Minutes of the
Erie County Fiscal Stability Authority
August 8, 2013

Present: Chairman James Sampson, Director Brian Lipke, Director Lynn Stievater, Director Peter Marlette, Executive Director Kenneth Vetter

Guests: Erie Community College President Jack Quinn and CFO Bill Reuter

Chairman Sampson: "Good morning, I'd like to welcome everyone to this meeting of the Erie County Fiscal Stability Authority. We have two agenda items today and we are actually going to change the agenda a little bit and flip the order in which they go. First we are going to dealing with issues surrounding surplus that the Fiscal Stability Authority has been carrying for some time on its books and entertain a resolution to make a payment to Erie County for a certain amount of that and then we will be hearing from Erie Community College on their budget. But before we do that I'd like to entertain a motion to approve the minutes from the previous board meeting."

Director Lipke moves to approve the minutes, Director Marlette seconds and the Board votes unanimously to approve the minutes of the previous board meeting.

Erie County Fiscal Stability Authority

Resolution No. 13-14

APPROVING MINUTES FROM

THE MAY 31, 2013 MEETING

BE IT RESOLVED that the Erie County Fiscal Stability Authority approves the minutes of its MAY 31, 2013 meeting and affirms three resolutions numbered 13-05, 13-06, 13-07, 13-08, 13-09, 13-10, 13-11, 13-12 and 13-13that were approved on MAY 31, 2013.

This resolution shall take effect immediately.

Chairman Sampson: "At this point I will turn this over to Mr. Lipke so we talk about our current surplus and the intentions of the Authority of what to do with it."

Director Lipke: "Thank you Mr. Chairman- thanks for allowing me the opportunity to speak to this issue. In reviewing the Authority's finances at the end of May we are happy to hear that once again we have under-spent our budget. This of course was not a one-time occurrence. For its entire, albeit brief history, the ECFSA has spent less than its budgeted for that period of time. Mr. Chairman if you'll indulge me I'd like to read a quote from our public accountants regarding the ECFSA's spending practices: "for the seventh consecutive year the Authority has expended less than it annual operating budget by at least 9% or more and has very effectively and efficiently held the line on operational spending keeping it to a bare minimum." I credit this fiscally responsible board and staff with holding the line on spending and I believe it's time to make the county and its taxpayers the beneficiary of this savings accumulated as a result of good business and spending practices. Mr. Chairman there is a resolution in our packets today that would authorize a transfer of $720,000 in accumulated fund balance from ECFSA to the county. I believe the amount is appropriate given the current level of fund balance and the Authority's need to retain some reserves for its own operations. Mr. Chairman I would like to thank you for affording me the opportunity to speak and I would close my comments with a motion to approve the resolution in our packets to transfer fund balance to Erie County."

Director Lipke moves, Director Stievater seconds and the board votes unanimously to approve the following resolution:

Erie County Fiscal Stability Authority

Resolution No. 13-16

APPROVING TRANSFER OF SURPLUS FUNDS

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 3964 of the New York State Public Authorities Law ("Public Authorities Law") provides that, the Erie County Fiscal Stability Authority shall intercept county tax revenues and state aid revenues. The County shall have no right, title or interest in county tax revenues or state aide revenues required to be paid to the authority pursuant to this section; and

WHEREAS, Section 3965 of the New York State Public Authorities Law ("Public Authorities Law") Revenues of the authority shall be applied in the following order of priority: first to pay debt service on the authority's bonds, notes, or other obligations and to replenish any reserve funds securing such bonds, notes or other obligations of the authority in accordance with the provisions of indenture or bond resolution of the authority; then pay the authority's operating expenses not otherwise provided for; and then subject to the authority's agreements with the county for itself or on behalf of any covered organization to transfer as frequently as practicable the balance of revenues not required to meet contractual or other obligations of the authority to the county pursuant to this section; and

WHEREAS, The Erie County Fiscal Stability Authority's Audited Financial Statements for the year end December 2012 states "for the seventh consecutive year the Authority has expended less than its annual operating budget by at least 9% or more and has very effectively held the line on operational spending keeping it to a bare minimum;" and

NOW, THEREFORE, BE IT RESOLVED, Pursuant to subsection 5 of Public Authorities Law Section 3965, the ECFSA shall transfer a surplus amount of $ 720,000 to Erie County; and

BE IT FURTHER RESOLVED that transfer of funds will occur within 60 days after ECFSA approval, contingent upon an invoice from the county; and

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 State Comptroller, the State Senate Majority Leader, the Speaker of the State Assembly, the Director of the State Budget, the Chair of the State Senate Finance Committee, and the Chair of the State Assembly Ways and Means Committee.

