

Minutes

Buffalo Fiscal Stability Authority

October 20, 2004

A meeting of the Buffalo Financial Stability Authority (“BFSA”) convened at 1:05 p.m. in WNET Studios, Horizons Plaza 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, McCall, Stenhouse, Tobe, and Wilmers (arriving late)

Directors Absent: Townsend

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

Others: John Schiavone, Lumsden & McCormick, LLP

Opening Statement

Chair Baker announced roll call of Directors, and informed the public that the BFSA issued its first Annual Report the previous week and is available at the BFSA’s website: www.bfsa.state.ny.us. He felt that the BFSA has made significant progress in its first year, but much work remains to be done.

Approve Minutes

The Directors voted to approve Resolution 04-100 to approve the minutes of the September 8, 2004 meeting and to ratify resolutions numbered 04-88 – 04-99. Motion by Stenhouse second by Faso. Vote 7-0 to take effect immediately.

RESOLUTION NO. 04-100

APPROVING MINUTES AND RESOLUTIONS FROM SEPTEMBER 8, 2004

BE IT RESOLVED that, the Buffalo Fiscal Stability Authority approves the minutes of its meeting of September 8, 2004 and ratifies and affirms twelve resolutions numbered 04-88 through 04-99 that were approved on September 8, 2004.

Audit, Finance & Budget Committee Report

Committee Chairman H. Carl McCall reported that the Audit, Finance and Budget Committee met prior to the meeting and recommended approval of Lumsden & McCormick’s Audit Financial Statements for BFSA fiscal year 2003-2004. The Directors then voted to approve Resolution 04-101 to approve the audit report. Motion by Giambra second by Stenhouse. Vote 7-0 to take effect immediately.

RESOLUTION NO. 04 - 101

APPROVE AUDIT REPORT ON BFSA’S FINANCIAL STATEMENTS FOR FISCAL YEAR 2003-2004

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 requires the Buffalo Fiscal Stability Authority (“BFSA”) to be subject to an annual financial audit performed by an independent certified accountant selected by the BFSA; and

WHEREAS, the accounting firm of Lumsden and McCormick, P.C. was selected and they have conducted an audit of the BFSA’s accounts; and

WHEREAS, Lumsden and McCormick, P.C. have presented their Audit Report on BFSA’s Financial Statements for Fiscal Year 2003-2004 in a public session of the Audit, Finance and Budget Committee and at the BFSA meeting of October 20, 2004; and

WHEREAS, Lumsden and McCormick, P.C. has provided the BFSA with a clean report; and

WHEREAS, the Audit, Finance and Budget Committee recommends acceptance and approval of the Audit Report;

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority does hereby accept and approve the Lumsden and McCormick, P.C. Audit Report on BFSA’s Financial Statements for Fiscal Year 2003-2004; and

BE IT FURTHER RESOLVED, that the Executive Director is hereby authorized to release this Report to the public and provide copies to the parties designated by Section 3871 of the BFSA Act.

City Issues

Executive Director Dorothy Johnson began a presentation with slides, comparing compensation of City employees against the income of City residents. The average cash earnings of a City employee is \$52,429, which is 180% higher than the per capita personal income of a City resident of \$18,704 according to the 2000 Census. A City employee earns more than 90 of the top 100 common occupations in the area. The total cost of one police officer is equal to the total income of 4 City taxpayers; a firefighter’s

total cost is equal to that of 3.5 taxpayers. The average cost of employees to the City taxpayer has grown by 55% in the last ten years.

Mayor Masiello pointed out that health care costs have risen from 21 million to 49 million dollars over the last ten years. Pension costs have increased by \$34 million from 1999 to 2004, according to the Mayor. Director Wilmers arrived at the meeting.

Johnson presented information about the productivity of the City workforce. City employees receive as much as 13 paid holidays, up to 5 weeks vacation, 15 sick days, 6 personal days and 44 days of summer hours. High operating costs hurt the City's competitive position according to the Public Policy Institute of New York State.

Erie County Executive Giambra noted that the local property tax rate in Erie County is 42% higher than the national average. Mayor Masiello wanted to stress that the cost increases in fringe benefits and health care should factor into compensation discussions at the bargaining table. While New York State has a heavy tax burden, is greatly taxed, the City of Buffalo's tax rate is the lowest in the area, according to the Mayor.

