

**MINUTES**  
**Buffalo Fiscal Stability Authority**  
**December 21, 2005**

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The regular meeting of the Buffalo Fiscal Stability Authority (BFSA) was called to order at 1:08 PM on December 21, 2005, at the Buffalo Niagara Convention Center by Mr. Brian Lipke, Chairman of the Board. The meeting was convened by a Notice of Meeting sent to the Directors by Chairman Lipke and announced to the public and press.

**Directors Present:** Faso, Giambra, Lipke, Masiello, McCall, Stenhouse, Tobe, Townsend and Wilmers

**Directors Absent :** N/A

**Staff Present:** Johnson, McPherson, Miller, Mitchell, Mulawka, Stefko and Tocker

**Opening Remarks:**

In his opening remarks, Chairman Lipke welcomed attendees and summarized the day's agenda, including a focus on reviewing the events of the year, assessing the current fiscal situation, and looking forward to the upcoming year.

Additionally, Chairman Lipke mentioned that this was Mayor Masiello's last meeting, and noted the extraordinary cooperation of the Mayor and his staff and the real progress that was made in addressing the City's fiscal problems.

Following his opening remarks, Chairman Lipke requested a roll call of the Directors. Secretary and Director Richard Tobe confirmed that there was a quorum present and the meeting commenced.

**Approval of Minutes**

The Directors voted to approve Resolution 05-89 to ratify the October 12, 2005 Board Meeting Minutes and to ratify resolutions numbered 05-79 through 05-88. Motion by Stenhouse , second by Townsend. Vote 9-0, to take effect immediately.

RESOLUTION NO. 05 - 89

APPROVING MINUTES AND RESOLUTIONS FROM OCTOBER 12, 2005

BE IT RESOLVED that the Buffalo Fiscal Stability Authority approves the minutes of its meeting of October 12, 2005 and ratifies and affirms ten resolutions numbered 05-79 through 05-88 that were approved on October 12, 2005.

**City of Buffalo**

***Discussion of City's 2004-2005 Audit Report***

Chairman Lipke introduced the discussion of the City's 2004-2005 Audit Report, focusing on a presentation relating to the City's \$39 million fund balance. Chairman Lipke emphasized that

the fiscal crisis had not abated nor was there “a room in City Hall containing \$39 million in cash”. Chairman Lipke indicated the presentation would show how deficit borrowing, the wage freeze, and other cost saving steps contributed to this fund balance.

Dorothy Johnson, Executive Director of BFSFA, gave a report on the City’s fund balance, aided by a slide presentation. She noted that the City had taken significant steps toward recovery such as implementing a single carrier for health insurance, increasing property taxes and right sizing the workforce. She explained that of the original \$77 million fund balance, only \$39.3 million is considered an available resource because the rest was reserved and/or designated for specific purposes. Contributing to the unreserved fund balance was \$26.8 million in deficit financing, \$4.6 million in one shot State Aid and \$13.6 million in savings from the wage freeze. Without these one-shot budget balancers worth almost \$50 million, the City would have a \$10 million budget hole in 2004-2005. Even without the deficit borrowing (which must be paid back), the City would have had only a \$12.4 million undesignated fund balance. State Comptroller Hevesi has recommended that the City maintain an 8-10% (between \$24 million and \$30 million) fund balance. The \$12.4 million fund balance (without the “loan” of \$26.8 million in deficit borrowing) does not meet the State Comptroller’s reserve goal. Moreover, the City would not have been able to balance its budget without the wage freeze.

As a former New York City Budget Director, Vice-Chair Alair Townsend recognized it is very difficult to explain a fund balance that is viewed as a surplus. She pointed out the need to operate conservatively and to have money in the bank for unplanned emergencies. Director and Mayor Anthony Masiello thanked his staff, the Common Council and the Comptroller for their hard work and thanked the BFSFA for providing guidance to the City.

### ***Reevaluate Hiring Freeze***

Ms. Johnson stated that the BFSFA staff had reevaluated the hiring freeze now in place for the City and BMHA, and recommended that it remain in place as a useful tool to keep the workforce affordable. Mayor Masiello stated that waivers to the hiring freeze have always been granted to fill positions deemed essential. Director Tobe noted that, absent any resolution to the contrary, the hiring freeze will continue as previously authorized. The fact that no further resolution was forthcoming, the hiring freeze remains in effect as previously authorized.