This resolution shall take effect immediately.

Chairman Sampson: "I would like to say, now that the resolution has been approved this action is an indication of the work that everyone on the Fiscal Stability Authority and the folks from the Administration have dedicated to developing a cooperative partnership where we fulfill our responsibilities as a Fiscal Stability Authority while at the same time act in a way that benefit to the county and the taxpayers. This is one of the more pleasurable things we've done since I've been the Chairman so I'd like to thank everybody on the Authority as well as Dr. Callan and the folks from the County. So, thanks."

"Now if we could have President Quinn and whoever else you'd like to bring up to chat with you."

President Quinn: "Good morning Mr. Chairman and Board Members it's nice to be on the agenda to talk with you this morning about our budget and to have the County officials with us, it's even nicer to welcome to you to a home game for us here at ECC. "I'm going to yield to Mr. Reuter almost immediately to get us to the budget- to take the cue you gave Mr. Callan a few minutes ago. We enjoy the opportunity to share with you where we are headed and may I also add that since our last discussion with you though Mr. Chairman and members, I want to be quick to point out that our relationship with Erie County, our sponsor, has only gotten bigger and better in these past 6 months to year. As I get around the state and speak to the presidents of the other 29 community colleges; making it 30 across the state. It's not always a smooth transition; it's not always a love fest with your sponsor because there are always some difficulties. But I have to tell you because you oversee the finances here in the County and Tim I'm happy to say County Executive Poloncarz and his team and me and our team here at the college have a great working relationship and as I said it seems to get better every month and we look forward to that continuing… on some projects and just communication back and forth has been great and we appreciate that. And Mark knows that because I have told him on behalf of our Trustees as well. Thanks for doing that and thanks for being here and I'll yield to Bill Reuter, our CFO."

Bill Reuter: "Good morning and thank you for coming to ECC. I don't know what format you want to take Ken? I can do a brief overview and Ken had sent me some questions and I'll specifically address those questions and obviously if you have other questions that come to mind during our discussion I'll certainly address those."

"Our budget $111 million- it's a very small increase from last year- .42% from last year.   Three major revenue sources: student enrollment, state aide and county contribution. Student enrollment- we are in a situation we are facing a declining enrollment. Two years ago we hit an all-time enrollment high. Every community college in the State of NY hit enrollment highs. Our enrollment high was 13,650 FT's that's full-time equivalent s. This year's budget is projecting 12,500 FTE's and we're expecting that amount to be what we finish the current year. ..our fiscal year ends August 31st. Our five-year financial projections are showing a small incremental enrollment growth of 1%. We have about 21,000 students on an annual basis-unduplicated headcount."

"We run 5 semesters, we run a fall and spring semester, two summer semesters and a winter semester. So we are sort of always in session, so when someone says 14,000 students, that's 14,000 in the fall, another 13,000 in the spring , we have 1,000 in winter, couple thousand in the summer and So 21,000 unduplicated…we are second to UB. Sometimes we actually compete as far as Erie County residents attending a college in Erie County with UB. Last fall we actually exceeded the number of students they had from Erie County.   Our capture rate is second to only one other community college in the State of NY and that is Suffolk County. 92.7% of our students are from Erie County. So we do a very good job, although we lose a lot of students still to charge-backs, we do a very good job in capturing the students from Erie County and I think a lot of it has to do with having three full-service campuses that we currently enjoy."

"Talking about enrollment and finances…we had a $95 per year tuition increase this year... $47.50 per semester. It was the 5th lowest in NYS as far as tuition increases. That increase followed two consecutive $300 per year increases. We are still slightly higher than the statewide average as far as tuition but hopefully next year we'll be back right around the statewide average. We are still significantly lower than the four-year colleges- Buff State and UB- that compete for our students. Their tuition has been going up $300 per year for the last three years and they still have two more years of increases planned."

