

Financial Restructuring Board for Local Governments

RESOLUTION No. 2014-10

APPROVING THE COMPREHENSIVE REVIEW REPORT FOR THE TOWN OF  
FISHKILL

WHEREAS, pursuant to New York State Local Finance Law section 160.05 (3), upon the request of a fiscally eligible municipality, by resolution of the governing body of such municipality with the concurrence of the chief executive of such municipality, the Board may undertake a comprehensive review of the operations, finances, management practices, economic base and any other factors that in its sole discretion it deems relevant to be able to make findings and recommendations on reforming and restructuring the operations of the fiscally eligible municipality (the "Comprehensive Review"); and

WHEREAS, on November 19, 2013 the Board of the Financial Restructuring Board (the "Board") approved Resolution No. 2013-06 agreeing to undertake a Comprehensive Review of the Town of Fishkill (the "Town") in accordance with New York State Local Finance Law section 160.05(3); and

WHEREAS, the Board subsequently undertook a Comprehensive Review of the Town; and

WHEREAS, pursuant to New York State Finance Law section 54(10)(t)(ii), the Board may award funding under the Local Government Performance and Efficiency Program to fiscally eligible municipalities for financial restructuring and related purposes, as determined by the Board;

NOW THEREFORE BE IT RESOLVED that the Board approves the attached report on the Comprehensive Review of the Town and all of the findings and recommendations therein (the "Comprehensive Review Report"); and

BE IT FURTHER RESOLVED that if the Town agrees to abide by and implement one or more of the recommendations contained in the Comprehensive Review Report, the Board may, in its sole discretion, award funding to implement the recommendations of the Report; the specific structure and conditions of any such funding, which would be developed in consultation with the Town, and any other aspects of such funding would be subject to an affirmative vote of a majority of the total members of the Board at a later date.

This resolution shall take effect immediately and remain in effect until modified, replaced or repealed by resolution of the Board.

No. 2014-10

Dated: 6-30-14

A handwritten signature in black ink, consisting of a stylized, cursive 'S' followed by a horizontal line extending to the right.

**Financial Restructuring Board**  
*for Local Governments*

**Comprehensive  
Review Report**

**Town of Fishkill**

**June 2014**

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## Overview

The Town of Fishkill is a large Upstate town in Dutchess County established in 1788. With a population of 23,049 at the 2010 Census, it is the 67th largest town in New York State and the 4th largest town in Dutchess County. 2012 expenditures of \$12.9 million was the 88th most of all towns.

The Town is governed by a Supervisor and a four-member Town Board. Both the Supervisor and the Town Board are elected townwide for four-year terms. Other elected officials include the Clerk and the Highway Superintendent.

The Town Board adopted and the Supervisor concurred with a resolution requesting a Comprehensive Review by the Financial Restructuring Board (see Appendix A). On November 19, 2013, the Financial Restructuring Board approved this request for a Comprehensive Review with Resolution No. 2013-06 (see Appendix B).

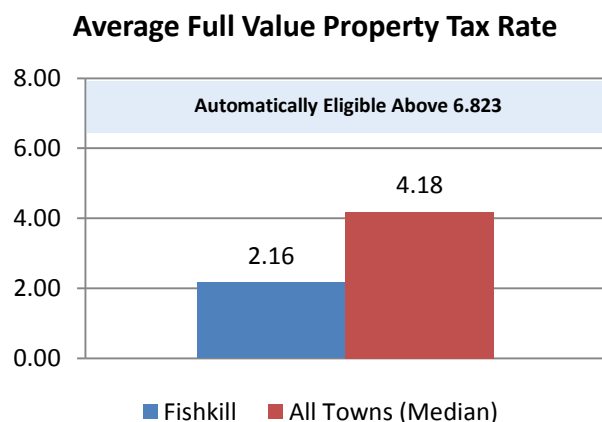
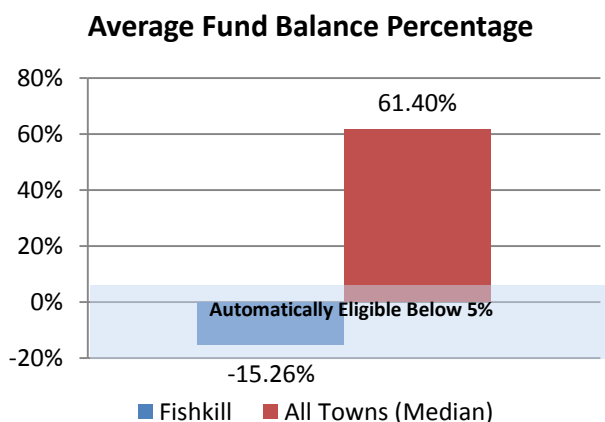
This Comprehensive Review first gives some background on the Town's fiscal eligibility and demographic profile. It then provides information on the organization and finances of the Town. Finally, it presents the Comprehensive Review's findings and recommendations.

## Background

### Fiscal Eligibility and Stress

The Town of Fishkill is automatically considered a Fiscally Eligible Municipality because its Average Fund Balance Percentage (2008-2012) of -15.26 percent is below five percent. This is the 4th lowest for towns.

