

**AMENDMENT TO COMM. 13E-10(2011)
DECLARATION OF NEED – ECMCC
JUNE 21,2011**

DELETE THE ENTIRE TEXT AND INSERT THE FOLLOWING:

**FORM OF COUNTY OF ERIE
DECLARATION OF NEED**

I, Chris Collins, County Executive of the County of Erie (the "County"), a municipal corporation of the State of New York, acting pursuant to Title 3 of Article 10-D of the New York Public Authorities Law (the "Act"), and further pursuant to the Financing Agreement dated as of May 1, 2011, as amended, between the Erie County Fiscal Stability Authority, a public benefit corporation of the State of New York (the "Authority") and the County (the "Agreement) HEREBY DETERMINE AND CERTIFY as follows:

1. A need for financing assistance, as described in Section 3961(1) of the Act, is hereby determined and declared to exist. The amounts of the Financeable Costs hereby requested to be undertaken are set forth on **Appendix I** hereto, which **Appendix I** is incorporated herein as an integral part of this Declaration of Need.

2. The County represents and affirms that the foregoing financing of Financeable Costs by the Authority is authorized by the Act and is consistent with the current adopted County budget and that such Financeable Costs could be financed by the County by the issuance of its bonds or notes as of the date of this Declaration of Need, there being in effect with respect to each ECMCC capital project constituting such a Financeable Cost (i) findings or other proceedings meeting the requirements of the State Environmental Quality Review Act and (ii) all proceedings necessary under the County Charter and all other applicable State law necessary to authorize the appropriation and expenditure of County funds for such purposes.

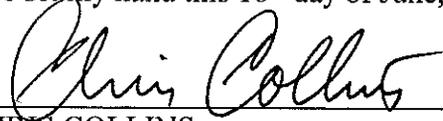
3. The County reaffirms the provisions of the Agreement, including but not limited to each of the covenants, agreements and indemnities therein and agrees herein to provide prompt notice of any fact or circumstances which would with the passage of time or otherwise give rise to any violation or contravention of the terms of this Declaration of Need, the Agreement or any financial plan submitted to or approved by the Authority.

4. Pursuant to the Act, the financing plan reflected in this Declaration of Need and the Agreement, the Authority is hereby requested to finance, in whole or in part, the Financeable Costs set forth in **Appendix I** hereto, including the ECMCC capital projects identified therein or as may be designated in the County's capital budget, if any, as in effect from time to time. In no event shall the amount of such financing in any fiscal year exceed the amount of the Declaration of Need for such year, as it may be amended from time to time by an amended Declaration of Need.

5. The County understands and agrees to provide the Authority with any supporting data, descriptions or materials which the Authority requests in connection with any Financeable Costs referred to in this Declaration of Need.

All terms in this Declaration of Need not otherwise defined herein shall have the meanings set forth in the Agreement.

IN WITNESS WHEREOF, I have set my hand this 16th day of June, 2011.

A handwritten signature in cursive script that reads "Chris Collins". The signature is written in black ink and is positioned above a horizontal line.

CHRIS COLLINS
Erie County Executive

I hereby certify that the form and
substance of this Declaration
of Need have been duly approved by the
Erie County Legislature

Clerk of the Erie County Legislature

SOURCES AND USES OF FUNDS

Erie County Fiscal Stability Authority, NY
2011 Erie County Medical Center New Money

Dated Date 08/01/2011
Delivery Date 08/01/2011

Sources:

Bond Proceeds:	
Par Amount	87,007,000.00
Premium	10,721,212.81
	<hr/>
	97,728,212.81

Uses:

Project Fund Deposits:	
Project Fund- ECMC	96,864,413.00
Delivery Date Expenses:	
Cost of Issuance	500,000.00
Underwriter's Discount	363,689.26
	<hr/>
	863,689.26
Other Uses of Funds:	
Additional Proceeds	110.55
	<hr/>
	97,728,212.81

BOND PRICING

Erie County Fiscal Stability Authority, NY
2011 Erie County Medical Center New Money

