

ECFSA Full Board Meeting
July 15, 2008
Buffalo

(Note: the following is a draft copy of minutes of a meeting of the Erie County Fiscal Stability Authority ("ECFSA"), which was held July 15, 2008 at 10 a.m. in the Auditorium of the Buffalo and Erie County Library. These minutes will not become final until approved at a subsequent meeting of ECFSA directors, and may be amended before approval.)

Chairman Baynes: "I'd like to call this meeting of the Erie County Fiscal Stability Authority to order. I welcome my fellow Board Members, public officials, interested members of the public and press and media in attendance. Thank you for coming."

"Today's agenda includes presentations of the Authorities efficiency grant initiatives as well as a presentation on the ECC budget."

"Our first order of business is to approve the minutes of the meeting of June 18, 2008. They were submitted by Secretary Keysa and were circulated to the members in their books this morning. Before we approve them I would like to thank you Mr. Keysa, those are pretty lengthy minutes and you did a great job."

Secretary Keysa: "You will have to thank Ms. Martin on that but also note that you have before you the unedited minutes. The edited minutes got done at around midnight and they will be distributed to you after this meeting. Most of the changes are grammatical changes and so forth."

Chairman Baynes: "Do I have a motion to approve?"

Director Johnson moved approval of the minutes of the June 18, 2008 meeting, Director Kruly seconded the motion, and the following resolution was unanimously approved:

Resolution No. 08-66

**APPROVING MINUTES AND RESOLUTIONS FROM
THE JUNE 18, 2008 MEETING**

BE IT RESOLVED that the Erie County Fiscal Stability Authority approves the minutes of its June 18, 2008 meeting and ratifies and affirms five resolutions numbered 08-61, 08-62, 08-63, 08-64, 08-65 that were approved on June 18, 2008.

This resolution shall take effect immediately.

Chairman Baynes: “Just prior to this meeting the Finance Committee met to discuss efficiency grant items brought to us from the Administration and the Sheriff’s office. I would ask Mr. Goodell to report on the recommendations of that Committee.”

Director Goodell: “Mr. Chairman we have considered four efficiency grant requests; the first one is to grant efficiency grant money for the relocation of the County Attorney’s offices to the Rath Building and to relocate the Department of Motor Vehicles Office into the Rath Building as well. At an earlier meeting we had there tended to be a consensus that the two should be split into two separate projects but the persuasiveness of Mrs. Hochul and Ms. Mazzone, particularly Mrs. Hochul, that we should consider them together. I found her argument compelling as did the Committee. We recommend at this meeting that the board approve the efficiency grant request.”

“The third that we considered was a request for the \$750,000 for approximately 30 replacement Sheriff’s cars, Undersheriff Doyle reported on the condition of the fleet and the fact that there had been very little cars replaced over the past three or four years and we found his request to be a good one. There are some requests that we have asked that he submit to Mr. Vetter at the time that the final decision has been made and we specifically decided not to get involved in whether they be Ford’s or Chevrolet’s. So the committee recommends to the Board that that request is granted.”

“We considered one other efficiency grant that was for \$75,000 for training County employees in safety. We do not consider that by any stretch of the imagination a proper use of efficiency grant money and the committee rejected that so there is no action to be taken by the full board on that.”

“In summary, we ask the full board to approve the other two efficiency grant. I believe the relocation request is one of the grants.”

Executive Director Vetter: “I am sorry Mr. Goodell what was that?”

Director Goodell: “Is that relocation of the County Attorney’s and the DMV is that one efficiency grant or is that two?”

Executive Director Vetter: “The way the draft resolution is written assumes that they will both be approved together. The approval is for \$1.772 million.”

Director Goodell: “Okay, thank you. So Mr. Chairman this is what the committee recommends.”

Chairman Baynes: “May I have a motion to approve the efficiency grant for space utilization?”

Director Johnson moved to approve, Vice Chair seconded and the Directors voted unanimously to approve the following resolution:

Resolution No. 08-67

APPROVING AN EFFICIENCY GRANT FOR COUNTY CLERK AND COUNTY ATTORNEY SPACE BUILD-OUT

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”), to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, Section 3957(a) of New York State Public Authorities Law provides that, subject to appropriations during State fiscal years 2006-07 through 2010-11, the ECFSA shall provide grants to the County of Erie (the “County”) to support activities that achieve savings through innovations and reengineering; and

WHEREAS, the County Executive submitted an efficiency grant to save county lease dollars through moving two agencies from rental space into the Rath Building; and

WHEREAS, pursuant to this application, the County will move the Clerk’s office from 77 Broadway to the 1st floor of the Rath Building and the County attorney’s Office from 69 Delaware to the 16th Floor of the Rath Building; and

WHEREAS, the ECFSA Finance Committee met on July 15, 2008 to discuss the County’s efficiency grant application; and

WHEREAS, on that date ECFSA Finance Committee directed Erie County Officials to provide updated information to justify build-out estimates once responses to RFP’s have been received; and

WHEREAS, on July 15, 2008 the ECFSA Finance Committee voted to recommend to the ECFSA Board that \$1,772,000 in efficiency grant funding be made available to the County to be used to fund the designated moves; and

WHEREAS, the ECFSA anticipates that this space reengineering of the County's safety operations will result in the savings indicated by Erie County;

NOW, THEREFORE, BE IT RESOLVED based on the recommendation of the ECFSA Finance Committee, the ECFSA hereby grants up to \$1,772,000 to the County in efficiency grant funding to be used for the purpose of funding build-out to relieve the county clerk and county attorney of outside vendor rental costs, consistent with the county's grant application; and

BE IT FURTHER RESOLVED that funds will be disbursed to the County in accordance with achieving the following benchmarks:

That the county forward relevant bid and cost information to justify the expenditure of \$1,772,000 in efficiency grant monies and bi-monthly progress and financial reports to provide reasonable assurance that the projects collectively and individually are on track to remain within anticipated spending and will achieve anticipated savings in the time periods indicated by the county.

BE IT FURTHER RESOLVED that the ECFSA Executive Director send, via first-class mail, copies of this resolution to the County Executive; the County Comptroller; the Chair, the Majority Leader, the Minority Leader, and the Clerk of the County Legislature; and the Governor, the Comptroller, the Senate Majority Leader, and the Speaker of the Assembly of the State of New York.

This resolution shall take effect immediately.

Chairman Baynes: "The motion that we are going to need is to approve the efficiency grant for Sheriff's patrol vehicles? May I have a motion to approve?"

