

CITY OF BUFFALO
DEPARTMENT OF AUDIT & CONTROL



COMPTROLLER'S ESTIMATE & REPORT

**FIVE YEAR CAPITAL DEBT PLAN
(2018-2022)**

AUGUST 1, 2017

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Charter of the City of Buffalo

Section 20-21: Comptroller's Estimate and Report

“On or before the first day of August, the comptroller shall submit to the mayor a report showing the amount and nature of all obligations authorized on account of each capital project and the liabilities incurred for each such project outstanding at the end of the last fiscal year (June 30), commenting in detail about the city’s financial condition and advising as to the maximum amount of capital debt that the city may prudently incur in the next calendar year and each of the four following calendar years without impairing the city’s credit rating and financial stability.”

Introduction

The purpose of the report is to offer recommendations and guidance for the planning of capital projects. In addition, this report provides updates on the status of existing capital project accounts.

Capital improvement projects are among the most important and fundamental functions of municipal government. While there are an unlimited number of worthwhile potential projects, financial and time constraints dictate that the City identifies projects that are a priority to its citizenry, in addition to being feasible financially.

Pursuant to the City Charter, this report contains *“the maximum amount of capital debt that the city may prudently incur”* during the next five years, as determined by the Capital Budget and Debt Management Policy. This policy, which requires the City to issue less debt than it retires each year, has significantly reduced Buffalo’s debt burden in recent years.

However, according to the three major credit agencies, the City’s debt burden is still too high. In the most recent rating report issued in April, Moody’s commented on Buffalo’s *“high debt burden that is expected to moderate”* thanks to *“additional tax base growth”* and the City’s *“policy to not issue more debt than what is being retired.”*

The City must continue to adhere to this policy to maintain its “A1” rating with Moody’s, “A+” ratings with Standard & Poor’s and “AA-” with Fitch.

The criteria Standard and Poor’s uses to evaluate debt burden includes the ratios of direct debt to annual revenues and annual debt service to annual expenditures. The following chart shows the City’s calculation based on general fund revenues and expenditures for the 2016 fiscal year.

Debt Service	Total Expenditures	Ratio	S&P High Score
\$ 44,675,325	\$ 435,803,503	10.3%	Less than 8%
Bonded Debt	Total Revenues	Ratio	S&P High Score
\$ 238,222,897	\$ 452,455,353	52.7%	Less than 30%

As you can see, even with reduced borrowing in recent years, the City needs to continue to reduce its debt burden in order to improve its debt ratios.

In addition to reduced borrowing, improvements in the timeliness of spending bond proceeds in recent years has led to significant reductions in unnecessary interest costs, unspent project balances, and the number of idle projects. While some older projects still remain active, the

quicker pace of expenditures has put the City in a better position than it was in a few short years ago.

When planning the 2018 Capital Budget and the 2018-2022 Capital Plan, it is required that the Citizens Planning Council, the Mayor and the Common Council include and identify funding sources in addition to bonds – such as grants and matching funds – so that the Capital Budget reflects the total investment in the City’s capital projects. In the 2016 fiscal year, capital project fund expenditures totaled \$47.3 million, of which only \$20.6 were paid for with bond proceeds. The citizens of Buffalo should be informed of how much money is actually being invested in the City, not just how much of it is borrowed.

Furthermore, the City should consider investing more General Fund monies into capital projects, especially for projects with a shorter lifespan. This would eliminate interest costs and allow the City to make capital improvements without adding to its debt burden.

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I. Status of Capital Accounts

The budgetary status of various capital improvement projects are presented within the document. However, the development of the capital improvement program and subsequent bond sale need a progress status beyond the available balance.

City Charter Section 20-31 Reports on Implementation

On April 30 and October 31, the mayor shall submit to the council, the comptroller and the citizens planning council a report describing the progress of the capital improvement projects, including schedules and explanations of any delays or anticipated cost overruns.”

These charter-required biannual reports have not been submitted, hindering the City’s ability to make well-informed decisions on the planning and timing of capital projects.

Attachment A-1 lists all capital projects funded through bond proceeds for the years 2012 through 2017. This unaudited report includes the original budget, expenditures to date, open encumbrances, and current available balance. This provides a complete picture of projects and spending over the last five years.

Attachment A-2 lists all open capital project accounts as of June 30, 2017, excluding accounts already reported on *Attachment A-1*. This unaudited report includes the current budget, expenditures to date, open encumbrances, and current available balance.

The current available balance of all open capital projects as of June 30, 2017 is \$104.9 million, which includes encumbrances of \$54.7 million. The available balance includes \$16.3 million of grant proceeds, \$19.8 million of bond proceeds, \$784,695 for capital projects funded by the general fund, and \$13.2 million for the School District’s capital projects.

A major concern in previous years was that the City was borrowing more than it could spend, a problem that has been remedied by both reduced borrowing and improvements in timely spending of bond proceeds.

The City is required to certify to the Internal Revenue Service (IRS) that it reasonably expects to spend at least 85 percent of bond proceeds within three years of issuance, so any bond proceeds remaining after three years are minimal. Despite progress in timely spending, there are projects older than 5 years that remain active. It is important that these projects be closed out.

II. Authorized/Unissued

Attachment B lists the capital projects that are authorized but unissued. These projects have been authorized by bond resolutions, but the City has not yet issued bonds to fund them.

Authorized but unissued projects total \$13.7 million. The list should be reviewed as part of the Capital Budget process and a determination should be made as to the future viability of the projects and whether they should be included in the next bond sale or rescinded.

Interfund loans of \$1.1 million have been approved to date for authorized but unissued projects, and therefore must be included in the 2018 bond sale.

