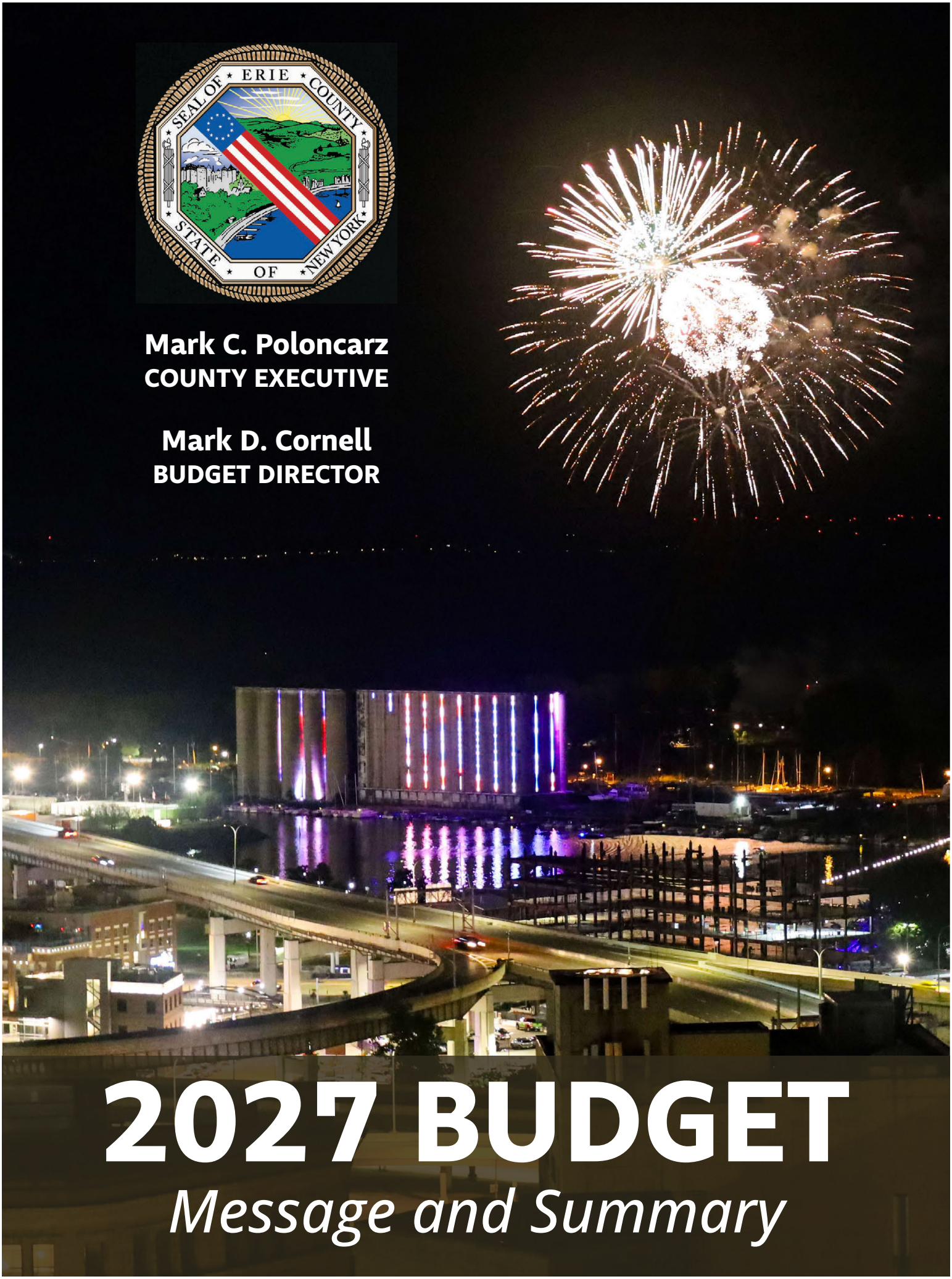


Mark C. Poloncarz
COUNTY EXECUTIVE

Mark D. Cornell
BUDGET DIRECTOR

2027 BUDGET

Message and Summary

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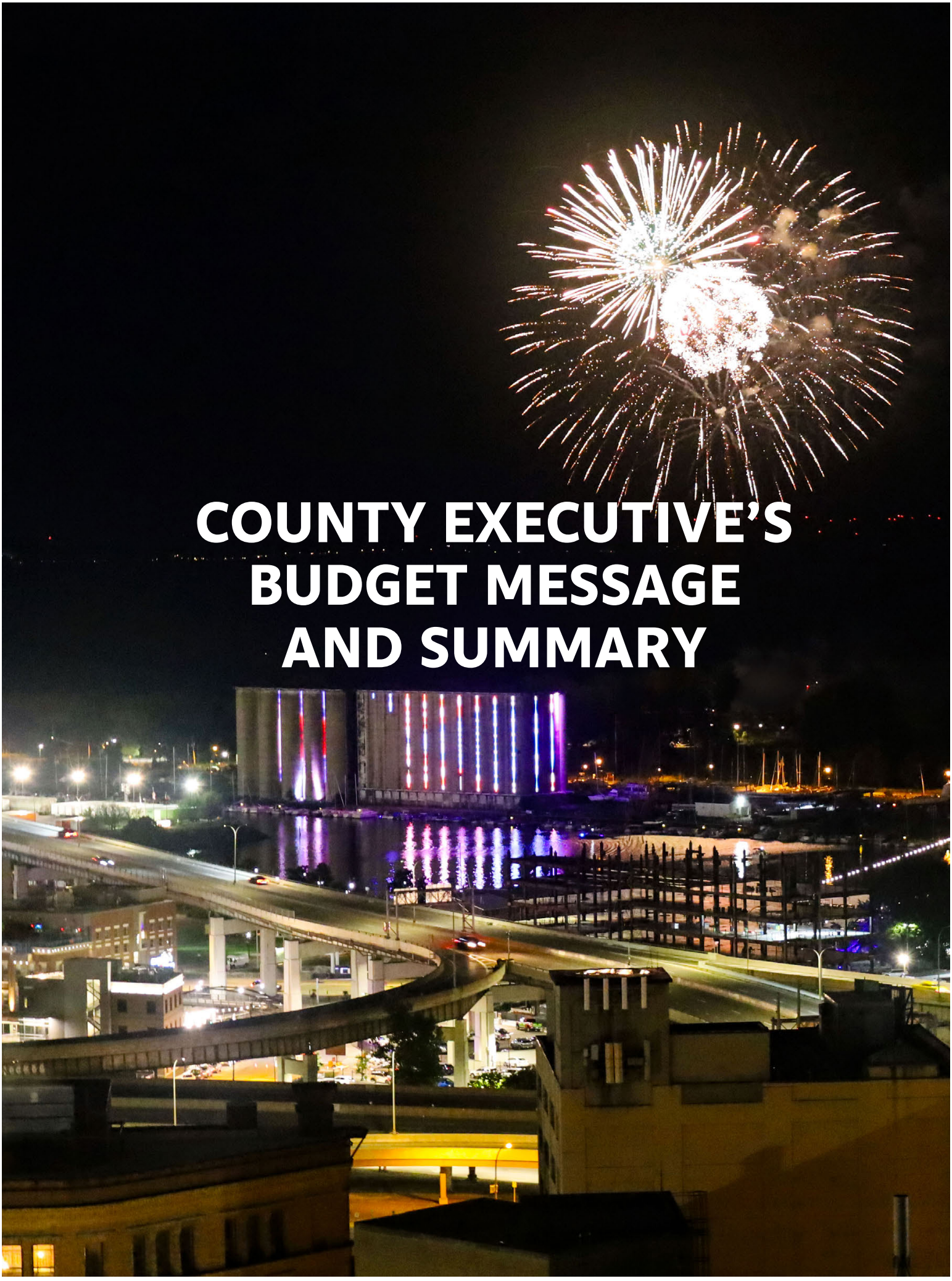
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COUNTY EXECUTIVE'S BUDGET MESSAGE AND SUMMARY

COUNTY OF ERIE

MARK C. POLONCARZ
COUNTY EXECUTIVE

October 15, 2026

Erie County Legislature
92 Franklin Street, 4th Floor
Buffalo, NY 14202

Dear Honorable Legislators:

Please find enclosed my 2027 Proposed Erie County Budget ("Proposed Budget") and Four-Year Financial Plan for Fiscal Years 2027-2030 ("Plan") for review and approval by your Honorable Body.

Last year, I warned that the federal government's "One Big Beautiful Bill Act" or "OBBB" would fundamentally shift the cost of core safety-net programs from the Federal Government onto states and counties. That shift is no longer a projection. On October 1, 2026, the federal share of SNAP administrative costs was cut in half, from 50% to 25%. New York is one of only three states in the nation where counties pay the full non-federal share of these costs, so the entire shift falls directly on counties. For Erie County, that alone adds an estimated $4.2 million in annual cost, with no additional support.

And this is only the beginning. For the first time in the history of the program, states will be required to pay a share of SNAP benefits themselves, starting October 1, 2027, under current law. Counties will likely need to bear this cost as well. At the same time, new federal work requirements and eligibility reassessments will push residents off vital social service programs like Medicaid and Temporary Assistance to Needy Families ("TANF") with high federal reimbursement rates, land on Safety Net and indigent health care programs with a substantially higher County-share cost.

Developing a budget under these uncertain and continually evolving conditions requires restraint. As I said last year, exercising caution now is how we avoid deeper cuts and layoffs later. The 2026 Budget absorbed the first quarter of the SNAP administrative shift; this Proposed Budget carries its full-year cost while continuing to protect the services residents depend on.

Our challenges are real, but Erie County meets them from a position of strength. The regional economy has grown every year since 2011, and our reserves remain well above Charter requirements. The discipline reflected in this budget is how we intend to keep it that way.

Property Tax Rate and Levy

For 2027, the property tax rate per thousand of assessed value ("tax rate") will decrease from the current $3.09 to $3.01, an eight-cent ($0.08) reduction to the lowest rate in Erie County's history. This will be the ninth consecutive year, and the twelfth time since I took office, that the tax rate has been lowered. Since 2012, when the rate was $5.03, cumulative reductions total $2.02, a 40.2% reduction over the past 15 years. Erie County's rate remains $1.60 lower than the next closest Western New York county (Niagara, at $4.61 for 2026).

The County property tax levy will increase by 3.5%, or $11.1 million, to $327.1 million, remaining within the State's Property Tax Cap ("Tax Cap"). Including the levy for the Buffalo and Erie County Public Library System ("Libraries"), the total levy will be $360.6 million. As you are aware, Erie County does not set assessments, only the tax rate. By reducing the tax rate to keep the levy under the Tax Cap, we are offering real savings to our residents and business community.

Support for the Libraries' levy will increase by $1.6 million (5%) to $33.5 million for 2027. My commitment to fully funding the Libraries has increased their levy support by $13.6 million, or 68.5%, since 2012; $7 million of that growth has occurred over the last five (5) years.

Sales Tax

Sales tax remains one of the County's most important sources of revenue and has continued to grow. After remaining flat in 2024, County-share sales tax receipts grew 5.6%, or $32.8 million, in 2025 and show 5.7% year-to-date growth in 2026, becoming a major source of positive variance this year. That performance reflects a growing regional economy, reaching approximately $81 billion in GDP, with County unemployment below the State rate. That growth, however, is already spoken for. Increasingly, it is needed to absorb rising costs elsewhere in the budget, including energy, intergovernmental transfer ("IGT") payments to Erie County Medical Center Corporation ("ECMCC"), overtime and the federal cost shifts described in this letter. A period of stronger receipts does not remove the risk that growth slows as the broader economy cools.

Consistent with our conservative approach, the Proposed Budget assumes 3% growth over projected 2026 receipts, recognizing $1.19 billion in total sales tax revenue, of which $658 million will be retained by Erie County and $528.5 million will be shared with the cities, towns, villages, school districts and the Niagara Frontier Transportation Authority ("NFTA") per the 1977 Sales Tax Sharing Agreement. For the County's portion of sales tax, this is an increase of $44 million (7.2%) over the 2026 Adopted Budget.

I must also note that the State authorization for Erie County's additional 1.75% sales tax expires on November 30, 2027. Together, these rates are estimated to generate $437.1 million in 2027, roughly 62% of the sales tax revenue budgeted for County purposes, including the $12.5 million the County shares annually with local municipalities. Renewal requires the approval of both the County and State Legislatures during their 2027 sessions. Your Honorable Body has approved every extension of these rates, including five unanimous votes since I took office, most recently in 2025, and I look forward to the same cooperation this year. Without renewal, the County would face a revenue loss that no combination of property tax increases or service reductions could reasonably replace, and our local municipalities would lose shared revenue as well.

State and Federal Aid

Federal and State aid covered approximately 42% of the County's 2025 appropriations for social services programs; every point of that support that shifts to the County falls directly on local taxpayers. The SFY 2026-2027 State Budget did not provide counties relief from the SNAP administrative cost shift, despite requests from the New York State Association of Counties ("NYSAC") and counties across the State.

Pressures are also building in health care. The State estimates that approximately 730,000 lawfully present non-citizens could lose Essential Plan coverage under OBBB and that about 1.5 million New Yorkers could become uninsured, adding more than $3 billion annually in uncompensated care costs statewide. Those costs fall primarily on the State and on providers, but they will be felt locally at ECMCC and other safety-net providers. OBBB did not eliminate the Community Development Block Grant and HOME programs, but their future depends on annual federal appropriations, which we are monitoring closely.

2027 General Fund Budget

The 2027 General Fund (110) Budget is $2,196,087,407, a $114.9 million (5.5%) increase from the 2026 Adopted Budget of $2,081,160,029. A full 75% of this increase ($86.4 million) is driven by eight (8) expenses alone, most of which are mandated and unavoidable:

- **Sales tax sharing with local governments.** Shared sales tax increases by $35.9 million to $528.5 million. Because these payments rise and fall with receipts, they carry no net cost to the County.

- **Childcare.** Childcare assistance increases by $15.4 million (21.4%) to $87.4 million. These costs are 100% reimbursed up to the limit of the Child Care Development Block Grant. This increase reflects recent changes in eligibility and trends in the number of children subsidized, which is expected to increase to 3,602 a month.

- **IGT payments to ECMCC.** The County's IGT obligations to ECMCC are budgeted to increase by $7.8 million to $72.3 million for 2027. However, the County's obligation for 2027 is estimated at more than $100 million, which would have been a $36.3 million increase versus the 2026 Adopted Budget. Through an agreement with the State and the hospital, $28.5 million of these payments will be accelerated into 2026 using favorable current-year results. As the gap between Medicare and Medicaid rates and the cost of care continues to widen for a hospital that serves a disproportionate share of uninsured and Medicaid patients, we should continue to expect escalation of these required costs into the future.

- **Safety Net assistance.** Safety Net costs are expected to increase by $6.8 million (12.3%) to $61.8 million. Since the COVID-19 pandemic, there has been a significant rise in the number of Safety Net cases. Cases are expected to grow to an average of 6,122 per month, which is an increase of 429 cases over current 2026 trends (5,693 cases) and 1,437 cases more than 2024. Many of these cases are single individuals, childless couples or TANF clients who have exhausted their 5-year limit. Safety Net has a low reimbursement rate of 29%, requiring significantly more local share resources compared to other social service programs.

- **Sheriff Overtime.** Sheriff's Office overtime is budgeted to increase by $5.6 million to $25.1 million in 2027. Over the past five (5) years (vs 2022 Adopted), budgeted overtime has increased by 93% or $12.1 million. Beyond the total year-over-year growth, the distribution of overtime raises serious questions about sufficient monitoring and evaluation of overtime activity and workload management of employees.

- **Court-ordered mental health competency restoration.** The Proposed Budget includes a $5 million increase to $9.5 million. State law requires the County to pay for court-ordered competency evaluations and inpatient restoration at State psychiatric centers for defendants found not competent to proceed. With more placements, longer stays and State rate increases of nearly 15%, these costs have risen sharply. Two new Forensic Mental Health positions for the EC-BRIDGE initiative will identify these cases earlier and reduce avoidable inpatient stays, and the Plan assumes $3 million in annual savings beginning in 2028.

- **Risk Retention Fund**. Historically, the County's Risk Retention Fund, which covers the costs of insurance premiums, settlements, judgments and the use of outside counsel, has been budgeted at $5 million annually. The County Attorney has had to seek supplemental funds in the fall to cover remaining costs for the last several years, primarily due to growth in the number of cases involving the County.

- **Programs for children with special needs.** Costs are projected to increase by $4.9 million (5.5%) to $93.6 million, partially offset by a $2.8 million increase in State aid. This is due to increases in tuition rates for the Center-Based Classrooms and bus transportation rates, which are directly tied to CPI inflation, and the continuation of several new classrooms approved by the New York State Education Department.

These increases come in addition to the $4.2 million SNAP administrative cost shift described above. They are partially offset by a $4.1 million decrease in Medicaid local share payments. This reflects a timing difference between the State's fiscal-year payment schedule and the County's calendar year, which leaves 2027 with one fewer weekly payment than usual; the underlying obligation is unchanged and returns to $215.8 million in 2028.

Salaries for General Fund positions grow by $8.9 million (2.8%), reflecting contractual wage increases and step and longevity advancement. Pension costs increase by $3.8 million (7%), which reflect the changes to NYSLRS Tiers 5 & 6 included in the SFY 2026-27 Budget.

Other notable increases include $6.1 million in additional General Fund support for capital debt service, $2.7 million for Road Fund (210) and $0.6 million for E-911 Fund (230) operating expenses. With the County's obligations under the prior stadium lease concluded, 2027 is also the first budget with no County funding for operating expenses at Highmark Stadium, which grew to more than $7.7 million in the final full year (2025) of the old stadium lease. Also, with the completion of Highmark Stadium, there is no additional funding in 2027 needed for inspection and compliance on construction.

Fleet Leasing Program

The County continues its transition from vehicle ownership to leasing through its fleet management program. The program's $7.8 million budget is 2.2% below 2026, even as the County replaces more than 100 vehicles and adds 5 vehicles for the Division of Weights and Measures. Leasing on a regular replacement cycle keeps the fleet young and allows the County to capture vehicles' resale value before major repair costs set in. Vehicles scheduled for replacement in 2027 carry an estimated $1.3 million in equity, which is credited to offset the program's lease payments.

Restraint in Departmental Budget Requests

The Division of Budget and Management ("Budget Office") requested that all department heads and independently elected officials submit a "status quo" budget with no new discretionary spending. Departments were also asked to develop contingency plans that reduce local share expenses from 2026 Adopted levels, along with being prepared to identify priority vacant and filled positions.

Even with these controls, requests exceeded available resources. Departmental requests would have increased General Fund spending by $157.3 million (7.6%) and required a property tax levy increase of $53 million (16.8%) to $369.1 million. This would not only have required super-majority approval to exceed the Tax Cap by $41.6 million but would also have increased the property tax rate by $0.27 to $3.36 per $1,000 of assessed value.

The Sheriff's Office alone requested a $22.4 million (11.8%) increase in net County cost; the Proposed Budget holds that increase to $14.2 million (7.5%). In total, the Proposed Budget reduces departmental requests by $42.3 million. Of that amount, $13.8 million reflects direct reductions, an amount that would otherwise have required a levy increase of more than 4%. These reductions include:

- Rejection of 15 of 35 requested new full-time positions and 8 of 17 requested upgrades, saving $1.2 million;
- Deletion of 35 vacant positions (15 full-time), most of which have been vacant for more than a year, saving $1.2 million;
- Reduction of the Sheriff's Office's $29.1 million overtime request to $25.1 million (still a $5.6 million increase as noted above), saving $4 million;
- Associated fringe benefit savings from the personnel expense reductions noted above, saving $2.7 million;
- Reductions to departmental discretionary spending on items such as furniture, supplies and equipment, saving $2.9 million;
- Holding Legal Aid Bureau's indigent defense funding at its current level of service, without requested expansions, saving $2 million;
- Holding funding for cultural organizations essentially flat with 2026 recommended funding levels, saving $0.3 million.

