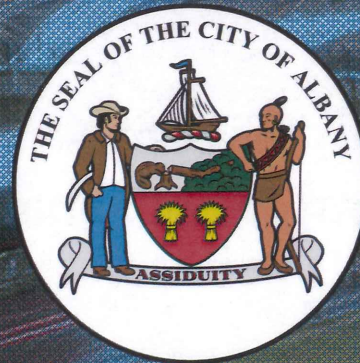


CITY OF ALBANY 2017 NEW YORK STATE BUDGET TESTIMONY

UNLEASHING ALBANY'S POTENTIAL



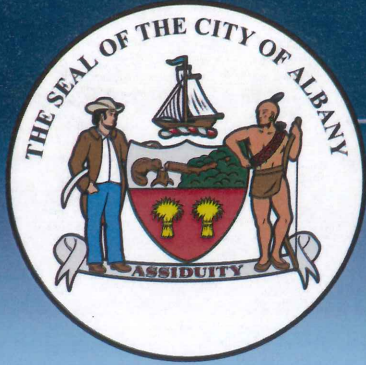
2017 CITY OF ALBANY BUDGET TESTIMONY

| MAYOR KATHY SHEEHAN



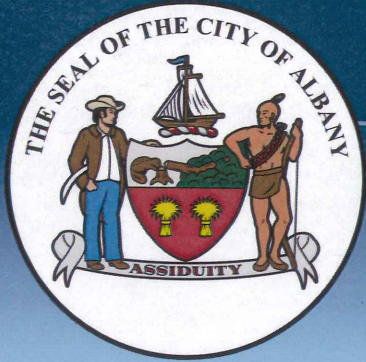
THANK YOU

- 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

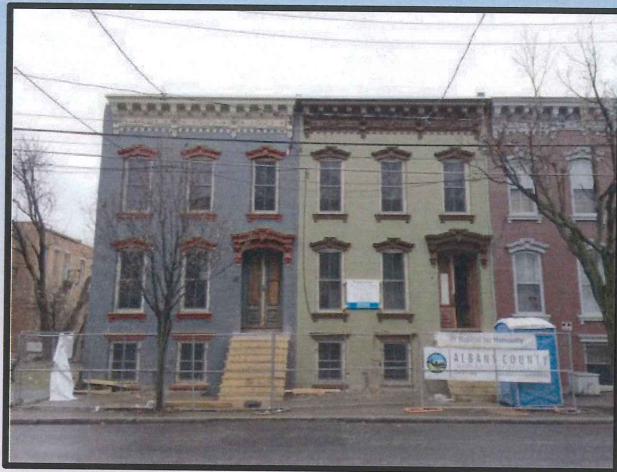


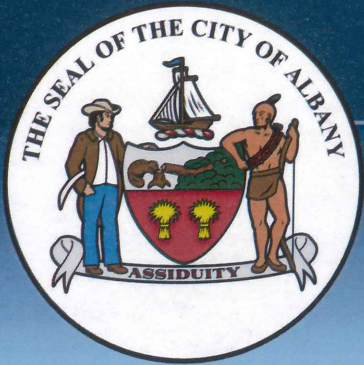
OUR CAPITAL CITY & A CITY OF NEIGHBORHOODS





