COUNTY OF ERIE, NEW YORK
OFFICE OF THE COMPTROLLER

COMPTROLLER'S REVIEW OF THE 2010 CULTURAL AND PUBLIC BENEFIT FUNDING PROCESS

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Erie County Comptroller

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Introduction:

In February 2010, the Erie County Comptroller's Office commenced a review of the 2010 cultural and public benefit funding process. This review specifically examined the status of 2010 contracts and payments to agencies awarded additional funding by the Erie County Legislature ("Legislature") above that projected by Erie County Executive Christopher C. Collins in his proposed 2010 Erie County Budget.

The results of this review are below.

2009 Debate Between Legislature and County Executive over Public Benefit Funding:

Throughout 2009, there was significant discord between the Collins Administration and the Legislature concerning funding for cultural agencies under the Cultural Resources Advisory Board ("CRAB") and the community/neighborhood development fund centers. During the 2009 budget process in November-December 2008, the Legislature amended County Executive Collins' proposed 2009 Erie County Budget to increase appropriations for CRAB entities, fund several cultural agencies the County Executive did not fund, and to provide funding to Cornell Cooperative Extension Service of Erie County and to Erie County Soil and Water Conservation. In all, the Legislature added $715,370 in spending in the 2009 Budget above that in the County Executive's proposed 2009 Budget. While the County Executive vetoed the additional spending, the Legislature overrode his veto in early December 2008.

Subsequently, when public benefit agencies, particularly culturals, received their 2009 contracts from the Department of Environment and Planning, they noticed that the Collins Administration had fundamentally altered the basic contracts. Specifically, the County Executive had changed the contracts to require that the agencies expand their boards of directors to include new board members appointed by and serving at the pleasure of the County Executive. In addition, the County Executive required detailed additional reporting by the agencies to the administration about their finances.

If the agencies did not agree to these demands they would not receive 2009 County funding. Predictably, this created great debate in the cultural community as well as the Legislature. The Legislature's Community Enrichment Committee held numerous hearings on the subject in 2009 at which time representatives of the cultural organizations addressed the committee, and representatives of the Collins Administration essentially declined to either appear, or cooperate and answer questions. The Collins Administration, through then-Commissioner of Environment and Planning Holly Sinnott and later, County Attorney Cheryl Green, also refused to provide the Legislature with documents and data about the CRAB review process for awarding funding. During this debate, many agencies were also impacted by extremely late 2009 payments, with some checks not issued until May 2009 due to the Collins Administration's refusal to release payments.

Ultimately, faced with the decision of not receiving County funding, almost all culturals signed their contracts with the Collins Administration with the new terms and conditions.

2010 Budget Process:

In October 2009, County Executive Collins released his proposed 2010 Erie County Budget. In his proposed 2010 Budget, the County Executive allocated $5,066,500 in funding to thirty-six (36) cultural organizations under the CRAB fund center. In addition, the County Executive allocated $440,000 in funding to three (3) organizations in the Community/Neighborhood Development fund center and $20,000 to one (1) organization under the Art/Culture/Science fund center.

In December 2009, the Legislature amended County Executive Collins' proposed 2010 County Budget. The Legislature increased funding for the 36 cultural organizations, and provided funding for an additional twelve (12) cultural organizations who were not included in the County Executive's proposed 2010 Budget. The total additional funding was $1,445,586. The Legislature also amended the proposed budget to add one additional organization in the Community/Neighborhood Development fund center, and to increase appropriations to the two (2) existing entities. The total additional funding was $175,000. The Legislature also increased the appropriation for the one organization in the Art/Culture/Science fund center by $25,000. Finally, the Legislature appropriated funding for three (3) new organizations in the Economic Development fund center totaling $25,000.

The total dollar value of these new Legislature appropriations was $1,670,586. A list of these entities and the dollar amounts of their funding in the adopted 2009 Budget, proposed 2010 Budget and adopted 2010 Budget is attached as Appendix A.

The majority of the Legislature's additional appropriations went to seven (7) organizations. The top four (4) organizations were not receiving any County funding in the County Executive's proposed 2010 Budget:

Buffalo Olmsted Parks Conservancy:	$360,000
Buffalo and Erie County Botanical Gardens:	$322,000
Colored Musicians Club:	$300,000
PUSH Buffalo	$100,000
African-American Cultural Center:	$67,411
Zoological Society of Buffalo:	$58,796
Cornell Cooperative Extension Service:	$45,000
TOTAL:	$1,253,207

The rest of the additional appropriations were very minor changes compared to the County Executive's proposed 2010 Budget.

On December 7, 2009, County Executive Collins vetoed several lines to the amended 2010 Budget. However, with the exception of vetoing the $100,000 appropriation for PUSH Buffalo (which the Legislature overrode), he did not veto any of the additional cultural or public benefit funding. Rather, in his veto message he stated: "Because the Legislature paid for their largesse

with phantom County dollars, my Administration will be forced to use its contractual leverage to protect taxpayers."