The remaining $28.5 million reflects the accelerated payment of 2027 IGT obligations to ECMCC into 2026, funded by current-year favorable results as noted earlier. That action lowers 2027 costs by shifting the timing of mandated payments rather than reducing the overall expense.

Compared to the 2026 Adjusted Budget, the Proposed Budget includes a net reduction of 2 full-time (3 total) positions across all Operating Funds (20 FT additions and 22 FT deletions). This includes the deletion of an additional 15 full-time (28 total) positions, at my insistence, which the Budget Office and Personnel identified as being vacant for more than one year. Overall full-time staffing in the Operating Funds (110, 140, 210, 230) is unchanged at 4,413 positions from the 2026 Adopted Budget. After the reductions described above, the net County-share cost of all position changes is approximately $0.3 million in salary.

Continuation of Priority Initiatives

Even in a constrained year, we must sustain the progress we have made on the "People's Mandates," particularly the continuation of long-term projects and programs that have been implemented over the past several years.

Last year, the County began discussion with the Town of Amherst to take over the former Westwood Country Club to the new Willowdale Park and Golf Course. This once-in-a-generation opportunity to protect 170 acres of green space and provide a high-quality public amenity underscores our commitment to improving residents' quality of life.

Upon transfer of the site to the County earlier this year, the Parks Department broke ground on a more than $10 million investment to convert half of the original golf course into a 9-hole course with the remaining land to be converted into a passive park including accessible trails and wildlife viewing areas, while Amherst moves forward with prior plans to build an inclusive playground and other amenities on 8 acres in the southeast corner of the land. Work is moving along on the golf course, and to date about 95% of remediation of the golf course (greens and tee boxes) is complete. Design is currently underway for the pro shop, and the maintenance building will be fully renovated by the end of 2026. In addition to the 7 full-time parks maintenance positions created last year, the final 11 seasonal golf starters and cashier positions are included in the 2027 Proposed Budget with the expectation of a soft opening of the golf course in Summer 2027.

Since its inception in 2023, Erie County Ambulance Services has served as a vital safety net provider, delivering essential emergency medical coverage to communities across Erie County where additional support is needed. The county currently operates a fleet of seven ambulances and four fly cars, supported by 58 dedicated EMS providers who ensure continuous 24/7 response coverage to areas of Erie County that may be difficult for ambulances to access.

Over the past three years, Erie County Ambulance Services has responded to 5,694 emergency calls and transported 3,447 patients during some of the most critical moments of their lives. During this time, 110 agencies across Erie County have requested assistance, highlighting the countywide reliance on our service and the strength of our collaborative partnerships.

Looking ahead to 2027, Erie County is committed to working with all private and volunteer ambulance agencies and EMS providers throughout the region to develop a unified, countywide EMS system—one that ensures consistent, high-quality pre-hospital care for every resident, regardless of where they live.

Economic development remains the surest long-term answer to the cost shifts described above, because a growing tax base spreads mandated costs across more residents and businesses. My proposed restructuring of the Department of Environment and Planning into a Department of Economic Development would position the County to build on that momentum. At the Renaissance Commerce Park, a $12 million rail-relocation project that commenced in 2026 will unlock approximately 70 additional acres of land ready for development. The $36.7 million ErieNET open-access broadband network is projected to be largely installed by the end of 2026, and an $11.5 million State grant secured in 2025 will fund the buildout of the Erie County Agribusiness Park. The County's $23 million investment of ARP and HOME-ARP funds will support 1,143 new affordable rental and homeownership units by 2028, leveraging approximately $490 million in total construction investment.

Continued Investment in Critical Infrastructure

The 2027 Capital Budget totals $118.3 million, comprising $70.9 million in bonded proceeds and $20 million in pay-as-you-go funding, while leveraging $27.4 million in State and federal aid. It is the first year of a six-year Capital Improvement Program totaling $604.7 million through 2032. Consistent with the restraint reflected throughout this budget, the $90.9 million in County-share funding is less than half of the $188.1 million requested by departments, leaving projects such as a new highway maintenance facility and the renovation and expansion of the Emergency Operations Center unfunded in the six-year program.

Correctional facilities. In adopting the 2026 Budget, your Honorable Body removed the $20 million design and engineering authorization for a consolidated facility in Alden, setting that plan aside. The needs of our existing facilities remain, however, and they cannot be deferred indefinitely. The Sheriff's Office and Division of Buildings & Grounds have identified an estimated tens of millions in needed improvements at the Holding Center and Correctional Facility, and the County still needs a plan to keep both facilities safe and humane for officers and incarcerated individuals alike.

After including $5.5 million to the 2026 General Obligation Bond for the most urgent improvements and to enter into a design term agreement with a corrections specialist to plan out a long-term improvements plan, the 2027 Capital Budget includes an additional $7 million for improvements. This first installment of $57 million planned through 2032, is for phased renovations and building system upgrades that maintain the viability of both facilities, along with $4.8 million for security camera upgrades.

Regional trunked radio system. Emergency communications in Erie County remain fragmented. Fire departments alone are dispatched by 16 centers operating on different radio systems, County departments each maintain their own, and our radios are not compatible with those of the neighboring counties we assist through mutual aid. Six of the eight Western New York counties already operate trunked systems; Erie and Wyoming are the last two that do not. A countywide trunked system will give first responders and County departments a single, more reliable network with broader coverage and shared channels during emergencies, and it has the full support of the Erie County Association of Chiefs of Police. After including $20 million in the 2026 General Obligation Bond, the 2027 Capital Budget includes the final $10 million phase, which will be used to fund continued infrastructure work, and the equipment County departments will need to operate on the new system.

The balance of the Capital Budget funds critical, shovel-ready projects, including:

- $50.2 million in highway and bridge projects (including $18.4 million in federal aid), such as the 2027 capital overlay program, reconstruction of the Twin Cities Memorial Highway between Colvin Boulevard and Eggert Road in Tonawanda, BridgeNY bridge construction, rehabilitation of Rapids Road in Clarence and Newstead, and repair of the North Forest Road slide;

- $7.1 million for County Parks, including $3 million for club house renovations at Willowdale Park;

- $4.5 million for improvements at the Buffalo & Erie County Central Library, including the first phase of air handler replacements and escalator repair;

- $5 million for SUNY Erie, matched by $5 million in State funding, including Phase 1 upgrades to the Vehicle Technology Training Center, Phase 5 of the facility master plan and Phase 3B of the North Campus sports fields;

- $2.6 million for other public safety projects, including pod hardening at Youth Detention (with an additional $3.9 million in State funding), the continued refresh of the E-911 recording system and replacement of toxicology equipment for the Medical Examiner;

- $5.8 million for information technology infrastructure, including network, data storage and virtual server upgrades; and

- $7.8 million in work on County buildings and facilities, including roof, mechanical, energy conservation and code compliance projects, along with $3.9 million in improvements at the Buffalo Convention Center.

Responsible Debt Management

Throughout my Administration, we have worked to reduce outstanding debt while investing in our infrastructure. In 2012, the County had $416.7 million in outstanding bonded principal and paid $63.8 million in debt service; in 2027, we will have $416.4 million in outstanding bonded principal and pay $55.2 million in debt service. After 15 years, and $662.5 million in new debt issued, including $110.9 million in 2024 for the County's commitment to the new Highmark Stadium construction, we have less outstanding principal and lower annual debt service payments than when I took office. And, after adjusting for inflation, our current position is comparatively more favorable, with the 2012 bonded principal worth $607.9 million and debt service worth $93 million in today's dollars.

Additionally, the County's credit ratings are the strongest in its history: AA from Standard & Poor's (stable), Aa3 from Moody's (stable), AA from Fitch Ratings (positive) and AA from Kroll (stable), which lowers our borrowing costs.

Four-Year Financial Plan

Last year's Plan warned of very challenging budget scenarios for 2027-2029 with the "Big Shift" caused by OBBB. With the SNAP administrative shift now in effect and the benefit cost share scheduled to begin in the final quarter of 2027 under current law, those scenarios are no longer theoretical.

The largest single risk in the Plan is the SNAP 15% benefit cost shift. If the State passes the full cost to counties, DSS estimates Erie County's share at $11.3 million for the final quarter of 2027 and $45–50 million annually thereafter. Combined with the administrative shift, the County's estimated annual SNAP exposure would be roughly $49–54 million once all provisions are in effect. State law does not yet assign this cost to counties, and formal State action is not expected before the SFY 2027-2028 budget. The Plan carries $45 million in 2028, growing 3% per year.

Congress may also change this timeline. A Senate version of the Farm Bill includes a 1-year delay, moving the start date to October 1, 2028. The bill still requires a vote of the full Senate, expected after the November elections, and must be reconciled with the House-passed Farm Bill, which leaves the cost-share schedule unchanged. Given uncertainty over the outcome of the November elections and the timing of any final action, the Plan takes the conservative view that no delay will be enacted. Whatever Congress decides, we will continue to urge the State to hold counties harmless from this cost and to invest in reducing the payment error rate that drives it.

Beyond SNAP, several broader trends that emerged or intensified during 2026 will shape County costs in 2027 and beyond:

- **Sales and property tax Revenues.** The Plan assumes sales tax growth of 3.0% in each of 2028 and 2029 and 2.5% in 2030, and property tax levy growth of 2.3% in 2028, 2.7% in 2029 and 2.6% in 2030, with no Tax Cap overrides.

- **Safety Net costs.** As noted earlier, increased demand and changes to federal programs' eligibility and recertifications including a host of "Able Bodied Work Requirements," will continue to drive increases to Safety Net caseloads. The Plan assumed at 10% growth per year, and because Safety Net is reimbursed at only 29%, most of this anticipated increase will be new local share costs.

- **Energy costs.** The prolonged energy crisis has pushed utility costs above budgeted levels across County facilities, and we do not expect rates to return to prior levels in the near term. The Proposed Budget increases General Fund utility costs by $1 million (11%), and the Plan assumes continued growth of 5% to 7% annually.

- **Public safety overtime.** Overtime continues to exceed budget, almost entirely within the Sheriff's Office. The Proposed Budget includes $32.9 million for overtime (a $5.8 million increase), which should mitigate much of the reoccurring negative variances. Consistent with our ongoing overtime review, we will continue working with the Sheriff's Office to manage staffing and monitor overtime more closely.

- **Personnel costs.** The personnel decisions of recent years continue to carry forward: cost-of-living adjustments negotiated in collective bargaining agreements to keep pace with post-pandemic inflation, salary adjustments needed to fill vital positions in a competitive job market, and significant investments in public safety including the addition of 215 new positions (141 full-time) since 2021. Eighty-five percent (85%) of these positions (183 positions) were within the Sheriff's (154 positions) and District Attorney's (29 positions) Offices.

  As with the 2027 Proposed Budget that keeps jobs flat from the 2026 Adopted Budget and limits salary growth to 2.8%, the Plan expects minimal new job growth in the out-years. However, several expiring collective bargaining agreements, including the County's largest union CSEA, will be renegotiated in the next year with provisions that will likely lead to additional personnel costs. For the Plan, the assumption is these contracts are settled with cost-of-living adjustments of 4%, 3% and 3%.

- **Pension costs.** Pension costs have grown from a $55 million projection as adopted in 2026 to a projected $58.9 million as proposed in 2027 – a 7% increase. However, nearly half of that growth is due to a $1.4 million mid-year adjustment to the estimated pension bill by the State Comptroller to account for recent changes to NYSLRS Tier 5 and 6 included in the SFY 2026-27 Budget. Projected 2027 pension cost growth compared to the adjusted 2026 pension estimate is $2.5 million (4.4%), with projected 2028 pension cost growth of $2.9 million (4.95%) to $61.8 million. Given the average year-over-year pension growth of 18% between 2022 and 2026, this stands out as a positive development and a sign that the delayed impact of salary increases on pension costs has caught up. The Plan assumes level growth of about 5% annually, reaching $68.1 million by 2030.

No use of General Fund balance is proposed within the Plan. The County closed 2025 with General Fund revenues exceeding expenses by $55.5 million, driven primarily by budgetary savings and favorable sales tax, bringing total fund balance to $405.2 million. Unassigned fund balance increased slightly to $149.6 million, or 10% of General Fund expenditures (net of sales tax shared with local governments), double the Charter-mandated minimum of 5%.

Together with continued growth in IGT obligations, rising debt service as we address deferred maintenance at the Holding Center and Correctional Facilities in addition to other capital needs, and expectations of inflationary expense growth coupled with flatter State and Federal Aid revenues, these trends drive the Plan's baseline gaps.

Should the worst-case scenarios materialize, the Plan projects gaps of $65.6 million in 2028, $73.8 million in 2029 and $68.5 million in 2030. While these are manageable gaps of 2.9%, 3.2% and 2.9% above projected General Fund revenues, bridging them would likely require a series of across-the-board austerity measures. This would mean reducing essential services to the minimum legally mandated levels and cutting non-mandated programs that make up approximately 15% of the County's annual budget but constitute most of the services the public expects from County government: road work, Sheriff's road patrols, support for cultural and community organizations, Library hours, senior programming, crime lab turnaround and emergency preparedness.

We will continue to update your Honorable Body as more information becomes available, particularly following final Congressional action on the Farm Bill and adoption of the SFY2027-2028 Budget.

Conclusion

Every budget is a statement of priorities. This one reflects a commitment to protect the residents who depend most on County services, to keep faith with taxpayers, and to continue investing in the infrastructure and economic growth that will sustain this community long after current uncertainties have passed. Both documents also acknowledge the reality of significantly more challenging budgets going forward, especially if our worst assumptions about OBBB and the continued chaos at the federal level come to fruition. As we have done in response to past crises, we will remain vigilant and be prepared to make whatever difficult decisions the moment calls for.

The year ahead will require discipline and candor from all of us. I am confident that, working with your Honorable Body and the Erie County Fiscal Stability Authority, we can meet it.

Sincerely yours,



Mark C. Poloncarz, Esq.
Erie County Executive



FOUR-YEAR OPERATIONS PLAN FISCAL YEARS 2027-2030

Four-Year Financial Plan for Fiscal Years 2027-2030

Section 2503 of the Erie County Charter specifies certain budget requirements, including submission of an annual budget proposal and a financial forecast for the next three years. In addition, Public Authorities Law §3957 creating the Erie County Fiscal Stability Authority ("ECFSA") requires that the County Executive submit a Four-Year Financial Plan ("Plan") with his proposed budget.

The 2027 Proposed Budget includes the 2027-2030 Four-Year Plan. The Plan is based on the Proposed Budget, projected year-end data for 2026, and other reasonable assumptions as of October 1, 2026, the date the 2027 Proposed Budget was printed. The Plan forecasts challenging budget scenarios for 2027-2030, primarily based on current expectations for the implementation of the Concurrent Resolution on the Budget for FY2025 (House Concurrent Resolution 14 or the "One Big Beautiful Bill Act" ("OBBB")), which was signed into law by President Trump in 2025.

Erie County government, like most other county governments, is particularly vulnerable to this law because we serve as the front line for implementing federal and state health and human services programs. OBBB's combination of deep federal spending cuts, increased administrative burdens, and new mandates will likely put future County budgets under immense strain if fully implemented.

This document represents efforts to capture realistic worst-case scenarios for the implementation of OBBB based on current assumptions so that future plans can be developed accordingly. Should these scenarios come to fruition, it is likely a series of across-the-board austerity measures would need to be implemented along with other gap-closing measures outlined below. Additionally, this would likely result in the reduction of essential services to the minimum legally mandated levels and the cutting of non-mandated programs that make up approximately 15% of the County's annual budget but constitute most of the services the public expects from County government.

The goal of this Plan is to demonstrate the breadth of OBBB's impact in comparison to current status quo assumptions for the state of County government, as well as the future impacts and timing of initiatives already underway.

KEY ASSUMPTIONS IN FOUR-YEAR FINANCIAL PLAN OUT-YEARS 2028-2030

Revenue	**2028**	**2029**	**2030**
Sales Tax Growth	3.00%	3.00%	2.50%
Real Estate Market Value Growth	6.55%	6.55%	6.55%
Property Tax Levy Growth	2.34%	2.74%	2.56%
Property Tax Rate Change	-3.95%	-3.58%	-3.74%
Expense	**2028**	**2029**	**2030**
Personnel Services Growth	5.56%	3.48%	3.48%
Health Insurance Growth	3.64%	3.66%	3.69%
Pension Cost Growth	4.95%	5.00%	5.00%

Estimated Gaps	2028	2029	2030
In Dollars	$65.6M	$73.8M	$68.5M
As a Percentage of Estimated Revenues	2.90%	3.18%	2.88%

For 2028, the allowable property tax levy limit is expected to decrease to 2.34% after a significant year-over-year decrease in Board of Elections expenses allowed for 3.5% levy growth under the property tax cap for 2027. Going forward, the standard 2% increase due to continued assessment growth is expected for 2029 and 2030. Given that equalized full market value in Erie County continues to grow at a greater rate than allowable property tax growth under the Tax Cap, we should expect continued reduction in the average property tax rate per $1,000 of assessed value.

After remaining flat in 2024, County-share sales tax receipts grew 5.6%, or $32.8 million, in 2025 and show 5.7% year-to-date growth in 2026, becoming a major source of positive variance this year. Consistent with our conservative approach, the Proposed Budget assumes 3.0% growth over projected 2026 receipts, which is an increase of $44 million (7.2%) over the 2026 Adopted Budget. The Plan projects future growth of 3%, 3% and 2.5% in the out-years.

The largest single risk in the Plan is the SNAP 15% benefit cost shift. If the State passes the full cost to counties, DSS estimates Erie County's share at $11.3 million for the final quarter of 2027 and $45–50 million annually thereafter. Combined with the administrative shift, the County's estimated annual SNAP exposure would be roughly $49–54 million once all provisions are in effect. State law does not yet assign this cost to counties, and formal State action is not expected before the SFY 2027-2028 Budget. The Plan carries $45 million in 2028, growing 3% per year.

Congress may also change this timeline. A Senate version of the Farm Bill includes a one-year delay, moving the start date to October 1, 2028. The bill still requires a vote of the full Senate, expected after the November elections, and must be reconciled with the House-passed Farm Bill, which leaves the cost-share schedule unchanged. Given uncertainty over the outcome of the November elections and the timing of any final action, the Plan takes the conservative view that no delay will be enacted. Whatever Congress decides, we will continue to urge the State to hold counties harmless from this cost and to invest in reducing the payment error rate that drives it.

Beyond SNAP, several broader trends that emerged or intensified during 2026 will shape County costs in the Plan:

Safety Net costs. Increased demand and changes to other federal programs' eligibility and recertification rules, including a host of "Able Bodied Work Requirements," will continue to drive increases to Safety Net caseloads. The Plan assumes Safety Net expenses grow 10% per year in the out-years, and because Safety Net is reimbursed at only 29%, most of this anticipated increase will be new local share costs.

Energy costs. The prolonged energy crisis has pushed utility costs above budgeted levels across County facilities, and we do not expect rates to return to prior levels in the near term. The Proposed Budget increases General Fund utility costs by $1 million (11%), and the Plan assumes continued growth of 5% to 7% annually.

Public safety overtime. Overtime continues to exceed budget, almost entirely within the Sheriff's Office. The Proposed Budget includes a $5.8 million increase above the 2026 Adopted Budget, which should mitigate much of the reoccurring negative variances. Consistent with our ongoing overtime review, we will continue working with the Sheriff's Office to manage staffing and monitor overtime more closely.

Personnel costs. While the personnel decisions of the past few years continue to carry forward, the 2027 Proposed Budget reduces total positions by three (3) and holds overall operating fund positions flat compared to the 2026 Adopted Budget. The 2.8% increase in salary expenses is the result of contractually obligated cost-of-living and step increases.

