

**Minutes of the
Erie County Fiscal Stability Authority Meeting
August 24, 2010**

Present: Director Catherine Creighton, Secretary Stanley J. Keysa, Director Kenneth C. Kruly, Chairman Daniel Oliverio, Director Louis Thomas, Director Mark Walling, and Executive Director Kenneth Vetter

Chairman Oliverio: “Today is August 24th 2010. We have a few things we need to address today, the most important being the Erie Community College 2010-2011 budget. Before we begin, I would like to offer up collectively and on the record our good wishes to our board member, John Johnson, who underwent surgery last week and from what I understand is recovering but had a pretty serious back surgery. We wish him a speedy recovery so that he can rejoin us.”

“Secretary Keysa, would you like to go over the minutes of the previous meeting?”

Secretary Keysa: “Thank you, Mr. Chairman. You have before you the hard copy of the edited version of the minutes; they were distributed via e-mail previously. If there are no revisions or corrections, they are ready for adoption.”

Director Thomas moved approval, Director Kruly seconded and the Directors present voted unanimously to approve the following resolution. The vote was as follows:

Director Creighton	aye	Secretary Keysa	aye
Director Kruly	aye	Chairman Oliverio	aye
Director Thomas	aye	Director Walling	aye

**Resolution No. 10-27
APPROVING MINUTES AND RESOLUTIONS FROM
THE JULY 26, 2010 MEETING**

BE IT RESOLVED that the Erie County Fiscal Stability Authority approves the minutes of its July 26, 2010 meeting and ratifies and affirms two resolutions numbered 10-25 and 10-26 that were approved on July 26, 2010.

This resolution shall take effect immediately.

Chairman Oliverio: “Thank you, Mr. Keysa. The next item on our agenda is the ECC Budget and Financial Plan. I think that William Reuter is here in the absence of Mr. Quinn.”

“Thank you for coming Mr. Reuter.”

William Reuter distributed a budget hand out

William Reuter: “Good Morning, everyone”

Chairman Oliverio “I understand from Mr. Vetter that you have seen a copy of our report regarding the analysis of the ECC 2010-2011 budget and I understand that you are prepared to address some of the issues that are raised in the report.”

William Reuter: “Certainly. Thank you and good morning. I have not had the pleasure to meet Cathy Creighton or Mark Walling. I am Bill Reuter, the Chief Administrator of ECC. I have been with the college for 12 years and served for a period of 16 months as Interim President in between the time that Bill Mariani left the college and Jack Quinn came in as President. So I have been involved in the finances and have made several presentations when this board was a hard control board as well as a soft control board.”

“I appreciate your interest in ECC. Mr. Vetter and I have shared some comments back and forth. He expressed some concerns. Our budget is probably one of the most scrutinized budgets of any pseudo-municipality or not-for-profit. We actually have five sets of reviews. It starts with Board of Trustees. They approve our budget in the early part of May. It is a ten-member Board of Trustees; five appointed by the County Executive, four by the Governor and then one student trustee, and then it goes in front of the County Executive who reviews and puts his approval on the budget. It then goes to the Erie County Legislature. We make presentation normally in the Community Enrichment Committee meeting, once if not twice, before they formally adopt our budget. Once it is approved by the County Legislature, we send it simultaneously to SUNY for their review and then the control board. Now that this entity is not a hard control board, you have been issuing an opinion.”

Chairman Oliverio: “Mr. Reuter, there is no “control board” on my watch it is the “fiscal stability authority” on my watch.”

William Reuter: “Excuse me. I haven’t been here in about a year. Mr. Vetter issued an opinion last year and again this year. Mr. Vetter had some concerns as far as our forecast, especially in terms of enrollment. We are enrollment driven; 60% of our revenues come directly from enrollment, so having accurate projections of

enrollment are actually critical on our expense side. We are a people business; generally 80-82% of our general business is salaries and fringe benefits. The numbers speak for themselves. I believe the college has done well for itself in two fronts and has done a good job in improving our enrollment. We are at an all time high in teaching every semester. We are hitting new records that may be due to the economy and not necessarily what we are doing but I would like to think it is a combination of a lot of factors but we continue to grow enrollment. Last year we told you our occupation was 20,000 in 2009, as of this morning we are approaching 22,000. So we are a significant player in the local market place; 94% of our students come from Erie County. So our market penetration is second in the state versus 30 community colleges in the state of New York, so we are second to Suffolk County. They are restricted on three sides by water and on the fourth side by Nassau Community College, so I think we do a very good job. Keep in mind that we try to do better.”

