



Onondaga County Legislature

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WAYS AND MEANS COMMITTEE REVIEW OF THE 2019 TENTATIVE BUDGET COUNTY FACILITIES DEPARTMENTS – SEPTEMBER 24, 2018 BRIAN F. MAY, CHAIRMAN

MEMBERS PRESENT: Mr. Jordan, Mr. Plochocki, Mr. Ryan, Mr. Knapp, Mrs. Ervin, Ms. Williams
ALSO PRESENT: Chairman McMahon, Mr. Rowley, Mr. Burtis, Mrs. Tassone, Ms. Cody, Dr. Chase, Mr. Holmquist, Mr. McBride, Mr. Bush; see attached

Chairman May called the meeting to order at 9:19 a.m.

Chairman May asked Mr. Lansley to submit any written comments reference his budget to Jamie (McNamara). Chairman May directed Legislators to review the written statements from departments that did not present. Any questions regarding the statements should be in writing, and given to Sue (Stanczyk).

Parks & Recreation Department: (5-58) William Lansley, Commissioner; Jennifer Fricano, Fiscal Officer

Chairman May said there is extra time allocated to the Parks Department. The first half will be to focus on Parks operation and budget as a whole, and the second half will be on Amphitheater operations. There was also extra time for the Zoo, but Chairman May felt it was covered thoroughly during the CIP discussion.

Mr. Lansley introduced Jennifer Fricano at the table, Lee Klosowski (Deputy Commissioner) in the gallery, and Seth Groesbeck (Head Elephant Trainer) in the gallery. Ted Fox is in Seattle following up with the AZA. Mr. Lansley stated he does not have any prepared comments, but wanted to recognize all the Friends of Parks including Beaver Lake, the Zoo, and Onondaga Lake Park. Volunteers have put in more than 60,000 volunteer hours totaling over \$1 million in effort. The Parks' staff also does a tremendous job.

Mr. Jordan asked why Maintenance, Utilities & Rents is up almost 50% for administration. Mr. Lansley responded that these are actual expenditures for utilities, and they are out of their control. Ms. Fricano said the 2017 actual was higher, so this modified the budget amongst the programs to be more accurate. Mr. Morgan added that the total budget for that line is flat comparing the adopted budget to the 2019 ask. There are fluctuations based on how they allocated the costs, but overall it is going up less than \$2,000.

Mr. Morgan will get back to Mr. Jordan on why interdepartmentals are up over \$500,000.

Mr. Lansley responded to Mr. Jordan's question about the increase of \$3,000 in the Professional Services line:

- Every 4 or 5 years have to update Forestry Plan to engage in logging services; this year will do analysis of what's out there, and what acreage looks like
- When wood is available and prices are higher, have accurate information for what Parks can target people for cutting
- It is an inventory of how many trees to cut

Ms. Fricano explained that any revenue from tree cutting goes towards the Capital Project that created the lodge (per resolution). Mr. Jordan wanted to know if they are anticipating any logging revenue next year, and Mr. Lansley replied that this year they had a cut for \$55,000 in January. No one has approached Parks with viable wood prices that would make it valuable to look at. There is also a little revenue from a small number of Ash trees that Soil & Water helped with, and Mr. Lansley answered Chairman May that he thinks some of it was firewood. He can check with Soil & Water. Mr. Lansley responded to Mr. Jordan that he is not projecting any revenue from logging, but it could come depending on the market.

Mr. Jordan said the Carpenter's Brook 2017 101 line shows a sizeable increase in 2018 (double). Mr. Lansley explained that in the southern district the Veteran's Cemetery and Hatchery share staff, and based on the need, people are allocated. This year it was busier in the Hatchery raising almost 90,000 fish, which took additional personnel. The personnel dollars are allocated to the Park, so it is not additional staff, but where the hours were spent. Mr. Jordan asked if they are anticipating the same allocation in 2019, and Mr. Lansley responded that it depends on the burials; which cannot be anticipated. Additionally, there was an influx of additional fish from hatcheries in South Carolina due to flooding, so there is stock of 120,000 fish. Mr. Morgan stated the Veteran's Cemetery budget line 101 is going down ~\$60,000.

Mr. Morgan made a general comment that there are discussions questioning if the park by park budgets are the best approach; as far as how Bill (Lansley) operates. There are many shared items across parks including (i.e.) personnel and equipment. There will be swings like this depending on what is going on in each park year to year. There has been a brief discussion on reorganizing the program budgets in line with a maintenance program, mowing, and other common functional activities. It has not gotten there yet, but it is in discussion.

Mr. Lansley clarified that they had a Machine Operator retire (dug plots at cemetery), which left Parks with one. The other Machine Operators that do the heavy equipment are from Highland Forest, and fill in as needed.

Mr. Morgan reiterated to Mr. Jordan that the Maintenance, Utilities & Rents overall for Parks is going up less than \$2,000. It is based on how the expense is allocated to each park. Mr. Lansley added that Highland Forest had an increase of about \$5,000 in propane, and some of the equipment rentals have gone up.

Mr. Jordan asked why All Other Expenses for Oneida Shores has increased almost 100%, and Mr. Lansley responded that a major trash hauler went out of business. The remaining company picked up the contract, and there was a tremendous increase in trash service. Parks outside the City have had rates skyrocket.