“A good number of our students receive financial aid; TAP and PELL. TAP can be used only for tuition. PELL is for all living expenses; so its tuition, its books, its student fees, its living expenses. So, when we look at any potential tuition increases we look at how much our students will actually take out of our pockets. We measure that and there are actually 17 of 52 PELL awards that we’ll see that students won’t have to take another penny out of their pocket. PELL is a grant and does not have to be paid back.”

“When you look at our budget, the state has a funding formula for community colleges. It’s set-up so that state is suppose to provide 40% or 2/5th of our operating support, students 1/3 or 33.3% and the County, which is our sponsor 26.7% or 4/15th’s of our budget. But if you look at the numbers, tuition fees represents 51.2%, state aid is at 28.3% and county support is at 15.6%. Everyone says the county support is low but really its state support and county support are less than what it’s suppose to be according to the funding formula and of course we turn to the students to help balance the budget. This year with that $95 increase we were able to do that because the state did increase their funding by $150 per FTE. It’s the second year in a row but that second year in a row followed a significant decline. We were hit with four straight years of decreases. When it’s one of your major funding sources, its one thing to start the year at the same level, but we started years with decreases in state aid. Our high point for state aid was $2,675 per FTE. We’re now at $2,422 so we are still just under 10% lower than where we were back in 2009. Were we still to receive that same level of support our revenues from state aid this year alone would be almost $4 million higher.”

“County support, we are looking at the 6th straight year with no increase in sponsor support. If you look at the four-year financial plan submitted by the County we will see no increase in sponsor support for the remainder of the four-year financial plan. Although in the projections I include in the budget, I show no increase but I think I use that we will aggressively lobby for an increase. That lobbying has been for naught lately, but we will continue to try to work with our sponsor for an increase.”

“Sort of the ironic twist, when you look at the county budget, they show community college funding there are two components: What the county provides the college but also what they spend in what is called charge-backs. That is when Erie County residents attend a community college outside Erie County – that dollar amount that is in the County budget has been increasing significantly. So the amount of money taxpayers are paying in Erie County to support their own community college has been flat for six-years, but the amount of money they have been sending outside of Erie County, to other community colleges, mainly to Niagara County Community College has been increasing. So, we have no increase in support."

"The other variable that we having been using in the last several years budget is fund balance.   We have a $3.5 million allocation in the period ending August 31, 2012 and the period ending August 31, 2013. And I'll speak specifically to fund balance but all told we have over $19 million fund balance. We have designated some to use in part for next year's budget and we also have a designation for encumbrances. We have a very healthy fund balance and that is one of the questions I'll address specifically later."

"As far as the expense side, again President Quinn mentioned there are 30 community colleges; we all submit an annual report to the state. We all have audits and if you look at the expense side of the ledger we are the 28th lowest in State of NY on what we spend on our students. It's a significant difference; we spend over $1,700 less per student than the statewide average, if we were to spend just the statewide average our expense budget would go up by $20 million. I think we are very good stewards of public funds, what we spend at the college. And they break it down, how much you spend on instruction, student services, library. General administration we are ranked dead last in the State of NY what we spend on administration at this college, 30th out of 30 community colleges."

"We have four unions that operate within the college. Two of the four unions are part of the countywide union they are ASFSME and CSEA. CSEA has been without a contract since 12/31/2006. We also have two unions specific to the college that is Faculty Federation of Erie Community College which is mainly our teaching faculty that's our largest union and the Administrative Association that is a membership of about 120 members. Both of their contracts are out and we have been negotiating with those two unions and we are part of the County's negotiations with CSEA- we have representation at the table. So, three of the four contracts are out- we have included no COLA increases but we have included rank advancements, step increases, health insurance increases, all the terms and conditions that continue in time until a successor contract is negotiated."

"The budget has fully funded 34 vacant full time positions and 80 vacant part-time & RPT positions. Our position count, up until this current year has been on a downward spiral. Just going back to 1993 we had 845 full-time positions, last year's budget 681 positions. So it's been a significant decrease while our student population has been increasing. This year's budget has a net increase of full-time positions of 11. Again, I will spend a little more on that fact in a moment."

