



COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

September 7, 2022

The Honorable
Erie County Legislature
92 Franklin Street, Fourth Floor
Buffalo, New York 14202

Re: Budget Monitoring Report for Period Ending July 2022

Dear Honorable Legislators:

Please find attached the Budget Monitoring Report ("BMR") for the period ending July 31, 2022 as well as a vacancy report from the County's SAP system as of July 31, 2022.

The BMR shows that for the first seven months of 2022 the County has a \$29,292,256 positive variance. This variance is largely related to one negative and three positive factors.

First, during the past month, the Division of Budget and Management was informed of a net negative variance of \$19.2 million for Child Welfare Services-Foster Care. This is due to both the 5.4% Cost of Living Adjustment enacted retroactive to April 2022 for all Foster Care and Adoption payments, and, effective in July 2022, the Maximum State Aid Rate increased by 170% which impacts a variety of pass-through payments.

Second is 2022 sales tax growth, which currently stands at 8.7%. The overall July YTD growth is \$23.8 million and continues to be driven largely by increased prices and ongoing consumer demand, especially in the dining, entertainment, and travel sectors. As previously noted the Division of Budget and Management now expects at least one more quarter of lower reconciliation payments due to New York State Tax and Finance's adjustment to the sales tax spread, which is impacting all upstate counties. Sales tax variances will continue to be closely monitored as my office continues to prepare the 2023 budget.

Third is the unappropriated \$6.5 million portion remaining from the receipt of just over \$16.7 million for the Seneca Exclusivity Zone Distributions payments.

The final major impact is the YTD Medicaid positive variance of \$4.3 million from the expected \$13.0 million (up \$5.0 million from \$8.0 million announced in the June BMR) in overall 2022 benefit due to three quarters of unbudgeted enhanced COVID-related Federal contributions. Enhanced Medicaid assistance will terminate when the Federal Government rescinds its COVID-19 state of emergency under the Stafford Act.

January-July 2022 Budget Monitoring Report (BMR)

Account Type	Annual Budget	Period Budget January - July	Actuals January - July	Period Available Budget	% of Period Budget Consumed	Annual Available Budget	% of Annual Budget Consumed
Revenue							
** Property Tax	293,524,030-	293,524,030-	293,524,030-	0-	100%	0-	100%
** Property Tax Related	14,998,853-	5,654,954-	5,763,791-	108,837	102%	9,235,062-	38%
** Sales Tax	549,174,319-	309,512,930-	334,424,759-	24,911,828	108%	214,749,560-	61%
** Sales Tax to Local Govt.	379,442,301-	213,852,495-	228,550,552-	14,698,057	107%	150,891,749-	60%
** Other Sources	43,454,680-	34,372,274-	44,335,205-	9,962,931	129%	880,525	102%
** Fees, Fines or Charges	34,629,402-	23,689,030-	23,584,182-	104,848-	100%	11,045,220-	68%
*** Local Source Revenue	1,315,223,585-	880,605,714-	930,182,519-	49,576,805	106%	385,041,066-	71%
*** Federal Revenue	178,921,366-	112,184,841-	105,615,916-	658,926-	94%	73,305,450-	59%
*** State Revenue	192,596,141-	111,742,163-	108,686,386-	3,055,776-	97%	83,909,755-	56%
*** Interfund Revenue	44,940,121-	44,940,121-	44,954,629-	14,508	100%	14,508	100%
**** County Revenue	1,731,681,213-	1,149,472,839-	1,189,439,450-	39,966,611	103%	542,241,763-	68%
Expense							
** Salaries	237,966,105	136,315,193	127,541,551	8,773,642	94%	110,424,553	54%
** Non-Salaries	27,215,702	14,888,812	18,125,773	3,236,962-	122%	9,089,929	67%
** Countywide Adjustments	7,231,513	1,539,510		1,539,510	0%	7,231,513	0%
*** Personnel Related Expense	272,413,320	152,743,515	145,667,325	7,076,190	95%	126,745,995	53%
*** Fringe Benefit Total	143,440,324	78,711,602	69,723,023	8,988,579	89%	73,717,301	49%
** Supplies and Repairs	11,505,053	5,028,666	4,390,391	638,275	87%	7,114,662	38%
** Other	35,686,243	15,544,491	13,532,614	2,011,878	87%	22,153,630	38%
** Contractual	632,023,660	348,611,906	357,647,193	9,035,287-	103%	274,376,467	57%
** Equipment	8,870,448	2,177,402	1,802,876	374,526	83%	7,067,572	20%
** Allocations	265,133,654	103,215,232	104,224,086	1,008,854-	101%	160,909,568	39%
** Program Specific	489,102,769	253,553,140	273,272,803	19,719,663-	108%	215,829,966	56%
** Debt Services	56,289,152	29,211,129	29,211,128	1	100%	27,078,024	52%
*** All Other Operating Expense	1,498,610,980	757,341,967	784,081,091	26,739,124-	104%	714,529,889	52%
**** County Expense	1,914,464,623	988,797,083	999,471,439	10,674,355-	101%	914,993,185	52%
***** Net	182,783,410	160,675,756-	189,968,011-	29,292,256		372,751,421	

Note on the BMR:

The BMR helps the Budget Office identify, understand and resolve financial issues that may emerge during the year. The positive period variance indicated should not be interpreted as a projection of a year-end positive balance