

Financial Restructuring Board for Local Governments

Meeting Minutes

June 13, 2018

10:00 AM

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

The Financial Restructuring Board for Local Governments ("the Board") convened at 10:02 AM on June 13, 2018 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)
Catharine Young
Helene E. Weinstein
Mark Pattison (representative designated for Rossana Rosado)
Sydney Cresswell
RoAnn Destito

The following members of the Board were absent:

Matt Driscoll
Barbara Underwood
Todd Snyder

Mr. Scheuermann opened the meeting and welcomed the Board's newest member, Helene E. Weinstein. Mr. Scheuermann also acknowledged the passing of the late Herman D. Farrell, Jr. and thanked the former Assemblyman for his service on the Board and said he looked forward to the next phase with Ms. Weinstein's membership.

Ms. Weinstein replied that she looked forward to working with the Board.

Mr. Scheuermann announced that the Board has three completed Comprehensive Reviews, some amendments to reports for previously approved communities, and five new communities for review. He then asked the Board to consider the minutes from the meeting on June 19, 2017.

Ms. Destito motioned to approve the minutes and Ms. Weinstein seconded the motion. The minutes were unanimously approved.

Mr. Scheuermann asked Timothy Ryan, Secretary to the Board, to provide an overview of the three completed comprehensive reviews before the Board.

Mr. Ryan began with a PowerPoint presentation of the City of Dunkirk, with a description of the findings and recommendations for the City.

Mr. Scheuermann then asked for any Board member questions.

Ms. Young asked if the \$1.1 million award to the City for LED lighting and parking meter upgrades was included or separate from the \$1.77 million award to the City to offset the loss of PILOT revenues and State mitigation aid. Mr. Ryan replied that the two awards were separate.

Ms. Young asked what percentage of the City's parking meters were currently broken, the expected cash outlays to upgrade the City's meters, and expected revenues. Mr. Ryan replied that he did not discuss specific infrastructure with the City, although he encouraged the City to pursue parking meter upgrades.

Ms. Destito noted that a centralized OGS contract for LED lighting could be utilized by the City.

Ms. Young asked what would happen to the City if the NRG power plant was not repowered. Mr. Scheuermann responded that the engagement will not end with the initial recommendation, and that the Board can consider future actions if the plant does not repower.

Ms. Young noted her serious concern about the loss of the powerplant as it would have a large impact on the City and its tax base.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-01**: Approving the Comprehensive Report for the City of Dunkirk.

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

Mr. Ryan gave a PowerPoint presentation with a description of the findings and recommendations for the Village of Herkimer.

Ms. Young asked if the Village has taken any steps or contracted studies to explore consolidating services with its contiguous villages or dissolving. Mr. Ryan replied that functional consolidations should be the first step to a full consolidation or dissolution and that the Board stands ready and willing to assist the Village with either.

Ms. Young asked about the Village's relationship with the Town. Mr. Ryan replied that the Village works with the Town but there is more opportunity to functionally consolidate services before proposing that the Village dissolve.

Ms. Young noted that she understands that the loss of identity can be difficult for residents that are considering dissolving their Village, as she observed when the Village of East Randolph dissolved in her district.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-02**: Approving the Comprehensive Report for the Village of Herkimer.

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

Mr. Ryan gave a PowerPoint presentation with a description of the findings and recommendations for the Village of Potsdam.

Mr. Ryan noted that the Village was working with the New York Power Authority for its dam restoration project and has already secured approximately \$1.0 million for the project.

Ms. Young noted the State legislature's commitment to pursuing renewable sources of energy. She asked what was done with the power produced by the hydroelectric dams and if there were safety hazard concerns with the dams. Mr. Ryan replied that the power produced by the dams is sold to the grid and that he was not aware of any safety hazards.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-03**: Approving the Comprehensive Report and authorizing a grant for the Village of Potsdam.

Mr. Deyo motioned to adopt the Resolution. Ms. Weinstein seconded the motion, and the Resolution was unanimously passed.

Mr. Scheuermann said the Board would now consider awards for prior municipalities.

