2021 ALBANY COUNTY ADOPTED BUDGET

INTRODUCTION AND HIGHLIGHTS
FUND BALANCES AND RESERVES

Daniel P. McCoy
County Executive

M. David Reilly
Commissioner of Management & Budget

RESERVES

BACKGROUND
Albany County has established a number of reserve funds, which are segregated from the operating budget and intended to provide resources to meet future needs, contingencies, and capital outlays. These reserves were created through discretionary means and to satisfy certain legal obligations. Included in this section is a summary of Albany County's reserve accounts, along with the intended use of any reserve funds in 2019.

RESERVE ACCOUNTS AND RECOMMENDED USES
The table on the following page provides a description of Albany County's reserve accounts and the intended 2018 appropriation.

FUND BALANCE

The Undesignated, Un-appropriated Fund Balance is one measure of Albany County's overall financial health. Also known as surplus, the fund balances listed on the next page can be appropriated by the Legislature as part of the budget process to address instances in which appropriations exceed anticipated revenues. If, by the end of the fiscal year, actual expenditures exceeded revenues received, the surplus can also be used to offset the shortfall in revenue. Conversely, if revenues received exceed expenditures, the surplus will increase at the end of the year. The fund balance can be appropriated only as part of the budget process and cannot be appropriated or utilized once the budget has been adopted. It is important to note that a fund balance is an accounting tool and isn't completely backed by cash in the same manner as reserves.

The information in the chart on the next page, as reported in the County's Annual Financial Report to the State Comptroller's Office, is a snap shot of the conditions on December 31, 2019. The surplus is used as a diagnostic tool by rating agencies to determine the County's credit rating and risk when it is seeking funding through the issuance of bonds or bond anticipation notes.

As the chart below indicates, the County's surplus diminished significantly during the 'Great Recession'. In 2009, the fund balance for the General Fund dipped to a low of $16.6 million. At of the end of 2011, the fund balance was approximately $23.2 million - by the end of 2018 the General Fund balance had grown to $49.3 million—an increase of over 100% since the beginning of the current administration. Our combined undesignated unappropriated fund balances for projected for the close of 2021 remain over $56 million.

The consistent use of surplus to meet spending needs not backed by revenue has impacted the County's credit rating. In July 2010, The County's Aa2 credit rating was given a negative outlook by Moody's Investor Services. In September 2011, Moody's downgraded the County's credit rating once again, resulting in a change in grade level from Aa2 to Aa3. This rating was re-affirmed in the summer of 2013 and has remained stable since. This year S&P reaffirmed Albany County as AA with a Stable Outlook The increase in our closing balance signifies that the County's financial outlook has improved and the County's credit rating should follow.

	Change During 2005	Fund Balance Available Close 2005	Change During 2006	Fund Balance Available Close 2006	Change During 2007	Fund Balance Available Close 2007	Change During 2008	Fund Balance Available Close 2008	Change During 2009	Fund Balance Available Close 2009
General	$1,833,484	$27,750,073	$2,378,915	$30,128,988	$2,823,360	$32,952,348	($3,620,731)	$29,331,617	($12,695,500)	$16,636,117
Road	($298,039)	$82,033	$280,605	$362,638	$63,492	$426,130	($407,955)	$18,175	($1,970)	$16,205
Road Machinery	($38,272)	$58,092	$46,607	$104,699	($99,004)	$5,695	$52,141	$57,836	$122,778	$180,614
Sewer	$658,632	$1,773,729	$1,727,231	$3,500,960	($1,854,271)	$1,646,689	($397,667)	$1,249,022	$964,147	$2,213,169
Nursing Home	$2,337,927	$2,390,333	($659,324)	$1,731,009	($5,412,737)	($3,681,728)	$3,011,163	($670,565)	$1,346,069	$675,504
Total	**$4,493,732**	**$32,054,260**	**$3,774,034**	**$35,828,294**	**($4,479,160)**	**$31,349,134**	**($1,363,049)**	**$29,986,085**	**($10,264,476)**	**$19,721,609**

	Change During 2010	Fund Balance Available Close 2010	Change During 2011	Fund Balance Available Close 2011	Change During 2012	Fund Balance Available Close 2012	Change During 2013	Fund Balance Available Close 2013	Change During 2014	Fund Balance Available Close 2014
General	$2,940,634	$19,576,751	$3,613,926	$23,190,677	$4,160,229	$27,350,906	$7,511,996	$34,862,902	$4,874,156	$39,737,058
Road	$157,893	$174,098	($14,473)	$159,625	$117,227	$276,852	$805,493	$1,082,345	$814,185	$1,896,530
Road Machinery	($76,380)	$104,234	($38,636)	$65,598	($35,896)	29,702	($18,851)	$10,851	$255,412	$266,263
Sewer	$1,218,257	$3,431,426	$213,049	$3,644,475	($35,896)	$3,608,579	($95,705)	$3,512,874	$299,525	$3,812,399
Nursing Home	($117,265)	$558,239	$3,023,911	$3,582,150	$787,807	$4,369,957	$115,735	$4,485,692	$2,219,941	$6,705,633
Total	**$4,123,139**	**$23,844,748**	**$6,797,777**	**$30,642,525**	**$4,993,471**	**$35,635,996**	**$8,318,668**	**$43,954,664**	**$8,463,219**	**$52,417,883**

