 for items that were contracted for in FY18. DOB expects a similar amount to roll from FY19 to FY20 resulting in a negligible effect to the FY19 Financial Plan.

CONSOLIDATED SEWER OPERATIONS FUND SUMMARY					
Thousands of Dollars					
	2019 Adopted	2019 Modified	YTD Mar 31	2019 Projected	Proj. less Modified
Annual Regular Salaries	19,909	19,909	4,107	19,509	(400)
Other Personal Services	19,356	19,356	4,192	19,212	(144)
Equipment	653	990	34	653	(337)
Materials & Supplies	18,812	19,289	3,037	18,812	(477)
Contractual Expenses	17,295	19,230	1,565	17,273	(1,958)
Inter-Departmental Charge	3,742	3,742	409	3,742	-
<b>Gross Expenditures</b>	<b>79,766</b>	<b>82,516</b>	<b>13,343</b>	<b>79,200</b>	<b>(3,316)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>79,766</b>	<b>82,516</b>	<b>13,343</b>	<b>79,200</b>	<b>(3,316)</b>
Departmental Income	3,815	3,815	190	3,815	-
Interest on Investments	27	27	-	27	-
Miscellaneous Revenue	810	810	0	810	-
Interfund Revenue	75,114	77,864	8,355	75,114	-
<b>REVENUES</b>	<b>79,766</b>	<b>82,516</b>	<b>8,545</b>	<b>79,766</b>	<b>-</b>
<b>BUDGET (GAP) / SURPLUS</b>	<b>-</b>	<b>-</b>	<b>(4,798)</b>	<b>566</b>	<b>3,316</b>

In addition to the projected rolls of \$2.7 million, DOB anticipates \$0.6 million in expenditure savings versus the modified budget for the consolidated sewer operations fund. This savings primarily within the personal service categories due to vacancies.

## 2019 FIRST QUARTER PROJECTIONS

### SEWER DISTRICTS FUNDS

The \$0.6 million projected surplus of the operations fund flows through to the individual districts as a reduction in transfers out. Additionally, the refunding of outstanding Build America Bonds (BABs) is anticipated to reduce district debt service by \$0.4 million in 2019. DOB projects that the sewer districts will utilize approximately \$1 million less fund balance than was included in the budget as originally adopted.

<b>SEWER DISTRICT FUNDS SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Contractual Expenses	49,635	49,635	5,995	49,246	(389)
Transfer to Operations Fund	73,915	73,915	8,269	73,349	(566)
<b>Gross Expenditures</b>	<b>123,550</b>	<b>123,550</b>	<b>14,462</b>	<b>122,595</b>	<b>(955)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>123,550</b>	<b>123,550</b>	<b>14,462</b>	<b>122,595</b>	<b>(955)</b>
Real Property Taxes	103,453	103,453	-	103,453	-
Payments in Lieu of Taxes	41	41	-	41	-
Departmental Income	250	250	-	250	-
Interest on Investments	7,942	7,942	1,099	7,942	-
Appropriated Fund Balance	11,792	11,792	-	-	(11,792)
Interfund Revenue	72	72	222	72	-
<b>REVENUES</b>	<b>123,550</b>	<b>123,550</b>	<b>1,321</b>	<b>111,758</b>	<b>(11,792)</b>
<b>BUDGET (GAP) / SURPLUS</b>	<b>-</b>	<b>-</b>	<b>(13,141)</b>	<b>(10,837)</b>	<b>(10,837)</b>

### 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 for Water Districts #1 and #3.

## 2019 FIRST QUARTER PROJECTIONS

### WATER DISTRICT #1

Water District #1 (WD#1) encompasses the municipalities of Mount Vernon, Scarsdale, White Plains, and Yonkers. The 2019 WD#1 Budget has been modified upward by \$178,000 to allow for the expenditure of funds in FY19 for items that were contracted for in FY18. DOB expects a similar amount to roll from FY19 to FY20 resulting in a negligible effect to the FY19 Financial Plan.

WATER DISTRICT #1 FUND SUMMARY					
Thousands of Dollars					
	2019 Adopted	2019 Modified	YTD Mar 31	2019 Projected	Proj. less Modified
Annual Regular Salaries	300	300	55	300	-
Other Personal Services	325	325	61	325	-
Equipment	43	53	10	43	(10)
Materials & Supplies	17,125	17,127	92	16,670	(457)
Contractual Expenses	2,042	2,207	233	2,042	(165)
Inter-Departmental Charge	293	293	7	293	-
<b>Gross Expenditures</b>	<b>20,128</b>	<b>20,305</b>	<b>458</b>	<b>19,673</b>	<b>(633)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>20,128</b>	<b>20,305</b>	<b>458</b>	<b>19,673</b>	<b>(633)</b>
Real Property Taxes	2,722	2,722	-	2,722	-
Departmental Income	16,320	16,320	-	15,865	(455)
Interest on Investments	4	4	-	4	-
Appropriated Fund Balance	946	1,124	-	-	(1,124)
Miscellaneous Revenue	135	135	57	135	-
<b>REVENUES</b>	<b>20,128</b>	<b>20,306</b>	<b>57</b>	<b>18,727</b>	<b>(1,579)</b>
<b>BUDGET (GAP) / SURPLUS</b>	<b>-</b>	<b>-</b>	<b>(401)</b>	<b>(946)</b>	<b>(946)</b>

In addition to the \$178,000 of anticipated rolls, projected water purchases from New York City have been reduced by \$0.5 million, along with an identical amount of departmental income for the loss of user fees associated with the water purchase. Overall, DOB projects Water District #1 to reduce its fund balance by the amount as included in the budget as originally adopted.

## 2019 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 2019 WD#3 Budget has been modified upward by \$65,000 to allow for the expenditure of funds for items in FY19 that were contracted for in FY18. DOB expects a similar amount to roll from FY19 to FY20 resulting in a negligible effect to the FY19 Financial Plan.

<b>WATER DISTRICT #3 FUND SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	239	239	52	239	-
Other Personal Services	273	273	60	273	-
Equipment	48	58	10	48	(10)
Materials & Supplies	699	701	27	699	(2)
Contractual Expenses	1,868	1,920	287	1,868	(52)
Inter-Departmental Charge	231	231	5	231	-
<b>Gross Expenditures</b>	<b>3,358</b>	<b>3,423</b>	<b>441</b>	<b>3,358</b>	<b>(65)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>3,358</b>	<b>3,423</b>	<b>441</b>	<b>3,358</b>	<b>(65)</b>
Departmental Income	2,200	2,200	-	2,200	-
Interest on Investments	18	18	-	18	-
Appropriated Fund Balance	1,140	1,205	-	-	(1,205)
<b>REVENUES</b>	<b>3,358</b>	<b>3,423</b>	<b>-</b>	<b>2,218</b>	<b>(1,205)</b>
<b>BUDGET (GAP) / SURPLUS</b>	<b>-</b>	<b>-</b>	<b>(441)</b>	<b>(1,140)</b>	<b>(1,140)</b>

DOB projects no other changes from the modified budget for WD#3 at this time.

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 2019 Refuse District Budget has been modified upward by \$109,000 to allow for the expenditure of funds in FY19 for items that were contracted for in FY18. DOB expects a similar amount to roll from FY19 to FY20 resulting in a negligible effect to the FY19 Financial Plan.

