

# 2026 Budget Retreat

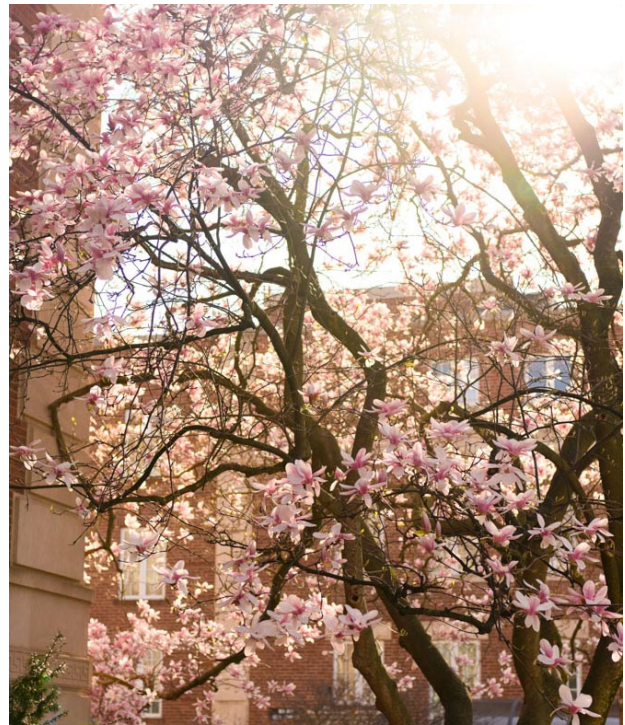
July 23, 2025

Presentation to the Tompkins County Legislature



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## Budget Process Overview

### • Maintenance of Effort (MOE) Budgets

- Departments begin the budget process by submitting their Maintenance of Effort (MOE) budgets.
- The MOE reflects the level of funding necessary to sustain current services and operations in 2026.
- Any MOE amount that exceeds the department's 2025 base budget is flagged as "MOE" in the budget system.



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# Budget Process Overview

## • Enhancement Requests ( AKA - OTR)

- Departments submit Enhancement Requests to propose new programs, service expansions, or critical needs beyond MOE.
- Enhancements are:
  - Labeled as “Enhancement” in the budget software.
  - Accompanied by a narrative explaining the purpose, impact, and justification for the request.
  - Entered in priority order to help inform review and funding decisions.



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# Budget Process Overview

- Consolidated Budget:
- Includes a total of all programs and functional units
  - There are two additional columns:
    - **New**- reflects any enhancements that the department is requesting
    - **MOE** – reflects the maintenance of effort requests that exceed the department’s 2025 base budget
- Functional Units:
  - Line Items
    - *Note: Functional units are operational subdivisions within a department that is responsible for carrying out specific activities or services. Each functional unit typically has its own budget, staffing, and program responsibilities and is used for financial management, reporting, and control purposes.*



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## 2024 General Fund Overview

- **Total Revenues:** \$233.6M in 2024, up 7.9% from 2023 (\$216.4M), driven by state and federal aid, and other revenue sources.
- **\*Total Expenditures:** \$224.3M in 2024, a 14.7% increase from 2023 (\$195.5M), with significant growth in public safety and economic assistance.

*\*agencies represent \$3,188,295 local share expense*

*\*excluding Interfund Transfers*



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## Fund Balance

- **2024 Fund Balance:** \$63.4M (down from \$81.4M in 2023), with unassigned balance at \$44.2M.
- **Reserves:** Capital reserves grew to \$6.1M, while tax stabilization reserves reached \$2.7M.
- **5-Year Trend:** Fund balance decrease 14.9% since 2021 (\$74.5M → \$63.4M).



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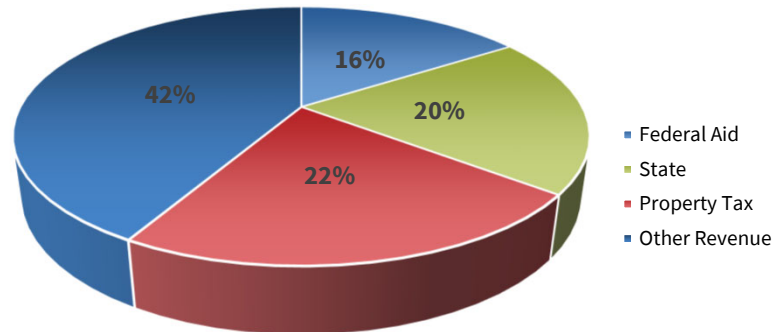
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## 2024 Revenue