Director Wilmers inquired about the decline in real estate value. Commissioner of Administration and Finance Dr. James Milroy offered that over the last ten years, the assessed value of property in Buffalo declined from \$8.2 billion to \$5.3 billion. Director McCall questioned whether property taxes were the best way to finance municipal government when 40% of the population does not pay the property tax. Masiello pointed out that Buffalo has not relied solely on the property tax base for years. Chair Baker dismissed a commuter tax as another source of revenue, noting that it would serve to drive commerce out of the City. Masiello called for reform in Albany as the best way to fix the system. Giambra felt that there are too many layers of government in this area.

City Contracts

The Directors voted to approve Resolution 04-102 authorizing the City to enter into the eight contracts and one settlement, as listed in Resolution 04-102. Motion by Wilmers second by Faso. Vote 8-0 to take effect immediately.

RESOLUTION NO. 04 - 102

AUTHORIZE CITY OF BUFFALO TO ENTER INTO NINE CONTRACTS OR OBLIGATIONS

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 permits the Buffalo Fiscal Stability Authority ("BFSA") to review and approve or disapprove contracts or other obligations binding or purporting to bind the City or any covered organization; and

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 permits the BFSA to review and approve or disapprove the terms of any proposed

settlement of claims against the City or any covered organization in excess of \$50,000.00; and

WHEREAS, in order to carry out the mission of the BFSA, the BFSA will review contracts or other obligations in excess of \$50,000, though the BFSA Act provides no limitation for contracts or obligations; and

WHEREAS, the BFSA will review contracts or other obligations in excess of \$50,000, but will require approval by the full BFSA Board when the contract or other obligation is valued at \$200,000 or more; and

WHEREAS, the Mayor and other City officials have submitted 9 contracts or obligations for approval at the October 20, 2004 BFSA meeting, and have signed the BFSA Remittance Approval Request Form (“RARF”) in which they indicate that there are sufficient funds available for such item; and

WHEREAS, BFSA Staff have reviewed such items and the RARF and recommend approval of nine (9) such contracts or other obligations; and

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority approve and authorize the City of Buffalo to enter into nine (9) contracts and obligations as listed below:

1. NYS Industries for the Disabled – City Court Maintenance
\$186,560
2. Thomann Asphalt Paving Corp. – City Pavement Repairs
\$176,852
3. Macon Chaintreuil Jensen & Stark LLP – Design Bailey Fire Station
\$112,900
4. Joe Johnson Equipment – Rear Loading Refuse Bodies Purchase
\$187,260
5. United Uniform Co. – Police Uniform Supplies Purchase
\$229,619
6. Bison Truck Center – Tandem Axle Truck Chassis Purchase
\$259,212
7. GTSI Corporation – Police Car Laptop Computer Purchase
\$108,810
8. United Radio – Police Car Mobile Radio Purchase
\$92,925
9. Rockwell v. City of Buffalo – Personal Injury Settlement
\$60,000

Emergency Contract Approvals (City)

The Directors voted to approve Resolution 04-103 to affirm an emergency approval authorizing the City to enter into the one contract listed in Resolution 04-103. Motion by Giambra second by Stenhouse. Vote 8-0 to take effect immediately.

RESOLUTION NO. 04 - 103

AFFIRM AUTHORIZATION OF THE CITY OF BUFFALO TO ENTER INTO ONE CONTRACT

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 permits the Buffalo Fiscal Stability Authority (“BFSA”) to review and approve or disapprove contracts or other obligations binding or purporting to bind the City or any covered organization; and

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 permits the BFSA to review and approve or disapprove the terms of any proposed settlement of claims against the City or any covered organization in excess of \$50,000.00; and

WHEREAS, in order to carry out the mission of the BFSA, the BFSA will review contracts or other obligations in excess of \$50,000, though the BFSA Act provides no limitation for contracts or obligations; and

WHEREAS, the BFSA will review contracts or other obligations in excess of \$50,000, but will require approval by the full BFSA Board when the contract or other obligation is valued at \$200,000 or more; and

WHEREAS, on occasion, there may be times when the approval of a contract may be necessary prior to the next scheduled meeting of the BFSA; and

WHEREAS, Resolution No. 04-89 provides a process for the emergency approval of contracts by BFSA Staff, such contracts must be submitted to the BFSA for affirmation by the Board; and

