

**APPROVED**

**Budget and Capital Committee  
January 12, 2009  
3:30 p.m.  
Scott Heyman Conference Room**

Present: J. Dennis, N. Shinagawa, P. Mackesey, K. Luz Herrera, M. Hattery  
Legislators: M. Robertson, M. Koplinka-Loehr  
Staff: J. Mareane, N. Jayne, M. Lynch, County Administration; D. Squires, Finance Director; J. Lecese, J. Jurkowich, Planning Department; M. Pottorff, Legislature Office  
Guests: B. Zapp, Alternatives Federal Credit Union; T. Ashmore, Ithaca Journal; K. Schlather, Human Services Coalition

**Call to Order**

Mr. Shinagawa called the meeting to order at 3:30 p.m.

**Changes to the Agenda**

There were no changes to the agenda.

**Approval of Minutes**

There were no minutes submitted for approval.

**Comments from the Public**

No member of the public wished to speak.

**Chair's Report**

Mr. Shinagawa had no report.

**Finance Director's Report**

Mr. Squires distributed a Contingent Fund report dated January 19, 2009. Mr. Squires reported on sales tax and stated he received the final payment that gets credited for 2008. He had projected ending the year with \$1 million above the budget estimate and actual receipts ended up at \$900,000 above the budgeted amount. Mr. Squires said Tompkins County is very dependent on energy and retail sales and neither of those markets are very viable right now.

Mr. Squires reported on an unexpected circumstance that occurred involving a contractual obligation of the Airport. The agreement made many years ago was to pay for the buyout of a hangar that had been built by the Ithaca Hangar Association. At the time the Ithaca Hangar Association constructed a hangar on Airport property, and agreement was entered into where they would be given the option to cash out and disband based on the appraised value. Mr. Squires said an appraisal was done and the County must now pay them back \$200,000. The Airport does not have the liquidity or the Fund Balance to pay this expense; therefore, this will be an unanticipated charge to the General Fund.

Ms. Herrera asked when staff become aware of this and expressed concern over the timing, particularly due to the difficult financial pressures the County is facing. Mr. Squires said in the Fall of 2008 staff was informed of this and it was determined the County has a legal obligation to pay. It was noted that the Air Service Board or the Facilities and Infrastructure Committee membership was not aware of this. Mr. Squires said there had been discussions between he, the Airport Manager, the County Attorney, and former County Administrator about this near the end of last year. *Mr. Dennis requested a detailed explanation.* Ms. Robertson asked if the Airport would be responsible for repayment of these funds. Mr. Squires said that would be a budgetary decision. *Ms. Herrera strongly urged the County start monitoring maintenance and utility costs, how to deal with the ownership, and what the County's liability is going to be.* She asked what County employees are vested in the cleaning and maintenance of this hangar. Mr. Hattery asked if this is a revenue-generating asset; Mr. Squires said income is generated through rent, which is paid to the Airport.

*The Committee requested a detailed report on this. Ms. Robertson requested the report include information on income and if the County has the ability to raise that.*

### **Report from the County Administrator**

Mr. Mareane distributed a copy of a letter sent to State representatives with regard to items of consequence to Tompkins County as a result of the proposed 2009-2010 State Budget. He reported he accompanied Michael Koplinka-Loehr, Chair; Patricia Carey, DSS Commissioner; and Martha Robertson, Legislator, to a meeting with Senator Seward on January 9<sup>th</sup> about this. Mr. Mareane reviewed the contents of the letter and noted the following key areas of concern:

- Retroactive elimination of COPS (Community Optional Preventive Services) funding;
- Youth Programs Block Grant, including youth services and juvenile detention;
- Highway Improvement Funding;
- Funding for Managed Addiction Treatment Services;
- A requirement that all Certified Home Health Agencies;
- The elimination of already under-funded reimbursement to counties to house State “readies”;
- Reduction of aid for elderly care services;
- Elimination of aid for emergency preparedness services and emergency medical services;
- An 18% cut in library aid; and
- A 6% cut in probation aid

### **Public Information Officer's Report**

Ms. Lynch had no report.

### **Community Housing Affordability Program and Community Housing Trust Company**

**RESOLUTION NO. - AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH THE CITY OF ITHACA AND CORNELL UNIVERSITY TO DEVELOP AND ADMINISTER THE HOUSING AFFORDABILITY PROGRAM AND THE HOUSING TRUST PROGRAM**

It was MOVED by Ms. Mackesey, seconded by Mr. Dennis, to Lift the Resolution from the Table. A vote by show of hands on the motion to Lift from the Table resulted as follows: Ayes – 4, Noes – 1 (Hattery). MOTION CARRIED.

