



COUNTY OF ERIE
STEFAN I. MYCHAJLIW
COMPTROLLER

July 31, 2013

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

Honorable Mark C. Poloncarz
 Erie County Executive
 95 Franklin St., 16th Floor
 Buffalo, NY 14202

Dear Honorable Members and County Executive Poloncarz:

My office has prepared an Interim Financial Report ("Report") of the County of Erie, New York ("County") as of and for the six-month period ended June 30, 2013 (i.e., "Second Quarter 2013"). The Report, enclosed for your review, consists of the following elements:

- Financial Statements
- Investment Report
- Cash Flow Statement
- Property Tax and Sales Tax Summary
- Debt Schedules
- Miscellaneous Financial Data (including data on short and long-term bonded indebtedness, property tax rates and constitutional taxing power)

We provide the following observations and comments for your consideration:

Sales Tax

As you are aware, the County's 2013 Adopted Budget amount of \$426,033,687 is predicated on a 3.73% increase in sales tax revenue above the County's 2012 actual sales tax revenue.

The sales tax revenue amount for the County's Second Quarter 2013 was \$203,992,666 compared to \$198,155,974 for the Second Quarter of 2012. During the first six months of 2013, the County experienced an \$5,836,692 (2.9%) increase in sales tax revenue, compared to the first six months of 2012. This reflects the Division of Budget and Management's accrual of June sales tax. The actual receipts for the first five months of 2013 reflected a 2.27% increase. If that rate of growth continues to the end of the year the year-end deficit in

sales tax will be \$6,007,287. The final revenue amounts at June 30, 2013 will be known to the County in mid-August.

As you are well aware sales tax revenues are the largest revenue source for Erie County. Wall Street ratings agencies and the Office of Comptroller have issued numerous warnings on Erie County's risky reliance on volatile sales tax revenue.

The first five months of 2013 sales tax has been received and the growth rate was 2.27%. While it is still too early to draw any conclusions on how 2013 sales tax will end, this reinforces my office's warnings about the overly optimistic sales tax projections contained in the Poloncarz administration's 2013 budget, an increase of 3.73% over 2012 actual.

The same concern was even expressed by representatives of the Erie County Division of Budget and Management earlier this year, when they expressed before your Honorable Body similar concern of whether or not sales tax projections for all of 2013 are realistic:

*"(We) hope that sales tax comes in better than we expect, but right now we don't think that is going to be the case. **We think the budget for sales tax this year is overly optimistic. We are not going to make budget on that.**"*

Source: Erie County Senior Budget Consultant Timothy Callan, Erie County Legislature Finance and Management Committee, March 14th, 2013

"In sales tax, again, if we had to budget it over, I would have budgeted less in sales tax."

Source: Erie County Budget Director Robert Keating, Erie County Legislature Finance and Management Committee, May 2nd, 2013

"The sales tax number is an area of concern."

Source: Erie County Senior Budget Consultant Timothy Callan, Erie County Legislature Finance and Management Committee, May 2nd, 2013

This office will continue to monitor this account, the largest revenue in the budget at \$426,033,687, closely throughout the year and will report as we receive monthly updates from the State.

Real Property Taxes

Through the six-month period ended June 30, 2013, the County received 90.7% of the \$310,034,917 that was levied and is collectible for County purposes, which is 0.3% higher than the percentage collected as of June 30, 2012. Taxes remaining to be collected are at \$28,726,950 compared to \$30,038,310 at June 30, 2012 (4.4% decrease).

2013 Capital Borrowing

On February 7, 2013 the County Legislature approved the County Executive's 2013 Consolidated Bond Resolution for capital projects amounting to approximately \$50.3 million, of which approximately \$38.9 million was approved to be bonded. On that same date the County Legislature approved a Refunding Bond Resolution not to exceed \$40.0 million.

On April 4, 2013, the County closed a bond transaction involving a principal amount of \$29,649,733 in "new County money" that provided the necessary cash to fund the related capital projects. Also, a refunding bond was closed in the amount of \$35,960,700, including premium, resulting in present value savings of \$2,325,500.

On March 21, 2013 the Erie County Legislature approved the Ralph Wilson Stadium Bond Resolution authorizing up to \$40,654,350 in bonds to be sold to finance the work required under the Buffalo Bills Stadium 2013 lease extension to be done at Ralph Wilson Stadium.

It is expected that the County will close on the above transaction on or about August 27, 2013 through a mirror bond transaction with the Erie County Fiscal Stability Authority.

Short-term Borrowing in 2013

On May 23, 2013 the Erie County Legislature approved the 2013 Revenue Anticipation Note ("RAN") resolution authorizing up to \$130,000,000 to be borrowed to cover the County's short term cash flow needs. Ultimately the final dollar amount and timing of the issuance will be determined as the County's actual cash position is monitored and projections are adjusted, as applicable, throughout the year. It is expected that the County will close on the above transaction on or about August 27, 2013 through a mirror RAN transaction with the Erie County Fiscal Stability Authority.

Conclusion

The financial statements and other information contained in this Report have been compiled largely from the official accounting records maintained in the County's SAP system. The Financial Statements from ECMCC, Erie Community College, the Erie County Tobacco Securitization Corporation, the Buffalo and Erie County Industrial Land Development Corporation, Inc. and the ECFSA are not included because financial information for the aforementioned entities is maintained separately from the County.

Information contained in this Report has not been reviewed by the County's independent auditor; therefore, no opinion on this Report is expressed.

Please note that this is the second quarterly report for 2013. The next quarterly financial report will be issued in October 2013 for the Third Quarter 2013.

If you have any questions regarding this submission, please contact me at (716) 858-8400.

Sincerely yours,



Stefan I. Mychajliw
Erie County Comptroller

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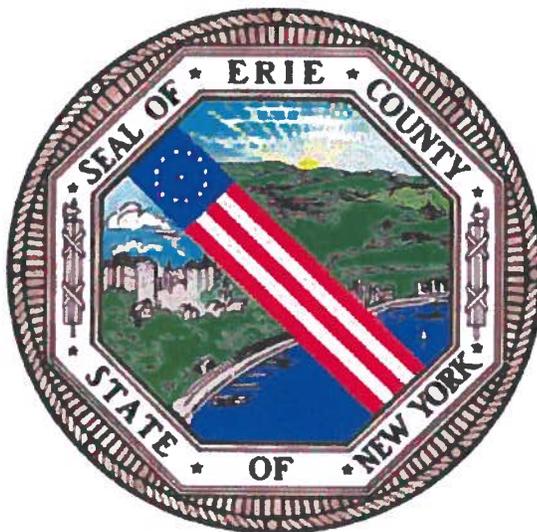
Enclosure

cc: Erie County Fiscal Stability Authority

Robert W. Keating, Director of Budget and Management

**COUNTY OF ERIE, NEW YORK
INTERIM FINANCIAL REPORT**

FOR THE SIX MONTHS ENDED JUNE 30, 2013



Erie County Comptroller's Office

STEFAN I. MYCHAJLIW

Erie County Comptroller

JULY 31, 2013

COUNTY OF ERIE, NEW YORK

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FUND FINANCIAL STATEMENTS

COUNTY OF ERIE, NEW YORK

Balance Sheet

Governmental Funds

June 30, 2013

(amounts expressed in thousands)

