

MONROE COUNTY, NEW YORK

NOTICE OF SALE

\$77,815,000* PUBLIC IMPROVEMENT (SERIAL) BONDS – 2018



Monroe County, New York (the "County") is accepting all-or-none ("AON") electronic or faxed bids for \$77,815,000* Public Improvement (Serial) Bonds - 2018 (the "Bonds") dated June 26, 2018. The bids must be for the purchase in federal or other immediately available funds at not less than par and accrued interest on the Bonds, if any. Electronic bids may be submitted via iPreo's Parity Electronic Bid Submission System ("Parity"). See "Submission of Bids" herein. Bids may also be submitted by facsimile to Capital Markets Advisors LLC (the "Financial Advisor") at (716) 662-6684. Bids will be received for the Bonds until 11:15 A.M. prevailing Eastern Time on Wednesday, June 20, 2018 (unless postponed as described herein).

This Notice of Sale contains certain information for quick reference only, and is not a summary of the issue and governs only the terms of the sale of, bidding for and closing procedures with respect to the Bonds. Bidders must read the entire Preliminary Official Statement ("POS") to obtain information essential to the making of an informed decision to bid. See "Preliminary Official Statement" herein.

The Bonds are being issued to fund various public purposes and to pay costs of issuance. Interest on the Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds are to be issued with option of prior redemption, as described further under "Optional Redemption" herein.

The Bonds have been authorized and are to be issued pursuant to the Constitution and laws of the State including, among others, the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of New York, various bond resolutions adopted by the County Legislature and approved by the County Executive. The Bonds are general obligations of the County, for the payment of which the County has pledged its faith and credit. All of the taxable real property within the County is subject to the levy of ad valorem taxes, subject to applicable statutory limitations, to pay both the principal of and interest on the Bonds.

The Bonds will be issued in fully registered form, in denominations of \$5,000 or any integral multiple thereof, will be serial or term bonds, and will be stated to mature initially on June 1, 2019 and thereafter on June 1 in the following years in the amounts as finally determined in accordance with this Notice of Sale. The Bonds will mature in annual principal installments which, together with interest thereon, are expected to provide for substantially level or declining annual debt service on such Bonds, as defined and described in paragraph d of Section 21.00 of the New York Local Finance Law. The preliminary maturity schedule is as follows:

* Preliminary, may be revised in accordance with the terms of this Notice of Sale.

Public Improvement Bonds

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
06/01/2019	\$2,805,000	06/01/2029*	\$4,290,000
06/01/2020	5,765,000	06/01/2030*	3,925,000
06/01/2021	6,185,000	06/01/2031*	3,915,000
06/01/2022	6,165,000	06/01/2032*	3,220,000
06/01/2023	5,740,000	06/01/2033*	2,275,000
06/01/2024	5,300,000	06/01/2034*	1,950,000
06/01/2025	5,055,000	06/01/2035*	1,970,000
06/01/2026	4,850,000	06/01/2036*	2,000,000
06/01/2027*	4,795,000	06/01/2037*	2,035,000
06/01/2028*	4,515,000	06/01/2038*	1,060,000

****Subject to optional redemption (see “Optional Redemption”)***

Bidding will be conducted based on a preliminary issue size and preliminary maturity schedule, as shown in this Notice of Sale. The County may adjust the preliminary issue size and preliminary maturity schedule and will transmit via notification by TM3 no later than 10:00 A.M. on Wednesday, June 20, 2018 the final preliminary issue size and final preliminary maturity schedule. The County also reserves the right to determine the final issue size and final maturity schedule, and to award the Bonds based on the final issue size and final maturity schedule to the winning bidder in accordance with the terms and conditions of this Notice of Sale. As a condition of each bid, the bidder must expressly agree to accept such award provided that the final issue size for the Bonds does not differ from the final preliminary issue size by an aggregate amount of more than 15%.

In addition, the above preliminary maturity amounts may change after the sale to comply with paragraph d of Section 21.00 of the New York Local Finance Law. Changes to be made after the sale to the maturity amounts for the Bonds will be communicated to the successful bidder by 2:00 P.M. Eastern Time on the date of the sale. The dollar amount bid by the successful bidder shall be adjusted to reflect any adjustments in the principal amount of the Bonds to be issued. The adjusted bid price will reflect changes in the dollar amount of the underwriter’s discount and the original issue premium, but will not change the per thousand underwriter’s discount as calculated from the bid and initial offering prices required to be delivered to the County as stated herein. The coupon rate specified by the successful bidder will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

The Bonds will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), as registered owner of the Bonds and each such bond shall be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC.

