

# Treasurer's Report State of the Village Financial Responsibilities

June 22, 2011



# 2012 Budget Issues



# Ambulance Service

During budget development we discussed handling the Ambulance Budget on a month by month basis...reviewing revenue and expenses as they come in

CONCERN: During the month of June...

Revenues \$ 3,987.76

Expenses 11,508.97

NOTE: Outstanding purchase orders of \$4,500



# Ambulance Service – continued

## Options:

- ▶ Continue operating at a loss for a short period of time...current budget is not built to absorb a loss from this department
- ▶ Discontinue the service and inform 911 to use another service until the new ambulance corp is up and operational

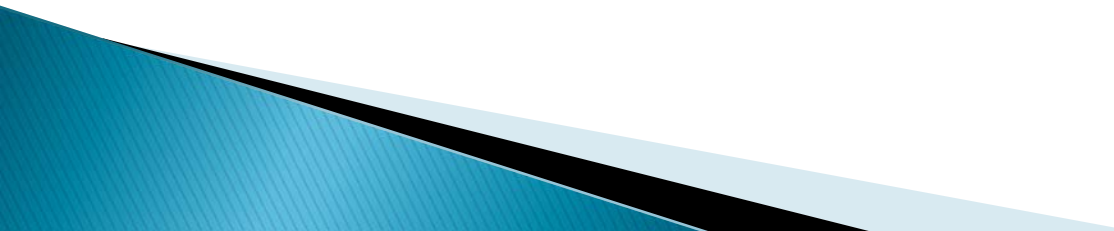
**NOTE:** that will not eliminate the expenses incurred but would eliminate any balances remaining on the purchase orders

# Fire Department

- ▶ Currently have contracts with the Towns until December 31, 2011
  - ▶ Budget for the 2011 calendar year is \$729,100
  - ▶ Revenue for 2011 calendar year
    - Town of Clarkson \$245,050.51
    - Town of Sweden \$321,022.73
    - Village of Brockport \$163,026.76
- |       |              |
|-------|--------------|
| Total | \$729,100.00 |
|-------|--------------|



# Fire Department–continued

- ▶ Village must fund reserves prior to 12/31/11 – total of \$158,000
  - ▶ Budget less reserves equals operating budget of \$571,100 for calendar year 2011
  - ▶ Expenditures January thru June 2011 (recorded as of June 22, 2011) \$307,286.70
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# Fire Department–continued

- ▶ Outstanding encumbrances for same period as expenditures \$67,396.10
- ▶ Balance remaining to be spent prior to 12/31/11 is \$196,417.20

**NOTE: if not spent must be returned  
to localities proportionately**



# Fire Department–continued

## How does this affect the Village 2012 Budget?

2012 Budget for 3410 code is \$571,100

Revenue from Towns is only two payments

Town of Clarkson      \$122,525.26

Town of Sweden      \$160,511.36

Revenue from Village of Brockport is \$132,667  
for operations and \$30,360 for reserves

**NOTE: Seven months must be allocated to the  
2011 calendar budget – \$77,389.06**





# Fire Department—continued

## How does this affect the Village 2012 Budget

- ▶ Leaving only \$55,278 to run the Fire Department from 1 / 1 / 12 thru 5 / 31 / 12 (assuming the towns no longer participate)
- ▶ Budget allocation for the same period will be \$222,310
- ▶ This will result in a deficit budget of \$167,032 should all expenditures be made

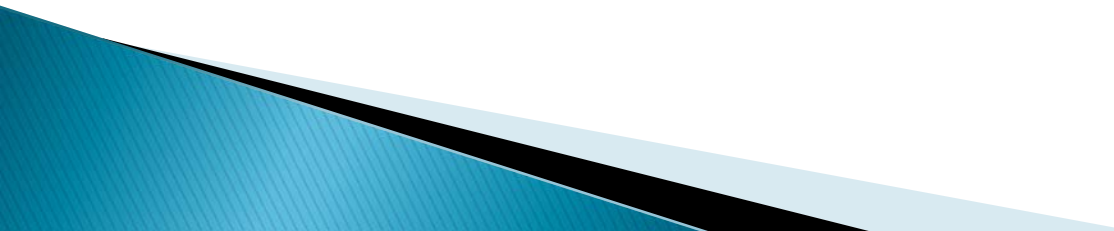
# Village Financial Options

- ▶ If the Towns are not going to participate in the service, the Village should reduce both the revenue and expense side of the 2012 budget appropriately
- ▶ Village needs to conclude how it can financially operate a fire department on it's own