The Plan expects minimal new job growth in the out-years. However, several expiring collective bargaining agreements, including the County's largest union, CSEA, will be renegotiated in the next year with provisions that will likely lead to additional personnel costs. For the Plan, the assumption is these contracts are settled with cost-of-living adjustments of 4%, 3% and 3%.

Pension costs. Pension costs have grown from a $55 million projection as adopted in 2026 to a projected $58.9 million as proposed in 2027 – a 7% increase. However, nearly half of that growth is due to a $1.4 million mid-year adjustment to the estimated pension bill by the State Comptroller to account for recent changes to NYSLRS Tier 5 and 6 included in the SFY 2026-27 Budget. Projected 2027 pension cost growth compared to the adjusted 2026 pension estimate is $2.5 million (4.4%), with projected 2028 pension cost growth of $2.9 million (4.95%) to $61.8 million. Given the average year-over-year pension growth of 18% between 2022 and 2026, this stands out as a positive development and a sign that the delayed impact of salary increases on pension costs has caught up. The Plan assumes level growth of about 5% annually, reaching $68.1 million by 2030.

IGT obligations. The County's IGT obligations to ECMCC are budgeted to increase by $7.8 million to $72.3 million for 2027. However, the County's obligation for 2027 is estimated at more than $100 million, which would have been a $36.3 million increase versus the 2026 Adopted Budget, but was lowered as a result of an agreement with NYS and the hospital to accelerate $28.5 million in payments into 2026 to take advantage of favorable current-year projected results. This action lowers 2027 costs by shifting the timing of mandated payments rather than reducing overall expense. Out-year costs are estimated at $81.1 million, $82.6 million and $66.3 million. These estimates do not include impacts that cannot be quantified, including Medicaid enrollment changes for work requirements and six-month redeterminations. However, as the gap between Medicare and Medicaid rates and the cost of care continues to widen for a hospital that serves a disproportionate share of uninsured and Medicaid patients, we should continue to expect escalation of these required costs into the future.

No use of General Fund balance is proposed within the Plan. The County closed 2025 with General Fund revenues exceeding expenses by $55.5 million, driven primarily by budgetary savings and favorable sales tax, bringing total fund balance to $405.2 million. Unassigned fund balance increased slightly to $149.6 million, or 10% of General Fund expenditures (net of sales tax shared with local governments), double the Charter-mandated minimum of 5%. Expectations for the balance of the Plan would be to increase unassigned fund balance annually by the amount necessary to maintain this 10% of General Fund expenditures level.

Including the SNAP benefit cost share, the Plan projects gaps of $65.6 million in 2028, $73.8 million in 2029 and $68.5 million in 2030. These are manageable gaps of 2.9%, 3.2% and 2.9% above projected General Fund revenues.

There are a variety of potential mechanisms and initiatives available to the County to close these out-year gaps, including:

Revenues

- Reversal of revenue cuts included in OBBB;
- Better-than-expected sales tax growth;
- Better-than-expected growth in other revenues including adult-use cannabis sales, interest earnings, Clerk DMV & Registrar fees, etc.;
- Better-than-expected property tax collections from increased in rem sales;
- Increased revenues from updated County service fees;
- Extension of state reimbursement for Article 18B Assigned Counsel costs;
- Continuation of Gaming Facilities Aid upon renegotiation of the compact agreement;
- Additional closure of dormant capital projects;
- Appropriation of Unassigned Fund Balance;
- Adjustments to assessment growth sharing with Libraries;
- Increases to the property tax levy requiring a Tax Cap override;
- Modification of the 1991 agreement with the NFTA to increase County's retention of 3% permanent sales tax revenue; and
- Withdrawal from the 1977 sales tax sharing agreement with cities to increase County's retention of 3% permanent sales tax revenue.

Expenses

- Reversal of expense increases included in OBBB;
- More favorable (lower) caseload trends in social service programs;
- Faster-than-expected cost control impact of childcare waitlist;
- Lower-than-budgeted IGT payments as well as better-than-expected prior year reconciliation adjustments;
- Reduced costs for indigent legal defense because of PILOT program;
- Reduced maintenance and liability costs from increased disposal of County property;
- Overall reductions in discretionary departmental spending;
- Modification of Short-Term Rental Local Law dedicating entirety of Hotel Occupancy Tax to tourism promotion;
- Modifications to capital programs including reduced bonding and pay-as-you-go funding;
- Reductions in expected personnel-related expenses due to negotiated terms in upcoming collective bargaining agreements;
- Across-the-board reductions in non-mandated departments and programs including: cultural & community development funding, parks, Sheriff road patrols, road maintenance, libraries, senior programming, crime lab processing, preparedness & response to natural and human-caused disasters, etc.;
- More aggressive vacancy control measures;
- Reductions in expected personnel-related expenses from position deletion via attrition or layoffs; and
- Shift from December prepayment of pension obligation to NYSLRS to standard February payment schedule.

Erie County
2027-2030 Four-Year Financial Plan

Fund 110 - General Account Type	2025 Actual	2026 Legislative Adopted Budget	2027 Executive Recommended Budget	2028 Projection	2029 Projection	2030 Projection
Local Source Revenue						
Property Tax Levy	311,851,561	316,053,995	327,118,990	334,763,451	343,930,064	352,742,773
Property Tax Related						
Sec 520 Exempt Removal	819,142	825,000	825,000	825,000	825,000	825,000
Gain Sale Tax Acquired Prop	16,750	130,000	10,000	15,000	15,000	15,000
Payments In Lieu Of Taxes	4,194,930	4,200,000	4,100,000	4,100,000	4,100,000	4,100,000
Interest & Penalties-Prop Tax	17,494,935	17,244,123	16,423,110	16,587,341	16,753,214	16,920,746
Omitted Taxes	46,527	3,000	3,000	3,000	3,000	3,000
Dec-Prop Tax Def Rev	(12,926,351)	(1,721,563)	(4,194,960)	(3,553,115)	(3,588,646)	(3,624,532)
Property Tax Related Total	9,645,933	20,680,560	17,166,150	17,977,226	18,107,568	18,239,214
Sales Tax						
Sales Tax Original 3%	244,376,295	246,757,818	264,577,114	272,514,427	280,689,860	287,707,107
1% Sales Tax	230,725,421	232,973,914	249,797,824	257,291,759	265,010,511	271,635,774
.25 % Sales Tax	57,669,788	58,239,695	62,445,399	64,318,761	66,248,324	67,904,532
.50% Sales Tax	115,339,576	116,479,389	124,890,797	128,637,521	132,496,647	135,809,063
Sales Tax Total	648,111,080	654,450,816	701,711,134	722,762,468	744,445,342	763,056,476
Sales Tax (Distrib. to Local Gov'ts)	447,799,981	452,163,931	484,816,363	499,360,854	514,341,680	527,200,221
Fees Fines or Charges						
Election Exp Other Govts	8,907,562	12,637,826	9,808,175	10,874,264	11,563,458	12,279,377
All Other Fees Fines or Charges	29,158,761	29,020,708	29,282,332	30,160,802	31,065,626	31,997,595
Fees Fines or Charges Total	38,066,323	41,658,534	39,090,507	41,035,066	42,629,084	44,276,972
Other Sources						
Interest & Earn - Gen Inv	18,374,265	9,515,000	10,025,000	12,000,000	11,000,000	9,000,000
Hotel Occupancy Tax Revenue	15,828,242	14,000,000	15,000,000	15,000,000	16,000,000	17,000,000
Community College Respreads	9,026,388	10,140,844	10,126,852	10,548,477	9,923,812	9,923,812
All Other Sources Accounts	34,303,766	26,586,447	27,343,734	28,164,046	29,008,967	29,879,236
Other Sources Total	77,532,661	60,242,291	62,495,586	65,712,523	65,932,779	65,803,048
Appropriated Fund Balance	-	-	-	-	-	-
Local Source Revenue Total	**1,533,007,538**	**1,545,250,127**	**1,632,398,730**	**1,681,611,588**	**1,729,386,517**	**1,771,318,704**
State Aid						
State Aid-Special Needs Preschool Age	43,940,496	45,613,960	48,390,083	51,293,488	54,371,097	57,633,363
State Aid-Mental Health	57,132,050	55,690,222	54,903,906	56,551,023	58,247,554	59,994,981
State Aid-Soc Serv Admin	41,097,991	37,466,761	37,618,061	38,746,603	39,909,001	41,106,271
State Aid-Safety Net Assistance	11,954,942	14,176,107	35,684,351	37,111,725	38,596,194	40,140,042
State Aid-Child Welfare Services	21,645,428	41,534,441	38,072,089	39,214,252	40,390,680	41,602,400
State Aid-Serv For Recipients	10,008,896	9,880,512	10,132,905	10,436,892	10,749,999	11,072,499
State Aid-Day Care	3,111,911	3,769,160	3,769,361	3,882,442	3,998,915	4,118,882
State Aid-Raise the Age	13,027,698	10,667,926	10,928,339	11,256,189	11,593,875	11,941,691
All Other State Aid Accounts	51,793,400	50,216,093	53,642,554	55,251,831	56,909,386	58,616,668
State Aid Total	**253,712,812**	**269,015,182**	**293,141,649**	**303,744,445**	**314,766,701**	**326,226,797**
Federal Aid						
Federal Aid-Family Assistance	32,079,618	45,081,334	44,732,970	46,298,624	47,919,076	49,596,244
Federal Aid-Soc Serv Admin	30,641,798	26,841,454	26,862,311	27,802,492	28,775,579	29,782,724
Fed Aid Day Care	71,895,805	67,962,691	83,596,379	86,104,270	88,687,398	91,348,020
Federal Aid-CWS Foster Care	18,193,734	24,318,869	22,237,403	21,347,907	20,493,991	19,674,231
Federal Aid-Safety Net TANF Cases	672,832	404,479	1,123,466	1,162,787	1,203,485	1,245,607
All Other Federal Aid Accounts	109,656,696	100,042,815	91,994,499	90,614,582	89,255,363	87,916,532
Federal Aid Total	**263,140,483**	**264,651,642**	**270,547,028**	**273,330,661**	**276,334,891**	**279,563,358**
Interfund Revenue	**5,370,483**	**2,243,078**	**-**	**1,500,000**	**500,000**	**500,000**
Total Fund 110 Revenue	**2,055,231,316**	**2,081,160,029**	**2,196,087,407**	**2,260,186,694**	**2,320,988,109**	**2,377,608,859**

Erie County
2027-2030 Four-Year Financial Plan

Fund 110 - General Account Type	2025 Actual	2026 Legislative Adopted Budget	2027 Executive Recommended Budget	2028 Projection	2029 Projection	2030 Projection
Expense						
Personal Service Related Expense						
Personal Services						
Full-Time Salaries	275,437,434	312,226,017	320,904,278	333,740,449	343,752,662	354,065,242
Part-Time Wages	3,035,773	4,963,983	5,057,440	5,259,738	5,417,530	5,580,056
Regular Part Time Wages	1,862,201	2,130,636	2,064,137	2,146,702	2,211,103	2,277,436
Seasonal Emp Wages	1,402,784	1,268,680	1,455,453	1,513,671	1,559,081	1,605,853
Personal Services Total	281,738,192	320,589,316	329,481,308	342,660,560	352,940,376	363,528,587
Employee Payments non-salary						
Shift Differential	2,818,445	3,116,100	3,437,893	3,575,409	3,718,425	3,829,978
Uniform Allowance	644,000	766,100	821,394	829,608	837,904	846,283
Holiday Worked	3,303,238	3,341,634	3,636,169	3,781,616	3,932,881	4,050,867
Line-Up	2,922,316	3,499,295	3,797,400	3,949,296	4,107,268	4,230,486
Other Employee Pymts	2,542,338	2,965,609	3,059,660	3,151,450	3,245,994	3,343,374
Overtime	33,569,658	27,128,183	32,922,916	34,898,291	36,992,188	39,211,719
Employee Payments non-salary Total	45,799,995	40,816,921	47,675,432	50,185,670	52,834,660	55,512,707
Fringe Benefits						
Fringe Benefits- FICA	24,142,360	26,305,099	27,834,167	29,207,883	30,159,443	31,135,839
Fringe Benefits-Medical Insurance	45,998,893	52,174,406	53,394,215	56,063,926	58,867,122	61,810,478
Fringe Benefits-Workers Compensation	4,257,572	5,291,254	4,847,854	4,896,333	4,945,296	4,994,749
Fringe Benefits-Unemployment Insur.	334,946	421,365	370,649	374,355	378,099	381,880
Fringe Benefits-Retiree Med Insur.	33,693,918	33,459,501	34,128,691	34,640,621	35,160,231	35,687,634
Fringe Benefits-Retirement	48,157,803	55,018,109	58,856,248	61,768,010	64,856,411	68,099,232
Fringe Benefits Total	156,585,492	172,669,734	179,431,824	186,951,128	194,366,601	202,109,812
Countywide Personnel Adjustments						
Reductions (Vacancy Savings)	-	(4,000,000)	(4,000,000)	4,000,000	4,000,000	4,000,000
Salary Reserves	-	(391,280)	-	-	-	-
Countywide Personnel Adjustments	-	(4,391,280)	(4,000,000)	4,000,000	4,000,000	4,000,000
Personal Service Related Expense Total	**484,123,679**	**529,684,691**	**552,588,564**	**583,797,358**	**604,141,637**	**625,151,106**
Other Departmental Expense						
Supplies & Repairs						
Auto Supplies	2,292,090	2,669,270	3,242,900	3,405,045	3,575,297	3,754,062
All Other	8,047,016	11,064,750	10,591,644	11,121,226	11,677,287	12,261,151
Supplies and Repairs	10,339,106	13,734,020	13,834,544	14,526,271	15,252,584	16,015,213
Other						
Risk Retention	6,292,955	5,000,000	10,160,000	7,500,000	7,500,000	7,500,000
Control Board	410,000	470,000	470,000	470,000	470,000	470,000
Rental	15,366,300	17,420,482	17,647,897	18,177,334	18,722,654	19,284,334
DSS Pivot Wages/Chargebacks/Training	4,830,995	3,984,043	4,374,803	4,418,551	4,462,737	4,507,364
Utility Charges	3,535,307	3,433,830	4,009,069	4,289,704	4,504,189	4,729,398
All Other	7,091,143	8,575,943	9,100,650	9,282,663	9,468,316	9,657,682
Other Total	37,526,701	38,884,298	45,762,419	44,138,252	45,127,896	46,148,778
Contractual						
Sales Tax as Aid to Local Governments						
Sales Tax Distrib.to Cities, Towns & Sch Dist. from 3%	447,799,981	452,163,931	484,816,363	499,360,854	514,341,680	527,200,221
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	28,840,678	27,981,907	31,224,728	32,161,470	33,126,314	33,954,472
Sub Total - Local Gov. Sales Tax	489,140,659	492,645,838	528,541,091	544,022,324	559,967,994	573,654,693
Other Agency Contractual or Mandated Payments						
Indigent Defense - Legal Aid/Bar Assoc.	23,047,347	23,633,621	24,845,109	25,093,560	25,344,496	25,597,941
Mass Transit 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	5,268,065	6,782,516	6,706,143	6,907,327	7,114,547	7,327,983
Economic Development	912,926	881,314	883,854	901,531	919,562	937,953
Community Dev & Cultural Agencies	22,058,208	13,004,963	9,942,443	10,141,292	10,344,118	10,551,000
Buffalo Bills Game Day Expense	3,231,327	1,041,694	-	-	-	-
Stadium - Working Capital Assistance	2,064,231	-	-	-	-	-
Social Services/Youth/Mental Health Agencies	120,002,635	119,135,703	122,937,071	123,625,183	127,333,938	131,153,956
Visit Buffalo (CVB) Subsidy	8,978,242	7,149,030	8,000,000	8,000,000	8,000,000	9,000,000
Convention Center Subsidy	2,350,000	2,350,000	2,500,000	2,500,000	2,500,000	2,500,000
County Residents at Other Community Colleges	10,126,852	10,548,477	9,923,812	9,923,812	9,923,812	9,923,812
All Other Contractual Accounts	40,690,562	46,828,781	49,936,659	51,434,759	52,977,802	54,567,136
Contractual Total	731,528,254	727,659,137	767,873,382	786,206,988	808,083,469	828,871,674
Equipment	5,586,823	6,918,335	7,065,089	7,418,343	7,789,260	8,178,723

Erie County
2027-2030 Four-Year Financial Plan

Fund 110 - General Account Type	2025 Actual	2026 Legislative Adopted Budget	2027 Executive Recommended Budget	2028 Projection	2029 Projection	2030 Projection
Allocation						
Interfund-Erie Community College	19,804,317	19,804,317	19,804,317	19,804,317	19,804,317	19,804,317
Interfund-Utilities Fund	4,592,899	5,595,410	6,011,559	6,312,137	6,627,744	6,959,131
County Share - Grants	8,391,384	10,752,029	12,291,705	12,660,456	13,040,270	13,431,478
Interfund-Road	19,072,247	15,617,675	18,287,071	19,201,425	20,161,496	21,169,571
Interfund E911 Subsidy	9,079,736	10,059,514	10,653,221	11,505,479	12,425,917	13,419,990
Interdepartmental Billings	(8,500,626)	(8,093,400)	(8,669,943)	(8,930,041)	(9,197,942)	(9,473,880)
All Other Allocation Accounts	11,119,200	9,484,767	8,839,289	7,000,000	8,000,000	9,000,000
Allocation Total	63,559,156	63,220,312	67,217,219	67,553,772	70,861,802	74,310,607
Program Related						
UPL Expense	8,298,990	6,747,955	9,426,412	9,426,412	9,426,412	9,426,412
Indigent Care Adjustment DSH	62,746,369	48,593,384	50,475,713	58,913,163	59,982,624	43,306,858
DSH Expense	10,114,808	9,100,527	12,348,779	12,783,845	13,167,360	13,562,381
Sub Total UPL/DSH/ICA ECMCC Subsidy	81,160,166	64,441,866	72,250,904	81,123,420	82,576,396	66,295,651
MMIS-Medicaid Local Share	213,379,184	215,758,556	211,609,353	215,758,556	215,758,556	215,758,556
Family Assistance	32,581,275	45,423,244	46,659,515	47,592,705	48,544,559	49,515,450
CWS - Foster Care	82,731,861	103,128,609	103,128,609	104,159,895	105,201,494	106,253,509
Safety Net Assistance	45,666,216	54,969,992	61,758,406	67,934,247	74,727,672	82,200,439
Child Care-DSS	73,813,090	71,952,746	87,365,740	89,113,055	90,895,316	92,713,222
Children With Special Needs Program	85,381,112	88,729,447	93,602,852	99,219,023	105,172,164	111,482,494
State Training School	7,937,230	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
All Other Program Related Accounts	1,707,462	2,617,813	5,245,088	50,402,441	51,914,514	53,471,949
Program Related Total	624,357,595	652,022,273	686,620,467	760,303,342	779,790,671	782,691,270
Debt Service						
Interfund Debt Service Subsidy	42,680,703	49,036,963	55,125,723	61,850,512	63,773,187	64,692,719
Debt Service Total	42,680,703	49,036,963	55,125,723	61,850,512	63,773,187	64,692,719
Other Departmental Expense Total	**1,515,578,338**	**1,551,475,338**	**1,643,498,843**	**1,741,997,480**	**1,790,678,868**	**1,820,908,984**
Total Fund 110 Expense	**1,999,702,017**	**2,081,160,029**	**2,196,087,407**	**2,325,794,837**	**2,394,820,506**	**2,446,060,091**
Revenue Less Expense - Surplus/(Gap)	**55,529,299**	**-**	**-**	**(65,608,143)**	**(73,832,397)**	**(68,451,231)**



OVERVIEW

Snapshot of Erie County



Geographic Size

Erie County is a metropolitan center located on the western border of the State covering 1,058 square miles. The County is bounded by Lake Erie to the west, Niagara County and Canada to the north, Genesee County and Wyoming County to the east, and Cattaraugus and Chautauqua Counties to the south. Forty percent of the population in both countries as well as half of the personal income created by the United States and Canada are within 500 miles of Erie County. In addition, three-quarters of Canada's manufacturing activity and 55% of the United States' manufacturing activity fall within that radius. Located within the County are three cities and 25 towns, including the City of Buffalo, the second largest city in the State, which serves as the County seat.

