



County of Erie

MARK C. POLONCARZ
COMPTROLLER

October 31, 2007

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

Honorable Joel A. Giambra
Erie County Executive
95 Franklin Street, 16th Floor
Buffalo, New York 14202

Dear Honorable Members and County Executive Giambra:

We have prepared a financial report of the County of Erie, New York ("County") as of and for the nine (9) months ended September 30, 2007 (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.

Erie County Legislature
Honorable Joel A. Giambra
October 31, 2007
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Please note that this will be the last quarterly report for 2007, the "fourth Quarter Report" being the 2007 year end Comprehensive Annual Financial Report. The next quarterly report will be issued for the first quarter of 2008.

If you have any questions, please contact me or Gregory Gach, Deputy Comptroller, at 858-8400.

Sincerely yours,



Mark C. Poloncarz, Esq.
Erie County Comptroller

MCP/nr

Enclosure

c: Erie County Fiscal Stability Authority

James M. Hartman, Director of Budget, Management & Finance

COUNTY OF ERIE, NEW YORK
INTERIM FINANCIAL REPORT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007



Erie County Comptroller's Office

MARK C. POLONCARZ

Erie County Comptroller

October 31, 2007

COUNTY OF ERIE, NEW YORK

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FINANCIAL STATEMENTS

COUNTY OF ERIE, NEW YORK
Balance Sheet
Governmental Funds
September 30, 2007
(amounts expressed in thousands)

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 27,790	\$ 111,863	\$ 139,653
Receivables (net of allowances)			
Real property taxes, interest, penalties and liens	30,918	144	31,062
Other	3,973	26,039	30,012
Due from other funds	34,367	4,043	38,410
Due from component unit	152		152
Due from other governments	203,719	33,114	236,833
Prepaid items	156		156
Loan receivable	1,550		1,550
Total assets	\$ 302,625	\$ 175,203	\$ 477,828
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 3,913	\$ 1,003	\$ 4,916
Accrued liabilities	56,812	6,508	63,320
Due to other funds	3,070	33,160	36,230
Due to component unit	4,475		4,475
Due to other governments	879	6	885
Retained percentages payable	11	1,379	1,390
Unearned revenue	37,551	26,860	64,411
Deferred revenue	16,846		16,846
Short-term debt	75,000		75,000
Total liabilities	198,557	68,916	267,473
Fund Balances			
Reserved for:			
Encumbrances	32,622	28,160	60,782
Debt service		18,074	18,074
Loan receivable	1,550		1,550
Prepaid items	156		156
Repairs		2,657	2,657
E-911 system costs		1,598	1,598
Handicapped parking	119		119
Unreserved, reported in:			
General fund			
Undesignated	69,621		69,621
Special revenue funds			
Undesignated		16,719	16,719
Capital projects funds			
Undesignated		39,079	39,079
Total fund balances	104,068	106,287	210,355
Total liabilities and fund balances	\$ 302,625	\$ 175,203	\$ 477,828

COUNTY OF ERIE, NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Nine Months Ended September 30, 2007
(amounts expressed in thousands)

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Real property taxes and tax items	\$ 186,887	\$ 27,376	\$ 214,263
Sales and use taxes	480,605	2,588	483,193
Transfer taxes		9,251	9,251
Intergovernmental	246,556	82,371	328,927
Departmental	48,375	10,934	59,309
Interest	6,191	4,369	10,560
Miscellaneous	4,340	376	4,716
Total revenues	972,954	137,265	1,110,219
Expenditures:			
Current:			
General government support	273,016	4,254	277,270
Public safety	75,601	11,940	87,541
Health	43,958	8,004	51,962
Transportation	15,001	15,585	30,586
Economic assistance and opportunity	384,300	46,487	430,787
Culture and recreation	15,323	398	15,721
Education	45,690	286	45,976
Home and community service	1,841	30,550	32,391
Capital outlay		23,195	23,195
Debt service:			
Principal retirement		23,514	23,514
Interest and fiscal charges	4,279	16,278	20,557
Total expenditures	859,009	180,491	1,039,500
(Deficiency) / excess of revenues over expenditures	113,945	(43,226)	70,719
Other financing sources (uses) :			
Proceeds of general obligation debt		5,374	5,374
Sale of property	586		586
Transfers in		41,701	41,701
Transfers out	(48,696)	(6,575)	(55,271)
Total other financing sources (uses)	(48,110)	40,500	(7,610)
Net change in fund balances	65,835	(2,726)	63,109
Fund balances at beginning of year	38,233	109,013	147,246
Fund balances at end of nine months	\$ 104,068	\$ 106,287	\$ 210,355

