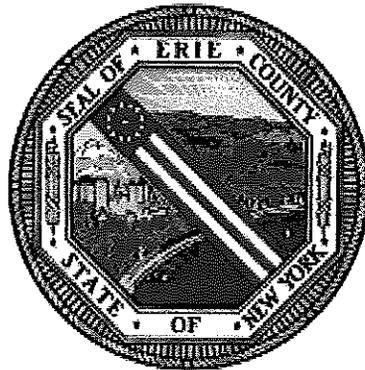


REPORT ON THE RENTAL AND REFURBISHMENT OF COUNTY PARKS RESIDENCES



**MARK C. POLONCARZ
ERIE COUNTY COMPTROLLER**

December 2010

Michael R. Szukala, MBA, CIA
Deputy Comptroller - Audit and Control

Allegations

In October 2010, the Comptroller's Office received a series of anonymous tips alleging problems related to the rental of County-owned housing within County parks operated by the Erie County Department of Parks, Recreation and Forestry ("Parks"). The Comptroller directed the Division of Audit and Control to investigate these allegations and prepare a report on any findings.

2006 Parks Housing Concerns

This was not the first time that the Comptroller's Office has investigated Parks housing. Starting in June 2006 and through September 2007, the Comptroller's Office periodically examined a range of issues concerning Parks housing. This included the following issues/deficiencies:

- Parks employees were living in Parks housing without paying rent.
- Parks employees living in Parks housing were not paying utilities.
- Certain Parks employees who were not eligible were living in Parks housing.
- Parks employees residing in Parks housing were not timely remitting, and/or were "bouncing" their monthly rent payments to the County.
- At least one Parks employee living in Parks housing was improperly accessing and using the County's "Fuelboy" gas system for potentially personal travel.

During 2006, the Erie County Legislature's Energy and Environment Committee, which has jurisdiction and oversight over Parks, held a number of hearings and committee meetings and discussions over these issues.

The 2006 situation led the Giambra Administration's last Parks Commissioner to order Parks employees residing in Parks housing to (1) make monthly rent payments; and (2) make certain utility payments. Despite these directives, Parks employees continued to fail to timely pay monthly rent and utilities and in some cases did not pay at all.

The Comptroller's 2006 report is attached as Appendix A, and it reveals that these residences have been the source of controversy for years.

2010 Parks Housing Concerns

The 2010 allegations were first raised by a whistleblower tip made directly to the Comptroller in early October 2010. Subsequently, on October 21, 2010, Parks Commissioner James Hornung revealed to a legislature committee reviewing the proposed 2011 budget that houses had been renovated and were being rented. In the Comptroller's review of the proposed 2011 County Budget, released on October 13, 2010, our office had noted a significant change regarding Parks housing. Without being aware that Parks had renovated Parks houses at significant expense and had quietly commenced a rental process, the Comptroller's review stated:

The Department of Parks, Recreation and Forestry is budgeting \$30,954 in revenue from the rental of superintendent houses at parks to County employees. This contrasts against \$5,154 in 2010.

Given our office's past involvement in questioning these payments (or lack thereof), we question this estimate.

The October 2010 allegations concerning Parks housing center around the following:

- The process and method by which the Collins Administration renovated Parks housing without informing the County Legislature, which believed that capital monies provided for Parks renovations by the Legislature were being used for parks shelters, buildings and common-area properties and amenities used by the public.
- The process and method by which the current Parks commissioner determined who would be allowed to reside in Parks housing.
- The process and method by which the Parks Commissioner determined the amount of rent and/or utilities to be charged for those residing in the housing, including whether or not the Parks Commissioner violated the Erie County Charter ("Charter") by not seeking legislative approval as required for the rent payments/fees levied.

In short, the October 2010 allegations essentially were that Parks had quietly and with little-to-no public notice (and with no notification to the Legislature) significantly renovated Parks housing at County expense, and then rented Parks housing to certain individuals, including Parks employees, without entering into rental agreements or engaging in a transparent and open process.

