



# COUNTY OF ERIE

**MARK C. POLONCARZ**

COUNTY EXECUTIVE

December 15, 2015

James Sampson, Chairman  
Erie County Fiscal Stability Authority  
295 Main Street, Room 946  
Buffalo, New York 14203

**Re: 2016-2019 Revised Erie County Four Year Financial Plan**

Dear Chairman Sampson:

Pursuant to Public Authorities Law §3957, I hereby submit to the Erie County Fiscal Stability Authority ("ECFSA") the revised Four Year Financial Plan for Erie County for fiscal years 2016-2019 (the "Plan").

The Plan reflects the amendments made to the 2016 Budget by the Erie County Legislature ("Legislature") on December 1, 2015, which reduced the property tax levy for 2016 (and by extension, for the out years 2017-2019) and added certain spending in cultural and human service accounts. In addition, as a result of the amendments, the Division of Budget and Management have made other adjustments. It is important to note that the 2016 Budget remains balanced. The modest net adjustments in spending made by the Legislature totaling \$1.5 million are equivalent to only 0.001% of the \$1.43 billion General Fund budget.

As you will see on the final page of the Plan matrix, as a result of the Legislature adjustments to the 2016 Budget, the projected out-year gaps in the Plan increase from \$3.6 million to \$4.3 million in 2017, from \$1.8 million to \$2.5 million in 2018 and from \$1.2 million to \$1.9 million in 2019. These out year gaps, however, may be ameliorated by better than expected property tax assessment before gap closers are considered.

Given the County's total \$1.67 billion budget, these adjustments could reasonably be considered not to be material. However, we are cognizant of the gaps and will take the necessary steps in preparing the 2017 Budget to address any gap that exists at that point. But, at this time, we do not expect any noteworthy issues to emerge in the 2016 Budget as a result of the Legislature's budget amendments and we are confident in our ability to manage this process as we have since 2012.

### Potential Gap Closers

There are a number of potential "gap closers" available to the County to close the projected gaps in 2017, 2018 and 2019 as a result of the Legislature's amendments. These gap closers can be utilized in a variety of ways. They include reductions in spending and fund holdbacks and revenue adjustments. They are difficult to quantify in part due to various scenarios in which they could be employed and the timing in which they were employed, as well as the need to seek Legislature approval for some of them. They include:

- Restoring the Property Tax Rate to \$4.99 per \$1,000 of Assessed Value
- Reducing Discretionary Spending
- Unbudgeted Revenue from Foreclosure Actions
- More Aggressive Vacancy Control and/or Elimination of Positions
- Higher than Expected Revenue from the Real Estate Transfer Tax
- Reducing Spending in the Road Fund/Interfund Transfer from the General Fund

If you have any questions regarding the Plan, please do not hesitate to contact Robert W. Keating, Director of Budget and Management. Thank you in advance for your assistance and courtesies.

Sincerely yours,



Mark C. Poloncarz, Esq.  
Erie County Executive

MCP/tc  
Enclosure

cc: Erie County Legislature  
Robert W. Keating, Director of Budget and Management