Vice Chair Glaser moves and Director Kruly and Chairman Baynes abstains

Vice Chair Glaser moved to approve, Director Kruly seconded, Chairman Baynes abstained and the Directors voted to approve the following resolution:

Resolution No. 08-68

**APPROVING AN EFFICIENCY GRANT FOR ERIE COUNTY SHERIFF
PATROL VEHICLES**

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”), to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, Section 3957(a) of New York State Public Authorities Law provides that, subject to appropriations during State fiscal years 2006-07 through 2010-11, the ECFSA shall provide grants to the County of Erie (the “County”) to support activities that achieve savings through innovations and reengineering; and

WHEREAS, the Erie County Sheriff submitted an efficiency grant to save fuel costs, maintenance dollars and overtime through the purchase of more fuel efficient vehicles; and

WHEREAS, pursuant to this application, the County sheriff will purchase 30 appropriately equipped patrol and/or transport vehicles; and

WHEREAS, the ECFSA Finance Committee met on July 15, 2008 to discuss the County’s efficiency grant application; and

WHEREAS, on July 15, 2008 the ECFSA Finance Committee voted to recommend to the ECFSA Board that \$750,000 in efficiency grant funding be made available to the County to be used to fund appropriate Sheriff’s Vehicle purchases; and

WHEREAS, the ECFSA anticipates that this purchase will result in the savings indicated by Erie County and enhance public safety in replacing cars with extremely high mileage and propensity for breaking down while in service;

NOW, THEREFORE, BE IT RESOLVED based on the recommendation of the ECFSA Finance Committee, the ECFSA hereby grants up to \$750,000 to the County in efficiency grant funding to be used for the purpose of funding the purchase of 30 Sheriff’s vehicles to enhance mileage and safety; and

BE IT FURTHER RESOLVED that funds will be disbursed to the County in accordance with achieving the following benchmarks:

That the county forward relevant bid and cost information to justify the expenditure of \$750,000 in efficiency grant monies

BE IT FURTHER RESOLVED that the ECFSA Executive Director send, via first-class mail, copies of this resolution to the County Executive; the County Comptroller; the Chair, the Majority Leader, the Minority Leader, and the Clerk of the County Legislature;

and the Governor, the Comptroller, the Senate Majority Leader, and the Speaker of the Assembly of the State of New York.

This resolution shall take effect immediately.

Chairman Baynes: “I would like to thank Mrs. Hochul and Ms. Mazzone for their diligent work on this and Undersheriff Doyle. Hopefully this will help Erie County.”

“I think we have spent over \$2.5 million today to help the citizens and improve public safety; Mrs. Hochul that was very important and again thank you very much.”

Director Goodell: “One other point Mr. Chairman, The committee felt that it was important for you to write a letter to the County Executive noting that there are no more efficiency grants in the pipeline, noting that we have approved a considerable amount of funding from the efficiency grant fund and asking that we get more good efficiency grant requests.”

Chairman Baynes: “So noted, thank you. There is an additional item regarding efficiency grants that Mr. Hammonds had brought forward reallocating some of the already approved funding from personnel services to contracts. May I ask Mr. Hammonds to step forward?”

Secretary Keysa: “Congratulations.”

Al Hammonds: “Good morning, I am still trying to figure that one out but thank you very much. If I could just go ahead and speak, what we are asking for is that this Board has approved earlier this year two different efficiency grants; an efficiency grant to fund the director and an office of six sigma which would be my positions including office, salary, benefits and software and then a separate efficiency grant to fund the necessary consulting services needed to help manage the projects and training those within the County. So what we are asking for today is to be able to transfer the contract to the University of Buffalo in the short term while we are searching for a new Director of Six Sigma. This is only for a specified period of time August 1st through September 30th at the longest, hopefully we won’t need that long. It will cost \$24,000 and those money’s will be used by UB to pick up the extra load on the specific day to day mentoring that I had been doing on three of the projects and the nine pilot and then three other supplemental projects that I was working in as well. So that is what they would be doing, in addition they will help me out. I will still have oversight

responsibility over the lean six sigma steering committee that meets once a month and the advisory committee as well and they will help me on that just to supplement so that we don't lose any ground with the wave one stretch to finish wave one. Then as we began to prepare for wave two at that time we hope to have a new director of Six Sigma but it will be my responsibility to continue to help set up the wave two folks and projects. So that is what we are asking for."

Chairman Baynes: "Any questions for Mr., Hammonds?"

Director Goodell: "We have noted with pleasure the efforts that you have been expending, more than full time addressing the six sigma needs, roughly how much time a week have you been putting in up to this point on six sigma?"

Al Hammonds: "It varies but I would say on average 45 – 50 hours."

Director Goodell: "This \$25,000 contract modification covers how many hours of the consulting from UB?"

Al Hammonds: "We are looking at approximately 16-20 hours a week. That is how much time UB will be expending and investing with the \$24,000 over two months and then the rest of the time I will still be very involved working with the rest of the internal folks as we keep things rolling."

Director Goodell: "Who is going to fill in the remaining 40 hours a week? You certainly don't have the time to do that."

Al Hammonds: "We have our nine green belts and our nine green belts who just completed their certification exam work last week so we have an internal black belt that was hired on earlier in the year. She is still in the learning role but she is able to help out so we are working with her. Primarily it is my responsibility from an oversight responsibility, me working very closely with the University of Buffalo on the project work, the steering committee and with the Commissioners and Department Heads as well. So it will be a shared responsibility but if I could just say, until we have a Director of Six Sigma, the buck stops here. I still fully between myself and County Executive Collins, this is a major initiative for his Administration and we will not allow this to fail and we will not lose a beat. The biggest challenge, the heavy lifting if you will is with the mentoring of these six out of twelve projects we will be doing and then administering the steering committee and the

advisory committee work, that is where we really need the heavy lifting; the bulk of the work.”

Chairman Baynes: “Any further questions?”

Vice Chair Glaser: “I just would like to ask one question, UB has been very involved in this so they would have a vested interest in making sure that Six Sigma was successful in the County. Wouldn’t it be nice if they stepped in and helped out with community for three months?”

Al Hammonds: “Good question. We can ask.”

Vice Chair Glaser: “I’m not trying to be facetious.”

Al Hammonds: “No, no, I have a personal relationship, let me say this and this goes back to Director Goodell’s comment, I have a very close working relationship with two of the Master Black belts that are working with us at UB and both of those master black belts have said look Mr. Hammonds, I know that contractually this is our obligation but we will go beyond the call of duty and work whatever hours are necessary to make sure that we are all successful. As you said, we all have a lot of skin in the game. I have a lot of skin in the game, the County Executive’s office has a lot of skin in the game, even you guys have a lot of skin in the game making the commitment for the community to us. We all have skin in the game and we are going to do whatever it takes. So they are going to have to exceed...I can tell you they are going to end up with the project work where we will have to finish, guarantee savings of \$1.1 million this year so things happen as I explained before they will step up to the plate and do whatever it is that is necessary. This is the maximum that they are going to get paid and we don’t even expect to pay them this much if we can find a new director before the 60 days.”

Chairman Baynes: “Do you have any prospects at this point?”

Al Hammonds: “Yes we do. We have two people that we are talking to. We are close on one and I will leave it at that until we continue to work on those conversations but yes we do.”

Secretary Keysa: “So basically what you are saying is that you have at to have a contractual relationship with UB for that to be in place.”

Al Hammonds: “Yes, we do; exactly.”

