



# County of Erie

MARK C. POLONCARZ

COMPTROLLER

July 31, 2009

Erie County Legislature  
92 Franklin Street, 4<sup>th</sup> Floor  
Buffalo, New York 14202

Honorable Christopher C. Collins  
Erie County Executive  
95 Franklin Street, 16<sup>th</sup> Floor  
Buffalo, New York 14202

Dear Honorable Members and County Executive Collins:

We have prepared a financial report of the County of Erie, New York ("County") as of and for the six (6) months ended June 30, 2009 (the "Report").

The Report, a copy of which is enclosed for your review, consists of the following sections:

- Financial Statements
- Investment Report
- Cash Flow Statement
- Property 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)

The financial statements and other information contained within this Report have been compiled largely from the official accounting records maintained on the County's SAP system. The financial statements for the Erie County Medical Center Corporation, the Erie Community College, the Erie County Tobacco Securitization Corporation, the Erie Tax Certificate Corporation and the Erie County Fiscal Stability Authority are NOT included since financial information for these entities is maintained separately from that of the County. Information contained in this Report has not been reviewed by the County's independent auditor and accordingly, no opinion on this Report is expressed.

If you have any questions, please contact me at 858-8400.

Sincerely yours,

A handwritten signature in black ink that reads "Mark C. Poloncarz". The signature is written in a cursive style and is positioned below the "Sincerely yours," text.

Mark C. Poloncarz, Esq.  
Erie County Comptroller

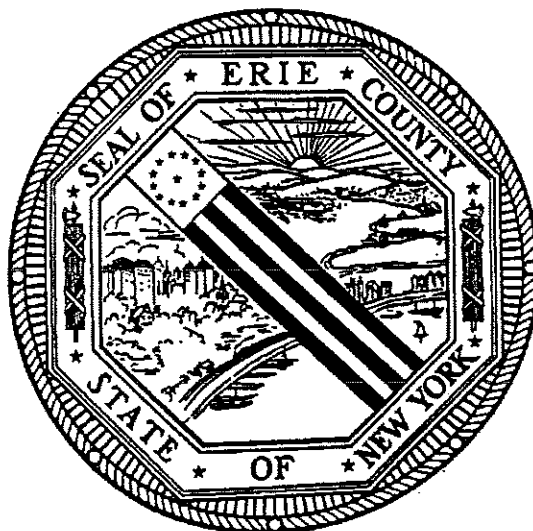
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Enclosure

cc: Erie County Fiscal Stability Authority  
Gregory Gach, Director of Budget and Management

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

**FOR THE SIX MONTHS ENDED JUNE 30, 2009**



**Erie County Comptroller's Office**

**MARK C. POLONCARZ**

**Erie County Comptroller**

**JULY 31, 2009**

**COUNTY OF ERIE, NEW YORK**

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# FINANCIAL STATEMENTS

COUNTY OF ERIE, NEW YORK  
Balance Sheet  
Governmental Funds  
June 30, 2009  
(amounts expressed in thousands)

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 343	\$ 165,358	\$ 165,701
Investments		400	400
Receivables (net of allowances)			
Real property taxes, interest, penalties and liens	61,470	643	62,113
Other	3,284	27,116	30,400
Due from other funds	28,858	7,308	36,166
Due from component unit	29		29
Due from other governments	228,674	27,100	255,774
Prepaid items	164		164
Loan receivable	1,550		1,550
<b>Total assets</b>	<b>\$ 324,372</b>	<b>\$ 227,925</b>	<b>\$ 552,297</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 3,490	\$ 1,662	\$ 5,152
Accrued liabilities	57,751	4,466	62,217
Due to other funds	4,798	28,169	32,967
Due to component unit	3,020		3,020
Due to other governments	6,185		6,185
Retained percentages payable	12	1,042	1,054
Unearned revenue	21,747	30,241	51,988
Deferred revenue	36,564		36,564
Short-term debt		107,313	107,313
<b>Total liabilities</b>	<b>133,567</b>	<b>172,893</b>	<b>306,460</b>
<b>Fund Balances</b>			
<b>Reserved for:</b>			
Encumbrances	55,792	41,878	97,670
Debt service		13,415	13,415
Loan receivable	1,550		1,550
Prepaid items	164		164
E-911 system costs		1,183	1,183
Handicapped parking	72		72
Law enforcement	278		278
<b>Unreserved, reported in:</b>			
<b>General fund</b>			
Designated			
Undesignated	132,949		132,949
<b>Special revenue funds</b>			
Designated			
Undesignated		27,866	27,866
<b>Capital projects funds</b>			
Undesignated		(29,310)	(29,310)
<b>Total fund balances</b>	<b>190,805</b>	<b>55,032</b>	<b>245,837</b>
<b>Total liabilities and fund balances</b>	<b>\$ 324,372</b>	<b>\$ 227,925</b>	<b>\$ 552,297</b>

