

**Minutes
Erie County Fiscal Stability Authority
November 8, 2006**

Note: the following is a draft copy of minutes of a meeting of the Erie County Fiscal Stability Authority ("ECFSA"), which was held November 8, 2006. These minutes will not become final until approved at a subsequent meeting of ECFSA directors, and may be amended before approval.)

Chairman Anthony Baynes called to order the meeting of the Erie County Fiscal Stability Authority ("ECFSA") at 2:00 pm on Wednesday, November 8, 2006 in the Buffalo Niagara Convention Center. Notice of the meeting had previously been distributed to all Directors by courier and announced to the public and press.

Directors present: Anthony J. Baynes, Chair; Stanley Keysa, Secretary; Kenneth Kruly; Joseph Goodell; Sheila Kee and John Johnson

Also present: Kenneth Vetter, Executive Director

Opening Remarks

Chairman Baynes called the meeting to order at 2:00 pm and welcomed his fellow board members and the public officials, interested members of the public and press and media in attendance.

He stated the reason for the meeting was to consider Erie County's proposed borrowing.

Approval of the Minutes

Chairman Baynes indicated that the first order of business was to approve the minutes of the last meeting, held November 3, 2006, as submitted by Secretary Keysa and circulated to the members. Director Kruly moved to approve the minutes as presented and Director Kee seconded. Without further discussion the board voted unanimously to approve the following resolution:

Resolution No. 06-52

APPROVING MINUTES AND RESOLUTIONS FROM NOVEMBER 3, 2006

BE IT RESOLVED that the Erie County Fiscal Stability Authority approves the minutes of its meeting of NOVEMBER 3, 2006 and ratifies and affirms 4 resolutions numbered 06-48, 06-49, 06-50 and 06-51 which were approved November 3, 2006.

This resolution shall take effect immediately.

Governance Committee Report

Chairman Baynes stated that Director Keysa, in his role as governance committee chair, has been in the process of updating the ECFSA's By-Laws. Chairman Baynes asked Director Keysa to briefly discuss the process and the document itself.

Director Keysa stated that, when the Authority was first formed, it adopted a generic set of by-laws that were put together by attorneys at Hawkins, Delafield. "As the EFCSA progressed, we noticed there were a number of problems including the lack of an agenda in advance and also several other items. The State also passed the Public Authorities Accountability Act of 2005. He described the impact this law has on the Authority.

He stated that the governance committee requested comments on the draft By-Laws from various people. The governance committee, which includes Director Kruly and Director Kee, then met to discuss the By-laws and went through a number of concerns and drafts. He continued by stating that the final set was circulated on October 27th. "I am pleased to present the By-Laws to you and asking you to approve them."

Chairman Baynes thanked Director Keysa and asked for a motion to approve the By-Laws. Director Johnson moved and Director Kruly seconded.

Director Goodell asked a question about section three, on page six of the By-Laws, regarding employees. He asked how the hiring process works.

Chairman Baynes stated that the Executive Director has the authority to hire and discharge an employee.

Director Keysa stated: "What we anticipate will happen is a dialogue going on between the Chair and the human resources committee and the Executive Director. The Executive Director will be recommending jobs he feels are necessary and go to the human resource committee to define the jobs in terms of qualifications for the positions including the salary. The Authority board would approve the positions. Once they have been approved, the Executive Director would then hire persons for all positions except managerial confidential employees. At this point, the only position we would define in that fashion would be the chief fiscal officer. To maintain checks and balances, we feel that person has to be appointed by other than the Executive Director."

Director Goodell restated: "The Executive Director does have authority to hire and fire?" Director Keysa stated that is true. Director Goodell asked if hiring senior employees is done with consultation with the human resources committee and members of the board. Director Keysa answered: "Yes."

Chair Baynes then called the question, and the following resolution was unanimously adopted:

APPROVING THE BYLAWS OF THE ERIE COUNTY FISCAL STABILITY
AUTHORITY

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.”

WHEREAS, it is necessary for the ECFSA to amend its By-Laws to conduct daily business.

NOW THEREFORE BE IT RESOLVED, that the ECFSA approves the adoption of the amended By-Laws, as are attached .

ERIE COUNTY FISCAL STABILITY AUTHORITY

BY-LAWS

ARTICLE I

THE AUTHORITY

SECTION 1. The Authority. The Erie County Fiscal Stability Authority (the “Authority”) is a corporate governmental agency and instrumentality of the State of New York created by provisions of the Erie County Fiscal Stability Authority Act (enacted as Chapter 182 of the Laws of 2005) (“Act”) and constituting a public benefit corporation.

SECTION 2. Acts of the Authority. All acts, agreements and documents of the Authority shall be performed or executed in the name of the Authority by a Director or duly authorized officer of the Authority.

SECTION 3. Certification of Instruments. Each Director or duly authorized officer of the Authority shall have the authority, when necessary or appropriate, to certify the records, proceedings, rules and regulations

and other instruments of the Authority and to affix and attest to the official seal of the Authority on contracts and other instruments of the Authority.

SECTION 4. Administration. The powers, organization and administration of the Authority shall be in accordance with the provisions of the Act, all other applicable law, and these By-Laws.

SECTION 5. Fiscal Year. The fiscal year of the Authority shall begin January 1 and end the following December 31.

SECTION 6. Seal of the Authority. The official seal of the Authority shall be as follows: A circular impression, engraving, facsimile, or printing which shall have inserted around the circumference the words: "Erie County Fiscal Stability Authority" and elsewhere thereon shall bear the word: "Seal". The seal on any corporate obligation for the payment of money may be a facsimile.

SECTION 7. Offices. The principal office and place of business of the Authority shall be located in the County of Erie, State of New York. The Authority may also have other offices at such other places within the State of New York as may be deemed necessary by the Directors of the Authority.

