



Onondaga County Legislature

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2020 COUNTY EXECUTIVE'S BUDGET PRESENTATION TO THE ONONDAGA COUNTY LEGISLATURE September 13, 2019

MEMBERS PRESENT: Chairman Knapp, Mr. May, Mr. Rowley, Mr. Burtis, Mrs. Tassone, Ms. Cody, Ms. Abbott-Kennan, Mr. Ryan, Mr. Holmquist, Mr. McBride, Mr. Jordan, Mr. Bottrill, Ms. Williams, Mrs. Ervin, Mr. Knapp

Chairman Knapp called the meeting to order at 10:15 a.m. Legislator Holmquist led the Pledge of Allegiance. Chairman Knapp provided some opening remarks about the importance of the budget review process and then introduced County Executive McMahon.

Mr. McMahon:

Good Morning. Welcome to our Legislators, fellow elected leaders, friends and most importantly our county workforce.

Chairman Knapp, Leaders May & Ervin, Ways & Means Chair Deb Cody I am pleased to stand before you today to present the 2020 Onondaga County Budget.

Upon becoming County Executive almost one year ago, I made a commitment to the people of Onondaga County that we would work together, in a collaborative way, with all of our partners, to address our challenges, celebrate our successes and prepare our community for the future.

We established our PIE agenda, which focuses in on three main areas: Poverty, Infrastructure and Economic Development. And we have built a team that works hard every day to address these challenges and provide the results the taxpayers of Onondaga County expect and deserve.

At this moment in time our community has an alignment in leadership with aligned intentions, and the results show Undeniable Progress for our Community.

The sales tax agreement with the City of Syracuse has been extended, reiterating the importance of a financially stable urban core and the overall health of Onondaga County. We also extended our Village Improvement Plan a dedicated funding stream for our villages. This new funding will help our 15 small cities build upon the growth that they are experiencing and plan for the future.

You recently approved our Village Main Street and Town Planning grants. Investing in our Suburban business districts will help grow our economy and stabilize neighborhoods. We gave our Veteran heroes a well-deserved tribute, by waving burial fees at our Veterans Cemetery.

We have reengaged our business community. We have reminded them and the rest of the nation, that we are open for business. I have said before and I will say many more times, our best opportunity for economic growth will come from businesses who are already succeeding here in Central New York. Our economy is more diverse, with clusters in aerospace, radar and defense, eds & meds, healthcare logistics, young tech, tourism, manufacturing, Agriculture and Unmanned Aerial Systems. Partnering with the private sector has led to unprecedented Economic growth which has led to jobs- Saab, SRC, Lockheed Martin, TTM Anaran – hiring. Feldmeier, Morse Manufacturing, Flex Hose, Cryomech, Tessy Plastics, Ultra Dairy all hiring all expanding.

You may have even heard about a certain project in the Town of Clay that represents over 1,000 jobs due in part to the strength of our logistics economy and our location. These are good jobs, with benefits, that will help provide many people in our community with a sincere and real pathway out of poverty. I also want to take just a minute and really put this into perspective. Right now there are over 60,000 people in Onondaga County who make less than 30,000 dollars a year. This

State of the Art Warehouse and Distribution Facility represents a clear pathway out of poverty for so many and we encourage our partners in progress at OCIDA and the Town of Clay to do their diligence in a timely manner.

Under the leadership of Deputy County Executive Ann Rooney, we have put a new emphasis on tackling poverty and it's many root causes. You have heard me talk about our six buckets that we are working to address: education, early childhood, workforce development, transportation, housing/health and generational poverty. We are developing short, mid, and long term strategies and have implemented many new initiatives which are experiencing success.

Not that long ago, before Chairman Knapp took my chair, I tried to find a legislative solution to the panhandling problem that was plaguing our downtown. As some of you have heard me say before, despite my complete confidence that I had the best idea, I was promptly informed how wrong I was by none other than my own mother. And it was because of her and the people she brought around the table that the Hire Ground initiative became a reality. A partnership between the City and the County for a work day program for our Homeless and Panhandling Community administered by "In My Fathers Kitchen." This program brings dignity through work and at the same time allows us to address the health, housing, and mental health care of all the program participants.

To date 232 people have participated in the program, seven people have gotten off the streets and into full time jobs, 23 individuals have been referred to get health insurance and 8 people have been placed in housing.

This Summer we also continued our robust summer youth employment program. With our amazing partners at City Hall, CNY Works, Allyn Foundation and On Point for College 1,221 youth from ages 14-24 gained summer employment, learning new skills.