Collins Administration Refuses to Provide Full Funding to Organizations:

Subsequently, Erie County Commissioner of Environment and Planning Kathy Konst sent letters and proposed contracts to the above organizations in late December 2009 concerning their 2010 appropriations. The letters and contracts provided only for the lower payments as proposed in the County Executive's proposed 2010 Budget – not the Adopted 2010 Budget as amended by the Legislature. In her December 28, 2009 letter to organizations, Commissioner Konst informed agencies that the Collins Administration would not provide contracts based on the full amount of the 2010 Legislature appropriation. Instead, the Collins Administration represented that it would evaluate the additional Legislature funding in March 2011 and make a decision at that time on whether the administration would appropriate the funding.

Importantly, the Konst letter specifically said:

> In order to meet the County Executive's primary goal of protecting taxpayers while respecting the budget process, the increased amount appropriated by the Legislature to your organization *will be allocated* if the funds materialize as budgeted by the Legislature (emphasis added).

The Konst letter indicated that if the County meets the budget target on the vacancy control account, the Collins Administration will release the additional Legislature funding in March 2011. A copy of one of Commissioner Konst's letters to an organization is attached as Appendix B.

However, the initial 2010 contracts executed by various organizations and the Collins Administration that our office has reviewed actually provide otherwise. These contracts state:

> Should the County's 2010 Personnel Services County Share Vacancy Turnover Account materialize in March 2011, in such a manner which creates additional funding for the Organization and other organizations which enter similar agreements with the County, the County *may pay* to the Organization the additional funding approved by the Erie County Legislature on December 8, 2009. . . (emphasis added)

The distinction between the Konst letter and the terms of the executed contracts is important. In the contracts, the parties agree that the Collins Administration may pay the additional amounts, not will or shall pay. This is a critical difference and makes payment of the full amount wholly dependent on a decision of the Collins Administration regardless of whether savings in the Vacancy Turnover Account materialize. In effect, the savings must materialize and then the decision to fund the additional amount would be subject to the sole discretion of the Collins Administration.

Public Benefit Contract and Payment Process:

It is important to note the process by which public benefit organizations receive their annual County funding after the annual budget is adopted.

The Department of Environment and Planning, which administers and controls payments to all of these types of organizations, and the Department of Law draft contracts for each organization and send those contracts to the organizations for execution. The contracts usually specify quarterly or bi-annual County payments to the organizations. After an organization executes the contract and returns it to the County, the County Executive, Commissioner of Environment and Planning, and an Assistant County Attorney sign and execute the contract. A copy is filed with the Office of Comptroller. Then, periodically, as specified in the contract, the organization sends an invoice to the Department of Environment and Planning requesting payment and a release of County funds. The Department of Environment and Planning signs-off on the invoice, authorizes payment in the County's SAP accounting system and in writing on the invoice, and sends the payment request to the Comptroller's Office asking that the Comptroller issue a check to the organization.

Comptroller Sends Survey to Organizations:

In late February 2010, the Erie County Comptroller's Office sent a survey to the fifty-five (55) organizations that were budgeted to receive County funding in 2010. These were forty-eight (48) arts, cultural and educational institutions receiving County funding under the Cultural Resources Advisory Board fund center, as well as seven (7) organizations receiving County funding under the Economic Development, Community/Neighborhood Development, and Art/Culture/Science fund centers. A copy of one of the letters and the survey sent by the Comptroller to these organizations is attached as Appendix C.

The purpose of this survey was to understand the potential ramifications to the County and to the organizations of the Collins Administration's refusal to release approximately $1.6 million to these organizations in the context of the County's $1.4 billion budget. The letter accompanying the survey requested the organization to identify itself on the survey in return, but noted the surveys could be completed and returned anonymously.

By April 9, 2010, thirty-two (32) of the 55 organizations had responded in some form to the Comptroller's survey.

Survey Findings:

The responses from the organizations reflected a common theme: specifically, all organizations were told by the Collins Administration to sign 2010 contracts with the lower Collins funding amount or they would not receive any County funding in 2010. Some organizations also reported that they had not yet received a contract from the Collins Administration, or they were in the midst of negotiations with the administration about their

contracts with the higher Legislature-approved amounts. At least one organization reported that the Collins Administration had still not released the organization's 2009 CRAB funding.

Organizations uniformly acknowledged that they were in a very difficult position. If they sought the higher Legislature-funding amount, and refuse to sign the Collins contract, they risk receiving no County funding at all. Under duress, most organizations have in fact signed 2010 contracts with the County for the lower funding amount, lest they receive nothing.