WHEREAS, City officials have submitted items for emergency approval at the October 20, 2004 BFSA meeting, and have signed the BFSA Remittance Approval Request Form (“RARF”) in which they indicate that there are sufficient funds available for the items;

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority does hereby affirm the emergency approval authorizing the City of Buffalo to enter into one (1) contract as listed below:

1. RD Murray - fire truck repair (Ladder 11) \$341,952

Hiring Freeze Waiver Requests

There were seventy-two (72) hiring freeze requests granted since the last meeting under the expedited approval process. Fifty (50) of those positions are seasonal Senior First Class Stationary Engineers who are needed for the heating season. Chairman Baker and

Vice Chair Townsend were informed and approved the requests via e-mail. The positions approved are listed below.

Director of the Mayor’s Task Force on Housing	\$44,431
Administrative Director (Civil Service)	\$52,156
Director of Personnel	\$52,156
Secretary to the Commissioner of HR	\$29,138
Lieutenant	\$59,134
Dog Control Officer (2)	\$26,458 (\$52,916)
Senior Account Typist	\$30,114
Laborer II	\$8.15 per hour
Assistant Corporation Counsel I	\$52,075
Assistant Corporation Counsel II	\$59,158
Street Worker	\$26,779
Senior 1st Class Stationary Engineer (50)	\$10.25 per hour
Senior Auditor (Homeland Security)	\$37,852-\$42,836
Junior Accountant	\$28,772-\$32,281
Associate Accountant	\$38,358-\$44,779
Senior Auditor	\$37,852-\$42,836
Intern V (Coppola)	\$8.00 per hour
Intern V (Griffin)	\$8.00 per hour
Intern VI (Clerk)	\$10.00 per hour

Review of Use of Bond Proceeds

Chair Baker stated that information on the City’s capital plan is expected at the next board meeting. But there remained a concern about the previous capital borrowing. Approximately \$11 million remains unspent, though earlier this year, the need was said to be urgent, particularly in the area of demolitions. Commissioner of Permit and Inspection Services Raymond McGurn reported that \$3.5 million was received in July and that since then 70 buildings have been demolished. Chair Baker and Ms. Johnson expressed their concerns about the processing of demolitions and questioned the amount of properties owned today. Mayor Masiello pointed out that only emergency demolitions or City-owned properties can use bond funds. Director McCall questioned whether the City misled the BFSA in its quest to seek funding for capital projects. Director Stenhouse recalled that there was supposed to be a plan for demolitions from Timothy Wanamaker, the Executive Director of the Office of Strategic Planning. Mayor Masiello apologized for any misunderstanding and stressed that the need for demolition spending was there. Director Faso and Commissioner McGurn discussed the number of vacant residential properties eligible for demolition in the City. McGurn speculated a figure, which Mayor Masiello wanted to confirm and provide to the Board. Director Wilmers questioned whether 20% of homes were vacant in Buffalo. Director Tobe noted the Mayor’s offer to report on statistical data on the housing stock, the costs of demolition and the plan to proceed going forward as part of the capital plan. The City was directed to make a presentation at the next BFSA meeting to include: the number of demolitions in 2004-05 to date; the historic number of demolitions, the number, and a list of, properties

currently owned by the City requiring demolition; the usage to date of the \$3.5 million in June 2004 bond proceeds for demolition purposes; the average cost of a demotion per property; options for performing demolitions most cost-effectively; and the use of performance bonds to ensure contractors follow through on site cleanup and necessary remediation.

Litigation Issues

Chief Counsel Darryl McPherson updated the Directors on the status of four court cases affecting the BFSA. In addition to the Police Benevolent Association appeal to the Fourth Department of the Appellate Division and the federal case involving unions representing school district employees, the BFSA has two new lawsuits: 1) a federal matter involving five unions representing the City of Buffalo and Buffalo Municipal Housing Authority employees relates to the wage freeze; and 2) a lawsuit by five current and former exempt employees of the Police Department relating to back pay and the BFSA imposed wage freeze going forward. There is a hope to join the two federal matters, as they are both before the same federal magistrate judge.

School Issues

Gary Crosby, Chief Financial Officer of the School District reported on the District's requested budget modification. \$25.1 million in additional State Aid will eliminate the \$19.4 million deficit and restore teacher and aide positions. The District revised certain estimates and reduced its health care costs by an agreement with its three health insurance providers. Director Faso inquired about the status of effort to move to a single provider. Mr. Crosby explained that a Request for Proposals was sent to the three insurance companies that were due October 25. Director Wilmers felt there should have been some discussion with the City of Buffalo to see how they coordinated the transition to a single provider.