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price
Serial Bonds- Series B (New Money):								
	12/01/2013	3,927,000	3.000%	0.830%	105.003			
	12/01/2014	4,045,000	3.000%	1.120%	106.133			
	12/01/2015	4,170,000	4.000%	1.390%	110.937			
	12/01/2016	4,335,000	4.000%	1.590%	112.274			
	12/01/2017	4,510,000	4.000%	1.990%	111.902			
	12/01/2018	4,690,000	4.000%	2.320%	111.266			
	12/01/2019	4,875,000	5.000%	2.600%	117.874			
	12/01/2020	5,120,000	5.000%	2.790%	118.045			
	12/01/2021	5,375,000	5.000%	2.950%	118.140			
	12/01/2022	5,645,000	5.000%	3.170%	116.013	3.295%	12/01/2021	100,000
	12/01/2023	5,925,000	5.000%	3.330%	114.495	3.539%	12/01/2021	100,000
	12/01/2024	6,225,000	5.000%	3.480%	113.093	3.743%	12/01/2021	100,000
	12/01/2025	6,535,000	5.000%	3.620%	111.803	3.916%	12/01/2021	100,000
	12/01/2026	6,860,000	5.000%	3.750%	110.621	4.062%	12/01/2021	100,000
	12/01/2027	7,205,000	5.000%	3.850%	109.722	4.173%	12/01/2021	100,000
	12/01/2028	7,565,000	5.000%	3.940%	108.921	4.266%	12/01/2021	100,000
		87,007,000						

Dated Date	08/01/2011
Delivery Date	08/01/2011
First Coupon	06/01/2012
Par Amount	87,007,000.00
Premium	10,721,212.81
Production	97,728,212.81
Underwriter's Discount	-363,689.26
Purchase Price	111.904242%
Accrued Interest	-0.418000%
Net Proceeds	97,364,523.55

BOND DEBT SERVICE

Erie County Fiscal Stability Authority, NY
2011 Erie County Medical Center New Money

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2012			3,344,883.33	3,344,883.33	
12/01/2012			2,006,930.00	2,006,930.00	
12/31/2012					5,351,813.33
06/01/2013			2,006,930.00	2,006,930.00	
12/01/2013	3,927,000	3.000%	2,006,930.00	5,933,930.00	
12/31/2013					7,940,860.00
06/01/2014			1,948,025.00	1,948,025.00	
12/01/2014	4,045,000	3.000%	1,948,025.00	5,993,025.00	
12/31/2014					7,941,050.00
06/01/2015			1,887,350.00	1,887,350.00	
12/01/2015	4,170,000	4.000%	1,887,350.00	6,057,350.00	
12/31/2015					7,944,700.00
06/01/2016			1,803,950.00	1,803,950.00	
12/01/2016	4,335,000	4.000%	1,803,950.00	6,138,950.00	
12/31/2016					7,942,900.00
06/01/2017			1,717,250.00	1,717,250.00	
12/01/2017	4,510,000	4.000%	1,717,250.00	6,227,250.00	
12/31/2017					7,944,500.00
06/01/2018			1,627,050.00	1,627,050.00	
12/01/2018	4,690,000	4.000%	1,627,050.00	6,317,050.00	
12/31/2018					7,944,100.00
06/01/2019			1,533,250.00	1,533,250.00	
12/01/2019	4,875,000	5.000%	1,533,250.00	6,408,250.00	
12/31/2019					7,941,500.00
06/01/2020			1,411,375.00	1,411,375.00	
12/01/2020	5,120,000	5.000%	1,411,375.00	6,531,375.00	
12/31/2020					7,942,750.00
06/01/2021			1,283,375.00	1,283,375.00	
12/01/2021	5,375,000	5.000%	1,283,375.00	6,658,375.00	
12/31/2021					7,941,750.00
06/01/2022			1,149,000.00	1,149,000.00	
12/01/2022	5,845,000	5.000%	1,149,000.00	6,794,000.00	
12/31/2022					7,943,000.00
06/01/2023			1,007,875.00	1,007,875.00	
12/01/2023	5,925,000	5.000%	1,007,875.00	6,932,875.00	
12/31/2023					7,940,750.00
06/01/2024			859,750.00	859,750.00	
12/01/2024	6,225,000	5.000%	859,750.00	7,084,750.00	
12/31/2024					7,944,500.00
06/01/2025			704,125.00	704,125.00	
12/01/2025	6,535,000	5.000%	704,125.00	7,239,125.00	
12/31/2025					7,943,250.00
06/01/2026			540,750.00	540,750.00	
12/01/2026	6,860,000	5.000%	540,750.00	7,400,750.00	
12/31/2026					7,941,500.00
06/01/2027			369,250.00	369,250.00	
12/01/2027	7,205,000	5.000%	369,250.00	7,574,250.00	
12/31/2027					7,943,500.00
06/01/2028			189,125.00	189,125.00	
12/01/2028	7,565,000	5.000%	189,125.00	7,754,125.00	
12/31/2028					7,943,250.00
	87,007,000		45,428,673.33	132,435,673.33	132,435,673.33