Government

Erie County is governed under a home rule charter which provides for the separation of legislative and executive functions. The County Executive, elected to a four-year term, is the chief executive officer and chief budget officer of the County. The County Legislature consists of eleven (11) members elected to two-year terms and is the County's governing body. Other elected positions are Comptroller, County Clerk, District Attorney, and Sheriff.

Population

The Bureau of Census population statistics for Erie County are as follows:

Year	Population
1970	1,113,491
1980	1,015,472
1990	968,532
2000	950,265
2010	919,040
2020	954,236
2025*	946,741

*Estimated July 1, 2025

The population of the cities and five largest towns are as follows:

Municipality	2010 Population	2020 Population	2025* Population
Buffalo, City	261,310	278,349	274,613
Lackawanna, City	18,141	19,949	19,452
Tonawanda, City	15,130	14,635	14,848
Amherst, Town	122,366	129,595	130,442
Cheektowaga, Town	88,226	89,877	88,160
Tonawanda, Town	73,567	72,636	70,853
Hamburg, Town	56,936	60,085	60,768
West Seneca, Town	44,711	45,344	45,469

*Estimated July 1, 2025

Economy

Erie County is a major New York industrial and commercial center. The following tables illustrate some major components of the Buffalo-Niagara Falls Metropolitan Statistical Area economy.

Ten Largest Employers in WNY

Organization	FTE Employees
State of New York	26,861
Federal Executive Board	11,420
Kaleida Health	9,553
Catholic Health	7,949
M & T Bank	7,938
University at Buffalo	7,018
Buffalo City School District	6,300
Erie County	4,584
Tops Friendly Markets	4,497
Walmart	4,200

Source: 2025 *Business First* Book of Lists

Ten Largest Taxpayers (as of July 1, 2026)

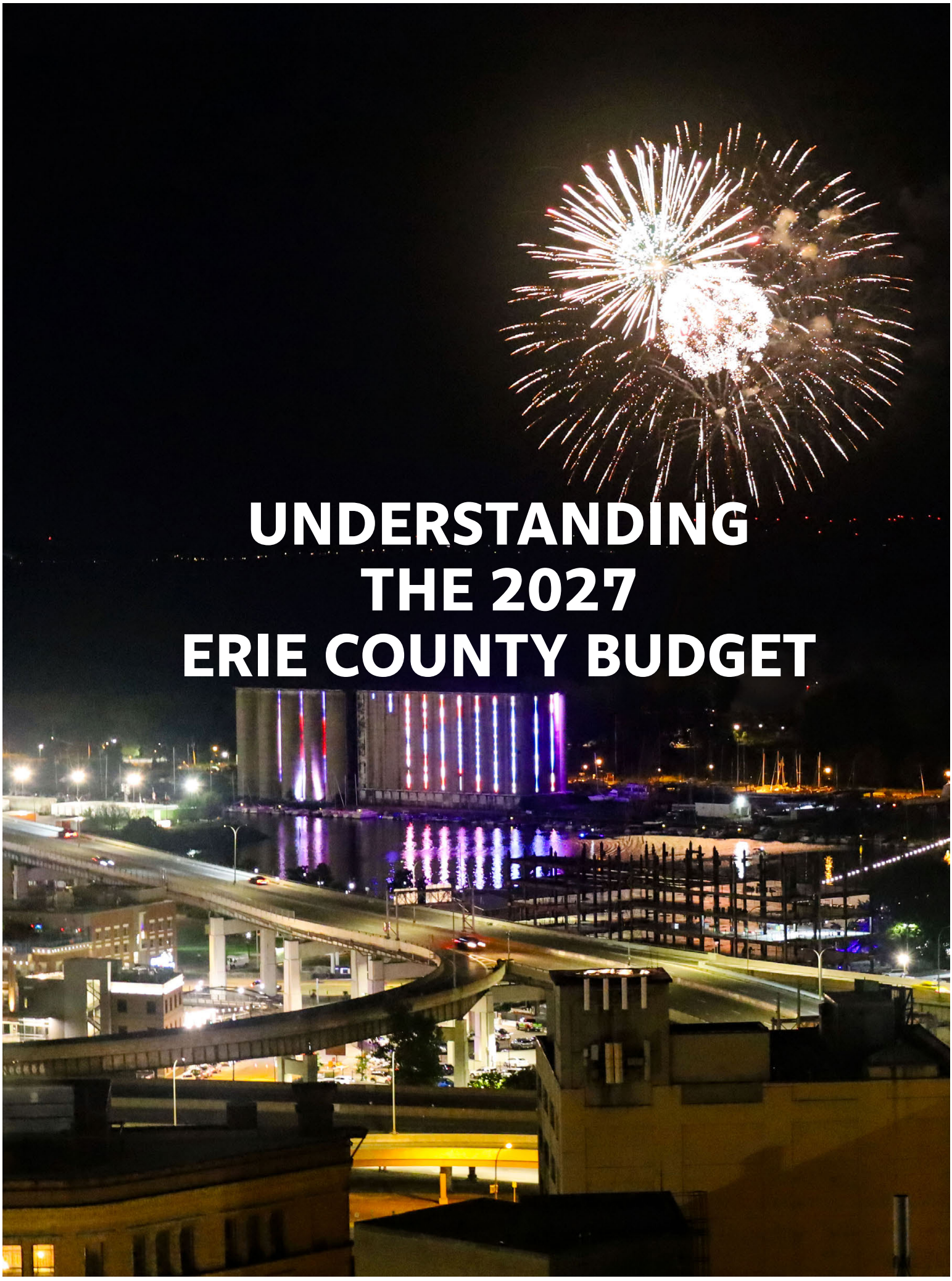
	Equalized Taxable Valuation
National Grid/Niagara Mohawk	$1,473,014,573
Benderson Development Co.	1,246,315,044
National Fuel Gas	1,106,885,390
Ellicott Group, LLC	584,829,904
NYSEG	515,011,077
Norfolk/Conrail/CSX	421,548,251
Uniland Development	403,817,251
Verizon	219,104,385
Ciminelli International	184,527,027
Glendale Development, LLC	$ 182,129,996
TOTAL	$6,337,182,898

Source: Erie County Department of Real Property Tax Services, 2026 Annual Report

Total Market Value of Erie County Real Estate

Year	Equalized Full Market Value Tax Base	Change from Prior Year
2017	54,929,481,216	5.71%
2018	58,098,573,862	5.77%
2019	60,970,410,994	4.94%
2020	64,771,315,474	6.23%
2021	70,645,602,048	9.07%
2022	74,148,294,674	4.96%
2023	83,955,196,847	13.23%
2024	96,968,303,216	15.50%
2025	104,251,092,857	7.51%
2026	112,433,904,220	7.90%
2027*	119,433,904,220	6.55%

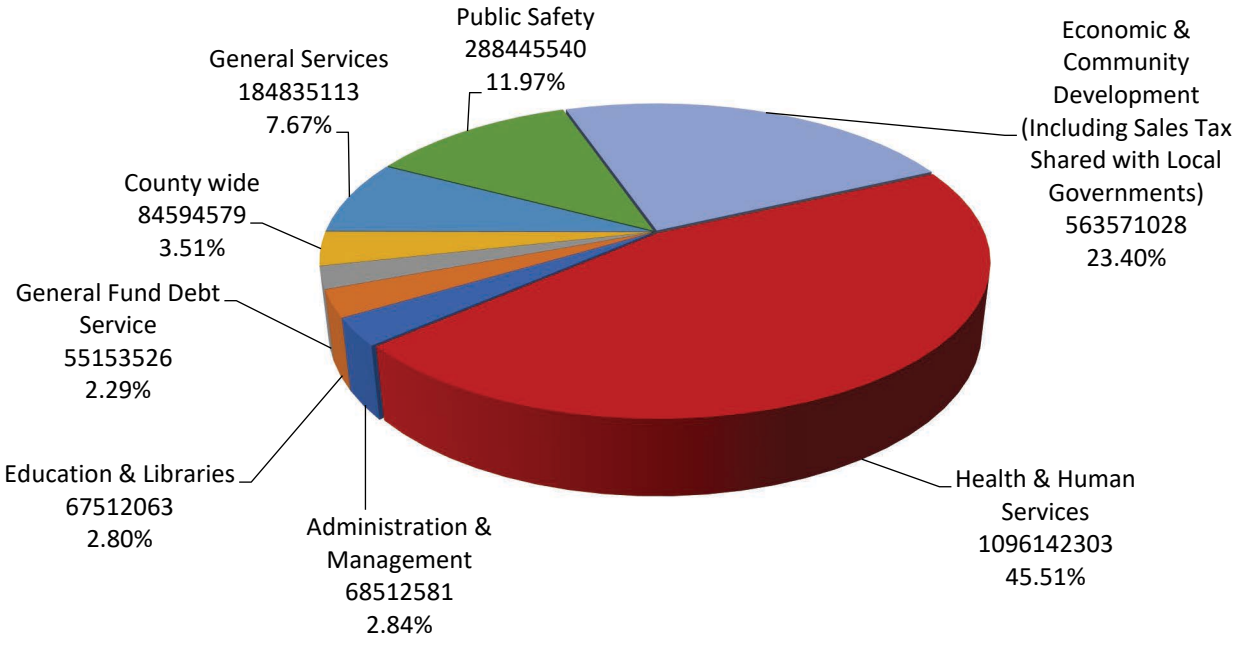
Source: Erie County Department of Real Property Tax Services, 2026 Annual Report
* Estimated



UNDERSTANDING THE 2027 ERIE COUNTY BUDGET

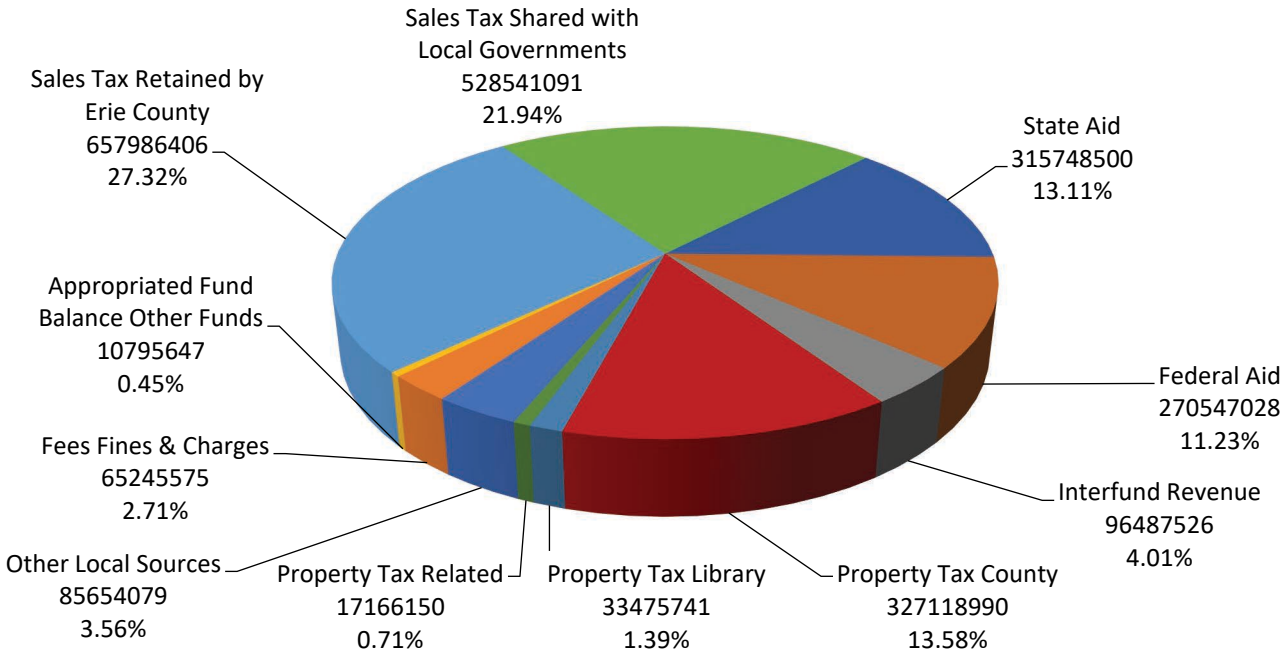
Understanding the 2027 County Budget

Where the Funding Goes



The Total 2027 Budget for All Operating Funds is $2,408,766,733

Where the Revenue Comes From



Understanding the 2027 County Budget

Summary of Unassigned/Undesignated Fund Balances for All Funds 2015-2025

(amounts in thousands)

Fund Name	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*	*2025*
110 General	99,859	100,154	101,939	102,490	102,898	104,050	113,395	136,463	141,067	149,473	149,614
210 Road	0	0	0	0	0	0	0	0	0	0	0
230 E-911	(43)	0	0	0	0	0	0	0	0	0	0
820 Library	2,096	3,405	3,282	3,689	2,797	3,497	4,247	3,597	4,252	4,252	4,252
310 Debt Service	0	0	0	0	0	0	0	0	0	0	0
Total	**101,912**	**103,559**	**105,221**	**106,179**	**105,695**	**107,547**	**117,642**	**140,060**	**145,319**	**153,725**	**153,866**

Source: Erie County Comprehensive Annual Financial Reports

Understanding the 2027 County Budget

Overview of All Operating Funds in the 2027 Proposed Budget

110 General	$2,196,087,407
140 Utility Fund	40,583,878
210 Road Fund	63,649,103
230 E-911 Fund	15,508,885
310 Operating Fund Debt Service	55,153,526
820 Library	37,783,934
Total All Operating Funds	$2,408,766,733

Additional Funds in the 2027 Proposed Budget

220 Sewer Districts	$89,581,279
281 Grant Fund	55,479,063
290 Community Development Fund	6,456,913
295 Pharmaceutical Settlement Fund	7,453,784
310 Sewer District Debt Service	7,882,000
821 Library Grants	640,268
Total	$167,493,307

Total All Funds	$2,576,260,040

Understanding the 2027 County Budget

Outstanding General Debt at Year End (Sewer Debt Excluded)

Year	Outstanding Debt	Bond Principal Retired
2017	$327,405,000	($52,255,000)
2018	$318,235,000	($49,285,000)
2019	$310,830,000	($48,060,000)
2020	$291,805,000	($52,065,000)
2021	$276,450,000	($39,750,000)
2022	$258,295,000	($45,250,000)
2023	$238,945,000	($48,370,000)
2024	$365,005,000	($29,175,000)
2025	$392,555,952	($31,724,048)
2026	$416,363,458	($34,412,494)

Capital Budget Bonded Component by Year

Year	Total Capital Projects	Total Bond Principal
2018	$80,744,879	$40,115,000
2019	$83,193,656	$40,655,000
2020	$77,483,072	$31,840,000
2021	$124,266,148	$24,395,000
2022	$154,077,904	$27,095,000
2023	$220,409,340	$29,020,000
2024	$233,743,301	$155,235,000
2025	$130,794,816	$59,275,000
2026*	$127,907,360	$58,220,000
2027**	$123,696,198	$70,919,697

** Total 2026 capital projects authorized to date.*

** Total capital projects and bond principal authorized in 2027 Proposed Erie County Budget



OVERVIEW OF REVENUES

Property Tax Levy

2026 Budget:	$347,929,736
2027 Proposed:	$360,594,731

The County property tax levy represents the total amount of real property revenue to be raised by the County for County and Library purposes. The amount of the real property tax levy is the difference between total expenses and all other projected revenue sources, including sales tax. The proposed 2027 County property tax levy totals $360,594,731.

A breakout of the total property tax levy into two required reporting categories for 2026 and 2027 totals:

	2026 Budget	2027 Proposed
General Fund	$316,053,995	$327,118,990
Library Fund	$ 31,875,741	$ 33,475,741
Total Property Tax Levy	**$347,929,736**	**$360,594,731**

New York State Property Tax Cap Law

On June 24, 2011, New York Governor Andrew M. Cuomo signed the state's new property tax cap legislation into law (Chapter 97 of the NYS Laws of 2011). Under the law, which took effect for Erie County in its 2012 budget year, the tax cap law establishes a limit on the annual growth of property taxes levied by the County to two percent (2%) or the rate of inflation, whichever is less. The County may also carry over "tax cap credits" from a prior year. The County's property tax levy cannot exceed the cap unless 60 percent (60%) of the total voting power of the local governing body approves such increase. For Erie County, a 60% vote by the County Legislature requires that 7 out of 11 legislators must vote to raise property taxes beyond the cap.

For 2027, the overall tax cap is 2.67%. Overall taxes are under the cap limit by approximately $350,000. Under the law, the tax cap amount includes the following elements beyond just the County-purpose property tax levy: Public Library property tax levy, independent sewer districts' property tax levies, Buffalo Place fees, Board of Elections and community college respreads, previously omitted taxes and removal of exemptions. As a result, the County-purpose tax cap is effectively 3.5% for 2027.

The share of the tax levy for each jurisdiction is based on its percentage of the County's total equalized full value. For example, if 16.8% of the County's equalized full value is located in the Town of Amherst, then Amherst would be responsible for 16.8% of the total County property tax levy.

A twenty-four-year history on the amount of Erie County's annual property tax levy is shown on the next page.

Twenty-Five Year History
Erie County Property Tax Levy

Year	Amount of Property Tax Levy	Tax Rate/Per $1,000 Assessed Value
2027	360,594,731	3.01
2026	347,929,736	3.09
2025	342,798,883	3.29
2024	328,709,718	3.39
2023	329,709,718	3.93
2022	319,959,718	4.32
2021	312,095,683	4.42
2020	305,272,912	4.71
2019	295,096,353	4.84
2018	287,386,093	4.95
2017	272,002,597	4.95
2016	257,638,097	4.96
2015	245,876,811	4.99
2014	241,721,087	5.03
2013	237,270,828	5.03
2012	237,692,831	5.03
2011	235,182,208	5.03
2010	232,413,974	5.03
2009	223,306,326	5.03
2008	211,837,793	4.94
2007	200,031,205	4.94
2006	188,094,445	4.94
2005	157,641,229	4.35
2004	152,529,551	4.42
2003	152,529,551	4.54

Average County Full Market Value Property Tax Rate

When the operating budget is presented to the County Legislature, the average tax rate is expressed in terms of a rate per thousand dollars of equalized full value.

The average County property tax rate is calculated by dividing the tax levy by the total amount of County Equalized Full Market Value expressed in thousands:

County Tax Levy	÷	Total Equalized Full Market Value	=	Average County Full Market Property Tax Rate
$360,594,731	÷	$119,857,384,701	=	$3.01 per $1,000 Assessed Value

Equalized Full Market Value

In 2027, the County's equalized full market value tax base will increase by $7,369,035,849. The amount of equalized full value is determined as follows:

	Total Taxable Assessed Value	÷	Equalization Rate (rounded)	=	Equalized Full Market Value
2026	$75,952,232,607	÷	0.6752	=	$112,488,348,851
2027*	$80,087,327,094	÷	0.6682	=	$119,857,384,701

A ten-year history of Erie County's equalized full value property tax base is shown below:

Year	Equalized Full Market Value Tax Base	Percentage Change From Prior Year
2018	58,098,573,862	5.73%
2019	60,970,410,994	4.94%
2020	64,771,315,474	6.23%
2021	70,645,602,048	9.07%
2022	74,148,294,674	4.96%
2023	83,955,196,847	13.23%
2024	96,968,303,216	15.50%
2025	104,251,092,857	7.51%
2026	112,488,348,851	7.90%
2027*	119,857,384,701	6.55%

*Estimated

Constitutional Tax Margin

The constitutional tax margin of the County is determined in accordance with Section 10 of Article VII of the New York State Constitution. This limits the amount counties may raise in real estate taxes in any fiscal year, exclusive of debt service, to 1.5 percent (1.5%) of the five-year average full value of taxable real estate of the County.

