

# Fiscal Stress Monitoring System

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1

# Fiscal Stress Monitoring System

## Agenda

- Fiscal Stress Monitoring System 101
- Upcoming Score Release
- Key Takeaways
- 2021 Preliminary Results
- Resources – How We Can Help
- Q & A



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# Fiscal Stress Monitoring System 101

## Purpose

- To identify local governments and school districts in fiscal stress or susceptible to fiscal stress
- To identify for local officials the need to take action in a timely manner to improve financial trends
- [System Basics](#)

# Fiscal Stress Monitoring System 101

- Fiscal Stress Score
- Environmental Stress Score

## Fiscal Stress Score

Financial Indicators	Fiscal Stress Financial Indicators	Maximum Points
1	Assigned and Unassigned Fund Balance as a Percentage (%) of Gross Expenditures	25
2	Total Fund Balance as a Percentage (%) of Gross Expenditures	25
3	Operating Deficits	10
4	Cash Ratio - Cash and Investments as a Percentage (%) of Current Liabilities	10
5	Cash as a Percentage (%) of Monthly Gross Expenditures	10
6	Short-Term Cash-Flow Debt Issuance as a Percentage (%) of Total Revenues	5
7	Short-Term Cash-Flow Debt Issuance Trend	5
8	Personal Service and Employee Benefits as a Percentage (%) of Total Revenues (3 year avg)	5
9	Debt Service as a Percentage (%) of Total Revenues (3 year avg)	5
		<b>100</b>

Fiscal Stress Classification	Point Range (Out of 100 total pts)
Significant	65 - 100
Moderate	55 - 64.9
Susceptible	45 - 54.9
No Designation	0 - 44.9

Local Govt. Type	General Fund	Combined Funds
Cities	A	A, FX, G, ES, EW
Counties	A	A, D, DM, FX, G, All Enterprise Funds
Towns	A, DA	A, B, DA, DB, FX, G, SS, SW, ES, EW
Villages	A	A, FX, G, ES, EW



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## Environmental Stress Score

Environmental Indicators	Fiscal Stress Environmental Indicators	Maximum Points
1	Change in Population	10
2	Percent of Households with Public Assistance	20
3	Percent of Population Under 18 & Over 65	10
4	Percent Change in Home Value	20
5	Median Household Income	10
6	Unemployment Rate	10
7	Reliance on State and Federal Aid	20
		<b>100</b>

Environmental Stress Classification	Point Range (Out of 100 total pts)
Significant	50 - 100
Moderate	40 - 49.9
Susceptible	30 - 39.9
No Designation	0 - 29.9



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## Fiscal Stress Monitoring System

- Upcoming release for Calendar Year Filers
- Communication Emails
  - Local Governments in Fiscal Stress
  - All Local Governments



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## Key Takeaways

- Be Prepared
- Environmental Stress Score Reminder
- OSC's Website Resources



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# **Fiscal Stress Monitoring System**

*Fiscal Year End 2021 Update  
(Preliminary)*

## **Calendar and Non-Calendar Year Municipalities**



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## **Preliminary Results for FYE 2021**

