



February 6, 2024 New York State Legislature Joint Legislative Hearing on Local Government, Legislative Office Building, 181 State Street, Hearing Room B, 2nd Floor, Albany, NY, 12247

## **Statement from City of Auburn Mayor James N. Giannettino, Jr. on the Importance of AIM Funding for Local Governments**

Recently, it was Groundhog Day, and as the classic movie Groundhog Day depicts a Pennsylvania version of the story, a New York State version would see city mayors traveling to Albany to appeal for AIM funding.

My name is Jimmy Giannettino, and I am the new Mayor of the City of Auburn. My predecessor served for 16 years, during which the first three years as Mayor saw state AIM funding cuts each year. In the final 13 years of his tenure, the AIM funding remained flat. For Auburn, the last time AIM funding was cut was in 2011-2012, amounted to a \$141,152 annual reduction. Calculating the cut of \$141,152 annually, we lost almost \$2 million. Furthermore, when using a 2.5% cost of living adjustment, we have been shorted an additional \$2 million due to a lack of increases over 13 years. However, the cost of providing services continues to rise year after year.

The new auditor for the City of Syracuse, Alexander Marion, produced a report on AIM funding and how it affects Syracuse. The report describes a Syracuse scenario similar to how AIM funding has affected Auburn and all other cities in our state. To provide some context and emphasize the importance of AIM funding, let me read a portion of his report: "The Constitution of the United States is silent on local government cities are the products of the regulatory and financial environment of the respective states owing to the reserve powers granted in the 10th amendment. Because of that, cities are financially dependent on their states either through direct aid or by powers to raise revenue through taxation and fees. This model has struggled in recent years to keep up with the ever-changing environment of local laws. Situations have changed, but in New York, that economic model has remained the same. New York State, once a reliable provider of aid to cities throughout much of our history, has not risen to the challenge of this moment. Unfortunately, over the last decade, state aid has



*"History's Hometown"*

# CITY OF AUBURN

Office of the Mayor  
Honorable James N. Giannettino, Jr.

remained flat while municipal expenditures have increased, necessarily through inflation, contract awards, and state-mandated health care and pension costs."

As the Syracuse Auditor points out, each year that AIM funding is held flat, it puts great strain on every City budget in this state. In fiscal year 2006, when AIM funding was created under Governor Pataki, the State of New York budget was \$105 billion. Thirteen years ago, when the AIM funding was decreased and since frozen, the state budget was \$133 billion. Last year's 2024 state budget grew to \$229 billion, which is a 217% increase in state funding since 2006, which one could argue is not sustainable. The case I am making to the Governor and the members of the legislature is that conducting business in this manner, raising state spending without raising assistance to all of our cities, is not sustainable. It is not sustainable at the state level, and it is not sustainable for us at the local level.

I am currently in Albany, along with our advocacy organization, the New York State Conference of Mayors (NYCOM), to lobby for the restoration and increase of AIM funding. Over the years, our efforts to restore AIM funding have consistently been ignored in Executive Budget proposals. However, we have reason to be optimistic because in recent years, the legislature has made increases to AIM funding a priority in their one-house budget proposals. Nevertheless, the legislature's wishes have not been included in the final state budgets. I urge you all to please restore the sustainability of our cities as a principle of our State Budget and make increasing AIM funding a top priority for the legislature. Then, take the battle all the way to the finish line with the Governor so that the 2024-2025 State Budget will correct this situation for not only the City of Auburn but all of the cities in our State.

I thank you for your time and consideration.

City of Auburn, New York

**COUNCIL RESOLUTION #24 OF 2024**

**REQUESTING THE GOVERNOR AND STATE LEGISLATURE TO INCREASE AID AND INCENTIVES TO MUNICIPALITIES (AIM) FUNDING PROPOSED IN THE GOVERNOR'S 2024-2025 NYS BUDGET**

By Mayor Giannettino

February 1, 2024

**WHEREAS** Aid & Incentive to Municipalities (AIM) funding is the unrestricted State aid that cities and villages in New York receive from the State and such aid is distributed annually via the State budget; and

**WHEREAS** a strong state and local fiscal partnership is essential to generating economic vitality in all regions of our State and the New York State Budget providing AIM funding to the local governments is a critical component of such a partnership; and

**WHEREAS** in 2011, when David Patterson was Governor, AIM funding was cut significantly by the State Legislature and that year the City of Auburn's AIM funding was cut by \$329,449.; and

**WHEREAS** cities, villages and their taxpayers have suffered through multiple years without an increase in AIM funding following that significant cut to the aid in 2011; and

**WHEREAS** on January 9, 2024 Governor Hochul released her Executive Budget proposal for the State fiscal year 2024-2025 and the proposal held AIM funding for cities and villages at previous year's levels; and

**WHEREAS** just as annual increases in school aid help school districts comply with the New York State tax cap and maintain essential services, municipal governments need and deserve similar annual increases in State aid; and

**WHEREAS** the fact that the New York State tax cap remains permanent only accentuates the need for annual increases in AIM funding; and

**WHEREAS** it is noted that the State of New York has not provided an increase in AIM funding to cities for the past 16 City of Auburn budgets.

**NOW, THEREFORE, BE IT RESOLVED** that the Mayor and City Council call upon Governor Kathy Hochul, Senator Rachel May and Assemblyman John Lemondes and all members of the NYS Legislature to increase AIM funding in the 2024-2025 New York State Budget; and

**BE IT FURTHER RESOLVED** that the City Clerk forward a certified copy of this resolution to the Governor and all of our State representatives.

City of Auburn, New York

Seconded by Councilor Overstreet-Wilson

	Ayes	Noes	Excused
Councilor Kent	X		
Councilor Overstreet-Wilson	X		
Councilor Cuddy	X		
Councilor Calarco	X		
Mayor Giannettino	X		
Carried and Adopted	X		

STATE OF NEW YORK     )  
  ) SS.:  
COUNTY OF CAYUGA     )

I, CHARLES MASON, Clerk of the City of Auburn, Cayuga County, New York (the “City”), DO HEREBY CERTIFY:

That I have compared the annexed abstract of the minutes of the meeting of the Council of the City (the “Council”), held on the 1st day of February, 2024, including the Council Resolution #24 of 2024 contained therein, with the original thereof on file in my office, and the attached is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City this 2<sup>nd</sup> day of February, 2024.



Charles Mason, Clerk  
City of Auburn, Cayuga County, New York