

Erie County Fiscal Stability Authority

Resolution 07-50

CONDITIONALLY APPROVING ELEMENTS OF THE XSPAND CONTRACT

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

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

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

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

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

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

WHEREAS, the County Executive, a “Responsible Official” as defined in Resolution 07-10, has duly submitted a request for review and approval of a Purchase and Sale Agreement between Plymouth Park Tax Services, LLC (“PPTS”) and the County, as well as a Sale and Assignment Agreement between PPTS and Erie Tax Certificate Corporation (“ETCC”);

NOW, THEREFORE, BE IT RESOLVED that the ECFSA approves the sale of the County’s interest in tax liens from the Erie I, II, III, and IV Transactions with Erie Tax Certificate Corporation, subject to the following conditions:

- (1) Because any revenues from the sale of tax liens are “one shot” in nature, any and all proceeds from such sale must be deposited into a reserve fund to enhance the County’s reserves, and to assist in meeting the 5% level referenced in the County Charter, as revised by referendum on November 7, 2006.
- (2) The sole member of the ETCC must resign as such at the end of his current term as County Executive.

- (3) The ECFSA must receive reasonable assurance that the County Executive shall henceforward serve the ETCC only in a capacity as an *ex officio* member.
- (4) Appropriate officials must authorize the ECFSA to audit the ETCC's books and transactions, dating to its inception in 2003.
- (5) The ETCC must comply with the provisions of the Public Authorities Accountability Act on or before July 20, 2007.

BE IT FURTHER RESOLVED that the ECFSA disapproves the sale of the County's 2006 tax liens, and the option to purchase future tax liens, as outlined in the attached Purchase and Sale Agreement between PPTS and the County.

This resolution shall take effect immediately

Stanley J. Keysa
Secretary

Date: May 18, 2007

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