The Town's Average Full Value Property Tax Rate (2008-2012) of \$2.16 per \$1,000 is below \$6.823 - the 75th percentile for all municipalities. This is the 786th highest for towns.



The Office of the State Comptroller's (OSC) Fiscal Stress Monitoring System rates the Town of Fishkill as having Significant Fiscal Stress with the second highest score of towns that are rated. This score is primarily the result of having a low fund balance. The Town's General Fund Assigned/Unassigned Fund Balance as a Percentage of Expenditures and its General Fund Total Fund Balance as a Percentage of Expenditures have both been negative every year from 2010 to 2012. Both of these measures improved significantly from 2011 to 2012, going from -32.8 percent to -2.9 percent and going from -30.1 percent to -2.5 percent, respectively.

Other contributing factors to this rating are a low cash ratio and high debt service spending. The Town's cash ratio (cash as a percentage of current liabilities) in 2012 was 36.8 percent, which is significantly below the median for all towns of 455.2 percent. The Town's three-year average of debt service as a percentage of total revenues of 26.1 percent is significantly higher than the median percentage for all towns of 4.3 percent. OSC projects that the Town's score will decrease slightly in 2013, but will remain at a level of Significant Fiscal Stress.

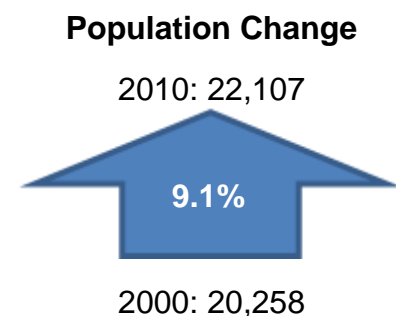
OSC's Fiscal Stress Monitoring System gives the Town of Fishkill an Environmental Rating of No Designation with a score of 13.3 percent, which is lower than the median of 17.5 percent for all towns that are rated (a local government would receive a designation with a score of 30.0 percent or higher). The Town's recent decreases in property value (an average decrease of 2.9 percent over the past four years) was the main factor contributing to this score. The median change in property value for other towns that are rated was a 2.5 percent increase.

### **Demographic and Socioeconomic Profile**

The Town's population grew 9.1 percent from 2000 to 2010, to 22,107. This growth is more than the 0.7 percent population growth experienced by the typical town over that same period.

The Town of Fishkill's median household income in 2011 was \$78,651, which is more than the typical town's median household income of \$52,047.

The Town's median home value of \$304,800 is more than the median home value of the typical town of \$117,550. The Town's property value per capita of \$118,537 is also more than the property value per capita of the typical town (with a 2012 OSC fiscal stress score) of \$64,751. Although the value of property in the Town is high, the four-year average change in property value is a decrease of 2.9 percent, which is less than the average increase of the typical town (with a 2012 OSC fiscal stress score) of 2.5 percent.



The surrounding county's unemployment rate of 7.4 percent is lower than the unemployment rate of the typical town (with a 2012 OSC fiscal stress score, or its surrounding county if the town has a population less than 25,000) of 8.1 percent. With a child poverty rate of 3.8 percent, the Town of Fishkill has a lower child poverty rate than the typical town (with a 2012 OSC fiscal stress score), which is 12.3 percent.

## **Organization and Finances**

### **Organizational Profile**

The Town is governed by a Supervisor and a four-member Town Board. The Supervisor is elected townwide for a four-year term, which expires December 31, 2015. The Town Board is elected townwide for staggered four-year terms, two of which expire December 31, 2015 and two of which expire December 31, 2017. Other elected officials include the Clerk and the Highway Superintendent.

The Town has several primary departments or offices: the Supervisor's office, the Clerk's office, the Police Department, Planning and Zoning, Parks and Grounds, the Highway Department, Recreation, the Comptroller's office, the Receiver of Taxes, the Assessor's office, and the Justice Court.

Currently, the Town has 38 full-time employees and 82 part-time employees, excluding seasonal workers. 45 police employees are represented by the Town of Fishkill Police Fraternity, Inc. and have a contract through December 31, 2014. Ten highway employees are represented by the International Brotherhood of Teamsters, Local 445, and they are currently in negotiation with the Town. Another 23 employees across several departments are in the process of organizing to be represented by the IBT Chauffeurs, Teamsters, & Helpers Local 445. All full-time employees contribute 15 percent of the premium for health insurance plans.

