

## **Erie County Fiscal Stability Authority**

Resolution No. 08-94

### **COMMENTING ON AND APPROVING THE ISSUANCE OF REVENUE ANTICIPATION NOTES BY ERIE COUNTY**

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, based on County cash flow projections obtained by the ECFSA on September 4, 2008, the County Comptroller’s Office identified a need for the County to issue \$75,000,000 in Revenue Anticipation Notes before the end of September 2008;

WHEREAS, on September 4, 2008 pursuant to New York Local Finance Law, the County Legislature delegated to the County Comptroller the powers to authorize the issuance of and to prescribe the terms, form and contents for the sale and credit enhancement of Revenue Anticipation Notes;

WHEREAS, based upon its evaluation of proposals the County received from investment and commercial banks, the County Comptroller’s Office selected Bank of America, N.A.’s (“BOA”) proposal calling for direct placement of \$75,000,000 in Revenue Anticipation Notes with BOA;

WHEREAS, the ECFSA first imposed a control period upon the County of Erie (the “County”) by adopting Resolution 06-49 on November 3, 2006, and renewed and continued a control period by adopting Resolution 07-04 on January 11, 2007; and

WHEREAS, Section 3959(2)(i) of New York Public Authorities Law requires that, during a control period, the ECFSA review the terms of each proposed issuance of bonds or notes, comment on the prudence of each issuance and indicate approval or disapproval of the proposed borrowing within thirty days after notification;

WHEREAS, Section 3959(2)(i) of New York Public Authorities Law also requires that, during a control period, no such borrowing shall be made by the County unless first reviewed, commented upon and approved by the authority;

WHEREAS, on September 26, 2008 the County Comptroller’s Office provided the ECFSA with the County’s proposed contract terms for borrowing \$75,000,000 of Revenue Anticipation Notes through Bank of America, N.A., and requested that the ECFSA approve the borrowing and related contract at its September 29, 2008 Board meeting;

WHEREAS, the County Comptroller has stated that, without a short-term borrowing of \$75,000,000 by the end of September, 2008 the County will not have sufficient cash to meet its payroll or other obligations;

NOW, THEREFORE, BE IT RESOLVED, that the ECFSA does hereby approve and authorize the issuance of Revenue Anticipation Notes and authorizes the appropriate county officials to enter into legal agreements required to close the Series 2008A RAN, in an amount not to exceed \$75,000,000, in order to allow the County to meet its short-term obligations; and

BE IT FURTHER RESOLVED, that the Executive Director of the ECFSA be hereby authorized and directed to execute and deliver any agreements, certificates, documents, papers or other written instrument, 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 this resolution; and

BE IT FURTHER RESOLVED, that this resolution be provided to the County Executive, the County Comptroller, the County Legislature, the Director of the State Division of the Budget, the Chair of the State Senate Finance Committee, the Chair of the State Assembly Ways and Means Committee and the State Comptroller.

This resolution shall take effect immediately.

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Stanley J. Keysa  
Secretary

Date: September 29, 2008