



# Onondaga County Legislature

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## **WAYS & MEANS COMMITTEE REVIEW OF THE 2021 TENTATIVE BUDGET CFO INTRODUCTION TO THE 2021 BUDGET – NOVEMBER 6, 2020 TIM BURTIS, CHAIRMAN**

**MEMBERS PRESENT:** Mr. May, Mr. Rowley, Mr. Ryan, Mr. Jordan, Mr. Williams, Mrs. Ervin  
**ALSO ATTENDING:** Chairman Knapp, Ms. Cody, Mrs. Abbott-Kenan, Ms. Kuhn, Dr. Chase, Mr. Holmquist, Mr. McBride, Mr. Bush, Mr. Kinne; also please see attached

Chairman Burtis called the meeting to order at 9:14 a.m. and introduced Mr. Morgan to do an overview of the 2021 budget.

### **CFO INTRODUCTION TO THE 2021 BUDGET:** Steve Morgan, Chief Fiscal Officer

- Appreciate the time; thank Chairman Burtis for moving the schedule around, as well as Darcie Lesniak and staff being accommodating
- Process standpoint – humming along in first quarter; sales tax looking good; economy looking good; unemployment where need to be; all headed in right direction, then pandemic hit; had to go immediately into austerity
- Used various rounds of austerity including hiring freeze at end of March; worked with departments to tighten belt
- Hats off to Department Heads with work done to keep things moving forward
- Started 2021 budget process with reductions in mind; determined proforma budget for every department
- Took austerity implemented this year, along with positions left vacant as result of retirements, normal turnover, furloughs and handful of layoffs - all those positions (and vacant funded) were unfunded in July before issuing budget instructions; ~400 unfunded positions carried forward as part of 2021 budget
- Austerity measures set stage for budget pushed out; dictated to them what appropriations would be - allowed departments to work within appropriations and move among various lines; had to stay within the goal
- Global assumptions used were set by Count Executive, myself and Executive team; resulting product by department based on assumptions and estimations made centrally
- Not fair for departments to answer questions on what was done with global assumptions; prepared to answer those questions
- All funds down \$84 mil or 6%; general fund down \$58 mil or 7%
- Tax rate going down a penny from \$5 to \$4.99; sales tax estimated at a decrease of 7% this year; projecting 4% growth of sales tax in 2021; results in \$22 mil decrease in County sales tax next year
- Pandemic impact on state (in fiscal trouble before pandemic) - now poised to cut local governments and schools up to 20%: sales tax and state aid could be \$42 mil in reductions; not too dissimilar to this year
- All work put in this year to implement austerity and reduction in head count, carried forward into next year's budget
- Did not balance budget with general fund balance; continue third year in row
- Proposing flat sewer unit charge; Mr. Mento will talk more on that

**Consolidated Revenues and Appropriations by Category**  
**General Fund: F10001**

	2018	2019	2020	2020	2021	2021 Exe
	Actual	Actual	Adopted	Projected	Executive	vs 2020 Adopt
<b>Revenues</b>						
Property Tax Levy	141,798,917	145,665,817	149,590,731	149,590,731	156,254,668	6,663,937
Deferred/Uncollectible	(16,564,539)	(14,585,747)	(15,502,080)	(15,281,483)	(15,279,227)	222,853
Prior Year Collections	13,124,305	10,953,125	13,548,410	11,153,602	11,043,943	(2,504,467)
Pilots/Interest & Penalties	9,931,271	9,246,862	10,121,914	9,902,860	9,825,920	(295,994)
Room Occupancy Tax	4,049,256	4,156,507	4,332,507	2,618,938	1,700,808	(2,631,699)
Abstract Charges	13,493,854	13,075,027	12,799,457	12,799,457	12,304,957	(494,500)
Sales Tax - County Portion	272,646,481	276,525,383	286,442,393	260,964,483	264,450,727	(21,991,666)
Sales Tax - Municipalities/School Portion	91,417,876	92,683,159	96,043,621	86,114,393	88,524,193	(7,519,428)
State Aid	86,809,720	91,701,019	99,849,099	75,064,047	75,814,506	(24,034,593)
Federal Aid	85,654,445	85,831,030	88,092,171	87,813,453	89,998,180	1,906,009
Interdepartmentals	55,856,085	58,223,553	59,766,355	58,569,398	55,204,303	(4,562,052)
All Other	39,914,271	42,276,913	37,794,787	34,863,118	35,279,460	(2,515,327)
<b>Total Revenues</b>	<b>798,131,942</b>	<b>815,752,648</b>	<b>842,879,365</b>	<b>774,172,997</b>	<b>785,122,438</b>	<b>(57,756,927)</b>
<b>Appropriations</b>						
Mandated Programs	247,308,733	252,873,948	250,889,646	245,248,791	255,847,765	4,958,119
Wages	152,495,695	155,275,630	165,861,928	150,743,853	149,302,234	(16,559,694)
Benefits	84,509,587	90,004,763	90,995,979	90,540,040	72,223,830	(18,772,149)
Contracted Services (408/570)	65,618,313	67,570,966	77,210,761	69,068,141	68,294,841	(8,915,920)
Interfund Transfers	52,021,367	49,869,949	54,236,656	49,786,656	53,487,145	(749,511)
Debt Service	18,957,119	18,201,937	17,855,596	17,855,596	17,913,127	57,531
Sales Tax - Municipalities/School Portion	91,417,876	92,683,159	96,043,621	86,114,393	88,524,193	(7,519,428)
Interdepartmentals	49,603,927	50,447,637	50,624,790	50,624,159	47,503,459	(3,121,331)
All Other	31,071,743	31,882,705	39,160,388	32,223,966	32,025,844	(7,134,544)
<b>Total Expenses</b>	<b>793,004,360</b>	<b>808,810,694</b>	<b>842,879,365</b>	<b>792,205,595</b>	<b>785,122,438</b>	<b>(57,756,927)</b>
<b>Fund Balance</b>						
Fund Balance	0	0	0		0	0
<b>Total Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>Local Dollars</b>	<b>(5,127,582)</b>	<b>(6,941,954)</b>	<b>0</b>	<b>18,032,598</b>	<b>0</b>	<b>0</b>

