

The 2018 Recommended Budget

Tompkins County, New York

The Short Story

- Convergence of new revenue and new priorities
 - Casino revenue
 - Jail population reduction
 - Housing/Homelessness
- Levy up 2.4%
 - Rate down 4th consecutive year
- \$12 impact for average homeowner

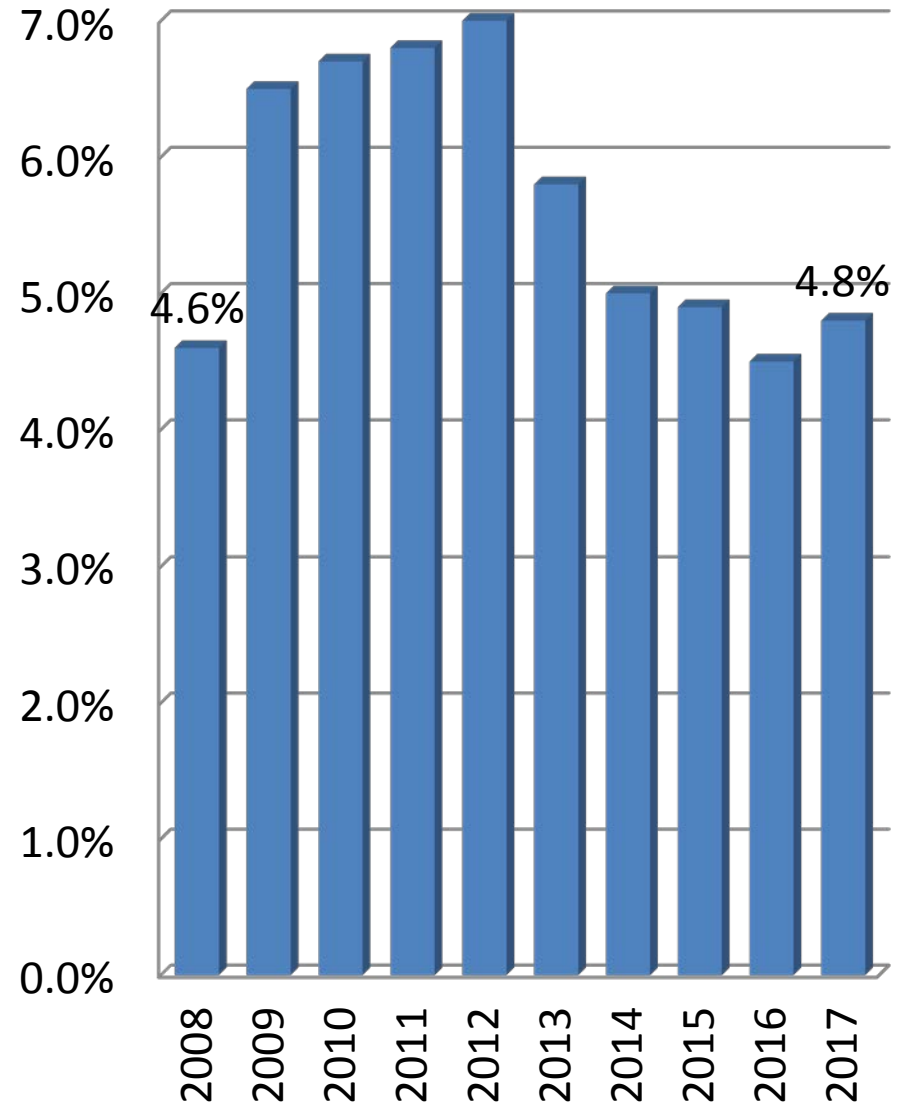
Factors Affecting the Budget

The Economy

The Economy

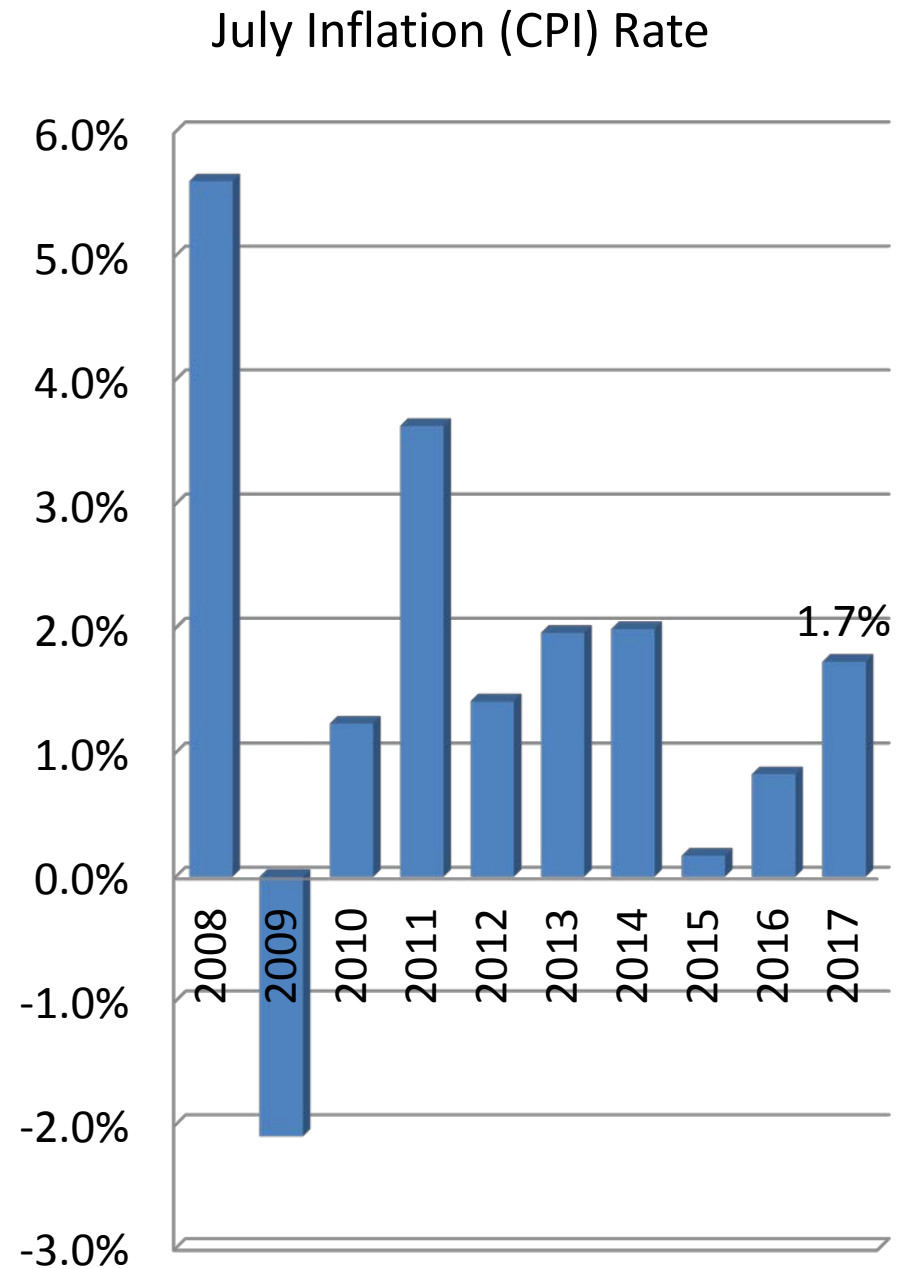
- July unemployment at pre-recession levels