COUNTY OF ERIE, NEW YORK  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Six Months ended June 30, 2009  
(amounts expressed in thousands)

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>			
Real property taxes and tax items	\$ 208,811	\$ 32,103	\$ 240,914
Sales and use taxes	320,482	1,903	322,385
Transfer taxes		3,236	3,236
Intergovernmental	196,874	26,175	223,049
Interfund revenues		143	143
Departmental	37,412	9,352	46,764
Interest	796	696	1,492
Miscellaneous	1,189	113	1,302
Total revenues	<u>765,564</u>	<u>73,721</u>	<u>839,285</u>
<b>Expenditures:</b>			
Current:			
General government support	179,169	2,746	181,915
Public safety	51,650	6,366	58,016
Health	38,061	8,243	46,304
Transportation	10,148	10,697	20,845
Economic assistance and opportunity	264,139	7,139	271,278
Culture and recreation	9,189		9,189
Education	35,527	36	35,563
Home and community service	1,282	20,625	21,907
Capital outlay		9,021	9,021
Debt service:			
Principal retirement		15,726	15,726
Interest and fiscal charges	1,682	10,651	12,333
Total expenditures	<u>590,847</u>	<u>91,250</u>	<u>682,097</u>
Excess of revenues over expenditures	<u>174,717</u>	<u>(17,529)</u>	<u>157,188</u>
<b>Other financing sources (uses) :</b>			
Sale of property	484		484
Transfers in		28,860	28,860
Transfers out	(42,587)	(1,695)	(44,282)
Total other financing sources (uses)	<u>(42,103)</u>	<u>27,165</u>	<u>(14,938)</u>
Net change in fund balances	132,614	9,636	142,250
Fund balances at beginning of year	<u>58,191</u>	<u>45,396</u>	<u>103,587</u>
Fund balances at end of six months	<u>\$ 190,805</u>	<u>\$ 55,032</u>	<u>\$ 245,837</u>

COUNTY OF ERIE, NEW YORK  
Statement of Net Assets  
Proprietary Funds  
June 30, 2009  
(amounts expressed in thousands)

	Business - Type Activities Enterprise Funds
	Utility Fund
<b>Assets</b>	
Current Assets	
Cash and cash equivalents	\$ 1,091
Receivables (net of allowances)	200
Due from other governments	4,359
Total assets	<u>5,650</u>
<b>Liabilities</b>	
Current Liabilities:	
Accrued liabilities	1,144
Total current liabilities	<u>1,144</u>
<b>Net Assets</b>	
Unrestricted, reported in:	
Nonmajor Fund	4,506
Total net assets	<u>\$ 4,506</u>

COUNTY OF ERIE, NEW YORK  
Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Funds  
Six Months ended June 30, 2009  
(amounts expressed in thousands)

	Business - Type Activities Enterprise Funds
	Utility Fund
Operating Revenues:	
Interfund revenues	\$ 4,106
Other operating revenue	13,136
Total operating revenue	<u>17,242</u>
Operating Expenses:	
Employee wages	24
Employee benefits	7
Utilities and telephone	15,040
Total operating expenses	<u>15,071</u>
Change in net assets	2,171
Total net assets at beginning of year	<u>2,335</u>
Total net assets at end of six months	<u><u>\$ 4,506</u></u>



COUNTY OF ERIE, NEW YORK  
Statement of Fiduciary Net Assets  
Fiduciary Fund  
June 30, 2009  
(amounts expressed in thousands)

	<u>Agency Fund</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 28,701
Receivables:	
Due from other governments	
Other receivables	766
Bonds and securities held in custody	155
Total assets	<u>\$ 29,622</u>
<b>Liabilities</b>	
Accrued liabilities	\$ 1,472
Held in custody for others	28,150
Total liabilities	<u>\$ 29,622</u>

## **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 Special Revenue 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 Special Revenue Fund**

Used to account for the activities of the various sewer districts currently in operation within the County.

- **Downtown Mall Special Revenue 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 Special Revenue 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 Special Revenue Fund**

Used to account for revenues received from the Federal Emergency Management Agency (FEMA) and expenditures associated with the on-going clean up of major storm damage that occurred in October, 2006.

- **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 Special Revenue 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 the accumulation of resources for, and for the payment of, general long-term bond principal, interest and related costs of the County.