The computation of the County's constitutional taxing power for 2027 is set forth below:

Estimated Computation of Constitutional Tax Power for 2027

2022		$ 74,148,294,674
2023		83,955,196,847
2024		96,968,303,216
2025		104,251,092,857
2026		$112,488,348,851
	Total [(a)]	**$471,811,236,851**

Five-Year Average Full Valuation	$94,362,247,289
Tax Limit (1.5%)	$ 1,415,433,709
Total Exclusions	$ 56,357,963
Total Taxing Limit	**$ 1,471,791,672**
Less Total Tax Levy for 2027[(b)]	$ 380,549,010
Unused Tax Limit	**$ 1,074,389,043**

[(a)]The County's Constitutional Tax Limit is computed utilizing five years of full value as adjusted and provided by the NYS Comptroller's Office.

[(b)]Includes County and Library property taxes, taxes for certain election expenses and community college chargebacks of $19,935,028.

One-Percent Tax Cap

On November 13, 1978, the County enacted a local law limiting its property tax levy to one percent (1%) of the five-year average of full valuation, exclusive of debt service.

Pursuant to the terms of this local law, Erie County's estimated 1% property tax limit, adjusted for debt service, is $887,264,510 leaving an unused tax margin of $506,715,500.

The one-percent property tax limit is calculated as follows:

Five-Year Average Full Valuation	$94,362,247,289
Tax Limit (1.0%)	$ 943,622,473
Total Exclusions	$ 56,357,963
Total Taxing Power	**$ 887,264,510**
Less Total Levy for 2027[(a)]	$ 380,549,010
Projected 1% Unused Tax Margin	**$ 506,715,500**

[(a)] Includes County and Library property taxes, taxes for certain election expenses and community college chargebacks of $19,935,028.

Sales Tax Revenue

2027 Budget

Sales Tax Retained by Erie County	$ 657,986,406
Shared with Cities, Towns, Villages, School Districts, and the NFTA	$ 528,541,091
Total Sales Tax Revenues	**$1,186,527,497**

Distribution Formula

A general sales and compensating use tax of 8.75 percent is levied on all taxable retail sales in the County. Of the total 8.75 percent tax collected by New York State, 4.00 percent is retained as State revenue and 4.75 percent is returned to the County. In accordance with the sales tax sharing agreements, the 4.75 percent returned to the County is divided between the County and the Cities of Buffalo, Lackawanna, and Tonawanda; the towns, villages, school districts and the NFTA, with the County retaining approximately 55 percent of the total.

Sales Tax Sharing Formulas
4.75% Sales Tax

	3%	1%[1]	0.75%[2]
County of Erie	**31.1389%**	**100% (less $12.5M)**	**100%**
NFTA	4.1666%	-	-
School Districts	29.0000%	-	-
Cities	10.0087%	-	-
Towns, and Villages	25.6858%	$12.5 million	-

[1] 1% Sales Tax authorization expires November 30, 2027
[2] 0.75% Sales Tax authorization expires November 30, 2027

Sales Tax Shared with Other Local Governments

The following table indicates 2027 estimated sales tax to Erie County and the amount of sales tax shared with local jurisdictions.

	2027 Estimated Collections
County Share of Sales Tax	
3% Sales Tax	$233,352,386
1% Sales Tax	237,297,824
0.75% Sales Tax	$187,336,196
Total 2027 Estimated County Share	**$657,986,406**
Shared Sales Tax	
3% Sales Tax Distributed to Cities, Towns and Schools	$ 484,816,363
1% Sales Tax Distributed to Cities & Towns	12,500,000
3% Sales Tax Distributed to NFTA (1/24th of overall 3%)	$ 31,224,728
Total 2027 to Other Jurisdictions	**$ 528,541,091**
Total 2027 Estimated Sales Tax	**$1,186,527,497**

All Other Local Source Revenues

2026 Budget: $127,644,463
2027 Proposed: $118,902,243

2027 Distribution of All Other Revenues

Property Tax Related	$ 17,166,150
Recoveries/Repayments	13,779,013
Hotel Occupancy Tax	15,000,000
Election Expense Re-spread	9,808,175
Community College Charge Backs	10,126,852
Interest Earnings	12,025,000
Fees, Fines, and Charges	29,432,332
Appropriated Fund Balance	0
Interfund Revenue	0
All Other Local Source Accounts	$ 11,564,721
Total	**$118,902,243**

Property Tax Related

2026 Budget: $20,680,560
2027 Proposed: $17,166,150

Property Tax Related revenue includes payments in lieu of taxes, revenue from property tax exemptions, interest and penalties on delinquent tax, provisions for uncollectable taxes, and real property deferred revenue adjustments.

Recoveries/Repayments

2026 Budget: $13,302,214
2027 Proposed: $13,779,013

Recoveries/repayments are revenues produced by the Department of Social Services (DSS) collection program. DSS recoups excess amounts paid to clients and maximizes collections on all accounts established by fraud, over-grant, or assistance repayment requirements.

Hotel Occupancy Tax

2026 Budget:	$14,000,000
2027 Proposed:	$15,000,000

Hotel Occupancy Tax ranging from 3% to 5% of room charges was first enacted in 1975. Local Law Intro. 3-1 (2023) established that all Hotel Occupancy Tax revenues are to be appropriated specifically for tourism related expenses. In addition to providing annual operating funding for the Buffalo Convention Center and Visit Buffalo Niagara, $4,500,000 in revenues will be utilized annually for capital expenses for the Buffalo Convention Center, including existing debt service and future capital improvements. Each year the remainder of the $4,500,000 for existing debt service and specific capital improvements to be undertaken will be set aside as a Capital Reserve towards future capital projects.

Board of Elections Re-spread Revenue

2026 Budget:	$12,637,826
2027 Proposed:	$ 9,808,175

This revenue is reimbursement from towns and cities for certain allowable expenses associated with the cost of conducting elections. The actual costs are billed back to the respective towns and cities two years later.

Community College Chargeback Revenue

2026 Budget:	$10,140,844
2027 Proposed:	$10,126,852

A community college chargeback is a process that allows students to attend a community college outside of their home county without paying higher tuition if their home county college doesn't offer their desired program of study. This revenue is reimbursement from towns and cities for the actual cost incurred by the county two years later.

Interest Earnings

2026 Budget:	$11,515,000
2027 Proposed:	$12,025,000

Primarily budgeted within Countywide Accounts – Comptroller (Funds Center 170) $10,025,000 in Interest Earnings – General Investments are revenue realized from the regular investment of available funds in certificates of deposit, treasury notes and repurchase agreements. Enhanced earnings have been realized due to the inclusion of treasury bills in the County investment portfolio. $2,000,000 in Interest Earnings – 3rd Party Investment are revenues realized from sales tax withholdings made by the Erie County Fiscal Stability Authority ("ECFSA") and New York State that are transferred to the County monthly by the ECFSA.

Fees, Fines, and Charges

2026 Budget:	$31,840,708
2027 Proposed:	$29,432,332

Revenue is received by many departments from fees or charges for their services which are provided to the public, businesses, or other outside entities. These revenues are directly attributable to departmental operations and offset a portion of their costs of providing the service. Included in this category are such revenues as: County Clerk fees; license, permit and inspection fees; fines and penalties; tax assessment services; parks and recreation fees; public health clinic fees; and others.

Appropriated Fund Balance

2026 Budget:	$ 0
2027 Proposed:	$ 0

No undesignated fund balance is utilized in the 2027 Budget.

Interfund Revenue

2026 Budget:	$2,243,078
2027 Proposed:	$ 0

This revenue is based on available balances derived from the closing of dormant capital projects with no remaining debt service.

All Other Source Accounts

2026 Budget:	$11,284,233
2027 Proposed:	$11,564,721

Other items such as Off-Track Betting/Gaming revenue, Mortgage Tax, sale of scrap, excise tax on adult-use cannabis, and a variety of miscellaneous receipts are included in this category.

State Aid

2026 Budget: $269,380,182
2027 Proposed: $292,991,649

2027 Distribution of State Aid

District Attorney		$ 4,072,356
Sheriff		365,000
Social Services		138,720,770
Buildings & Grounds		2,953,820
Mental Health		58,969,148
Youth Detention		14,567,945
Youth Bureau		3,970,944
Probation		2,917,455
Health		10,889,100
Early Intervention/Special Needs		53,182,089
Law		1,755,000
All Other Departments		$ 628,022
	Total	**$292,991,649**

District Attorney's Office

2026 Budget: $4,072,356
2027 Proposed: $4,072,356

The District Attorney receives New York State Aid for criminal justice reform costs and reimbursement for a portion of the District Attorney's salary.

Sheriff's Office

2026 Budget: $3,185,000
2027 Proposed: $ 365,000

The Police Services Division is reimbursed for expenses related to the patrol and enforcement of navigation and snowmobile laws in Erie County. The Jail receives reimbursement for the provision of court attendants for the Office of Court Administration.

Incarcerated individuals that have been convicted of a felony and are sentenced to a term of incarceration in a New York State prison but continue to be housed at the Erie County Correctional Facility (ECCF) or the Erie County Holding Center (ECHC) are known as being state-ready. Erie County is reimbursed by New York State $100/day for each state-ready incarcerated individual housed in our facilities in excess of 10 days. The current estimated cost of housing an incarcerated individual in ECCF or ECHC is $505/day.

Department of Social Services

2026 Budget:	$115,098,557
2027 Proposed:	$138,720,770

Revenue is received by the Department of Social Services for the State share of Public Assistance and supportive social services programs including Temporary Assistance to Needy Families (TANF), known as Family Assistance in New York State, Safety Net Assistance, Child Care subsidies through the Child Care Development Block Grant (CCDBG), Child Welfare Services, Emergency Assistance, Handicapped Children, and Medical Assistance.

Changes in State law revised long standing reimbursement percentages for major programs and further revision may occur as a result of annual State budget action. Family Assistance is now 100 percent Federal, and Safety Net Assistance is 29 percent State and 71 percent local. Child Day Care subsidies for families in receipt of Family Assistance are reimbursed at 75 percent of total cost from the CCDBG.

State reimbursement is also provided for some categories of administrative costs at varying rates, depending on the program administered.

Administrative costs for Medical Assistance continue to be a component of the Medicaid Cap in 2023. Because the local share costs of Medical Assistance administration are included in the Medicaid Cap chargeback, the State will reimburse the non-federal share of Medical Assistance administration in the separate administrative claim. An administrative cap on the non-federal share of Medicaid was created in 2012 restricting the reimbursement of Medicaid administrative cost to the amount received in calendar year 2010. The Medicaid administrative cap amount will not be exceeded in 2022 or 2023. This cap continues to create a concern about potential future cost shifts to the County.

State reimbursements for all foster care services and administration are capped in a Foster Care Block Grant (FCBG) in 2023. Uncapped 62 percent State reimbursement is available for child protection services and for foster care prevention, adoption subsidies and administration, and independent living services.

Division of Buildings and Grounds

2026 Budget:	$3,028,890
2027 Proposed:	$2,953,820

State revenues are for the reimbursement of the operation and maintenance of court facilities and interest costs associated with court improvements.

Department of Mental Health

2026 Budget:	$59,401,482
2027 Proposed:	$58,969,148

Reimbursement is received by the Department of Mental Health in four different disability program areas and administration.

This revenue includes a combination of 100 percent State funding for many program services and 50 percent deficit funding for other services and administration.

The State Office of Mental Health provides the majority of funding. It supports Department services aimed at prevention and early detection of mental illness, and the maintenance of a comprehensive system of care, treatment, and rehabilitation for the mentally ill.

State funds from the Office for People with Developmental Disabilities (OPWDD) are received to provide services designed to maintain the independence of developmentally disabled clients in the least restrictive setting. Funds from the State Office of Alcoholism and Substance Abuse Services (OASAS) support services and rehabilitation programs for clients who abuse drugs and alcohol.

Additionally, State revenues are received to support one-half of the cost of forensic mental health services provided to adults and children involved with the criminal or family court systems. Increased Medicaid billing by community-based contract agencies for clinic treatment and other services offsets the expenses that would be directly claimed for State Mental Health.

Youth Detention

2026 Budget:	$14,151,285
2027 Proposed:	$14,567,945

State revenues are received to offset the operating costs of the secure and non-secure programs at the Youth Services Center. Services for Erie County youth age 15 and under are reimbursed at 49 percent of costs, while services for these youth from other counties are reimbursed at 100 percent. In addition, Youth aged 16 and 17 are reimbursed under the State Raise the Age Program at 100% of cost. The State share of Detention is now subject to a capped allocation. Additionally, reimbursement is received from the New York State Department of Education for the breakfast and lunch program provided at the Detention Facility.

Youth Bureau

2026 Budget:	$3,222,077
2027 Proposed:	$3,970,944

State revenues are received from the State Office of Children and Family Services for Youth Development and Delinquency Prevention, Runaway and Homeless Youth, the Partnership for Youth, and for the Special Delinquency Prevention program (SDPP). The Supervised Treatment Services for Juvenile Program (STSJP) is included in the Youth Bureau Budget with 62 percent State funding. These programs are aimed at creating a healthy community environment for positive youth development as well as establishing recreational programs in an effort to deter delinquent behavior.

A majority of the State revenues are redirected to other municipal and community-based agencies whose programs are monitored for effectiveness by the department. Additionally, State reimbursement is received for 49 percent of the Youth Bureau's administrative costs. The amounts budgeted reflect the impact of state reimbursement reductions expected to continue on an ongoing basis and are consistent with current actual allocations.

Department of Probation

2026 Budget:	$2,893,382
2027 Proposed:	$2,917,455

Reimbursement is received from the NYS Division of Criminal Justice Services, Office of Probation, and Correctional Alternatives for expenses incurred by the Probation Department and New York State Aid for criminal justice reform costs

Department of Health

2026 Budget:	$11,156,904
2027 Proposed:	$10,889,100

The Health Division is reimbursed at 36 percent of net operating costs for State-mandated public health functions including health education, disease control, environmental health, family health, and community health assessment services. State reimbursement to the Division of Emergency Medical Services, the Public Health Lab, and the Medical Examiner is budgeted at 36 percent of net operating costs.

Early Intervention/Pre-K Special Education/Administration

2026 Budget:	$50,489,510
2027 Proposed:	$53,182,089

Revenues are received by the Department of Health from the State Education Department to support State mandated education and therapeutic services for three- and four-year old children with developmental delays. Reimbursement is budgeted at 59.5 percent of the eligible costs incurred for evaluations and corresponding services provided to children. Administrative costs for the three- and four-year old program are reimbursed at $75 per child served and/or evaluated. Other administrative costs are reimbursed at 30 percent by the State Health Department.

Additionally, State revenues are received to support the Early Intervention Case Management Program serving infants and toddlers aged from birth through age two with developmental delays and their families. This program provides early intervention therapeutic services at home or in a day care center, rather than at a facility-based program. Payments made by the department for screenings/evaluations, case management, and early intervention services such as speech or physical therapy are reimbursed at 49 percent by the New York State Health Department.

Department of Law

2026 Budget:	$1,755,000
2027 Proposed:	$1,755,000

State revenues of $1,700,000 is ILS Aid to Localities funding to reimburse for 50% of the cost associated with the County Law Article 18-B Assigned Counsel rate increase. Reimbursement was extended through March 1, 2026, as part of the SFY-2025-26 Budget.

All Other Departments

2026 Budget:	$560,739
2027 Proposed:	$628,022

Other county departments receive New York State reimbursement for items such as snowmobile trail maintenance, burial costs of indigent veterans, handicapped parking surcharges and octane testing.

Federal Aid

2026 Budget: $264,651,642
2027 Proposed: $270,547,028

2027 Distribution of Federal Aid

District Attorney	$ 27,500
Sheriff	235,000
Social Services	256,104,903
Mental Health	9,260,976
Early Intervention/Special Needs	4,547,368
Central Police Services	18,000
STOP-DWI Program	50,000
Homeland Security & Emergency Services	$ 303,281
Total	**$270,547,028**

District Attorney's Office

2026 Budget: $24,000
2027 Proposed: $27,500

Federal revenue is allocated to the District Attorney's Office for activities associated with the City of Buffalo Police Department.

Sheriff's Office

2026 Budget: $250,000
2027 Proposed: $235,000

Federal revenue is received from the Social Security Administration through the prisoner reporting incentive program. In addition, some Federal aid is provided in the Sheriff Division for drug enforcement activities.

Department of Social Services

2026 Budget: $250,923,227
2027 Proposed: $256,104,903

Reimbursement is received by the Department of Social Services for the federal share of public assistance and supportive social services programs.

These programs include Temporary Assistance to Needy Families (TANF) known as Family Assistance in New York State, Child Day Care subsidies through the Child Care Development Block Grant (CCDBG), Medical Assistance, Foster Care and Adoption for children who qualify, and Social Services Block Grant (SSBG) supportive services under Title XX of the Social Security Act. Family Assistance is reimbursed at 100 percent Federal share. Child Day Care subsidies for low-income families are reimbursed at 100 percent of cost from the CCDBG up to a fixed allocation ceiling. SSBG services are reimbursed at 100 percent of cost up to a fixed ceiling.

Federal reimbursements are also received for administrative costs for programs such as TANF/Family Assistance, Employment Program Administration, Medical Assistance, Food Stamps, Foster Care and Adoption, and Child Support. Reimbursement of some TANF-funded administrative, transitional services, and employment programs is consolidated in the Flexible Fund for Family Services (FFFS).

Department of Mental Health

2026 Budget:	$8,191,848
2027 Proposed:	$9,260,976

Revenues are received from the Department of Housing and Urban Development to support housing costs and supportive costs to enable consumers of mental disability and chemical dependency services to be maintained in the community. Where required, these costs are matched by State aid and by the valuation of other community-provided services.

Early Intervention/Pre-K/Special Education

2026 Budget:	$4,860,646
2027 Proposed:	$4,547,368

The revenue budgeted represents the county's Federal share of Medicaid partial reimbursement for services given to children in the Preschool Program, ages three and four and to children in the Early Intervention Program, ages birth through two. The Pre-school Program portion is $3,456,093 and represents the county's 40.5% share of this Federal revenue for the medical component of the various special education services.

Department of Central Police Services

2026 Budget:	$14,000
2027 Proposed:	$18,000

Federal revenue is received from the Department of Justice to purchase supplies for DNA testing.

STOP-DWI Program

2026 Budget:	$47,000
2027 Proposed:	$50,000

Federal revenue is received for enhanced enforcement and traffic checkpoint activities associated with certain holiday crack-down efforts.

Department of Homeland Security & Emergency Services

2026 Budget:	$340,921
2027 Proposed:	$303,281

Revenues are received from the Federal Emergency Management Agency to support the planning and coordination of emergency response activities.



OVERVIEW OF EXPENDITURES

General Fund Expenditures

TOTAL GENERAL FUND EXPENSES FOR COUNTY DEPARTMENTS

2026 Budget:	$2,081,160,029
2027 Proposed:	$2,196,087,407

2027 Distribution of General Fund Expenses

Personnel Services	$	373,156,740
Fringe Benefits		179,431,824
Supplies and Repairs		13,834,544
Sales Tax to Local Governments		528,541,091
Contractual Expense		238,335,593
Intergovernmental Payments for ECMCC		72,250,904
Social Services Assistance and Programs		520,766,711
Early Intervention/Special Needs		94,599,550
Inter-fund Transfers (County Share)		75,887,162
Debt Service		55,125,723
All Other Expenses	$	44,157,565
Total	**$**	**2,196,087,407**

Personnel Services

2026 Budget:	$357,014,957
2027 Proposed:	$373,156,740

Personnel Service appropriations cover salary for full-time positions and all other payroll-related wage items such as overtime and part-time expenditures budgeted in the General Fund. This also includes a reduction to personnel expenses in the form of combined $4,000,000 turnover (vacancy savings) accounts.

