



TESTIMONY

Mayor Lovely A. Warren - Rochester, New York

Joint Legislative Hearings

2016-17 New York State
Executive Budget Proposal

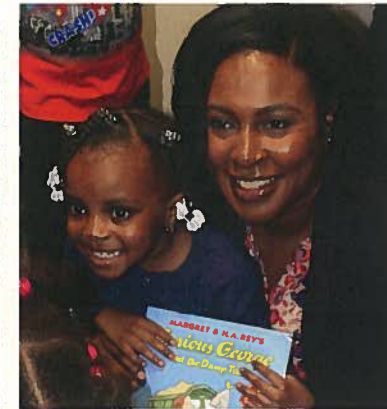
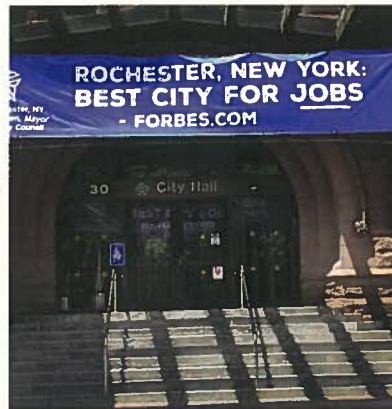
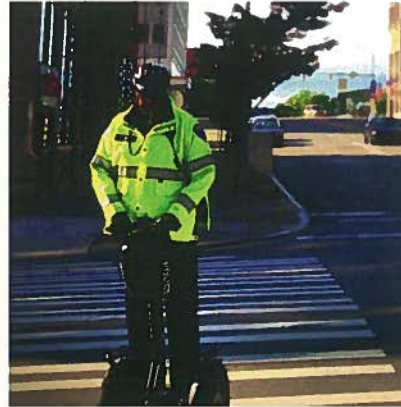
January 26, 2016



Chairwoman Young, Chairman Farrell; members of the Ways and Means and Finance Committees; other members of the Senate and Assembly:

Thank you for the opportunity to address this panel on behalf of the residents of the City of Rochester.

In my city, we are pressing on with our agenda to bring more jobs, safer streets and better schools to every corner of Rochester. And I have made it my mission to identify and break down barriers that keep our hard working residents from seizing opportunity and achieving self-sufficiency.





A recent report from the Rochester Monroe Anti-Poverty Initiative found that the single, biggest barrier our residents face is poverty. Among comparatively sized cities, Rochester is second in overall poverty and first in both childhood poverty and extreme poverty.

The Rochester-Monroe Anti-Poverty Initiative has a goal to reduce poverty by 50 percent in 15 years. I fully support this goal, and as we continue our work, it is important that we not reduce critical municipal services to this same population.

The 2016-17 Executive Budget includes programs and legislation proposed by Governor Cuomo that I believe could benefit all of our residents, but particularly our most vulnerable populations. The Clean Water Infrastructure, the Brownfield Opportunity Areas Program and Pave NY proposals offer much needed funding for our city's infrastructure. The proposed minimum wage increase and paid family leave would uplift our families and improve access to good jobs. I look forward to learning more about the proposed programs as you and the Governor work through the budget process.

Senators, Assemblymembers, I'm keeping my testimony short, and making just one request on behalf of my City today: equity in aid among upstate cities.

Specifically, in lieu of an AIM increase and to meet our state-mandated maintenance of effort to fund our school district, I am asking for an additional \$30.9 million in municipal educational funding. As required by law, this funding will be given to the City and allocated by the City directly to the school district for local educational priorities.