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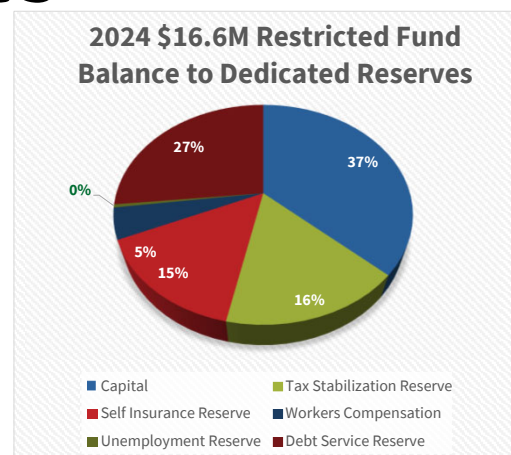
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## RESERVE ACCOUNTS

| Fund | Reserve                   | Amount      |
|------|---------------------------|-------------|
| A    | Capital                   | \$6,119,195 |
| A    | Tax Stabilization Reserve | \$2,749,568 |
| S    | Self Insurance            | \$2,504,482 |
| S    | Workers' Compensation     | \$760,000   |
| V    | Debt Service              | \$4,434,865 |
| MS   | Unemployment Reserve      | \$76,227    |



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## Current Year Overview

- 2025 Year To Date Budget

|            | 2024 YTD             | 2025 YTD            |
|------------|----------------------|---------------------|
| Expense    | \$ 251,571,123       | \$103,402,877       |
| Revenue    | \$ 232,142,787       | \$121,789,732       |
| <b>Net</b> | <b>-\$19,428,336</b> | <b>\$18,386,855</b> |

*\*These numbers include the interfund transfers*



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## 2026 Budget Request

- Budget Comparison 2025 Modified Budget – 2026 Requested Budget

| Total                            | 2025 Mod Budget     | 2026 MOE             | 2026 NEW REQ         |
|----------------------------------|---------------------|----------------------|----------------------|
| Expense                          | \$ 236,352,028      | \$ 240,142,422       | \$ 12,022,474        |
| Revenue                          | \$ 179,033,448      | \$ 174,120,296       | \$ 1,019,683         |
| <b>Net ( Requested Tax Levy)</b> | <b>\$57,318,580</b> | <b>\$ 66,022,126</b> | <b>\$ 11,002,791</b> |



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# Budget Review

## • Mandate Budget

| Mandate           | 2024 Budget          | 2025 Budget          | 2026 MOE             |
|-------------------|----------------------|----------------------|----------------------|
| Expense           | \$ 46,726,723        | \$ 46,553,027        | \$ 51,420,100        |
| Revenue           | \$ 20,294,832        | \$ 21,403,451        | \$ 23,647,150        |
| <b>Local Cost</b> | <b>\$ 26,431,891</b> | <b>\$ 25,149,576</b> | <b>\$ 27,772,950</b> |



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# Budget Review

## • Non-Mandate

|                    | 2024 Budget          | 2025 Budget          | 2026 MOE             | 2026 NEW REQ         |
|--------------------|----------------------|----------------------|----------------------|----------------------|
| Expense            | \$ 213,025,857       | \$ 189,799,001       | \$ 188,722,322       | \$ 12,022,474        |
| Revenue            | \$ 179,124,634       | \$ 157,629,997       | \$ 150,473,146       | \$ 1,019,683         |
| <b>Local Share</b> | <b>\$ 33,901,223</b> | <b>\$ 32,169,004</b> | <b>\$ 38,249,176</b> | <b>\$ 11,002,791</b> |



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## Cost Drivers

| MOE                                 |          |
|-------------------------------------|----------|
| Salaries & Fringe                   | \$5.8M   |
| Program Expense                     | \$6M     |
| Capital                             | \$300k   |
| Contingent Fund                     | \$1.4M   |
| Departmental Equipment              | \$500k   |
| Computer Software                   | \$200k   |
| Other Contract Services             | \$300k   |
| Misc. (travel, utilities, supplies) | \$400k   |
| Revenue                             | (\$4.1M) |
| Total                               | \$10.8M  |

| NEW Enhancement Requests            |        |
|-------------------------------------|--------|
| Salaries & Fringe                   | \$3.7M |
| *Program Expense                    | \$1.9M |
| Capital                             | \$2.9M |
| Contribution to Airport             | \$2.3M |
| Misc. (travel, utilities, supplies) | \$1.2M |
| Revenue                             | (\$1M) |
| Total                               | \$11M  |

*\*Program Expense - \$514,902 enhancement requests from agencies*



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## Budget Review

### • General Fund Balance based on the AFR

| 2024 General Fund                        | Estimate              |
|--|-----------------------|
| Fund Balance                             | \$63,379,035          |
| Less 2024 Assigned Reserves              | <u>(\$19,207,078)</u> |
| Adjusted Fund Balance                    | \$44,171,957          |
| Target (25%)                             | <u>\$60,576,176</u>   |
| <b>Net (Below current Fiscal Policy)</b> | <b>(\$16,404,219)</b> |