## **Discussion of School District Issues**

### ***Enrollment***

Buffalo Public Schools Superintendent Dr. James Williams briefed the Board on the school enrollment data that was requested at the October 2005 meeting. By working with Family Court and local human services providers, the District was able to locate and identify 2,100 students that were previously unaccounted for at the beginning of the school year. After his staff completed a “physical inventory”, the total number of students was 36,706, a variance of 294 students from the original projection of 37,000. Though enrollment has decreased by 1,700 students; revenue has increased by \$30 million, with none of the additional funding going to the classrooms because of increasing operating expenses. As he had stated at past meetings, Dr. Williams emphasized the need for automated systems to help track students, as well as revenues and expenditures.

In response to Director Tobe's inquiry related to school violence, the Superintendent indicated that the District planned to develop an alternative high school and that it would come to the BFSA Board for emergency approval as soon as the programmatic details were worked out with union officials. Director Tobe commended Superintendent Williams for both obtaining valid enrollment figures, and more importantly for also for taking the additional step of locating these "missing" students throughout the county's human service and court systems.

Director Robert Wilmers was glad to hear the new enrollment figures. He noted his previous lack of faith in the enrollment numbers, and expressed his new confidence in the District's enrollment accountability based on Dr. Williams' report

Director Stenhouse asked Dr. Williams about the status of minority contractors working under the Joint Schools Construction project. The Superintendent promised to get back to him with that information.

**Budget Modification**

Ms. Johnson introduced the District's request to modify its 2005-2009 Financial Plan due to a projected full year \$1.7 million deficit in the District's General Fund, due to rising energy prices. Fortunately, the District has received additional State Aid to cover these added costs. The District also requested authority to draw down Food Service Fund balance for needs in that area. Ms. Johnson recommended approval.

The Directors voted to approve the School District Budget modification. Motion by Faso, second by Stenhouse, Vote 9-0 to take effect immediately.

**RESOLUTION NO. 05 – 90**

**MODIFICATION TO THE 2005-2009 FINANCIAL PLAN TO ADDRESS CHANGES IN THE GENERAL FUND AND THE FOOD SERVICE FUND**

WHEREAS, in the School District's First Quarter financial report, the District projected a net deficit in the general fund of \$1.7 million for fiscal year ending June 30, 2006, and

WHEREAS, the projected deficit is largely due to rising natural gas and fuel costs resulting from recent hurricanes, increased charter school enrollments and higher than budgeted transportation costs, and

WHEREAS, the District has received notice that its State Aid has increased for Extraordinary Needs Aid above the budgeted amount by \$2.8 million, and

WHEREAS, the District is requesting that the Buffalo Fiscal Stability Authority ("BFSA") take this additional revenue into account as a budget modification to address the deficit projected in the First Quarter financial report, and

WHEREAS, the food service fund requires additional funds to accommodate food service equipment and computer upgrades, and

WHEREAS, there is revenue available in the unappropriated fund balance, which is approximately \$6.9 million, and

WHEREAS, the District is requesting a budget modification to increase the total food service budget by \$345,000 to \$19,416,575,

WHEREAS, the BFSA staff has studied the Plan modifications and finds them reasonable and sufficient to maintain a balanced financial plan,

NOW THEREFORE BE IT RESOLVED THAT, the Buffalo Fiscal Stability Authority approves the modification of the Buffalo City School District's Four-Year Financial Plan for 2005-06 to 2008-09 as submitted to Buffalo Fiscal Stability Authority on December 5, 2005 and December 14, 2005.

**BMHA Issues**

To accommodate Stephen T. Banko III, the Director of the local field office of the United States Department of Housing and Urban Development (HUD), Chairman Lipke requested that the Board skip ahead in the agenda to discuss HUD's report on the Buffalo Municipal Housing Authority (BMHA).

Mr. Banko explained that HUD had not finalized its report on its review of BMHA but hoped to have the final report on its findings available by the next week.

Director Tobe inquired about the possibility of action on recent proposals to dissolve BMHA and remove BHMA Commissioners. Mr. Banko replied that BMHA was established by State law; therefore State Law could dissolve it as well. He cautioned that if BMHA were to be dissolved, the City's role in determining how Federal funding is spent would likely diminish or be eliminated and HUD would decide what non-governmental or State agency might be adequate to run the public housing program in Buffalo. Power over BMHA Commissioners' appointment or removal is primarily vested in the Mayor and not in HUD.