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS:			
Cash and cash equivalents	\$ 24,749	\$ 53,623	\$ 78,372
Investments	-	200	200
Receivables (net of allowances)			
Real property taxes, interest, penalties and liens	82,378	643	83,021
Other	13,931	30,104	44,035
Due from other funds	39,649	35,485	75,134
Due from component unit	5,192	-	5,192
Due from other governments	188,046	19,932	207,978
Prepaid items	350	-	350
Restricted cash	129	106,900	107,029
Total assets	\$ 354,424	\$ 246,887	\$ 601,311
LIABILITIES:			
Accounts payable	\$ 8,993	\$ 1,429	\$ 10,422
Accrued liabilities	58,286	3,589	61,875
Due to other funds	5,791	41,312	47,103
Due to component unit	1,752	-	1,752
Due to other governments	8,694	-	8,694
Retained percentages payable	-	1,562	1,562
Unearned revenue	11,650	331	11,981
Total liabilities	95,166	48,223	143,389
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue – property taxes	62,320	-	62,320
Unavailable revenue – community development loans	-	29,353	29,353
Total deferred inflows of resources	62,320	29,353	91,673
FUND BALANCES:			
Nonspendable:			
Prepaid items	350	-	350
Restricted for:			
Handicapped parking	129	-	129
Law enforcement	-	-	-
E-911 system costs	-	1,120	1,120
Debt service	-	9,386	9,386
Capital expenditures	-	106,500	106,500
Assigned:			
Other purposes	67,128	52,305	119,433
Unassigned	129,331	-	129,331
Total fund balances	196,938	169,311	366,249
Total liabilities, deferred inflows of resources and fund balances	\$ 354,424	\$ 246,887	\$ 601,311

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the six months ended June 30, 2013

(amounts expressed in thousands)

	General	Other Governmental Funds	Total Governmental Funds
REVENUES:			
Real property taxes and tax items	\$ 222,298	\$ 37,577	\$ 259,875
Sales and use taxes	349,841	2,063	351,904
Transfer taxes	-	3,851	3,851
Intergovernmental	164,865	16,752	181,617
Departmental	35,581	10,988	46,569
Interest	530	2,453	2,983
Miscellaneous	6,289	3,441	9,730
Total revenues	779,404	77,125	856,529
EXPENDITURES:			
Current:			
General government support	189,257	3,234	192,491
Public safety	63,173	6,319	69,492
Health	33,514	3,647	37,161
Transportation	10,198	10,903	21,101
Economic assistance and opportunity	298,172	7,021	305,193
Culture and recreation	9,491	-	9,491
Education	37,316	42	37,358
Home and community service	1,483	25,820	27,303
Capital outlay	-	10,546	10,546
Debt service:			
Principal retirement	-	28,001	28,001
Interest and fiscal charges	337	10,098	10,435
Total expenditures	642,941	105,631	748,572
Excess (deficiency) of revenues over expenditures	136,463	(28,506)	107,957
OTHER FINANCING SOURCES (USES):			
Issuance of general obligation debt	-	25,635	25,635
Premium on bond issuance	-	8,882	8,882
Issuance of refunding bonds	-	31,135	31,135
Payments to refunded bond escrow	-	(35,895)	(35,895)
Sale of property	19	-	19
Transfers in	-	47,522	47,522
Transfers out	(59,685)	(3,381)	(63,066)
Total other financing sources (uses)	(59,666)	73,898	14,232
Net change in fund balances	76,797	45,392	122,189
Fund balances at beginning of year	120,141	123,919	244,060
Fund balances at end of six months	\$ 196,938	\$ 169,311	\$ 366,249

Statement of Net Position

Proprietary Fund

June 30, 2013

(amounts expressed in thousands)

	Business - Type Activity Enterprise Fund Utilities Aggregation Fund
ASSETS:	
Current Assets:	
Other receivable	\$ 201
Due from other funds	173
Due from other governments	3,666
Total current assets	4,040
Total assets	4,040
LIABILITIES	
Current Liabilities:	
Accrued liabilities	341
Due to other funds	582
Due to other governments	173
Total current liabilities	1,096
Total liabilities	1,096
NET POSITION:	
Unrestricted	2,944
Total net Position	\$ 2,944

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Fund

For the six months ended June 30, 2013

(amounts expressed in thousands)

	Business - Type Activity Enterprise Fund Utilities Aggregation Fund
OPERATING REVENUES:	
Interfund revenues	\$ 3,835
Other operating revenue	9,886
Total operating revenue	13,721
OPERATING EXPENSES:	
Employee wages	18
Employee benefits	15
Utilities and telephone	12,653
Total operating expenses	12,686
Change in net position	1,035
Total net position - beginning	1,909
Total net position at end of six months	\$ 2,944

Statement of Fiduciary Net Position

Fiduciary Fund

June 30, 2013

(amounts expressed in thousands)

	Agency Fund
ASSETS:	
Cash and cash equivalents	\$ 29,490
Receivables:	
Other receivables	518
Due from other governments	5
Bonds and securities held in custody	25
Total assets	\$ 30,038
LIABILITIES:	
Held in custody for others	\$ 30,038
Total liabilities	\$ 30,038

**COMBINING & INDIVIDUAL
FUND STATEMENTS & SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds include the Road, Sewer, Downtown Mall, E-911, Emergency Response, Grants and Community Development Funds.

- **Road Fund**
Used to account for all revenues and expenditures related to the maintenance of County roads and bridges, snow removal, construction and reconstruction of County roads not required to be recorded in a Capital Projects Fund.
- **Sewer Fund**
Used to account for the activities of the various sewer districts currently in operation within the County.
- **Downtown 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.
- **E-911 Fund**
Used to account for revenues raised through a telephone access line surcharge and the subsequent expenditure of these monies for the establishment and maintenance of an enhanced 911 emergency telephone system.
- **Emergency Response Fund**
Used to account for revenues received from the Federal Emergency Management Agency and expenditures associated with the on-going clean up of major winter storm damage that occurred in October 2006. This fund is expected to be closed out during 2013.
- **Grants Fund**
Used to account for federal and state operating grants (except the Community Development Block Grant) earmarked for specific programs, so that grantor accounting and reporting requirements can be satisfied.
- **Community Development Fund**
Used to assist participating municipalities in the development of locally approved community or economic development activities that are eligible under federal program regulations.

