

Erie County Fiscal Stability Authority

Resolution No. 08-86

**AUTHORIZING THE ISSUANCE OF BONDS AND/OR BOND ANTICIPATION NOTES
TO FUND ERIE COUNTY'S 2007 AND 2008 CAPITAL PROJECTS**

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 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, New York Public Authorities Law ("Public Authorities Law") section 3961 provides circumstances under which the ECFSA may finance Erie County's 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, Public Authorities Law section 3959(2)(i) requires Erie County (the "County") not to pursue capital borrowing on its own, "unless first reviewed, commented upon and approved by the [ECFSA];" and

WHEREAS, the County cannot borrow for capital projects without the approval of the ECFSA, while the ECFSA cannot issue bonds to fund the County's capital projects absent a request from the County Executive after approval by the County Legislature; and

WHEREAS, on January 4, 2008, the ECFSA adopted Resolution 08-12, which authorized a "mirror bonding" transaction that would allow capital borrowing for County projects to move forward; and

WHEREAS, representatives of the ECFSA and the County have discussed circumstances under which the ECFSA might issue bond anticipation notes (BANs) to fund the completion of \$91,070,714 in projects in the County's 2007-2008 Capital Programs, and;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA is hereby authorized to sell and issue up to \$91,070,714 in bonds, and/or notes in anticipation thereof, to fund the County's 2007 and 2008 Capital Programs, plus any reasonable capitalized bonding costs which bonds and/or bond anticipation notes may be secured by the County's sales tax revenues.

This resolution shall take effect immediately.

Stanley J. Keysa
Secretary

Date: September 15, 2008