During this time, it became known that the Collins Administration had also decided to allow Kathy Konst, the Commissioner of Environment and Planning, to occupy the house at Wendt Beach Park. Shortly after this information became public, and amid significant public and legislative outcry, Commissioner Konst, a former County legislator, decided that she and her husband would not occupy the house.

Background

The County owns eleven (11) homes within or adjacent to County Parks. These homes were constructed at various times, but all were built before 1970. The original purpose of these homes was living quarters for the Superintendents of the various County Parks. The 11 park locations with houses are:

- Akron Falls
- Ellicott Creek
- Hunters Creek
- Wendt Beach
- Emery
- Chestnut Ridge
- Elma Meadows
- Forestry (Genesee Road, East Concord)
- Sprague Brook
- Como Park
- House at the 4-H Camp

The parks house at Beeman Creek Park will become the responsibility of the Town of Clarence when they assume control of the park in 2011. As a result, the Beeman Creek house is not counted as one of the eleven homes available for rent under this review.

Under the current contract between the County and the Civil Service Employees Association (“CSEA”) Erie Unit of Local 815, a provision exists for the rental of Parks housing by “Parks Superintendents.” This provision, Section 39.10, states as follows:

The maximum rent for Parks Superintendents during the term of this agreement will be \$270 per month. These employees will pay for the utilities associated with their County owned housing.

During the County’s 2005 fiscal crisis, most of Parks’ titles of “Park Superintendent” were eliminated and not restored. During this process, many, but not all of the Parks houses became vacant and unoccupied. The Giambra Administration then allowed non-superintendent Parks employees to reside in certain properties, arguing that allowing Parks employees to reside in the houses created a certain security deterrent against theft or vandalism in the Parks. We do not disagree or find any problem with that premise – as long as the employee(s) serve as a deterrent and actually police or monitor the properties. Unfortunately, in 2007, a Parks employee residing in the Wendt Beach Park house failed to notice for weeks that vandals/thieves had caused significant damage to the Wendt Beach Mansion and stolen items from that building.

We are unaware of changes to the CSEA contract terms, nor the establishment of any new written procedures, protocols or policies for the rental of Parks housing. We believe written protocols must be established and approved by the Erie County Department of Law.

2010 Findings

1) The process used to seek renters was flawed.

In a document provided to the Comptroller’s Division of Audit and Control, Commissioner Hornung stated that the homes were advertised for rent “through word of mouth, yard signs and classified ads posted on Craig’s List and printed in Bee Publications.” However, in testimony before the Legislature’s Energy and Environment Committee, the Commissioner indicated that only one property had a “For Rent” sign publicly placed on it, that only one property was advertised within the Bee Publications and only one property was advertised on Craig’s List. In each case, that one property was the Wendt Beach house. No other advertising was conducted for any other Parks house.

The Bee Publications’ advertisement read as follows and is also enclosed as Appendix B:

DERBY: Wendt Beach area.
3BR/2BA. \$650 mo + utilities. Call
Jared 716-858-7037

The individual who was named in the one-time Bee advertisement (the ad ran in all nine Bee publications) was Jared Jackson, Hornung’s managerial-confidential secretary. Mr. Jackson is presently renting the Ellicott Creek Park house.

We find this one-time advertisement a weekly newspaper to be significantly insufficient. The advertisement’s own language seems designed to limit any member of the public from inquiring about the rental property. The advertisement also never noted that this was a County facility, including on the Wendt Beach property – which can reasonably be viewed as a highly desirable property. Further, no other advertisements for any other properties were made.

“Word of mouth” was therefore, apparently the only method by which Parks advertised eight of the nine properties available for rent.¹ This is significant because a “word of mouth” process has no paper trail, no transparency, and no accountability. There is no way to prove or disprove any statement made by Parks about how they advertised the availability of Parks housing for rent. This is a major control deficiency, made worse by the fact that three (3) of the seven (7) houses rented so far have been allocated to current Parks employees.

Commissioner Hornung stated in an e-mail message that “other persons” had expressed an interest in renting locations. He stated that the first person to contact the County was given the chance to rent. If the site they desired was occupied, the individual was informed of other sites for rent. We requested a list of the “other persons” who contacted Parks about renting and were told that no such list exists. This raises additional questions about the propriety of this process.

