

City of Saratoga Springs

CITY HALL

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City of Saratoga Springs Officials Testify at New York State Budget Hearing on Executive Budget Proposal Eliminating VLT Aid for the City of Saratoga Springs

On January 21, 2020, the 2020-2021 NYS Executive Budget Proposal was released, and it included the elimination of Video Lottery Terminal (VLT) Aid to the City of Saratoga Springs. In 2020, the City expected to receive \$2,325,592 in VLT Aid revenue. Such an abrupt elimination represents 5% of the City's operating budget and would strike a significant blow to the City.

On February 10, 2020, Mayor Meg Kelly, Commissioner of Finance Michele Madigan and Commissioner of Public Safety Robin Dalton, testified at the New York State Joint Legislative Local Government Budget Hearing, and urged the Legislature to fully restore VLT aid.

VLT aid was established in the 2006-2007 New York State Budget to help the City defray local costs associated with hosting a VLT facility to minimize and reduce property taxes. The City has put the VLT aid to good use, continually providing outstanding City services to the hundreds of thousands of visitors who not only utilize the VLT facility, but also take advantage of the City's restaurants, other entertainment venues and 60+ downtown events throughout the year. VLT aid has assisted the City with substantial public safety, public works and infrastructure expenditures. If the VLT aid were discontinued, these expenditures would have to be reconsidered, despite the great need.

As for property taxes, the City has been able to maintain stable property taxes for the last eight years. This year's property tax levy again falls within the State's two percent property tax cap, and results in an average decrease in property taxes from 2019 of 0.05%. This unexpected loss of VLT aid would force the City to consider an immediate tax levy increase of 10-12%; 5-6 times the State's property tax cap.

"Now is not the time for the State to be forcing the City to cut its operating budget and City services. Rather, it should be a time for the State to tout the City's growth and stable property taxes as an example of municipal success. The State and City should be investing in, not cutting, critical services and infrastructure, so that the City's prosperity is sustainable for the long-term. The City's 2020 Budget, which was adopted in late 2019, contemplates such investments, including cybersecurity, recreation and trails, public safety improvements, and Code Blue/homeless solutions for its growing poor and homeless population. We will continue to advocate to ensure these critically important funds are restored in the 2020-2021 New York State Budget," Mayor Meg Kelly stated.