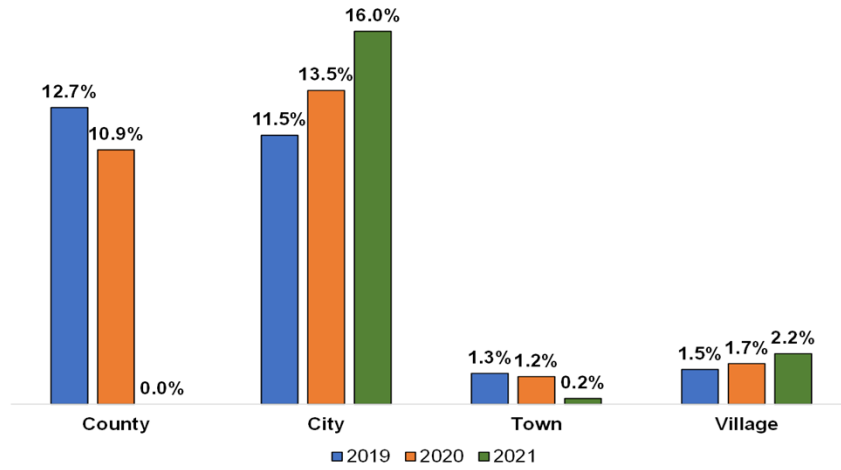
- A total of 1.4 percent of the municipalities scored were in some level of stress.
- Cities and villages each saw an increase in fiscal stress.
- No counties were in stress for the first time since FSMS was implemented.
- Funding from the American Rescue Plan Act (ARPA) and increased sales tax collections contributed to the decrease in fiscal stress.



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## Fiscal Stress by Class

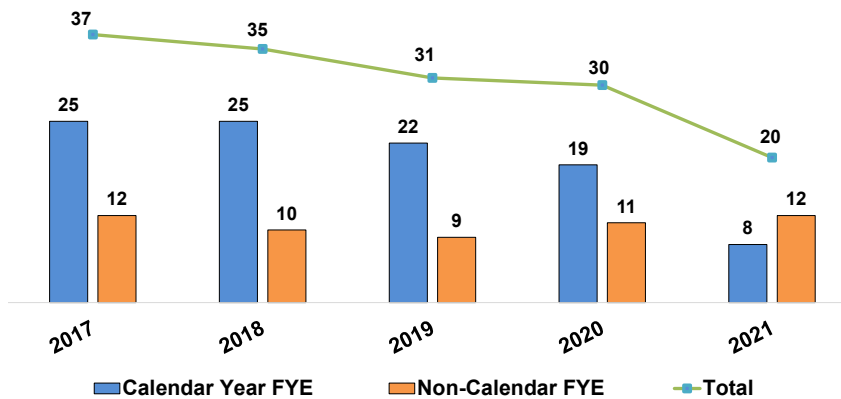


Preliminary Data

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## Trend of Local Governments in Fiscal Stress by FYE, 2017-2021



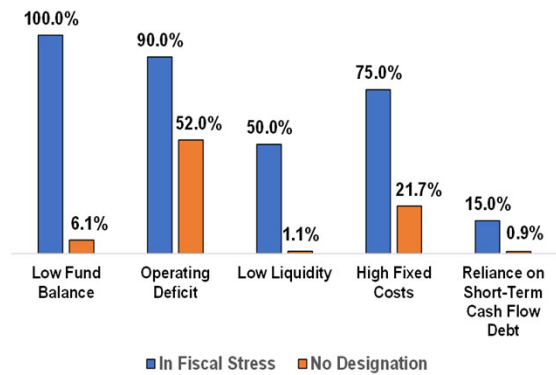
Preliminary Data

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## Fiscal Stress Indicators

- FSMS uses several indicators of budgetary solvency.
- All fiscally stressed local governments had low fund balance.



Preliminary Data

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13

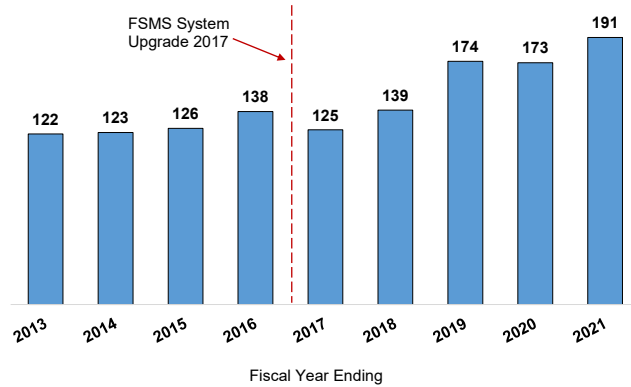
## Why Is Fiscal Stress Down?