The properties rented, the amount of monthly rent per property and to whom they were rented are as follows:

Table 1

Park	Status		Tenant Name	Rent/Month
Akron Falls	Employee		Jimmy Depczynski	\$ 550.00
Ellicott	Employee		Jared Jackson	\$ 550.00
Hunters Creek ¹	Employee		Dan Lewalski	\$ 429.50 (includes heat)
Wendt Beach	Open	1-Nov	TBA	\$ 650.00
Emery	Public		Amy Moritz	\$ 550.00
Chestnut Ridge	Public	1-Nov	Scott Miller	\$ 650.00
Elma ²	Public		Dave McGuire	\$ 550.00
Forestry	Public		Justin Grigsby	\$ 550.00
Sprague Brook	Open	1-Apr	TBA	TBA
Monthly Income³				\$ 4,479.50
Annual Income				\$ 53,754.00

1 - Rent agreement prior to 2008

¹ Two properties, the house at the 4-H Camp and the Como Park house are in disrepair and will not be rented. They are slated for eventual demolition.

- 2 - Needs a new gas line, which National Fuel is currently installing.
- 3 - This month-to-month income is collected by the Parks Department, turned over to the Comptroller's Office, and accounted for using SAP account number 418520.

Based on the information available to the Comptroller's Office, we believe Parks did not conduct any real or reasonable advertising or public awareness campaign for Parks housing and engaged in a process which was deliberately designed to limit public knowledge, and to steer the housing to certain connected individuals, including County employees, friends of County employees and at least two political appointees of the Collins Administration.

2) *Parks conducted significant capital work on parks houses in order to rent them out without informing the County Legislature.*

Parks conducted significant renovations and improvements on Parks houses prior to their rental. This included a combination of Parks employees conducting work on the properties and outside contractors. Table 2 is a schedule of costs incurred on these properties as of November 1, 2010:

Table 2

Park	Contractor	Work Performed	Cost
		Gutters and Chimney	
Chestnut Ridge	David's Exterior	Siding	\$ 4,530
Chestnut Ridge	Counter Tops	Countertops	\$ 1,612
Forestry	Frontier Installation	Asbestos removal	\$ 8,200
		Asbestos air	
Forestry	Paradigm	monitoring	\$ 750
Wendt	David's Exterior	Siding	\$ 14,970
Wendt	Extreme Insulation	Crawl Space Insulation	\$ 2,295
Wendt	Tom's Precision Heat	Furnace	\$ 4,675
Overall		Materials	\$ 47,196
Total Cost	Material and Contracting		\$ 84,228
Total Cost	Park Labor		\$ 102,088
Grand Total			\$ 186,316

There is no problem or issue per se with Parks renovating the Parks houses. Our sole concern is the fact that Parks engaged in a significant outlay of time and expense (both capital bonded monies and General Fund expense) to renovate Parks houses without ever informing the Legislature. At best, this was a deliberate oversight by Parks; at worst, it was an intentional misleading of the County Legislature which believed capital funds and Parks employees were conducting significant and needed improvements on other Parks facilities. It appears that at no time prior to his October 2010 budget session did Commissioner Hornung inform the Legislature about the renovations to and rental of the Parks houses.

3) *There were no rental agreements for the Parks houses – resulting in a control and a liability problem for the County as well as a potential fiscal issue.*

Commissioner Hornung informed our office that as of November 1, 2010, there were no written lease agreements for these properties. In effect, the County is renting County owned facilities on a month-to-month basis with no terms being agreed upon other than the oral agreement regarding a monthly rental amount and that the tenant is or is not responsible for utility costs. This creates a significant liability for the County because the County is self-insured. If damage to the property or an injury to an tenant or visitor should occur, the County may face a serious liability if the tenant does not obtain renters insurance that includes a rider insuring against personal injuries.