Principal of and interest on the Bonds will be payable by the County by wire transfer or in clearinghouse funds to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to beneficial owners of the Bonds by participants of DTC (“Participants”) will be the responsibility of Participants and other nominees of beneficial owners. The County will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, Participants or persons acting through Participants.

Bonds that mature on and after June 1, 2027 will be subject to redemption beginning June 1, 2026 in whole or in part at any time, at the option of the County, upon payment of the par amount of the Bonds so redeemed plus interest accrued and unpaid to the redemption date.

If less than all of the Bonds are called for optional redemption, the Bonds to be redeemed shall be selected by the Director of Finance in such manner as may be determined to be in the best interest of the County. If less than all of the Bonds of a particular maturity are called for redemption, DTC or any successor securities depository will select the Bonds to be redeemed pursuant to its rules and procedures or, if the book-entry system is discontinued, the Bonds to be redeemed will be selected by the County Treasurer, who has been appointed registrar (the “Registrar”), by lot in such manner as the Registrar in its discretion may determine. In either case, each portion of the \$5,000 principal amount is counted as one Bond for such purpose.

The County will cause notice of the call for redemption identifying the Bonds or portion thereof to be redeemed to be sent by facsimile transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner thereof. The County shall not be responsible for mailing notice of redemption to anyone other than DTC or another qualified securities depository or its nominee unless no qualified securities depository is the registered owner of the Bonds. If no qualified securities depository is the registered owner of the Bonds, notice of redemption shall be mailed to the registered owners of the Bonds. If a portion of a Bond is called for redemption, a new Bond in principal amount equal to the unredeemed portion shall be issued to the registered owner upon the surrender thereof.

If the successful bidder obtains a municipal bond insurance policy or other form of credit enhancement unconditionally and irrevocably guaranteeing payment of the principal of and interest on the Bonds, any purchase of such policy or credit enhancement shall be at the sole option and expense of the successful bidder. If the Bonds are to be insured subject to credit enhancement, the successful bidder shall pay the premium therefore and other costs therefore prior to the delivery of the Bonds. At the same time it provides the initial reoffering prices and yields, it shall advise the County of the cost of such credit enhancement.

Failure of the Bonds to be so insured or of any such policy or credit enhancement to be issued shall not in any manner relieve the successful bidder of its contractual obligations arising from the acceptance of its bid for the purchase of the Bonds, nor shall any change in the ratings provided by Moody’s Investors Service or S&P Global Ratings with respect to any such credit enhancement provider occurring between the time of the award of the Bonds and the time of their delivery in any manner relieve the successful bidder of such contractual obligations.

The Bonds will bear interest from June 26, 2018, payable on June 1 and December 1 of each year, beginning on June 1, 2019, until maturity or in the case of Bonds which shall be subject to redemption and which shall have been called for redemption and payment of the redemption price shall have been made or shall have been provided for, until the date fixed for redemption, at a rate or rates of interest to be specified by the bidder, in a multiple or multiples of one-eighth (1/8) or one-hundredth (1/100) of one per

centum (1%) per annum. The bids must be at not less than par and accrued interest on the Bonds, if any. Each bid must be for all of said Bonds, and may state only one rate of interest per maturity, provided, however, that: (1) no Bond shall bear interest at any contingent or variable rate; and (2) the highest rate of interest bid for the Bonds may not exceed 5.5% per annum.

Each bid must provide for at least the par amount of the Bonds and accrued interest on the Bonds, if any. The winning bidder or bidders shall deliver a certificate at settlement in such form as satisfactory to Bond Counsel (defined herein) with respect to the initial offering prices or revised initial offering prices to the public (excluding bond houses, brokers and others acting in the capacity of underwriters or wholesalers) with respect to each maturity of the Bonds.

The County reserves the right to postpone, from time to time, the date established for the receipt of bids and will undertake to notify registered prospective bidders not less than one hour prior to the time set forth for the opening of bids by means of a supplemental notice of sale to be transmitted via TM3. Prospective bidders may request notification by facsimile transmission of any such changes in the date or time for the receipt of bids by so advising, and furnishing their telecopier numbers to the Financial Advisor at (716) 662-3910 by 10:00 A.M., Eastern time, on the day for receipt of bids.

