Board Meeting
Buffalo and Erie County Library Downtown Auditorium
October 29, 2025

Present: Chair James Sampson, Director Craig Speers, Director Peter Stuhlmiller, Director James Connolly and Executive Director Kenneth Vetter

ZOOM: Director Marlette and Director Young

Chairman Sampson: "I would like to call to order this meeting of the Erie County Fiscal Stability Authority. We have signs of approval of minutes. We have a couple items of business. One is to take a final vote on 2026 budget and the four-year plan. Then, secondly, to approve a number of administrative items around the personal service contracts so I draw your attention to the minutes of which you've received copies of, as well as hard copies that will entertain a motion to approve the minutes as presented."

Director Speers moves and Director Stuhlmiller seconds.

All in favor motion carries.

Resolution No. 25-09
APPROVING MINUTES FROM
THE MAY 22, 2025 MEETING

BE IT RESOLVED that the Erie County Fiscal Stability Authority approves the minutes of its MAY 22, 2025 meeting and affirms eight resolutions numbers 25-01, 25-02, 25-03, 25-04, 25-05, 25-06, 25-07 and 25-08 that were approved on MAY 22, 2025.

This resolution shall take effect immediately.

Chairman Sampson: "What I'd like to do is Budget Director Mark Cornell last week presented regarding the 2020 budget and four-year plan, as well as entertained a number of questions from the authority. Both here last week as well as in writing. Are there any other observations or questions? Craig did you receive a response to your question?"

Director Speers: "Yes, I did. Thanks Mark I appreciate those answers to those questions. That was very helpful."

Budget Director Cornell: "I can connect you with the Commissioner of Public Works, so you can have a more in-depth conversation on the state inspections."

Director Speers: "That would be that will be very helpful."

Budget Director Cornell: "I want to I want to be helpful. I feel a little helpless in the middle of it just because I don't have any of those answers."

Director Speers: "I guess the concern basically is the construction inspections and the ongoing inspections after the stadium is completed and occupied."

Budget Director Cornell: "He can run you through what the process is now and maybe some historical contacts that you were referring back to with the 1973 construction. So, I think that it'll be better to have the conversation with him he can have many of the answers."

Director Speers: "Great that will work out fine. The other question I have has to do with IGT payments. What is the projected total amount of IGT."?

Budget Director Cornell: "So in terms of how the process goes is we tend to have a lot of conversations with ECMC because they are the ones that are submitting their expenses to the state, which sends that to CMS at the federal level. There are levels of audits, rolling audits that occur. Then that gets transmitted back to the state where we put up our 50% share. It goes directly to the state, which then has to show that in an escrow account to be able to leverage the 50% federal share against because the bones of the program are it's a 50 over 50 local or federal program. Generally speaking, almost every other county in New York State or probably across the country that participates. One PSH is a completely voluntary program but most communities think of this as a boom of 50% that will be funding where because Erie County there are a couple others, I believe Nassau possibly Rockland also that have had this sort of separation from their public benefit hospitals where we look at this from a different perspective, because now the hospital gets 100% of the benefit 50% from the federal government and 50% from the county."

Budget Director Cornell: "So that's generally how that goes. These are mandated because the ECMC is part of the program. So really what we try and work with them on is getting better projections on what we think the outlay is going to be in future years. Then work with the state on the timing issue because we've had significant timing issues with it. Now for 2026 although we are expecting a roughly, I think it was about $14 million increase year over year that is actually less than we really otherwise would be anticipating. Right now, we are in the process of working with ECMC and the state about advancing some of the payments that would have been expected in 2026 and 2025, partially because of the very acute cash flow crisis that ECMC is undergoing currently. Cash flow for them is challenging ordinarily. They're less than a week of cash at this point. What we anticipate doing

is obviously some of these payments that should have been early in 2026 will be now moved into 2025. What we are planning to do is leverage our decent position in 2025, which we get a little bit of relief in 2026. Right now, as I noted previously, we have positive earnings through August of approximately $26 million. We're basically going to be leveraging almost the entirety of that positive variance in order to advance these payments to ECMC which then reduce the expectation for 2026."

