

# 2024 Budget Retreat II

May 30, 2023

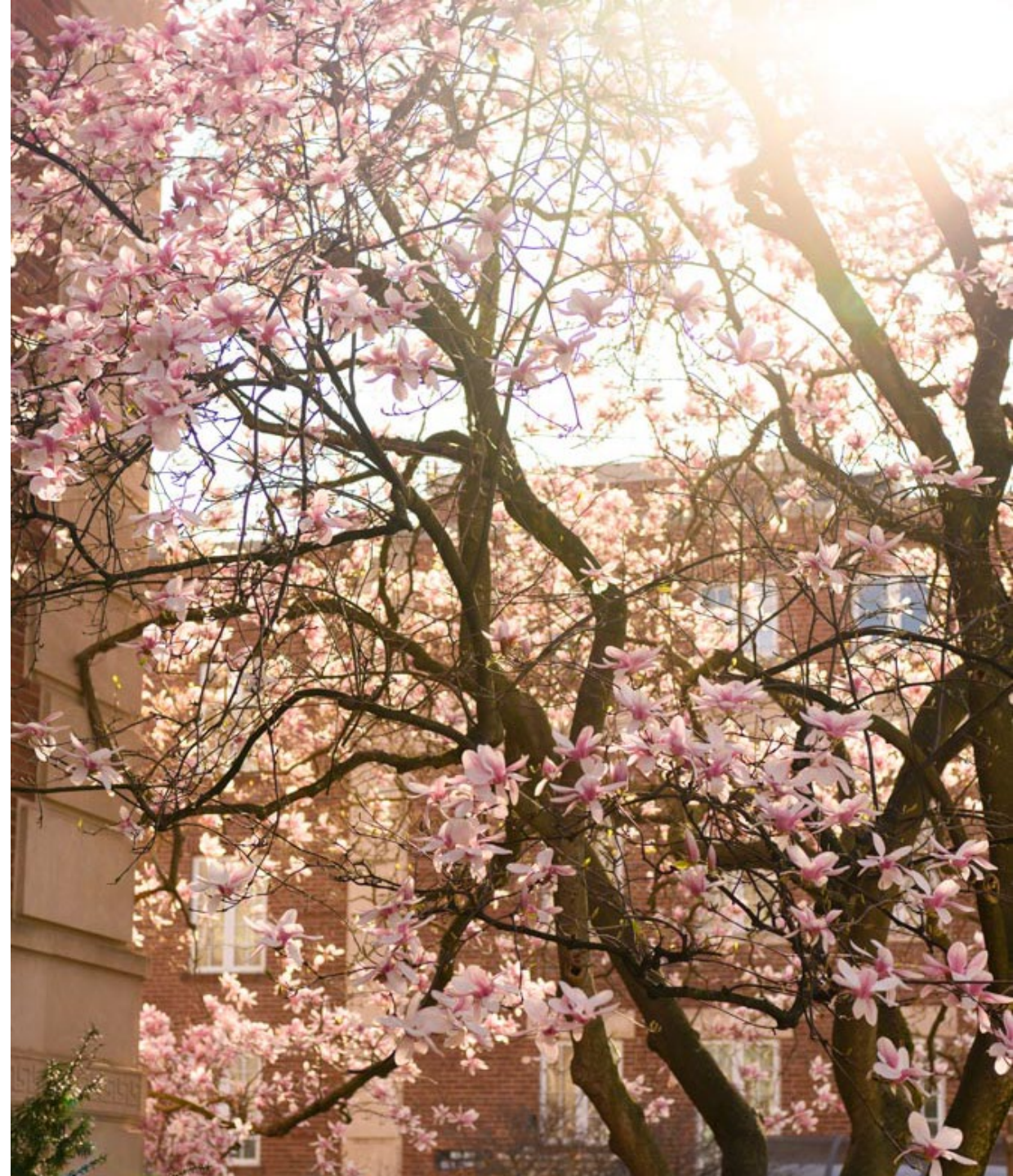
Presentation to the Tompkins County Legislature



