

Minutes

Buffalo Fiscal Stability Authority

October 21, 2003

A meeting of the Buffalo Fiscal Stability Authority (“BFSA”) convened at 2:01 p.m. in the Mason O. Damon Auditorium of the Central Library of the Buffalo and Erie County Public Library in Buffalo, New York

The Meeting was convened by a Notice of Meeting sent to the Directors by Chair Baker and announced to the public and press.

Directors Present: Baker, Faso, Giambra, Masiello, Pirtle, and Tobe

Directors Present Via Conference Phone: McCall, Townsend and Wilmers

Staff Present: Johnson, Mitchell, Tocker, Santos and Stefko

Others present, Friedman, Esq.

1. Chair, Baker made an opening statement regarding agenda, which included:
 - a. Staff analysis and discussion of the amended revised plan;
 - b. The issue of BFSA’s Executive Summary (report to be released 10/22);
and
 - c. Announcement of a meeting with the media by Baker and Executive Director Johnson after the meeting.
2. The minutes were released to the Directors and will be voted on at the next meeting.
3. Dorothy Johnson briefed Directors regarding staff analysis of the City’s amended revised Plan and recommended action thereon. Specifically:
 - a. On 10/7/03 BFSA indicated that the plans of the School District, BMHA and BURA were complete and included improvements from the September submissions.
 - b. Regarding the City Plan: on that same date in October, BFSA noted positive sense of progress, and that approval would be conditioned upon
 - i. Budget balance for FY 03-04;
 - ii. Submission of a Declaration of Need for BFSA borrowing;
 - iii. Mayoral certification that operation within the 03-04 budget was feasible, and that the budget was consistent with the financial plan;
and
 - iv. Closing future gaps through gap financing within the legal parameters provided in the Act.
 - c. Staff found the amended plan included reasonable expenditure and revenue projections, included appropriate certification, and the declaration

of need for \$7.8 million in BFSA borrowing (consistent with the requirements of the Act

- d. Staff drafted a report recommending approval of the Four-Year Financial Plan for the City, School District, BMHA and BURA.
4. Mayor Masiello made the following points:
 - i. Fire company consolidations had received Common Council approval;
 - ii. The City's Plan is a good start for the future; and
 - iii. He expressed gratitude for the large effort by all parties to get to this point.
 5. James Pitts, President of the Common Council was invited to speak.
 - a. Remarkd:
 - i. Expressed his thanks including for the meeting that had taken place with Chair Baker;
 - ii. Declared this point a tremendous milestone;
 - iii. Noted that Control Board does not want to replace the Common Council;
 - iv. Encouraged continued work through the Common Council as an elected body;
 - v. Urged future public hearings;
 - vi. Requested that new firehouses be built before old ones close; and
 - vii. Supported further communication.
 - b. Questioned:
 - i. The process for future budget modification; and
 - ii. The future for the City of Buffalo in four years?
 6. Baker's response:
 - i. The Control Board's review does not exclude Common Council from the process;
 - ii. BFSA is not here to replace the Common Council.
 7. Some additional discussion occurred regarding BFSA bonding assistance.
 8. R. Tobe made some summary remarks and closed topic with a quote from Winston Churchill "*This is not the end, nor is it the beginning of the end, but it is perhaps the end of the beginning.*"
 9. Four-Year Financial Plan Resolutions
 - a. The Directors approved Resolution 03-47 Approval of City of Buffalo Completed Four Year Financial Plan.
Motion by Pirtle second by Faso vote 6-0. Directors on phone vote 3-0.
 - b. The Directors approved Resolution 03-48 Approval of Mayor's Certification of Consistent Budget.
Motion by Pirtle second by Faso vote 6-0. Directors on phone vote 3-0.

- c. The Directors approved Resolution 03-49 Approval Declaration of Need. Motion by Tobe second by Faso vote 6-0. Directors on phone vote 3-0.