Mr. Jordan stated the Onondaga Lake Park (OLP) budget has a \$64,000 increase in Salaries and Wages, and there is reduction in income for attendance. Why is Overtime and Employee Wages going up, when revenue is going down? Ms. Fricano answered that it is a reallocation of human capital. The Zoo's 101 line has a \$10,000 decrease, because they moved a position to centralize the reservation system, and to deal with retirements. \$21,000 of it are normal step increases. Ms. Fricano clarified for Mr. Jordan that admissions are down, not attendance at OLP. There has been a decrease in some walk and run revenue, and marina boat launch revenue. Mr. Lansley added that, based on competition, there was a fee for the skate park that was removed as well.

Mr. Lansley responded to Mr. Jordan's questions:

- Hopkins facility has doubling of expenses – all trash
- Recreation Division Maintenance, Utilities & Rents from \$0 to \$3,500 – International Trails Conference in 2019; sponsoring and worked with CVB; part is transporting attendees to parks, events and seminars; van rental to transport
- Projected corresponding revenue in budget - do not think it'll show in Parks, but in CVB; 100s – 1,000s of attendees for a whole week; no fee for attendees for parks

Mr. Morgan answered Mr. Rowley's questions regarding the Provision for Reserve for Bonded Debt:

- \$150,000 Legislature (Legislator May) sponsored to set aside sales tax every year to support debt service in amphitheater if need be
- Budgeted in Parks, then transferred to subsidiary to be held in case the Casino revenue is insufficient to pay debt service on amphitheater
- Separate reserve; at end of year it will have about \$300,000; legislation calls for it to be set after first full season

Mr. Rowley asked if Parks has any personnel creates, abolishes, promotions or deletes on their roster, and Mr. Lansley responded no.

Mr. Lansley and Ms. Fricano responded to Chairman May's questions:

- \$100,000 in grants budget for Professional Services is annual snowmobile pass through grant
- Parks will be on budget this year
- Admissions revenue in general fund budget; account 590037 Park Admissions
- Special event revenue in grants fund; revenue is contract with Galaxy (Lights on the Lake), races, runs; same account (590037) in grants fund

- Admission fee collections down a bit – possibly due to rate increases at Parks; put best foot forward with anticipating revenue and projects; very weather dependent; last year not a great year for hitting parks
- This year was heavy heat wave; window of temps from 68-78, and anything above or below means Zoo is a bit vacant
- Adjust revenues to realities, since Parks has not hit them; increases are fruitful
- Second year of lodge rentals – 2 year rentals booked; those revenues have not been received yet; will see those revenues in a future budget
- Under Revenue, Commissions includes (i.e.) percentage of Highland Forest’s caterer for food service; commission from Friends of Zoo memberships; bike rental facility at OLP
- Commissions from Amphitheater vendors not in here at all

Mr. Morgan stated the 103 overall increase is related to minimum wage going up from \$10.40 to \$11.10.

Mr. Lansley responded to Chairman May’s questions:

- Allocation - no one at historical facilities, and now there is
- 1 fulltime Park Ranger; 19 part-time; hours depend on season; summer cover beach hours 11-6 p.m.; Zoo has rangers during open hours; 2 shifts at OLP 12 – 8 p.m., then into evening; also cover Hopkins, NBT
- If there is a call, will go anywhere within Parks; no fulltime around the clock hours
- Requested 5 vehicles – necessity; (i.e.) last year spent \$6,000 for lawn mower rental, now have mower, save on rental

Amphitheater

Chairman May stated:

- Amphitheater not part of County budget; promised to not be a burden to Onondaga County taxpayers
- All reports indicate it is the case; success and benefits to community
- Important to bring amphitheater into budget discussion, because it is not part of County budget
- Make sure there is structure and purpose – show and demonstrate it is not part of County budget
- Submitted spreadsheet a few weeks ago to Finance Department - asking to fill in as financial overview
- What was asked for could not be completed, and found out yesterday
- Maybe use this spreadsheet as basis for discussion; purpose to talk about the fact it is not in budget
- Talk about money in and out at high level; put structure to this, but left to ask questions that need answers

Chairman May had the following spreadsheet handed out:

Amphitheater Operations Overview

Revenue & Expense Overview

EXPENSES		REVENUE	
Debt Service	\$0	NYS - In Lieu of Gambling	\$0
- Detail, other		- Detail	
SMG Contractual	\$0		
SMG Other	\$0	SMG Rental	\$0
County Services		County Services	
- Sheriff	\$0	- Sheriff	\$0
- Parks	\$0	- Parks	\$0
- Facilities	\$0	- Facilities	\$0
- Other	\$0	- Other	\$0
Vendors		Vendors	
- List key County vendors	\$0	- List key vendor revenue	\$0
- Aggregate others	\$0	- Aggregate others	\$0
Total Balance			\$0

Debt Stabilization Fund

<u>Balance as of</u>	<u>Source 1</u>	<u>Source 2</u>	<u>Total</u>	<u>Balance</u>
12/31/2016	\$0	\$0	\$0	\$0
12/31/2017	\$0	\$0	\$0	\$0
7/31/2018	\$0	\$0	\$0	\$0
<u>Source 1</u> - Amount of In Lieu of Gambling in excess of scheduled debt obligation				
<u>Source 2</u> - Annual Sales Tax gain (\$150,000)				

- On revenue side – please talk about the Oneida money: where it is coming in, if there is a surplus, how its being applied
- Talked about sales tax component, and any extra money from Oneida’s to be devoted to debt stabilization; do not think they are there yet; outstanding liability to the County for startup money

