

**Budget Capital and Finance Committee**

**May 29, 2009**

**3:30 p.m.**

**Scott Heyman Conference Room**

**APPROVED**

Present: J. Dennis, P. Mackesey, M. Hattery, N. Shinagawa  
Excused: K. Herrera  
Legislators: C. Chock, M. Koplinka-Loehr  
Staff: J. Mareane, N. Jayne, M. Lynch, County Administration; P. Carey, T. Herden, DSS; D. Squires, Finance Director; M. Pottorff, Legislature Office  
Guests: N. Burston, J. Boda, Human Services Coalition; K. Schlather, Cooperative Extension

**Call to Order**

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

**Changes to the Agenda**

There were no changes to the agenda.

**Approval of Minutes of May 11, 2009**

It was MOVED by Ms. Mackesey, seconded by Mr. Shinagawa, and unanimously adopted by voice vote by members present, to approve the minutes of May 11, 2009 as submitted. MINUTES APPROVED.

**Comments from the Public**

No member of the public wished to comment.

**Chair's Report**

Mr. Dennis had no report.

**Finance Director's Report**

Mr. Squires said he included the sales tax distribution summary in the agenda packet and noted the percentage of decline has dropped from nine to seven. He said at four months into the year the County is \$950,000 below where it should be. He said it was reported on this morning's news that as the savings rate goes up, retail sales go down; for every one percent increase in the savings rate there is a five percent decrease in sales. He also reported people have been paying their taxes and three properties have been removed from the foreclosure list.

**County Attorney's Report**

Mr. Wood was not in attendance.

**Public Information Officer's Report**

Ms. Lynch had no report.

**RESOLUTION NO. - AUTHORIZATION TO INCREASE HOURS – WIC PROGRAM  
DIRECTOR – HEALTH DEPARTMENT**

It was MOVED by Ms. Mackesey, seconded by Mr. Hattery, and unanimously adopted by voice vote by members present, to approve the following resolution and submit to the full Legislature.

WHEREAS, the WIC Program has sufficient State/Federal funds to increase the WIC Director's time, and

WHEREAS, the New York State Department of Health has authorized the program to increase the hours to accomplish needed tasks, now therefore be it

RESOLVED, on recommendation of the Health and Human Services, and the Budget, Capital, and Finance Committees, That the position of WIC Program Director (14/598), labor grade N, competitive class, be increased from 35 hours per week to 40 hours per week effective June 14, 2009,

RESOLVED, further, That this increase in hours shall be permanent as long as there are sufficient grant funds to cover the increase in hours,

RESOLVED, further, That this change is one-hundred percent funded by the WIC Program grant.  
SEQR ACTION: TYPE II - 20

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**RESOLUTION NO. - ESTABLISHMENT OF GUIDELINES AND FISCAL TARGETS  
FOR ALL COUNTY BUDGETING UNITS FOR THE  
PREPARATION OF THE 2010 BUDGET**

MOVED by Mr. Hattery, seconded by Mr. Shinagawa.

Mr. Mareane provided the Committee with background information on the process. He stated once the property tax levy guideline is established, most of what follows is part of an arithmetic process. Since the Legislature approved a three percent guideline, Ms. Jayne has been figuring out how that translates into departmental spending and targets to get to a three percent levy goal (\$4.4 million). He said the target has increased because of the growth in pension costs. Although the amount is not final, the estimated amount has been doubled from 2009 and is based on the best available information at this time.

Mr. Mareane reviewed assumptions that were made in getting to the target spending level:

- 1) In 2010 the wage and salary budget line will remain the same as 2009. This doesn't assume that contracted wage growth will be at zero; it assumes that if there is an increase in wages that an offsetting reduction will need to be found. This saves \$1.1 million in salary and related fringe costs.
- 2) Approximately \$1.3 million will be found in new revenues or applied reserves on the revenue side of the budget.
- 3) State Aid losses – Out of \$700,000 in State aid losses, the County will have to support \$120,000 in cuts for State readies in the County Jail. The County will not support the other things fully supported by State aid that has been lost. An agreement was reached at the retreat to phase these programs out in the current year.

Mr. Mareane said following these assumptions leaves \$2.4 million in spending cuts needed in order to be able to balance with a 3% levy. This amount was applied to the costs that are somewhat in the County's control and results in a spending target of -6.25%. Departments will be asked to reduce spending by this amount compared to the 2009 budgets. The following are not included in that figure: TC3, TCAT, Contingent Fund, Jail, and the Insurance Reserve.

Mr. Dennis said a -6.25% target will be attainable in some departmental budgets and not in others. Mr. Mareane said there will need to be some prioritizations within departments and they will then submit over-target requests. He said if there are be opportunities for tremendous savings in one area that

would allow for less reductions in other areas. He doesn't believe the end result will be all departments reducing budgets by 6.25%.

Ms. Mackesey said there have been discussions and across-the-board cuts in the past. She spoke of the difficulty smaller departments have in finding ways to reduce budgets. She said the choice will likely come down to the elimination of a program. Mr. Mareane said there have been discussions with department heads about what happens when spending has been reduced to the greatest extent possible, leaving program cuts as the only way to reduce spending. He believes there is agreement at the department head level that the County is likely at a point where programs and services need to be looked at and acknowledgement that the County can no longer afford to provide the same services as in the past. Mr. Mareane said there should be discussion of whether a short-term action should be taken or whether the Legislature should be looking at a long-term actions and structural changes.