## 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) 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.

COUNTY OF ERIE, NEW YORK  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2009  
 (amounts expressed in thousands)

	Special Revenue									
	Road	Sewer	Downtown Mall	E-911	Emergency Response	Grants	Community Development	Total	Debt Service	
<b>Assets</b>										
Cash and cash equivalents	\$ 3	\$ 31,910	\$ 22	\$ 1,682	\$	\$	\$ 128	\$ 33,745	\$	12,628
Investments										
Receivables (net of allowances)										
Real property taxes, interest, penalties and liens			643							643
Other		7		429						27,116
Due from other funds		7,308								7,308
Due from other governments	4,785	19			1,636	16,401	134	22,975		862
<b>Total assets</b>	<u>\$ 4,788</u>	<u>\$ 39,244</u>	<u>\$ 665</u>	<u>\$ 2,111</u>	<u>\$ 1,636</u>	<u>\$ 16,611</u>	<u>\$ 26,732</u>	<u>\$ 91,787</u>	<u>\$ 13,490</u>	
<b>Liabilities and Fund Balances</b>										
<b>Liabilities:</b>										
Accounts payable	\$ 52	\$ 213	\$	\$ 120	\$	\$ 289	\$ 45	\$ 719	\$	75
Accrued liabilities	518	613	665	44		2,137	62	4,039		
Due to other funds	7,950	6			1,636	10,965		20,551		
Retained percentages payable										
Unearned revenue										
Short-term debt						3,220	26,625	29,845		
<b>Total liabilities</b>	<u>8,520</u>	<u>832</u>	<u>665</u>	<u>164</u>	<u>1,636</u>	<u>16,611</u>	<u>26,732</u>	<u>55,160</u>	<u>75</u>	
<b>Fund balances:</b>										
Reserved for:										
Encumbrances	622	6,192		764				7,578		13,415
Debt service										
E-911 system costs				1,183				1,183		
Unreserved, reported in:										
Special revenue funds										
Undesignated	(4,354)	32,220						27,866		
Capital projects funds										
<b>Total fund balances</b>	<u>(3,732)</u>	<u>38,412</u>	<u>0</u>	<u>1,947</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>36,627</u>	<u>13,415</u>	
<b>Total liabilities and fund balances</b>	<u>\$ 4,788</u>	<u>\$ 39,244</u>	<u>\$ 665</u>	<u>\$ 2,111</u>	<u>\$ 1,636</u>	<u>\$ 16,611</u>	<u>\$ 26,732</u>	<u>\$ 91,787</u>	<u>\$ 13,490</u>	

COUNTY OF ERIE, NEW YORK  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2009  
 (amounts expressed in thousands)

	Capital Projects						Total	Total Nonmajor Governmental Funds
	General Government Buildings, Equipment and Improvements	Highways, Roads, Bridges and Equipment	Sewers, Facilities, Equipment and Improvements	Tobacco Proceeds	Special Capital Projects	ECMC Capital Projects		
<b>Assets</b>								
Cash and cash equivalents	\$ 56,354	\$ 29,530	\$ 10,855	\$ 54	\$ 7,956	\$ 4,236	\$ 118,985	\$ 165,358
Investments				400			400	
Receivables (net of allowances)								
Real property taxes, interest, penalties and liens								643
Other								27,116
Due from other funds	541	2,700	22					7,308
Due from other governments								27,100
<b>Total assets</b>	<b>\$ 66,895</b>	<b>\$ 32,230</b>	<b>\$ 10,877</b>	<b>\$ 454</b>	<b>\$ 7,956</b>	<b>\$ 4,236</b>	<b>\$ 122,648</b>	<b>\$ 227,925</b>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 78	\$ 602	\$ 175	\$	\$	\$ 88	\$ 943	\$ 1,662
Accrued liabilities	135	54	144		16	3	352	4,466
Due to other funds	1,205	3,664	2,510		237	2	7,618	28,169
Retained percentages payable	267		349		415	5	1,036	1,042
Unearned revenue	46	350					396	30,241
Short-term debt	55,894	36,291	3,778		11,350		107,313	107,313
<b>Total liabilities</b>	<b>\$ 57,625</b>	<b>\$ 40,961</b>	<b>\$ 6,956</b>	<b>\$ 0</b>	<b>\$ 12,018</b>	<b>\$ 98</b>	<b>\$ 117,658</b>	<b>\$ 172,893</b>
<b>Fund balances:</b>								
Reserved for:								
Encumbrances	7,433	20,492	5,328		405	642	34,300	41,878
Debt service								13,415
E-911 system costs								1,183
Unreserved, reported in:								
Special revenue funds								
Undesignated	1,837	(29,223)	(1,407)	454	(4,467)	3,496	(29,310)	(29,310)
Capital projects funds	9,270	(8,791)	3,921	454	(4,062)	4,138	4,990	55,032
Undesignated								
<b>Total fund balances</b>	<b>\$ 66,895</b>	<b>\$ 32,230</b>	<b>\$ 10,877</b>	<b>\$ 454</b>	<b>\$ 7,956</b>	<b>\$ 4,236</b>	<b>\$ 122,648</b>	<b>\$ 227,925</b>
<b>Total liabilities and fund balances</b>								

COUNTY OF ERIE, NEW YORK  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 Six Months ended June 30, 2009  
 (amounts expressed in thousands)

