

**BUFFALO FISCAL STABILITY AUTHORITY**  
**Audit, Finance and Budget Committee Meeting Minutes**  
**June 24, 2020**

---

The following are the minutes from the meeting of the Audit, Finance and Budget Committee (the “Committee”) of the Buffalo Fiscal Stability Authority (the “BFSA”) held on Wednesday, June 24, 2020. The Board met via teleconference in compliance with New York State Executive Order 202.1. As required by such Executive Order, a transcript of the meeting has been prepared. The meeting was called to order at 12:32 PM.

**Committee Members Present**

Chair R. Nils Olsen, Jr.  
Interim Vice-Chair Jeanette T. Jurasek  
Director Frederick G. Floss

**Additional Directors Present**

Secretary George K. Arthur

**Staff Present**

Executive Director Jeanette M. Robe  
Principal Analyst/Media Liaison Bryce E. Link  
Senior Analyst II/Manager of Technology Nathan D. Miller  
Administrative Assistant Nikita M. Fortune  
Comptroller Claire A. Waldron, CPA

**Opening Remarks**

Committee Chair Olsen welcomed the attendees to the BFSA’s June 24<sup>th</sup> Audit, Finance and Budget Committee meeting. He called the roll. Finding a quorum present, the meeting commenced.

**Approval of Minutes**

Committee Chair Olsen introduced AFB Committee Resolution No. 20-06: “Approval of March 23, 2020 Meeting Minutes,” and asked for a motion to approve.

Interim Vice Chair Jurasek offered a motion to approve the resolution.

Director Floss seconded the motion.

The Committee voted 3-0 to approve AFB Resolution No. 20-06.

**Review of the Proposed BFSA 2020-21 Budget and 2021-2024 Financial Plan**

Committee Chair Olsen advanced the agenda to the BFSA’s fiscal year (“FY”) 2020-21 proposed Budget and 2021-2024 proposed Financial Plan. The document was approved to be posted at the March 23, 2020 Audit, Finance and Budget Committee meeting. It was posted on the BFSA’s website. The BFSA did not receive any public comments regarding the preliminary budget and financial plan. Adjustments were made to reflect more recent estimates based on the financial impact from the coronavirus COVID-19 pandemic. Chair Olsen requested that Executive Director Jeanette M. Robe review the adjustments.

Ms. Robe began her presentation. New York State (“NYS”) public authorities are required to provide the NYS Comptroller a written report of any budgetary change whenever the chief financial officer learns of any potential financial impact or any adverse development that could materially affect the authority’s budget and/or financial plan. On June 22, 2020, the NYS Comptroller’s Office asked authorities to file budget impact statements quarterly as opposed to the normal annual notification.

Ms. Robe stated the BFSA preliminary budget was submitted on March 23, 2020, during the beginning stages of the COVID-19 Pandemic’s adverse economic impacts. Due to the pandemic’s ongoing economic impact, it was necessary to revise the estimated revenues as follows:

- Erie County sales tax receipts reflect a year-to-year decrease of \$15.4M, or 17.6%
  - 2020 forecast has been reduced by \$10.0M
  - The current fiscal year (“CFY”) 2019-20 forecast represents a year-to-year decrease in City sales tax revenue of \$2.8M, or 3%
  - CFY 2019-20 forecast represents a year-to-year decrease in District sales tax revenue of \$1.4M, or 3%
- New York State aid was reduced by 20% to \$129.0M
- Operating expenses salaries were adjusted downward and reflect a 2% decrease year-to-year
- \$500 increase for professional development in the preliminary budget was adjusted downward to 2019-20 budgetary level

FY 2019-20 was the first-year sales tax receipts were collected on internet sales. This helped offset the unfavorable revenue variance over the prior quarter. Sales tax receipts began to decline with the second April transmission at 2.5%. Since April, sales tax receipts have continued to decline between 23% to 36% as compared to the last quarter.

The BFSA’s total \$980,298 operating budget represents a decrease of 1% on a year-to-year basis.

Committee Chair Olsen asked for an explanation of the litigation expenditure line. Ms. Robe replied that litigation expenses were included in the budget in the event such funding was necessary and avoids a mid-year material budget modification. If such a modification was needed, it would impact revenue estimates of the City and be more of a challenge to respond to; additionally, reporting requirements to the State Comptroller would be triggered. This expense line typically shows a favorable budgetary variance.

Interim Vice Chair Jurasek asked if the legal services expenditure line also included the bond counsel expenditure. Ms. Robe stated that bond issuance expenses are built into the costs of issuance for the sale of a bond, which would include bond counsel fees, and are not included in legal expenses in the budget.

Chair Olsen requested a motion to send the final BFSA FY 2020-21 Budget and FY 2021-2024 Financial Plan to the full Board with a recommendation for approval.

Director Floss offered a motion.

Committee Chair Olsen seconded the motion.

The Committee voted 3-0 to approve.

## **Adjournment**

Committee Chair Olsen asked if there was additional business to be considered by the Committee. Hearing none, he asked for a motion to adjourn.

Director Floss motioned to adjourn.  
Committee Chair Olsen seconded the motion.

The Committee voted 3-0 to adjourn the meeting.  
The Committee adjourned at 12:45 PM.