

BUFFALO FISCAL STABILITY AUTHORITY

RESOLUTION NO. 08-15

APPROVE ENGAGEMENT OF LUMSDEN AND McCORMICK, LLP. AS INDEPENDENT AUDITOR

WHEREAS, the Buffalo Fiscal Stability Authority (“BFSA”) was formed by Chapter 122 of the Laws of 2003 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, the BFSA receives the City’s and the School District’s share of the County’s sales tax and the City’s state aid revenue to pay for the expenses of the BFSA and debt service on the BFSA’s bonds, notes and other obligations; and

WHEREAS, to the extent that those revenues exceed the needs of the BFSA, those funds are to be transferred to the City and School District as soon as practicable; and

WHEREAS, the BFSA issued a request for proposals in 2004 for an independent auditor to audit the BFSA’s accounts as required by the Section 3871 of the BFSA Act; and

WHEREAS, the Audit, Finance and Budget Committee selected Lumsden & McCormick LLP on February 18, 2004 as the firm most capable of carrying out the required duties; and

WHEREAS, the BFSA extended the engagement of Lumsden & McCormick LLP for the audit year ending on June 30, 2007,

WHEREAS, Lumsden and McCormick has expressed an interest to continue to provide auditing services to the Authority

WHEREAS, due to an increase in the audit and testing requirements that must be done beginning with the audit for the fiscal year ending 2008 audit fees will increase by \$1,000 from the prior year, and

WHEREAS, the firm of Lumsden & McCormick LLP has performed its duties as independent auditor in a satisfactory manner

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority does hereby engage the accounting firm of Lumsden & McCormick LLP. to provide accounting and auditing services to the BFSA. Such services shall be undertaken for such amounts and on such terms as agreed upon by the Chair, Vice Chair or Executive Director.

This Resolution shall take effect immediately.

Approved March 31, 2008

/S/ Secretary George K. Arthur