

# Central New York

## *2012 Budget Accomplishments*

Governor Andrew M. Cuomo





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## **Central New York 2012 Budget Accomplishments**

The 2012-2013 New York State Budget continues Governor Cuomo's commitment to fiscal responsibility while creating jobs and strengthening communities across the state. For the second year in a row, Governor Cuomo's Budget closes a multi-billion dollar deficit with no new taxes, fees or gimmicks, limits spending growth to two percent or below for the second year in a row, and launches the NY Works Task Force to invest billions of dollars to rebuild the state's roads, bridges, parks, and other infrastructure and create tens of thousands of jobs. The Budget, passed early by the Legislature, represents the next step in the Governor's efforts to transform New York State government from dysfunction to an engine for economic recovery and job creation.



The budget also provides new job-creating capital funding for SUNY's regular capital construction programs throughout Central New York, including:

- \$113.4 million for the maintenance and upgrade of existing SUNY campuses as follows:
  - \$32.9 million at Cornell;
  - \$16.4 million at Cortland;
  - \$8.3 million at Environmental Science & Forestry;
  - \$8.2 million at Morrisville;
  - \$13.9 million at Oneonta;
  - \$21.0 million at Oswego;
  - \$3.1 million at SUNY IT; and
  - \$9.6 million at the Syracuse Health Science Center.
- \$4.2 million for SUNY County Community College's in Central New York, which accounts for the State's 50 percent contribution to the county projects. The State funding will be allocated as follows:
  - \$4.1 million at Cayuga Community College; and
  - \$0.1 million at Mohawk Valley Community College.

### **Energy Super-Highway Initiative to Ensure Reliable Supply of Low Cost Energy Across the State to Support Growth**

The Enacted Budget provides \$16.2 million to NYSERDA for research and development programs, and development of the 2013 State Energy Plan – a critical part of the Governor's Energy Highway initiative. NYSERDA's research activities support the development and demonstration of technologies and innovative practices designed to strengthen the overall efficiency and reliability of the electric grid, a key goal of the Energy Highway Initiative.

NYSERDA will support the Energy Highway Task Force in developing recommendations for both short-term and long-term actions to facilitate billions of dollars in private investment in energy projects. The Task Force recommendations will be a core component of the 2013 State Energy Plan.

### **Transit Aid**

Support for the Central New York Regional Transportation Authority (CNYRTA), which serves the City of Syracuse and the counties of Onondaga, Oswego, Oneida, and Cayuga, increases by \$1.85 million on a year-to-year basis to a total of \$28.48 million. The overall cost to operate CNYRTA is approximately \$60 million.



## Fiscal Integrity

The Governor's budget is balanced without fiscal gimmicks, and the budget gaps in future years have been substantially reduced.

### Budget Balance and Fiscal Outlook

- For the second year in a row, the Governor's budget maintains two percent or less year to year growth in state spending, consistent with the tax cap on local governments.
- The budget achieves flat state agency spending through the ongoing redesign of agency operations to reduce duplication, redundancy and waste.
- Since Governor Cuomo took office, out year deficits have been reduced by a cumulative **\$72 billion**.
- All Funds spending will total approximately \$132.6 billion, a decrease of \$135 million from last year. This is the second consecutive year with a net reduction in All Funds spending, the first time this has happened in at least three decades.
- The State ended this fiscal year with a small surplus, and made its first deposit to the rainy day reserves (\$100 million) since the start of the fiscal crisis.

### Tax Reform: Lowest Tax Rates in 58 Years

The tax reform package approved in December was designed to create jobs and restore fairness to the tax system. Under the new rates, a total of 4.4 million New Yorkers received a tax cut, including a \$690 million reduction for middle class taxpayers, and all taxpayers received either a tax reduction or no change compared to their previous tax bill.



## **Government Performance**

### **An Historic Teacher Evaluation System**

The new evaluation system will provide clear standards and significant guidance to local school districts for implementation of teacher evaluations based on multiple measures of performance including student achievement and rigorous classroom observations. The legislation follows through on New York's commitment to establish a real and effective teacher evaluations as a condition of the \$700 million granted through the federal Race to the Top program.