- Projection column on document above - 4 columns from left; 2020 projected - still anticipate \$18 mil deficit
- Appropriations - 400+ positions vacated throughout this year (VRIP, normal turnover, furloughs and layoffs)
- Austerity up to \$34 mil - pushed out on 3 occasions; evaluate fiscal position
- Anticipate sales tax decrease of 7%; sales tax payment yesterday, year over year – 5% decrease
- Current spike in cases; potential of another shutdown; quite a bit of concern on where will end; feel comfortable with -7% projection; include state aid at \$20 mil reduction
- State has no final decision on permanent cuts; have reduced funding streams and reimbursements; tracking holds, and continue to lobby to get those funds
- Assumption that Governor waiting for presidential election and stimulus from Washington; hope to balance state budget with federal aid

- \$18 mil deficit projected this year; end here – will use general fund or insurance fund balance; will decide on that when get to closing 2020 fiscal year

## APPROPRIATIONS

- Bottom half of document above
- Of all appropriation accounts (looking at variance from executive to adopted) – debt service increasing \$57,000 (very small); mandated programs – just shy of \$5 mil increase
- Fund adjustment explanations in budget book for all categories

## Mandated Programs

- Temporary Assistance - almost \$2 mil increase; mainly Family Assistance – 100% funded federal; no local increase; gross increase related to enhanced shelter reimbursements state allowing to push out
- Foster Care – projected up \$5.7 mil; aligning with what seeing last couple years; includes case count and effects of pandemic with moving kids through system with courts closed; trying to right size budget in line with what spending
- Daycare – no local; sufficient revenue to cover increase of \$1 mil; theory with ongoing pandemic, potential increase for school age childcare; support for folks that need the assistance; children learning from home; parents at work
- JD PINS – no local; increase related to increase in placement of Raise the Age (RTA): with older children in Hillbrook, they are outside of criminal system; placement covered by state
- Medicaid – helps in balancing increases; First Cares Act passed by federal government provided enhanced Medicaid funding to state and County; factored in \$6.8 mil decrease related to additional federal dollars
- Few positives / few negatives with increases; welcome relief with Medicaid (enhanced funding in 2020 as well)
- Temporary Assistance, Daycare and Medicaid – Ms. Merrick and team can add more narrative
- Foster Care and PINS – Mr. Gasiorowski and team can provide more information on those

## Wages

- Projecting and forecasting - \$16.6 mil decrease; hiring freeze - resulted in 100's of vacant positions across County, and carrying into next year; 170 employees took retirement incentive; 250 vacant positions from attrition, layoffs
- Looking at the 400's in terms of positions unfunded
- Currently tentative agreement with CSEA – still has to go through membership and Legislature approval
- Agreement - 0, 1, 2%; did not factor dollars into budget with agreement potential; if agreement ratified by membership and Legislature approves, then will try to absorb within budget; if cannot, will be back to Legislature
- Personnel resolution seeking 1% increase for Management Confidential; estimated at \$250,000; did not add money, so if approved, will work within budget

**Position activity** – very little activity; 100's unfunded vacant

### 2021 EXECUTIVE POSITION ACTIVITY

DEPARTMENT	Job Title	Grade	Step	Salary	UFGA	Create	Abolish	Step Advance	Grade Change	Transfer of Function
<b>EMERGENCY MANAGEMENT</b>										
	JC01750-EXEC SECRETARY	26	1	40,896	Unfunded	X				
<b>EMERGENCY COMMUNICATIONS</b>										
	JC02020-ACCOUNT CLERK 2	7	4	47,381	Unfunded		X			
	JC07140-ADMIN AIDE	7	1	42,707	Funded	X				
<b>BOARD OF ELECTIONS</b>										
	JC01760-SECRETARY				Abolished		X			
	JC01760-SECRETARY				Abolished		X			
	JC00255-ELECTIONS ASST 3	9	1	50,455	Funded	X				
	JC00255-ELECTIONS ASST 3	9	1	50,455	Funded	X				

HEALTH DEPARTMENT							
JC21111-MEDICAL DIRECTOR	42	1	175,489	Unfunded	X		
JC07140-ADMIN AIDE	7	1	42,707	Funded	X		
JC42560-SANITARIAN 2	12	1	61,722	Unfunded	X		
JC21450-DIR SP CHILDRENS SERVICES	35	2	79,498	Unfunded	X		
JC22433-QUALITY ASSURANCE MANAGER	33	22	85,600	Funded			X
SHERIFF'S OFFICE							
ACCOUNT CLERK 1	4	1	33,990	Funded	X		
DATA EQUIPMENT OPERATOR	4	1	33,990	Abolished		X	
DS CHIEF - CORRECTION	37	1	92,895	Funded	X		
CHIEF DEPUTY OF CORRECTIONS	37	1	92,895	Abolished		X	
DS ASSISTANT CHIEF - CORRECTION	36	1	84,730	Funded	X		
SP ASST TO CHIEF DEPUTY OF CORR (SEC & OPS)	36	1	84,730	Abolished		X	
SP ASST TO CHIEF DEPUTY OF CORR (MGMT & ADMIN)	35	1	77,287	Abolished		X	
FACILITIES MANAGEMENT							
JC10480-COMM OF FACIL MANAGE	37	10	106,282	Funded		11	X
TRANSPORTATION DEPARTMENT							
JC10910-COMM OF TRANSPORT	37	11	107,594	Funded		12	X
WATER ENVIRONMENT PROTECTION							
JC10125-MANAGEMENT ENGINEER (WEP)	36	7	93,795	Funded		X	X