<b>REFUSE DISTRICT FUND SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	1,842	1,842	382	1,842	-
Other Personal Services	1,584	1,584	322	1,584	-
Equipment	-	-	-	-	-
Materials & Supplies	972	973	158	972	(1)
Contractual Expenses	66,548	66,656	13,858	66,548	(108)
Inter-Departmental Charge	2,535	2,535	97	2,535	-
<b>Gross Expenditures</b>	<b>73,482</b>	<b>73,591</b>	<b>14,818</b>	<b>73,482</b>	<b>(109)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>73,482</b>	<b>73,591</b>	<b>14,818</b>	<b>73,482</b>	<b>(109)</b>
Real Property Taxes	42,921	42,921	-	42,921	-
Payments in Lieu of Taxes	353	353	-	353	-
Departmental Income	17,364	17,364	2,547	17,364	-
Interest on Investments	398	398	14	398	-
Appropriated Fund Balance	12,293	12,402	-	-	(12,402)
Miscellaneous Revenue	90	90	9	90	-
Interfund Revenue	63	63	63	63	-
<b>REVENUES</b>	<b>73,482</b>	<b>73,591</b>	<b>2,633</b>	<b>61,188</b>	<b>(12,402)</b>
<b>BUDGET (GAP) / SURPLUS</b>	<b>-</b>	<b>-</b>	<b>(12,185)</b>	<b>(12,293)</b>	<b>(12,293)</b>

DOB projects the refuse district to approximate the budget as originally adopted at this time.

## 2019 FIRST QUARTER PROJECTIONS

### AIRPORT FUND FORECAST

The 2019 Airport Budget has been modified upward by \$2.0 million to allow for the expenditure of funds in FY19 for items that were contracted for in FY18. DOB expects a similar amount to roll from FY19 to FY20 resulting in a negligible effect to the FY19 Financial Plan.

<b>AIRPORT OPERATIONS FUND SUMMARY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	8,497	8,497	3,293	8,497	-
Other Personal Services	4,937	4,937	815	4,937	-
Equipment	577	586	2	577	(9)
Materials & Supplies	2,006	2,063	383	2,026	(37)
Contractual Expenses	24,730	26,681	6,811	26,980	299
Inter-Departmental Charge	12,902	12,902	8	12,902	-
<b>Gross Expenditures</b>	<b>53,649</b>	<b>55,665</b>	<b>11,313</b>	<b>55,919</b>	<b>254</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>53,649</b>	<b>55,665</b>	<b>11,313</b>	<b>55,919</b>	<b>254</b>
Departmental Income	49,037	49,037	9,843	51,272	2,235
Interest on Investments	90	90	-	90	-
Appropriated Fund Balance	4,522	6,538	-	-	(6,538)
<b>REVENUES</b>	<b>53,649</b>	<b>55,665</b>	<b>9,843</b>	<b>51,362</b>	<b>(4,303)</b>
<b>BUDGET (GAP) / SURPLUS</b>	<b>-</b>	<b>-</b>	<b>(1,470)</b>	<b>(4,557)</b>	<b>(4,557)</b>

DOB projects the airport to reduce its fund balance by approximately the same amount as included in the 2019 Budget as originally adopted. The largest variance is associated with the revenue recognition and transfer out to the capital fund of an additional \$2.0 million in passenger facility charges (PFCs). This transaction has zero net impact to the airport operating fund. Offsetting this increase is a projected \$2.0 million of non-personal service savings as these expenditures are expected to not take place until FY 2020.

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

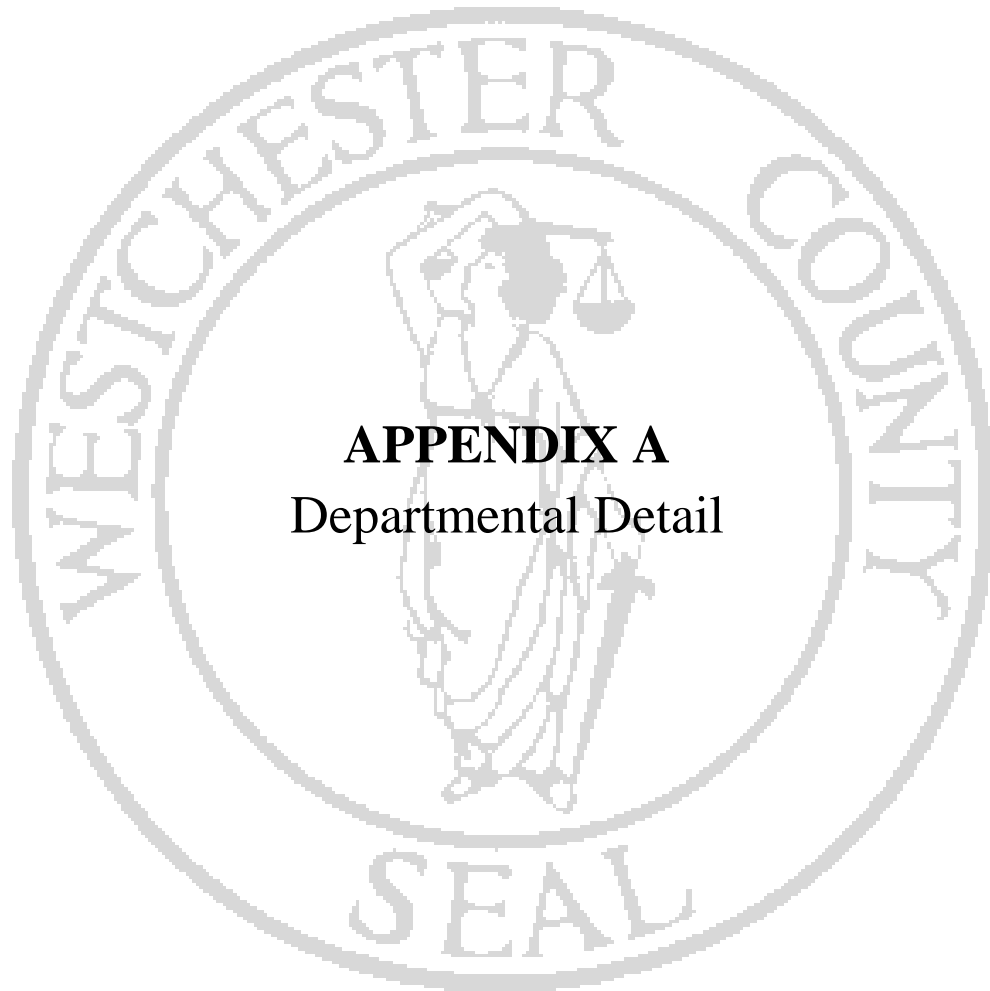
The County is self-insured for both workers compensation and general liability. The net position for each reserve fund as of March 31<sup>st</sup> of the past five years is shown below.

<b>WORKERS COMPENSATION (6J) &amp; GENERAL LIABILITY (6N) FUNDS AS OF MAR 31</b>		
Thousands of Dollars		
	<u>6J FUND</u>	<u>6N FUND</u>
Net Position 3/31/2015	(35,929)	40,725
Net Position 3/31/2016	(37,498)	25,273
Net Position 3/31/2017	(41,165)	16,288
Net Position 3/31/2018	(46,535)	15,593
Net Position 3/31/2019	(46,710)	11,610

The general liability reserve (6N) fund is in a positive net position of \$11.6 million, while the workers compensation reserve (6J) fund is in a negative net position of \$46.7 million. The net position of the 6J fund has been steadily declining over the past five years due to the planned drawdown of the fund's assets. The net position of the 6N fund continues to decline due to the maturation of high yielding assets within the fund that cannot be replaced with similarly yielding assets in the current interest rate environment. Additionally, the County has not made a contribution to the 6N fund since 2009.