COUNTY OF ERIE, NEW YORK
Statement of Net Assets
Proprietary Funds
September 30, 2007
(amounts expressed in thousands)

	Business - Type Activities Enterprise Funds
	<u>Utility Fund</u>
Assets	
Current Assets	
Due from component unit	\$ 1,100
Due from other governments	4,252
Prepaid items	116
Total assets	<u>5,468</u>
Liabilities	
Current Liabilities:	
Accounts payable	331
Accrued liabilities	3,068
Due to other funds	2,050
Total liabilities	<u>5,449</u>
Net Assets	
Unrestricted, reported in:	
Nonmajor Fund	19
Total net assets	<u>\$ 19</u>

COUNTY OF ERIE, NEW YORK
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
Nine Months Ended September 30, 2007
(amounts expressed in thousands)

	Business - Type Activities Enterprise Funds
	Utility Fund
Operating Revenues:	
Interfund revenues	\$ 6,258
Other operating revenue	26,941
Total operating revenue	<u>33,199</u>
Operating Expenses:	
Employee wages	34
Employee benefits	11
Utilities and telephone	34,739
Total operating expenses	<u>34,784</u>
Change in net assets	(1,585)
Total net assets at beginning of year	1,604
Total net assets at end of nine months	<u>\$ 19</u>

COUNTY OF ERIE, NEW YORK
Statement of Fiduciary Net Assets
Fiduciary Fund
September 30, 2007
(amounts expressed in thousands)

	<u>Agency Fund</u>
Assets	
Cash and cash equivalents	\$ 39,274
Receivables: -	
Due from other governments	1
Other receivables	640
Bonds and securities held in custody	155
Total assets	<u>\$ 40,070</u>
Liabilities	
Accrued liabilities	\$ 3,848
Held in custody for others	36,222
Total liabilities	<u>\$ 40,070</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
 September 30, 2007
 (amounts expressed in thousands)

	Special Revenue								
	Road	Sewer	Downtown Mall	E-911	Emergency Response	Grants	Community Development	Total	Debt Service
Assets									
Cash and cash equivalents	\$ 3	\$ 24,647	\$ 20	\$ 1,343	\$	\$	\$ 800	\$ 26,813	\$ 17,386
Receivables (net of allowances)									
Real property taxes, interest, penalties and liens			144					144	
Other	970	11		365		287	24,379	26,012	
Due from other funds		3,907						3,907	136
Due from other governments	4,956	1			3,134	18,470		26,561	649
Total assets	<u>\$ 5,929</u>	<u>\$ 28,566</u>	<u>\$ 164</u>	<u>\$ 1,708</u>	<u>\$ 3,134</u>	<u>\$ 18,757</u>	<u>\$ 25,179</u>	<u>\$ 83,437</u>	<u>\$ 18,171</u>
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	\$ 1	\$ 55	\$	\$ 66	\$ 268	\$ 149	\$ 153	\$ 692	\$
Accrued liabilities	828	625	163	7		1,526	399	3,548	97
Due to other funds	9,775		1		1,241	14,843		25,860	
Due to other governments						1	5	6	
Retained percentages payable		3						3	
Unearned revenue						2,238	24,622	26,860	
Total liabilities	<u>10,604</u>	<u>683</u>	<u>164</u>	<u>73</u>	<u>1,509</u>	<u>18,757</u>	<u>25,179</u>	<u>56,969</u>	<u>97</u>
Fund balances:									
Reserved for:									
Encumbrances	489	4,949		37	19			5,494	
Debt service									18,074
Repairs	2,657							2,657	
E-911 system costs				1,598				1,598	
Unreserved, reported in:									
Special revenue funds									
Undesignated	(7,821)	22,934			1,606			16,719	
Capital projects funds									
Undesignated									
Total fund balances	<u>(4,675)</u>	<u>27,883</u>	<u>0</u>	<u>1,635</u>	<u>1,625</u>	<u>0</u>	<u>0</u>	<u>26,468</u>	<u>18,074</u>
Total liabilities and fund balances	<u>\$ 5,929</u>	<u>\$ 28,566</u>	<u>\$ 164</u>	<u>\$ 1,708</u>	<u>\$ 3,134</u>	<u>\$ 18,757</u>	<u>\$ 25,179</u>	<u>\$ 83,437</u>	<u>\$ 18,171</u>