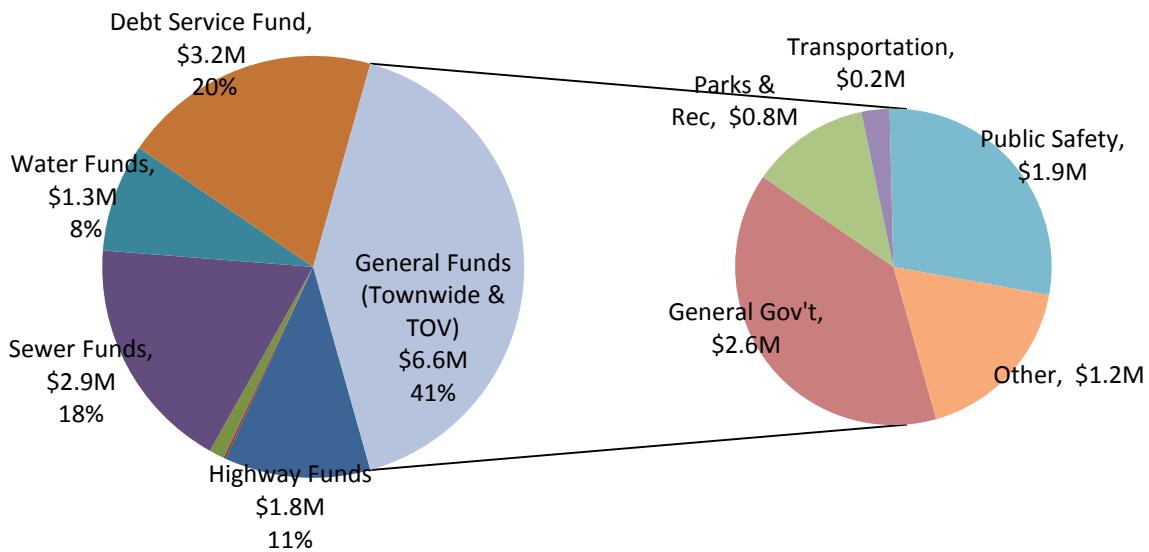
The Town also runs a number of special districts. This includes an ambulance district, 7 lighting districts, 12 sewer districts, and 7 water districts.

### **Budget Profile**

The Town's 2014 all funds preliminary budget appropriations total \$16.1 million, after adjusting for debt service and other transfers. This is a \$1.4 million (9.2 percent) increase from the 2013 all funds adopted budget, which is driven by a \$1.0 million increase in the Dutchess Park Sewer Fund.

For the Townwide General Fund and the Town Outside of Village (TOV) General Fund combined, the largest appropriation in the 2014 preliminary budget is for police (\$1.9 million, all of which is from the TOV General Fund; 21.2 percent of combined appropriations).

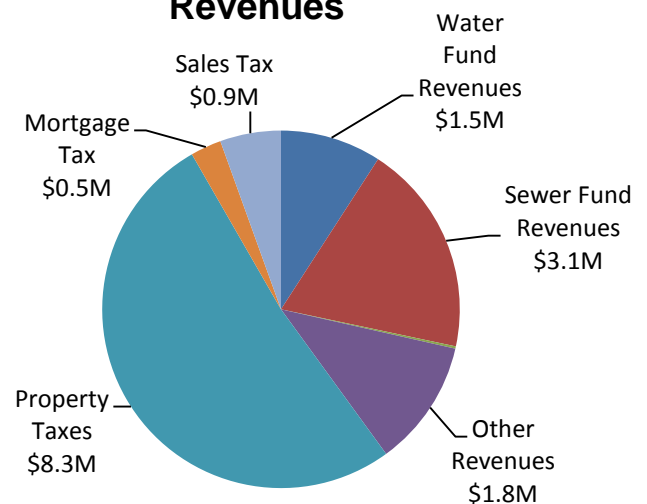
### Town of Fishkill 2014 Appropriations



The largest revenue source is the property tax levy (51.8 percent of all funds revenues, adjusted for interfund transfers and debt service, and 54.9 percent of combined General Fund revenues). The 2014 levy of \$8.32 million was a 1.9 percent increase from the prior year.

According to its 2012 Financial Statements, the Town had \$17.0 million in total outstanding long-term debt and \$7.6 million in bond anticipation notes at the end of 2012. During the year, the Town converted \$12.3 million of Environmental Facilities Corporation financing for Rombout Sewer Plant capital improvements from short-term to long-term. The Town also issued \$3.2 million in tax anticipation notes in 2012 and renewed another \$918,000 in bond anticipation notes in January of 2013. As of

### Town of Fishkill 2014 Revenues





its 2012 Annual Financial Report, the Town's bond rating from Moody's was Baa3 with a negative outlook, which is one step above "junk bond" status. In August 2013, Moody's changed the Town's outlook to stable but reaffirmed the Baa3 rating.

As of its 2012 Audited Financial Statements, the Town had a Total Governmental Funds Balance of -\$7.4 million. This was largely driven by a fund balance of -\$6.2 million in the Capital Projects Fund as a result of bond anticipation notes that are not yet recognized as revenue. However, some individual funds in the remaining categories had significant negative fund balances, such as the Town Outside of Village General Fund (-\$2.6 million, or -109.3 percent of expenditures), the Dutchess Park Sewer District (-\$1.0 million, or -67.1 percent of expenditures), and the Town Outside of Village Highway Fund (-\$0.4 million, or -48.9 percent of expenditures).

The current Town Supervisor took office in 2012 and immediately began to uncover a series of financial and administrative issues that masked significant structural issues facing the Town. For example, an OSC audit covering the period of January 1, 2012 through March 31, 2013 cited the Town for adopting unrealistic budgets over the past four years and for relying on interfund transfers to cover expenses. At the end of 2012, the Town had \$10.3 million in outstanding interfund transfers. The audit also found that the Town misused donated funds for operating purposes instead of their intended purposes.

