



**Financial Restructuring Board for Local
Governments Meeting**

September 23, 2013

The background is a blue-tinted photograph of a grand classical building with prominent columns. In the foreground, there is a large, semi-transparent circular seal. The seal contains the text "NEW YORK" at the top, "1788" in the center, and "GATEWAY TO" at the bottom. The seal also features a central emblem and stars.

**All information included in this
presentation may be found on the
Board's website:**

www.frb.ny.gov



Statutory Overview

Ch. 67 of the Laws of 2013

- Created to assist distressed municipalities by developing targeted recommendations and assistance
- The Board has two primary functions and responsibilities:
 - Comprehensive Review
 - Binding Arbitration

Comprehensive Review

- The Board may review a municipality's operations, finances, management practices, economic base, and any other relevant factors to make findings and recommendations on reforming and restructuring its operations
- A Comprehensive Review must be requested with the consent of the municipality's governing body and its chief executive
- Certain municipalities are automatically eligible

Comprehensive Review

- Other municipalities may apply and provide justification as to why they would benefit from the Board's services
- The Board may offer grants or loans up to \$5 million to municipalities upon implementation of Board recommendations
- Board recommendations must be finalized within six months of accepting a municipality's application for services
- The Board is not required to perform a Review for every applicant

Binding Arbitration

- The Board is also authorized to resolve an impasse subject to binding arbitration (e.g. for police and fire bargaining units)
 - A Binding Arbitration Determination must be requested with the joint concurrence of the municipality and the public employee organization
 - Determinations would be final and binding on both parties using the same criteria as the existing binding arbitration law
 - The Board's Determination would be finalized within six months
 - Determinations may not be for a period longer than four years

Eligibility



Fiscally Eligible Municipalities

- Certain municipalities are automatically a Fiscally Eligible Municipality if they meet one of two criteria:
 - A five year average full value property tax rate above the 75th percentile for all municipalities statewide
 - A five year average General Fund balance below five percent of total expenditures
- Any municipality that has not reported the information necessary to calculate these averages to OSC cannot be deemed a Fiscally Eligible Municipality

Fiscally Eligible Municipalities

	Total	Automatically Fiscally Eligible
Counties	57	8
Cities	61	44
Towns	932	149
Villages	550	188
Total	1,600	389



Applying for Board Services

Comprehensive Review

- Municipalities apply through the Board Website: www.frb.ny.gov
- Upon receipt of an application, staff will immediately review and make a recommendation to the Board regarding acceptance
- The Board will meet on a regular basis to ensure timely action

Comprehensive Review

- Municipalities submit the following information :
 - ✓ Requesting Resolution
 - ✓ Budget, Financial Plan, Financial Statements
 - ✓ Economic Conditions
 - ✓ Existing shared services
 - ✓ Current Labor Agreements & Employee Health Insurance Contribution Information
 - ✓ Contact Information
 - ✓ Organizational Chart and Roster
 - ✓ Areas of Opportunity
- Municipalities encouraged to submit any additional relevant information to assist in the Comprehensive Review

Binding Arbitration

- Municipalities and Public Employee Organizations must mutually agree to apply
- Both Municipalities and Public Employee Organizations will need to apply separately through the Board's Website: www.frb.ny.gov
- Municipalities and Public Employee Organizations will be required to submit certain information to the Board

The background is a blue-tinted photograph of a grand, classical building with prominent columns. In the foreground, there is a large, circular seal or emblem. The seal features the text "NEW YORK" at the top, "1788" below it, and "GATEWAY TO" at the bottom. There are also stars and a central figure within the seal. The overall scene is dimly lit, suggesting an evening or night setting.

Potential Consulting Services Request for Proposal (RFP)

Request for Proposal

- The Board may need to procure a pool of resources that can be quickly deployed on an “as-needed” basis
- If needed, the Division of the Budget (DOB) would issue an RFP, and manage the contracts
- The Offices of the Attorney General and the State Comptroller would conduct normal review



**Financial Restructuring Board for Local
Governments Meeting**

September 23, 2013