

Budget and Capital Committee  
March 12, 2007

**Budget and Capital Committee  
March 12, 2007  
3:30 p.m.  
Scott Heyman Conference Room**

*Approved 3-26-07*

Present: M. Koplinka-Loehr, R. Booth, K. Luz Herrera, M. Hattery (arrived at 3:35 p.m.); N. Shinagawa (arrived at 3:45 p.m.)  
Staff: S. Whicher, M. Lynch, Administration; M. Pottorff, Legislature Office; D. Squires, Finance Director; R. Deluca, Commissioner of Mental Health; P. Carey, Commissioner of Social Services

**Called to Order**

Mr. Koplinka-Loehr called the meeting to order at 3:02 p.m.

**Changes to the Agenda**

A resolution was added to the agenda entitled authorizing Extension of Audit Contract with Ciaschi, Dietershagen, Little, & Milelon, LLP.

**Approval of Minutes of February 26, 2007**

It was MOVED by Mr. Booth, seconded by Ms. Herrera, and unanimously adopted by voice vote by members present, to approve the minutes of the February 26, 2007 meeting as corrected. MINUTES APPROVED.

**Public Comment**

No member of the public was present.

**Chair's Report**

Mr. Koplinka-Loehr thanked the Public Information Advisory Board, Department Heads, and Administration staff, for the work that went into the recent community budget forum. Although he would like to have had better attendance from citizens, there has been a tremendously positive response from those who attended and the community dialogue that has taken place has been helpful. *Mr. Booth requested a copy of the information presented at the forum. Ms. Lynch will see that all Legislators receive this information.*

Mr. Hattery arrived at 3:35 p.m.

**Finance Director's Report**

Mr. Squires said he has been busy working on closing on the books for 2006. He reported there was \$700,000-\$800,000 that was unexpended in the Highway budget because there was a lot of Highway work that could not get done which was primarily the result of flood damage. Mr. Hattery asked that, although last year was a bad construction season, what is the practice for keeping those funds for future work? Mr. Squires said those are dedicated funds in the Highway budget and will rollover to the following year and will remain in the Highway Fund Balance.

Mr. Shinagawa arrived at 3:42 p.m.

Mr. Booth asked, if there are funds that were not spent in 2006, if those funds can be rolled over to 2008 to relieve some of the pressures in that budget. Mr. Squires said the Legislature could do that or it could even put it into the 2007 budget.

Mr. Whicher said he has had discussions with Highway Division staff relating to the annual work plan. In trying to stay with the work plan, staff would like to keep these funds and will try to catch the work up in the next two years. By policy, the funds will stay in the budget unless the Legislature takes action to remove the funds.

*Ms. Herrera asked what percentage of the work that did not get done in 2006 does the \$700,000 to \$800,000 represent? Mr. Squires said he will look into this.*

Mr. Squires concluded his report stating the Airport (via the fund balance) is still “keeping its head above water”.

### **County Administrator’s Report**

Mr. Whicher had no report.

### **Public Information Officer’s Report**

Ms. Lynch thanked everyone for the help they have provided with the two community budget forums to date. She said the feedback forms that have been returned show that the forums have been very well received.

Ms. Carey spoke of the feedback she has received on the forums and stated one department head had sat in the same breakout group with a disgruntled taxpayer. Over the course of the forum the individual went from being very negative about County government to a point where they had a greater understanding of the complexity of issues and decisions the Legislature faces and were not as negative as when the meeting began.

The next forum will be March 24<sup>th</sup> at the Human Services Building starting at 9:30 a.m.

### **Department of Social Services**

#### **RESOLUTION NO. - AUTHORIZING ADDITION OF 3.0 FTE POSITIONS AT NO LOCAL COST TO IMPROVE BOTH HEALTH CARE ACCESS AND RESOURCE RECOVERY – DEPARTMENT OF SOCIAL SERVICES**

MOVED by Mr. Shinagawa, seconded by Mr. Booth. Ms. Carey said the New York State Office of Medicaid and Management Insurance is asking counties to take a look at the processes that are used for recovering monies for the State. Counties have not traditionally put a lot of emphasis on this because it used to cost money to have staff perform the work. She explained that when a person passes away monies from the individual’s estate can be claimed against all funds that were Medicaid funds the person had used. A voice vote resulted as follows: Ayes – 5, Noes – 0. MOTION CARRIED.