COUNTY OF ERIE, NEW YORK
 Combining Balance Sheet
 Nonmajor Governmental Funds
 September 30, 2007
 (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		
Assets								
Cash and cash equivalents	\$ 35,052	\$ 8,969	\$ 10,804	\$ 1,907	\$ 2,393	\$ 8,539	\$ 67,664	\$ 111,863
Receivables (net of allowances)								
Real property taxes, interest, penalties and liens								144
Other	27						27	26,039
Due from other funds								4,043
Due from other governments	1,104	4,548			252		5,904	33,114
Total assets	<u>\$ 36,183</u>	<u>\$ 13,517</u>	<u>\$ 10,804</u>	<u>\$ 1,907</u>	<u>\$ 2,645</u>	<u>\$ 8,539</u>	<u>\$ 73,595</u>	<u>\$ 175,203</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$ 61	\$ 230	\$ 13	\$	\$	\$ 7	\$ 311	\$ 1,003
Accrued liabilities	701	1,612	348			202	2,863	6,508
Due to other funds	2,146	3,606	972	7	567	2	7,300	33,160
Due to other governments								6
Retained percentages payable	729	141	449		1	56	1,376	1,379
Unearned revenue								26,860
Total liabilities	<u>3,637</u>	<u>5,589</u>	<u>1,782</u>	<u>7</u>	<u>568</u>	<u>267</u>	<u>11,850</u>	<u>68,916</u>
Fund balances:								
Reserved for:								
Encumbrances	9,725	6,816	4,313		368	1,444	22,666	28,160
Debt service								18,074
Repairs								2,657
E-911 system costs								1,598
Unreserved, reported in:								
Special revenue funds								
Undesignated								16,719
Capital projects funds								
Undesignated	22,821	1,112	4,709	1,900	1,709	6,828	39,079	39,079
Total fund balances	<u>32,546</u>	<u>7,928</u>	<u>9,022</u>	<u>1,900</u>	<u>2,077</u>	<u>8,272</u>	<u>61,745</u>	<u>106,287</u>
Total liabilities and fund balances	<u>\$ 36,183</u>	<u>\$ 13,517</u>	<u>\$ 10,804</u>	<u>\$ 1,907</u>	<u>\$ 2,645</u>	<u>\$ 8,539</u>	<u>\$ 73,595</u>	<u>\$ 175,203</u>

COUNTY OF ERIE, NEW YORK
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Nonmajor Governmental Funds
 Nine Months Ended September 30, 2007
 (amounts expressed in thousands)

Special Revenue

	Road	Sewer	Downtown Mall	E-911	Emergency Response	Grants	Community Development	Total	Debt Service
Revenues:									
Real property taxes and tax items	\$	\$ 26,164	\$ 1,212	\$	\$	\$	\$	27,376	\$
Sales and use taxes				2,588				2,588	
Transfer taxes	9,251							9,251	
Intergovernmental	4,950			1,246	5,656	64,186	2,973	79,011	1,938
Departmental	57	8,092				1,473	1,044	10,666	
Interest		1,007						1,007	3,165
Miscellaneous	9	113				254		376	
Total Revenues	<u>14,267</u>	<u>35,376</u>	<u>1,212</u>	<u>3,834</u>	<u>5,656</u>	<u>65,913</u>	<u>4,017</u>	<u>130,275</u>	<u>5,103</u>
Expenditures:									
Current:									
General government support			1,212			3,042		4,254	
Public safety				2,528		9,412		11,940	
Health						8,004		8,004	
Transportation	15,585							15,585	
Economic assistance and opportunity						46,348	139	46,487	
Culture and recreation						398		398	
Education						286		286	
Home and community service		22,344			4,031	297	3,878	30,550	
Capital outlay									
Debt service:									
Principal retirement									23,514
Interest and fiscal charges									16,278
Total Expenditures	<u>15,585</u>	<u>22,344</u>	<u>1,212</u>	<u>2,528</u>	<u>4,031</u>	<u>67,787</u>	<u>4,017</u>	<u>117,504</u>	<u>39,792</u>
Excess (deficiency) of revenues over expenditures	(1,318)	13,032	0	1,306	1,625	(1,874)	0	12,771	(34,689)
Other financing sources (uses):									
Proceeds of general obligation debt								1,874	36,968
Transfers in						1,874		1,874	
Transfers out	(607)	(2,434)						(3,041)	
Total other financing sources (uses)	<u>(607)</u>	<u>(2,434)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,874</u>	<u>0</u>	<u>(1,167)</u>	<u>36,968</u>
Net change in fund balances	<u>(1,925)</u>	<u>10,598</u>	<u>0</u>	<u>1,306</u>	<u>1,625</u>	<u>0</u>	<u>0</u>	<u>11,604</u>	<u>2,279</u>
Fund balances at beginning of year	(2,750)	17,285		329				14,864	15,795
Fund balances at end of nine months	<u><u>(4,675)</u></u>	<u><u>27,883</u></u>	<u><u>0</u></u>	<u><u>1,635</u></u>	<u><u>1,625</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>26,468</u></u>	<u><u>18,074</u></u>