Mr. Mareane distributed and reviewed a document entitled "2010 Budget Options to be Explored and/or Considered by the County.

Mr. Mareane said he sees this as a two-step process. First, exploring what can be done to "tighten the belt", and 2) see how close this takes the Legislature to its target. He said he doesn't believe enough savings can be found without looking at programs and services.

Mr. Herden questioned whether the fiscal target reduction for DSS would include fringes; Ms. Jayne said the Department's fiscal target reduction would not be based on fringe costs, as those costs are all maintained centrally. It was the consensus of those present to change the word "reduce" in the second Resolved to "adjust".

Mr. Hattery noted the last Resolved contains the flexibility for the County Administrator to navigate targets up or down.

Mr. Dennis said he views this as the beginning of discussions by the Legislature on how it will proceed through the summer and into the fall. He said he is confident that staff and the Legislature will be attuned to what the problems are and will do their best.

Ms. Mackesey spoke of the difficult time staff will have because of the target that has been set; she stressed the importance of the Legislature following through.

Mr. Mareane asked members to review the document presented and to provide comments back to him.

Mr. Koplinka-Loehr said given the rigor that the Legislature has to go over the budget with, it will be important that the Public Information Advisory Board be greatly involved.

A voice vote on approving the resolution and submitting to the full Legislature resulted as follows: Ayes – 4, Noes – 0, Excused – 1 (Herrera). MOTION CARRIED.

WHEREAS, the Tompkins County Fiscal Policy specifies that a fiscal target is the maximum amount of general revenue spending authority that a department head or program director may request without initiating an Over-Target Request, and changes in fiscal targets should be communicated to department heads and program directors as timely as possible in order for them to submit their budget requests by August 1, 2009, and

WHEREAS, already-negotiated salary increases will require more than a 2.25 percent increase in department salary and fringe expenses, and

WHEREAS, the Tompkins County Legislature wishes to establish targets in order for departments and agencies to submit their 2010 budget requests, now therefore be it

RESOLVED, on recommendation of the Budget, Capital, and Finance Committee, That fiscal targets for all budgeting units for preparation of the 2010 budget are hereby established as follows:

1. For not-for-profit agency grants, fiscal targets shall be decreased by 6.25% from the amount approved in the 2009 adopted budget –not including one-time funding nor any funds re-appropriated from previous years.
2. For Towns and Villages applying for reimbursement for County-wide services, and for Human Service and Criminal Justice agencies receiving reimbursement pursuant to the Sales Tax Agreement between the County and City of Ithaca, fiscal targets shall be decreased by 6.25% from the current year appropriation –not including one-time funding nor adjustments for prior years.
3. For all County departments’ fiscal targets shall be decreased by 6.25% from the fiscal target approved in the 2009 adopted budget.
4. In addition, department fiscal targets shall not include one-time funding nor any funds re-appropriated from previous years.

RESOLVED further, That the County Administrator, for the purpose of constructing the recommended budget, shall have the full authority of the Legislature to adjust department targets as needed to achieve the Tax Levy goal set by the Legislature, and will consult with Department Heads and Division Managers prior to adjusting targets.

**SEQR ACTION:** TYPE II-20

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**RESOLUTION NO. - AUTHORIZATION FOR PUBLIC HEARING - TOMPKINS  
CORTLAND COMMUNITY COLLEGE OPERATING BUDGET –  
2009-2010**

It was MOVED by Mr. Hattery, seconded by Mr. Shinagawa, and unanimously adopted by voice vote by members present, to approve the following resolution and submit to the full Legislature.

WHEREAS, Tompkins Cortland Community College is a joint enterprise of Tompkins County and Cortland County whose budgets must be acted on by each county, now therefore be it

RESOLVED, on recommendation of the Budget, Capital, and Finance Committee, That a public hearing be held on June 16, 2009, at 5:30 o'clock in the evening thereof in the Legislature’s Chambers of the Tompkins County Courthouse, 320 North Tioga Street, Ithaca, New York, concerning the 2009-2010 operating budget request for Tompkins Cortland Community College. At such time and place all persons interested in the subject matter will be heard concerning the same,

RESOLVED, further, That the Clerk of the Legislature be and hereby is directed to place such notice of public hearing in the official newspaper of Tompkins County.

**SEQR ACTION:** TYPE II-20

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Mr. Hattery spoke of comments he has made at recent meetings concerning the 5% Target Fund Balance and at what point, if any, would that be used. He asked that this be added to the next agenda. Mr. Squires spoke against using the Target Fund Balance to pay for ongoing services.

Mr. Hattery asked for a report on TC3 chargebacks. Mr. Mareane said he has been having conversations with President Haynes and his staff. The College is having a difficult time putting together something that would be able to show the direct cause and effect relationship. They are concerned that in order to get to solution there would be so many assumptions woven into it that it could be easily challenged. Mr. Shinagawa said it would be helpful to looking at neighboring community colleges and find out what their increases and contributions will be. TC3 will be in attendance at the June 8 meeting.

Budget, Capital and Finance Committee  
May 29, 2009

**Adjournment**

The meeting adjourned at 4:15 p.m.

Respectfully submitted by Michelle Pottorff, TC Legislature Office