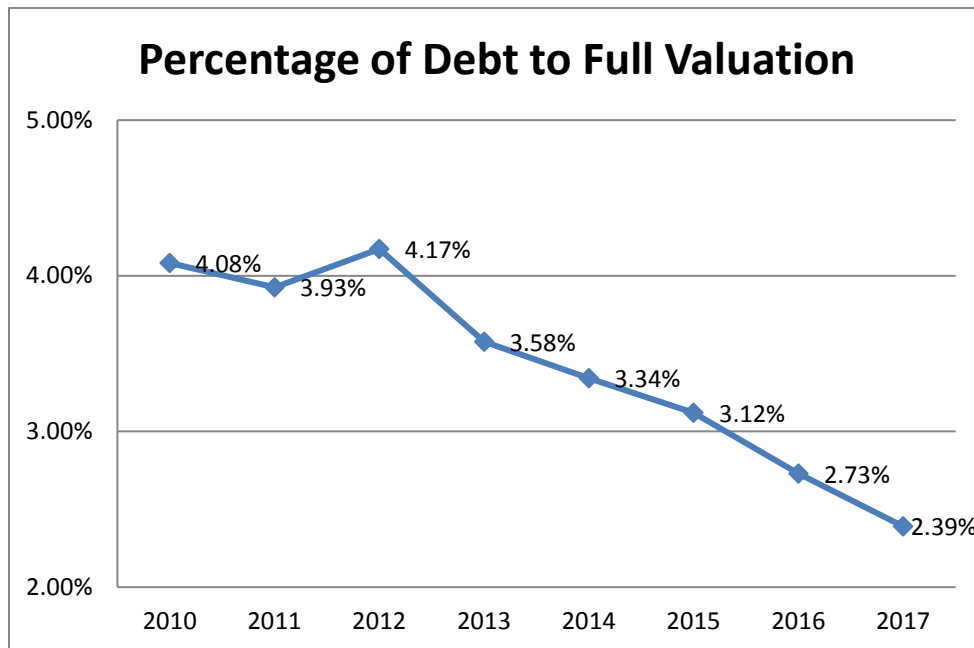
In addition to the authorized but unissued projects, Street Lights Replacement - Various has neither been authorized nor issued pending clarification of project details.

III. Statement of Debt Contracting Power

The City's Statement of Debt Contracting Power, *Attachment C*, identifies that the City is \$508 million beneath its debt-ceiling limit as of July 1, 2017. The net indebtedness of the City has decreased \$9.1 million since July 1, 2016. Buffalo's net indebtedness continues to decrease as the City continues to pay off more debt than it issues, and only borrows funds when they are needed for disbursement.

The rating agencies use certain criteria to determine the City's appropriate debt burden. In addition to the ratios of direct debt to annual revenues, and annual debt service to annual expenditures (mentioned in the introduction), the ratio of outstanding debt to assessed valuation is also evaluated.

As you can see from the following chart, ratio of outstanding debt to assessed valuation is trending downward, a positive development. However, in order to be rated as a strong credit in this area by Moody's, the ratio must be less than 1.75 percent. Since the City's ratio is currently 2.39 percent, it is crucial that the City continues to reduce this ratio and others used by rating agencies.



IV. Capital Accounts – Closeouts

During the fiscal year ending June 30, 2017, a total of \$2 million of unspent proceeds from borrowed funds from various capital project accounts were closed-out and transferred to the Capital Debt Reserve. The amount closed out was \$888,181 and \$4.1 million for fiscal years 2016 and 2015, respectively. As of June 30, 2017 the total balance in the Capital Debt Reserve was \$5,282,367.

Although these funds will be used to offset the amount needed to be raised from property taxes for future debt payments, the City has incurred unnecessary interest costs by borrowing more than was required to complete the projects.

The goal of the City should be to properly correlate the issuance of debt with project disbursements. While the time it takes to expend bond funds has improved, some projects have been outstanding for more than five years. This office will continue its policy to close capital projects after five years and use any unspent proceeds to pay off debt service on the bonds.

Expending all funds within five years will eliminate the cost of preparing and reporting arbitrage calculations to the IRS each year, as reporting requirements are eliminated once all proceeds are disbursed.

V. 2018 Budget Process

When planning capital projects, it is crucial to properly plan the timing of funding sources. Therefore, for some of the larger projects, it is more fiscally prudent to borrow in line with the spending pattern, as opposed to borrowing for the entire project before final contracts are in place and funding is needed.

Historically, the capital budget contains items that have a projected life of five years or less. For example, the City budgets for demolitions and tree removal and plantings, which more closely align with an operational and maintenance program than a capital project. The City should begin utilizing more General Fund revenues to pay for these recurring items, rather than issuing debt and incurring associated interest and other related costs. Additionally the City should continue to budget within the General Fund to pay for the planning of smaller scale capital projects in advance of issuing bonds for the project.

As a reminder, the City has a \$2.9 million allocation from New York State Energy Research and Development Authority (NYSERDA) to issue Qualified Energy Conservation Bonds (QECCB), tax subsidy bonds for capital expenditures that reduce energy consumption in public buildings by 20 percent and the School District currently has a \$67.4 million Qualified School Construction Bond (QSCB) allocation to issue tax credit bonds.

VI. Capital Budget Project Detail

Pursuant to section 20-25 of the City Charter, the Comptroller's office is obligated to comment on projects which may exceed the proposed debt capacity, exceed the estimated cost, or may not be ready for implementation within the year proposed.

All projects within the Capital Improvements Budget must be supported by sufficient information, details, and estimates so that bond resolutions can be properly drafted. Bonds will not be issued to create a general capital reserve fund from which money can be readily made available at such time when, or if, a capital need arises.

Therefore, all projects in the capital budget must include the following information:

- Specific project detail to define scope and execution, including acquisition and ownership status
- Complete budget, including any federal or state grants; maximum estimated cost, utilizing verifiable vendor estimates or standard cost accounting methods Project timetable, including commencement/end dates and spend-down
- Required environmental reviews under the State Environment and Quality Review Act
- Information on any effect the project will have on the city's operating budget

Bond proceeds may not be used for general maintenance or repair. New York State Local Finance Law does not provide a Period of Probable Usefulness for routine repair and maintenance items, meaning the useful life of these items is too short for these costs to be capitalized by bond funds. It is imperative that an appropriately funded operation and maintenance budget be prepared to repair and maintain the City's infrastructure, buildings, and equipment, as these recurring costs cannot be part of the capital budget.