**County of Erie**  
**2016-2019 Four-Year Financial Plan**

Fund 110 - General	Account Type	2014 Actual	2015 Adopted Budget	2016 Executive Recommended Budget	2016 Adopted Budget	2017 Projection	2018 Projection	2019 Projection
<b>Revenue</b>								
<b>Local Source Revenue</b>								
Property Tax Levy		219,132,763	222,862,954	235,683,037	234,163,963	238,847,242	243,624,187	248,496,671
<b>Property Tax Related</b>								
Sec 520 Exempt Removal		781,471	906,328	809,668	809,668	809,668	809,668	809,668
Gain Sale Tax Acquired Prop		7,300	20,000	10,000	10,000	10,000	10,000	10,000
Payments In Lieu Of Taxes		6,506,070	6,075,000	6,030,000	6,030,000	5,360,150	5,386,951	5,413,886
Interest & Penalties-Prop Tax		15,418,596	12,703,142	13,120,000	13,120,000	13,251,200	13,383,712	13,517,549
Omitted Taxes		6,326	3,000	3,000	3,000	3,000	3,000	3,000
Dec-Prop Tax Def Rev		(5,882,322)	(2,770,033)	(2,387,350)	(2,387,350)	(2,411,224)	(2,435,336)	(2,459,689)
<b>Property Tax Related Total</b>		<b>16,837,441</b>	<b>16,937,437</b>	<b>17,585,318</b>	<b>17,585,318</b>	<b>17,022,795</b>	<b>17,157,995</b>	<b>17,294,414</b>
<b>Sales Tax</b>								
Sales Tax Original 3%		162,605,806	168,405,444	167,635,935	167,635,935	170,988,654	174,408,427	177,896,595
1% Sales Tax		153,522,887	158,999,011	158,272,040	158,272,040	161,437,481	164,666,230	167,959,555
.25 % Sales Tax		38,314,571	39,708,182	39,499,813	39,499,813	40,289,809	41,095,605	41,917,518
.50% Sales Tax		76,629,142	79,416,365	78,999,626	78,999,626	80,579,619	82,191,211	83,835,035
<b>Sales Tax Total</b>		<b>431,072,406</b>	<b>446,529,002</b>	<b>444,407,414</b>	<b>444,407,414</b>	<b>453,295,562</b>	<b>462,361,474</b>	<b>471,608,703</b>
<b>Sales Tax (Distrib. to Local Gov'ts)</b>		<b>297,962,111</b>	<b>308,613,200</b>	<b>307,179,419</b>	<b>307,179,419</b>	<b>313,323,007</b>	<b>319,589,468</b>	<b>325,981,257</b>
<b>Fees Fines or Charges</b>								
Election Exp Other Govts		7,192,320	6,282,847	6,839,440	6,839,440	7,480,000	9,630,000	7,870,000
All Other Fees Fines or Charges		26,083,691	25,638,026	25,510,887	25,510,887	25,765,996	26,023,656	26,283,892
<b>Fees Fines or Charges Total</b>		<b>33,276,011</b>	<b>31,920,873</b>	<b>32,350,327</b>	<b>32,350,327</b>	<b>33,245,996</b>	<b>35,653,656</b>	<b>34,153,892</b>
<b>Other Sources</b>								
Interest & Earn - Gen Inv		133,145	181,200	177,750	177,750	177,750	177,750	177,750
Hotel Occupancy Tax Revenue		9,928,615	9,775,600	10,450,000	10,450,000	10,608,750	10,765,851	10,927,339
Community College Respreads		4,376,595	5,445,442	6,390,041	6,390,041	6,750,000	6,800,000	6,850,000
All Other Sources Accounts		50,120,450	26,506,019	28,284,770	28,284,770	28,709,042	29,139,677	29,576,772
