

Erie County Fiscal Stability Authority

Resolution No. 06-51

AUTHORIZING AN INTERNAL PROCESS FOR APPROVING CONTRACTS, SETTLEMENTS, OR OTHER OBLIGATIONS BINDING OR PURPORTING TO BIND THE COUNTY OF ERIE

WHEREAS, section 3957 of the New York Public Authorities Law (“Public Authorities Law”) requires the County of Erie to develop a four-year financial plan for 2007-2010 for submission to the Erie County Fiscal Stability Authority (“ECFSA”); and

WHEREAS, the County of Erie presented its 2007-2010 four-year financial plan (“2007-2010 Plan”) to the ECFSA on October 18, 2006; and

WHEREAS, the ECFSA Finance Committee questioned Erie County Executive Joel Giambra and Erie County Budget Director James Hartman about the 2007-2010 Plan on October 23, 2006; and

WHEREAS, upon subsequently reviewing the 2007-2010 Plan, the ECFSA Finance Committee determined that it failed to project revenues and expenditures on the basis of reasonable and appropriate assumptions;

WHEREAS, on November 3, 2006, the ECFSA accepted this determination of its Finance Committee, and found that the Erie County Executive, acting as an agent of the County of Erie, violated Public Authorities Law section 3957(1) upon submitting the 2007-2010 Plan, which did not “contain actions sufficient to ensure with respect to the major operating funds for each fiscal year of the plan that annual aggregate operating expenses for such fiscal year shall not exceed annual aggregate operating revenues for such fiscal year”; and

WHEREAS, pursuant to Public Authorities Law Section 3959(1)(e), the ECFSA consequently imposed a control period over the County of Erie on November 3, 2006; and

WHEREAS, during such a control period, the ECFSA may “review and approve or disapprove contracts or other obligations binding or purporting to bind” Erie County or any covered organization, pursuant to Public Authorities Law section 3959(2)(h);

NOW, THEREFORE, BE IT RESOLVED, that the ECFSA hereby authorizes the following process for the approval of contracts, settlements of claims, or other obligations binding or purporting to bind the County of Erie or its covered organizations:

1. Any contract, settlement, or other obligation, valued at \$50,000 or more, that binds or purports to bind the County of Erie or a covered organization shall be reviewed and approved by the ECFSA before it takes effect.

2. Requests to review contracts, settlements, or other obligations shall be submitted to the ECFSA in writing, and shall consist of a completed standard contract approval request form (“Form”), as the ECFSA Staff (“Staff”) may develop, and any other required authorizations or additional information. The ECFSA shall not consider any request that fails to satisfy these criteria.
3. The Erie County Executive must sign any request by the County of Erie for ECFSA review of contracts, settlements, or other obligations. The President of Erie Community College (“ECC”) must sign any such request made by ECC.
4. The Staff shall review all requests that fulfill the requirements of subdivisions (2) and (3).
5. With regard to a requested contract, settlement, or other obligation valued at greater than or equal to \$50,000, but less than \$200,000, the ECFSA Executive Director (“Executive Director”), after consultation with the Staff, shall recommend its approval or rejection via written, time-stamped correspondence to each ECFSA Director (“Director”).
 - (a) If the Executive Director recommends approval, the requested contract, settlement, or other obligation shall be deemed approved once any two (2) Directors sign the Form submitted with the request.
 - (b) If the Executive Director recommends rejection, the requested contract, settlement, or other obligation shall be deemed approved once any four (4) Directors sign the Form submitted with the request.
 - (c) If a requested contract, settlement, or other obligation is not approved within one week of the Executive Director’s written recommendation to each Director, it shall be deemed rejected.
6. With regard to a requested contract, settlement, or other obligation valued at greater than or equal to \$200,000, the Executive Director, after consultation with the Staff, shall recommend its approval or rejection via written, time-stamped correspondence to each Director.
 - (a) If the Executive Director recommends approval, the requested contract, settlement, or other obligation shall be deemed approved once any four (4) Directors sign the Form submitted for the request.
 - (b) If the Executive Director recommends rejection, the requested contract, settlement, or other obligation shall be deemed approved once any six (6) Directors sign the Form submitted for the request.
 - (c) If a requested contract, settlement, or other obligation is not approved within one week of the Executive Director’s written recommendation to each Director, it shall be deemed rejected.
7. Rejected contracts, settlements, or other obligations, supported by additional information or documentation, may be re-submitted at any time for consideration by the ECFSA Board of Directors (“Board”) at its next regularly scheduled meeting, and shall be approved upon the affirmative vote of four (4) Directors.

8. Upon ECFSA approval or rejection of a contract, settlement, or other obligation, the Executive Director shall provide written notice thereof to each Director, and to any person(s) who signed the request. The ECFSA Chairman also shall announce such approval or rejection at the next regularly scheduled meeting of the Board.

9. Notwithstanding any contrary provision of this resolution, all labor-related items, including collective bargaining agreements, memoranda of understanding or agreement, and negotiated settlements to grievances, shall be submitted to the ECFSA for consideration at the next regularly scheduled meeting of the Board, and shall be approved upon the affirmative vote of four (4) Directors.

This resolution shall take effect immediately.

Stanley J. Keysa
Secretary

Date: November 3, 2006