“Our budget was adopted with no tuition increase. We are only one of five community colleges in the state of NY that did not increase our tuition. Our tuition rate is \$3,300 per full time student, so at \$1,600 a semester we are now rank 26th in the state of NYS as far as our tuition rate. On an operating cost, we are ranked 28th. This is the third lowest in the state of New York, and included in our budget we have the actual statistics that SUNY does, so I think we are doing very well on the enrollment but we are also controlling costs.”

“In terms of our full time employment, in terms of last year’s budget, we are down to \$739, and I included in the budget that our employment history, and we are now at the levels that we have seen in ten years. We have had a hard hiring freeze that we have not seen in 10 years. This year’s budget was challenging. There are major challenges from the State. We receive State operating aid for every full time equivalent that come to ECC. Last year’s budget was based on \$2,675 State aid for every full time student. After our first quarter year, the State actually reduced that State reimbursement rate by \$130. This year the State’s adopted budget will decrease it by an additional \$285. So we sustained a 15.5% decrease in State aid reimbursement rate from year to year. That is equated to, based upon our enrollment rates, over a \$5 million enrollment rate hit, had we received the \$267 per student. That is in combination with no increase from the County. The County Executive has flat-lined our operating aid. The exact dollar amount is still a debate, but it is approximately \$17.4 million and included in that figure, the County has been funding \$1.8 million in capital

need for the College. So our aid from the County has flat-lined, State aid has decreased, and our tuition rate remains relatively flat. We have been able to achieve a balanced budget through increased enrollment.”

Chairman Oliverio: “I’ll start with one question. I guess the issue that troubles me the most is the flat-line from the County. If you continue this over three to four years, what is the plan for the next couple of years or so? There is a \$500,000 difference each year?”

William Reuter: “As I pointed out to Mr. Vetter, that is a projection that we included in the budget and we adjust each year. In last year’s projection we were anticipating \$267,500 from the State, 13,800 students and our students came in at 14,800 and our base aid from the State decreased by \$415. Like all projections, each and every year, based on the next year’s operating results, we adjust. We are hopeful that we will additional support from the County Executive. He is fairly adamant that there will be no increase in operating aid and the financial plan has no increase in operating aid. The ironic and hurtful thing from the College’s perspective is that, if you look at the County’s financial plan, the support Erie County gives to community colleges outside Erie County is going up dramatically because of chargebacks. It is State law, but support that Erie County gives to its own college is not increasing.

“The County Executive has stepped up and is committing to a large expansion at North Campus; there are plans for a health science building on North Campus and he has committed to \$7.5 million for that project in 2012 capital project funds. So, from the capital perspective, he has been willing to put money up but, in terms of the operating portion, not so much. Again, we will adjust these projections like we do each and every year. If I didn’t show asking money from the County then I could be criticized for just rolling over and allowing that the County Executive not consider us for more money. So we go each and every year to meet with the Budget Director and the County Executive. We always ask and maybe, if things turn around, we may receive that \$500,000; that is not out of line. I think it is an investment in the community. Again, what Erie County gives to ECC compared to other counties give to their community colleges is dismal at best. We are realistic and we operate in the best for our students, they have a lot of issues. Financial aid is getting squeezed and we are going to have big issue with TAP. TAP eligibility has changed and our students have to have higher grade point averages, more credit hours for TAP and there are some PEL changes. So, it is a moving target every year and hopefully the Executive branch will work with the

Legislative branch and present a balanced budget. This year, we should have a surplus. We have a sizable surplus now. We were at \$10.2 million at year-end, being August 31, 2009, and we should generate another \$500,000. Next year it may be a different story.”

Chairman Oliverio: “I would encourage President Quinn to keep after the County Executive. You may have a good story to tell; he has changed his mind before.”

Secretary Keysa: “We have a couple of new members on the board so I would like to go over, for my own purposes but for their benefit, the relationship with other community colleges. My understanding is that Erie County pays for those who are at ECC a certain amount of money and it is a fixed amount and not based upon the number of students?”

William Reuter: “No, it’s based upon the number of students times the chargeback rate. So basically the way the state law is set up....”

Secretary Keysa: “You are talking about other counties and I am talking about Erie.”