ARTICLE II

DIRECTORS AND OFFICERS

SECTION 1. Directors. The business and affairs of the Authority shall be managed by the Directors of the Authority who shall be selected and shall hold office as provided in the Act. Directors shall endeavor to:

- a) Provide direct oversight of the Authority's Executive Director and senior management;**
- b) Understand, review and monitor implementation of financial and management controls and operational decisions;**
- c) Establish policies regarding payment of compensation and reimbursements to senior staff;**
- d) Adopt procedural and operating policies and guidelines, including:
 - i) a code of ethics for the Directors, officers, employees and consultants,****

- ii) *comprehensive guidelines for administration and disposition of personal property (the Authority is prohibited from owning real property),*
 - iii) *investment guidelines,*
 - iv) *personnel and compensation policies, and*
 - v) *defense and indemnification policies.*
- e) *Attend state-approved training, as required under the Public Authorities Accountability Act of 2005, within one year of appointment.*

SECTION 2. Compensation of Directors. *The Directors of the Authority shall serve without salary, but each Director shall be reimbursed for actual necessary expenses incurred in the performance of such Director's official duties as a Director of the Authority.*

SECTION 3. Chairperson and Vice-Chairperson. *The Governor shall designate a Chairperson and Vice-Chairperson from among the Directors. The Chairperson shall preside over all meetings of the Directors and shall have such other duties as the Directors of the Authority may direct. The Vice-Chairperson shall preside over all meetings of the Directors in the absence of the Chairperson and shall have such other duties as the Directors of the Authority may prescribe. In the event that the office of the Vice-Chairperson is vacant or the Vice-Chairperson is absent or disabled, the Chairperson shall designate a Director to preside over such meeting. In order to provide continuity of the essential functions of the Authority, should the offices of both the Chairperson and Vice Chairperson be vacant, a majority of the remaining Directors may select from their numbers an Acting Chairperson, to serve until the Governor appoints a new Chairperson and/or Vice Chairperson.*

SECTION 4. Appointment and Delegation. *The Directors of the Authority shall appoint a Secretary, who may be a Director of the Authority, and may appoint such officers, employees and other agents of the Authority as required by law and as are deemed necessary to effectuate the purposes of the Authority and may delegate to such officers, employees and agents such powers and duties as the Directors may deem proper. The compensation of all officers of the Authority, other than any Director also serving as an officer, and all additional employees and agents of the Authority shall be established by the Directors.*

SECTION 5. Treasurer. *The Treasurer shall be the chief financial officer of the Authority, and shall have all powers and duties customarily incident to the office of chief financial officer, including the keeping of the books of account of the Authority and the preparation of the periodic*

financial statements of the Authority. At all reasonable times, the Treasurer shall exhibit to any officer or Director of the Authority the books of account and any other records which he or she maintains or causes to be maintained.

SECTION 6. Secretary. The Secretary shall act as Secretary of all meetings of the Authority at which he or she is present, and shall keep the minutes of all meetings in books proper for that purpose. The Secretary shall have power to affix or cause to be affixed the seal of the Authority to all contracts, certificates, documents, bonds, notes or other obligations and instruments to be executed on behalf of the Authority and to attest to the same. He or she shall have charge of the books, records and papers of the Authority relating to its organization and management as a corporation, and shall see that the reports, statements and other documents required by law are properly kept and filed. In addition, the Secretary shall have all other powers and duties customarily incident to the office of secretary.

SECTION 7. Removal and Vacancies. Any officer may be removed or have his or her authority as an officer suspended by the Authority at any time, with or without cause. The Authority shall have no authority to suspend or remove a Director from his or her position as a Director, but any Director serving as an officer may be removed from any such office in accordance with the preceding sentence. If an office becomes vacant for any reason, the Authority shall have the power to fill such vacancy.

SECTION 8. Officers Holding Two or More Offices. Any two or more offices may be held by the same person, but no officer shall execute or verify any instrument in more than one capacity if such instrument is required by law or otherwise to be executed or verified by two or more officers.

SECTION 9. Delegation. In the event of a vacancy in any office or the absence or disability of any officer or for any other reason that the Authority may deem sufficient, the Authority, except as otherwise provided by law, may temporarily delegate the powers or duties of any officer to any other officer or to any Director.

SECTION 10. Code of Ethics. Each officer, director and employee of the Authority shall be subject to the standards established in Section seventy-four of the Public Officers Law.

SECTION 11. Financial Disclosure. Each officer, director and employee meeting the requirements of Section seventy-three-a of the Public Officers Law shall be subject to the financial disclosure requirements set forth in such section.

SECTION 12. Sureties and Bonds. When required by the Authority,

any officer or agent of the Authority shall execute to the Authority a bond in such amount and with such surety or sureties as the Directors may direct, conditioned upon the faithful performance of his or her duties to the Authority and including responsibility for negligence and for the accounting of all property, funds or securities of the Authority which may come into his or her hands.

ARTICLE III

MEETINGS OF THE AUTHORITY

SECTION 1. Quarterly or Annual Meetings. *Any quarterly or annual meeting of the Authority, held in accordance with the provisions of the Act, shall be held on such date as shall be agreed upon by a majority of the Directors and shall be designated in the notice of such meeting.*

SECTION 2. Regular Meetings. *The Directors of the Authority may establish a schedule of regular meetings to be held, within the State of New York, between the quarterly or annual meetings. The regular business of the Authority may be transacted at such meetings.*

SECTION 3. Special Meetings. *Special meetings may be called by the Chairperson, whenever he/she deems it expedient, and shall be called by the Chairperson upon the request of a majority of the Directors of the Authority.*

SECTION 4. Notices. *In addition to all notices required by the Open Meetings Law, notice of each quarterly, each annual and each special meeting of the Authority, including meetings held in accordance with Section 6 of this Article III, shall be given by mailing, by overnight courier the same, together with the agenda for such meeting, if practicable, as determined by the Chairperson or Vice Chairperson, at least seventy-two hours before the meeting, to the address of each Director designated by him or her for such purpose (or, if none is designated, to his or her last known address) or by delivering it personally, electronically or telephonically. Notice of any meeting need not be given to any Director who submits a signed waiver of notice thereof before, at, or after the meeting.*

SECTION 5. Quorum and Exercise of Powers. *Four Directors shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. The Authority shall have power to act pursuant to a favorable vote of four Directors. If at any meeting there is less than a quorum, a majority of those Directors present may, from time to time,*

adjourn the meeting until a quorum is present. No notice need be given of any adjourned meeting to Directors present at the meeting at which adjournment is taken. Notice shall be given to Directors not present at such meeting in accordance with the notice provisions applicable to the meeting adjourned.