COUNTY OF ERIE, NEW YORK
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Nonmajor Governmental Funds
 Nine Months Ended September 30, 2007
 (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		
Revenues:								
Real property taxes and tax items	\$	\$	\$	\$	\$	\$	\$	\$ 27,376
Sales and use taxes								2,588
Transfer taxes								9,251
Intergovernmental	1,422						1,422	82,371
Departmental	80	188					268	10,934
Interest			197				197	4,369
Miscellaneous								376
Total Revenues	<u>1,502</u>	<u>188</u>	<u>197</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,887</u>	<u>137,265</u>
Expenditures:								
Current:								
General government support								4,254
Public safety								11,940
Health								8,004
Transportation								15,585
Economic assistance and opportunity								46,487
Culture and recreation								398
Education								286
Home and community service								30,550
Capital outlay	6,818	5,863	4,188		28	6,298	23,195	23,195
Debt service:								
Principal retirement								23,514
Interest and fiscal charges								16,278
Total Expenditures	<u>6,818</u>	<u>5,863</u>	<u>4,188</u>	<u>0</u>	<u>28</u>	<u>6,298</u>	<u>23,195</u>	<u>180,491</u>
Excess (deficiency) of revenues over expenditures	<u>(5,316)</u>	<u>(5,675)</u>	<u>(3,991)</u>	<u>0</u>	<u>(28)</u>	<u>(6,298)</u>	<u>(21,308)</u>	<u>(43,226)</u>
Other financing sources (uses) :								
Proceeds of general obligation debt			5,374				5,374	5,374
Transfers in	2,259	600					2,859	41,701
Transfers out				(2,259)		(1,275)	(3,534)	(6,575)
Total other financing sources (uses)	<u>2,259</u>	<u>600</u>	<u>5,374</u>	<u>(2,259)</u>	<u>0</u>	<u>(1,275)</u>	<u>4,699</u>	<u>40,500</u>
Net change in fund balances	<u>(3,057)</u>	<u>(5,075)</u>	<u>1,383</u>	<u>(2,259)</u>	<u>(28)</u>	<u>(7,573)</u>	<u>(16,609)</u>	<u>(2,726)</u>
Fund balances at beginning of year	<u>35,603</u>	<u>13,003</u>	<u>7,639</u>	<u>4,159</u>	<u>2,105</u>	<u>15,845</u>	<u>78,354</u>	<u>109,013</u>
Fund balances at end of nine months	<u>\$ 32,546</u>	<u>\$ 7,928</u>	<u>\$ 9,022</u>	<u>\$ 1,900</u>	<u>\$ 2,077</u>	<u>\$ 8,272</u>	<u>\$ 61,745</u>	<u>\$ 106,287</u>

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
 September 30, 2007
 (amounts expressed in thousands)

	<u>Library</u>
Assets	
Cash and cash equivalents	\$ 12,980
Due from primary government	1,574
Due from other governments	9
Total assets	<u>\$ 14,563</u>
Liabilities and Fund Balances	
Liabilities:	
Accounts payable	\$ 241
Accrued liabilities	927
Deferred revenue	1,037
Total liabilities	<u>2,205</u>
Fund Balances	
Reserved for:	
Encumbrances	489
Unreserved, reported in:	
Designated	1,350
Undesignated	10,519
Total fund balances	<u>12,358</u>
Total liabilities and fund balances	<u>\$ 14,563</u>