Mr. Morgan answered:

- Debt service on amphitheater over third year period averages ~\$2.7 mil per year; completely funded with Casino revenue received (casino revenue - County in exclusivity zone, cannot have casino here)
- 2014 \$2.1 mil (partial payment in 1st quarter); 2015 \$2.8 mil; 2016 \$3.1 mil; 2017 \$3 mil; 2018 2 payments; tracking close to \$3.2 mil; second quarter payment (2018) \$885,000, highest payment so far
- Debt service in 2016, 2017, and 2018 – now balance of \$1.6 mil; does not account for 3rd and 4th quarter payments
- On track to end with \$2.1 mil into next year; revenue continues at \$3 mil average, more than needed to offset debt service; balance stays there; cannot be used for anything else; \$150,000 sales tax not same reserve, but same purpose
- More in annually than out in debt service; closer to ability to take care of outstanding liability of startup – \$1.8 mil shortfall; in initial project to get the project going; first 4 payments from 2014 and 1 in 2015 went to that project
- Issued debt all at once, so had to divert monies to reserve to pay debt service; at end of 2017, diverted \$500,000 to project; now only \$1.8 mil shortfall; continue to monitor daily; move monies to make project whole
- No other liabilities with startup

Mr. Fisher answered Chairman May’s questions:

- Increment with SMG; contract that accounts for facility management – yes
- How much is increment (paid to run amphitheater) – annual bonus; have to look it up; less than 6 figures; like OnCenter with base management fee and incentives to work up to an amount
- Arrangement with SMG – it’s a park, and until its turned over to SMG to manage as concert venue, it remains a park
- SMG’s work limited to concerts, live events and catered events; if one scheduled, then “keys” turned over to them
- SMG did RFP for concert promoter; Live Nation won contract - exclusive license for booking live concerts
- Live Nation books concert, tells SMG; agreement on terms, pay to license amphitheater
- SMG goes out to procure things delivered as part of rent (i.e.) ticket takers, ushers, clean up before and after; etc.; charge Live Nation for some, others included in rent
- SMG as County agent and venue manager are doing all these things from early May through September; then shut down for season and comes around in spring
- Onondaga Sheriff provides security, the County paid back in full; 100%
- County is not paid for Parks routine maintenance when its park related activity
- Parks reimbursed for concert related activity (i.e.) boat docks
- Facilities – concert related activity with sending electrician or plumber is reimbursed in full (on call); anything routine is County paid
- End of season have Facilities go with SMG and Parks to shut down amphitheater properly; do not track how much it costs for Facilities to be out there
- Facilities increasingly providing services to Parks; do not bill back to shut down (i.e.) NBT Bank Stadium
- DOT – for concerts, they do cones and help parking manager get nearby roads ready; bill SMG for that
- Last year DOT put water on parking lot to control dust; billed for that; now state paved (no dust)

Chairman May explained that the theme of the discussion is what the County is recovering, and what they are not recovering. Let's identify what the expenses are, and deal with the reality of that. The County's investment on the vendor relationship front is the capital costs for operating with heat, lights and sewers, and asked if there are any other expenses related to operations. Mr. Fisher responded:

- Getting into replacement cycles; video boards have diodes that fail; sources in contract to generate revenue set aside to replace those assets; revenue stream where negotiated for revenue; also capital investments
- When SMG hired Live Nation; Live Nation stepped up, and replaced seats in VIP boxes at their own expense
- This year Live Nation looked for a different entrance for VIP to get to elevator; ADA accessible door entrance; Facilities helped spec the work, but Live Nation paid for it
- Next 2 years, Live Nation committed to spending \$650,000 to upgrade amphitheater for their purposes for 2019, 2020
- Aramark provides food and beverage; invested \$1 mil of their money in capital assets
- All capital assets at amphitheater remain there; benefit operations; not burden for County tax payers – paid for privately
- Budget put forward in 2015 asking for \$1.9 in startup costs; half granted and half in contingency; earlier this year, said will not need other half; good sign
- 3 full seasons: first season 21 concerts, second season 18 or 19, and this year 25 concerts
- Small operating gain each year; more favorable contracts going forward in areas; operating gains will be stronger
- Almost all of risk on Live Nation paying fees for the artists; Aramark does food and beverage
- Deliberately tried keeping risk away from County; but also keeps benefits away from County; good year, Live Nation and Aramark reap benefits, but they are also more inclined to put money back into amphitheater
- Over time want revenue coming in; source of funding for replacing things; plan for that

Mr. Morgan added:

- Approved \$950,000; Mr. Morgan authorized payment to SMG for \$850,000 to begin operations of amphitheater
- Upfront cash payment; operated last 3 years without asking for more money; contract allows, when deemed appropriate, request for money to be returned
- Whenever that request is (does not have to be full amount), will pull money back in and balance project

Chairman May stated based on what he's heard, it's reasonable for a Legislator to say that thus far the amphitheater has not cost local tax payers any money. Mr. Fisher said it depends on how he defines things. Payments from the Oneida Nation come to the County budget, and a choice was made (approved by the Legislature) to dedicate those funds to this project. Mr. Fisher agreed with Chairman May that it is not a property tax burden; no property taxes have been proposed or used to support this.