<b>Other Sources Total</b>		<b>64,558,805</b>	<b>41,908,261</b>	<b>45,302,561</b>	<b>45,302,561</b>	<b>46,243,542</b>	<b>46,883,278</b>	<b>47,531,861</b>
<b>Appropriated Fund Balance</b>								
Appropriated Fund Balance County Purposes		-	6,005,000	6,000,000	6,000,000	6,000,000	-	-
Appropriated Fund Balance Road Repair		-	2,000,000	-	-	-	-	-
<b>Appropriated Fund Balance</b>		<b>0</b>	<b>8,005,000</b>	<b>6,000,000</b>	<b>6,000,000</b>	<b>6,000,000</b>	<b>0</b>	<b>0</b>
<b>Local Source Revenue Total</b>		<b>1,062,839,537</b>	<b>1,076,776,727</b>	<b>1,088,508,076</b>	<b>1,086,989,002</b>	<b>1,107,978,144</b>	<b>1,125,270,057</b>	<b>1,145,066,798</b>
<b>State Aid</b>								
State Aid-Education Of Handicapped Children		28,397,662	30,461,400	31,150,857	31,150,857	31,680,422	32,218,989	32,766,712
State Aid-Mental Health		34,141,940	34,582,109	35,080,485	35,080,485	35,782,095	36,497,737	37,227,691
State Aid-Soc Serv Admin		25,686,097	27,673,744	29,301,852	29,301,852	29,906,079	30,554,930	31,252,057
State Aid-Safety Net Assistance		13,475,137	15,165,949	13,707,474	13,707,474	14,100,159	14,491,969	14,884,218
State Aid-Child Welfare Services		20,823,333	23,808,783	22,353,803	22,353,803	23,107,683	23,883,122	24,677,825
State Aid-Serv For Recipients		5,537,543	6,053,262	6,630,002	6,630,002	6,678,369	6,751,739	6,803,006
State Aid Day Care		7,343,545	8,801,761	7,586,397	7,586,397	7,767,143	8,041,323	8,232,908
All Other State Aid Accounts		22,927,889	24,205,750	24,888,180	24,888,180	25,261,503	25,640,425	26,025,032
<b>State Aid Total</b>		<b>158,333,146</b>	<b>170,752,758</b>	<b>170,699,050</b>	<b>170,699,050</b>	<b>174,283,452</b>	<b>178,080,234</b>	<b>181,869,448</b>
<b>Federal Aid</b>								
Federal Aid-Family Assistance		45,749,095	50,977,988	46,191,410	46,191,410	46,980,083	47,770,433	48,561,133
Federal Aid-Soc Serv Admin		25,226,879	23,754,315	24,351,378	24,351,378	25,334,956	26,391,289	27,525,874
Fed Aid Day Care		15,776,077	18,822,216	19,151,808	19,151,808	19,534,103	20,114,020	20,519,239
Federal Aid-CWS Foster Care		15,937,655	16,966,673	18,734,108	18,734,108	19,377,516	20,051,701	20,755,671
Federal Aid-Safety Net TANF Cases		675,554	831,969	557,968	557,968	573,025	588,049	603,090
All Other Federal Aid Accounts		86,654,791	69,340,913	69,582,685	69,582,685	70,626,425	71,685,822	72,761,109
<b>Federal Aid Total</b>		<b>190,020,051</b>	<b>180,694,074</b>	<b>178,569,357</b>	<b>178,569,357</b>	<b>182,426,108</b>	<b>186,601,313</b>	<b>190,726,116</b>
<b>Interfund Revenue</b>		<b>4,047,171</b>	<b>923,086</b>	<b>1,797,388</b>	<b>1,797,388</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Fund 110 Revenue</b>		<b>1,415,239,905</b>	<b>1,429,146,645</b>	<b>1,439,573,871</b>	<b>1,438,054,797</b>	<b>1,464,687,704</b>	<b>1,489,951,604</b>	<b>1,517,662,362</b>