In addition, we are not aware of any language or conditions concerning utility expenses at the houses and obligations of the new 2010 renters to pay such utility expenses. The Bee advertisement for the Wendt Beach property indicates that utility expense at that property is to be paid by the renter. Utility expense, if borne by the County, could be significant. All the properties currently have separate utility meters except for the Elma Meadows residence. That meter is scheduled to be installed before the end of 2010 at a cost of approximately \$900.00.

Finally, Parks has not collected any “security” deposits for these properties, as is standard for rental properties. This poses a potential problem as the County is self-insured. Should an occupant damage a property or leave in the middle of a month, the County would have no easy method of recovering any amount due.

The Commissioner stated that written agreements would be developed for each of the properties, but he did not discuss what terms would be included in the agreements.

Based on the foregoing, our office recommends that written lease agreements, as approved by the Department of Law, be executed immediately for all rented properties, that the term of said leases should be on a month-to-month basis, that a security deposit in an amount equal to one (1) month’s rent be collected from all tenants, that tenants be responsible for all utility costs (unless it is not otherwise feasible), and that all tenants be obligated to carry a renters insurance policy that covers property damage to the premises and injuries to persons.

4) *Parks violated the County Charter by not requesting and receiving Legislature approval to set rental fees.*

Under Section 2616 of the Charter, the Legislature establishes fees for County services.

Imposition and increases in the other county taxes and fees. Hereafter, no new form of county tax maybe imposed, and the county of Erie's three per centum sales and use tax and fees or charges established by the county Legislature shall not be increased except by a resolution approved by: (a) the affirmative vote of two thirds of the whole number of the membership of the county Legislature, or, (b) the affirmative vote of a majority of the

whole number of the membership of the county Legislature submitting a proposition for such imposition or increase to a mandatory referendum to be held pursuant to article three of the county law.

Based on the information obtained during our review, there does not appear to have been any attempt to determine the true market rental value for any of the properties. No evidence exists of appraisals or comparisons to similarly situated rental properties being conducted. Furthermore, it appears that County's Director of Real Estate, whose sole job is to manage County properties, had no knowledge about the rental of the properties. Commissioner Hornung has acknowledged publicly and to our office that the rental fees for the homes should have been set by the Legislature and not by him unilaterally. However, to our knowledge, the Collins Administration has not yet taken any steps to address this deficiency and seek Legislature approval of rentals and rental fees. This action needs to be conducted forthwith. The Collins Administration must determine the true market value for renting each property and then comply with the Charter by seeking Legislature approval for the establishment of said rental fees.

5) *Parks estimates of rental income are inconsistent*

In the proposed 2011 County Budget, Parks budgeted \$30,954 in revenue from the rental of Parks houses. However, Commissioner Hornung has separately stated that rental income would total almost \$54,000 annually.

6) *A check for rental for a property was returned for insufficient funds*

On November 22, 2010, a check for the first half months rent for the Chestnut Ridge property, \$325.00 was returned by the County for insufficient funds after the tenant's check bounced. Commissioner Hornung indicated to our office that the tenant will be charged the standard \$20.00 insufficient funds fee for a returned check and required to pay the \$325.00 with a guaranteed check or money order. On or about November 24, 2010, the Comptroller personally informed Commissioner Hornung that eviction proceedings should be immediately commenced against the delinquent tenant, and if the commissioner did not commence eviction proceedings the Comptroller would commence such a proceeding in his role as chief financial officer for the County. Subsequent to that conversation, \$325.00 was paid by the tenant on November 29, 2010. The \$20.00 insufficient funds fee was not paid and Parks has stated that they have added that fee to the December rent.

As previously noted, our office's 2006 review of Parks housing showed that insufficient funds checks are a reoccurring problem with those occupying Parks housing.

Our office questions the receipt of a half-month's rent from any tenant. Tenants should be required to pay a full month's rent before the first of each month, not a half-month's rent twice a month. As evidenced by the recent "bouncing" of a check by the tenant renting the Chestnut Ridge property, the County must protect itself from tenants who do not have the means to rent from the County. Our office recommends that any tenant that bounces a check in the payment of rent should be immediately evicted, regardless of whether the tenant is a county employee or not.

