

Buffalo Fiscal Stability Authority

Resolution No. 03-47

APPROVAL OF CITY OF BUFFALO COMPLETED FOUR YEAR FINANCIAL PLAN

WHEREAS, Chapter 122 of the laws of 2003 requires the City of Buffalo to submit a four-year financial plan that includes the City of Buffalo, the Buffalo Public Schools (“BPS”) and other covered organizations, to the Buffalo Fiscal Stability Authority (“BFSA”) on September 1, 2003, and

WHEREAS, the City of Buffalo submitted a Four-Year Financial Plan (“Buffalo Plan”) dated September 1, 2003 on September 2, 2003 to the BFSA, and

WHEREAS, the BFSA engaged the Institute for Local Governance and Regional Growth (“ILGRG”) to seek public input and comment relating to the City’s and/or any covered organization’s financial plan, and

WHEREAS, the ILGRG held an all-day public comment session on Saturday, September 6, 2003, and

WHEREAS, upon the request of BFSA, the City of Buffalo and Buffalo Public Schools made a presentation on the Four-Year Plan to the BFSA at a BFSA Board meeting on September 10, 2003 and responded to questions from BFSA Board members, and

WHEREAS, the ILGRG presented a report to the BFSA at a Board meeting on September 10, 2003 reporting on the public comments received in connection with the public comment session held on September 6, 2003, and

WHEREAS, on September 15, 2003 the BFSA adopted Resolution 03-33 in which it:

1. Disapproved the City of Buffalo Four-Year Financial Plan dated September 1, 2003,
2. Returned the Buffalo Plan to the City of Buffalo with instructions that the City revise the Plan in accordance with the BFSA Report, and
3. Directed the City of Buffalo to submit a revised Four-Year Financial Plan no later than October 1, 2003, and

WHEREAS, on September 16, 2003 BFSA submitted its “Review of the Four-Year Financial Plan” (“BFSA Review”) to the City of Buffalo. The BFSA Review identified the reasons that prevented the BFSA from approving the Buffalo, and

WHEREAS, on October 1, 2003 the City of Buffalo Submitted its “Revised Four-Year Financial Plan” (“Revised Buffalo Plan”), and

WHEREAS, staff from the BFSA, City of Buffalo, BPS, BURA and BMHA have repeatedly met to share information and exchange views regarding the Revised Buffalo Plan, and

WHEREAS, BFSA met on October 7, 2003 to review the Revised Buffalo Plan, and

WHEREAS, at the October 7, 2003 BFSA meeting presentations were made by the City of Buffalo, the Buffalo School Board, the Buffalo Urban Renewal Agency, the Buffalo Municipal Housing Authority and the Buffalo Comptroller, and

WHEREAS, BFSA determined that significant progress had been made by BPS, BURA and BMHA in their Plans and those portions of the Revised Buffalo Plan substantially comply with the BFSA statute, and

WHEREAS, the City of Buffalo has proposed significant cuts in employment levels, elimination of all pay raises except for those in approved contracts, more realistic revenue estimates and other budget balancing actions, and

WHEREAS, despite the gap closing efforts described in the City of Buffalo Revised Plan, such Plan as submitted is still not balanced in the current fiscal year (2003-2004) and there are serious concerns regarding budget gaps in future years, and

WHEREAS, the Mayor of the City of Buffalo announced at the BFSA meeting on October 7, 2003 that he would further amend the City of Buffalo Revised Plan to close the 2003-2004 gap with proceeds of a BFSA gap financing and would also address the future year gaps. The Mayor also stated he would submit a request for a Declaration of Need for approval of the Buffalo Common Council along with the Revised Buffalo Plan, as to be further amended, for its consideration and approval, and

WHEREAS, at its meeting of October 7, 2003 the BFSA tentatively approved the portions of the Revised Buffalo Plan relating to BPS, BURA and BMHA, and expresses a positive sense of progress on the portion of the Revised Buffalo Plan that relates to the City of Buffalo, particularly the 2003-04 portion. Final approval of the Revised Buffalo Plan was conditioned upon:

1. Further amendment to the City of Buffalo Revised Plan to bring the fiscal year 2003-2004 budget into balance consistent with the requirements of section 3857 of the Buffalo Fiscal Stability Authority Act ("Act"), including gap financing as required;
2. The Mayor of Buffalo submitting a declaration of need for financing of costs consistent with the adopted budget and financial plan after approval by the Buffalo Common Council;
3. The Mayor of Buffalo submitting a certificate stating that the budget is consistent with the financial plan submitted therewith and that operation within the budget is feasible.

4. The City of Buffalo closing the future year gaps of the Revised Buffalo Plan, with the addition of BFSAs gap financing, as may be desired and allowable pursuant to the provisions of section 3857 of the Act; and
5. No later than October 15, 2003 the City of Buffalo submitting a new plan to the BFSAs for its final approval.

WHEREAS, the Mayor of the City of Buffalo sought and was granted a one day extension to submit a Completed Four Year Plan to October 16, 2003, and

WHEREAS, on October 16, 2003 a Completed Four Year Plan for the City of Buffalo was submitted that:

1. Made additional cuts totaling \$2.95 million, and contained a Resolution passed by the Common Council approving the additional cuts,
2. Made additional reductions and reorganized the Fire Department and contained a resolution passed by the Common Council approving such changes to the Fire Department including the closing of three fire companies,
3. Contained a Declaration of Need for a BFSAs borrowing for \$7.811 million executed by the Mayor and approved by the Common Council.
4. Four years worth of PEG actions that conform to the minimum percentages set forth in the Statute, and
5. A Certificate from the Mayor that indicates that “the budget submitted with the Complete Plan is consistent with the City of Buffalos Revised Four Year Financial Plan and that the City of Buffalo operations within that budget are feasible as required by Section 3857(2)(a) of the Public Authorities Law.” and

WHEREAS, BFSAs staff has reviewed the Completed Four Year Plan for the City of Buffalo dated October 16, 2003 and reported that it complies with the requirements of the Statute and recommends that the BFSAs approve the plan,

NOW THEREFORE BE IT RESOLVED THAT, the BFSAs determines is complete and complies with the standards set forth in Sections 3857 and 3838 of the Act.

This resolution shall take effect immediately.

Approved October 21, 2003

Richard Tobe
Secretary

Date: _____