July Unemployment, Tompkins County



The Economy

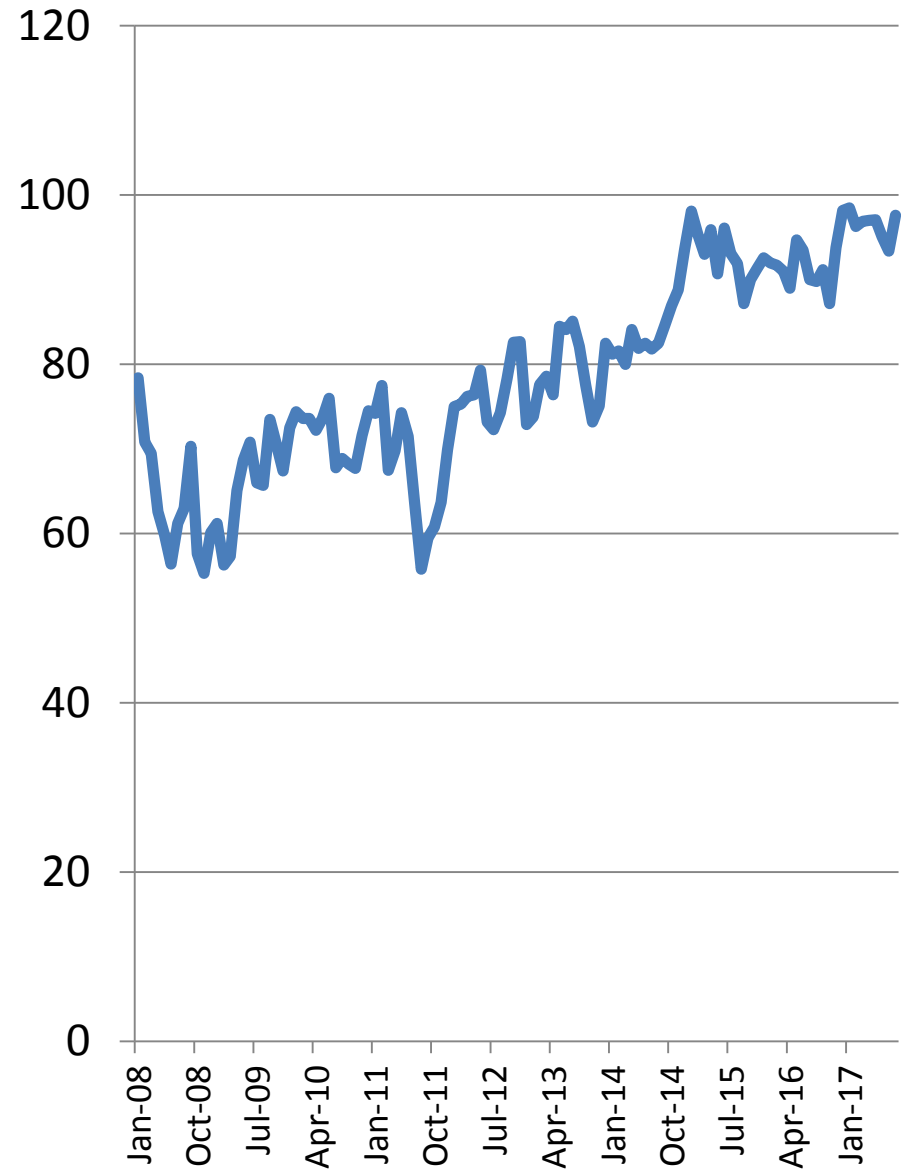
- Inflation at 1.7%



The Economy

- Consumer confidence strong

Consumer Sentiment, U.S., January 2008-August 2017



The Economy

- Stock market at record high

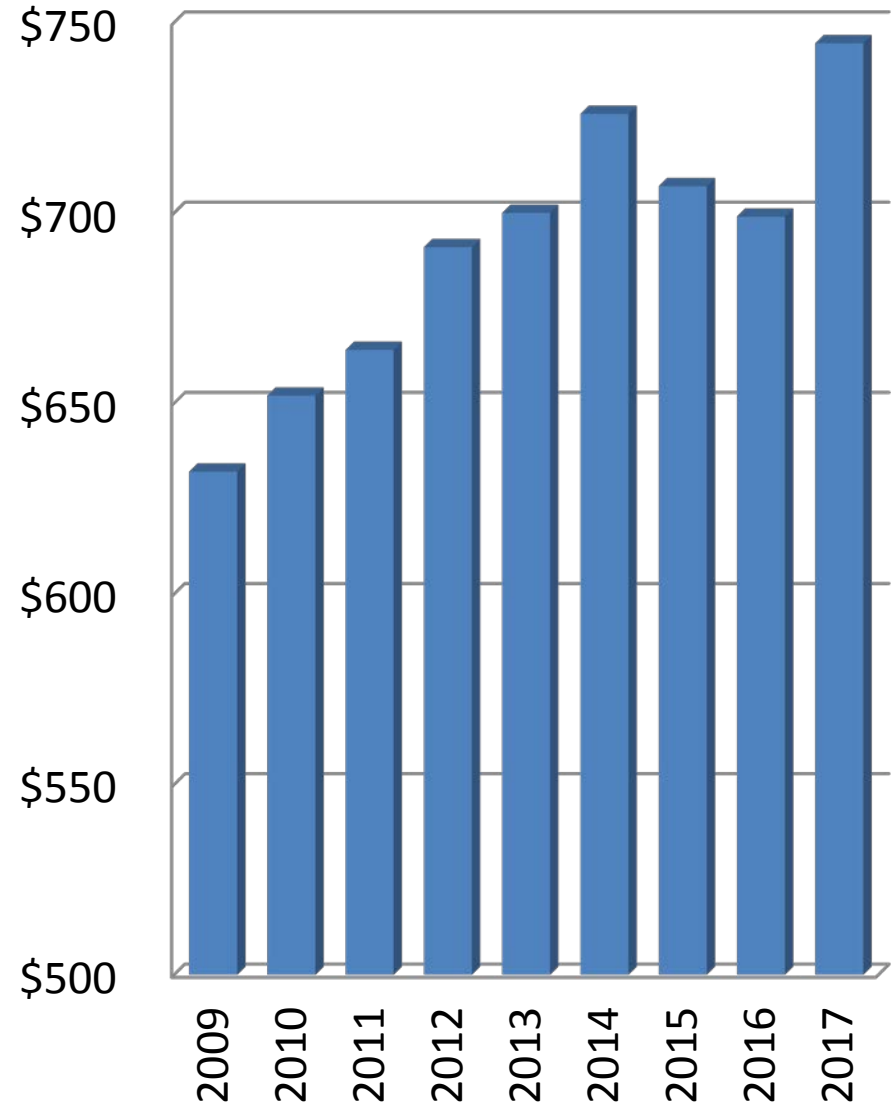
Dow Jones End of Month
Average, 2001-Present



