



**Financial Restructuring Board for Local
Governments Meeting**

June 30, 2014

Status of Accepted Municipalities

- Reports Released Today:
 - City of Fulton
 - Town of Fishkill
 - Village of Wilson
- Other Accepted Municipalities:
 - City of Rochester
 - Village of Alfred
 - Village of North Collins (application rescinded)
 - City of Albany
 - City of Jamestown



City of Fulton



City of Fulton

- General Fund Balance decreased from \$2.9 million in 2009 to \$0.9 million at the end of 2012. Another \$300,000 appropriated in the City's 2013 budget
- The City has increased the tax levy by nearly 15 percent since 2011, and property values have been declining
- 2014 property tax rate is \$19.66 per thousand of assessed value
- Significant loss of manufacturing/industrial base

The image is a blue-tinted photograph of the New York State Capitol building. In the foreground, there is a large, circular seal or coin. The seal features the text "NEW YORK 1788" at the top, "GATEWAY TO FREEDOM" at the bottom, and a central emblem of a figure holding a torch. The background shows the grand architecture of the Capitol building, including its columns and dome, under a clear sky. A street lamp is visible on the right side of the frame.

Findings and Recommendations

City of Fulton

Shared Services

- Survey of services provided by neighboring municipalities shows several areas of overlap
- The Board has engaged Oswego County in shared services discussions, and while specific functions/activities that are strong candidates are not yet identified, the County and City agree that opportunities exist

Recommendations:

- The City, in conjunction with the County and neighboring municipalities, should develop and implement a shared services plan. The Board may provide a grant to assist with implementation of the plan.
- *Any additional awards or grants would be contingent upon successful development and implementation of this shared services plan*

City of Fulton

Economic Development

- The State's Enacted 2014-15 Budget will assist with the City's economic development climate
- Former Nestle buildings need to be demolished to prep site for redevelopment
- City owned property adjacent to Oswego River and State Route 481 has been difficult to redevelop without municipal sewer access
- The City could pursue legislation for a local Real Property Tax exemption program to encourage investment in housing and mixed-use buildings

City of Fulton

Economic Development

Recommendations:

- The Board may provide a grant of up to \$50,000 to assist in updating or revising a Comprehensive Master Plan
- The Board may provide a grant of up to \$100,000 to defray the costs of extending sewer infrastructure, tied to new businesses/job creation
- The Board may provide a grant of up to \$250,000 toward demolition costs at the former Nestle site, tied to new businesses/job creation

City of Fulton

Workforce

- The City's per capita expenditures on police and fire protection are high relative to other Upstate cities
- Contractual staffing obligations may contribute to higher public safety costs. The City should address work rules and requirements in the next round of labor negotiations
- The City would likely qualify as an eligible municipality under the reforms to binding arbitration that were included in the State 2013-14 Enacted Budget

City of Fulton

Procurement

- The City does not have a purchasing agent or centralized purchasing, and the procurement policy is outdated
- The City should update its Charter to match General Municipal Law. Designation of a centralized purchasing officer might be beneficial

Debt

- Debt service is less than three percent of General Fund spending, and the City works with a financial advisor

Town of Fishkill



Town of Fishkill

- Significant fund balance deficits in major funds at the end of 2012 (-\$2.6 million for Town Outside of Village General Fund)
- OSC audit uncovered unrealistic budgets, misused funds, and \$10.3 million in outstanding interfund transfers
- New administration (2012) increased the tax levy by 24 percent in 2013 and increased water and sewer rates. The Town stayed within the tax cap for 2014.
- The Town plans to pay down accumulated debts and remedy structural imbalances by 2016

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Findings and Recommendations

Town of Fishkill

Shared Services

- Survey of services provided by neighboring municipalities shows several areas of overlap
- The Town should pursue shared service opportunities with its neighbors

Town of Fishkill

Water/Sewer District Consolidation

- 19 districts – significant potential for consolidation and efficiency improvements
- The Town received a \$50,000 grant from the Department of State in 2010 to study consolidation

Recommendation:

- The Board may award a grant of up to \$100,000 to offset implementation costs, contingent upon the completion of the study and subsequent consolidation actions

Town of Fishkill

Town/Village Police Study

- Both the Town and Village of Fishkill currently operate part-time police forces
- Both municipalities are open to considering a possible consolidated police force
- The Town and Village should seek funding from the Department of State's Local Government Efficiency Grant program for planning funding and eventually for implementation funding

Town of Fishkill

Data Benchmarking Cooperative

- The Town Supervisor has expressed a desire to have comparable performance data for specific operational costs (the cost to pave a mile of highway, etc.)
- A data benchmarking project could be expanded to all of Dutchess County and eventually serve as a state-wide model

Recommendation:

- The Board may provide a grant of \$38,000 for internal town documentation. The Board may eventually provide an additional grant for a county-wide project

Village of Wilson



Village of Wilson

- The Village has a population of 1,264 and a General Fund budget of \$715,000, with 6 full-time and 3 part-time staff
- \$1.6 million in total outstanding debt at the end of 2013 (primarily for a sewer project)
- 2013 General Fund Balance over 25 percent of budget
- The 2014 budget appropriates \$109,027 in fund balance but still leaves a healthy \$99,725 (13.9 percent of expenditures) in the General Fund

The image is a blue-tinted photograph of the New York State Capitol building. In the foreground, a large circular seal is overlaid, featuring the text "NEW YORK 1788" at the top and "GATEWAY TO FREEDOM" at the bottom, with a central emblem. The text "Findings and Recommendations" is centered in the middle of the image in a bright yellow font.

Findings and Recommendations

Village of Wilson

- The surrounding Town of Wilson has been supportive of Village dissolution
- The Village of Wilson recently received a petition by Village residents to hold a referendum on dissolution. The Village Board scheduled this vote for August 26th
- If the Village were to dissolve, the Town would receive an estimated \$180,000 annually from the Citizens' Empowerment Tax Credit program
- The Village should consider dissolution



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