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**APPENDIX A**  
Departmental Detail

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<b>BOARD OF LEGISLATORS</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	3,813	3,813	802	3,813	-
Other Personal Services	242	242	61	242	-
Equipment	13	31	2	13	(18)
Materials & Supplies	153	153	2	153	(0)
Contractual Expenses	396	402	62	396	(6)
Inter-Departmental Charge	2	2	-	2	-
<b>Gross Expenditures</b>	<b>4,620</b>	<b>4,644</b>	<b>928</b>	<b>4,620</b>	<b>(23)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>4,620</b>	<b>4,644</b>	<b>928</b>	<b>4,620</b>	<b>(23)</b>
<b>TAX LEVY</b>	<b>4,620</b>	<b>4,644</b>	<b>928</b>	<b>4,620</b>	<b>(23)</b>

FIRST QUARTER HIGHLIGHTS

The Board of Legislators is projected at appropriation levels as originally adopted at this time.

## DEPARTMENTAL DETAIL

<b>COUNTY EXECUTIVE</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	6,014	6,014	1,260	6,014	-
Other Personal Services	93	93	10	93	-
Materials & Supplies	95	96	15	95	(1)
Contractual Expenses	4,556	4,724	278	4,556	(168)
Inter-Departmental Charge	529	529	17	529	-
<b>Gross Expenditures</b>	<b>11,287</b>	<b>11,456</b>	<b>1,579</b>	<b>11,287</b>	<b>(169)</b>
Inter-Departmental Revenue	(1,394)	(1,394)	-	(1,394)	-
<b>NET EXPENDITURES</b>	<b>9,893</b>	<b>10,062</b>	<b>1,579</b>	<b>9,893</b>	<b>(169)</b>
Departmental Income	(1,609)	(1,609)	-	(1,609)	-
State Aid	(405)	(405)	-	(405)	-
<b>REVENUES</b>	<b>(2,014)</b>	<b>(2,014)</b>	<b>-</b>	<b>(2,014)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>7,878</b>	<b>8,048</b>	<b>1,579</b>	<b>7,878</b>	<b>(169)</b>

### FIRST QUARTER HIGHLIGHTS

The County Executive is projected at appropriation levels as originally adopted at this time.

DEPARTMENT OF HUMAN RESOURCES					
Thousands of Dollars					
	2019 Adopted	2019 Modified	YTD Mar 31	2019 Projected	Proj. less Modified
Annual Regular Salaries	3,444	3,444	773	3,539	96
Other Personal Services	258	258	6	258	-
Materials & Supplies	28	30	1	28	(2)
Contractual Expenses	901	914	54	901	(13)
Inter-Departmental Charge	613	613	12	613	-
<b>Gross Expenditures</b>	<b>5,243</b>	<b>5,258</b>	<b>847</b>	<b>5,339</b>	<b>81</b>
Inter-Departmental Revenue	(883)	(883)	(2)	(883)	-
<b>NET EXPENDITURES</b>	<b>4,360</b>	<b>4,375</b>	<b>845</b>	<b>4,455</b>	<b>81</b>
Departmental Income	(562)	(562)	(212)	(562)	-
<b>REVENUES</b>	<b>(562)</b>	<b>(562)</b>	<b>(212)</b>	<b>(562)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>3,798</b>	<b>3,813</b>	<b>633</b>	<b>3,894</b>	<b>81</b>

FIRST QUARTER HIGHLIGHTS

DOB projects the Department of Human Resources (HR) to exceed its personal service appropriations by \$81,000. This is a result of the transfer of the Equal Employment Opportunity unit from Human Rights to Human Resources. \$15,000 of expenditure included in the modified budget is expected to occur in FY 2020.

## DEPARTMENTAL DETAIL

DEPARTMENT OF BUDGET					
Thousands of Dollars					
	2019 Adopted	2019 Modified	YTD Mar 31	2019 Projected	Proj. less Modified
Annual Regular Salaries	1,519	1,519	291	1,494	(25)
Other Personal Services	13	13	-	13	-
Materials & Supplies	4	4	0	4	-
Contractual Expenses	13	13	1	13	-
Inter-Departmental Charge	266	266	29	266	-
<b>Gross Expenditures</b>	<b>1,814</b>	<b>1,814</b>	<b>321</b>	<b>1,789</b>	<b>(25)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>1,814</b>	<b>1,814</b>	<b>321</b>	<b>1,789</b>	<b>(25)</b>
Departmental Income	(726)	(726)	-	(726)	-
<b>REVENUES</b>	<b>(726)</b>	<b>(726)</b>	<b>-</b>	<b>(726)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>1,088</b>	<b>1,088</b>	<b>321</b>	<b>1,063</b>	<b>(25)</b>

### FIRST QUARTER HIGHLIGHTS

DOB projects lower than budgeted personal service expenditures due to vacancy savings.

<b>BOARD OF ELECTIONS</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	7,648	7,648	1,747	7,968	320
Other Personal Services	1,100	1,100	65	1,600	500
Equipment	50	50	-	50	-
Materials & Supplies	1,769	1,771	17	2,369	598
Contractual Expenses	4,069	4,293	49	6,865	2,572
Inter-Departmental Charge	2,202	2,202	168	2,476	274
<b>Gross Expenditures</b>	<b>16,838</b>	<b>17,064</b>	<b>2,047</b>	<b>21,328</b>	<b>4,264</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>16,838</b>	<b>17,064</b>	<b>2,047</b>	<b>21,328</b>	<b>4,264</b>
Departmental Income	(1,583)	(1,583)	(5)	(1,583)	-
State Aid	-	-	-	(500)	(500)
<b>REVENUES</b>	<b>(1,583)</b>	<b>(1,583)</b>	<b>(5)</b>	<b>(2,083)</b>	<b>(500)</b>
<b>TAX LEVY</b>	<b>15,255</b>	<b>15,481</b>	<b>2,042</b>	<b>19,245</b>	<b>3,764</b>

FIRST QUARTER HIGHLIGHTS

DOB projects the Board of Elections \$4.3 million over modified appropriations. This projected increase is primarily driven by the new state mandate to provide early voting days beginning with the 2019 general election. It is anticipated that the County will receive approximately \$0.5 million in operating aid for early voting.

## DEPARTMENTAL DETAIL

<b>DEPARTMENT OF FINANCE</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	4,155	4,155	880	4,155	0
Other Personal Services	9	9	0	9	-
Materials & Supplies	36	36	7	36	(0)
Contractual Expenses	124	309	6	124	(185)
Inter-Departmental Charge	975	975	58	975	-
<b>Gross Expenditures</b>	<b>5,298</b>	<b>5,483</b>	<b>951</b>	<b>5,298</b>	<b>(185)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>5,298</b>	<b>5,483</b>	<b>951</b>	<b>5,298</b>	<b>(185)</b>
Departmental Income	(2,375)	(2,375)	(446)	(2,375)	-
Miscellaneous Revenue	-	-	1	-	-
<b>REVENUES</b>	<b>(2,375)</b>	<b>(2,375)</b>	<b>(446)</b>	<b>(2,375)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>2,923</b>	<b>3,108</b>	<b>506</b>	<b>2,923</b>	<b>(185)</b>

### FIRST QUARTER HIGHLIGHTS

DOB projects expenditures for the Department of Finance at \$185,000 below the modified budget. \$185,000 contractual expense included in the modified budget is expected to occur in FY 2020.