AGGREGATE DEBT SERVICE

Erie County Fiscal Stability Authority, NY
2011 Erie County Medical Center New Money

Date	2011 Erie County Medical Center New Money Principal	2011 Erie County Medical Center New Money Interest	Aggregate Principal	Aggregate Interest	Aggregate Debt Service	Annual Aggregate D/S
06/01/2012		3,344,883.33		3,344,883.33	3,344,883.33	
12/01/2012		2,006,930.00		2,006,930.00	2,006,930.00	
12/31/2012						5,351,813.33
06/01/2013		2,006,930.00		2,006,930.00	2,006,930.00	
12/01/2013	3,927,000	2,006,930.00	3,927,000	2,006,930.00	5,933,930.00	
12/31/2013						7,940,860.00
06/01/2014		1,948,025.00		1,948,025.00	1,948,025.00	
12/01/2014	4,045,000	1,948,025.00	4,045,000	1,948,025.00	5,993,025.00	
12/31/2014						7,941,050.00
06/01/2015		1,887,350.00		1,887,350.00	1,887,350.00	
12/01/2015	4,170,000	1,887,350.00	4,170,000	1,887,350.00	6,057,350.00	
12/31/2015						7,944,700.00
06/01/2016		1,803,950.00		1,803,950.00	1,803,950.00	
12/01/2016	4,335,000	1,803,950.00	4,335,000	1,803,950.00	6,138,950.00	
12/31/2016						7,942,900.00
06/01/2017		1,717,250.00		1,717,250.00	1,717,250.00	
12/01/2017	4,510,000	1,717,250.00	4,510,000	1,717,250.00	6,227,250.00	
12/31/2017						7,944,500.00
06/01/2018		1,627,050.00		1,627,050.00	1,627,050.00	
12/01/2018	4,690,000	1,627,050.00	4,690,000	1,627,050.00	6,317,050.00	
12/31/2018						7,944,100.00
06/01/2019		1,533,250.00		1,533,250.00	1,533,250.00	
12/01/2019	4,875,000	1,533,250.00	4,875,000	1,533,250.00	6,408,250.00	
12/31/2019						7,941,500.00
06/01/2020		1,411,375.00		1,411,375.00	1,411,375.00	
12/01/2020	5,120,000	1,411,375.00	5,120,000	1,411,375.00	6,531,375.00	
12/31/2020						7,942,750.00
06/01/2021		1,283,375.00		1,283,375.00	1,283,375.00	
12/01/2021	5,375,000	1,283,375.00	5,375,000	1,283,375.00	6,658,375.00	
12/31/2021						7,941,750.00
06/01/2022		1,149,000.00		1,149,000.00	1,149,000.00	
12/01/2022	5,645,000	1,149,000.00	5,645,000	1,149,000.00	6,794,000.00	
12/31/2022						7,943,000.00
06/01/2023		1,007,875.00		1,007,875.00	1,007,875.00	
12/01/2023	5,925,000	1,007,875.00	5,925,000	1,007,875.00	6,932,875.00	
12/31/2023						7,940,750.00
06/01/2024		859,750.00		859,750.00	859,750.00	
12/01/2024	6,225,000	859,750.00	6,225,000	859,750.00	7,084,750.00	
12/31/2024						7,944,500.00
06/01/2025		704,125.00		704,125.00	704,125.00	
12/01/2025	6,535,000	704,125.00	6,535,000	704,125.00	7,239,125.00	
12/31/2025						7,943,250.00
06/01/2026		540,750.00		540,750.00	540,750.00	
12/01/2026	6,860,000	540,750.00	6,860,000	540,750.00	7,400,750.00	
12/31/2026						7,941,500.00
06/01/2027		369,250.00		369,250.00	369,250.00	
12/01/2027	7,205,000	369,250.00	7,205,000	369,250.00	7,574,250.00	

