



# COUNTY OF ERIE

**MARK C. POLONCARZ**

COUNTY EXECUTIVE

December 10, 2018

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

**Re: 2019-2022 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 2019-2022 (the "Plan").

The Plan reflects the amendments made to the 2019 Budget by the Erie County Legislature ("Legislature") on December 6, 2018. In addition, as a result of the amendments and updated information, the Division of Budget and Management have made adjustments to the 2020-2022 years of the Plan. It is important to note that the 2019 Budget remains balanced. The modest reduction in spending made by the Legislature totaling \$2,044,641 is equivalent to only 0.0013% of the \$1.528 billion overall General Fund budget.

On the final page of the Plan matrix, as a result of the adjustments to the 2019 Budget, the projected 2020-2022 gaps in the Plan have increased only slightly by \$ 157,582. Generally the major impact of these 2019 Budget amendments is self-contained within 2019.

We do not expect any noteworthy issues to emerge in managing the 2019 Budget as a result of the Legislature's budget amendments.

### Potential Gap Closers

There are a number of potential "gap closers" available to the County to close the projected minor gaps in 2020, 2021 and 2022. These gap closers can be utilized in a variety of ways. They include reductions in spending and fund holdbacks as well as 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:

- Better than expected property tax assessment growth
- Better than expected sales tax revenue in part due to potential changes regarding taxability of certain on-line sales.
- Employee retirements relating to new union contract provisions
- Reduction of discretionary spending
- Additional revenue from expanded foreclosure actions
- More aggressive vacancy control measures
- Reinstatement of Gaming Facilities Aid
- Favorable caseload trends in social services programs

If you have any questions regarding the Plan, please do not hesitate to contact Robert W. Keating, Director of Budget and Management.

