

Budget, Capital and Finance Committee
Special Meeting Minutes
Wednesday, November 4, 2009 12:00 AM
Tompkins County Courthouse

This was a joint meeting with Government
Performance and Workforce Relations Committee

I. Call to Order

Meeting called to order at 5:09 p.m. on November 4, 2009 at Tompkins County Courthouse, 320 North Tioga Street, Ithaca, NY.

Attendee Name	Title	Status	Arrived
James Dennis	Chair	Present	
Michael Hattery	Vice Chair	Late	5:15 PM
Pamela Mackesey	Member	Present	
Nathan Shinagawa	Member	Absent	
Michael Koplinka-Loehr	Temporary Member	Present	

Excused: N. Shinagawa and K. Herrera

Staff: C. Covert, Clerk of the Legislature; J. Mareane, County Administrator; P. Younger, Deputy County Administrator; D. Squires, Finance Director; M. Lynch, Public Information Officer, K. Sutherland, Program Analyst

Mr. Koplinka-Loehr announced he would appoint himself as a member of the both committees.

II. Administration

**1. RESOLUTION (ID # 1497): MEMORIALIZING NEW YORK STATE TO
AUTHORIZE TOMPKINS COUNTY TO IMPOSE A
\$0.25 PER \$100 MORTGAGE RECORDING TAX ON
OBLIGATIONS SECURED BY A MORTGAGE ON
REAL PROPERTY**

Mr. Mareane explained the resolution and said it raises the mortgage recording tax from \$0.75 per \$100 to \$1.00. The proceeds from the first \$0.50 per \$100 rate is paid to the municipality within which the property is located, \$0.25 is paid to the State of New York Mortgage Agency and the remaining \$0.25 will remain with Tompkins County. He estimates this tax will generate approximately \$1 million per year in revenue for the County. The money has been put in the fund balance as a placeholder pending County and State Legislature approval. The alternative to this proposal is to cut County expenditures or raise the property tax levy by 2.7%.

RESULT:	RECOMMENDED [UNANIMOUS]
MOVER:	Pamela Mackesey, Member
SECONDER:	Michael Koplinka-Loehr, Temporary Member
AYES:	Dennis, Hattery, Mackesey, Shinagawa, Koplinka-Loehr

WHEREAS, Tompkins County is mandated by New York State to provide certain significant human service programs which have consistently risen in cost and are particularly affected by an economic downturn, claiming an increasing share of decreasing resources; and

WHEREAS, beyond programs that are mandated by the State, Tompkins County seeks to provide a sustainable array of quality services that are essential to its residents and businesses and to the community's economic and social well-being; and

WHEREAS, in order to support the rising cost of mandated and other essential programs and to provide a more stable, sustainable revenue base, Tompkins County seeks to diversify the revenues it relies upon to provide services to County residents and businesses to avoid unduly adding to an already high burden of the local property tax or relying too heavily on volatile sales tax receipts; and

WHEREAS, the Mortgage Recording Tax is an excise tax paid by the borrower upon the recording of a mortgage on real estate; and

WHEREAS, the mortgage recording tax rate in Tompkins County is currently \$0.75 per \$100, with the proceeds from the first \$0.50 per \$100 rate paid by law to the municipality within which the property is located and the proceeds from the additional \$0.25 per \$100 rate paid by law to the State of New York Mortgage Agency (SONYMA); and

WHEREAS, upon specific legislative authorization by the State, counties may levy an additional "Local Tax" rate, which is customarily \$0.25 per \$100, to retain for general county purposes; and

WHEREAS, twenty counties within New York State and the City of New York have implemented the additional Local Tax rate for general county purposes; and

WHEREAS, an increase of \$0.25 per \$100 of mortgage would generate approximately \$900,000 to \$1,000,000 per year if enacted in Tompkins County; and

WHEREAS, the County would have to raise property taxes by up to 2.7% to generate an equivalent amount of annual revenue; and

WHEREAS, the County finds that the generation of revenue through a \$0.25 per \$100 increase in the Mortgage Recording Tax rate will result in a diversification of the County's revenues, relief to local property taxpayers, and a sustainable source of revenue for essential programs, now therefore be it

RESOLVED, on recommendation of the Government Performance and Workforce Relations and Budget and Capital Committees, That the Tompkins County Legislature hereby requests the New York State Legislature to amend the Tax Law, in relation to authorizing the County of Tompkins to impose a county recording tax in the amount of \$0.25 per \$100 of mortgage value on obligations secured by a mortgage on real property.

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Adjournment

The meeting adjourned at 5:19 p.m.