Yesterday, we announced an innovative new PILOT Program with Lyft, Jobs Plus and three of our area employer's to help break down barriers like transportation to and from work. This barrier to Work often prevents folks from applying for good jobs like those at Loretto, Giovanni Foods or Brophy Cleaning Services. Our Jobs Plus candidates who work non-traditional hours or with companies that are not served on a bus route will be able to use this ride sharing service for work and child care. This partnership will remove two critical barriers for our Jobs Plus candidates to gain and keep employment.

Another area of amazing Community collaboration has been tackling lead in our old housing stock. Earlier this year I signed an Executive Order that will withhold payments to the landlord of a property known to be exposing children to lead. It's not quite the stick that District Attorney Fitzpatrick has been able to use against these irresponsible landlords, but it is another step that shows we are serious about addressing this issue and protecting our young people. To that end, my team is not focused on getting people in trouble, but rather educating landlords, homeowners, renters, etc. on the resources available to them. That is why earlier this month, with our partners William Fitzpatrick, City Hall, and Home Headquarters we announced a series of Lead Town Halls with the primary goal of informing people what their rights are, what resources are available and ways we can help homeowners and landlords make their properties lead safe.

The issue of lead is a solvable one and I know we are all committed to doing everything within our power to eradicate this problem.

Now these are just a few of the successes we have experienced, but the progress and momentum is undeniable and I want to thank the legislature for their support, and especially our county workforce who are on the front lines every day making our community a better place to live, work and play.

I believe a budget is a statement of values, and I'm proud to stand before you today and offer my 2020 budget. My proposed budget is balanced and uses no fund balance for the second straight year, offers strategic investments and I believe is a reflection of the values we share as a community.

First, a reminder of where we started. For 2018, we had a budget surplus of over 10 million dollars. We put \$5 million back into our fund balance, surpassing the 10% goal set forth by this body. Today we have \$5.3 million dollars more in our reserves than our 10% fund balance recommends.

This year our team in Management and Budget lead by Steve Morgan, are projecting us to end the 2019 budget year with another surplus of 6.6 million dollars.

These are all validations that Onondaga County remains on solid financial footing as was reaffirmed by our bond rating agencies earlier this year.

Our community has seen a surge in Real Estate Value year over year, from 2018 to 2019 the Average sales price has increased 6.7% %, our average year to date sales price is \$178,000.

The Countywide Assessment has also increased 4.24% for 2020. These numbers are very good news for homeowners and our Real Estate market.

As most of you know, we run government on sales tax and we are continuing to see our sales tax receipts grow. Sales tax can often be volatile and that is why we are budgeting 2% growth in 2020. This allows us to then look at ways to further reduce property taxes. For 2019, the property tax rate was set at \$5.04 per thousand, a historic low in Onondaga County.

Today, I am pleased to tell you that I am proposing to further cut the property tax rate to a new historic low of \$5.00 flat.

We are delivering you a \$1.336-billion-dollar budget with spending growth at less than 1% compared to the 2019 budget.

We promised our community we would make progress in our PIE platform, I believe we have demonstrated undeniable progress, but there is still much to do in 2020.

You have heard me say that investing in our children is the best investment we can make and this budget makes good on that. Currently, only 38% of children countywide are Kindergarten ready. 38%. That's not in the City of Syracuse, that is county wide. That is not acceptable. We cannot let our children start off so far behind, so young. That is why I am proposing a \$1.5 million investment in the Early Childhood Alliance to ramp up their work on reaching children earlier and preparing them for kindergarten. This investment will be dedicated to quality childcare, and support "Talking is Teaching" which highlights parents as first educators and "Help me Grow" initiative.

Foster Care is a budgetary item that we have little control of at the local level and has been a wild card as a budgetary expenditure. We have also been concerned with the infrastructure in place to make sure we are serving our children the best we can. We have seen five child-serving facilities close and children entering the system with more needs than ever. Many of these children are teenagers and when we cannot find a placement for these teens they are placed too far from home and in some cases out of state.

The status quo is not something I can live with and that is why I am asking for your partnership in opening a new County run group home "The Sycamore House". This home will house our most vulnerable children, keeping these kids connected to their families, school, community and will allow us to provide a multitude of coordinated support. This Home will create a pathway to success for our kids that have been dealt the hardest hand.

This year during my State of the County, I announced that I would propose hiring a Chief Diversity Officer who would be tasked with, among other things, implementing our administrations' goal of diversifying our workforce to 20% minority by the year 2022. Our Administration to date is exceeding these hiring goals and through July we are at 29% minority hiring. We need to build on this early success and that is why I am asking you to partner with me and create the Office of Diversity and Inclusion that will be led by the new Chief Diversity Officer. I am also proposing moving MWBE contract compliance from the Division of Purchase to this new office, as well as our Human Rights Department. Our new Chief Diversity Officer will report directly to me to meet this new departments critical objectives.

