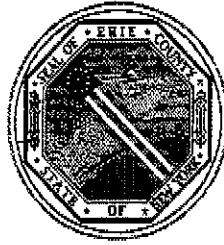


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**ERIE COUNTY LEGISLATURE****MARIA R. WHYTE**LEGISLATOR - 6<sup>th</sup> DISTRICT  
MAJORITY LEADER

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March 15, 2011

**Re: Follow-up to meeting with the Legislature's Finance and Management Committee**

Dear Chairman Oliverio and Fellow Members of the ECFSA:

I want to start by thanking you and Mr. Walling for coming to the Legislature's Finance and Management Committee last week. Your willingness to come before the Legislature to discuss such critical issues is greatly appreciated by me, my colleagues, and most certainly, by the taxpayers.

At the meeting, we spent a great deal of time discussing the fiscal challenges our county, like so many other municipalities nation-wide, is facing. You asked the Legislature to consider other areas of expense savings in the 2012 budget and beyond. You also asked us to think about additional long term efficiency plans that we might be able to recommend to the Executive and other department heads.

As we discussed in the meeting, there are two ways to tackle the County's current and future financial challenges: by cutting expenses and by increasing revenue. As I indicated at the meeting, I think there are additional ways expenses can be cut and **millions of dollars of savings** can be achieved. In many cases, however, the political will to execute these ideas has not been present. Perhaps now, with economic times as challenging as they are and with the help of the ECFSA, a conversation around these big-picture cost savings and revenue generating ideas can be renewed and the taxpayers can benefit.

Cutting Expenses/Realizing Cost Savings:

- **Full and Complete Implementation of the Framework for Regional Growth:** The Erie Niagara Framework for Regional Growth is an extremely valuable and well-done study conducted by Erie County's Department of Environment and Planning in conjunction with multiple private and public partners throughout the region. It concludes that **\$800 million can be saved** in just 25 years if certain development patterns are followed—that averages to **\$32 million/year!** The Framework was passed by our Honorable Body in April 2007. We are now in year four of its

implementation but I am not aware of any concrete reporting on successful implementation of the Framework or realized cost savings by the county or other local municipalities in the county.

- **Consolidation of the Tax Assessors:** Erie County Comptroller Mark Poloncarz conducted an audit of the tax assessors offices throughout Erie County and estimated that \$4 million could be saved if this service was streamlined and consolidated.
- **Alternatives to Incarceration:** In 2007, the County commissioned a study by the University at Buffalo Regional Institute to investigate the problem of overcrowding at the jail. As you know, this is an exceptionally costly problem. It has contributed to approximately \$8 million of overtime costs in the Sheriff's budget, poor conditions at the Holding Center for both workers and inmates, and extremely costly lawsuits. The report (easily available on line) concludes that, "systemically addressing chronic jail overcrowding in both the short- and long-term could result in daily jail bed savings ranging between 260 to 300 jail beds per day." This could translate into huge financial savings for the taxpayers but here too, there are questions about the extent to which the tangible suggestions in the report are being implemented.
- **Miscellaneous:** Other ideas for savings that have long been out there but are seldom discussed include re-engineering the sheriff's road patrol, the county golf courses, and the 1200 miles of county roads.

#### Increasing Revenue:

- **Attracting More Canadian Shoppers:** As you know, Erie County relies very heavily on the sales tax. As such, our revenue is very dependent on large-scale economic trends and consumer spending. Fortunately, the region has benefited a great deal from Canadians who cross the border to shop here in WNY. Minority Leader John Mills, for whom I have a great deal of respect and with whom I agree, indicated that more ought to be done to attract Canadian shoppers, thereby increasing the sales tax revenue received by the County.
- **Convention and Visitors Bureau:** In 2010 the CVB received approximately \$3.6 million from Erie County. This is a fraction of the revenue received by other cities such as Cleveland (\$6.5 million) and Pittsburgh (\$9 million), with which Buffalo is competing. Dottie Gallagher, President and CEO of the CVB, recently reported to the Legislature that for every \$1 invested in the CVB by Erie County in 2010, there was \$25.40 "in visitor spending from conventioners and athletes brought to Erie County by the CVB." What an incredible return on investment!