	Change During 2015	Fund Balance Available Close 2015	Change During 2016	Fund Balance Available Close 2016	Change During 2017	Fund Balance Available Close 2017	Change During 2018	Fund Balance Available Close 2018	Change During 2019	Fund Balance Close 2019
General	$2,568,027	$42,305,085	$2,213,508	$44,518,593	$1,754,570	$46,273,163	$3,052,033	$49,325,196	$581,597	$49,906,793
Road	$284,874	$2,181,404	($20,800)	$2,160,604	$2,655,315	$4,815,919	($1,939,577)	$2,463,379	($824,252)	$1,639,127
Road Machinery	$196,797	$463,060	($26,257)	$436,803	($231,453)	$205,350	($182,031)	$23,319	$60,581	$83,900
Sewer	($870,170)	$2,942,229	$1,186,647	$4,128,876	($18,005)	$4,110,871	$282,372	$4,393,243	$1,583,334	$5,976,577
Nursing Home	$4,460,553	$11,166,186	$1,200,077	$12,366,263	($5,586,993)	$6,779,270	$286,299	$7,065,569	($4,146,504)	$2,919,065
Total	**$6,640,081**	**$59,057,964**	**$4,553,175**	**$63,611,139**	**($1,426,566)**	**$62,184,573**	**$1,499,096**	**$63,270,706**	**($2,745,244)**	**$60,525,462**

	Proposed Change During 2020	Proposed Fund Balance Available Close 2020	Proposed Change During 2021	Proposed Fund Balance Available Close 2021						
General	$0	$49,906,793	($3,000,000)	$46,906,793						
Road	$0	$1,639,127	$0	$1,639,127						
Road Machinery	$0	$83,900	$0	$83,900						
Sewer	$0	$5,976,577	$0	$5,976,577						
Nursing Home	$0	$2,919,065	($772,438)	$2,146,627						
Total	**$0**	**$60,525,462**	**($3,772,438)**	**$56,753,024**						

RESERVES

BACKGROUND

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RESERVE ACCOUNTS AND RECOMMENDED USES

The table on the following page provides a description of Albany County's reserve accounts and the intended 2020 and 2021 appropriations.

RESERVE TITLE	Reserve Balances Close of 2018	Proposed Use of Reserves for 2019	Reserve Balances Close of 2019	Proposed Use of Reserves for 2020	Estimated Projected Reserve Balances Close of 2020	Proposed Use of Reserves for 2021	Projected Reserve Balances Close of 2021	PURPOSE
E 911	$ 1,724,117	$ -	$ 1,229,464	$ -	$ 1,229,464	$ -	$ 1,229,464	Emergency Telephone System
DWI	$ 188,423	$ -	$ 3,923	$ -	$ 3,923	$ -	$ 3,923	Stop DWI Program
Stormwater Coalition	$ 189,544	$ -	$ 93,918	$ -	$ 93,918	$ -	$ 93,918	Stormwater Management
EMS Ambulance Program	$ 216,938	$ -	$ 233,379	$ -	$ 233,379	$ -	$ 233,379	Ambulance Program
Tax Stabilization	$ 1,850,155	$ -	$ 1,850,155	$ -	$ 1,850,155	$ -	$ 1,850,155	Reduce Levy
Debt	$ 9,550,182	$ -	$ 9,891,357	$ -	$ 9,891,357	$ 3,000,000	$ 6,891,357	Payment of debt service
Civic Center Debt	$ 6,475,501	$ -	$ 6,671,253	$ -	$ 6,671,253	$ 2,000,000	$ 4,671,253	Payment for civic center debt
Civic Center Capital Reserve	$ 1,363,332	$ -	$ 1,273,332	$ -	$ 1,273,332	$ -	$ 1,273,332	Capital Improvement or eligible equipment
Capital Projects	$ 800,000	$ -	$ 800,000	$ -	$ 800,000	$ -	$ 800,000	Capital Improvement or eligible equipment
Capital Repairs	$ 755,750	$ -	$ 755,750	$ -	$ 755,750	$ -	$ 755,750	Repairs to Capital Improvements or eligible equipment
Workers Compensation	$ 11,801,133	$ -	$ 12,275,092	$ -	$ 12,275,092	$ -	$ 12,275,092	Workers Compensation
Insurance	$ 605,545	$ -	$ 125,890	$ -	$ 125,890	$ -	$ 125,890	General Liability Insurance
Sewer Capital Repairs	$ 217,423	$ -	$ 217,423	$ -	$ 217,423	$ -	$ 217,423	Repairs to Capital Improvements or eligible equipment
Sewer Repairs	$ 230,175	$ -	$ 230,175	$ -	$ 230,175	$ -	$ 230,175	Repairs
Sewer Debt	$ 1,035,583	$ -	$ 1,035,583	$ -	$ 1,035,583	$ 450,000	$ 585,583	Payment of debt service
Sewer Retirement	$ 251,561	$ -	$ 251,561	$ -	$ 251,561	$ -	$ 251,561	Payment for retirement contribution
Nursing Home Capital Projects	$ 245,556	$ -	$ 252,607	$ -	$ 252,607	$ -	$ 252,607	Costs associated with new facility
Nursing Home Debt	$ 2,589,605	$ -	$ 2,796,734	$ -	$ 2,796,734	$ -	$ 2,796,734	Payment of debt service
Hospital and Medical Insurance	$ 5,000,000	$ -	$ -	$ -	$ -	$ -	$ -	Requirement of insurance administrator