OUR CAPITAL CITY & A CITY OF NEIGHBORHOODS






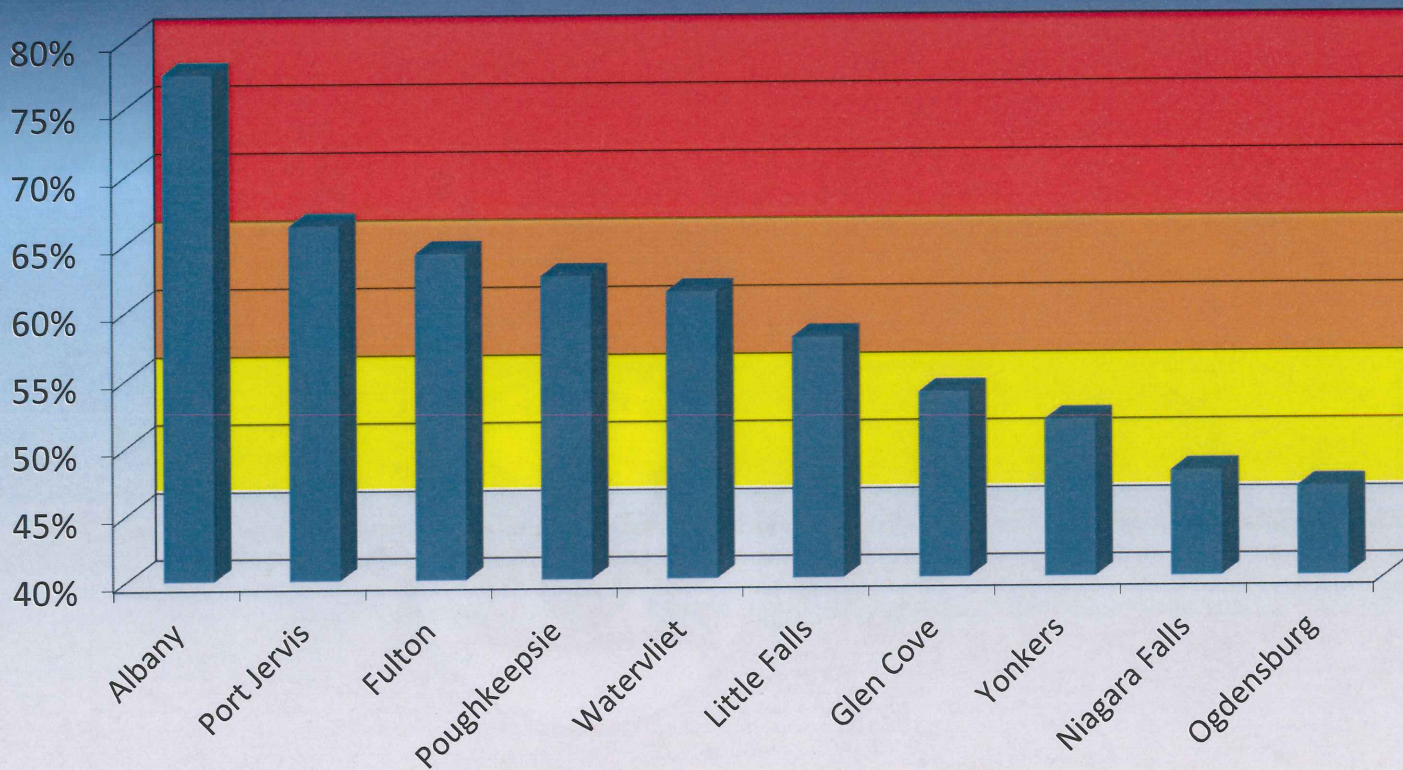


NYS COMPTROLLER FISCAL STRESS SCORE

TEN MOST FISCALLY STRESSED NYS CITIES (SEPT. 2016)

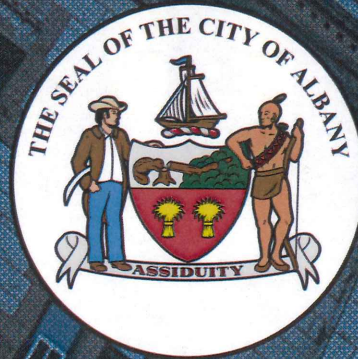
KEY

- Significant Fiscal Stress (≥ to 65% of total points) 
- Moderate Fiscal Stress (≥ to 55% of total points) 
- Susceptible to Fiscal Stress (≥ to 45% of total points) 