Consumer Sales

- Mid-Year taxable spending up 6.5%
- \$46 million in additional sales

Mid-Year Taxable Sales, Tompkins County (millions)



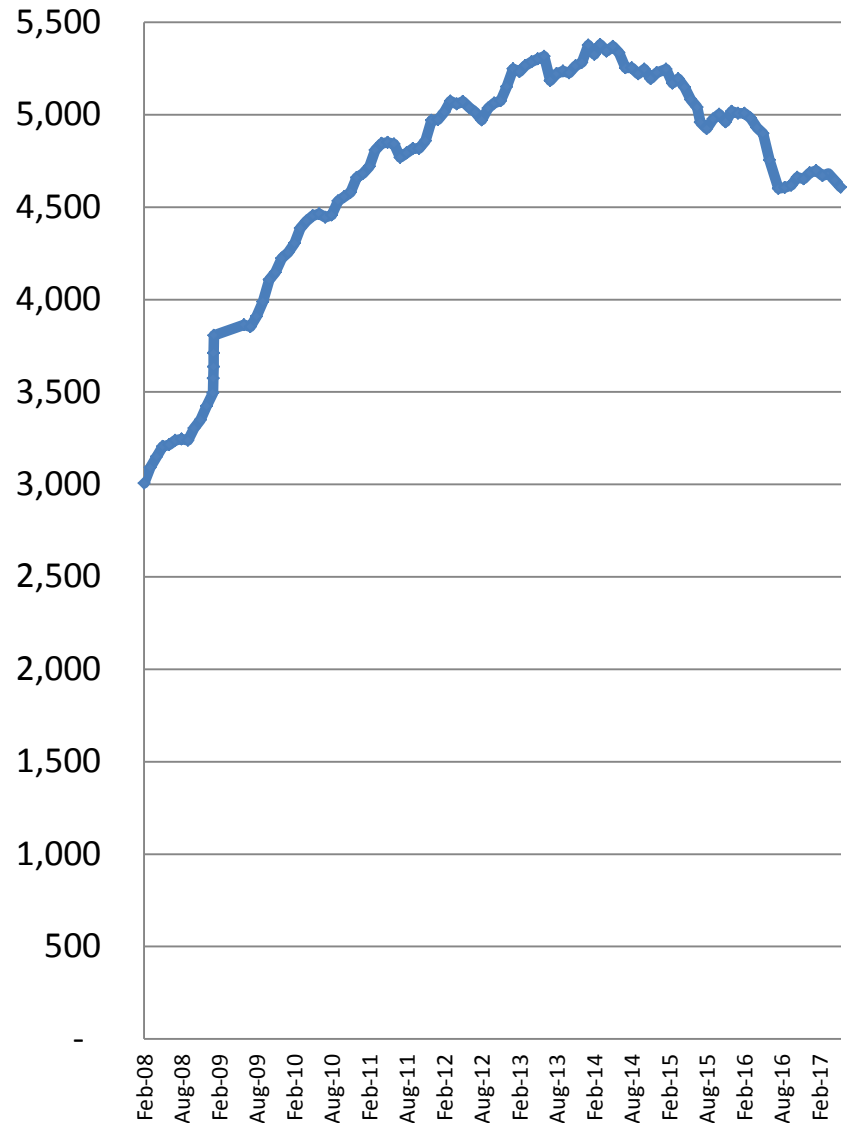
Factors Affecting the Budget

**Programmatic Indicators of
Need**

Programmatic Trends

- Last 3 years: -14%
- Last 12 months: -6%
- Since 1/2008: +53%

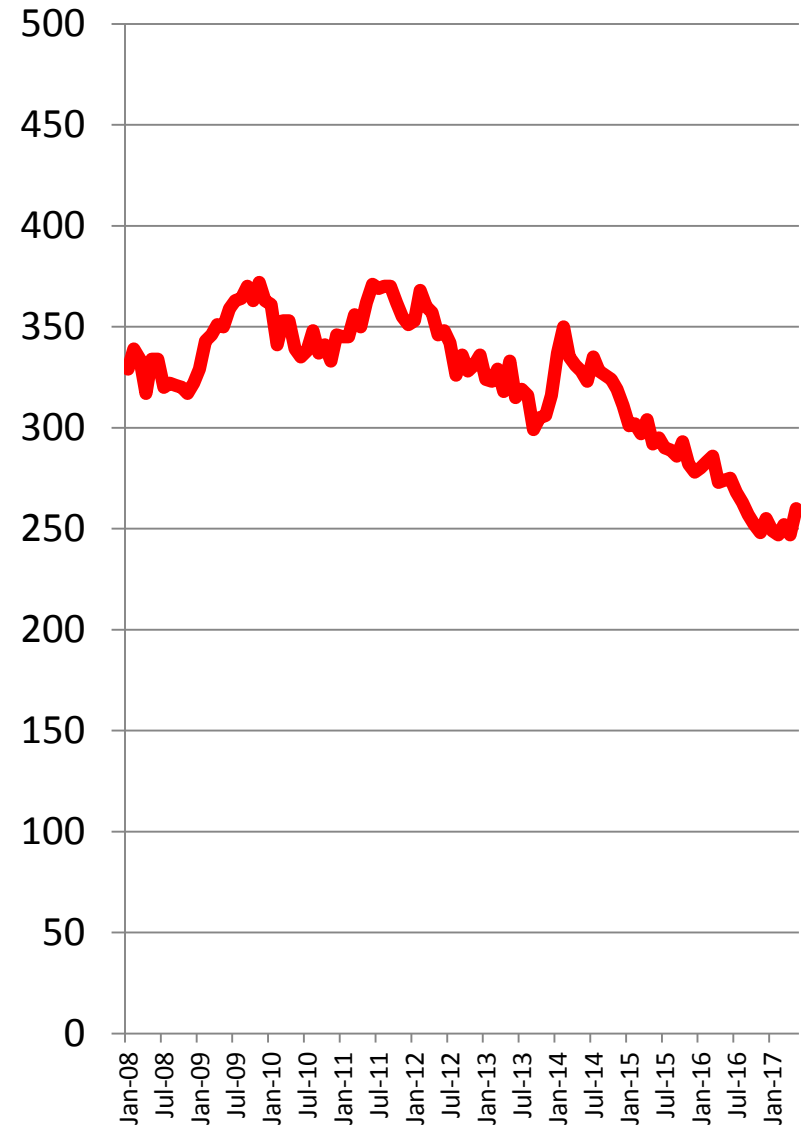
Tompkins County SNAP Cases,
January 2008-May 2017



