

CITY OF BUFFALO
DEPARTMENT OF AUDIT & CONTROL



COMPTROLLER'S ESTIMATE & REPORT

**2017 CAPITAL IMPROVEMENT BUDGET
&**

FIVE YEAR PLAN (2017-2021)

AUGUST 1, 2016

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COMPTROLLER

ANNE FORTI-SCIARRINO
FIRST DEPUTY COMPTROLLER

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 reports 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 and “A+” ratings with Fitch and Standard & Poor’s.

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 2015 fiscal year.

Debt Service	Total Expenditures	Ratio	S&P High Score
\$ 46,252,175	\$ 446,586,452	10.4%	Less than 8%
Bonded Debt	Total Revenues	Ratio	S&P High Score
\$ 257,485,214	\$ 470,253,979	54.8%	Less the 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, vast 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 2017 Capital Budget and the 2017-2021 Capital Plan, the Citizens Planning Council, the Mayor and the Common Council should 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. For instance, in the 2015 fiscal year, capital project fund expenditures totaled \$54.8 million, of which only \$26.4 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

Attachment A-1 lists all capital projects funded through bond proceeds for the years 2011 through 2016. 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, 2016, 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, 2016 is \$112.6 million, which includes encumbrances of \$40.5 million. The available balance includes \$37.7 million of grant proceeds, \$23.6 million of bond proceeds, \$711,477 for capital projects funded by the general fund, and \$10.1 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 a significant improvement in the timely spending of bond proceeds.

Despite progress in timely spending, there are too many older projects that remain active. 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. Therefore these projects should be examined for viability, and either completed promptly, or 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 \$17.9 million, the majority of which were authorized last year and scheduled for inclusion in future sales. 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 \$2.7 million have been approved to date for authorized but unissued projects, and therefore must be included in the 2017 bond sale.

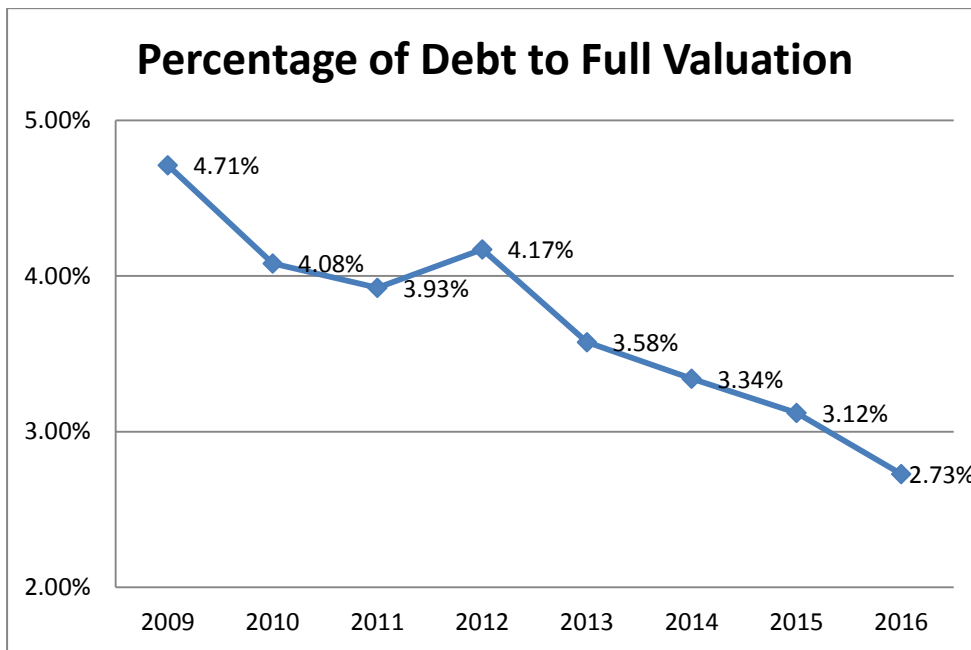
In addition to the authorized but unissued projects, Lancaster Street Extension, Police Property and Evidence Building and Public Art Restoration projects have neither been authorized nor issued pending clarification of project details.

III. Statement of Debt Contracting Power

The City's Statement of Debt Contracting Power, *Attachment C*, identifies that the City is \$436 million beneath its debt-ceiling limit as of July 1, 2016. The net indebtedness of the City has decreased \$12.4 million since July 1, 2015. 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 2.73 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, 2016, a total of \$888,181 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 \$4.1 million and \$6.6 million for fiscal years 2015 and 2014, respectively. As of June 30, 2016 the total balance in the Capital Debt Reserve was \$5,067,566.

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 existing 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. 2017 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.