DEBT SERVICE FUND

The Debt Service Fund is used to account for current payments of principal and interest on general obligation long-term debt, and for financial resources that have been accumulated to make future principal and interest payments on general long term indebtedness.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

- **General Government Buildings, Equipment and Improvements Fund**
Used to account for capital projects administered by the Department of Public Works involving the acquisition, construction, or reconstruction of major or permanent facilities having a relatively long useful life and equipment purchased from the proceeds of long-term debt.
- **Highways, Roads, Bridges and Equipment Fund**
Utilized to account for capital projects administered by the Department of Public Works for the construction or reconstruction of County roads and bridges and the acquisition of equipment not accounted for in the Road Fund.
- **Sewers, Facilities, Equipment and Improvements Fund**
Used to account for capital projects relating to the construction and acquisition of sewer facilities and equipment by the operating sewer districts.
- **Tobacco Proceeds Fund**
Used to account for the net proceeds from the County's securitization of its share of the 1998 Master Settlement Agreement with the tobacco industry that will be used to fund capital projects that otherwise would have been supported by operating funds or the issuance of bonds
- **Special Capital Projects Fund**
Utilized to account for capital projects administered by departments other than Public Works that are primarily for the acquisition or construction of buildings, improvements and equipment.
- **Erie County Medical Center Corporation (ECMCC) Capital Projects Fund**
Utilized to account for capital projects that are for the acquisition or construction of buildings, improvements and equipment for the Erie County Medical Center Corporation

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2013

(amounts expressed in thousands)

Special Revenue

	Road	Sewer	Downtown Mall	E-911
ASSETS:				
Cash and cash equivalents	\$ 2,889	\$ 40,090	\$ 51	\$ -
Investments	-	-	-	-
Receivables (net of allowances)				
Real property taxes, interest, penalties and liens	-	-	643	-
Other	-	6	-	586
Due from other funds	-	9,932	3	-
Due from other governments	903	128	-	4
Restricted cash	-	-	-	950
Total assets	\$ 3,792	\$ 50,156	\$ 697	\$ 1,540
LIABILITIES:				
Accounts payable	\$ 34	\$ 197	\$ -	\$ 67
Accrued liabilities	800	1,294	19	353
Due to other funds	7	204	-	-
Retained percentages payable	-	2	-	-
Unearned revenue	-	-	-	-
Total liabilities	841	1,697	19	420
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue – community development loans	-	-	-	-
FUND BALANCES:				
Restricted for:				
E-911 system costs	-	-	-	1,120
Debt service	-	-	-	-
Capital expenditures	-	-	-	-
Assigned:				
Other purposes	2,951	48,459	678	-
Total fund balances	2,951	48,459	678	1,120
Total liabilities, deferred inflows of resources and fund balances	\$ 3,792	\$ 50,156	\$ 697	\$ 1,540

(Continued)

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2013

(amounts expressed in thousands)

Special Revenue

	Emergency Response	Grants	Community Development	Total
ASSETS:				
Cash and cash equivalents	\$	\$ -	\$ -	\$ 43,030
Investments	-	-	-	-
Receivables (net of allowances) Real property taxes, interest, penalties and liens	-	-	-	643
Other	-	202	29,224	30,018
Due from other funds	-	-	-	9,935
Due from other governments	217	13,833	467	15,552
Restricted cash	-	-	-	950
Total assets	\$ 217	\$ 14,035	\$ 29,691	\$ 100,128
LIABILITIES:				
Accounts payable	\$ -	\$ 466	\$ 30	\$ 794
Accrued liabilities	-	786	134	3,386
Due to other funds	-	12,635	174	13,020
Retained percentages payable	-	123	-	125
Unearned revenue	-	25	-	25
Total liabilities	-	14,035	338	17,350
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue – community development loans	-	-	29,353	29,353
FUND BALANCES:				
Restricted for:				
E-911 system costs	-	-	-	1,120
Debt service	-	-	-	-
Capital expenditures	-	-	-	-
Assigned:				
Other purposes	217	-	-	52,305
Total fund balances	217	-	-	53,425
Total liabilities, deferred inflows of resources and fund balances	\$ 217	\$ 14,035	\$ 29,691	\$ 100,128

(Continued)

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2013

(amounts expressed in thousands)

Capital Projects

	Debt Service	General Government Buildings, Equipment and Improvements	Highways, Roads, Bridges and Equipment	Sewers, Facilities Equipment and Improvements	Tobacco Proceeds
ASSETS:					
Cash and cash equivalents	\$ -	\$ 5,491	\$ -	\$ 4,331	\$ -
Investments	-	-	-	-	200
Receivables (net of allowances) Real property taxes, interest, penalties and liens	-	-	-	-	-
Other	-	-	-	-	-
Due from other funds	25,534	-	-	-	-
Due from other governments	605	39	2,817	525	-
Restricted cash	-	55,065	32,519	6,690	16
Total assets	\$ 26,139	\$ 60,595	\$ 35,336	\$ 11,546	\$ 216
LIABILITIES:					
Accounts payable	\$ -	\$ 211	\$ 423	\$ 1	\$ -
Accrued liabilities	143	45	-	12	-
Due to other funds	16,610	5,022	1,738	4,318	-
Retained percentages payable	-	252	-	525	-
Unearned revenue	-	-	306	-	-
Total liabilities	16,753	5,530	2,467	4,856	-
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue – community development loans	-	-	-	-	-
FUND BALANCES:					
Restricted for:					
E-911 system costs	-	-	-	-	-
Debt service	9,386	-	-	-	-
Capital expenditures	-	55,065	32,869	6,690	216
Assigned:					
Other purposes	-	-	-	-	-
Total fund balances	9,386	55,065	32,869	6,690	216
Total liabilities, deferred inflows of resources and fund balances	\$ 26,139	\$ 60,595	\$ 35,336	\$ 11,546	\$ 216

(Continued)

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2013

(amounts expressed in thousands)

