

FEBRUARY 22, 2007

FINANCE & MANAGEMENT COMMITTEE  
REPORT NO. 2

ALL MEMBERS PRESENT. CHAIRMAN MARINELLI PRESENT AS EX-OFFICIO MEMBER.

1. RESOLVED, the following items are hereby received and filed:
  - a. COMM. 7E-11 (2006)  
**LOCKLEAR, KONST & IANNELLO:** "Chinese Menu" of Reform Options  
(5-0)
  - b. COMM. 25D-4 (2006)  
**ERIE COUNTY BOARD OF ELECTIONS:** 2006 County Budget Line Transfers  
(5-0)
  - c. COMM. 2E-4 (2007)  
**MARINELLI:** Copy of Letter to ECFSA Finance Committee Chair Re: Property Tax  
(5-0)
  - d. COMM. 2M-6 (2007)  
**TONAWANDA TOWN BOARD:** Certified Resolution Re: Direct Payment to the Town of the Town's Portion of the Sales Tax Revenue  
(5-0)
  - e. COMM. 3D-7 (2007)  
**REAL PROPERTY - BUDGET, MANAGEMENT & FINANCE:** Re-Levy of Erroneous Taxes for Property Located in the City of Buffalo Known as the Bed of Fulton Street and Owned by the Seneca Gaming Corporation  
(5-0)

2. INTRO 3-7 (2007) **AS AMENDED**  
**RANZENHOFER, MILLS, MARINELLI, WHYTE, REYNOLDS, KONST, LOCKLEAR, LOUGHRAN, KOZUB and GRANT**

WHEREAS, The New York State Association of Counties issued a report in November of 2006 outlining several policies the State of New York could reform for the benefit of counties throughout the state, and

WHEREAS, the report discusses how over time counties have developed into regional governments that are perfectly positioned to provide leadership with shared services and consolidation efforts, and

WHEREAS, combining the experience and knowledge of counties with other levels of local government through shared service agreements allows for critical services that many residents rely on to be provided at lower costs to taxpayers, and

WHEREAS, as counties look to reduce overall spending, shared municipal services and inter-municipal agreements led by county governments will continue to be the most efficient level of government in New York State and,

WHEREAS, sharing the services of collective health insurance, consolidated labor relations, combined real property tax administration, consolidated tax collection, and shared highway services could save Erie County Taxpayers significant dollars on their tax bill.

NOW, THEREFORE, BE IT

RESOLVED, that the Erie County Legislature joins the New York State Association of Counties in urging the Governor, the State Legislature, and all New York State County Executives and Legislatures to seriously consider the aforementioned consolidation efforts that can save taxpayers significant amounts of money, and be it further

RESOLVED, that the Clerk of the Legislature forward certified copies of this resolution to the New York State Governor, the County Executive, the Budget Director, Members of the Erie County Fiscal Stability Authority, and members of the Local State Legislative Delegation, and all New York State County Executives and Clerks of New York State Legislatures.  
(5-0)

3. COMM. 4E-21 (2007)  
**COUNTY EXECUTIVE**

WHEREAS, the County of Erie has previously sold tax sale certificates to the Erie Tax Certificate Corporation ["ETCC"], representing delinquent real property taxes from Erie County's 2005, 2004, 2003 and 2002 and prior tax years, in four (4) similarly structured tax lien transactions wherein the purchase price paid to Erie County consisted of a cash portion, borrowed by ETCC from Plymouth Park Tax Services, LLC ["PPTS"], together with complete ownership by Erie County of the beneficial interest in four (4) Trusts, created by ETCC, which Trusts are entitled to receive the residual collections made by XSPAND, ETCC's Tax Lien Servicer, on those tax sale certificates, pledged and placed by ETCC with four (4) Custodian Banks, following the serial satisfaction of the four (4) three (3) year Notes issued by ETCC in favor of PPTS, and

WHEREAS, on January 18, 2007, ETCC issued a request for proposals ["RFP"] relative to the winding-up, in conjunction with Erie County, of the four (4) previous tax lien transactions, including

satisfaction of the outstanding balances of ETCC's two (2) remaining Notes, reacquisition of the pledged tax sale certificates placed with the Custodian Banks, termination of ETCC's tax lien servicing agreements with XSPAND and of the four (4) residual Trusts, including Erie County's ownership interest therein, together with the bulk sale/assignment of the tax sale certificates previously sold to ETCC remaining unpaid and of the bulk sale/assignment of tax sale certificates for unpaid 2006 Erie County real property taxes; and

WHEREAS, PPTS, now doing business as XSPAND [PPTS/XSPAND"], and American Tax Holding, LLC ["ATH"] each submitted timely written responsive proposals to said RFP; and

WHEREAS, on February 8, 2007, on the specific recommendation of ETCC's President, Vice-President, Treasurer and Assistant Secretary, the ETCC Board of Directors, adopted a resolution approving and authorizing ETCC's officers to execute the proposal submitted by PPTS/XSPAND dated January 25, 2007, provided that approval and authorization of the contemplated transaction is also received from the Erie County Legislature and the Erie County Fiscal Stability Authority, and provided further that the closing of the transaction take place on or about April 30, 2007.

NOW, THEREFORE, BE IT

RESOLVED, that the County Executive, the County Comptroller, the Budget Director and the Director of Real Property Tax Services are each hereby authorized and directed, provided that the substantive financial provisions thereof are consistent with both ETCC's RFP and the proposal of PPTS/XSPAND dated January 25, 2007, to execute any and all agreements, transfer instruments and other documents, and to take such other and further action, as may be necessary or convenient to the completion of the bulk sale/assignment to PPTS/XSPAND of tax sale certificates for unpaid 2006 Erie County real property taxes and of the bulk sale/assignment to PPTS/XSPAND of the tax sale certificates previously sold to ETCC, including satisfaction of the outstanding balances of ETCC's two (2) remaining Notes, reacquisition of the tax sale certificates pledged and placed with the Custodian Banks, termination of ETCC's tax lien servicing agreements with XSPAND and of the four (4) residual Trusts, together with Erie County's ownership interest therein; provided that the foregoing approval and authorization is subject to further approval and authorization of the contemplated transaction by the ECFSA, and; provided further that the closing of the transaction take place on or about April 30, 2007, and be it further

RESOLVED, that certified copies of this resolution be forwarded to the County Executive, the County Comptroller, the Budget Director, the Director of Real Property Tax Services, the County Attorney, and the governing boards of the ETCC and the ECFSA.  
(4-1) Legislator Whyte voted in the negative.

**ROBERT B. REYNOLDS**  
**CHAIRPERSON**