

**BUFFALO FISCAL STABILITY AUTHORITY  
RESOLUTION NO. 18-02  
REQUIREMENTS FOR 2017-18 BUDGET AND RELATED FINANCIAL PLAN**

---

WHEREAS, Article 10-D Title 2 of the Public Authorities Law ("the BFSFA Act") requires the City of Buffalo (the "City") to submit a four-year financial plan that includes the City of Buffalo, the Buffalo City School District (the "District"), the Buffalo Municipal Housing Authority ("BMHA") and the Buffalo Urban Renewal Agency ("BURA") (collectively the "Financial Plan") along with the Mayor's proposed City budget to the Buffalo Fiscal Stability Authority (the "BFSFA") not later than the date required for submission of the budget to the Common Council as set by the City Charter; and

WHEREAS, the City of Buffalo submitted the final 2018-2021 Financial Plan ("Financial Plan") to the BFSFA on June 9, 2017 which was subsequently approved by BFSFA via Resolution No. 17-08 on June 16, 2017; and

WHEREAS, subsequently on December 7, 2018, the City submitted the 2017 Audited Financial Statements to BFSFA; and

WHEREAS, such audited results include a balance of \$6,503,489 in unassigned fund balance at July 1, 2017 which is insufficient to cover planned operating deficits in the outyears of the FY 2018-2021 of the current Financial Plan; and

WHEREAS, on January 31, 2018, the City submitted its second quarter report for the 2017-18 fiscal year which projects an unfavorable budgetary variance within estimated revenues of \$17.1 million and budgeted appropriation of \$3.6 million resulting in a net projected budgetary deficit of \$20.7 million; and

WHEREAS, Section 3857.2(F) of the BFSFA Act states that "...the Mayor shall provide a modified financial plan in such detail and within such time periods as the [BFSFA] may require. In the event of reductions in such revenue estimates, or in the event the City or a Covered Organization shall expend funds at a rate that would exceed the aggregate expenditure limitation for the City or Covered Organization prior to the expiration of the fiscal year, the Mayor shall submit an financial plan modification to effect such adjustments in revenue estimates and reduction in total expenditures may be necessary to conform to such revised revenue estimates and reductions in total expenditures as may be necessary to conform to such revised revenue estimates or aggregate expenditure limitations."; and

WHEREAS, due to the expected unfavorable budget variances, it is necessary for the Mayor to submit a financial plan modification to effect such adjustments as necessary; and

WHEREAS, BFSFA recognizes that with respect to the outyears 2019, 2020 and 2021 of the Financial Plan, the upcoming financial plan to be submitted on May 1, 2018 will address such items.

NOW THEREFORE BE IT RESOLVED that BFSFA requires the Mayor to submit a budget modification for 2017-18 to address the reductions in revenue estimates and appropriations in excess of the budget; and

BE IT FURTHER RESOLVED such budget modification should be submitted before or on April 30, 2018; and

BE IT FURTHER RESOLVED BFSAs does not require a revised financial plan for years 2019, 2020 and 2021 of the Financial Plan due to the expectation of the new financial plan submission on May 1, 2018.

Approved April 4, 2018

/s/ R. Nils Olsen, Jr.

R. Nils Olsen, Jr.

Chair