



June 1, 2009

MAYORAL CANDIDATE RICH DAVID TODAY VOICED SERIOUS CONCERN AND RESERVATIONS OVER COMPTROLLER DiNAPOLI'S PLAN TO HAVE LOCAL GOVERNMENTS COME UP WITH BILLIONS TO ABSORB RETIREMENT SYSTEM SHORTFALL

-DAVID SAYS PLAN IS IRRESPONSIBLE & UNACCEPTABLE AND URGES COMPTROLLER TO IDENTIFY OTHER OPTIONS-

(BINGHAMTON, NY) Binghamton Mayoral Candidate Rich David today voiced serious concern and reservation over New York State Comptroller Thomas DiNapoli's plan to have local governments absorb the \$44 billion dollar shortfall that has recently impacted the NYS Retirement System.

Last week the comptroller announced the values of assets held by the state pension fund dropped 26% last year, and added that the drop could mean increases of more than 10% in property taxes for many municipal governments.

“By mandating that local governments collectively absorb this multi-billion dollar loss by increasing local property taxes is completely unacceptable and irresponsible and will push cities that are on the verge on insolvency to the brink of bankruptcy,” said David. “I am urging the Comptroller to look at different options than this massive increase that will break the backs of communities large and small across New York.”

David noted that New York State Governor David Patterson said that such increases; “will have a devastating impact on already overburdened local property taxpayers”. The Governor also urged the comptroller to find ways to minimize the increases.

“The City of Binghamton is not in a position to absorb an impact of this magnitude,” added David. “The Comptroller's plan will have a disastrous impact on Binghamton and municipalities across the New York.”

DiNapoli did discuss an option that would allow employers to amortize a portion of the added costs over time.

“If local governments are directed to shoulder this massive burden then they must have the option to spread out the payments overtime to ease the impact on local taxpayers,” added David. “Amortization is one option that has to be considered in order to mitigate this massive burden, however, it's imperative to note that having to absorb the entire loss in one year would be catastrophic for local governments. If a multi-year option is not feasible the Comptroller must identify other remedies that will mitigate the impact of this fiscal stick of dynamite.”