The new Town administration uncovered accumulated deficits in nearly every major fund. Through 2012, accumulated deficits totaled nearly \$3.5 million (excluding capital funds), or over 20 percent of the all funds budget. As is typically the case, the result of prior years' overspending has left the Town with over \$3 million in short-term debt.

To the credit of the new Supervisor and Board, the Town has acted swiftly and prudently to address these issues and return annual operations into balance. Upon the review of each fund, the Town determined that it needed to immediately increase revenue, including property taxes and water and sewer rates where necessary.

For the 2013 budget, the Town increased the tax levy from \$6.6 million to over \$8.1 million, a 24 percent increase. This significant action began to restore fiscal balance to the Town. For the current fiscal year (2014), the Town did not have to exceed the property tax cap, levying approximately \$8.3 million, a 1.9 percent increase.

The Town has publicly committed to paying down the accumulated debts by 2016, a short four years from ascertaining the full extent of the annual structural imbalances. As noted, this aggressive self-defeatance of debt relies in major part on a series of multi-year property tax increases. While raising property taxes is never an easy action to implement, taxes prior to this point in time have been relatively low. Even with the substantial tax increase for 2013 and additional incremental increase for 2014, the homestead (residential) tax rate in 2014 is still a favorable \$2.77 per \$1,000 of

assessed value. While it might be too soon to pinpoint funding needs for the 2015 fiscal year, a modest tax increase may be necessary in order to achieve fund balance equity by 2016.

The Town Supervisor understands that much more work is necessary to sustain Town operations going forward. The findings and recommendations set forth in this report are designed to foster future cost savings actions, continuing the administration's overhaul of townwide operations and the delivery of services for residents and taxpayers.

## Findings and Recommendations

After a review of the Town's operations, the Board has identified findings and recommendations in the following areas: shared services, water and sewer district consolidation, Town and Village police consolidation, and development of performance metrics.

### Shared Services

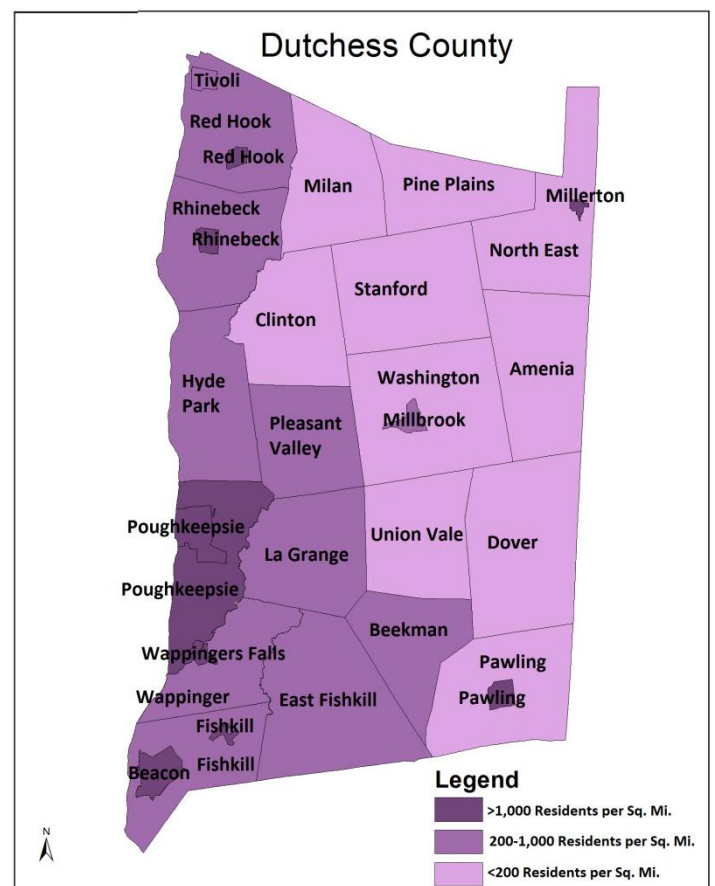
#### Regional Government Context

As of the 2010 Census, Dutchess County had a population of 297,488 and was the 10th most populous county of the 57 counties outside of New York City. With a land area of 795.6 square miles, it is the 26th largest county. With a population density of 374 residents per square mile, it is 13th most densely populated county.

The County is governed by a 25-member County Legislature and a County Executive. Other elected County officials include: the Comptroller, the Sheriff, the District Attorney, and the Clerk. As of 2012, the County had total expenditures of \$462 million, which is the 11th highest for counties, and total expenditures per capita of \$1,552, which is the 52nd highest for counties.

Within the County, there are 2 cities, 20 towns, 8 villages, 13 school districts, and 26 fire districts and more than 150 town special districts and other entities.

The Town of Fishkill is in the southwest corner of the County, and it fully encompasses the Village of Fishkill and the City of Beacon. The Towns of East Fishkill and Wappinger are directly adjacent to the Town of Fishkill.