In order to make sure the evaluation systems are implemented, the budget requires all school districts to have submitted documentation that has been approved by the Commissioner by January 17, 2013, demonstrating that they have fully implemented an in order to qualify for any increases in State Aid in the 2012-13 school year.

### **Increased School Aid Funding**

The 2012-13 Enacted Budget provides additional financial support to school districts, both immediately for the 2012-13 school year as well as in the future in a sustainable manner. The two-year appropriation enacted increases school aid this year by \$805 million, and allows for an additional \$712 million in the 2013-14 school year. After difficult years when School Aid had been reduced, New York is back on the path of providing predictable and sustainable growth in financial support for school districts.

- **Additional School Aid for Central New York:** School Districts in Central New York will receive \$1.66 billion in State Aid for the 2012-13 school year, which represents an increase of \$71.6 million, or 4.5 percent, from the 2011-12 school year.

### **Transform Education Funding to Focus on Results**

The Enacted Budget includes \$125 million set aside for performance grants to make school districts more efficient and improve student performance. Of this amount, \$50 million is set aside within the School Aid allowable growth for payment in 2012-13 of the first round of grant awards, and \$75 million is set aside outside the School Aid allowable growth for payment of the second round of competitive awards. School districts across Central New York will be eligible to compete for these additional funds.

employee contribution rates, an increase to the retirement age from 62 to 63, the readjustment of the pension multiplier, new vesting requirements and other reforms.

The Governor's enacted pension reform plan will save Central New York taxpayers \$3.6 billion over 30 years. While savings grow over time, the pension costs of new employees will be 50% less than those of the employees they are replacing. In the first five years alone, pension reform will reduce pension costs by more than \$55.6 million for Central New York taxpayers. The details are summarized in the table below.

**Central New York Pension Reform Savings**

(\$ - Millions)

	<b>5 Year</b>	<b>10 Year</b>	<b>30 Year</b>
<b>City of Syracuse</b>	\$7.0	\$30.7	\$457.8
<b>Cayuga County</b>	\$0.8	\$3.4	\$51.7
<b>Cortland County</b>	\$0.4	\$1.9	\$28.7
<b>Herkimer County</b>	\$0.4	\$2.0	\$29.4
<b>Madison County</b>	\$0.4	\$2.0	\$30.6
<b>Oneida County</b>	\$1.4	\$6.2	\$93.4
<b>Onondaga County</b>	\$3.7	\$17.0	\$256.9
<b>Oswego County</b>	\$0.7	\$3.4	\$51.4
<b>Otsego County</b>	\$0.4	\$2.0	\$30.2
<b>Tompkins County</b>	\$0.8	\$3.7	\$56.2
<b>All Other</b>	\$39.4	\$169.7	\$2,521.6
<b>Total</b>	<b>\$55.6</b>	<b>\$242.1</b>	<b>\$3,608.0</b>

# IV

## Community Building

### Increased Funding to Opportunity Programs

The Enacted Budget maintains funding levels for various programs at higher education institutions. Although State funding for colleges and universities does not directly impact local government financing, these programs allow area colleges to recruit and retain additional students (many of whom are from disadvantaged backgrounds) and the institutions serve as crucial economic engines for their surrounding communities. In total, the Enacted Budget provides \$93 million statewide for programs at New York State's colleges and universities; Central New York colleges receive the following allocations:

#### Higher Education Opportunity Program (HEOP):

- Cazenovia College - \$284,000
- Colgate University - \$172,000
- Cornell University - \$359,000
- Hamilton College - \$259,000
- Ithaca College - \$286,000
- Le Moyne College - \$361,000
- Syracuse University - \$1,185,000
- Utica College - \$336,000

#### Liberty Partnerships Program:

- Le Moyne College - \$276,000
- SUNY Cortland - \$254,000
- SUNY Morrisville - \$256,000
- SUNY Onondaga Community College - \$345,000
- Syracuse University - \$276,000
- Utica College - \$405,000