Director Tobe and Mr. Crosby discussed enrollment numbers, which were going down. Mr. Tobe felt that with declining enrollment and schools closing, operating costs should be declining also. He expressed a desire to receive an accurate projection of the District's enrollment in order to facilitate better planning. Mr. Giambra asked whether the smaller enrollment number affected the construction project. Mr. Crosby felt the number was not dramatic enough to alter the project. Director Wilmers noted the disparity between charter school enrollment and the School District's enrollment as proof of parental dissatisfaction with the Buffalo school system. The Directors then voted to approve Resolution 04-104 to approve a budget modification request to modify the School District's Financial Plan and budget for fiscal year 2004-05. Motion by Giambra, second by McCall. Vote 8-0 to take effect immediately.

RESOLUTION NO. 04 - 104

MODIFICATIONS TO THE 2004-2005 FINANCIAL PLAN INCLUDING
APPROVAL OF ADDITIONAL STATE AID TO PROVIDE A BALANCED BUDGET

WHEREAS, on October 19, 2004 the Buffalo School District submitted a request for Buffalo Fiscal Stability Authority (BFSA) approval for budget modifications to the 2004-2005 Four-Year Financial Plan that had been approved by the BFSA, and

WHEREAS, the modification that the District requests is for BFSA to recognize an additional \$25.1 million in State Aid, which enables the School District to eliminate a \$19.4 million deficit and restore teacher and aide positions, and

WHEREAS, the District also seeks to revise certain estimates as described in the School District's October 19, 2004 correspondence and reduce the cost of health care by \$12.7 million through an agreement with its three health insurance providers, and

WHEREAS, with these modifications, the School District will maintain a balanced budget for the current fiscal year, and

WHEREAS, as a result of this modification, BFSA deficit borrowing will not be required by the District.

NOW THEREFORE BE IT RESOLVED THAT, the Buffalo Fiscal Stability Authority approves and certifies additional \$25.1 million in State Aid and budget revisions described in the School District's October 19, 2004 correspondence as modifications to the 2004-05 Four-Year Financial Plan to provide a balanced budget.

At the previous Board meeting, Mayor Masiello had requested a report on "SINI" (Schools In Need of Improvement) schools. Amber Dixon of the School District staff addressed the Board regarding the improvements within the schools that were deemed "Needs Improvement". Rev. Stenhouse inquired about the amount of supplemental educational funds used for "No Child Left Behind." James Kane, Executive Assistant to the Superintendent promised to make the exact figure available at the next Board meeting. Mayor Masiello commented on the progress, noting that, along with the efforts of teachers, parents need to be accountable for helping the City's children get a good education.

Mr. Kane spoke to the latest developments in the search for Superintendent. He introduced Denise Hanlon, Vice President for Executive Affairs and Chairwoman of the Board's Search Committee. She stated that the School Board has accepted Mr. Wilmer's offer to supplement the salary for the future Superintendent and explained that four School Board members and three private sector individuals are involved in the search process. Director McCall wanted to be sure the Committee was aware of means to obtain a superintendent from a non-traditional background. Director Tobe also felt one factor to be considered is the experience of the candidate in managing a system that is losing enrollment. Ms. Hanlon expressed interest in finding and supporting such a candidate.

Ms Johnson gave an update on the Joint Schools Construction Board project and explained how she recently went on a tour and commended all who are involved on this project. She stated that to date she has not received pertinent information on enrollment

and other vital Phase II information. The State Comptroller's office did a study that was very useful; however, issues still remain. A report was requested at the last BFSFA meeting to discuss the central commissary concept at this meeting, but the Chief Operating Officer has not sufficiently answered the repeated requests for information. Without that information and sufficient time to review it, the BFSFA cannot be in a position to approve Phase II. Mr. Crosby suggested taking the matter up with the Superintendent. Mayor Masiello stressed the need to keep the momentum moving forward on the project and urged the District to get the BFSFA all necessary information. Mr. Giambra noted that the use of a Project Labor Agreement (PLA) would limit the number of contractors eligible to bid on the project.