- Emergency Management - create Executive Secretary; through pandemic clear that admin support needed; call for additional assistance; create unfunded
- Total request for 4 additional authorized positions; 3 unfunded and 1 grant funded - not asking for any money; allow for flexibility and programmatic modifications
- Emergency Communications - long term employee retired; looking to shift title; abolishing an Account Clerk 2 and adding an Administrative Aide
- Board of Elections – few Secretary positions for Election Assistant 3 positions; pay same range; allows flexibility
- Health Department – creating Medical Director, Administrative Aide, Sanitarian 2; Dr. Gupta can touch on; ultimately they are asking for an additional position that is grant funded
- Sheriffs - swap Account Clerk 1 and Data Equipment Operator; rest are associated with right sizing; title alignment
- Sheriff overseeing Corrections – want to abolish old titles of Chief Deputy of Corrections and two Special Assistants; create 2 positions – Chief and Assistant Chief; giving up 3 for 2; titles fit with organizational structure
- WEP – Management Engineer; Mr. Mento will touch on; issues with recruiting candidate for position; grade increase as well as step advance

## 2021 EXECUTIVE POSITION ACTIVITY

DEPARTMENT	Job Title	Grade	Step	Salary	UFGA	Create	Abolish	Step Advance	Grade Change	Transfer of Function
TRANSFER OF FUNCTION POSITION ACTIVITY										
FINANCE TRANSFER OF FUNCTIONS										
TRANSFER FROM PARKS										
	JC02020-ACCOUNT CLERK 2	7	4	47,200	Funded					X
	JC02020-ACCOUNT CLERK 2	7	4	47,200	Funded					X
TRANSFER TO PARKS										
	JC02020-ACCOUNT CLERK 2	7	4	47,200	Funded					X
ADULT AND LONG TERM CARE MENTAL HEALTH SERVICES TRANSFER OF FUNCTIONS										
TRANSFER TO CHILDREN AND FAMILY SERVICES										
	JC04090-RESEARCH AIDE	7	1	42,707	Unfunded					X
	JC25500-PROG MANAG MEN HLTH	15	1	83,149	Unfunded					X
	JC25600-COORD ASTD OUTPAT TR	35	10	88,766	Funded					X
	JC30945-DEP COMM OF ADULT & LTCS	37	1	93,253	Unfunded		X			
	JC30935-DEP COMM CHILDREN & FAMILY	37	1	93,253	Unfunded	X				

**INFORMATION TECHNOLOGY - CITY IT MERGER**

JC03470-Dir of Information Systems Development	35	1	77,585	Funded	X
JC03755-NETWORK ADMIN	12	1	61,722	Funded	X
JC03510-PROGRAMMER ANALYST	14	1	75,611	Funded	X
JC03510-PROGRAMMER ANALYST	14	1	75,611	Funded	X
JC03745-LAN TECH SUPORT SPEC	10	1	54,220	Funded	X
JC04900-OFFICE AUTO SUP TECH	8	1	46,447	Funded	X
JC04900-OFFICE AUTO SUP TECH	8	1	46,447	Funded	X

Authorized headcount increased by 4 (3 unfunded and 1 grant funded) after excluding the City IT merger positions.

- Transfer of functions proposed in budget; first area – final step to move Parks fiscal employees into Finance Dept.
- Two Account Clerk 2's transfer from Parks to Finance; after transfer, will have all departments centrally serviced from Finance Dept.; initiative now ~5 years old; some bumps on the road, but smoothed those out; great team
- Down 15 positions through attrition and layoffs (4 finance employees absorbed); ability to reengineer and restructure work; allowed for department to be more efficient and streamlined; provide service at lower head count
- Position in Finance that exists - Parks employee in charge of payroll; need to transfer to Parks and occupy in Parks
- Adult & Long Term Care (ALTC) – transfer Mental Health component to Children and Family Services (CFS)
- Children and Family - Ann Rooney and team will describe why proposed; positions transferred from ALTC; last 2 positions abolishing; 1 Deputy and creating 1 in CFS; swap
- Those positions and multitude of contracts moved from ALTC to CFS
- IT Merger with City – Kevin Sexton will be up next; spend time walking through merger and consolidation
- 7 positions move from city to county roster; along with host of operating costs; looking at \$1.5 mil add from city to county; fully funded on county/city abstract
- Looking at headcount increase of 4 (3 unfunded and 1 grant funded); not looking for county dollars to support
- What controls hiring is money; no position is filled without review from Finance and Executive's office
- Can only fill number of positions based on dollars in each department's budget; ensure that's the case before approving for departments

**Employee Benefits**

	Employee Benefits		
	2020 Adopted	2021 Executive	Yr over Yr
Health Insurance *	77,250,000	68,500,969	-11.3%
Dental Insurance	2,525,273	2,223,153	-12.0%
Retirement	32,021,961	31,259,140	-2.4%
Workers Compensation	6,600,000	5,500,000	-16.7%
Unemployment Insurance	255,442	255,442	0.0%
FICA	16,440,805	14,761,261	-10.2%
Disability Insurance	725,000	700,000	-3.4%
	135,818,481	123,199,965	-9.3%
All Other Insurance Fund Expenses		3,716,197	
<b>Total Expenses to Charge</b>		<b>126,916,162</b>	
less Employee Contributions		19,949,529	
Fund Balance		15,000,000	
<b>County Charges to All Funds</b>		<b>91,966,633</b>	
General Fund		72,223,830	78.5%
WEP		10,425,431	11.3%
MWB		250,000	0.3%
All Other		9,067,372	9.9%
		<b>91,966,633</b>	<b>100.0%</b>

