

COUNTY OF ERIE
STEFAN I. MYCHAJLIW
ERIE COUNTY COMPTROLLER



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Reform Plan Passes Erie County Legislature

Comptroller Mychajliw's reform plan to eliminate patronage and strengthen accounting staff approved

(Buffalo) – Erie County Comptroller Stefan I. Mychajliw's reform plan to cut patronage positions, strengthen professional accounting staff, and reduce this year's budget by almost \$100,000 was passed unanimously by the Erie County Legislature during its Thursday, March 7th, 2013 meeting.

"I am leading by example by reducing costs and putting professionals on the payroll. We eliminated what could be considered entry-level patronage jobs. Adding professional accounting positions strengthens our fiscal staff. Our reform initiative cuts the Comptroller's Office budget this year by almost \$100,000. Struggling families are doing more with less. I will do the same within my own department," said Comptroller Mychajliw.

Prior to Comptroller Mychajliw taking office employees in lower-level clerical positions with less rigorous civil-service requirements were conducting the work of professional accountants. Three clerk positions, a junior accountant position and a billing specialist position were cut. Five professional accountants were included as part of the reform plan.

Some open positions were not filled at the beginning of the year by Comptroller Mychajliw, a number of recently hired employees were brought in at a lower "step salary scale" than previously budgeted, and a reduction in payroll through job cuts resulted in approximately \$98,125 in savings for the 2013 budget.

"I want to thank Erie County Legislature Chairwoman Betty Jean Grant and Minority Leader John J. Mills for their bi-partisan support in passing our reform plan. I encourage other departments to follow our lead. We can reduce costs and strengthen how services are provided for taxpayers," added Comptroller Mychajliw.

It is critically important for department heads to reduce costs and implement similar reform savings plans as soon as possible. Numerous early warning signs are evident as it relates to Erie County's fiscal well being:

- Erie County Executive Mark C. Poloncarz's revised four-year plan submitted to the Erie County Fiscal Stability Authority (ECFSA) projects out-year budget gaps of \$25.4 million
- 2012 sales tax revenue projections fell approximately \$321,281 than what was actually collected
- Erie County's continued reliance on volatile sales tax revenue as its main source of revenue, a high risk as pointed out by the ECFSA, Wall Street, and the Office of Comptroller
- Sales tax revenues would have to increase a whopping 3.73% this year in order to reach the projected 2012 to 2013 increase of \$15,307,835
- Initial projections indicate the county would be forced to borrow \$110 million this summer through a Revenue Anticipation Note (RAN), a high number not seen since the Red/Green budget crisis years of 2005 and 2006
- Erie County did not have enough "cash on hand" to make a \$15 million IGT payment to Erie County Medical Center (ECMCC) on the first day of Comptroller Mychajliw's administration

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