

MEDIA RELEASE



COUNTY OF ERIE
OFFICE OF THE
COUNTY EXECUTIVE

FOR IMMEDIATE RELEASE: October 1, 2020

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County Executive presents 2021 proposed budget

Erie, PA – County Executive Kathy Dahlkemper on Thursday presented County Council with her administration's proposed 2021 budget for Erie County. The \$484.3 million budget includes no tax increase this year, which is in consideration of the large majority of our residents and businesses experiencing financial stress from the COVID-19 pandemic.

The factors most affecting the 2021 budget include:

- Council's decision last year to take \$3.4 million from the general fund to balance the budget versus implementing the administration's proposed tax increase
- Various challenges associated with the COVID-19 pandemic along with decreased revenues have placed county government and the community at large in an unprecedented fiscal position along with resulting decreased revenues
- Pension and medical costs both decreased by \$770,000 – a huge benefit that helped offset the decrease in revenues
- Difference between last year's proposed budget and this year's proposed budget is \$26.8 million. Nineteen million dollars of that amount is attributable to state-mandated human service expenses, and \$4.4 million is attributable to state-funded Department of Health COVID-19-related expenses.

Thanks to every elected official and department leader's diligence, the county was able to reduce their preliminary general fund budget by \$4 million. The amount of fund balance needed to balance the 2021 budget is \$3,736,766. The county has a very healthy fund balance: The current level of the fund balance is \$22 million over the required two-month expenditure level.

Total county employment remained the same: It is net for net with six new positions, and six eliminated positions.

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“Although pulling from the fund balance is not fiscally responsible under normal circumstances, we all know we are not living in normal times,” Dahlkemper said. “I am proud of the employees and elected officials in your county government who have pulled together to be very good stewards of your tax payer dollars. We asked all of them to make significant changes, and they did; we asked them to cut their budgets for 2021, and they did; we asked them to work with us to decrease the large hole we were facing, and they did.”

The proposal was submitted to Erie County Council for review and approval by Dec. 1. Complete details of the proposal can be found at eriecountypa.gov.

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