Sincerely yours,



Mark C. Poloncarz, Esq.  
Erie County Executive

MCP/rk  
Enclosure

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

**County of Erie**  
**2019-2022 Four-Year Financial Plan**

Fund 110 - General	Account Type	2017 Actual	2018 Adopted Budget	2019 Legislative Adopted Budget	2020 Projection	2021 Projection	2022 Projection
<b>Revenue</b>							
<b>Local Source Revenue</b>							
	Property Tax Levy	248,058,980	262,963,604	270,185,414	275,589,122	281,100,905	286,722,923
	Property Tax Related						
	Sec 520 Exempt Removal	939,811	940,000	920,660	920,660	920,660	920,660
	Gain Sale Tax Acquired Prop	3,050	3,420	3,250	3,250	3,250	3,250
	Payments In Lieu Of Taxes	4,746,793	4,685,000	5,140,000	5,165,700	5,191,529	5,217,486
	Interest & Penalties-Prop Tax	14,751,001	12,107,000	13,422,729	13,556,956	13,692,526	13,829,451
	Omitted Taxes	3,086	3,000	6,000	6,000	6,000	6,000
	Dec-Prop Tax Def Rev	(3,488,874)	(2,757,421)	(3,178,919)	(3,208,688)	(3,240,775)	(3,273,183)
	<b>Property Tax Related Total</b>	<b>16,954,867</b>	<b>14,980,999</b>	<b>16,315,720</b>	<b>16,443,878</b>	<b>16,573,189</b>	<b>16,703,664</b>
	Sales Tax						
	Sales Tax Original 3%	170,581,834	173,106,685	180,575,183	184,186,687	187,870,420	191,627,829
	1% Sales Tax	161,053,121	163,436,934	170,488,501	173,898,271	177,376,236	180,923,761
	.25 % Sales Tax	40,261,561	40,843,244	42,605,485	43,457,595	44,326,747	45,213,282
	.50% Sales Tax	80,503,122	81,686,488	85,210,972	86,915,191	88,653,495	90,426,565
	<b>Sales Tax Total</b>	<b>452,399,638</b>	<b>459,073,351</b>	<b>478,880,141</b>	<b>488,457,744</b>	<b>498,226,899</b>	<b>508,191,437</b>
	<b>Sales Tax (Distrib. to Local Govts)</b>	<b>312,577,544</b>	<b>317,204,132</b>	<b>330,889,952</b>	<b>337,507,751</b>	<b>344,257,906</b>	<b>351,143,064</b>
	Fees Fines or Charges						
	Election Exp Other Govts	6,645,749	7,745,487	6,811,526	6,950,000	7,000,000	7,050,000
	All Other Fees Fines or Charges	26,786,503	26,289,999	27,596,307	27,872,270	28,150,993	28,432,503
	<b>Fees Fines or Charges Total</b>	<b>33,442,252</b>	<b>34,035,486</b>	<b>34,407,833</b>	<b>34,822,270</b>	<b>35,150,993</b>	<b>35,482,503</b>
	Other Sources						
	Interest & Earn - Gen Inv	73,211	121,250	700,750	700,750	700,750	700,750
	Hotel Occupancy Tax Revenue	10,696,994	10,900,000	11,225,000	11,393,375	11,564,276	11,737,740
	Community College Respreads	6,864,202	3,328,238	2,528,178	6,900,000	6,900,000	6,900,000
	All Other Sources Accounts	51,240,994	24,763,096	24,835,033	25,707,558	26,293,172	27,687,569
	<b>Other Sources Total</b>	<b>68,875,401</b>	<b>39,112,584</b>	<b>39,288,961</b>	<b>44,701,683</b>	<b>45,458,197</b>	<b>47,026,059</b>
	Appropriated Fund Balance						
	Appropriated Fund Balance - Special	-	4,260,000	-	0	0	0
	Appropriated Fund Balance County Purposes	6,000,000	6,000,000	3,000,000	2,000,000	1,000,000	-
	<b>Appropriated Fund Balance</b>	<b>6,000,000</b>	<b>6,000,000</b>	<b>3,000,000</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>0</b>
	<b>Local Source Revenue Total</b>	<b>1,132,298,682</b>	<b>1,133,370,156</b>	<b>1,172,968,021</b>	<b>1,199,522,449</b>	<b>1,221,768,089</b>	<b>1,245,269,650</b>
	<b>State Aid</b>						
	State Aid-Education Of Handicapped Children	29,003,913	31,095,604	30,760,671	31,068,480	31,379,165	31,692,956
	State Aid-Mental Health	37,952,709	36,000,881	37,627,581	38,003,857	38,383,895	38,767,734
	State Aid-Soc Serv Admin	27,669,736	30,210,379	32,082,041	33,163,701	34,274,946	35,490,222
	State Aid-Safety Net Assistance	12,189,433	12,694,423	11,469,958	11,666,577	11,866,145	12,068,707
	State Aid-Child Welfare Services	18,094,197	23,660,358	23,491,198	24,086,603	24,696,893	25,322,440
	State Aid-Serv For Recipients	9,107,460	7,287,208	7,095,655	7,146,541	7,199,208	7,253,718
	State Aid Day Care	6,073,206	6,883,928	6,065,648	6,277,946	6,497,674	6,725,093
	State Aid Raise the Age	-	-	6,358,082	6,546,764	6,743,167	6,945,462
	All Other State Aid Accounts	23,444,725	25,125,978	24,243,776	24,486,214	24,731,076	24,978,387
	<b>State Aid Total</b>	<b>163,535,379</b>	<b>172,958,769</b>	<b>179,192,810</b>	<b>182,446,683</b>	<b>185,772,169</b>	<b>189,244,720</b>
	<b>Federal Aid</b>						
	Federal Aid-Family Assistance	40,546,790	42,309,614	40,668,583	41,290,315	41,921,373	42,561,897
	Federal Aid-Soc Serv Admin	20,656,378	24,580,476	22,166,252	23,758,090	25,545,358	27,495,158
	Fed Aid Day Care	16,731,567	18,950,209	20,016,995	20,628,158	21,260,712	21,915,406
	Federal Aid-CWS Foster Care	15,440,012	16,967,826	15,389,651	15,579,719	15,979,539	16,389,355
	Federal Aid-Safety Net TANF Cases	903,896	624,215	941,167	950,835	960,648	970,608
	All Other Federal Aid Accounts	70,589,224	71,714,457	78,905,294	77,674,347	78,451,090	79,235,601
	<b>Federal Aid Total</b>	<b>164,867,867</b>	<b>175,146,797</b>	<b>176,087,942</b>	<b>179,881,464</b>	<b>184,118,720</b>	<b>188,568,025</b>
	<b>Interfund Revenue</b>	<b>829,939</b>	<b>103,439</b>	<b>102,216</b>	<b>50,086</b>	<b>42,573</b>	<b>30,653</b>
	<b>Total Fund 110 Revenue</b>	<b>1,461,531,867</b>	<b>1,481,579,151</b>	<b>1,528,350,989</b>	<b>1,561,900,681</b>	<b>1,591,701,552</b>	<b>1,623,113,047</b>