- **Consolidate the County's Six Industrial Development Agencies:** Having so many IDAs in Erie County inhibits our ability to market ourselves as one region and thus undercuts our ability to promote the growth of good jobs to the region. There are too many examples of an IDA in one of the municipalities in the County using tax-payer subsidies to "pirate" jobs from another local municipality. Not only is this costly to the tax-payer (as the tax-payers pays twice for the same jobs), but it further confuses potential employers when considering WNY. To borrow a saying from the labor movement, "United we bargain, divided we beg." Either we will be united as one region, looking to market ourselves with one voice, or we will be divided with each municipality promoting its own interests. Consolidation of the region's IDAs will not only save tax-payer dollars by merging administrative costs, but will also result in greater job growth to the region and thus a stronger tax-base to the county.

#### Suggestions for Moving Forward

With all of this in mind, I would like to propose the following suggestions for moving forward:

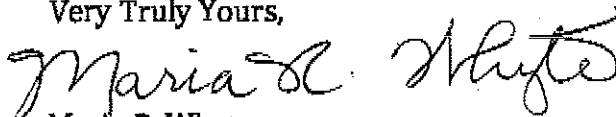
- **Erie County Should Voluntarily Give \$1 Million of Fund Balance to the ECFSA for Efficiency Grants:** At the meeting, Mr. Oliverio indicated that sometimes big savings can be achieved with an efficiency grant as small as \$80,000, but that unfortunately, nearly all of the ECFSA's grant money is gone. Three important things could be accomplished if Erie County willingly gave the ECFSA \$1 Million from the fund balance to be used for the purpose of efficiency grants: 1) those efficiency opportunities that require some up front investment of capital would receive a new outlook; 2) all county elected officials would have the opportunity to apply; and 3) thoughtful, third-party scrutiny would be applied to the proposals in an a-political way.
- **ECFSA's Efficiency Grant Protocol Should be Changed to Allow for Proposals that are Revenue Generating:** If such a change took place, the ECFSA could help Erie County improve both sides of the equation. Under this protocol proposals might come from the County Clerk, the Parks Department (which generates revenue from golf courses, shelter rentals, etc), and most certainly from the CVB.
- **Erie County Comptroller to Conduct an Audit of Implementation of the Framework for Regional Growth:** Have the multi-million dollar savings, as discussed in the Framework, been achieved by the county and/or any other local municipalities? If not, why? What can be done to more fully implement the Framework and better realize the savings? If the Comptroller can help to answer these questions, then policy makers will

likely have more guidance on how to better realize the savings already identified.

- **Revisit UB Alternatives to Incarceration Report:** I understand that the ECFSA is currently considering an efficiency grant for probation kiosks but full analysis of this report by your staff, the Sheriff, the Legislature's newly formed Community Corrections Advisory Board, and others Department Heads may yield additional opportunities for serious cost savings.
- **Make a Commitment to Put Everything on the Table:** The Collins Administration has pursued cost savings in part by cutting the County's participation in the WIC program, eliminating the City-County parks agreement, ending the City's use of the Holding Center as a Lock-up, cutting Cultural Funding and more. Each of these cuts has a negative impact on the City of Buffalo. Meanwhile the Collins Administration has NOT proposed cuts, savings initiatives, or consolidations that affect other parts of the county such as the consolidation of the tax assessors and IDAs, the sheriff's road patrols, or the 1,200 lane miles of county roads. In these difficult times, Governor Cuomo has put everything on the table. Although the discussion is difficult, the County Executive, the Legislature, and other local elected officials should not shirk from the dialogue. Any assistance the ECFSA can provide to put and keep these ideas and others on the table and encourage grant proposals of this nature is helpful.

Thank you for considering my thoughts. My goal was to more directly respond to the letter you wrote to the Legislature and the serious questions you posed to our Honorable Body. I hope you find it helpful. As always, I remain deeply committed to ongoing, open dialogue. Please feel free to contact me at any time.

Very Truly Yours,



Maria R. Whyte

6<sup>th</sup> District Erie County Legislator, Majority Leader

cc: Honorable Chris Collins, County Executive  
Honorable Members of the County Legislature  
Honorable Kathy Hochul, County Clerk  
Honorable Mark Poloncarz, County Comptroller  
Honorable Tim Howard, County Sheriff  
Honorable Frank Sadita, County District Attorney  
Honorable Members of the WNY State Delegation  
Honorable Byron Brown, Mayor City of Buffalo  
Honorable Members of the Buffalo Common Council