Director Speers: "So basically loaning them money."

Budget Director Cornell: "I wouldn't call it a loan per se, just simply because all the there's just a long period of time like between the actual service delivery from ECMC to them receiving final reimbursement can be anywhere between roughly 18 months to a several year process. So, I wouldn't go so far as saying it's a loan per se. What the state has always indicated here is that they don't necessarily care whether these payments occur in what is our calendar quarter four or calendar quarter one. Because both of those quarters are still within the same state fiscal year. For us, that matters quite a bit. That is the dividing point between our fiscal years. So that matters more to us. If we're able to do this and it's something that we have done in the past when we've been able to do it is some of these payments that we would otherwise expect in the first quarter of the subsequent fiscal year. We've pushed them, we agreed to push them forward into the fourth quarter of the current year and the state is perfectly fine with that. It helps ECMC with their cash flow, particularly because their worst cash flow point is early February when they have to make their pension payment.

Director Speers: "Thanks again. Mark."

Chairman Sampson: "Jim do you have any questions?"

Director Connolly: "No I don't."

Chairman Sampson: "Peter, do you have any questions?"

Director Stuhlmiller: "No I don't."

Chairman Sampson: "Peter on Zoom."

Director Marlette: "I don't really have a question. I have a comment and I sound like a broken record for the last however many years. My comment is it's the continuous frustration with this overtime that it's like you set the budget and they just kind of like go well we're not going to adhere to that. I know the frustration over the jails and the overtime. But I mean it's just so frustrating that we can't get a realistic budget on what the sheriff's department actually is going to do."

Budget Director Cornell: "I share that sentiment. I am also frustrated by that. The administration has gone through you could say even great pains to try and provide the sheriff's office with just about every resource that they have requested to sort of deal with this issue and nothing seems to work. One of the more recent would have been the shift to the 25-year pension system for the correction officers and teamster only center guards, where part of the issue is a revolving door and vacancies. That is certainly an issue and this was supposed to help incentivize specifically state correctional officers to leave the state and come to the county. It would be on that same 25-year pension system. But it sounds like that is not happening at all. Part of the reason I think maybe in hindsight is a lot more obvious is that they lose all of their seniority moving to the county system. So, a lot of those folks that may be unhappy with their situation at the state still

have seniority over everybody else, and they don't want to lose that. One of the things I can say that we are doing is, at least from my level, we are doing regular analysis of sheriff's overtime and providing that to the sheriff's office to help point out areas where even if the administration itself cannot effectuate change, it can help the sheriff's office maybe identify areas."

Budget Director Cornell: "So specifically what I'm looking at is twofold. On the one hand we're looking at the overall top earners of overtime. Because some of those individuals, in my opinion, are working more overtime than is physically possible to work. I know from my own vantage point during budget season, I'm working about 80 hours a week and that's about two months of time. I'm incredibly burnt out over two weeks. There are some individuals that seemingly are working 85, 90 hours a week, every week. To me that seems like we might want to take a look and confirm because the sheriff's office is on paper time sheets. I'm not saying that anybody is doing anything inappropriate, but certainly there is more of an opportunity to do something inappropriate. The other area specifically for me, well, I don't want to get into a debate with the sheriff's office over is how they manage their department in terms of providing public safety and providing safety inside the jail facilities. That would be something that is outside of my area of expertise. I would hope that they would be the best harbinger of that."