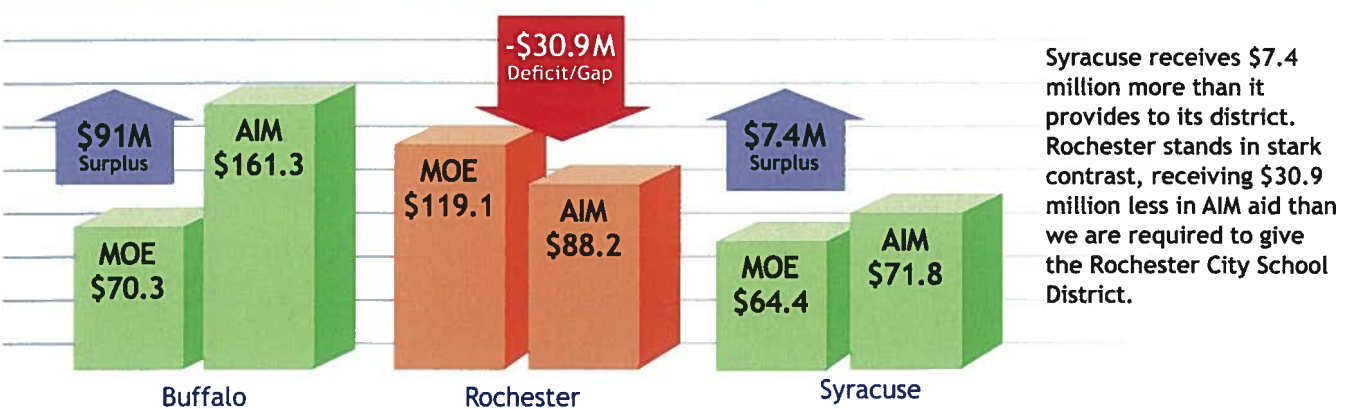


Rochester began planning its 2016-17 Budget with an estimated \$41.2 million all-funds gap. Through fine-tuning, some estimates and after making some preliminary decisions, including reductions to needed capital spending, we have narrowed that gap to \$28.2 million. This means we will have to make difficult choices when it comes to the provision of important City services.

Our budget gap mirrors closely the gap between our state-mandated contribution to our school district and the amount of AIM aid Rochester receives from the state.

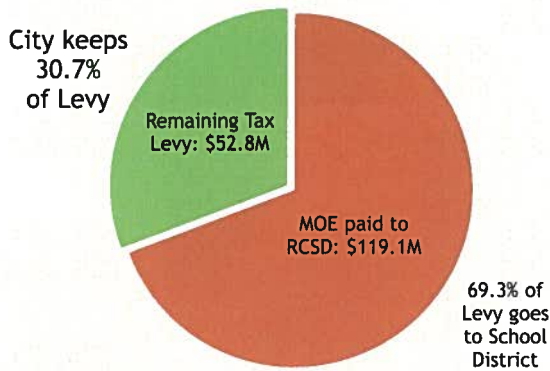
Unlike its sister upstate cities, Rochester must allocate more funding to its school district than it receives from the state in AIM aid. AIM aid from the state exceeds the education funding mandate for our neighbors to the east and west. Buffalo receives \$91 million more in AIM aid than it is required to give to its school district.

MOE & AIM for Upstate Cities: FY16 (in millions)

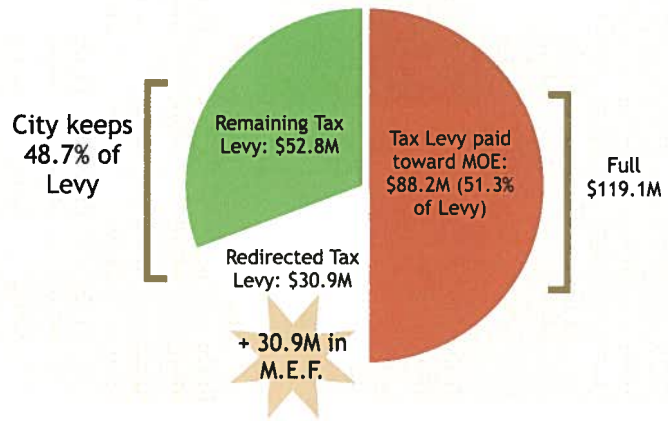


The bottom line is that Rochester gives 69 percent of its tax levy to the school district, leaving just 31 percent for all of our City's services.