Programmatic Trends

- Last 3 years: -26%
- Last 12 months: -5%
- Since 1/2008: -21%

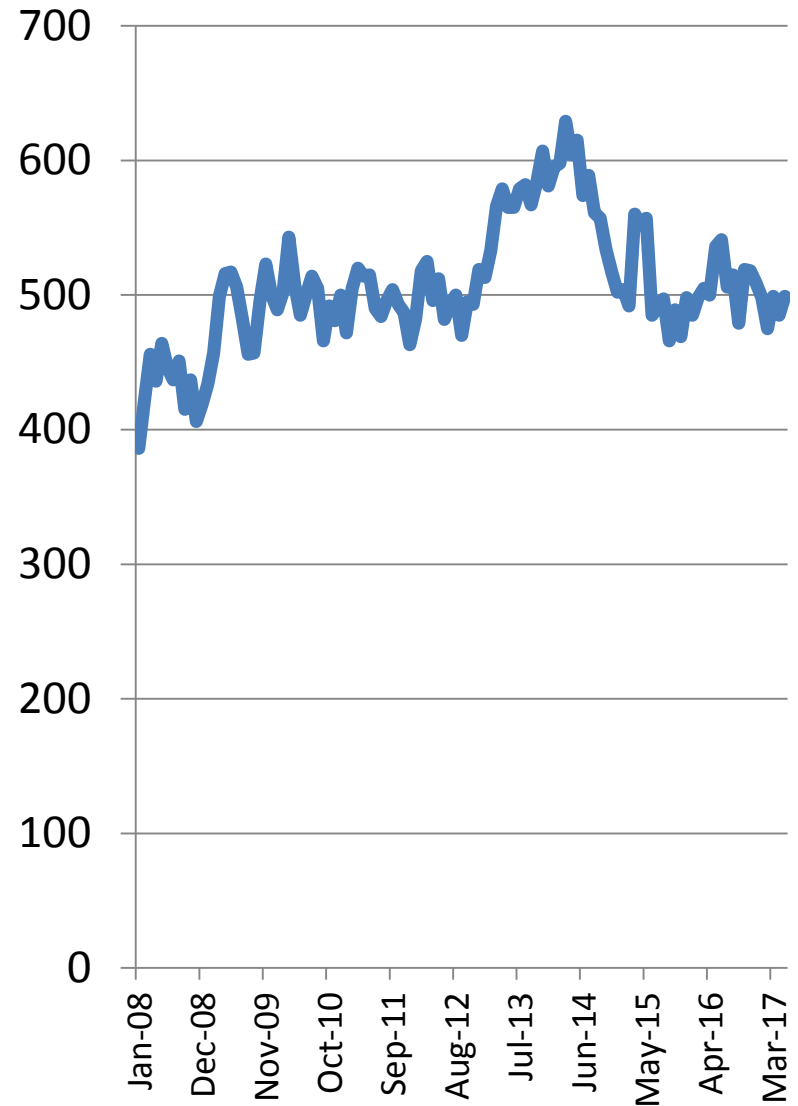
Family Assistance Cases,
January 2008-May 2017



Programmatic Trends

- Last 3 years: -21%
- Last 12 months: -6%
- Since 1/2008: +25%
- County pays 71%

Safety Net Cases, January 2008-May 2017



Factors Affecting the Budget

New Revenue Source

Factors Affecting the Budget

Ongoing Casino Revenue

Factors Affecting the Budget

Projected \$1.2 million in
new discretionary income

2018 Budgetary Goals

Maintain Current Levels of
Service

Maintain fiscal strength and
resiliency

Sustain the Investment in Facilities and Infrastructure

Address Urgent Priorities

Address Urgent Priorities

Jail Population Reduction

Address Urgent Priorities

Housing and Homelessness

Major Budget Drivers

Major Budget Drivers

- Casino Revenue
- Sales Tax
- Mandates
- Labor costs
- Capital Investment
- Contingency

Casino Revenue

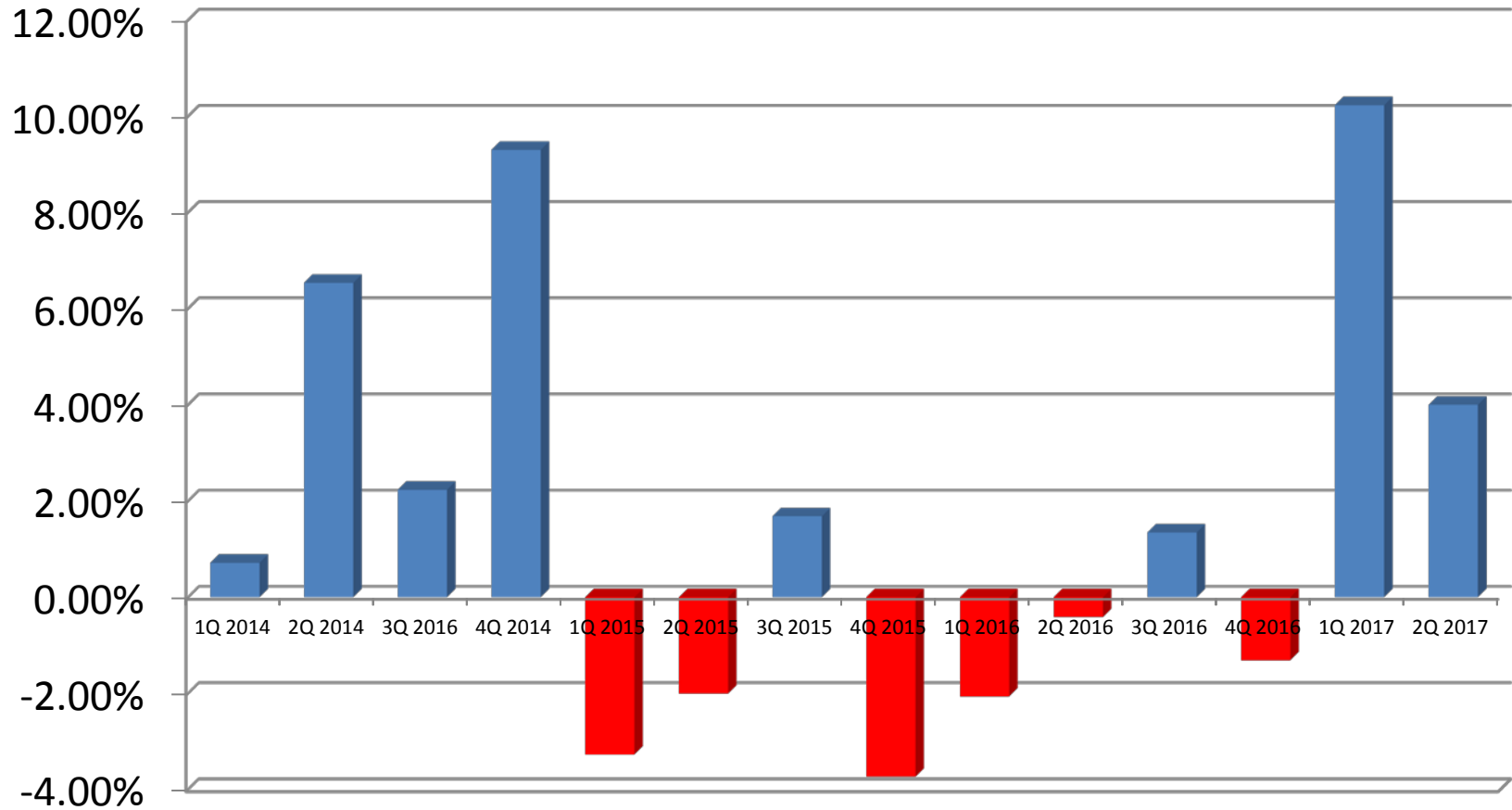
- 1st time in Budget
- Ongoing revenue from Tioga and Del Lago
- January-July collections of \$823,000.
- Expect “honeymoon” to end in 2018
- \$1.2 million in budgeted new revenue

