

**Erie County Fiscal Stability Authority Directors' Meeting  
May 14, 2010**

Present: Chairman Daniel Oliverio, Secretary Stanley Keysa, Directors Kenneth Kruly, Louis Thomas and John Johnson

Chairman Oliverio: "Today is May 14<sup>th</sup> 2010. This is a full meeting of the ECFSA. We have a couple of things on our agenda today. The first is the refinancing of about \$110 million in Erie County debt over the identical 13-year term as the long-term financing we will do as an Authority. I think that we will close on Monday. We can expect some significant savings from that. We will also address the audit today which our audit committee dealt with just a few minutes ago. So let me start by turning this over to our corporate secretary, Mr. Keysa, to cover the minutes of our last meeting."

Secretary Keysa: "Thanks you, Mr. Chairman. You have before you the hard copies of the minutes from the last meeting and these were also circulated via e-mail to the members of the board. If there are not any changes... and there are not... then they are ready for approval."

Director Thomas moved, Director Kruly seconded, and all voted in favor of the following resolution. Roll call vote as follows:

Chair Oliverio:	aye	Secretary Keysa:	aye
Director Johnson:	aye	Director Kruly:	aye
Director Thomas:	aye		

**Resolution No. 10-15  
APPROVING MINUTES AND RESOLUTIONS FROM  
THE MARCH 19, 2010 MEETING**

BE IT RESOLVED that the Erie County Fiscal Stability Authority approves the minutes of its February 12, 2010 meeting and ratifies and affirms seven resolutions numbered 10-08, 10-09, 10-10, 10-11, 10-12, 10-13 and 10-14 that were approved on March 19, 2010.

This resolution shall take effect immediately.

Chairman Oliverio: "I think the most important item on our agenda this morning is the debt refinancing. On April 22, 2010, at the request of County Executive Collins, the Erie County Legislature, in a unanimous vote 13-0, approved a measure that would allow this Authority to

refinance an additional \$110 million in long-term debt over the identical 13 years as our long-term borrowing. We expect that to save a significant amount in taxpayer dollars in amortization costs over the 13-year term. Today we have to address a resolution that goes toward our goal of borrowing that money. I will first turn this over to Mr. Vetter, but before I do that, I think it is important to acknowledge County Executive Collins and the Legislature on this issue. This represents again, a change in position that will benefit the taxpayers of Erie County. The partisanship and the politics were out of this decision and good governance took its place. I think that we have to acknowledge it on the record. I think that it is very important and I look forward to that happening as well. This is a very good start and will save the taxpayers over \$20 million over the next 13 years that is a lot of money for a county like ours and especially for the condition of the State. Mr. Vetter, some of the details please?”

Executive Director Vetter: “Thank you, Mr. Chairman. Just very briefly, the resolution in front of you indicates that the County will be refinancing \$110 million in Erie County bonds. The Authority had passed a resolution prior to this, but with a lesser amount, but the Authority could go to borrow with a lesser amount than the County would because there is a premium for the Authority. However our bond counselors and financial advisors have indicated, to be technically correct, that we had to match the County’s amount on this. So, in essence, it is the same resolution that was passed before. Our bond counsel and our financial advisors signed off on this. It gives necessary authorization to ECFSA officials to sign necessary documents. Assuming this is approved today, we anticipate going to market and pricing before the end of the month.”

Chairman Oliverio: “Thank you, Mr. Vetter. Are there any questions for Mr. Vetter regarding this resolution?”

Director Thomas moved, Director Kruly seconded, and all voted in favor of the following resolution: Roll call vote as follows:

Chair Oliverio:	aye	Secretary Keysa:	aye
Director Johnson:	aye	Director Kruly:	aye
Director Thomas:	aye		

#### **Resolution No. 10 - 16**

### **AUTHORIZING THE ISSUANCE OF BONDS TO REFUND ALL OR A PORTION OF VARIOUS OUTSTANDING BONDS OF THE COUNTY**

WHEREAS, Chapter 182 of the New York Laws of 2005 (the “ECFSA Act”), as amended, created the Erie County Fiscal Stability Authority (“ECFSA”) to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie County’s] budget, financial and capital plans; to issue bonds, notes and other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, New York Public Authorities Law (“Public Authorities Law”) section 3961 provides circumstances under which the ECFSA may finance the County of Erie, New York’s (the “County”) costs, including the costs of capital projects; and

WHEREAS, pursuant to Public Authorities Law section 3961(1), the ECFSA may commence such financing only upon a request “made by and through the county executive after approval by the [county] legislature;” and

WHEREAS, the ECFSA has the capability of refinancing certain County bonds to reduce the cost of those bonds to the taxpayers of the County; and

WHEREAS, an analysis has been done by the ECFSA, showing that refinancing up to \$110 million in outstanding county bonds for a period of 13 years would save County Taxpayers approximately \$4.6 million over that period of time.