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, to include acquisition, ownership status, etc.
- Complete budget which includes any Federal or State grants; total cost utilizing verifiable vendor estimates or standard cost accounting methods; Maximum Estimated Cost
- Project timetable; to include 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

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 and 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 City capital projects over the next five calendar years.

Please note that authorizations in the 2016 Capital Budget and 2016-2020 Five-year Capital Plan exceeded the Comptroller’s recommended amount. According to the administration, the justification for this was that the projects in excess of the Comptroller’s cap were for future projects and would be deducted from future capital budgets. As a result, the Mayor has agreed to reduce authorizations by \$5,396,550 in 2017, \$5,631,625 in 2018 and \$2,366,130 in 2019. Those reductions are factored into the recommended authorization amounts below:

Year	Debt Cap	Reduction	Budget Authorization
2017	\$20,800,000	- \$5,396,550	= \$15,403,450
2018	\$21,600,000	- \$5,631,625	= \$15,968,375
2019	\$23,200,000	- \$2,366,130	= \$20,833,870
2020	\$25,300,000	(none)	= \$25,300,000
2021	\$25,400,000	(none)	= \$25,400,000

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 Comptroller will not exceed the Debt Cap (\$20,800,000 in 2017) regardless of whether projects are new authorizations or previously authorized but unissued projects from prior years.

The school district will continue to fund their capital improvements with refunding savings from the refinancing of the Joint Schools Construction bonds. There are no expectations to issue general obligation debt for the school district in the near future.

Attachment A-1

CITY OF BUFFALO CAPITAL PROJECT OBLIGATIONS AS OF JUNE 30, 2016 BOND SALES 2012-2016 UNAUDITED TOTAL PROJECT LIST

	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	PERCENT
	AT 6/30/16	AT 6/30/16	AT 6/30/16	AT 6/30/16	EXPENDED
3019 FUND: 2016-17 BOND SALE PROJECTS					
30192106 FIRE APP PURCHASE GEN CONTR 15	2,100,435	51,043	1,955,754	93,638	2%
30193106 COURT ST 14 GEN CONTRACTING	149,090	22,349	14,400	112,341	15%
33133316 HIGHLAND PARK ROAD ACQ 15	1,212,403	-	-	1,212,403	0%
33133326 INFRASTRUCTURE IMRP VAR 16	6,233,025	-	1,476,434	4,756,592	0%
33133336 STREET LIGHTING VAR 16	496,968	-	-	496,968	0%
33221006 POLICE HQ/A DISTRICT RENO 15	1,013,814	391,266	252,389	370,160	39%