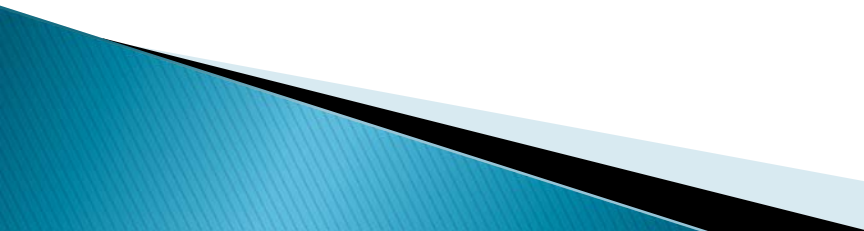
NOTE: Village needs to fund the \$35,000 prior to 12/31/11 per the signed MOU as well



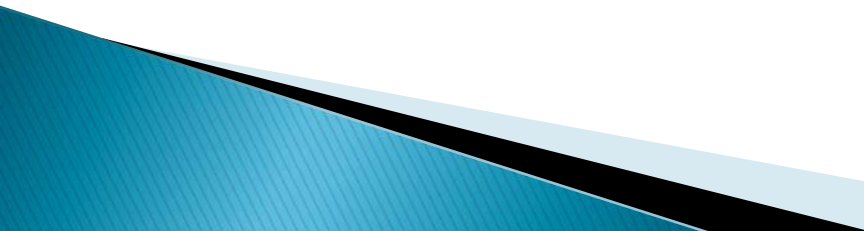
# Fire Department Budget Facts

- ▶ Average fuel expenditure per month  
\$1,200
  - ▶ Average utility expenditure per month  
\$5,525
  - ▶ Workers' compensation Jan–May will be  
approximately \$44,947
  - ▶ Those few items will force the Village  
into a deficit of approximately \$23,294
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# Other Items for Consideration

- ▶ One percent of tax levy is now \$24,187
  - ▶ Unions have negotiated salary increases for 2012–13 that will equal approximately 1.75% increase in tax levy
  - ▶ Health Insurances continues to increase between 10–15% – approximately 2% increase in tax levy
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# Other Items for Consideration

- ▶ Retirement Costs are projected to increase – approximately 3% in the tax levy
  - ▶ 2% cap will become a reality as it is now tied to the rent restructuring in downstate – note there will be items outside the cap but not disclosed at this time
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# Items needing follow-up

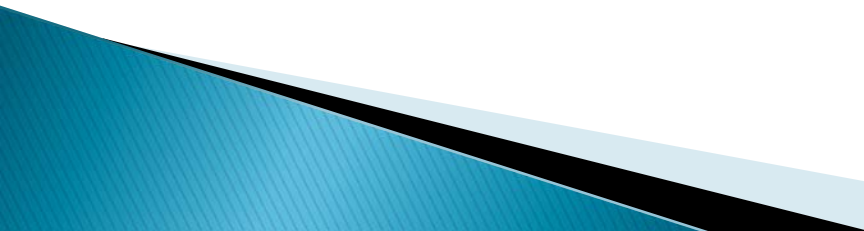
- ▶ Buyout of Carryover vacation
- ▶ Grant writer
- ▶ Village Court
- ▶ Reduction of Street Lighting
- ▶ Salary adjustments for non-union employees

# Training

# Payroll

- ▶ We have processed a number of payrolls using the new templates to handle the annual payments, board monthly payment and regular payrolls for all other employees
  - ▶ We have segregated the duties per the new office structure plan
  - ▶ We have worked with departments to handle various timesheet issues
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# Accounts Payable