SECTION 6. Meetings by Video Conference or Participation by Telephone. If the Chairperson determines that there is a need for the Directors to act before such time as it is possible or practicable to bring a quorum of the Directors together at the same location, the Chairperson may give notice that Directors may participate in a meeting of the Authority by means of video conference equipment or similar communications equipment, whereby all persons participating in the meeting can hear and observe each other and persons present at the designated place of the meeting, and such participation in the meeting shall be deemed participation in person at such meeting. Any required notice of the place of a meeting at which participation is by means of video conference or similar communications equipment shall be sufficient if it designates as the place of the meeting the place at which one or more of the participants in the meeting is located at the time the meeting is held. A Director also may participate in a meeting by telephone, but may not vote or be counted as part of the quorum for such meeting.

SECTION 7. Agendas. A preliminary agenda for regular meetings of the Authority shall be provided to the Directors of the Authority by the Executive Director, with the approval of the Chairperson, seventy-two hours before such meeting. Proposed changes to the agenda may be provided to the Chairperson by Directors up to forty-eight hours before such meeting for consideration by the Chairperson at his/her discretion. Upon approval by the Chairperson, the Executive Director shall endeavor to provide final agendas to the Directors twenty-four hours before such meeting. The Executive Director shall endeavor to provide agendas for special meetings of the Authority to the Directors of the Authority with the notice of such meeting.

SECTION 8. Resolutions. Proposed resolutions for approval by the Directors of the Authority shall be distributed not later than twenty-four hours prior to any regular meeting of the Authority. Such resolutions may be modified and amended with the approval of a majority of the Directors of the Authority. Any resolution proposed during a meeting of the Authority and not meeting the twenty-four hour notice requirement shall require a suspension of the rules to be considered; upon the objection of any Director, an affirmative vote of four Directors will be required to suspend the rules and consider such resolution.

SECTION 9. Procedure. The order of business and all other matters of procedure at each meeting of the Authority may be determined by the

presiding officer, who should be guided by Roberts Rules of Order. An objection to a procedural determination by the presiding officer shall take priority over all other business, and such decision may be overruled by an affirmative vote of four Directors.

ARTICLE IV

ADMINISTRATION

SECTION 1. Officers. *The Authority may appoint such officers as it may require for the performance of its duties.*

SECTION 2. Executive Director. *The Chairperson, after consultation with the Vice Chairperson, shall nominate an Executive Director, subject to confirmation by the Directors of the Authority. The Executive Director shall be responsible for the conduct of the day-to-day administration of the affairs of the Authority, and shall serve at the will of the Directors, who shall set the pay for the position on recommendation of the Chairperson.*

SECTION 3. Employees. *The Executive Director of the Authority may hire and dismiss employees as may be required for the performance of the duties of the Authority. Employment of personnel at the management/confidential level shall be by approval by the Directors on the recommendation of the Executive Director, following the approval of a job description and salary range for the position by the Directors, consistent with the adopted budget. Employment of personnel for clerical or support staff or for temporary or part-time positions (part-time being defined as nineteen or less hours per week) may be by the Executive Director with the approval of the Chairperson and Vice-Chair following the approval of a job description and salary range for the position(s) by the Directors, consistent with the adopted budget.*

SECTION 4. Travel. *The Authority may reimburse Directors, officers and employees for travel and necessary expenses incurred in the performance of official duties or incurred to attend meetings or conferences which are deemed necessary or appropriate for the furtherance of the duties and functions of the Authority. Reimbursement or payment of actual travel and expenses shall be according to State regulations as published by the Office of the State Comptroller. Reimbursement shall be provided for necessary travel and expenses incurred by Directors of the Authority in their discretion in the function of their official duties in a region consisting of the State of New York or adjacent states or provinces and submitted to the Authority within fifteen days after the end of the month during which the travel occurred.*

Reimbursement for actual travel and expenses incurred by any Director of the Authority outside the region so described, or for any actual travel and expenses incurred by officers or employees of the Authority shall be authorized only with the prior written or electronic approval of the Chairperson of the Authority, with notification to the Directors. Directors may, on an individual basis, elect not to seek reimbursement.

SECTION 5. Employee Benefits. INTENTIONALLY OMITTED

SECTION 6. Procurement of Goods and Services. The Authority shall adopt procurement guidelines regarding the use, awarding, monitoring and reporting of procurement contracts consistent with the provisions of Section 2879 of the Public Authorities Law for expenditures likely to exceed \$15,000 in any given Authority fiscal year. Such guidelines shall be reviewed and approved by a majority of the Directors of the Authority at least annually. Authority for the procurement of goods and services necessary to fulfill the administrative responsibilities of the Executive Director related to managing staff, professional consultants and office operations, and agreements on behalf of the Authority related to such administrative activities, shall be authorized for expenditures not likely to exceed ten thousand dollars (\$10,000). Such expenditures shall be reviewed periodically with the Treasurer and reported at least quarterly to the Directors of the Authority. Authority for the procurement of any goods or services exceeding ten thousand dollars (\$10,000) but not exceeding fifteen thousand dollars (\$15,000) may be authorized only by approval of the Directors of the Authority.

SECTION 7. Authority Website. The Authority shall maintain a website in its name and shall cause to be posted thereon:

- a) the address of the Authority offices and information as to how to contact the Authority, its officers or Directors.**
- b) a complete copy of the Act.**
- c) a complete and up-to-date copy of these By-Laws, as approved.**
- d) a list of Authority Directors and officers, with brief biographies, but excluding such information as may be withheld under the New York Freedom of Information Law.**
- e) minutes of its various meetings when circulated by the Secretary, with notation that such minutes may be corrected or amended by the Directors, and excluding such information as may be withheld under the New York Freedom of Information Law.**
- f) copies of all policies as adopted by the Authority.**

ARTICLE V

COMMITTEES

SECTION 1. Committees. *The Authority shall create an audit committee, a governance committee, a finance committee, a human resources committee, and may create one or more additional committees of the Authority. The Authority may determine the powers and duties of such committees.*

