

BUFFALO FISCAL STABILITY AUTHORITY

**RESOLUTION 09-25
DISAPPROVAL OF COLLECTIVE BARGAINING AGREEMENT**

WHEREAS, Chapter 122 of the Laws of 2003, Section 3858(2)(e), requires that during a control period the Buffalo Fiscal Stability Authority ("BFSA") shall approve or disapprove any collective bargaining agreements binding or purporting to bind the City of Buffalo ("City") and the Covered Organizations; and

WHEREAS, the BFSA is required to promptly review a collective bargaining agreement that is submitted to it and shall disapprove any collective bargaining agreement that is not in compliance with the approved financial plan; and

WHEREAS, the Buffalo Municipal Housing Authority ("BMHA") and AFSCME Local 264 commenced negotiations several months ago and fully and completely bargained with respect to the terms and conditions of employment of union members; and

WHEREAS, on March 27, 2009, the members of Local 264 approved an Agreement Amending the Collective Bargaining Agreement between the BMHA and Local 264 "Agreement;" and

WHEREAS, the BMHA submitted such Agreement with supporting materials to the BFSA for approval under Section 3858(2) (e) of the Act; and

WHEREAS, the consideration of the Agreement came before the Board on May 13, 2009; and

WHEREAS, at a public hearing a detailed analysis of the Agreement was presented by the staff of BFSA and the Board heard Ms. Dawn Sanders, Executive Director of BMHA and Mr. Modesto Candelario, Assistant Executive Director of BMHA; and

NOW, THEREFORE, BE IT FOUND AND RESOLVED, by the BFSA as follows:

1. The Agreement contains a number of provisions that are purported to provide savings but which are speculative and risky.

2. Said speculative savings constitute approximately 73% of the overall projected health related savings and close to 50% of overall savings in the proposed Agreement, as set forth in the charts from the staff analysis provided to the board and attached hereto as Exhibit A and in the Memorandum prepared by Bertha Mitchell, Executive Director of the BFSA, who was present at the meeting of May 13, 2009; said Memorandum is annexed here to and marked Exhibit B and made a part of this resolution, as more fully setting forth the findings and factual basis upon which the Board made the decision.

3. If any one of the speculative savings did not occur the result would be

inconsistent with the financial plan.

4. The Agreement would result in an inadequate budget surplus for each of the next four years.

5. Because of the nature of the mission of the agency and the condition of housing stock in Buffalo, an adequate annual surplus to respond to unanticipated expenses in emergencies is of critical importance to BMHA.

6. Said Agreement purports to cover the period from July 1, 2004 through June 30, 2011 but is in fact for only a 2 year period in the future with the result that substantial concessions have been made in an agreement for only 2 years with new negotiations presumably for commencing within a year for still higher wages and benefits. The Agreement does not provide for a predictable labor rate for the four year period of the financial plan and is therefore unacceptable.

7. The salaries and the benefits provided under the Agreement are significantly higher than the salaries and benefits paid to persons holding similar titles within the City of Buffalo as set forth in the Memorandum and are therefore not reasonable.

8. Such increases would set an adverse precedent in the City of Buffalo and said proposed wage increases are not in conformance with the financial plan.

AND NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Agreement is rejected.

Approved June 10, 2009.

/s/ George K. Arthur

George K. Arthur
Secretary