Budget Director Cornell: "The area that I'm looking at specifically is all of the overtime that doesn't sort of meet that criterion. So, there are certainly overtime within the jail facilities. There's also overtime within the patrol or what you would consider sworn and protective services. But they have a lot of administrative programming. They have a lot of community reintegration or professional standards, purely administrative work. Whether that is white

collar personnel or it's sworn personnel doing purely administrative work. Those are the areas that I specifically want to focus in on, because I don't feel like you can make the same argument of, we're required to staff certain posts or that overtime was specifically to, in the middle of the night to get the jaws of life to pull somebody out of a car. These are individuals that, not to say that this work isn't valuable, but maybe in the context of their overtime, it isn't valuable enough for the premium costs associated with overtime. We're at a point where everybody needs to start picking and choosing some of the things they do. From my vantage point, it's an easy thing to say where everybody says the buzzwords are do more with less, nobody does more with less, you do less with less."

Budget Director Cornell: "We need to be thinking about that and being more strategic in what things we're doing and coming up with higher priorities. At least from my point of view, that is a push I'm trying to make towards the sheriff's office now, we'll see how successful that is and ultimately whether we can get anywhere with that because they are an independently elected official. There is a there's a level of oversight the administration can have over those independent elections, but there's also a level of oversight that we can't have."

Chairman Sampson: "Mark, can you share with us, create that sort of review?"

Budget Director Cornell: "Absolutely. We're working on it right now. I'm looking at the first three quarters of the year. So, through October 1st."

Chairman Sampson: "I looked at the staffing patterns and it looks like we have as many vacancies today as the past years. Over time, it has increased exponentially since then. So, exactly what Peter was saying it's untenable. Particularly going into this very uncertain year, even if we weren't having an uncertain year,

you're spending overtime spending taxpayer dollars." That overtime, when we provide all the resources that are requested to solve the problem, continues. So, I'm not very empathetic, but I empathize."

Budget Director Cornell: "I understand. Some of this there is a role for the administration in all of this and I am trying to push that forward. I think over the last several years specifically there has been an extraordinary number of resources provided to the sheriff's office and frankly, to across all of law enforcement, I think also with the DA's office to address a lot of these issues, which we're trying to deal with vacancies. It was trying to deal with lower wages in positions that make you more attractive elsewhere. We have done everything that has been requested and the goalpost seems to be moving now. Some of that I would acknowledge is going to be outside of everybody's control. There is a portion of it I just don't know how large that portion is. I think that if we acknowledge there is a portion that is outside of everybody's control, then we need to focus on the portion that is within everybody's control and focus on."

Chairman Sampson: "Thank you. Peter any other questions?"

Director Marlette: **"**No, I thank you. It just as I said before, it's a blatant disregard for the sheriff is for any budget that's being put in front of them."

Director Young: "I have no questions."

Chairman Sampson: "Thank you Mark. I hope come November you're not working 80 hours a week."

Budget Director Cornell: "Things have slowed down where we're at the point of being really October is a tough month because we have a lot of

finishing up the budget. Then we also have our ARPA-American Rescue Plan compliance reporting. October is one of the quarters. Then every public authority that I have anything to do with also is required to submit their budgets to the ABO by the end of October. So, it's just a lot of stuff."

Chairman Sampson: "We meet in December."

Budget Director Cornell: 'It would be after approval or at least substantial approval. Technically speaking, the budget doesn't go into effect until the fall by the 21st approximately. The legislature will have its own opinions of the budget and expressing their will. I would expect this year there may be some additional conversation that maybe hasn't happened in the most recent years because, again, the last couple of years and frankly, through current of 2025, things have been pretty good. That's this product of slinging sling shotting out of COVID in a particularly strong position. Things are changing and I think everybody needs to get on the same page as to how they're all changing. That's going to allow for more conversation."

Chairman Sampson: "Thank you. Being there's not any further observations or discussion I entertain a motion to approve the resolution that's contained in your possession. Reflecting that we will be remain in an advisory status."

Director Stuhlmiller moves and Director Speers seconds.
All in favor. Motion carries.