SECTION 2. Committee membership. *Each committee shall be comprised of two or more Directors, nominated by the Chairperson and confirmed by a majority of Directors of the Authority. Each committee member shall serve until the end of his or her term and thereafter until his or her successor is appointed. Any committee member may be removed from the committee by a majority vote of the Directors. One of the committee members shall be designated by the Chairperson of the Authority as chairperson of the respective committee. The Chairperson of the Authority shall be an ex officio member of all Authority standing committees.*

SECTION 3. Committee Charters. *The purposes of each committee is stated below and may be further detailed in the committee charters that may from time to time be approved by the Directors and appended to the By-Laws and, in the event of a conflict with these By-Laws, any such committee charters shall control to the extent consistent with the law.*

SECTION 4. Audit Committee. *The audit committee is appointed to assist the Directors in monitoring and overseeing: (1) the integrity of the financial statements of the Authority, (2) the Authority's internal controls and compliance with applicable laws, regulations and Authority's policies, (3) the Authority's independent auditor's qualifications and independence and (4) the feasibility of Authority's Financial Plan, recommending to the Directors actions and policies that will accommodate the Authority's operating strategies while maintaining its sound fiscal health.*

SECTION 5. Governance Committee. *The governance committee is appointed to assist the Directors in properly shaping and focusing the structure and committees of Authority so as to implement the mandates on and goals of the Authority in a fiscally prudent fashion.*

SECTION 6. Finance Committee. *The finance committee is appointed to assist the Directors: 1.) in developing the financial plans necessary for the proper administration of the Authority's own activities; 2.) in developing a strategic plan to implement the mandates on and goals of the Authority in a fiscally prudent fashion, and recommending to the Directors actions and policies that will accommodate the Authority's directives as contained in state law; and 3.) as may be requested by the Directors, review and comment upon the budgets and financial plans that*

are submitted to the Authority by the County and documents related thereto.

SECTION 7. Human Resources Committee. The human resources committee is appointed to assist the Directors in properly staffing the Authority so as to implement the mandates on and goals of the Authority in a fiscally prudent fashion.

SECTION 8. Meetings. Meetings of any committee of the Authority may be held at such places, within the State of New York, as the committee shall determine. Regular meetings of any committee of the Authority shall be held at such times as to be determined by either the Authority or such committee, and no notice shall be required for any regular meeting. Special meetings of any committee shall be called by the chairperson of such committee on his or her own volition, or upon the request of any two Directors serving such committee. Notice of special meetings of any committee of the Authority shall be given by mailing the same, at least seventy-two hours before the meeting, to the address of each Director designated by him or her for such purposed (or, if none is designated, to his or her last known address) or by delivering it personally, electronically or telephonically at least 12 hours in advance of the time for which the meeting is called. Notice of any meeting need not be given to any committee Director who submits a signed waiver of notice thereof before, at or after the meeting. Neither the business to be transacted at, nor the purpose of, any meeting of any committee need be specified in any notice or written waiver of notice unless so required by these By-Laws.

SECTION 9. Conduct of Meetings. The chairperson of a committee or, in the event that the office of committee chairperson is vacant or in the absence or disability of the committee chairperson, the Director on such committee present who has the longest period of membership on the Authority shall preside at each meeting of such committee. The Secretary of the Authority, except as otherwise provided by the Authority, shall act as secretary at all meetings of each committee, and in the absence of the Secretary, a temporary secretary shall be appointed by the chairperson of the committee which is meeting.

SECTION 10. Quorum and Voting. A majority of the total number of the Directors of any committee shall constitute a quorum for the transaction of business, and all action shall be taken by vote of a majority of the total number of the Directors on such committee. In the absence of a quorum, a majority of the Directors on a committee present may adjourn any meeting from time to time. Notice shall be given to Directors not present at such meeting in accordance with the notice provisions applicable to the meeting adjourned.

SECTION 11. Minutes. All committees shall keep minutes, in summary form, of their acts and proceedings to the extent required by law, or as otherwise required by a majority of the Authority's Directors, which shall be submitted to the Secretary of the Authority.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

SECTION 1. Right of Indemnification. Each Director, officer and employee of the Authority, all of whom shall be deemed officers and employees of the State for the purposes of section seventeen of the Public Officers Law, shall be held harmless and indemnified as provided for in section 3970 of the Erie County Fiscal Stability Act enacted as Chapter 182 of the Laws of 2005.

ARTICLE VII

AMENDMENTS

SECTION 1. Amendments. These By-Laws may be adopted, amended or repealed by resolution duly adopted at any meeting of the Authority, notice of which shall have referred to the proposed action, by an affirmative vote of four Directors.

ARTICLE VIII

SUSPENSION OF BY-LAWS

SECTION 1. Suspension of By-Laws. By affirmative vote of a majority of the total number of Directors, the provision of any or all of these By-Laws, except as may be otherwise provided by law, may be temporarily suspended.

ARTICLE IX

CONSTRUCTION

If there be any conflict between the provisions of the Erie County Fiscal Stability Authority Act ("Act") and these By-Laws, the provisions of the Act shall govern.

AUDIT COMMITTEE CHARTER
Erie County Fiscal Stability Authority

Purpose

The audit committee is appointed to assist the Directors in monitoring and overseeing: (1) the integrity of the financial statements of the Authority, (2) the Authority's internal controls and compliance with applicable laws, regulations and the Authority's policies, (3) the Authority's independent auditor's qualifications and independence and (4) the feasibility of Authority's financial plan, recommending to the Directors actions and policies that will accommodate the Authority's operating strategies while maintaining its sound fiscal health.

Committee Membership

The audit committee shall consist of two or more Directors. To the extent that sufficient independent Directors are available and willing to serve, each committee member shall meet the independence requirements set forth in the Authority's bylaws. The members of the audit committee shall be appointed to terms of three years. At least one member of the audit committee should be a financial expert, if practicable. For this purpose, a Director shall be deemed a financial expert if he or she has past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results individual's financial sophistication, including being or having been a chief executive officer, chief financial officer, budget director or other senior officer with financial oversight responsibilities. Each member of the audit committee shall serve until the end of his or her term and thereafter until his or her successor is appointed. Audit committee members may be replaced by a majority vote of the Directors.

Meetings

The audit committee shall meet as often as it determines necessary, but not less frequently than four times per year. The audit committee shall meet at least annually individually with the Executive Director, the general counsel, the internal auditor (if any) and the Authority's independent auditor. The audit committee may request any officer or employee of the Authority or the Authority's outside counsel or Authority's independent auditor to attend a meeting of the committee or to meet with any members of, or consultants to, the committee.