William Reuter: “Erie County gives us a flat dollar amount, yes.”

Secretary Keysa: “Now, when you are talking about other counties, students from Erie County who are going elsewhere, some one, is Erie County paying a subsidy for that?”

William Reuter: “Absolutely correct.”

Secretary Keysa: “Is that the County itself or is that the taxpayers within the township, city, etc. from which they reside?”

William Reuter: “Actually, I will say both, because it happens that the County pays it and then they relevel it two years after on the municipalities from which the students came from. So the answer is yes, the County does pay for it and that is why you see the charge in the County budget book. Right below our line item in the County budget book, there is a line item for other community colleges. If you look, our level of funding is not increasing but the dollars paid to other community colleges is increasing.”

Secretary Keysa: “...and the amount typically paid for a student outside Erie County compared to one who is attending a college outside of Erie County, compared to the amount that is paid for a student in Erie County attending ECC. What is the comparison? “

- William Reuter: “Each community college, well it is a pretty simple formula: County subsidy divided by residents, so we get \$17.4 million for the County but we have a very high resident percentage. Niagara percentage of residents is only like 74%. So, on a per-student basis, they are giving almost double what Erie County gives to ECC. So their charge back rate is almost two times what ECC’s charge back rate is. So, even if we have the same number of students going back and forth, we lose out, \$0.50 on the dollar.”
- Secretary Keysa: “So the student who is attending NCC is going to cost twice as much in terms of public subsidy from Erie County taxpayers in one fashion or another?”
- William Reuter: “Yes, for every student attending NCC from Erie County, Erie County taxpayers are paying approximately \$2,900. When they go to NCC, they pay NCC tuition rate. They don’t pay a double tuition or any subsidy; they pay whatever tuition rate NCC is charging, but then taxpayers are billed back that charge-back rate. The operating rate is almost \$2,900 so, if you look at NCC’s operating budget, 60-70% of their budget actually comes from Erie County. There is also a \$300 capital charge back, so we’re also building their buildings.”
- Director Thomas: “I was just wondering if you could you give us an update on the negotiating process and what the plans are?”
- William Reuter: “Certainly. There are four unions at ECC. Two are exclusive to ECC, that is our Faculty Federation and our Administrative Association. Faculty negotiations have been on going for approximately one year. We have not done too much this summer because much of the faculty is not around, and that is not really the major reasons, but we have not had much in the form of negotiations. I brief the Board of Trustees each and every month at the meeting in terms of negotiations. We have had very positive negotiations and the County participates in those negotiations and they have come in with the requirement that is essential health insurance will be something that is not part of future contracts so we know that is a requirement because no matter what we agree to we also have to get the County Executive to agree to the contract as well as the Legislature. We are joint employers; so we have the administrative contract that has had one year remaining as far as August 31, 2011 and then we have two countywide contracts that include AFSCME and CSEA that we have members who are participants of it. This board approved a retroactive payment for AFSME. We received our share about a month ago. I am not aware of where negotiations of the CSEA are.”

Director Thomas: “Can you tell me what the County’s role is at the bargaining table?”

William Reuter: “Chris Patrino is invited to attend most negotiation sessions for both the administration and the unions.

Director Thomas: “As an observer? How does that work?”

William Reuter: “He will voice comments and concerns that we will turn to him on the County’s position on health benefits and health issues. We are trying to work as hard as we can on opportunities for savings. Mr. Patrino is working to achieve that and he is an active participant in those negotiations.”

Director Thomas: “How does that work when you have AFSME, for example, that has a settlement and some that have turned theirs down? What kind of position does that put the folks you are bargaining with in? What kind of position does that put them in across the bargaining table relative to what the County thinks should happen?”

William Reuter: “It probably weakens it because there is the “me too” clause and if they have it and they don’t want to give it up, they don’t have to, so if CSEA had agreed to the same changes, that would have helped during negotiations. I have shared the AFSCME negotiations settlement with the leadership and we have had a very open dialogue. I have given them all of the numbers, salaries, contact information and on average their salary is going up 2.1% This budget includes all terms and conditions. The only thing we did not include is a cost of living increase. Honestly, why would they rush to a contract? The benefits are great, the retirement is great, there are no give-backs, but we are trying.”

Director Thomas: “Can I assume that, because of that, you have no flexibility at the bargaining table relative to say medical insurance?”