33233346 ALLENDALE THEATRE UPGRD 15	171,279	343	-	170,936	0%
33233356 BROADWAY MRKT KITCHEN 16	265,878	332	332	265,213	0%
33233366 CITY COURT REHAB 15	596,361	-	-	596,361	0%
33233376 CITY HALL IMRP 16	1,689,691	-	-	1,689,691	0%
33233386 COCA COLA FIELD 16	347,877	-	80,331	267,546	0%
33233396 FIRE DEPT BLDG VAR 16	397,574	-	-	397,574	0%
33233406 FIRE STATION REHAB - VAR 15	397,574	-	98,700	298,874	0%
33233416 LIBRARY BLDGS IMRP VAR 15	149,090	-	-	149,090	0%
33233426 LOVEJOY POOL 16	526,786	-	-	526,786	0%
33233436 MAIN ANIMAL ZOO ROOF 16	265,878	-	-	265,878	0%
33233446 MONUMENT RSTR 14	227,611	-	-	227,611	0%
33233456 MONUMENT RSTR 15	220,654	-	-	220,654	0%
33233466 MUSEUM OF SCIENCE REHAB 15	580,485	-	351	580,135	0%
33233476 N BUFFALO ICE RINK 16	1,526,473	-	12,640	1,513,833	0%
33233486 NAVAL PARK HANGER PLAN 16	239,290	-	-	239,290	0%
33233496 PARK BLDG IMRP VAR 16	537,073	-	-	537,073	0%
33233506 REPTILE HOUSE ZOO ROOF 15	265,878	-	-	265,878	0%
34033516 PARKS IMRP VAR 16	1,029,220	-	108,438	920,782	0%
34033526 TREE RMVL AND PLANT VAR 16	596,361	-	369,125	227,236	0%
39313056 S ODGN/MNERAL SPRINGS BRDGE 14	53,176	-	-	53,176	0%
36500006 EMERG DEMO 15 GEN CONTRACTING COST OF ISSUANCE	1,987,871 142,026	157,273 136,008	128,550 -	1,702,048 6,018	8% 96%
TOTAL: 3019 FUND	23,419,843	758,614	4,497,444	18,163,785	3%
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	421,067	-	77,095	85%
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	-	58,503	439,659	0%
38312856 ERIE BASIN MARINA REHAB 15	533,034	-	68,302	464,732	0%
38312866 GENESSEE GATEWAY 15	799,551	512,672	286,879	-	64%
38312876 HAMBURG ST DOCKS 15	51,809	370	-	51,439	1%
38312886 INFRASTRUCTURE IMP CW 15	5,796,617	5,265,158	525,958	5,500	91%
38312896 KENMORE AVE MAIN-STARIN 15	447,748	447,748	-	-	100%
38312906 NIAGARA ST GTWY PH 2 15	1,066,067	993	1,065,074	-	0%
38312916 NIAGARA ST GTWY PH 4 15	373,124	373,124	-	-	100%
38312926 SO PARK LOOP BRIDGE 15	128,994	-	-	128,994	0%
38320316 FIRE STATION REHAB 13 GEN CONT	398,530	206,248	192,282	-	52%
38322936 BROADWAY MRKT FLOOR RECON 15	129,522	7,467	2,850	119,205	6%
38322946 CAZENOVIA PARK CASINO 15	525,829	43,410	352,551	129,869	8%
38322956 CITY COURT REHAB 15	1,295,222	78,282	189,006	1,027,934	6%
38322966 DOWNTOWN BALL PARK IMP 14	498,162	412,846	85,317	-	83%
38322976 DOWNTOWN BALL PARK IMP 15	498,162	52,983	445,180	-	11%
38322986 FIRE STATION RENOVATINOS 14	398,530	-	336,524	62,006	0%
38322996 LIBRARY IMP VAR 14	348,714	107,382	5,590	235,742	31%
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	317,932	63,868	16,730	80%

