

Budget and Capital Committee
Monday, June 14, 2010 3:30 PM
Scott Heyman Conference Room

Approved

Attendee Name	Title	Status
James Dennis	Chair	Present
Kathy Luz Herrera	Member	Present
Pamela Mackesey	Member	Present
Brian Robison	Member	Present
Peter Stein	Member	Present

Staff: J. Mareane, M. Lynch, K. Sutherland, N. Jayne, County Administration; R. Nicholas, Airport; D. Squires, Finance Director; M. Pottorff, Legislature Office; C. DeMarco, CSEA
Guests: C. Haynes, TC3 President; Susan Dewey, TC3 Budget and Finance Director; S. Shackford, Ithaca Journal

Call to Order

Mr. Dennis called the meeting to order at 3:28 p.m.

Changes to the Agenda

Ms. Herrera distributed the following to members and requested the subject of minutes be considered for inclusion on an agenda of this Committee.

“It is unfortunate that committee time should be taken up with an issue that has been raised repeatedly and still seems to be the source of some confusion.

“However, in the interests of transparency and ethical governing, I will state, and hereby submit for the record, my comments.

“The email that some of you received alluded to the minutes not being approved due to concerns that they are not “correct”. If it was my comments and reluctance to approve minutes that led to this email then a clarification must be made. My concern about the habit of revising the wording of others stems from the potential for lapses, or perceived lapses in ethics and the lack of transparency that arise.

“For example, whether in public or in a private email I believe it is questionable, and could in some circumstances, be unethical for Legislators to request of staff that they approve or refuse to approve Legislator-submitted revisions to staff’s wording. An example of the problematic nature of this practice would be changes to wording of staff during the committee meetings dealing with the Hanshaw road project.

“The fact that a recent vote by the majority, including many Legislators on this committee, opposed Legislation that would require public notice of topics to be discussed at meetings is troubling. I ask that you consider the possibility that this revisionist doctrine could be misused by an unwary, unwitting, or uncaring future member of this body to change the record of what actually transpires at a meeting. The notion that a Legislator has consulted with staff in revising their wording is of little comfort to me in such a case, as misdirection, intimidation, or private deal making could possibly take place in such a scenario.

“Accordingly, I will not vote in favor of any minutes that contain wording changes to staff as requested by Legislators, whether approved by the staff member, solicited publicly, or in private emails. I consider this method of changing the minutes to be an unfortunate manipulation of the public record that could have legal and ethical consequences for our local government.

In addition, I hereby formally request that this practice be suspended indefinitely and an inquiry be made to uninvolved parties as to best practices concerning public minute taking and appropriate revisions of the

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content of statements made by public employees. Finally, I ask that the GO committee pursue this topic, on the record in open public session.

“I know that we have all sworn oaths to uphold the highest standards of ethics. I ask for and expect your support in this matter.”

It was MOVED by Mr. Dennis, seconded by Mr. Stein, and unanimously adopted by voice vote, to add the following resolution to the agenda: “Rescission of Resolution No. 84 of 2010 and Endorsement of Legislative Bill S7 7652A – Authorizing a \$0.25 per \$100 Mortgage Recording Tax on Obligations Secured by a Mortgage on Real Property”.

Minutes Approval - May 24, 2010

It was MOVED by Mr. Stein, seconded by Mr. Robison, and unanimously adopted by voice vote, to approve the minutes of May 24, 2010. MINUTES APPROVED.

Comments from the Public

No member of the public wished to speak.

Committee Chair Report

Mr. Dennis had no report.

Director of Finance Report

Mr. Squires reported he received the second sales tax payment for the month of May and distribution is up by 2.9%. If this trend continues sales tax will remain on target for the budget.

Mr. Squires said because there were so few foreclosed properties a paper brochure was not produced and Ms. Lynch placed a link on the County’s webpage to the public auction brochure. There are nine County parcels and two City parcels being auctioned tomorrow night; the parcel that was discussed at the last Legislature meeting was redeemed last Friday. He said the County must raise \$28,602 from the auction to cover outstanding taxes. He noted the number of unpaid taxes in town and County returns was essentially the same as it was a year ago (1,600 parcels) but had a slightly higher value (\$1.6 million).

Mr. Squires distributed a General Fund Cash report showing a monthly comparison of balances from 2004 to the present. The cash balance in May was down by \$2-3 million which is attributable to slow-down of State aid payments. The Committee also reviewed a comparison of cash to unrestricted fund balances, with Mr. Squires noting that when a fund balance is low it can create challenges in operations and when there is a low cash balance for an operating fund it places additional pressure on the General Fund to cover short-term payments.