<b>DEPARTMENT OF INFORMATION TECHNOLOGY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	14,030	14,030	3,096	13,902	(129)
Other Personal Services	3,690	3,690	917	3,752	62
Equipment	199	289	91	199	(90)
Materials & Supplies	275	287	41	275	(12)
Contractual Expenses	24,286	26,031	2,907	24,286	(1,744)
Inter-Departmental Charge	1,413	1,413	464	1,413	-
<b>Gross Expenditures</b>	<b>43,892</b>	<b>45,739</b>	<b>7,517</b>	<b>43,825</b>	<b>(1,914)</b>
Inter-Departmental Revenue	(38,067)	(38,067)	(1,084)	(38,067)	-
<b>NET EXPENDITURES</b>	<b>5,825</b>	<b>7,672</b>	<b>6,433</b>	<b>5,758</b>	<b>(1,914)</b>
Departmental Income	(8,955)	(8,955)	(355)	(8,955)	-
State Aid	(167)	(167)	-	(167)	-
<b>REVENUES</b>	<b>(9,122)</b>	<b>(9,122)</b>	<b>(355)</b>	<b>(9,122)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>(3,297)</b>	<b>(1,450)</b>	<b>6,078</b>	<b>(3,364)</b>	<b>(1,914)</b>

## FIRST QUARTER HIGHLIGHTS

DOB projects expenditures within the Department of Information Technology \$1.9 million below modified appropriations time. Approximately \$1.8 million of non-personal expenditures included in the modified budget are expected to occur in FY 2020. Salary savings associated with vacant positions are offset by additional hourly wages.

## DEPARTMENTAL DETAIL

<b>BOARD OF ACQUISITION &amp; CONTRACT</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	244	244	53	244	-
Materials & Supplies	1	1	0	1	-
Contractual Expenses	2	2	0	2	-
Inter-Departmental Charge	53	53	1	53	-
<b>Gross Expenditures</b>	<b>300</b>	<b>300</b>	<b>54</b>	<b>300</b>	<b>-</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>300</b>	<b>300</b>	<b>54</b>	<b>300</b>	<b>-</b>
Departmental Income	(3)	(3)	(1)	(3)	-
<b>REVENUES</b>	<b>(3)</b>	<b>(3)</b>	<b>(1)</b>	<b>(3)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>298</b>	<b>298</b>	<b>53</b>	<b>298</b>	<b>-</b>

### FIRST QUARTER HIGHLIGHTS

DOB is projecting the Board of Acquisition and Contract to approximate both the Adopted and Modified Budgets at this time.

<b>DEPARTMENT OF LAW</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	9,209	9,209	1,935	9,059	(150)
Other Personal Services	1	1	5	1	-
Equipment	40	42	5	40	(2)
Materials & Supplies	65	68	14	65	(3)
Contractual Expenses	1,793	2,044	715	1,793	(251)
Inter-Departmental Charge	828	828	28	828	-
<b>Gross Expenditures</b>	<b>11,936</b>	<b>12,192</b>	<b>2,702</b>	<b>11,786</b>	<b>(406)</b>
Inter-Departmental Revenue	(10,816)	(10,816)	(1,626)	(10,816)	-
<b>NET EXPENDITURES</b>	<b>1,120</b>	<b>1,376</b>	<b>1,076</b>	<b>970</b>	<b>(406)</b>
Departmental Income	(3,534)	(3,534)	(346)	(3,534)	-
State Aid	(891)	(891)	-	(753)	138
<b>REVENUES</b>	<b>(4,425)</b>	<b>(4,425)</b>	<b>(346)</b>	<b>(4,288)</b>	<b>138</b>
<b>TAX LEVY</b>	<b>(3,305)</b>	<b>(3,049)</b>	<b>730</b>	<b>(3,318)</b>	<b>(268)</b>

FIRST QUARTER HIGHLIGHTS

DOB projects expenditures within the Department of Law \$406,000 below the modified budget levels. This is due to the expectation that \$256,000 of these expenditures will occur in FY 2020, and personal service savings resulting from vacant positions. A portion of the salary savings is for positions associated with raising the age of criminal responsibility, resulting in a loss of state aid.

## DEPARTMENTAL DETAIL

<b>DEPARTMENT OF PLANNING</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	2,475	2,450	538	2,475	25
Other Personal Services	-	25	-	-	(25)
Equipment	12	12	-	12	-
Materials & Supplies	13	13	2	13	-
Contractual Expenses	873	873	46	873	-
Inter-Departmental Charge	873	873	53	873	-
<b>Gross Expenditures</b>	<b>4,245</b>	<b>4,245</b>	<b>639</b>	<b>4,245</b>	<b>-</b>
Inter-Departmental Revenue	(27)	(27)	-	(27)	-
<b>NET EXPENDITURES</b>	<b>4,218</b>	<b>4,218</b>	<b>639</b>	<b>4,218</b>	<b>-</b>
Departmental Income	(569)	(569)	(3)	(569)	-
Agency & Trust Revenue	(175)	(175)	-	(175)	-
State Aid	(60)	(60)	(60)	(60)	-
<b>REVENUES</b>	<b>(804)</b>	<b>(804)</b>	<b>(63)</b>	<b>(804)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>3,414</b>	<b>3,414</b>	<b>575</b>	<b>3,414</b>	<b>-</b>

### FIRST QUARTER HIGHLIGHTS

DOB projects the Department of Planning to approximate both the adopted and modified budgets at this time. Salary savings are offset by additional hourly wage expense.

<b>DEPARTMENT OF EMERGENCY SERVICES</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	1,801	1,801	434	1,801	-
Other Personal Services	310	310	53	310	-
Equipment	200	200	-	200	-
Materials & Supplies	211	211	26	211	-
Contractual Expenses	985	999	72	985	(14)
Inter-Departmental Charge	3,138	3,138	107	3,138	-
<b>Gross Expenditures</b>	<b>6,644</b>	<b>6,658</b>	<b>691</b>	<b>6,644</b>	<b>(14)</b>
Inter-Departmental Revenue	(329)	(329)	-	(329)	-
<b>NET EXPENDITURES</b>	<b>6,315</b>	<b>6,329</b>	<b>691</b>	<b>6,315</b>	<b>(14)</b>
Departmental Income	(75)	(75)	-	(75)	-
Federal Aid	(357)	(357)	-	(357)	-
<b>REVENUES</b>	<b>(433)</b>	<b>(433)</b>	<b>-</b>	<b>(433)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>5,882</b>	<b>5,896</b>	<b>691</b>	<b>5,882</b>	<b>(14)</b>

## FIRST QUARTER HIGHLIGHTS

DOB projects the Department of Emergency Services to approximate the adopted budget at this time. \$14,000 of contractual expenditure is anticipated to roll and take place in FY 2020.

