



Inclusion Through Diversity

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TWO PAGES

FOR IMMEDIATE RELEASE

Highlights of the **August 3, 2010** meeting of the Tompkins County Legislature

Proposed Property Tax Cap Would Be Devastating, County Officials Warn

County officials expressed deep concern about a proposed State property tax cap, under review by the State Legislature. The proposal would cap increases in local property taxes by either 4% or 20% above the rate of inflation, whichever is less, with no State mandate relief. County Administrator Joe Mareane warned legislators the cap, if enacted, would produce a “catastrophic” effect on counties. It would limit the County’s levy increase to just 1.3% and would force the County to cut next year’s budget by an additional \$1.5 million, beyond the more than \$2 million currently projected, as the County strives to meet the 5% preliminary tax levy goal set by the County Legislature earlier this year. Increased pension expense alone increases the tax levy by 4%.

Mareane stated, “I know the effect of the budget as we have currently structured it, with a 5% levy target with significant reductions in spending. The thought of having to make up another \$1.5 million in cuts is pretty catastrophic, adding another 4% beyond the 7% cut we have already had to make.”

Calling pursuit of the cap “stunning,” Legislature Chair Martha Robertson maintained that “without mandate relief, this is hypocrisy,” noting that Medicaid expense alone accounts for 29% of the County’s tax levy. Legislator Mike Lane stressed that the tax cap does nothing to close the State’s budget gap, while hurting counties and other municipalities. Legislator Nathan Shinagawa said the proposal amounts to “bait and switch—what scam artists do” and shows that the Governor and state government “utterly irresponsible and utterly out of touch.” Legislator Pam Mackesey agreed, saying the action confirms that the government has “no attachment of what it’s doing to people’s lives,” likening it to “a terrible game” which “starves counties and municipalities and destroys the safety net,” while failing to address the state’s fundamental problems.

As of now, the State Senate has approved the cap by an overwhelming margin, with the Assembly adjourning without taking up the bill.

Contact: Legislature Chair Martha Robertson, 274-5434 or 272-0584; County Administrator Joe Mareane, 274-5551

Legislature Approves Reserve Funding for Health Insurance Consortium

The Legislature, by unanimous vote (Legislator Dooley Kiefer was excused) authorized \$500,000 in reserve contributions for the Greater Tompkins County Municipal Health Insurance Consortium, the County’s share of a \$1.22 million rate stabilization reserve required by the State Insurance Department, and authorized immediate payment to the Consortium from the County’s fringe account.

The initial capitalization by the Consortium’s 13 participating municipalities, projected to be repaid from Consortium reserves within the next five years, is considered a significant step in making the long-discussed inter-municipal health insurance consortium reality. Based on its review of local claims data, the State Insurance Department recently agreed to reduce its reserve requirements by about \$1 million, provided that the Rate Stabilization reserve funds are deposited with the Consortium at the time it begins operations. The Consortium, through which 13 member municipalities would pool their employee health insurance coverage, is projected to save local taxpayers over \$900,000 a year in health costs.

Legislator Peter Stein initially expressed some concern about committing the reserve funds up front, but County Administrator Joe Mareane characterized the commitment as part of the solution, which will allow the County to begin reducing the cost of health benefits, saving a projected quarter-million dollars a year in benefit costs. *Contact: James Dennis, Chair, Budget and Capital Committee, 387-4058; County Administrator Joe Mareane, 274-5551.*

Legislature Approves Appropriation of 2009 Rollover Funds

The Legislature appropriated a little over \$120,000 in unspent funds (known as “rollover”) from 2009 to departmental accounts for use in the current year’s budget. Eight departments were certified by the Finance Director to have unspent appropriations and excess revenues from 2009 for use in 2010. More than \$40,000 in additional certified rollover funding was returned to the County’s General Fund.

Approval came by a 12-2 vote, with Legislators Mike Lane and Pat Pryor voting no. (Legislator Dooley Kiefer was excused.) While Legislator Lane said that while individual request appeared justified, considering the County’s impending budget challenges and many fiscal unknowns, it’s time to be firm and deny the spending. Legislator Pryor urged any action be delayed to permit the requests to be reviewed and prioritized along with other needs. County Administrator Joe Mareane noted that only \$120,000 was being allocated, out of more than \$1 million saved by departments last year, and that for the first time departments were not allowed to accumulate rollover from personnel savings.

Contact: James Dennis, Chair, Budget and Capital Committee, 387-4058; County Administrator Joe Mareane, 274-5551; Legislator Mike Lane, 844-8313.

Legislature Directs Staff to Investigate Alternate Locations for Programs Housed in the Old Library

Acting on the recommendation of its Capital Plan Review Committee, the Legislature without dissent directed staff to investigate short-term and long-term relocation options for the Records Center and the Community Justice Center, both housed in the Old Library building. (Legislator Dooley Kiefer was excused.) While no decision has yet been made on the future of the Old Library, the resolution notes that although the building has significant maintenance needs, the building is not worth long-term investment and that it is prudent to spend only the minimum necessary to keep the building functional. Legislator Pam Mackesey was one who questioned whether action now is necessary, since issues related to the Old Library space has previously been addressed and similar actions have not been taken regarding other buildings. Legislator Mike Lane and others stressed that the intent is to provide clear direction to staff to examine past analysis on this issue, then to report findings to the Capital Plan Review Committee, which will then recommend actions to the full Legislature.

Contact: Legislature Chair Martha Robertson, Chair of the Capital Plan Review Committee, 274-5434 or 272-0584.

Bonding Authorized for Ellis Hollow Road Reconstruction

The Legislature, by unanimous vote (Legislator Dooley Kiefer was excused) authorized issuance of \$1.45 million in County serial bonds, as well as bond anticipation notes, to support cost of repaving Ellis Hollow Road in the Town of Dryden, beyond funds already set aside toward the \$2.1 million project. Last month, the Legislature awarded the construction contract for the project, which will reconstruct 1.4 miles of road, from Thomas Road to west of the Genung Road intersection.

Contact: James Dennis, Chair, Budget and Capital Committee, 387-4058.

Among other actions, the Legislature

- Accepted a \$14,400 two-year grant awarded to the Probation Department from the Sixth Judicial District of the New York State Unified Court System. Funds will support electronic monitoring/GPS service to the Tompkins County Sex Offense Compliance Court.
- Appropriated \$1,125 in contingency funds to pay for annual maintenance of the County Code.
- Heard a report from director Lisa Holmes who provided a program overview on the County Office for the Aging.
- Discussed, but delayed until the next meeting action on a member-filed resolution from Legislator Frank Proto, urging State action to resolve issues related to video lottery terminals at Aqueduct Racetrack.

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