---

**Administration**

5/31/2023



# Retreat I: Maintenance of Effort (Local)

Expense	Change	Tax Levy Change
NYS Mandates	\$4,395,658	8.4%
Salary and Fringe <ul style="list-style-type: none"> <li>• Salary Increases</li> <li>• Compensation Study</li> </ul>	\$4,584,852	8.7%
Fund Balance	\$490,000	.9%
IAED Agreement	\$21,413	.04%
Town Plowing	-162,809	-.3%

Revenue	Change	Tax Levy Change
Sales Tax Revenue	-\$6,931,139	-13.2%
Payment in Lieu of Taxes (PILOT)	-\$105,236	-.2%
Interest Earnings	-\$150,000	-.3%
Federal Aid	-\$397,776	-.8%
State Aid	\$242,195	.5%
Clerk Revenue	-\$200,000	-.4%

- Maintenance of Effort = \$2,896,330 levy increase
- 5.53% levy increase
- Estimated Tax Cap= 3.35%



# What We Know Now: Mandates

## Medicaid eFMAP Intercept

- Gradual phase in over 3 years but uncertainty about how NYS will implement: ***nothing in writing***
- When fully implemented, approximate \$1.6M increase in County cost
- 2023 Impact 25% for 3 quarters: \$300,000
- 2024 impact 50%: \$800,000
- 2025 impact 100%: \$1,600,000
- NYSAC advises to budget at least 50% up to 100% for 2024: 75%= \$1,200,000
  
- Net change from Retreat 1: (\$400,000)



# What We Know Now: Mandates

## Assigned Counsel 18b funding

- Rate increase from \$75/hour to \$158/ hour
- 50% of increased costs covered by NYS; 50% covered by localities
- Net Change from Retreat 1: (\$333,174)



# Current Year Impacts: Mandated Expenses in *2023*

- Assigned Counsel 18b rates: \$457,000
- eFMAP: \$300,000
- Jail Medical: \$557,208 for expenses incurred in 2022
- DSS reimbursement: (\$2,700,000) for expenses incurred in 2021
  - To cover costs of child welfare, adult protective, domestic violence services
- Recommend designated fund for off-year mandate expenses/reimbursements



# What We Know Now: Utility Costs

## Rate Increases for Electricity & Natural Gas

- Electricity rates to increase 34-39% over current year= \$327,444
- Natural gas fixed supply rate increase of 70%= \$71,500
  
- Net change from Retreat 1: + \$398,944



# What We Know Now: 2% COLA Costs

## **Cost of Living Adjustment for County Supported Agencies**

- Excludes TC3 and TCAT
- Net change from Retreat 1: + \$155,822



# What We Know Now: Sales Tax Trends

- Drop off in sales tax revenues in April and May 2023
- Maintain conservative estimate for 2024 until further data





# What We Know Now: Interest Earnings

## Change in Investments by County Finance

- NY CLASS
- Rate Increases
  
- Net change from Retreat 1: (\$250,000)



# Retreat II: Maintenance of Effort (Local)

Expense	Change	Tax Levy Change
NYS Mandates	\$3,662,484	7%
Salary and Fringe <ul style="list-style-type: none"> <li>Salary Increases</li> <li>Compensation Study</li> </ul>	\$4,584,852	8.7%
Fund Balance	\$490,000	.9%
IAED Agreement	\$21,413	.04%
Town Plowing	-\$162,809	-.3%
Utilities	\$398,944	.8%
COLA Agencies	\$155,822	.3%

Revenue	Change	Tax Levy Change
Sales Tax Revenue	-\$6,931,139	-13.2%
Payment in Lieu of Taxes (PILOT)	-\$105,236	-.2%
Interest Earnings	-\$400,000	-.8%
Federal Aid	-\$397,776	-.8%
State Aid	\$242,195	.5%
Clerk Revenue	-\$200,000	-.4%

- Beyond Maintenance of Effort = \$2,005,342 levy increase
- **3.83% increase**
- Estimated Tax Cap= 3.35%