	Road	Sewer	Downtown Mail	E-911	Emergency Response	Grants	Community Development	Total	Debt Service
Revenues:									
Real property taxes and tax items	\$	\$ 30,854	\$ 1,249	\$ 1,903	\$	\$	\$	\$ 32,103	\$
Sales and use taxes								1,903	
Transfer taxes	3,236							3,236	
Intergovernmental	3,311				8	19,001	1,762	24,082	1,150
Interfund revenues	52							52	
Departmental	64	7,606				1,184	215	9,069	
Interest		86						86	
Miscellaneous	11	102						113	578
Total Revenues	6,674	38,648	1,249	1,903	8	20,185	1,977	70,644	1,728
Expenditures:									
Current:									
General government support			1,249	2,483		1,497		2,746	
Public safety						3,883		6,366	
Health						8,243		8,243	
Transportation	10,697					7,048	91	10,697	
Economic assistance and opportunity						36		36	
Education						429	1,886	20,625	
Home and community service		18,302			8				
Capital outlay									
Debt service:									15,726
Principal retirement									10,651
Interest and fiscal charges									26,377
Total Expenditures	10,697	18,302	1,249	2,483	8	21,136	1,977	55,852	
Excess (deficiency) of revenues over expenditures	(4,023)	20,346	0	(560)	0	(951)	0	14,792	(24,649)
Other financing sources (uses) :									
Transfers in	4,182								
Transfers out		(1,557)				951		5,133	23,164
Total other financing sources (uses)	4,182	(1,557)	0	0	0	951	0	3,576	23,164
Net change in fund balances	159	18,789	0	(560)	0	0	0	18,368	(1,485)
Fund balances at beginning of year	(3,891)	19,623		2,527				18,259	14,900
Fund balances at end of six months	(3,732)	38,412	0	1,947	0	0	0	36,627	13,415

COUNTY OF ERIE, NEW YORK  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 Six Months ended June 30, 2009  
 (amounts expressed in thousands)

	Capital Projects							Total Nonmajor Governmental Funds
	General Government Buildings, Equipment and Improvements	Highways, Roads, Bridges and Equipment	Sewers, Facilities Equipment and Improvements	Tobacco Proceeds	Special Capital Projects	ECMC Capital Projects	Total	
Revenues:								
Real property taxes and tax items	\$	\$	\$	\$	\$	\$	\$	\$
Sales and use taxes								32,103
Transfer taxes								1,903
Intergovernmental	562	32	21		328		943	3,236
Interfund revenues	91							26,175
Departmental	99	95	52		37		283	143
Interest			32				32	9,352
Miscellaneous								696
								113
Total Revenues	752	127	105	0	365	0	1,349	73,721
Expenditures:								
Current:								
General government support								2,746
Public safety								6,366
Health								8,243
Transportation								10,697
Economic assistance and opportunity								7,139
Education								36
Home and community service								20,625
Capital outlay	1,804	5,105	1,109		638	365	9,021	9,021
Debt service:								15,726
Principal retirement								10,651
Interest and fiscal charges								
Total Expenditures	1,804	5,105	1,109	0	638	365	9,021	91,250
Excess (deficiency) of revenues over expenditures	(1,052)	(4,978)	(1,004)	0	(273)	(365)	(7,672)	(17,529)
Other financing sources (uses):								
Transfers in	534		29					563
Transfers out				(138)				(138)
Total other financing sources (uses)	534	0	29	(138)	0	0	425	27,165
Net change in fund balances	(518)	(4,978)	(975)	(138)	(273)	(365)	(7,247)	9,636
Fund balances at beginning of year	9,788	(3,753)	4,896	592	(3,789)	4,503	12,237	45,396
Fund balances at end of six months	\$ 9,270	\$ (8,731)	\$ 3,921	\$ 454	\$ (4,062)	\$ 4,138	\$ 4,990	\$ 55,032

## **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.



COUNTY OF ERIE, NEW YORK  
 Balance Sheet  
 Component Unit  
 June 30, 2009  
 (amounts expressed in thousands)

	<u>Library</u>
Assets	
Cash and cash equivalents	\$ 17,155
Due from primary government	2,184
Due from other governments	423
Prepaid items	348
Total assets	<u>\$ 20,110</u>
Liabilities and Fund Balances	
Liabilities:	
Accounts payable	\$ 339
Accrued liabilities	1,064
Deferred revenue	826
Total liabilities	<u>2,229</u>
Fund Balances	
Reserved for:	
Encumbrances	549
Prepaid items	348
Unreserved, reported in:	
Designated	3,420
Undesignated	13,564
Total fund balances	<u>17,881</u>
Total liabilities and fund balances	<u>\$ 20,110</u>

COUNTY OF ERIE, NEW YORK  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Component Unit  
Six Months ended June 30, 2009  
(amounts expressed in thousands)

	<u>Library</u>
Revenues:	
Real property taxes and tax items	\$ 22,172
Intergovernmental	837
Departmental	239
Interest	10
Miscellaneous	605
Total revenues	<u>23,863</u>
Expenditures:	
Current:	
Culture and recreation	<u>14,127</u>
Total expenditures	<u>14,127</u>
Net change in fund balances	9,736
Fund balance at beginning of year	<u>8,145</u>
Fund balances at end of six months	<u><u>\$ 17,881</u></u>

# INVESTMENT REPORT

COUNTY OF ERIE  
 Quarterly Investment Report  
 January 1, 2009 through June 30, 2009

In accordance with the Comptroller's Investment Guidelines, the Investment Report for the first six months of 2009 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 1,270 investments were made during the first six months, resulting in \$809,526 in total interest earnings for all funds. The weighted average yield for the first six months was .81%. For comparison, during the first six months of 2008, 1,741 investments were effectuated which generated \$3,157,455 in total interest earnings for all funds at an average weighted yield of 2.96%.

