

**Budget Capital and Finance Committee**

**May 11, 2009**

**3:30 p.m.**

**Scott Heyman Conference Room**

**Approved**

Present: J. Dennis, P. Mackesey, K. Herrera, M. Hattery, N. Shinagawa  
Legislators: M. Robertson, C. Chock, M. Koplinka-Loehr  
Staff: J. Mareane, N. Jayne, County Administration; P. Carey, DSS Commissioner; E. Marx,  
Commissioner of Planning and Public Works; D. Squires, Finance Director; M. Pottorff,  
Legislature Office  
Guests: P. Pryor, City of Ithaca

**Call to Order**

Mr. Dennis called the meeting to order at 3:37 p.m.

**Changes to the Agenda**

There were no changes to the agenda.

**Approval of Minutes of April 27, 2009**

It was MOVED by Mr. Shinagawa, seconded by Mr. Hattery, and unanimously adopted by voice vote by members present, to approve the minutes of April 27, 2009 as submitted. MINUTES APPROVED.

**Comments from the Public**

No member of the public wished to comment.

**Chair's Report**

Mr. Dennis reported now that the tax levy has been set, some time in the next month there are other things that need to be done. He said the May 25 meeting will need to be rescheduled due to the Memorial Day observance. The meeting was rescheduled to May 29<sup>th</sup> at 3:30 p.m.

**Finance Director's Report**

Mr. Squires reported TCAT is experiencing liquidity issues; therefore, he has advanced them their State Aid payment in the amount of \$700,000. Ms. Herrera noted this is not an unprecedented action and the County from time-to-time has had to advance these funds. He distributed information on the Fund Balances and stated it is remarkable that the County ended 2008 showing stability of which part is attributed to the sales tax being above budget by \$1 million.

Mr. Squires spoke of the Airport Fund Balance and said it is designed to stand on its own and does not get any contribution from the General Fund. However, when the Airport runs out of cash it receives an "interfund loan" from the General Fund to meet its obligations. This then generates a liability which reduces the fund balance because they are an enterprise. Solid Waste is also an enterprise but unlike the Airport, has plenty of liquidity.

Mr. Hattery asked if there is a policy that states under what conditions the County would go into the 5% Unreserved Fund Balance. Mr. Squires said the policy says the 5% is the target and does not address going below it. He said going below this level would result in a reduction in the County's cash position and noted payroll is over \$2 million every two weeks. Mr. Mareane said the County could also

risk having a downgraded credit rating if a decision were made to go below that level. Mr. Hattery noted he is not stating he would support such an action but given the position the County is facing he thinks it would be a good idea to have a discussion about this.

### **County Administrator's Report**

Mr. Mareane discussed the following areas that will need to be looked at as the Legislature attempts to bridge the \$4.4 million budget gap. He said the following list is largely a compilation of ideas that have been brought forward during previous difficult budget years. This information will be presented to a Department Head meeting for input on May 13<sup>th</sup>. He noted none of these areas are being proposed at this time and this list represents suggestions of areas that may need review. The Legislature will need to take a comprehensive look at services delivered in the County and as it tries to establish priorities and an understanding of the impact of what would happen if there is a reduction or elimination of service in programs throughout the County.

### **General**

- Comprehensive review of programs to establish priorities and common understanding of impact
  - Including:
    - Extent of local discretion
    - Gross and local costs
    - Vulnerability of State or Federal aid cuts
    - Goals of program
    - Client profile and numbers served
    - Impact of elimination or reduced funding (including longer lines, waiting periods, etc.)
- Eliminate or proportionately reduce funding for programs supported by State aid that has been eliminated or reduced
- Eliminate or reduce funding for discretionary programs
- Stringent roll-over policy for 2009 and 2010
- Potential cost saving opportunities associated with in-sourcing or out-sourcing programs
- Explore further inter-municipal cooperation opportunities that can save money, e.g., purchasing
- Ask department heads to identify cuts that will have the least impact on core services. (This is the plan vs. a consideration)

### **Revenues and Applied Fund Balance**

- Alternative non-property tax revenues, including mortgage tax (\$1 million) and increased lobbying for land line surcharge (\$250,000)
- Application of available fund balance
- Analyze impact of sales tax on internet
- Analyze fees charged by County departments and agencies

### **Personnel**

- Stringent policy regarding 2010 wage growth
- Long-term plan to assess new employees a higher share of health costs than existing employees
- Attrition management plan, including consideration of:
  - Instituting a hiring freeze, with carve out for 911 Center and Jail
  - Filling vacancies only through internal transfers/promotions
  - Early retirement incentive to accelerate natural attrition patterns
  - Development of succession plans
- Elimination of discretionary overtime
- Review comp time policy for direct reports and department heads
- Encouragement of voluntary furloughs/hour reductions
- Reduced work week and hours of paid compensation
- Flexible assignment of staff, deploying staff from one department to another during peaks and valleys

- Increase in funds for skills and job proficiency training
- Significantly reduce vehicle fleet. Replace with central motor pool and payment of mileage to employees for using their own vehicle
- Review of disability program

#### **Equipment and Technology**

- Reduction of vehicle fleet by creating a central motor pool and payment of mileage to employees for using their own vehicle
- Fast-track funding for productivity-enhancing technology

#### **Facilities and Capital**

- Reduce road paving program
- Review relative benefits of cash vs. debt financing of on-going capital programs (e.g., road and bridge repair)
- Review leases with non-County entities that occupy space in County-owned buildings

Mr. Mareane said a formal fiscal target will be presented to Departments on May 29<sup>th</sup>.