Capital Projects

	Special Capital Projects	ECMCC Capital Projects	Total	Total Nonmajor Governmental Funds
ASSETS:				
Cash and cash equivalents	\$ 765	\$ 6	\$ 10,593	\$ 53,623
Investments	-	-	200	200
Receivables (net of allowances)				
Real property taxes, interest, penalties and liens	-	-	-	643
Other	86	-	86	30,104
Due from other funds	-	16	16	35,485
Due from other governments	394	-	3,775	19,932
Restricted cash	8,456	3,204	105,950	106,900
Total assets	\$ 9,701	\$ 3,226	\$ 120,620	\$ 246,887
LIABILITIES:				
Accounts payable	\$ -	\$ -	\$ 635	\$ 1,429
Accrued liabilities	-	3	60	3,589
Due to other funds	586	18	11,682	41,312
Retained percentages payable	659	1	1,437	1,562
Unearned revenue	-	-	306	331
Total liabilities	1,245	22	14,120	48,223
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue – community development loans	-	-	-	29,353
FUND BALANCES:				
Restricted for:				
E-911 system costs	-	-	-	1,120
Debt service	-	-	-	9,386
Capital expenditures	8,456	3,204	106,500	106,500
Assigned:				
Other purposes	-	-	-	52,305
Total fund balances	8,456	3,204	106,500	169,311
Total liabilities, deferred inflows of resources and fund balances	\$ 9,701	\$ 3,226	\$ 120,620	\$ 217,534

(Concluded)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds
For the six months ended June 30, 2013
(amounts expressed in thousands)

Special Revenue

	Road	Sewer	Downtown Mall	E-911
REVENUES:				
Real property taxes and tax items	\$ -	\$ 36,291	\$ 1,286	\$ -
Sales and use taxes	-	-	-	2,063
Transfer taxes	3,851	-	-	-
Intergovernmental	12	-	-	9
Departmental	89	8,672	-	-
Interest	-	50	-	-
Miscellaneous	4	636	-	-
Total revenues	3,956	45,649	1,286	2,072
EXPENDITURES:				
Current:				
General government support	-	-	608	-
Public safety	-	-	-	2,870
Health	-	-	-	563
Transportation	10,903	-	-	-
Economic assistance and opportunity	-	-	-	-
Education	-	-	-	-
Home and community service	-	23,447	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	10,903	23,447	608	3,433
(Deficiency) excess of revenues over expenditures	(6,947)	22,202	678	(1,361)
OTHER FINANCING SOURCES (USES) :				
Issuance of general obligation debt	-	-	-	-
Premium on bond issuance	-	-	-	-
Issuance of refunding bonds	-	-	-	-
Payments to refunded bond escrow	-	-	-	-
Transfers in	6,962	-	-	1,149
Transfers out	(7)	(3,371)	-	-
Total other financing sources (uses)	6,955	(3,371)	-	1,149
Net change in fund balances	8	18,831	678	(212)
Fund balances at beginning of year	2,943	29,628	-	1,332
Fund balances at end of six months	\$ 2,951	\$ 48,459	\$ 678	\$ 1,120

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds
For the six months ended June 30, 2013
(amounts expressed in thousands)

Special Revenue

	Emergency Response	Grants	Community Development	Total
REVENUES:				
Real property taxes and tax items	\$ -	\$ -	\$ -	\$ 37,577
Sales and use taxes	-	-	-	2,063
Transfer taxes	-	-	-	3,851
Intergovernmental	-	14,194	862	15,077
Departmental	-	388	1,224	10,373
Interest	-	-	-	50
Miscellaneous	-	586	-	1,226
Total revenues	-	15,168	2,086	70,217
EXPENDITURES:				
Current:				
General government support	-	2,624	-	3,232
Public safety	-	3,449	-	6,319
Health	-	3,084	-	3,647
Transportation	-	-	-	10,903
Economic assistance and opportunity	-	6,924	97	7,021
Education	-	42	-	42
Home and community service	-	384	1,989	25,820
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	16,507	2,086	56,984
(Deficiency) excess of revenues over expenditures	-	(1,339)	-	13,233
OTHER FINANCING SOURCES (USES) :				
Issuance of general obligation debt	-	-	-	-
Premium on bond issuance	-	-	-	-
Issuance of refunding bonds	-	-	-	-
Payments to refunded bond escrow	-	-	-	-
Transfers in	-	1,339	-	9,450
Transfers out	-	-	-	(3,378)
Total other financing sources (uses)	-	1,339	-	6,072
Net change in fund balances	-	-	-	19,305
Fund balances at beginning of year	217	-	-	34,120
Fund balances at end of six months	\$ 217	\$ -	\$ -	\$ 53,425

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the six months ended June 30, 2013

(amounts expressed in thousands)

	Capital Projects				
	Debt Service	General Government Buildings, Equipment and Improvements	Highways, Roads, Bridges and Equipment	Sewers, Facilities Equipment and Improvements	Tobacco Proceeds
REVENUES:					
Real property taxes and tax items	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	-	-
Transfer taxes	-	-	-	-	-
Intergovernmental	806	474	1	-	-
Departmental	-	97	-	518	-
Interest	2,390	-	-	13	-
Miscellaneous	2,215	-	-	-	-
Total revenues	5,411	571	1	531	-
EXPENDITURES:					
Current:					
General government support	2	-	-	-	-
Public safety	-	-	-	-	-
Health	-	-	-	-	-
Transportation	-	-	-	-	-
Economic assistance and opportunity	-	-	-	-	-
Education	-	-	-	-	-
Home and community service	-	-	-	-	-
Capital outlay	-	6,825	1,868	573	-
Debt service:					
Principal retirement	28,001	-	-	-	-
Interest and fiscal charges	10,098	-	-	-	-
Total expenditures	38,101	6,825	1,868	573	-
(Deficiency) excess of revenues over expenditures	(32,690)	(6,254)	(1,867)	(42)	-
OTHER FINANCING SOURCES (USES) :					
Issuance of general obligation debt	-	15,865	7,349	-	-
Premium on bond issuance	4,867	2,485	1,151	-	-
Issuance of refunding bonds	31,135	-	-	-	-
Payments to refunded bond escrow	(35,895)	-	-	-	-
Transfers in	36,765	39	7	1,175	-
Transfers out	-	(3)	-	-	-
Total other financing sources (uses)	36,872	18,386	8,507	1,175	-
Net change in fund balances	4,182	12,132	6,640	1,133	-
Fund balances at beginning of year	5,204	42,933	26,229	5,557	216
Fund balances at end of six months	\$ 9,386	\$ 55,065	\$ 32,869	\$ 6,690	\$ 216

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds
For the six months ended June 30, 2013
(amounts expressed in thousands)