Mr. Maturo explained:

- County treats the amphitheater the same as the OnCenter revenue fund
- Amphitheater is a County operation, not SMG; cannot look at SMG separate, because it's all Onondaga County
- Mr. Morgan is correct that \$850,000 was funded
- At end of year, pull in operations from SMG and amphitheater; report out amphitheater as true County operation
- End of 2017, had \$625,000 deficit; not surplus; bottom line - expenses over revenue
- Same model as OnCenter; only difference is the County does not cover it with budget; expenditures and revenues going up; budget \$950,000 - cannot look at SMG in a bubble
- Bottom line is that the County is out \$625,000

Mr. Fisher commented:

- Jim (Maturo) is right that it is handled like OnCenter, but unlike OnCenter asking for subsidy; there is no ask for this
- OnCenter needs room occupancy tax (ROT); ask for 2019 is \$1.25 mil; comes from revenue fund; ask for capital of \$250,000 (capital reserve) comes from ROT; also ask for bonding at times for (i.e.) roof repair
- None of those characteristic of amphitheater
- Other thing absent from the way operating transactions get pulled into annual financial reports (CAFR) is that there are assets left at amphitheater; (i.e.) lawn sound or LEDs that generate income
- Until CFO pulls assets out to find their worth, no accounting of how much they represent in terms of future income
- In 10 yr. period, will see if assets return the \$850,000; if they do not have \$850,000 in cash, then lost money; confident will have more than that in cash; in future, if CFO wants cash back, confident it will be there
- No reason to pull cash back; not being asked to provide more working capital; money sitting there in some form
- What Jim (Maturo) is saying is correct, but can be reconciled; \$950,000 is the only budget asked for

Chairman May asked if Steve (Morgan) were to take the money back from the assets, would that clear up the \$625,000. Mr. Maturo answered:

- SMG does not have cash; if Mr. Morgan asked for \$850,000, they'd have to get a loan

- Did County purchase fixed assets, yes; they're on County books and are being depreciated; all pulled in when pulling in operations from amphitheater; treat amphitheater as any other operation within the County

Chairman May said, theoretically, if the County took back the \$850,000, does that change the picture Jim (Maturo) painted. Mr. Fisher interjected saying yes; they would have to close the amphitheater, because it could not operate. Chairman May was not asking if the amphitheater could operate, but if the \$625,000 deficit goes away. Mr. Maturo answered:

- Yes; if the County got \$850,000 back, then the amphitheater would have \$275,000 surplus; relieving upfront payment
- Mr. Fisher is right that every year there is a sponsorship payment to the OnCenter; County's sponsorship payment to amphitheater was \$850,000 in the first year
- SMG has \$625,000; eventually if that goes past \$850,000, then the question is where will SMG get those funds from
- Hopefully amphitheater starts turning a profit, and they whittle down the \$625,000
- If it keeps going into the negative, that \$625,000 will grow every year; if that happens, eventually SMG will say they do not have working capital, and ask Onondaga County for it; similar to when the OnCenter Management Corp was set up
- First year ended with \$450,000 in the hole, and now it's up to \$625,000

Chairman May said that single liability to Onondaga County makes the difference between this thing being whole, and this thing running a deficit until such time that it is in the hole. Mr. Morgan commented that the first two years had a lot of upfront capital expenses, and that is a majority of the reason why the County is where it is. Chairman May said there are reasonable expectations for an undertaking like this. The County will have to (i.e.) mow lawns and fix light switches to manage the park, but the challenge is getting to a point where they can make that one liability to go away.

Mr. Fisher said:

- First 2 years tried to get naming rights sponsor, but until couple years business, no one wanted to pay what County wanted; now have sponsor, and an average of \$150,000/year goes back to project
- First year had lots of signage; most year one sponsorship dollars will pay for signage; next year will not pay for signs
- Revenue sources will make business operations more successful; normal with startup – establish marketplace; get customers, make them happy, they come back to spend money, artists like it and come back, etc.
- All signs point to very successful and growing business

Chairman May said the Legislature is entitled to know and understand that there is one liability that is the difference between black and red. Profit has not been promised or established as a goal. It was promised that it would not be a burden to taxpayers, and it sounds like there is effort to get there. Chairman May said this session did not go as he wanted, and apologized for working off the sheet without numbers or facts.

Mr. Jordan believes he can speak for everyone in the Legislature that the hope is the amphitheater is as successful as possible. He did not support the amphitheater project in the first place, but Mr. Jordan is in favor of it being a success. The one criticism is that there is a lot of talk about transparency, and this is as not as transparent as it can be. Mr. Jordan clarified for Chairman May:

- Mr. Jordan is not an accountant; had conversations with Comptroller's Office and others
- Bottom line – any expense, regardless of what pocket it is coming out of, is a County expense
- To say debt service should not be factored in is crazy
- Debt service being paid for with gambling revenue does not mean it is not an expense of the County
- Its taking County revenue for an aspect of operation; to say it is not an expense is the opposite of transparent
- Seems to be push to make it seem as financially successful as possible; do not think it's transparent
- If want to say it's a good thing to do because makes community more livable and enjoyable, so be it; valid justification; but do not say it is more financially successful than it truly is
- Brand new venue, but big screens have distortions
- Are they not covered in the winter? Why isn't the vendor coming in to replace the screens?

Mr. Fisher responded that the outdoor marquees are exposed to wind, water and all kinds of things. They are commodities now, and they can replace each little board. There is a funding source to do that, and continue to do that. The marquees will not have to be upgraded or replaced. Mr. Jordan feels if it is something designed to be in the elements, then there would be protections. Is there a warranty? Mr. Fisher responded that they can buy an extended warranty, but it is expensive. They are out of warranty, so it is on the County to replace the components, which will be included in the budget. When SMG gives the County their budget, they factor in what they spent this year in replacing the failed components, and what they are expecting to replace next year.