* Health Benefits	2019 Actual	2020 Adopted	2021 Executive	vs Adopted	vs 2019 Actual
OnPoint	42,117,082	46,286,060	47,007,530	1.6%	11.6%
Medicare Advantage	9,123,305	9,787,512	4,463,651	-54.4%	-51.1%
Prescription	12,524,878	15,275,194	14,084,344	-7.8%	12.5%
Vision	530,456	515,000	504,258	-2.1%	-4.9%
Other ***	2,704,924	2,929,597	2,441,186	-16.7%	-9.8%
Administrative**	1,524,610	2,456,637		-100.0%	-100.0%
	68,525,255	77,250,000	68,500,969	-11.3%	0.0%
Administrative**			1,739,206	-29.2%	
	68,525,255	77,250,000	70,240,175	-9.1%	2.5%

\*\* Admin moved from 691250 to 694080 in 2021

\*\*\* Indemnity Claims/NonClaim Surcharges/Covered Lives Assessment

- Proposed to be \$19 mil less this year; at top see proposal for health, dental, retirement, workers comp, unemployment, FICA and disability; biggest is health insurance for employees and retirees
- Largest category is Onpoint for active employees and pre-65 retirees
- Budgeting \$47 mil; \$1.6 mil over adopted; \$11.6 mil over actual in 2019
- This year a real anomaly with health care and expenses; lot of people foregoing treatment, procedures and going to doctor in fear of virus; use what seeing this year as baseline for next year's budget did not make sense
- Onpoint perspective - compare 2019 actual to what projecting in 2021; 11.6% makes sense; 5 - 6 % increase each year for health benefits
- Shifted back to Excellus few years ago; stepped up; first year offered claims guarantee – if spent more money than previously with previous vendor, then they would cut county check back (never had to do)
- Next large expense is Medicare Advantage program – all Medicare eligible retirees are in this program
- Onpoint self-insured; Medicare Advantage is an insured product – County pays flat amount per member per month for Medicare eligible retirees; huge amount of savings
- Through last competitive process working with city school and city of Syracuse, combined purchasing power; got very attractive rate from United Health Care; see savings over \$4 mil as a result of collaboration and team work
- Prescription drugs - \$14 mil; 12.5% over 2019 actual; 6% increase
- Other categories stable
- 68.5% - ties to health line above; 11.3 % decrease in health projection for next year
- Dental down a bit; not huge dollars
- Retirement down 2.4 % - result of vast reduction in staff; retirement bill paid based on percentage of salaries
- Slated to go up few percentage points; formula used to determine percentage is tied to stock market and investments; even with increase proposing lower amount due to considerably less salary and positions
- Workers comp – trending in right direction; sale of Van Duyn and commitment to settle cases where makes sense; continue to drive number in right direction
- Unemployment flat
- FICA down – product of salaries down significantly; disabilities in line
- Total expenses - \$127 mil
- Fringe – calculate what total cost in fringe insurance will be, then fund that; of \$127 mil, employees pay about \$20 mil; with payroll deduction, will spin up \$20 mil and use \$15 mil in insurance fund balance
- Leaves \$12 mil fund balance related to health insurance; leaves \$92 mil funded by county – shows how spread to funds in above charts
- General fund amount of \$72.2 mil ties to cover sheet; sense of stability and using fund balance, with less employees next year has driven account down to balance next year's budget

## Contracted Services

### All Other Category Detail

F10001-General Fund

	2018 Actual	2019 Actual	2020 Adopted	2021 Executive	Executive vs Adopted
<b>Appropriations</b>					
<b>Contracted Services (408/570)</b>					
Contractual Expenses Total	60,022,549	61,158,862	70,167,841	62,668,075	(7,499,766)
Professional Services Total	5,595,766	6,412,102	7,042,920	5,626,766	(1,416,154)
<b>Grand Total Contracted Services</b>	<b>65,618,315</b>	<b>67,570,964</b>	<b>77,210,761</b>	<b>68,294,841</b>	<b>(8,915,920)</b>

NOTE: \$7.4M contract reductions per 2020 austerity plan continue into 2021 and operational reductions; \$1M AA ROT funded contracts per ROT projections

### All Other Appropriations

All Other Expenses Total	7,245,936	7,831,383	8,424,934	8,517,890	92,956
Authorized Agencies Total	636,600	793,761	856,261	685,009	(171,252)
Authorized Agencies (ROT) Total	1,561,501	1,597,500	1,633,500	390,808	(1,242,692)
Contingent Account Total	0	0	2,045,121	0	(2,045,121)
Equipment Total Total	763,506	668,263	951,660	0	(951,660)
Interfund Transfer Total	321,696	157,500	1,162,500	462,500	(700,000)
Maintenance, Utilities, Rents Total	14,659,489	13,965,128	15,793,096	15,403,883	(389,213)
Miscellaneous Total	81,030	128,632	200,000	200,000	0
Supplies & Materials Total	4,783,650	5,560,705	6,678,530	5,372,351	(1,306,179)
Travel & Training Total	924,335	1,060,834	1,270,786	878,203	(392,583)
<b>Grand Total All Other Appropriations</b>	<b>30,977,743</b>	<b>31,763,706</b>	<b>39,016,388</b>	<b>31,910,644</b>	<b>(7,105,744)</b>

NOTE: 2020 austerity plan reductions partially continued into 2021 budget to include lower ROT collection projections; \$700M related to FM abstract charge for connective corridor appropriations; \$900K related to vehicle / FFE reductions

- Contract services with Contractual and Professional Services - majority of decrease is repeat of austerity in place this year - \$7.4 mil in contract reductions; also reductions related to authorized agencies as result of ROT projections
- Combined together results in \$8.9 mil decrease in contract and professional services area

## Interfund Transfers

- Funds outside general fund supported by general fund – Road, Road Machinery, Library and Grants funds
- Slated to go down \$750 mil; decrease associated with decrease costs; DOT and OCPL austerity to departments
- Significant decreases in austerity; offsetting is investment County Executive touched on in presentation
- \$6.8 mil for Coronavirus response and recovery - caseloads spiking; great concern for continued need for PPE related equipment and expenses; \$5.5 mil spent this year; FIMA application in for quite some time
- Hopefully will know soon what expenses they will cover; FIMA reimbursement up to 75%; looking at local share of up to \$1.5 mil or more; money proposing to cover costs this year, as well as continued PPE going into next year