Current Distribution of Tax Levy: FY16 (millions)

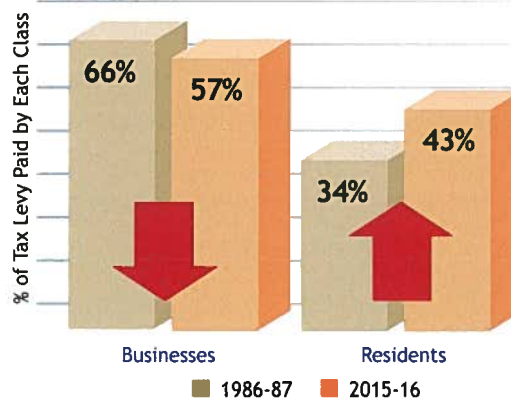


Distribution of Tax Levy Under Proposed Funding (millions)



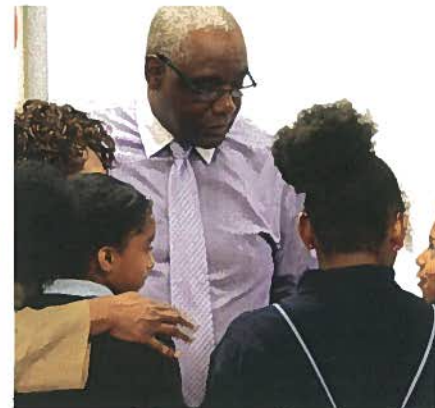
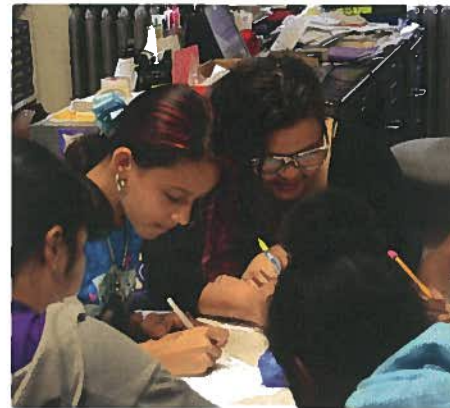
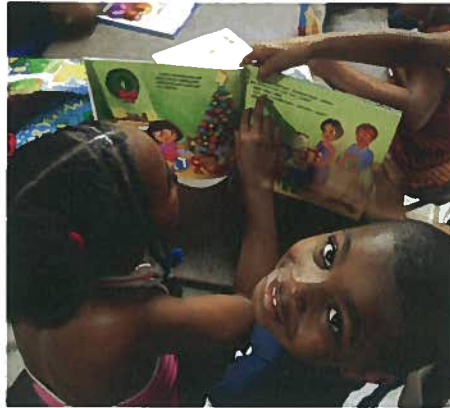
Rochester has a history of providing generous support to its school district, providing more than it received in AIM aid when it could afford to do so - back when Kodak, Xerox and Bausch and Lomb were at their peak and the economy was prosperous. As a result of the decline of Rochester's industrial and manufacturing sectors, which shifted more of the tax levy from businesses to residents, we are no longer positioned to do so.

Shift in Property Tax Burden



Today, residents shoulder an additional \$15.5 million annually compared to the tax levy split 30 years ago.

An increase in Municipal Education Funding will enable the City to maintain its commitment to fund the school district without cutting critical municipal services that the concentration of poverty in our city demands.



In his State of the State address, Governor Andrew Cuomo called for an increase in educational funding and plans to address failing schools, saying: “For generations of New Yorkers, education has been the ladder to climb out of poverty. Today, the need for that ladder is greater than it has ever been.”

This is especially true in Rochester. I am pleased that the Governor has proposed these reforms, and I remain committed to working with Governor Cuomo to provide high-quality educational opportunities to families in every corner of my city.

That is why the additional Municipal Educational Funding will go directly from the City to the Rochester City School District for the district to spend on local educational priorities. It will also free up tax levy dollars for important City services, such as libraries, recreation center programming, job training and youth outreach and crime prevention.