	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	PERCENT
	AT 6/30/16	AT 6/30/16	AT 6/30/16	AT 6/30/16	EXPENDED
38324406 COMM CNTR IMPROV CEN CONTR 14	209,228	106,012	10,008	93,208	51%
38328206 HATCH RESTAURANT ADD/ATL 13-14	468,738	402,807	16,396	49,535	86%
38329206 LIBRARY IMPROVEMENTS VARIOUS-13	346,472	258,323	13,248	74,900	75%
38403016 DELAWARE PARK STAGE 15	204,685	166,270	33,585	4,829	81%
38403026 LASALLE PARK SKATE PARK 15	319,820	89,701	230,119	-	28%
38403036 SCHILLER PARKS IMP 15	351,802	48,794	296,766	6,242	14%
38404706 GEN CONTRCT PARKS IMPROV CW 14	1,627,994	1,477,652	150,342	-	91%
38653046 DEMOLITIONS CW 15	2,490,812	2,355,412	104,100	31,300	95%
COST OF ISSUANCE	87,191	86,691	-	500	99%
TOTAL: 3018 FUND	23,722,896	15,945,912	4,753,201	3,023,784	67%

3017 FUND: 2014-15 BOND SALE PROJECTS

37190806 KENMORE AVE GEN CONTR 2014	533,383	406,918	97,600	28,865	76%
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 CONTR	198,734	24,565	-	174,169	12%
37311006 COLVIN EST RD PH II GEN CONTR	496,835	354	-	496,480	0%
37311106 NIAGARA ST GATEWAY 14 GEN CONT	505,033	500,626	-	4,406	99%
37312906 WEST FERRY BRIDGE 14 GEN CONTR	1,280,119	1,280,119	-	-	100%
37315506 INFRASTR IMPROV CW 14 GEN CONTR	5,423,557	5,165,618	120,927	137,012	95%
37316006 TRAFFIC SIGNAL IMPROVEMENTS 13	199,395	199,395	-	-	100%
37319506 STREET LIGHTING CW 14 GEN CONT	397,468	384,148	13,320	-	97%
37321206 BLDG IMP ABATEMENT 14 GEN CONT	531,613	72,955	400	458,258	14%
37321306 CAZ & LOVEJOY POOLS 14 GEN CON	479,694	92,278	374,740	12,676	19%
37329406 BFLO HIST SOC ELEC 13 GEN CONT	528,398	472,547	55,851	-	89%
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	14,761,407	714,726	1,311,867	88%

3016 FUND: 2013-14 BOND SALE PROJECTS

36309106 SNOW FIGHT APPARATUS	895,854	890,685	-	5,169	99%
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	481,510	16,187	-	97%
36319606 N BFLO ICE RINK RENOVOATION	398,157	380,000	-	18,157	95%
36324706 DWNTWN BALLPARK IMP	746,545	717,790	-	28,755	96%
36328206 HATCH REST ADDIT	886,854	882,332	4,522	-	99%
36329706 KLEINHANS SFTY	168,215	101,860	16,990	49,365	61%
36328606 POLAR BEAR EXHIB	549,014	549,014	-	-	100%
36329806 MUNICIPAL BLDGS REC GENL CONTR	399,211	256,180	140,428	2,604	64%
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	112,058	24,179	100,564	47%
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	17,291,740	264,553	262,874	97%