Mr. Hollander (SMG General Manager) added:

- The boards are put away in the winter, and brought downtown; some are put into service at OnCenter, but all are maintained, and put away for the next season
- Devices are electronic; even when maintained properly, they do fail; manufactured in components, which can be replaced; over last season they have done that; send back to manufacturer for refurbishing or replacement
- SMG capital planning includes plan for future replacement of each of these boards based on anticipated life cycle

Chairman May said through the process there was an establishment of a reporting process, and they need to figure out a form of regularity updating the Legislature three times a year. There are strategic times to talk about financial operations of the amphitheater. Chairman May would like to visit when they can talk about it, how they will talk about it, and what form that will take.

Mr. Maturo answered Mr. Ryan's question that the County gave SMG \$850,000 in cash to run the amphitheater. The first year they ended the year with a \$444,000 deficit, and the second year's operations had another operating deficit. \$850,000 in cash with a deficit, reduces the cash. At the end of 2017, there is a deficit of \$625,000 in that project. Mr. Ryan asked how they anticipate recovering in the long term. Mr. Maturo replied that the hope is that the amphitheater makes money. Mr. Morgan commented that going forward, the expectation is that there are operating surpluses that will lead to him being able to ask for the initial subsidy of \$850,000. In two years, there is no ability to recoup the money, but hopefully as the amphitheater operates, there are surpluses. Mr. Maturo commented and answered Mr. Ryan's questions:

- This is one operation; this is not the County and SMG; amphitheater is a County run operation
- Hope is the amphitheater makes money, so County not only gets \$625,000 back, but starts making profit
- That profit can be appropriated, and put back into the amphitheater; that is the goal
- It is not asking for money back, but amphitheater making a profit
- Difference with regular startup business is that this is not a loan, but County money
- Taxpayers are out that money right now

Mr. Ryan asked if there is an increase in participation, and are more acts being booked. Mr. Fisher responded that SMG was sitting numbers of 150,000 in attendance, and have exceeded those estimates for 3 straight years. Mr. Ryan wants to have a conversation about how many people are using it, and the effects on businesses.

Mr. Rowley asked when the SMG contract expires. Mr. Hollander agreed with Mr. Fisher that the contract is extended to 2021, with an additional three year option still available. Mr. Rowley asked if it is up to the County Executive to extend it or not (Legislature does not act). Mr. Fisher answered that he is correct. After that, there would have to be a procurement process and RFP, which would be the basis of the contract awarded.

Mr. Rowley asked if the naming rights funding stream is accounted for within SMG's books, or is it a net amount in the project. Mr. Fisher answered that in the first instance it is paid to Live Nation, but Live Nation's agreement with SMG says they share revenues. At the end of the year, the revenue goes to SMG's coffers. Mr. Fisher agreed with Mr. Rowley that the revenue is netted in the operations that SMG reports to the County to include in the budget books.

Chairman May called for a recess at 10:37 a.m. The meeting reconvened at 10:44 a.m.

Facilities Management: (5-8) Archie Wixson, Commissioner; Karen Hajski, Accountant

Mr. Wixson stated Facilities has done a good job, they will be in on budget, and reviewed the following:

Facilities Management Funding Adjustments

The following funding adjustments from the FY 2018 are necessary to support the FY 2019 program:

Appropriation Adjustments

▪ Personnel

Net increase of \$251,444 due to aligning overtime costs with historical actuals and step and wages increases

- **Maint, Utilities, Rents**

Net increases of \$256,072 due to forecasted utilities costs based on anticipated usage and pricing

- **Professional Services**

Net decrease of \$254,020 due to price decreases for the energy consulting contract

- **All Other Expenses**

Net increase of \$18,939 due to contract increases for trash removal services and security guards

- **Travel & Training**

Net increase of \$5,160 due to anticipated costs for credit card fuel purchases by County Departments

- **Automotive Equipment**

Net increase of \$44,500 for one new vehicle acquisition that would assist with plowing on the downtown campus as well as grounds maintenance work

Revenue Adjustments

- **State Aid- General Govt Support**

Net increase of \$35,639 due to salary and wage increases that factor into the reimbursement for Courts maintenance, grounds care and trash removal

- **Svcs Other Govts – General Govt Support**

Net increase of \$149,010 due to estimates for postage charges, MLR charges for Court Administration, and Abstract Charges to the City of Syracuse

- **Svcs Other Govts – Public Safety**

Net decrease of \$134,291 due to declining debt service costs for the Criminal Court House as issuances are paid off

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Mr. Wixson stated local dollars are down a half million dollars, they are asking for one vehicle, and they are only asking for wage increases by contract.

Mr. Jordan said the Parks Department talked about a 90% increase in the cost of garbage removal, and asked why Facilities is showing a less significant increase. Mr. Wixson responded that Parks has 19 parks, and the majority of Facilities' dumpsters are between 5 buildings. Parks has a service charge attached to the tipping fee that they cannot defray, because it is a specific location. Facilities locations include the Civic Center, CFS (Center for Forensic Sciences), Board of Elections and PSB (Public Safety Building). Ms. Hajski added that they were able to take the hit away from trash and security cards by reducing postage costs. Ms. Hajski agreed with Mr. Jordan that the garbage removal expense went up more, but was offset with postage.