Ms. Jayne noted the electronic suggestion box is now up and running; four or five responses have been received. Mr. Mareane sees this as the beginning of a process of departments working with staff to identify areas that need to be looked at prioritizations within departments. This will be a process that will involve everyone who works for the County in terms of providing input, working with County Administration and the Legislature in exploring the best ways to achieve targets. Mr. Dennis said he sees this as an opportunity to solicit information from the people who are on the “front lines” and who do the County’s work.

Ms. Herrera suggested exploring the idea of enacting legislation to require the County’s large employers to contribute a certain amount per employee in each payroll to make transit free in the County. She said community transit is important and a direction the County should begin discussing. It was suggested this be brought to the Tompkins County Council of Governments.

#### **County Attorney’s Report**

Mr. Wood was not in attendance.

#### **Public Information Officer’s Report**

Ms. Lynch was not in attendance.

#### **Capital Program Review**

Mr. Marx said he is working on updating the Capital Plan that was adopted in 2006. Since that time there have been several changes:

- The Health Department project changed from new construction to renovation which should result in savings.
- There is urgency in relocating the Office for the Aging out of the Courthouse; this is something that hadn’t been expected until 2018.
- A report was given on a records storage facility and a proposed facility concept was created; however, that function has been transferred to the County Clerk and this has been placed on hold.

- The Board of Elections has had to acquire additional space to allow them to store machines needed to comply with the Help America Vote Act.

The 2006 Plan was built on a foundation of using one percent in tax levy each year to be able to meet the minimal capital needs that were identified at that time. In 2009, the Legislature decided to go with half of that; this creates an automatic deficit to meet those needs. He said we also didn't have anything built in the plan to cover the portion of the Public Safety Communications System that is not receiving the Statewide Wireless Network funding that was anticipated.

Mr. Marx said he would like to bring all of these factors into the plan in addition to getting a sense of the Legislature as to its priorities for those projects presently included in the Plan. The other large projects that follow the Health Department are the Jail and the Center of Government building.

Mr. Marx said the Old Library continues to be a liability and making repairs to that building for just the Community Justice Center is not a cost effective thing to do.

Mr. Dennis spoke of a Center of Government and suggested exploring a public/private partnership.

Ms. Robertson said she spoke with the Sheriff and he said he did not see a need to revisit the decision to not build a new Jail. She said the Sheriff also stated the facility is not in need of any major repair or maintenance at this time. Ms. Robertson believes it may be possible to place the Center of Government before the Jail. She spoke of the Center of Government and suggested exploring possibilities to work with the City. Mr. Marx said the County is getting increasing pressure from the State to get some of the County offices out of the Courthouse. The County does have a legal responsibility to provide courts with space to a certain standard. He said staff is working diligently on relocating the Office for the Aging.

Ms. Chock said she would be interested in learning more about the standards and needs of the State Court system.

Mr. Dennis asked what are the two things Mr. Marx would like the Legislature to do in the next couple of months. Mr. Marx said he would like the Legislature to review the major priorities and whether the Legislature wants to maintain or modify the projects for the major projects of the Center of Government and the Jail. The second thing he would suggest would be to consider moving more quickly on resolving the status of the Old Library Building because doesn't believe it is a good idea to invest a large sum of money into a building that will eventually be torn down. Mr. Marx said the Facilities and Infrastructure Committee will begin hearing about this process; full Legislative approval is required for amendments to the Capital Program.

### **TC3 (Tompkins Cortland Community College)**

There was discussion of TC3 capital items and a policy to maintenance projects and new construction. Mr. Hattery said he has concern the idea of the Tompkins County being responsible for major facility updates and changes. He does not think the County is in a position to oversee and maintain the physical plant; therefore, it should be factored into the College's budget and they should be thinking of those updates as internal to their budget. Mr. Hattery said this needs to be resolved and he thought it was communicated clearly last year that last minute funding requests would not be viewed favorably.

Ms. Herrera reminded Legislators that the TC3 budget meeting will be held on May 15<sup>th</sup>. She agreed with Mr. Hattery and said she sees three dimensions to the discussion: facility and oversight of the

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plant, policy decisions, and budget implications. These are areas that will need to be addressed at the meeting this week.

Ms. Robertson suggested providing each Legislator with background information on the Center of Government and then reviewing the information with the full Legislature.

**Rollover**

Ms. Jayne reported the total amount of available Rollover funds is \$600,000. If there weren't deficits in the Department of Social Services and the Mental Health Department there would be in excess of \$1 million.

**Adjournment**

The meeting adjourned at 5:03 p.m.

Respectfully submitted by Michelle Pottorff, TC Legislature Office