## County of Erie 2019-2022 Four-Year Financial Plan

Fund 110 - General Account Type	2017 Actual	2018 Adopted Budget	2019 Legislative Adopted Budget	2020 Projection	2021 Projection	2022 Projection
<b>Expense</b>						
<b>Personal Service Related Expense</b>						
Personal Services						
Full-Time Salaries	174,703,609	187,420,253	207,415,029	212,600,405	217,915,415	223,363,300
Part-Time Wages	2,932,025	3,863,735	4,330,793	4,439,063	4,550,039	4,663,790
Regular Part Time Wages	1,331,118	1,636,429	2,043,314	2,094,397	2,146,757	2,200,426
Seasonal Emp Wages	885,177	848,552	892,971	915,295	938,178	961,632
<b>Personal Services Total</b>	<b>179,852,929</b>	<b>193,768,969</b>	<b>214,682,107</b>	<b>220,049,160</b>	<b>225,550,389</b>	<b>231,189,148</b>
Employee Payments non-salary						
Shift Differential	1,175,784	1,276,764	1,308,906	1,341,629	1,375,169	1,409,549
Uniform Allowance	892,683	939,450	934,950	948,974	963,209	977,657
Holiday Worked	1,574,041	1,713,724	1,739,308	1,782,791	1,827,360	1,873,044
Line-Up	2,022,635	2,144,428	2,197,444	2,252,380	2,308,690	2,366,407
Other Employee Pymts	1,734,665	1,332,067	1,725,641	1,768,782	1,813,002	1,858,327
Overtime	16,713,771	16,763,070	18,246,529	18,702,692	19,170,260	19,649,516
<b>Employee Payments non-salary Total</b>	<b>24,113,559</b>	<b>24,169,503</b>	<b>26,152,778</b>	<b>26,797,248</b>	<b>27,457,689</b>	<b>28,134,500</b>
Fringe Benefits						
Fringe Benefits- FICA	15,147,484	15,845,986	18,320,184	18,773,904	19,242,529	19,722,860
Fringe Benefits-Medical Insurance	43,568,150	49,312,058	44,420,850	46,794,366	48,751,450	51,008,655
Fringe Benefits-Workers Compensation	5,683,585	5,241,980	6,532,392	6,579,357	7,139,825	7,464,410
Fringe Benefits-Unemployment Insur.	204,384	310,711	385,094	402,601	420,903	440,038
Fringe Benefits-Retiree Med Insur.	28,603,421	33,565,465	36,628,238	40,293,372	41,934,219	43,844,222
Fringe Benefits-Retirement	28,820,827	28,754,741	31,690,256	32,324,061	32,970,542	33,629,953
<b>Fringe Benefits Total</b>	<b>122,027,851</b>	<b>133,030,941</b>	<b>137,977,014</b>	<b>145,167,661</b>	<b>150,459,468</b>	<b>156,110,138</b>
Countywide Personnel Adjustments						
Salary Adjustments	-	1,760,660				
Reductions (Vacancy Savings)	-	(1,800,000)	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)
<b>Countywide Personnel Adjustments</b>	<b>0</b>	<b>(1,800,000)</b>	<b>(1,400,000)</b>	<b>(1,400,000)</b>	<b>(1,400,000)</b>	<b>(1,400,000)</b>
<b>Personal Service Related Expense Total</b>	<b>325,994,339</b>	<b>349,169,413</b>	<b>377,411,899</b>	<b>390,614,069</b>	<b>402,067,546</b>	<b>414,033,786</b>
<b>Other Departmental Expense</b>						
Supplies & Repairs						
Auto Supplies	1,511,544	1,526,900	1,513,825	1,536,532	1,559,580	1,582,974
All Other	5,930,715	7,195,765	7,357,891	7,468,259	7,580,283	7,693,988
<b>Supplies and Repairs</b>	<b>7,442,259</b>	<b>8,722,665</b>	<b>8,871,716</b>	<b>9,004,792</b>	<b>9,139,864</b>	<b>9,276,962</b>