Sales Tax

- Erratic collection pattern
- No discernible trend
- Caution warranted
- Projection based on consolidating known gains; assuming flat collections through 2018

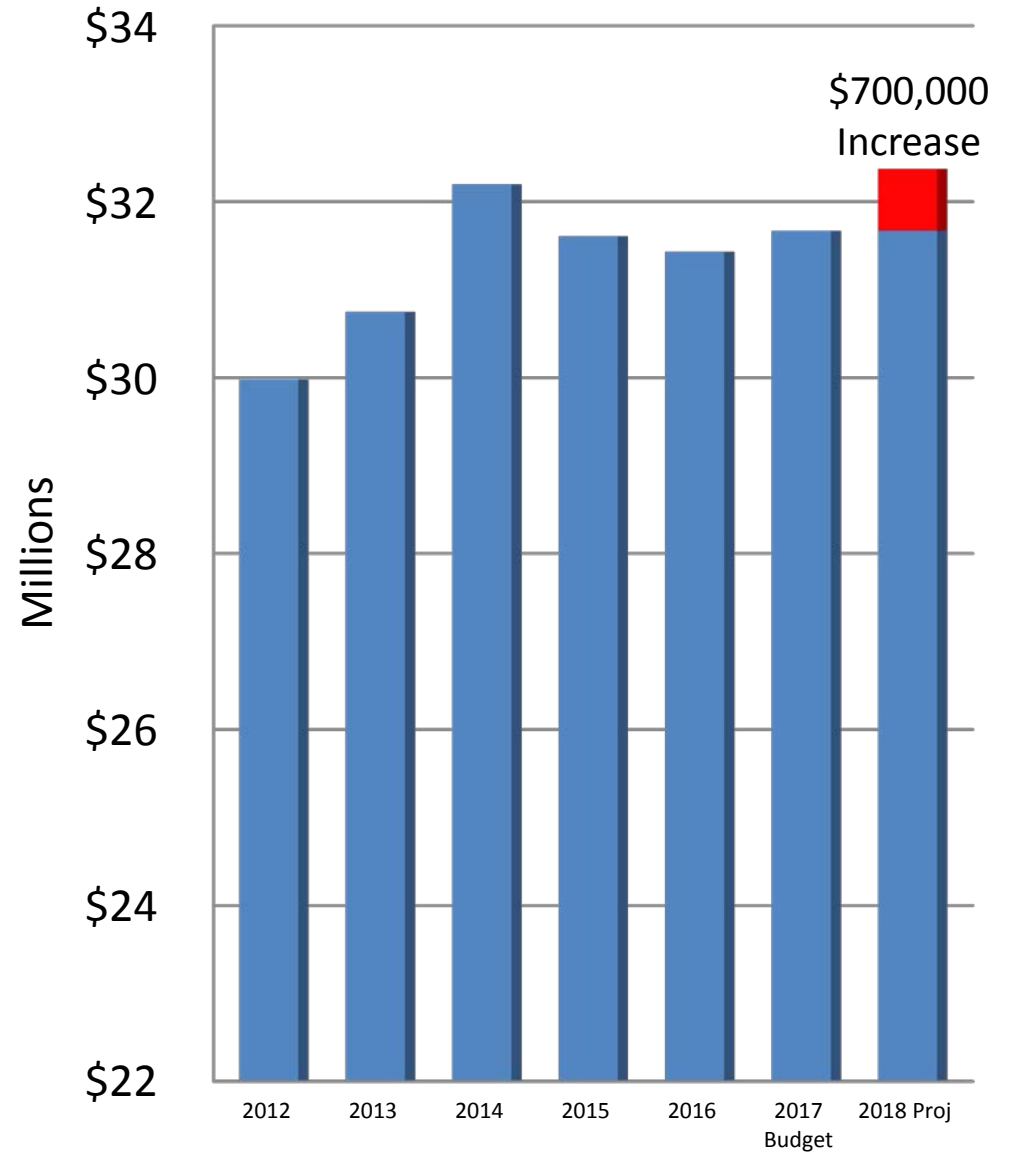
Sales Tax

Quarterly Collections, 2014-2017



Sales Tax

2012 Actual-2018 Projected



Labor Costs

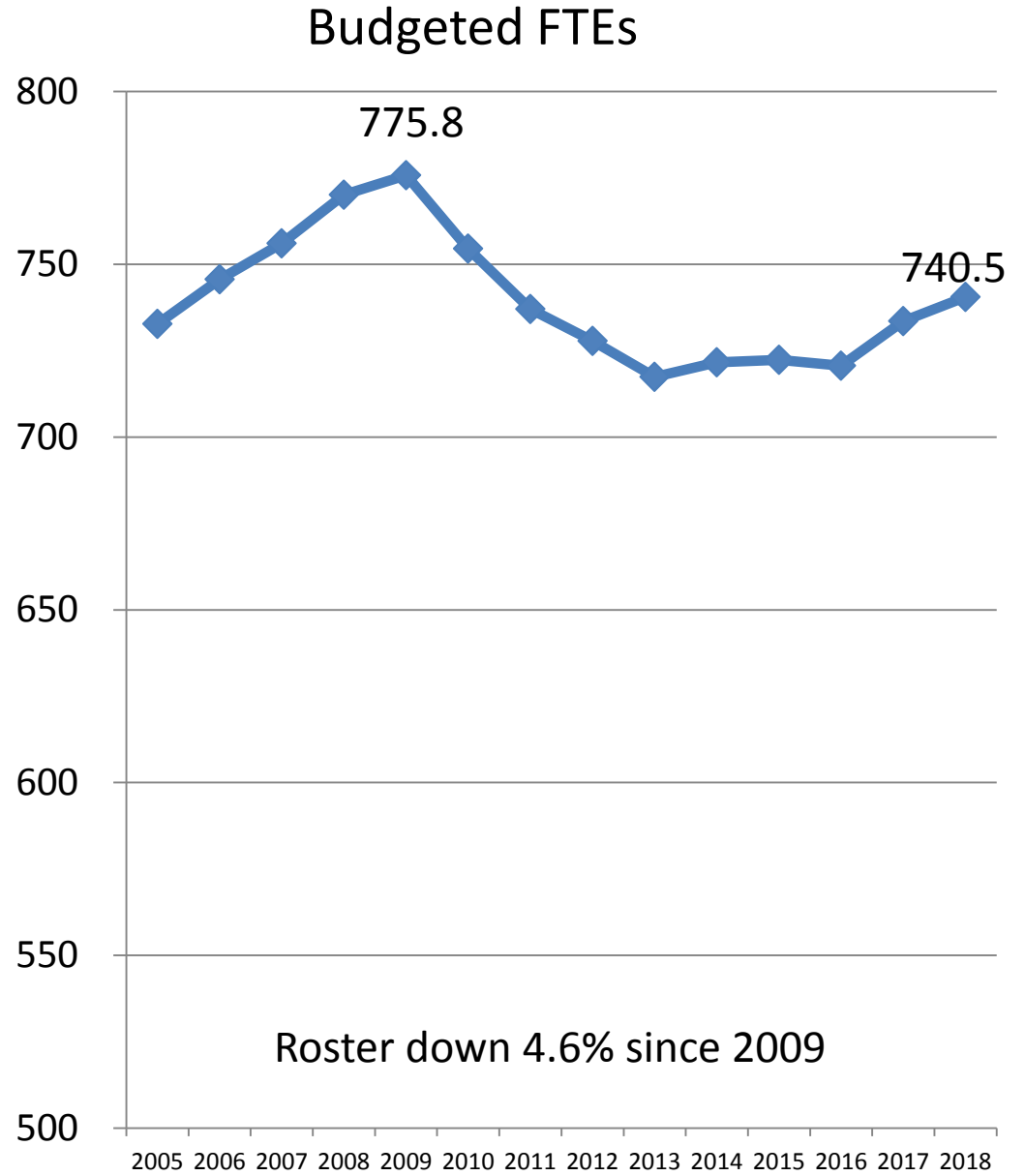
Wage Growth

- No contracts yet in place for 2018
- Budget assumes settlements within parameters

Labor Costs Workforce

- Increase of 6.9 FTEs
 - 3.4 FTEs for Part-Timers in Sheriff's Office
