

Erie County Fiscal Stability Authority

Resolution No. 06 – 24

WHEREAS, The Erie County Fiscal Stability Authority (“ECFSA”) was created by Chapter 182 of the Laws of 2005, as amended, to be a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation to “oversee the 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 has a statutory responsibility to review and comment on the terms of any proposed borrowing, including the prudence of each proposed issuance of bonds or notes to be issued by the county; and

WHEREAS, the ECFSA has expressed its concern over the level of capital borrowing proposed for 2006 and the rising debt service costs projected in the county’s four-year Financial Plan; and

WHEREAS, the County Executive has requested legislative approval of \$22 million for capital borrowing for 2006, in addition to the previously authorized \$32 million in borrowing to cover the initial costs of the Judicial Consent Decree resolving the Erie County Medical Center Corporation judgment; and

WHEREAS, the County’s Budget Monitoring Reports reviewed by the ECFSA have indicated positive balances in several categories, including Medicaid expenses, sales tax revenues, interest earnings and personnel management, indicating the accumulation of budgetary resources; and

WHEREAS, the Erie County Legislature has passed a Resolution stating its intent to cap 2006 borrowing at \$12 million, rather than \$22 million, and the ECFSA believes it is better public policy to restore a “pay as you go” portion to the County’s capital financing program.

THEREFORE, BE IT RESOLVED that the ECFSA supports the proposed cap approved by the legislature and strongly supports the legislature’s recommendations that the proposed 2006 borrowing be reduced by \$10 million and that, to the extent possible, projects be funded through cash allocations.

This resolution shall take effect immediately.

Stanley J. Keysa
Secretary

Dated: June 14, 2006