Resolution No. 25-10

FINDING THAT ERIE COUNTY'S 2026-2029 FINANCIAL PLAN IS COMPLETE AND COMPLIANT WITH NEW YORK PUBLIC AUTHORITIES LAW SECTION 3957, AND CONTINUING THE ADVISORY PERIOD UPON ERIE COUNTY

WHEREAS, Chapter 182 of the New York Laws of 2005 (the “ECFSA Act”), as amended, 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 Public Authorities Law section 3957(1) requires the Erie County Executive to “prepare and submit to the [ECFSA] a four-year financial plan and the County Executive’s proposed county budget, not later than the date required for submission of such budget to the [Erie County] legislature pursuant to the county charter;” and

WHEREAS, the four-year financial plan, as defined by Public Authorities Law section 3951(14), is a “financial plan of [Erie County] and [its] covered organizations”; and

WHEREAS, pursuant to Public Authorities Law section 3957(2)(b), “[n]ot more than twenty days after submission of a financial plan, the [ECFSA] shall determine whether the financial plan is complete and complies with the provisions of [section 3957];” and

WHEREAS County Executive Mark Poloncarz duly submitted his proposed budget for Erie County (the “County”) for fiscal year 2026 on October 15, 2025, and a four-year financial plan (“Plan”) for fiscal years 2026-2029, to the ECFSA on October 15, 2025 (the “2026-2029 Plan”); and

WHEREAS fiscal years 2027 through 2029 constitute the “Out Years” of the 2026-2029 Plan: and

WHEREAS Public Authorities Law section 3957(1) requires that the 2026-2029 Plan “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 Public Authorities Law section 3957(2)(b) instructs the ECFSA to determine on or before November 4th whether the 2026-2029 Plan complies with the provisions of the ECFSA Act, including section 3957: and

WHEREAS the members of the ECFSA Board of Directors have reviewed the 2026-2029 Plan: and

WHEREAS, the ECFSA has developed concerns regarding the reasonableness of the following assumptions underlying the Plan:

1. The Federal Reserve recently lowered the Federal Discount Rate by 0.25% (and may lower the rate even further) because the "FED" has seen significant slowing in lingering inflation related to the COVID epidemic. Lower interest rates will impact the county's interest earnings going forward; and

2. It appears, at this point, that the US Government, particularly, the Executive Branch, is focused more on partisan politics and whim than good, solid economic and public policy. For high health and human services benefit and "blue" states such as New York, and its municipalities, this is not good news. Erie County may find itself in a position of absorbing draconian federal financial cuts; and

3. New York State is not in the disarray the federal government is in but will have to deal with funding cuts and other issues that come from Washington. If recent history is a lesson, NYS Government will absorb a portion of the anticipated federal cuts but will be most likely be unable to shoulder all of the burden. Those additional costs (particularly health and human services) will most certainly trickle down to counties and other municipalities; and

4. There are a number of new, large-scale initiatives the county has included in its financial plan, including taking over a golf course from the Town of Amherst, creating a $30 million trunked radio system and funding a $20 million design and engineering study for a new jail facility. These and other initiatives have value to the county and its residents. Particularly the new jail facility. The ECFSA has voiced its support for this project. The ECFSA is not recommending removing these items from the county's initiatives but is urging a close look at their timing and potential benefits, assuming draconian Federal actions occur that severely impact the county's finances.

5. Regarding the Erie County Medical Center Corporation (ECMCC), the county has crafted its budget and associated financial plan to reasonably reflect currently anticipated county liabilities to ECMC. However, there is a potential for further required hospital spending that could negatively impact the county's financial position; and

6. Forecasted softening in the real estate market could have a negative impact on the county's future ability to increase its tax levy to fund necessary and desired services, without increasing the tax rate and placing a burden on those paying for the services the county provides; and

7. As of the writing of this report, the county is showing a significant overage in its overtime expense for 2025 at 23% over budget, primarily in Sheriff's Office. The county has increased its overtime budget, but not to the order of magnitude of the current account deficit.; and