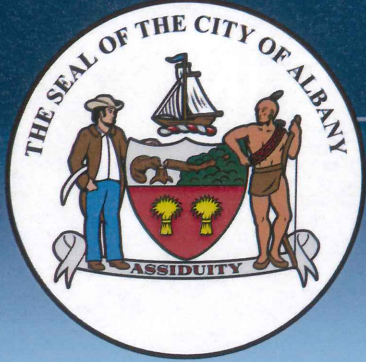
21st CENTURY CITY GOVERNMENT

UNLEASHING ALBANY'S POTENTIAL

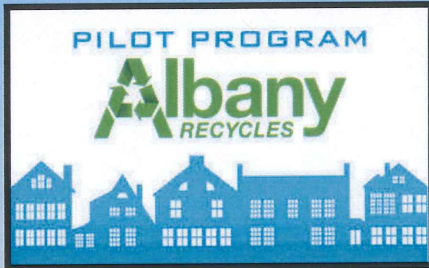


2017 CITY OF ALBANY BUDGET TESTIMONY

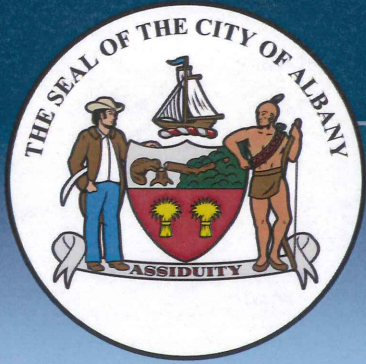
| MAYOR KATHY SHEEHAN



BUILDING THE BRIDGE



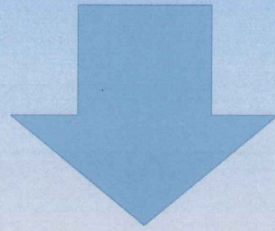
- Centralized Department of Administrative Services
- Implemented Enterprise Resource Planning (ERP) software for accounting
- Implemented Kronos for timekeeping
- Treasurer's Office implemented tax billing software
- Investment in additional technologies
- Rollout of automated recycling pilot program
- Eliminating waste and continued cost reductions



LARGEST EXPENDITURE DECREASE IN MORE THAN 15 YEARS

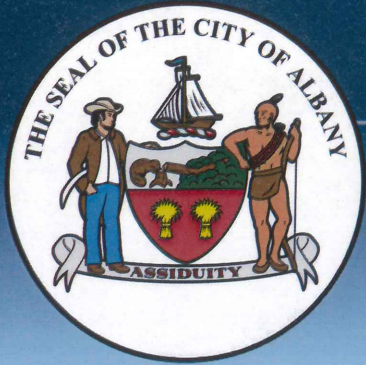
\$180,607,786

2016



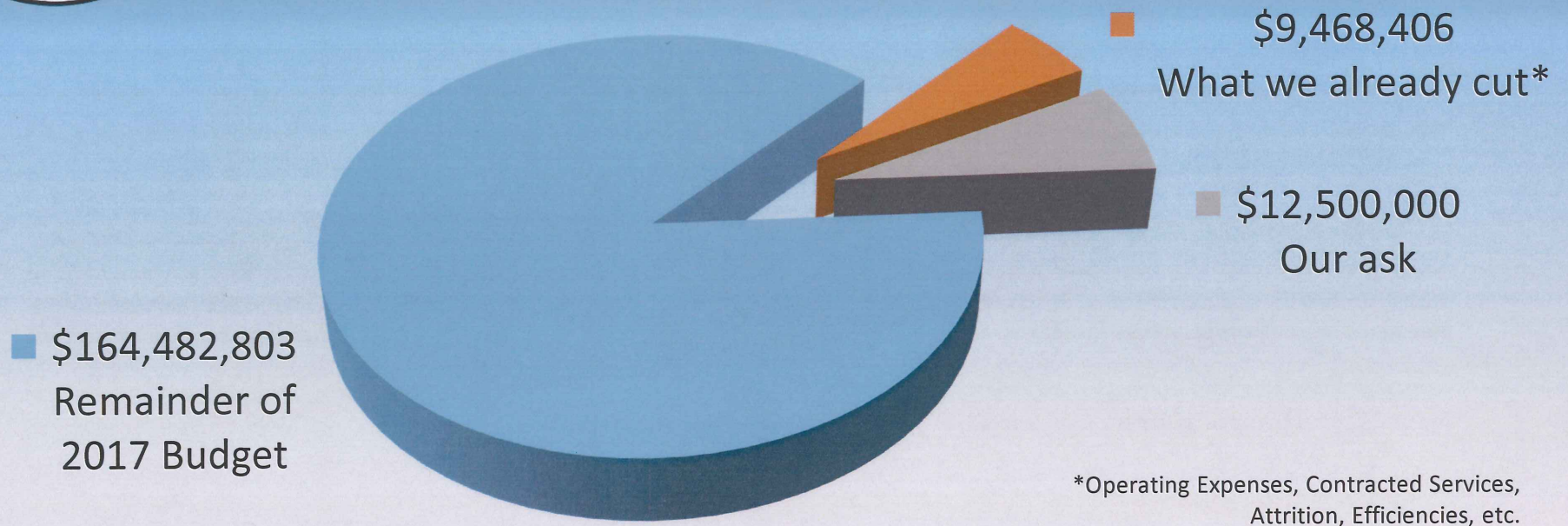
\$176,982,803

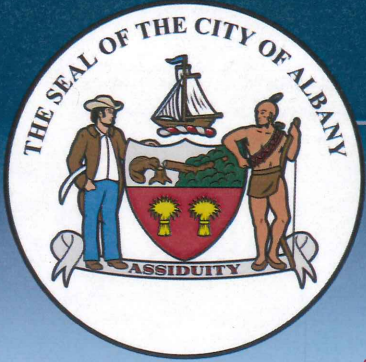
2017



WHY IS THIS IMPORTANT?