 - 2.2 limited-duration FTEs

FTE History



Labor Costs

Fringe

- Health costs up 3.8%
- Pensions stable
- Overall fringe up \$418,000

Labor Costs

Overall

- Salary and fringe up 2.0%
- \$1.2 million total
- \$0.9 million local dollars

Mandates

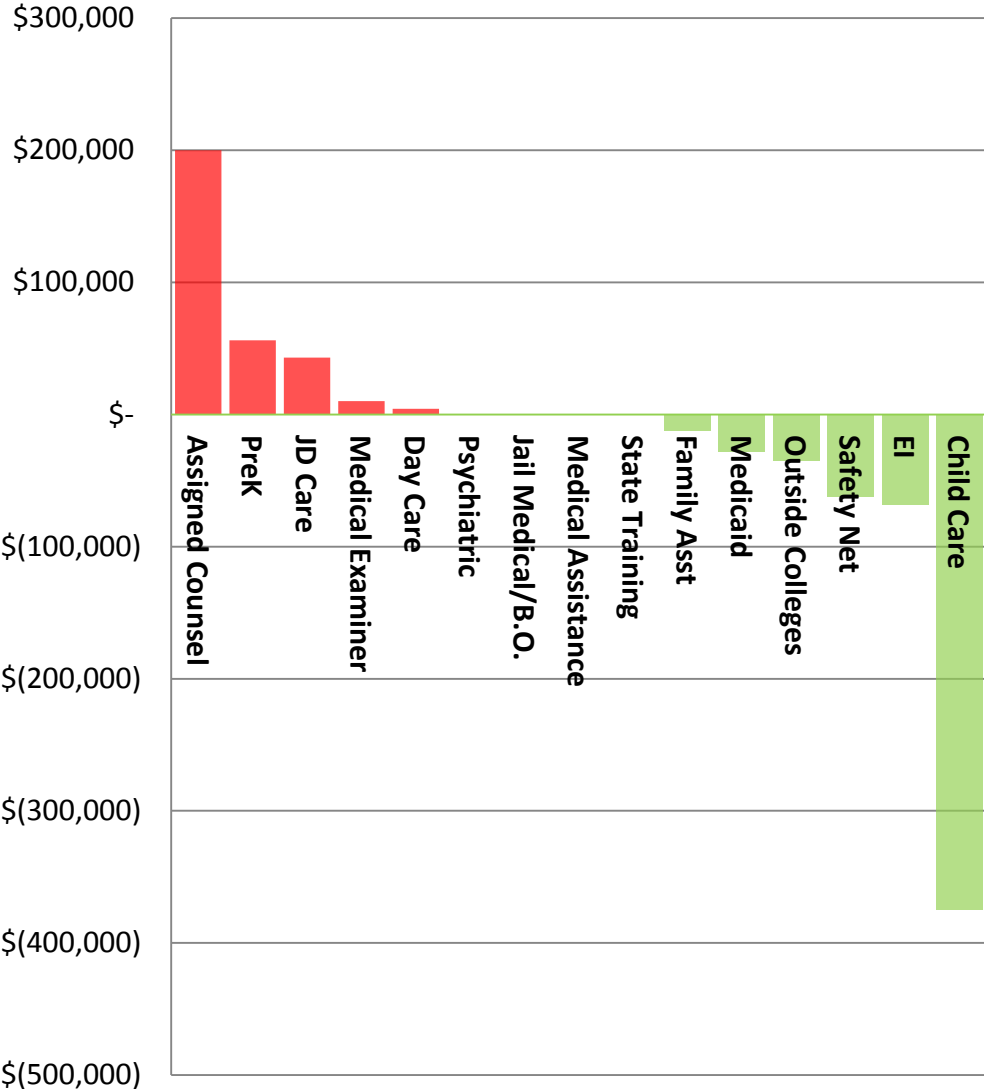
- Local costs down \$267,000

Mandates

- 3rd consecutive decline
 - DSS down by \$454,000
 - PreK Special Ed and Early Intervention flat
 - Assigned Counsel up \$200,000 (half is onetime)
 - Overall mandated costs down 1.25%