The resolution was MOVED by Mr. Dennis, seconded by Ms. Herrera.

Ms. Robertson commented that the City has made minor changes to the Memorandum of Understanding (MOU) and a meeting will take place tomorrow to go over those changes. In addition, a small change will be submitted Legislator Kiefer. Ms. Lecese commented that all of the revisions from the City of Ithaca are very minor and clarified they are changes only to the MOU.

Mr. Hattery requested confirmation that for the land trust portion of those other kinds of projects for which are being discussed, that there is nothing that would hinder or undermine local planning and zoning processes in the County where those projects are taking place. Ms. Lecese said that is correct. He said he opposes this because he does not support a County-initiated project that is going to remove fee-simple ownership and turn it over to an organization that is going to hold it in trust. As a representative of a rural community, he has very different interests than the possible holder of the property.

There was a brief discussion of the action at the December 16, 2008 Legislature meeting to insert the words "peak oil".

Ms. Herrera said this has been widely circulated in the community and thinks it is very important that the Legislature, as elected representatives, take into account the months of work that went into this to obtain input. She spoke of how quickly trust of departments and others can be lost while making the change of a single or small number of Legislators, and asked that the efforts of the Planning Department and its staff be respected. She called attention to the second Resolved that states minor, non-substantive changes to the MOU would be permitted, provided that they are reviewed by the County Attorney.

Ms. Mackesey spoke of the process that has been followed and the outstanding job of reaching out to the community that has been done by the Planning Department. She said when items such as this is brought to the Legislature, the Legislature needs to make sure it is consistent with what it is trying to accomplish as a County. She thinks the attempt to get language inserted to address green building is valid and it is the responsibility of Legislators to review and make changes that are believed necessary.

A vote by show of hands resulted as follows: Ayes – 4, Noes – 1 (Hattery). MOTION CARRIED.

WHEREAS, the County received Small Cities Community Development Block Grant (CDBG) funds from the United States Department of Housing and Urban Development (HUD) in 1993, 1994, 1996, 1997, 1998, and 1999, and through the State of New York in 2000, 2002, 2005 and 2007 for the purpose of continuing its successful existing home mortgage program for first-time homeowners, and

WHEREAS, the County used these funds for homeownership assistance loans, repayment of which began in September 1995 and, under the rules of the HUD Small Cities Program, these program income funds must be spent for like purposes as the original grants, and

WHEREAS, the Tompkins County Housing Needs Assessment emphasizes the need for strategic partnerships, and

WHEREAS, the Tompkins County Housing Strategy outlines four strategies that can be utilized in combination to achieve our goal to create approximately 4,000 new housing units within the next ten years including a community housing trust and community housing affordability fund, and

WHEREAS, a proposal has been developed whereby Tompkins County, Cornell University and the City of Ithaca would jointly fund a Community Housing Affordability Program and Community Housing Trust Program, and

WHEREAS, the Community Housing Affordability Program is a locally funded and administered program that assists with the pre-development costs associated with residential and mixed use real estate

development projects primarily benefiting low and moderate income households and the Community Housing Trust Program is a program designed to ensure that newly constructed or rehabilitated homes that are made available to low to moderate income households remain affordable to future generations of buyers, now therefore be it

RESOLVED, on recommendation of the Planning, Development, and Environmental Quality Committee, That Tompkins County shall provide funding to be loaned and/or granted pursuant to a Notice of Funding Availability, which is a designated funding opportunity for the Community Housing Affordability Program and the Community Housing Trust Program, in a cumulative amount not to exceed six hundred thousand dollars (\$600,000.00) over six years,

RESOLVED, further, That Tompkins County approves and accepts the Memorandum of Understanding (MOU) among the County of Tompkins, the City of Ithaca, and Cornell University with regard to the Community Housing Affordability Program and the Community Housing Trust Program, provided that revisions may be made to the MOU that do not substantially or materially alter the intent or substance of the MOU and which are reviewed and approved by the County Attorney,

RESOLVED, further, That Tompkins County will appoint three representatives to the Program Oversight Committee which will serve as the oversight and administration entity for the Community Housing Affordability Program and the Community Housing Trust Program,

RESOLVED, further, that the Tompkins County Planning Department will provide administrative support for the Program Oversight Committee for the term covered by the MOU until and unless other arrangements are made by the Program Oversight Committee,