### Survey of Shared Services

A survey was conducted to gather information on the general functions of the Town, County, and neighboring municipalities to ascertain duplication of services and potential areas for further consolidation. The Town of Fishkill was asked to briefly describe current shared service arrangements in each service/function area and identify any obstacles or opportunities for additional shared services.

The full summary of results identifying which services are provided by each municipal entity is provided in Appendix C.

### Property Tax Credit Program

As part of the 2015 State Budget, Governor Cuomo advanced and the Legislature enacted a new Property Tax Credit to provide relief to New York homeowners and address one of the primary drivers of the State's high property taxes – the outsized number of local governments. The property tax relief package is designed to incentivize local governments and school districts to share services and reduce their financial burden on the taxpayer.

In the first year under the reform plan, New Yorkers will receive property tax relief if their local governments stay within the property tax cap. The property tax cuts will be extended for a second year in jurisdictions which comply with the tax cap and put forward a plan to save one percent of their tax levy per year, over three years.

For the Town of Fishkill, this prospective plan will need to generate savings of one percent of its tax levy, which would be \$83,000 annually on an \$8.3 million levy. Based on the Index of Municipal Services Provided in Appendix C, the Town of Fishkill, Village of Fishkill, City of Beacon, Dutchess County, and Towns of Wappinger and East Fishkill all provide duplicative services. If the Town were to consolidate functions or enter into intermunicipal agreements to share services in these areas, the savings generated from these actions would help the Town meet the one percent threshold for the Tax Credit.

### Local Government Efficiency Grant Program

If the Town of Fishkill would like to pursue shared services opportunities, the State offers competitive grants through the Local Government Efficiency Grant Program (LGEG) to local governments for planning or implementing a local government efficiency project, including sharing services, functional consolidation, and regional service delivery. The maximum grant for an implementation project is \$200,000 per municipality/\$1 million per grant. The maximum grant for a planning project is \$12,500 per municipality/\$100,000 per grant. Planning projects require a 50 percent local match and implementation projects require a 10 percent local match. If a planning project is

later implemented, the local match for implementation is offset by the amount of the local match for the planning project.

LGEG is administered by the Department of State. More information on grant requirements and how to apply for them is available at <http://www.dos.ny.gov/lg/lge/grant.html>.

## Water and Sewer District Consolidation

The Town of Fishkill's contemplation of the consolidation of its water and sewer districts has two potential benefits: 1) increased internal efficiency and potential savings, and 2) integration and/or consolidation into a "tri-muni" system with the City of Beacon and the Village of Fishkill.

### Intra-town Consolidation

Currently, the Town of Fishkill has 12 sewer districts and 7 water districts. Additionally, the Town has several 40-year contracts with both the City of Beacon and the Village of Fishkill to provide sewer and water services.

In an attempt to potentially reduce the overall number of special districts and improve district administration, the Town applied for, and received, a \$50,000 High Priority Planning grant from the Department of State's LGEG program to study the feasibility of consolidating the Town's water and sewer districts. The study is to review the cost, management and operation of the existing special improvement districts; projections of cost, management and operation of consolidated special improvement districts; determinations with regard to operational, management and cost efficiencies that may or may not result from consolidation of the districts. Some of the issues hindering the development of uniformity among the districts include:

- A clear and precise delineation of district boundaries. *Some of the districts have never been mapped.*
- Lack of consistency among the districts for allocating special assessments. *Assessments may be based on usage versus home value.*
- Analysis of bonded indebtedness, including capital charge assessments and the remaining payback period. *Not all special districts have capital debt.*
- Multiple existing contracts for service, source or treatment.
- Evaluation of current rate structures to support operational expenditures. *Water rates vary significantly between districts from \$13.70/1000cf to \$65/1000cf. Sewer rates vary from \$44.28/1000cf to \$97.29/1000cf.*

These complexities have hindered the development of the Town's special district consolidation study. In addition, the Town's lack of capacity to manage such a complex study has also been an issue. Recently the Town remedied this situation by partnering with the City of Beacon and the Village of Fishkill to perform a feasibility study of wastewater treatment and collection system consolidation, where the Town has negotiated an arrangement to include the internal Town consolidation study as additional and/or alternate scope of work within the scope of the City of Beacon study's Request for Proposals.

Moving forward, the Town feels that the reduction in the number of special sewer and water districts will create efficiencies and cost savings in addition to facilitating ease of possible future consolidation with the City of Beacon and Village of Fishkill's sewer and water systems.

#### Current City of Beacon Efforts

The City of Beacon study seeks to determine the feasibility of a consolidated City, Town of Fishkill, and Village of Fishkill system in order to address outstanding issues cited by the State. The City now operates its sewer facility under a consent decree from the Department of Environmental Conservation. The focus of the study, in part, is to determine whether a consolidation of Town and City sewer can help correct inflow and infiltration issues within the Beacon System. Dutchess County is providing some funding for the City of Beacon study through the County's Municipal Consolidation and Shared Services Grant Program.

The Town's hope is that the two studies will complement each other. A consolidated Town of Fishkill sewer system would be much simpler to consolidate into the City of Beacon system.

The Department of State's LGEG program has seen that the consolidation of water and sewer districts often generate an annual savings, but more importantly provide an increased level of service and accountability to the district's customers. These consolidations also often result in improvements to infrastructure through capital investment and maintenance of the systems through the development of asset management and multi-year capital planning programs.

