

Comptroller Designates Four School Districts in Significant Fiscal Stress



Fact Sheet No. 20-02 (updates 19-04)

January 2020

According to New York State Comptroller Thomas DiNapoli's latest Fiscal Stress Monitoring System (FSMS) report, there are just four school districts (Fort Edward, Northern Adirondack, Norwich and Wyandanch) in the state that were identified as being in "Significant Fiscal Stress." This is the second consecutive year that both Norwich and Wyandanch were identified as being in "Significant Fiscal Stress."

There were also five school districts (Cortland, Eldred, Hempstead, New Suffolk, and Wantagh) in the state that were identified as being in "Moderate Stress" and Twenty-four identified as being "Susceptible to Fiscal Stress" (Albany, Ausable Valley, Canton, Cheektowaga, Clymer, Cohoes, Copiague, Deer Park, Dolgeville, East Ramapo, Fishers Island, Frewsburg, Harrisville, Hudson Falls, Marathon, Marcellus, Mount Vernon, Oxford Academy, Pavilion, Rensselaer, Roosevelt, Sauquoit Valley, Schenevus, and Weedsport).

Based on their fiscal score, school districts are assigned into one of four categories:

1. *No Designation.* 637 school districts were given this rating indicating that their fiscal score doesn't meet the threshold for stress.
2. *Susceptible to Fiscal Stress.* 24 school districts were given this rating indicating that they are exhibiting some signs of fiscal stress.
3. *Moderate Fiscal Stress.* 5 school districts were given this rating indicating that they are fiscally stressed, but the level is not severe.
4. *Significant Fiscal Stress.* 4 school districts were given this rating indicating that they are considered to be the most fiscally stressed.

This is the seventh annual report on fiscal stress scores for school districts. Various financial indicators such as fund balances, operating deficits, cash ratio, and short-term borrowing are used to assign an annual fiscal stress score to every school district, except for the Big 5 City School Districts (Buffalo, New York City, Rochester, Syracuse, and Yonkers). The current fiscal stress score is based on financial data from the 2018-19 school year.

A copy of the comptroller’s report *Fiscal Stress in School Districts Common Themes for School Year 2018-19* is available at

<https://www.osc.state.ny.us/localgov/fiscalmonitoring/pdf/common-themes-for-school-year-2018-19.pdf>

The following table, based on data from the Office of State Comptroller, provides a history of the designations by year.

	2012-13 School Year	2013-14 School Year	2014-15 School Year	2015-16 School Year	2016-17 School Year	2017-18 School Year	2018-19 School Year
<i>Number of School Districts Identified</i>							
Significant Fiscal Stress	12	10	8	2	2	5	4
Moderate Fiscal Stress	23	27	24	9	7	0	5
Susceptible to Fiscal Stress	52	53	50	48	17	21	24
No Designation	583	582	590	612	648	646	637