CITY OF ALBANY 2017 STRUCTURAL DEFICIT





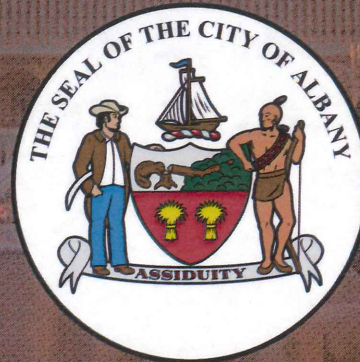
WHY IS THIS IMPORTANT?

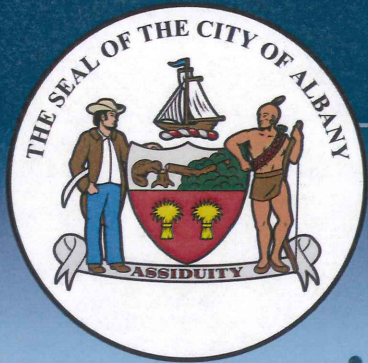
Alternative Budget Gap Scenarios with State Aid



PARTNERING WITH NEW YORK STATE

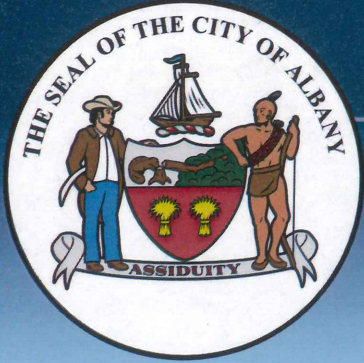
UNLEASHING ALBANY'S POTENTIAL





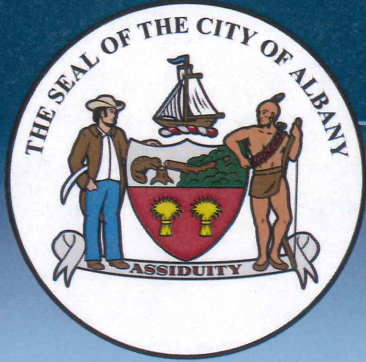
CLOSING THE GAP

- 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



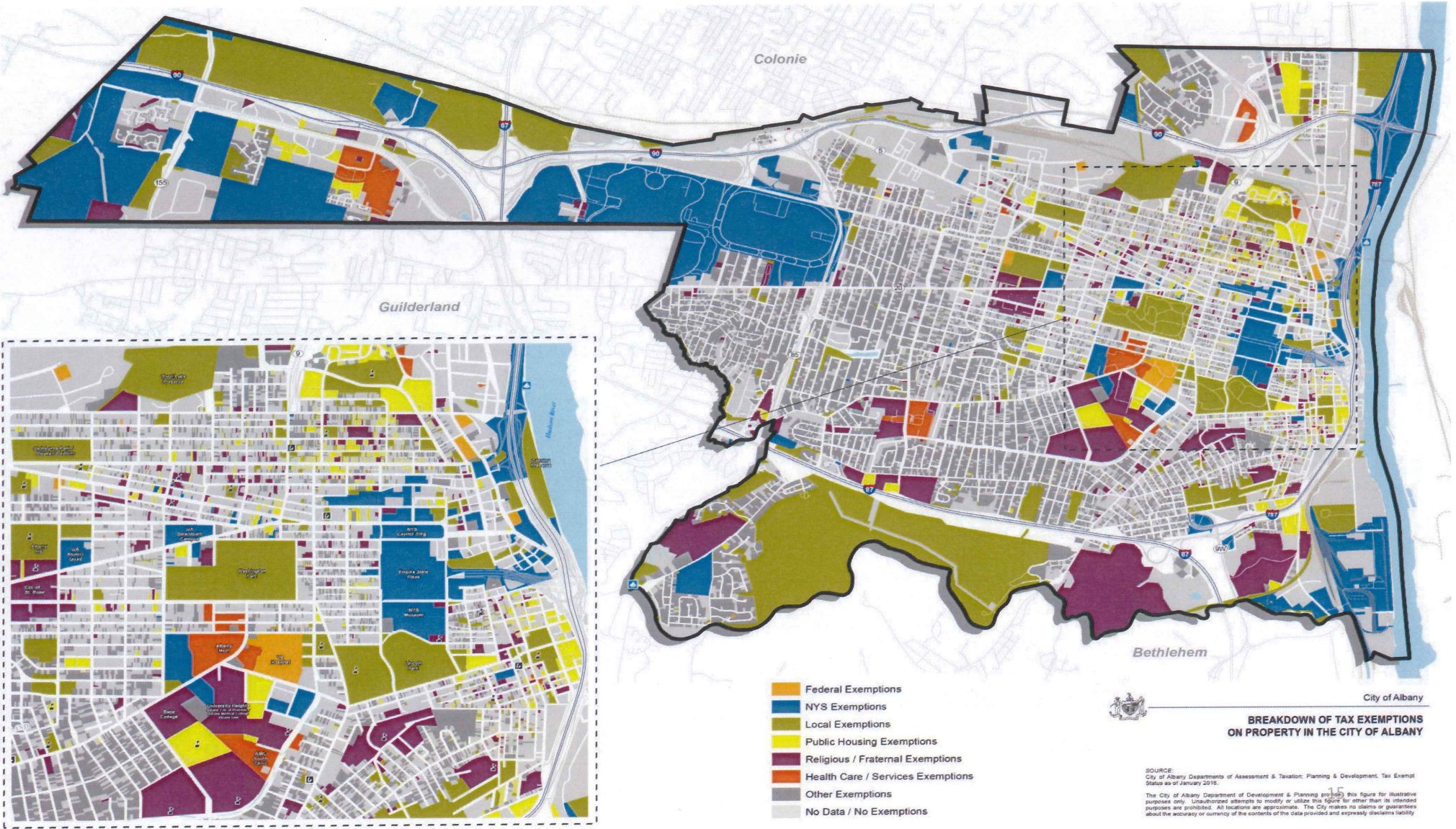
CAPITAL CITY CHALLENGES

- **\$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**



UNSUSTAINABLE 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



- Federal Exemptions
- NYS Exemptions
- Local Exemptions
- Public Housing Exemptions
- Religious / Fraternal Exemptions
- Health Care / Services Exemptions
- Other Exemptions
- No Data / No Exemptions