Mayor Masiello spoke out against the dissolution of BMHA, believing the agency works well with the City's Office of Strategic Planning, and would greatly benefit from a new Board of Commissioners and a new Executive Director. He noted that he had asked the Commissioners of BHMA to step down, based on a discussion with the City's Corporation Counsel and recognizing that while there were only a few "problem" Commissioners, the new Mayor should start with a "clean slate."

Director Tobe asked Mr. Banko whether the Inspector General would be involved in the HUD investigation and about the Homeownership Zone (HOZO) funding that the City is now required to return. Regarding this potential liability, Director Tobe stated that this exemplifies why entities need a sufficient fund balance.

Mr. Banko replied that HUD's Inspector General was initially asked to participate, but had deferred action until the final report was released. He also indicated that the Inspector General would become involved if there were egregious findings and it was possible that the matter would be turned over to the FBI for further investigation or prosecution. In regards to the HOZO funding, in the 1996 application the City agreed to build 344 new housing units in the Willert Park neighborhood, but only 124 have been built to date.. The City now owes HUD approximately \$2.8 million, which needs to be paid back from non-Federal sources.

Chairman Lipke expressed the Board's desire to review HUD's report as soon as it becomes available. He thanked Mr. Banko for taking time to address the Board.

### **Capital Budget Review**

Chairman Lipke introduced the City's proposed Capital Budget for 2006. It represented a huge accomplishment and commended everyone who worked on it.

Ms. Johnson stated that the Capital Plan is critical to the investment in the City's infrastructure. It is the culmination of the hard work of the City of Buffalo, Citizens Planning Council (CPC) and finally the Common Council which reviews the Budget and makes amendments and recommendations. This year the City submitted a \$48.3 million Capital Budget for BFSA review and approval. It contains a proposed Bond sale of \$29.2 million.

Last year BFSA had asked the City to examine authorized but un-issued debt, an issue that was negatively affecting the City's bond rating. This careful examination by BFSA and the City Comptrollers office resulted in a 79% reduction in authorized but un-issued debt this year. She briefly described the Capital Budget process to the Board, as well as a sample of the various projects that were included.

Director Wilmers asked if the CPC had reviewed the Capital Budget and made recommendations. Ms. Johnson replied that they had reviewed the budget and there were very few minor changes made after their review.

The Directors voted to approve the capital budget for 2006. Motion by Masiello, second by Stenhouse, Vote 9-0 to take effect immediately.

RESOLUTION NO. 05 – 91

### **APPROVAL OF CITY OF BUFFALO 2006 CAPITAL IMPROVEMENT BUDGET**

WHEREAS, Chapter 122 of the Laws of 2003 as amended by Chapter 86 of the Laws of 2004 authorizes the Buffalo Fiscal Stability Authority ("BFSA") to approve the City of Buffalo's four-year financial plan that encompasses the City of Buffalo, the Buffalo Public Schools and other covered organizations, and may include a capital budget, and

WHEREAS, the Charter of the City of Buffalo requires the Mayor to prepare and submit a capital budget and four year recommended capital improvement program after receiving a recommendation from the Citizens Planning Council ("CPC"), and

WHEREAS, after receiving CPC's recommendation, the Mayor submitted a capital budget to the Common Council for its consideration, and

WHEREAS, the Common Council has approved the Mayor's capital budget as amended, and

WHEREAS, there are sufficient revenues in the City of Buffalo's approved four-year financial plan to make the debt service payments required by this capital budget, and

WHEREAS, the BFSA imposed caveats on the approval of the 2005-2009 capital budget which must be satisfied prior to the approval of the 2006-2010 capital budget, and

WHEREAS, the City has submitted a complete five-year capital program, and have put more detail into the second year of the plan, but the out-years of such plan still need further definition, and

WHEREAS, the City has made an effort to reduce its use of capital funds by using reserve funds to finance firehouse reconstruction and have reduced the amount used for tree trimming, and

WHEREAS, the City has successfully implemented a program for rescinding authorized but unissued debt, and prior to the submission of the capital budget to BFSA, rescinded \$41.263 million in authorized but unissued debt, and

WHEREAS, the BFSA finds that much more work needs to be done on the capital program, the City has demonstrated some progress to justify moving forward,

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority does hereby approve the City of Buffalo 2006-2010 Capital Improvement Program Budget as submitted by the Mayor on December 14, 2005, with the following caveats prior to submitting the 2007-2011 Capital Improvement Program Budget:

That the City of Buffalo submit a complete five-year capital program, which provides greater detail in the out-years of the capital plan;

That the City of Buffalo continue to reduce its use of capital borrowing for short-term operating expenses that are not supported by a long-term physical asset with the goal of eliminating the practice; and

That the City of Buffalo continues to rescind authorized but unissued debt whenever possible.