WHEREAS, New York State has announced changes in the Medicaid program which will significantly increase caseloads, add to the average workload per case, and establish a new emphasis on resource recovery, and

WHEREAS, the Department of Social Services believes it can meet these challenges through the addition of three new staff to its Medicaid Division, and

WHEREAS, the Department will receive a mix of Federal and State reimbursement which, combined, will cover 100 percent of the additional administrative costs associated with these new positions, now therefore be it

RESOLVED, on recommendation of the Health and Human Services and the Budget and Capital Committees, That effective April 1, 2007, the Department of Social Services' vacant, unfunded, full-time (35-hour) Social Welfare Examiner position #792 be reactivated; and that a new, full-time position (35-hour) position in the Social Welfare Examiner title be created in that Department, together with a new, full-time (35-hour) Paralegal Aide position,

RESOLVED, further, That the Director of Finance is authorized to make the following pro-rated 2007 budget adjustments to reflect both the additional spending authority and the offsetting revenue identified above:

Social Services Adjustments

REVENUE:	A6010.44601	Federal – Medicaid	\$57,447
	A6010.43602	State – Medicaid	\$57,446
APPROPRIATION:	A6010.51000.565	Salary – Social Welfare Examiner	\$56,037
	A6010.51000.619	Salary – Paralegal Aide	\$26,620
	A6010.58800	Fringes	\$32,236

RESOLVED, further, That the positions are contingent on receipt of Medicaid funding.

**SEQR ACTION:** TYPE II-20

---

**RESOLUTION NO. - BUDGET ADJUSTMENT SUPPORTING INTENSIVE CASE MANAGEMENT TO NON-COMPLIANT FAMILIES AT NO LOCAL COST – DEPARTMENT OF SOCIAL SERVICES**

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

WHEREAS, New York State has recently awarded the Department of Social Services \$27,685 to fully fund a short-term, experimental program targeting Temporary Assistance recipient families whose members have failed to comply with work requirements, and

WHEREAS, the approved plan features intensive case management services provided by a family services caseworker for a four-month period, now therefore be it

RESOLVED, on recommendation of the Health and Human Services and the Budget and Capital Committees, That the Department of Social Services' vacant, unfunded, full-time (35-hour) Caseworker position #792 be activated and filled from March 1<sup>st</sup> through June 30<sup>th</sup>;

RESOLVED, further, That the Director of Finance is authorized to make the following pro-rated 2007 budget adjustments to reflect both the additional spending authority and the offsetting revenue identified above:

Social Services Adjustments

REVENUE:	A6010.44651	Federal – TANF	\$27,685
APPROPRIATION:	A6010.51000.562	Salary – Caseworker	\$15,345
	A6010.58800	Fringes	\$ 5,985
	A6010.54414	Local Mileage	\$ 5,545
	A6010.54306	Automotive Supplies	\$ 810

RESOLVED, further, That the position is contingent on receipt of State funding.  
**SEQR ACTION: TYPE II-20**

---

**RESOLUTION NO. - AUTHORIZING 1.0 FTE POSITION AT NO LOCAL COST TO IMPROVE  
PRE-NATAL AND TODDLER ACCESS TO DENTAL CARE –  
DEPARTMENT OF SOCIAL SERVICES**

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

WHEREAS, the Tompkins County Department of Public Health has been awarded a Preventive Dental grant by the New York State Department of Health on the strength of an application describing a case management program targeting infants and toddlers to be run by the Department of Social Services, and

WHEREAS, the state-approved program calls for a dedicated Senior Social Welfare Examiner to staff the program and the Department has a vacant, unfunded position in that title on the books, and