3015 FUND: 2012-13 BOND SALE PROJECTS

35216706 CMD VEHICLE PURCH GENL CONTR	128,972	128,972	-	-	100%
35304106 STREET VEHICLE 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	91,352	9,093	-	91%
35314206 BRIDGE REHAB 11-12 GENL CONTR	501,145	335,432	-	165,713	67%
35314506 INFRASTR IMPROV GENL CONTR	5,022,257	5,003,534	17,940	784	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	-	-	50,223	0%
35317506 NIAGARA DIST INFRSTR GENL CONT	75,334	27,892	-	47,442	37%
35317606 NORTH DIST INFRASTR GENL CONTR	50,223	45,711	4,512	-	91%

	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	PERCENT
	AT 6/30/16	AT 6/30/16	AT 6/30/16	AT 6/30/16	EXPENDED
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 CHPPV GENL CONTR	1,506,677	1,305,535	147,552	53,591	87%
35318006 RTN CARS MAIN TUPR GENL CONTR	436,975	436,975	-	-	100%
35323106 CITY OWNED BLDGS GENL CONTR	2,754,059	2,631,822	119,868	2,370	96%
35323206 FIRE ST REHAB GENL CONTR	301,335	277,245	24,090	-	92%
35323506 POLICE HQ RENOV GENL CONTR	452,003	443,722	8,282	-	98%
35324706 DWNTWN BALLPARK IMP GENL CONTR	753,339	746,744	6,595	-	99%
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	214,141	10,727	-	95%
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 INFRASTR 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	21,497,762	348,974	558,971	96%

3014 FUND: 2011-12 BOND SALE PROJECTS

34210506 PURCH FIRE APPRTS 11 SV CG	959,017	959,017	-	-	100%
34300106 PURCH STREET VEHICLE 11 SV GC	670,190	670,190	-	-	100%
34310806 BNMC PHASE IIB 11 SV GC	169,980	169,980	-	-	100%
34310906 BNMC PHASE III 11 SV GC	53,119	53,119	-	-	100%
34311006 BRIDGE REHAB VARIOU 11 SV GC	454,696	423,339	25	31,332	93%
34311106 ELMWOD RECON FRST-198 11SV GC	138,109	138,109	-	-	100%
34311206 ERIE CNL HRBR STR PH3 11 SV GC	53,119	53,119	-	-	100%
34311306 FRUITBLT REDEVELOP 11 SV GC	89,771	89,771	-	-	100%
34311406 GENESEE GATEWAY STR 11 SV GC	148,931	148,931	-	-	100%
34311506 CITY INFRASTR IMPROV 11 SV GC	5,109,885	5,109,885	-	-	100%
34311606 SOUTH INFRASTR IMPROV 11 SV GC	446,793	446,793	-	-	100%
34311706 LOVEJOY DIS STRSCAPES 11 SV GC	397,149	397,149	-	-	100%
34311806 MASTEN INFRASTR IMPROV 11 SV GC	251,825	251,825	-	-	100%
34311906 RICHMND STR LIGHTING 11 SV GC	297,862	297,862	-	-	100%
34312006 SPARK LOOP BRDG REHA 11 SV GC	42,495	42,495	-	-	100%
34312106 W FERRY BRDG REHAB 11 SV GC	212,475	212,475	-	-	100%
34322706 BDWY DEPOT ROOF 11 SV GC	106,237	106,237	-	-	100%
34322806 BDWY MKT IMPROV 11 SV GC	239,034	239,034	-	-	100%
34322906 CITY COURT EMER GEN 11 SV GC	339,960	339,960	-	-	100%
34323006 CITY COURT PRIS LU 11 SV GC	1,394,988	1,394,988	-	-	100%
34323106 CITY BLDG IMPROV 11 SV GC	637,425	637,425	-	-	100%
34323206 CITY BLDG INSPECT 11 SV GC	465,237	465,237	-	-	100%
34323306 COM CTR ELECT UPGRD 11 SV GC	132,797	132,797	-	-	100%
34323406 COM CTR HVAC UPGRD 11 SV GC	196,539	196,539	-	-	100%
34323506 COM CTR ROOF REPLCE 11 SV GC	228,411	228,411	-	-	100%
34323606 DWNTWN BALL PK IMPRV 11 SV GC	186,978	186,978	-	-	100%
34323706 FIRE STATION REHAB 11 SV GC	239,034	223,790	15,245	-	94%
34323806 KLEINHANS REVITALIZE 11 SV GC	239,034	239,034	-	-	100%
34323906 MUSM SCIENCE HT PUMP 11 SV GC	79,678	79,678	-	-	100%
34324006 MUSM SCIENCE HVAC 11 SV GC	74,366	74,366	-	-	100%
34324106 N BFLO HOCKY RK IMPRV 11 SV GC	318,712	318,712	-	-	100%
34324206 PAN AM BLDG WINDOWS 11 SV GC	53,119	53,119	-	-	100%
34324306 POLICE HQ RENOVATION 11 SV GC	201,001	201,001	-	-	100%
34324406 PUBLIC ART RESTORE 11 SV GC	221,411	218,411	-	3,000	99%
34324506 SHEAS BOILER REPLCE 11 SV GC	185,916	185,916	-	-	100%
34324606 SHEAS EMERG GENRTOR 11 SV GC	99,863	99,863	-	-	100%
34324706 SHEAS FIRE ESCAPE 11 SV GC	18,060	18,060	-	-	100%
34324806 SHEAS STG HOUSE BRICK 11SV GC	106,237	106,237	-	-	100%
34324906 ZOO MAIN BLDG IMPROV 11 SV GC	148,931	148,931	-	-	100%
34400106 BRDRCK PK IMPROV 11 SV GC	744,655	740,838	-	3,817	99%
34400206 PARK INFRASTR IMPROV 11 SV GC	1,593,562	1,593,562	-	-	100%
34400306 PRKS REC VEHIC & EQ 11 SV GC	531,187	531,187	-	-	100%
34400406 TREE RMVL & PLNT 11 SV GC	1,295,700	1,295,700	-	-	100%

