

Dutchess County Government

Fiscal Update

2014 - 2015



May 7, 2015

2014

- **Unaudited fiscal report completed**
- **Final audited fiscal report – 9/30/15**
- **Will include final 2014 fund balance**

2014 Revenues vs. Expenditures by Fund

<u>Fund</u>	<u>Revenue</u>	<u>Expense</u>	<u>Difference</u>
A-General	425,116,940	406,458,926	18,658,014
D-Road	10,498,354	10,363,642	134,712
E-Machinery	2,668,425	2,466,578	201,847
S-Workers Comp	5,353,329	5,560,579	(207,250)
EA-Airport	4,262,501	4,050,281	212,220
ET-Mass Transportation	10,904,661	8,517,904	2,386,757
Total:	458,804,210	437,417,910	21,386,300

*A, D & E fund revenues do not include Appropriation of Fund Balance included in the 2014 budget
EA Fund & ET Fund include federal & state capital revenue and depreciation expense; the expenses
associated with the capital revenue fall under "Assets" and are not reflected in the Expense numbers above.*

2014 Significant Cost Areas Include:

- \$44 million for Public Safety- Sheriff & Jail
- \$43 million for the state mandated Medicaid program
- \$33 million for contracted child institution costs
- \$21 million for state mandated pension payments
- \$19 million for the state mandated Preschool Special Education & Early Intervention Programs
- \$15 million for Dutchess Community College
- \$10 million for Public Works road and bridge maintenance and snow removal

Sheriff & Jail, PSE & EIP , and Public Works excludes health insurance and pension costs

County Sales Tax Revenue



2014 Gross sales tax revenue totaled \$175.8M, which was \$6.4M less than the budget estimate of \$182.2M, due to the loss on sales tax on energy as the exemption was re-instated June 1st 2014 (\$5.6M) and economic growth falling short (\$800k) at 4.2% instead of the 4.7% budgeted.

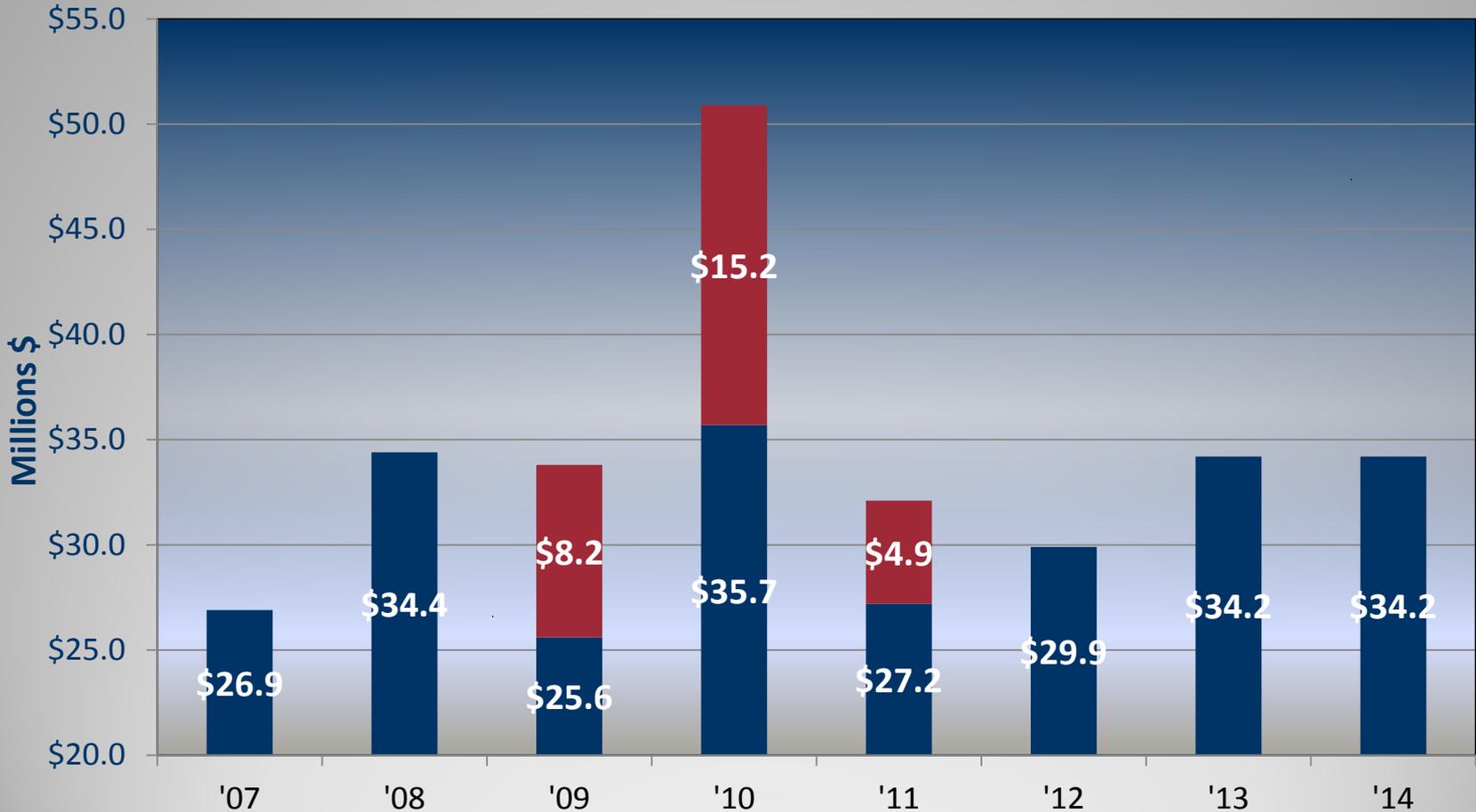
State Aid



State Aid is largely expenditure driven; data reflects General Fund (A) state aid

Federal Aid

 Federal ARRA Funds
 Federal Aid



Federal ARRA (stimulus) funds expired in 2011; data reflects General fund (A) Federal Aid

Fund Balance

- Worked to rebuild fund balance
- Stabilized reserves in 2014: \$39.9M
- 9% of budget, within the recommended 5% - 10%
- Important to credit rating- and minimizing future debt
- Mandates can have a significant impact
- Not cash - difference between assets & liabilities
- Resolutions for salary Increases- 2014 portion included, but 2015 increases of over \$6M will impact the 2015 fund balance

Fund Balance Replenishment

Revenue:

- Sales Tax Shortfall (\$6.4M)
- Refund of prior year expense \$4.7M
- State juvenile delinquent facilities billing change \$2M
- DCFS aggressive revenue management \$9M
- State Aid \$3.6M

Expense:

- DCFS expense savings \$2M
- Vacancy savings \$2.6M
- Prior period retro salary increases and related costs (\$2.8M)

2015

Economic Indicators

- Dutchess Unemployment 4.7%, State 5.7%, Nation 5.5%
- Temporary Assistance, Food Stamps, Medicaid down slightly
- Dutchess 1st Qtr housing sales up 11%, volume up 6%
- Key economic indicators- Full Value Assessments & Sales Tax

1st Quarter Sales Tax

- 2014 projected 3.2%- 2015 projected 1.5%
- Actual 2014 came in higher at 4.2%
- End of 1st Quarter : 3.6% growth

Current and Future Exposures

- State Budget Impacts- Raise the age legislation
- State Mandates
- Contract Settlements / Salary Increases
- Federal Health Care Reform

Questions?