## DEPARTMENTAL DETAIL

<b>COUNTY CLERK</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	4,643	4,643	1,017	4,643	-
Other Personal Services	45	45	0	45	-
Equipment	5	5	0	5	-
Materials & Supplies	117	117	12	117	-
Contractual Expenses	344	344	15	344	(0)
Inter-Departmental Charge	1,775	1,775	69	1,775	-
<b>Gross Expenditures</b>	<b>6,928</b>	<b>6,928</b>	<b>1,113</b>	<b>6,928</b>	<b>(0)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>6,928</b>	<b>6,928</b>	<b>1,113</b>	<b>6,928</b>	<b>(0)</b>
Departmental Income	(9,072)	(9,072)	(1,288)	(9,072)	-
<b>REVENUES</b>	<b>(9,072)</b>	<b>(9,072)</b>	<b>(1,288)</b>	<b>(9,072)</b>	-
<b>TAX LEVY</b>	<b>(2,144)</b>	<b>(2,144)</b>	<b>(175)</b>	<b>(2,144)</b>	<b>(0)</b>

### FIRST QUARTER HIGHLIGHTS

DOB anticipates that expenditures and revenues for the County Clerk will approximate the adopted budget at this time.

<b>DEPARTMENT OF SOCIAL SERVICES</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	72,819	72,819	16,672	72,819	-
Other Personal Services	2,428	2,428	675	2,928	500
Equipment	-	-	-	-	-
Materials & Supplies	690	697	107	690	(8)
Contractual Expenses	18,777	18,804	3,262	19,660	855
Social Services Relief	478,252	478,264	74,371	476,446	(1,818)
Inter-Departmental Charge	41,890	41,890	4,401	41,890	-
<b>Gross Expenditures</b>	<b>614,854</b>	<b>614,901</b>	<b>99,487</b>	<b>614,431</b>	<b>(470)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>614,854</b>	<b>614,901</b>	<b>99,487</b>	<b>614,431</b>	<b>(470)</b>
Departmental Income	(4,600)	(4,600)	(1,301)	(4,600)	-
Miscellaneous Revenue	-	-	(24)	-	-
Undistributed Revenues	-	-	(1,385)	-	-
State Aid	(114,133)	(114,133)	(607)	(114,204)	(71)
Federal Aid	(160,642)	(160,642)	-	(160,054)	588
<b>REVENUES</b>	<b>(279,375)</b>	<b>(279,375)</b>	<b>(3,317)</b>	<b>(278,858)</b>	<b>517</b>
<b>TAX LEVY</b>	<b>335,479</b>	<b>335,526</b>	<b>96,170</b>	<b>335,572</b>	<b>46</b>

FIRST QUARTER HIGHLIGHTS

As of the first quarter, DOB is projecting essentially no change in DSS’s tax levy on expenditure reductions of \$0.5 million and revenue reductions of \$0.5 million.

Personal service exceeds modified appropriations by \$0.5 million due to an increase in overtime within the child protective services unit. Higher children with special needs caseloads drive the \$0.9 million increase in the contractual expense projection for the education and transportation program.

DOB projects expenditure savings to occur in the relief category. The two public assistance programs, TANF and Safety Net, are under modified budget levels by a combined \$1.6 million. These two programs are heavily subsidized by the federal and state governments; the \$1.6 million expense reduction is coupled with a \$0.9 million revenue loss. Across all three programs, daycare subsidy expenditures are now projected \$0.5 million below budgeted appropriations as a result of lower than anticipated caseloads. Emergency Assistance caseloads are trending above budgeted levels, increasing the projected expenditure by \$0.4 million. Approximately half of this additional expenditure is supported by federal and state aid.

## DEPARTMENTAL DETAIL

<b>DEPARTMENT OF SENIOR PROGRAMS &amp; SERVICES</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Contractual Expenses	3,067	3,067	32	3,467	400
Inter-Departmental Charge	779	779	17	779	-
<b>Gross Expenditures</b>	<b>3,846</b>	<b>3,846</b>	<b>50</b>	<b>4,246</b>	<b>400</b>
Inter-Departmental Revenue	(291)	(291)	-	(291)	-
<b>NET EXPENDITURES</b>	<b>3,555</b>	<b>3,555</b>	<b>50</b>	<b>3,955</b>	<b>400</b>
<b>TAX LEVY</b>	<b>3,555</b>	<b>3,555</b>	<b>50</b>	<b>3,955</b>	<b>400</b>

### FIRST QUARTER HIGHLIGHTS

DOB projects an increase of \$0.4 million over the modified budget for the Department of Senior Programs and Services at this time. This is as a result of higher caseloads due to the provision of certain program services as of right to eligible County residents.



<b>DEPARTMENT OF CONSUMER PROTECTION</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	1,629	1,629	423	1,629	-
Other Personal Services	15	15	4	15	-
Equipment	12	12	1	12	-
Materials & Supplies	48	48	5	48	-
Contractual Expenses	35	36	3	35	(1)
Inter-Departmental Charge	315	315	6	315	-
<b>Gross Expenditures</b>	<b>2,055</b>	<b>2,056</b>	<b>443</b>	<b>2,055</b>	<b>(1)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>2,055</b>	<b>2,056</b>	<b>443</b>	<b>2,055</b>	<b>(1)</b>
Departmental Income	(3,554)	(3,554)	(811)	(3,554)	-
<b>REVENUES</b>	<b>(3,554)</b>	<b>(3,554)</b>	<b>(811)</b>	<b>(3,554)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>(1,499)</b>	<b>(1,498)</b>	<b>(369)</b>	<b>(1,499)</b>	<b>(1)</b>

FIRST QUARTER HIGHLIGHTS

DOB projects the Department of Consumer Protection to approximate its adopted budget at this time.

## DEPARTMENTAL DETAIL

<b>DEPARTMENT OF MENTAL HEALTH</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	3,286	3,286	665	3,188	(98)
Other Personal Services	21	21	11	27	6
Materials & Supplies	29	29	1	29	-
Contractual Expenses	5,688	5,688	144	5,688	-
Inter-Departmental Charge	1,506	1,506	269	1,506	-
<b>Gross Expenditures</b>	<b>10,530</b>	<b>10,530</b>	<b>1,090</b>	<b>10,438</b>	<b>(92)</b>
Inter-Departmental Revenue	(980)	(980)	-	(980)	-
<b>NET EXPENDITURES</b>	<b>9,550</b>	<b>9,550</b>	<b>1,090</b>	<b>9,458</b>	<b>(92)</b>
Departmental Income	(5)	(5)	(1)	(5)	-
State Aid	(3,321)	(3,321)	(92)	(3,118)	203
Federal Aid	(896)	(896)	-	(896)	-
<b>REVENUES</b>	<b>(4,221)</b>	<b>(4,221)</b>	<b>(93)</b>	<b>(4,019)</b>	<b>203</b>
<b>TAX LEVY</b>	<b>5,329</b>	<b>5,329</b>	<b>997</b>	<b>5,439</b>	<b>111</b>

### FIRST QUARTER HIGHLIGHTS

DOB projects expenditures \$92,000 below modified appropriations for the Department of Mental Health at this time. Personal service expenditures are projected below the modified budget as a result of vacancies within the department. State aid is anticipated lower due to the reimbursement associated with the aforementioned expenditure reduction and inability to claim a position that had been assumed as reimbursable in the budget.