VII. Proposed Debt Issuance – Next Five Years

As a precursor to forecasting the financial needs and prospective borrowing capacity for the city, it is essential that the undertaking and realization of a true 5-Year Capital Improvement Plan and Program emerge. When constructing its current-year capital budgets, the City needs to focus on all five years, not just the current year. Historically, the funding amounts in capital budgets do not align with the amounts that were budgeted for that year in previous 5-year capital plans. The unreliability of the plans causes instability and uncertainty in the capital planning process. In order to appropriately plan for multi-year projects, department heads must be able to rely on consistent project estimates in the later years of the plan.

Until such time as debt ratios meet the criteria established by the rating agencies, the City must continue to issue less debt than it retires. Therefore, the following amounts are the recommended bond sale for capital projects over the next five calendar years.

Year	Debt Cap
2018	\$21,600,000
2019	\$23,200,000
2020	\$25,300,000
2021	\$25,400,000
2022	\$26,000,000

While the amount of projects authorized (through the approval of bond resolutions) is ultimately decided by the Citizens Planning Council, Mayor, and Common Council, the amount of debt that is actually issued (the selling of the bonds) is determined by the Comptroller.

The school district will continue to fund their capital improvements with refunding savings from the refinancing of the Joint Schools Construction bonds. If there is a need for the school district to issue general obligation debt, the overall debt capacity will be divided between the City of Buffalo and the Buffalo Board of Education based on the Mayoral and Common Council priority list. Written requests to exceed the annual debt limit will be considered for major projects that have dedicated revenue sources or reimbursements.

Attachment A-1

CITY OF BUFFALO CAPITAL PROJECT OBLIGATIONS AS OF JUNE 30, 2017 BOND SALES 2012-2017 UNAUDITED TOTAL PROJECT LIST

	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	PERCENT
	AT 6/30/17	AT 6/30/17	AT 6/30/17	AT 6/30/17	EXPENDED
3020 FUND: 2017-18 BOND SALE PROJECTS					
30202106 FIRE APPARATUS - PURCHASE 16	\$ 1,493,584	\$ 1,446,431	\$ -	\$ 47,153	97%
30203206 ALLENDALE THEATRE IMPRVMTS 16	313,086	197,793	111,895	3,398	63%
30204006 BRODERICK PARK SEAWALL 16	251,420	175,000	-	76,420	70%
33111006 SHORELINE TRAIL REHAB 15	426,169	-	-	426,169	0%
33160006 BRIDGE REHAB 13	298,717	-	-	298,717	0%
33161006 ALLEN ST IMPROVEMENTS 15	497,861	-	-	497,861	0%
33162006 SENECA STREET IMPROV 16	2,209,648	-	-	2,209,648	0%
33163006 INFRASTRUCTURE IMPROV VAR 17	5,369,525	-	4,409,944	959,580	0%
33237006 CITY HALL IMPROVEMENTS 16	652,156	161,074	22,183	468,900	25%
33257006 CITY COURT REHABILITATION 15	1,318,742	53,324	1,235,282	30,137	4%
33265006 E DELAVAN LIBRARY IMPROV 16	467,990	-	-	467,990	0%
33266006 POLICE PROP EVIDENCE BLDG 16	1,430,480	-	-	1,430,480	0%
33267006 MCKINLEY MONUMENT RESTOR 16	197,651	-	196,475	1,176	0%
33268006 BROADWAY MARKET IMPROV 17	159,316	-	159,316	-	0%
33269006 CITY HALL ROOF REPLACEMENT 17	774,889	-	-	774,889	0%
33270006 MACHNICA CENTER IMPROV 17	298,717	-	10,960	287,757	0%
33271006 SCIENCE MUSEUM OBSERV TOWER 17	523,148	-	-	523,148	0%
33272006 POLICE FIRE HQ BUILDING 17	497,861	-	-	497,861	0%
33273006 SHOSHONE POOL RESTORATION 17	1,194,867	-	290	1,194,577	0%
33274006 ZOO SCHOOL BLDG ROOF REPL 17	372,898	-	365,000	7,898	0%
34000006 OLMSTEAD PARK PATHWAY LIGHT 17	144,380	-	-	144,380	0%
34001006 PARKS IMPROV VAR 17	1,065,423	-	-	1,065,423	0%
34002006 TREE REMOVAL AND PLANT VAR 17	639,254	-	-	639,254	0%
36550006 EMRG DEMOLITIONS 17	1,991,445	93,700	168,436	1,729,309	5%
COST OF ISSUANCE	97,038	97,038	-	-	100%
TOTAL: 3020 FUND	22,686,265	2,224,360	6,679,780	13,782,125	10%
3019 FUND: 2016-17 BOND SALE PROJECTS					
30192106 FIRE APP PURCHASE GEN CONTR 15	2,100,435	2,100,244	-	190	100%
30193106 COURT ST 14 GEN CONTRACTING	149,090	36,749	-	112,341	25%
33133316 HIGHLAND PARK ROAD ACQ 15	1,212,403	-	-	1,212,403	0%
33133326 INFRASTRUCTURE IMRP VAR 16	6,239,043	5,015,385	1,223,657	-	80%
33133336 STREET LIGHTING VAR 16	496,968	-	-	496,968	0%
33221006 POLICE HQ/A DISTRICT RENO 15	1,013,814	746,593	31,827	235,395	74%
33233346 ALLENDALE THEATRE UPGRD 15	171,279	153,269	18,010	-	89%
33233356 BROADWAY MRKT KITCHEN 16	265,878	665	-	265,213	0%
33233366 CITY COURT REHAB 15	596,361	150,173	446,188	-	25%
33233376 CITY HALL IMPR 16	1,689,691	478,016	1,004,762	206,913	28%
33233386 COCA COLA FIELD 16	347,877	106,579	241,298	-	31%
33233396 FIRE DEPT BLDG VAR 16	397,574	-	358,891	38,683	0%
33233406 FIRE STATION REHAB - VAR 15	397,574	372,544	25,030	-	94%
33233416 LIBRARY BLDGS IMRP VAR 15	149,090	-	-	149,090	0%
33233426 LOVEJOY POOL 16	526,786	1,760	116,370	408,656	0%
33233436 MAIN ANIMAL ZOO ROOF 16	265,878	265,878	-	-	100%
33233446 MONUMENT RSTR 14	227,611	52,415	175,196	-	23%