- Chairman Baynes: “Mr. Hammonds this is a question that came up before you showed up today at the finance committee. They would like this referred to their committee for further review so we will make a motion to refer this to the finance committee for their review.”
- Al Hammonds: “Can I ask a question before you make that motion? I know that is last minute, immediate consideration, etc. but I hope you would understand that we have had some extenuating circumstances. Things happened with Mark Davis’s departure, etc. My concern is that August first is coming up really fast. I would ask if there is any way that we can have approval to do something.”
- Chairman Baynes: “Is there anything that the Board would like to add?”
- Director Goodell: “We had a finance committee meeting this morning and I do not believe we should make exceptions. The County Executive came to us once before and asked to by pass the finance committee and we made it very clear then that is was the policy of the Board not to do that. So this is an amendment to an efficiency grant and we believe that has to goes through the finance committee and that requires 72 hours notice before we have a meeting.”
- Al Hammonds: “I sat down and met with Executive Director Vetter to walk through the logistics of what we needed. I definitely could have come to the finance committee this morning. I could have been there but it was felt that if I provided the documentation that I was needed to come here at the 10:00am, I was asked to come to the 10:00 am meeting. I could have come to the finance committee meeting.”
- Chairman Baynes: “Mr. Hammonds, I am almost 99% sure that the Legislature has to move on this prior to us.”
- Al Hammonds: “I don’t believe so, we checked into that yesterday. The way the resolution is written, what happened is the Board and the Legislature approved the complete plan for the \$912,000 although only the release of the first segment of funds happened by this board based on the benchmarks which we still have to hold ourselves accountable to but the Legislature already approved it. We checked with our internal folks and the Legislature will not have to go before the Legislature in this case.”
- Director Kruly: “The Legislature has to amend contracts.”
- Chairman Baynes: “Mr. Goodell how soon can you prepare a meeting?”

Director Goodell: “We are required by law to give 72 hours notice that puts us at Friday. We could meet Friday afternoon.”

Vice Chair Glaser: “Let’s just make sure because this is new information to us too, that we don’t need to approve this today and can approve at another date.”

Chairman Baynes: “Let’s schedule a meeting for next week, does that help you. That is before the August 1st deadline. UB is not going to…”

Al Hammonds: “No, I am willing to do that, as I always have since the beginning of the year, whatever we have to do.”

Chairman Baynes: “How much money has six sigma saved to date; in the first seven months?”

Al Hammonds: “The way the process works is that you will see the savings in the 3rd and 4th quarter this year. When I come before you and that is the other thing that I want to make clear, is that I committed to come before this Board and report out again in the August time frame where we were with progress and benchmarks. I still plan on doing that and any Legislature, Control Board communications that happen to happen with six sigma will be my responsibility. At that time I will be able to report on the specifics of where we are and where we are going on the specific dollars.”

Director Goodell: “I think Mr. Glaser gave a good idea of how to deal with this whole problem and that is to try and go sit down with the UB people and sweet talk them.”

Chairman Baynes: “May I have a motion to table the six sigma efficiency grant amendment that is in your package?”

Director Goodell move to table, and Vice Chair Glaser seconds and Director Kruly abstains

Chairman Baynes: “We will get back to you very quickly on this and are not here to hold up anything.”

Al Hammonds: “So we can meet as early as next week or better could we shoot for Friday of this week just to keep everything moving?”

Chairman Baynes: “We will try for Friday but if not by Wednesday of next week. Again we just received this yesterday.”

“We have Mr. Quinn and Mr. Reuter here today to present us information on the 2008-2009 ECC Budget for our Authorities consideration. Gentlemen would you care to step to the podium to make a brief presentation?”

President Quinn: “Good morning Mr. Chairman and Board members. I think I know almost all of you here. I am going to let Mr. Reuter talk about the specifics in our budget but I’d like to take this opportunity as the new President of the college to come over and introduce me and my new role and to thank you, all of you for the hard work that you do for the community in general but specifically what you have done for the college. We have met a number of hurdles as we make difficult decisions for all our students, your students, your constituents if you will from WNY and we are very very excited about some of the prospects for the future and we are here whenever we need to be and we wanted to say thanks for your help with what we are trying to do with the college. We are very excited, thank you.”

Chairman Baynes: “Thank you and congratulations.”

William Reuter: “Morning how is everyone today? Mr. Goodell it’s very good to see you again.”

Director Goodell: “Yes Mr. Reuter, it is good to see you again.”

William Reuter: “I am not sure what kind of detail you would like or of there are some questions that we can discuss. Again the budget presented before you, this is step four in a five step approval process. It goes to the Board of Trustees; we have a ten member Board of Trustees. They nearly unanimously approved this budget which does include a \$200 tuition increase. We had no tuition increase last year. We were the only Community College of 30 community colleges in New York with no tuition increases. Prior to this year our tuition has increasing only \$87.00 which was three percent combined over three years. The only board member to vote against this budget is our student trustee which he should be voting against student tuition increase. Again it is \$200 that is \$100 per semester. Previous to this year we were ranked 26th in the State of New York as far as what we charge for student tuition. We did not change any fees. The tuition increase is only subject to the Board of Trustees approval and ultimately SUNY approval. That would be step five of the five step budget approval process. I think we have done a very good job as far as what we spend to update the college. We are probably one of the most diverse and extensive community colleges in the State of New York. We are normally 4th or 5th in

terms of enrollment. We have grown enrollment by 35% since 1999 and if you look in the budget we have detailed charts on enrollment. As far as full time staff we have pretty much maintained staffing even since 1999 while increasing enrollment. We have increased enrollment Downtown by 43% since 1999. We continue to increase programs that we offer. At the budget we has 84 academic degree and certificate programs, as of this AM we are up to 87 and most of those new programs are addressing specific community needs, whether it is national grid, national fuel, etc. we are trying to keep training dollars here in WNY. So we are providing start here and go anywhere whether it is a four year college, back in to the work force or for training. We are very proud of the institution and the students we serve. We are your community college. We service 18,500 students on an annual basis. We actually service over 5,000 in the summer alone and most of the students that attend summer school are the students that attend other four year institutions outside the area that come back for the summer. They will take a class and get a better grade or take a class that they could not get at a four year school.”

“This was not easy to digest for the students. We had taken a long look at it and one of the charts in our budget we track our tuition against consumer price index and higher education price indexes the past nine ten years. We have no increase from the State this year and no increase from the County this year and between those three sources; the students, County and the State that makes up 100% of our funding stream. So when two of those funding streams were not increasing their funding stream we were really forced to get students. Again we operate 29th out of 30 community colleges. What we spend on experience is \$1,606 less and if you multiply that by the number of full time employees we serve which are 11,707 and that translates to an operating efficiency to the tax payers of WNY of over \$19 million. I think we do a good job, we can always do better. We need to invest in our facilities especially North Campus. We are working with the administration right now to submit a budget for 2009 that starts looking at reinvesting in our facilities because quite honestly appearance makes a difference. Our north campus appearance is in somewhat of disrepair.”

Chairman Baynes: “Thank you very much, any questions for Mr. Reuter?”

Director Kruly: “I notice in your 5 year projection that you have in your budget you are figuring a \$4.5 million increase in state aid over the next four years and \$2 million increase in County aid. The State item is off course iffy because there seem to be some financial problems. I thought the County Executive said no more aid and that you guys

will be frozen during his term. Is there some development there that we are not aware of?"

