

BUFFALO FISCAL STABILITY AUTHORITY
RESOLUTION NO. 11-46

**APPROVAL OF THE BUFFALO PUBLIC SCHOOL DISTRICT'S FISCAL YEAR 2011-12
BUDGET MODIFICATION TRANSFERRING FUNDS FROM THE GENERAL FUND
ASSIGNED FUND BALANCE FOR PRIOR YEAR CLAIMS ALONG WITH A
MODIFICATION TO THE FISCAL YEAR 2012-15 FINANCIAL PLAN**

WHEREAS, on November 16, 2011, Buffalo Public School District (the "District") submitted a budget modification for the 2011-12 fiscal year to the Buffalo Fiscal Stability Authority (the "BFSA") requesting BFSA approval; and

WHEREAS, on December 2, 2011, District submitted a financial plan modification, modifying projected expenditures in fiscal years ("FYs") 2012-13, 2013-14, and 2014-15 of the 2012-2015 financial plan; and

WHEREAS, the transfer of \$5.7 million of Assigned Fund Balance to the General Fund will amend the 2011-12 Adopted Budget, as originally approved by BFSA on June 15, 2011; and

WHEREAS, approval of the budget modification amends the current year adopted budget sufficiently to address the increased costs associated with approval of the collective bargaining agreement ("CBA") between the District and PCTEA in the current fiscal year; and

WHEREAS, the proposed Financial Plan modification would amend the Financial Plan as originally approved by the BFSA on June 15, 2011, by reducing projected expenditures by a combined \$12.5 million in the three out-years of the Financial Plan; and

WHEREAS, the modifications to the Financial Plan are sufficient to address the increased costs of approval of the proposed CBA; and

WHEREAS, the Programs to Eliminate the Gap Action Plan remains unchanged by the proposed Financial Plan modification; and

WHEREAS, the District's Board of Education has approved both the budget modification as well as the proposed CBA on November 9, 2011; and

WHEREAS, the District's Board of Education is not required to approve the modification to the Financial Plan; and

WHEREAS, the District's Interim Superintendent certified the modifications to the Financial Plan on December 2, 2011; and

WHEREAS, the District has complied with the requirements of Public Authorities Law, §3858(2)(e) which directs the City of Buffalo and the Covered Organizations to provide materials necessary to the BFSA to adequately review labor agreements and to demonstrate adequate resources to pay for any costs associated with approval of a labor agreement in the Adopted Budget and the Financial Plan; and

WHEREAS, BFSA staff has reviewed all of the material submitted by the District and determined that the increased costs associated with approval of the proposed CBA have been adequately addressed with the modified Adopted Budget and modified Financial Plan.

NOW THEREFORE BE IT RESOLVED THAT, the Buffalo Fiscal Stability Authority does hereby approve the requested modification to the FY 2011-12 Adopted Budget.

BE IT FURTHER RESOLVED THAT, the Buffalo Fiscal Stability Authority does hereby approve the requested modification to the FY 2012-15 Financial Plan.

BE IT FURTHER RESOLVED THAT, the approval of the budget modification is contingent on the ratification of the proposed CBA with PCTEA.

This Resolution shall take effect immediately, contingent upon ratification of the proposed CBA with PCTEA.

Approved December 7, 2011

/S/ George K. Arthur

George K. Arthur,
Secretary