Appendix A



**MEMORANDUM
ERIE COUNTY
COMPTROLLER'S OFFICE**

TO: Legislator Thomas Loughran
Chair, Energy & Environment Committee

FR: Mark C. Poloncarz, Erie County Comptroller

DATE: July 6, 2006

RE: Parks Superintendent Housing

Pursuant to your past request to members of my staff to review certain matters pertaining to the Department of Parks, Recreation and Forestry ("Parks Department"), this office commenced a review of county-owned housing occupied by Parks Department employees via an electronic mail correspondence to Commissioner Angelo Sedita dated June 8, 2006. The questions we posed to Commissioner Sedita were the following:

- Which county-owned housing, including superintendent houses at county parks and forests, and other facilities are occupied by county employees, other individuals or other entities? (please provide the name of the housing/park and the name of the employee or individual or entity inhabiting the property).
- Are there leases or contracts for any or all of these properties and occupants? If so, please provide a copy of each. If not, why not?
- What are the monthly terms and conditions for each property (including how much rent is each occupant paying monthly)?
- How long has the current occupant(s) resided in each property?
- Is the current occupant(s) fully-current on their monthly rent? If not, what are you doing to make them current?
- Have any occupant bounced checks for payment of their rent in the past 2 1/2 years? If so, whom, when and were those monies repaid, including the penalties incurred by the county?

- Who is responsible for paying electric and natural gas or propane for each inhabited property (county or occupant)? Please provide, for the last 1 1/2 years, the monthly actual cost per inhabited property for electric and gas/propane. (If the county, how is this cost accounted for - your departmental budget, and if so, which account, or through the Utilities Fund, and if so, how is parks charged back the cost, as there is no interfund transfer account shown in the Utilities Fund budget).

On June 28, 2006, Commissioner Sedita responded to our inquiry. His response is enclosed for your review. Based on his response and the information contained therein, we note the following observations from our review:

Leases

Article 30, Section 39.10 of the current CSEA contract states the following:

Section 39.10: Housing for Parks Superintendents.

The maximum rent for Parks Superintendents during the term of this agreement will be \$270 per month. These employees will pay for the utilities associated with their County owned Housing.

Thus the current CSEA contract provides that county Park Superintendents may reside in a county-owned house, though it does not state that the housing be located at the facility in which they work. That provision has been in place for some time. We have no objection to such a provision, and in fact support the concept because we believe that having full time residents in these facilities ensures that the residences and parks are not vandalized. However, during the next contract's negotiations, we believe that the provision should be amended to specify that a Park Superintendent reside in the house located in the park for which the superintendent is assigned.

Commissioner Sedita confirms that there are no leases or documents between the county and the residents. We believe that a written agreement specifying usual and customary leasehold terms (term of lease, rent, payment of utilities, right to repair, termination clauses, late payment fees, etc.) should be used in every situation where any individual resides in a county owned facility. It is our understanding that the Parks Department is addressing this issue with the Law Department through the drafting of a standard form lease for use at any Parks Department facility, which lease is supposed to take effect on August 1, 2006.

Utility Payments Not Made by Occupants

As noted above, Article 39, Section 39.10 of the CSEA contract specifies that inhabitants of park housing "will pay for the utilities associated with their County owned housing." In his response, Commissioner Sedita confirms that utility charges have not been assessed against, nor collected from Parks Department employees. Specifically, in his June response he notes that

despite the contract, collecting or billing for utility charges "was not a past practice." While he does not specify how long his department has failed to collect utility charges, he stated that he will send letters to all employees informing them they must start paying for all utility expenses as of August 2006.

The failure to charge employees for utility costs is a significant internal control failure. Our initial review has not been able to determine how long this has been going on and the cost to the county. The failure to charge employees for a contractually obligated expense could have a negative tax ramification to those employees similar to the forgiveness of debt – they were supposed to pay for a service and did not – and the IRS could conceivably determine the unpaid utility amount to be additional income provided to the employees by the county, income which probably was not reported on a tax return.