William Reuter: "Quite honestly these projections are just what they are; it is a best case best guess scenario at this time. We had high expectations as far as the State is concerned. They have this higher education commission and they were recommending before the current budget crisis at the State was that the State was going to take the County out of the group entirely and they were going to front all the State and County share and bill back to the County for their share. It went full circle with Governor Spitzer and now all the situations involving him and the change to Governor Paterson. We believe that community colleges have a great story to tell. I think there is a lot of momentum for Community Colleges. We have a great hope that community colleges will get funded and get increases in future years. Again middle state requires that we put projections and this is the best case. The County Executive has been pretty adimate as far as this year; no additional funding. We have had widespread support from the Legislature; Chairman Marinelli is trying to lead the Legislature to make a long term commitment to the College. I think that both the Executive and Legislative branches are in our corners, we are just trying to craft a dollar amount and not upset the four year financial plan that the County has put together. There are no definite plans or any commitments in writing at this time. It is just a projection. If you look back on last year's projection for the current year, I think we are less than a .5 % variance but I think we did a pretty good job. Again a lot of factors change in what drives the institution but we continue to grow. We are up over 3% again this year. How long that will be sustained is another projection."

Director Goodell: "What are the criteria for admission to the school?"

William Reuter: "We are called an open access school. Open access means that the student has a GED or ha a high school diploma and they are entitled to enrollment at ECC. There are no SAT requirements or anything of that nature. That is why we have a precollegiate program that gets students ready to have a GED and then maybe someone who has been away from college for a number of years or hasn't attended college yet to get them ready. We also have a GED program, a middle early college program and advance studies where we actually teach classes where the faculty members from the local high schools become our adjunct faculty. They teach college level classes at the high school with no overhead and they actually earn college credit that is transferable to any college in the country not just ECC. We have something called articulation that

allows a student; as long as he is enrolled in ECC they can come and get the credit that they are getting at the high school. We have articulation agreements with Buffalo public schools for all of their career educations; BOCES1 and BOCES2 so we are trying to vertically integrate down, up and horizontally. In the high schools it is a big issue. The counselors don't want to acknowledge how many students come through college, they only want to acknowledge the students that go to prestigious universities but we have been the number one choice of area high schools and it has been like that for a long time and I dare say we will be here forever. We are affordable, accessible to three markets and we offer the academic programs that students can contract a job or be trained."

Director Johnson: "Question Mr. Reuter, what is the graduation rate?"

William Reuter: "Today's paper just had a little article on the number of students that graduate. I believe and I hate to say a number that I don't have memorized, I believe we are 46th in the Country as far as graduation. I want to say we are 1,765 or 1,600 graduates. We are right in line with SUNY guidelines as far as graduation rates. Many off our students come for certificates, they don't graduate. They come and take 15 credit hours or 20 credit hours. National Grid is a perfect example; those students take 15 credits or 20 credits they get a certificate and they immediately go in to the work force. Police academy, we had 100 of those students graduate last month none of them graduate from ECC but they do get 30 college credits and they are hired directly from the municipalities or the NFTA and/or police forces. So those numbers can be misconstrued but as far as community colleges with averages and where we expect to be we are right in line with our cohorts."

Director Johnson: "ECC has always been viewed by some as a quick way to get an associated arts certificate to jump into the job market. What kind of placement rates do we have for helping folks get to the job market?"

William Reuter: "We survey our graduates as well as returning students and we are pretty close to 90% on an annual basis of transfer into a four year school or directly into the work force."

Director Johnson: That was my next question regarding the percentage of students that move on to advanced or secondary education in four year institutions."

William Reuter: “We track the combine’s work force and the four year college because again crossing the graduation stage; we graduate 1,100 – 1,200 students. We have 1,700 graduates but the number that attend graduation and as President Quinn will suggest when he speaks to each student that crosses the stage, we will ask where they are going and many of our students will go onto four year institutions after graduation and attending Buffalo State primarily. That is our biggest feeder, right into Buffalo State.”

Secretary Keysa: “One of the questions that have come up a number of times is the students from various communities that are going outside of Erie County and in turn the tuition is being charged back to those communities. Are you tracking that and what are the trends?”

William Reuter: “Charge backs; if you look at the County operating budget there are two line items in the County operating budget for community colleges. There is the subsidy that is paid to ECC which previous to last year did not have increased in four consecutive years and the other line item you are speaking of are called charge backs. Charge backs are the amount that is paid from Erie County residents to other community colleges in the state of New York for those students that attend those colleges. State law provides that a student in New York State as long as they have a residence certificate can attend any community college in the State and pay those colleges tuition. ECC is in direct competition with NCCC, Out taxpayers in this County fund 6% of NCCC operating budget; 6%, we have one of the lowest charge back rates even when the same number of students are crossing back and forth going to NCC and/or leaving Niagara County and going to ECC we lose out \$0.50 on the dollar because our charge back rate is half of what NCCC is. It is competition. You drive down route 16 going towards Holland and you will see an ad for GCC. Some of our staff received a flyer from NCCC and they have dorms now. They are recruiting our residents to go to those colleges. It is location, location, location. If students live near the campus or college and or work near that campus they are probably going to attend that campus and go to school, essentially live in a triangle. We measured that, it was a big discussion with the former County Executive Giambra when there was discussion about consolidating downtown this County would lose dramatic dollars in charge backs and already to this point funding 6%. I think the charge backs to NCCC in the last four years have increased to 70%. Mind you in the last four years we have has no increase in the subsidy that we receive directly from the County taxpayers who are funding those institutions primarily.”

Secretary Keysa: “This is probably the reason why you are trying to enhance the North Campus as competition.”

William Reuter: “Absolutely Mr. Keysa, that and increasing programs that are draw programs. After a little discussion we had last year we finally opened 45 Oak Street. One of our premier programs at 45 Oak Street is our nursing program. We are at capacity with 120 students. We only have enough seats for 120 students. City campus at the old post office had seats for 60 students with the expansion of 45 Oak Street we have acquired simulation technology. Now we have capacity to house 120 nursing students. That was one of the big loses that we has the NCCC they could not get into our program because we were at maximum capacity and they went up the street to NCCC.”

Secretary Keysa: “Is it a stretch to say that you are looking at those courses and those improvements under those campuses that will result in a reduction of the charge back?”

William Reuter: “We continuously try to address the needs of the community not necessarily looking at charge backs but we try to match the job opportunities with the programs we offer. If we continue to have success then hopefully that will yield a decrease in charge backs. Probably the biggest thing that we can do is student housing. That has become an extremely competitive market in community colleges. I would dare say 23 – 24 community colleges have student housing or have it on their books in the planning stages. That is a big draw because most of those are coming from outside the area; it is not necessarily in County residents. So we have been trying to move forward with student housing. We had some talks and President Quinn has identified that as one of his priorities that he is going tot take a look at and try to reenergize. We are looking at South campus. We have the need, market demand at all three of the campuses. We have a large international student population at North Campus, we have some great athletic teams and great certificate programs and we are in close proximity of UB and we get a lot of international students say for a year that can’t get into UB and will come to ECC. IF we had student housing that would be a big draw. The South Campus, mainly athletic programs would be a big draw but there are also some specialized programs there; vehicle tech training center, the auto body program, we are starting criminal justice the other thing that reduces charges backs is that we are really involved in advanced studies. Convenience, convenience, convenience; we are trying to make things as easy as possible for students. We are seeing that those on line classes are actually the first classes that are filing up because students need

that convenience. The majority of our students are working significant hours and/or raising a family and/or both. Maybe they don't fit into Monday – Friday 9:00 – 9:50, 10:00 – 10:50.”