SUMMARY OF INVESTMENTS PURCHASED

	Number of Investments Jan - June		Average Investment (in millions) Jan - June		Average Length of Investment (days) Jan - June	
	2009	2008	2009	2008	2009	2008
JP Morgan Chase, N.A.	235	600	4.7	11.3	4	3
Citizens Bank	271	124	2.0	0.7	31	17
Bank of America	174	250	19.8	12.2	2	2
HSBC Bank USA, N.A.	424	26	30.2	7.9	2	17
Key Bank, N.A.	166	741	1.7	9.5	12	4
<b>Totals</b>	<b>1270</b>	<b>1741</b>				

COUNTY OF ERIE  
 Quarterly Investment Report  
 January 1, 2009 through June 30, 2009

SUMMARY OF INTEREST EARNINGS BY FUND

	General Fund	Trust Fund	Capital Fund	Sewer Fund	Total
1st Quarter	\$ 180,733	\$ 49,403	\$ 98,314	\$29,621	\$ 358,071
2 <sup>nd</sup> Quarter	208,238	55,467	131,227	56,523	451,455
Year to date	\$ 388,971	\$104,870	\$229,541	\$86,144	\$ 809,526

Please note the 2009 Adopted Budget General Fund interest earnings is \$2,100,000. The actual year to date earnings for the General Fund as of June 30, 2009 is \$388,971. For comparison, as of June 30, 2008, the General Fund interest earnings were \$1,656,693.

SUMMARY OF WEIGHTED AVERAGE YIELD (ALL FUNDS)

Month	Weighted Average Yield	
	2009	2008
January	1.21%	4.19%
February	.98%	3.13%
March	.76%	2.84%
April	.66%	2.64%
May	.69%	2.61%
June	.58%	2.32%
Weighted Average Jan. - June	.81%	2.96%

## 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, 2009.

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  
Cash Flow Statement  
1st and 2nd Quarters 2009 Actual; 3rd and 4th Quarters 2009 Projected

Description	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	TOTAL
Opening Balance	9,996,443												
<b>** Receipts **</b>													
DSS	14,071,817	23,419,522	37,502,153	1,432,647	15,765,937	19,754,069	18,819,805	31,694,316	15,427,083	20,518,752	16,630,117	12,941,381	227,977,601
Sales Tax	43,183,038	51,956,266	42,472,426	64,175,332	44,031,971	65,073,003	49,263,032	50,389,003	47,351,955	65,083,394	44,254,962	63,507,599	630,741,980
Real Property Tax	5,013,091	45,552,799	179,530,395	30,141,842	5,951,519	5,035,397	4,950,373	3,168,977	3,210,375	2,478,517	2,995,193	3,124,021	291,152,499
Other	23,441,898	21,775,230	29,521,198	(5,002,486)	35,664,370	19,703,673	22,224,309	27,433,525	30,632,311	23,055,288	11,860,223	21,514,310	261,823,849
RAN Proceeds	0	0	0	0	0	0	0	0	0	0	60,000,000	0	60,000,000
<b>Total Receipts</b>	<b>95,706,287</b>	<b>142,703,816</b>	<b>289,026,172</b>	<b>90,747,335</b>	<b>101,413,797</b>	<b>109,566,142</b>	<b>95,257,519</b>	<b>112,685,821</b>	<b>96,621,725</b>	<b>111,135,952</b>	<b>135,740,495</b>	<b>101,087,312</b>	<b>1,471,695,929</b>
<b>** Disbursements **</b>													
DSS	29,297,048	29,205,012	32,601,017	23,858,679	29,050,168	30,644,391	34,473,059	28,067,833	35,890,078	27,403,268	27,256,217	31,379,198	359,125,968
Payroll	23,907,590	26,819,801	28,765,867	17,253,916	37,311,302	25,020,294	26,083,844	26,036,326	25,392,774	36,850,416	24,566,944	25,020,184	323,029,259
Vendor	26,431,743	71,669,881	92,563,932	59,650,250	33,521,824	76,248,891	37,323,366	32,026,146	69,544,626	43,356,250	29,146,962	77,322,349	648,796,240
Debt Service	3,066,418	116,569	6,860,456	8,528,688	1,316,554	7,755,251	2,478,793	1,877,114	6,880,143	6,968,030	11,561,888	11,211,667	68,641,573
RANs Set Asides Jun 07	0	26,800,000	14,000,000	700,000	21,000,000	12,500,000	0	0	0	0	0	0	75,000,000
<b>Total Disbursements</b>	<b>82,702,799</b>	<b>154,611,263</b>	<b>174,781,272</b>	<b>109,991,534</b>	<b>122,199,849</b>	<b>152,168,827</b>	<b>100,359,082</b>	<b>88,007,419</b>	<b>137,707,620</b>	<b>114,577,964</b>	<b>92,552,011</b>	<b>144,933,399</b>	<b>1,474,593,041</b>
<b>Monthly Cash Flow</b>	<b>13,003,488</b>	<b>(11,907,447)</b>	<b>114,244,900</b>	<b>(19,244,200)</b>	<b>(20,786,052)</b>	<b>(42,602,685)</b>	<b>(5,101,564)</b>	<b>24,678,402</b>	<b>(41,085,896)</b>	<b>(3,442,012)</b>	<b>43,188,484</b>	<b>(43,846,087)</b>	<b>(2,897,111)</b>
<b>Cumulative Cash Flow</b>	<b>13,003,488</b>	<b>1,096,041</b>	<b>115,340,941</b>	<b>96,096,741</b>	<b>75,310,689</b>	<b>32,708,004</b>	<b>27,606,441</b>	<b>52,284,842</b>	<b>11,198,947</b>	<b>7,756,934</b>	<b>50,945,419</b>	<b>7,099,332</b>	

