



Erie Co. Fiscal Stability Authority



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January 3, 2011

Mr. Robert Graber
Clerk of the Legislature
92 Franklin Street
Buffalo, New York 14202

Dear Robert:

Enclosed are copies of the resolutions passed unanimously by the Erie County Fiscal Stability Authority (ECFSA) at its meeting on December 23, 2010.

- Resolution 10-32 Approving an efficiency grant for County Auditors
- Resolution 10-33 Approving an efficiency grant for Collections Unit

Sincerely,

A handwritten signature in black ink, appearing to read "K. Vetter".

Kenneth Vetter, Executive Director, ECFSA

Enclosures

Erie County Fiscal Stability Authority

Resolution No. 10-32

APPROVING AN EFFICIENCY GRANT FOR COUNTY AUDITORS

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 3957-a of the New York State Public Authorities Law ("Public Authorities Law") provides that, subject to appropriations during State fiscal years 2006-07 through 2010-11, the ECFSA shall provide grants to the County of Erie (the "County") to support activities that achieve savings through innovations and reengineering; and

WHEREAS, the County Comptroller submitted an application for an efficiency grant to fund audit activities intended to result in savings through innovations and reengineering (the "Application"); and

WHEREAS, the ECFSA Finance Committee met on December 23, 2010, to discuss the Application; and

WHEREAS, on December 23, 2010, the ECFSA Finance Committee voted to recommend to the ECFSA Board that efficiency grant funding be made available to the County to be used in accordance with the Application;

NOW, THEREFORE, BE IT RESOLVED, based on the recommendation of the ECFSA Finance Committee, that the ECFSA hereby grants up to \$489,534 to the Erie County Comptroller's Office in accordance with the Application, with the following restrictions: that those funds be used to restore the senior auditor, three staff auditor and two accountant auditor positions listed in the Application, and to subsidize any reasonable fringe benefits associated with those positions; and

BE IT FURTHER RESOLVED that the County Comptroller's Office, within 60 days of the passage of this resolution, is hereby directed to provide the ECFSA with a list of audits proposed to be undertaken for the period of the grant, the payback potential for those audits, and implementation steps to achieve taxpayer savings; and

BE IT FURTHER RESOLVED that the County Comptroller's Office is hereby directed to provide quarterly progress reports to the ECFSA on audits performed using ECFSA efficiency grant funding; and

BE IT FURTHER RESOLVED that approval of this efficiency grant is contingent upon the County's adherence to its legislative process of accepting the grant, within 30 days after ECFSA approval; and

BE IT FURTHER RESOLVED that ECFSA approval of this grant shall be deemed to be rescinded without further action or notice if the County's legislative acceptance process is not completed within 30 days after adoption of this ECFSA resolution; and

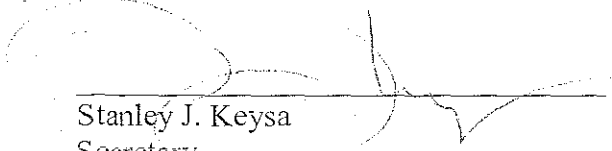
BE IT FURTHER RESOLVED that if the County, in its own budget, restores auditing positions that in the sole judgment of the ECFSA obviate the need for the grant awarded hereby, then the grant will be terminated without further action or notice and no further funding will be provided under the grant; and

BE IT FURTHER RESOLVED that quarterly disbursements for the salaries for audit personnel to perform the services contemplated in the Application shall be made once the ECFSA has received appropriate documentation from the County as to the actual funds expended to maintain those positions; and

BE IT FURTHER RESOLVED that the source of efficiency grant funding for this item is to derive first from unrestricted efficiency grant monies up to the amount of \$139,787, with the balance from the previously approved, but not drawn down, \$1,685,000 "thin client" technology grant, it being understood that the County consents to dollar for dollar reduction in the ECFSA's "thin client" technology grant for funds provided to the County pursuant to the Application to the extent such funds exceed \$139,787; and

BE IT FURTHER RESOLVED that the ECFSA Executive Director send, via first-class mail, copies of this resolution to the County Executive; the County Comptroller; the Chair, the Majority Leader, the Minority Leader, and the Clerk of the County Legislature; and the Governor, the State Comptroller, the State Senate Majority Leader, the Speaker of the State Assembly, the Director of the State Budget, the Chair of the State Senate Finance Committee, and the Chair of the State Assembly Ways and Means Committee.