Some organizations reported that they adopted 2010 budgets with the higher, Legislature-approved County funding, and some reported they did not, and used the lower, Collins number. For those that adopted 2010 budgets in late 2009 with the higher Legislature funding, they reported that they are already facing funding constraints and revenue losses elsewhere, and as a result, if they do not receive the full 2010 County funding, they may have to reduce their schedule of events.

One organization indicated that while it would prefer to receive the County funding as appropriated by the Legislature, it could handle the lower Collins amount. The organization, however, objected to the process and manner by which the Collins Administration handled this situation. The organization wrote:

> Although we are not seriously impacted by the lesser amount recommended by the County Executive, and can survive his ignoring the Legislature's additions, many of our colleagues at respected peer organizations are severely impacted and their very survival is threatened. We disapprove of his course of action and his disrespect for the Legislature.

A number of organizations reported that the Collins Administration made other changes in the 2010 contracts materially affecting the organizations. For instance, one organization reported that their 2009 and 2010 contracts include language allowing the County Executive to reduce the amount of County funding to the organization with ten (10) days written notice with no mention made of the Legislature. Other changes include new insurance requirements, leading many organizations to have to pay for additional insurance coverage at new, unbudgeted expense. Some organizations also noted new reporting requirements. More than one organization noted that these new reporting requirements have led to significant delays in the Department of Environment and Planning releasing the first 2010 payments, with some not receiving their first 2010 payment as of April 9, 2010. This in turn has apparently led some organizations to access lines of credit or borrow in order to meet their payrolls and other obligations as they struggle with cash flow issues.

One cultural organization stated that it is perplexed because it must do certain things under its contract to promote the County's involvement, even if it never receives any County funding:

> We are abiding by the terms of the contract, listing the County as a sponsor and offering free tickets (to Collins), yet (we) don't know if we in fact will receive any funds. If we don't do all this and we

> get money, we would be in breach of contract. If we don't get the funds, we've given for free a benefit other sponsors had to pay to get.

One cultural organization, in commenting about new additional requirements imposed by the Collins Administration after the contract was already signed wrote:

> Cultural funding has become politicized. In my view the Collins Administration is looking for reasons not to fund the culturals. Reinventing the granting process every year is disrespectful to the grantees.

Another organization commented on the amount of work they conduct in applying for County funds through the competitive CRAB evaluation process against the Collins Administration's decision to repeatedly reduce its funding in 2009 and again in 2010:

> For my organization, we have put in a tremendous amount of time and effort for little gain.

One organization noted that it expected to purchase new equipment for its 2010 season using the supplemental Legislature appropriation, but it cannot now do so, due to the Collins contract. Another organization stated that without the Legislature amount, it will be forced to reduce its advertising.

One organization also criticized the process by which it applies for and receives funding:

> Besides the funding itself, the most helpful thing the County could do for arts organizations is to provide a stable, reliable process. For example, the change (a few years ago) from 1 check to 4 spread out payments created great hardship.

A non-cultural organization that has long received County public benefit funding critically commented:

> The process is onerous, time consuming, and not efficient at all. It does not really appear to provide true accountability.

As previously noted, the Legislature appropriated funds for twelve (12) cultural organizations that were not going to receive any County funding in 2010. These funds totaled $1,082,026. $982,000 of this amount was for the Buffalo Olmsted Parks Conservancy, Buffalo and Erie County Botanical Gardens, and the Colored Musicians Club, with the remaining $100,026 divided amongst nine (9) cultural organizations. One (1) of the nine (9) organizations reported that it was provided and signed a contract to possibly receive its 2010 Legislature-approved funding in 2011. However, the organization noted that the Department of Environment and Planning advised the organization not to budget or plan for this funding in 2011 and the cultural

organization plans not to budget for any County funding. As a result, this organization noted that it will have a difficult time planning for 2011 without the County funding.

One of the 12 organizations expressed the following:

> The County Ex appears to have unfairly targeted urban organizations that have a mission supporting minorities. Such organizations historically (have) been disproportionately dependent on government funding because the communities we serve are often poor and marginalized. We are the only [information redacted to protect the identity of the agency] cultural organization in the (County) budget. We receive comparatively very little funding, crucial to our overall fiscal health.

Another organization that was receiving more 2010 County funding under both the Collins proposed budget and yet more from the Legislature added:

> I am very concerned that the organizations who were most effected by this issue are the organizations serving communities of color and organizations extremely important to this community's cultural ecosystem.

A cultural organization located in a suburban community added:

> We need the support of Erie County to aid in our programming. Every penny is crucial for our survival.