Committee Authority and Responsibilities

The Authority's executive management bears primary responsibility for the Authority's financial and other reporting, for establishing the system of internal controls and for ensuring compliance with laws, regulations and Authority policies. The committee's responsibilities and related key processes are described below. From time to time, the committee may take on additional responsibilities, at the request of the Directors.

General

The audit committee shall oversee the Authority's internal controls and compliance systems. Pursuant to Section 3971 of the Public Authorities Law, the board shall appoint an independent auditor for the Authority. The audit committee shall oversee the preparation of a request for proposal to solicit potential independent auditors, review the proposals and qualifications of applications, and recommend to the board an independent auditor which it deems best meets the requirements.

The audit committee shall be responsible for the review of the work of the Authority's independent auditor (including resolution of disagreements between the Authority's management and such independent auditor regarding financial reporting) for the purpose of preparing issuing an audit report or related work. The Authority's independent auditor shall report directly to the audit committee.

The audit committee shall periodically, but not less than annually, review all auditing services (including the fees and terms thereof) to be performed for the Authority by the Authority's independent auditor.

The committee shall be provided the resources and assistance necessary to discharge its responsibilities, including appropriate funding, as requested by the committee and approved by the Directors, and unrestricted access to Authority personnel and documents as necessary in connection with its responsibilities.

The audit committee shall review and reassess the adequacy of this charter from time to time and propose to the Directors any changes for approval.

The audit committee shall make its recommendations to the Directors for approval.

Financial Statements and Disclosure Matters

The committee shall:

- 1. Review, discuss and approve, in consultation with management of the Authority and the Authority's independent auditor, the annual audited financial statements, including disclosures made in the management discussion and analysis.**
- 2. Review, discuss and approve, as appropriate, in consultation with management of the Authority and the Authority's independent auditor, the Authority's reports on quarterly financial results, if any, including the results of the Authority's independent auditor's review of the quarterly financial statements.**
- 3. Discuss with management of the Authority and the Authority's independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Authority's financial statements, including any significant changes in the Authority's selection or application of accounting principals, any major issues as to the adequacy of the Authority's internal controls and special steps adopted in light of material control deficiencies.**
- 4. Review reports from the Authority's independent auditor's and/or management of the Authority, on:**
 - a) All critical accounting policies and practices to be used.**
 - b) All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management of the Authority, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Authority's independent auditor.**
 - c) Other materials written communications between the Authority's independent auditor and management, such as any management letter or schedule of unadjusted differences.**
 - d) Internal controls and the attestation of such reports by the Authority's independent auditor.**
- 5. Discuss with the Executive Director financial information provided to rating agencies and financial institutions with which the Authority has business dealings.**

- 6. Discuss the management the Authority's major financial risk exposures and the steps management has taken to monitor and control such exposure, including the Authority's risk assessment and risk management policies.**

Oversight of the Authority's relationship with the Authority's independent auditor

The audit committee shall:

- 1. Review and evaluate the lead partner of the Authority's independent auditor team.**
- 2. Obtain and review a report from the Authority's independent auditor at least annually regarding (a) the Authority's independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the Authority's independent auditor and the Authority. Evaluate the qualifications, performance and independence of the Authority's independent auditor, including considering whether the auditor's quality controls are adequate to maintain the auditor's independence, while taking into account the opinion of management of the Authority.**
- 3. On a periodic basis of not less than every three years, assess the need or desirability of rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and oversee the issuance of a request for proposal (RFP) for potential replacement of the audit firm dependent on the results of applicant interviews.**
- 4. On an annual basis, review and discuss with the independent auditors all significant relationships they have with the Authority that could impair the auditor's independence. The Authority's independent auditors may not perform the following services for the Authority:**
 - accounting and bookkeeping services;**
 - internal audit services related to accounting controls, financial systems or financial statements;**
 - financial information systems design implementation;**

- *broker, dealer, investment banking or investment adviser services;*
 - *appraisal or valuation services;*
 - *actuarial services;*
 - *management services or human resources; and*
 - *legal or other expert services unrelated to the audit that the Public Accounting Oversight Board prohibits through regulation.*
5. *Review the independent auditors' audit plan. Discuss scope, staffing, locations, reliance upon management and general audit approach.*
 6. *Provide advice, as applicable, to the Directors on policies for the Authority's hiring of employees or former employees of the Authority's independent auditor who participated in any capacity in the audit of the Authority. In no event shall the Authority's Executive Director, chief financial officer (if any) or Treasurer (if any) have been employed by the Authority's independent auditor during any two year period preceding an audit.*
 7. *Discuss, as needed, with the national office of the Authority's independent auditor (if applicable) issues on which they were consulted by the Authority's audit team and matters of audit quality and consistency.*
 8. *Review with the auditor, in executive session outside of the presence of the Authority's management, any items which would be appropriately confidential under law, such as disagreements with management, difficulties with or impedence by management in performing the audit.*

Internal Control

The audit committee shall have responsibility for overseeing the Authority implementation of an effective system of internal control that helps promote the reliability of financial information, including overseeing financial, procurement, compliance, contract, ethics and any other audits determined necessary from time to time.

Pursuant to Section 2932 to the Public Authorities Law, the audit committee shall determine and periodically review whether a separate

internal audit function is required and make recommendations to the Directors with respect thereto.