Mr. Knapp commented that the new veteran's room and box seats at the War Memorial are tremendous, and they did a beautiful job.

Chairman May said there is an increase in Other Miscellaneous Revenues of \$49,000, and asked what that is attributed to. Mr. Wixson responded that \$26,000 is for reimbursement for concert coverage from SMG. Also, there are other revenues for tasks done at the War Memorial, Disney on Ice, and other operation supported events. Chairman May asked if they will be coming in higher than the modified budget amount given the Bowling Congress. Mr. Wixson explained:

- Will have a reconciliation at the end of the year; since 2010, department able to run in the red on the personnel line for coverage at (i.e.) bowling congress and amphitheater, etc.
- This year, advised not to do that; need to move money to cover that; reimbursements in revenue line
- This year projected appropriations and revenue to balance

Onondaga County Public Library (OCPL): (3-98) Janet Park, Executive Director; Santina Dalfo, Accountant; Mark Carter, Administrative Director; Dawn Marmor, Branch Libraries Administrator; Dr. Dane Dell, Director of Library Information Systems

After introducing her team, Ms. Park read from the following:

Onondaga County Public Library Funding Adjustments

The following funding adjustments from FY 2018 are necessary to support the FY 2019 program:

Appropriation Adjustments

- **Personnel**

Net personnel increased by \$172,545 due to salary and wage adjustments and the addition of one Librarian 3 who will work as a dedicated Manager at one of the Syracuse Branch Libraries funded by the City Abstract

- **Professional Services**

Net increase of \$82,719 due to higher contractual cost for security

- **Travel & Training**

Net increase by \$5,000 to increase training opportunities for new and existing staff, particularly regarding technological upgrades and safety procedures for OCPL facilities

- **Furniture, Furnishings & Equipment**

Net decrease by \$47,550 because the costs of New York State construction grant projects are projected to be lower in 2019 and require OCPL to match a smaller amount as a result

- **Provision for Capital Projects**

Net increase of \$45,000 for the installation of temperature-controlled server closets at 7 branches, concrete stair replacements, as well as flooring and fence repair projects

Revenue Adjustments

- **A590017-Federal Aid - Culture & Rec**

Net increase of \$37,515 due to anticipated increases in Federal funding

- **A590027-State Aid - Culture & Rec**

Net increase of \$127,077 due to anticipated increases in State funding

- **A590037-County Svc Rev - Culture & Rec**

Net increase of \$1,500 due to anticipated increases in late fees and fines

- **A590047-Svcs Other Govts - Culture & Rec**

Net decrease of \$321,789 for City Branch Abstract revenue due to lower employee benefit expenses than in prior years

- **A590083-Appropriated Fund Balance**

Increase of \$166,566 of Central Library Fund Balance to offset operations

- **A590070-Interfund Trans - Non Debt Svc**

Decrease of \$428,915 primarily due to the reduction in employee benefit estimates

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Mr. Jordan said Ms. Park indicated the Library III position will be funded by the City Abstract, as well as the capital improvement, yet there is a decrease in the Services to Other Governments line. It does not appear that the abstract is picking up those expenses. Mr. Morgan explained:

- City Abstract - majority of items are billed to city based on budget with 2 year reconciliation - true up what the actuals are and make appropriate adjustments in the positive or negative
- Large prior period adjustment bringing down abstract revenue this year due to employee benefits being over budgeted
- Can have negative or positive items in 2 year reconciliation period; in this case, negative to tune of quite a bit of money

Ms. Park responded to Mr. Jordan that they are creating four new titles, but have unfunded comparable titles to fund these positions; zero net effect.

Mr. Rowley asked what the Provision for Reserve of Bonded Debt is in this budget. Ms. Venditti answered that it is to offset expenses for the Branch Infrastructure Improvements Project; 10 year agreement. Last year there was a reconciling item to take care of, so there was an adjustment in 2019 (should have been \$270,000). Ms. Venditti answered Mr. Rowley that it is for the branch libraries, and it is funded through the abstract.

Mr. Rowley wanted to know the strategy behind blowing through the appropriated fund balance. Mr. Morgan explained that the strategy is to use every dollar they have in fund balance, because it is not the Library's fund balance; it is general funds. It is the same as DOT. They do not typically let the departments hold onto fund balance. Mr. Rowley said there is \$680,000 of fund balance being used, which means they would have to make up for that next year with local dollars. Mr. Morgan said it is the same as the general fund. Chairman May asked if they will use the \$500,000 appropriated this year (2018), as Mr. Morgan alluded to. Ms. Park replied that they are on track to use it. They have had a lot of turnover this year, so Ms. Park is anticipating a lot of salary savings. Chairman May interjected that they may use it, but find money elsewhere, and Ms. Park agreed.

Mr. Ryan stated that the 8th district is home to four County libraries, and thanked Janet (Park) for getting the renovations done at Mundy.

Ms. Park replied to Chairman May's questions regarding the increase in Professional Services for security:

- Security services have gone up; County switched vendors, so increase of 30-50% depending on level of guard (1,2,3)
- Higher level security services needed at Central Library downtown
- 61% of incidents occurring in librarian system happen at Central Library
- Been having security meetings reference 400 block of Salina; banding together; using SUNY Upstate police force
- Deputy Chief Joe Cecile is increasing walking patrol downtown; not just Library, but whole area
- 400 block coming into its own with hotel and Allyn Foundation; increased traffic requires increased security
- Branch expense billed on abstract; Central Library costs are local dollars

Chairman May said Other Employee Wages and Supplies are down ~\$34,000, and asked if a grant was lost. Ms. Park responded that they did not lose any grants. Mr. Morgan said the 2017 actual was ~\$14,000, so this is a little higher than what they had in 2017. These are estimates when going through budget cycle.