Based on the documentation provided by Commissioner Sedita concerning utility costs, we are not certain that the Parks Department can accurately or readily quantify the utility costs for each occupied house. We have requested that the Department of Public Works, which administers the Utility Fund, check on the status of meters for each house and provide us with that information which we will forward to you once we receive it.

Bounced Checks

A review of the county's SAP computer system ("SAP") reveals that a number of Parks Department employees have routinely bounced checks in the past when paying their monthly rent, and Commissioner Sedita confirms that three active employees (two of whom continue to live in county-owned housing) have bounced checks. One employee, Jackie Zuhlke (who lives at Wendt Beach) has bounced checks at least five times. Another employee, Brian Grassia, the County Forester, bounced a check in February 2005 but is 'disputing' it, and a payment has still not been made. Bounced checks by employees cannot be allowed to continue. Internal control measures should be installed to prevent this from occurring in the future, perhaps such as requiring an automatic deduction from a pay check in the amount of rent owed be made on a monthly basis (though this might require a modification to the CSEA contract to effectuate).

Late Rent Payments

Our review of SAP shows that Parks employees are routinely late in making rent payments for county-owned housing.

Commissioner Sedita concedes that of the five county-owned houses that are currently occupied, four of the five occupants have failed to make timely rent payments and are currently delinquent. Three of the four are active county employees, and they have respectively not paid rent since March (Zuhlke) and April (Patrick Jordan and Daniel Lewalski). Commissioner Sedita says that verbal warnings are made to the employees until the late payments are made.

Memorandum to Hon. Thomas Loughran on Parks Housing

July 6, 2006

Page 4 of 5

We question this policy and believe immediate action, including, but not limited to, commencement of an eviction action, should be taken to collect all late payments and ensure all future payments are timely made. New policy should be established governing these payments, including a process for late payment, and it is our understanding that the new lease to take effect as of August 1, 2006 includes language addressing the problem of late payments.

Non-Park Superintendents Residing in Housing

The CSEA contract says that the only employees who can reside in county-owned housing are "Park Superintendents." Of the five inhabited houses, only one is inhabited by a Park Superintendent (Ellicott Creek Park). One is inhabited by a former Park Superintendent (laid-off in March 2005). The other three are inhabited by active Parks employees, one of who was a Park Superintendent until March 2005 (Lewalski) when job title was reduced to an auto mechanic title. The final two houses are inhabited by Parks Maintenance Workers who were never Park Superintendents (Zuhlke and Jordan). The three active county employees who live in houses are also not CSEA-represented, but AFSCME. There is no provision for this in the contract.

While we note this is a technical violation of the CSEA contract, we acknowledge that it is in the best interest of the county to have someone residing in such Parks Department housing. As noted above, having a full time resident provides a "security" function to the facility, as well as helps in the maintenance of the houses. Furthermore, the county also receives revenue from rent, assuming the payments are made. Thus, our office would rather see a county employee who is not a superintendent reside in a county-owned facility rather than have the facility be vacant.

However, we question the process by which employees were authorized to live in county-owned housing. We are not privy to who authorized the occupancy of such houses, especially for Zuhlke and Jordan, non-Park Superintendents who purportedly have resided in county-owned housing since 2004 and 1998, respectively. If a Parks Department superintendent should not reside in a facility, we believe that certain criteria should be implemented to determine which employees should be allowed to take occupancy.

Occupied Houses

According to Commissioner Sedita's response, Jordan lives at Beeman Creek, an undeveloped county conservation property in Clarence, and pays a monthly rent of \$270.00 (which we note has not been paid since April of 2006). However, according to SAP, Jordan works at Akron Falls Park, which, as we understand it, also has a superintendent house that is presently vacant. We question why isn't Jordan working at the facility he lives at and what efforts have been made to collect past due payments from him?

Commissioner Sedita stated that Zuhlke lives at Wendt Beach in Derby and is supposed to pay a monthly rent of \$270.00 (which we note has not been paid since March of 2006).

Memorandum to Hon. Thomas Loughran on Parks Housing

July 6, 2006

Page 5 of 5

However, Zuhlke works at Isle View Park in the City of Tonawanda. We question why isn't Zuhlke working at the facility she lives at and what efforts have been made to collect past due payments from her?