Compliance Oversight Responsibilities

The audit committee, to the extent it deems necessary or appropriate shall:

- 1. Review with the Executive Director and the Authority's independent auditor the Authority's compliance with applicable legal requirements and accounting policies and principles. Advise the Directors with respect to any advice received from the Authority's independent auditor regarding the Authority's compliance policies and procedures.***
- 2. Establish procedures for the confidential receipt, retention and investigation of complaints to be received by the audit committee regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding such matters. Procedures shall also be established for the referral of such matters to the State Inspector General. These procedures shall be periodically reviewed and updated as appropriate. The audit committee shall review all reports and draft reports delivered by the State Inspector General to the Authority and shall serve as a point of contact therewith.***
- 3. Discuss with management and the Authority's independent auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Authority's financial statements or accounting policies.***
- 4. Discuss with the Authority's general counsel any legal matters that may have a material impact on the financial statements or the Authority's compliance policies.***

Finance Oversight Responsibilities

- 1. Review analyses prepared by management and/or the finance committee regarding the Authority's financial structure and financings. When applicable, make recommendations to the Directors regarding financial advisors and financing transactions.***
- 2. Review (independently of the finance committee) credit ratings, credit facilities and external financing, and financial structure and financings. When applicable, make recommendations to the Directors as to fiscal implications.***

Limitations of Responsibilities

In fulfilling their responsibilities hereunder, it is recognized that members of the committee are not full-time employees of the Authority and are not, and do not represent themselves to be, accountants or auditors by profession or experts in the field of accounting or auditing. As such, it is not the duty or responsibility of the committee or its members to conduct “field work” or other types of auditing or accounting reviews or procedures, and each member of the committee shall be entitled to rely on (a) the integrity of those persons and organizations within and outside the Authority that it receives information from and (b) the accuracy of the financial and other information provided to the committee by such persons of organizations absent actual knowledge to the contrary (which shall be promptly reported to the Directors).

GOVERNANCE COMMITTEE CHARTER
Erie County Fiscal Stability Authority

Purpose

The governance committee is appointed to assist the Directors in properly shaping and focusing the committees of Authority so as to implement the mandates on and goals of the Authority in a fiscally prudent fashion.

Committee Membership

The governance committee shall consist of two or more Directors. The members of the governance committee shall be appointed to terms of three years. Each member of the governance committee shall serve until the end of his or her term and thereafter until his or her successor is appointed. Governance committee members may be replaced by a majority vote of the Directors.

Meetings

The governance committee shall meet as often as it determines necessary. The governance committee may request any officer or employee of the Authority or the Authority's outside counsel to attend a meeting of the committee or to meet with any members of, or consultants to, the Committee.

Committee Authority and Responsibilities

The governance committee, on its own or upon direction of the board, shall endeavor to keep itself aware of state and federal laws affecting the operation of the Authority, recommend to the board the creation, modification or abolition of committees, develop charters for each committee, and recommend changes in the organization of the Authority or its board. From time to time, the committee may take on additional responsibilities, at the request of the Directors.

General

The governance committee shall be provided the resources and assistance necessary to discharge its responsibilities, including appropriate funding, as requested by the committee and approved by the Directors, and unrestricted access to Authority personnel and documents as necessary in connection with its responsibilities.

The governance committee shall review and reassess the adequacy of this charter from time to time and propose to the Directors any changes for approval. The governance committee shall make its recommendations to the Directors for approval.

FINANCE COMMITTEE CHARTER
Erie County Fiscal Stability Authority

Purpose

The mandates given this Authority by law requires that each of its Directors apply her or his best skills to determining and recommending to the board data to be requested from the various officers and covered organizations of the County of Erie, analyzing such financial data, and recommending steps to achieve fiscal stability for the County.

The finance committee is appointed to assist the Directors: 1.) in developing the financial plans necessary for the proper administration of the Authority's own activities; 2.) in developing a strategic plan to implement the mandates on and goals of the Authority in a fiscally prudent fashion, and recommending to the Directors actions and policies that will accommodate the Authority's directives as contained in state law; and 3.) review and comment upon the budgets and financial plans that are submitted to the Authority by the County and documents related thereto.

The finance committee may recommend to the board financial data and other information to be requested by the Authority from the County and its agencies, monitor the completeness and timeliness of compliance of the County in responding to the Authority's requests, oversee the analysis of data and other information (including four-year plans) received from the County or other sources, and insure that written notice is given to the County in a timely fashion if requested data is incomplete and/or late.

When financial incentives are made available to the Authority by the State of New York, the finance committee, in conjunction with the Executive Director, shall develop and recommend to the Board policies and procedures for awarding incentive grants to the County and/or other local governments consistent with the intent of the State appropriations, as well as procedures to monitor the effectiveness of the grants.

Committee Membership

The finance committee shall consist of two or more Directors. The members of the finance committee shall be appointed to terms of three years. At least one member of the finance committee should be a financial expert, if practicable. For this purpose, a Director shall be deemed a financial expert if he or she has past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results individual's financial

sophistication, including being or having been a chief executive officer, chief financial officer, budget director or other senior officer with financial oversight responsibilities. Each member of the finance committee shall serve until the end of his or her term and thereafter until his or her successor is appointed. Finance committee members may be replaced by a majority vote of the Directors.

Meetings

The finance committee shall meet as often as it determines necessary, but not less frequently than twice a year. The finance committee shall meet at least annually individually with the Executive Director, the general counsel, and the Authority's independent auditor. The finance committee may request any officer or employee of the Authority or the Authority's outside counsel or Authority's independent auditor to attend a meeting of the committee or to meet with any members of, or consultants to, the committee.

Committee Authority and Responsibilities

The Authority's executive management bears primary responsibility for the Authority's financial and other reporting, for establishing, the system of internal controls and for ensuring compliance with laws, regulations and Authority policies. The committee's responsibilities and related key processes are described below. From time to time, the committee may take on additional responsibilities, at the request of the Directors.

General

The committee shall be provided the resources and assistance necessary to discharge its responsibilities, including appropriate funding, as requested by the committee and approved by the Directors, and unrestricted access to Authority personnel and documents as necessary in connection with its responsibilities.

The finance committee shall review and reassess the adequacy of this charter from time to time and purpose to the Directors any changes for approval.

The finance committee shall make its recommendations to the Directors for approval.

