

BUFFALO FISCAL STABILITY AUTHORITY

RESOLUTION NO. 07-62

AUTHORIZE BFSA CONTRACT WITH MILLIMAN INC. TO COMPLETE REQUIRED ANALYSIS OF OTHER POST-EMPLOYMENT BENEFIT (OPEB) LIABILITY

WHEREAS, Chapter 122 of the Laws of 2003, as amended, created the Buffalo Fiscal Stability Authority (“BFSA”) as a corporate governmental agency and instrumentality of the State constituting a public benefit corporation; and

WHEREAS, as a public entity, BFSA is subject to the accounting regulations promulgated by the Government Accounting Standards Board (“GASB”), in the same way the City of Buffalo is; and

WHEREAS, pursuant to GASB ruling No. 45, public entities are now required to include in their annual statements a calculation of the cost of other post-employment benefits, generally referred to as “OPEB” costs; and

WHEREAS, these calculations are completed and provided in a manner similar to those already in effect for the private sector; and

WHEREAS, pursuant to GASB ruling No. 45, BFSA is required to include this calculation in its 2007-08 annual statements; and

WHEREAS, BFSA’s independent outside auditors have recommended that BFSA hire an actuarial consultant to perform this work; and

WHEREAS, BFSA requested price quotes from two consultants: Milliman Inc, which is the City of Buffalo’s GASB 45 consultant, and AON, which is the Buffalo School District’s actuarial consultant; and

WHEREAS, Milliman Inc.’s bid was the lowest price of the two firms, with a quoted fee of \$3,000 for the initial valuation and \$1,000 for adjustments in 2009 and 2010.

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority hereby authorizes the Chairman and Executive Director to engage BFSA in a contract with Milliman Inc. for the purpose of completing the actuarial calculations of BFSA’s OPEB liability at the amounts noted above.

This resolution shall take effect immediately.

Approved November 7, 2007

/S/ Secretary George K. Arthur