8. As the local sponsor for SUNY Erie College, the county provides almost $20 million per year in financial support to the institution. The college, though a series of actions including staff reductions, reducing its physical plant footprint and consolidating three campus operations, has improved its financial condition for the period of the financial plan, but there is more work to be done to assure the college continues to serve the county's residents. Though, the college's finances have improved, the county may be called upon to provide increased operational and capital support in the future, which could create fiscal pressure for the county's own budget; and

9. The county's major labor agreements are either expired or set to expire during the period of the financial plan. These expired/expiring agreements add a degree of uncertainty to the county's labor costs over the period of the financial plan; and

10. The county has increased vacancy savings as a budgeted savings in its 2026 budget and associated financial plan. Given ECFSA's monitoring of vacancy savings, those estimates are reasonable. However, maintaining this budgeted savings reduces position vacancies as a potential gap filler if the county encounters unforeseen financial issues in the future.

11. The county, through good fiscal management, ends each year with a surplus. In previous years, those surpluses have been split (in varying ratios) between defraying existing/budgeted obligations and new community projects/initiatives. With the potential for crippling federal impacts to the state and consequently the county, the ECFSA urges year-end surplus funds be designated for current, preferably core services, to assist in continuing to provide necessary services to its residents.

WHEREAS, the ECFSA has nonetheless determined that the 2026-2029 Plan contains actions sufficient to ensure with respect to the major operating funds for

each fiscal year of the plan – including budget year 2026 and the Out Years – that annual aggregate operating expenses for such fiscal year shall not exceed annual aggregate operating revenues for such fiscal year: and

NOW, THEREFORE, BE IT RESOLVED that the ECFSA finds that the 2026-2029 Plan is complete and otherwise complies with the requirements of Section 3957 and the ECFSA Act: and

BE IT FURTHER RESOLVED that the ECFSA remains in advisory status, as described by Public Authorities Law section 3958; and

BE IT FURTHER RESOLVED that the ECFSA shall impose a control period upon the County whenever the ECFSA determines that any one of the six circumstances listed in Public Authorities Law section 3959(1)(a) through 3959(1)(e) shall have arisen.

This resolution shall take effect immediately.

Exec. Director Vetter: "Mr. Chairman on August the 8th, we issued RFP for three separate potential vendors for the authority going forward. One for financial advisor, one for legal counsel, one for bond counsel. Two of the three only received one response and that was financial advisor. Capital markets have done a good job for us in the past. legal counsel was doing a good job for us in the past as well. Mr. Chairman I would ask this board to entertain three resolutions on these particular items, the first being to approve contracting capital markets as financial advisors for the next three years, beginning January 1st of 2026."

Chairman Sampson: "Could I entertain a motion to approve the resolution?"

Director Speers moves and Director Connolly seconds.

All in favor. Motions carries.

Resolution No. 25-11

APPROVING ENGAGEMENT OF FINANCIAL ADVISOR

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 3954(4) of New York Public Authorities Law grants the ECFSA the power to make and execute contracts or agreements necessary or convenient to carry out its purposes; and

WHEREAS, the ECFSA issued a request for proposals for financial advisory services on August 8, 2025 and, received one (1) response to the request. Staff evaluated the proposal received and recommends Capital Markets Advisors, LLC as the most capable of providing financial advisory services to the ECFSA on an as-needed basis for a period of three years; and

WHEREAS, Capital Markets Advisors, LLC has performed their duties to the full satisfaction of the ECFSA throughout the duration of the current engagement and has submitted the best proposal, as delineated in the RFP analysis provided to the ECFSA Board of Directors; and

NOW, THEREFORE, BE IT RESOLVED that the ECFSA engage Capital Markets Advisors to provide financial advisory services on an as-needed basis for a period not to exceed three years from January 1, 2026; and

BE IT FURTHER RESOLVED that such services shall be undertaken for such amounts and on such terms as agreed upon by the Chairman, or the Executive Director; and

BE IT FURTHER RESOLVED that this resolution shall supersede any previous resolutions of the ECFSA with regard to contracting for financial advisory services.