	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	PERCENT
	AT 6/30/17	AT 6/30/17	AT 6/30/17	AT 6/30/17	EXPENDED
33233456 MONUMENT RSTR 15	220,654	-	220,654	-	0%
33233466 MUSEUM OF SCIENCE REHAB 15	580,485	126,012	347,036	107,438	22%
33233476 N BUFFALO ICE RINK 16	1,526,473	362,521	1,163,953	-	24%
33233486 NAVAL PARK HANGER PLAN 16	239,290	18,630	151,540	69,120	8%
33233496 PARK BLDG IMPR VAR 16	537,073	450	525,324	11,299	0%
33233506 REPTILE HOUSE ZOO ROOF 15	265,878	165,592	100,286	-	62%
34033516 PARKS IMPR VAR 16	1,029,220	668,275	333,163	27,783	65%
34033526 TREE RMVL AND PLANT VAR 16	596,361	451,898	142,521	1,943	76%
39313056 S ODGN/MNERAL SPRINGS BRDGE 14	53,176	-	-	53,176	0%
36500006 EMERG DEMO 15 GEN CONTRACTING	1,987,871	1,857,488	126,095	4,288	93%
COST OF ISSUANCE	136,009	136,008	-	0	100%
TOTAL: 3019 FUND	23,419,843	13,267,146	6,751,800	3,400,898	57%

3018 FUND: 2015-16 BOND SALE PROJECTS

38201506 POLICE PRECINCT RENOVATIONS	398,530	398,530	-	-	100%
38210306 FIRE APPARATUS 13	498,162	498,162	-	-	100%
38302816 STREETS VEHICLE PURCH 15	498,162	475,065	-	23,097	95%
38304006 TREE REMOVAL & PLANTINGS CW 13	639,640	635,276	-	4,365	99%
38312826 KENMORE AVE MAIN-STARIN 13	72,234	72,234	-	-	100%
38312836 NB RAILS TO TRAILS 14	426,427	426,427	-	-	100%
38312846 BRIDGE REHAB 15	498,162	498,162	-	-	100%
38312856 ERIE BASIN MARINA REHAB 15	533,034	183,277	318,665	31,091	34%
38312866 GENESSEE GATEWAY 15	799,551	789,692	9,859	-	99%
38312876 HAMBURG ST DOCKS 15	51,809	370	-	51,439	1%
38312886 INFRASTRUCTURE IMP CW 15	5,797,116.58	5,749,705.35	47,411.23	-	99%
38312896 KENMORE AVE MAIN-STARIN 15	447,748	-	-	447,748	0%
38312906 NIAGARA ST GTWY PH 2 15	1,066,067	895,031	171,036	-	84%
38312916 NIAGARA ST GTWY PH 4 15	373,124	52,336	69,817	250,971	14%
38312926 SO PARK LOOP BRIDGE 15	128,994	-	-	128,994	0%
38320316 FIRE STATION REHAB 13 GEN CONT	398,530	278,411	120,119	-	70%
38322936 BROADWAY MRKT FLOOR RECON 15	129,522	129,522	-	-	100%
38322946 CAZENOVIA PARK CASINO 15	525,829	416,358	79,419	30,052	79%
38322956 CITY COURT REHAB 15	1,295,222	284,580	1,010,642	-	22%
38322966 DOWNTOWN BALL PARK IMP 14	498,162	498,162	-	-	100%
38322976 DOWNTOWN BALL PARK IMP 15	498,162	498,162	-	-	100%
38322986 FIRE STATION RENOVATINOS 14	398,530	46,310	352,220	-	12%
38322996 LIBRARY IMP VAR 14	348,714	98,279	66,190	184,245	28%
38323006 POLICE PRECINCT RENO 14	398,530	328,293	70,237	-	82%
38323206 MLK CASINO RENO GEN CONTRCTING	498,162	347,647	150,515	-	70%
38324306 CITY COURT REHAB 14	398,530	384,387	8,389	5,753	96%
38324406 COMM CNTR IMPROV CEN CONTR 14	209,228	167,466	37,740	4,023	80%
38328206 HATCH RESTAURANT ADD/ATL 13-14	468,738	468,738	-	-	100%
38329206 LIBRARY IMPROVEMENTS VARIOUS-13	346,472	258,323	13,248	74,900	75%
38403016 DELAWARE PARK STAGE 15	204,685	204,685	-	-	100%
38403026 LASALLE PARK SKATE PARK 15	319,820	319,820	-	-	100%
38403036 SCHILLER PARKS IMP 15	351,802	334,279	17,132	392	95%
38404706 GEN CONTRCT PARKS IMPROV CW 14	1,627,994	1,627,994	-	-	100%
38653046 DEMOLITIONS CW 15	2,490,812	2,486,243	-	4,569	100%
COST OF ISSUANCE	86,691	86,691	-	-	100%
TOTAL: 3018 FUND	23,722,896	19,938,617	2,542,639	1,241,640	84%