## Debt Service

- Flat - continue to use reserves to offset debt service costs where can; keep expenditure as flat as possible

## Sales Tax to Municipalities

- Pass through based on estimate of sales tax for next year; money goes to city and little to schools

## Interdepartmentals

- Reduced across the board related to all expenditures being reduced including service departments

## All Other Expenses

- Going down ~\$7.1 mil; various items that make up category (see above in chart marked All Other Appropriations) – all reduced; most result of austerity throughout 2020; plan included reductions and lower ROT collection

- Travel and Training, Supplies and Materials, Equipment - all reduced this year and continuing into next year

## REVENUES

### Property Tax Levy

- Poised to increase \$6.7 mil; allows to keep tax rate below what it was this year
- Assessed value of properties estimated to increase 4.5% - allows to increase property tax levy and still keep rate lower or around flat; also well under property tax cap

### Onondaga County Property Tax Cap Calculation

#### Property Tax Cap Calculation for Current Year Budget

	<u>General</u> <u>Fund</u>	<u>Water</u>	<u>Bear</u> <u>Trap</u>	<u>Bloody</u> <u>Brook</u>	<u>Meadow</u> <u>Brook</u>	<u>Harbor</u> <u>Brook</u>	<u>Total</u>
2020 Adopted Levy	149,590,731	1,696,205	476,847	203,564	534,577	332,683	152,834,607
2020 Adopted Abstract	20,499,004	0	0	0	0	0	20,499,004
<b>2020 Total Levy / Abstract</b>	<b>170,089,735</b>	<b>1,696,205</b>	<b>476,847</b>	<b>203,564</b>	<b>534,577</b>	<b>332,683</b>	<b>173,333,611</b>
<b>Tax Base Growth Factor (1.0084)</b>	<b>171,756,614</b>	<b>1,712,828</b>	<b>481,520</b>	<b>205,559</b>	<b>539,816</b>	<b>335,943</b>	<b>175,032,280</b>
Pilots Rec 2020	2,673,523	0	0	0	0	0	2,673,523
<b>Sub Total</b>	<b>174,430,137</b>	<b>1,712,828</b>	<b>481,520</b>	<b>205,559</b>	<b>539,816</b>	<b>335,943</b>	<b>177,705,803</b>
<b>Levy Growth factor (1.0200)</b>	<b>177,151,248</b>	<b>1,739,548</b>	<b>489,032</b>	<b>208,766</b>	<b>548,237</b>	<b>341,184</b>	<b>180,478,014</b>
Pilots Rec 2020	2,696,583	0	0	0	0	0	2,696,583
<b>Levy Limit b/f Adj/Exclusions</b>	<b>174,454,665</b>	<b>1,739,548</b>	<b>489,032</b>	<b>208,766</b>	<b>548,237</b>	<b>341,184</b>	<b>177,781,431</b>
<b><u>Adjustments</u></b>							
Costs Trans of Function	0	0	0	0	0	0	0
Savings Trans of Function	0	0	0	0	0	0	0
<b>Total Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Levy Limit b/f Exclusions</b>	<b>174,454,665</b>	<b>1,739,548</b>	<b>489,032</b>	<b>208,766</b>	<b>548,237</b>	<b>341,184</b>	<b>177,781,431</b>
<b><u>Exclusions</u></b>							
Torts/Judgments >5% 2020 Levy	0	0	0	0	0	0	0
Pension Exclusion	0	0	0	0	0	0	0
<b>Total Exclusions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2020 Carryover	0	0	0	0	0	0	2,661,361
<b>2021 Levy Limit</b>	<b>174,454,665</b>	<b>1,739,548</b>	<b>489,032</b>	<b>208,766</b>	<b>548,237</b>	<b>341,184</b>	<b>180,442,792</b>
2021 Executive Levy	156,254,668	1,696,205	476,847	203,564	510,471	310,368	159,452,123
2021 Executive Abstract	<u>18,543,760</u>	0	0	0	0	0	<u>18,543,760</u>
<b>2021 Executive Levy / Abstract</b>	<b>174,798,428</b>	<b>1,696,205</b>	<b>476,847</b>	<b>203,564</b>	<b>510,471</b>	<b>310,368</b>	<b>177,995,883</b>
<b>Under / (Over) Levy Limit</b>							<b>2,446,909</b>
<b>Carryover to 2022 Budget</b>							<b>2,446,909</b>

- Bottom right of above chart is important part; even with levy proposing, still \$2.4 mil under allowable levy limit
- County could potentially increase levy that much more and still be under cap; would impact tax rate



**Deferred/Uncollectible**

- Based on trends seeing this year and previous few years; collection rates keeping pace; strong in towns and not as strong in city; projected in line with what seeing