## PROPERTY AND SALES TAX SUMMARY



COUNTY OF ERIE, NEW YORK  
 Property Tax Collections  
 Six Months Ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Gross Levy	\$ 612,200,026	\$ 590,816,323
Less: Amount Retained by Towns	(329,189,492)	(317,148,178)
Net Collectable by County	<u>283,010,534</u>	<u>273,668,145</u>
Less: January - June Collections	(255,110,357)	(246,385,900)
Net Outstanding at June 30th	<u>\$ 27,900,177</u>	<u>\$ 27,282,245</u>
Percentage Collected at June 30th	<u>90.1%</u>	<u>90.0%</u>

COUNTY OF ERIE, NEW YORK  
 Sales Tax Revenue  
 Six Months Ended June 30, 2009 and 2008

	2009 <u>Adopted Budget</u>	(1) June 2009 <u>Y-T-D Revenue</u>	(2) % of Budget <u>Realized</u>	2009 <u>Adopted Budget</u>	(1) June 2008 <u>Y-T-D Revenue</u>	% of Budget <u>Realized</u>
Sales And Use Tax	\$ 146,622,263	\$ 70,740,057	48.2%	\$ 143,341,565	\$ 73,129,341	51.0%
1 % Sales Tax - Erie County Purposes	138,413,901	66,779,525	48.2%	135,307,984	69,036,896	51.0%
0.25 % Sales Tax	34,603,998	16,638,360	48.1%	33,826,996	16,972,506	50.2%
0.50 % Sales Tax	<u>69,207,995</u>	<u>33,276,721</u>	48.1%	<u>67,653,993</u>	<u>33,945,013</u>	50.2%
Totals	<u>\$ 388,848,157</u>	<u>\$ 187,434,663</u>	48.2%	<u>\$ 380,130,538</u>	<u>\$ 193,083,756</u>	50.8%

Note:

(1) Sales tax shared with local municipalities is budgeted and recorded as an offsetting revenue and expenditure in the County's General Fund. \$129,625,425 and \$134,003,658 of actual June Y-T-D revenue and expenditures were recorded in 2009 and 2008, respectively. These amounts are excluded from the table above.

(2) A budgetary resolution was passed by the Erie County Legislature on July 2, 2009 reducing the Sales Tax budget a total of \$20,715,238. Including this reduction, the re-calculated total percentage of budget realized by June 2009 Y-T-D revenue is 50.9 %.

## DEBT SCHEDULES

COUNTY OF ERIE, NEW YORK  
Annual Debt Service Requirements for Long-Term General Obligation  
Indebtedness of the County  
As of June 30, 2009

