

FINANCE COMMITTEE MEETING MINUTES
THURSDAY, OCTOBER 29, 2009

A special meeting of the Finance Committee of the Broome County Legislature was held on Thursday, October 29, 2009 in the Legislative Conference Room, 6th Floor, Edwin L. Crawford County Office Building, 60 Hawley Street, Binghamton, New York for discussion regarding Introductory Resolution No. 68 of November and the sharing of sales tax receipts by Broome County.

Members Present: D. Reynolds for M. Whalen, (Chair), S. Herz, B. Klipsch, G. LaBare, J. Marinich

Members Absent: None

Others Present: M. Gerchman, M. Kalka, Budget; J. Sluzar, P. DeWind, Law; J. Dadamio, Security, P. Brennan, County Exec's Office; G. Kniffen, Town of Kirkwood; K. Burke, Village of Port Dickinson; B. King, Village of Johnson City; T. Whitesell, Town of Binghamton; D. Preston, Town of Conklin; F. Bertoni, N. LaBare, Town of Union, S. Doherty, Town of Triangle, M. Marinaccio, Town of Dickinson; P. Andreasen, J. Schaffer, P. Fitzgerald, Town of Vestal, E. Palmer, Town of Maine, R. Williams, Town of Windsor; D. Decker, Town of Sanford; G. Mackey, Village of Lisle; L. Dillworth, Town of Barker; M. Turna, H. Snopek, Town of Chenango; T. Rennia, T. Abdelazim, City of Binghamton; N. Dooling, Press & Sun Bulletin; N. Jenereski, WBNG TV; G. Avurge, WPHS; R. Materese, S. Buchta, S. Messina, D. Moran, W. Howard, J. Marinich, M. Nirchi, M. Pasquale, M. Diffendorf, J. Hutchings, C. Marion, J. Kamin, E. Denk, Legislature

#68-504 RESOLUTION AMENDING RESOLUTION 180 OF 1965, ENTITLED: "RESOLUTION IMPOSING TAXES ON SALES AND USE OF TANGIBLE PERSONAL PROPERTY AND CERTAIN SERVICES, OCCUPANCY OF HOTEL ROOMS, ADMISSION CHARGES AND CLUB DUES, PURSUANT TO ARTICLE 29 OF THE TAX LAW OF THE STATE OF NEW YORK", AS LAST AMENDED BY RESOLUTION 210 OF 2006, IN RELATION TO THE ALLOCATION OF SALES TAX RECEIPTS

Note: Resolution #68-504, if adopted, would cap future growth in sales tax distribution to a percentage above the average of the previous year's distribution.

At 6:01 P.M. the Clerk made reference to the emergency exit and announced that Finance Chair Mr. Whalen was not available and that Legislature Chair Mr. Reynolds was taking his place.

At 6:03 P.M. Mr. Reynolds called the meeting to order again. Mr. Reynolds welcomed all who were in attendance and explained that the purpose of the meeting is primarily to hear from officials of villages, towns, and the City of Binghamton about concerns and suggestions they may have about the distribution of sales tax receipts by Broome County.

Many municipal officials spoke throughout the evening and some Legislators asked questions of municipal officials. Legislators explained that the sales tax growth cap was presented by the County Executive in part as a means to prepare for anticipated revenue shortcomings in 2011 and that the cap was not scheduled to be imposed until the third quarter of 2010. Mr. Abdelazim of the City of Binghamton stated that the County should cut positions and that the

County should not budget for revenue from signing bonuses for gas leases. Mr. Abdelazim also said that the City believes that any shift in the sales tax distribution formula should be legal, temporary, and fair. Several municipal officials were under the impression that, under the proposal, the cap on future growth in sales tax distribution would continue to be based on 2009's receipts indefinitely. It was explained that that is not part of the proposal. It was stated that the resolution could be more clearly written to indicate that each year the cap would be on growth as compared with the prior year. Several town officials stated that the timing of the proposed change in the distribution formula makes it difficult since many of them are close to finalizing their 2010 budgets. Mr. Abdelazim stated that the City has already adopted its 2010 budget. Several town officials stated that they have budgeted zero percent increase in sales tax for 2010 over 2009. Mr. Abdelazim pointed out that some towns have very generous fund balances while the City and the Villages of Endicott and Johnson City are in difficult financial circumstances primarily due to public safety expenditures (police and fire protection). Mr. Bertoni, of the Town of Union stated that if the County's budget is relying on the retention of additional sales tax receipts then the budget is structurally imbalanced. He also stated that dramatic shifts in sales tax distribution will now allow municipalities to rebound. Mr. Marinaccio, president of the Broome County Association of Towns and Villages stated that the town officials are willing to change the formula and are open to a simple formula. Mr. Marinaccio and Mr. Whitesell suggested that there should be several more meetings with municipal officials before any decisions are made by Broome County.

There being no further business to come before the Committee at this time the meeting adjourned at 7:43 pm.