

**Council Member Sano offered the following which was approved:**

**Resolution Number 90.112.09R (MC)**

**RESOLUTION OF THE COMMON COUNCIL OUTLINING ITS ACTIONS AND EXPRESSING ITS FINDINGS AND INTENT WITH REGARD TO ADOPTION OF THE FISCAL YEAR 2010 CITY OF ALBANY BUDGET AS PROPOSED IN ORDINANCE 66.101.09 (AS AMENDED) ENTITLED: “AN ORDINANCE ADOPTING THE BUDGET AS PROPOSED BY THE MAYOR ON OCTOBER 1, 2009, FOR FISCAL YEAR 2010”**

WHEREAS on October 1, 2009 the Common Council received the proposed budget for the City of Albany for fiscal year 2010; and

WHEREAS subsequent to receipt of such budget, the Common Council engaged in an extensive review of the proposal which included meeting with department heads, holding two public hearings, discussion of the city’s financial status and identification of budget priorities; and

WHEREAS as a result of this process the Council has adopted Ordinance Number 66.101.09 (as amended) which adopts the fiscal year 2010 City of Albany budget with revisions;

NOW, THEREFORE, BE IT RESOLVED that the Common Council does adopt the following statement outlining its actions and expressing its findings and intent with regard to adoption of the fiscal year 2010 City of Albany budget; and

BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to the Mayor, Deputy Mayor, Budget Director and all other department heads; and

BE IT FURTHER RESOLVED that a copy of the “Statement of Common Council Actions, Findings and Intent” as herein adopted be printed in the final bound document constituting the “City of Albany 2010 Budget” immediately following the Mayor’s transmittal message.

**2010 City of Albany Budget  
Statement of Common Council Actions, Findings and Intent**

The Common Council has completed its review of the proposed 2010 City of Albany budget. This statement summarizes the Council’s actions, findings and intent with regard to adoption of Ordinance 66.101.09.

**Overview**

The Common Council recognizes that the City of Albany is facing significant financial challenges in the upcoming fiscal year and beyond. Among which are:

- Reductions in state aid payments under the Aid Incentives to Municipalities (AIM) program;
- Scheduled reductions in PILOT payments under section 19-A of the NYS Public Lands Law;
- Increased State-mandated contributions to the NYS Employee-Retirement System;
- Increased costs related to employee salary and health benefits.

While the proposed budget maintains the property tax levy at last year's level, it also anticipates the use of \$5,261,000 from the Fund Balance to meet net increased expenditures. We need to move beyond short-term fiscal management to structural reforms that will carry us into future years and an opportunity to make government more efficient and affordable. In the year ahead, notwithstanding the amounts appropriated for 2010, department heads must aggressively manage expenditures in all areas, no matter how small, to meet this challenge.

To deal with the longer term issues, the Council is proposing two initiatives discussed more fully at the end of this statement.

Finally, as we move forward, the Council remains committed to working with the Administration on efforts to secure enhanced state aid which rectify inequitable funding formulas and identifying new sources of revenue, especially expanded PILOT agreements with non-governmental entities, to help maintain the delivery of services to residents and non-resident visitors and commuters. As part of this effort we will work to assure that our elected representatives in the State Legislature are more fully aware of the financial challenges facing Albany as New York State's capital city.

## **Council Revisions**

### ***Department of General Services***

The Council places a high priority on enhanced recycling but also realizes that there is variability in the market for recyclables. Nonetheless, recycling compliance works best when the rules are simple. Currently, the City limits plastic recycling to #'s 1 and 2, while based on current market conditions, expanding plastic recycling to #'s 3 through 7 will require increased expenditures to dispose of recycled material, the Council believes that there is a greater benefit to expanding plastic recycling, thereby simplifying the rules and likely enhancing compliance. In addition, expanded collection of plastics for recycling will reduce utilization of landfill space and extend its anticipated life. The Council therefore adds \$142,500 in additional funds to support a waste hauler contract that includes expanded collection of plastics for recycling. The Council believes that costs of increased public education regarding the expanded recycling rules can be minimized and therefore adds an additional \$7,500 to support education related materials.

### ***Offices of City Auditor and Treasurer***

As a result of Albany City Charter revisions adopted in 1998, the Office of Comptroller is eliminated effective January 1, 2010 and a new Office of City Auditor is established. Many of the functions of the Office of Comptroller, including designation of Chief Financial Officer, are transferred to the Treasurer's office. The proposed budget makes various staffing changes to reflect these revised responsibilities. The incoming City Auditor has requested additional staffing for his office; the Council defers action on that request at this time without prejudice. The Council is committed to re-examining staffing needs within the Auditor's office early in the new year once there is a better understanding of need and a more defined work plan is put in place.

### ***Public Safety Staffing Reports***

As part of the 2009 budget the Council requested quarterly staffing reports from both the Fire Chief and Police Chief for their respective departments, the Council continues that request for 2010 and directs that such reports be submitted to the Clerk of the Common Council for dissemination to Council Members.

## ***Capital Budget***

The Council has reviewed the proposed 2010 Capital Budget; it will review it more closely in 2010 during the consideration of separate bonding ordinances and for consistency with the adopted debt policy. In the interim, the Council adjusts the proposed 2010 Capital Budget to include an additional \$125,000 in bonding authorization for traffic signals with the intent that the increased funding supports traffic signal enhancements at the Harriet B. Myers Middle School.

## **Longer Term Financial Management**

As indicated at the outset, this budget must be treated as a bridge to long term fiscal stability and addressing our financial challenges. As we move forward, we must understand that our financial situation continues to be pressured.

To that end, we must begin to look at longer term restructuring.

### ***Independent Management Audits***

The use of targeted independent outside management audits of certain departments is one way to look for efficiencies. The Council has included funding in past budgets, which is continued in the 2010 proposal, to fund targeted management audits. The Council directs that for 2010 this funding be targeted toward the code enforcement function including areas related to inter-departmental coordination and accountability and the need to establish a central focus point for code enforcement activity and intake. The parameters of this audit should be more fully developed by the Ad Hoc Committee described below.

### ***On-Going Financial Management and Oversight***

Addressing the challenges ahead must be part of a cooperative effort between the Executive and Legislative branches of government as well as with our other elected officials. To that end, the Council is proposing an Ad Hoc Committee on Financial Management and Oversight to include the:

- Council Leadership and Chair and Vice Chair of the Committee on Finance, Taxation and Assessment;
- Appropriate representatives of the Executive Branch; and
- City Treasurer and Auditor.

This Ad Hoc Committee should meet on an at least monthly basis to monitor the City's financial situation, identify areas for potential economies and efficiencies, examine options for government restructuring and mechanisms to enhance financial management. This committee should work with departments toward reducing expenditures during the course of the year. The committee should report on a quarterly basis to the public.

## **Conclusion**

In previous resolutions the Council has outlined opportunities for longer term restructuring, we continue to advocate examination of those options through the Ad Hoc Committee. We believe that restructuring and meeting our financial challenges can only come through a partnership which involves all branches working together on an on-going basis; addressing the challenges ahead must be part of a

cooperative effort. The Council is committed to being a part of that process. All of us in city government share the same goals: stable finances, a level of services necessary to meet public needs, and a minimal tax burden on residents. We need to continue our efforts at economic and neighborhood development that will make Albany a “community of choice” for Capital District residents seeking an optimal quality of life.

With adoption of Ordinance 66.101.09 as amended and this resolution, we complete action on the fiscal year 2010 City of Albany budget.