Minutes of the

Erie County Fiscal Stability Authority Meeting

Via ZOOM

May 24, 2021

Present**:** Chairman James Sampson, Director Craig Speers, Vice Chairman Peter Marlette, Director Oliver Young, Director James Connolly, Director Cathy Creighton and Executive Director Kenneth Vetter

Chairman Sampson**:** **"**I am going to now call to order this meeting of the Erie County Fiscal Stability Authority. We have a few items to deal with today. One is the receipt of the audit. Another is to have a report from the Erie Community College by Bill Reuter. Then lastly, we have some routine administrative functions that we have to take care of. But prior to doing that, could I draw people's attention to the minutes which they received from our board meeting December 18, 2020.Could I have a motion to accept the minutes as presented."

Director Creighton moved and Director Young seconds. All in favor, say I opposed. Motion carries unanimously.

Resolution No. 21-01
APPROVING MINUTES FROM
THE DECEMBER 18, 2020 MEETING

BE IT RESOLVED that the Erie County Fiscal Stability Authority approves the minutes of its DECEMBER 18, 2020 meeting and affirms three resolutions numbers 20-20 and 20-21 that were approved on DECEMBER 18, 2020.

This resolution shall take effect immediately.

Chairman Sampson: “The audit committee just met, and we received an overview and a report from Lumsden and McCormack regarding our 2020 audit and everybody's got a copy of that. The committee has made the motion to present it to the entire board for its approval and so we can have a discussion if necessary. Could I have a motion to accept the audit as presented.”

Director Speers moved and Director Connelly seconds. All in favor, say I, opposed. Motion carries unanimously.

Resolution No. 21-02

APPROVING THE 2020 ECFSA ANNUAL FINANCIAL AUDIT

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 is a public authority of the State of New York and, as such, section 3971(1) of the New York Public Authorities Law (“Public Authorities Law”) requires the ECFSA to select an independent certified accountant to perform its annual financial audit; and

WHEREAS, in adopting Resolution 20-18 on October 7, 2020, the ECFSA, approved the firm of Lumsden McCormick, P.C., certified public accountants and an approved vendor for statewide auditing and accounting services by the New York State Office of General Services, to provide audit services to the ECFSA for fiscal years 2020, 2021 and 2022; and

WHEREAS, Lumsden McCormick, has completed the ECFSA 2020 annual financial audit and has presented it to the ECFSA Board during an open meeting on June 24, 2020; and

WHEREAS, section 2800(3) of the Public Authorities Law further requires the ECFSA to approve a financial audit for fiscal year 2020; and

NOW, THEREFORE, BE IT RESOLVED that the ECFSA hereby approves the 2020 Audit, a copy of which is attached to this resolution; and

BE IT FURTHER RESOLVED that the 2020 Audit be submitted to the Erie County Executive, the Presiding Officer of the Erie County Legislature, the Erie County Comptroller, the Governor, the State Comptroller, the Chair and Ranking Minority Member of the State Senate Finance Committee, and the Chair and Ranking Minority Member of the State Assembly Ways and Means Committee, as required by section 3971(1) of Public Authorities Law.

This resolution shall take effect immediately.

Chairman Sampson**:** **"**Any questions of Sarah or Liz? If not all in favor, say, Aye. The motion carries, thank you so much. You're welcome to hang in there if you'd like. So, but we're going to move on now to a presentation from Bill Reuter from County Community College. And my understanding, Bill, is your schedule for about 20 minutes.

Bill Reuter: "Thank you so very much. Thanks for the opportunity to talk about the Erie Community College. You can leave the "county" out. We're not a county community college. We're just either good old ECC or a SUNY Erie. Thanks again for the opportunity. I want to sort of break it up, giving a the Fiscal Stability Authority, sort of an overview of where we are financially for the last three years, what I'm projecting for next year, and talk about some troubling trends that we're looking at and what we're thinking about for 2021 and 2022 budget. We are smack in the middle of our budget preparation. I have to have a budget to the board of trustees this coming Wednesday for a hopefully in approval this Thursday. Briefly, we had gone down a path of fiscal distress. We lost $3.3 million dollars for 2018 and 2019."