Finance Oversight Responsibilities

The finance committee shall be responsible for preparing, with management, a strategic plan to meet the responsibilities as set forth in the

Erie County Fiscal Stability Authority Act of 2005 (Chapter 182 of the Laws of 2005) and for recommending to the Directors of the Authority steps necessary to implement the strategic plan. To accomplish this, the finance committee will:

- 1. Review analyses prepared by management regarding the Authority's financial structure and financings. When applicable, make recommendations to the Directors regarding financial advisors and financing transactions.**
- 2. Review credit ratings, credit facilities and external financing.**
- 3. Discuss with management:**
 - the Authority's major financial risk exposures and the steps management has taken to monitor and control such exposure, including the Authority's risk assessment and risk management policies.**
 - financial information systems design implementation;**
 - broker, dealer, investment banking or investment adviser services;**
 - appraisal or valuation services;**
 - actuarial services;**
 - management services or human resources; and**
 - legal or other expert services unrelated to the audit.**

Limitations of Responsibilities

In fulfilling their responsibilities hereunder, it is recognized that members of the committee are not full-time employees of the Authority and are not, and do not represent themselves to be, accountants or auditors by profession or experts in the field of accounting or auditing. As such each member of the committee shall be entitled to rely on (a) the integrity of those persons and organizations within and outside the Authority that it receives information from and (b) the accuracy of the financial and other information provided to the committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Directors).

HUMAN RESOURCES COMMITTEE CHARTER
Erie County Fiscal Stability Authority

Purpose

The human resources committee is appointed to assist the Directors in properly staffing the Authority so as to implement the mandates on and goals of the Authority in a fiscally prudent fashion.

Committee Membership

The human resources committee shall consist of two or more Directors. The members of the human resources committee shall be appointed to terms of three years. Each member of the human resources committee shall serve until the end of his or her term and thereafter until his or her successor is appointed. Human resources committee members may be replaced by a majority vote of the Directors.

Meetings

The human resources committee shall meet as often as it determines necessary, but not less frequently than once a year. The human resources committee shall meet at least annually to evaluate the performance of the Executive Director. The human resources committee may request any officer or employee of the Authority or the Authority's outside counsel to attend a meeting of the committee or to meet with any members of, or consultants to, the committee.

Committee Authority and Responsibilities

The Authority's Executive Director bears primary responsibility for the Authority's day-to-day operations, and for supervision of the Authority's employees, ensuring compliance with laws, regulations and Authority policies.

The Chairperson of the Authority, in consultation with the Vice Chair, shall recommend to Directors one or more persons whom the Chairperson deems well qualified for that position, after which the Directors shall either approve or disapprove of the nominee(s).

The human resources committee, in consultation with the Executive Director, shall recommend to the board the creation, modification or abolition of specific staff positions, develop job descriptions, specify qualifications for each position, and recommend salary and other compensation. Upon approval by the board of the position and range of

compensation, the Executive Director, in consultation with the Chairperson and the human resources committee as to each aspect, will oversee solicitation of applicants for the position of chief financial officer or its equivalent, review the respective applications, make recommendations to the board as to the best qualified candidate and appropriate terms of employment and extend an offer of employment only after it has been approved by the board. As to all other positions, the Executive Director shall have the authority to interview, hire and fire. In addition, the human resources committee, with the Executive Director, shall review all aspects of employment with the Authority and recommend to the board specific terms thereof, including the development of an employee's handbook and a system for evaluation of the job performance of each employee.

From time to time, the committee may take on additional responsibilities, at the request of the Directors.

General

The human resources committee shall be provided the resources and assistance necessary to discharge its responsibilities, including appropriate funding, as requested by the committee and approved by the Directors, and unrestricted access to Authority personnel and documents as necessary in connection with its responsibilities.

The human resources committee shall review and reassess the adequacy of this charter from time to time and propose to the Directors any changes for approval.

The human resources committee shall make its recommendations to the Directors for approval.

Erie County Borrowing

Chairman Baynes noted that Erie County is entering the market for a planned borrowing in the very near future. A resolution certifying the County's borrowing is necessary at this point for Erie County to enter the market. He stated that he would ask that Comptroller Poloncarz come to the microphone for a brief description of the transaction.

Comptroller Poloncarz stated: "Erie County is in the process of closing its 2006 capital borrowing. The bond is total \$50,430,000.00, \$13 million is solely for Erie County purposes, \$4.3 million is for sewer bonds and the remainder is in relation to Erie County's obligation to ECMCC. We have been working on this transaction for some time and we would like to close it and price it by next week. The underwriters and the bond counsel will not approve this transaction until the Authority has reviewed the offer and has authorized its approval of the transaction and the underlying contracts that need to be executed.

Mr. Poloncarz continued by stating that the members should have a copy of the proposed resolution in front of them as well as a draft preliminary offering statement. "I will answer any questions you may have regarding this."

Director Kee asked the Comptroller to give a brief description of the debt, including that to be used by ECMCC. Comptroller Poloncarz stated that there are three series in the bonds. There is 2006 A Series -the Erie County Capital program for 2006 that is \$13 million that includes Ralph Wilson Stadium, Botanical Gardens, the Convention Center renovations and capital over-lay programs and smaller dollar amounts.

He continued by stating the 2006 B Series is \$4.375 million for sewer districts which are paid by the citizens of the sewer district. "There are nine different sewer districts that are involved. The vast majority of the bond is in relation to ECMCC. The total was \$32.85 million, \$15 million of which is directed to the capital program that we have to provide to ECMCC for 2007, but the consent decree states that we must give them their 2007 capital program money no later than the last day of 2006 so we have to borrow it and bond it this year and the remainder is the 2006 capital program and the operating subsidy."

Director Kee asked: "In terms of the 2006 portion, do we know what projects this money is being used for?" Comptroller Poloncarz responded that it is specified in the offering statement. He continued by stating he will go over the statement and each of the items that have been approved by the Legislature and approved by the Administration.

Director Kee stated she had some questions. "Number 1, do we have some data that shows the amount on the debt being issued on behalf of the hospital and its increase through the years?"

Mr. Poloncarz stated: "The amount the County is paying to ECMCC has been decreasing. We have no choice in what we are going to pay the hospital because it is in

the consent decree. We are seeing a reduction in the operating subsidy and we will see zero in some of the out-years and the capital program is being reduced. We paid \$15 million to ECMCC this year and will pay \$15 million next year and \$8 million in 2008. After that, our capital program will be reduced down to zero.” He continued by stating that the bonds in regards to ECMCC are short term and they are only for five years.

Director Kee asked to get information with regards to where the taxpayer’s dollars are going project by project.

Comptroller Poloncarz stated he had the information in front of him and that it was provided to Mr. Vetter at an earlier date. Mr. Vetter stated that he had sent copies to the finance committee and he will forward the information to every one of the board members.