Capital Projects

	Special Capital Projects	ECMCC Capital Projects	Total	Total Nonmajor Governmental Funds
REVENUES:				
Real property taxes and tax items	\$ -	\$ -	\$ -	\$ 37,577
Sales and use taxes	-	-	-	2,063
Transfer taxes	-	-	-	3,851
Intergovernmental	394	-	869	16,752
Departmental	-	-	615	10,988
Interest	-	-	13	2,453
Miscellaneous	-	-	-	3,441
Total revenues	394	-	1,497	77,125
EXPENDITURES:				
Current:				
General government support	-	-	-	3,234
Public safety	-	-	-	6,319
Health	-	-	-	3,647
Transportation	-	-	-	10,903
Economic assistance and opportunity	-	-	-	7,021
Education	-	-	-	42
Home and community service	-	-	-	25,820
Capital outlay	1,280	-	10,546	10,546
Debt service:				
Principal retirement	-	-	-	28,001
Interest and fiscal charges	-	-	-	10,098
Total expenditures	1,280	-	10,546	105,631
(Deficiency) excess of revenues over expenditures	(886)	-	(9,049)	(28,506)
OTHER FINANCING SOURCES (USES) :				
Issuance of general obligation debt	2,421	-	25,635	25,635
Premium on bond issuance	379	-	4,015	8,882
Issuance of refunding bonds	-	-	-	31,135
Payments to refunded bond escrow	-	-	-	(35,895)
Transfers in	86	-	1,307	47,522
Transfers out	-	-	(3)	(3,381)
Total other financing sources (uses)	2,886	-	30,954	73,898
Net change in fund balances	2,000	-	21,905	45,392
Fund balances at beginning of year	6,456	3,204	84,595	123,919
Fund balances at end of six months	\$ 8,456	\$ 3,204	\$ 106,500	\$ 169,311

(Concluded)

LIBRARY COMPONENT UNIT

The financial data shown for the Buffalo and Erie County Public Library is derived from records maintained on its behalf by the County. The Library does not issue separate financial statements. The inclusion of the Library as a component unit in the County's financial statements reflects the County's financial accountability for this legally separate entity.

Balance Sheet

Library Component Unit

June 30, 2013

(amounts expressed in thousands)

	Library
ASSETS:	
Cash and cash equivalents	\$ 18,106
Receivables (net of allowances)	
Other	110
Due from primary government	1,749
Due from other governments	759
Total assets	\$ 20,724
LIABILITIES:	
Accounts payable	\$ 479
Accrued liabilities	1,156
Unearned revenue	346
Total liabilities	1,981
FUND BALANCES:	
Committed	3,929
Assigned	815
Unassigned	13,999
Total fund balances	18,743
Total liabilities and fund balances	\$ 20,724

Statement of Revenues, Expenditures and Changes in Fund Balance

Library Component Unit

For the six months ended June 30, 2013

(amounts expressed in thousands)

	Library
REVENUES:	
Real property taxes and tax items	\$ 22,172
Intergovernmental	984
Departmental	280
Interest	6
Miscellaneous	73
Total revenues	23,515
EXPENDITURES:	
Current:	
Culture and recreation	13,647
Total expenditures	13,647
Net change in fund balances	9,868
Fund balance at beginning of year	8,875
Fund balances at end of six months	\$ 18,743

INVESTMENT REPORT

Investment Report

January 1, 2013 through June 30, 2013

In accordance with the Comptroller's Investment Guidelines, the Investment Report for the first six months of 2013 is hereby submitted. The primary objectives of the investment program, as set out in established guidelines, are as follows in order of importance:

- compliance with legal requirements
- safeguarding of principal
- ensuring sufficient liquidity
- obtaining a reasonable rate of return

Our cash management program offers the County a good return on its investments without assuming unnecessary risks. A total of 756 investments were made during the first six months, resulting in \$390,096 in total interest earnings for all funds. The weighted average yield for the first six months was .28%. For comparison, during the first six months of 2012, 714 investments were effectuated which generated \$508,130 in total interest earnings for all funds at an average weighted yield of .35%.

SUMMARY OF INVESTMENTS PURCHASED

	Number of Investments Jan - June		Average Investment (in millions) Jan - June		Average Length of Investment (days) Jan - June	
	2013	2012	2013	2012	2013	2012
JP Morgan Chase, N.A.	741	697	43.8	43.0	5	5
First Niagara Bank	2	N/A	.2	N/A	91	N/A
Bank of America	N/A	N/A	N/A	N/A	N/A	N/A
HSBC Bank USA, N.A.	N/A	9	N/A	1.7	N/A	12
Key Bank, N.A.	N/A	N/A	N/A	N/A	N/A	N/A
Manufacturers & Traders	13	8	17.2	23.6	62	30
Totals	756	714				

Investment Report

January 1, 2013 through June 30, 2013

SUMMARY OF INTEREST EARNINGS BY FUND

	General Fund	Trust Fund	Capital Fund	Sewer Fund	Total
1 st Quarter	\$71,201	\$12,855	\$64,744	\$15,845	\$164,645
2 nd Quarter	\$88,986	\$16,443	\$86,548	\$33,474	\$225,451
Year to date	\$160,187	\$29,298	\$151,292	\$49,319	\$390,096

Please note the 2013 Adopted Budget General Fund interest earnings is \$500,000. The actual year to date earnings for the General Fund as of June 30, 2013 is \$160,187. For comparison, as of June 30, 2012, the General Fund interest earnings were \$255,451.

SUMMARY OF WEIGHTED AVERAGE YIELD (ALL FUNDS)

Month	Weighted Average Yield	
	2013	2012
January	.30%	.41%
February	.30%	.39%
March	.30%	.38%
April	.27%	.33%
May	.26%	.29%
June	.25%	.27%
Weighted Average Jan. – Jun.	.28%	.35%

CASH FLOW STATEMENT

As a matter of procedure, the Erie County Comptroller's Office does not report public projections regarding future cash flows or other results. However, the Comptroller's Office has prepared projected cash flow information, set forth in the following schedule, to present the projected cumulative cash flow of Erie County for the year ending December 31, 2013.

The projected financial information is subject to change based on various intervening factors, and was not produced to comply with guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information. Rather, it was prepared by the Comptroller's Office based on data provided by the Division of Budget, Management and Finance and other sources to reflect the best and currently available estimates and judgments, and presents, to the best of the Comptroller's Office's knowledge, the expected future cash flow of the County.

This information is not static or audited, and should not be relied upon as indicative of future results.

NEITHER THE COUNTY'S INDEPENDENT AUDITORS NOR ANY OTHER INDEPENDENT ACCOUNTANTS HAVE COMPILED, EXAMINED OR PERFORMED ANY PROCEDURES WITH RESPECT TO THE PROSPECTIVE CASH FLOW INFORMATION CONTAINED HEREIN. IN ADDITION, THEY HAVE NOT EXPRESSED ANY OPINION OR ANY OTHER FORM OF ASSURANCE ON SUCH INFORMATION OR ITS ACHIEVABILITY, AND ASSUME NO RESPONSIBILITY FOR, AND DISCLAIM ANY ASSOCIATION WITH, THE PROSPECTIVE FINANCIAL INFORMATION.