Bill Reuter**:** **"**Our fiscal year starts September 1st. and that figure, I have recently learned, was probably understated by another $3 million dollars because the college administration, the finance department, decided not to write off any student

uncollectible debt. As you are aware, you just had an audit presentation, the matching principle. You match expenses with the revenue that generates those activities. The loss should have been $ 6 million dollars. The 2019-20 actuals for the year ended August 31, 2020. I came back July 1st. We sustained an operating loss of
$8.6 million dollars and that was net of $4.6 million dollars of federal stimulus money under the CARES Act. Our true operating loss for last year was $13.3 million dollars. Right now, I'm projecting for 2021. Our current fiscal year concludes August 31st, I'm projecting a loss of just under $1 million. But if not for the recognition of $11.5 million of federal CARES Act monies, we would have another significant, significant deficit right now for 2021 and 2022. With the remainder of the CARES Act being recognized, the American rescue plan of $12.6 million we should barely break even."

Bill Reuter**:** **"**I'm right now estimating an increase of fund balance of $60,000 that's on the revenue side. Please stop me if you have any questions, quickly pivoting to the expense side because we are operating out of balance, we have to control our spending. We have to control our staffing. We are looking at reducing the 87 vacant positions as of right now and just keep 30 vacant positions earmarked a $45,000 per employee vacant position and setting up a mechanism where I can control each and every vacancy and I can account for every dollar that we have to replace faculty member. We'll have savings from faculty members retiring because he or she makes more money than new member. Essentially the trend 2018 and 2018 our spending went up $2.5 million. In 2018 and 2019 it went up $3.8 million. We're pretty much flat for 2019 and 2020 of the 2021 projection since I've been back. We are looking to drop spending by about $6.1 million and that is the only way we're going to have a balanced budget moving forward."

Director Creighton: "Bill can I interrupt you for a second. You are looking to drop spending by how much?"

Bill Reuter**:** **"**I am looking at spending for 2021-2022 should be about $1.7 million ahead of where we are right now. So right at $102 million. The big part of it, Cathy, is employee costs, but also our workday ERP implementation has added significant cost to the operation. We will not see any kind of cost savings really 2022-2023. This next year is going to be tough. This is funding every current position, every current part time position, reducing all the vacancies, keeping 30 vacant positions funded at $45,000 and trying to bring back our staffing levels to where we were in 2017. The college added over 90 positions in the past three years. In a time when our enrollment was dropping dramatically, that's a disconnect in my world. Since I got back July 1st, I've been tracking the spend on payroll and the spend on the number of full- time employees receiving a paycheck we've saved in the 18 pay period since the beginning of the year. Our salary spends down $2.75 million."

"We have an estimated fringe rate of over 40 percent. So, we have significant savings and that $2.75 million is net. We did a retirement incentive and a second retirement, and we spend about $700,000. So, without that retirement, we would be still paying these employees, but our savings would have been slightly larger. The number of paychecks, some tracking that we when I started, we had 756 paychecks that were issued to staff and it's now down to 696, 7.9 percent reduction. We had the early retirement incentive before I got here. We had an early retirement after I got here. And then we also had layoffs since I got here too. We are looking most likely have additional layoffs into 2021 and 2022. one. We have to reduce our spending. Some of the other trends are I'm happy."

Director Creighton: "How many people did you layoff?"

Bill Reuter: "I believe 22 or 23."

Director Creighton: "What kind of level?"

Bill Reuter: "Pretty much anyone that we could, that is part of the administrator's association that did not have the ability to bump. As you're aware, Cathy, probably anyone, the administrators have contract at ECC that had most of the new job growth over the past three years that."

Director Creighton: "You know, I'm not representing them anymore."

Bill Reuter: " I didn't know that. Sorry about that."

Director Creighton: "They themselves were saying that they had a lot of hiring during the last Administration."

Bill Reuter: "Cathy I give the administrative association credit. The college added positions, they were not asking for positions. Also, for some reason, the college decided we had this classification in place that we have part time and full time. The college also utilize a terminology called regular part time RPT. Those employees can work up to 39 hours a week, full time work, 40 hours. But the nice thing about an RPT employee is we only pay half the benefits. Well, for some reason the college decided to move all those RPT to full time."

“So, our benefit costs went up and most of the administrators that did not have the ability to bump into other areas of the college, those were the ones that got laid off. Basically, last in, first out, it did cause some issues, did cause some grumbling. The college had adopted a budget last year that had hundreds of layoffs that were not following collective bargaining, as it would have been grievances perve and we would have lost. So, I must be very intent on how to do it within the confines of the collective bargaining agreement. Faculty contract is problematic, too. As far as if there's a layoff in a faculty academic, the college would have to get rid of every adjunct faculty member that's delivering any courses in that academic program before a full time could lose his or her job. So, the contract collective bargaining agreements make it very difficult to reduce staff through anything else from except for natural attrition and maintaining a pretty aggressive hiring freeze. Does that answer your question, Cathy?”

Director Creighton: **“**Yeah, so you had that number of layoffs and how many do you project going forward?”