Comptroller Poloncarz noted the document was in a draft form and they were still doing some modifications to it. He stated he had the list with him. “When you do see the list, I don’t think it will surprise any of the board members, because they are projects that were discussed earlier in the year and passed by the Legislature.”

Director Johnson stated that he was curious that to see if any of the capital projects includes any uncovered organizations such as ECC. The Comptroller responded that there are three projects at ECC that are listed. They include elevator safety upgrades of \$325 thousand, exterior building renovations for ECC south and the city campus for \$400 thousand and the requirement of the annual operating subsidy for which they have listed as miscellaneous equipment \$1.85 million. Approximately \$2.5 million was approved by the Legislature earlier in the year.

Director Goodell asked Comptroller Poloncarz to state the largest items from his list.

Comptroller Poloncarz proceeded with the following information:

- \$4.5 million for the capital overlay and road reconstruction
- \$2.7 million for Ralph Wilson Stadium
- \$1.8 million for ECC
- \$1 million for the Botanical Gardens master plan
- \$750 thousand for the Convention Center renovations
- \$520 thousand for the master plan for the jail expansion
- \$400 thousand for the external building renovations at ECC

Director Kruly asked if there would be any principal payments made in the first year. Comptroller Poloncarz stated that it is his understanding that it would be interest-only in the first year then it would be equal amounts of interest and principal in the following bonds. “It changes due to when the bonds become due.” Director Kruly stated: “So that means no principal payments will be made until 2008?” Comptroller Poloncarz stated: “That it was correct.”

Director Kee stated she would like Comptroller Poloncarz to review the debt that is ECMCC-related. The Comptroller stated: "They are obligated with the consent decree and are obligated to provide them with a certain amount on a certain date. A resolution was passed stating that Erie County would have to pay ECMCC 2006 operating and capital expenses. Approximately \$11 million is the capital for 2006 and \$4 million was for the operating expense for 2006 and the remainder of the operating expense for 2006 were paid earlier in the year out of general fund money."

He continued by stating the remainder of the borrowing, which is roughly \$15 million for 2007, which is the capital component, but the language states we must give them their capital money no later than the last day of 2006. The same thing happens for 2008 capital.

Director Kee stated: "We do not know were the \$15 million for 2007 capital program will be spent?" Comptroller Poloncarz stated: "That is correct, and there is nothing that obligates ECMCC to provide that information; it was part of the consent decree."

Director Kee stated: "There is \$32 million in public money and nobody knows what it is being spent?" Comptroller Poloncarz said: "ECMC did not want to state to the penny how the money would be used. It is not the best situation but that is what the consent decree provides for and as a result I have to follow the terms of the judge's order."

Director Keysa asked: "If they are taxable bonds, will not the interest that will be paid by the County be significantly higher if those were nontaxable?" Comptroller Poloncarz responded that he was told not significantly higher and he was in New York City and met with the Citigroup individuals and they are getting rates on taxables around 5 percent.

Director Keysa asked the Comptroller if there was any expectation as to rates on the nontaxable portion. Comptroller Poloncarz stated that he would have to look and get back to him with the information.

Director Kruly stated: "The consent decree contains \$15 million obligation from the County for negotiations by the hospital with the unions. Does that obligation end at the end of this year?" Comptroller Poloncarz stated that it is his understanding that it does and it is not included in this bond transaction and that it expires at the end of this year.

Chairman Baynes thanked Comptroller Poloncarz for his presentation and stated the Authority will not impede on any financial decisions that the Comptroller's office needs to make.

Chairman Baynes asked for a motion. Director Goodell moved to approve the resolution for the Erie County Bond sale, and Director Kruly seconded. The resolution was then duly approved with Directors Baynes, Goodell, Johnson, Keysa and Kruly voting "Aye", and Director Kee voting "Nay."

RESOLUTION NO. 06-54

COUNTY OF ERIE 2006 BOND SALE

WHEREAS, Chapter 182 of the Laws of 2005 (“Chapter 182”) requires that during a control period, with respect to any proposed borrowing by or on behalf of the County of Erie (the “County”) or any covered organization, the Erie County Fiscal Stability Authority (“ECFSA”) to review the terms of and comment, within thirty days after notification by the County or any covered organization of a proposed borrowing, on the prudence of each proposed issuance of bonds or notes and no such borrowing may be made without the ECFSA’s review, consent and approval; and

Whereas, the ECFSA has imposed a control period as of November 3, 2006 pursuant to ECFSA Resolution No. 06-49; and

WHEREAS, the Comptroller of the County of Erie is seeking authorization to conduct a bond sale in connection with funding of the County’s 2006 capital budget and certain payments owed by the County to the Erie County Medical Center Corporation (“ECMCC”) pursuant to a consent decree between the County and ECMCC dated February 24, 2006 and approved by the New York State Supreme Court on such date; and

WHEREAS, the Comptroller has indicated that it is important that debt for the County’s capital needs and payment obligations to ECMCC be issued before higher interest rates increase the County’s costs and in order to comply with the provisions of such consent decree; and

WHEREAS, ECFSA has reviewed the terms and is satisfied with the prudence of the proposed bond sale;

NOW THEREFORE BE IT RESOLVED, that the Erie County Fiscal Stability Authority does hereby approve and authorize the County to conduct a bond sale for 2006, in an amount not to exceed \$50,430,000; and

BE IT FURTHER RESOLVED, that, notwithstanding any prior resolutions or actions of the Erie County Fiscal Stability Authority, the Erie County Fiscal Stability Authority does hereby approve and authorize the County to enter into any and all contracts, agreements, certificates, documents, papers or other written instruments related to the bond sale, including, but not limited to, a purchase contract between the County of Erie and Citigroup Global Capital Markets Inc. as senior managing underwriter of the sale; and

BE IT FURTHER RESOLVED, that the Chairman, Vice Chair or Executive Director of the Erie County Fiscal Stability Authority 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 he or she deems necessary, to do all other things and to take all other actions necessary and appropriate in their judgment, to consummate the transactions contemplated by this resolution.

This Resolution shall take effect immediately.

Chairman Baynes asked if there was any other business. There being none, he moved for a motion to adjourn. Director Kruly seconded the motion, which was unanimously approved.

Respectfully submitted,

Stanley Jay Keysa, Secretary