WHEREAS, the Department hopes to be given spending authority and to begin staffing the program as of May 1<sup>st</sup>, now therefore be it

RESOLVED, on recommendation of the Health and Human Services and the Budget and Capital Committees, That effective May 1, 2007, the Department of Social Services' vacant, unfunded, full-time (35-hour) Senior Social Welfare Examiner position #1061 be reactivated,

RESOLVED, further, That the Director of Finance is authorized to make the following pro-rated 2007 budget adjustments to reflect both the additional spending authority and the offsetting revenue identified above for the final eight months of the year:

Social Services Adjustments

REVENUE:	A6010.41894	Social Services Charges	\$38,349
APPROPRIATION:	A6010.51000.558	Salary – Sr. Social Welfare Examiner	\$27,589
	A6010.58800	Fringes	\$10,760

RESOLVED, further, That the position is contingent on receipt of grant funding.  
**SEQR ACTION: TYPE II-20**

\* \* \* \* \*

**RESOLUTION NO. – IN SUPPORT OF INCREASED STATE TRANSIT OPERATING  
ASSISTANCE APPROPRIATION AND CREATION OF REVIEW  
PANEL**

It was MOVED by Ms. Herrera, seconded by Booth, and unanimously adopted by voice vote to approve the following resolution and submit to the full Legislature.

WHEREAS, the proposed funding increase in State Transit Operating Assistance (STOA) Appropriations for the Upstate Formula Group for 2006-2007 that includes TCAT (Tompkins Consolidated Area Transit), Inc., and Broome County Transit is \$4.9 million, and

WHEREAS, this increase will help maintain Tompkins County's outstanding public transportation system, which has experienced two consecutive record ridership years, and

WHEREAS, the Department of Transportation and the Department of Budget have undertaken an initiative to convene a panel of transit experts to develop a fair and equitable allocation of STOA based on performance measures, and

WHEREAS, these performance measures will encourage all public transportation systems to achieve greater operational efficiencies and to better serve the riding public, now therefore be it

RESOLVED, on recommendation of the Budget and Capital Committee, That the Tompkins County Legislature hereby supports this inclusion of a \$4.9 million increase in State Transit Operating Assistance Appropriations for the Upstate Formula Group as contained in Governor Spitzer's 2006-2007 Executive Budget,

RESOLVED, further, That Tompkins County supports the creation of a review panel to make recommendations for future STOA payments that will be fair and equitable and based on performance measures,

RESOLVED, further, That the Clerk of the Legislature be authorized to send certified copies of this resolution to Michael F. Nozzolio, Senator, 54th District; James L. Seward, Senator, 51st District; George H. Winner, Senator, 53rd District; Barbara Lifton, Assemblywoman, 125<sup>th</sup> District; Carolyn Peterson, Mayor, City of Ithaca; David Skorton, President, Cornell University; Barbara Fiala, Broome County Executive; and George Bagnetto, Director of Operations, Broome County *Transit*.

**SEQR ACTION:** TYPE II – 20

\* \* \* \* \*

**Addition to the Agenda**

It was MOVED by Mr. Hattery, seconded by Mr. Shinagawa, and unanimously adopted by voice vote, to add a resolution to the agenda entitled authorizing Extension of Audit Contract with Ciaschi, Dietershagen, Little, & Milelon, LLP.

**RESOLUTION NO. - AUTHORIZING THE EXTENSION OF AUDIT CONTRACT WITH CIASCHI, DIETERSHAGEN, LITTLE, & MICKELSON, LLP**

MOVED by Mr. Shinagawa, seconded by Mr. Booth. Mr. Squires said the audit contract will expire this year and he, along with Audit Subcommittee, thinks it would be in the County's best interest, to extend the contract of the present auditor, particularly because there a lot of accounting issues in transition. This auditing firm has been contracted with since 1990 and Mr. Squires noted this company is the only company in Ithaca that provides auditing services to governments. Ms. Carey supported the Finance Director's recommendation and stated this firm has a valuable knowledge of DSS programs which are very complex. The Committee thought next year may be more appropriate to issue a Request for Proposals for these services. A voice vote on approving the resolution and submitting to the full Legislature resulted as follows: Ayes – 5, Noes – 0. MOTION CARRIED.