<b>DEPARTMENT OF HEALTH</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	15,963	15,963	3,553	15,963	-
Other Personal Services	402	402	73	402	-
Equipment	128	128	-	128	-
Materials & Supplies	336	336	39	336	(0)
Contractual Expenses	115,459	115,461	17,208	117,586	2,125
Inter-Departmental Charge	5,583	5,583	737	5,583	-
<b>Gross Expenditures</b>	<b>137,870</b>	<b>137,872</b>	<b>21,610</b>	<b>139,996</b>	<b>2,125</b>
Inter-Departmental Revenue	(159)	(159)	-	(159)	-
<b>NET EXPENDITURES</b>	<b>137,711</b>	<b>137,712</b>	<b>21,610</b>	<b>139,837</b>	<b>2,125</b>
Departmental Income	(7,889)	(7,889)	(1,515)	(8,050)	(161)
Miscellaneous Revenue	-	-	2	-	-
Undistributed Revenues	-	-	(7)	-	-
State Aid	(68,473)	(68,473)	(4)	(69,750)	(1,277)
<b>REVENUES</b>	<b>(76,362)</b>	<b>(76,362)</b>	<b>(1,524)</b>	<b>(77,800)</b>	<b>(1,438)</b>
<b>TAX LEVY</b>	<b>61,348</b>	<b>61,350</b>	<b>20,086</b>	<b>62,037</b>	<b>687</b>

## FIRST QUARTER HIGHLIGHTS

Overall, DOB projects Department of Health \$0.7 million above their modified tax levy on expenditure increases of \$2.1 million, and revenue increases of \$1.4 million. Contractual expenses are projected above budget on higher than anticipated children with special needs caseloads. This additional expense results in additional state aid of \$1.2 million.

## DEPARTMENTAL DETAIL

<b>DEPARTMENT OF LABORATORIES &amp; RESEARCH</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	8,645	8,645	1,887	8,545	(100)
Other Personal Services	327	327	57	352	25
Materials & Supplies	1,137	1,229	253	1,137	(93)
Contractual Expenses	1,003	1,053	90	1,003	(50)
Inter-Departmental Charge	3,462	3,462	77	3,462	-
<b>Gross Expenditures</b>	<b>14,573</b>	<b>14,716</b>	<b>2,363</b>	<b>14,498</b>	<b>(218)</b>
Inter-Departmental Revenue	(5)	(5)	(1)	(5)	-
<b>NET EXPENDITURES</b>	<b>14,568</b>	<b>14,711</b>	<b>2,363</b>	<b>14,493</b>	<b>(218)</b>
Departmental Income	(2,544)	(2,544)	(423)	(2,594)	(50)
State Aid	(1,313)	(1,313)	(3)	(1,313)	-
<b>REVENUES</b>	<b>(3,857)</b>	<b>(3,857)</b>	<b>(426)</b>	<b>(3,907)</b>	<b>(50)</b>
<b>TAX LEVY</b>	<b>10,711</b>	<b>10,854</b>	<b>1,937</b>	<b>10,586</b>	<b>(268)</b>

### FIRST QUARTER HIGHLIGHTS

DOB projects expenditures \$218,000 below the modified budget within the Department of Laboratories and Research at this time. Anticipated salary savings are offset by additional overtime expenditures. Additionally, \$143,000 of expenditure included in the modified budget is expected to occur in FY 2020.

<b>DEPARTMENT OF CORRECTION</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	83,687	83,687	18,864	83,280	(407)
Other Personal Services	16,175	16,175	3,403	16,381	205
Equipment	260	283	13	260	(23)
Materials & Supplies	1,565	1,634	273	1,565	(69)
Contractual Expenses	21,247	21,505	2,675	21,217	(287)
Inter-Departmental Charge	11,425	11,425	613	11,425	-
<b>Gross Expenditures</b>	<b>134,360</b>	<b>134,709</b>	<b>25,842</b>	<b>134,129</b>	<b>(581)</b>
Inter-Departmental Revenue	(137)	(137)	-	(137)	-
<b>NET EXPENDITURES</b>	<b>134,222</b>	<b>134,572</b>	<b>25,842</b>	<b>133,991</b>	<b>(581)</b>
Departmental Income	(9,442)	(9,442)	(1,084)	(10,808)	(1,366)
State Aid	(66)	(66)	-	(66)	-
Federal Aid	(1,146)	(1,146)	(15)	(813)	333
<b>REVENUES</b>	<b>(10,654)</b>	<b>(10,654)</b>	<b>(1,099)</b>	<b>(11,687)</b>	<b>(1,033)</b>
<b>TAX LEVY</b>	<b>123,568</b>	<b>123,918</b>	<b>24,742</b>	<b>122,304</b>	<b>(1,614)</b>

FIRST QUARTER HIGHLIGHTS

DOB projects a favorable tax levy variance of \$1.6 million versus the modified budget within the Department of Correction (DOC). Expenditures are projected below modified appropriations on \$202,000 of personal service savings and the anticipation that \$350,000 of expenditures included in the modified budget will roll and occur in FY 2020. Departmental income is now projected \$1.4 million above the budget target primarily as a result of higher federal inmate per diem rates being implemented earlier than was originally anticipated.

## DEPARTMENTAL DETAIL

<b>TAX COMMISSION</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	194	194	34	150	(44)
Materials & Supplies	1	1	-	1	-
Contractual Expenses	4	4	1	4	-
Inter-Departmental Charge	29	29	0	29	-
<b>Gross Expenditures</b>	<b>228</b>	<b>228</b>	<b>35</b>	<b>183</b>	<b>(44)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>228</b>	<b>228</b>	<b>35</b>	<b>183</b>	<b>(44)</b>
Departmental Income	(0)	(0)	(0)	(0)	-
<b>REVENUES</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>227</b>	<b>227</b>	<b>35</b>	<b>183</b>	<b>(44)</b>

### FIRST QUARTER HIGHLIGHTS

DOB projects personal service savings of \$44,000 as a result of a vacancy within the Tax Commission.

<b>DISTRICT ATTORNEY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	25,512	25,512	5,220	25,387	(125)
Other Personal Services	396	396	71	395	(1)
Equipment	144	181	22	144	(38)
Materials & Supplies	295	298	43	291	(7)
Contractual Expenses	2,524	2,547	172	2,524	(23)
Inter-Departmental Charge	1,138	1,138	156	1,138	-
<b>Gross Expenditures</b>	<b>30,009</b>	<b>30,073</b>	<b>5,684</b>	<b>29,879</b>	<b>(194)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>30,009</b>	<b>30,073</b>	<b>5,684</b>	<b>29,879</b>	<b>(194)</b>
Miscellaneous Revenue	-	-	(0)	-	-
State Aid	(714)	(714)	-	(714)	-
Federal Aid	(134)	(134)	-	(134)	-
<b>REVENUES</b>	<b>(847)</b>	<b>(847)</b>	<b>(0)</b>	<b>(847)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>29,162</b>	<b>29,226</b>	<b>5,684</b>	<b>29,032</b>	<b>(194)</b>

FIRST QUARTER HIGHLIGHTS

DOB projects personal service expenditure savings of \$126,000 versus the modified budget within the District Attorney’s Office primarily due to vacancies. Additional savings of \$64,000 versus the modified budget are also projected as these expenditures are not anticipated to occur until FY 2020.

