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## Authorities Budget Office Policy Guidance



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### Authority Mission Statement and Performance Measurements

**Name of Public Authority: The Buffalo Fiscal Stability Authority**

**Public Authority's Mission Statement:**

Created by the State of New York as a public benefit corporation, it is the mission of the Buffalo Fiscal Stability Authority ("BFSA") to provide financial oversight over the budgets, financial plans and capital plans of the City of Buffalo and its covered organizations. BFSA shall undertake such actions as afforded to it under its enabling legislation, as necessary, to assure the financial stability of the City and its covered organizations, to preserve the confidence of the investors and bond rating agencies, to uphold essential services to residents, to maintain affordable property taxes, and to protect the economy of both the region and the State as a whole.

**Date Adopted: October 3, 2011**

**List of Performance Goals (If additional space is needed, please attach):**

The multi-year financial planning process represents the core of the BFSA's financial oversight, and is one of the most critical components to the fiscal stability of the City of Buffalo (the "City") and the Covered Organizations that the BFSA oversees, which include the Buffalo City School District, the Buffalo Urban Renewal Agency, the Buffalo Municipal Housing Authority, and the Joint Schools Construction Board. Annually, the BFSA performs a detailed review of the proposed budget of the City and Covered Organizations for the upcoming fiscal year and the related four-year financial plans. The BFSA is required to make a determination as to whether or not the financial plan is complete and compliant with the provisions of the BFSA Act. In the event the financial plan is found to be incomplete and noncompliant, the City and/or Covered Organizations is required to resubmit a financial plan in accordance with the instructions of the BFSA. In the event that the resubmitted financial plan continues to be deemed incomplete and/or incompliant with the BFSA Act, the BFSA shall provide notice to the City with copies to various New York State officials.

Regular and aggressive monitoring of spending, budgetary processes and cost-savings initiatives are essential to ensuring that the City and Covered Organizations continue progress towards fiscal stability. In meeting this performance goal, certain procedures are followed by the BFSA:

- The review and comment on budget modifications during the year;
- The review and comment on the annual capital budget;
- The review and comment on the terms of any proposed borrowing;
- The assessment of the impact of any collective bargaining agreement to be entered into and such contracts that, in the judgment of the BFSA, may have a significant impact on the long-term fiscal condition of the City or Covered Organization;
- Timely reviews of the quarterly reports of the City and the Covered Organizations.

**Additional questions:**

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Yes, board members have acknowledged that they have read and understood the mission of the BFSA. The Mission Statement is formally affirmed annually by the BFSA's Board of Directors.

2. Who has the power to appoint the management of the public authority?

The Board of Directors of the BFSA has the power to appoint the management of the BFSA.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

Yes; under these circumstances the Board creates an executive search committee to perform this function. Recommendations by the Executive Search Committee are affirmed by the full Board of Directors.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

The Board engages in the fiscal oversight of the City and Covered Organizations through performance of various functions including, but not exclusive to, the following:

- Annually review and report on the budget and four-year financial plans of the City and the Covered Organizations. The BFSA is required to annually determine if the financial plan is complete and compliant with provisions of the BFSA Act;
- Assess the impact of any collective bargaining agreements, including modifications to an existing or expired collective bargaining agreement and arbitration awards;
- Review and comment on budget modifications;
- Review and comment on the annual capital budget;
- Review and comment on any proposed capital borrowings;
- The monitoring of the City and Covered Organizations through the review of the quarterly reports issued by each entity;
- Approval of the use of efficiency grants and the subsequent drawdown of grant dollars.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

Yes, the Board had acknowledged that they have read and understood the responses to each of these questions.