Chairman Baynes: “Great. President Quinn are you all set?”

President Quinn: “Thank you Mr. Chairman for your time. I don't want to impose on your time but I appreciate your questions and understand why I had Mr. Reuter answer them. A lot of what Mr. Reuter talked about this morning is on going. We are joined by our Chairman of the Board of Trustees, Ray Gallagher here in the audience and just two very quick points. I was at a meeting of the Presidents of community colleges and there are 30 of them across the state just two weeks ago and at that meeting I did an informal survey of my own and 26 out of 30 community colleges across the state either have student housing or it is being constructed right now. We are at a competitive disadvantage not only with our neighbors and the charge back situation in NCCC but also Jamestown and GCC. I received the same flyer in my mail advertising for NCCC student housing so we are going to rekindle that conversation. We will probably be back talking with you gentlemen later this year and what direction we are going to take. Finally Director Goodell and Director Johnson to talk about the prospective maybe to put this tuition increase and our tuition at ECC in a perspective we were I think 28 out of 30 with the tough decision to increase tuition puts at about 26 out of 30 maybe 25 we are waiting for one set of numbers to come back in. So when we compare ourselves across the rest of the state, we are at about 25 or 26 out of 30 and that tuition is \$3,187 per year. So that is \$3,187 per year about \$1,600 a semester. We can provide some documentation for you later about the fact that numbers and percentages, high in the 40 – 50% of the students are receiving financial aide. We are proud of that because we think that it not only affects students as they come into our school but as Director Johnson knows entire families. So a couple of numbers to put all of what Mr. Reuter does and putting it into perspective for you.”

Chairman Baynes: “Thank you for your time and all you do for this community President Quinn. Mr. Reuter thank you as well.”

“May I have a motion to approve the resolution opining on the ECC Budget?”

Vice Chair Glaser moved to approve, Director Johnson seconded and the Directors voted unanimously to approve the following resolution:

Resolution No. 08-69

COMMENTING ON THE 2008-09 ERIE COMMUNITY COLLEGE BUDGET

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”) to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required step toward fiscal stability;” and

WHEREAS, section 3951 of New York Public Authorities Law (“Public Authorities Law”) defines a “covered organization” as “any governmental agency, public authority or public benefit corporation which receives or may receive moneys directly, indirectly or contingently from the County;” and

WHEREAS, Erie Community College (“ECC”) received a “sponsor contribution” from Erie County, its statutory sponsor, of \$17,429,317 UPDATE in support of its 2007-08 academic year and anticipates receiving \$17,429,317 UPDATE in support of its 2008-09 academic year; and

WHEREAS, section 3959(2)(j) of Public Authorities Law states that during a control period the ECFSA “may review the operation, management, efficiency and productivity of the county and any covered organizations as the authority may determine;” and

WHEREAS, the ECFSA Board and staff have reviewed the 2008-09 ECC budget document, which was adopted by the ECC Board of Trustees on April 30, 2008 and approved by the Erie County Legislature on June 26, 2008; and

WHEREAS, the ECFSA Board of Directors has solicited and carefully considered testimony from the ECC President AND Finance Officer on the 2008-09 ECC Budget;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA encourages ECC to continue to provide a high quality education at an affordable price without placing an undue burden on Erie County taxpayers, which is essential to producing the highly skilled work force that is and will continue to be a major driver of Western New York’s economy.

This resolution shall take effect immediately.

(Vice Chair Glaser has left the building)

Chairman Baynes: “At the direction of this Board, staff sent out an RFP for the Authorities auditors. The agreement with out current auditors ends

this year and we are looking to have a firm in place to have the 2008 engagement done in a timely matter. I would ask Mr. Vetter to go through the RFP and any recommendations the staff may have.”

Executive Director Vetter: “Thank you Mr. Chairman, very quickly at the direction of the Board an RFP was sent out that went through the NYS Contract reporter, we advertised locally and contacted a number of firms including minority firms. We went through different lists, including those from the business community, the talking phone book; all over to make sure we covered all kinds of firms in Western New York. We sent out the RFP on May 30, 2008. Responses came back from two firms, one being Toski and Schaeffer which is our current public accountant and the second was Bonadio Group which is the firm whose Buffalo office is located on Sheridan Drive in Williamsville. Their primary office is in Rochester. Really based upon the services both are very good firms and both have excellent resumes for those who would be involved in the engagement? The firm that we currently have has given us good service over the last few years and is primarily based on that service and expertise and the cost differential because if you look at your packet for the December 31, 2007 engagement, Toski and Schafer would charge us \$5,886 which is a two dollar increase over the current engagement and then its \$6,620 for the out years of the engagement. This is compared to \$10,500 and \$11,025 for the other firm. Staff felt that based on the past work of our previous accountant and their expertise that they bring to the table and the cost which is 60% of the competitor. We would recommend to this Board that we retain our current auditors for the next three year period.”

Chairman Baynes: “May I have a motion to approve the engagement of Toski and Schaffer as the Authorities public accountants.”

Director Kruly moved to approve, Director Goodell seconded and the Directors voted unanimously to approve the following resolution:

Resolution No. 08-70

APPROVING ENGAGEMENT OF AUDITING SERVICE

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”; and

WHEREAS, the ECFSA issued Requests for Proposals (RFPs) in April 2008 for Auditor to conduct an independent audit of the financial position of the ECFSA and the related statements of activities in conformity with Generally Accepted Accounting Principles as required by Chapter 182 of the Laws of 2005 for the fiscal years of 2008, 2009 and 2010; and

WHEREAS, the firm of Toski, Schaeffer & Company, P.C., certified public accountants and an approved vendor for statewide auditing and accounting services by the New York State Office of General Services, responded to such RFP and reconfirmed its proposal to provide audit services to the ECFSA by letter.

THEREFORE, BE IT RESOLVED that the ECFSA approves the selection of the firm of Toski, Schaeffer & Company, P.C., as a provider of such audit services to the ECFSA for the 2008, 2009 and 2010 fiscal years.

This resolution shall take effect immediately.

Chairman Baynes: “The County has forwarded a number of contracts for approval as well as some exemptions. Information on these contracts are contained in your packet. I would ask Mr. Vetter to cover the proposed agreements.”

Executive Director Vetter: “Thank you Mr. Chairman. Originally I was going to propose that items 1-1 through 5-1 on the contract matrix be approved as a slate but what I would do because there has been a question on 4-4 on page four regarding a five year lease for the department of Social Services for 51,000 square feet. There is a question with regard to the potential of moving those County folks into County owned space and the process by which this lease occurred and Ms. Mazzone is here in here role as coordinator for the County speak about that process and any efforts taken to reduce the cost of the lease and/or to move staff into County owned space.”

Michelle Mazzone: “Good morning, do you want me to just describe the lease?”

Executive Director Vetter: “The question is with regard to the fact that this is a five year lease and I think the questions when we distributed this to members of the Board related to why a five year lease when we are looking at space reallocation in the County at this point to save

dollars. Are their potentials for staff to move elsewhere and has there been an analysis as to whether the staff could go someplace else to reduce County costs and is there a potential of getting out of this lease before the five year period is up if it is cost effective and appropriate?”