We also became aware that the Buffalo and Erie County Botanical Gardens Society ("Society") received a contract for the $322,000 appropriated by the Legislature, with the funds to be possibly released in March 2011 contingent on the status of the vacancy control account. The Society signed and returned the contract to the Department of Environment and Planning after making a number of substantive edits. For instance, the Society deleted all references to the vacancy control issue and directed quarterly payments starting February 15, 2010. The Society added language stating that "nothing herein shall be deemed to amend, modify, supersede or cancel any provision of the Asset Transfer and Management Agreement dated as of August 16, 2004 by and between the parties hereto."[1] The Society also added language stating that the County Executive could not reduce the total amount of funds specified but not yet released to the agency unless he received Legislature approval. Finally, the Society deleted much of an entire section of the proposed contract stating that the contract was subject to further analysis of the State budget and potential impacts to the County of State budgetary actions.

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[1] On July 8, 2004, the Erie County Legislature approved Comm. 15E-55, the Asset Transfer and Management Agreement between the County and Society. This agreement bound the County to pay a total of $9 million between 2005 and 2013 for capital improvements on Society buildings. (This has been conducted via bond proceeds). The Agreement also required the County to appropriate $450,000 per year for five years (2005-2009) to the Society exclusive of any other public benefit or cultural funding through the CRAB process.

Since the Society returned the edited contract to the Department of Environment and Planning, however, it said that it has not received any further communication from the Collins Administration on this matter.

At Least One Organization Received a Contract for the Full Legislature-Approved Amount in 2010:

During our inquiry, one organization reported to our office that their 2010 contract is for the full amount awarded by the Legislature: Erie County Soil and Water Conservation. Erie County Soil and Water Conservation was awarded $160,000 from Collins and $190,000 from the Legislature. Their contract, which is on file at the Comptroller's Office shows that they are receiving the full $190,000 in 2010. We learned that this organization received the Konst letter and contract specifying a lower dollar amount, but that it successfully petitioned the County Executive for the full amount appropriated by the Legislature.

We find the example of Erie County Soil and Water Conservation noteworthy because it undermines the Collins Administration's stated rationale for holding back full 2010 Legislature-approved funding in the December 2009 letter from Konst – the Administration believes it does not have budgetary flexibility in 2010 to make such payments. If the administration can release the full amount to Soil and Water Conservation, why can't it do so for the other organizations?

A list of culturals and public benefit organizations and the status of their 2010 contracts and payments as of April 9, 2010 is attached as Appendix D.

"New Applicants" Disqualified by Collins:

Several cultural organizations reported to our office that in 2009 they were "new applicants" to the County for funding through the CRAB process, meaning that they did not receive County funding in the several years prior (although they had previously received CRAB funding years earlier). They explained that they adhered to the CRAB application and qualification process in applying for 2010 County funding, only to learn in October 2009 that despite receiving CRAB grades qualifying them for County money, the County Executive declared that any organization that was a new applicant and which did not receive County CRAB funding in 2009 would be ineligible for funding in 2010. The cultural organizations reported that they were not informed of this during their application process, and only became aware of it as the County Executive prepared to release his proposed 2010 Budget months after the organizations had already applied.

At the same time, we note that the Colored Musicians Club of Buffalo New York, Inc., which has never received County funding in the last decade and did not participate in the CRAB evaluation process, was awarded by legislative amendment $300,000 with no criticism or commentary from the County Executive, though we note no contract has been delivered to the Comptroller's Office for this entity as of April 9, 2010.[2]

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[2] The Comptroller notes while he was employed by Kavinoky Cook LLP as an attorney prior to his election, he provided legal services to the Colored Musicians Club of Buffalo New York, Inc. in order to qualify the organization as a 501(c)(3) tax-exempt entity under the Internal Revenue Code.

Conclusion:

Under Erie County's Charter ("Charter"), the County Executive serves as the chief budget officer of the County. As such, he is provided with certain authority to manage the County's budget during the fiscal year and to ensure that the County does not incur an operating deficit. Based on this Charter authority, and taking issue with the Legislature's amendments to the 2010 County Budget increasing appropriations for these organizations, the County Executive has stated that he is holding back full funding to the organizations until March 2011, to see if the County meets the 2010 Budget target for vacancy control.

While the Charter grants the County Executive the authority to act as chief budget official, our office questions his rationale and justification for his actions in holding back some of the $1.6 million in additional 2010 funding for cultural and related organizations. The County has a $1.4 billion budget. The Legislature's supplemental funding is approximately one tenth of a percent of the budget. Given the County's recent five year history of recording surpluses, including a projected (unaudited) 2009 surplus of $40 million, there is no reason for the County Executive's actions from a budgetary and fiscal standpoint at this time.

In addition, while he had the authority to veto the additional 2010 cultural and public funding appropriations, County Executive Collins declined to do so. This failure to act is significant because the County Executive had a legal mechanism before him, the veto power, to express his will and he elected to not do so. In effect the County Executive is attempting to subvert the checks and balances of the County's Charter by controlling the expenditures to these organizations after he elected not to veto the Legislature's additions.