3017 FUND: 2014-15 BOND SALE PROJECTS

37190806 KENMORE AVE GEN CONTR 2014	533,383	533,383	-	-	100%
37200706 POLICE VEHICLE PUR 14 GEN CONT	1,064,144	1,064,144	-	-	100%
37288606 POLAR BEAR EXHIBIT 14 GEN CONT	648,487	648,487	-	-	100%
37304106 STREETS VEHICLE PUR 14 GEN CON	894,303	894,303	-	-	100%
37310906 TRAFFIC SIGNAL IMP 14 GEN CONT	198,734	24,565	-	174,169	12%

	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	PERCENT
	AT 6/30/17	AT 6/30/17	AT 6/30/17	AT 6/30/17	EXPENDED
37311006 COLVIN EST RD PH II GEN CONTR	496,835	648	-	496,187	0%
37311106 NIAGARA ST GATEWAY 14 GEN CONT	505,033	505,033	-	-	100%
37312906 WEST FERRY BRIDGE 14 GEN CONTR	1,280,119	1,280,119	-	-	100%
37315506 INFRASTR IMPROV CW 14 GEN CONTR	5,423,557	5,241,609	44,936	137,012	97%
37316006 TRAFFIC SIGNAL IMPROVEMENTS 13	199,395	199,395	-	-	100%
37319506 STREET LIGHTING CW 14 GEN CONT	397,468	339,022	-	58,446	85%
37321206 BLDG IMP ABATEMENT 14 GEN CONT	531,613	161,455	370,158	-	30%
37321306 CAZ & LOVEJOY POOLS 14 GEN CON	479,694	467,018	-	12,676	97%
37329406 BFLO HIST SOC ELEC 13 GEN CONT	528,398	528,398	-	-	100%
37403906 TREE REMOVE PLT PLAN GEN CONTR	299,093	299,093	-	-	100%
37585206 EMERGENCY DEMOS CW 14 GEN CONT	3,243,167	3,191,279	-	51,888	98%
COST OF ISSUNACE	64,578	64,578	-	-	100%
TOTAL: 3017 FUND	16,788,000	15,442,527	415,094	930,379	92%

3016 FUND: 2013-14 BOND SALE PROJECTS

36309106 SNOW FIGHT APPARATUS	895,854	895,854	-	-	100%
36319206 ALLEN ST STRTSCAPE	248,848	248,848	-	-	100%
36319306 ELLICOTT ST IMPROVEMENT	798,803	798,803	-	-	100%
36319406 INFRASTRUCTURE CITYWIDE	6,420,288	6,420,288	-	-	100%
36319506 STREET LIGHST CITYWIDE	497,697	497,697	-	-	100%
36319606 N BFLO ICE RINK RENOVOATION	398,157	398,157	-	-	100%
36324706 DWNTWN BALLPARK IMP	746,545	746,545	-	-	100%
36328206 HATCH REST ADDIT	886,854	886,854	-	-	100%
36329706 KLEINHANS SFTY	168,215	168,215	-	-	100%
36328606 POLAR BEAR EXHIB	549,014	549,014	-	-	100%
36329806 MUNICIPAL BLDGS REC GENL CONTR	399,211	361,395	15,698	22,118	91%
36329906 MLK CASINO RENO GENL CONTR	210,968	210,968	-	-	100%
36400006 JB WILEY LIGHT IMP GENL CONTR	248,848	248,848	-	-	100%
36400116 PARK IMPROV VAR GENL CONTR	1,810,074	1,747,820	62,248	6	97%
36400216 PARK VEHICLE PUR GENL CONTR	223,964	223,964	-	-	100%
36403606 PUBLIC ART RESTOR GENL CONTR	236,801	177,997	19,154	39,650	75%
36655206 DEMOS EMGY CITYWIDE GENL CONTR	2,989,166	2,930,913	-	58,253	98%
COST OF ISSUANCE	89,860	89,860	-	-	100%
TOTAL: 3016 FUND	17,819,168	17,602,040	97,100	120,028	99%

3015 FUND: 2012-13 BOND SALE PROJECTS

35216706 CMD VEHICLE PURCH GENL CONTR	128,972	128,972	-	-	100%
35304106 STREET VEHCL PURCH GENL CONTR	1,004,451	1,004,451	-	-	100%
35312606 MASTEN DIST INFRASTR GENL CONTR	351,558	351,558	-	-	100%
35312706 RICHMND STR LIGHT GENL CONTR	100,445	100,445	-	-	100%
35314206 BRIDGE REHAB 11-12 GENL CONTR	501,145	501,145	-	-	100%
35314506 INFRASTR IMPROV GENL CONTR	5,022,257	5,022,257	-	-	100%
35316806 ALBERMALE STRSCAPE GENL CONTR	186,587	186,587	-	-	100%
35316906 ALLEN ST INFRASTR GENL CONTR	102,543	102,543	-	-	100%
35317006 BEDFORD RD MEDIAN GENL CONTR	306,307	306,307	-	-	100%
35317106 BFLO RVR PK ACCESS GENL CONTR	75,334	25,503	317	49,514	34%
35317206 CLINTON ST IMPROV GENL CONTR	401,781	401,781	-	-	100%
35317306 FILLMOR STR IMPROV GENL CONTR	76,137	76,137	-	-	100%
35317406 HERTEL AV STR IMPROV GENL CONT	50,223	-	49,410	813	0%
35317506 NIAGARA DIST INFRSTR GENL CONT	75,334	27,892	-	47,442	37%
35317606 NORTH DIST INFRASTR GENL CONTR	50,223	47,613	-	2,610	95%
35317706 MICH & JEFF ARCH GENL CONTR	150,668	-	-	150,668	0%
35317806 PARKSIDE COMM TRAFIC GENL CONT	100,445	100,445	-	-	100%
35317906 PEARL ST CONV CHPPW GENL CONTR	1,506,677	1,484,490	-	22,188	99%
35318006 RTN CARS MAIN TUPR GENL CONTR	436,975	436,975	-	-	100%
35323106 CITY OWNED BLDGS GENL CONTR	2,754,059	2,732,074	19,615	2,370	99%

