



Brian U. Stratton
Mayor

OFFICE OF THE MAYOR

CITY OF SCHENECTADY
NEW YORK

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Mayor Stratton, City Council Members Urge Governor, State Leaders Not to Cut State Aid to Schenectady

Stratton and City Council Send Letter to Albany in Response to Governor Paterson's Proposed Options for \$1 Billion in State Budget Cuts.

SCHENECTADY – Mayor Brian U. Stratton and each member of the Schenectady City Council have signed a letter sent today to Governor David Paterson and targeted State Senate and Assembly leaders urging them not to include reductions in Schenectady's annual share of state aid among the \$1 billion in budget reductions proposed by the Governor yesterday.

"While we applaud the efforts of the Governor and our state legislative leaders to promptly and responsibly to address New York's deteriorating fiscal condition, we firmly believe that cuts in annual local assistance payments provided to Schenectady would severely impact our ability to maintain vital city services and a stable property tax rate for our citizens and businesses," the Mayor and Council members wrote.

The Senate and Assembly will convene next week in a special session called by Governor Paterson for August 19 to address New York State's budget crisis. Governor Paterson has told legislative leaders that they must cut at least \$600 million from the already adopted 2008-09 State Budget and make additional spending cuts to next year's budget to begin to address an estimated \$6.4 Billion budget gap.

Among the spending cuts suggested by the Governor is a \$250 million reduction in this year's scheduled state aid payments to local governments, representing a six percent reduction.

Mayor Stratton and City Council members say that if the plan is adopted by the State Legislature, Schenectady would lose \$708,000 this year, and potentially lose much more in state aid in 2009. The Mayor and Council say such a reduction would mean reductions in city services, the cancellation of planned neighborhood improvement projects, and even the potential for a property tax hike next year.

A copy of the letter sent today to Governor Paterson and the state's legislative leaders is attached.





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August 12, 2008

Hon. David Paterson
State Capitol
Albany, New York 12224

Dear Governor Paterson:

On behalf of the citizens of the City of Schenectady, we write to unanimously urge you not to vote to include any reduction in State Aid to local governments in your legislative plan to address the State's budget crisis during the Legislative special session scheduled for August 19.

This week, you proposed \$1 billion in immediate budget reduction options for the Legislature to consider in addressing New York State's fiscal crisis, including reducing 2008-09 budgeted aid to local governments by six percent, or \$250 million.

While we applaud your efforts to promptly and responsibly address New York's deteriorating fiscal condition, we firmly believe that cuts in annual local assistance payments provided to Schenectady would severely impact our ability to maintain vital city services and a stable property tax rate for our citizens and businesses.

As you know, the City of Schenectady has made considerable strides over the past four years to work to recover from its own fiscal crisis. Since 2004, we have eliminated a \$10 million deficit, returned our credit rating from the lowest in the state and back to investment grade, and become a model for municipal efficiency and transparency in New York and the nation.

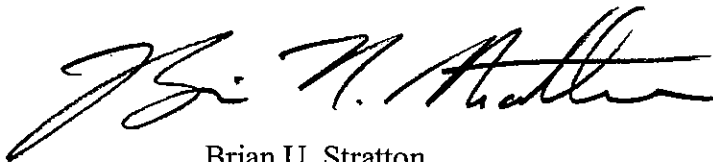
We have done so by working together, consolidating services and cooperating with Schenectady County, implementing professional budget management and by increasing our share of State aid from \$5.7 million in 2004 to \$11.8 million in the 2008-09 approved state budget. Even today, however, Schenectady remains significantly under-funded in state aid received compared to other municipalities that receive much larger state aid payments without achieving similar budget performance measures.

The six percent reduction you have proposed for the Legislature to consider would slash our state aid payment by more than \$700,000 this year, with even more aggressive reductions projected for 2009. Moreover, it would shift the burden to Schenectady taxpayers by requiring reductions in municipal services, delaying or canceling of neighborhood improvement programs, or even requiring local property tax increases.