Chairman May asked what accounts for the decrease of \$66,000 in Professional Services under the grants budget. Ms. Park answered:

- Part of problem with grant budget is the Automation Grant
- In past years it was put in operating budget, and some years pulled out; effects where the expenses are hitting
- 2017 - \$71,000 in grants; planning on putting in grant fund in 2019, not operating; lost track when put in operating budget; roughly get \$71,000/year for Automation Grant

Chairman May said nothing was budget for federal aid on the grants side, and asked why. Ms. Park replied it was an accounting choice of where to put the E-Rate money. Ms. Venditti commented that there are other miscellaneous revenues in the grants budget that are up \$100,000 in anticipation of an award.

Ms. Cody stated that OCPL is providing access to free legal services and social services, and asked Ms. Park to expand on that. Also, is there any cost to the free legal services? Ms. Park replied:

- Legal services are totally free; like clearing house to get people started
- Seeing in urban libraries across country - people turn to public library for more than books; look for social service support or job hunting; trend for libraries to provide the social services support
- Trying to partner with as many providers as they can; librarians are not equipped to provide these services
- Recent meeting with Sarah Merrick to see if they can bring in peer to peer counselors; make the library (especially Central Library) a site where counselors can set up shop to touch people that are not in the system yet
- Would help Library, because those people are usually the ones to cause problems; if they can get services needed, whether (i.e.) mental health issues, job counseling or homelessness; then can provide them with regular library services
- Trying to do this through partnering with organizations (i.e. Planned Parenthood, Catholic Charities)

Ms. Park answered Mr. Ryan's questions:

- Share County's vendor - Trace Assets Protection; staffs all the branches usually in evening

- One Trace guard added to Central, because they are a true security firm
- Central security provided through a Community Engagement Team; Tim Jennings-Bey company Unbelievable, Street Addiction Institute; different approach, and trying to be more empathetic, rather than true guards
- Branches have exact same number of hours, but contract costs went up; no increase at branches
- Central stayed with same hours, but added one guard from Trace Assets – significant challenges at library
- Community Engagement Team has street smarts to pick up on cues others would miss; continuing with them
- Chart of incidents at all branches which includes theft, drug overdose, verbal abuse, harassment, etc.; whole gamut

Mr. Bush asked if they plan to expand the social services outreach to the member libraries. Ms. Park answered that they have talked with some of the member directors, and there is a need for all of them. All of the libraries are interested in doing it, and as Central starts partnering, they will have opportunities to show the member libraries what they are doing. Many of these agencies have satellites that go throughout the County. Ms. Park added that she is going to a conference in November where the keynote speaker is discussing the homeless in libraries, and the need for social support.

Chairman May stated the friends groups powered and driven by volunteer boards are fantastic to Onondaga County government, and those serving in those positions should be appreciated by everyone. Thank you to all who do that.

Transportation Department: (5-76) Martin Voss, Commissioner; Thomas Gottstein, Senior Management Analyst; Ayanna Moore, Administrative Director

Mr. Voss read from the following:

County Maintenance of Roads Funding Adjustments

The following funding adjustments from the FY 2018 are necessary to support the FY 2019 program:

Appropriation Adjustments

▪ Personnel

Net increase of \$30,320 due to increases in projected overtime costs offset by the transfer of function of 4 fiscal positions to the Division of Financial Operations to continue the countywide consolidation of fiscal services

▪ Supplies & Materials

Net increase of \$34,192 based on the estimated number of tons of salt for the winter season

▪ Contractual Expenses Non-Govt

Net increase of \$49,212 as per the 2% increase for the Town Plowing Contract

▪ Professional Services

Net decrease of \$9,548 to better align spending patterns with historical actuals

▪ Contingent Account

The net decrease of \$420,261 is a result of not budgeting for an estimated severity factor pass-through payment for the Towns as per the Town Plowing Contract. Once the severity factor is known, the budget should be modified to accept the revenue and appropriate the funds to make payment to municipalities

▪ Provision for Capital Projects

Net Increase of \$1,204,457 due to increased local support for road and bridge work

▪ Transfer to Debt Service Fund

Net increase of \$90,098 based on scheduled payments for bond issuances and anticipated use of reserves

Revenue Adjustments

▪ Non Real Prop Tax Items

Net increase of \$59,737 based upon estimates for vehicle registrations in Onondaga County

- **Interfund Trans – Non Debt Svc**

Net increase of \$1,053,459 to support cash for capital projects, interdepartmental charges and debt service costs

Road Machinery Funding Adjustments

The following funding adjustments from the FY 2018 are necessary to support the FY 2019 program:

Appropriation Adjustments

- **Supplies & Materials**

Net increase of \$201,343 due to increases in the estimate price per gallon for regular and diesel fuel

- **Maint, Utilities, Rents**

Net decrease of \$24,278 based on estimates for utilities usage and costs

- **Automotive Equipment**

Net increase of \$3,200,000 for the purchase of 13 new snow plows

Revenue Adjustments

- **Sale of Prop and Comp for Loss**

Net increase of \$212,380 based on estimates for sale of replacement vehicles as a result of the purchase of 13 new snow plows

- **Interfund Trans – Non Debt Svc**

Net increase of \$3,194,607 mainly to support new vehicle purchases

Chairman May asked how many 103 employees they have, and how many are retirees. Ms. Moore responded that they are using 4 retirees, and for 2019 they are adding 8 MEO (Motor Equipment Operator) 1s.