In any event, even if the County does not meet budget on the vacancy control account, but still incurs a surplus and positive variances in other areas for 2010, based on the way the Collins Administration has written the contracts, there is a significant chance that he will not release the full Legislature-approved funding in 2011.

Our office believes that the County Executive is simply behaving in a retaliatory manner against organizations when his anger was really directed at the former Legislature majority which amended his proposed 2010 Budget in a way he did not support.

Nevertheless, unless a county legislator or one of the organizations receiving this funding takes legal action to compel County Executive Collins to release full funding to the organizations, there is little chance anything will change in 2010. Then, it will remain to be seen if the County Executive releases full funding in 2011.

Fund: 110
Department: Economic Development
Fund Center: 1331010

Account Appropriations	2008 Actuals	2009 Legislative Adopted	2009 Adjusted Budget	2010 Department Request	2010 Executive Recommendation	2010 Legislative Adopted
516000 Contractual Pymts/NonProfit Subsidy	159,797	-	-	-	-	-
518092 Erie Niagara Regional Partnership	-	20,000	20,000	20,000	20,000	20,000
518103 Grand Island Chamber of Commerce	-	-	-	-	-	10,000
518125 Ken Ton Chamber of Commerce	-	-	-	-	-	10,000
518179 WNY Southtowns Scenic Byway	-	-	-	-	-	5,000
Total Appropriations	159,797	20,000	20,000	20,000	20,000	45,000

Fund: 110
Department: Mass Transit
Fund Center: 1331020

Account Appropriations	2008 Actuals	2009 Legislative Adopted	2009 Adjusted Budget	2010 Department Request	2010 Executive Recommendation	2010 Legislative Adopted
520030 NFTA - Share Of Sales Tax	17,270,619	17,301,738	16,407,088	16,813,531	16,813,531	16,813,531
520040 Current Payments - Mass Transit	3,657,200	3,657,200	3,657,200	3,657,200	3,657,200	3,657,200
Total Appropriations	20,927,819	20,958,938	20,064,288	20,470,731	20,470,731	20,470,731

Fund: 110
Department: Tourism Promotion
Fund Center: 1331030

Account Appropriations	2008 Actuals	2009 Legislative Adopted	2009 Adjusted Budget	2010 Department Request	2010 Executive Recommendation	2010 Legislative Adopted
518048 Buffalo Convention Center	1,650,000	1,650,000	1,650,000	2,000,000	2,000,000	2,000,000
518056 Bflo Niagara Conv & Visitors Bureau	2,600,000	2,600,000	2,600,000	3,000,000	3,000,000	3,000,000
570040 Interfund Subsidy-Debt Service	2,177,741	2,150,195	2,150,195	2,153,570	2,153,570	2,153,570
Total Appropriations	6,427,741	6,400,195	6,400,195	7,153,570	7,153,570	7,153,570

Fund: 110
Department: Community/Neighborhood Development
Fund Center: 1332010

Account Appropriations	2008 Actuals	2009 Legislative Adopted	2009 Adjusted Budget	2010 Department Request	2010 Executive Recommendation	2010 Legislative Adopted
518080 Coop Extension Service of Erie Co	689,000	280,250	280,250	280,000	280,000	325,000
518088 Erie Cty Soil & Water Conservation	-	161,500	161,500	160,000	160,000	190,000
518143 People United for Sustainable Housi	-	-	-	-	-	100,000
Total Appropriations	689,000	441,750	441,750	440,000	440,000	615,000

Fund: 110
Department: Art/Culture/Science
Fund Center: 1333010

Account Appropriations	2008 Actuals	2009 Legislative Adopted	2009 Adjusted Budget	2010 Department Request	2010 Executive Recommendation	2010 Legislative Adopted
518102 Frank Lloyd Wright Rowing Boathouse	45,000	-	-	-	-	-
518111 Hauptman Woodward	45,000	-	-	20,000	20,000	45,000
Total Appropriations	90,000	-	-	20,000	20,000	45,000