County Administrator Report

Mr. Mareane reported the State has passed an extender on the budget and staff is sorting through information to see what they mean to the County. He said in the first extender the CHIPS program was fully funded and the County’s highway project can move forward. There are many areas of the budget where there are unknowns and he will alert the Legislature as information becomes available. Mr. Mareane said the deadline for submitting departmental program impact statements has passed and his staff is compiling information.

Mr. Mareane reported on the Health Insurance Consortium and the issue of the reserves is still unresolved. Don Barber has been working on a multi-year approach to fully fund the reserves by pre-payment by municipalities and spreading the remaining balance over a five-year period. He said the State Insurance Department would have to approve this approach and also noted how difficult it would be for municipalities to come up with cash to fund a reserve in these difficult economic times.

Mr. Mareane reported he received an e-mail from Julia Mattick of the Workforce Investment Board who informed him that in the State Budget there is some funding (half of last year's amount) available for the Summer Youth Employment Program.

Lastly, Mr. Mareane announced this will be Ms. Jayne's last Budget and Capital Committee meeting; she has accepted a position at the Ithaca Board of Realtors. The Committee thanked her for her service and wished her well in her new position.

Mr. Stein said the County's budget is based on a different fiscal year than the State budget and asked if the County would address State budget cuts that affect the County's 2010 budget. Mr. Mareane said the County will need to react to the 2010 State budget and may need to do a number of things to keep the 2010 budget in balance as any impact from the State would be retroactive to April 1st. The County would also have to adjust any 2011 budget assumptions based on the budget the State finally adopts.

Personnel Department

Mr. Dennis reported many of the changes members have requested be made in the Workforce Utilization report will be reflected in the new payroll system reports. Ms. Herrera said she is interested in hearing if there is an existing report that could be available about persons leaving employment, including exit interviews, and a process for tracking the ratios of minority removals and part-time versus /full-time employees. This question will be forwarded to the Personnel Commissioner.

RESOLUTION (DOC ID: 2059): RESCISSION OF RESOLUTION NO. 84 OF 2010 AND ENDORSEMENT OF LEGISLATIVE BILLS S7652A AND A10127A AUTHORIZING A \$0.25 PER \$100 MORTGAGE RECORDING TAX ON OBLIGATIONS SECURED BY A MORTGAGE ON REAL PROPERTY

Mr. Mareane explained the draft home rule legislation sent to the County by the State was incorrect because it did not contain a sunset provision. Since the time the Legislature adopted the resolution it was discovered at the State level that the draft legislation sent to the County was incorrect and they have requested the County adopt a new resolution adopting the amended legislation. It is also imperative action be taken today as the State Legislature is in session. Ms. Herrera said she would be reluctant to support this if it didn't contain a sunset.

RESULT:	RECOMMENDED [UNANIMOUS]
MOVER:	Kathy Luz Herrera, Member
SECONDER:	Pamela Mackesey, Member
AYES:	Dennis, Luz Herrera, Mackesey, Robison, Stein

WHEREAS, Resolution No. 185 of 2009 requested the New York State Legislature to introduce legislation authorizing the County to impose a \$0.25 per \$100 Mortgage Recording Tax on obligations secured by a mortgage on real property, and

WHEREAS, Resolution No. 84 of 2010 endorsed New York State Legislation Bills S07652 and A10127 authorizing the County to impose a \$0.25 per \$100 Mortgage Recording Tax on obligations

secured by a mortgage on real property, and

WHEREAS, the legislation was amended and as proposed is inconsistent with the County's request as adopted by Resolution No. 84 of 2010, and

WHEREAS, the New York State Legislature introduced S7652A and A10127A "An Act to amend the tax law, in relation to authorizing the County of Tompkins to impose a county recording tax on obligation secured by a mortgage on real property," and

WHEREAS, the proposed State legislation also provides that the authorization to impose the Tax shall expire on December 1, 2013, now therefore be it

RESOLVED, on recommendation of the Budget and Capital Committee, That Resolution No. 84 of 2010 be rescinded,

RESOLVED, further, That the Tompkins County Legislature endorses and requests State approval of legislation known as S7652A and A10127A authorizing the County to adopt a local law imposing a twenty-five cent per each one hundred dollars mortgage recording tax on obligations secured by a mortgage on real property.