#### Recommendation

The Board recommends that the Town continue its efforts to consolidate many of its 19 water and sewer districts to achieve efficiencies, cost savings, and potential further consolidation with the City of Beacon. If the Town agrees to abide by and implement this recommendation, the Board may, in its sole discretion, award a grant of up to \$100,000 to offset implementation costs, contingent upon the completion of the Town's special district consolidation study and any subsequent consolidation actions. The specific structure and conditions of such grant, which would be developed in consultation with the Town, and any other aspects of such grant would be subject to an affirmative vote of a majority of the total members of the Board at a later date.

## **Town and Village Police Consolidation**

### Town of Fishkill

The Town of Fishkill has a 24-hour, 7-day per week police department staffed with 45 part-time officers. The Town spent nearly \$1.8 million on police services in 2013, including benefits. Using part-time officers requires flexibility in scheduling. The schedule ensures at least two officers for each six hour shift with four shifts per day, seven days per week, creating 24/7 coverage. The normal Town shift utilizes two cars with two officers each. Typically, there is also an additional officer for two shifts each on Friday and Saturday. In addition to patrol coverage, the Town also schedules detectives for approximately 100 hours per week and a community policing officer at 20 hours per week. The dispatch is performed in house by civilian police assistants. Additionally, the County fields 911 calls and polls for responses. The State Police and Dutchess County Sheriff provide backup coverage.

### Village of Fishkill

The Village of Fishkill runs a part-time police force with officers working six hour shifts, 24 hours per day from Wednesday through Saturday and three six hour shifts from Sunday through Tuesday. The Village spent \$520,214 on police services in 2013. Part-time officers are limited to no more than 20 hours per week. The normal Village shift utilizes two cars with two officers each. The dispatch for the Village is performed by the County's 911 center. Calls are forwarded to the Town, State Police, and Dutchess County Sheriff when the Village shifts are not covered. The Village also has two officers working 20 hours per week dedicated to vehicle and traffic duty.

### Town and Village of Saugerties Police Consolidation

In a similar situation, Town and Village of Saugerties (Ulster County) conducted a feasibility and financial analysis study looking at merging police services. At that time, the Town and Village had 11 and 6 full-time police officers respectively, not including supervisory positions. The Division of Criminal Justice Services found that 12 full-time officers would be sufficient to provide minimum coverage for the Town and Village combined. In March of 2010, Village residents approved the police department consolidation by almost a two-to-one margin and the consolidation took effect on January 1, 2011. Benefits of the police consolidation included improved police services to both Town and Village residents with significant savings for Village taxpayers. With the consolidation, the police department has been able to receive accreditation for the department, which was not possible for either of the former departments. The projected savings amounted to a 21 percent reduction for the first two years and 30 percent for year three. In fiscal year 2012, the Village of Saugerties tax rate decreased by approximately 21 percent from the previous year.



Based on this result, the Town of Fishkill may wish to pursue a consolidation of police departments with the Village, maintaining a part-time police force that could provide services with fewer total employees, improved shift coverage, and cost savings for both municipalities.

Through initial conversations with the Town Supervisor on the topic of police consolidation, there exists general openness and receptivity to the topic of consolidation at the Town and Village levels. Based upon this initial receptivity and the recognition of the potential merits and savings opportunities that might exist through consolidation, the Board finds that the Town and Village should continue to discuss and pursue a potential venture.

The Town and Village should seek grant funding from the Department of State's LGEG program for planning funding and eventually for implementation funding.

## **Municipal Performance Metrics and Data Collection Cooperative**

### Relevant Background

The Town of Fishkill has effectively assessed and confronted its structural fiscal difficulties. As evidence of this, and as noted earlier in this report, the governing board has crafted a financial plan to return the Town to fiscal solvency over the next two years. Officials are quick to point out that this does not mean that all services and systems are operating in a streamlined, efficient manner. Local leaders want to accurately understand the cost of operations as a precursor to any effort to adjust service priorities, weigh shared service options, or invest in infrastructure. Unfortunately, the data needed to evaluate those costs is not available.

Town officials have the analytic capacity to employ data in decision making and have expressed interest in using data to evaluate options that deliver cost savings, long-term flexibility, and/or reasonable investment returns. Officials are not interested in data tools that concern only the Town's records; rather they would like statewide information that is searchable, comparative, and defined in ways that suit analytic purposes. For example, what is the comparative cost among municipalities to pave or plow a lane mile; produce a gallon of potable water; treat a gallon of wastewater, etc.?

The Board concurs that there is value in building local government data resources so they are available to users for search, comparison, and investigation. This type of initiative would help to provide a proof of concept for a potential statewide data rollout.

The project would build digital records, using all relevant industry standards, and determine the clusters of information that are sensibly related to the measures the Town wishes to produce. Once assembled, the Town can use the data to answer questions about service differences and costs. The Town would gain key digital records, a consistent platform for maintaining and querying those records, and the ability to understand and use the resulting data results in its decisions.