Fund: 110
Department: Culture Resouce Advisory Board
Fund Center: 1333020

Account	Appropriations	2008 Actuals	2009 Legislative Adopted	2009 Adjusted Budget	2010 Department Request	2010 Executive Recommendation	2010 Legislative Adopted
517533	Buffalo Olmsted Parks Conservancy	4,677	4,443	4,443	-	-	360,000
518004	African American Cultural Center	139,380	132,411	132,411	65,000	65,000	132,411
518008	Albright-Knox Art Gallery	557,113	529,257	529,257	535,000	535,000	557,113
518012	Alleyway Theatre	7,016	6,665	6,665	7,000	7,000	7,016
518016	American Legion Band of Tonawandas	4,677	4,443	4,443	4,000	4,000	4,677
518020	Arts Council In Bflo & Erie County	12,000	11,400	11,400	7,500	7,500	12,000
518024	Arts In Education Institute of WNY	10,000	5,000	5,000	4,000	4,000	10,000
518028	Ballet Artists Of WNY (Neglia)	10,523	9,997	9,997	10,000	10,000	10,523
518032	Big Orbit Gallery	17,142	15,000	15,000	11,000	11,000	17,142
518034	Botanical Gardens	-	-	-	-	-	322,000
518036	Bflo & Erie Co Historical Society	404,741	384,504	384,504	385,000	385,000	404,741
518040	Buffalo Arts Studio	29,998	28,498	28,498	30,000	30,000	30,000
518044	Buffalo City Ballet	13,096	12,441	12,441	-	-	13,096
518052	Buffalo Naval & Servicemans Park	20,000	19,000	19,000	19,000	19,000	20,000
518060	Buffalo Philharmonic Orch Society	857,098	814,243	814,243	825,000	825,000	857,098
518061	Buffalo Philharmonic Chorus	-	-	-	-	-	25,000
518064	Buffalo Society Natural Sciences	942,807	895,667	895,667	905,000	905,000	942,807
518068	Burchfield Penney	95,233	90,471	90,471	92,000	92,000	95,233
518072	CEPA	47,140	44,783	44,783	45,000	45,000	47,140
518074	Colored Musicians Club	-	-	-	-	-	300,000
518076	Community Music School Of Buffalo	2,432	2,310	2,310	-	-	2,432
518084	El Museo Gallery	6,548	6,221	6,221	-	-	6,548
518096	Explore And More	23,808	22,618	22,618	23,000	23,000	23,808
518100	Folkloric Dance	1,871	1,777	1,777	1,000	1,000	1,871
518104	Graycliff	33,324	31,658	31,658	32,000	32,000	33,324
518108	Hallwalls	51,426	48,855	48,855	49,000	49,000	51,426
518112	Hamburg Natural History Museum	42,855	40,712	40,712	41,000	41,000	42,855
518116	Irish Classical Theatre	73,710	70,025	70,025	70,000	70,000	73,710
518120	Just Buffalo	51,426	48,855	48,855	50,000	50,000	51,426
518124	Kavinoky Theater	10,523	9,997	9,997	8,000	8,000	10,523
518128	Lancaster Opera House	11,225	10,664	10,664	5,000	5,000	11,225
518132	Locust St Neighborhood Art Classes	10,523	9,997	9,997	-	-	10,523
518136	Martin House Restoration	142,850	135,708	135,708	140,000	140,000	142,850
518139	Music Is Art	-	-	-	-	-	45,000
518140	Musicalfare Theatre	33,332	31,665	31,665	32,000	32,000	33,332
518141	New Phoenix Theatre	-	-	-	-	-	25,000
518144	Pierce Arrow Museum	4,677	4,443	4,443	-	-	4,677
518146	Polish Arts Club Of Buffalo Inc	-	-	-	-	-	8,000
518148	Road Less Traveled Productions	-	4,750	4,750	-	-	4,750
518152	Roycroft Campus Coorporation	4,677	4,443	4,443	5,000	5,000	9,677
518156	Shakespeare In The Park	85,710	81,425	81,425	81,000	81,000	85,710
518160	Springville Center For The Arts	14,031	13,330	13,330	10,000	10,000	14,031
518164	Squeaky Wheel	13,714	13,028	13,028	13,000	13,000	13,714
518168	Theatre Of Youth	51,695	49,110	49,110	49,000	49,000	51,695
518172	Theodore Roosevelt Inaugural Site	21,428	20,357	20,357	21,000	21,000	21,428
518176	Ujima Company	24,866	23,623	23,623	18,000	18,000	30,000
518180	Western New York Artists Group	3,742	3,555	3,555	2,000	2,000	3,742
518184	Young Audiences Of WNY	7,016	6,665	6,665	7,000	7,000	7,016
518188	Zoological Society Of Buffalo	1,523,796	1,447,606	1,447,606	1,465,000	1,465,000	1,523,796
	Total Appropriations	5,423,846	5,151,620	5,151,620	5,066,500	5,066,500	6,512,086

Fund: 110
Department: Aid to Local Govt
Fund Center: 1335010

Account	Appropriations	2008 Actuals	2009 Legislative Adopted	2009 Adjusted Budget	2010 Department Request	2010 Executive Recommendation	2010 Legislative Adopted
516000	Contractual Pymts/NonProfit Subsidy	49,385	-	-	-	-	-
516060	Sales Tax Pd to Local Govt from 3%	268,155,378	268,673,549	254,747,608	259,842,561	259,842,561	259,842,561
516070	Flat Distribution from 1% Sale Tax	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000
	Total Appropriations	280,704,763	281,173,549	267,247,608	272,342,561	272,342,561	272,342,561

APPENDIX B

COMPTROLLER'S
RECEIVED
10 JAN 25 PM 1:14

COUNTY OF ERIE

CHRIS COLLINS

COUNTY EXECUTIVE

December 28, 2009

[redacted]

Dear [redacted]

Enclosed please find your 2010 contract for county funding.