10. Phase II of BFSA – T. Baker

- a. In accepting the City's Financial Plan for the remainder of the 03-04 fiscal year through the fiscal year ending 2007, BFSA enters Phase II of its responsibilities.
- b. Integral Components
 - i. Monitoring revenues and expenditures
 - ii. Preparing for BFSA borrowing
 - iii. Establishment of a process for contracts and settlements
 - iv. Evaluating other entities
 - v. Investigating and Prioritizing areas
 - vi. Identifying specialists for research and public forums
 - vii. Some specific areas that could be included
 - 1. Identifying a CFO for the School District
 - 2. City/County mergers and consolidations
 - 3. Encouraging attrition
 - 4. Reviewing City's infrastructure
 - 5. Assessing City's capital plan
 - 6. Debt service savings
 - 7. Evaluating city's workforce
 - 8. Reviewing City Charter
 - 9. Meeting with task forces
 - 10. Inquiring into cost effective options

11. City Contracts and Settlements

- a. Approval of Certain City Contracts, resolution 03-50.
 - i. Public Works, change order for paving of various streets \$250,090
 - ii. Clerk, creation of trust to begin spending NYS Local Gov'n't Records Management Improvement Fund Grant \$50,000
 - iii. Public Works, service contract repair of City Pavements \$127,538
 - iv. Public Works, receive reimbursement from NYS unified court system for City expenditures at the Buffalo City Court Building, not to exceed \$426,341
 - v. Police Grants (nine)
 - 1. NYS Motor Vehicle Theft \$126,819
 - 2. Governors Traffic Safety \$20,429
 - 3. Law Enforcement Support Grant \$125,000
 - 4. Point of Entry Drug Interdiction \$130,325 (\$57,000 City match, use existing officer)
 - 5. COPS Universal Hiring Grant \$5,449,216
 - 6. Stop DWI Grant \$70,000
 - 7. Juvenile Justice Formula Grant \$106,000

8. Gang Resistance Education and Training \$17,000
9. Operation Protect Kids \$18,440

10. The Common Council adopted a resolution on June 24th to enter into a new management agreement with American Water Services. While the agreement had been approved prior to the establishment of the BFSA, it had not been finalized when the BFSA was created. BFSA counsel has reviewed the agreement and finds it satisfactory. \$6.1 million/year for five years. The contract can be terminated on notice by either party.

Resolution 03-53 Motion for approval by Giambra second by Masiello vote 6-0. Directors on phone vote 3-0.

b. Approval of City Settlements:

- i. The City of Buffalo was cited by the NYS Department of Labor for Public Employee Safety and Health Violations at the Broadway Garage. The City had lobbied the State (unsuccessfully) to have this fine waived. \$56,673.
- ii. J. Faso asked additional questions of City Corporation Counsel, Michael Risman. He recommended approving the settlement, but delaying payment to allow for further intercession by BFSA Directors with the State Department of Labor, for waiver of the fine.

Resolution 03-54

Motion for approval by Baker second by Giambra vote 6-0.

Directors on phone vote 3-0.

12. Approval of Certain School Board Contracts resolution 03-51

- a. Title I Schools in need of improvement professional development \$639,119
- b. Title I Schools Parent Education/Involvement Program \$77,135.92
- c. Supplemental Services for No Child Left Behind (WHRD Inc, African Cultural Center of Buffalo, and The Bob Lanier Center); Funds are part of the \$1.2 million No Child Left Behind services approved by the BFSA on October 7, 2003 (\$ dependent on parental choice)
- d. Contract Services for teacher certification \$86,000
- e. Buffalo Science Program \$147,000
- f. Path to Literacy and Numeracy professional training program \$58,277

Motion by Giambra second by Pirtle vote 6-0. Directors on phone vote 3-0.

13. Approval of Sales Tax study to be completed by the Institute for Local Governance and Regional Growth resolution 03-52

Motion by Tobe second by Pirtle vote 6-0. Directors on phone vote 3-0.

14. K. Freidman [provided status report on two cases involving the BFSA and the Buffalo Professional Firefighters Union. One matter has been dismissed by Judge Dillon. The other matter has been reassigned to Judge Cosgrove after Judge Sedita recused himself and is now awaiting scheduling of proceedings.

15. Approval of the formation of the Audit, Finance & Budget Committee as the first BFSA Committee to replace the Audit, Finance and Budget Working Group to Committee Motion to approve Resolution 03-55 by Masiello, second by Giambrar vote 6-0. Directors on phone vote 3-0.

16. Approval of BFSA Employee Pension Resolutions 03-56, 03-57 and 03-58 Enrolling the BFSA as a participating employer of the NYS and Local Government Retirement System

Motion by Tobe second by Faso vote 6-0. Directors on phone vote 3-0.

17. Meeting adjourned at 3:09pm