THANK YOU

- Chairperson Young, Senate Finance Committee
- Chairperson Farrell, Assembly Ways & Means Committee
- Members of the New York State Senate & Assembly
- Our Albany Delegation
  - Senator Breslin
  - Assemblymember Fahy
  - Assemblymember McDonald
OUR CAPITAL CITY
& A CITY OF NEIGHBORHOODS
OUR CAPITAL CITY
& A CITY OF NEIGHBORHOODS
21st CENTURY CITY GOVERNMENT

UNLEASHING ALBANY'S POTENTIAL

THE SEAL OF THE CITY OF ALBANY

2017 CITY OF ALBANY BUDGET TESTIMONY | MAYOR KATHY SHEEHAN
BUILDING THE BRIDGE

- Centralized Department of Administrative Services
- Implemented Enterprise Resource Planning (ERP) software for accounting
- Implemented Kronos for timekeeping
- Treasurer’s Office implemented tax billing software
- Investment in additional technologies
- Rollout of automated recycling pilot program
- Eliminating waste and continued cost reductions
LARGEST EXPENDITURE DECREASE IN MORE THAN 15 YEARS

$180,607,786

2016

$176,982,803

2017
WHY IS THIS IMPORTANT?

CITY OF ALBANY 2017 STRUCTURAL DEFICIT

- $9,468,406
  - What we already cut*

- $12,500,000
  - Our ask

- $164,482,803
  - Remainder of 2017 Budget

*Operating Expenses, Contracted Services, Attrition, Efficiencies, etc.
WHY IS THIS IMPORTANT?

Alternative Budget Gap Scenarios with State Aid

- No Aid
- Full Aid in 2016, No Aid After
- Receive $12.5 Million Every Year

2017 CITY OF ALBANY BUDGET TESTIMONY

MAYOR KATHY SHEEHAN
PARTNERING WITH NEW YORK STATE

UNLEASHING ALBANY’S POTENTIAL

THE SEAL OF THE CITY OF ALBANY

2017 CITY OF ALBANY BUDGET TESTIMONY | MAYOR KATHY SHEEHAN
CLOSING THE GAP

• FRB highlighted the City of Albany needs to expand revenue sources
• After thoroughly reviewing finances, outside consultants agree a structural deficit exists
• A patchwork of spin-ups and other one-time funding streams has maintained solvency from year to year without addressing the underlying issues
CAPITAL CITY CHALLENGES

- $12.5 million structural deficit between the cost of operating the Capital City & the revenue that can be reasonably raised to fund operations without making damaging cuts
- Every property owner would receive a 22% property tax increase should the City of Albany not receive the $12.5 million Capital City Funding
UN Sustainable Circumstances: Tax-Exempt Property

- 63% of the property in the City of Albany is tax-exempt
- New York State owns 60% of the tax-exempt property in the City of Albany
- Current New York State funding to the City of Albany under Sec. 19-a of the Public Lands Law is equivalent to 0.36% of the value of New York State-owned property in the City of Albany
AIM: INEQUALITY FOR A CITY
DRIVEN BY EQUITY

- The City of Albany receives less AIM per capita than any other upstate city with at least 50,000 residents

<table>
<thead>
<tr>
<th>City</th>
<th>Population</th>
<th>AIM Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buffalo</td>
<td>261,310</td>
<td>$617.22</td>
</tr>
<tr>
<td>Syracuse</td>
<td>145,170</td>
<td>$494.31</td>
</tr>
<tr>
<td>Rochester</td>
<td>210,565</td>
<td>$419.04</td>
</tr>
<tr>
<td>Niagara Falls</td>
<td>50,193</td>
<td>$354.52</td>
</tr>
<tr>
<td>Utica</td>
<td>62,235</td>
<td>$258.87</td>
</tr>
<tr>
<td>Troy</td>
<td>50,129</td>
<td>$244.96</td>
</tr>
<tr>
<td>Schenectady</td>
<td>66,135</td>
<td>$169.44</td>
</tr>
<tr>
<td><strong>Albany</strong></td>
<td><strong>97,856</strong></td>
<td><strong>$128.84</strong></td>
</tr>
</tbody>
</table>
## City & School Tax Levy

<table>
<thead>
<tr>
<th>City</th>
<th>City Tax Levy</th>
<th>School Levy</th>
<th>Total</th>
<th>AIM Aid</th>
<th>AIM as % of Total Levy</th>
<th>Total Levy as % of AIM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albany</td>
<td>$58,000,000</td>
<td>$103,659,129</td>
<td>$161,659,129</td>
<td>$12,607,823</td>
<td>7.80%</td>
<td>1282.21%</td>
</tr>
<tr>
<td>Utica</td>
<td>$27,332,869</td>
<td>$22,630,540</td>
<td>$49,963,409</td>
<td>$16,110,473</td>
<td>32.24%</td>
<td>310.13%</td>
</tr>
<tr>
<td>Rochester</td>
<td>$55,349,400</td>
<td>$107,566,700</td>
<td>$162,916,100</td>
<td>$88,234,464</td>
<td>54.16%</td>
<td>184.64%</td>
</tr>
<tr>
<td>Syracuse</td>
<td>$34,315,624</td>
<td>$58,556,352</td>
<td>$92,871,976</td>
<td>$71,758,584</td>
<td>77.27%</td>
<td>129.42%</td>
</tr>
<tr>
<td>Buffalo</td>
<td>$69,277,242</td>
<td>$57,270,405</td>
<td>$126,547,647</td>
<td>$161,285,233</td>
<td>127.45%</td>
<td>78.46%</td>
</tr>
</tbody>
</table>
HIGH TAX RATES IMPACT BUSINESS COMPETITIVENESS

2017 CITY OF ALBANY BUDGET TESTIMONY | MAYOR KATHY SHEEHAN
OUR ASK

- New York State partners with the City of Albany for $12.5 million in Capital City Funding to address this inequity
- Amend Public Lands Law Sec. 19-a to provide the City of Albany with additional revenue because of the amount of New York State-owned land within the City