**Room Occupancy Tax**

## 2021 ROT Distributions

	<b>2020 Adopted</b>	<b>2021 Executive</b>
<u>ROT Projections</u>		
ROT Revenue-CTY General	\$ 6,956,699	\$ 4,800,000
<u>ADMINISTRATIVE COSTS</u>		
Comptrollers Office	\$ 49,433	\$ -
Law Department	\$ 34,705	\$ -
Finance Department	\$ 83,249	\$ -
Management and Budget	\$ 31,620	\$ -
Sub-Total	\$ 199,007	\$ -
<u>AUTHORIZED AGENCIES - FINANCIAL</u>		
CNY Arts	\$ 1,115,000	\$ 322,852
Contingency	\$ 125,000	\$ -
Leadership Greater Syracuse	\$ 15,000	\$ -
Landmark Theatre	\$ 50,000	\$ -
NYS Rhythm & Blues Fest	\$ 55,000	\$ -
Sub-Total	\$ 1,360,000	\$ 322,852
<u>AUTHORIZED AGENCIES - HUMAN</u>		
St. Patrick's Day Parade	\$ 15,000	\$ -
Sub-Total	\$ 15,000	\$ -
<u>AUTHORIZED AGENCIES - PHYSICAL</u>		
Baltimore Woods - Center for Nature Ed.	\$ 12,500	\$ -
<u>COUNTY GENERAL OTHER ITEMS</u>		
<u>Contracted Services</u>		
Syracuse CVB (Visit Syracuse)	\$ 2,325,000	\$ 1,200,000
Syracuse Nationals	\$ 25,000	\$ 20,000
Medical Tourism	\$ 25,000	\$ -
Tech Tourism	\$ 20,000	\$ -
Contracted Services - Total	\$ 2,395,000	\$ 1,220,000
Onondaga Historical Association (OHA)	\$ 188,000	\$ 48,949
Erie Canal Museum	\$ 73,000	\$ 19,007
Contingency	\$ -	\$ -
County General Other Items - Total	\$ 2,656,000	\$ 1,287,956
<u>OTHER DEPARTMENT ALLOCATIONS</u>		
PARKS - Carp Brook	\$ 50,000	\$ 50,000
Other Departments Total	\$ 50,000	\$ 50,000
<u>ONCENTER REVENUE FUND</u>		
Oncenter - Operating Subsidy	\$ 1,275,000	\$ 2,000,000
Oncenter - Capital Reserve Fund	\$ 250,000	\$ -
Oncenter - Charges from FM	\$ 1,139,192	\$ 1,139,192
Total Oncenter	\$ 2,664,192	\$ 3,139,192
<b>Distribution Totals</b>	<b>\$ 6,956,699</b>	<b>\$ 4,800,000</b>

- Taking beating this year; projecting not to recover much more next year; proposing \$4.8 mil

- Adopted this year was \$7 mil; projecting this year to be \$3.5 mil; concluded Quarter 3 collections and on pace to meet \$3.5 mi
- Throughout year reduce most contracts funded with ROT; amend and reduce contracts; if did not do, then would need to dip into general funds; cannot afford to do this year or next year
- Based on what seeing, pandemic will spill into next year; will see activities and visitation; hotels might start being active and full again; struggle; projecting \$4.8 mil next year
- Spread out \$4.8 mil - can see some areas completely eliminating funding
- Administrative costs - \$200,000 to support internal operations associated with collecting and recording ROT
- Comptroller's office and Law Dept. has role; \$200,000 to support and facilitate programs; proposing to take nothing for administration - direct increase to local budget
- Authorized Agencies – CNY Arts – dramatic reduction; zeroes in lines would typically provide funding
- CVB – estimate and funnel \$1.2 mil; hope much more active next year and have visitors and conferences
- Syracuse Nationals hopefully returns next year – slotted \$20,000
- Decreases for Onondaga Historical Association; Erie Canal Museum
- Decided to continue allocation to Parks Department
- Main driving force is Oncenter operation - management company runs it, but it's the County's asset and operation
- Priority given to ensure operation is fiscally viable; increase subsidy up to \$2 mil from \$1.275 mil
- Not proposing any capital funding; did same thing this year; eliminated capital funding and reduced subsidy
- Push as much as could based on what happening at Oncenter
- Last piece is Facilities charge to support Oncenter, which has to be funded

### Abstract Charges

- Slated to go down \$500,000

**ONONDAGA COUNTY FINANCE DEPARTMENT**  
DIVISION OF MANAGEMENT AND BUDGET  
**2021 CITY ABSTRACT CHARGES**

23-Oct-20	<u>2020 Adopted</u>	<u>2021 Executive</u>	<u>2021 Chg Vs 2020</u>	<u>2021 % vs 2020</u>
City of Syr. % OF Tax Levy	16.70%	16.87%	0.172%	1.03%
City Apportionment	<b>24,985,698</b>	<b>26,367,618</b>	<b>1,381,920</b>	<b>5.53%</b>
<b>Public Safety Building</b>	1,304,622	1,315,097	10,475	0.80%
<b>Custody</b>	5,597,972	5,005,387	(592,585)	-10.59%
<b>Planning</b>	1,180,121	902,281	(277,840)	-23.54%
<b>Children &amp; Family - Youth</b>	165,516	164,270	(1,246)	-0.75%
<b>Adult &amp; LTC - Aging</b>	25,000	25,000	0	0.00%
<b>OCPL Branches</b>	6,581,095	5,164,252	(1,416,843)	-21.53%
<b>Center for Forensic Science</b>	2,091,009	2,153,739	62,730	3.00%
<b>New Criminal Courthouse</b>	1,560,217	1,234,387	(325,830)	-20.88%
<b>Hire Ground</b>	250,000	250,000	0	0.00%
<b>KRONOS Upgrades</b>	200,000	0	(200,000)	-100.00%
<b>City IT Merger</b>	0	1,529,796	1,529,796	
<b>Convention Center Corridor</b>	700,000	0	(700,000)	-100.00%
<b>Uncollected Charge</b>	393,111	354,884	(38,227)	-9.72%
<b>City Collection Fee</b>	450,344	444,667	(5,677)	-1.26%
	-----	-----	-----	-
<b>Abstract Charges</b>	<b>20,499,007</b>	<b>18,543,760</b>	<b>(1,955,247)</b>	<b>-9.54%</b>
<b>Grand Total</b>	<b>45,484,705</b>	<b>44,911,378</b>	<b>(573,327)</b>	<b>-1.26%</b>

#### Description of Abstract Charges

Apportionment Represents the % and dollars of the Countywide Property Tax Levy that is allocated to the City based on their Full Value Share % versus the Countywide Total Full Value

Public Safety Building Represents the City's share of the Public Safety Bldg based on the sq ft they occupy

Custody	Represents the Sheriff's Custody costs for the Lockup of City prisoners prior to arraignment. Increases are capped after 2004 at the % increase in Custody Direct&Fringe costs.
Planning	Represents the City's costs for the Zoning Office in the Planning Department
Youth	Represents the City's 50% share of the City County Youth Bureau
Aging	Represents a flat \$25,000 for the City costs of Aging Programs
OCPL Branches	Represents the City's costs of operation of the OCPL Branch Libraries
Center for Forensic Science	Represents City costs of the Center for Forensic Science, increases were negotiated at a 3% maximum increase per year.
New Criminal Courthouse	Represents City costs of the New Criminal Court House
Uncollected Charge	Represents the County's 2% charge to the City for the estimated uncollected property
City Collection Fee	Represents the City 1% collection fee per the County Tax Act.