COUNTY OF ERIE, NEW YORK

County Of Erie

Cash Flow Statement

January-June Actual, July-December Projected
2013

Description	Actual January	Actual February	Actual March	Actual April	Actual May
Opening Balance	\$ 9,780,690				
RECEIPTS:					
DSS	\$ 26,001,080	\$ 13,925,331	\$ 29,573,411	\$ 437,438	\$ 36,975,171
Sales Tax	52,645,091	59,017,066	51,414,485	59,382,199	52,193,591
Real Property Tax	13,912,498	43,736,047	204,594,077	26,039,526	6,913,108
Other	21,196,904	28,651,459	39,077,614	(10,528,858)	13,746,489
RAN Proceeds	-	-	-	-	-
EFSCA Set Aside Release	920,656	-	1,076,581	661,150	13,549,656
Total Receipts	114,676,229	145,329,903	325,736,168	75,991,455	123,378,015
DISBURSEMENTS:					
DSS	36,183,529	31,651,826	54,200,879	35,179,516	33,107,991
Payroll	28,163,531	24,676,192	34,498,275	23,656,403	25,079,420
Vendor	32,180,177	41,021,318	109,229,465	59,657,801	32,810,776
Debt Service	2,239,020	1,138	5,172,434	6,953,690	1,050,533
RAN Set Asides	-	5,500,000	17,300,000	27,700,000	17,000,000
ECFSA Bond Set Asides	2,592,858	3,014,925	3,014,912	3,018,845	4,384,811
ECFSA Debt Service	920,656	-	1,076,581	661,150	13,549,656
Total Disbursements	102,279,771	105,865,399	224,492,546	156,827,405	126,983,187
Monthly Cash Flow	\$ 12,396,458	\$ 39,464,504	\$ 101,243,622	\$ (80,835,950)	\$ (3,605,172)
Cumulative Cash Flow	\$ 22,177,148	\$ 61,641,652	\$ 162,885,274	\$ 82,049,324	\$ 78,444,152

(Continued)

COUNTY OF ERIE, NEW YORK

County Of Erie

Cash Flow Statement

January-June Actual, July-December Projected
2013

Description	Actual June	Projected July	Projected August	Projected September	Projected October
Opening Balance					
RECEIPTS:					
DSS	\$ 14,912,154	\$ 13,902,290	\$ 37,796,425	\$ 14,551,559	\$ 27,193,219
Sales Tax	72,012,542	51,407,591	55,365,666	55,829,130	71,291,651
Real Property Tax	5,012,727	3,735,925	3,961,233	3,225,777	3,654,523
Other	26,030,827	19,305,044	18,020,717	15,082,749	15,475,405
RAN Proceeds	-	-	-	130,000,000	-
EFSCA Set Aside Release	351,375	9,248,664	-	1,413,760	656,075
Total Receipts	118,319,625	97,599,514	115,144,041	220,102,975	118,270,873
DISBURSEMENTS:					
DSS	31,117,193	42,590,087	35,652,956	43,992,487	36,180,827
Payroll	26,508,599	27,627,694	37,546,987	27,870,786	27,122,301
Vendor	78,471,241	34,852,495	30,563,935	74,646,406	41,324,675
Debt Service	5,958,752	503,587	227,636	273,167	992,151
RAN Set Asides	7,500,000	-	-	-	-
ECFSA Bond Set Asides	3,219,133	3,151,634	3,160,874	3,160,874	3,160,874
ECFSA Debt Service	351,375	9,248,664	-	1,413,760	656,075
Total Disbursements	153,126,293	117,974,161	107,152,388	151,357,480	109,436,903
Monthly Cash Flow	\$ (34,806,668)	\$ (20,374,647)	\$ 7,991,653	\$ 68,745,495	\$ 8,833,970
Cumulative Cash Flow	\$ 43,637,484	\$ 23,262,837	\$ 31,254,490	\$ 99,999,985	\$ 108,833,955

(Continued)

COUNTY OF ERIE, NEW YORK

County Of Erie

Cash Flow Statement

January-June Actual, July-December Projected
2013

Description	Projected November	Projected December	TOTAL
Opening Balance			
RECEIPTS:			
DSS	\$ 25,208,491	\$ 3,562,394	\$ 244,038,963
Sales Tax	54,488,929	73,753,777	708,801,718
Real Property Tax	6,294,170	2,663,937	323,743,548
Other	13,512,129	44,898,713	244,469,192
RAN Proceeds	-	-	130,000,000
EFSCA Set Aside Release	3,045,756	1,526,375	32,450,048
Total Receipts	102,549,475	126,405,196	1,683,503,469
DISBURSEMENTS:			
DSS	31,933,636	35,109,158	446,900,085
Payroll	29,491,738	24,754,784	336,996,710
Vendor	34,058,584	129,619,156	698,436,029
Debt Service	2,161,914	6,426,092	31,960,114
RAN Set Asides	-	-	75,000,000
ECFSA Bond Set Asides	3,161,269	5,018,291	40,059,300
ECFSA Debt Service	3,045,756	1,526,375	32,450,048
Total Disbursements	103,852,897	202,453,856	1,661,802,286
Monthly Cash Flow	\$ (1,303,422)	\$ (76,048,660)	\$ 21,701,183
Cumulative Cash Flow	\$ 107,530,533	\$ 31,481,873	

(Concluded)

PROPERTY AND SALES TAX SUMMARY

Property Tax Collections

Six Months Ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Gross Levy	\$ 655,440,978	\$ 655,894,171
Less: Amount Retained by Towns	<u>(345,406,061)</u>	<u>(344,481,197)</u>
Net Collectible by County	310,034,917	311,412,974
Less: January - June Collections	<u>(281,307,967)</u>	<u>(281,374,664)</u>
Net Outstanding at June 30	<u>\$ 28,726,950</u>	<u>\$ 30,038,310</u>
Percentage Collected through June 30	<u>90.7%</u>	<u>90.4%</u>

Source: Erie County Govern Tax Collection System.

