

Budget and Capital Committee
March 26, 2007
3:30 p.m.
Scott Heyman Conference Room

APPROVED 4-9-07

Present: M. Koplinka-Loehr, N. Shinagawa, M. Hattery, R. Booth
Excused: K. Herrera
Legislators: P. Mackesey, M. Robertson
Staff: S. Whicher, P. Younger, N. Jayne, M. Lynch, County Administration; P. Carey, DSS; L. Holmes, COFA; B. Grinnell-Crosby, Health Department; M. Pottorff, Legislature Office

Called to Order

Mr. Koplinka-Loehr called the meeting to order at 3:32 p.m.

Changes to the Agenda

It was MOVED by Mr. Booth, seconded by Mr. Shinagawa, and unanimously adopted by voice vote by members present, to add a resolution to the agenda entitled Appropriation from Contingent Fund – City of Ithaca – Municipal Sales Tax Agreement

Approval of Minutes of March 12, 2007

It was MOVED by Mr. Booth, seconded by Mr. Shinagawa, and unanimously adopted by voice vote by members present, to approve the minutes of March 12, 2007 as submitted. MINUTES APPROVED.

Comments from the Public

No member of the public was in attendance.

Chair's Report

Mr. Koplinka-Loehr reported the third community budget forum was held last Saturday with relatively low attendance by the public. Ms. Lynch will be preparing a summary of the forums and sending to participants and Legislators. He noted the forums have provided meaningful interaction and dialogue.

Mr. Koplinka-Loehr announced the Community Advisory Panel, an advisory group who originally met in 2003, will be reconvening on April 25 for the purpose of providing feedback as we move into the budget process. *Mr. Hattery requested a list of membership of the Community Advisory Panel.* A subcommittee of Legislators (Koplinka-Loehr, Mackesey, and Robertson), will meet on April 4th to p with several Department heads for the content and format of the April 19 Department head/Legislator forum.

Finance Director's Report

Mr. Squires distributed a 2006 year-end Contingent Fund report, and noted there were many accounts that were overdrawn at year-end. There was \$2,357,216 paid from the Contingent Fund, of which the original allocation was \$830,000 and \$400,000 earmarked for Jail Boardouts. Accounts that were overdrawn at year-end were:

Assigned Counsel Legal Fees	\$132,077
Outside Community Colleges	44,915
Jail Staffing	80,416
Jail Boardouts	663,505
Education and Transportation of Preschool Handicapped Children	710,360

Mr. Squires also noted that revenue for the Department of Social Services greatly exceeded budgeted amounts.

Municipal Sales Tax

Ms. Jayne reported on actual sales tax collections in the City of Ithaca and stated the over-budgeted 2006 increase of \$66,012 now needs to be allocated as outlined in the Municipal Sales Tax Agreement. It was MOVED by Mr. Booth, seconded by Mr. Hattery, and unanimously adopted by voice vote by members present, to approve the following resolution and submit to the full Legislature:

**RESOLUTION NO. – APPROPRIATION FROM CONTINGENT FUND – CITY OF ITHACA
 – MUNICIPAL SALES TAX AGREEMENT**

WHEREAS, Resolution No. 87 of 1993 gave authorization for the County to enter into an agreement with the City of Ithaca for the distribution of sales tax proceeds, and

WHEREAS, the County pays for selected services provided by the City in an amount that increase or decreases yearly based on the percentage change in actual sales tax collected in the City of Ithaca, and

WHEREAS, actual collections within the City of Ithaca increased by 5.06 percent in 2006, and

WHEREAS, adjustments necessary to pay the various agencies requires an appropriation from the Contingent Fund, now therefore be it

RESOLVED, on recommendation of the Budget and Capital Committee, That the Director of Finance be authorized and directed to make the following budget appropriation:

BUDGET APPROPRIATION:

FROM:

Unallocated Revenues A9999.41110

<u>TO:</u>	Budget	2006 Due	Change
OAR 6315.54400	5,909	6,307	398
HSC Agencies A6305.54400	255,104	267,909	12,805
County/City Program Change 6901.54666	329,186	381,995	<u>52,809</u>
Total Change			<u>66,012</u>

SEQR ACTION: TYPE II-20

* * * * *

County Administrator's Report

Mr. Whicher had no report.