School Contracts

The Directors voted to approve Resolution 04-105 authorizing the School District to enter into five contracts listed in Resolution 04-105. Motion by Masiello second by Tobe. Vote 7-0 to take effect immediately. Director Faso left the meeting.

RESOLUTION NO. 04 – 105

AUTHORIZE THE BUFFALO SCHOOL DISTRICT TO ENTER INTO FIVE CONTRACTS

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 permits the Buffalo Fiscal Stability Authority ("BFSFA") to review and approve or disapprove contracts or other obligations binding or purporting to bind the City or any covered organization; and

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 permits the BFSFA to review and approve or disapprove the terms of any proposed settlement of claims against the City or any covered organization including the School District in excess of \$50,000.00; and

WHEREAS, in order to carry out the mission of the BFSFA, the BFSFA will review contracts or other obligations in excess of \$50,000, though the BFSFA Act provides no limitation for such items; and

WHEREAS, the BFSFA will review contracts or other obligations in excess of \$50,000, but will require approval by the full BFSFA Board when the contract or obligation is valued at \$200,000 or more; and

WHEREAS, School District officials submitted correspondence to BFSFA in which they seek the approval of contracts at the October 20, 2004 BFSFA meeting, together with signed BFSFA Remittance Approval Request Forms ("RARF") in which they indicate that there are sufficient funds available for such contracts; and

WHEREAS, BFSFA Staff have reviewed such contracts and the RARF and recommend approval of five contracts; and

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority approve and authorize the Buffalo School District to enter into five contracts as listed below:

1. Lease Payment for Parent Center
\$133,731 – Buffalo Urban League
2. Lease Payment for Teacher Center at WNEB
\$320,000 – Vendor: Western New York Public Broadcasting Association
3. Payment of State VESID Pass Through Funds
\$100,000 – United Way
4. Contract for Adult Education Student Tracking Services
(\$92,000 – Buffalo and Erie County Workforce Development Consortium)
5. Programming for Public Assistance and Food Stamp Recipients
(\$142,000 – Erie County)

Ms. Johnson briefed the Directors on contracts approved under the expedited approval process. Director Wilmers informed the Board that he did not participate in the approval of the engagement of the firm to search for a new Superintendent and requested that the record reflect that fact. The item should then be brought to a vote of the Board. Mayor Masiello made a motion to reflect this, second by Tobe.

The Directors voted to approve Resolution 04-106 to affirm one emergency approval authorizing the School District to enter into a contract and to approve a new contract listed in Resolution 04-106. Motion by Giambra second by McCall. Vote 6-0 to take effect immediately. Director Wilmers abstained.

RESOLUTION NO. 04 - 106

AFFIRM AUTHORIZATION OF THE BUFFALO SCHOOL DISTRICT TO ENTER INTO ONE CONTRACT AND APPROVE ONE CONTRACT

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 permits the Buffalo Fiscal Stability Authority (“BFSA”) to review and approve or disapprove contracts or other obligations binding or purporting to bind the City or any covered organization; and

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 permits the BFSA to review and approve or disapprove the terms of any proposed settlement of claims against the City or any covered organization in excess of \$50,000.00; and

WHEREAS, in order to carry out the mission of the BFSA, the BFSA will review contracts in excess of \$50,000, though the BFSA Act provides no limitation for contracts or obligations; and

WHEREAS, the BFSA will review contracts or other obligations in excess of \$50,000, but will require approval by the full BFSA Board when the contract or other obligation is valued at \$200,000 or more; and

WHEREAS, on occasion, there may be times when the approval of a contract may be necessary prior to the next scheduled meeting of the BFSA; and

WHEREAS, Resolution No. 04-89 provides a process for the emergency approval of contracts by BFSA Staff, such contracts must be submitted to the BFSA for affirmation by the Board; and

WHEREAS, School District officials have submitted a contract for emergency approval at the October 20, 2004 BFSA meeting, and have signed the BFSA Remittance Approval Request Form (“RARF”) in which they indicate that there are sufficient funds available for the contract;

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority does hereby affirm the emergency approval authorizing the Buffalo School District to enter into one (1) contract and does hereby authorize the Buffalo School District to enter into one (1) contract as listed below:

1. United States Dept. of Agriculture - USDA Food Commodities
\$755,550
2. Heidrick and Struggles – Search firm for School Superintendent
\$100,000

Patricia Pancoe, the School District’s Executive Assistant for Labor Relations, addressed the Board in relation to the Memorandum of Understanding with Local 264 for food service workers. She explained that 40 employees are involved. This contract amendment will establish a lower pay scale down from \$7.50 per hour to \$6.00 for employees who hand out pre-packaged lunches. An outside vendor previously did the work. The District finds this method is cheaper and provides a better product. Mr. Tobe wondered why the Union agreed to this. Ms. Pancoe explained that the union gets more dues-paying members and that the workers subject to this agreement do less than other workers in the bargaining unit, so it makes sense that they earn less. Ms. Pancoe indicated that a high turnover rate for this workforce will not prevent a change in this service in the future.