"Salary & Fringe benefits- even with 11 additional positions funded our salary line has decreased by over $1 million. The reason for that is we have a significant turn-over in staff. Mainly our teaching faculty we've had 40 retirements just in the teaching faculty over the past three years. A full professor is normally earning $76-$77,000 if we replace a full-time faculty member their starting salary as instructors is $36,982. So we have a two-for-one savings immediately even if we replace them and we have not been replacing them all. So, we should because of our graying population at the college we should still see relatively small salary increases because of the retirements and we have a very aggressive vacancy control. Last year we deleted 44 vacant positions in our budget and this year's budget we have 34 vacant full-time positions. We have been balancing our budget mainly on vacancy control."

"The last part of my introduction is Middle States. We are accredited; we have 14 programs with separate accreditations- dental hygiene, nursing, but then we have a college-wide accreditation- Middle States. Last several years we've spent a lot of time on Middle States. They have 14 standards that all colleges have to meet. They come in a do a review, you write a report, and they come and visit. We were put on warning because we did not fulfill two of the standards identified by Middle States so we spent a lot of time putting together a lot of performance measures and a lot of information. We are off warning right now- we just got off earlier this year. We have to write a report by March of next year and we are hoping we are done with Middle States. We have to do a five year periodic review report and then they will come back in ten years. We are hoping Middle States is done with."

"Just to address the specific questions Ken sent over. One of the questions was what is our preliminary year end 2013 numbers? As of July 31st, again our fiscal year ends August 31st, as of July 31st we presently have a $12.9 million operating surplus. That's without use of any kind of fund balance whatsoever, August we'll still receive $1.8 million from the County. Part of their subsidy comes in equipment reimbursement. On the expense side we are looking at using $8-9 million for the month of August. We should be in a position where we will use a very small amount of the $3.5 million fund balance. We obviously have to close our books and still look at all our receivables, payables, the big expense that is not in there is bad debt expense for student tuition and fees. We should be in a position where we hardly use any of the fund balance. Again it's very early, when we close our books I should have a handle on it within 2 months. That's our preliminary numbers for the year end."

"One other question was reliance on tuition revenue- how is actual enrollment going for September and what are you contributing that trend to? As of this morning, we get daily enrollment counts, we started enrolling students for the fall… last spring, and every single day we have students coming. Right now we are at over 9,000 students and from now until when classes start we will enroll another 5,000 students. We are not like private schools that they know their numbers and they're all enrolled. We get students after classes start- during the first five days of classes it's called drop/add where students are actually coming saying "I think I should go to college." So, right now, last year August 8th to this year August 8th we are down 1.5% but yesterday it was up- so it's going to fluctuate. I believe we are on target for hitting our fall 2013 enrollment goal- we have a lot of initiatives we're kicking off so I'm pretty comfortable with the numbers included in our budget."

"Question was raised about the Program Needs Analysis, the Space Utilization Assessment report that was recently released. Three major recommendations is: we have a $30 million capital project approved by the state$7.5 (million)from the County, $7.5 (million) via ECC and $15 million from the State of NY. That report is recommending a new Stent Building be sited at the North Campus. A $30 million project will provide about 34,000 net square feet slightly over 52,000 gross square feet where that $30 million budget... Second major component is to continue discussions President Quinn initiated with REDC and Buffalo Billion to site a regional workforce development center somewhere within the City of Buffalo…we're not certain of the location. Jack can fill you in more on this. We have been part of every discussion. Jack is on one committee and our Executive Vice President of Academic Affairs is on another committee so that is a major piece. The third component is creating Centers of Excellence- siting the South Campus as the Center of Excellence in Communications- we have a very strong communications department out there. Creating new degree and certificate programs."

"The report identifies 6 new degree programs and 21 new certificate programs. Over half of those new programs were identified for the City Campus and new Workforce Development Center. So talking about enrollment, we believe with all these new programs coming on-line as well as the new building on the North campus it will stop the flow of charge-backs. That is a significant opportunity for the college to not only maintain enrollment but grow our enrollment. As far as capacity, I mentioned the new space at the North Campus that's proposed. Part of the proposal, we have a lot of classrooms that are under size, when the North Campus was built in 1960, SUNY had a standard of 12 sq feet per student so the buildings were built for 12 sq foot per student. Well now the standard is 16 sq ft per student, so we want to maximize the utilization of space we want to maximize the number of students in there and we have a contract with the faculty federation that we can put 32 students in a classroom."