WHEREAS, governmental accounting standards and financial reporting requirements are becoming more complex, and

WHEREAS, Tompkins County will be required to implement the provisions of Government Accounting Standards Board (GASB) 45 which provides information on the cost of providing benefits to retired employees, and

WHEREAS, the modification of financial reporting for compliance with GASB 45 will be required before December 31, 2007, and

WHEREAS, the application of AICPA (American Institute of Certified Public Accountants) promulgation SAS (Statement of Accounting Standards) 112, will present significant challenges for the County, and

WHEREAS, our current auditor, Ciaschi, Dietershagen, Little, & Mickelson, LLP, has a significant understanding of the County's financial reporting systems which would enhance the County's effort to implement and transition to the new accounting standards and internal control procedures, now therefore be it

RESOLVED, on recommendation of the Budget and Capital Committee, and the Audit Sub-Committee, That the Director of Finance is authorized to accept a proposal for contract extension of the audit engagement with Ciaschi, Dietershagen, Little, & Mikelson, LLP, for the years 2007- 2008,

RESOLVED, further, That the County issue a Request For Proposals for auditing services upon the expiration of the aforementioned contract extension.

**SEQR ACTION:** TYPE II – 20

\* \* \* \* \*

**Target Fund Balance**

At this time the Committee discussed the Fiscal Policy, Section 2.02 – Target Fund Balance. The following are Target Fund Balances:

- A. General Fund
- B. Airport Fund
- C. Solid Waste Fund
- D. Road and Highway Machinery Funds Combined
- E. Debt Service Fund

Mr. Whicher stated the Target General Fund Balance is presently maintained at 5 percent of total spending (last year \$5.5+ million). At this time he does not recommend any change to the Target Fund Balance due to the potential impact on the 2008 operating budget.

Mr. Booth said categories B, D, and E are indirectly tied to the Fund Balance; C is totally independent of the General Fund and has a separate revenue stream; B has a separate revenue stream although tenuous; B and C are enterprise funds.

Ms. Herrera asked the Finance Director what level of Target Fund Balance he would be comfortable with. Mr. Squires said he looks at what the County would need to pay its bills for sixty days. He suggested \$10 million, which would be the equivalent of 8-9%.

Mr. Booth asked how Tompkins County's Fund Balance compared to other counties. Mr. Squires said it does not show up the same way in other County budgets since we maintain a target while others measure fund balance numbers overall. He noted that Tompkins County was fortunate to have not suffered a lowered bond rating as a result of a recent decline in the decreased Target Fund Balance.

Ms. Herrera said she is cautious and apprehensive about redirecting money to the fund balance which could mean raising the amount of property taxes paid by residents.

Mr. Whicher said if the Legislature wanted to increase the Fund Balance, doing so on an incremental basis would be a good idea. He said he does not recommend making a decision on this until the Committee sees the budget numbers for 2008.

The Committee directed the County Administrator and Finance Director to come back to the Committee with a recommended Target Fund Balance for 2008 and future years (with relevant policy language changes) no later than the April 23 meeting of this Committee.

**Department Head/Legislator Forum**

Mr. Whicher said he will meet again with department heads tomorrow to discuss the budget process forum scheduled on April 19<sup>th</sup> from 2:30 to 4:30 p.m. between department heads and Legislators. He will then schedule further discussions for planning the forum with Legislators and staff.

Budget and Capital Committee  
March 12, 2007

**Revenue Options/Savings – Tompkins County Council of Governments Grant Update**

Mr. Whicher said he has heard informally that the grant applied for through the Department of State by the Tompkins County Council of Governments in the amount of \$265,000 was successful. The purpose of the grant was for shared municipal services for health insurance. More information will follow as it is received.

**Adjournment**

The meeting adjourned at 4:58 p.m.

Respectfully submitted by Michelle Pottorff, TC Legislature Office