Commissioner Sedita stated that Lewalski lives at Hunters Creek, an undeveloped county conservation property in Aurora, and is supposed to pay a monthly rent of \$270.00 (which we note has not been paid since April of 2006). However, according to SAP, Lewalski works at Chestnut Ridge Park, which also has a superintendent house. We question why isn't Lewalski working at the facility he lives at and what efforts have been made to collect past due payments from him?

Commissioner Sedita stated that former Chestnut Ridge Parks Superintendent Daniel Glowacki is residing at Chestnut Ridge Park more than 15 months after he separated from county service, and is supposed to pay a monthly rent of \$270.00 (which we note has not been paid since May of 2006). We believe this is inappropriate and that Mr. Glowacki should be compelled to vacate the premises. We understand that Parks Department and the Law Department are in the process of addressing this situation and that it is to be resolved shortly.

Finally, Commissioner Sedita stated that Augustine Olivencia, the Parks Superintendent at Ellicott Creek Park, resides at the house located in that park, and that his rent is fixed at \$270.00 per month. We note that Mr. Olivencia is current with all rent payments to the county.

In general, we question the method in which county employees are chosen to reside in county-owned housing in county parks properties when the terms of the CSEA contract (Parks Superintendents only) are not being followed. Also, we question why some facilities are occupied and others are vacant. As we understand it, there is a superintendent house at Elma Meadows Park which is not occupied, and, as previously mentioned, there is a house at Akron Falls Park, but it is unoccupied. This office believes that all county-owned housing facilities should be occupied for the reasons stated above, and that a full list of all county-owned housing should be provided to your committee to determine the status of occupancy and how a certain employee was chosen over others to reside in a house.

2006 Revenue from Housing Rent Is Lagging

The Adopted 2006 County Budget includes \$25,920.00 in revenue from payments for employees residing in county-owned housing (Account 418520 in the Parks Department). We are concerned that this revenue target will not be met because as of June 29, 2006, actual revenue in that account for the first six months of the year is only \$5,670.00. In addition, given that only five houses are occupied by persons paying a monthly rent of \$270.00 per house (the maximum amount that may be charged according to the CSEA contract), the sum of total payments for the year would be \$16,200.00, or \$9,720.00 less than budgeted. Assuming no utility payments have been made or will be made, the budget estimate for 2006 for this revenue line is inaccurate.

Appendix B

BEE PUBLICATIONS INC.
AD AUTHORIZATION

Salesperson: [REDACTED]

Printed at 08/13/10 10:10

Acct#: 44940
ERIE COUNTY PARKS
95 FRANKLIN ST.
BUFFALO NY 14202

Ad#: 257169 Status: N
Start: 08/20/10 Stop: 08/20/10
Times Ord: 1 Times Run: ***
STD 1.00 X 3.00 Words: 12
Rate: RENT Cost: 33.00
Class: 0620 HOUSES FOR RENT
Descript: DERBY: WENDT BEACH AREA.
Given by: *
Created: [REDACTED] 8/13/10 09:41
Last Changed: [REDACTED] 8/13/10 09:52

Contact: [REDACTED]
Phone: [REDACTED]
Fax#: [REDACTED]
Email: [REDACTED]

Agency:

PUB	ZONE	ED	TP	START	INS	STOP	SMTWTFS
A	A	97	W	08/20/10	1	08/20/10	F

AUTHORIZATION

TERMS: Net 30 days. I understand that if I do not use the agreed space, I will be rebilled at the actual earned rate for the number of ads published. If any action is commenced to collect the indebtedness, the advertiser agrees to pay Bee Publications Inc. 25% of the unpaid balance for its reasonable collection/attorney fees in connection with such action. Advertiser also agrees on balances over 30 days a 2% late fee per month will be applied. Returned check charge \$25.

[REDACTED]
Name (print or type)

[REDACTED]
Name (signature)

DERBY: Wendt Beach Area.
3BR/2BA. \$650 mo + utilities. Call
Jared 716-858-7037

10/05 - 1 BH 3:30

10/05/10 10:05 AM