Bill Reuter: **“**I don't have a number. It really depends. There are so many variables with enrollment, with the pandemic COVID the announcement from the governor that every student here is going to have to be vaccinated. That's going to impact our enrollment moving forward. The changes in the state budget, the increase in the top cap, meaning a student can receive a higher amount for tuition assistance, much more than our current tuition rates so that we could see movement from a two year community college whose tuition rate is a significant differential from a four year college. Now, with the increase in taps, some of that differential is removed.”

“So, we'll see probably more students going to the four-year schools. And then we're also seeing further declines in our high school demographics. We are projecting for to twenty eight, twenty nine at Erie County as well as throughout the state in New York that we'll see over a 10 percent decline in. high school eligible students that graduate, which is our number one feeder, so we have the challenges of that. There's a lot of unknowns. That's why I don't want to give you a number. We have to manage. I'm managing trying to manage a budget daily. I looked at our tuition rates, which, again, I'm working on putting together a budget that's reasonable and fiscally sound for the board to entertain. Thursday, I looked at our 10-year tuition rates.”

Bill Reuter: **“**In the last 10 years our tuition has gone up 40 percent at ECC. We were at $3,600 and now $5,047.00. We are above the state average, I believe we're ranked 14th highest of the 30 community colleges, but since 2017-2018 we had two years of no increase and one year of a 3 % increase. So, our total increase was only 3% for a three-year period statewide average. It's been up 11% during those three years. I suspect we'll see a further movement down as far as the affordability of tuition as opposed to some of the other community colleges. I spoke briefly about enrollment, but here some telling numbers last 10 years. Enrollment is down 45.4 %; student enrollment drives a significant share of the college's finances. It drives state aid. It drives tuition, it drives fees, it drives charge backs. So, we've had a 45.4% decrease in past 10 years. Statewide, the decrease is 32 %. We are significantly higher than the statewide average. I looked at the last five years alone and projecting what I assume we're going to hit for 2021 and 2022. We're down 37% in the last five years alone. Last two years, our enrollments down 25 %, and we are projecting a further decrease next year at 10 %.”

Bill Reuter: "The fund balance in the last three years of the last budget and I shouldn't say that I was responsible in the last budget that I put together before I left ECC for three years. We finished that year with a fund balance of $18.5 million. I am estimating our fund balance that August 31, 2020 will be down to $5.6 million and that is net of approximately $29 million of one- time revenues over the past three years. Between the three federal allocations as well as the county stimulus gate, we got $8580 from Erie County. We would probably not be in business if not for the one- time revenues. The I guess we're in a truly perfect or probably more accurately perfect storm right now. We've had significant hiring. We've had significant expenses and connected with the workday implementation and we've had significant declines in enrollment. Our expenses are going up. Our revenues are going down. We have the effects of COVID-19, the pandemic increases in expenses, less students coming here, students that are raising families, especially in the K through 12 school system. The unknowns of how their academic instruction is going to play out. We had a change in policy. Three years ago, they decided not to write off any student debt. That's over $3 million a year that we write off. So, it's been a perfect storm. We have a lot still to do. The state budget, although, was hailed as this wonderful thing."

Bill Reuter: "Don't get me wrong, it was wonderful. Without that 98 % floor of state aid in the budget, we would have lost significantly. But that 2 percent still cost us on a year to year basis, almost $600,000 reduction in state aid. So, our revenues are down dramatically are enrollment is down dramatically. Our expenses are down, but it's difficult to balance those two items. The only other thing, I guess, that provides some glimmer of hope is we all heard what President Biden has spoken about as far as free community college education that would, I believe, be a game changer for ECC as well as every community college in the state. But I can't put together a budget based upon that proposal. I'm putting together a budget that is financially achievable, reasonable and defendable. If the president moves forward with an initiative on the operating side, as far as the free community college proposal as well as infrastructure, we will certainly be there ready, willing and go.

"We actually were asked as a political system to put together some facility plans as part of the president's announcement of an infrastructure stimulus. We submitted projects totaling $175 million and we sent that through SUNY to send on to the administration. Again, who knows where it's going to go? So, with that can that's a very brief overview of where we are and where we're going and some of the problem areas that we still are facing is now a lot of good news, I'm sorry to say".

Director Creighton: "How are you sleeping at night?"

Bill Reuter: "Well, I moved to a new home in the town of Aurora and I inherited 10 chickens and I inherited a pond and I just picked up bees. So now I'm raising bees and chickens. So nature."

Director Creighton: "Yes, it all goes to hell in the post-apocalyptic world. You can feed yourself."