Other						
Risk Retention	2,893,565	2,500,000	3,516,000	4,000,000	4,000,000	4,000,000
Control Board	564,769	480,000	510,000	510,000	510,000	510,000
Rental	4,478,808	5,307,773	7,607,154	8,383,226	9,167,058	9,958,728
DSS Pivot Wages/Chargebacks/Training	4,694,907	5,467,307	5,609,341	5,693,481	5,778,883	5,865,567
Utility Charges	2,257,136	2,649,608	2,607,467	2,646,579	2,686,278	2,726,572
All Other	4,828,867	5,624,365	6,067,497	6,158,509	6,250,887	6,344,650
<b>Other Total</b>	<b>19,718,052</b>	<b>22,029,053</b>	<b>25,917,459</b>	<b>27,391,795</b>	<b>28,393,106</b>	<b>29,405,517</b>
Contractual						
Sales Tax as Aid to Local Governments						
Sales Tax Distrib to Cities, Towns & Sch Dist. from 3%	312,577,544	317,204,132	330,889,952	337,507,751	344,257,906	351,143,064
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
Sales Tax Distributed to NFTA	20,131,641	20,429,617	21,311,031	21,737,252	22,171,997	22,615,437
Sub Total - Local Gov. Sales Tax	345,209,185	350,133,749	364,700,983	371,745,003	378,929,903	386,258,501
Other Agency Contractual or Mandated Payments						
Indigent Defense - Legal Aid/Bar Assoc.	12,324,919	12,690,672	12,944,486	13,138,653	13,335,733	13,535,769
NFTA Sec 18 B	3,657,200	3,657,200	3,657,200	3,657,200	3,657,200	3,657,200
Contractual-ECMCC Healthcare Network	7,242,627	7,501,694	7,600,197	7,714,200	7,829,913	7,947,362
Cultural/Community Agencies	6,189,709	6,241,808	7,192,221	6,920,104	7,023,906	7,129,264
Buffalo Bills Game Day Expense	2,300,306.00	2,411,811	2,531,319	2,607,259	2,685,476	2,766,041
Stadium - Working Capital Assistance	1,477,219.00	1,553,904	1,630,671	1,679,591	1,729,979	1,781,878
Social Services/Youth/Mental Health Agencies	78,967,863	77,548,442	79,576,934	80,770,588	81,982,147	83,211,879
Visit Niagara (CVB) Subsidy	3,404,818	3,488,938	3,559,738	3,613,134	3,667,331	3,722,341
Bfo Niagara Film Comm WNED	185,657	237,430	242,179	245,812	249,499	253,241
Convention Center Subsidy	1,751,250	1,795,031	1,830,932	1,858,396	1,886,272	1,914,566
County Residents at Other Community Colleges	6,928,178	7,103,300	7,005,100	7,145,202	7,288,106	7,433,868
Legislative Earmarks	456,897	934,133	595,621	0	0	0
All Other Contractual Accounts	20,446,921	20,974,405	24,937,485	25,311,547	25,691,220	26,076,589
<b>Contractual Total</b>	<b>490,542,749</b>	<b>496,272,517</b>	<b>518,005,068</b>	<b>526,406,689</b>	<b>535,956,685</b>	<b>545,688,499</b>
<b>Equipment</b>	<b>2,632,346</b>	<b>2,037,084</b>	<b>2,041,495</b>	<b>2,006,955</b>	<b>2,027,024</b>	<b>2,047,295</b>
Allocation						
Interfund-Erie Community College	16,254,317	16,754,317	17,114,317	17,114,317	17,114,317	17,114,317
Interfund-Utilities Fund	3,003,365	4,405,278	3,656,067	3,729,188	3,803,772	3,879,848
County Share - Grants	4,847,717	5,274,033	6,863,237	7,000,502	7,140,512	7,263,322
Interfund-Road	13,787,119	15,692,129	19,170,857	18,780,328	21,349,836	22,063,582

