



Inclusion Through Diversity

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FOUR PAGES

## FOR IMMEDIATE RELEASE

### Highlights of the **September 3, 2019** meeting of the Tompkins County Legislature

#### **Administrator Releases 2020 Recommended Budget**

Tompkins County Administrator Jason Molino has delivered to the County Legislature a 2020 Recommended County Budget and 2020-2024 Capital Program.

The Recommended Budget supports total expenditures of \$191.8 million and local dollar spending of \$92.7 million. The budget is balanced with a 2.76% increase in the County property tax levy, which meets the Legislature's 2020 levy goal, and is well below the County's tax cap (estimated at 5.41%.) Due to continued strong growth in the county's tax base, the budget contains a property *tax rate* that will go *down* again in 2020, to \$6.31 per \$1,000—a reduction of 1.58%. This is the sixth consecutive year that the tax rate has decreased and is the lowest County tax rate since 2011. Also recommended is a \$2 increase in the County's solid waste annual fee, bringing the fee to \$60. Under the Recommended Budget, the County property tax bill for the owner of a median-valued \$190,000 home would increase by \$12.86.

“Our Budget continues to benefit from a strong local economy,” Administrator Molino notes in his annual Budget Message to the Legislature. “For the fifth straight year, the budgeted cost of mandated human services programs has remained manageable (an increase of less than 1% for 2020), in part, because of an economy that is creating opportunities for employment.” A robust growth in tax base fueled by large-scale new construction (17% over the past four years), along with stable growth in local wages and consumer spending, has contributed to healthy growth in sales tax collections, he said.

The Recommended Budget includes more than \$2.7 million dollars in over-target requests (OTRs) proposed by departments and agencies to support specific requests beyond their baseline target budgets—most for one-time, non-recurring expenditures funded through the County's fund balance and not affecting the property tax.

Among major influences on the budget:

- **Capital Reinvestment:** Building upon two decades of leadership by Tompkins County in reducing our government's greenhouse gas emissions and the risks associated with climate change, the Tompkins County Legislature in August 2019 adopted a new Energy Strategy that provides the vision and leadership to move both County government operations and the overall community toward achieving net-zero emissions. Stated as the Energy Strategy's first priority: *“The County will undertake an inventory and analysis of our facilities and fleet to determine a financially sound path to net-zero emissions.”*

The proposed 2020 update to the County's 20-year Capital Plan provides a funding strategy to achieve the goal of net-zero emissions in County operations by 2035 by committing \$100 million in investment over the next fifteen years to make the elimination of greenhouse gas emissions in County operations as close to a reality as possible.

The Plan calls for an increase in the County's annual appropriation to support capital investment: allocating 1.00% of the annual property tax levy, up from the current 0.5%. "By this policy, the 2020 budget will dedicate significantly more funds to pay for infrastructure improvements and supporting the long-term capital needs to achieve net-zero emissions by 2035," Administrator Molino notes. Most of the funds will be applied to pay debt service on projects authorized by the Legislature.

Included in the updated Capital Plan are several new projects to help meet the County's space management, emergency services, information technology, energy, and other needs, among them:

- Downtown Facility Development: Preliminary estimate of \$20-22 million for construction of a new 37,000-47,000SF downtown office building, with at least \$5 million in unassigned fund balance assumed to be applied to offset debt service;
- Public Safety Building Improvements: \$30 million estimated for extensive renovations to the existing facility;
- Emergency Response Improvements: \$2 million to upgrade the County's microwave system for mobile/portable communications needs, and \$4.5 million to establish a backup dispatch center;
- Green Facilities: \$32 million over a 15-year investment period to make needed improvements to existing County facilities with the goal of achieving net-zero emissions; \$200,000 for engineering consultant services related to these projects.
- Green Fleet: \$2 million to convert the County's 70+ vehicle passenger fleet to electric vehicles, including purchase and installation of vehicle charging stations.
- Highway and Facilities: Continuing the annual \$1.8 million allocation for capital improvements to roads and bridges and increased two-year investments of \$1.4 for facility restoration projects.

It is recommended that \$2.5 million of unassigned general fund balance be committed to the Capital Fund to support the proposed Capital Plan; and that the County, by policy increase its target goal of minimum unassigned general fund balance to 18% (up from the current 10%) to provide for financial liquidity and stability.

▪ Enterprise Funds:

The Administrator identifies budget-related challenges for the County's Enterprise units, which are supported through revenue other than the property tax.

Recycling and Materials Management

With continued sharp decline in recycling revenues and increased contractual expenses (recent years' commodity prices down by 50% and a \$600,000 cost increase under the new county-wide collection contract), the department expects to end 2019 with a \$400,000 operating deficit. The proposed 2020 budget also utilizes \$310,000 in fund balance from the Solid Waste Fund, which contained under \$1.8 million as of the end of 2018. The Department in 2020 also will issue a new Request for Proposal to operate the Recycling and Solid Waste Facility, cost there also expected to rise.

The budget proposes a \$2 increase in the solid waste annual fee for 2020, to \$60 per household, as well as reductions in several service contracts and multiple fee increases for commercial haulers.

Airport

While 2020 will mark a historic year as the airport embraces its wide-ranging terminal renovation and expansion, cost overruns (primarily due to State mandated construction design and timelines) have increased project costs to \$37 million. \$10 million in non-reimbursable costs will be locally bonded, by preliminary estimates \$7 million of that under the County's general fund capital appropriation. Initial County costs related to the new customs facility are also estimated at \$150,000-\$250,000, pending establishment of user fees and charges.