Bill Reuter: "I can. And I planted a garden, so I'm going to rake."

Chairman Sampson: "Thanks, Bill. Any questions?"

Director Marlette: **"**Bill, I am just kind of echoing what Cathy saying, you know, what a hornet's nest. I know it's not fun. It's not gratifying. It's difficult, difficult decisions. But I for one, and I know others feel this way, grateful that you're the person at the helm. You know, I know you could do it with compassion, you know, with empathy, but also with an understanding of what the business has to do to survive. So, you know, I wish you the best of luck, but very pleased you're the person at the helm for us.”

Bill Reuter: **“**Thank you so very much for those kind words, and I should have mentioned that the presidential search is in full swing. I met with one of the two finalists earlier today. And I'm going back to the open forum that we are hosting on campus with the one of the semifinalists and the other semifinals will be on campus tomorrow. So that process is moving aggressively. I anticipate that SUNY will be appointing a permanent president of SUNY ERIE at their board meeting the latter part of June.”

Chairman Sampson: “Thanks, Bill, I have one question, and maybe this is the same kind of question, but it seems as though you're cutting yourself, you're cutting expenses that get you to the next crisis. What are the long-term implications of what the trends are and all the costs that are associated with a three-campus program and you can only cut so much before you don't have anything left? I hate to ask you to reflect on that, but maybe you should.”

Bill Reuter: **“**You have hit the head on the next challenge that we face, whether I am still as part of that, we are looking at the realignment of SUNY Erie and that certainly is looking at the footprint that we have at South Campus. We are three full services, full -service campuses. There's only one other college in the community college system, and that's a community college with three separate campuses. And Suffolk is over twice as large as Sunni area. We cannot sustain that model moving forward when we have a presence at South, I believe will always have some presence. We have to start reducing maybe our footprint, maybe how many buildings we have shifts, some academic programs, our challenges."

Bill Reuter: **"**When SUNY Erie started, we were basically three colleges under one name. We had separate accreditation. So North had their accreditation city south, which they each had their own graduation. So, you were either north student or south student or city student. You were not necessarily a ECC student. So that the contracts, the collective bargaining agreements really follow that. And we offer most academic programs on all three campuses and as well as online. We have limited campuses that we have our high cost program, health sciences and technology programs. But we have business at all three campuses criminal justice and chemistry and that cost money, cost money to maintain the buildings grounds, the grounds. We have a lot of maintenance at all three campuses. We have security at all three campuses and we have three financial aid offices, admissions office, three registrars. We are in the process of taking a look at that. It's not something that's going to happen overnight, but it has to be the process. We began it. We're going to remain a going concern entity."

Chairman Sampson: "Thank you. Any other questions?"

Director Speers: "Yes, it's Craig Spears. Bill, nice job and very, very difficult circumstances. But if I if I caught you correctly, the fund balance for the college as of the end of August of 2021 will be $28 million now."

Bill Reuter: "No it's the fund balance on August 31, 2020 is estimated to be $5.6 million."

Director Speers:	Ok, $5.6 million. OK, it's far different and that basically is the result of federal, state and county funds, especially CARES Act funds. Is that correct?
Bill Reuter:	Craig that is net of receiving $29 million to federal and county stimulus money we did not have was one- time revenue effusions. Our fund balance would not be a positive $5.6 billion. It would be a negative almost $23 million.
Director Speers:	Ok, so. Basically, you have a healthy fun balance as of the end of this fiscal year because of those additional funds that have come in from state to state, federal and county governments. For the it's kind of like what Jim just stated, but how do we how do we maneuver through the next period of two to three fiscal years? And as you still anticipate lower enrollment levels, the closure of campuses is then an essential feature of that survival plan?
Bill Reuter:	I believe, and I know this is Bill Ritter speaking from a standpoint of looking at the numbers, I believe that would be one of the only vehicles the college can get itself on better fiscal footing. I'm not saying a complete closure, but reduction of services, of staffing. We will not ever decrease the staff of services provided to our students because they are customers. They pay money to get the services and the academic programs. I will dispute your notion that healthy fund balance, we should have a fund balance. We have a board policy that requires us to have basically 16.6 percent, two months of operating. We are about $10 million under that target.” “So that $5.6 million is only about a 5% fund balance level. That is dangerously low, that does not give us a lot of opportunity. If the American rescue plan changes what we can spend the $12.9 million that we're anticipating for 2021

and 2022, we may not be in business any longer. I mean, that's how tenuous our situation is.”