	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	PERCENT
	AT 6/30/17	AT 6/30/17	AT 6/30/17	AT 6/30/17	EXPENDED
35323206 FIRE ST REHAB GENL CONTR	301,335	301,335	-	-	100%
35323506 POLICE HQ RENOV GENL CONTR	452,003	452,003	-	-	100%
35324706 DWNTWN BALLPARK IMP GENL CONTR	753,339	753,339	-	-	100%
35325606 CITY CRT LOCKUP GENL CONTR	268,691	268,691	-	-	100%
35326006 MUSM SCI HEAT PMP GENL CONTR	45,630	45,630	-	-	100%
35326106 MUSM SCI HVAC GENL CONTR	75,233	75,233	-	-	100%
35328106 ALLENDALE THTR IMP GENL CONTR	15,067	15,067	-	-	100%
35328206 HATCH RESTR ADDITION GENL CONT	407,873	407,873	-	-	100%
35328306 JFK COMM CTR IMPR GENL CONTR	100,445	61,777	-	38,668	62%
35328406 LIBRARY IMPRO 11-12 GENL CONTR	224,868	224,868	-	-	100%
35328506 MARCY CASINO IMPROV GENL CONTR	200,890	200,890	-	-	100%
35328606 POLAR BEAR EXH ZOO GENL CONTR	537,382	537,382	-	-	100%
35403606 PUBLIC ARTS RESTOR GENL CONTR	271,202	271,202	-	-	100%
35403906 TREE REMOV & PLNT GENL CONTR	644,858	644,858	-	-	100%
35405106 PARK INFRAST IMPR GENL CONTR	1,343,454	1,343,454	-	-	100%
35408706 MULROY PK FACILITY GENL CONTR	401,781	401,781	-	-	100%
35655206 DEMOS EMERGENCY GENL CONTR	2,604,019	2,604,019	-	-	100%
COST OF ISSUANCE	375,518	375,518	-	-	100%
TOTAL: 3015 FUND	22,405,706	22,022,093	69,342	314,271	98%
Total	\$ 126,841,879	\$ 90,496,783	\$ 16,555,754	\$ 19,789,341	71%

Attachment A-2

CITY OF BUFFALO CAPITAL PROJECT OBLIGATIONS AS OF JUNE 30, 2017 UNAUDITED OPEN PROJECT LIST

	BUDGET AT 6/30/17	EXPENDITURES AT 6/30/17	ENCUMBRANCES AT 6/30/17	BALANCE AT 6/30/17	BALANCE AT 6/30/18
3014 FUND: 2011-12 BOND SALE PROJECTS					
34324406 PUBLIC ART RESTORE 11 SV GC	\$ 221,411	\$ 218,411	\$ -	\$ 3,000	99%
TOTAL: 3014 FUND	221,411	218,411	-	3,000	99%
3013 FUND: 2010-11 BOND SALE PROJECTS					
33321006 LIBRARIES VAR 10	376,862	372,862	4,000	-	99%
33321106 MLK PRK BASN&CASNO 10	1,879,869	1,753,371	126,498	-	93%
TOTAL: 3013 FUND	2,256,730	2,126,232	130,498	-	94%
3012 FUND: 2009-10 BOND SALE PROJECTS					
32320706 CRTCL INFR TECH UPGR 09	324,258	181,016	143,242	-	56%
32400406 MLK PK IMP 09	1,922,786	1,910,684	12,102	-	99%
TOTAL: 3012 FUND	2,247,045	2,091,700	155,345	-	93%
3011 FUND: 2008-09 BOND SALE PROJECTS					
31311206 C/W ENVIRO REMEDTN 08	101,000	5,191	95,809	-	5%
TOTAL: 3011 FUND	101,000	5,191	95,809	-	5%
3010 FUND: 2007-08 BOND SALE PROJECTS					
30320406 CITY HALL FIRE ALRM 07	1,066,679	960,146	101,944	4,589	90%
TOTAL: 3010 FUND	1,066,679	960,146	101,944	4,589	90%
CAPITAL GRANTS					
31655806 GIS DEVELOPMENT	508,800	453,005	11,740	44,055	89%
31751406 FERRY ST LIFT BRIDGE REHAB	10,136,396	8,590,105	834,640	711,650	85%
31450006 NB RAIL TO TRAILS	2,123,027	1,847,753	149,920	125,354	87%
31490006 SEN-CAZ INFRAS PROJ	100,000	-	-	100,000	0%
31550006 BAILEY BRIDGE-CAZ CK	20,802,331	14,299,731	6,448,094	54,506	69%
31570006 REDM 90 HOPKINS	187,047	107,830	-	79,217	58%
36567606 KENMR-STARIN TO MAIN	7,476,835	6,443,256	534,932	498,647	86%
36770806 REST NY COMM 06-07	3,308,416	3,300,882	-	7,534	100%
31680006 DEMO PROJ ECON DEV	3,176,293	3,176,281	-	12	100%
31690006 BMC STSCAPE PH1	1,128,517	1,051,807	-	76,710	93%
31692106 BMC STSCAPE PH1	2,796,550	2,670,242	93,711	32,597	95%
31692206 BMC STSCAPE PH2	4,118,176	3,566,865	-	551,311	87%
31710006 NIAGARA ST GTWY PRJ	4,171,156	4,115,596	14,915	40,645	99%
38072706 RESTORE NY PH2	7,510,421	7,484,209	-	26,212	100%
31810006 1318 NIAGARA REM	681,000	661,436	18,336	1,228	97%
38777206 RESTORE NY PH 3	6,445,122	1,408,000	-	5,037,122	22%
38881106 BURA STIM CW ST&SDWK	1,000,000	999,985	-	15	100%
31091606 LASALLE PK IMPV PH 3	1,104,830	1,090,062	12,770	1,999	99%
31950006 CITY CT TENANT	291,922	110,076	-	181,846	38%
32000006 CHIPS CAPITAL	33,773,232	24,377,842	8,135,133	1,260,257	72%
32020006 BFLO OUT HARB TR PH2	380,000	210,460	27,540	142,000	55%
32050006 BFLO RIVER GRNWAY	390,100	-	-	390,100	0%
32080006 MLK PK HUMBLDT BASIN	100,000	-	35,725	64,275	0%