#### Science and Technology Entry Program (STEP):

- Le Moyne College - \$182,000
- Mohawk Valley Community College - \$104,000
- SUNY Morrisville - \$166,000
- Syracuse University - \$375,000

#### Collegiate Science and Technology Entry Program (CSTEP):

- Cazenovia College - \$46,000
- Cornell University - \$64,000
- Le Moyne College - \$148,000

expected to receive an additional \$0.5 million in direct State support. (Cayuga County)

- **Herkimer County Community College** - As a result of the 2012-13 Enacted Budget base operating aid increase, Herkimer County Community College is expected to receive an additional \$0.5 million in direct State support. (Herkimer County)
- **Mohawk Valley Community College** - As a result of the 2012-13 Enacted Budget base operating aid increase, Mohawk Valley Community College is expected to receive an additional \$0.9 million in direct State support. (Oneida County)
- **Onondaga Community College** - As a result of the 2012-13 Enacted Budget base operating aid increase, Onondaga Community College is expected to receive an additional \$1.4 million in direct State support. (Onondaga County)
- **Tompkins-Cortland Community College** - As a result of the 2012-13 Enacted Budget base operating aid increase, Tompkins-Cortland Community College is expected to receive an additional \$0.6 million in direct State support. (Tompkins County)

### **Supporting New York's College Students**

New York continues to support one of the most generous tuition assistance programs (TAP) in the country. The 2012-13 Enacted Budget maintains its support for students attending both public and private institutions throughout the state. Funding for TAP statewide is expected to grow by \$21 million, from \$909 million to \$930.6 million. Although final data is not yet available for 2011-12, Central New York higher educational institutions received the following allocations for the 2010-11 school year:

#### **Cayuga County**

- **Cayuga Community College:** 1,865 TAP undergraduate recipients (out of approx. 4,719 undergraduates), totaling about \$3.1 million.
- **Wells College:** 272 TAP undergraduate recipients (out of approx. 559 undergraduates), totaling about \$624 thousand.

#### **Cortland County**

- **SUNY Cortland:** 2,751 TAP undergraduate recipients (out of approx. 559 undergraduates), totaling about \$5.3 million.
- **Tompkins-Cortland Community College:** 1,829 TAP undergraduate recipients (out of approx. 5,513 undergraduates), totaling about \$3.1 million.



- **Le Moyne College:** 1,324 TAP undergraduate recipients (out of approx. 2,786 undergraduates), totaling about \$2.7 million.
- **Crouse Irving Hospital School of Nursing:** 62 TAP undergraduate recipients (out of approx. 248 undergraduates), totaling about \$92 thousand.

### **Oswego County**

- **SUNY Oswego:** 3,789 TAP undergraduate recipients (out of approx. 7,377 undergraduates), totaling about \$8.0 million.
- **Cayuga Community College:** 1,865 TAP undergraduate recipients (out of approx. 4,719 undergraduates), totaling about \$3.0 million.

### **Tompkins County**

- **Cornell University:** 1,357 TAP undergraduate recipients (out of approx. 13,935 undergraduates), totaling about \$2.7 million.
- **Ithaca College:** 1,399 TAP undergraduate recipients (out of approx. 6,442 undergraduates), totaling about \$3.2 million.

### **Otsego County**

- **SUNY Oneonta:** 2,605 TAP undergraduate recipients (out of approx. 5,822 undergraduates), totaling about \$6.0 million.
- **Hartwick College:** 618 TAP undergraduate recipients (out of approx. 1,531 undergraduates), totaling about \$1.3 million.

## **Protection for Homeowners**

The Budget provides the necessary resources to assist homeowners and tenants by supporting the following:

- **Tenant Protection Unit:** Within New York Homes and Community Renewal, a new Tenant Protection Unit will be established to proactively enforce landlord obligations and impose strict penalties for failure to comply with New York State's rent laws. The initiative will build upon the strong tenant protections that were enacted in law in 2011, and will help to preserve the supply of safe and affordable
- **Foreclosure Relief Unit:** Within the Department of Financial Services, a new Foreclosure Relief Unit will be established to provide counseling and mediation services to help New Yorkers stay in their homes.