*\*At the previous 18% fund balance target the County would be \$43,614,847 (\$557,110 surplus)*



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## Tax Levy

| Year                             | Amount       | % Increase  | Tax Cap     |
|----------------------------------|--------------|-------------|-------------|
| 2022                             | \$52,399,459 | 0.00        | 7.42        |
| 2023                             | \$52,397,521 | 0.00        | 2.58        |
| 2024                             | \$53,445,119 | 2.00        | 3.50        |
| 2025                             | \$54,898,518 | 2.72        | 2.72        |
| <b>Average Tax Levy Increase</b> |              | <b>1.18</b> | <b>4.06</b> |

Modest increase helps to avoid deeper cuts and/or larger hikes in the future, ensuring we can continue to provide high-quality services in a financially responsible way.



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## Capital and Debt Service

### Debt Service

|                                    |                       |
|------------------------------------|-----------------------|
| 2013 Various                       | \$119,084.00          |
| 2014 Refunding of 2010             | \$1,123,950.00        |
| 2014 Various Projects              | \$266,348.50          |
| 2015 Various Projects              | \$794,500.00          |
| 2018 Various Projects              | \$207,562.50          |
| 2019 Various Projects              | \$416,325.00          |
| 2020 Various Projects              | \$199,312.50          |
| 2021 Various Projects              | \$276,725.00          |
| 2022 Various Projects              | \$398,074.00          |
| 2012 Various Projects              | \$114,587.00          |
| 2023 Various Projects              | \$595,539.40          |
| Road Maintenance Program           | \$200,000.00          |
| Fall Creek Road                    | \$340,000.00          |
| Debt Service Reserve               | \$280,000.00          |
| BAN Interest                       | \$180,000.00          |
| Fiscal Agent Fees                  | \$95,000.00           |
| Cortland Street Bridge Replacement | \$230,740.00          |
| <b>Total</b>                       | <b>\$5,837,747.90</b> |

### Capital Projects

|                        |                       |
|------------------------|-----------------------|
| ITS Infrastructure     | \$411,000.00          |
| Green Fleet            | \$318,318.00          |
| Bridge NY              | \$224,640.00          |
| Debt Service Reserve   | \$280,000.00          |
| Facilities Restoration | \$1,400,000.00        |
| <b>Total</b>           | <b>\$2,633,958.00</b> |

### NEW Requested

|  |                       |
|--|-----------------------|
| Green Fleet  | \$486,183.00          |
| Emergency Tower Upgrades                             | \$350,000.00          |
| Highway Machinery \$3.1M (Anticipated Debt)          | \$652,000.00          |
| Road Maintenance Program (\$2.4M) (Anticipated Debt) | \$300,000.00          |
| Public Safety Building Project Rehab                 | \$135,000             |
| <b>Total</b>   | <b>\$1,923,183.00</b> |



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## Considerations:

- RMR Program Changes / Countywide EMS service \*
- Shelter Costs
- Living Wage Adjustments (*included in the Budget*)
- One-time funded Positions
- Contingent Fund
- Airport
- Fire Training Facility\*\*

*\*CGR is currently conducting a study and report will be submitted before end of year.*

*\*\*Preliminary discussion ongoing*



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## Tax Levy Overview:

| Request Type  | Impact on Levy | Tax Levy Increase | Impact on Homeowner | Tax Rate/\$1000 |
|---------------|----------------|-------------------|---------------------|-----------------|
| NEW REQ & MOE | \$22,126,399   | 40.3%             | \$552               | \$6.63          |
| MOE           | \$11,123,608   | 20.3%             | \$267               | \$5.68          |
| TAX CAP       | \$1,458,985    | 2.7%              | \$18                | \$4.85          |

**2026 Tax Cap Estimate 2.7%**

**2024 & 2025 median home value remained the same at \$300,000**

**2025 Tax Liability - \$1,437**

**2025 Rate \$4.79/1000**

**Each 1% tax levy increase is roughly equivalent to \$549k**

**2025 Estimated Assessed Value \$11,614,700,147**



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# Tax Levy Consideration

**2025 tax levy = \$54,898,518**

- Every 1% of tax levy is roughly \$549K

| Tax Levy Consideration | Impact on Levy | Tax Levy Increase | Impact on Homeowner | Tax Rate/\$1000 |
|------------------------|----------------|-------------------|---------------------|-----------------|
| Scenario 1             | 2,196,000      | 4.00%             | \$37                | \$4.92          |
| Scenario 2             | 2,745,000      | 5.00%             | \$51                | \$4.96          |
| Scenario 3             | 3,294,000      | 6.00%             | \$65                | \$5.01          |
| Scenario 4             | 3,843,000      | 7.00%             | \$79                | \$5.06          |
| Scenario 5             | 5,490,000      | 10.00%            | \$122               | \$5.20          |



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## We have difficult decisions to make

Presentation to the Tompkins  
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