The County may change the scheduled delivery date for the Bonds by notice given in the same manner as that set forth for a change in the date for the receipt of bids. See "Delivery" below.

Subject to the right reserved to the County to reject any or all bids, the Bonds will be sold to the bidder whose bid produces the lowest true interest cost ("TIC") for the County and otherwise complies with this Notice of Sale. The TIC for the Bonds will be determined by doubling the semiannual interest rate, compounded semiannually, necessary to discount the semiannual debt service payments from the payment dates to the dated date of the Bonds (June 26, 2018) and to the aggregate purchase price, excluding interest accrued to the date of delivery.

Bids may be submitted electronically via Parity in accordance with this Notice of Sale, until the time specified herein. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile to the Financial Advisor at (716) 662-6684. Once the bids are communicated via facsimile or electronically via Parity to the County, each bid will constitute an irrevocable offer to purchase the Bonds pursuant to the terms therein provided.

Prospective bidders wishing to submit electronic bids must be contracted customers of Parity. If you do not have a contract with Parity, call (212) 849-5021 to become a customer. By submitting an electronic bid for the Bonds, a bidder represents and warrants to the County that such bidder's bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds.

If any provisions of this Notice of Sale shall conflict with information provided by Parity, as approved provider of electronic bidding services, this Notice of Sale shall control. Further information about Parity, including any fee charged, may be obtained from Parity at (212) 849-5021.

The time maintained by Parity shall constitute the official time with respect to all bids submitted.

Each prospective bidder who wishes to submit electronic bids shall be solely responsible to register to bid via Parity. Each qualified prospective bidder shall be solely responsible to make necessary

arrangements to access Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the County nor Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the County nor Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by Parity. The County is using Parity as a communications mechanism, and not as the County's agent, to conduct the electronic bidding for the County's Bonds. The County is not bound by any advice or determination of Parity as to whether any bid complies with the terms of this Notice of Sale and in particular the "Procedures for Bidding" set forth herein. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via Parity are the sole responsibility of the bidders, and the County is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid, or submitting or modifying a bid for the Bonds, it should telephone Parity and notify the Financial Advisor at (716) 662-3910 (provided that the County shall have no obligation to take any action whatsoever upon receipt of such notice). After receipt of bids is closed, the County through Parity or telephone will indicate the apparent successful bidder. Such message is a courtesy only for viewers, and does not constitute the award of the Bonds. Each bid will remain subject to review by the County to determine its TIC and compliance with the terms of this Notice of Sale.

The approving legal opinion of Orrick, Herrington & Sutcliffe LLP, New York, New York ("Bond Counsel"), will be furnished to the purchaser without cost. There will also be furnished the usual closing papers and, in addition, a certificate signed by an appropriate officer of the County, certifying that there is no litigation pending or, to the knowledge of the signer of such certificate, threatened affecting the validity of the Bonds and that on the date of the Official Statement for the Bonds, the Official Statement did not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Official Statement obtained from sources other than the County is not guaranteed as to accuracy, completeness or fairness, said officer has no reason to believe and does not believe that such information is materially inaccurate or misleading; and to his or her knowledge, since the date of the Official Statement there have been no material transactions not in the ordinary course of affairs entered into by such County and no material adverse changes in the general affairs of such County or in its financial condition as shown in the Official Statement other than as disclosed in or contemplated by the Official Statement.

The County has deemed the Preliminary Official Statement dated June 13, 2018 to be final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain information permitted to be omitted by said Rule. The County agrees to deliver to the successful bidder for its receipt no later than seven business days after the date of sale of the Bonds such quantities of the final Official Statement as the successful bidder shall request.