	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	PERCENT
	AT 6/30/16	AT 6/30/16	AT 6/30/16	AT 6/30/16	EXPENDED
34650106 DEMO EMERG CONDTITNS 11 SV GC	2,666,881	2,666,881	-	-	100%
COST OF ISSUANCE	664,151	664,151	-	-	100%
TOTAL: 3014 FUND	22,904,522	22,851,103	15,270	38,149	100%
Grant Total	127,060,135	93,106,537	10,594,168	23,359,430	73%

Attachment A-2

CITY OF BUFFALO CAPITAL PROJECT OBLIGATIONS AS OF JUNE 30, 2016 UNAUDITED OPEN PROJECT LIST

	BUDGET AT 6/30/16	EXPENDITURES AT 6/30/16	ENCUMBRANCES AT 6/30/16	BALANCE AT 6/30/16	PERCENT EXPENDED
3013 FUND: 2010-11 BOND SALE PROJECTS					
33321006 LIBRARIES VAR 10	376,862	370,658	6,204	-	98.4%
33321106 MLK PRK BASN&CASNO 10	1,879,869	1,753,371	126,498	-	93.3%
33321506 SERVICE BLDG IMP VAR 10	442,322	440,361	1,709	252	99.6%
TOTAL: 3013 FUND	2,699,052	2,564,389	134,411	252	95.0%
3012 FUND: 2009-10 BOND SALE PROJECTS					
32311606 SIGNAL IMPRV 99-00	957,433	906,232	-	51,201	94.7%
32320306 BFLO HIST ELEC SYS 09	648,517	647,017	1,500	-	99.8%
32320706 CRTCL INFR TECH UPGR 09	324,258	179,296	144,962	-	55.3%
32400406 MLK PK IMP 09	1,922,786	1,910,684	12,102	(0)	99.4%
TOTAL: 3012 FUND	3,852,995	3,643,229	158,565	51,201	94.6%
3011 FUND: 2008-09 BOND SALE PROJECTS					
31310906 C/W ENVIRO REMEDTN 08	1,628,668	1,527,668	101,000	-	93.8%
31320306 DIST HEAT SYS RPL 08	217,111	203,536	13,575	-	93.7%
TOTAL: 3011 FUND	1,845,779	1,731,204	114,575	-	93.8%
3010 FUND: 2007-08 BOND SALE PROJECTS					
30320306 CITY COURT FIRE ALRM 07	613,746	605,300	-	8,445	98.6%
30320406 CITY HALL FIRE ALRM 07	1,066,679	474,292	587,799	4,589	44.5%
30320906 NEW STEETS GARAGE 07	266,670	64,214	6,000	196,456	24.1%
TOTAL: 3010 FUND	1,947,095	1,143,806	593,799	209,490	58.7%
CAPITAL GRANTS					
31530806 BROWNFIELDS	1,356,152	1,109,951	-	246,201	81.8%
32447006 INTMDL TRANS CTR PR	1,172,034	1,164,822	-	7,212	99.4%
31548906 SQUAW ISLND REMED GRANT	1,385,762	1,217,426	-	168,336	87.9%
31655806 GIS DEVELOPMENT	458,800	427,576	11,740	19,484	93.2%
31751406 FERRY ST LIFT BRIDGE REHAB	10,136,396	7,858,105	1,536,747	741,544	77.5%
34259006 INNR HARBR TRAN FAC-I	1,356,551	1,158,541	-	198,010	85.4%
31450006 NB RAIL TO TRAILS	1,975,450	1,823,911	149,280	2,259	92.3%
31490006 SEN-CAZ INFRAS PROJ	100,000	-	-	100,000	0.0%
31550006 BAILEY BRIDGE-CAZ CK	20,311,371	3,183,670	48,814	17,078,887	15.7%
31570006 REDM 90 HOPKINS	187,047	107,830	-	79,217	57.6%
36567606 KENMR-STARIN TO MAIN	7,101,956	4,037,434	2,461,973	602,550	56.8%
36770806 REST NY COMM 06-07	3,308,416	3,300,882	-	7,534	99.8%
31680006 DEMO PROJ ECON DEV	3,176,293	3,176,281	-	12	100.0%
31690006 BMC STSCAPE PH 1	1,128,517	1,051,807	-	76,710	93.2%
31692106 BMC STSCAPE PH1	2,796,550	2,670,242	93,711	32,597	95.5%
31692206 BMC STSCAPE PH2	4,118,176	3,566,865	-	551,311	86.6%
31106006 NIAGARA ST GATEWAY PH 2 DESIGN	475,000	396,583	-	78,417	83.5%
31710006 NIAGARA ST GTWY PRJ	3,516,501	2,356,360	352,913	807,229	67.0%
31720016 BRIDGE WASH GENL CONTR 2011	110,403	76,389	-	34,014	69.2%
38072706 RESTORE NY PH2	7,510,421	7,484,209	-	26,212	99.7%
38777206 RESTORE NY PH 3	6,445,122	1,408,000	-	5,037,122	21.8%
38788806 RESTORE NY3 COMM	3,680,508	3,609,803	70,704	-	98.1%
38881106 BURA STIM CW ST&SDWK IMP	1,000,000	999,985	-	15	100.0%
38881506 CDBG YR 35 & 36	972,882	967,819	-	5,063	99.5%
31091606 LASALLE PK IMPV PH 3	1,104,830	73,846	1,028,985	1,999	6.7%
31910006 CARS MAIN ST 600	9,938,908	9,560,771	2,981	375,157	96.2%
31930006 FRUIT BELT REDEV	2,411,732	2,406,144	1,048	4,540	99.8%
31950006 CITY CT TENANT	291,922	110,076	-	181,846	37.7%
31970006 FILLMORE REHAB	1,714,988	1,656,090	-	58,898	96.6%
32000006 CHIPS CAPITAL	27,195,681	18,708,574	4,517,584	3,969,523	68.8%
32020006 BFLO OUT HARB TR PH2	380,000	210,460	27,540	142,000	55.4%
32030006 BRDG JOINT REPL	481,877	402,293	-	79,584	83.5%

