

BUFFALO FISCAL STABILITY AUTHORITY

RESOLUTION NO. 05-06

MODIFICATION TO THE 2004-2005 BMHA BUDGET AND 2005-2008 FINANCIAL PLAN TO USE ADDITIONAL RESERVE FUNDS TO COVER OPERATING EXPENDITURES IN THE CURRENT FISCAL YEAR AND TO REDUCE EXPENDITURES THEREAFTER

WHEREAS, on June 9, 2004, the Buffalo Fiscal Stability Authority (“BFSA”) acknowledged the submission of a balanced financial plan for fiscal year 2004-2005 by the Buffalo Municipal Housing Authority (“BMHA”) in BFSA Resolution No. 04-66, and

WHEREAS, on December 19, 2004 the Executive Director of the BMHA submitted a request for BFSA approval for a modification to their 2004-2005 Four-Year Financial Plan, and

WHEREAS, the modification that the Executive Director requests allows the BMHA to use \$1,992,362 in reserve funds to cover a deficit in operating expenditures, and

WHEREAS, the original 2004-2005 Four-Year Financial Plan called for the use of \$400,111 in reserve funds to cover the deficit in operating expenditures, and

WHEREAS, as part of the modification of the plan, BMHA is undertaking an internal restructuring that BMHA anticipates will result in a balanced budget without the use of reserve funds in 2005-2006, and thereafter, and

WHEREAS, with these modifications, the BMHA will maintain a balanced budget for the current fiscal year,

NOW THEREFORE BE IT RESOLVED THAT, the Buffalo Fiscal Stability Authority approves and certifies the Buffalo Municipal Housing Authority’s use of \$1,592,251 in additional reserve funds to cover operating expenditures that, along with other operational changes, will serve as modifications to the 2004-05 Budget, and

BE IT FURTHER RESOLVED THAT, the Buffalo Fiscal Stability Authority, hereby approves the BMHA 2005 – 2008 Financial Plan modification, including the additional revenue and expenditure reductions contained therein, as previously approved by the BMHA Board of Commissioners, and as requested in writing by the Executive Director of the BMHA, and

BE IT FINALLY RESOLVED THAT, to ensure compliance with the Four-Year Financial Plan, that no later than April 1, 2005, the Buffalo Municipal Housing Authority shall: send out lay-off notices to affected employees (to be effective July 1, 2005); and notify those BMHA employees whose jobs will be downgraded (effective July 1, 2005).

This resolution shall take effect immediately.

Approved January 26, 2005

/S/ Richard Tobe
Richard Tobe
Secretary