Sales Tax Revenue

Six Months Ended June 30, 2013 and 2012

	2013 Adopted Budget ⁽¹⁾	June 2013 Y-T-D Revenue ⁽²⁾	% of Budget Realized	2012 Adopted Budget ⁽¹⁾	June 2012 Y-T-D Revenue ⁽²⁾	% of Budget Realized
Sales And Use Tax	\$ 160,687,222	\$ 76,915,473	47.9%	\$ 155,253,226	\$ 74,770,595	48.2%
1% Sales Tax - Erie County Purposes . . .	151,704,649	72,619,230	47.9%	146,556,918	70,593,251	48.2%
0.25% Sales Tax	37,880,605	18,152,654	47.9%	36,412,330	17,597,376	48.3%
0.50% Sales Tax	75,761,211	36,305,309	47.9%	72,824,659	35,194,752	48.3%
Totals	\$ 426,033,687	\$ 203,992,666	47.9%	\$ 411,047,133	\$ 198,155,974	48.2%

Source: Erie County Comptroller's Office.

Notes:

(1) Through June 30, 2013 year to date, \$140,944,664 was recorded as both a revenue and an expenditure in the County's General Fund for sales tax shared with local municipalities. This revenue amount is excluded from the table above.

(2) Includes accrual estimate for portion to be received in August 2013.

DEBT SCHEDULES

Annual Debt Service Requirements for Long-Term General Obligation Indebtedness of the County (1)

As of June 30, 2013

Fiscal Year			
Ending	Principal	Interest	Total
December 31	Payments	Payments	Debt Service
2013	\$ 16,828,048.00	\$ 10,129,960.03	\$ 26,958,008.03 (1)
2014	46,184,506.01	19,623,662.00	65,808,168.01
2015	49,228,125.00	17,668,707.89	66,896,832.89
2016	47,951,938.00	15,503,926.05	63,455,864.05
2017	49,344,180.00	13,437,130.26	62,781,310.26
2018	44,136,423.00	11,150,779.65	55,287,202.65
2019	38,317,566.00	9,247,100.90	47,564,666.90
2020	39,024,809.00	7,460,306.77	46,485,115.77
2021	26,182,052.00	5,898,977.69	32,081,029.69
2022	27,344,295.00	4,612,730.72	31,957,025.72
2023	28,611,538.00	3,248,303.71	31,859,841.71
2024	10,858,781.00	2,246,272.27	13,105,053.27
2025	7,616,024.00	1,803,042.70	9,419,066.70
2026	5,388,267.00	1,479,213.26	6,867,480.26
2027	3,340,510.00	1,286,871.97	4,627,381.97
2028	3,422,752.00	1,142,729.15	4,565,481.15
2029	3,509,995.00	994,182.46	4,504,177.46
2030	2,642,238.00	865,962.00	3,508,200.00
2031	2,724,481.00	759,124.62	3,483,605.62
2032	2,389,336.00	650,978.20	3,040,314.20
2033	2,332,839.00	547,058.89	2,879,897.89
2034	2,227,839.00	443,638.97	2,671,477.97
2035	2,142,839.00	346,712.35	2,489,551.35
2036	1,387,839.00	248,898.35	1,636,737.35
2037	927,839.00	185,794.07	1,113,633.07
2038	947,839.00	143,373.26	1,091,212.26
2039	977,839.00	99,848.07	1,077,687.07
2040	707,839.00	55,981.31	763,820.31
2041	710,000.00	23,510.58	733,510.58
2042	165,000.00	3,521.93	168,521.93
Totals	\$ 467,573,576.01	\$ 131,308,300.08	\$ 598,881,876.09

Source: Erie County Comptroller's Office

Note:

(1) Amount is net of debt service payments of \$38,099,480.88 made from January 1, 2013 to June 30, 2013.

Direct General Obligation Indebtedness Outstanding

As of June 30, 2013

	<u>Amount</u>	<u>Totals</u>
Bonds:		
Buildings and other Improvements	\$ 128,540,684.83	
Highway Improvements	108,383,033.49	
Court House Facilities	50,798,354.53	
Sewer District Facilities	76,652,115.98	
First Niagara Center	14,610,000.00	
Computer System	13,709,417.04	
Ralph Wilson Stadium	22,971,346.78	
Community College	27,764,951.69	
Convention Center	9,068,570.98	
Buffalo Zoo	2,598,313.00	
Prison Facilities	12,022,875.51	
Nursing Home	453,912.18 ⁽¹⁾	
Total Long-Term Debt		\$ 467,573,576.01 ^{(1) (2)}
Exclusions :		
Sewer District Debt	76,652,115.98	
Budgeted Appropriations	13,831,460.50	
Total Deductions		90,483,576.48
Net Direct Debt		\$ 377,089,999.53

Source: Erie County Comptroller's Office

Notes:

(1) Pursuant to the agreement governing the sale of the County hospital and nursing home to Erie County Medical Center Corporation, the County continues to be directly responsible for the payment of certain bonded debt for these facilities. Bonded debt, in the amount of \$92,550,000 of Erie County Medical Center Corporation for which the County has indirect responsibility as guarantor, is not included above.

(2) This schedule reflects remaining principal for bonds issued from 1993 to 2013 by the County.

Calculation of Constitutional Debt Limit

As of June 30, 2013

For Fiscal Year Ended December 31	Equalized Full Valuation of Taxable Real Property
2008	42,445,603,001.00
2009	44,382,615,337.00
2010	46,120,909,981.00
2011	46,738,119,900.00
2012	47,235,307,041.00
Total five year full valuation	\$ 226,922,555,260.00
5 Year Average full valuation	\$ 45,384,511,052.00
Debt limit - 7% of average full valuation ...	\$ 3,176,915,773.64

Source: NYS Office of the State Comptroller - Data Management Unit

Calculation of Total Net Indebtedness

As of June 30, 2013

Five year average full valuation (2008-2012)		<u>\$ 45,384,511,052.00</u>
Debt Limit - 7% of average full valuation		<u>\$ 3,176,915,773.64</u>
Outstanding Indebtedness:		
Bonds - General	\$ 390,921,460.03	
Bonds - Sewer	76,652,115.98	
Bond Guaranty - ECMCC (1)	92,550,000.00	
Total Indebtedness	<u>560,123,576.01</u>	
Less Exclusions:		
Sewer Exclusion	76,652,115.98	
Budgeted Appropriations	13,831,460.50	
Total Exclusions	<u>90,483,576.48</u>	
Total Net Indebtedness		<u>469,639,999.53</u>
Net Debt Contracting Margin		<u>\$ 2,707,275,774.11</u>
Percentage of Debt Contracting Power Exhausted		<u>14.78%</u>

Sources:

Property Value - NYS Office of the State Comptroller - Data Management Unit.

Indebtedness and exclusions - Erie County Comptroller's Office.

