



City of Saratoga Springs

OFFICE OF THE MAYOR

Lisa Shields
Deputy Mayor

Meg Kelly, Mayor

474 Broadway
Saratoga Springs, New York 12866
Telephone 518-587-3550 ext. 2523 • Fax 518-587-1688

February 11, 2021

Via E-Mail:

wamchair@nyassembly.gov

financechair@nysenate.gov

Testimony

Meg Kelly, Mayor of the City of Saratoga Springs, City Council Member

Governor Andrew M. Cuomo's Executive Budget 2021-22: Video Lottery Terminal (VLT) Aid & Aid and Incentives for Municipalities (AIM) Aid

Senate Finance Committee Chair Krueger, Assembly Ways and Means Chair Weinstein, Senate Local Government Chair Gaughran, Assembly Local Government Chair Thiele, and distinguished members of the Legislature:

Thank you for the opportunity to speak at today's Joint Legislative Hearing on the 2021-22 Executive Budget Proposal. My name is Meg Kelly and I am the Mayor of the City of Saratoga Springs (the "City"). I am appearing virtually today to speak about an issue that is critical to the health, safety, and welfare of the City.

Last year, due to your efforts, VLT impact aid to the City was restored in the 2020-21 New York State Budget. This restoration, which represented approximately 4.27% of the City's 2020 projected revenues, allowed the City to maintain essential services and protect our employees, citizens, and taxpayers from the impacts of COVID-19. It was a positive outcome as we worked to manage through the early days of the pandemic and the many fiscal uncertainties the pandemic created.

As we all know too well, COVID-19 ultimately persisted for the entirety of 2020, causing significant human and economic pain to the City, State, and U.S. Thousands of lives were lost, our health care system was pushed to the limits, and many businesses have closed, resulting in record high unemployment levels.

Despite the many challenges, on the local level, the City worked diligently to lead the community through these unprecedented times. For example, by working together, we were able to advance:

- A customized, multi-media marketing "Mask Up, Saratoga Springs!" campaign, which raised awareness of safety protocols and raised community spirit too due to the involvement of many local businesses and organizations;
- A transition to remote working and virtual meeting and installation of digital measures that kept the business of government flowing smoothly and securely;
- An upgrade to the City's information systems security in the face of increasing, threatening cyber security incidents;
- Continued work on the long-awaited Geyser Road trail and other connector trails;
- A successful outdoor seating project for restaurants, which resulted in a number of extensions right through the end of the year;

- Continued renovation work at City Hall, the Trask Stairway in Congress Park, and in Canfield Casino; and
- A comprehensive review and update to the City's policing policies and procedures.

The pandemic has been an extraordinary event for the City, a year-round destination accustomed to numerous activities, special events, with substantial citizen and visitor participation. For the most part, all of these activities temporarily paused in 2020, causing significant revenue loss. The disruption of the pandemic continues into 2021 with no precise end in sight. There is good news in that a vaccine has been approved and efforts are being made to get it rolled out to the masses in the coming months. It appears, therefore, that better days are ahead in 2021.

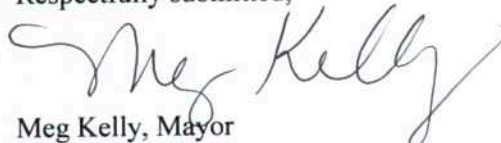
Until that time, pursuant to City Charter, the City has adopted a balanced 2021 budget, which we believe will be key to the City's financial recovery from the COVID-19 pandemic. The adopted budget reflects our commitment to continuing excellent City services, maintaining the City's fiscal health, supporting all City employees, and effectively managing the City through the new pandemic economy and recovery. It includes responsible revenue and expense estimates and resourceful department management. The adopted budget, unfortunately, includes a 6% tax increase to all City residents.

Mechanically, we have crafted the City budget to allow for flexibility should new revenue information become available, but, needless to say, we cannot afford any additional reductions to critical State revenue resources (*e.g.*, VLT impact aid, AIM aid). Our expense budget has already been reduced to levels not seen in years. Additional reductions would likely result in layoffs and possibly a further increase in the tax levy. Such actions would be unconscionable at a time when so many have suffered.

Unfortunately, Parts KK and LL of the Public Protection and General Government Article VII Executive Budget Legislation advances legislative language to completely eliminate VLT impact aid and significantly reduce AIM aid to the City. This aid was critical in getting the City through the trying times of 2020. It allowed the City to maintain essential services and protect our employees, citizens, and taxpayers from the impacts of COVID-19. As mentioned above, we anticipate 2021 to be an extremely difficult year as well and, similar to last year, we are again pleading for the Legislature's support in restoring this critical aid in the FY 2022 New York State Enacted Budget.

The City has been a success story of economic growth, low property taxes, jobs, and excellent services. We hope to continue this success story long into the future, but we cannot do it without your support.

Respectfully submitted,



Meg Kelly, Mayor