Director Wilmers noted for the record that he was opposed to capital dollars being used for tree trimming as contemplated within the capital budget.

### **Litigation Update**

Chief Counsel Darryl McPherson gave a brief update on current litigation involving BFSA. He spoke about a recent attempt by the Police Benevolent Association to reargue their case before

the Appellate Division, 4<sup>th</sup> Department and noted a decision in that case was expected in days. McPherson also stated that the BFSA had received Motions for Summary Judgment in the Federal actions involving AFSCME and CSEA, and the BFSA had filed a brief with the Second Circuit in opposition of the Buffalo Teachers Federation appeal. Finally, two cases involving the Firefighters union and the Interest Arbitration Award had been assigned to Justice Michalek in State Supreme Court.

### **Additional BMHA Issues**

#### ***Vacant Apartment Pilot Project***

BMHA Interim Executive Director Gillian Brown briefed the Board on the pilot project that BMHA and AFSCME Local 264 had started in regard to the “Vacant Apartment Preparation Crew” (VPAC). Brown indicated he was very pleased with initial outcome and commended the collaborative effort between BMHA staff and the union. The project allows BMHA employees to work “out-of-title” and gain increased job skills through cross-training. The project’s success was largely credited to AFSCME Local 264 President Bill Travis, who encouraged the project.

Director Tobe lauded the union’s cooperation and wished the partnership continued success. He stated that because this was an amendment to a collective bargaining agreement, the initial agreement should have been brought to BFSA’s attention before it was executed.

Director Faso applauded the effort of the union and BMHA to develop such an innovative and effective new project. He suggested that the important factor was the cooperation between the collective bargaining unit and management, and applauded their effort..

After Mr. McPherson offered no particular recommendation, Chairman Lipke found that based on past experience, all amendments to agreements should be sent for BFSA approval. He praised the pilot project and the efforts of Mr. Travis.

The Directors voted to retroactively approve the amendment to the Collective Bargaining Agreement with Local 264. Motion by Townsend, second by Wilmers. Vote 9-0 to take effect immediately.

RESOLUTION NO. 05 - 92

#### **APPROVE MEMORANDUM OF AGREEMENT FOR VACANT APARTMENT PILOT PROJECT 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 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 also permits the BFSA to review and approve or disapprove collective bargaining agreements binding or purporting to bind the City or any covered organization; and

WHEREAS, in an effort to “turn over” vacant apartment units more efficiently to allow new tenants to move in, the Buffalo Municipal Housing Authority (“BMHA”) has developed a pilot project to relieve the BMHA of onerous work rules that limited scheduling and deploying employees, while reducing outside contracting; and

WHEREAS, to effectuate this plan, the BMHA and Local 264, representing BMHA employees, entered into a Memorandum of Agreement to memorialize this plan; and

WHEREAS, the BMHA and Local 264 are very satisfied with the results;

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority retroactively approves the Memorandum of Agreement between the Buffalo Municipal Housing Authority and AFSCME Local 264 regarding a pilot program for vacant apartment preparation for the term of November 2005 to February 28, 2006.

***Marine Drive***

BMHA Interim Executive Director Brown updated the Board on the status of the management contract with HKMDA for the Marine Drive Apartments. He explained that BMHA was reluctant to sign a new contract with HKMDA due to several outstanding issues that it was trying to resolve through negotiations. He requested additional time to complete those negotiations.

Director Tobe clarified that the current contract with HKMDA ends at the end of the calendar year, and stressed that BMHA needed to get material to BFSA for approval immediately. Director Faso agreed and expressed that there would be a lapse in contract authority unless BFSA Board action was taken.

Chairman Lipke explained that if BMHA could prepare a contract extension request and present it to the BFSA before the end of the week, the contract could be approved on an emergency basis. Mr. Brown agreed to do so.