Fringe Benefits

2026 Budget:	$172,669,734
2027 Proposed:	$179,431,824

Fringe benefit expenses are budgeted at the department level in the operating fund.

Supplies and Repairs

2026 Budget:	$13,734,020
2027 Proposed:	$13,834,544

This expense category includes general office, medical, repair, and maintenance supplies, in addition to food for inmates at the Jail and Correctional Facility. It also includes the purchase of fuel for vehicles countywide.

Sales Tax to Local Governments and NFTA

2026 Budget:	$492,645,838
2027 Proposed:	$528,541,091

The County shares sales tax collection with cities, towns, villages, school districts, and the NFTA. This is distributed as $484,816,363 to the cities, towns, villages & school districts and $31,224,728 to the NFTA from the permanent 3% sales tax and a flat $12,500,000 to the cities, towns & villages from the temporary 1% sales tax.

Contractual Agency Payments

2026 Budget:	$233,819,510
2027 Proposed:	$238,335,593

The major accounts comprising this appropriation include: Social Services contractual agencies – $53,484,866; and payments to various youth programs such as Operation Prime Time – $4,355,902. Mental Health contractual agency payments total $75,383,000.

Other major agency contractual expense include: Community College payments for residents enrolled in other Community Colleges – $9,923,812; Buffalo Convention Center & Visit Buffalo – $10,500,000; community/neighborhood development support – $1,172,825; cultural agency support -- $8,515,097; economic development funding – $883,854; Indigent Defense – $24,845,109; and for NFTA 18-b support – $3,657,200.

Note on NFTA payments:

County support for the NFTA not only includes the State-mandated 18-b subsidy of $3,657,200, equal to 89.2% of the State appropriation (currently $4,100,000), but also a dedicated portion of Sales Tax.

NFTA	Sales Tax	County Subsidy (18-b)	Total
2026 Budget	$27,981,907	$3,657,200	$31,639,107
2027 Proposed	$31,224,728	$3,657,200	$34,882,456

Intergovernmental Payments for the benefit of ECMCC

2026 Budget:	$64,441,866
2027 Proposed:	$72,250,904

Pursuant to a 2009 agreement, the County must incur an annual obligation on behalf of ECMCC for a minimum of $16,200,000 for the cost for State mandated supplemental Medicaid payments. Supplemental Medicaid payments are received by the Erie County Home and the Erie County Medical Center and are designed to access the maximum possible federal reimbursement for those public facilities in recognition of their high proportions of Medicaid and indigent care which is provided. Payments to the Erie County Home are known as Upper Payment Limit (UPL) supplements, while payments to the Erie County Medical Center are known as Disproportionate Share (DSH) supplements.

These mandated payments require a 50 percent local share match, the costs of which are excluded from the Medicaid Cap. The mandated Indigent Care Adjustment DSH expense represents payments to ECMCC as compensation for their high cost of providing indigent care in a similar manner as described for DSH payments above.

2027 payments were originally expected to be as high as $100,750,904, however, the County has recently agreed to advance $28,500,000 of the 2026-27 DSH Initial Payment into 2026, reducing the expected costs to $72,250,904.

Social Services Assistance Payments and Program Expenses

2026 Budget:	$498,850,960
2027 Proposed:	$520,766,711

The majority of Social Services Fund expenditures are for assistance payments made to or on behalf of eligible families or individuals. There are seven major assistance programs and a number of other smaller programs:

Family Assistance (Account 525040)

2026 Budget:	$45,423,244
2027 Proposed:	$46,659,515

Public assistance benefit payments are made for basic needs, shelter, and utilities, etc., to families eligible for this Federal/State/local program. Under federal changes, welfare became known as Temporary Assistance to Needy Families (TANF) in August 1996. In New York State, TANF is referred to as Family Assistance.

Federal Welfare Reform legislation enacted in December 1996 ended the Federal entitlement to public assistance. It provides funding to the states in the form of fixed block grants to cover temporary assistance to families. Limits are placed on the length of time families may receive Federal TANF (Family Assistance) benefits, and new work requirements are imposed for nearly all adults in Family Assistance (TANF) cases. There is a five-year (60-month) lifetime limit on Family Assistance benefits.

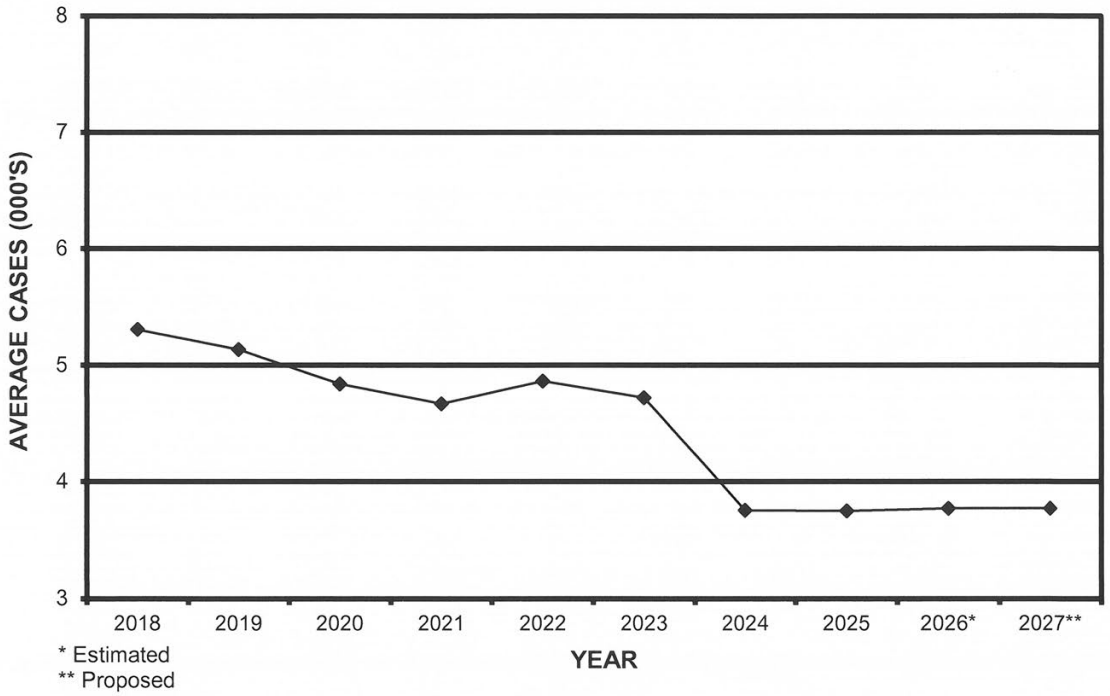
For cases in which individuals fail to comply with drug or alcohol dependency assessment and treatment requirements, benefits must be restricted to non-cash voucher payments to landlords and utility companies with only a small personal needs allowance.

Benefits are also restricted to non-cash voucher payments and small personal needs allowances when the five-year (60-month) lifetime limit on Family Assistance eligibility is reached.

Caseloads are funded at an average level of 3,692 cases per month in 2026 with an average base monthly cost per case of $884.94.

The 2026 caseload estimate reflects caseload trends that have occurred to date. It assumes that the current base caseload will continue to increase for the balance of 2026 and 2027 at a monthly rate of 13 cases.

TREND OF FAMILY ASSISTANCE CASES
(With Time Limit Shifts)



* Estimated
** Proposed

The 2026 monthly base cost per case estimate of $1,044.70 is consistent with current actuals with adjustments to provide for voucher fuel cases.

There is no local County Share cost of the Family Assistance program.

Safety Net Assistance (Account 525060)

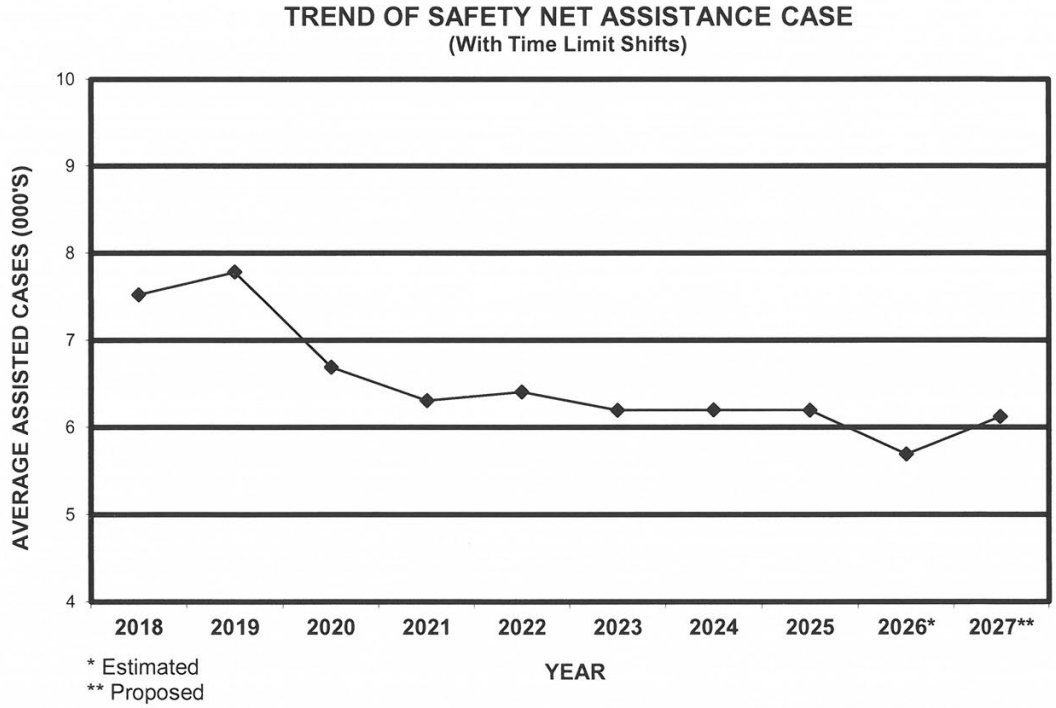
2026 Budget:	$54,969,992
2027 Proposed:	$61,758,406

Public Assistance benefit payments are made for basic needs, shelter, and utilities, etc., primarily to single individuals or childless couples who are eligible for this State/local general assistance program. Formerly known as Home Relief, this program now incorporates a two-year lifetime limit on cash benefits. After two years, and for those cases with individuals exempted from work activities because they are in drug or alcohol rehabilitation, or for those failing to comply with assessment and treatment requirements, benefits must be restricted to non-cash direct voucher payments to landlords and utility companies with only a small personal needs allowance.

Welfare reform and the creation of the Safety Net Assistance program has affected caseloads and costs per case in much the same way as described above for the Family Assistance Program.

Caseloads are funded at an average level of 5,693 cases per month in 2026, with an average base monthly cost per case of $591.29.

The 2026 caseload estimate is based on caseload trends that have occurred to date. It assumes that the current base caseload will continue to remain consistent for the balance of 2026 and 2027 at a monthly rate of 28 cases. This produces a trend caseload estimate for 2027 that averages 6,122.



The County share cost of the Safety Net Assistance program is $43,848,468 in 2027 after subtracting client repayments, 29 percent State reimbursements and other revenues from the gross appropriation. This is an increase of $3,980,001 (54.2%) compared to the 2026 Adopted Budget amount.

Medicaid – MMIS Local Share (Account 525000)

2026 Budget: $215,758,556 (52 weekly payments)
2027 Proposed: $211,609,353 (51 weekly payments)

This appropriation is the County's net local share of all Medicaid – related costs under the State's Local Share Medicaid Cap, which began January 2006, and a subsequent State phase-out of the local share increases beginning in 2016. As currently legislated, Erie County's statutory cap is $215,758,556. In recent years, this cap been reduced, however, to reflect enhanced federal reimbursement (eFMAP) under the Affordable Care Act (ACA) and, most recently, the Families First Coronavirus Response Act (FFCRA).

The Medicaid Cap is all inclusive, covering the local share costs of the following components:

- Payments made to providers through the State MMIS billing/payment system (now known as eMedNY) for services rendered to eligible persons. Total medical bills are paid by the eMedNY system, and the County is charged back only the local share of the gross payments made.

- Payments made locally by Erie County to insurance companies and other client medical expense reimbursement that are claimed for reimbursement of Federal and State shares.

- Medicaid program administration costs are part of the monthly reimbursement claim. The non-federal share of Medicaid administration is capped at 2011 expense amounts. The Department is monitoring this expense and the expectation at this time is that neither 2025 nor 2026 will result in cap overage.

- All revenues associated with Medicaid programs such as repayments.

- Medicare Part A and B premium and copayments and Part B charges that are charged quarterly to Medicaid.

- Other "off-line" payments such as bad debt pool and similar quarterly payments to providers.

The amount required for the 2027 calendar year reflects weekly cash payments for the 2026-2027 State Fiscal Year and the 2026-2027 State Fiscal Year Medicaid caps that are both calculated based on the State's payment cycles and are apportioned to the County's 51 weekly payment cycles in calendar year 2027.

Elsewhere in the budget is a separate appropriation in the amount of $48,593,384 for the local share of supplemental federal payments to the Erie County Medical Center – for Disproportionate Share (DSH). These supplemental payments are specifically excluded from the Medicaid Cap as is the Indigent Care expense of $9,100,527.

Medicaid – Gross Local Payments (Account 525030)

2026 Budget:	$ 25,840
2027 Proposed:	$2,657,628

Certain Medicaid payments are made directly to providers by the Erie County Department of Social Services, rather than through the State MMIS (eMedNY) system. Services paid locally from this appropriation include medical insurance premiums when private insurance coverage is available and cost-effective, and other miscellaneous medical expenses. All medical transportation services previously paid locally from this account were shifted to the State MMIS payment system.

The 2027 appropriation includes $2,657,628 for insurance premiums. The 2027 reduction reflects impacts of the Affordable Care Act on private insurance coverage.

Because of the Medicaid Cap which includes the local share of these local payments there is no separate local share associated with this appropriation. Repayment and other revenues received locally and applied against these costs in the past will be returned to the State in claiming adjustments.

Child Welfare Services – Foster Care (Account 525050)

2026 Budget:	$103,128,609
2027 Proposed:	$103,128,609

This appropriation is used to pay for the costs of the care of children placed by the Family Court into the custody of the Commissioner of Social Services. These children reside in foster homes, group homes, and in child caring institutions. A majority of children are in foster home placements in connection with child protection cases. Placements in group homes and institutions are ordered primarily for Persons in Need of Supervision (PINS) or for Juvenile Delinquents (JD's).

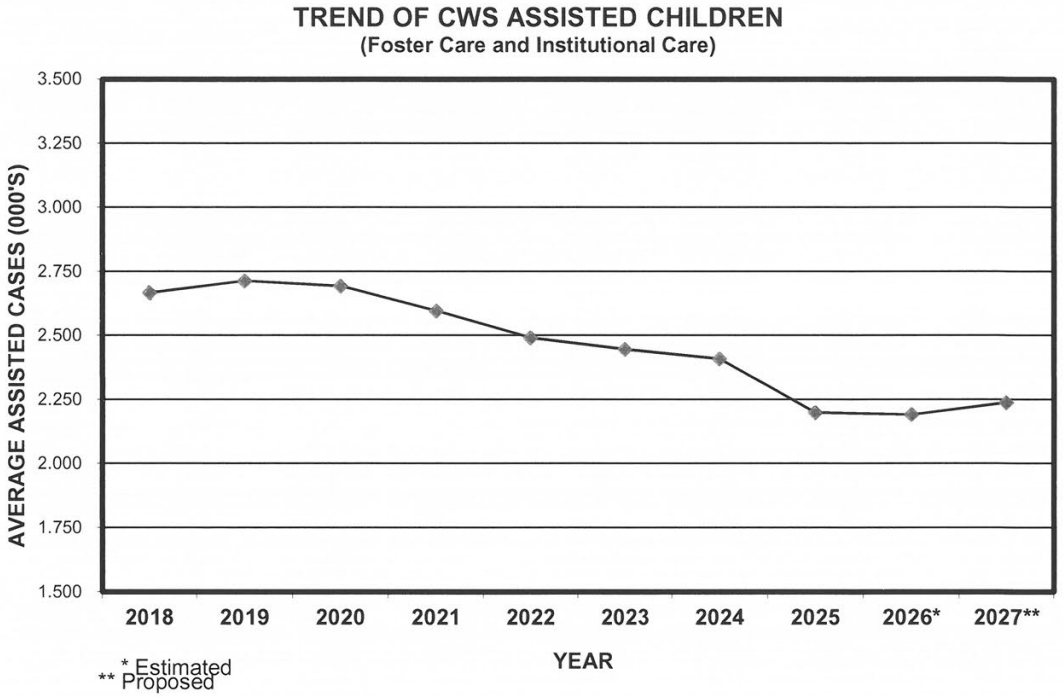
Appropriations in the 2027 budget are estimated based on analyses of historical and current trends of expenditures, children in care, monthly costs per child, and changes in per diem board, tuition, and other rates.

Children assisted are funded at an average level of 2,239 per month in 2027, with an overall average monthly cost per child of $4,606.

Based on present trends, the average monthly number of children funded in 2027 is decreased over the 2026 level of children in care. The decrease is based on assumed changes to Federal Law governing the provision of foster care services.

The ability to hold the total number of children served relatively steady over the last ten years is a major accomplishment after years of steady growth and given recent increases in Child Protection activity that often led to placement. This reflects final assessment reform, enhanced front door strategies, and expanded preventive services options. The increase in costs associated with Child Welfare cases is directly linked to the implementation of a cost-of-living adjustment (COLA) and a revision of New York State Codes regarding the payment of Maximum State Aid Rates (MSARs). All districts required to pay at least 100% of the MSAR published by the Office of Children and Family Services (OCFS).

The County share cost of Child Welfare Services is $9,468,181 in 2027 after subtracting client repayments and Federal and State reimbursements from the gross appropriation. Federal TANF/EAF revenues for foster care and PINS/JD institutional costs are budgeted at the current estimated ceiling.



Child Welfare Services costs, including foster care and PINS/JD institutional costs which cannot be claimed for federal TANF/EAF reimbursement, are included, along with Foster Care administrative costs, in the State's Foster Care Block Grant (FCBG). The FCBG covers 100 percent of non-federal costs up to the Block Grant ceiling, after which non-federal costs become 100 percent local share. Adoption Subsidy expenses are reimbursed separately from the FCBG with a (net of Federal) State share of 62 percent. There is no fixed cap to adoption subsidy reimbursement.

Child Care Development Block Grant (Account 525092)

2026 Budget:	$68,888,680
2027 Proposed:	$83,596,379

Childcare (daycare) subsidies are provided to low-income families and those in receipt of Public Assistance through the Child Care Development Block Grant (CCDBG) to enable them to maintain employment or to engage in work activities. The Department of Social Services seeks to provide daycare services for families at or below 300 percent of the Federal Poverty Level (FPL). Low-income families with incomes below 300 percent of the FPL are eligible for subsidies that vary depending on the daycare setting. Childcare subsidies are provided for families in receipt of Public Assistance to enable the parent to accept and retain employment or to participate in required work activities. The amount of the subsidy varies with the daycare setting.

The 2027 budgeted amount reflects these changes as well as recent trends in the number of children subsidized in the various daycare settings and payments to providers. A monthly average of 3,602 children in low-income families are expected to receive subsidies in 2027. Children in Public Assistance families receiving subsidies are estimated at 241 on average each month, a number necessary to support the level of work activity participation required of parents.