William Reuter: “We are trying to be as creative as possible. I think we were the first contract with the Administrative Association that had some changes: we went to the 85% health insurance. I think AFSME just got there. We use a terminology called RPT because of the type of institution and the hours that we are in session. We are an extensive user of regular part-time employees. We were the first to break down and make changes to what the benefit structure used to be. Regular part time employees used to receive half of the leave but full time health insurance but the last contract we negotiated we went one-half across the board; half-leave and half-health

insurance. We are trying to do that with the Faculty Federation. It gives us a little more flexibility with the staffing.”

Director Thomas: “One more question I have that is relative to the RPT’s and my understanding is that the way the County is using RPT’s has been questioned in the arbitration procedure and I am wondering, if it is a non-favorable ruling, would that effect ECC relative to any responsibility to back pay?”

William Reuter: “We do not believe so. We had RPT long before the County Executive went on the record of creating these RPT positions and filling full time positions. The AFSME contract specifically allows for a natural progression from part time to full time. I don’t want to anticipate anything but I don’t believe that it will impact us because we had it in place well before I got to the College and that has been a classification with AFSME and CSEA.”

Director Thomas: “I am just concerned because it involves every single unit and I have no idea what the County’s responsibility might be to make that all go away.”

William Reuter: “Mr. Thomas, it was a concern when the County negotiated under the Giambra administration. That impacted us significantly. We had no voice, no role. We have tried to do as many things with the unions collectively that make sense for the employer and the employee and we get a lot of pressure from the unions to endorse the early retirement that the state has and the numbers don’t always pan out. We have a built in incentives in our contracts that did not make financial sense but we do try to keep our financial house in order. We need to make sure that we can pay living wages.”

Director Kruly: “Concerning the enrollment projections, your classes start next Monday? So students are enrolling right up until Monday, Tuesday or Wednesday? So when does a real number lock in and related to that, I know there are some changes to the TAP which has raised the bar in terms of people that are eligible for that, and may change in terms of the people that may go to ECC. So what are the prospects for the enrollment, based on what you haven’t seen yet and what the TAP impact may be?”

William Reuter: “The first answer is that enrollment continues to be in excess of last year; we measure on a daily basis head count. Year to year, we have about a 5.8%, but we also, last year from open registration, when we do a lock up of classes, we still enrolled 2700 students in open registration which is four days before registration. We still had quite a few numbers. If a student does not pay their dues, in all

likelihood there will be a cancellation. However, since last year there has been a 5% increase. Last year we were about 8% above budget and I don't think we will see that this year, and in terms of TAP, we are trying to evaluate the impact, but it is based on the number of courses they complete and their GPA that they have to sustain as well as the credit hours, so we are trying to run some numbers. We were warned early on with the State budget about State eligibility and now that is now resonating with all the college presidents as we get into the financial aid awards and the TAP awards. I don't have a number for that but we will be impacted by that. It may not be this first year but I don't see us being impacted this semester too much. I'm not sure if the TSP changes are retroactive. I think it is starting fresh so it would only impact out freshman."

Director Kruly: "What is the College's current policy on students carrying delinquencies on past semesters?"

William Reuter: "They are not admitted, they are not registered, and they do not receive an official transcript or their grades."

Director Kruly: "As far as enrollment, the numbers are very high. Is there room for everybody?"

William Reuter: "Absolutely. We are starting to get at a dangerous level where staffing, as far as teaching faculty, is 60 to 40 adjuncts to full-time. As far as course load, our full-time faculty are teaching just over a shade of 66% of different sections. When they retire we will not be replacing them, but I don't know what the ratio is right now. We need to start hiring some full time faculty."

Director Kruly: "What percentage of the students are taking remedial classes in English and Math?"

William Reuter: "I don't have an exact answer, but would estimate about 80%."

Director Kruly: "The County Legislature, in the 2010 budget, appropriated an additional \$280,000 in their budget. Is that a dead issue now?"

William Reuter: "Do you want the long story or the short story? I don't know and it has played out two years. The County Executive made two changes to the budget amount two years ago, the same as this budget is, and has reduced our funding by \$280,539, and also eliminated language that is in our budget resolution that is included in our budget that suggests that the County be responsible for their pro-rata share of any contracts that are settled in the course of the

year. He has eliminated that language both years and the Legislature has vetoed his two overrides and sustained the dollar amounts that we included in the budget as was presented and two years ago when the budget was passed, the County Legislature directed the County administration to include the higher amount. When the County Executive submitted his budget that direction from the Legislature was not followed. So last year the County Legislature had approved a higher amount so that is what is in the County's 2010 budget; the higher \$280,000 number."