As you may know, the County Executive awarded your organization [redacted] in his proposed budget. This contract reflects that amount. Subsequent to the County Executive's determination, the Erie County Legislature approved a budget on December 8, 2009 that increased your 2010 funding by [redacted] dollars [redacted]

To pay for the increased funding, the County Legislature arbitrarily increased the budgeted revenue in the County's 2010 Personnel Services County Share Vacancy Turnover Account. We will monitor this account throughout the year and will keep you updated on a quarterly basis so your organization can budget accordingly. A final determination will be made in March 2011.

In order to meet the County Executive's primary goal of protecting taxpayers while respecting the budget process, the increased amount appropriated by the Legislature to your organization will be allocated if the funds materialize as budgeted by the Legislature.

Please sign the attached contract and return to Beth Salatka by January 15, 2010. If you have any questions, please do not hesitate to contact Beth at 858-7643.

Sincerely,

Kathy Konst, Commissioner
Department of Environment and Planning

KK:bs

APPENDIX C

County of Erie

MARK C. POLONCARZ
COMPTROLLER

February 26, 2010

Locust St. Neighborhood Art Classes
138 Locust Street
Buffalo, NY 14204

Re: 2010 Erie County Funding

Dear Sir or Madam,

As Erie County's chief fiscal and auditing officer, I am writing to you in your role as a recipient of cultural, arts, science, economic development or community development funding in Erie County's 2010 Budget.

As you may know, in December 2009, the Erie County Legislature amended County Executive Christopher C. Collins' proposed 2010 County Budget and increased the 2010 appropriation for fifty five (55) agencies/organizations, including your organization. To help fund these appropriations, the Legislature amended other aspects of the 2010 Budget. In response, the County Executive vetoed those additional appropriations, but his veto was overridden by the Legislature.

Subsequently, County Commissioner of Environment and Planning Kathy Konst sent letters and contracts to organizations in late December 2009 for their 2010 appropriations. The letters and contracts apparently provided only for the lower payments as proposed in the County Executive's proposed 2010 Budget – not the Adopted 2010 Budget as amended by the Legislature. In her December 28, 2009 letter to organizations, Commissioner Konst apparently informed agencies that the Collins Administration would not provide contracts signifying or release the full amount of the 2010 Legislature appropriation to your agency. Instead, the Collins Administration represented that it would evaluate your additional Legislature funding in March 2011.

To help me understand the potential impact and ramifications of this decision on your organization and the County's budget, my office is conducting a brief survey regarding your receipt of, and interaction with the County for this funding. I am respectfully requesting that you complete the enclosed survey and return it to my office as soon as possible. The survey may be completed anonymously, though a response identifying the organization would help our office in accurately quantifying the impact the county executive's actions are having on the community.

Thank you in advance for your assistance. If you have any questions, please contact Associate Deputy Comptroller Timothy Callan at 858-8404.

Sincerely yours,

Mark C. Poloncarz, Esq.
Erie County Comptroller

MCP/mk
Encl.

Erie County Comptroller's Office
Survey of 2010 Cultural/Arts/Community and Economic Development Funding

1. Did you receive a letter and contract from the County showing a 2010 County payment lower than the amount appropriated by the County Legislature?

   Yes No

2. If you did not receive a contract but received a letter, please describe the letter and provide the stated reasons the Collins Administration provided for not sending you a contract.

3. Has your organization adopted a 2010 budget with the higher County funding amount?

   Yes No

4. If yes, how will the Collins Administration's reduced appropriation affect your organization (from a budgetary, cash flow, or other impact)?

5. Has your organization signed and executed a contract with the County for your organization's 2010 funding?

   Yes No

6. If no, what is the status of your organization's 2010 County contract?

7. Were there any other changes or noteworthy issues in your 2010 County contract compared to a prior year contract?

Yes No

8. If yes, please describe the changes.

9. Please describe any other issues you would like to share with the Comptroller.

10. If you would like to provide your name and contact information below, please do so (optional).

Thank you for your assistance in participating in this survey.