NOW, THEREFORE, BE IT RESOLVED that the ECFSA is hereby authorized, as requested by the County, to sell and issue up to \$110,000,000 in bonds to fund the refinancing of designated, outstanding County bonds.

BE IT FURTHER RESOLVED, that the power to set the financial terms of its bonds or notes is hereby delegated to the Executive Director or the Chairman of the ECFSA, acting individually or jointly;

BE IT FURTHER RESOLVED, that the Executive Director or the Chairman of the ECFSA, acting individually or jointly, are hereby authorized and directed to execute and deliver any agreements, certificates, documents, papers or other written instruments, to make any changes, modifications or amendments as may be necessary, to do all other things and to take all other actions necessary and appropriate to consummate the transactions contemplated by its bond resolutions passed from time to time.

This Resolution shall take effect immediately.

Chairman Oliverio: “The last item on our agenda is the the audit committee report.  
Director Johnson was gracious enough to chair the audit

committee. Mr. Johnson, may I ask you to report on the work of the audit committee?"

Director Johnson: "Thank you, Mr. Chairman. Earlier today, the audit committee met and reviewed the audit of the ECFSA for calendar year 2009. The committee approved the audit as presented by Toski & Schaffer. we found no major problems and therefore recommend approval of this audit for the full board."

Chairman Oliverio: "Are there any questions for Mr. Johnson?"

Secretary Keysa moved, Director Johnson seconded, and all voted in favor of the following resolution: Roll call vote as follows:

Chair Oliverio:	aye	Secretary Keysa:	aye
Director Johnson:	aye	Director Kruly:	aye
Director Thomas:	aye		

**Resolution No. 10-17**

**APPROVING THE 2009 ANNUAL FINANCIAL AUDIT**

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority ("ECFSA") to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to "oversee [Erie] County's budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;" and

WHEREAS, the ECFSA is a public authority of the State of New York and, as such, section 3971(1) of the New York Public Authorities Law ("Public Authorities Law") requires the ECFSA to select an independent certified accountant to perform its annual financial audit; and

WHEREAS, in adopting Resolution 08-70 on July 15, 2008, the ECFSA selected Toski, Schaefer & Co., P.C., which the New York State Office of General Services has approved as a statewide vendor of auditing and accounting services, to perform its annual financial audit for fiscal years 2008 through 2010; and

WHEREAS, Toski, Schaefer & Co., P.C., has completed the ECFSA 2008 annual financial audit (the "2006 Audit"), and presented it to the Audit Committee during an open meeting on March 25, 2009; and

WHEREAS, section 2800(3) of the Public Authorities Law further requires the ECFSA to approve a financial audit for fiscal year 2009; and

WHEREAS, the Audit Committee has recommended approval of the 2009 Audit;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA hereby approves the 2009 Audit, a copy of which is attached to this resolution; and

BE IT FURTHER RESOLVED that the 2009 Audit be submitted to the Erie County Executive, the Presiding Officer of the Erie County Legislature, the Erie County Comptroller, the Governor, the State Comptroller, the Chair and Ranking Minority Member of the State Senate Finance Committee, and the Chair and Ranking Minority Member of the State Assembly Ways and Means Committee, as required by section 3971(1) of Public Authorities Law.

This resolution shall take effect immediately.

Chairman Oliverio: “Okay, there is no other business, so I would entertain a motion to adjourn.”

Director Johnson moved to adjourn, Director Kruly seconded, and all voted in favor of adjournment. Roll call vote as follows:

Chair Oliverio:	aye	Secretary Keysa:	aye
Director Johnson:	aye	Director Kruly:	aye
Director Thomas:	aye		

Respectfully Submitted:

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Stanley J. Keysa, Secretary

June 29, 2010