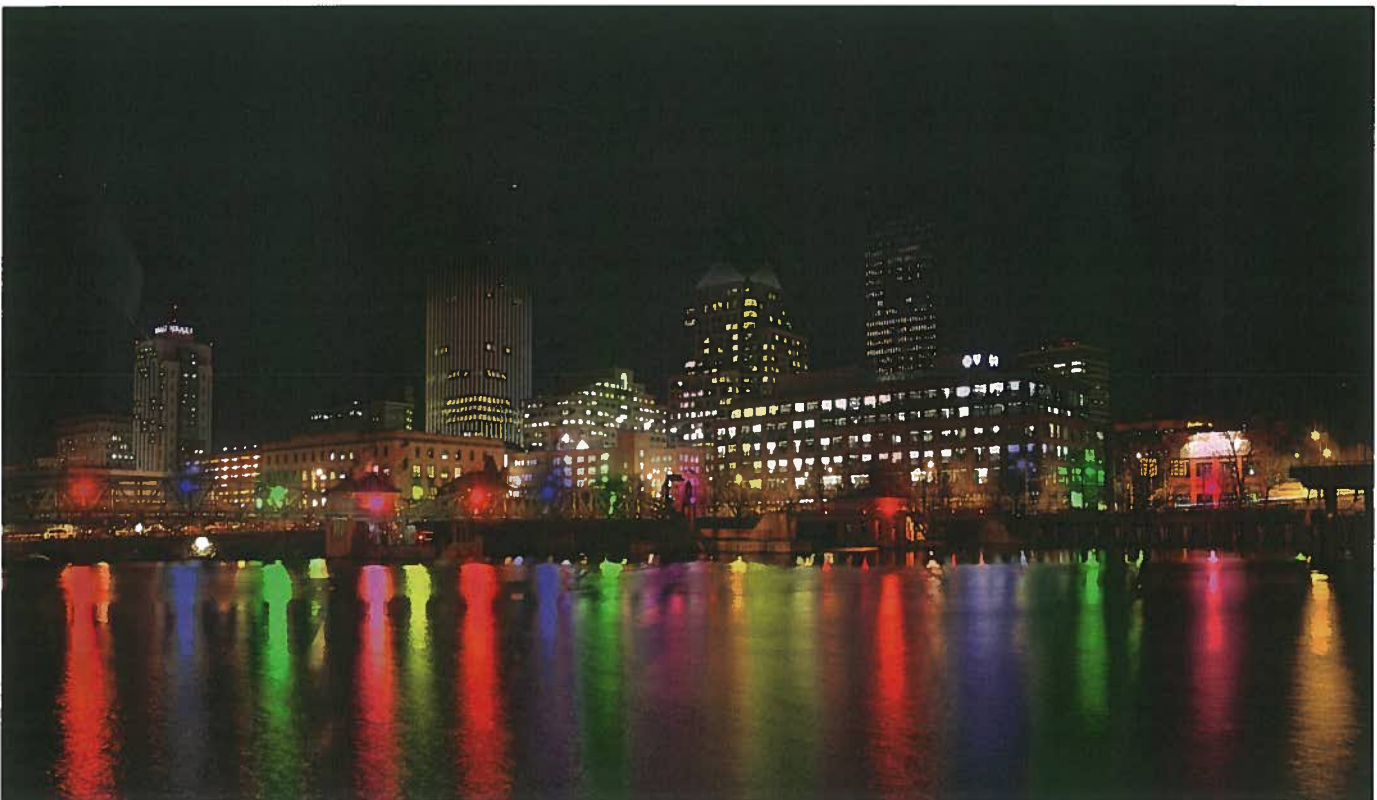
These are services that some of our poorest residents rely on to help them gain access to jobs, safer neighborhoods and better educational opportunities.

By coming here with just a single request of Municipal Educational Funding, I am also asking you to rectify the recurring inequity in aid to Upstate cities.

In Rochester, we already get less per capita in AIM aid than Buffalo and Syracuse. Consider our obligation to our school district, and this inequity becomes glaring. That's why I stand before you in Albany today, so I can serve as the voice of my residents and fight for their fair share.

An additional \$30.9 million in Municipal Education funding will help us provide more jobs, safer neighborhoods and better schools for our residents. Furthermore, it will bring Rochester one step closer to getting its fair share from the state and end our need to keep coming year after year with a budget crisis.

Thank you for generously agreeing to hear my testimony today, and I look forward to taking your questions.





For more information call 311.
Outside the city call (585) 428-5990.
Or contact Lovely A. Warren,
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585-428-7045

www.cityofrochester.gov

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