

BUFFALO FISCAL STABILITY AUTHORITY
RESOLUTION NO. 09-06

APPROVE ENGAGEMENT OF LUMSDEN AND McCORMICK, P.C. 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 share of the County’s sales tax and 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 as soon as practicable; and

WHEREAS, Section 3871 of the BFSA Act requires the engagement of an independent certified auditor and to fulfill this requirement BFSA issued on January 19th, 2009 a request for proposals for an independent auditor to audit the BFSA accounts for the next three years, subject to yearly review and renewable to a maximum of five years; and

WHEREAS, Lumsden and McCormick, BFSA’s current auditor, submitted a bid to continue to serve as BFSA independent certified auditor providing auditing services to the Authority; and

WHEREAS, the Audit, Finance and Budget Committee selected Lumsden and McCormick, as the firm most capable of carrying out the required duties; and

WHEREAS, the New York State Public Authorities Accountability Act mandates that the primary engagement partner of the independent auditor firm may not serve in that capacity for more than five years; and

WHEREAS, John P. Schiavone has served as primary engagement partner on the BFSA audit team for the last five independent audits; and

WHEREAS, Donna M. Gonser, CPA will replace John P. Schiavone as primary engagement partner on the BFSA audit team,

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

NOW THEREFORE BE IT RESOLVED, that the Buffalo Fiscal Stability Authority does hereby engage the accounting firm of Lumsden and McCormick, P.C. to provide accounting and auditing services to the BFSA through the fiscal year 2010-2011, subject to annual review. 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 18, 2009

/S/ George K. Arthur, Secretary
George K. Arthur
Secretary