



Onondaga County Legislature

JAMIE McNAMARA
Clerk

DAVID H. KNAPP
Chairman

MELANIE VILARDI
Deputy Clerk

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WAYS AND MEANS COMMITTEE REVIEW OF THE 2021 TENTATIVE BUDGET PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT – 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

Chair Burtis called the meeting to order at 10:31 a.m.

INFORMATION TECHNOLOGY: (3-44) Kevin Sexton, Chief Information Officer

- Acknowledge team for job done this year – been incredible; need to create remote work environments through COVID
- Expanded VPN environment to over 1,100 employees; deployed laptops to remote County workers; loaned out MiFis; set up WebEx and Zoom for virtual meetings; deployed smart phones on remote PCs and laptops for forwarding numbers to support County phones; developed COVID-19 website for Health Department
- Set up COVID testing appointment portal for dozens of COVID testing events (almost 10,000 registered on sites), which also helped opening schools
- Print Shop – tremendous job with short notice for specialty posters and flyer orders from County Executive's Office and Health Department
- Without IT's team efforts, County departments would not have been nearly as successful and productive as they were
- Biggest accomplish - PeopleSoft HCM (Human Capital Management); challenging, complex, long time coming
- Acknowledge team members on the project: Michele Clark, Deputy CIO; Carl Hummel and Personnel Dept.; Marty Masterpole, Bill Ryan and Comptroller team; partnerships crucial to getting this live
- 2021 budget - follow directives of the County Executive and CFO Steve Morgan; IT submitted draft budget almost \$1.2 mil less; 11% down from 2020 adopted budget; will refer to as 2021 baseline budget

Mr. Sexton read the following handout:

City / County IT Merger Review

Goal:

Combine the Information Technology operations of Onondaga County and the City of Syracuse to create a more efficient and cost effective service entity for both municipalities.

Benefit(s):

Merging the Onondaga County and the City of Syracuse IT Departments will promote shared services and economies of scale while achieving savings in spending. Both the County's and the City's IT Departments are facing substantial budget pressures and struggle to recruit and retain technical staff. Merging IT departments will allow both the County and the City to share resources and provide back up for critical operations while promoting definitive cost savings. Both departments perform many of the same functions currently such as:

- Helpdesk and desktop support
- Email Administration
- Server/VM Administration
- Active Directory & Network Support

- Application Support
- Backup, Storage, Business Resumption & Disaster Recovery
- Information & Cybersecurity, End Point Protection, etc.
- Internet Services
- Telephone / VOIP Administration

One entity with centralized management would allow for a more efficient delivery of the services. Onondaga County will obtain 7 skilled technical resources day one. The City IT Director is well researched and will be a great asset to have in continuing to strengthen and standardize our CyberSecurity programs. The City Syracuse will benefit from a strong project delivery team in County IT, something that a lack of staffing makes unavailable for the City.

Current Year Staffing:

County IT:	(46) Filled Funded Positions
	(14) Vacant Funded Positions
City IT:	(07) Filled Funded Positions

Initial Financial Overview:

- The 2020/2021 City IT budget is approx. \$1.9 Million. In reviewing planned City expenditures, we identified \$136,000 in year one consolidation savings we reduce the professional services spend for software, server and network support. We also identified a number of expenditures centralized within the City IT department that are more appropriately charged to other City departments. This reduces the City IT Department needed funding to \$1.5 Million. This amount will be covered via the City / County Abstract.

Merger Funding:

The total cost of the merger (as demonstrated in the 2021 County IT Budget) will be \$1.5 million. All merger costs incurred by Onondaga County will be funded via the annual City Abstract, commencing with the 2021 abstract. Even with inclusion of the merger costs, the total Abstract charges will be \$573,000 less than current year.

Considerations / Approvals:

- Funding is included in the 2021 County Budget via revenue from the Abstract.
- An IMA has been submitted for City review and will be provided to the County Legislature and City Council for their consideration(s).