Director Creighton: “Can I ask a question? I feel like. How do we fall down so hard on the job and how can I mean, what you're telling us is breathtaking, actually, and we knew it was bad, but I don't think we knew it was this bad. So, did we get bamboozled or did we did we not? Do the service that we were supposed to provide?"

Bill Reuter: **“**I think, and I don't want to use the word bamboozle, I think maybe a little less than complete honesty was given to not only the Fiscal Stability Authority, but certainly the board of trustees and as well as the county. I think the college, you know, came the middle states is an accrediting body for the college. We go through an accreditation. And the previous administration used middle states saying the board was too involved in the college business. That's their fiduciary responsibility to be proud of.”

“The college went on a spending spree mainly in the area of staffing, and the work- day implementation was much more costly than was sold to the board, to the county, to the control board. Now we're in year four and such a high level of sunk cost we cannot build upon. It would make no financial sense. I don't want to say it was intentional or not. I mean, not writing off any student debt, over $3 million dollars. I have a problem with that. You just don't all of a sudden change your policy and not write anything up. So, I'm accounting for an estimated a bad debt for this coming year as well as the current year. I think a lot had to do with the staffing and the enrollment decline has been much more dramatic and I don't think people were completely above board in us. So, don't beat yourself up, there's a lot of people that were bamboozled, I guess it’s good lying.”

Bill Reuter:	"I think the college saw the $18 million of fund balance and said oh there's plenty to spend. But when you're taking $4 and $5 million out just for work- day a year, plus hiring, what the college did is basically under the workday they hired all these people. We are going to save on consultants because we're going to hire all these people. Administrators contract, though, once they get in there, I cannot remove them. So now I have this cost even when workday goes away. Is it fully implemented? I have all the staff that I cannot remove. I had to take a knife and get rid of anybody that had less than one- year seniority. So, they had no bombing rates. That was my target. The other thing, they refilled all these positions. So, they moved somebody from will say payroll to work on workday 100 percent, and then they back filled the person in payroll. That's why all those positions were created and they gave upgrades. They started people not at step one. They started variable minimum, step three, step four step five. And honestly, we don't manage our staff. We have some ineffective staff that have been here many years. They have been moved to other offices and their positions that they were originally supposed to be doing. They have been replaced and we now have two people for one job, basically."
Chairman Sampson:	"Thank you. Any other questions?"
Director Speers:	"Bill, going forward, do you anticipate staying on in another capacity as head of finance or any other capacity to help guide the college in a fiscal sense? My second question is this, you are down to two finalists for the presidential appointment for the college. Are they fully aware of the fiscal stress that you're under right now?"

Bill Reuter: “I had a one on one meeting with the first candidate today and I filled him in on every nook and cranny. I was completely honest with him about the challenges. And I you know, he said I filled in a lot of holes for him, so to speak, so that that's my intent. I'm going to give them the full be as honest and forthright as possible. I don't want them not to be successful. I don't want them coming in here thinking everything's great and we have no problems. We only have opportunities. We have lots of challenges. Yes, we do have opportunities, but we we're still somewhat sinking ship here. As far as your first question, Craig, I've had some discussions with the board members. I don't know where those discussions would go with the new president and with the new president. Would the interim president hang around? I'm not going anywhere. I'm at my chickens and my family and my dog and my bees and three geese on the pond. But if I have a role at the college, I would stay on for a while. But I am turning 63 on Thursday and I'm looking forward to retirement as well.”

Director Speers: “I understand, thank you.”

Director Connelly**:** **“**Can I ask a question? I wonder what efforts are going on the other side of the equation to help with the enrollment losses. Is there any strong plans or strategic plans that would change the curriculum in such a way that it would be more appealing? Step out of the box and maybe not have the traditional curriculum only but have specialized educational programs that would be more appealing and attract more students. What kind of efforts are going on? Of course, marketing, the product, etc. But that's not always that effective. If you don't have a product to the students, see as the value, is there much attention being paid to that side of the effort that you're experiencing?”

Bill Reuter: “Absolutely, Jim. And that's a great question. We are looking at multiple areas. We meet every Friday. Every other Friday is focused only on our relationship with public schools. We've had a lot of people that have relationship partnerships with maybe one school, but we are looking at how we can approach public schools as our largest feeder. What kind of opportunities and programs we have. The ability to deliver what's called concurrent studies or advanced enrollment for public schools as a system is offers free and reduced lunch program. We then have the ability to deliver any college course to Buffalo Public School senior high school students and they do not have to pay tuition. We generate state aid from it, but we don't charge tuition. So we have a significant initiative moving forward with Buffalo Public Schools and we are working with their CTT as well as BOCES One and Two in to their CTT technical training to look at the sort of those technical skill sets that our students can get and transition to the college.”