Note:

(1) Erie County Medical Center Corporation

MISCELLANEOUS FINANCIAL DATA

Property Tax Collection History

Last Ten Fiscal Years

Fiscal Year	County	All Other	Total Property	Collected within the	
	Property Taxes	Property Taxes	Taxes Levied	Fiscal Year of the Levy	
	Levied (1)	Levied (2)	for the	Amount	Percentage
			Fiscal Year		of Levy
2003	\$ 152,529,551	\$ 294,505,821	\$ 447,035,372	\$ 446,461,743	99.87%
2004	152,529,551	311,903,684	464,433,235	463,669,059	99.84%
2005	157,641,299	335,876,407	493,517,706	492,180,009	99.73%
2006	188,094,445	352,486,078	540,580,523	528,350,674	97.74%
2007	200,031,205	369,188,266	569,219,471	555,858,355	97.65%
2008	211,837,793	378,978,530	590,816,323	575,132,293	97.35%
2009	223,306,326	388,893,461	612,199,787	595,839,865	97.33%
2010	232,413,974	405,958,043	638,372,017	622,129,950	97.46%
2011	235,182,208	413,059,474	648,241,682	628,996,639	97.03%
2012	237,692,831	418,201,340	655,894,171	636,198,405	97.00%

Sources:

Erie County Department of Real Property Tax Services
 Erie County Govern Tax Collection System

Notes:

(1) Totals shown exclude amounts levied in accordance with State law to recover election expenditures from the municipalities that were incurred by the County.

(2) Totals shown are primarily comprised of taxes levied for the benefit of County towns, re-levy of uncollected school and village taxes, and sewer district taxes and user charges.

Short-Term Borrowing History (1)

1995 - 2013

Year	Amount	Type	Issue Date	Maturity Date
1995	\$ 80,000,000	RAN (2)	09/21/95	09/20/96
1996	40,000,000	RAN	04/18/96	04/17/97
1996	40,000,000	RAN	11/20/96	11/19/97
1997	40,000,000	RAN	06/26/97	06/25/98
1997	40,000,000	RAN	10/30/97	10/29/98
1998	60,000,000	RAN	10/14/98	10/13/99
1999	-	N/A	N/A	N/A
2000	-	N/A	N/A	N/A
2001	-	N/A	N/A	N/A
2002	43,000,000	RAN	09/18/02	09/17/03
2003	90,000,000	RAN	06/24/03	06/23/04
2004	82,500,000	RAN	07/14/04	07/13/05
2005	80,000,000	RAN	03/11/05	03/10/06
2005	80,000,000	RAN	07/14/05	07/13/06
2006	110,000,000	RAN	06/13/06	06/13/07
2007	75,000,000	RAN	06/27/07	06/27/08
2008	75,000,000	RAN	09/30/08	06/30/09
2009	103,534,867	BAN (3)	05/20/09	05/18/10
2009	65,000,000	RAN	10/27/09	06/30/10
2010	45,000,000	RAN	08/12/10	06/30/11
2010	20,000,000	RAN	12/14/10	04/14/11
2011	88,000,000	RAN	10/06/11	06/29/12
2012	75,000,000	RAN	10/11/12	06/28/13

Source: Erie County Comptroller's Office

Notes:

(1) Excludes all Bond Anticipation Notes ("BANs") issued by the Environmental Facilities Corporation.

(2) Revenue Anticipation Notes ("RANs") may be issued in any fiscal year in anticipation of the collection or receipt of taxes (other than real property taxes) and certain other types of revenue which are due and payable in such fiscal year and moneys to be received from the State or Federal government which are due in such fiscal year. Pursuant to State law, such notes must mature within one year after the date of issuance, and may be renewed from time to time for periods of up to one year; however, the maturity of such notes, including renewals, may not extend beyond the end of the second fiscal year following the fiscal year in which such notes were originally issued.

The issuance of RANs has been necessitated, in part, by the State's practice of requiring local governments to pay 100% of the expenditures for various programs in advance, and then providing subsequent, often delayed reimbursement for the non-local share.

(3) BANs may be issued in anticipation of bond proceeds to be received at a later date. On May 17, 2010, the BANs were paid by the issuance of long-term general obligation bonds by the ECFSA pursuant to an agreement entered into by the parties.

Outstanding Long-Term Direct Indebtedness (1)

Last Ten Fiscal Years

As of December 31

Fiscal Year	Amount (2)
2003	327,032,146
2004	384,124,771
2005	446,656,115
2006	460,910,906
2007	423,582,245
2008	379,245,466
2009	336,954,031
2010	448,722,294 (3)
2011	416,691,804 (3)
2012	392,619,957 (3)

Source:

Erie County Basic Financial Statements – 2003-2012 (Audited)

Notes:

(1) *Excludes all sewer debt payable from special assessments.*

(2) *Excludes ECMCC bond guaranty of \$101,375,000 for 2004-2008, \$99,305,000 for 2009, \$97,150,000 for 2010, \$94,900,000 for 2011 and \$92,550,000 for 2012.*

(3) *Excludes ECFSA Bonds and includes Erie County Mirror Bonds.*

Valuations, Tax Levies and Rates

Last Five Fiscal Years

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Assessed Valuation	\$ 35,760,391,331	\$ 35,707,718,703	\$ 35,467,308,165	\$ 34,851,607,714	\$ 33,402,435,778
Equalized Full Valuation	47,138,287,222	47,235,307,049	46,738,119,997	46,120,909,987	44,382,615,356
Levied for County Purposes ⁽¹⁾	237,270,828	237,692,831	235,182,208	232,413,974	223,306,326
Rates for \$1,000 of Equalized Full Valuation	\$5.03	\$5.03	\$5.03	\$5.04	\$5.03

Source:
Division of Real Property Tax Annual Reports.

Note:
(1) Includes County and Library property taxes.

Computation of Constitutional Taxing Power for 2013

Tax Year	Full Valuation
2009	\$ 44,382,615,337
2010	46,120,909,981
2011	46,738,119,900
2012	47,235,307,041
2013	47,138,287,222
Total	\$ 231,615,239,481
Five-Year Average Full Valuation	\$ 46,323,047,896
Tax Limit (1.5%) (1)	694,845,718
Total Exclusions	63,094,762
Total Taxing Power	757,940,480
Total Levy for 2013 (2)	248,208,954
Tax Margin (1)	\$ 509,731,526

Source: Data excerpted from the County's Constitutional Tax Limit Report, which is filed with the New York State Comptroller.

Notes:

(1) New York State Constitutional Tax Limit equals 1.5% of Five-Year Average Full Valuation. By Amendment to the County Charter, the County has limited its annual property tax levy to one per centum (1.0%) of the five year average of full valuation. The County's 2013 total taxing power under this local law is \$526,325,241 leaving a tax margin of \$278,116,287.

(2) Includes County and Library property taxes, taxes for election expenses and Community College chargebacks.