	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	BALANCE
	AT 6/30/17	AT 6/30/17	AT 6/30/17	AT 6/30/17	AT 6/30/18
32100006 CARS MAIN ST 500	20,781,978	19,820,995	40,000	920,983	95%
32190306 PEARL ST CFA GRT	1,000,000	999,133	-	867	100%
32290406 GENESSEE ST GTWY	1,250,000	1,187,500	62,500	-	95%
32140006 BRODERICK PARK PH I	1,508,197	1,504,380	-	3,817	100%
32150006 BRDG REPLAC SOUTH PARK	232,495	112,568	91,618	28,308	48%
32160006 BRIDGE PAINTING	587,215	458,314	-	128,901	78%
32170006 BNMC PHIII ALLEN ST EXT	1,774,412	1,333,085	361,389	79,938	75%
32190006 OHIO ST INNER HARBOR	10,906,437	10,785,272	10,852	110,314	99%
32210006 SO PARK AVE BRIDGE PAINTING	296,880	877	225,912	70,091	0%
32230006 NIAGARA ST - PORTER TO ONTARIO	1,413,124	1,092,336	69,817	250,971	77%
32240006 BRIDGE BEARING REPL/REPAIR	692,494	913	619,027	72,554	0%
32250006 S OGDEN ST BRIDGE DESIGN	633,626	109,777	470,673	53,176	17%
32260006 SAFETY IMPRV PROJ-PARKSDE/FLOR	500,000	499,975	-	25	100%
32271006 ENERGY GRANT - STREETLIGHTING	28,175	18,175	-	10,000	65%
32272406 ENERGY PLAN - RENEW	225,000	179,411	45,589	-	80%
32272506 DISTRICT ENERGY NY - PRIZE	175,000	100,000	-	75,000	57%
32272606 ENERGY GRANT - CITY BUILDINGS	417,572	193,380	-	224,192	46%
32280006 NIAGARA/CRANE LIBRARIES	405,210	397,942	-	7,268	98%
32280016 EAST DELAVAN LIBRARY	203,106	-	-	203,106	0%
32290006 UNITY ISLAND PARK RESTORATION	1,037,907	68,250	1,258	968,399	7%
32300006 NORTHLAND AVE DESIGN	313,030	183,306	129,724	-	59%
32310006 WARRAN SPAHN GENERAL CONTR	300,000	286,363	13,637	(0)	95%
32320006 JB WILEY IMPVTS & UPGRADES	1,965,000	110,169	1,819,516	35,315	6%
32330006 COCA COLA FIELD IMPROVEMENTS	500,000	500,000	-	-	100%
32360006 JESSE KREGAL TRAIL CONNECTOR	400,000	39,736	-	360,264	10%
32370006 LASALLE PARK DESIGN/WATERFRONT	65,000	-	63,000	2,000	0%
32380006 BFLO RIVERWALK SHORELINE TRAIL	2,035,244	652,705	1,382,511	28	32%
32390006 500 SENECA PIF	158,860	-	158,860	-	0%
33112006 500 SENECA PIF BSE	44,044	-	-	44,044	0%
32400006 SHELTON SW ERIE ST GRNWY	50,000	-	351	49,649	0%
32410006 DILLON COURTHOUSE RENO	2,900,000	-	-	2,900,000	0%
39162806 TRAFFC SGNL & CNRL	4,168,485	3,927,987	-	240,497	94%
39162906 CITY COURT CHILLER	2,889,498	2,832,407	-	57,091	98%
Total: CAPITAL GRANTS	171,568,159	133,360,377	21,883,691	16,324,091	78%

3000 FUND: CAPITAL PLAN PROJECTS

30000106 PLAN CP SV GENL CONTR	291,999	77,903	13,845	200,251	27%
30001016 GNRL CONTR TREE MGMT	1,066,125	943,938	122,187	-	89%
30013506 ANIMAL SHELTER SV GENL CONTR	166,081	68,096	21,270	76,715	41%
30030506 LANDFILL MANAGEMENT SERVICES	60,005	-	41,318	18,688	0%
30032106 CHIPS 98-9 GENL CONTR	32,178,889	32,127,483	8,839	42,567	100%
30053406 CAPITAL DEMOLITIONS GEN CONTR	623,685	623,047	-	638	100%
30055906 POOL FACILITIES	163,100	42,280	120,820	-	26%
30077106 MONUMENT FOR MEM AUD SV GC	50,000	-	-	50,000	0%
30083306 LAFAYETTE (NBUFF) ICE RINK IMP	400,000	392,550	-	7,450	98%
30091406 UNIVERSAL WASTE MGT GEN CONTR	100,000	72,314	27,686	-	72%
30091806 NORTH BUFFALO ICE RINK DESIGN	121,000	102,640	18,360	-	85%
30310006 MICHIGAN ARCHWAY STUDY DESIGN	75,000	30,211	40,084	4,705	40%
30320006 DEMO OF CITY OWNED FACILITIES	32,000	18,723	7,987	5,290	59%
30322406 BROADWAY MKT KITCHEN AND FLOOR	74,000	31,204	20,775	22,021	42%
30322706 BUFFALO MUSEUM OF SCIENCE	34,759	24,911	9,847	1	72%
30363206 FIREHOUSE CONCEPTUAL DESIGN	200,834	5,000	23,000	172,834	2%
33203296 PARKS BUILDINGS RECONSTRUCTION	55,000	44,229	10,771	-	80%
33203306 LIBRARY FACILITIES DESIGN	61,000	14,351	41,000	5,649	24%
33254006 DILLION COURTHOUSE	280,000	169,204	101,569	9,227	60%
33258006 DOWNTOWN BALL PARK DESIGN	50,000	-	45,000	5,000	0%
33259006 POLICE FACILITIES DESIGN	111,000	-	-	111,000	0%