	BUDGET AT 6/30/16	EXPENDITURES AT 6/30/16	ENCUMBRANCES AT 6/30/16	BALANCE AT 6/30/16	PERCENT EXPENDED
32050006 BFLO RIVER GRNWAY	390,100	-	-	390,100	0.0%
32060006 HOPKINS BRIDG REHAB	843,196	584,883	-	258,312	69.4%
32080006 MLK PK HUMBLDT BASIN	100,000	-	35,725	64,275	0.0%
32100006 CARS MAIN ST 500	20,577,663	18,891,748	749,314	936,601	91.8%
32190306 PEARL ST CFA GRT	1,000,000	100,053	899,947	-	10.0%
32290406 GENESSEE ST GTWY	1,250,000	61,265	1,188,735	-	4.9%
32130006 BRIDGE BEARING REPLACE	209,985	45,000	-	164,985	21.4%
32140006 BRODERICK PARK PH I	1,504,380	1,504,380	-	-	100.0%
32150006 BRDG REPLAC S PARK	232,495	109,094	95,093	28,308	46.9%
32160006 BRIDGE PAINTING	684,564	458,314	-	226,251	66.9%
32170006 BNMC PH III ALLEN ST	1,774,412	1,089,656	604,819	79,938	61.4%
32190006 OHIO ST INNER HARBOR	10,906,437	10,375,950	379,935	150,553	95.1%
32210006 SO PARK AVE BRIDGE PAINTING	238,377	877	225,912	11,588	0.4%
32230006 NIAGARA ST - PORTER TO ONTARIO	1,413,124	574,709	704,782	133,633	40.7%
32240006 BRIDGE BEARING REPL/REPAIR	661,163	913	-	660,250	0.1%
32250006 S OGDEN ST BRIDGE	633,626	81,077	499,373	53,176	12.8%
32260006 SAFETY IMPRV PROJ-PARKSDE/FLOR	450,000	53,975	380,261	15,765	12.0%
32271006 ENERGY GRANT - STREETLIGHTING	250,000	-	-	250,000	0.0%
32272406 ENERGY PLAN - RENEW	225,000	23,938	201,062	-	10.6%
32272506 DISTRICT ENERGY	75,000	-	75,000	-	0.0%
32272606 ENERGY GRANT - CITY BUILDINGS	417,572	125,000	-	292,572	29.9%
32280006 NIAGARA/CRANE LIBRARIES	405,210	255,269	149,941	-	63.0%
32290006 UNITY ISLAND PARK RESTORATION	69,508	-	-	69,508	0.0%
32300006 NORTHLAND AVE DESIGN	313,030	-	313,030	-	0.0%
32310006 WARRAN SPAHN	300,000	-	-	300,000	0.0%
32320006 JB WILEY IMPVTS & UPGRADES	1,965,000	-	157,500	1,807,500	0.0%
32330006 COCA COLA FIELD IMPROVEMENTS	500,000	-	500,000	-	0.0%
32340006 CARS ON LOWER MAIN DESIGN	2,160,000	-	2,160,000	-	0.0%
32350006 ZOO ARCTIC EDGE EXHIBIT	800,000	-	-	800,000	0.0%
39162806 TRAFFC SGNL & CNRL	4,168,485	3,927,987	-	240,497	94.2%
39162906 CITY COURT CHILLER	2,889,498	2,832,407	-	57,091	98.0%
Total: CAPITAL GRANTS	184,708,068	127,379,238	19,624,448	37,704,382	69.0%

3000 FUND: CAPITAL PLAN PROJECTS

30000106 PLAN CP SV GENL CONTR	279,727	77,903	13,845	187,980	27.8%
30001016 GNRL CONTR TREE MGMT	908,145	766,645	141,500	-	84.4%
30053406 CAPITAL DEMOLITIONS GEN CONTR	623,685	623,047	-	638	99.9%
30055906 POOL FACILITIES	52,000	-	-	52,000	0.0%
30077106 MONUMENT FOR MEM AUD SV GC	50,000	-	-	50,000	0.0%
30083306 LAFAYETTE (NBUFF) ICE RINK IMP	400,000	392,550	-	7,450	98.1%
30091406 UNIVERSAL WASTE MGT GEN CONTR	100,000	63,651	36,349	-	63.7%
30091806 NORTH BUFFALO ICE RINK DESIGN	121,000	-	121,000	-	0.0%
30300506 LANDFILL MANAGEMENT GEN CONTR	200,000	172,995	-	27,005	86.5%
30310006 MICHIGAN ARCHWAY STUDY DESIGN	75,000	20,000	-	55,000	26.7%
30320006 DEMO OF CITY OWNED FACILITIES	32,000	18,723	7,987	5,290	58.5%
30322406 BROADWAY MKT KITCHEN AND FLOOR	74,000	-	-	74,000	0.0%
30322406 BROADWAY MKT KITCHEN AND FLOOR	47,500	31,954	11,016	4,530	67.3%
30322706 BUFFALO MUSEUM OF SCIENCE	39,000	22,053	12,347	4,600	56.5%
30363206 FIREHOUSE CONCEPTUAL DESIGN	200,834	-	-	200,834	0.0%
33203296 PARKS BUILDINGS RECONSTRUCTION	55,000	-	55,000	-	0.0%
33203306 LIBRARY FACILITIES DESIGN	61,000	-	55,000	6,000	0.0%
33222006 LIBRARY CONCEPTUAL DESIGN	46,000	2,550	35,550	7,900	5.5%
33223006 ALLENDALE THEATER	48,500	32,098	11,402	5,000	66.2%
33280006 FIRE/POLICE HQ CONCEPT DESIGN	194,260	61,900	114,700	17,660	31.9%
33291706 CITY HALL IMPROVEMENTS DESIGN	150,000	114,730	29,680	5,591	76.5%
TOTAL: 3000 FUND	3,757,651	2,400,798	645,376	711,477	63.9%

3997 FUND: JSCB CAPITAL PROJECTS

37790606 ECIDA FUNDS PH 11	3,529,432	1,419,839	-	2,109,592	40.2%
37790806 JSCB ECIDA FUNDS PH4 RECONSTRUCTION	144,450	102,818	-	41,632	71.2%
TOTAL: 3997 FUND	3,673,882	1,522,657	-	2,151,225	41.4%