## County of Erie 2016-2019 Four-Year Financial Plan

Fund 110 - General	Account Type	2014 Actual	2015 Adopted Budget	2016 Executive Recommended Budget	2016 Adopted Budget	2017 Projection	2018 Projection	2019 Projection
<b>Expense</b>								
<b>Personal Service Related Expense</b>								
Personal Services								
Full-Time Salaries		162,459,307	176,635,234	182,111,550	182,036,194	184,766,737	187,538,238	190,351,312
Part-Time Wages		2,560,748	3,341,858	3,183,832	3,583,832	3,537,589	3,590,653	3,644,513
Regular Part Time Wages		1,310,590	1,624,824	1,539,438	1,539,438	1,562,530	1,585,968	1,609,757
Seasonal Emp Wages		546,719	751,040	812,862	812,862	825,055	837,431	849,992
<b>Personal Services Total</b>		<b>166,877,364</b>	<b>182,352,956</b>	<b>187,647,682</b>	<b>187,972,326</b>	<b>190,691,911</b>	<b>193,552,290</b>	<b>198,455,574</b>
Employee Payments non-salary								
Shift Differential		997,822	1,069,265	1,124,309	1,124,309	1,141,174	1,158,291	1,175,666
Uniform Allowance		888,000	901,000	913,200	913,200	913,200	913,200	913,200
Holiday Worked		1,544,937	1,665,340	1,715,634	1,715,634	1,741,369	1,767,489	1,794,001
Line-Up		1,880,737	1,907,938	2,032,835	2,032,835	2,063,328	2,094,277	2,125,692
Other Employee Pymts		1,448,718	1,279,911	1,373,998	1,373,998	1,394,608	1,415,527	1,436,760
Overtime		15,296,900	13,919,364	14,483,145	13,940,499	14,490,606	14,707,966	14,928,585
<b>Employee Payments non-salary Total</b>		<b>22,057,114</b>	<b>20,742,818</b>	<b>21,643,121</b>	<b>21,100,475</b>	<b>21,744,284</b>	<b>22,056,750</b>	<b>22,373,904</b>
Fringe Benefits								
Fringe Benefits- FICA		14,184,416	15,082,183	15,850,621	15,793,731	16,251,369	16,494,092	16,740,455
Fringe Benefits-Medical Insurance		40,836,271	40,926,051	45,177,248	44,936,625	48,159,285	50,840,612	53,656,988
Fringe Benefits-Workers Compensation		4,829,578	4,846,305	5,836,121	5,636,121	5,981,073	6,089,035	6,201,941
Fringe Benefits-Unemployment Insur.		354,768	410,394	416,171	416,171	446,116	474,340	503,308
Fringe Benefits-Retiree Med Insur.		22,088,856	23,958,291	31,801,510	31,632,456	34,375,367	36,969,125	39,887,017
Fringe Benefits-Retirement		35,406,545	33,879,389	29,343,798	29,753,473	28,848,835	28,115,419	27,397,451
<b>Fringe Benefits Total</b>		<b>117,480,434</b>	<b>119,102,613</b>	<b>128,425,467</b>	<b>128,168,577</b>	<b>134,062,045</b>	<b>138,982,621</b>	<b>144,367,159</b>
Countywide Personnel Adjustments								
Reductions (Vacancy Savings)			(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
MC Compensation								
<b>Countywide Personnel Adjustments</b>		<b>0</b>	<b>(2,000,000)</b>	<b>(2,000,000)</b>	<b>(2,000,000)</b>	<b>(2,000,000)</b>	<b>(2,000,000)</b>	<b>(2,000,000)</b>
<b>Personal Service Related Expense Total</b>		<b>306,414,912</b>	<b>320,198,387</b>	<b>335,716,270</b>	<b>335,241,378</b>	<b>344,498,240</b>	<b>352,591,661</b>	<b>361,196,637</b>
<b>Other Departmental Expense</b>								
Supplies & Repairs								
Auto Supplies		1,989,459	2,455,225	2,139,750	2,139,750	2,171,846	2,204,424	2,237,490
All Other		7,704,943	7,668,474	7,137,972	6,947,972	7,147,192	7,254,399	7,363,215
<b>Supplies and Repairs</b>		<b>9,694,403</b>	<b>10,123,699</b>	<b>9,277,722</b>	<b>9,087,722</b>	<b>9,319,038</b>	<b>9,458,823</b>	<b>9,600,706</b>
Other								
Risk Retention		1,880,667	2,000,000	2,000,000	1,000,000	2,000,000	2,000,000	2,000,000
Control Board		498,239	495,000	495,000	495,000	495,000	495,000	495,000
Rental		4,387,453	4,639,431	4,953,097	4,953,097	5,027,393	5,102,804	5,179,346