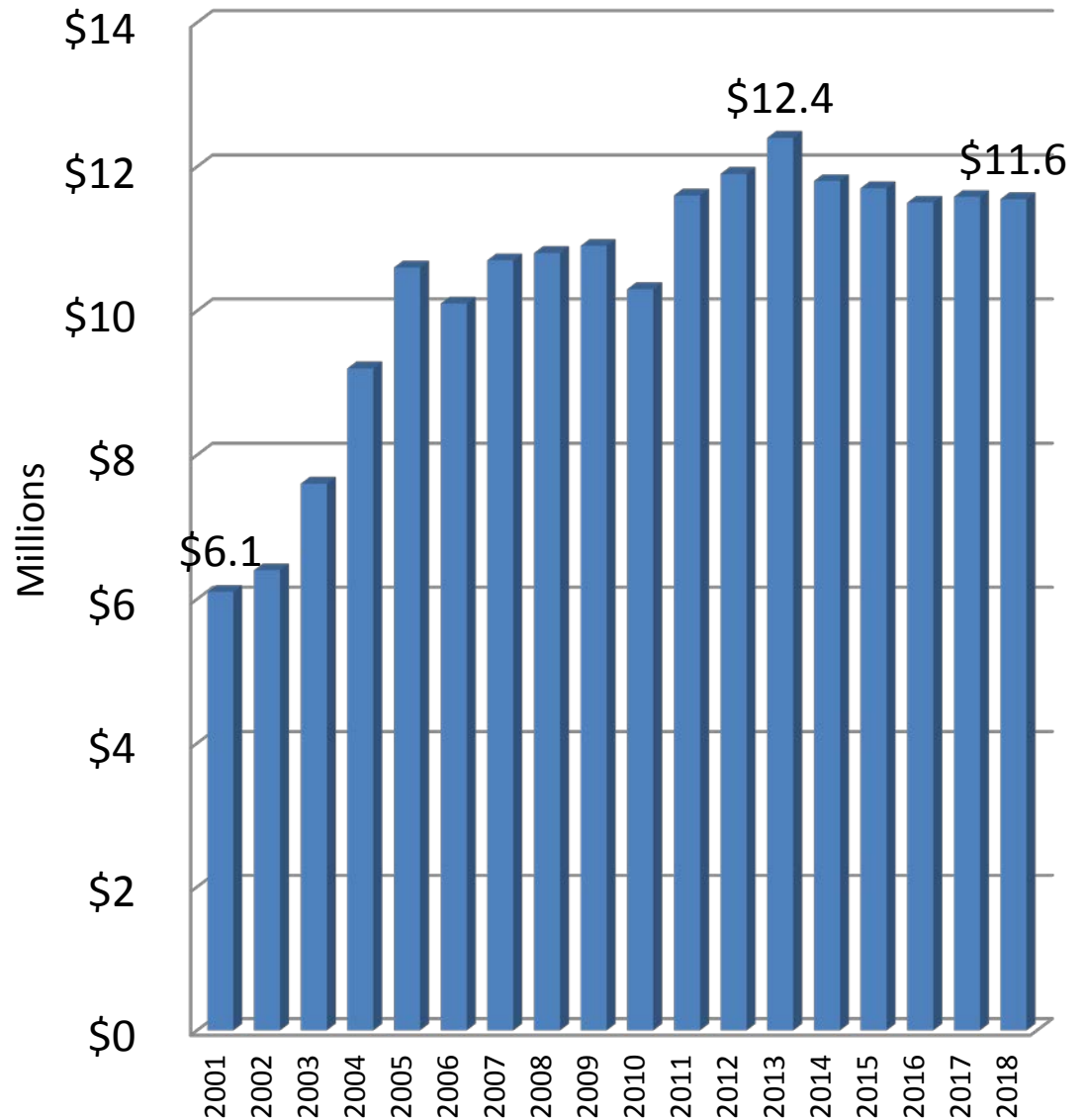
Mandates

Change in Local Costs of Mandated Programs, 2017-2018



Mandates

Medicaid Costs, 2001-2018

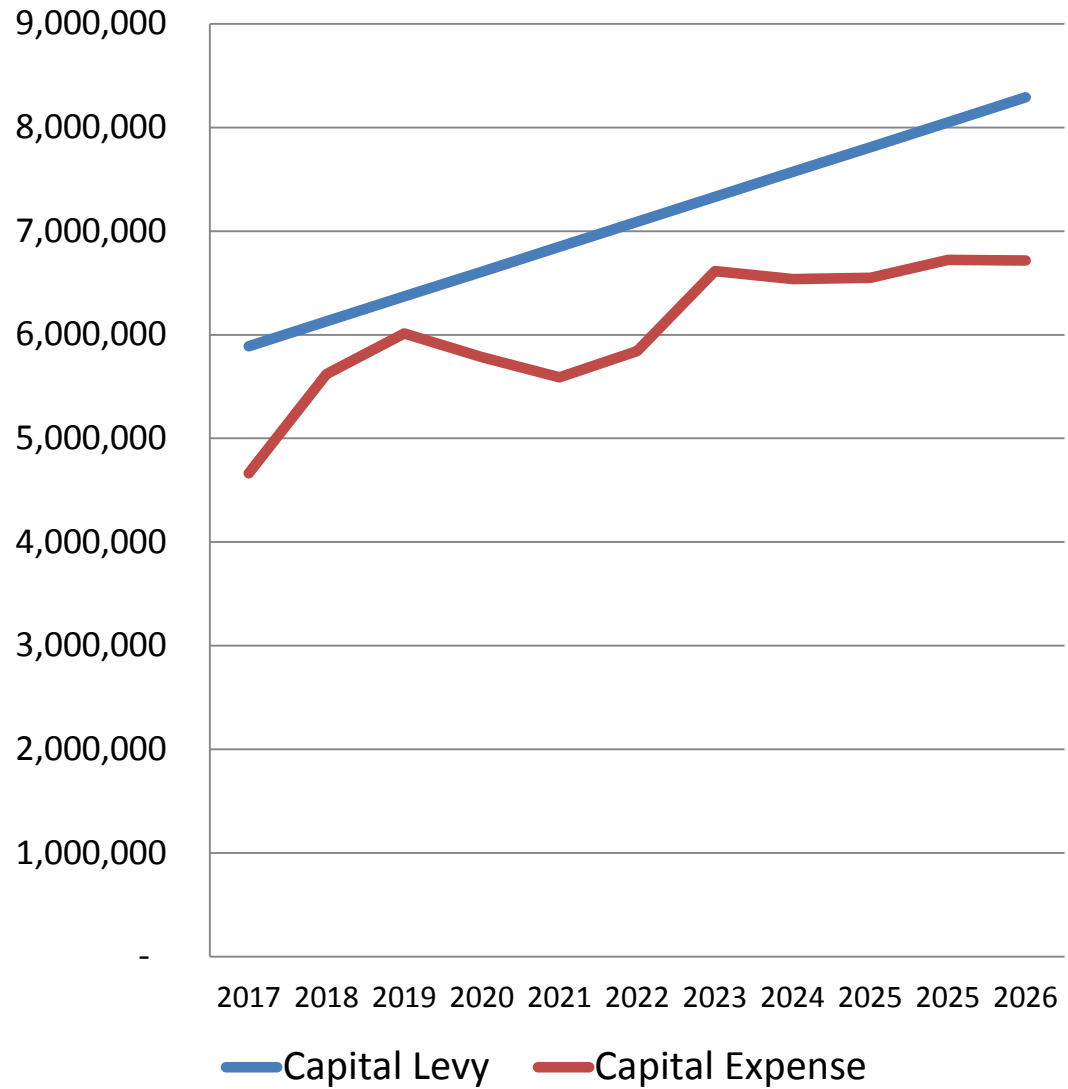


Capital Reinvestment

- Levy increase of 0.5%, or \$240,150, for capital improvements

Capital Reinvestment

Projected Capital Expense vs. Available Funding, 2017-26



Sponsored and Partner Agencies

- 2% increase in baseline budgets for all sponsored agencies
 - Plus \$432,000 in funded onetime support for Agencies
- TC3 flat

*Sponsored Agencies: Cornell Cooperative Extension, TCPL, Rural Libraries, Soil & Water, The History Center, Human Services Coalition and Agencies, TCAction, SPCA, Recreation Partnership

Contingency

- \$1.36 million added and available to:
 - Fund OTRs
 - Hold aside for uncertainty
 - Reduce levy below 2.4%
- \$150,000 added to buffer against elevated risk and uncertainty

Enterprise Funds

Airport

- Budget supports 4th year of waivers of \$126,000 in administrative fees to airport

Solid Waste

- Annual Fee stable at \$55

Approach to 2018 Budget Review

Approach

2.4% Levy increase

Supports current operations,
2% for agencies, capital
increase

Includes \$1.36 million
“placeholder” in Contingency

Approach

Administrator funded most
Onetime OTRs

Legislature will decide all
“Target” OTRs

Onetime OTRs

- \$1.3 million
- Non-Recurring
 - Equipment
 - Limited duration projects
 - Little/no policy implications
- Funded with reserves, not property taxes

Onetime OTRs

- Continues
 - Energy Navigator
 - Housing Transition Support
 - Performance Measures
 - CCE initiatives

Target OTRs

- Supported with property tax, or
- Require policy decisions
- \$2 million requested
- \$1.36 can be funded with Contingency “placeholder” and stay within 2.4% levy

Target
OTRs

CGR/Jail

- Criminal Justice Coordinator
- SIMS project
- Additional Probation Officer
- Two Mental Health Workers (Re-entry)
- Two ADAs
- Additional Jail Nurse
- OAR College and Endeavor House Projects

Target
OTRs

CGR/Jail

- \$781,945 Total request
- \$646,710 Supported with property taxes

Target
OTRs

Housing and
Homelessness

- Senior (Housing) Planner
- Added support for Continuum of Care staffing
- Augment Rapid Rehousing grant funds