COUNTY OF ERIE, NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balance
Component Unit
Nine Months Ended September 30, 2007
(amounts expressed in thousands)

	<u>Library</u>
Revenues:	
Real property taxes and tax items	\$ 22,172
Intergovernmental	2,919
Departmental	323
Interest	49
Miscellaneous	59
	<hr/>
Total revenues	<u>25,522</u>
Expenditures:	
Current:	
Culture and recreation	18,128
	<hr/>
Total expenditures	<u>18,128</u>
Net change in fund balances	7,394
Fund balance at beginning of year	4,964
Fund balances at end of nine months	<u>\$ 12,358</u>

INVESTMENT REPORT

COUNTY OF ERIE
 Quarterly Investment Report
 January 1, 2007 through September 30, 2007

In accordance with the Comptroller's Investment Guidelines, the Investment Report for the first nine months of 2007 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 2,151 investments were made during the first nine months, resulting in \$9,294,458 in total interest earnings for all funds. The weighted average yield for the first nine months was 5.29%. For comparison, during the first nine months of 2006, 2,199 investments were effectuated which generated \$8,655,158 in total interest earnings for all funds at an average weighted yield of 4.86%.

SUMMARY OF INVESTMENTS PURCHASED

	Number of Investments Jan-Sept		Average Investment (in millions) Jan-Sept		Average Length of Investment (days) Jan-Sept	
	2007	2006	2007	2006	2007	2006
JP Morgan Chase, N.A.	178	291	1.9	4.0	5	7
Citizens Bank	234	505	11.2	12.5	10	9
Bank of America	108	981	8.7	3.6	3	2
HSBC Bank USA, N.A.	149	219	3.2	4.2	6	8
Key Bank, N.A.	1482	203	7.4	3.6	3	3
M&T Bank	0	0	0	0	0	0
Totals	2151	2199				

COUNTY OF ERIE
 Quarterly Investment Report
 January 1, 2007 through September 30, 2007

SUMMARY OF INTEREST EARNINGS BY FUND

	General Fund	Trust Fund	Capital Fund	Sewer Fund	Total
1st Quarter	\$1,184,041	\$476,486	\$1,070,172	\$207,762	\$2,938,461
2nd Quarter	1,679,754	392,838	974,990	416,103	3,463,685
3rd Quarter	1,332,961	310,578	867,792	380,981	2,892,312
Year to date	\$4,196,756	\$1,179,902	\$2,912,954	\$1,004,846	\$9,294,458

Please note the 2007 Adopted Budget General Fund interest earnings are projected to be \$4,890,000.00. The actual year to date earnings for the General Fund as of September 30, 2007 is \$4,196,756. For comparison, as of September 30, 2006 the General Fund interest earnings were \$2,791,263.

SUMMARY OF WEIGHTED AVERAGE YIELD (ALL FUNDS)

Month	Weighted Average Yield	
	2007	2006
January	5.28%	4.35%
February	5.30%	4.42%
March	5.27%	4.55%
April	5.22%	4.79%
May	5.22%	4.93%
June	5.22%	4.88%
July	5.26%	5.26%
August	5.37%	5.28%
September	5.51%	5.30%
Weighted Jan. - Sept.	5.29%	4.86%

CASH FLOW STATEMENT

The Comptroller's Office does not as a matter of course make public projections as to future cash flows, or other results. However, the Comptroller's Office has prepared the 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, 2007. The projected financial information was not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the Comptroller's Office and the Division of Budget, Management and Finance, was prepared on a reasonable basis, reflects the best currently available estimates and judgments, and presents, to the best of the Comptroller's Office's knowledge and belief, the expected future cash flow of the County. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this document are cautioned not to place undue reliance on this prospective information.

