

Financial Restructuring Board for Local Governments

Meeting Minutes

June 20, 2016

11:00 AM

The Blue Room (Room 250)
NYS State Capitol Building
Albany, NY 12224

The Financial Restructuring Board for Local Governments ("the Board") convened at 11:00 AM on June 20, 2016 in the New York State Capitol Building in Albany, NY. The following members of the Board were present:

Todd Scheuermann (representative designated for Robert Mujica Jr., Chair)
Gabriel Deyo (representative designated for Thomas DiNapoli)
Jack Martins
Herman Farrell, Jr.
Mark Pattison (representative designated for Rossana Rosado)
Sydney Cresswell
RoAnn Destito

The following members of the Board were absent:

Matt Driscoll
Eric Schneiderman
Todd Snyder

Mr. Scheuermann opened the meeting and announced that there were five new applicants for a Comprehensive Review, as well as several completed Comprehensive Review Reports and other grant actions before the Board at this meeting. He asked for any opening remarks or comments from Board members, of which there were none.

Mr. Scheuermann then asked the Board to consider the minutes from the meeting on February 24, 2015. Ms. Cresswell motioned to approve the minutes and Mr. Farrell seconded the motion. The minutes were unanimously approved.

Mr. Scheuermann asked Timothy Ryan, Secretary to the Board, to provide an overview of the five completed Comprehensive Reviews before the Board (the City of Utica, the City of Elmira, the City of Lockport, the Village of Owego, and the Village of Hoosick Falls) and the additional grants for the City of Jamestown and the Town of Fishkill. Mr. Ryan gave a PowerPoint presentation with a description of the findings and recommendations for each municipality.

Mr. Scheuermann asked about the receptivity to potential shared services endeavors in the City of Utica and nearby municipalities. Mr. Ryan described the efforts of the Board

to work with neighboring governments, including Oneida County, which was very willing to participate.

Mr. Pattison noted that several of the municipalities involved in the Comprehensive Reviews are already working with the Department of State on shared services or projects through the Municipal Restructuring Fund.

Mr. Martins asked if the City of Lockport provides ambulance services. Mr. Ryan responded that the City transferred this responsibility to a private company within the past few years.

Ms. Cresswell stated that the Town of Owego recently began providing fire service, and it could have the capacity to absorb this function from the Village.

Ms. Cresswell gave an overview of the Town of Fishkill's local government data project that is focused on highway department cost and performance data metrics. She described the stages of the project, the potential benefits, and the willingness of several Dutchess County municipalities to participate in a pilot program.

Mr. Martins asked what the financial condition and recent budgets have looked like for the City of Jamestown and the Town of Fishkill since their Comprehensive Reviews were released last year. Mr. Ryan discussed some recent developments, including the high constitutional exhaustion in the City of Jamestown and its ongoing struggles to close budget gaps. The Town of Fishkill was in better financial shape to begin with, and it still has a solid tax base.

Mr. Scheuermann then asked the Board to consider the following Resolutions:

Resolution No. 2016-01: Approving the Comprehensive Review Report and Authorizing Grants for the City of Utica.

Ms. Cresswell motioned to adopt the Resolution. Ms. Destito seconded the motion, and the Resolution was unanimously adopted.

Resolution No. 2016-02: Approving the Comprehensive Review Report and Authorizing Grants for the City of Elmira.

Mr. Martins motioned to adopt the Resolution. Mr. Deyo seconded the motion, and the Resolution was unanimously adopted.

Resolution No. 2016-03: Approving the Comprehensive Review Report and Authorizing Grants for the City of Lockport.

Ms. Destito motioned to adopt the Resolution. Mr. Deyo seconded the motion, and the Resolution was unanimously adopted.

Resolution No. 2016-04: Approving the Comprehensive Review Report for the Village of Owego.

Ms. Destito motioned to adopt the Resolution. Mr. Martins seconded the motion, and the Resolution was unanimously adopted.

Resolution No. 2016-05: Approving the Comprehensive Review Report for the Village of Hoosick Falls.

Mr. Martins motioned to adopt the Resolution. Mr. Pattison seconded the motion, and the Resolution was unanimously adopted.

Resolution No. 2016-06: Authorizing Grants for the City of Jamestown.

Ms. Destito motioned to adopt the Resolution. Ms. Cresswell seconded the motion, and the Resolution was unanimously adopted.

Resolution No. 2016-07: Authorizing a Grant for the Town of Fishkill.