- Uncertainty heading into 2021
- American Rescue Plan Act (ARPA) was enacted in March of 2021.
  - Local governments received their first distribution of ARPA funding (50 percent of the total allocation) in May or July of 2021.
- Sales and use tax revenues were higher than anticipated for most municipalities.

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# No Score Possible for Non-Filers, FYE 2013-2021



Preliminary Data

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## Resources

### Fiscal Stress Monitoring System Webpage

### Financial Toolkit for Local Officials

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# Self-Assessment Tool Demo

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Fiscal Year Ending	Class	Local Government School District Name	County	Stress Designation	Region	Fiscal Scores			Environmental Score	Self-Assessment Tool (AS)
						Current Year	1 Year Prior	2 Years Prior		
2019	Village	Adams	Jefferson	No Designation	North Country	22.1	33.3	27.1	36.7	<a href="#">Download A</a>
2019	School	Addison	Stauben	No Designation	Southern Tier	0.0	3.3	3.3	8.3	<a href="#">Download A</a>
2019	Village	Addison	Stauben	No Designation	Southern Tier	22.1	19.2	3.3	30.0	<a href="#">Download A</a>
2019	School	Adirondack	Chenais	No Designation	Mohawk Valley	13.3	36.7	10.0	10.0	<a href="#">Download A</a>
2019	School	Alfon	Chenango	Not Filed	Southern Tier	-	0.0	8.7	-	<a href="#">Download A</a>
2019	Village	Alfon	Chenango	No Designation	Southern Tier	0.0	0.0	0.0	33.3	<a href="#">Download A</a>
2019	School	Alton	Elie	No Designation	Western New York	0.0	0.0	0.0	0.0	<a href="#">Download A</a>
2019	Village	Alton	Elie	No Designation	Western New York	0.0	10.0	36.7	16.7	<a href="#">Download A</a>
2019	School	Alton	Albany	Revolutions	Capital District	36.3	23.3	0.0	36.7	<a href="#">Download A</a>
2019	School	Alton	Chenais	No Designation	Finger Lakes	0.0	0.0	0.0	13.3	<a href="#">Download A</a>
2019	Village	Alton	Chenais	No Designation	Finger Lakes	0.0	0.0	0.0	20.0	<a href="#">Download A</a>
2019	School	Alton	Elie	No Designation	Western New York	0.0	0.0	0.0	0.0	<a href="#">Download A</a>
2019	Village	Alton	Elie	No Designation	Western New York	3.3	3.3	0.0	10.0	<a href="#">Download A</a>
2019	School	Alexander	Genesee	No Designation	Finger Lakes	10.0	3.3	3.3	0.0	<a href="#">Download A</a>
2019	Village	Alexander	Genesee	No Designation	Finger Lakes	3.3	6.7	10.0	10.0	<a href="#">Download A</a>
2019	School	Alexandria	Jefferson	No Designation	North Country	6.7	6.7	0.0	10.0	<a href="#">Download A</a>
2019	Village	Alexandria Bay	Jefferson	No Designation	North Country	1.7	1.7	1.7	20.0	<a href="#">Download A</a>
2019	Village	Alfred	Albany	No Designation	Western New York	3.3	0.0	-	30.0	<a href="#">Download A</a>
2019	School	Alfred	Albany	No Designation	Western New York	0.0	0.0	8.7	10.0	<a href="#">Download A</a>
2019	Village	Allegany	Cattaraugus	No Designation	Western New York	10.0	6.7	6.7	13.3	<a href="#">Download A</a>
2019	School	Allegany-Limestone	Cattaraugus	No Designation	Western New York	0.0	0.0	0.0	0.0	<a href="#">Download A</a>

<https://www.osc.state.ny.us/local-government/fiscal-monitoring>



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17

## Contact Us

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18

# Questions and Answers



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19