Now for the I in our PIE agenda- infrastructure. I never thought I would be known as the County Executive who talks about sewers all the time, but here we are. For those that don't know, our community has an ownership issue with our infrastructure below ground. Onondaga County has made substantial investments in what we own and control in large part to help clean Onondaga Lake. Our team at the Department of Water Environment Protection are the best in the business and have prepared a strategic plan to roll out to you this month. This plan will include a strategic consolidation with our municipal partners. It will start with the Meadowbrook Limestone Service area. We will be looking for 40-year lease agreements with our partners, we have identified critical projects in the town of Manlius, Pompey, and the villages of Fayetteville and Manlius where construction would begin in the Spring of 2020.

We are analyzing the other 5 service areas to determine which town and village partners make up our phase two implementation. I am also proposing we spend \$1 million dollars in I & I projects in 2020 in our towns outside the Meadowbrook Limestone service area.

In order to implement this program and continue to invest in our existing assets I am asking for a small 83 cent a month increase in the sewer unit charge. These small increases should be expected in years to come and will save individual sewer districts millions of dollars in payment shock, help rebuild neighborhoods and create wastewater capacity for existing business and new business.

This budget will also make strategic investments in Cyber Security as we continue to modernize our I T infrastructure to meet the ongoing and real threats governments are facing today across our country. This budget also makes \$1.3 million investment in clean water infrastructure with our Partners at OCWA.

We will also continue our investments in our roads and bridges, you will see our road plan has a larger cash component this year so we can rely less on borrowing.

I want to raise a going concern with you- as you are aware the State Legislature enacted a policy called No Cash Bail- the goal being to keep individuals out of jail for low level offenses. This goal is something I support, but some of the offenses certainly are not low level and this Policy is quickly turning into a Unfunded mandate. This budget has over \$1million new dollars in Probation, District Attorney and Sherriff budget. Jail populations are already half of what they were in 2018 before this policy is enacted, but our budget will not reflect savings in personnel due to mandatory staffing levels not being adjusted by New York State. New York State needs to give local governments the flexibility to staff to the inmate population, by doing this savings at the jail can cover the new workload put on our other departments. This is something for you all to watch in 2020.

I want to leave you with two pieces of good news, as you are aware we refinanced bonds earlier this year and were expected to save 1.2 million dollars, I am happy to report due to our excellent Credit rating we received a better than anticipated interest rate of 1.44% and actually saved \$2.2 million dollars \$1 million dollars more than anticipated.

As you also were aware our NYS Comptroller fiscal stress score in 2018 was 48.3 I am pleased to report due to strong management, investments, and fund balance growth our 2019 score dropped to 45, lowering scores is a good metric and we are .1 point away from being off the NYS Comptroller fiscally stress list all together and we believe this will happen next year with our current fiscal forecast.

Through our amazing partnership, together we are seeing progress in every aspect of our PIE platform. We believe this budget will continue to lead our County on a path towards further growth and addresses the challenges our residents are facing. I want to thank you in advance for your work and especially thank our amazing County workforce, Department Heads and our Senior team you are all public servants. God Bless.

2020 Executive Budget Presentation
J. Ryan McMahon, II, County Executive



Friday, September 13th, 2019

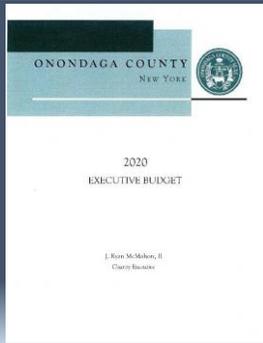
Onondaga County Legislature



P.I.E. Agenda

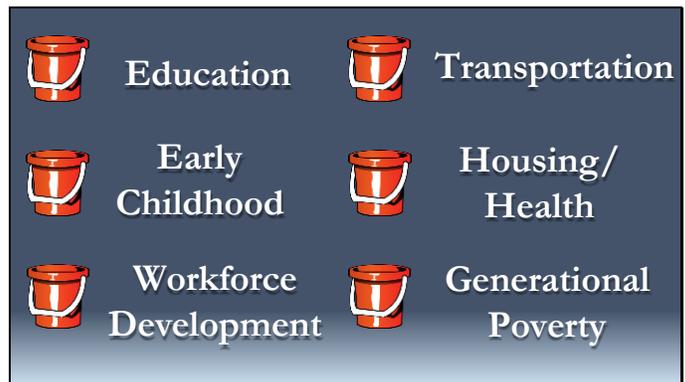


-  **P**overty
-  **I**nfrastructure
-  **E**conomic Development



Work together
Collaboratively
All of our
partners

Undeniable
Progress





232
people



7
Full time jobs

23
referred for
Health Insurance

8 placed in housing



Thank you!

The meeting was adjourned 10:38 am.

Respectfully submitted,

Deborah L. Maturo

DEBORAH L. MATURO, Clerk Onondaga County Legislature