**County of Erie**  
**2019-2022 Four-Year Financial Plan**

Fund 110 - General	Account Type	2017 Actual	2018 Adopted Budget	2019 Legislative Adopted Budget	2020 Projection	2021 Projection	2022 Projection
	Interfund E911 Subsidy	3,704,183	3,866,462	4,540,026	4,630,827	4,723,443	4,817,912
	Interdepartmental Billings	(2,955,922)	(2,982,450)	(3,247,152)	(3,328,331)	(3,411,539)	(3,496,828)
	All Other Allocation Accounts	570,385	505,406	1,669,800	1,441,097	1,462,713	1,484,654
	<b>Allocation Total</b>	<b>39,211,164</b>	<b>43,515,175</b>	<b>49,767,152</b>	<b>49,367,928</b>	<b>52,183,055</b>	<b>53,166,807</b>
	<b>Program Related</b>						
	UPL Expense	13,877,512	7,719,165	10,551,306	10,351,747	9,861,687	9,597,130
	Indigent Care Adjustment DSH	7,361,885	7,378,291	5,120,235	5,222,640	5,327,092	5,433,634
	DSH Expense	<u>29,189,152</u>	<u>25,751,670</u>	<u>19,604,166</u>	<u>19,498,249</u>	<u>24,883,715</u>	<u>19,663,849</u>
	Sub Total UPL/DSH/ICA ECMCC Subsidy	50,418,549	40,849,126	35,275,707	35,070,636	40,072,495	34,894,613
	MMIS-Medicaid Local Share	195,575,755	202,394,934	199,546,672	203,537,605	207,608,357	211,760,524
	Family Assistance	41,427,862	43,150,838	41,448,809	42,070,541	42,701,599	43,342,123
	CWS - Foster Care	65,544,745	68,758,102	66,146,927	67,800,600	69,495,615	71,233,005
	Safety Net Assistance	46,980,045	48,667,628	45,199,738	45,877,734	46,565,900	47,264,389
	Child Care-DSS	25,580,981	28,365,381	27,894,324	28,870,625	29,881,097	30,926,936
	Children With Special Needs Program	58,830,279	62,464,113	62,101,491	63,343,521	64,610,391	65,902,599
	State Training School	6,765,052	3,850,000	4,199,859	4,275,456	4,352,414	4,430,757
	All Other Program Related Accounts	2,027,524	2,053,378	2,911,374	2,955,045	2,999,370	3,044,361
	<b>Program Related Total</b>	<b>493,150,792</b>	<b>500,553,500</b>	<b>484,724,901</b>	<b>493,801,762</b>	<b>508,287,238</b>	<b>512,599,307</b>
	<b>Debt Service</b>						
	Interest-Revenue Antic Notes	1,010,263	1,680,734	2,016,127	2,066,530	2,118,193	2,171,148
	Interfund Debt Service Subsidy	63,166,038	60,098,350	59,595,174	61,641,223	51,826,228	55,286,940
	<b>Debt Service Total</b>	<b>64,176,301</b>	<b>61,779,084</b>	<b>61,611,301</b>	<b>63,707,753</b>	<b>53,944,421</b>	<b>57,458,088</b>
	<b>Other Departmental Expense Total</b>	<b>1,116,873,663</b>	<b>1,134,909,078</b>	<b>1,150,939,090</b>	<b>1,171,687,674</b>	<b>1,189,931,393</b>	<b>1,209,642,475</b>
	<b>Total Fund 110 Expense</b>	<b>1,442,868,002</b>	<b>1,484,078,491</b>	<b>1,528,350,989</b>	<b>1,562,301,743</b>	<b>1,591,998,939</b>	<b>1,623,676,261</b>
	<b>Revenue Less Expense - Surplus/(Gap)</b>	<b>18,663,865</b>	<b>(2,499,340)</b>	<b>0</b>	<b>(401,062)</b>	<b>(297,388)</b>	<b>(563,214)</b>