Bill Reuter: **“**We signed partnership with Buffalo State College that they will send us their students that they did not accept from Erie County if they didn't meet their academic rigor or for some other reason, they do not get accepted. We will go after those students. That same agreement allows a student that may get need to drop out of Buffalo State during the semester for academic performance. They will be referred to ECC so we can keep them in that higher education pipeline. We also have a presence at Northland. We have a Megatron program right now at the Northland and Workforce Development Center. We are adding mechanical engineering technology there starting this fall.”

“I'm hoping to bring back CNC. We had a CNC program at Northland and there were some issues between the college, mainly with the college, but the college and Northland. And that program was removed. We have repaired that relationship. I am a member of the Amherst Chamber and the big thing I'm hearing is jobs, jobs, jobs. Employers can't get the employees. So, we are trying we have a couple of co-op models with local employers. One of the most developed is with West Herr where students are basically earning while they learn. So, they're hired by the car dealership. They work in the morning or the afternoon, then they come to campus for courses."

Bill Reuter: "That has been very successful. That mechatronics program is a seven-and-a-half-week program. Students can concentrate on two courses, 7 1/2 weeks, another two courses, the second 7 1/2 weeks and to 15 weeks. They have all the credits they need as a full-time student, but they have the ability to focus more on those two courses. We, through the help of the faculty last fall, we launched initial late start courses, and this spring we added more. And we're hoping to even add more this coming fall, giving students the opportunity to start and only take a 7 1/2 weeks course or come and take 7 1/2 weeks at the end of the semester. And then we just launched a new cannabis track as part of the new legislation that's moving state has approved. So, it's a cannabis track that will be part of our biotechnology program. And we I was told we can't start until the fall of 2021. I said we will start it this summer. So, we are offering it our summer session two, which starts July 5th, summer session one started. We are actually seeing a little uptick in our enrollment summer one compared to last summer, one, we're still down from two summers ago. But first summer to this summer, we're up and we're seeing a trend that over eight percent of our summer students actually are going full time, meaning they're going to take 12 or more during the summer. So, they're basically able to complete a semester of this summer."

Bill Reuter: “So, I guess we're trying to do everything we can. There are always other opportunities. Our workforce development is lacking at this institution. We need to ramp that up. I've had some conversations with Hudson or Monroe Community College about their model they have there, which is probably the most successful workforce development aid group in any of the community colleges in the state. So, we are trying if you have ideas, as I tell everybody, that no idea is a bad idea. And I'm always looking forward to ideas.”

Director Connelly: “That sounds very helpful and impressive. I think this just has to continue to double down on evaluating what is needed to attract the students. And I think when they know they can get a job, that's the key thing. So that's really the driving force. Is there any point at which the union contracts that restrict your ability to make adjustments and reduce staff? Is there any point at which when we the college gets in such a state of financial distress, it is it's possible to adjust how you can address the employees in terms of reducing staff? Or is it just we have to live with what we have and I've been there and done that. It's very frustrating. Are there any points in which the contract can be adjusted?”

Director Creighton: I'm the I'm the labor lawyer in the crowd, the college negotiated collective bargaining agreements along with the union. They usually have to live by that. There are provisions for layoffs in every contract.

Chairman Sampson: **“**Bill, thank you so much for coming. Let me make one observation echoing a little bit, Cathy, your question and your response to it. I think it was a couple of years ago you made the observation that this was not a sustainable model and that was pre pandemic. We made some specific observations about information that was presented to us that we felt was inaccurate and misleading. But the other observation we made that I'll make it again today is that this is an issue and a problem that transcends you, your position, the new incoming president, as well as the board of trustees. This is a community issue, which we also need leadership from other sectors and that people can talk about jobs, jobs, jobs, but unless they're willing to come to the table and talk about what is this model look like. And I would also include in that other elected officials, both at the city, county and state level. So, you know, whoever steps into the position is going to have a heavy task of trying to solve this problem. But it's not a problem that can be solved alone by the institution. So, with that, thank you. And we have a little bit of business to continue with."

Executive Director Vetter: **"**Thank you, Mr. Chairman, I go through these very briefly, there are six resolutions in your packet there, standing resolutions, I think five out of six have been there forever. One of them with regard to lobbying, was new five years ago.

Executive Director Vetter: **"**So the board has gone through these ad infinitum. I'll go through them very quickly. Each one, according to state requirements, requires a vote for that particular resolution. The first one is Resolution 21-03, designating an internal control officer. This would be designate Gordon Panek as an internal control officer for the next year.