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, NOR HAVE THEY 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
2007

Description	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Projected October	Projected November	Projected December	TOTAL
Opening Balance	11,648,729												
** Receipts **													
DSS	21,448,168	19,587,839	35,122,294	5,995,663	16,421,939	31,383,220	7,746,629	29,326,466	24,277,727	19,620,845	19,489,664	15,565,037	245,985,491
Sales Tax	38,725,332	29,832,655	90,270,041	60,633,220	46,681,323	67,255,547	48,860,479	48,559,732	46,642,943	42,034,232	40,615,576	57,744,526	617,855,606
Real Property Tax	6,346,870	39,745,137	157,402,626	21,456,082	5,035,968	4,429,781	3,720,523	3,056,282	2,289,604	1,441,465	2,534,189	2,673,686	250,132,213
Other	38,093,479	23,607,143	38,657,140	3,803,967	23,339,391	28,237,608	36,087,048	31,244,946	20,829,681	19,706,321	23,326,801	7,970,902	294,904,427
RAN Proceeds						75,000,000						25,000,000	100,000,000
Total Receipts	116,262,578	112,772,774	321,452,101	91,888,932	91,478,621	206,306,156	96,414,679	112,187,426	94,039,955	82,802,863	85,966,230	108,954,151	1,508,877,737
** Disbursements **													
DSS	51,189,023	31,839,943	42,599,759	34,009,783	34,926,671	30,688,631	33,009,370	29,258,232	29,391,955	34,088,131	29,920,877	37,171,899	418,094,274
Payroll	26,599,550	23,116,227	22,743,188	23,613,910	22,357,577	35,546,588	22,292,400	24,800,590	23,855,690	21,722,130	21,722,130	61,681,898	330,051,878
Vendor	20,862,088	32,459,509	128,823,748	60,632,977	31,810,987	78,699,126	34,524,416	30,917,295	68,355,501	19,628,284	21,706,196	56,525,639	584,945,766
Debt Service	3,847,108	944,276	6,881,067	8,410,774	1,911,667	9,548,628	2,450,115	2,645,601	6,953,269	6,718,093	3,023,564	15,830,965	69,165,127
RANs Set Asides Jun 06		26,800,000	49,000,000	700,000	21,000,000	12,500,000	0	0	0	0	0	0	110,000,000
Total Disbursements	102,497,769	115,159,955	250,047,762	127,367,444	112,006,902	166,982,973	92,276,301	87,621,718	128,556,415	82,156,638	76,372,767	171,210,401	1,512,257,045
Monthly Cash Flow	13,764,809	(2,387,181)	71,404,339	(35,478,512)	(20,528,281)	39,323,183	4,138,378	24,565,708	(34,516,460)	646,225	9,593,463	(62,256,250)	(3,379,308)
Cumulative Cash Flow	13,764,809	11,377,628	82,781,967	47,303,455	26,775,174	66,098,357	70,236,735	94,802,443	60,285,983	60,932,208	70,525,671	8,269,421	

PROPERTY AND SALES TAX SUMMARY

COUNTY OF ERIE, NEW YORK
 Property Tax Collections
 Nine Months Ended September 30, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Gross Levy	\$ 569,219,471	\$ 540,580,523
Less: Amount Retained by Towns	(314,868,342)	(303,202,950)
Net To Be Collected by County	<u>254,351,129</u>	<u>237,377,573</u>
Less: January - September Collections	(236,222,021)	(220,502,040)
Net Outstanding at September 30th	<u>\$ 18,129,108</u>	<u>\$ 16,875,533</u>
Percentage Collected at September 30th	<u>92.9%</u>	<u>92.9%</u>

COUNTY OF ERIE, NEW YORK
Sales Tax Revenue
Nine Months Ended September 30, 2007 and 2006

	(1) (4) 2007 Budget	September 2007 Y-T-D Revenue	% of Budget Realized	2006 Budget	September 2006 Y-T-D Revenue	% of Budget Realized
Sales And Use Tax	\$ 139,218,155	\$ 105,841,701	76.0%	\$ 134,021,204	\$ 99,611,091	74.3%
1 % Sales Tax - Erie County Purposes (2)	131,427,548	99,917,091	76.0%	126,433,027	94,027,131	74.4%
0.25 % Sales Tax	32,856,887	25,118,574	76.4%	31,600,000	23,135,958	73.2%
0.50 % Sales Tax (3)	65,713,775	50,237,148	76.4%	63,200,000	45,189,083	71.5%
Totals	<u>\$ 369,216,365</u>	<u>\$ 281,114,514</u>	76.1%	<u>\$ 355,254,231</u>	<u>\$ 261,963,263</u>	73.7%