This effort could be expanded to a Dutchess County model that could hopefully serve to be replicated by other willing counties and their governments, in furtherance of a potential statewide or multi-regional data metric repository.

### Recommendation

The Board recommends that the Town produce town-level cost and performance data in selected areas of operation that is tied to industry standards and the requirements of "good" data (complete, consistent, accurate, and based on the relevant industry standard). If the Town agrees to abide by and implement this recommendation, the Board may, in its sole discretion, award a grant of up to \$38,000 to assist with

developing this performance system. The specific structure and conditions of such grant, which would be developed in consultation with the Town, and any other aspects of such grant would be subject to an affirmative vote of a majority of the total members of the Board at a later date.

Subsequently thereto, the Board also recommends that the Town work with Dutchess County to expand this effort on a countywide basis - across all remaining local governments in the County based on the standardized data metrics that emerge from the Town initiative. If the Town and County agree to abide by and implement this recommendation, the Board may, in its sole discretion, award additional funding to assist with developing this expanded performance system. The specific structure and conditions of such grant, which would be developed in consultation with the Town, and any other aspects of such grant would be subject to an affirmative vote of a majority of the total members of the Board at a later date.

## **Conclusion and Next Steps**

If the Town agrees to abide by and implement one or more of these recommendations, the Board may, in its sole discretion, award any of the following grants to implement the recommendations of this report:

- Up to a \$100,000 grant to offset implementation costs associated with the Town's efforts to consolidate many of its 19 water and sewer districts to achieve efficiencies, cost savings, and potential further consolidation with the City of Beacon, contingent upon the completion of the Town's special district consolidation study and any subsequent consolidation actions; and/or
- Up to a \$38,000 grant to assist with developing a performance system of town-level cost and performance data in selected areas of operation that is tied to industry standards and the requirements of "good" data (complete, consistent, accurate, and based on the relevant industry standard). Additional funding may be awarded to assist with expanding this effort on a countywide basis - across all remaining local governments in the County based on the standardized data metrics that emerge from the Town initiative.

The specific structure and conditions of any such grants, which would be developed in consultation with the Town, and any other aspects of such grants would be subject to an affirmative vote of a majority of the total members of the Board at a later date.

## Appendix A - Letter and Resolution from the Town of Fishkill

Robert P. LaColla  
Supervisor  
E-mail: [supervisor@fishkill-ny.gov](mailto:supervisor@fishkill-ny.gov)  
(845) 831-7800 Ext. 3309  
(845) 831-6040 Fax



Fishkill Town Hall  
807 Route 52  
Fishkill, NY 12524-3110  
website: [www.fishkill-ny.gov](http://www.fishkill-ny.gov)

October 29, 2013

Mr. Robert L. Megna  
Chair, Financial Restructuring Board  
Financial Restructuring Board for Local Governments  
State Capitol  
Albany, New York 12224

Dear Mr. Megna:

I am writing in response to your letter offering the Town of Fishkill a Comprehensive Review of the Town's operations. The Town Board appreciates this initiative as a valuable exercise that can benefit our community. On October 23, 2013, the Town Board unanimously adopted Resolution No. 2013-238 approving a request for assistance from the NYS Financial Restructuring Board. As Supervisor of the Town of Fishkill, I completely support the Town Board's approval and request for a Comprehensive Review.

Although the Town of Fishkill has made significant improvements in operations and finances, we recognize that significant challenges remain. Many necessary capital projects were neglected due to budget deficits. And while we have corrected our revenue streams to sustainable levels, we will not be in the black until 2016. Until then, we want to ensure that we seize every opportunity to improve our operations and service levels.

We also see the potential in collaborating with other municipalities to improve utilities, enhance economic development opportunities, to deliver more efficient service and to reduce costs. However, many of these opportunities require assets such as additional staffing, ready cash or legitimate long-term debt. Our current financial situation strains our ability to generate the assets needed to bring about some significant long-range improvements.

We are hoping that your assistance can help us discover further cost reductions and a course to greater efficiencies in our operations. If successful, we can free the funds needed for capital projects. Thank you for your consideration.

Sincerely,

Robert P. LaColla  
Supervisor

**RESOLUTION NO. 2013-238**

**RESOLUTION APPROVING REQUEST FOR ASSISTANCE FROM THE NEW YORK STATE FINANCIAL RESTRUCTURING BOARD**

At the Regular Meeting of the Town Board of the Town of Fishkill, Dutchess County, New York, held at Francois R. Cross meeting room, 807 Route 52, Fishkill, New York, on the 23<sup>rd</sup> day of October, 2013, at 7:00 P.M.

The meeting was called to order by Robert LaColla, Supervisor, and upon roll being called, the following were present:

**PRESENT:** Supervisor - Robert LaColla  
Council Members - Kurt Buck  
Brian Callahan  
Timothy Tuttle

**ABSENT:** Tony Curry

The following Resolution was introduced by Supervisor LaColla and seconded by Councilman Buck.