- City IT Merger - \$1.5 mil bringing over from city with costs and positions; proposed to be funded via abstract
- Grand total county taxes in city proposed to be \$573,000 less; even with \$1.5 mil merger and increase apportionment

### Sales Tax

**ONONDAGA COUNTY**

**Selling Period: March - August**

Categories of Top Total Purchases & Change over Prior Year

NAICS Industry Group	Sales Tax Year				Top % of Total in 2020	
	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	Chg over Prior Year	% of Total
Clothing Stores	\$ 136,031,199	\$ 139,041,065	\$ 140,462,801	\$ 77,920,508	(45%)	1.8%
Restaurants and Other Eating Places	\$ 392,676,307	\$ 406,695,169	\$ 423,590,336	\$ 286,307,631	(32%)	6.7%
Automotive Equipment Rental and Leasing	\$ 70,359,691	\$ 75,148,591	\$ 83,987,707	\$ 59,933,250	(29%)	1.4%
Gasoline Stations	\$ 278,258,246	\$ 297,615,043	\$ 290,838,286	\$ 220,558,023	(24%)	5.1%
Administration of Economic Programs	\$ 56,543,719	\$ 84,323,069	\$ 64,584,681	\$ 50,474,812	(22%)	1.2%
Automobile Dealers	\$ 586,184,725	\$ 614,940,404	\$ 615,172,142	\$ 510,836,810	(17%)	11.9%
Electronic Shopping and Mail-Order Houses	\$ 74,166,703	\$ 82,232,869	\$ 110,113,631	\$ 277,582,808	152%	6.5%
<b>Top % of Total Taxable Purchases</b>	<b>\$ 1,594,220,590</b>	<b>\$ 1,699,996,210</b>	<b>\$ 1,728,749,584</b>	<b>\$ 1,483,613,842</b>	<b>(14%)</b>	<b>34.6%</b>
All Other Industry Group Totals	\$ 2,725,206,590	\$ 2,993,716,187	\$ 3,016,676,825	\$ 2,804,635,585	(7%)	65.4%
<b>Total Taxable Purchases</b>	<b>\$ 4,319,427,180</b>	<b>\$ 4,693,712,397</b>	<b>\$ 4,745,426,409</b>	<b>\$ 4,288,249,427</b>	<b>(10%)</b>	<b>100.0%</b>

Source: NYS Department of Taxation and Finance

- 2 categories - county portion and pass through portion goes to city and schools
- Down \$22 mil county share; includes negative percent growth of 7% and a 4% growth next year
- Adjust out \$3.1 mil for Fiscally Distressed Hospital Fund - last adopted state budget, the state was going to intercept county sales tax to fund the Distressed Hospital Fund to assist hospitals struggling from pandemic
- Intercepting \$3.1 mil on top of \$2 mil taken for aid to villages and towns
- Only meant to impact county next year at this point; if it continues, there will be an annual \$5 mil taken from sales tax; continuing to lobby to get relief, but have to factor in now
- New residential energy surcharge sales tax will go long way to meet goal - Legislature authorized that, estimates were \$12 mil dollar county share from implementing that temporary sales tax on residential energy purchases
- Above chart confirms how pandemic impacted economy and sales tax
- Tried to compile by years for March through Aug - making this type of date more timely; data through August this year would have been 6 months down the road; very helpful to see what has transpired in community
- Identify the greatest impact as result of the pandemic
- Identified 34% of total growth sales in these categories - clothing down 45%; restaurants down 32% (\$286 mil); auto down 29%; gas stations 24% (\$220 mil) – these are taxable sales
- Auto dealers – \$510 mil; compared to same period this year to last year

- Helped save – electronic shopping and mail order; state passed legislation to require all online retailers to collect sales tax; 152% increase in that area; helped offset decrease

### State Aid

- Decrease related to cuts from Albany; looking at \$24 mil decrease - \$20 mil related to state aid cuts and other \$4 mil product of less spending, meaning less reimbursement

### Federal Aid

- Decrease in Family Assistance

### Interdepartmentals

- Revenue down - expenses of services departments (IT, Finance, Facilities) revenue down because expenses down

### All Other

#### All Other Category Detail

F10001-General Fund

	2018	2019	2020	2021	Executive
	Actual	Actual	Adopted	Executive	vs Adopted
<b>Revenues</b>					
<b>All Other Revenues</b>					
County Service Revenue Total	18,768,515	18,105,685	17,907,554	16,464,642	(1,442,912)
General Charges Other Governments Total	14,171,786	16,043,516	12,335,566	11,989,340	(346,226)
Interest & Earnings on Invest Total	1,075,265	1,558,317	1,012,238	705,246	(306,992)
Miscellaneous Total	5,898,709	5,269,404	6,539,429	6,120,232	(419,197)
<b>Grand Total All Other Revenues</b>	<b>39,914,275</b>	<b>40,976,922</b>	<b>37,794,787</b>	<b>35,279,460</b>	<b>(2,515,327)</b>

NOTE: \$1.4M revenue reductions due to lower Parks admissions collections and other agency reductions per expenditure decreases. Sheriff SRO reimbursement decreased; weighted average interest rate decreased and is estimated at 0.6% earnings; Jobs Plus contract reduced reimbursement

- Highlights revenue impacted going into next year – good amount is parks admission fees; see huge impact this year; anticipate seeing admission struggle next year
- Other adjustments as well; interest rate environment back down to where it was few years ago; projected to earn less on investments
- Looking at \$58 mil decrease in expenses; commensurate with decrease in revenues; results in balanced budget in general fund; tax rate flat; using no fund balance
- Appreciate time to do overview and put narrative around major categories in county spending and revenues

Mr. Morgan clarified for Mr. Rowley that the overall available Insurance Fund Balance is \$27 million (page 2-5 in the budget book), so using \$15 million will leave \$12 million; not including this year's surplus.