Mr. Sexton continued:

- 10% admin fee for work done by County staff to support City; Abstract – less \$573,000 than current year
- Anticipate further savings as consolidating licensing and support; will prepare assessments on all IT areas with costs associated - licensing, support and maintenance; will also project short and long term cost savings over the years
- Many opportunities – deploying VOIP; reducing network support costs that overlap; retiring overlapping software, licensing and support; bring city printers onto County Toshiba contract; consolidate and standardize endpoint and internet filtering protection; reduce professional services (network support); combine internet services; take advantage of volume licensing with county buying power
- Asking to consider proposal with additional \$1.5 mil to County IT budget; understanding City and County Abstract to follow for Legislature review; also IMA outlining obligations and expectations for consolidation

Mr. Jordan asked what the reduction in IT's budget is without the merger, and Mr. Sexton responded \$1.2 mil decrease. Mr. Jordan said the proposed IMA says that any time County IT staff spends doing work for the city will be billed back to the city on an hourly basis. Is the County tracking the hours, then billing back for wages and fringe benefits? Mr. Sexton replied:

- Correct to an extent; County is not billing the city back directly; would substantiate what services were provided and costs associated, then reconcile the abstract with the amount for the 10% administration fee
- Would know if over or under; IT staff is to enter time entry (and any other staff doing city specific work), then would total fringe and salary associated with it
- \$1.5 mil total estimate; admin fee is 10% (\$139,000); time entry for total year goes either way, then reconcile abstract

Mr. Morgan added:

- Base costs moving over from city - personnel and associated costs are \$1.5 mil less the admin fee; initial year will charge flat admin fee, since do not know exact amount of county internal admin that will support city operation

- First year flat fee; reconcile to make sure County at least provides up to that level; going forward, they will have better idea on how the operations meld, and can identify exactly what the costs are
- Initial year, hoping 10% (~\$150,000) is sufficient to cover admin costs incurred by Kevin Sexton and his team within the County; whether it's part IT, Budget, Finance, Payroll; inherent costs to bringing in city employees
- Hoping flat fee will cover costs; will track and ensure they do; going forward will be able to bill specifically

Mr. Jordan said if the seven city employees that are coming over have a total cost of \$700,000 per year for salary and fringe, then the County is not charging the city \$700,000 per year. The County is charging the city for the time those employees spent doing city work. Mr. Morgan answered:

- First County will make sure to cover every single dollar moved over from city's budget; all costs associated with positions and related costs amounts to ~\$1.3 mil; first and foremost will get money back
- What they do not know is what that additional admin cost will be on top of that; will apply flat 10% first year
- Hope it will be sufficient to cover; going forward will not have to estimate; ensuring all costs covered one way or another; net zero impact to County budget

Mr. Jordan said they will track the time employees are spending on city work, but if they are only doing half the time on city work, then the County will adjust that. Mr. Morgan agreed that there will be a reconciliation. Just like every other item on the abstract, the County will track the actuals, then reconcile (2 year lag). The bottom line is that everyone gets their fair share of the operation.

Mr. Sexton answered Mr. Jordan that seven employees from the city are coming over to the County, and there are two part-time employees and a project manager that will remain at the city. Chairman Burtis asked where the seven employees will be located, and Mr. Sexton responded that right now they will be staying where they are (working remotely). Mr. Sexton said about 70% of his staff are also working remotely, and the only time someone has to be onsite is for physical work (i.e. installing a hard drive). There will be a plan over the next year concerning where those seven employees will be. It makes sense to have them be part of the team for knowledge transfer and best practices.

Dr. Chase stated the IT Department has done a wonderful job keeping everyone connected and allowing departments to continue during their work in this awful time.