Fiscal Year Ending December 31	Principal Payments	Interest Payments	Total Debt Service
2009	\$29,223,201.87	\$10,292,983.27	\$39,516,185.14 (1)
2010	44,335,607.11	18,867,690.83	63,203,297.94
2011	45,478,591.26	16,759,476.05	62,238,067.31
2012	37,084,962.49	14,610,464.87	51,695,427.36
2013	32,321,544.56	12,738,669.95	45,060,214.51
2014	32,561,667.00	11,185,844.88	43,747,511.88
2015	33,110,285.99	9,624,537.11	42,734,823.10
2016	31,524,099.02	8,056,257.74	39,580,356.76
2017	32,426,341.01	6,493,492.72	38,919,833.73
2018	26,208,583.94	4,878,385.88	31,086,969.82
2019	19,464,727.01	3,755,410.83	23,220,137.84
2020	19,276,970.01	2,832,729.43	22,109,699.44
2021	4,974,213.01	2,055,136.58	7,029,349.59
2022	5,091,456.01	1,812,696.67	6,904,152.68
2023	5,238,699.01	1,566,504.21	6,805,203.22
2024	5,200,941.92	1,322,815.37	6,523,757.29
2025	4,943,185.00	1,077,175.48	6,020,360.48
2026	2,590,428.00	880,177.56	3,470,605.56
2027	2,642,671.00	766,009.88	3,408,680.88
2028	2,709,913.00	648,894.29	3,358,807.29
2029	2,777,156.00	528,478.50	3,305,634.50
2030	1,884,399.00	429,676.73	2,314,075.73
2031	1,946,642.00	352,840.34	2,299,482.34
2032	1,591,497.00	276,157.38	1,867,654.38
2033	1,505,000.00	206,635.26	1,711,635.26
2034	1,385,000.00	139,025.99	1,524,025.99
2035	1,270,000.00	79,668.82	1,349,668.82
2036	480,000.00	21,666.66	501,666.66
	<u>\$ 429,247,782.22</u>	<u>\$ 132,259,503.28</u>	<u>\$ 561,507,285.50</u>

Note:

(1) Amount is net of debt service payments of \$26,376,582.98 made from January 1, 2009 to June 30, 2009.

SOURCE: Erie County Comptroller's Office

COUNTY OF ERIE, NEW YORK  
 Direct General Obligation Indebtedness Outstanding  
 As of June 30, 2009

Bonds:		
Buildings and other Improvements	\$116,058,895.83	
Highway Improvements	73,014,927.33	
Court House Facilities	71,845,798.88	
Sewer District Facilities	65,207,899.92	
Hospital	40,870,323.37	(1)
HSBC Arena	17,960,000.00	
Computer System	15,231,869.07	
Ralph Wilson Stadium	13,986,637.60	
Community College	9,247,291.55	
Convention Center	3,872,498.48	
Prison Facilities	1,706,963.56	
Nursing Home	<u>244,676.63</u>	(1)
Total Long-Term Debt		\$429,247,782.22
Bond Anticipation Notes - Sewer District Facilities	3,777,784.64	
Bond Anticipation Notes	<u>103,534,867.00</u>	
Total Short-Term Debt		<u>107,312,651.64</u>
Gross Direct Debt		536,560,433.86
Exclusions :		
Sewer District Debt	68,985,684.56	
Budgeted Appropriations	27,085,850.53	
Bond Anticipation Notes	<u>103,534,867.00</u>	
Total Deductions		<u>199,606,402.09</u>
Net Direct Debt (2)		<u>\$336,954,031.77</u>

Note:

(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 \$101,375,000 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 1983 to 2006 by the County. There were no bonds issued by the County in 2007, 2008 or 2009 to date.

SOURCE: Erie County Comptroller's Office

COUNTY OF ERIE, NEW YORK  
 Calculation of Constitutional Debt Limit  
 As of June 30, 2009

<u>For Fiscal Year Ended December 31</u>	<u>Full Valuation of Taxable Real Property</u>
2004	\$ 34,479,046,511
2005	35,980,745,078
2006	38,102,215,587
2007	40,477,680,885
2008	<u>42,445,603,001</u>
Total five year full valuation	\$ <u>191,485,291,062</u>
5 Year Average full valuation	\$ <u>38,297,058,212</u>
Debt limit - 7% of average full valuation	\$ <u>2,680,794,075</u>

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



MISCELLANEOUS FINANCIAL DATA



COUNTY OF ERIE, NEW YORK  
Property Tax Collection History  
Last Ten Fiscal Years

Fiscal Year Ending <u>12/31</u>	Total General Property Tax Levy All Purposes (a)	Towns Levy (b)	Returned School Tax (c)	Collected in Year of Levy	Percentage Collected
1999	\$ 490,692,273	\$ 225,934,027	\$ 15,637,655	\$ 472,702,077	96.33
2000	446,019,358	222,449,694	13,953,109	430,122,427	96.44
2001	424,554,739	231,109,689	13,104,632	411,135,430	96.84
2002	430,565,663	235,033,457	13,899,502	416,506,625	96.73
2003	447,035,372	250,233,121	14,124,489	446,461,743	99.87
2004	464,433,235	265,812,020	14,152,464	463,669,059	99.84
2005	493,517,706	289,697,275	13,788,438	492,180,009	99.73
2006	540,580,523	303,202,950	14,103,478	528,350,674	97.74
2007	569,219,471	314,868,342	16,162,844	555,858,355	97.65
2008	590,816,323	317,148,178	17,053,523	575,132,292	97.35

Notes:

- (a) Includes Countywide property tax, all town taxes, and relieved village and school taxes. Does not include initial school district levies.
- (b) Includes amount levied by the County for general town, special district, fire district and highway purposes. Also includes levy for Grand Island School District, the taxes for which are not separately levied in accordance with the procedure described above. All of such amounts are collected by the respective tax collectors in each town.
- (c) Represents amount of school taxes returned to the County as uncollected as of December 1st in the year in which they are levied, which taxes are extended on the County rolls for subsequent collection together with other County taxes.