Chairman May stated Supplies and Materials decreased last year due to savings from salt, and Mr. Voss interjected that they got a new salt vendor last year that was substantially less expensive than the prior vendor. The problem is that they used more salt, because it was a heavier winter. Mr. Voss responded to Chairman May that the increase is based on trying to accurately predict the quantity. The department buys around 55,000 tons a year, so it's hard to estimate what they will use. Chairman May asked if the contracts are multi-year, year to year, or season to season. Mr. Gottstein responded that they are renewable one year contracts for three years.

Chairman May asked how many miles they will pave in 2019 (under Provisions for Capital). Mr. Voss ball parked it at around 20 miles. Transportation has roughly 800 miles of County road, and on a 10 year cycle, they should be doing around 80 miles per year. Given the fiscal constraints, they do what they can with the revenue they have. Chairman May understands things come up, and said they have been responsive and helpful.

Mr. Gottstein answered Chairman May that they have three or four 6-Wheel (plows), and the rest are 10-Wheels. Mr. Voss said there are 74 total trucks, but some in disrepair; approximately 70 10-Wheels. All of the vehicles they are asking for are 10-Wheels. Chairman May asked how many plows are out during a given event, and Mr. Voss responded in a significant snow storm County wide there are 60 (15 per section).

Chairman May asked if they anticipate finishing on budget, and Mr. Voss said yes. Mr. Gottstein commented that they had a tough winter, so the salt and overtime accounts are going to be tight. Mr. Morgan added that it depends on how the start of the next winter goes.

Mr. Voss responded to Mr. Knapp's questions reference plow trucks:

- Newest plow truck bought in 2016 (1); have purchased a few stainless steel sander boxes
- Would not complain of quality of interior of plows; does not affect functionality, but when hydraulics and transmissions are going, it's not good; very dedicated people working ridiculous hours in winter to keep roads clear
- Request for 13 in budget

Mr. Jordan asked if the stainless steel boxes they purchased can be transferred to another vehicle. Mr. Voss explained that the stainless steel boxes are on trucks that are falling apart, so they will stay with those trucks at

that stage. The new trucks all come with boxes on them, and Mr. Voss clarified that they are not getting rid of any of the trucks with purchased stainless steel boxes.

Chairman May asked for a status on the facilities, and Mr. Voss said:

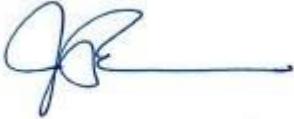
- Finished Camillus Maintenance Facility in Warners; able to save money by building and constructing own salt shed; poured foundation and set footers; assembling kit in next few weeks; saving \$350,000 by not having contractor install
- New fueling island up and running; fantastic job pouring concrete; entered into new shared services agreement with Town of Van Buren; cost avoidance for town by using facility, and it's within 3 miles of their new highway barn

Mr. Burtis asked how much the salt shed cost, and Mr. Voss responded that they can buy a salt shed for 1,000 tons or 10,000 tons. The County is doubling the size from 2,600 to 5,500 ton capacity. The low bid was around \$685,000, and the cost for the kit is around \$315,000. It was a summer project for two crews, including the bridge crew that did not have as many bridges this year. They dug the holes, set the foundation, and the County's land surveyor squared off the corners. The order is at least half the price.

Chairman May announced that there is a personnel session scheduled for 11:30 a.m. that will be postponed, and the departments will be informed on when that meeting will happen. The Legislators received a very detailed report on the personnel changes, so there is clear information given for review.

The meeting was adjourned at 11:34 a.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'JM', followed by a long horizontal line extending to the right.

JAMIE M. MCNAMARA, Assistant Clerk
Onondaga County Legislature

ATTENDANCE

COMMITTEE: WMS Review of 2019 Budget – County Facilities Depts

DATE: September 24, 2018

NAME (Please Print)	DEPARTMENT/AGENCY
LEE KLOSOWSKI	PARKS
Tina D'Alfo	OCPL
Peggy Fabric	Board Pres., Friends of the
Matt Campbell DMB	Central Library
Tom Gottstein	DOT
ANNA Moore	DOT
Kathy Giffu Sm	OCPL
Renate Dupsmore	OCPL
GLENN WISNIEWSKI	Liverpool Public Library
Clinton Cox	OCPL
Mark Carter	OCPL
Dane Dell	OCPL
Janet Park	OCPL
Archie Wixson	Facilities
Karen Hajski	"
Dawn Tarmar	OCPL
Mary Beth Primo	C.E.
BILL FISHER	CE
Steve Morgan	DMB
Tara Verditti	"
Mat Hollander	SMG
Aaron Kohler	DMB

ATTENDANCE

COMMITTEE: WMS Review of 2019 Budget – County Facilities Depts

DATE: September 24, 2018

NAME (Please Print)	DEPARTMENT/AGENCY
Bill Langley	Parks
Jennifer Fricano	Parks
Seth Grossbeck	Parks
Mark Matt	
Jim Maturo	Compt.
Matt Beadnell	Comptroller
EDWARD KOCHIAN	CCPL (Library)