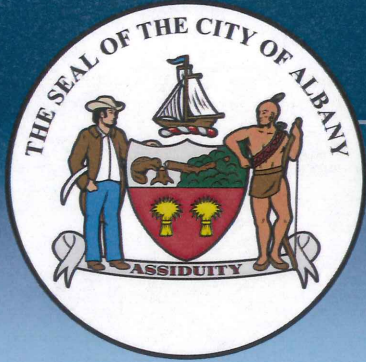
City of Albany

BREAKDOWN OF TAX EXEMPTIONS ON PROPERTY IN THE CITY OF ALBANY

SOURCE:
City of Albany, Departments of Assessment & Taxation; Planning & Development, Tax Exempt Status as of January 2016.

The City of Albany Department of Development & Planning prepared this figure for illustrative purposes only. Unauthorized attempts to modify or utilize this figure for other than its intended purposes are prohibited. All locations are approximate. The City makes no claims or guarantees about the accuracy or currency of the contents of the data provided and expressly disclaims liability.

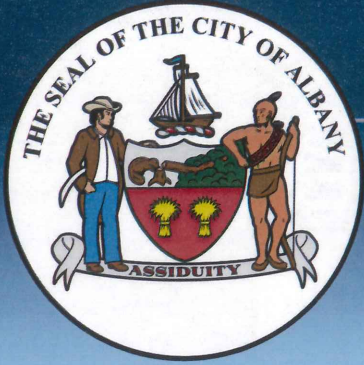
1/22/2016 10:28:16 AM CST/EST Source: GIS Data/Map Program, See Footer for Exemption Data as of January 2016. All Exemptions are as of January 2016.