SOURCE: Erie County Department of Real Property Tax Services.  
Erie County Govern Tax Collection System.

COUNTY OF ERIE, NEW YORK  
Short-Term Borrowing History  
1995 - 2009

<u>Year</u>	<u>Amount</u>	<u>Type</u>	<u>Issue Date</u>	<u>Maturity Date</u>
1995 .....	\$ 80,000,000	RAN (1)	09/21/95	09/20/96
1996 .....	40,000,000	RAN	04/18/96	04/17/97
.....	40,000,000	RAN	11/20/96	11/19/97
1997 .....	40,000,000	RAN	06/26/97	06/25/98
.....	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
.....	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 (2)	05/20/09	05/18/10

Notes:

(1) Revenue Anticipation Notes ("RAN") 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.

At June 30, 2009 the County did not have any revenue anticipation notes outstanding.

The issuance of revenue anticipation notes 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.

(2) Bond Anticipation Notes ("BAN") may be issued in anticipation of bond proceeds to be received at a later date.

The Erie County Fiscal Stability Authority ("ECFSA") issued bond anticipation notes ("BAN") totaling \$103,791,077 on May 20, 2009 with an interest rate of 0.90%. On the same date, the ECFSA paid the County \$103,534,867 for the County's own BAN, with an interest rate of 1.142%. The proceeds will be used by the County to fund certain capital improvements. The County's notes mature on May 18, 2010 but may be extended for an additional four (4) years and will eventually be paid by the issuance of long-term general obligation bonds by the County or the ECFSA pursuant to an agreement entered into by the parties.

COUNTY OF ERIE, NEW YORK  
 Outstanding Long-Term Direct Indebtedness  
 Last Ten Fiscal Years

Outstanding Long-Term Direct Indebtedness (a)  
 (As of December 31)

<u>Fiscal</u> <u>Year</u>	<u>Amount</u>	<u>Fiscal</u> <u>Year</u>	<u>Amount</u>
1999	\$210,988,752	2004	\$384,124,771
2000	214,890,782	2005	446,656,115
2001	221,209,139	2006	460,910,906
2002	256,295,578	2007	423,582,245
2003	327,032,146	2008	379,245,466

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(a) Excludes all sewer debt payable from special assessments.

SOURCES: Erie County General Purpose Financial Statements – 1999-2001 (Audited)  
 Erie County Basic Financial Statements – 2002 (Audited)  
 Erie County Comptrollers Office – 2003-2007  
 Erie County Basic Financial Statements – 2008 (Audited)

COUNTY OF ERIE, NEW YORK  
 Valuations, Tax Levies and Rates  
 Last Five Fiscal Years

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Assessed Valuation	\$33,446,388,926	\$32,158,167,722	\$31,165,324,890	\$30,105,315,955	\$28,277,778,136
Equalized Full Valuation	44,434,521,055	42,866,825,529	40,477,681,759	38,102,215,597	35,982,862,212
Levied for County Purposes (a)	223,306,326	211,837,793	200,031,205	188,094,445	157,641,229
Rates for \$1,000 of Equalized Full Valuation	\$5.03	\$4.94	\$4.94	\$4.94	\$4.38

Note:

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

SOURCES: 2005-2008: Annual Adopted Budget Messages & Summaries  
 2009 Assessed and Equalized Full Valuations: 2009 Proposed Budget Message & Summary  
 2009 Levied for County Purposes: 2009 Adopted Budget

COUNTY OF ERIE, NEW YORK  
 Computation of Constitutional Taxing Power for 2009

<u>Tax Year</u>	<u>Full Valuation</u>
2005 .....	\$ 35,980,745,078
2006 .....	38,102,215,587
2007 .....	40,477,680,885
2008 .....	42,445,603,001
2009 .....	<u>44,434,521,055</u>
 Total .....	 <u>\$ 201,440,765,606</u>
 Five-Year Average Full Valuation .....	 \$ 40,288,153,121
Tax Limit (1.5%) (b) .....	604,322,297
Total Exclusions .....	<u>51,265,188</u>
Total Taxing Power .....	655,587,485
Total Levy for 2009 (c).....	<u>232,438,794</u>
Tax Margin (b) .....	<u>\$ 423,148,691</u>

Notes:

- (a) Data excerpted from the County's Constitutional Tax Limit Report, which is filed with the State Comptroller.
- (b) 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 2009 total taxing power under this local law is \$454,146,719 leaving a tax margin of \$221,707,925.
- (c) Includes County and Library property taxes, taxes for election expenses and Community College chargebacks.