Notes:

- (1) The 2007 Budget column includes technical adjustments made by the Division of Budget, Management and Finance after the 2007 budget was adopted.
- (2) Pursuant to the 2006 reauthorization of the 1% sales and compensating use tax, \$12,500,000 of sales tax revenue reported in the above table was paid to local municipalities and recorded as a 2007 expenditure of the County's General Fund.
- (3) The 0.50% Sales Tax went into effect on January 15, 2006.
- (4) Effective January 1, 2007 and in accordance with guidance received from the New York State Comptroller's Office, the County began to budget and recognize sales tax revenue on a gross basis and budget and record an expenditure for the amount of sales tax revenue shared with local municipalities. Previously, this activity was reported in the Agency Fund. Through September 30, 2007 year to date, \$193,947,271 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.

DEBT SCHEDULES

COUNTY OF ERIE, NEW YORK
Annual Debt Service Requirements for Long-Term General Obligation
Indebtedness of the County
As of September 30, 2007

Fiscal Year Ending December 31	Principal Payments	Interest Payments	Total Debt Service
2007	16,657,499.00	8,187,087.44	24,844,586.44 (1)
2008	47,009,804.97	23,125,302.94	70,135,107.91
2009	44,948,785.33	20,943,982.63	65,892,767.96
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>\$ 508,640,669.65</u>	<u>\$ 174,222,893.02</u>	<u>\$ 682,863,562.67</u>

Note:

(1) Amount is net of debt service payments of \$39,792,450.95 made from January 1, 2007 to September 30, 2007.

SOURCE: Erie County Comptroller's Office

COUNTY OF ERIE, NEW YORK
 Direct General Obligation Indebtedness Outstanding
 As of September 30, 2007

Bonds :		
Buildings and other Improvements	\$132,491,873.69	
Highway Improvements	88,211,024.65	
Court House Facilities	80,670,722.15	
Sewer District Facilities	69,725,208.45	
Hospital	56,928,314.59	(1)
HSBC Arena	19,400,000.00	
Computer System	17,475,828.59	
Ralph Wilson Stadium	17,044,059.45	
Pension	7,625,000.00	
Community College	11,784,850.48	
Convention Center	4,534,361.41	
Prison Facilities	2,323,097.93	
Nursing Home	<u>426,328.26</u>	(1)
Total Long-Term Debt		\$508,640,669.65
Revenue Anticipation Notes	<u>75,000,000.00</u>	
Total Short-Term Debt		<u>75,000,000.00</u>
Gross Direct Debt		583,640,669.65
Exclusions :		
Sewer District Debt	69,725,208.45	
Budgeted Appropriations	15,269,306.07	
Revenue Anticipation Notes	<u>75,000,000.00</u>	
Total Deductions		<u>159,994,514.52</u>
Net Direct Debt		<u>\$423,646,155.13</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.

SOURCE: Erie County Comptroller's Office

COUNTY OF ERIE, NEW YORK
 Calculation of Constitutional Debt Limit
 As of September 30, 2007

<u>For Fiscal Year Ended December 31</u>	<u>Full Valuation of Taxable Real Property</u>
2002	32,145,255,700
2003	33,576,174,348
2004	34,479,046,511
2005	35,980,745,078
2006	<u>38,102,215,587</u>
Total five year full valuation	\$ <u>174,283,437,224</u>
5 Year Average full valuation	\$ <u>34,856,687,445</u>
Debt limit - 7% of average full valuation	\$ <u>2,439,968,121</u>

Source: Property valuation - Erie County Division of Budget, Management and Finance

COUNTY OF ERIE, NEW YORK
 Calculation of Total Net Indebtedness
 As of September 30, 2007

Five year average full valuation (2002-2006)	\$ 34,856,687,444.80
Debt Limit - 7% of average full valuation	\$ 2,439,968,121.14

Outstanding Indebtedness:

Bonds - General	\$ 431,290,461.20
Bonds - Sewer	69,725,208.45
Bonds - Pension	7,625,000.00
Bond Guaranty - ECMCC (1)	101,375,000.00
Revenue Anticipation Notes	<u>75,000,000.00</u>
Total Indebtedness	<u>685,015,669.65</u>

Less Exclusions:

Sewer Exclusion	69,725,208.45
Revenue Anticipation Notes	75,000,000.00
Budgeted Appropriations	<u>15,269,306.07</u>
Total Exclusions	<u>159,994,514.52</u>

Total Net Indebtedness	<u>525,021,155.13</u>
Net Debt Contracting Margin	\$ <u>1,914,946,966.01</u>
Percentage of Debt Contracting Power Exhausted	<u>21.52%</u>

Note:

(1) Erie County Medical Center Corporation

MISCELLANEOUS FINANCIAL DATA

COUNTY OF ERIE, NEW YORK
Property Tax Collections
1997 - 2006

Fiscal Year Ending 12/31	Total General Property Tax Levy All Purposes (a)	Towns Levy (b)	Returned School Tax (c)	Uncollected as of Tax Sale Date in Year of Levy	Percentage Uncollected
1997	\$ 488,941,336	\$ 221,691,609	\$ 14,522,360	\$ 24,413,550	4.99 %
1998	493,970,979	224,177,492	16,218,263	26,740,503	5.41
1999	490,692,273	225,934,027	15,637,655	26,191,669	5.34
2000	446,019,358	222,449,694	13,953,109	20,432,799	4.58
2001	424,554,739	231,109,689	13,104,632	18,282,851	4.31
2002	430,565,663	235,033,457	13,899,502	18,661,558	4.33
2003	447,035,372	250,233,121	14,124,489	15,371,308	3.44
2004	464,433,235	265,812,020	14,152,464	13,713,364	2.95
2005	493,517,706	289,697,275	13,788,438	13,832,736	2.80
2006	540,580,523	303,202,950	14,103,478	15,297,145	2.83

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 Division of Budget, Management and Finance

COUNTY OF ERIE, NEW YORK
Short-Term Borrowing History
1995 - 2007

<u>Year</u>	<u>Amount</u>	<u>Type (1)</u>	<u>Issue Date</u>	<u>Maturity Date</u>
1995	\$ 80,000,000	RAN	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

Note:

(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 September 30, 2007 the County had \$75,000,000 of revenue anticipation notes outstanding. These notes mature on June 27, 2008 as noted above and bear interest at the rate of 3.945%.

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 reimbursement for the non-local share.

COUNTY OF ERIE, NEW YORK
Outstanding Long-Term Direct Indebtedness
1997 - 2006

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>
1997	\$219,344,538	2002	\$256,295,578
1998	215,240,994	2003	327,032,146
1999	210,988,752	2004	384,124,771
2000	214,890,782	2005	446,656,115
2001	221,209,139	2006	460,910,906

Note:

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

SOURCES: Erie County General Purpose Financial Statements – 1996-2001 (Audited)
Erie County Basic Financial Statements – 2002-2006 (Audited)

COUNTY OF ERIE, NEW YORK
 Valuations, Tax Levies and Rates
 2003 - 2007

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Assessed Valuation	\$31,165,324,890	\$30,165,315,955	\$28,276,734,647	\$27,557,186,821	\$27,026,638,924
Equalized Full Valuation	41,956,007,685	38,102,215,587	35,980,745,078	34,479,046,511	33,576,174,348
Levied for County Purposes (a)	206,176,541	194,655,585	164,052,166	159,436,984	159,348,027
Rates for \$1,000 of Equalized Full Valuation	\$4.91	\$5.11	\$4.56	\$4.62	\$4.75

Note:

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

SOURCE: Erie County Division of Budget, Management and Finance

COUNTY OF ERIE, NEW YORK
 Computation of Constitutional Taxing Power for 2007

<u>Assessment Year</u>	<u>Full Valuation</u>
2002	32,145,255,700
2003	33,576,174,348
2004	34,479,046,511
2005	35,980,745,078
2006	<u>38,102,215,587</u>
 Total	 <u>174,283,437,224</u>
 Five-Year Average Full Valuation	 \$34,856,687,445
Tax Limit (1.5%) (b)	522,850,312
Total Exclusions	53,268,818
Total Taxing Power	576,119,130
Total Levy for 2007 (c).....	206,176,541
Tax Margin (b)	369,942,589

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 2007 total taxing power under this local law is \$401,835,692 leaving a tax margin of \$195,659,151.
- (c) Includes County and Library property taxes, taxes for election expenses and Community College chargebacks.