



## OFFICE OF THE MAYOR

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NEW YORK

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### **Press Release**

## ***Mayor Gary McCarthy Announces Positive Result for Annual Independent Audit***

***Audit Shows Continued Financial Strength;  
City's Strong Reserves Allow for Full 2015 Police and Fire Retirement Payment***

**SCHENECTADY** - Mayor Gary R. McCarthy and Schenectady City Council Finance Chairwoman Leesa Perazzo today lauded the unanimous adoption of Schenectady's annual independent audit. For the second year in a row there were no material findings in the audit, showing Schenectady's continued positive fiscal management. The strength of the City's fund balance has allowed for a 2015 budget amendment to increase the retirement budget, positioning the City to fully pay its Police and Fire Retirement System anticipated bill and augment the Employee Retirement System budget for anticipated increases.

"Nationwide cities face challenging financial times, but I am proud of the record we have created here of strong budgeting and fiscal responsibility," said Schenectady Mayor McCarthy. "We closed Fiscal Year 2014 with the third consecutive operating surplus and Schenectady's total property tax levy is about .72% lower this year than it was three years ago."

"The continued improvement of the City's finances has come through strong fiscal leadership and, at times, difficult decision making," said Leesa Perazzo, City Council Finance Chairwoman. "Making intelligent community investments and creating new efficiencies are critical to the long-term health of the City and the record shows commitment to these policies has put Schenectady on the right course."

"The City's finances have improved greatly, showing adequate reserves and an unrestricted surplus that will be used to fully pay the 2015 retirement estimates as opposed to amortizing a portion as would be allowed," said James Cusack, partner at Cusack & Company Certified Public Accountants LLC. "The City shows strong fiscal management and the accounting is in good shape."

**\*MORE\***

The annual independent audit is required by State Law. An independent auditor reviews the City financial statements in accordance with the financial reporting provisions prescribed by the New York State Office of the State Comptroller.

The financial statements showed that the City's total revenues covered total expenditures without the use of the budgeted Appropriated Fund Balance. The City had its third consecutive operating surplus resulting in the total fund balance being increased by approximately 17% compared to the previous fiscal year.

During 2014, Standard & Poor's upgraded the City's general obligation bond rating by upgrading it to A with a stable outlook and, additionally, in 2015 Moody's Investor Services affirmed the City's general obligation bond rating and removed the negative outlook. Moody's cited the City's improved financial and liquidity position, favorable sales tax trend, and strong fiscal management.

The City is poised for a promising future of strong future growth. Moody's cites the City's expected increased revenue driven by the Mohawk Harbor development and sales tax growth from construction and ultimately tourism generated by the casino. The casino is expected to draw over two million visitors a year and generate \$50 million for the local economy in the form of worker payrolls, benefits and tips by 2019.

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