AIM: INEQUALITY FOR A CITY DRIVEN BY EQUITY

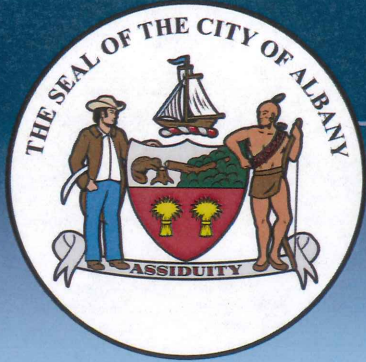
- The City of Albany receives less AIM per capita than any other upstate city with at least 50,000 residents

<u>City</u>	<u>Population</u>	<u>AIM Per Capita</u>
Buffalo	261,310	\$617.22
Syracuse	145,170	\$494.31
Rochester	210,565	\$419.04
Niagara Falls	50,193	\$354.52
Utica	62,235	\$258.87
Troy	50,129	\$244.96
Schenectady	66,135	\$169.44
Albany	97,856	\$128.84

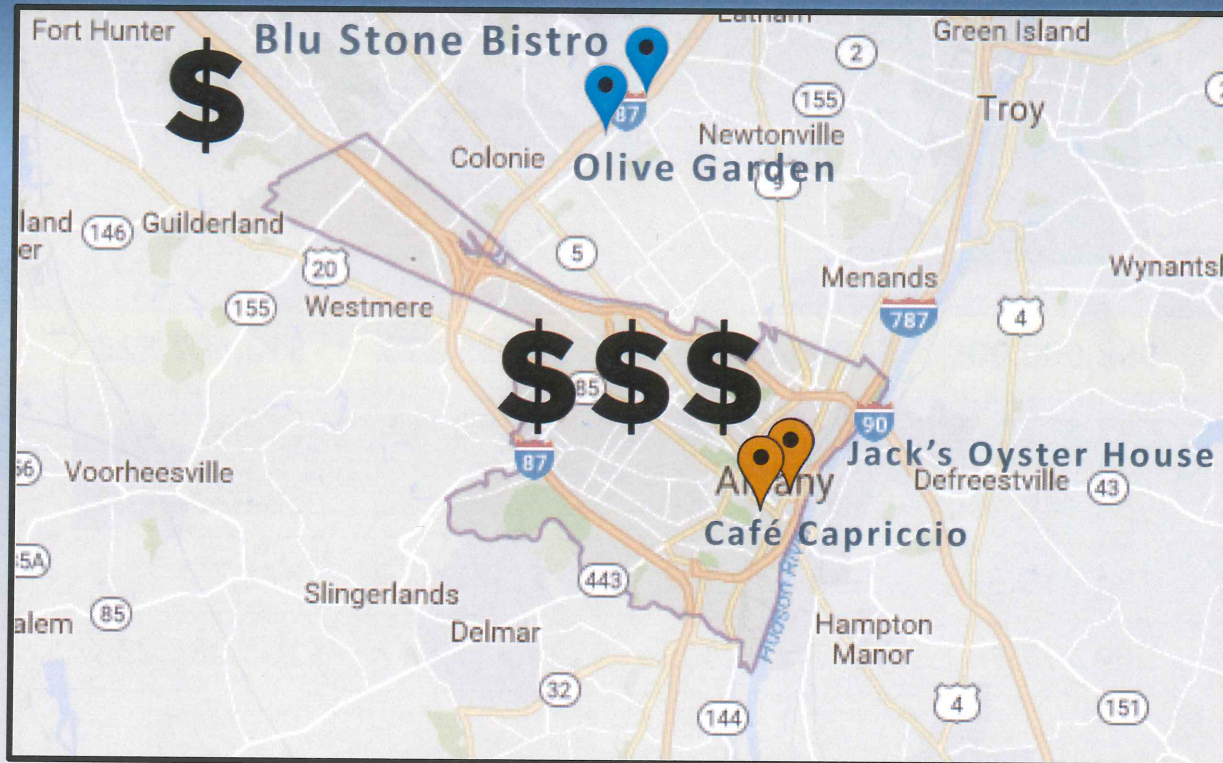


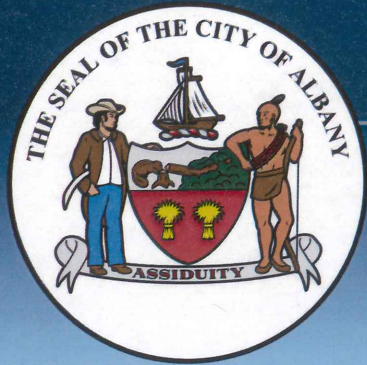
CITY & SCHOOL TAX LEVY

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



HIGH TAX RATES IMPACT BUSINESS COMPETITIVENESS





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

THANK YOU

UNLEASHING ALBANY'S POTENTIAL