RESOLVED, further, That Tompkins County approves and accepts the Notice of Funding Availability for the Community Housing Affordability Program and the Community Housing Trust Program subject to review and modification by the Program Oversight Committee provided that such revisions do not materially change the intent of the Programs and will be subject to County Attorney review,

*RESOLVED, further, That Tompkins County shall initially capitalize the first year of the Community Housing Affordability Program and Community Housing Trust Program with a cash balance of one hundred thousand dollars (\$100,000), such amount to be derived from County's CDBG Homeownership Program Income Funds, and That the Finance Director is authorized and directed to make the following budget adjustment:*

Revenue	8695	Appropriated Fund Balance	\$100,000
Appropriation	8695.54400	Program Expense	\$100,000

RESOLVED, further, That the funding will be for a term of one year with an end date of December 31, 2009, or until the completion of two application cycles, whichever is later, and shall automatically be renewed at a rate of \$100,000 per year for additional two year terms up to a total of six years, consistent with the terms of the MOU,

RESOLVED, further, That the County Administrator or his designee be authorized to execute agreements in order to effect this grant program consistent with this resolution.

**SEQR ACTION:** TYPE II - 20

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**RESOLUTION NO. – APPROPRIATION FROM CONTINGENT FUND FOR ALTERNATIVES VENTURE FUND**

Moved by Ms. Mackesey, seconded by Mr. Shinagawa.

Mr. Zapp said the average income of the client base of this program is \$16,000. The program is geared to assist low-income individuals who are still in the workforce. Mr. Mareane spoke to the process and not the merits of this request. He expressed concern that there may be many mid-year funding requests in 2009, and suggested the appropriate groups or agencies with requests be channeled through

the Human Services Coalition for the purpose of doing due diligence prior to coming to the County Legislature. Agencies that fall outside of the Human Services Coalition could be reviewed by County Administration. Mr. Shinagawa suggested and the Committee agreed to the development of a fiscal policy to address these types of situations. The Committee shared Mr. Mareane's concern and supported his suggestion.

A voice vote on approving the resolution and submitting to the full Legislature resulted as follows: Ayes – 5, Noes – 0. MOTION CARRIED.

WHEREAS, the Alternatives Venture Fund, a not-for-profit corporation affiliated with Alternatives Federal Credit Union, is set to begin the seventh season of its free Volunteer Income Tax Assistance (VITA) tax preparation program, and

WHEREAS, during the previous tax season, the VITA program served 1,200 Tompkins County households, leveraging over \$32 for every \$1 of program expense and bringing over \$2 million dollars of State and Federal tax refunds into the County, and

WHEREAS, this season, the VITA program is expanding to new tax preparation sites in the Town of Dryden, Brooktondale, and Cornell University, and

WHEREAS, the program expects to increase households served by 15% with a proportional increase in tax refunds returned to those households, and

WHEREAS, VITA did not receive grants from two major funding sources this season due to an overwhelming request for funds, the Alternatives Venture Fund is reaching out to many sources within the community to support this program, and

WHEREAS, VITA is extremely beneficial to its clients and the County as a whole. Funds supporting VITA are returned to the community many times over, now therefore be it

RESOLVED, on recommendation of the Health and Human Services and the Budget and Capital Committees, That the County authorize and direct the Finance Director to make the following one-time appropriation:

FROM:	A1990.54400	Contingent Fund	\$10,000
TO:	6305.54400	Alternatives Venture Fund	\$10,000

RESOLVED, further, That County Administrator or his designee is authorized to execute any documents and agreements pertaining to the proposal.

**SEQR ACTION:** TYPE II-20

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### **Discussion of Budget Calendar**

Mr. Shinagawa asked for input from the Committee with regard to timing of the budget process last year. Mr. Hattery spoke of the discussion that took place in 2008 with regard to the role of program committees in budget process and goal-setting. *Mr. Shinagawa said he believes a memorandum was sent out but will follow-up on this and see that all members receive a copy.*

Due to possible changes in the State Budget, Ms. Robertson suggested the insertion of a timeline for mid-year changes to the 2009 County Budget. She requested Legislators, as well as department heads, be involved in responding to State Budget cuts. It was suggested the appropriate time to address mid-year changes would be in April near the Budget Retreat. Mr. Mareane said there are internal discussions going on right now about alternatives that will eventually come before the Legislature. Ms. Robertson said she would like staff to engage in Countywide brainstorming sessions.