AGGREGATE DEBT SERVICE

Erie County Fiscal Stability Authority, NY
2011 Erie County Medical Center New Money

Date	2011 Erie County Medical Center New Money Principal	2011 Erie County Medical Center New Money Interest	Aggregate Principal	Aggregate Interest	Aggregate Debt Service	Annual Aggregate D/S
12/31/2027						7,943,500.00
06/01/2028		189,125.00		189,125.00	189,125.00	
12/01/2028	7,565,000	189,125.00	7,565,000	189,125.00	7,754,125.00	
12/31/2028						7,943,250.00
	87,007,000	45,428,673.33	87,007,000	45,428,673.33	132,435,673.33	132,435,673.33

BOND SUMMARY STATISTICS

Erie County Fiscal Stability Authority, NY
2011 Erie County Medical Center New Money

Dated Date	08/01/2011
Delivery Date	08/01/2011
Last Maturity	12/01/2028
Arbitrage Yield	2.842775%
True Interest Cost (TIC)	3.448586%
Net Interest Cost (NIC)	3.737091%
All-In TIC	3.509581%
Average Coupon	4.840761%
Average Life (years)	10.786
Duration of Issue (years)	8.595
Par Amount	87,007,000.00
Bond Proceeds	97,728,212.81
Total Interest	45,428,673.33
Net Interest	35,071,149.78
Total Debt Service	132,435,673.33
Maximum Annual Debt Service	7,944,700.00
Average Annual Debt Service	7,640,519.62
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	4.180000
Total Underwriter's Discount	4.180000
Bid Price	111.904242

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bonds- Series B (New Money)	87,007,000.00	112.322	4.841%	10.786
	87,007,000.00			10.786

	TIC	All-In TIC	Arbitrage Yield
Par Value	87,007,000.00	87,007,000.00	87,007,000.00
+ Accrued Interest			
+ Premium (Discount)	10,721,212.81	10,721,212.81	10,721,212.81
- Underwriter's Discount	-363,689.26	-363,689.26	
- Cost of Issuance Expense		-500,000.00	
- Other Amounts			
Target Value	97,364,523.55	96,864,523.55	97,728,212.81
Target Date	08/01/2011	08/01/2011	08/01/2011
Yield	3.448586%	3.509581%	2.842775%

Erie County Medical Center Corporation
2011 Project Description

Erie County Medical Center Corporation is constructing approximately \$160 million in improvements to the Grider Street Campus, including a Transplant and Renal Dialysis Center of Excellence, a medical office building, a new skilled nursing facility, and related infrastructure.

The new 390-bed skilled nursing facility was contemplated when the County of Erie and ECMCC entered into the 2009 Settlement Agreement previously approved by the Erie County Legislature. At that time, the County agreed to contribute \$11.5 million to the total cost of \$103 million for construction of this new facility. The remaining funds will come from an ECMCC cash reserve contribution of \$4.5 million and financing of \$87 million.

In addition to the foregoing, ECMCC is seeking to finance approximately \$9 million of infrastructural improvements having a total cost of \$12 million. In other words, ECMCC is seeking financing of \$98 million total (\$87 million for the new skilled nursing facility and \$9 million for infrastructure). The total amount includes the costs associated with the financing. The remaining \$62 million cost of construction for the other facilities described in the first paragraph will be paid for in cash by ECMCC.

The new 390-bed skilled nursing facility will move approximately 350 jobs into the City of Buffalo from Alden, New York. Construction is anticipated to create an additional 200 jobs. The multi-story structure will be a state-of-the-art, patient-centered facility closer to the neighborhoods from which its residents have come.