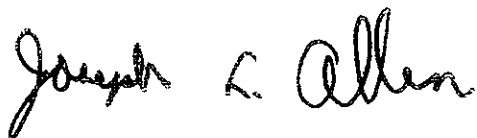


We urge you to work with the State Legislature to adopt more logical and effective reductions to close the budget gap and help our state move forward. Please do not include any reduction in our local state aid.

Sincerely,



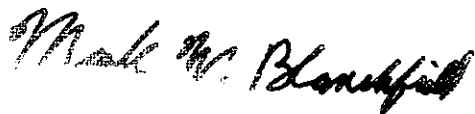
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Joseph Allen
Schenectady City Councilmember



Barbara Blanchard
Schenectady City Councilmember



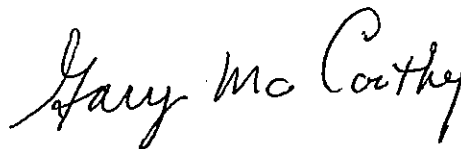
Mark Blanchfield
Schenectady City Council



Denise Brucker
Schenectady City Councilmember



Thomas Della Sala
Schenectady City Council



Gary McCarthy
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Margaret King
President, Schenectady City Council



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August 12, 2008

Hon. Hugh Farley
412 LOB
Albany, New York 12247

Dear Senator Farley:

On behalf of the citizens of the City of Schenectady, we write to unanimously urge you not to vote to include any reduction in State Aid to local governments in your legislative plan to address the State's budget crisis during the Legislative special session scheduled for August 19.

This week, Governor Paterson proposed \$1 billion in immediate budget reduction options for the Legislature to consider in addressing New York State's fiscal crisis, including reducing 2008-09 budgeted aid to local governments by six percent, or \$250 million.

While we applaud the efforts of the Governor and our State legislative leaders to promptly and responsibly address New York's deteriorating fiscal condition, we firmly believe that cuts in annual local assistance payments provided to Schenectady would severely impact our ability to maintain vital city services and a stable property tax rate for our citizens and businesses.

As you are aware, the City of Schenectady has made considerable strides over the past four years to work to recover from its own fiscal crisis. Since 2004, we have eliminated a \$10 million deficit, returned our credit rating from the lowest in the state and back to investment grade, and become a model for municipal efficiency and transparency in New York and the nation.

We have done so by working together, consolidating services and cooperating with Schenectady County, implementing professional budget management and by increasing our share of State aid from \$5.7 million in 2004 to \$11.8 million in the 2008-09 approved state budget. Even today, Schenectady remains significantly under-funded in state aid received compared to other municipalities that receive much larger state aid payments without achieving similar performance measures.

The six percent reduction proposed by the Governor would slash our state aid payment by more than \$700,000 this year, with even more aggressive reductions projected for 2009. Moreover, it would shift the burden to Schenectady taxpayers by requiring reductions in municipal services, delaying or canceling of neighborhood improvement programs, or even require local property tax increases.

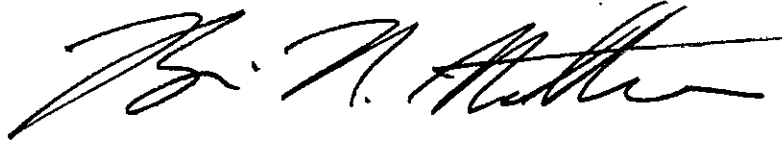


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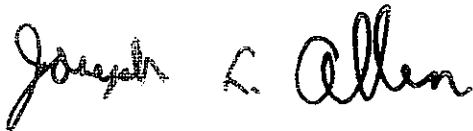
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We urge you to work with the Governor and your colleagues in the State Legislature to adopt more logical and effective reductions to close the budget gap and help our state move forward. Please do not include any reduction in our local state aid.

Sincerely,



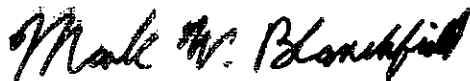
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