Michelle Mazzone: “We currently have three Social Service leases. The challenge we had with this particular lease, well obviously the lease expired in July and we wanted to do a thorough analysis of all the locations in hopes of consolidation the overall square footage and cost to the taxpayers. So in doing that we realized that we really didn’t feel because we had leases that were extended until 2012, that it would be an appropriate thing to take these piece by piece that it would be more appropriate to eventually submit an RFP to the community and see what is out there and to see how we could potentially consolidate some of the lease spaces and move some of the leased space back in to the Rath building. The challenge that we have is that the lease expires so quickly, so what we did was negotiated a new lease which is a five year lease however there is a termination clause for two years. So after two years we can terminate at any time with 12 months notice to allow us the opportunity to find additional more efficient space. The overall reduction in the lease negotiation resulted in a net effective rental reduction of \$1.60 per square foot which resulted in about \$80,000 overall annually.”

Director Goodell: “Is your answer that it is not possible to consider the move of this unit into the Rath building at some time but some time in the next two years they are a good candidate?”

Michelle Mazzone: “That is correct.”

Director Johnson: “During the previous Administration that had put forth a lot of effort in trying space consolidation, some focus on using an efficiency grant money to do a study but the Administration moved on we didn’t have a complete report. My question is what is the potential to move into County owned property of the various departments that are utilizing outside leases right now. Do you have a handle on what kind of percentage we have here?”

Michelle Mazzone: “Are you speaking overall County space?”

Director Johnson: “Yes.”

Michelle Mazzone: “Well I think we have a pretty good opportunity to utilize some of the space in the Rath Building. The challenge we are going to have and an example would be the current efficiency grant for \$1.7

million. This efficiency grant is effecting eight different divisions within the County and an overall reduction of 42% of space. I did a little analysis just to give you an idea of what the impact of just this one efficiency grant is with just two floors within the Rath Building. If we were to lease the space that we are currently within the eight departments we are working in. If we were to go out and lease space for these 8 departments we would be a looking at a \$636,000 annual cost. So these are some of the things that we are looking at; taking some of these divisions, moving them back into the Rath building. The challenge that we have is that you have to look at it in a big picture and in doing that it takes a bit more time to really evaluate each floor and each division to determine what the most efficient use of space for that department would be.”

Chairman Baynes: “How much space is available in the Rath Building?”

Michelle Mazzone: “Well the challenge with the Rath Building is that there are divisions on each floor. In the specs that these divisions are listed it says that they occupy the whole floor. However when you walk through the floors you see various pockets of space where there is potential spaces for other divisions. So what I have been doing is walking through the floors similar to that on the 16th floor. When you initially look at the 16th floor, you would thin that the 16th floor is completely occupied but if you walk the floor you would realize there are several opportunities there to utilize that space in addition to reducing some of the space that we felt was inappropriate for the various divisions.”

Chairman Baynes: “So your challenge going forward is to find the extra space still in the Rath Building? How long will that take?”

Michelle Mazzone: “What we think is that over the next year or so we anticipate doing at least three more floors with this Boards help in efficiency grant approvals. So we will be coming back o this Board hopefully within the next three months to talk about what some of our plans are for some of the floors which involves taking the actual floor, downsizing some of the divisions and potentially moving other divisions into that space.”

Chairman Baynes: “Have we received all the outside leases?”

Executive Director Vetter: “No.”

Michelle Mazzone: “I have those here with me today.”

Chairman Baynes: “You can just give us those later but we do have them?”

Michelle Mazzone: “Yes.”

Director Johnson: “You mentioned that you will be coming back to this Authority later this year for another efficiency grant request. My question to you is how much of what you know already from the previous efficiency grant request that can be done by staff in house other than using monies from efficiency grants.”

Michelle Mazzone: “Are you referring to the construction costs?”

Director Johnson: “No, not construction...studies. There has got to be a wealth of knowledge gained from the previous efficiency grant request; work that has been done to say to some staff, you can do this now without going outside. You don’t have to hire somebody.”

Michelle Mazzone: “Yes, we have taken a lot of the information from that study. We have actually met with the various departments and talked to them about how we were going to proceed with reengineering their space so we have addressed that. Well let me say we are addressing that.”

Chairman Baynes: “Any further questions for Ms. Mazzone? May I have a motion to approve the contracts that Mr. Vetter has listed which I believe is 1-1 through 5-1.”

Director Johnson moved to approve, Director Kruly seconded and the Directors voted unanimously to approve the following resolution:

Resolution No. 08-71

APPROVING CERTAIN CONTRACTS, SETTLEMENTS, AND OTHER OBLIGATIONS BINDING THE COUNTY OF ERIE

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”) to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

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

WHEREAS, incident to and in furtherance of the imposition of the control period, the ECFSA adopted Resolution 06-51, which authorized a process for approving contracts, settlements, or other obligations binding or purporting to bind the County (“contract approval process”), on November 3, 2006; and

WHEREAS, in adopting Resolution 07-04 on January 11, 2007, the ECFSA renewed and continued the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA has adopted Resolution 07-10, which replaces and supersedes the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA must review and approve any contract, settlement, or other obligation, valued at greater than \$50,000, that binds or purports to bind the County or a covered organization, before it takes effect; and

WHEREAS, the County Executive or a “Responsible Official,” as defined in Resolution 07-10, has duly submitted a request for review of the contracts, settlements, and other obligations listed on the attached document; and

WHEREAS, the ECFSA Executive Director, after consultation with the ECFSA Staff, has recommended approval of each contract, settlement, or other obligation via written correspondence to each ECFSA Director;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA approves the contracts, settlements, and other obligations listed on the attached document.