Ms. Destito motioned to adopt the Resolution. Mr. Pattison seconded the motion, and the Resolution was unanimously adopted.

Mr. Ryan mentioned that the Board had received updated information from the Office of the State Comptroller (OSC) to establish a new list of automatically Fiscally Eligible Municipalities. The new data is for 2010 through 2014. Mr. Scheuermann asked the Board to consider the following Resolution on the new data:

Resolution No. 2016-08: Approving the Determination of Automatically Fiscally Eligible Municipalities.

Ms. Destito motioned to adopt the Resolution. Mr. Martins seconded the motion, and the Resolution was unanimously adopted.

Mr. Scheuermann next asked Mr. Ryan to continue his PowerPoint presentation with information on the five new applicants for a Comprehensive Review (the City of Niagara Falls, the City of Troy, the City of Poughkeepsie, the City of Plattsburgh, and the Village of Amityville). Mr. Ryan gave a brief overview of each municipality, including their eligibility data and current financial condition.

Mr. Martins asked about the casino revenue in the City of Niagara Falls, and why the presentation noted its use to support the General Fund. Mr. Ryan replied that the trend of relying more heavily on casino revenue in recent years is worrisome, and that it might be allowing the City to avoid difficult but necessary budget decisions. Ms. Destito commented that there has been some uncertainty about this revenue in previous years and instability. Mr. Ryan noted that the Board and staff will review this issue in the context of the City's Comprehensive Review.

Ms. Destito asked if the Board will follow the same review process for the new applicants as for the previous batch. Mr. Ryan confirmed, and stated that he plans to schedule kick-off meetings in the near future with any accepted municipalities.

Mr. Scheuermann then asked the Board to consider the following Resolutions related to the new applicants for a Comprehensive Review:

Resolution No. 2016-09: Approving the Request for a Comprehensive Review from the City of Niagara Falls.

Ms. Destito motioned to adopt the Resolution. Mr. Martins seconded the motion, and the Resolution was unanimously adopted.

Resolution No. 2016-10: Approving the Request for a Comprehensive Review from the City of Troy.

Mr. Pattison disclosed that he is a resident of Troy, a previous Mayor of Troy, and that his wife is currently employed by the City of Troy. He will ensure that he avoids any conflicts of interest and will recuse himself where necessary.

Mr. Martins motioned to adopt the Resolution. Ms. Destito seconded the motion, and the Resolution was unanimously adopted.

Resolution No. 2016-11: Approving the Request for a Comprehensive Review from the City of Poughkeepsie.

Ms. Destito motioned to adopt the Resolution. Mr. Deyo seconded the motion, and the Resolution was unanimously adopted.

Resolution No. 2016-12: Approving the Request for a Comprehensive Review from the City of Plattsburgh.

Mr. Deyo motioned to adopt the Resolution. Ms. Cresswell seconded the motion, and the Resolution was unanimously adopted.

Resolution No. 2016-13: Approving the Request for a Comprehensive Review from the Village of Amityville.

Mr. Martins motioned to adopt the Resolution. Ms. Destito seconded the motion, and the Resolution was unanimously adopted.

Mr. Ryan discussed the final resolution, which authorizes the Board to provide grants for municipalities to develop multi-year financial plans. He provided a summary of the proposed requirements for a municipality to apply and receive reimbursement.

Ms. Cresswell asked what would qualify as an external advisor. Mr. Ryan responded that the municipality would need to procure the services of an outside consultant.

Mr. Deyo asked what the \$12,500 funding limit was based on. Mr. Ryan replied that the limits were modeled after the planning grants in the Local Government Efficiency Grant program.

Mr. Deyo noted that multi-year financial planning was an important issue for the Office of the State Comptroller, and he did not believe the original language intended for a local match. He believes that the Board should be open to waiving the local costs, as would be allowed under the language in the resolution. He noted that many municipalities without a multi-year financial plan are financially stressed.

Ms. Destito asked if there was available information on which municipalities currently have a multi-year plan already. Mr. Deyo replied that they only find out after an official audit, and there is no other data source on this.

Mr. Scheuermann then asked the Board to consider the following Resolution related to grants for multi-year financial planning:

Resolution No. 2016-14: Approving Grants for Multi-Year Financial Planning.

Ms. Destito motioned to adopt the Resolution. Mr. Deyo seconded the motion, and the Resolution was unanimously adopted.

The meeting was adjourned at approximately 12:26 PM.

Respectfully Submitted,

Timothy Ryan
Secretary