- Expand Friendship Center's hours

Target
OTRs

Housing and
Homelessness

- \$247,443
- \$113,627

Total request

Supported with
property taxes

Target
OTRs

Organizational
Stability

- Staff Support:
 - Appraiser—Assessment
 - Project Assistant—HR
 - Clerk—Sheriff
 - Financial Analyst—WDB
 - Youth Librarian—TCPL
 - FT Inspector—W&M
 - 2nd Dep. Administrator—Admin
- Workforce training
- Recruitment and retention
- Cybersecurity

Target
OTRs

Other

- Building repairs—TCAction
- Operations Manager at CCE
- Contingency for risk and uncertainty
- Support for TCCOG study of EMS
- Many others

Outcomes

**Goal:
Maintain
Services**

No reduction in service

Goal:
Maintain
Capital
Investment

- Fully funds projects in Updated CIP

Goal:
Align New
Resources
with New
Priorities

- Casino Revenue put into Contingency
- Available to fund jail and housing/homelessness initiatives

Goal:
Stay within
2.4% Levy
Limit

- Recommended levy up 2.4%
- Tax Cap projected at 3.5%

Risks

Risks

- Casino Revenue
- Sales Tax
- Federal Budget

Structuring the Budget within Fiscal Parameters

Financial Summary

Recommended Levy Growth

2.4%

Recommended Levy Growth

\$1.15 million

Over Target Requests

	<u>Total</u>	<u>Reserves</u>	<u>Levy</u>
Requested	\$3.88 mil.	\$1.65 mil.	\$1.89 mil.
Recom.	<u>\$2.93 mil.</u>	<u>\$1.26 mil.</u>	<u>\$1.36 mil.</u>
Difference	-\$0.95 mil.	-\$0.39 mil.	-\$0.53 mil.

Total Budget

(millions)

2018	\$179.0
2017*	<u>\$176.2</u>
\$ Change	\$ 2.8
% Change	1.6%

*2017 Modified Budget excludes sales taxes distributed to municipalities and \$2.9 million purchase of Tompkins Trust Building

Local Budget

(millions)

2018	\$86.6
2017*	<u>\$85.7</u>
\$ Change	\$ 0.9
% Change	1.0%

*2017 Modified Budget excludes sales taxes distributed to municipalities and \$2.9 million purchase of Tompkins Trust Building

Tax Levy

(millions)

2018

\$49.18

2017

\$48.03

\$ Change

\$ 1.15

% Change

2.40%

Tax Rate

per \$1,000

2018	\$6.58
2017	<u>\$6.62</u>
\$ Change	(\$0.04)
% Change	(0.7%)

Average Tax Bill

(\$178,000 median in 2018,
\$175,000 in 2017)

2018	\$1,171
2017	<u>\$1,159</u>
\$ Change	\$ 12
% Change	1.0%

The 2018 Recommended Budget

Tompkins County, New York

www.tompkinscountyny.gov