Mr. Ryan asked Mr. Sexton to clearly define what the 10% admin costs will be. Mr. Sexton responded:

- Want to make sure it does not cost County anything to support city; if IT staff is spending any work hours supporting city environment, will track that time and total the funds
- First year - 10% (\$139,000); if exceed, then raise admin fee; if they do not, then reduce

Mr. Morgan commented:

- First year without knowing what the mix of work will be and level of effort from city and County, will make sure every dollar transferred from the city to the County is covered
- Initially will move positions and costs; city employees will sit in Civic Center and continue to do what they are doing
- Next year, Mr. Sexton and his team will have better idea of what it will cost to support city and County

Mr. Ryan said that hopefully next year they will realize there were not as many admin costs and they will be working together, so both will be able to make more efficiencies and save money. Mr. Donnelly interjected that the benefit is that the County is bringing in seven trained professional IT people. One issue over the years with IT is finding people to fill positions. The hope is that Mr. Sexton's team will work on city IT matters, but also the city people will learn County IT to be melded into one. 10% is an educated guess, and Mr. Donnelly hopes that goes down. Mr. Ryan has no issue with County people doing city work, and vice versa. Mr. Donnelly said the intent is to have two departments merging not collocating.

Chairman Knapp stated they have a good template with the Purchasing Department doing this for some time and asked if there are other systems or software that is shared with the city besides PeopleSoft. Mr. Sexton responded:

- Everything brought over to budget is close; can eliminate 1 and choose 1 as a standard; in most cases that will be the goal; those specific to the city will stay on the city's budget
- Want to standardize; County on Office 365 with cloud email; city using Outlook Exchange on servers at city; would like to migrate them with the County for full features and staying supported; works well
- Have redundancy in cyber security tools; will standardize; have endpoint protection called Cylance – city uses and County uses; will continue to and be on one; consolidate

Mr. May said there are seven funded positions and asked if they would be able to clean up titles that are unfunded. Can the Legislature abolish positions Mr. Sexton is not using? Mr. Sexton agreed and said there are a lot of unfunded positions on their roster. They would like to keep a surplus for flexibility, but they are willing to do a cleanup. Mr. May asked for suggestions before they wrap up.

Mr. May said the \$136,000 is savings for the city, and Mr. Sexton answered yes. Mr. May stated they talked about efficiencies and knowledge and asked if the County is getting anything over and above the city's savings. Mr. Sexton replied:

- Will be years 2 through 5 as they standardize and consolidate; volume license buying will come into play; have 2,900 users in County and city has 700+
- County has better buying power than city, so that is probably a wash; some opportunity for savings

Mr. Sexton explained about payroll in PeopleSoft:

- HCM - Successful implementation and very accurate; payroll clerks comfortable with it; less manual and tedious than previous software (30 years old)
- Will gain efficiencies; going through phase 2; trying to reduce paper forms

Mr. Kinne asked if the Legislature is staying on this budget schedule next year, or will it go back to the old way. Chairman Knapp replied that it is up to the Legislature. The schedule this year was for this year only, and they will evaluate it for next year.

Mr. Kinne said city tax payers who pay their water bill the old fashioned way use regular mail that goes to Binghamton, and he asked if this is a banking issue, or a technology issue. Mr. Morgan responded that it's probably a bank issue if they are using a lock box service. Mr. Ryan said that is correct.

The meeting was adjourned at 11:01 a.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Jm', followed by a long horizontal flourish.

JAMIE McNAMARA, Clerk
ONONDAGA COUNTY LEGISLATURE

ATTENDANCE

COMMITTEE: WMS 2021 BUDGET REVIEW

DATE: NOVEMBER 6, 2020

NAME (Please Print)	DEPARTMENT/AGENCY
M. E. To	WEP
K. C. Hall	Parks
Br. Kelly	Parks
Justin Sikes	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 Hummel	Personnel
Rustan Petrela	WEP
SHANNON MANN	WBP
LISA CANSIGLIO	WBP
Phil Britt	Comptrollers
MATT HOUDELL	Asm - ONCENTER

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DATE: **NOVEMBER 6, 2020**

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