## DEPARTMENTAL DETAIL

<b>DEPARTMENT OF PUBLIC SAFETY</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	35,366	35,366	7,996	35,560	194
Other Personal Services	11,164	11,164	1,634	11,164	-
Equipment	304	398	91	304	(95)
Materials & Supplies	1,722	1,842	401	1,722	(120)
Contractual Expenses	2,550	2,642	540	2,550	(93)
Inter-Departmental Charge	5,237	5,237	344	5,237	-
<b>Gross Expenditures</b>	<b>56,341</b>	<b>56,648</b>	<b>11,005</b>	<b>56,535</b>	<b>(113)</b>
Inter-Departmental Revenue	(13,046)	(13,046)	-	(13,046)	-
<b>NET EXPENDITURES</b>	<b>43,294</b>	<b>43,601</b>	<b>11,005</b>	<b>43,488</b>	<b>(113)</b>
Departmental Income	(15,528)	(15,528)	(924)	(15,528)	-
State Aid	(2,721)	(2,721)	(5)	(2,784)	(63)
Federal Aid	(291)	(291)	(8)	(291)	-
<b>REVENUES</b>	<b>(18,540)</b>	<b>(18,540)</b>	<b>(937)</b>	<b>(18,602)</b>	<b>(63)</b>
<b>TAX LEVY</b>	<b>24,755</b>	<b>25,062</b>	<b>10,069</b>	<b>24,886</b>	<b>(176)</b>

### FIRST QUARTER HIGHLIGHTS

DOB projects expenditures within the Department of Public Safety (DPS) below modified appropriations by \$113,000. The largest driver of this change is a reduction in non-personal service expenditures in the amount of \$307,000 that are expected to roll and take place in FY 2020.



<b>DEPARTMENT OF PROBATION</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	19,668	19,668	4,287	19,407	(261)
Other Personal Services	552	552	212	552	-
Equipment	347	365	19	347	(19)
Materials & Supplies	216	224	14	216	(8)
Contractual Expenses	20,411	20,495	51	20,415	(80)
Inter-Departmental Charge	3,578	3,578	225	3,578	-
<b>Gross Expenditures</b>	<b>44,772</b>	<b>44,882</b>	<b>4,808</b>	<b>44,515</b>	<b>(367)</b>
Inter-Departmental Revenue	(1,606)	(1,606)	-	(1,655)	(49)
<b>NET EXPENDITURES</b>	<b>43,166</b>	<b>43,276</b>	<b>4,808</b>	<b>42,860</b>	<b>(416)</b>
Departmental Income	(345)	(345)	(67)	(345)	-
State Aid	(25,972)	(25,972)	-	(25,972)	-
<b>REVENUES</b>	<b>(26,317)</b>	<b>(26,317)</b>	<b>(67)</b>	<b>(26,317)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>16,849</b>	<b>16,960</b>	<b>4,740</b>	<b>16,543</b>	<b>(416)</b>

## FIRST QUARTER HIGHLIGHTS

DOB projects a favorable variance of \$416,000 versus the modified budget within the Department of Probation at this time. Higher than anticipated vacancies result in projected salary savings of \$261,000. There are also reductions in the non-personal service expenditure categories of \$110,000 to account for the expectation that these expenditures will occur in FY 2020.

## DEPARTMENTAL DETAIL

<b>PUBLIC ADMINISTRATOR</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	635	635	125	635	-
Equipment	1	1	1	1	-
Materials & Supplies	6	6	2	6	(0)
Contractual Expenses	59	64	7	59	(5)
Inter-Departmental Charge	127	127	4	127	-
<b>Gross Expenditures</b>	<b>828</b>	<b>833</b>	<b>139</b>	<b>828</b>	<b>(5)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>828</b>	<b>833</b>	<b>139</b>	<b>828</b>	<b>(5)</b>
Departmental Income	(425)	(425)	(46)	(425)	-
<b>REVENUES</b>	<b>(425)</b>	<b>(425)</b>	<b>(46)</b>	<b>(425)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>403</b>	<b>408</b>	<b>93</b>	<b>403</b>	<b>(5)</b>

### FIRST QUARTER HIGHLIGHTS

DOB projects the Public Administrator to approximate the adopted budget at this time. \$5,000 of contractual expenses included in the modified budget are expected to roll and occur in FY 2020.

<b>SOLID WASTE COMMISSION</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	717	717	120	717	-
Other Personal Services	547	547	79	547	-
Equipment	36	36	-	36	-
Materials & Supplies	37	37	5	37	-
Contractual Expenses	137	176	33	137	(39)
Inter-Departmental Charge	460	460	43	460	-
<b>Gross Expenditures</b>	<b>1,934</b>	<b>1,974</b>	<b>280</b>	<b>1,934</b>	<b>(39)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>1,934</b>	<b>1,974</b>	<b>280</b>	<b>1,934</b>	<b>(39)</b>
Departmental Income	(1,934)	(1,934)	(362)	(1,934)	-
<b>REVENUES</b>	<b>(1,934)</b>	<b>(1,934)</b>	<b>(361)</b>	<b>(1,934)</b>	<b>-</b>
<b>TAX LEVY</b>	<b>0</b>	<b>39</b>	<b>(81)</b>	<b>0</b>	<b>(39)</b>

FIRST QUARTER HIGHLIGHTS

DOB projects an expenditure reduction of \$39,000 from the modified budget for the Solid Waste Commission. It is anticipated that these expenditures will not occur until FY 2020.

## DEPARTMENTAL DETAIL

<b>DEPARTMENT OF PARKS</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	16,537	16,537	3,725	16,537	(0)
Other Personal Services	9,677	9,677	1,332	9,699	22
Equipment	214	216	124	214	(2)
Materials & Supplies	8,171	8,219	1,173	8,171	(48)
Contractual Expenses	11,376	11,680	2,137	11,376	(303)
Inter-Departmental Charge	5,720	5,720	294	5,720	-
<b>Gross Expenditures</b>	<b>51,696</b>	<b>52,049</b>	<b>8,784</b>	<b>51,718</b>	<b>(331)</b>
Inter-Departmental Revenue	(357)	(357)	-	(357)	-
<b>NET EXPENDITURES</b>	<b>51,338</b>	<b>51,692</b>	<b>8,784</b>	<b>51,361</b>	<b>(331)</b>
Departmental Income	(59,033)	(59,033)	(2,739)	(58,588)	445
Undistributed Revenues	-	-	(83)	-	-
State Aid	(50)	(50)	-	(50)	-
<b>REVENUES</b>	<b>(59,083)</b>	<b>(59,083)</b>	<b>(2,822)</b>	<b>(58,638)</b>	<b>445</b>
<b>TAX LEVY</b>	<b>(7,745)</b>	<b>(7,392)</b>	<b>5,962</b>	<b>(7,277)</b>	<b>114</b>

### FIRST QUARTER HIGHLIGHTS

Overall, DOB projects expenditures \$331,000 below the modified budget within the Parks Department (Parks). This is primarily due to the expectation that \$353,000 of non-personal service expenditures included in the modified budget will not occur until FY 2020. Revenues are reduced primarily due to the later than anticipated opening of Maple Moor golf course as a result of delays in the completion of certain capital improvements.