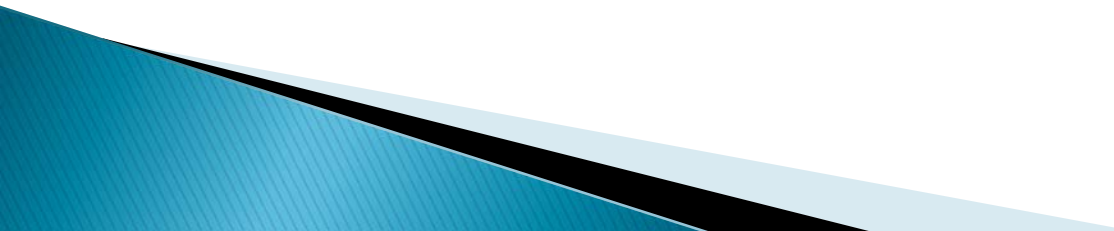
- ▶ We have been following the purchase order process all the way through paying of invoice.
  - ▶ We have inactivated vendors on the master file that we no longer use
  - ▶ We have segregated duties per our new office structure plan
  - ▶ Again, it seems to be going along well
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# Training – summary

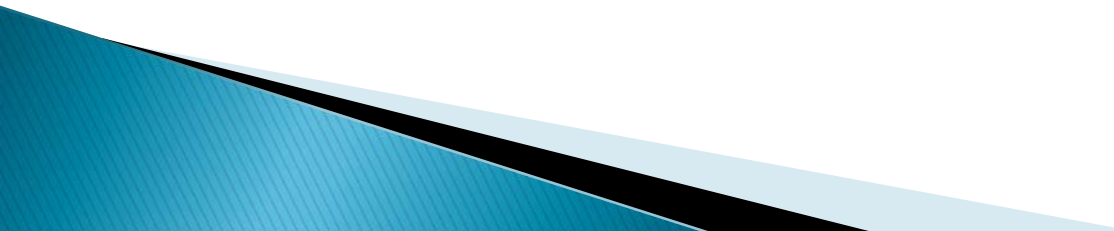
There are issues coming up as a result of the failure to appoint a Village Manager/Treasurer

- ▶ The two remaining Village Office staff are able to do their new duties as long as everything is exactly right – they have no authority to deal with the out of the ordinary situation

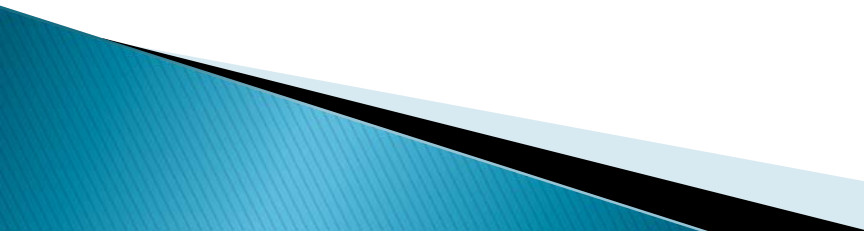
# Training – summary–continued

- ▶ There is no one to add/delete a vendor
  - ▶ There is no one with capacity/authority to determine how much funds need to be transferred between accounts to cover payroll and accounts payable
  - ▶ There is no one authorized to make electronic transfers or use the on-line banking system
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# Training – summary–continued

- ▶ There is no one to make changes to payroll should the need arise
  - ▶ There is no one to create purchase orders
  - ▶ There is no authorized treasurer to sign checks on behalf of the Village – payroll and accounts payable
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# Training – summary–continued

- ▶ There is no one to cover duties (cross training – segregation of duties) for each other
  - ▶ There will be only one person in the office should the other be off for any reason– this is a safety concern as well as a procedural concern
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# Auditors

- ▶ Auditors are in doing preliminary work
- ▶ Books are not ready for audit and may not be prior to my departure as my time has been filled doing many other tasks that have come up
- ▶ Previous audits have taken place as early as August and as late as January– it was ambitious of me to think I would be able to complete them prior to June 30<sup>th</sup>
- ▶ GASB 45 required actuarial complete – annual required contribution is \$322,665

**Thank you for your  
attention**