The Recommended Budget proposes a \$50,000 operating deficit, with use of Airport fund balance expected to balance the budget. The County has retained a consultant to renegotiate existing contracts, including those with the airlines, that may produce increased revenues. The General Fund will continue to waive administrative fees for services provided to the airport by County staff.

- **Labor Costs:** The County's settled White Collar and Blue Collar labor agreements, which cover over 65% of employees, provide 2.0% wage increases for 2020, with contracts with the County's Road Patrol and Corrections Officers bargaining units yet to be finalized. The Budget reflects a total County workforce to 768 FTEs, an increase of 20 positions. Seven of those positions assist with succession planning or reflect one-year demands of the 2020 election year; three stem from unfunded mandates related to early voting and criminal justice reform. Cost of three Public Works Apprenticeship positions will be in partnership with and reimbursed by the Town and City of Ithaca. Among recommended position changes, increasing the Supervising Attorney position in Assigned Counsel to full-time, and hiring a Chief Equity and Diversity Officer for Tompkins County. *Fringe Benefits:* Reflecting the continued moderating influence of the Greater Tompkins County Municipal Health Insurance Consortium, fringe benefit expenses include an increase of 6% in health costs. With the 2020 average pension rate (14.6%) holding nearly steady, no change in retirement contribution is anticipated.
- **Mandates:** Incorporating additional costs from the new unfunded mandates related to early voting and criminal justice reform, the 2020 cost of human services mandated expenses overall remains stable for a fifth year, at a total local cost of \$21.7 million. Medicaid, the largest single cost in the County's budget (\$11.8 million) remains flat, representing 23% of the County's 2020 property tax levy.
- **Sponsored and Partner Agencies:** The budget includes a 5% increase in sponsor contribution for Tompkins Cortland Community College, bringing Tompkins County's allocation to \$3.13 million for the 2020-21 academic year. Tompkins County will continue to support approximately one-third of the budget of Tompkins County Area Development for economic development services (slightly more than \$250,000); however, in 2020 the proportion supported by property tax will increase and the share coming from Room Occupancy Tax decrease. Funding for other sponsored and partner agencies includes a 2% cost of living increase.

**Sales Tax:** The recommended Budget assumes that 2019 will finish with growth over the prior year's collections, and takes a conservative, balanced approach which provides for reasonable growth of just under 4% in 2020, compared to the unprecedented growth of the past 24 months. Administrator Molino once again cautions that recent volatile history of sales tax collection makes it very difficult to project future collections and stresses the ongoing importance of monitoring revenue projections in light of economic conditions.

Administrator Molino thanks County department heads, agency directors, and staff for their professionalism and commitment to the community demonstrated during the budget development process, also recognizing the Legislature for establishing clear policy guidance and instilling a culture of fiscal discipline and responsiveness to community needs.

Legislators will review the recommended budget in detail at the first meeting of the County's Expanded Budget Committee (any legislator may participate) on Thursday, September 5, 5:30 p.m. in Legislature Chambers, Governor Daniel D. Tompkins Building, 121 E. Court Street (Second Floor), Ithaca—the first in a series of meetings that will take place over the next six weeks.

The 2020 Recommended Budget is posted on the County website at [www.TompkinsCountyNY.gov/ctyadmin/2020budget](http://www.TompkinsCountyNY.gov/ctyadmin/2020budget).

Public copies of the Recommended Budget are available for review at the County Administration office, 125 East Court Street (3<sup>rd</sup> Floor), and at the Office of the County Legislature, 121 East Court Street.

*Contacts: County Administrator Jason Molino, 274-5551; Michael Lane, Chair, Budget, Capital, and Personnel Committee, 844-8440; Martha Robertson, Chair of the Legislature, 274-5434 or 592-3119.*

### **Legislature Takes Stand on NYSEG Proposed Rate Hike**

The Tompkins County Legislature, by unanimous vote, passed a resolution urging the New York State Public Service Commission “to condition any rate increases by New York State Electric and Gas on the provision of more reliable, affordable, and sustainable service to its customers to facilitate transmission of solar and wind energy systems onto the grid.” As recommended by the Tompkins County Energy Task Force and the Legislature’s Planning, Energy, and Environmental Quality Committee, the measure states that the Legislature supports the statements made by more than 60 people at the PSC’s August 14<sup>th</sup> public hearing in Ithaca.

The resolution, in part, states that NYSEG customers in Tompkins County have experienced increasingly frequent power outages and marginal power quality in critical areas; that NYSEG has not adequately maintained its power grid and has failed to perform adequate routine vegetation management around its power lines; has discouraged development of solar and wind facilities; and has failed to resolve the situation related to the Town of Lansing’s gas moratorium, in effect since 2015.

NYSEG’s rate increases should also be linked to its ability to provide and maintain a power grid that can accommodate the beneficial electrification that will be necessary to meet the state’s and Tompkins County’s greenhouse gas emissions reduction goals, the resolution states.

*Contact: Deborah Dawson, Planning, Energy, and Environmental Quality Committee, 607-351-8689*

Among other actions,

The Legislature again designated the Tompkins County Chamber of Commerce and its Ithaca/Tompkins County Convention and Visitors Bureau as Tompkins County’s official Tourism Promotion Agency for the 2020 calendar year.

Recognizing the many contributions of the 500-year Latinx culture to our entire society and Tompkins County’s active, growing, and civically engaged Latinx community, Legislature Chair Martha Robertson proclaimed the month of September 14- October 15, 2019 as Latinx Heritage Month in Tompkins County. Together with the entire community, the Legislature joins in celebration and recognition of the Latinx community and salutes the Latino Civic Association of Tompkins County for its outstanding work on behalf of Latinx throughout Central New York.

**- END -**