Chairman Sampson: Can I have a motion to accept a second on the table, say I. any oppose motion carries the second resolution.

Director Speers motions and Director Marlette seconds. The board votes unanimously to approve.

Resolution No. 21-03

DESIGNATING AN INTERNAL CONTROL OFFICER

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 has established and maintained guidelines for a system of internal controls to comply with Public Authorities Law and internal control standards;

WHEREAS, section 2931 of the New York Public Authorities Law (“Public Authorities Law”), requires the governing board of the ECFSA to designate an internal control officer, who shall report to the head of the Authority, to implement, maintain, communicate and review the internal control responsibilities established and maintained for the Authority; and

WHEREAS, through adoption of employee guidelines in Resolution 08-33 on March 7, 2008 the ECFSA Board had previously designated the Financial Advisor as the Authority’s Internal Control Officer; and

WHEREAS, the ECFSA Board finds it necessary to designate in name at this time the Authority’s Internal Control Officer; and

WHEREAS, section 2932 of Public Authorities Law, requires the governing board of the ECFSA or its designee to determine, and periodically review the determination of, whether an internal audit function within the Authority is required; and

NOW, THEREFORE, BE IT RESOLVED that the Financial Analyst is hereby designated the Internal Control Officer responsible for implementation and review of the Authority’s internal control responsibilities until such time as his resignation, removal or death; and

BE IT FURTHER RESOLVED that the Authority’s designated Internal Control Officer is designated to determine, and periodically review the determination of, whether an internal audit function within the Authority is required and to report to this Board should the need arise.

This resolution shall take effect immediately.

Executive Director Vetter***:*** Resolution 21-04 approving investment guidelines. In essence, the public accountants went through this already that we have virtually no risk investments, particularly with large sums of bond money that we're holding for the county, That money is either in treasuries directly or mutual funds that invest only in Treasuries, so that the only way those funds would ever be lost is if the US government defaults and the chance of that is extremely, extremely remote. So Mr. Chairman had asked for approval for this resolution.

Chairman Sampson: Can I have a motion to accept a second on the table, say I. any oppose motion carries.

Director Creighton moves and Director Marlette seconds. The board votes unanimously to approve.

Resolution No. 21-04

APPROVING INVESTMENT GUIDELINES

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 is a public authority of the State of New York and, as such, is governed by certain state laws that require the adoption of investment guidelines; and

WHEREAS, in order to comply with state law, it was necessary for the ECFSA to adopt investment guidelines, as required by sections 2925 and 3954 of the New York Public Authorities Law; and

WHEREAS, the ECFSA adopted such investment guidelines in Resolution 07-16 on March 2, 2007; and

WHEREAS, in order further to comply with state law, it is necessary for the ECFSA to review and approve its investment guidelines at least annually; and

WHEREAS, the Board of Directors of the ECFSA has reviewed the investment guidelines currently in effect; and

WHEREAS, upon review of those guidelines and the report on compliance, the ECFSA finds that the investment guidelines be maintained in their current form; and

NOW, THEREFORE, BE IT RESOLVED that the ECFSA hereby approves for use the investment guidelines attached to this resolution.

This resolution shall take effect immediately.

Executive Director Vetter: **“**Mr. Chairman, resolution 21-05 is approving a lobbying contact policy and this is in concert with what the state is doing that we would report any significant lobbying contacts to my knowledge and contacts with members of the board that no one has done any kind of lobbying per say at the local, state or federal level related to their positions that the Erie County Fiscal Stability Authority.”

Chairman Sampson: **“**Can I have a motion to accept a second on the table, say I. any oppose motion carries.”

Director Creighton: Ok, I have a question on that? And I just did some lobbying for Cornell up at the state, but I reported that. So that's I'm just putting it on the line.

Executive Director Vetter: “Right. This is related solely to the ECFSA, and I'm assuming because Cornell would have the same kind of reporting requirements. So, they would make that kind of report on those content."

Director Creighton: "Okay, Thank you."

Chairman Sampson: All in favor by motion carries.

Director Creighton moves and Director Speers seconds.

Resolution No. 21-05

APPROVING LOBBYING CONTACT POLICY

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 is subject to New York State Public Authorities Law; and

WHEREAS, therefore in accordance with Section 2987 of the New York State Public Authorities Law the ECFSA is required to establish a Lobbying Contact Policy; and

WHEREAS, the Lobbying Contact Policy requires the ECFSA to maintain a record of all contacts by lobbyists; and

WHEREAS, through the adoption of this policy, each director and employee of the ECFSA is hereby directed to provide accurate records of a contact by any lobbyist to include the following data: date and time of contact, identity of the lobbyist and general summary of the nature of the contact; and

WHEREAS, the Executive Director shall hereby be designated the officer who shall maintain such records for not less than seven years in a filing system designed to organize records in such a manner so as to make such records useful to determine whether the decisions of the authority was influenced by lobbying contacts; and

THEREFORE, BE IT RESOLVED that the Board of Directors of the Authority has reviewed and hereby approves for use the Lobbying Contact Policy attached to this resolution.