Public Information Officer's Report

Ms. Lynch also reported on the community budget forums and thought the attendance was disappointing with only five members of the public attending. Unlike the other forums, this group was

unable to reach consensus on what would be an acceptable property tax increase. She said all Legislators will receive a copy of a final report.

Mr. Whicher suggested taking a look at the amount of effort that went into these community budget forums. Mr. Booth said he thinks these forums do have value and should continue in the future, however, there should be a reduction in the staff resources used for them.

Ms. Mackesey said she doesn't believe the cost in the future would be as high as this year as much of the groundwork has now been done. She thinks the forums are very valuable and feels it is important to get education out there for the public. It also makes people feel there is an opportunity in this process for their input.

Ms. Robertson suggested that part of the low attendance problem could be the result of the discussion taking place about a theoretical budget and not real numbers. Although it is very busy during the actual budget process, it may be a more appropriate time to take this information to the public.

There was consensus by the Committee that the community budget forums are valuable and that there should be forums in rural areas as well as in the City of Ithaca. Ms. Carey suggested taking information from the forums to larger groups who may have established meeting schedules in addition to holding forums (e.g. Chamber of Commerce).

Mr. Hattery said if the Legislature's goal is to get a sense of priorities the only way to do that would be to conduct a public survey. He believes what is gained by the community budget forums is public confidence.

Rollover Policy

At this time the Committee reviewed the existing Rollover Policy. Mr. Koplinka-Loehr thinks the present policy works effectively and provides opportunities to the Legislature to deny any request. Mr. Squires thinks there should be consequences in bad fiscal times. Mr. Koplinka-Loehr said the present policy provides ways for the County recoup funds in difficult times. When asked for a recommendation, Mr. Whicher said he was not asked to make a recommendation, however, he noted that in reviewing past requests for Rollover funds he has not seen any purchases for things that ordinarily wouldn't be approved.

Ms. Mackesey said she does not doubt departments are using Rollover funds wisely but as a Legislator, she is also faced with property tax increases that are untenable for people. She believes in the majority of Rollover fund uses but said the Legislature needs to find areas to save money.

Mr. Whicher said when a department requests use of the funds the Legislature has three options: approve the request, deny the request, or deny the request and return funds to the General Fund.

Ms. Robertson said the problem she sees with evaluating requests on a case-by-case basis is that it removes the predictability factor for departments. She suggested identifying a specific source and amount that could be taken from Rollover totals. For Legislators, she thinks it is very hard to turn down specific Rollover requests and very hard to take Rollover being requested and return funds to the General Fund.

It was MOVED by Mr. Booth, seconded by Mr. Hattery, to authorize the Finance Director to keep 20% of certified Rollover in the General Fund at all times and not distribute to departments. A voice vote on the CONCEPT of this motion and to bring feedback from departments to the April 22 meeting of

this Committee resulted as follows: Ayes – 3, Noes – 1 (Koplinka-Loehr), Excused – 1 (Herrera).
MOTION CARRIED.

Budget Retreat

Mr. Koplinka-Loehr distributed an outline for the Legislative Budget Retreat to be held on April 26th. The Retreat will be modeled on the public forum with more detail. He asked members what information they would like in advance of that in addition to what was received last year. Items requested included: General Revenue Summary, a breakdown of budgets with and without mandates, a comparison to other counties, historical breakdown of program areas in the budget for a five-year period to include graphs, pie charts, and bar graphs, with each program committee beginning on a new page. Mr. Booth cautioned against making “value statements” as many costs included in the County’s budget are the result of doing business and expenses that must be paid (e.g. salaries, fringe, debt service). He also asked that the documents be compiled in a way that focuses on the large numbers and not small amounts.

Information will be compiled by Ms. Jayne and distributed to Legislators in advance of the Retreat. *Mr. Koplinka-Loehr requested Ms. Jayne to provide Committee members with a copy of the packet of information that was distributed for last year’s budget retreat and also the Citizen’s Friendly Budget.*

Budget Calendar

Mr. Koplinka-Loehr said special budget presentations are provided to the Legislature on separate occasions for Tompkins Cortland Community College, TCAT, and now the Library. While the Committee felt these presentations are useful there was consensus by the Committee that there is no desire to expand the number of presentations to others at this time.

Ms. Mackesey said she found these presentations very helpful and informative last year and suggested the Committee consider having County departments do similar presentations, possibly on a rotating basis.

Adjournment

The meeting adjourned at 5:00 p.m.