

Erie County Fiscal Stability Authority

Resolution No. 08-37
EXEMPTING CERTAIN GRANTS FROM
THE ECFSA CONTRACT APPROVAL PROCESS

WHEREAS, Chapter 182 of the New York Laws of 2005 (the “ECFSA Act”) 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, this control period remains in effect, pursuant to Resolution 08-11, adopted by the ECFSA on January 4, 2008; and

WHEREAS, incident to and in furtherance of the imposition of the control period, the ECFSA adopted Resolution 07-10 on March 2, 2007; and

WHEREAS, Resolution 07-10 authorized a process for ECFSA approval of contracts, settlements, or other obligations binding or purporting to bind the County (“contract approval process”); and

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

WHEREAS, certain County officials have requested amendment of the contract approval process to exempt certain grants already awarded to the County, but for which the County has not yet received corresponding contractual terms quantifying such awards and conditioning their use and receipt; and

WHEREAS, such exemption would facilitate the County’s prudent expenditure of available grant moneys, and serve the best interests of County taxpayers;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA reaffirms, pursuant to Resolution 07-10, that the expenditure of any granted funds pursuant to any grant not valued at greater than \$50,000 does not require ECFSA approval; and

BE IT FURTHER RESOLVED that the ECFSA amends the contract approval process established by Resolution 07-10 as follows, with respect to grants valued at greater than \$50,000 (the “Grants”):

1. Requests to review such Grants must be submitted to the ECFSA in writing, and must consist of correspondence or other documentation providing reasonable assurance of the Grant award.
2. The County Executive or a “Responsible Official,” as defined by Resolution 07-10, must sign any request by the County for ECFSA review of such Grant.

3. Within ten (10) days after submission of a completed request for approval of a Grant in compliance with paragraphs (1) and (2) above, the ECFSA Executive Director shall recommend, via written correspondence to each ECFSA Director, whether the ECFSA Board of Directors (the "Board") shall exempt it from the contract approval process established by Resolution 07-10.

4. Upon the ECFSA Executive Director's recommendation concerning a Grant, the Board shall consider whether to exempt it from the contract approval process at its next duly noticed meeting. A Grant shall be deemed exempt upon the affirmative vote of (4) ECFSA Directors at such a meeting. The County may expend any funds that it receives pursuant to a Grant duly exempted by the ECFSA.

5. Within ten (10) days after the County's agreement to terms quantifying an exempt Grant and conditioning its use and receipt by the County, the County Executive or a Responsible Official shall submit a copy of such terms to the ECFSA. Upon considering such terms, the Board, by a majority vote of four (4) Directors at a duly noticed meeting, reserves the right to lift the exemption of the underlying Grant from the contract approval process.

6. The Board, by a majority vote of four (4) Directors at a duly noticed meeting, shall approve any material change in terms conditioning the County's receipt or use of an already exempt Grant, before such change may take effect.

BE IT FURTHER RESOLVED that the Executive Director shall send a copy of this resolution to the County Executive, the Executive Director of the Buffalo and Erie County Public Library, the Commissioners of the County Board of Elections, the County Sheriff, the County Clerk, the County Comptroller, the District Attorney, and the Chairperson of the County Legislature.

This resolution shall take effect immediately.

Stanley J. Keysa
Secretary

Date: March 7, 2008