"The classrooms don't accommodate for 32 students. Actually the James E report identifies the new rule of thumb that is being used for new construction is actually 20 square foot per student. We have some work outside of the new building; we have work to do on our existing facilities to enlarge some of the classrooms so we can get 32 students. Part of our faculty negotiations is they have agreed to allow 35 students per classroom. It doesn't help us if we don't have the space to accommodate them. That is a great opportunity report… the James E report. And I mentioned what we believe… we lose 1,100 net students because of charge-backs with that new building at North campus and what we have found with our students its location, location, location."

"There's a lot of talk about "build it in the City" because you have 6,400 students, city of Buffalo students going to North Campus, South Campus and City Campus. We broke down the city between North, Central and South. Significant numbers of students- like 64% of North Buffalo residents- go to North Campus because it's closer for them. Similar with South campus and then central has a tendency to come to city campus but we looked how many students- a significant number still go- from central Buffalo for the same exact programs we have in the City of Buffalo still go to the North Campus. We only have 33 students from central Buffalo that actually go to the North Campus for programs we don't offer in the City campus- that's not a lot. We're finding again that its location, location, location. Students tend to travel between three items: home, work, and school. If their job is located near a campus they tend to go to that campus for their educational needs."

"Several questions on full-time staffing… I sort of addressed it. Last year we artificially deflated the numbers. We actually deleted every vacant position. In last year's budget we deleted 44 full-time positions and then created a contingency account $766,000 that we'd create positions throughout the year. What happened is we showed a lower number last year and then all of a sudden our numbers grew and at every board meeting we are going to the board and were creating new positions. This year we changed our philosophy and funded all vacant positions as I said 34 vacant full-time positions, 80 vacant part-time and RPT fully funded in the budget. But we have created a salary turn-over account, so we will manage our turn-over account to hit our personnel services budget."

"Fund balance- point raised and it's a very astute assessment. We have been relying on fund balance. Last year we actually budgeted using $1,433,000 but through vacancy control we actually generated a surplus of $1.3 million so we didn't use any fund balance last year. This year's budget anticipated using $3.5 million I'm hopeful that we'll use a very small portion of that. Next year's budget has $3.5 million…we will not overspend our budget. That number is set that we are not going to exceed the $3.5 (million). But if you look at our total fund balance as of August 31, 2012, without any kind of designations, its $19.7 million on $111 million budget. We have a very, very healthy fund balance and we will sustain a few years of dipping into the fund balance until our enrollment starts to grow and just as important the state aid picks up. The State, last year's budget tried to enact, they did a five year rational tuition policy for the four-year colleges. They tried to do a five year rational state aid policy for community colleges increasing $205 per year – the last two years it was a little short- $150 per year. But I think the sense is that the state will continue to increase for the next 2-3 three years- community college funding. So, I think the reliance on fund balance, obviously we are projecting that it will decrease over the next few years to ultimately after three years we will not be using fund balance as a funding source anymore."

"Assuming things don't go as planned financially; obviously fund balance, vacancy control; I mentioned we've had 40 teaching faculty retirements over the past few years. Not only is there significant differential in the cost of salaries but our benefits are significantly different. Our Faculty & Administrative Association both pays 15% of healthcare insurance. People who are retiring right now do not pay anything. We are obviously trying to negotiate similar to what the County is trying to do with CSEA and AFSME- eliminating retiree's health insurance, more co-pays and shifting all new employees into the Value plan versus the CORE plan. So I believe our strategy on vacancy control and contract negotiations will provide some financial savings. I think that sort of addresses the questions Ken sent me ahead of time. "

Chairman Sampson: "Thank you. Any questions from Authority Members?"

President Quinn: "Thank you Bill. I keep forgetting this is budget information. We can talk about programming all day long. Finance Guy could talk numbers all day too- Bill knows his stuff and we rely on him. Members if I could just mention to you, Mr. Marlette, yesterday I was a speaker at an Erie-Niagara County School Boards Association Meeting and there a bunch of attorney's there because they represent some of the school districts and we talked about the legal side of what we do here at school- all the schools. Bill's mention of the budget from the state side of things, we have started a lobbying effort (with a small L) to our Senators and Assemblymen locally and across the State for this $150 increase that Bill mentioned- now two years in a row. We're very optimistic about that what we did was joined forces with the CUNY Colleges. A couple of years ago- our Executive Committee- I happen to be on that Committee for the State- it dawned on us that WNY does a great job with our delegation but a lot of decisions in this State are made in NYC- on all sides of the aisle.”