Mr. Ryan gave a PowerPoint presentation with an update on the City of Lockport and recommended to the Board a grant of up \$200,000 to help the City defray the costs of demolition and/or redevelopment, as part of the City's initiatives to combat urban blight.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-04**: Authorizing a grant for the City of Lockport.

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

Mr. Ryan gave a PowerPoint presentation with an update on the City of Niagara Falls and recommended to the Board a grant of up \$100,000 to assist the City with the purchase of an online property tax payment system.

Mr. Scheuermann noted that Board staff will continue working with the City of Niagara Falls in regards to the agreement between the City and the Seneca Nation over future casino payments to the City.

Mr. Scheuermann noted that the Board is looking into various avenues to assist the City, if needed, due to a lack of resolution between the Seneca Nation and the City of Niagara Falls.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-05**: Authorizing a grant for the City of Niagara Falls.

Ms. Young motioned to adopt the Resolution. Mr. Weinstein seconded the motion, and the Resolution was unanimously adopted.

Mr. Ryan gave a PowerPoint presentation with an update on the City of Plattsburgh and recommended to the Board a grant of up \$1.04 million to assist the City with various shared services and efficiency initiatives recommended by the board in its prior report.

Mr. Scheuermann commented that he was proud that the Board has continued to engage the communities it works with on an on-going basis.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-06**: Authorizing various grants for the City of Plattsburgh.

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

Mr. Scheuermann said the Board would now consider the list of automatic eligibility municipalities provide by the State Comptroller's office.

Mr. Ryan reviewed the Board's criteria for automatic eligibility for the Board. He noted that the number of eligible municipalities does not change much from year to year.

Mr. Scheuermann reminded the Board that it has discretion to deem a municipality fiscally eligible if it is not on the list of automatically fiscally eligible communities.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-07**: Approving the determination of automatically fiscally eligible municipalities.

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

Mr. Scheuermann said the Board would now consider the new applicants for a Comprehensive Review.

Mr. Ryan gave a PowerPoint presentation on the City of Ogdensburg and its fiscal state.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-08**: Approving the request for a Comprehensive Review from the City of Ogdensburg.

Ms. Creswell asked about the distribution of tax exempt property in the City. Mr. Ryan replied that most of the tax exempt property in the City is State owned.

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

Mr. Ryan gave a PowerPoint presentation on the City of Watervliet and its fiscal state.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-09**: Approving the request for a Comprehensive Review from the City of Watervliet.

Ms. Destito asked if the City reimburses employees for health insurance copayments. Mr. Ryan replied that the City does.

Ms. Young asked if Water and Sewer fund deficits were attributable to inadequate rates. Mr. Ryan replied Board staff would review this issue in the City's comprehensive review.

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

Mr. Ryan gave a PowerPoint presentation on the City of Yonkers and its fiscal state.

Mr. Ryan noted that although the City was not automatically fiscally eligible, the Board may accept the City for a comprehensive review due to a high rate of constitutional tax exhaustion and high property tax rates.

Ms. Young asked if the Yonkers City School District's budget gaps and administration would be addressed in the City's comprehensive review. Mr. Scheuermann replied that the comprehensive review would discuss the school district.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-10**: Approving the request for a Comprehensive Review from the City of Yonkers.

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

Mr. Ryan gave a PowerPoint presentation on the City of Syracuse and its fiscal state.

Ms. Weinstein acknowledged that Assemblyman Magnarelli from Syracuse was present.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-11**: Approving the request for a Comprehensive Review from the City of Syracuse.

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

Mr. Ryan gave a PowerPoint presentation on the City of Long Beach and its fiscal state.

Mr. Scheuermann asked the Board to consider **Resolution No. 2018-12**: Approving the request for a Comprehensive Review from the City of Long Beach.

Ms. Weinstein motioned to adopt the Resolution. Ms. Young seconded the motion, and the Resolution was adopted with Mr. Deyo abstaining.

Mr. Scheuermann thanked the Board and commented that Board staff will be making site visits to the accepted municipalities. He invited the Board members to attend if possible.

The meeting was adjourned at approximately 11:36 AM.

Respectfully Submitted,

Timothy Ryan
Secretary