Any party executing and delivering a bid for the Bonds agrees, if its bid is accepted by the County, to provide to the County, in writing, within two business days after the date of such award, all information which said successful bidder determines is necessary for it to comply with SEC Rule 15c2-12, including all necessary pricing and sale information, information with respect to the purchase of municipal bond insurance or other form of credit enhancement, if any, and underwriter identification. Within five business days following receipt by the County thereof the County will furnish to the successful bidder, in reasonable quantities as requested by the successful bidder, copies of said Official Statement, updated as necessary, and supplemented to include said information. Failure by the successful bidder to provide such information will prevent the County from furnishing such Official Statement as described above. The County shall not be responsible or liable in any manner for the successful bidder's

determination of information necessary to comply with SEC Rule 15c2-12 or the accuracy of any such information provided by the successful bidder or for failure to furnish such Official Statement, as described above, which results from a failure by the successful bidder to provide the aforementioned information within the time specified. Acceptance by the successful bidder of such copies of the final Official Statement as described above shall be conclusive evidence of the satisfactory completion of the obligations of said County with respect to the preparation and delivery thereof.

The Bonds will be delivered on or about June 26, 2018 (UNLESS A NOTICE OF A CHANGE IN THE DELIVERY DATE IS ANNOUNCED not less than one hour prior to the time set forth for the opening of bids by means of a supplemental notice of sale to be transmitted via TM3) through the facilities of DTC against payment therefor in federal or other immediately available funds.

A good faith deposit (the "Deposit") in the amount of \$778,150 in the form of (i) a certified or cashier's check payable to the order of said County of Monroe, New York, or (ii) a wire transfer in accordance with instructions herein, is required for each bid to be considered. If a check is used, it must accompany each bid. If a wire transfer is used, the wire reference number must be provided on the "Proposal For Bonds" when the bid is submitted. Bidders must contact Capital Markets Advisors LLC (Telephone: (716) 662-3910), no later than 24 hours prior to the sale date to obtain the County's wire instructions. Moreover, a wire reference number must be provided at the time the bid is submitted. No interest on the Deposit will accrue to the purchaser.

The Deposit will be retained by the County and: (a) will be applied, without allowance for interest, against the purchase price when the Bonds actually are delivered to and paid for by such successful bidder; or (b) will be retained by the County as liquidated damages if the bidder defaults with respect to the bid; or (c) will be returned to the bidder if the Bonds are not issued by the County for any reason which does not constitute a default by the bidder. The balance of the purchase price shall be paid in Federal Funds or other immediately available funds.

All bids are subject to verification and approval by the County. The County shall have the right to deem each final bid reported on the Parity Monitor immediately after the deadline for receipt of bids to be accurate and binding on the bidders. Information or calculations provided by Parity other than the information required to be provided by the bidders in accordance with this Notice of Sale is for informational purposes only and shall not be binding on any of the bidders and the County.

It is expected that CUSIP numbers will be printed on the Bonds. However, the validity, sale, delivery or acceptance of the Bonds will not be affected in any manner by any failure to print, or any error in printing, the CUSIP numbers on said Bonds, or any of them. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the County, provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the successful bidder.

The County reserves the right to reject any or all bids, or to waive any irregularity or informality in any bid.

The Preliminary Official Statement relating to the Bonds may be obtained from the Financial Advisor and is also available at www.capmark.org.

Following the sale of the Bonds, on the Sale Date, the successful bidder will be required to provide to the County and its Bond Counsel certain information regarding the reoffering price to the public of each maturity of the bonds. The successful bidder also must submit to the County a certificate

(the "Reoffering Price Certificate"), satisfactory to Bond Counsel, dated as of the day of the delivery of the bonds, which assuming three bids are received, states:

(a)(i) on the date of award, such successful bidder made a bona fide public offering of all Bonds of all maturities at initial offering prices corresponding to the prices or yields indicated in the information furnished in connection with the successful bid, and (ii) as of such date, the first price or yield at which an amount equal to at least ten percent of each maturity of the Bonds was reasonably expected to be sold to the public was, respectively, a price not higher or a yield not lower than indicated in the information furnished with the successful bid (the "first price rule"), and (iii) provides a copy of the pricing wire or equivalent communication for the Bonds attached to the Reoffering Price Certificate. The public means any persons including an individual, trust, estate, partnership, association, company or corporation (other than the successful bidder or a related party to the successful bidder, being two or more persons who have greater than 50% common ownership directly or indirectly, or any person that agrees pursuant to a written contract or other agreement with the successful bidder to participate in the initial sale of the Bonds to the public).

(b) the successful bidder was not given the opportunity to review other bids prior to submitting its bid.

(c) the bid submitted by the successful bidder constituted a firm offer to purchase the Bonds.

