



COUNTY OF ERIE
STEFAN I. MYCHAJLIW
COMPTROLLER

January 4th, 2013

Mr. Robert W. Keating,
 Director of Budget & Management
 County of Erie
 95 Franklin Street, 16th Floor
 Buffalo, New York 14202

Re: Erie County's Cash Position, 12/31/12 and beyond

Dear Mr. Keating:

As you are aware, we entered 2013 with \$9.6 million dollars "cash on hand," an amount well below the previously anticipated \$41 million dollars. (As outlined in my previous correspondence dated 1/3/13.)

Our already challenging position was compounded by New York State's request for a \$15 million payment on Wednesday, January 2nd, 2013, with a payment date of January 8th, 2013 for an Intergovernmental Transfer (IGT) payment related to the Erie County Medical Center (ECMCC).

I am pleased to report that through the collaborative efforts of my office and the leadership team at ECMCC and New York State we have resolved this immediate problem for the time being, and reached a verbal agreement to delay the \$15 million IGT payment until March 12th, 2013 when we expect our cash balance to improve. We expect the formal letter of approval from New York State as early as Monday, January 7th, 2013.

We owe the leadership team at ECMCC and specifically CEO Jody Lomeo a debt of gratitude for their willingness to come together and resolve this fiscal issue. By working together with ECMCC we have reached a compromise that truly benefits the taxpayers. On behalf of the people of Erie County, I cannot express enough how cooperative hospital officials were in working collaboratively to find a positive resolution to this issue.

While we have passed this immediate hurdle, concerns about our lower than expected cash position remain. I look forward to working with the County Executive and your Budget Office in order to determine how the County ended 2012 with \$9.6 million in cash compared to the previously anticipated \$41 million, a difference of \$31.4 million.

Thank you very much for working together with us to resolve this issue. This is exactly what taxpayers expect from their public servants: a dedicated team of county officials, working in a bi-partisan manner, to identify and solve problems.

Sincerely,

Stefan I. Mychajliw Jr.
 Erie County Comptroller

cc: Honorable Mark C. Poloncarz, Erie County Executive
 Honorable Betty Jean Grant, Erie County Legislature Chairperson
 Honorable John J. Mills, Erie County Legislature Minority Leader