Department	Description	Amount
Erie Community College – Receipt of Grant Funds – Workforce Investment Board/Workforce Consortium	Provide employment opportunities to ECC students, to local business employees, and to dislocated workers who visit and use services provided by the ECC Workforce Development One Stop Center	\$936,185.48 – no local share
Erie Community College – Service Contract – Verizon-Hudson Valley Community College	Educational program that offers Verizon employees a 60-credit hour program toward degree in telecommunications technology.	\$200,000 – no local share
Erie Community College – Lease – West Herr	ECC will lease from Erie county a parcel of land of approx. 2 acres to park automotive dealership vehicles.	\$28,650 – no local share
Erie Community College-Service Contract-Verizon	Cell tower lease with Verizon Wireless	\$138,000-no local share
Erie Community College – Service Contract – Workforce Investment Board – Workforce Development Consortium	Non-credit computer workshops on site at the BETC Offices	\$57,000 – no local share
EC Environment & Planning – Service Contract – Town of Tonawanda	Funds to the Town of Tonawanda to investigate, remediate and begin demolition at an abandoned brownfield	\$50,000 – all local share
EC Environment & Planning - Receipt of Grant Funds – SUNY – Buffalo State College	Pollution prevention training to students and technical assistance to 10 businesses in the hospitality sector in Erie and Niagara Counties	\$92,805 – no local share
EC Environment & Planning – Receipt of Grant Funds – United States EPA	Clean School Bus initiative to retrofit school busses for Fisher Bus Company that provides service to two Erie County School Districts – Hamburg & Orchard Park	\$173,997 – no local share
EC Environment & Planning – Federal Sub-Recipient Agreement – CDBG & Town of Clarence	CDBG funds to the Town of Clarence for the construction of waterline as part of an industrial site project	\$135,000 – no local share
EC Environment & Planning - Federal Sub-Recipient Agreement – CDBG & Village of E. Aurora	CDBG funds for the Village of E. Aurora for construction of an ADA elevator and access project for the Cornell Cooperative Extension Bldg. on the Roycroft Campus	\$250,000 – no local share
EC Information & Support Services – Purchase Contract – NOCO, Kurk & City of Buffalo	Additional monies for fuel for county fleet purchase	\$300,000 – all local share
EC Emergency Services – Purchase Contract – Alcatel Lucent	Equipment to be used for a licensed digital microwave system to connect Erie County communication towers	\$1,039,511 – e911 grant fund
EC Emergency Services - Receipt of Funds – T-Mobile	FCC auctioned off Emergency Services Microwave frequencies. This revenue is the compensation from the vendor buying the frequency	\$792,000 - revenues
Erie County Libraries – Library System Annual Contracts – 22 libraries	Buffalo & EC Public Library contract with 22 independent public or free association libraries in various cities, towns & villages in the county.	\$1,072,568 – all local share
Erie County Libraries – Receipt of Grant Funds – Gates Foundation	Grant funds public computer workstations, related equipment and associated training and tech support.	\$96,979 – 29,900 local share
EC Health Department-Receipt of Grant Funds-Public Health Response Network	Equip and staff a bio safety level 3 laboratory at the Erie County Public health Lab	\$179,719-no local share

EC Health Department – Rabies Program Reimbursement - NYSDOH	Pet vaccination clinics, specimen preparation and shipment and for human rabies post exposure treatment	\$397,592 - no local share
EC Public Works – Construction Contract – Ed Bauer Construction Co.	Performance of site preparation and general construction work necessary to build a pre-fabricated Live Burn Facility at the Fire Training Academy	\$548,800 – all local share
EC Public Works – Service Contract – Abate Associates Engineers	Professional services change order to an existing contract in connection with Old County Hall and the Erie County Courts Building	\$100,000 – all local share
EC Senior Services – Service Contract – Supportive Services Corp.	Provides subsidized training and unsubsidized employment for low income and older persons. Assess client needs and abilities.	\$310,445 - \$31,045 local share
EC Senior Services – Service Contract – Supportive Services	Provides subsidized training to low income elderly in Erie County	\$1,113,841 - \$128,751 local share
EC Social Services – Lease- Swan Group Limited	Lease of 51,518 sq ft at 290 Main St.	\$663,037 - \$165,759 local share
EC Social Services – Service Contract - Child & Family Services, Hispanics United of Buffalo, Crisis Services	Allocation of 100% reimbursed TANF funds to enhance non-residential services to victims of domestic violence	\$143,883 – no local share
EC Social Services - Service Contract – Research Foundation at SUNY & ECC	Strengthening Families program with SUNY and ECC to encourage TANF families to engage the cooperation and commitment of non-custodial fathers in the care and nurturing of their biological children	\$250,000 – no local share
EC Probation – Receipt of Grant Funds – Department of Justice	Funds used to support a coordinated strategic plan to manage sex offenders in Erie County	\$77,923 – no local share

This resolution shall take effect immediately.

Executive Director Vetter: “Mr. Chairman if I could continue, Item 5-2 was a request that was a dual request. One was to change the configuration of the efficiency grant and the second was to approve a contract again with the University of Buffalo based on the referral of this item to the Finance Committee, staff suggests tabling 5-2.”

Chairman Baynes: “Item 5-2 is for \$24,000. My question is does UB need a contract? Maybe we could ask them to do it for a dollar.”

Director Goodell: “Isn’t there already a contract with UB?”

Executive Director Vetter: “There is a contract with UB for training and it is for a certain amount that we approved this would be in addition to that amount in excess of what we approved for an additional \$24,000 and with the one quarter page memorandum that Mr. Hammonds gave us this would change the configuration of the agreement with UB therefore for those two reasons it would require Authority approval.”

Chairman Baynes: “So Mr. Vetter when you met yesterday with Mr. Hammonds the change is \$24,000 for 16 hours a week for 8 weeks. That is roughly \$3,000 a week, so that is \$150 dollars an hour.”

Executive Director Vetter: “I think Mr. .Hammonds had talked about a rate of \$170 - \$180 per hour.”

Chairman Bayne: “Okay that is being referred to the finance committee.”

Executive Director Vetter: “May I have a motion to table item #5-2 which Mr. Vetter just spoke on?”

Director Goodell moves, Director Johnson seconds, Director Kruly abstains and the Board votes to table the six sigma contract resolution.

Executive Director Vetter: “Mr. Chairman, 5-3 this is the only one remaining and staff would recommend that this is at the legislature for approval and appears to be pending approval probably at Thursday meeting. Staff would recommend approval on this contingent on final approval by the Legislature.”

Director Goodell moves and Director Kruly seconds

Executive Director Vetter: “Mr. Chairman on the other list the exemption request process that we set previously, I believe Mr. Pfaff is here from Senior Services. There were some questions on 2-2 and 2-3 on the second page with regard to the federal agency grants. The submission that was sent to us listed no federal agency for the County and we could not exempt or approve the contract if we don’t know what it’s for. They are for Senior Service Nutrition Program and the Senior Community Services Employment program which indicated that the contract was from the federal government.”

David Pfaff: “The money comes from the federal government it’s not with the federal government. The one on nutrition is the cash in lieu and many of you may probably remember they gave away free cheese and peanut butter. It became very difficult and we used to get some of that for a senior nutrition program whether it is Meals on Wheels or for the dining sites. It became very unwieldy and what happened was that over time it transitioned into a direct grant. It is 100%.federal money. It comes in, we get it in I believe it starts in October, we won’t even get the check until some time in 2009 but we have to accept every grant and this goes to two different agencies; meals on wheels or Sodexho who basically prepares the meals for those programs.”

Executive Director Vetter: “Mr. Pfaff let me ask because with the rest of these there is a contract with the granting agencies. What is the actual granting agency, even in the budget there is not agency listed or are these simply pass through funds that are grants.”

David Pfaff: “They are grants and we have to accept the money from the federal government. My understanding in my conversations with the County Attorney’s office and the County Executives office was that any grant that we get that is over \$50,000 you have to approve us accepting federal money that will be pass through to Sodexo and Meals on Wheels. There are about 3 or 4 different fundings that go to nutrition programs. There are no County dollars attached and the money is already included as part of the budget s part of the contract that you approved from Meals on Wheels and for Sodexo that were passed.”

Executive Director Vetter: “The question is if you are requesting an approval for exemption for a grant contract, from whom do you get the money from, if we have to approve or exemption, and this is the conversation that I had on a number of occasions over the past week, if there is an approval of exemption of a contract it has to be with someone or some federal agency be it Homeland Security or...”

David Pfaff: “This would be the Department of Agriculture.”