The 2027 total cost of low-income subsidies is budgeted at $83,596,379. These costs are 100 percent reimbursed with federal funds up to the limit of the Child Care Development Block Grant. The budget includes $5,058,968 for mandated subsidies to children in Public Assistance Families. These costs are reimbursed with state funds through the Block Grant at 75 percent of cost. The 25 percent local share cost for Public Assistance children is $1,264,742 in 2027.

Other Programs

2026 Budget:	$10,656,039
2027 Proposed:	$11,356,821

In this category are appropriations for a number of smaller programs administered by the Department of Social Services. These include: Account 525070 – Emergency Assistance to Adults, $1,456,617; Account 525080 – Education of Handicapped Children in Residential Schools, $279,294; Account 525130 – OCFS Youth Residential Facility Chargebacks $5,000,000; 525110 – Home-Delivered Meal Assistance, $70,000; and Account 525120 – Expenses for the Special Needs of Individuals in Adult Family Homes, $1,000. Amounts budgeted in 2027 reflect current trends in utilization.

Childcare funded by Title XX (Account 525091), in cases of child protection and for purposes of foster care prevention, totals $3,769,361 for a monthly average of 329 children, and Home Energy Assistance Program (HEAP) benefit costs total $780,549 (Account 525140).

Early Intervention/Special Needs

2026 Budget:	$89,856,736
2027 Proposed:	$94,599,550

Developmental and special education programs are administered by the Department of Health, Division of Services to Persons with Special Needs. Children, birth through two years old, are identified, evaluated, and placed in developmental programs by the County's Early Intervention Case Management program. Children three and four-years old are identified evaluated and placed in special education programs by the local school districts. Eligible service costs for three and four-year old children are paid by the County and are reimbursed partially by the State Education Department. Some services to eligible three and four-year-old children also may be claimed for the Federal share of Medicaid.

Under Chapter 243 of the laws of 1989, the County also is responsible for a 10 percent share of the cost of the school age (ages five to twenty-one) summer program which is billed to the County at 100% county share on at the end of each school year. In addition, the County is responsible for a portion of the cost of the special committees of local school districts which place children in preschool programs.

As authorized by 1993 New York State legislation, the County is responsible for the provision of various developmental services such as occupational therapy, physical therapy, speech therapy, and pre-school education in the Early Intervention Program for infants and toddlers with developmental delays and their families. Services are based on an Individual Family Service Plan developed by the family, an evaluator, a County case manager, and the County local early intervention official (designated by the County Executive). The County cost is offset by Medicaid and third-party insurance reimbursement for eligible children. Remaining eligible service costs are paid by the County and are reimbursed partially by the State Health Department.

Interfund Transfers (Allocation)

2026 Budget:	$71,313,712
2027 Proposed:	$75,887,162

This includes allocations for County share of the Road Fund (Fund 210) $18,287,071; County share of grants (Fund 281) $12,291,705; County share of Utility Fund (Fund 140) $6,011,559, County share of the E-911 Fund (Fund 230) $10,654,221 and $8,839,289 for Departmental pay-as-you-go capital needs. Also included is the Maintenance of Effort payment of $19,804,317 to SUNY Erie Community College.

Debt Service

2026 Budget:	$49,036,963
2027 Proposed:	$55,125,723

This represents General Obligation Bond Debt Service. A Revenue Anticipation Note will not be issued in 2026 so there is no 2027 Interest on Revenue Anticipation Notes appropriation.

All Other Expenses

2026 Budget:	$37,775,733
2027 Proposed:	$44,157,565

Included in the Other Expense category is $470,000 of operational expenses for the Erie County Fiscal Stability Authority.

The balance covers all other remaining expenses in the 2027 Budget for the Operating Fund including inter-departmental billings, telephone charges, rentals, risk retention, and equipment.

Fringe Benefits Expenditures

Fringe Benefits - All Funds

Fringe benefits are provided for County employees based on the provisions of the various collective bargaining agreements and/or Federal, State, and local laws. The County is required to provide appropriations for FICA, medical and hospitalization insurance, dental insurance, unemployment insurance, and workers' compensation. An appropriation is also provided for retired County employees eligible to participate in a joint retiree-County funded medical and hospitalization insurance program. The basis of the appropriation for each fringe benefit category is explained below.

Federal Insurance Contributions Act - FICA

The FICA contribution totals 7.65% of wages with 6.2% applied toward Social Security and 1.45% for Medicare. The Social Security portion, 6.2%, is applied toward total salary up to a maximum wage base, which was capped at $184,500 for 2026 and is expected to increase to $192,200 for 2027. The Medicare portion, 1.45%, has no cap and is applied to all wages.

Workers' Compensation

Workers' Compensation payments are set with a $1,281.50/week maximum for claims paid July 1, 2026 - June 30, 2027. The weekly maximum for 2027-28 is expected to increase to approximately $1,330.00/week and will be announced by the NYS Workers' Compensation Board in early 2027.

The proposed 2027 appropriation for workers' compensation accounts for increases and were based on the current year's activity, adjusted for anticipated medical costs. The appropriation provides funding for medical and indemnity payments, mandated state assessments, and administration fees. The total appropriation is normally budgeted through the various funds and is charged through the payroll system as expenses are incurred.

Unemployment Insurance Coverage

The 2027 appropriation for unemployment insurance anticipates an outlay of approximately $370,649.

Medical and Hospitalization Insurance - Active Employees

The 2027 budget estimate for active employees' medical and hospitalization insurance is based on the County's one source health insurance plan and was adjusted for estimated increases in premium costs for the various plans with an adjustment for those employees enrolled in the waiver program.

These estimates were obtained in coordination with our consultant to the Labor-Management Health Care Fund, the entity that manages health insurance for the County.

Dental Insurance

The estimated cost for dental insurance for County employees in 2027 is based on the current premium for all employees, the number of funded positions, and the current family/single coverage ratio. A separate ratio was used for each fund.

Retirement/Pension

On a weighted average basis, the 2027 employer rates (18.07%) as provided by the Employees' Retirement System will be greater than the rates of 2026 (16.90%) for the annual payment (due on February 1, 2028) that will be pre-paid by the County on December 15, 2027. The pension retirement expenditures for 2027 were calculated factoring-in the 2027 components of the April 1, 2026, through March 31, 2027, and April 1, 2027, through March 31, 2028, billing periods. Estimated costs for each tier and year are based on rates supplied by the Office of the State Comptroller and use a salary base from the prior State Fiscal Year.

Tier	Salary Base	Rate
1	$ 133,460	27.3%
2	106,110	25.5%
3	1,895,625	20.8%
3S 25 Yr	92,699	23.0%
4	108,173,123	20.8%
4S 20 Yr	12,594,376	33.4%
4S 25 Yr	28,095,577	23.0%
5	13,883,337	17.8%
5S 20 Yr	1,216,286	31.2%
5S 25 Yr	3,533,300	20.2%
6	199,699,714	14.0%
6S 20 Yr	10,557,710	27.9%
6S 25 Yr	34,656,040	16.4%

S 20 Yr - Sheriffs, Undersheriffs and Deputy Sheriffs Special 20 Year Plan
S 25 Yr - Sheriffs, Undersheriffs and Deputy Sheriffs Optional 25 Year Plan

Medical and Hospitalization Insurance - Retirees

The County's projected contribution toward retirees' medical and hospitalization insurance is based on expected 2027 costs and was adjusted for estimated increases in premium costs. The County currently expenses retiree health costs on a "pay-as-you-go" basis. The unfunded future retiree health costs are described under the GASB 45 Section.

GASB 45

GASB 45 is an accounting standard that requires governments to reflect in their financial statements the estimated future cost of paying for benefits, such as retiree health insurance, that has been earned due to the service years provided to-date by existing retirees and current employees.

Union Contracts

UNION CONTRACTS

The table below details the status of all County union contracts, contract expiration dates, and membership.

The County continues to pursue negotiations with all unions that will enable fair agreements for the benefit of both employees and taxpayers.

Union	Contract Expiration	Represents
Administrator*	8/31/2020	ECC Administration
Library Clerical & Maintenance*	12/31/2026	B&ECPLS - Contracting Libraries Clerical & Maintenance
CSEA Correction Officers	12/31/2026	Sheriff - Correction Officers & Medical Staff
NYSNA	12/31/2026	Nurses
Teamsters Captains & Lieutenants	12/31/2026	Sheriff - Holding Center Captains & Lieutenants
Teamsters Sworn & Civilian	12/31/2026	Sheriff - Holding Center Deputies, Sergeants & Correctional Health
CSEA	12/31/2027	White Collar
Librarian*	12/31/2028	B&ECPLS - Professional Librarians
Faculty*	12/31/2029	ECC Faculty Federation
AFSCME	12/31/2031	Blue Collar
PBA	12/31/2031	Sheriff - Police Services Division

** Although still considered collective bargaining units of County government requiring final approval of contracts by the Erie County Legislature, agreements with these units are negotiated independently of the County's Department of Labor Relations by Erie Community College (ECC) and the Buffalo & Erie County Public Library System (B&ECPLS) administrators.*



BUDGET PROCESS AND FINANCIAL STRUCTURE

Budget Process

Dynamics of Budgeting

Budgeting is a dynamic process. It demands continuous monitoring of actual expenses and revenues as well as ongoing study to determine the accuracy of budget estimates and the need for corrective action. Moreover, it requires periodic forecasting to determine how changes in the fiscal environment, revisions to County policies and new service demands will impact future budgetary needs.

While budgeting is a year-round process, the development of the annual budget usually commences nine months prior to the start of the new fiscal year. The procedures governing the preparation, submission and adoption of Erie County's annual budget are prescribed in Article 25 of the Erie County Charter and Article 18 of the Erie County Administrative Code.

Budget Preparation Calendar

April: The County Capital Budget Committee begins review of departmental capital budget requests for the ensuing year.

May: Budget planning for the County's next fiscal year begins in a concrete manner once the state budget has been finalized. By law the state budget must be adopted by April 1st. Budget forecasts and targets are developed and evaluated based on: County budget monitoring data, state and federal budget impact data, estimates of inflationary cost increases needed to maintain current service levels, and estimates of the costs associated with new service needs.

July: Detailed budget instructions along with personal service reports are issued to department heads to guide the preparation of department budget requests.

August: Departments submit their detailed budget requests to the County Executive for consideration on or before August 15th.

September: Departmental budget requests continue to be analyzed in detail by staff in the Division of Budget and Management. Each expenditure and revenue account is evaluated to determine the best estimates of revenue available and the most accurate estimates of necessary and optional expenses.

Proposed budget recommendations and alternatives are prepared by the Budget Division for review and consideration by the County Executive. The County Executive's budget decisions are then incorporated by Budget staff into a proposed budget document.

2027 Budget Adoption Process

The County Executive is required by the Erie County Charter and the Administrative Code to provide the Comptroller's Office with a projection of major revenue and expenditures by October 1, 2026 and then submit a proposed budget for the next fiscal year to the Erie County Legislature on or before October 15, 2026. The proposed budget contains estimates of operating revenues and expenses for each administrative unit of County government, a capital budget, and a six-year capital program. It must be presented in the form of a line-item budget.

The proposed budget is accompanied by the County Executive's Budget Message. The message highlights important features of the Proposed Budget and outlines the key assumptions, policies, and initiatives on which it is based.

After receiving the proposed budget, the Legislature holds public hearings and considers whether proposed budget items should be amended. They may add and/or delete positions and increase or decrease items of expense (appropriation), except for those items required by law or for repayment of debt.

The Erie County Legislature will hold its annual budget adoption meeting on December 3, 2026, at which time the Legislature votes on any changes to be incorporated into the Adopted Budget.

If the Legislature fails to approve changes to the proposed budget, it is considered to have been adopted with no further action required by the County Executive. If the budget adopted by the Legislature does contain additions or increases, it must be presented to the County Executive on or before the second business day after the sixth of December (December 8, 2026) for consideration of vetoes.

The County Executive may veto any items added or increased by the Legislature to which he objects. Deletions or decreases are not subject to veto. If items are vetoed by the County Executive, a statement indicating the vetoed items and the reason for each veto must be returned to the Legislature on or before the seventh business day after the sixth of December (December 15, 2026).

The Legislature may override the County Executive's vetoes by a two-thirds majority vote. This must be done on or before the tenth business day after the sixth of December (December 18, 2026).

The 2027 Budget, incorporating any legislative changes, executive vetoes, and legislative veto overrides, is considered adopted in final form after the tenth business day after the sixth of December has passed (December 18, 2026).

Revisions after Budget Adoption

Once adopted, no County department may spend funds in excess of the amount appropriated for each line-item of expense. Occasionally, it is necessary to revise the Adopted Budget during the year to adjust appropriations to match actual spending requirements. This is done either by transferring funds from one appropriation to another within the same administrative unit, or by appropriating unanticipated revenue that has been received.

The County Executive may transfer part or all of the unencumbered appropriation balance between line-items of expense within the same administrative unit if the amount for a given line-item transfer is $50,000 or less. Approval of the Legislature is required, in the form of a legislative resolution, if the transfer exceeds $50,000 or if it would affect any salary rate or salary total.

The appropriation of any unanticipated revenue requires the approval, by resolution, of the Erie County Legislature, as does the creation or deletion of any staff position associated with an appropriation revision.

Resolutions which seek approval to revise the Adopted Budget are submitted to the Legislature by County administrative units through the County Executive's Office. Elected Officials submit resolutions directly to the Legislature. All submissions are considered by the Legislature throughout the year at their bi-monthly legislative sessions.

Budget Monitoring Process

The Division of Budget and Management produces Budget Monitoring Reports ("BMR"). The BMR reports on appropriation and revenue accounts critical to maintaining a balanced budget. The report also contains impact statements on the local effects of federal and state policies.

The BMR is designed to give management a measurement tool for determining if actual revenues and expenditures are in line with estimated amounts. This timely information allows the County to detect problems and if required take corrective budgetary action.

In addition to the BMR, other reports are generated periodically to evaluate budget performance, including:

- On-going tracking and analysis of personnel matters including overtime usage and all position vacancies.

- On-going tracking and analysis of local share Medicaid expenditures, as well as Safety Net Assistance and Family Assistance caseloads.

- Tracking of all revenues.

Budget Calendar - 2027

January

County fiscal year began January 1.

Division of Budget and Management (DBM) works with Comptroller's Office to close 2026 books.

Tax bills sent to taxpayers in the City of Buffalo and first class towns.

February

DBM reviews impact of Governor's Proposed Budget.

DBM develops monthly budget allotments for current year budget.

Subjects identified for special studies on cost containment and revenue enhancement.

Tax bills sent to 2nd class towns.

March

Special studies continue.

April

DBM begins development of ensuing year budget forecast.

The Capital Budget process begins for the ensuing year budget.

May

Special studies continue.

June

DBM assembles ensuing year budget instructions including appropriation and revenue worksheets and preparation of personal services data runs.

Special studies are concluded.

DBM begins to develop budget targets for departments.

July

Budget instructions sent to departments along with personal services reports

Year-end projection instructions sent to departments.

August

Departments complete submission of personnel change requests to Personnel Department and DBM.

Departments finalize ensuing year budget requests and submit to DBM.

Capital Budget process is concluded.

September

County Executive and DBM review and make recommendations on requests from Departments and community agencies.

Studies are incorporated into 2028 Proposed Budget.

County Executive and DBM finalize recommendations for 2028 Proposed Budget.

October

Major revenue and expenditure projections transmitted to Comptroller by October 1, 2027.

County Executive submits 2028 Proposed Erie County Budget to Legislature by October 15, 2027.

November

Legislature reviews Proposed Budget and conducts departmental hearings and public hearing.

December

Legislature to hold annual budget meeting – Thursday, December 2, 2027.

Deadline for Legislature to return Budget to County Executive if any increases are added – on or before the second business day after the sixth of December. (December 8, 2027).

Deadline for County Executive to veto any increases – on or before the seventh business day after the sixth of December (December 15, 2027).

Deadline for Legislature to meet and consider County Executive vetoes – on or before the tenth business day after the sixth of December (December 20, 2027).

Final equalized tax rates are determined. Legislature adopts final real property tax levies.

Financial Structure

Fiscal Year

The County's fiscal year begins January 1 and ends on December 31 of each calendar year.

Fund Structure

The County's budgetary and accounting systems are organized and operated on a "Fund" basis. Each fund is considered a separate entity and is made up of a set of inter-related and self-balancing accounts. Together, these accounts comprise a fund's assets, liabilities, fund/balance/retained earnings, revenues, and expenditures/expenses.

The accounts in a fund are segregated and related to one another for the purpose of carrying out specific activities or attaining certain objectives. They are created and operated in accordance with law and/or special regulations, restrictions or limitations, or as dictated by generally accepted accounting principles (GAAP).

Erie County utilizes the funds described below. All funds are included in the County's General Purpose Financial Statements.

General Fund (Budget Fund 110) The principal operating fund which includes all operations, activities, and resources not required to be recorded in other funds.

Funding Sources: Real property taxes; Sales taxes; Departmental charges; State and Federal partial reimbursements; Client recoveries; Fees, Fines and Other Charges; and Hotel Occupancy Tax.

Special Revenue Funds:
Funding Sources: The following funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes and are shown in the same manner in the County's annual financial statements.

Grant Fund (Budget Fund 281 and Budget Fund 821 – Library)
Funding Sources: Transfer payments and/or subsidy from General Fund; State and Federal full or partial reimbursement; grant income.

Community Development (Budget Fund 290)
Funding Source: Federal Reimbursement.

Sewer Fund (Budget Fund 220)
Funding Sources: Sewer Real Property Tax; user fees.

Road Fund (Budget Fund 210)
Funding Sources: Subsidy payment from General Fund; partial State reimbursement; Real Estate Transfer Tax; charges.

E-911 Fund (Budget Fund 230)
Funding Sources: Telephone access line surcharge; State reimbursement; subsidy payment from General Fund.

American Rescue Plan Fund (Budget Fund 253)
Funding Source: Federal American Rescue Plan State and Local Relief Funding (SLRF). *This fund is not included in the Budget documents.*

Pharmaceutical Settlements (Budget Fund 295)
Funding Source: Settlements received from major pharmaceutical manufacturers and distributors.

Public Library Fund (Budget Fund 820) This Special Revenue Fund is included in the County's annual financial statements as a component unit.

Funding Sources: Real Property tax; State reimbursement; library charges.

Debt Service Fund (Budget Fund 310) This fund is used to account for current payments of principal and interest on general obligation long-term debt (bonds) and for financial resources accumulated in reserve for payment of future principal and interest on long-term indebtedness.

Funding Sources: Transfers from other funds; interest earnings on reserves.

Downtown Mall Fund Used to account for revenues raised through a special district charge levy and the subsequent expenditure of these monies for the operation and maintenance of a downtown pedestrian/transit mall. *This fund is not included in the Budget documents.*

Funding Sources: Special district assessment.

Capital Projects Funds (Budget Funds 410-490) Used to account for the financial resources to be used for the acquisition, construction or reconstruction of major permanent facilities having a relatively long useful life and for equipment purchased from the proceeds of long-term debt (other than those financed by the Enterprise Fund).

Funding Sources: Proceeds from bonds issued; State reimbursement.

Enterprise Fund Used to account for ongoing organizations or activities that are similar to those found in the private sector which provides goods or services to the general public. The costs of providing goods or services to the public on a continuing basis are financed or recovered primarily through user charges.

Utilities Fund (Budget Fund 140)
Funding Sources: Utility user charges.

Erie Community College Used to account for the resources received and used to operate the Community College. The State mandates a fiscal year ending August 31st for the Community College. For this reason, and also because of differences in accounting principles for colleges and those for local governments, the Community College budget and financial statements are separate.

Funding Sources: State reimbursement; student tuition; County subsidy from the County budget in the General Fund.

Accounting and Budgeting Principles

The Erie County Charter and Administrative Code require a line-item budget organized or classified on the basis of administrative units. The budget, accounting, and reporting system are structured to support this requirement on an ongoing basis for local purposes.