Mr. Rowley asked if the \$18 million deficit will come out of fund balance, and Mr. Morgan said correct. Mr. Morgan explained:

- Goal to potentially use available Insurance Fund Balance (all fund balance proposing next year is health); county shares part with employees, because they partially pay for health insurance
- Communication sent to all employees recently stating their health insurance contribution next year will be sizably less than this year based on the budget; when county uses this fund balance, portion goes back to employees
- If need to use this year, will be in area of workers comp (not shared); potentially use insurance fund as well as general fund balance to close gap

Mr. Rowley asked if the shift in Medicaid for the retirement plan effected the retiree contributions, and Mr. Morgan answered yes. Mr. Rowley asked if it is a cost basis, and did they get a reduction, or stay the same.

Mr. Morgan replied that they kept it stable and tried to keep the PR in the same range. They do not connect the specific cost to a specific retiree. Mr. Rowley stated it was a good presentation, and he appreciated it.

Mr. May thanked Mr. Morgan for his time and presentation. Mr. May asked if the county has to do something in 2020 with the Insurance Fund Balance, will that affect the plan for 2021. Mr. Morgan said no, the \$15 million proposed to use for next year's budget is set aside. Anything they would use this year would be aside from that with the available Insurance Fund Balance at \$27 million this year. There is \$8 or \$9 million in workers comp, as well as a mix of general fund balance at \$77 million (\$11 million over 10% goal).

Mr. May asked if the 54% savings is based on the volume of insurance the county is purchasing, or a combination of claims experience. Is the plan experience rated, or all off the shelf? Mr. Morgan answered:

- All off the shelf, per member, per month; United Health Care came in super aggressive during competitive process, because county brought a lot of lives to table with county, city and city school district
- Product is as good as or better than what retirees received before county shifted; moving retirees between plans has its challenges, but county required to do competitive process periodically
- This area is an area that companies are willing to be competitive
- Contractual period for location of coverage – in place this year; typically 3 years, so in place through 2022

Mr. May asked if they have flexibility during the contract period to tweak benefits, or is it off the shelf. Mr. Hummel responded that it is off the shelf, because it is based on the requirements in the RFP. When selected, those were the mix of benefits.

Mr. May asked if the Hospital Distress Fund was a legislative order, or an executive order based on COVID. Mr. Morgan answered:

- Governor looking at Medicaid cap; discussion about new parameters for Medicaid cap; if expenses grew over a certain amount, then he was going to require counties to participate in part of it
- In Mr. Morgan's opinion - got to point that advocacy from county perspective was, "Please do not touch the Medicaid cap"; source of stability for county governments for years; lot to pay, but it is known and does not grow
- Lot of consternation from counties and NYSAC to protect the Medicaid cap
- Think settled with time limited couple year grab of money in place of potential permanent change to Medicaid cap
- Was not proposed in budget initially; negotiated and ended up in budget in this way
- Reason brought Medicaid cap to table was because costs were spiking; tried to make it seem it was the counties fault for the spike; counties only determine eligibility; they do not set benefit levels
- Take financial information from client, and decide if eligible
- Top item on NYSAC legislative platform to address continued draining of county sales tax dollars for something state funding directly, or something like the Distressed Hospital Fund
- Been on radar of concern starting with AIM

Mr. Jordan said the city of Syracuse percentage of tax levy is going up 1.72%, but his recollection of sales tax sharing is that the city gets a percentage of the 1% additional the county collects. Why would their percentage of the levy be going up? Mr. Morgan replied that this is related to the property tax levy, but sales tax Mr. Jordan is correct. It is a set percentage, and this is property tax levy. They get a portioned amount of the tax levy based on the assessed value of the properties in the city.

Chairman Burtis stated it was a great presentation and format.

The meeting was adjourned at 10:30 a.m.

Respectfully submitted,



JAMIE McNAMARA, Clerk  
ONONDAGA COUNTY LEGISLATURE

## ATTENDANCE

COMMITTEE: WMS 2021 BUDGET REVIEW

DATE: NOVEMBER 6, 2020

NAME (Please Print)	DEPARTMENT/AGENCY
Meato	WEP
KC Heel	Parks
Bri Kelly	Parks
Kristi Sures	Fin Ops
Jennifer Fricano	Parks
Christina Whiteside	
MARY ROSS	DOT
Alicia Wynn	EM
Brian Donnelly	CE
Yvette Velasco	LAW
Lori Tarolli	LAW
MBTRIMO	CE
Don Weber	Finance
Kevin Sexton	IT
Michelle Clark	IT
Isabelle Harris	CE
Carl Hammel	Personnel
Rustan Petrela	WEP
SHANNON MANN	WBP
LISA CANSIGLIO	WBP
Phil Britt	Comptrollers
MATT HOWARD	Asm - ONCENTER



## ATTENDANCE

COMMITTEE: **WMS 2021 BUDGET REVIEW**DATE: **NOVEMBER 6, 2020**

NAME (Please Print)	DEPARTMENT/AGENCY
Peter Casper	ARM ONCENTER
Timi Frateschi	Leg.
Darci Lesniak	Leg.
Nick Pao	Leg.
John DeSantis	Leg.
Steve Morgan	DMB
Tara Venditti	DMB
Bill Ryan	Comptroller's
Marty Mastupole	Comptroller