# Additional Considerations



---

**Administration**

Budget Retreat

# One-Time Multi-Year Initiatives

Over-Target Initiative	1X Funded Through	Amount
<b>County Administration</b>		
• ● Streaming Operations/Media Production	2024	\$119,774
• GovDelivery Software for Email Newsletter	2024	\$20,200
• Reimagining Public Safety	2024	\$163,900
• ● Community Justice Staffing (½ supported by City for RPS)	2024	\$154,639
• ● Homeless Outreach Coordinator	2025	\$100,000
<b>Human Services Coalition</b>		
• OAR Sunflower House	2024	\$104,472
• Housing Specialist	2024	\$30,000

● Indicates County Positions



# One-Time Multi-Year Initiatives

Over-Target Initiative	1X Funded Through:	Amount
● Finance Department - Accountant	2024	\$110,730
Office of Human Rights – Education and Outreach	2024	\$20,000
Planning - Municipal Housing Affordability and Infrastructure Fund	2024	\$15,000
TC3 Network Support and Software Licensing	2025	\$145,980
DSS – Building Security	2025	\$112,195
<b>Mental Health</b>		
• ● Co-Response Team: 2 clinicians for RPS	2024	\$258,574
• Alcohol & Drug Council Open Access Start Up	2024	\$200,000
• Reach Medical Outreach Nurse	2025	\$87,860

● Indicates County Positions



# One-Time Multi-Year Initiatives

Over-Target Initiative	1x Funded Through:	Amount
<b>Sheriff's Office</b>		
• ● Two Road Patrol Deputies	2024	\$236,476
• ● Crisis Response Team: 1 Road Patrol Deputy for RPS	2025	\$132,463
• ● Two Sheriff's Clerks for RPS	2024	\$168,168
<b>Airport</b>		
• PFC Debt Service Contribution/Enplanement Costs	2024	\$1,142,481
• PFC Debt Service Contribution/Enplanement Costs	2025	\$642,481
Cooperative Extension - Student Navigator Initiative	2025	\$50,000

● Indicates TC Employees



# One-time Multi-Year Initiatives

- Total \$3.4M
- \$1.3M supports County staffing
- Expire at end of 2024 or 2025



# Known Additional Requests for 2024

- EMS Rapid Medical Response Team (Public Safety Meeting presentation 5/26/23)
  - 6-9 full & part-time staff
  - 3 new or re-purposed vehicles stocked with minimum required EMS equipment
- Ithaca Area Economic Development
  - Additional Workforce position
- Tompkins County Chamber of Commerce
  - \$50k to support entrepreneurial, small business and community development work





# Decision Points & Options



---

Administration

Budget Retreat

# Decision Points & Options

- Beyond MOE Budget = Estimated Tax Levy increase of 3.83%
- Estimated Tax Cap= 3.35%
  - Beyond MOE budget will require raising the tax cap
  - Reaching tax cap will require \$252K cut
  - Reaching 2% levy increase will require \$1.0M cut
  - Reach 0% levy increase will require \$2.0M cut

Levy Increased/ Decreased by:	Impact on Levy	Impact on Homeowner
3.83% Beyond (MOE)	\$2.0M	\$77
3.35% (Tax Cap)	\$1.8M	\$70
<b>2%</b>	<b>\$1.0M</b>	<b>\$53</b>
0%	\$0	\$27

**2023 median home value = \$249,000**  
**Each 1% tax levy increase adds roughly \$525,000 cost.**



# Decision Points & Options

- Consider adjusting the vacancy rate. Potential impact: \$400k for each additional 1%
- Identify positions for soft hiring freeze. Potential impact: \$650k
- Capital Projects funded by Tax Levy
  - Natural Infrastructure \$200k annually
  - Green Fleet: \$1.3M Total; \$350k Tax Levy
  - Highway Machinery: \$1.4M planned over the next four years; \$160k Tax Levy
  - Bridge Replacement: \$214.3k



# Decision Points & Options

- County Administration
  - Produce recommended budget with 2% levy increase
- Departments and Agencies
  - Submit Maintenance of Effort budget with no additional staffing
  - Prioritize requests beyond maintenance of effort budgets and submit as OTRs
- Legislature
  - Determine priorities for restoration
  - Determine whether Multi-Year one-time funded projects are priorities, and if so, attempt to cover with ongoing target funding.



# *Questions?*

May 30, 2023

Presentation to the Tompkins County Legislature



---

**Administration**

5/31/2023