This resolution shall take effect immediately.



Stanley J. Keysa
Secretary

Date: December 23, 2010

Erie County Fiscal Stability Authority

Resolution No. 10-33

APPROVING AN EFFICIENCY GRANT FOR COLLECTIONS UNIT

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 3957-a of the New York State Public Authorities Law ("Public Authorities Law") provides that, subject to appropriations during State fiscal years 2006-07 through 2010-11, the ECFSA shall provide grants to the County of Erie (the "County") to support activities that achieve savings through innovations and reengineering; and

WHEREAS, the County Comptroller submitted an application for an efficiency grant to fund collection activities intended to result in savings through the collection of current and delinquent property taxes to reduce the county's bad debt expense related to property tax collections (the "Application"); and

WHEREAS, the ECFSA Finance Committee met on December 23, 2010, to discuss the Application; and

WHEREAS, on December 23, 2010, the ECFSA Finance Committee voted to recommend to the ECFSA Board of Directors that efficiency grant funding be made available to the County to be used in accordance with the Application;

NOW, THEREFORE, BE IT RESOLVED, based on the recommendation of the ECFSA Finance Committee, that the ECFSA hereby grants up to \$149,527 to the Erie County Comptroller's Office in accordance with the Application, with the following restrictions: that those funds be used to restore the supervising accountant and junior tax accountant listed in the Application, and to subsidize any reasonable fringe benefits associated with those positions; and

BE IT FURTHER RESOLVED that the County Comptroller's Office, within 60 days of the grant approval, is hereby directed to provide the ECFSA with a list of activities that the supervising accountant and the junior tax accountant are proposed to undertake for the period of the grant, the payback potential for those activities, and implementation steps to achieve savings; and

BE IT FURTHER RESOLVED that the County Comptroller's Office is hereby directed to provide quarterly progress reports to the ECFSA on reductions in bad debt expense related to property tax collections performed using ECFSA efficiency grant funding; and

BE IT FURTHER RESOLVED that approval of this efficiency grant is contingent upon the County's adherence to its legislative process of accepting the grant, within 30 days after ECFSA approval; and

BE IT FURTHER RESOLVED that ECFSA approval of this grant shall be deemed to be rescinded without further action or notice if the County's legislative acceptance process is not completed within 30 days after adoption of this ECFSA resolution; and

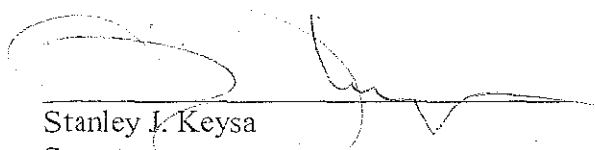
BE IT FURTHER RESOLVED that if the County, in its own budget, restores collections positions that in the sole judgment of the ECFSA obviate the need for the grant awarded hereby, then the grant will be terminated without further action or notice and no further funding will be provided under the grant; and

BE IT FURTHER RESOLVED that quarterly disbursements for the salaries for collections personnel to perform the services contemplated in the Application shall be made once the ECFSA has received appropriate documentation from the County as to the actual funds expended to maintain those positions; and

BE IT FURTHER RESOLVED that the source of efficiency grant funding for this item is to derive from the previously approved, but not drawn down, \$1,685,000 "thin client" technology grant, it being understood that the County consents to dollar for dollar reduction in the ECFSA's "thin client" technology grant for funds provided to the County pursuant to the Application ; and

BE IT FURTHER RESOLVED that the ECFSA Executive Director send, via first-class mail, copies of this resolution to the County Executive; the County Comptroller; the Chair, the Majority Leader, the Minority Leader, and the Clerk of the County Legislature; and the Governor, the State Comptroller, the State Senate Majority Leader, the Speaker of the State Assembly, the Director of the State Budget, the Chair of the State Senate Finance Committee, and the Chair of the State Assembly Ways and Means Committee.

This resolution shall take effect immediately.



Stanley J. Keysa
Secretary

Date: December 23, 2010