DSS Pivot Wages/Chargebacks/Training		5,217,606	5,358,120	5,411,668	5,411,668	5,492,843	5,575,236	5,658,864
Utility Charges		2,372,495	2,838,150	2,881,897	2,881,897	2,925,125	2,969,002	3,013,537
All Other		5,890,114	5,659,532	5,804,987	5,804,987	5,892,082	5,980,443	6,070,149
<b>Other Total</b>		<b>20,246,574</b>	<b>20,990,233</b>	<b>21,546,649</b>	<b>20,546,649</b>	<b>21,832,424</b>	<b>22,122,485</b>	<b>22,416,897</b>
Contractual								
Sales Tax as Aid to Local Governments								
Sales Tax Distrib.to Cities, Towns & Sch Dist. for		297,962,111	308,613,200	307,179,419	307,179,419	313,323,007	319,589,468	325,981,257
Sales Tax Flat Distrib.to Cities and Towns from 1'		12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000
Sales Tax Distributed to NFTA		19,190,330	19,874,789	19,793,973	19,783,973	20,179,652	20,593,246	20,994,910
Sub Total - Local Gov. Sales Tax		329,652,441	340,987,989	339,463,392	339,463,392	346,002,660	352,672,713	359,476,167
Other Agency Contractual or Mandated Payments								
Indigent Defense - Legal Aid/Bar Assoc.		11,586,005	11,846,613	12,024,312	12,024,312	12,204,677	12,387,747	12,573,563
NFTA Sec 18 B		3,657,200	3,657,200	3,657,200	3,657,200	3,657,200	3,657,200	3,657,200
Contractual-ECMCC Healthcare Network		4,632,591	7,459,848	7,406,433	7,406,433	7,517,529	7,630,292	7,744,747
Cultural/Community Agencies		5,687,079	5,750,798	6,043,351	5,984,851	6,134,001	6,226,011	6,319,401
Buffalo Bills Game Day Expense		2,092,582	2,189,616	2,273,277	2,273,277	2,341,475	2,411,720	2,484,071
Stadium - Working Capital Assistance		1,344,321	1,409,245	1,447,068	1,447,068	1,490,480	1,535,194	1,581,250
Social Services/Youth/Mental Health Agencies		68,728,789	71,384,922	72,148,876	72,226,877	73,229,079	74,327,515	75,442,428
Visit Niagara (CVB) Subsidy		3,233,283	3,300,000	3,354,500	3,354,500	3,404,818	3,455,890	3,507,728
Bflo Niagara Film Comm WNED		131,950	133,929	182,938	182,938	138,682	140,782	142,874
Convention Center Subsidy		1,674,750	1,699,871	1,725,369	1,725,369	1,751,250	1,777,518	1,804,181
County Residents at Other Community Colleges		6,389,662	5,890,000	6,800,000	6,800,000	6,850,000	6,987,000	7,126,740
All Other Contractual Accounts		18,371,835	17,604,517	21,303,733	21,323,733	21,623,289	21,947,638	22,276,853
<b>Contractual Total</b>		<b>457,182,288</b>	<b>473,314,548</b>	<b>477,828,449</b>	<b>477,869,950</b>	<b>486,345,139</b>	<b>495,157,201</b>	<b>504,137,203</b>
<b>Equipment</b>		<b>1,381,446</b>	<b>1,545,442</b>	<b>1,385,839</b>	<b>1,405,639</b>	<b>1,413,352</b>	<b>1,441,619</b>	<b>1,470,451</b>
Allocation								
Interfund-Erie Community College		15,629,317	15,754,317	16,000,000	16,254,317	16,254,317	16,254,317	16,254,317
Interfund-Utilities Fund		4,609,350	4,935,249	4,971,315	4,971,315	5,070,741	5,172,156	5,275,599
County Share - Grants		5,386,178	4,361,351	5,484,263	5,484,263	5,621,370	5,761,904	5,905,951
Interfund-Road		18,120,497	15,118,038	16,818,436	16,818,436	17,238,897	17,669,869	18,111,616
Interfund -Library Subsidy		58,689						
Interfund E911 Subsidy		2,792,501	3,422,148	3,713,047	3,713,047	3,787,308	3,863,054	3,940,315
Interdepartmental Billings		(3,204,480)	(3,284,087)	(3,103,368)	(3,103,368)	(3,149,919)	(3,197,167)	(3,245,125)
All Other Allocation Accounts		6,782,294	93,992	86,670	86,670	87,970	89,290	90,629
<b>Allocation Total</b>		<b>50,174,346</b>	<b>40,401,008</b>	<b>43,970,363</b>	<b>44,224,680</b>	<b>44,910,684</b>	<b>45,613,423</b>	<b>46,333,303</b>
Program Related								