<b>DEPARTMENT OF TRANSPORTATION</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	1,364	1,364	315	1,364	-
Other Personal Services	24	24	4	24	-
Materials & Supplies	1,561	1,561	478	1,561	-
Contractual Expenses	167,297	167,631	34,987	168,732	1,101
Inter-Departmental Charge	1,998	1,998	70	1,998	-
<b>Gross Expenditures</b>	<b>172,738</b>	<b>173,072</b>	<b>35,855</b>	<b>174,173</b>	<b>1,101</b>
Inter-Departmental Revenue	(445)	(445)	-	(445)	-
<b>NET EXPENDITURES</b>	<b>172,293</b>	<b>172,627</b>	<b>35,855</b>	<b>173,728</b>	<b>1,101</b>
Departmental Income	(39,023)	(39,023)	(7,568)	(38,332)	691
State Aid	(59,842)	(59,842)	-	(62,849)	(3,008)
Federal Aid	(13,940)	(13,940)	-	(13,940)	-
<b>REVENUES</b>	<b>(112,805)</b>	<b>(112,805)</b>	<b>(7,568)</b>	<b>(115,121)</b>	<b>(2,317)</b>
<b>TAX LEVY</b>	<b>59,489</b>	<b>59,822</b>	<b>28,286</b>	<b>58,607</b>	<b>(1,215)</b>

FIRST QUARTER HIGHLIGHTS

Overall, DOB projects a tax levy impact \$1.2 million below the modified budget within the Department of Transportation (DOT). This is primarily due to an upward revision in State Transportation Aid in the amount of \$3.0 million. The County was allocated additional aid in the 2019-20 NYS Budget.

Bus operating expenditures are projected above the modified budget by \$1.1 million primarily due to lower cash fare collections than originally anticipated. Cash fares are accounted for as reductions to the bus operating assistance expense. Departmental income is now projected below budget targets due to a delay in the MTA MetroCard fare increase and lower than anticipated ridership.

## DEPARTMENTAL DETAIL

<b>DEPARTMENT OF PUBLIC WORKS</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	15,725	15,725	3,520	15,700	(25)
Other Personal Services	1,057	1,057	278	968	(89)
Equipment	236	241	61	236	(6)
Materials & Supplies	16,794	17,011	3,025	16,794	(217)
Contractual Expenses	21,370	22,226	3,355	22,755	529
Inter-Departmental Charge	2,290	2,290	230	2,290	-
<b>Gross Expenditures</b>	<b>57,472</b>	<b>58,551</b>	<b>10,469</b>	<b>58,743</b>	<b>192</b>
Inter-Departmental Revenue	(43,626)	(43,626)	(5,686)	(43,626)	-
<b>NET EXPENDITURES</b>	<b>13,846</b>	<b>14,924</b>	<b>4,783</b>	<b>15,116</b>	<b>192</b>
Departmental Income	(9,789)	(9,789)	(971)	(10,470)	(681)
State Aid	(3,479)	(3,479)	-	(3,479)	-
<b>REVENUES</b>	<b>(13,268)</b>	<b>(13,268)</b>	<b>(971)</b>	<b>(13,949)</b>	<b>(681)</b>
<b>TAX LEVY</b>	<b>578</b>	<b>1,657</b>	<b>3,811</b>	<b>1,167</b>	<b>(489)</b>

### FIRST QUARTER HIGHLIGHTS

Overall, DOB projects expenditures at \$0.2 million above the modified budget within the Department of Public Works (DPW). This increase is driven by higher than anticipated contractual expenses, primarily for the operation of the Valhalla Campus central heating plant. Offsetting these increases is an anticipated reduction in projected expenditure due to the expectation that \$1.1 million of expenditures included in the modified budget will not occur until FY 2020. Additionally, there is an upward revision in the departmental projection of \$0.7 million due to higher rent receipts at the Valhalla Campus.

<b>DEBT SERVICE</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Contractual Expenses	96,680	96,706	17,222	97,257	550
<b>Gross Expenditures</b>	<b>96,680</b>	<b>96,706</b>	<b>17,222</b>	<b>97,257</b>	<b>550</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>96,680</b>	<b>96,706</b>	<b>17,222</b>	<b>97,257</b>	<b>550</b>
Capital Revenue	(250)	(250)	-	(849)	(599)
Interfund Revenue	(7,202)	(7,202)	(410)	(1,191)	6,012
<b>REVENUES</b>	<b>(7,452)</b>	<b>(7,452)</b>	<b>(410)</b>	<b>(2,040)</b>	<b>5,413</b>
<b>TAX LEVY</b>	<b>89,227</b>	<b>89,254</b>	<b>16,812</b>	<b>95,217</b>	<b>5,963</b>

FIRST QUARTER HIGHLIGHTS

DOB projects an increase of \$6.0 million in tax levy for the debt service budget versus the modified budget. This is primarily due to the elimination of the inter-fund revenue from the community college resulting from a change in the accounting treatment of debt service for the college. There is an associated expense reduction with this change in the Miscellaneous Budget.

## DEPARTMENTAL DETAIL

<b>MISCELLANEOUS BUDGETS</b>					
Thousands of Dollars					
	<b>2019 Adopted</b>	<b>2019 Modified</b>	<b>YTD Mar 31</b>	<b>2019 Projected</b>	<b>Proj. less Modified</b>
Annual Regular Salaries	624	624	226	624	-
Other Personal Services	258,288	258,288	58,872	257,898	(390)
Materials & Supplies	7	9	0	7	(2)
Contractual Expenses	239,746	240,147	38,785	235,561	(4,586)
Inter-Departmental Charge	8,004	8,004	594	8,004	-
<b>Gross Expenditures</b>	<b>506,669</b>	<b>507,072</b>	<b>98,477</b>	<b>502,094</b>	<b>(4,977)</b>
Inter-Departmental Revenue	-	-	-	-	-
<b>NET EXPENDITURES</b>	<b>506,669</b>	<b>507,072</b>	<b>98,477</b>	<b>502,094</b>	<b>(4,977)</b>
Real Property Taxes	(570,579)	(570,579)	-	(570,579)	-
Payments in Lieu of Taxes	(10,140)	(10,140)	(338)	(10,140)	-
Non-Property Taxes	(622,319)	(622,319)	(63,221)	(621,056)	1,263
Departmental Income	(13,589)	(13,589)	(37)	(13,293)	296
Interest on Investments	(775)	(775)	(131)	(775)	-
Capital Revenue	(8,500)	(8,500)	-	(8,500)	-
Appropriated Fund Balance	-	(5,997)	-	-	5,997
Miscellaneous Revenue	(60,000)	(60,000)	(4,312)	(60,000)	-
Interfund Revenue	(85)	(85)	(242)	(242)	(157)
State Aid	(8,531)	(8,531)	(384)	(8,531)	-
<b>REVENUES</b>	<b>(1,294,517)</b>	<b>(1,300,515)</b>	<b>(68,665)</b>	<b>(1,293,115)</b>	<b>7,399</b>
<b>TAX LEVY</b>	<b>(787,848)</b>	<b>(793,443)</b>	<b>29,813</b>	<b>(791,021)</b>	<b>2,422</b>

### FIRST QUARTER HIGHLIGHTS

Overall, DOB projects a tax levy increase within the Miscellaneous Budgets of \$2.4 million. The majority of this is as a result of the reduction in appropriated fund balance by \$6.0 million which is reflective of the expectation that \$6.0 million of general fund commitments will roll from FY19 to FY20, resulting in a minimal effect to the FY19 Financial Plan. The Q1 Update contains sufficient non-personal service expenditure reductions in the general fund to fully account for this effect.

The majority of the projected expenditure reduction results from the elimination of debt service expense from the community college sponsor contribution due to a change in the accounting treatment of debt service for the college. There is an associated revenue reduction with this change in the Debt Service Budget. Higher than anticipated pharmacy rebates drive the reduction in other personal service.

Reductions in the non-property tax revenue targets drive the change in revenues. Mortgage recording tax and hotel occupancy tax have both been revised downward.



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