The Directors voted to approve Resolution 04-107 to authorize the School District to enter into a Memorandum of Understanding with Local 264 for Food Service Workers in Pre-Pack Buildings. Motion by Giambra second by McCall. Vote 7-0 to take effect immediately.

RESOLUTION NO. 04 - 107

APPROVING THE SCHOOL DISTRICT LABOR AGREEMENT WITH LOCAL 264

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 permits the Buffalo Fiscal Stability Authority (“BFSA”) to review and approve or disapprove any collective bargaining agreement binding or purporting to bind the City or any covered organization; and

WHEREAS, the School District has submitted to the Buffalo Fiscal Stability Authority (“BFSA”) a collective bargaining agreement between the School District and Local 264, the labor organization representing food service workers employed by the School District; and

WHEREAS, the Agreement allows the District to hire non-competitive civil service employees to work in schools without working kitchens, distributing pre-packaged meals at a salary of \$6.00 per hour; and

WHEREAS, the School District has demonstrated that there are sufficient funds to pay the costs associated with implementing the Agreement and that the Agreement is in accordance with the approved financial plan; and

WHEREAS, BFSA Staff have reviewed the terms of the Agreement and recommend approval;

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority approve and authorize the Buffalo School District to enter into a Memorandum of Understanding with Local 264 for Food Service Workers in Pre-Pack Buildings.

Bond Anticipation Note Series 2004A-1

Ms. Johnson briefed the Directors on details of the BFSA’s September bond issuance. The goal of the \$84,000,000 transaction was to provide the City with a cost effective short-term cash flow borrowing, and saved the City nearly \$800,000. Ms. Johnson complimented the City Comptroller’s office and the BFSA Debt team on their cooperation

BFS Calendar of Events

Ms. Johnson indicated that a schedule of meetings and events has been prepared for the Board’s approval. The Calendar may change subject to the needs of the Board. The Directors voted to approve Resolution 04-108 to approve a Calendar of Events. Motion by Tobe second by Giambra. Vote 7-0 to take effect immediately.

RESOLUTION NO. 04 - 108

APPROVE CALENDAR OF EVENTS FOR BFSA FISCAL YEAR 2004-2005

WHEREAS, the Buffalo Fiscal Stability Authority (“BFSA”) was formed by Chapter 122 of the Laws of 2003 (and subsequently amended by Chapter 86 of the Laws of 2004) to “oversee the city’s budget, financial and capital plans; to issue bonds, note and other

obligations to achieve budgetary savings through debt restructuring; to finance short-term cash flow or capital needs; and if necessary, to develop financial plans on behalf of the city if the city is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, in the course of its operations, the BFSA must undertake many tasks; and

WHEREAS, to provide for proper coordination and planning, the BFSA has prepared a calendar of events that will be necessary for the remainder of this and the coming year; and

WHEREAS, the Calendar will include events such as the scheduling of monthly Board meetings and the release of certain reports; and

WHEREAS, there are presently in effect both hiring and wage freeze resolutions, and the Act requires that the BFSA shall periodically evaluate the suspension of salary or wage increases, the Calendar will provide for a review of the existing resolutions; and

WHEREAS, though the BFSA Calendar sets dates to review the status of the hiring freeze instituted on December 15, 2003 and the wage freeze instituted in April 21, 2004, such freezes are subject to review at any other time based on the changing circumstances of the City and

WHEREAS, the Calendar shall always be subject to shifting schedules, priorities and needs of the City and other Covered Organizations;

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority does hereby adopt the Calendar of Events attached to this Resolution, subject to any changes deemed necessary for the effective operation of the Authority by the Chairman.

There being no further business, Chair Baker entertained a motion to adjourn, which was duly seconded unanimously.

The meeting adjourned at 3:45 p.m.