"This year we went through the same thing. The County Executive vetoed and reduced the \$280,000, and the Legislature put us on notice to send us that amount. They gave him a deadline, that deadline was not met. There is a resolution in front of the Legislature, and I believe it had the support of all the Democratic Legislators, that would essentially engage in a lawsuit with the County to make him give us a higher appropriation. I believe, when the vote was taken, the vote failed on an 8-7 measure, so that is where we are at right now. I think the County Executive is not going to pass the additional funding and I am not sure the Legislature is still planning to take action. Our budget this year, last year and next year anticipates that higher anticipated subsidy amount."

Director Kruly: "What is that status of your fund balance?"

William Reuter: "\$10.2 million as of August 31, 2009 and, as I indicated earlier, we are anticipating another \$500,000 to \$1 million for this fiscal year, and that is without any GASB set aside or set asides in the range of \$135 million, of which there is a footnote in our audited financial disclosure. We account for current payments to our retirees but do not account for any past liability."

Director Kruly: "Just following up on something that Mr. Oliverio was discussing, the listing of \$500,000 more every year from the County which aggregates to about \$5 million over the next four years, that is a substantial thing. When I look at the State aid, that is frankly even more disturbing, because it shows that you are projecting a \$9.2 million increase in State aid over the next four years and the aggregate of that in the next four years is \$22.5 million. That, plus the County issue, both of which I think are illusionary. I think, as far as the current fiscal year, there is a reasonable chance the things can work out but going into the out-years I don't like the idea of big plug numbers like that. We have worked very hard for a long time to try and get the County to be realistic about what the gaps are and can be done to fill them. I think that you need to go back

and pull out the illusionary numbers on the State and County aid which are not likely to happen through Mr. Collins, or through the State, because of their deficits, and come down with a more realistic approach about what has to be done.”

“I believe you have a two-year requirement if you are going to close down a program; is that still the case?”

William Reuter: “Yes absolutely.”

Director Kruly: “If you can’t turn them off overnight, which is certainly understandable to the students, but that really ties your hands somewhat as to what you can do. I think when you throw in the big projected increases in State and County aid, I think we have to go back to the drawing board about the out-years of this plan and be realistic about the out-years, because what you have here is not sustainable over the next three years. The numbers will not come through from the State or the County and that alone will make this imbalanced in terms of where you are. So I am recommending to that board that we don’t accept this plan because of the fact that in the out-years there is so much in there that is not likely to happen. I know that you guys are struggling and trying to deal with what you have in front of you. I understand that and can appreciate the difficulty of it, but I think we need to get real with where we are going with the whole thing. Thank you, Mr. Chairman.”

Director Walling: “It seems that there are some short-term issues that just increase and you will have to come to grips with those to have a more realistic budget here. I do share similar concerns.”

William Reuter: “If I could, the document that is being referred to is one page of this entire document that goes nowhere; it is not approved by any of the five bodies that opine on this plan. It is just an internal document that we use and, as indicated earlier, we adjust it each and every year. Last year we were anticipating \$100 increases starting with the \$26.75 base of State aid. Again, based upon new information, we will adjust it. I don’t even know if we will retain the \$22.60 in State aid right now, because the State budget that was approved for community colleges actually uses stimulus funding as a part that went into the State budget. I’m not sure how the state is going to replace the stimulus funds. So I would say the budget is sound, we run a great operation at the College. Again, the proof is in the pudding. We adjust that financial projection; it goes nowhere, we cannot borrow funds, we do not issue debt, the document is just one page of the entire budget document but it

does not go to the State, the County Executive, and the Legislature. They do not opine on it. SUNY does not look at it. It is just for internal purposes that we adjust every year. As far as the budget projections driving our 2010-2011 budget, I believe the numbers, estimates and assumptions are sounds and achievable for the next fiscal year.”

Director Creighton: “Mr. Reuter, could you clarify for me how that one page document does not qualify as part of the budget?”

William Reuter: “Well, we have a budget that is very large including appendices and where all are programs are and I believe it is on page 67 where the Middles States asked us to include a financial projection.”