3998 FUND: BOE CAPITAL PROJECTS

38796706 GEN RECON VAR SCHL12	2,782,038	2,752,001	-	30,037	98.9%
38796806 COMPUTER & TECHNOLOGY 12	1,236,462	1,050,608	-	185,854	85.0%
38797006 REFUNDING SAVINGS PH I	16,797,240	15,957,822	495,760	343,658	95.0%
38797106 REFUNDING SAVINGS PH II	27,925,150	23,818,531	2,534,053	1,572,566	85.3%
38797206 A/E MECH RECON WTRFRNT SCH	122,400	121,901	500	-	99.6%

	BUDGET AT 6/30/16	EXPENDITURES AT 6/30/16	ENCUMBRANCES AT 6/30/16	BALANCE AT 6/30/16	PERCENT EXPENDED
38797306 PARTIAL REFUNDING SAV PHASE IV	11,068,163	528,037	5,516,663	5,023,463	4.8%
39806406 INSTRUCTIONAL KITCHEN SCHOOL28	319,043	-	36,080	282,963	
TOTAL: 3998 FUND	60,250,495	44,228,898	8,583,056	7,438,541	73.4%
3999 FUND: BOE CAPITAL DEVELOPMENT RESERVE					
39791706 DESGN/CONSULTNT CAP PRJ	500,000	-	-	500,000	0.0%
TOTAL: 3999 FUND	500,000	-	-	500,000	0.0%
Grand Total	263,235,017	184,614,221	29,854,229	48,766,567	70.1%

Attachment B

CITY OF BUFFALO AUTHORIZED BUT UNISSUED AS OF JUNE 30, 2016

YEAR	DATE CCP APPROVED	PURPOSED FOR WHICH AUTHORIZED	AMOUNT AUTHORIZED
2013	04/11/13	Bridge Rehabilitation	300,000
2013	04/11/13	Kenmore Ave. Infrastructure	120,000
2014	02/18/14	Court Street Improvements	652,500
2014	02/18/14	Broadway Garage Improvements	400,000
2014	02/18/14	Buildings Planning & Design (Planning Bond)	535,000
2015	02/17/15	BNMC Phase III (Local Match 20%)	1,091,400
2015	02/17/15	Elk Street & Ohio Street Bridges (Local Match 20%)	170,130
2015	02/17/15	Shoreline Trail Rehab	428,000
2015	02/17/15	City Court Rehabilitation	1,324,407
2015	02/17/15	Police Dept. Buildings Reconstruction CW	203,036
2016	02/16/16	Fire Apparatus - Purchase	2,478,233
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	Seneca Street Improvements	2,378,000
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	Allendale Theatre Improvements	314,431
2016	02/16/16	Buffalo History Museum	110,000
2016	02/16/16	City Hall Improvements	654,958
2016	02/16/16	East Delavan Library Improvements	470,000
2016	02/16/16	Fire Department Buildings	859,046
2016	02/16/16	Museum of Science Front Entrance Restoration	535,000
2016	02/16/16	Broderick Park Seawall Study	252,500
2016	02/16/16	LaSalle Seawall Construction	1,448,000
			\$ 17,931,141

BUDGETED BUT UNAUTHORIZED PROJECTS

2016	Lancaster Street Extension	1,100,000	
2016	Police Property and Evidence Building	1,436,625	
2016	Public Art Restoration	213,000	
			\$ 2,749,625

Attachment C

CITY OF BUFFALO STATEMENT OF DEBT CONTRACTING POWER AS OF JULY 1, 2016

	<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>\$ 7,238,369,183</u>	
Debt Contracting Limitation: Nine Percent of Average Full Valuation - Article VIII, Section 4, of the Constitution of the State of New York	\$ 651,453,226	100.00%
Gross Indebtedness:		
Borrowings:		
Serial Bonds	\$ 249,119,048	
Bond Anticipation Notes		
Total Gross Debt	<u>249,119,048</u>	
Exclusions:		
Exempt Debt:		
Water Supply Bonds	319,619	
Parking Facilities Bonds	10,576,532	
Reserve to Pay Non-Exempt Debt	5,067,566	
Appropriation in Budget to Pay Non-Exempt Debt		
Maturing during Fiscal Year	<u>35,680,963</u>	
Total Exclusions	<u>\$ 51,644,680</u>	
Net Indebtedness	<u>197,474,368</u>	<u>30.3%</u>
Debt-Contracting Margin	<u>453,978,858</u>	<u>69.7%</u>
Authorized But Unissued Non-Exempt Debt	<u>17,931,141</u>	<u>2.8%</u>
Effective Borrowing Capacity	<u>\$ 436,047,717</u>	<u>66.9%</u>