Mr. Dennis asked if there could be a discussion with Departments of what would happen if there were not the same amount of funds in 2010 as in 2009, and would like these discussions to take place

very early in the year. Ms. Herrera spoke of the timing issue and the importance of developing a delicate balance in addressing budget impacts. If done too soon, many factors may be subject to change.

Mr. Hattery said he thinks the process that is currently in place positions the County very well in responding to the State budget, as well as the Retreat. Ms. Mackesey said there is a limit to what can be done without having definitive information.

**2009 Budget Calendar**

<b>Task Name</b>	<b>Start</b>	<b>Finish</b>	<b>Resource Names</b>
Review Fiscal Policy (if needed)	Mon 1/26/09	Mon 4/27/09	Legislature
Approve changes to Fiscal Policy (if needed)	Mon 4/27/09	Mon 4/27/09	Legislature
Report to County Administrator Projected impact of proposed Federal and State Budget on Department	Mon 2/2/09	Thu 4/30/09	Departments and Agencies
Report to Budget Committee on Projected Impact of Fed and State Budget	Mon 4/13/09	Mon 4/13/09	County Administration
Budget Retreat	Tues 4/28/09	Tues 4/28/09	Legislature, County Administration
Charge to County Administrator - Budget 2009 Financial Goals	Tue 5/5/09	Tue 5/5/09	Legislature
Distribute Rollover Summary and Request Forms - Due by 5/8/09	Mon 4/27/09	Fri 5/8/09	Departments
Distribute Rollover Summary and Request Forms	Mon 5/11/09	Fri 6/19/09	Program Committee
Distribute Rollover Summary and Request Forms	Mon 6/22/09	Mon 6/22/09	Budget and Capital Committee
Major budget issues and concerns	Mon 6/8/09	Fri 7/31/09	Departments and Agencies, Program Committees
Initial Review of Capital Requests	Mon 6/1/09	Fri 7/10/09	Program Committees
Vote on Fiscal Target Guidelines Resolution	Tue 6/2/09	Tue 6/2/09	Legislature
Budget Training	Tues 6/23/09	Tues 6/23/09	County Administration, Departments
Budget Request submittal and County Administrator Review	Fri 7/31/09	Tues 9/1/09	Departments and Agencies
Distribution of Capital Requests to Legislature	Tue 8/4/09	Tue 8/4/09	County Administration
Budget Committee Briefing by County Administrator	Mon 8/24/09	Mon 8/24/09	County Administration
Review Fee Schedule– (Solid Waste et al.)	Mon 8/24/09	Mon 8/24/09	County Administration
Tentative budget	Tue 9/1/09	Tue 9/1/09	County Administration
Public Forum	Mon 9/21/09	Mon 9/21/09	Public Information, County Administrator, Legislature

Amend Tentative Budget	Tue 9/7/09	Mon 11/17/09	Expanded Budget Committee
Legislature Recommend date of Public Hearing & Presentation of Tentative Amended Budget	Tue 10/20/09	Tue 10/20/09	Legislature
Official Public Hearing	Wed 11/4/09	Wed 11/4/09	Public Information, County Administration, Legislature
Final Budget Adoption (include Fee resolution)	Tue 11/17/09	Tue 11/17/09	Legislature

**DRAFT - 2009 Committee Goals**

Mr. Shinagawa supported Mr. Mareane’s suggestion that when an organization falls under the umbrella of the Human Services Coalition, that the agency submit the request to the Coalition for review of its merits. If the organization does not fall under the umbrella of the Coalition, the request would be submitted to County Administration first.

Mr. Hattery spoke of a situation where a not-for-profit came to the Public Safety Committee requesting funding. He does not support funding requests for agencies when there is no departmental oversight of the program.

*It was agreed that County Administration will work with the Human Services Coalition to develop a policy to address these situations.*

Due to 2009 program committees not being established as of this date, discussion on goals was limited and will continue in an upcoming meeting.

**Feedback form**

Ms. Jayne requested comments on the budget feedback form used by Legislators and department heads following the budget process. Members found the form easy to complete, concise, and clear. Ms. Herrera commented that users need to have cookies enabled in browser settings in order to use the form electronically. *Mr. Hattery requested the Committee review the results of the completed forms and evaluate whether changes are needed in the process. Ms. Mackesey requested the form be sent out again.*

**Adjournment**

The meeting adjourned at 5 p.m.

Respectfully submitted by Michelle Pottorff, TC Legislature Office