Secretary Keysa: “I know there has been discussion of the federal government providing funds to the states for education. I’m assuming that is going to the school districts and not for higher education? Is that correct?”

William Reuter: “We are not the recipient of any stimulus funds. Mr. Kruly, you mentioned something about our programs. If anything, we are trying to grow our programs. Right now, one of our niches is to try and create more short-term training programs. We had a meeting with Niagara Community College and we are going to create a search tech program. So, if anything, we are not decommissioning any programs; we are looking to add to our portfolio with well over 100 academic and degree programs available. We have about 13 courses available on line. We are at about every high school in Erie County with advances classes and studies. We have programs at two churches in Erie County. We are trying to start another program with the Seneca Nation. So we are very interested in trying to grow our programs at the College, not to cut them back.”

Executive Director Vetter: “Two items. One, in terms of why we put a focus on this, is that under the Act that created the ECFSA and ECC being a component of the County, it is mandated under the Act that created the ECFSA that you put forward a four-year plan so we look at this for not only the College but also for the County because there maybe ramifications for the County if there are problems in the College’s forecast.”

“Secondly, I just wanted to get back to the OPEP liability and the increase of \$16 million in 2008 and \$29 million in 2009. Is there a figure for 2010?”

William Reuter: "I think it is in the financials at \$152.7 million for 2008-2009 on that liability."

Executive Director Vetter: "Okay, is that something to fall off on, something that Director Thomas addressed with the AFSCME contract and the settlement of other agreements? Would you anticipate that the number would be increasing or decreasing?"

William Reuter: "Decreasing. The AFCME agreement goes back to current employees. That is our smallest union and only makes up 6% of our current employees but, again, we're trying to model current negotiations based on the AFSME agreement in terms of retiree health insurance."

Chairman Oliverio: "If there are no other questions for Mr. Reuter, Mr. Vetter we have a resolution in our packet that I would like you to explain."

"ECC does great work in this community. The ECFSA agrees with that whole heartedly and we encourage you to continue to do the hard work that you do. That said, we do have the obligation under our Act to take a hard look at the budget and see how it affects the County. I believe the consensus is, similar to last year, that you elaborate a little bit more in writing over a period of 90 days over some of the issues that we raised today so that we can study it and make a determination as an authority."

Executive Director Vetter: "Mr. Chairman, the resolution in your packets is consistent with the resolution forwarded to board members yesterday with the exception of one minor spelling change. The resolution indicates that we have reviewed the budget and the financial plan of the College. There are some concerns and issues that we discussed at this meeting and discussed in our report that the College officials have seen. The same as last year we are asking the College to come back within the next 90 days with further information and explanation of those issues."

Director Kruly moved to approve the following resolution; Director Thomas seconded, Director Creighton abstained and the remaining Directors present voted to approve the following resolution. The vote was as follows:

Director Creighton	abstain	Secretary Keysa	aye
Director Kruly	aye	Chairman Oliverio	aye
Director Thomas	aye	Director Walling	aye

Resolution No. 10-28

COMMENTING ON THE 2010-11 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 in a combination of capital and operations support of its 2008-09 academic year and anticipates receiving \$17,429,317 in support of its 2010-11 academic year, with subsequent cumulative increases totaling \$5 million, which Erie County has not recognized in its financial plan; and

WHEREAS, the ECFSA Board and staff have reviewed the 2010-11 ECC budget document, which was adopted by the ECC Board of Trustees and subsequently approved by the Erie County Legislature; and

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.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the ECFSA directs ECC officials to review the risk items put forward in the ECFSA’s August 24, 2010 review of the ECC budget and financial plan, including increases in FTE’s, a reconciliation of the sponsor contribution and updates on union negotiations that could impact the budget and to bring back to the ECFSA, within 90 days, proposals to address potential current and recognized out-year gaps for the period of the budget and financial plan.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the ECFSA does not find the ECC’s financial plan acceptable at this time and calls upon ECC officials to provide further explanation and/or revision of the risk items delineated by the ECFSA, within the timeframe set forth in the previous “resolved” clause.

This resolution shall take effect immediately.

Director Thomas moved to adjourn, Director Walling seconded and the Directors present voted unanimously to adjourn. The vote was as follows:

Director Creighton	aye	Secretary Keysa	aye
Director Kruly	aye	Chairman Oliverio	aye
Director Thomas	aye	Director Walling	aye

Respectfully submitted,

Stanley J. Keysa

August 24, 2010