SEQR ACTION: TYPE II-20

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RESOLUTION (DOC ID: 2024): AUTHORIZING A CONSULTANT AGREEMENT WITH C&S COMPANIES TO DESIGN AND INSPECT AN EXPANSION OF THE LONG-TERM PARKING LOT – ITHACA TOMPKINS REGIONAL AIRPORT

RESULT:	RECOMMENDED [UNANIMOUS]
MOVER:	James Dennis, Chair
SECONDER:	Peter Stein, Member
AYES:	Dennis, Luz Herrera, Mackesey, Robison, Stein

WHEREAS, the recent increases in passengers using the airport terminal have caused repeated capacity problems in the airport's long-term parking lot, and

WHEREAS, the existing airport master plan included an expansion of the parking lot in 2011, and

WHEREAS, the airport's passenger enplanements and deplanements have increased at a much greater level than anticipated, such that there are concerns that the public's parking needs will exceed capacity during the traditionally busy Thanksgiving and Christmas holiday periods, and

WHEREAS, the airport's engineering consultants, C&S Companies of Syracuse, New York, (C&S) have provisionally indicated the long-term lot can be expanded by approximately 65 spaces to relieve the capacity problems for the foreseeable future, and

WHEREAS, in keeping with the airport's environmental goals it is considered desirable, if feasible, to replant an equal number of trees to those removed during the course of the parking lot expansion project, and

WHEREAS, the Facilities and Infrastructure Committee will review the final design of parking lot expansion project before bids are requested, and

WHEREAS, C&S' estimated construction costs for said expansion is \$117,000, and

WHEREAS, C&S is proposing to design and inspect said expansion project for a fee of \$23,000, and

WHEREAS, revenues from the parking lot for 2010 are currently 18.5% over budget and are considered more than ample to pay debt service on a loan to finance the project, now therefore be it

RESOLVED, on recommendation of the Facilities and Infrastructure Committee, That C&S Companies be awarded the contract to design and inspect the long-term parking lot expansion,

RESOLVED, further, That the County Administrator be and hereby is authorized to execute the required contract documents.

SEQR ACTION: TYPE II-7

Appointments

Appointment (DOC ID: 2048): Appointment to WDIC

Workforce Diversity and Inclusion Committee

Jamaica Breedlove - County staff representative; term expires December 31, 2012

Anita Fitzpatrick - County staff representative; term expires December 31, 2012

RESULT:	RECOMMENDED [UNANIMOUS]
MOVER:	Kathy Luz Herrera, Member
SECONDER:	Pamela Mackesey, Member
AYES:	Dennis, Luz Herrera, Mackesey, Robison, Stein

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Report -TC3 2010-2011 Budget

President Haynes said nothing has changed in the College's proposed budget since the presentation given a month ago. He provided an overview of highlights and assumptions contained in the budget:

The bottom-line budget is going up by 2.2% from \$32,800,000 to \$35,300,000.

- State Aid rate is going down by \$130 per FTE compared to the current year's budget;
- The Governor has proposed an additional \$285 per FTE base aid rate cut (\$800,000 to \$1 million); Assemblywoman Lifton believes at this time that the Senate and Assembly are committed to restoring this cut;
- Assumes a 5% increase in tuition;
- A bottom line increase in enrollment of 4.65;
- There is no additional request for support from sponsors;
- Out of county chargeback rate is going down by 12% (\$400,000);
- Two vacant staff positions will not be cut;
- Equipment budget is cut by 50%;
- Operational budgets were cut 10% from the Modified budget;
- College course catalog and other catalogs will go totally online (savings is \$40,000);
- \$175,000 in retirement increases; and
- Fall enrollment is up by 13-14% and they will accommodate this increase with adjunct faculty

In response to a question about whether the College cuts off enrollment, Dr. Haynes said the College does not reject anyone; however, they will stop accepting students in mid to late August. He said the budget is structured in a very conservative manner. He said there is a reasonable chance they will not have to come back to the Legislature with a funding request.

Mr. Squires asked what the impact would be if the \$285 per FTE base aid rate cut was not restored. Dr. Haynes said for every dollar cut he has to identify \$1.25-\$1.50 to cut. If this were to happen it would result in significant cuts to the budget; however, there may be other unknowns at this time, such as the return of the Disney Program which he will know more about at the end of the month. He said if

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this cut was not restored the College may be able to make some of the shortfall up through revenues but not the entire amount.

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Adjournment

The meeting adjourned at 4:35 p.m.

Respectfully submitted by Michelle Pottorff, TC Legislature Office