

Erie County Fiscal Stability Authority

Resolution No. 22-15

COMMENTING ON THE 2022-23 SUNY ERIE 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 2022-2023 SUNY Erie College budget document, which was adopted by the SUNY Erie College Board of Trustees and subsequently approved by the Erie County Legislature; and

WHEREAS, the ECFSA Board and staff have identified a number of financial/organizational risk items for the College:

- An overall structure that is not conducive to the College fulfilling its educational and community role on a long-term basis
- A high reliance on declining tuition revenues
- Enrollment challenges in a declining traditional-student environment
- A significant reliance on cost cutting initiatives
- A declining fund balance, that is forecasted to go negative in 2024-25

NOW, THEREFORE, BE IT RESOLVED that the ECFSA does view the currently adopted 2022-2023 budget as in balance and achievable. However, based upon the anticipated fund balance going negative in FY 2024-2025, the plan, from that point forward, is not in balance. The ECFSA questions the College as a going concern, without outside intervention and/or significant changes in the organization’s structure to meet its educational charge while maintaining fiscal integrity,

BE IT FURTHER RESOLVED that the ECFSA recommends that there be a very public discussion about the future of ECC and how it fulfils its role in the region and within the network of higher education.

This resolution shall take effect immediately.

James Sampson

Chairman

Date: December 16, 2022