Appendix A
Erie County 2010 Adopted Budget
List of Organizations Receiving Funding
(County Executive Proposed versus Legislature Adopted Amounts)

APPENDIX D

Organization	2009 Funding	2010 Collins Funding	2010 Legislature Funding	Contract at Comptroller's*	2010 Payments to Date*
Buffalo Olmsted Parks Conservancy	$4,443	$0	$360,000	No	$0
African-American Cultural Center	$132,411	$65,000	$132,411	Yes	$32,500
Albright-Knox Art Gallery	$529,257	$535,000	$557,113	Yes	$267,500
Alleyway Theatre	$6,665	$7,000	$7,016	No	$0
American Legion Band of the Tonawandas	$4,443	$4,000	$4,677	Yes	$2,000
Arts Council in Buffalo and Erie County	$11,400	$7,500	$12,000	No	$0
Arts in Education Institute of WNY	$5,000	$4,000	$10,000	Yes	$2,000
Ballet Artists of WNY (Neglia)	$9,997	$10,000	$10,523	No	$0
Big Orbit Gallery	$15,000	$11,000	$17,142	Yes	$5,500
Botanical Gardens	$0	$0	$322,000	No	$0
Buffalo and Erie County Historical Society	$384,504	$385,000	$404,741	Yes	$192,500
Buffalo City Ballet	$12,441	$0	$13,096	No	$0
Buffalo Naval and Servicemans Park	$19,000	$19,000	$20,000	Yes	$9,500
Buffalo Philharmonic Orchestra Society	$814,243	$825,000	$857,098	Yes	$618,750
Buffalo Philharmonic Chorus	$0	$0	$25,000	No	$0
Buffalo Society of Natural Sciences	$895,667	$905,000	$942,807	Yes	$452,500
Burchfield Penney Art Gallery	$90,471	$92,000	$95,233	No	$0
CEPA Gallery	$44,783	$45,000	$47,140	Yes	$22,500
Colored Musicians Club of Buffalo, NY	$0	$0	$300,000	No	$0
Community Music School of Buffalo	$2,310	$0	$2,432	No	$0
El Museo Gallery	$6,221	$0	$6,548	No	$0
Explore and More	$22,618	$23,000	$23,808	Yes	$11,500
Folkloric Dance	$1,777	$1,000	$1,871	No	$0
Graycliff Conservancy	$31,658	$32,000	$33,324	Yes	$16,000
Hallwalls	$48,855	$49,000	$51,426	No	$0
Hamburg Natural History Museum	$40,712	$41,000	$42,855	No	$0
Irish Classical Theatre	$70,025	$70,000	$73,710	Yes	$35,000
Just Buffalo	$48,855	$50,000	$51,426	Yes	$25,000
Kavinoky Theatre	$9,997	$8,000	$10,523	No	$0
Lancaster Opera House	$10,664	$5,000	$11,225	No	$0
Locust Street Neighborhood Art Classes	$9,997	$0	$10,523	No	$0
Martin House Restoration Corporation	$135,708	$140,000	$142,850	Yes	$70,000
Music is Art	$0	$0	$45,000	No	$0
Musicfare Theatre	$31,665	$32,000	$33,332	No	$0
New Phoenix Theatre	$0	$0	$25,000	No	$0
Pierce Arrow Museum	$4,443	$0	$4,677	No	$0
Polish Arts Club of Buffalo	$0	$0	$8,000	No	$0
Road Less Travelled Productions	$4,750	$0	$4,750	No	$0
Roycroft Campus Corporation	$4,443	$5,000	$9,677	Yes	$2,500
Shakespeare in the Park	$81,425	$81,000	$85,710	No	$0
Springville Center for the Arts	$13,330	$10,000	$14,031	No	$0
Squeaky Wheel (Buffalo Media Resources)	$13,028	$13,000	$13,714	Yes	$6,500
Theatre of Youth	$49,110	$49,000	$51,695	Yes	$24,500
Theodore Roosevelt Inaugural Site	$20,357	$21,000	$21,428	Yes	$10,500
Ujima Company	$23,623	$18,000	$30,000	Yes	$9,000
Western New York Artists Group	$3,555	$2,000	$3,742	No	$0
Young Audiences of WNY	$6,665	$7,000	$7,016	No	$0
Zoological Society of Buffalo	$1,447,606	$1,465,000	$1,523,796	Yes	$732,500
Grand Island Chamber of Commerce	$0	$0	$10,000	No	$0
Ken-Ton Chamber of Commerce	$0	$0	$10,000	No	$0
WNY Southtowns Scenic Byway	$0	$0	$5,000	No	$0
Cornell Cooperative Extension Service	$280,250	$280,000	$325,000	Yes	$140,000
Erie County Soil and Water Conservation	$161,500	$160,000	$190,000	Yes	$95,000
PUSH Buffalo	$0	$0	$100,000	No	$0
Hauptman Woodward	$0	$20,000	$45,000	Yes	$10,000
Total funding to all organizations:	$5,564,872	$5,496,500	$7,167,086		$2,793,250

*** Contracts at the Comptroller's Office and Payments as of April 9, 2010**
No organization can be paid unless a valid contract is on file at the Comptroller's Office