This resolution shall take effect immediately.

Executive Director Vetter: Resolution 21-06 prompt payment policy says we're going to pay our bills on time. If we don't pay them within 30 days, we'll pay interest. We always pay our bills on time.

Chairman Sampson: “Can I have a motion to accept the resolution?”

Director Creighton move and Director Speers seconds. The board votes unanimously to approve.

Resolution No. 21-06

APPROVAL OF PROMPT PAYMENT POLICY

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 is a public authority of the State of New York and, as such, is governed by certain state laws that require the adoption of a prompt payment policy; and

WHEREAS, in order to comply with state law, it is necessary for the ECFSA to adopt a prompt payment policy, as required by section 2880 of the New York Public Authorities Law (“Public Authorities Law”);

WHEREAS, upon review of its current prompt payment policy finds that amendments are not needed at this time,

NOW, THEREFORE, BE IT RESOLVED, that the ECFSA hereby adopts the Prompt Payment Policy attached to this resolution; and

This resolution shall take effect immediately.

Executive Director Vetter: **“**Resolution 21-07 property disposal guidelines says we're just not going to give property away to people with disabilities properly. The only thing we've disposed of in the last year is a 10-year-old computer workstation that we gave back to the state to make sure that it stays secure.”

Chairman Sampson: **“**Can I have a motion to accept the resolution?”

Director Creighton moves Director Young seconds. The board votes unanimously to approve.

Resolution No. 21-07

APPROVING PROPERTY DISPOSAL GUIDELINES

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 2896 of the Public Authorities Law requires public authorities to adopt comprehensive guidelines which detail the authority’s operative policy on the disposal of personal property valued in excess of fifteen thousand dollars; real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party; and

WHEREAS, the ECFSA has developed and implemented property disposal guidelines to comply with this requirement; and

NOW THEREFORE BE IT RESOLVED that the Erie County Fiscal Stability Authority does hereby affirm the attached property disposal guidelines as required by Section 2896 of the Public
Authorities Law; and

BE IT FURTHER RESOLVED, that the Office Manager be designated as the “contracting officer” who shall be responsible for the disposition of property is hereby affirmed. This Resolution shall take effect immediately.

This resolution shall take effect immediately.

Executive Director Vetter**: “** Resolution 21-08 procurement guidelines. Again, you know these because you live these any major purchases we RFP, any smaller purchases we get bids for unless we are looking at purchases under the government's executive orders for MWBE and or disabled veterans, those come off the table and we can award those just based upon somebody's certification in those areas and we stay in compliance with the Governor’s executive order.

Chairman Sampson: “Can I have a motion to approve the resolution.”

Director Speers moves and Director Marlette seconds. The board votes unanimously to approve.

Resolution No. 21-08

APPROVING PROCUREMENT GUIDELINES FOR CERTAIN CONTRACTS

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 requires professional assistance in performing its mission; and

WHEREAS, the ECFSA is a public authority of the State of New York and, as such, is governed by certain state laws that specify the method for the procurement of certain services; and

WHEREAS, in order to comply with state law, it was necessary for the ECFSA to adopt Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts (the "Procurement Guidelines"), as required by sections 2879 and 3960 of the New York Public Authorities Law; and

WHEREAS, the ECFSA adopted its Procurement Guidelines in Resolution 05-10 on August 18, 2005; and

WHEREAS, in order further to comply with state law, it is necessary for the ECFSA to review and approve the Procurement Guidelines at least annually; and

WHEREAS, the Board of Directors of the Authority has reviewed the Procurement Guidelines currently in effect and has determined that such Procurement Guidelines do not need to be amended at this time; and

NOW, THEREFORE, BE IT RESOLVED that the ECFSA hereby approves for use the Procurement Guidelines attached to this resolution.

This resolution shall take effect immediately.

Chairman Sampson: "I think that concludes our business. Is that correct?"

Executive Director Vetter: "Yes. Mr. Chairman."

Chairman Sampson: "Could I have a motion to adjourn?"

Director Creighton moves and Director Young seconds.

Chairman Sampson: "The motion carries we are adjourned. Thank you everybody."

Respectfully submitted,

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James Sampson, Chairman

May 24, 2021