**Bank Account (Custodial)**

Ms. Johnson stated that BFSA needs to open a custodial account to keep investments (primarily operating and spin-up funds) in a secure environment. She asked the Board to review the resolution and recommended approval.

The Directors voted to approve a custodial bank account with the Bank of America. Motion by Wilmers, second by Stenhouse. Vote 9-0 to take effect immediately.

RESOLUTION NO. 05 - 93

**INSTITUTIONAL CUSTODY AGREEMENT WITH THE BANK OF AMERICA AND  
AUTHORIZED SIGNATORIES FOR SUCH ACCOUNTS**

WHEREAS, the Legislature of the State of New York, pursuant to Chapter 122 of the Laws of 2003, as the same may be amended (the "BFSA Act"), has enacted legislation creating the

Buffalo Fiscal Stability Authority (the “BFSA”) with certain control, advisory and borrowing powers; and

WHEREAS, pursuant to the BFSA Act, City and School District Tax Revenues and State Aid Revenues (as such terms are defined in the BFSA Act) are paid by the New York State Comptroller to the BFSA until June 30, 2037; and

WHEREAS, Bank of New York (the Trust Bank) maintains a Trust Account into which City and School District Tax Revenues and State Aid Revenues are deposited by the New York State Comptroller; and

WHEREAS, in order to efficiently carry out the requirements of the BFSA Act, it was and may in the future be necessary for the Trust Bank to open and maintain one or more custody accounts to accept for safekeeping, register or exchange for credit to the account, all cash and currency, all securities, instruments and other intangible assets which may be delivered to or received by it to be held in the account and all interest, dividends and other income distributed or paid with respect to the foregoing; and

WHEREAS, the Trust Bank requires the BFSA to enact a corporate resolution resolving certain conditions relative to transactions involving the custody account or accounts; and

WHEREAS, the BFSA desires to appoint certain authorized signatories and to establish certain signing restrictions for the custody accounts;

NOW THEREFORE, BE IT RESOLVED, that one of the following officers, employees or agents of the Buffalo Fiscal Stability Authority acting alone, be and hereby is authorized and empowered to enter into an Institutional Custody Agreement with the Bank of New York substantially in the form attached hereto with such changes thereto as the person executing the same shall deem advisable. The execution of such Agreement by such person to be conclusive evidence of such approval:

Brian J. Lipke	Chairman
Alair Townsend	Vice-Chair
Richard Tobe	Secretary
Dorothy A. Johnson	Executive Director

AND BE IT FURTHER RESOLVED, that any one of the following persons, acting alone, be and hereby is authorized from time to time designate in writing to the Bank of New York those officers, employees and other agents of this corporation authorized to issue instructions under such Agreement, including, without limitation, with respect to the deposit or withdrawal of cash and the deposit, withdrawal, purchase or sale of securities and other property without limitation as to price, items or conditions and otherwise to deal therewith, all pursuant to the provisions of such Institutional Custody Agreement:

Brian J. Lipke	Chairman
H. Carl McCall	Treasurer

Alair Townsend Vice-Chair  
Robert G. Wilmers Director  
Richard Tobe Secretary  
Dorothy A. Johnson Executive Director

AND BE IT FINALLY RESOLVED, that notice of any change in these resolutions be communicated in writing to The Bank of New York, and, until The Bank of New York has actually received such notice, it is authorized to act pursuant to these resolutions.

**School District/ BEST Agreement**

Ms. Johnson referred the Board to the Buffalo Educational Support Team Memorandum of Understanding and requested approval. The Agreement serves to alter paydays for certain classes of employees. The change was needed to align these payments with all other School District pay periods.

The Directors voted to approve an amendment of the Collective Bargaining Agreement with BEST. Motion by Wilmers, second by Stenhouse. Vote 9-0 to take effect immediately.

RESOLUTION NO. 05 - 94

**APPROVING THE SCHOOL DISTRICT LABOR AGREEMENT WITH BEST**

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 the Buffalo Educational Support Team (“BEST”), the labor organization representing teacher aides employed by the School District; and

WHEREAS, this Memorandum of Understanding (“MOU”) would amend the current teacher aides contract to adjust the dates on which aides would receive paychecks, and the number of days in each payroll period; and

WHEREAS, this MOU will allow the District to more effectively use the time/attendance modules in its MUNIS accounting system to provide greater accountability and efficiency formalizes terms with the District over the use of these employees where no previous agreement existed; and

WHEREAS, there is no cost impact to the District to implement this plan with BEST; 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 the Buffalo Educational Support Team.