Executive Director Vetter: “That is the question we needed answered and that we have been asking for the past week or so. So these are with the federal funds from the Department of Agriculture?”

David Pfaff: “Right, they pass the money through to us and we end up passing it through.”

Executive Director Vetter: “That was really the technical problem that we had you can’t approve or do anything with a contract if you don’t know who the contract is with.”

David Pfaff: “I don’t even get a written contract on this; the Comptroller will not allow us to set up an account for this unless we have control board approval. What was the other item?”

Executive Director Vetter: “If these are both for the Department of Agriculture, there is a Senior Community Service Employment?”

David Pfaff: “That is actually with Senior Services of America and just so you know we haven’t gotten our awards letter and it started three weeks ago. I was notified that we won’t get our awards letter for another two weeks. It is the way they work, they have given an extension on their contract and I will be coming before you probably in a month for an extension on a senior aide’s contract from last year for another 13 month. Mr. Gallagher was here the President of Support Services knows how crazy that whole thing is.”

Executive Director Vetter: “Mr. Chairman, I would recommend that these be voted on as a slate with the two amendments, one to 2-2 that it is for the Department of Agriculture and the other to 2-3 that it is for Senior Services of America.”

Director Goodell moved to approve, Director Johnson seconded and the Directors voted unanimously to approve the following resolution:

Resolution No. 08-72

APPROVING THE ECFSA EXEMPTION OF CERTAIN GRANTS BINDING THE COUNTY OF ERIE

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”) to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

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

WHEREAS, incident to and in furtherance of the imposition of the control period, the ECFSA adopted Resolution 06-51, which authorized a process for approving contracts, settlements, or other obligations binding or purporting to bind the County (“contract approval process”), on November 3, 2006; and

WHEREAS, in adopting Resolution 07-04 on January 11, 2007, the ECFSA renewed and continued the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA has adopted Resolution 07-10, which replaces and supersedes the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA must review and approve any contract, settlement, or other obligation, valued at greater than \$50,000, that binds or purports to bind the County or a covered organization, before it takes effect; and

WHEREAS, the County Executive or a “Responsible Official,” as defined in Resolution 07-10, has duly submitted a request for review of the contracts, settlements, and other obligations listed on the attached document; and

WHEREAS, the ECFSA Executive Director, after consultation with the ECFSA Staff, has recommended approval of each contract, settlement, or other obligation via written correspondence to each ECFSA Director;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA exempts itself from certain grants listed on the attached document.

Department	Description	Amount
EC District Attorney & other departments – Grant Exemption – NYS DCJS & related vendors	IMPACT grant - Grant Period 7/1/08 6/30/09 provides funding to reduce violent crime and help in Firearms backlog of cases., among others	\$1,242,401 – no local share
EC Health – Grant Exemption – NYSDOH	WIC Vendor Management Agency Program - Grant Period 10/1/08 - 6/30/09.	\$282,708 – no local share
EC Health – Grant Exemption – NYS Health Research Inc.	Public Health Preparedness/Response to Bioterrorism. Period 8/10/08-8/9/09. Upgrade local health departments preparedness and response capacity to bioterrorism events.	\$1,041,782 – no local share
EC Health – Grant Exemption – HRI/NYSDOH	Public Response Laboratory Response Network. Period 8/10/08 – 8/9/09 Equip and staff a bio safety level-3 laboratory at the Erie County Public Health Lab.	\$179,719 – no local share
EC Health – Grant Exemption – NYSDOH	Early Intervention Administration. Period 10/1/08 – 9/30/09	\$653,308 – no local share
EC Health – Grant Exemption – NYSDOH	WIC Program 10/1/08 – 9/30/09	\$3,164,061 – no local share
EC Real Property Services – Grant Exemption – NYS Office of Real Property Services	Preparation of a study to implement a county-wide assessing program	\$50,000 – no local share
EC Senior Services – Grant Exemption	Senior Services Nutrition Program for the Elderly- Period 10/1/08 – 9/30/09 Provide meals to elderly persons at congregate dining sites or in heir homes	\$666,633 – no local share
EC Senior Services – Grant Exemption	Senior Community Service Employment – Period 7/1/08 – 6/30/09 Assess client needs and abilities, provide job counseling, job preparation and place low-income persons over the age of 55 in unsubsidized employment.	\$310,445 - \$18,000 local share
EC Senior Services – Grant Exemption – Corp for National & Community Service	Retired Senior Volunteer Program – Period 7/1/08 – 6/30/09. Provides coordination, training and support services to older persons who wish to volunteer their time and skills to human services organizations.	\$91,267 – no local share
EC Senior Services – Grant Exemption – Senior Services America	Senior Aides Program – Period 7/1/08 – 6/30/09. Provide subsidized training to low-income elderly.	\$1,113,841 - \$84,000 local share

Chairman Baynes: “At our last meeting we passed a resolution authorizing the Authority issue the necessary BAN for Erie County. After the action the Administration altered the BAN which means we need to update our approval. I would ask Mr. Vetter to cover that.”

Executive Director Vetter: “Yes Mr. Chairman, there is in your packet a resolution, in essence increasing the amount of authorization for the BAN for \$100,000. I received an e-mail from the Budget Director indicating that the Board of Elections needed \$100,000 in additional funding for voting machines from this BAN. Therefore the County’s authorization and our authorization have changed by \$100,000 and this will amend the previous resolution.”

Chairman Baynes: “Could I have a motion to approve the amended borrowing resolution?”

Secretary Keysa moved to approve, Director Kruly seconded and the Directors voted unanimously to approve the following resolution.

Resolution No. 08-73

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

WHEREAS, Chapter 182 of the New York Laws of 2005 (the “ECFSA Act”), as amended, created the Erie County Fiscal Stability Authority (“ECFSA”), to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie County’s] budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, New York Public Authorities Law (“Public Authorities Law”) section 3961 provides circumstances under which the ECFSA may finance Erie County’s costs, including the costs of capital projects; and

WHEREAS, pursuant to Public Authorities Law section 3961(1), the ECFSA may commence such financing only upon a request “made by and through the county executive after approval by the [county] legislature;” and

WHEREAS, Public Authorities Law section 3959(2)(i) requires Erie County (the “County”) not to pursue capital borrowing on its own, “unless first reviewed, commented upon and approved by the [ECFSA];” and

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

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

WHEREAS, the County withdrew its support for the mirror bonding transaction in April 2008; and

WHEREAS, representatives of the ECFSA and the County have discussed circumstances under which the ECFSA might issue bond anticipation notes (BA's) to fund the completion of \$27,438,450 in projects in the County's 2007 Capital Program, and \$35,766,550 in projects in the County's 2008 Capital Program, for a total of \$63,205,000 in capital projects;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA is hereby authorized to sell and issue up to \$63,205,000 in bonds, and/or notes in anticipation thereof, to fund the County's 2007 and 2008 Capital Programs, which bonds and/or bond anticipation notes may be secured by the County's sales tax revenues.

This resolution shall take effect immediately.

Chairman Baynes: "There being no further business today, I would entertain a motion to adjourn."

Director Kruly moved to approve, Secretary Keysa seconded and the Directors voted unanimously to adjourn.