	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	BALANCE
	AT 6/30/17	AT 6/30/17	AT 6/30/17	AT 6/30/17	AT 6/30/18
33280006 FIRE/POLICE HQ CONCEPT DESIGN	194,260	176,600	-	17,660	91%
33291706 CITY HALL IMPROVEMENTS DESIGN	185,000	117,755	32,245	35,000	64%
TOTAL: 3000 FUND	36,573,736	35,082,436	706,605	784,695	96%
3997 FUND: JSCB CAPITAL PROJECTS					
37790606 ECIDA FUNDS PH II	3,529,432	1,419,839	-	2,109,592	40%
TOTAL: 3997 FUND	3,529,432	1,419,839	-	2,109,592	40%
3998 FUND: BOE CAPITAL PROJECTS					
38796806 COMP & TECH 12 GENERAL CONTRA	1,236,462	1,062,664	6,698	167,099	86%
38797106 REFUNDING SAVINGS PH II GC	27,939,393	26,075,457	1,781,744	82,191	93%
38797306 PARTIAL REFUNDING SAV PHASE IV	11,072,750	8,501,612	2,300,861	270,278	77%
38797406 REFUNDING SAVINGS PH III A&B	25,938,205	4,889,366	10,911,274	10,137,565	19%
39806506 EMERGENCY GENERATOR SCHOOL 84	79,500	-	79,500	-	0%
TOTAL: 3998 FUND	66,266,309	40,529,100	15,080,077	10,657,133	61%
3999 FUND: BOE DEVELOPMENT RESERVE					
39791706 DESGN/CONSULTNT CAP PRJ	500,000	-	-	500,000	0%
TOTAL: 3999 FUND	500,000	-	-	500,000	0%
Total	\$ 284,330,501	\$ 215,793,432	\$ 38,153,970	\$ 30,383,100	76%

Attachment B

CITY OF BUFFALO AUTHORIZED BUT UNISSUED AS OF JUNE 30, 2017

YEAR	DATE CCP APPROVED	PURPOSED FOR WHICH AUTHORIZED	AMOUNT AUTHORIZED UNISSUED
2013	02/19/13	Kenmore Avenue Reconstruction (Main-Starin)	\$ 123,031
2014	02/18/14	Court Street Imp.	663,493
2014	02/18/14	Broadway Garage Improvements	400,000
2014	02/18/14	Buildings Plan/Design	535,000
2015	02/17/15	Allen Street – BNMC Improvements Phase 3	614,944
2015	02/17/15	Elk Street Bridge/Ohio Street Bridge	170,130
2015	02/17/15	Police Precinct Renovation	277,789
2016	02/16/16	Fire Apparatus - Purchase	1,048,865
2016	02/16/16	Bailey Avenue Bridges Reconstruction	2,180,000
2016	02/16/16	Ohio Street Lift Bridge Reconstruction	369,000
2016	02/16/16	South Ogden Bridge Reconstruction	127,500
2016	02/16/16	South Park Loop Bridge Reconstruction	530,000
2016	02/16/16	Buffalo History Museum	110,000
2016	02/16/16	Fire Department Buildings	888,361
2016	02/16/16	Museum of Science Front Entrance Restoration	535,000
2016	02/16/16	LaSalle Seawall Construction	1,448,000 ¹
2017	02/21/17	Fire Apparatus - Purchase	950,000 ²
2017	02/21/17	Streets Vehicles - Purchase	856,000
2017	02/21/17	Animal Shelter	500,000
2017	02/21/17	Broadway Market Improvements	357,534
2017	02/21/17	Buffalo History Museum Portico	200,000
2017	02/21/17	Council Chambers Accessibility	156,782
2017	02/21/17	Downtown Ball Park Seating Replacement	500,000
2017	02/21/17	Public Art Restoration	208,000
			13,749,429

BUDGETED BUT UNAUTHORIZED AS OF JUNE 30, 2017

2017	Street Lights Replacement - Various	535,000
		\$ 535,000

¹ Interfund loan approved for partial amount of resolution

² Interfund loan approved for full amount of resolution

Attachment C

CITY OF BUFFALO STATEMENT OF DEBT CONTRACTING POWER AS OF JULY 1, 2017

	<u>AMOUNT</u>	<u>PERCENT</u>
Average Full Valuation of Taxable Real Property and Special Franchises as Determined by the Last Completed Assessment Roll and the Four Preceding Rolls	<u>\$ 7,892,609,200</u>	
Debt Contracting Limitation: Nine Percent of Average Full Valuation - Article VIII, Section 4, of the Constitution of the State of New York	710,334,828	100.00%
Gross Indebtedness:		
Borrowings:		
Serial Bonds	\$ 237,798,084	
Bond Anticipation Notes		
Total Gross Debt	<u>237,798,084</u>	
Exclusions:		
Exempt Debt:		
Water Supply Bonds	167,468	
Parking Facilities Bonds	11,425,783	
Reserve to Pay Non-Exempt Debt	5,282,367	
Appropriation in Budget to Pay Non-Exempt Debt		
Maturing during Fiscal Year	<u>32,562,360</u>	
Total Exclusions	<u>\$ 49,437,978</u>	
Net Indebtedness	<u>188,360,106</u>	26.5%
Debt-Contracting Margin	<u>521,974,722</u>	73.5%
Authorized But Unissued Non-Exempt Debt	<u>13,823,557</u>	1.9%
Effective Borrowing Capacity	<u>\$ 508,151,165</u>	71.5%