“So we banded together with CUNY when we make our “ask” in Albany and we’ve really enjoyed some good success- $150 for the last two years in a row increase-when no one else go anything else down there. Our effort to continue to lobby them- we just had a meeting in NYC a couple of weeks ago- to keep that- even though they are not calling it rationale tuition like they did for the four years- that’s what we’re trying to get them thinking toward. Our end of that bargain is to keep tuition as low as we can on the students and Bill talked quite a bit about that. We’re doing the same thing on our end. I now get an enrollment report every single day and yesterday was the first day our numbers ticked up in a long time and our numbers today will be up a little more when we finish and we compare a year ago- I get those numbers every single day.”

“Just to point out a couple of quick things in terms of the full time staff Bill talked about. Those 44 cuts last year took us right to the bone and we talked about that last year with you folks last time we were here. The board wanted to keep some flexibility- when you’re running $112 million operation with 1,800 moving parts it would be nice to think we could be to the bone every single day but it’s just not possible. I’ll give you two quick examples; we are going to bring on an Associate Vice-President for Retention and Enrollment Management. The interviews have been conducted, the offer has been made and he has accepted- he’s coming from Arizona. We think that being able to offer that kind of vacancy control and pinpoint our hires so that they will be directly responsible for in this case retention and enrollment. So these marketing changes we have made in the past few years – we talked to the County about them- are beginning to pay-off and I don’t want to jinx ourselves but we are just beginning to see an uptick and we think that’s a sign of things to come- so we really need that flexibility during the budget year.”

“The other quick one I’m going to mention, I know you’ve all heard about this Buffalo Billion discussion. Heard about the manufacturing- we are smack dab in the middle of the workforce advancement and workforce training - and we want to be right in the middle of all of that. And I'll give you a quick example; we spoke last year about the equipment we purchased with a PELL Grant, the CNC machining equipment at the North Campus it cost us $240,000 but it's being used and our job placement out of that program is 100%. So this past year, towards the end of last year, we added an instructor- we took a request to the trustees and they allowed us to add an instructor and we added 37 slots for students. We started teaching on Saturdays and Sundays – so its 7 days per week and its still 100% job placement. We just added a part-time instructor to this program- added another 37 students to the program. We are now teaching it on Friday nights. So, that site is open Monday thru Sunday, 7 days a week and we are teaching on Friday nights and we have 100% placement."

"A lot of the discussions we've had with the Governor's staff and the County Executive's staff on where we think the future is… it's in that direction. So any flexibility we try to enjoy in these budgets allows us to make those mid-semester, mid-budget year changes and adjustments and so we thank you for understanding that and allowing us that little bit of flexibility."

Chairman Sampson: "Any other questions? If not I'd entertain a motion to approve the resolution that is contained in our packets."

Director Lipke moves, Director Marlette seconds and the board votes unanimously to approve the following resolution:

Erie County Fiscal Stability Authority

Resolution No. 13-15

COMMENTING ON THE 2013-14 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 the 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, the ECFSA Board of Directors ("Board") and staff have reviewed the 2013-14 Erie Community College ("ECC") budget document, which was adopted by the ECC Board of Trustees and subsequently approved by the Erie County Legislature; and

WHEREAS, the ECFSA Board and staff have identified a number of financial risk items for the college including a high reliance on tuition revenues, increased enrollment, and continued use of fund balance for current and future operations;

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, and to act strategically to better position itself in its core competency of attracting, retaining and graduating more career-ready and job-compatible students.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the ECFSA directs ECC officials to review the risk items put forward in the ECFSA's August 8, 2013 report on the ECC budget and financial plan and report back prior to the beginning of the 2014-15 fiscal year on the progress in addressing those risk items.

This resolution shall take effect immediately.

Chairman Sampson: "No further business? I'd entertain a motion for adjournment."

Director Stievater moves to adjourn, Director Marlette seconds and the board votes unanimously to adjourn.

Respectfully submitted,

____

James Sampson, Chairman

August 8, 2013