In the event that at least three bids are not received by the County on the Sale Date, and at least ten percent of each maturity of the Bonds have been sold on the Sale Date, the successful bidder shall certify as to the first price or yield at which ten percent of each maturity was sold and provide a copy of the pricing wire or equivalent communication.

In addition, in the event that (1) at least three bids are not received by the County on the Sale Date, and (2) ten percent of each maturity of the Bonds have not been sold on the Sale Date (each an "Unsold Maturity"), the successful bidder (and any members of its underwriting group or syndicate) shall have the option (i) to provide to the County (or its agents) ongoing pricing information, together with reasonable supporting documentation acceptable to bond counsel (such as the pricing wire), until 10% of each Unsold Maturity is sold (the "Follow-the-Price Requirement"), or (ii) shall be required to hold the initial reoffering price to the public of each such Unsold Maturity (as reported to the County on the Sale Date) for the lesser of five (5) business days after the Sale Date or the date on which at least 10% of each such Unsold Maturity are sold (the "Hold-the-Offering-Price Requirement"). A certification as to the details of compliance with this requirement shall be part of the Reoffering Price Certificate.

The County or its municipal advisor on its behalf shall advise the successful bidder on the Sale Date as to whether at least three bids were received. Delivery of a bid shall constitute the bidder's agreement to comply with the Hold-the-Offering-Price Requirement or the Follow-the-Price Requirement of this Notice of Bond Sale and to certify to compliance therewith under the circumstances described herein.

Such certificate shall state that it is made on the best knowledge, information and belief of the successful bidder after appropriate investigation.

The population of the County is estimated to be approximately 744,300. The Debt Statement to be filed, pursuant to Section 109.00 of the Local Finance Law in connection with the sale of the Bonds herein described, prepared as of June 12, 2018, will show the average five-year full valuation of real estate subject to taxation by the County to be \$41,051,801,016, its debt limit to be \$2,873,626,071, and its total net indebtedness subject to the debt limit to be \$438,032,758. A detailed Official Statement will be furnished to any interested bidder upon request.

MONROE COUNTY, NEW YORK

Dated: June 13, 2018

By: Robert Franklin
Director of Finance

\$77,815,000 PUBLIC IMPROVEMENT (SERIAL) BONDS – 2018

Dated: June 26, 2018

Due: June 1, 2019-2038

Proposal for Bonds

June 20, 2018

Robert Franklin
Director of Finance-Chief Financial Officer
County of Monroe
c/o Capital Markets Advisors, LLC
4211 N. Buffalo Road, Suite 19
Orchard Park, New York 14127

Fax: 716-662-6684
Telephone: 716-662-3910

Dear Sir:

For \$77,815,000 principal amount of the Public Improvement (Serial) Bonds - 2018 of the County of Monroe, New York (the "County") as described in the official Notice of Sale dated June 13, 2018 which is hereby made a part of this proposal, we hereby offer to pay \$77,815,000 plus a premium of \$_____ and accrued interest to the date of delivery, with said Bonds to bear interest from their date until their maturity at the rates per annum set forth in the following table, resulting in a true interest cost of _____%:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2019	_____ %	2026	_____ %	2033	_____ %
2020	_____ %	2027	_____ %	2034	_____ %
2021	_____ %	2028	_____ %	2035	_____ %
2022	_____ %	2029	_____ %	2036	_____ %
2023	_____ %	2030	_____ %	2037	_____ %
2024	_____ %	2031	_____ %	2038	_____ %
2025	_____ %	2032	_____ %		

We acknowledge that the principal amount of the Bonds is subject to adjustment as provided in the Notice of Sale.

Check ONE of the following:

- We enclose herewith a cashier's check or certified check for \$778,150 payable to the order of the County to be returned to the undersigned upon the award of said Bonds provided this bid is not accepted; or the amount of said check to be retained as and for liquidated damages in case of the failure of the undersigned to make payment as agreed.
- We sent a wire transfer of \$778,150 to the account of the County designated for such purpose in accordance with the Notice of Sale and instructions provided by the County's Financial Advisor. The wire confirmation number is _____ at _____.

Signature _____

Name of Bidder _____
Address of Bidder _____

Telephone _____

Receipt of return of good faith deposit:

Received from Robert Franklin, Director of Finance-Chief Financial Officer, a check or evidence of wire transfer for \$778,150, representing the return of our good faith deposit.