The accounting and budget structure required by the local Charter and Code is not consistent with the Uniform System of Accounts for Counties (USAC) structure required by the State for financial reporting purposes. Specialized account coding is used to convert detailed County accounting data to the USAC structure as required for financial reporting and for the preparation of the annual financial statements.

The County's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities, and are presented in the USAC format.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement focus is the determination of what is expressed in reporting an entity's financial performance and position, (i.e., expenditures or expenses). A particular measurement focus is accomplished both by considering what resources will be measured and the basis of accounting.

Basis of accounting refers to when revenues, expenditures/expenses, and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus.

Accrual Basis – Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Modified Accrual Basis – Under this basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues from federal, state, or other grants designated for specific County expenditure are recognized when the related expenditures are incurred.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recoded only when payment is due and expenditures for inventory-type items and for prepayments (except retirement) are recognized at the time of the disbursements.

In the County's Comprehensive Annual Financial Report ("CAFR"), the government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the proprietary fund financial statement. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Property taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Budgets and Budgetary Data

Annual appropriated budgets are adopted and employed for control of the General Fund; the Road; Sewer, and E-911 Special Revenue Funds; the Utilities Aggregation Enterprise Fund; and the Debt Service Fund, minimally detailed to the department and account level. These budgets are adopted on a basis consistent with GAAP, except that encumbrances are reported as budgetary expenditures in the year of incurrence of commitment to purchase, as well as in the year of expenditure if the expenditure occurs in a fiscal year subsequent to the commitment in the General and the enumerated Special Revenue Funds. All unencumbered appropriations lapse at the end of the fiscal year. Annual appropriated budgets are not employed for the Grants and Community Development Special Funds. A reconciliation to convert GAAP basis data to the budgetary basis is provided in the financial statements.

Account and Budget Codes

Account and budget codes classify expenditures/appropriations and revenues by category. The structure of account and budget codes used by Erie County is consistent with the local Charter and Code requirements for a line-item budget organized by administrative unit.

Administrative Unit Codes – The budget and accounting systems are structured so that budgeting and accounting can be controlled at the fund, business area/fund center, and department level as appropriate. Budgets are usually adopted at the department level in the General Fund including Social Services, the Utilities Fund (Enterprise Fund), and Special Revenue Funds. Budgets are adopted for grants and Community Development projects. The Debt Service Fund is adopted at the fund level.

Administrative Unit coding in the budget and accounting systems is categorized according to Fund, Department, and Fund Center (Business Area).

Fund center coding is used to identify separately budgeted administrative units. A three digit Fund Center designates the overall department level. If divisions within a department are separately budgeted, they are designated with a five digit fund center code.

Account Codes – Account codes are used to identify appropriated expenditures and revenues.

Revenues and expenditures are appropriated and adopted by the Legislature at the account level, which is indicated by a six-digit account code in the budget. All accounts are part of a hierarchy which serves to group accounts into like categories.

Expenditures/appropriation and revenue coding in the budget and accounting systems is generally categorized according to the following structure:

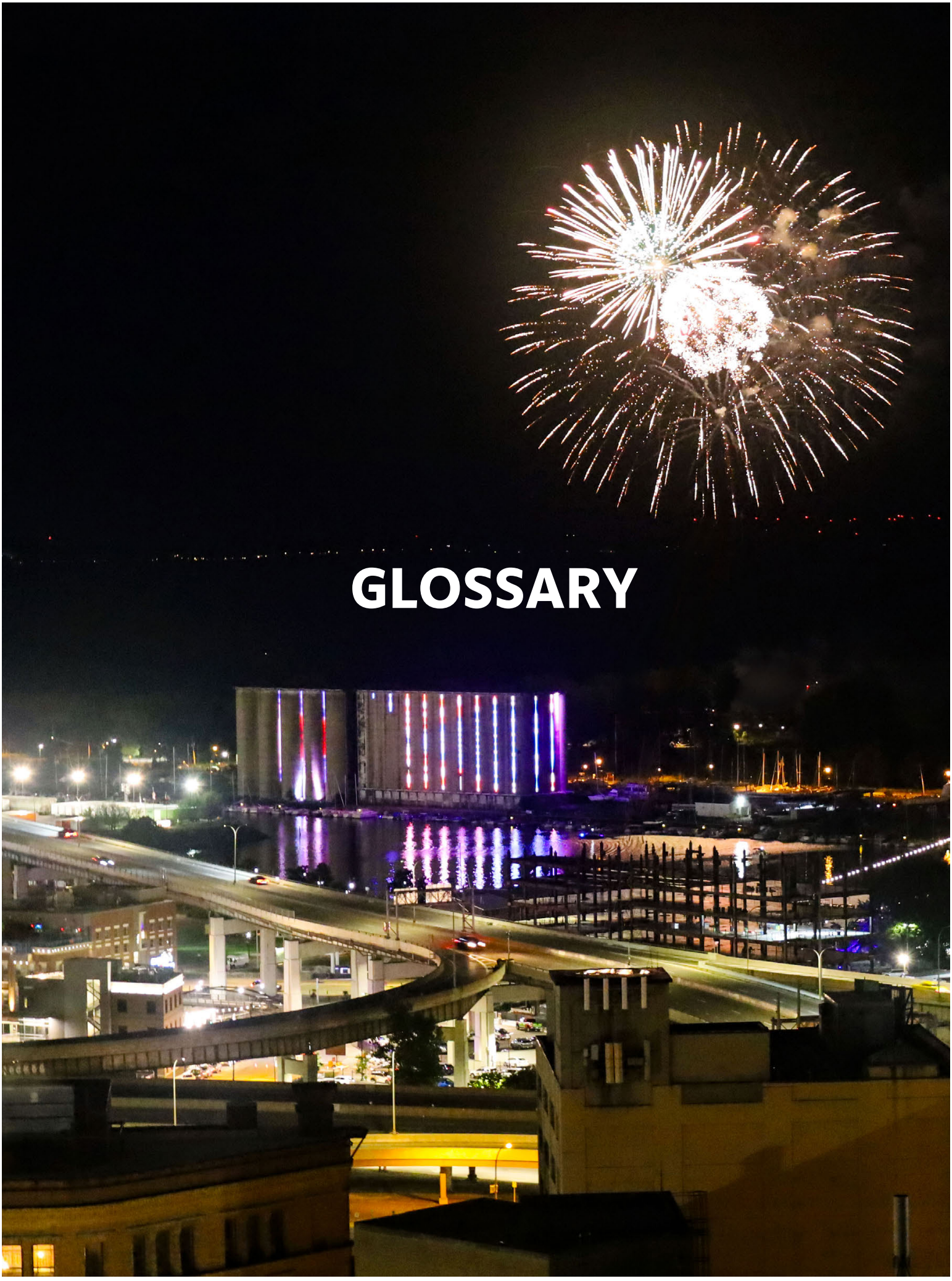
Expenditure/Appropriation Codes		Revenue Codes	
Account*	**Description**	**Account***	**Description**
500000-500350	Personal Services	400000-400070	Real Property Tax Revenues
501000	Overtime	402000-402700	Local Source Revenues
502000-502140	Fringe Benefits	405000-409040	State or Other Partial Reimbursement
504992	Contractual Salary Reserve	410000-414190	Federal or Other Partial Reimbursement
504990-504998	Reductions for Turnover Service Restoration	415000-480030	Fees, Other Taxes
505000-507000	Supplies & Repairs	450000-486040	Inter-fund Revenues
510000-555050	Other		
516000-520110	Contractual		
525000-530020	Assistance Payments		
561100-561460	Equipment		
550000-551600	Debt Service		
559000-575040	Inter-fund		
910100-980000	Inter-departmental		

*Specific descriptive account titles and codes are provided throughout the budget documents for each account.

Budgeting for Fringe Benefits

Fringe benefits are appropriated separately in each fund included in the budget which also has budgeted employees and authorized payroll expenses.

Fringe benefits are budgeted at the department level in the operating fund. Fringe Benefits are budgeted at the individual project level for grants and community development projects.



GLOSSARY

Glossary

Account
A category of revenues and expenditures/appropriations, such as office supplies, personal services, or utilities.

Accrual
Recognition and recording of earned amounts receivable as revenue and amounts payable as expenditures in the current period, but for which cash receipts or disbursements have not yet occurred.

Accrual Accounting
A basis of accounting in which expenditures and revenues are recorded at the time they are incurred or are available, as opposed to when cash is actually received or spent.

Adjusted Budget
The adopted budget as modified by all changes approved and processed to budgeted revenue and appropriation accounts.

Adopted Budget
The budget plan for the next fiscal year, which has been formally approved pursuant to the provisions of Article 25 of the Erie County Charter.

Appropriated Fund Balance
The amount of unassigned fund balance available from previous years designated for use in the current year.

Appropriation
A specific amount of money authorized by the Legislature for the purchase of goods and services.

Assessed Valuation
The value set upon real property by local tax assessors and the state as the basis for levying real property taxes.

Board of Election Re-Spread
Reimbursement from towns and cities for certain allowable expenses associated with the cost of conducting elections. The actual costs are billed back to the various towns and cities where elections are held and recorded as revenue in the operating fund.

Capital Budget/Expenditures
Budgets/expenditures in Capital Project Funds are for major physical improvements and construction, or for purchase of equipment having a useful life of at least five years. The Capital Budget is included in the annual budget documents, as required by the County Charter, but is not a part of the operating budget, nor is it considered part of the operating fund.

Community College Re-spread
Revenue that is attributed to reimbursement from towns and cities for tuition payments made by the County for town and city residents who are enrolled in community colleges outside of Erie County. The tuition costs are billed back to the various towns and cities in the County for the town/city residents for whom tuition was paid.

Community Development Fund
A Special Revenue Fund used to assist participating municipalities in the development of locally approved community or economic development activities, including housing programs, which are eligible under Federal program regulations. This fund is included in the County's annual budget documents in order to secure legislative authorizations, but it is not a part of the operating budget nor is it considered an operating fund.

Contingency
An appropriation of funds to cover unforeseen events that may occur during the fiscal year, or reserved to cover foreseen future events.

County Share
The amount of support required from general county resources (e.g., property or sales taxes); after all other revenue sources attributed to the operations of a department or division are subtracted from total appropriations or expenditures.

Countywide Appropriations/Revenues
Appropriations and revenues, such as debt service expenditures or sales tax revenues, which cannot be directly attributed to the operations or operational responsibilities of specific departments.

Debt Service
The county's obligation to pay the principal and interest on all bonds and other debt obligations according to a predetermined payment schedule.

Debt Service Fund
A special fund established to account for the payment of interest and principal on long-term debt. The Debt Service Fund is a part of the operating budget and is considered an operating fund.

Deficit
The excess of expenditures over revenues during an accounting period.

Downtown Mall Fund
A Special Revenue Fund used to account for revenues raised through a special district charge and the subsequent expenditure of these monies for the operation and maintenance of a downtown pedestrian/transit mall. This fund is not included in the county's annual budget documents, nor is it considered an operating fund.

ECIDA
The Erie County Industrial Development Agency (ECIDA) is a public benefit corporation which coordinates economic development for Erie County. It authorizes industrial revenue bonds for eligible projects and administers a revolving loan program for businesses in specific county areas.

Encumbrance
Financial commitments related to unperformed contracts for the purchase of goods and services. Purchase transactions which are not yet completed, but for which funds have been designated and specifically reserved (encumbered) for future payment when the purchase transaction is completed. Outstanding encumbrances at year-end are reported as assignments of fund balance because the commitments will be honored during the subsequent year.

E-911 Fund
A self-balancing Special Revenue Fund for appropriations and revenues associated with the operation of the Enhanced 911 emergency telephone system as required by State law when a telephone surcharge is utilized to offset E-911 service cost. The E-911 Fund is part of the operating budget and is considered an operating fund.

Enterprise Funds
Self-supporting governmental funds in which the services provided are financed and operated similarly to those of a private business, with user charges providing the majority of the revenues necessary to support operations. The Utility Fund is budgeted as an Enterprise Fund. The Enterprise Fund is a part of the operating budget and is considered part of the operating funds.

Equalized Full Valuation of Taxable Property
The term used to indicate the value of all real property in a taxing jurisdiction, appraised at 100% of market value at a specified prior point in time, which has been adjusted by a factor to reflect different rates of housing market price change from area to area. The equalization factor allows comparison of full valuation on an equal dollar basis for all areas and for all time periods.

Equalized Full Value Tax Rate
The amount of property tax levied for each $1,000 of equalized full valuation for all non-exempt property in the county. It is calculated by dividing the equalized full valuation of taxable property by $1,000 and then dividing the county property tax levy by the result. This rate is used for all comparisons of property tax growth or reduction.

Full Valuation
The term used to indicate a real property appraisal at 100% of market value at a specified prior point in time.

Fund
A set of inter-related accounts to record revenues and expenditures associated with a specific purpose. Funds are self-balancing. The Erie County budget includes fourteen (14) funds: General Fund, E-911 Fund; Utilities Enterprise Fund; American Rescue Plan Fund; Pharmaceutical Settlements Fund; Downtown Mall Fund; Grant Fund; Capital Fund; Sewer Fund; Road Fund; Community Development Fund; Debt Service Fund; Public Library Fund; and Public Library Grant Fund.

Fund Balance
The section of the financial statement that reports the results of operations. It can include restricted amounts such as prepaid items along with assignments such as judgments and claims. The remainder of fund balance is the unassigned portion which is available for appropriation when necessary.

GASB 45
GASB 45 is an accounting standard that requires governments to reflect in their financial statements the estimated future cost of paying for benefits, such as retiree health insurance, that has been earned due to the service years provided to-date by existing retirees and current employees.

Gain
A position and/or job title not currently authorized in a department, which is transferred in from another department or budget entity.

General Fund
The principal operating fund of the county, which includes the budgets, revenues, and expenditures for most county departments.

Generally Accepted Accounting Principles (GAAP)
Conventions, rules and procedures that define accepted accounting and financial reporting practice, including broad guidelines and detailed practices. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Grant
A contribution by a government or other organization to support a particular function, service, or program.

Grant Budget/Expenditures
Budgets/expenditures in the Grant Special Revenue Fund related to defined projects funded by contributions from other governments or organizations to support particular functions, services or programs. The Grant Fund is not a part of the operating budget but appears in the Budget documents in order to secure necessary legislative authorizations.

Indirect Costs
Costs associated with, but not directly attributable to, the operation of county departments. These "overhead" costs are usually incurred by other departments in support of all operating departments.

Inter-departmental Billing
The reimbursement received by a division, such as Information and Support Services, for services provided to other county departments. Interdepartmental billings are quasi-revenues budgeted as negative appropriations.

Inter-departmental Payment
An appropriation of funds for reimbursing other county departments, such as Information and Support Services, for services provided by departments.

Inter-fund Transfers/Revenue
Amounts transferred from one fund to another.

Job Group
The grouping of similar position classifications and their assignment to a range of salaries within a county pay scale.

Line-Item Budget
A budget that lists each expenditure and revenue category separately, along with the amount budgeted for each specified category.

Local Source Revenue
Funds that the county receives as income from local sources, such as property and sales taxes, service fees, and interest income, as opposed to funds received from other governments.

New Position
A new position in an existing job title and/or a new job title not previously budgeted.

NFTA
The Niagara Frontier Transportation Authority, created in 1967 as a public benefit corporation under the Public Authorities Law of the State, administers the regional transit system in Erie and Niagara Counties which includes a transit line, public buses, and airport facilities. The NFTA receives a portion of the county sales tax plus a subsidy from the county general fund.

OTB Revenues
Revenues received from a portion of profits of the Western Regional Off-Track Betting ("OTB") Corporation from a pari-mutuel wagering tax.

Other than Personal Services
Expenditures for all non-personal services, goods and services including supplies, equipment, contractual services, utilities, rental, and repairs.

Personal Services
Expenditures for salaries and wages for full-time, regular part-time as well as part-time and seasonal employees, overtime costs, shift differential, and holiday pay, etc.

Project
A project is a distinct organizational unit with a separate budget which is identified by a unique name usually used in a capital fund.

Proposed Budget (Tentative Budget)
The budget plan for the upcoming fiscal year recommended to the County Legislature by the County Executive for its formal approval. The Erie County Charter designates this as the "Tentative Budget." It is popularly known as the "Proposed Budget".

Public Library Fund
The Public Library Fund is used to record transactions of the Buffalo and Erie County Public Library which is supported, in whole or in part, by real property taxes. The use of the Library Fund assures compliance with Education Law, Section 259, which provides that all monies received from taxes or other public sources for library purposes shall be kept in a separate fund.

The Public Library Fund is a special revenue fund. The accounting is the same as the General Fund including the use of budgetary, revenue, expenditure, and fund balance accounts. It is a part of the county's operating budget and is considered an operating fund.

Reallocation
A change in job group but not in position title for a currently authorized position; an upgrading of a position.

Real Property Tax
The net County tax requirement determined by subtracting the total estimated revenues from the total proposed expenditures as set forth in the budget (Erie County Charter, Article 26, Financial Procedures, Section 2609).

Reclassification
A change in position title which may or may not change the job group for a currently authorized position.

Reductions from Personal Services Account
The Reductions from Personal Services account is a net savings calculated by estimating the impact on all personal services budgets caused by employee turnover, vacancies, increased overtime, or other personnel transactions. The savings estimate is then adjusted for any negative impact on associated budgeted revenue calculations. The final net savings calculation is budgeted in the form of a negative appropriation.

Reserve
Funds which are accumulated, held and set-aside for future use or the payment of some future obligation. Funds held in reserve may be restricted to particular uses or they may be unrestricted.

Revenue
Funds that the county receives as income, including tax payments, service fees, receipts from other governments, fines, forfeitures, grants, and interest income, etc.

Road Fund
A Special Revenue Fund used to account for all revenues and expenditures related to the maintenance of county roads and bridges, snow removal, and the construction and reconstruction of county roads not required to be recorded in the Capital Projects Fund. The Road Fund is a part of the operating budget of the county and is considered an operating fund.

Transfer
A currently authorized position and/or job title in a department, which is transferred to another department or fund.

Sales Tax
A charge placed on certain goods when they are purchased from a vendor. Sales Tax revenue accounts for a considerable portion of the discretionary budget. Erie County's local sales tax rate is 4.75%.

Sewer District Budgets/Expenditures
Budgets/expenditures in the Sewer Special Revenue Fund related to the annual program and spending plan for sewer facility operations, services, and normal maintenance. Sewer districts are self-supporting entities with a separate property tax levy. The Sewer Fund is not a part of the operating budget, nor is it considered an operating fund.

Source
A category of revenue, such as local source, state aid, or federal aid.

Surplus
The excess of revenues over expenditures during an accounting period.

Taxable Assessed Valuation
The value of non-exempt (taxable) real property in a taxing jurisdiction on which the jurisdiction's portion of the County real property tax levy is spread.

Taxable Assessed Value Tax Rate
The amount of property tax levied for each $1,000 of taxable assessed valuation of real property in each taxing jurisdiction. It is calculated by dividing each jurisdiction's share of the County real property tax levy by the taxable assessed valuation of all non-exempt (taxable) real property in the jurisdiction, and dividing the result by 1,000.

Utilities Fund
An Enterprise Fund created to provide financial accounting and support necessary for the operation of the Erie County Utilities Aggregation. This fund allows members of the aggregation (cities, towns, villages, and authorities in Erie and neighboring counties) to jointly purchase natural gas, heating oil, and electric utilities at reduced cost. The Utilities Fund is part of the operating budget and is considered an operating fund.

Visit Buffalo Niagara
Visit Buffalo Niagara, formerly known as the Convention and Visitors Bureau, is an organization funded with taxpayer dollars and organized to serve as the county's marketing arm to the nation and world. Visit Buffalo Niagara is tasked with attracting visitors and conventions to the Buffalo Niagara region.