This resolution shall take effect immediately.

Exec. Director Vetter: "Then the second is on legal counsel for Phillips Lytle was the only respondent that to the proposal, the RFP. They've done a yeoman's job for us in the past and there is no reason not to continue with that in the future."

Chairman Sampson: "Could I entertain a motion to approve the resolution?"

Director Speers moves and Director Connolly seconds.

All in favor. Motion carries.

Resolution No. 25-12

APPROVING ENGAGEMENT OF LEGAL COUNSEL

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 3954(4) of New York Public Authorities Law grants the ECFSA the power to make and execute contracts or agreements necessary or convenient to carry out its purposes; and

WHEREAS, the ECFSA issued a request for proposals for legal services on August 8,2025 and received one (1) response to the request. Phillips Lytle LLP has performed their duties to the full satisfaction of the ECFSA and it is assumed the firm will continue to do so, upon adoption of this resolution. Therefore, staff recommends Phillips Lytle LLP continue to provide legal services to the ECFSA on an as-needed basis for a period of three years;

NOW THEREFORE BE IT RESOLVED that the ECFSA engage the firm Phillips Lytle LLP to provide such legal services on an as-needed basis as requested by the ECFSA for a period not to exceed three years, starting January 1, 2026. Such services shall be undertaken for such amounts and on such terms as agreed upon by the Chairman or the Executive Director; and

BE IT FURTHER RESOLVED that this resolution shall supersede any previous resolutions of the ECFSA with regard to contracting for legal services.

This resolution shall take effect immediately.

Exec. Director Vetter: "Mr. Chairman, on the third, there's a report in your packet. There were two respondents for Bond Council, Phillips and Hardwick. Hardwick is not related to the county comptroller. Both had excellent proposals. The Phillips proposal is slightly cheaper and they've done an excellent job for us in the past. On top of that, there is a synergy with having legal and bond council as the same people. They are located in Buffalo and the price. They work together so we don't know for sure, but there should be a lower cost to them because of that policy. Mr. chairman would recommend three more years for Phillips Lytle as Bond Counsel."

Chairman Sampson: "Could I have a motion to approve the resolution?"

Director Speers moves and Director Connolly seconds.

All in favor. Motoin carries.

Resolution No. 25-13

APPROVING ENGAGEMENT OF BOND COUNSEL

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 3954(4) of New York Public Authorities Law grants the ECFSA the power to make and execute contracts or agreements necessary or convenient to carry out its purposes; and

WHEREAS, the ECFSA issued a request for proposals for bond counsel on August 8, 2025 and received two (2) responses to the request. Based upon the analysis of proposals received, provided the Board of Directors, ECFSA staff recommends Phillips Lytle, LLC as the most capable of providing bond counsel to the ECFSA on an as-needed basis for a period of three years; and

WHEREAS, Phillips Lytle, LLC has performed their duties to the full satisfaction of the ECFSA; and

NOW, THEREFORE, BE IT RESOLVED that the ECFSA engage Phillips Lytle, LLC to act as bond counsel on an as-needed basis for a period not to exceed three years from the contract date of January 1, 2026; and

BE IT FURTHER RESOLVED that such services shall be undertaken for such amounts and on such terms as agreed upon by the Chairman or the Executive Director; and

BE IT FURTHER RESOLVED that this resolution shall supersede any previous resolutions of the ECFSA with regard to contracting for bond counsel.

This resolution shall take effect immediately.

Chairman Sampson: "Unless there's any other business that would entertain a motion to adjourn."

Director Stuhlmiller moves and Directors Speers seconds.

All in favor. Motion carries.

Respectfully submitted

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James Sampson
Chairman
October 29, 2025