**WHEREAS**, the Town of Fishkill has experienced significant financial stress in recent years; and,

**WHEREAS**, the New York State Financial Restructuring Board has offered to perform a comprehensive review of Town operations and finances in order to make recommendations for improvement; and,

**WHEREAS**, the State requires that the Town adopt a Resolution in support of a request to the Financial Restructuring Board in order for the Financial Restructuring Board to consider a request for services; and,

**WHEREAS**, the State further requires that the Town's Chief Executive submit a letter requesting the services of the Financial Restructuring Board,

**NOW, THEREFORE, BE IT RESOLVED**, that the Town Board of The Town of Fishkill hereby does approve and endorse the application for assistance from the New York State Financial Restructuring Board.

The foregoing was put to a vote which resulted as follows:

Robert LaColla, Supervisor	aye
Kurt Buck, Council Member	aye
Brian Callahan, Council Member	aye
Tony Curry, Council Member	absent
Timothy Tuttle, Council Member	aye

Dated: Fishkill, New York  
October 23, 2013



**Darlene Bellis**

Darlene Bellis, Town Clerk

## **Appendix B - Resolution Approving the Town of Fishkill**

Financial Restructuring Board for Local Governments

RESOLUTION No. 2013-06

### APPROVING THE REQUEST FOR A COMPREHENSIVE REVIEW FROM THE TOWN OF FISHKILL

WHEREAS, pursuant to New York State Local Finance Law section 160.05 (2)(b), the Board of the Financial Restructuring Board (the "Board") must find that the Town of Fishkill (the "Town") is a Fiscally Eligible Municipality because it has an average fund balance percentage of -15.26 percent, which is less than 5 percent; and

WHEREAS, pursuant to New York State Local Finance Law section 160.05 (3), upon the request of a fiscally eligible municipality, by resolution of the governing body of such municipality with the concurrence of the chief executive of such municipality, the Board may undertake a comprehensive review of the operations, finances, management practices, economic base and any other factors that in its sole discretion it deems relevant to be able to make findings and recommendations on reforming and restructuring the operations of the fiscally eligible municipality (the "Comprehensive Review"); and

WHEREAS, on November 12, 2013, the governing body of the Town with the concurrence of the Town's chief executive requested that the Board undertake a Comprehensive Review of the Town;

NOW THEREFORE BE IT RESOLVED that the Board agrees to undertake a Comprehensive Review of the Town in accordance with New York State Local Finance Law section 160.05(3).

This resolution shall take effect immediately and remain in effect until modified, replaced or repealed by resolution of the Board.

No. 2013-06

Dated: \_\_\_\_\_



**Appendix C - Index of Municipal Services Provided**

Index of Municipal Services Provided							
Service/Function	Town of Fishkill	Village of Fishkill	City of Beacon	Dutchess County	Town of East Fishkill	Town of Wappinger	Comments
Police/Patrol	X	X	X	X	X		Town of Wappinger contracts with the County Sheriff. Town and Village of Fishkill both have part-time police forces. City of Beacon and Town of East Fishkill both have full-time police forces.
Dispatch/E-911	X		X	X	X		911 polls all agencies including NYS Police. Village of Fishkill uses NYS Police for dispatch. Town of Wappinger uses the County for dispatch.
Fire	X	X	X		X	X	City of Beacon has started discussions with area fire departments. Town of Fishkill and Town of Wappinger have volunteer non-coterminous fire districts. Village of Fishkill has a volunteer coterminous fire district. Town of East Fishkill has a volunteer coterminous fire department. City of Beacon has a paid chief, paid staff, and volunteer staff.
Ambulance/EMS	X		X		X	X	Town of Fishkill served by two districts: private contract and Beacon volunteer. Village of Fishkill served through Town contract. Towns of East Fishkill and Wappinger both have volunteer service.
Tax Collection	X	X	X	X	X	X	
Tax Bill Printing				X			County supplies all municipalities.
Tax Foreclosure			X	X			
Assessing	X		X		X	X	Town of Wappinger and Town of Fishkill share an assessor.
Personnel/HR/Civil Service	X			X			Most use County HR service.
Payroll	X	X	X	X	X	X	

Index of Municipal Services Provided							
Service/Function	Town of Fishkill	Village of Fishkill	City of Beacon	Dutchess County	Town of East Fishkill	Town of Wappinger	Comments
Purchasing	X	X	X	X	X	X	
Budget/Finance	X	X	X	X	X	X	
Code Enforcement	X	X	X		X	X	Town of Fishkill and City of Beacon in discussions to establish a service agreement.
Building/Zoning/Planning	X	X	X	X	X	X	Dutchess County has a planning department but no inspection service.
Park Maintenance	X	X	X	X	X	X	
Animal Control	X		X		X	X	
Plowing	X	X	X	X	X	X	Town of Fishkill plows County roads through a service agreement.
Paving/Street Maintenance	X	X	X	X	X	X	
Lighting/Traffic Controls	X	X	X		X	X	
Sanitation/Garbage			X				City of Beacon provides service to residents through a private contractor.
Water	X	X	X	X	X	X	
Wastewater/Sewer	X	X	X		X	X	Village of Wappinger, Town of Poughkeepsie and Town of Wappinger use shared sewer system.
Justice Court	X	X	X		X	X	
Library Operation	X	X	X		X	X	Town of Fishkill has independent, non-coterminous districts.