**Other Contracts**

It was decided to take action on all the other contract matters together. The Resolution regarding the contract between the BURA and Zoldaz Construction Company was revised to properly state the amount of the contract and submitted to the Board at the meeting. Without objection, the BFSA Board collectively voted to approve or affirm the following contract resolutions listed below. Motion by Faso, second by Tobe. Vote 9-0 to be effective immediately, except for the contracts with BURA where Director Stenhouse abstains.

RESOLUTION 05 – 95

AUTHORIZE CITY OF BUFFALO TO ENTER INTO THREE 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 (“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 limit on 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 the contract and other obligations for approval at the December 21, 2005 BFSA meeting, and have signed the BFSA Remittance Approval Request Form (“RARF”) in which they indicate that there are sufficient funds available for such items; and

WHEREAS, BFSA Staff have reviewed such items and the RARF and recommend approval of such contracts; and

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

- |  |              |
|--|--------------|
| 1. Hansen Information Technologies – computer software upgrade | \$249,050.00 |
| 2. Nussbaumer & Clarke – Cazenovia Slope Walls project         | \$79,522.00  |

3. Mercantile Adjustment Bureau – debt recovery services \$70,325.00

RESOLUTION NO. 05 – 96

AFFIRM AUTHORIZATION OF THE CITY OF BUFFALO TO ENTER INTO SEVEN 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 (“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 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 prior to the December 21, 2005 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 7 contracts as listed below:

- |  |                |
|--|----------------|
| 1. Clough Harbour & Associates – Bailey Avenue Bridge Project          | \$430,000.00   |
| 2. Fleet Maintenance – purchase of 8 tandem axle dump/refuse trucks    | \$524,832.00   |
| 3. South Buffalo Electric – replacement/removal of traffic signals     | \$2,256,680.49 |
| 4. Cyncon Equipment – purchase of rear loading packer bodies           | \$261,212.00   |
| 5. Five Star Equipment, Inc. – purchase of John Deere loaders          | \$491,980.00   |
| 6. C. Destro Development Co., Inc. – street cut repairs                | \$532,359.00   |
| 7. Operation Impact Grant (Year 2) – violent gang and crime prevention | \$368,983.00   |

RESOLUTION NO. 05 – 97

**AUTHORIZE THE BUFFALO SCHOOL DISTRICT TO ENTER INTO THREE 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 (“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 including the School District 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 such items; 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 obligation is valued at \$200,000 or more; and

WHEREAS, School District officials submitted correspondence to BFSA in which they seek the approval of contracts, together with signed BFSA Remittance Approval Request Forms (“RARF”) in which they indicate that there are sufficient funds available for each contract; and

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

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

- |  |             |
|--|-------------|
| 1. Special Assistant to the Superintendent for Community Relations | \$78,450    |
| 2. Erie I BOCES – Youth connectedness 3-Year Partnership           | \$175,000   |
| 3. Xerox Corporation – Copier lease (through March 31, 2006)       | \$1,595,250 |

RESOLUTION NO. 05 - 98

**AFFIRM AUTHORIZATION OF THE BUFFALO SCHOOL DISTRICT TO ENTER INTO THREE 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 (“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 two contracts for emergency approval prior to the December 21, 2005 BFSA meeting, and have signed the BFSA Remittance Approval Request Form (“RARF”) in which they indicate that there are sufficient funds available for the contracts;

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 three (3) contracts as listed below:

- |  |              |
|--|--------------|
| 1. Frey Electric – School #32 electrical work    | \$558,850.00 |
| 2. Goodwin Electric – School #43 electrical work | \$317,480.00 |
| 3. Hewlett Packard – computer software licensing | \$200,328.00 |

RESOLUTION NO. 05 – 99

**AUTHORIZE BUFFALO URBAN RENEWAL AGENCY 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, the Buffalo Urban Renewal Agency officials have submitted a contract for approval at the December 21, 2005 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; and

WHEREAS, BFSA Staff have reviewed the contract and the RARF and recommend approval of such contract; and

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority approve and authorize the Buffalo Urban Renewal Agency to enter into a contract as listed below:

1. Zoladz Construction Co, Inc. - Remediation of Sycamore Village Property \$1,167,257

RESOLUTION NO. 05 - 100

**AFFIRM AUTHORIZATION OF THE BUFFALO URBAN RENEWAL AGENCY TO ENTER INTO EIGHT 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 (“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; and

WHEREAS, the BFSA will review contracts or other obligations in excess of \$50,000, but will require approval by the 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, BURA officials have submitted items for emergency approval prior to the December 21, 2005 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 Buffalo Urban Renewal Agency to enter into eight (8) contracts as listed below:

- |   |                |
|---|----------------|
| 1. Living Opportunities of DePaul – demolition and construction   | \$857,000.00   |
| 2. Artspace Buffalo – residential construction  | \$1,000,000.00 |
| 3. Thomann Asphalt – Michigan Avenue Preservation Area parking  | \$221,700.00   |
| 4. Belmont Shelter Corporation – housing rehab loan program   | \$520,000.00   |
| 5. Buffalo Economic Renaissance Corporation (BERC) – CARE program (targeted rehab and renovation of retail and commercial properties) | \$414,000.00   |
| 6. BERC – program & admin for CARE and commercial lending   | \$776,122.00   |
| 7. BERC – admin of commercial lending program   | \$600,000.00   |
| 8. Belmont Shelter Corporation – low to moderate income housing   | \$1,000,000.00 |

### **Honoring Mayor Masiello**

Chairman Lipke noted that as Mayor Masiello’s elected term of office would end at the conclusion of the calendar year, this December 2005 BFSA meeting is his last meeting as a BFSA Director. Chairman Lipke noted that Mayor Masiello had played a vital role in success of BFSA’s work with the City. In recognition of his service, the December 21 meeting of the BFSA would be adjourned in his honor. The Directors approved a Resolution Honoring Mayor Masiello. Moved by Chairman Lipke, seconded unanimously to take effect immediately.

RESOLUTION NO. 05 - 101

HONORING ANTHONY M. MASIELLO, BUFFALO’S 57<sup>th</sup> MAYOR

WHEREAS, Anthony M. Masiello started his political career in the Buffalo Common Council in 1971, where he served as a North District Councilmember, an At-Large Councilmember and was elected the youngest ever Majority Leader; and

WHEREAS, in 1980, Anthony M. Masiello was elected to the first of seven two-year terms in the State Senate, representing the 60<sup>th</sup> Senate District; and

WHEREAS, the crowning achievement of his political career occurred on January 1, 1994, when he was sworn in as the 57<sup>th</sup> Mayor of the City of Buffalo; and

WHEREAS, for twelve years, Mayor Masiello has served with distinction, championing the City that he loves with the same drive that pushed him when he played basketball at Canisius College; and

WHEREAS, Mayor Masiello has been the driving force behind numerous initiatives that will change the landscape of Buffalo and the Western New York region, including revising the City Charter, proposing legislation that would lead to the creation of the Joint Schools Construction Board, and pushing for Inner Harbor development; and

WHEREAS, when the State Comptroller found that the City of Buffalo was in a state of fiscal crisis and called for the creation of a financial oversight board, rather than run from it, Mayor Masiello embraced the concept, as always putting the future of Buffalo first; and

WHEREAS, as an ex-officio member of the Buffalo Fiscal Stability Authority (“BFSA”), Mayor Masiello has developed three Four-Year Financial Plans, taking significant steps towards restoring fiscal stability to the City of Buffalo; and

WHEREAS, these positive strides were made possible by the cooperative relationship Mayor Masiello developed with the BFSA, guided by his good nature and bright outlook for the City; and

WHEREAS, as he hands over the keys of the City to another, the Buffalo Fiscal Stability Authority wishes Mayor Masiello the best of luck in his future endeavors,

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority does hereby adjourn its meeting of December 21, 2005 in honor and appreciation of Mayor Anthony M. Masiello for his never-ending commitment and service to the citizens of the City of Buffalo.

### **Closing Remarks**

Mayor Masiello thanked the Board, stating that Buffalo is improving. He stressed the need for all involved parties to stay focused and to continue their hard work.

Chairman Lipke thanked all who attended the meeting. Having no further business, Chairman Lipke made a motion to adjourn, which was duly seconded unanimously. The meeting adjourned at 3:40 PM.