**County of Erie**  
**2016-2019 Four-Year Financial Plan**

Fund 110 - General	Account Type	2014 Actual	2015 Adopted Budget	2016 Executive Recommended Budget	2016 Adopted Budget	2017 Projection	2018 Projection	2019 Projection
	UPL Expense	15,224,488						
	DSH Expense	20,697,415	16,200,000	16,200,000	16,200,000	16,200,000	16,200,000	16,200,000
	Sub Total UPL/DSH ECMCC Subsidy	35,921,903	16,200,000	16,200,000	16,200,000	16,200,000	16,200,000	16,200,000
	MMIS-Medicaid Local Share	211,425,799	211,425,799	205,528,355	205,528,355	206,064,748	206,674,198	210,558,847
	Family Assistance	46,702,843	51,574,441	47,169,442	47,169,442	47,958,115	48,748,465	49,539,165
	CWS - Foster Care	63,284,933	62,286,462	67,803,015	67,803,015	70,090,689	72,487,791	74,990,794
	Safety Net Assistance	49,759,033	55,701,333	51,900,527	51,900,527	53,254,612	54,605,682	55,958,265
	Child Care-DSS	26,078,954	30,806,877	29,435,497	29,435,497	30,136,798	31,200,627	31,550,232
	Children With Special Needs Program	55,877,540	59,700,240	61,418,480	61,418,480	62,646,850	63,899,787	65,177,782
	State Training School	7,145,483	5,705,474	1,311,279	1,141,279	2,031,250	2,482,634	3,034,325
	All Other Program Related Accounts	4,353,529	5,062,392	4,205,258	4,205,258	4,268,616	4,332,645	4,397,635
	<b>Program Related Total</b>	<b>500,550,017</b>	<b>498,463,018</b>	<b>484,971,853</b>	<b>484,801,853</b>	<b>492,651,677</b>	<b>500,631,829</b>	<b>511,407,045</b>
	<b>Debt Service</b>							
	Interest-Revenue Antic Notes		376,683	400,000	400,000	410,000	420,250	430,756
	Interfund Debt Service Subsidy	60,798,788	63,733,627	64,476,926	64,476,926	67,623,989	65,042,968	62,643,542
	<b>Debt Service Total</b>	<b>60,798,788</b>	<b>64,110,310</b>	<b>64,876,926</b>	<b>64,876,926</b>	<b>68,033,989</b>	<b>65,463,218</b>	<b>63,074,298</b>
	<b>Other Departmental Expense Total</b>	<b>1,100,027,862</b>	<b>1,108,948,258</b>	<b>1,103,857,601</b>	<b>1,102,813,419</b>	<b>1,124,506,304</b>	<b>1,139,888,596</b>	<b>1,158,439,904</b>
	<b>Total Fund 110 Expense</b>	<b>1,406,442,774</b>	<b>1,429,146,645</b>	<b>1,439,573,871</b>	<b>1,438,054,797</b>	<b>1,469,004,544</b>	<b>1,492,480,257</b>	<b>1,519,636,541</b>
	<b>Revenue Less Expense - Surplus/(Gap)</b>	<b>8,797,131</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(4,316,840)</b>	<b>(2,528,653)</b>	<b>(1,974,179)</b>