

Office of the Onondaga County Legislature

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DEBORAH L. MATURO
Clerk

JAMES M. RHINEHART
Chairman

JOHANNA H. ROBB
Deputy Clerk

SPECIAL WAYS AND MEANS COMMITTEE – SEPTEMBER 7, 2010 CHAIRMAN CASEY JORDAN

MEMBERS PRESENT: Mr. Lesniak, Mr. Holmquist, Mr. Buckel, Mr. Kilmartin, Mr. Stanczyk

MEMBERS ABSENT: Mr. Kinne, Mr. Corbett, Mr. Warner

ALSO PRESENT: Chairman Rhinehart, *see attached list*

Chairman Jordan called the meeting to order at 11:37 a.m.

1. BOARD OF ELECTIONS: Helen Kiggins, Edward Ryan - Commissioners

a. Bond Resolution Authorizing the Purchase and Renovation of Real Property Located at 1000 Erie Boulevard West in the City of Syracuse for Board of Elections Offices and the Storage of Voting Machines at a Maximum Estimated Cost of \$400,000 and Authorizing the Issuance of \$400,000 Bonds to Pay the Cost Thereof

- Currently storing machines at a rented location on Thompson Road – roof leaks, not air conditioned, dusty, 8 miles away from the remaining staff – will be there through November
- Facilities Management found a building that will meet BOE needs
- Building is far more accessible to public; plenty of parking
- Offices, equipment and supplies would all be moved to one location
- Training area will be provided in the building
- 25k sq. feet; some needs to be insulated; approx. 7k – 8k sq. feet of controlled environment is needed, the rest of the area for storage can be kept at 45° - 50°

Chairman Jordan said that there is quite a bit of unoccupied space or underutilized county-owned buildings and questioned if they were considered. Mr. Lynch said that he is not aware of any 25k sq. ft. facility that the county owns. Chairman Jordan said that he has not been provided with a list of existing facilities that the county owns that are not being utilized. Mr. Ryan said that three years ago Mannie Barbas looked at all county facilities. Approximately a 12 sites were looked at that were for sale or rent, and the current location was selected. Mr. Lynch said that a list of properties was obtained regarding all properties that the County owns. In answer to Mr. Jordan, Mr. Lynch said that the new building will be bought for \$16/sq. ft. Warehouse space is relatively inexpensive if it is in an unsecured, unheated building. Typically for office space in the front and storage space in back, the cost is \$25 - \$30 per sq. ft. This building is clean and move-in ready. They looked at 12 – 15 buildings for lease options, buying options and felt this was the best deal for the money.

- Current building lease is approximately \$4,000/month
- Bonding \$400k - 10 years would be \$50k/year; bonding for 20 years would be \$30k/yea

Mr. Lesniak noted that the cost is close to what is being paid for in the current lease for only storage space and no office space. Mr. Lynch said that there is also no training room at the current location.

- Building has been appraised
- Environmental study was done in 1996; recommendation from Law Dept to update the environmental study – will be completed prior to purchase; contingency in purchase contract
- Facilities Management has analyzed the HVAC, mechanicals - plumbing, electrical, roof
- Roof is 8 years old; all HVAC has been replaced within the last 8 years
- \$65k for retro fit – will use refurbished, existing panels, in-house labor. Typical cost is \$4,000-\$5,000/person to relocate. Mr. Lynch felt that the \$65k is a close estimate.

- Little needs to be done to electrical equipment; roof top units are new; some facade improvements are needed
- Two loading docks
- \$17,000 - estimated cost to move everything

Mr. Kilmartin asked what the rate would be for the bond. Mr. Seitz said that the numbers he provided was based on 4.5%, but it will probably be lower--probably wouldn't borrow until next summer. Mr. Kilmartin said that because of the cost of money, it should be made certain that all of the mechanicals, infrastructure, and all improvements for long term be considered and budget impacts analyzed. Mr. Ryan said that the capital expense is a little bit more, but the payback in long term is there on the energy side.

Mr. Buckel noted that the property would be taken off of the tax base; City and County would lose tax revenue. He asked if it has been considered in the lease vs. sale calculation. Mr. Rowley said that they have not analyzed what the tax impact would be. There are certain charges that he City would assess the County. It has not been discussed with the City.

In answer to Chairman Jordan, Mr. Ryan said that the current location being leased was recently bought out by a firm in NYC. They are supposed to redo the entire roof; a price of \$1.22 million. The leaks are fixed when they occur, but there is \$3.5 million worth of equipment there. They have to cover the equipment with plastic.

In answer to Mr. Lesniak, Mr. Lynch said that when the 15th floor of the Civic Center is vacated, departments will be contacted which have expressed interest in additional office space or storage space. DSS would be contacted first, as they are the largest department, to see if they have any future initiatives that would require more space. If they don't, then Facilities Management will reach out to other departments.

In answer to Chairman Rhinehart, Ms. Kiggins said that BOE has 16 FTEs. Chairman Rhinehart said that if the move to the new building will improve efficiency greatly, will there be any room for less FTEs. Ms. Kiggins said "no"; they are down 20% from last year. Mr. Ryan said that the only savings may be in hiring less temporary people. Ms. Kiggins said that current staff is stretched in 18 directions now; temps aren't able to do what the full time, permanent staff can do. They don't always get the same temps back, and there is a big training curve. Mr. Ryan said that other counties have far more staff that Onondaga Co. does. Chairman Rhinehart questioned if there is not going to be any projected salary savings, and the same amount of money is being spent, what is the efficiency. Ms. Kiggins said that there will be savings in temporary hires. Mr. Ryan said that staff will not need to run back and forth; there will be long-term savings for the County and there will be efficiency.

Mr. Antonacci asked if the Water Street gym was considered. Ms. Kiggins said that it was; it is not big enough. Mr. Ryan said that tractor trailers could not get in out of there efficiently, and it was only 8k sq. feet – not big enough.

A motion was made by Mr. Stanczyk, seconded by Mr. Lesniak to approve this item. Passed unanimously; MOTION CARRIED.

The meeting was adjourned at 12:05 a.m.

Respectfully submitted,

DEBORAH L. MATURO, Clerk
Onondaga County Legislature

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HEALTH COMMITTEE MINUTES, SEPTEMBER 8, 2010 ROBERT D. WARNER, CHAIRMAN

MEMBERS PRESENT: Mr. Laguzza, Mr. Meyer, Mr. Holmquist, Mrs. Ervin

ALSO PRESENT: see attached list (*Attachment 1*)

Chairman Warner called the meeting to order at 10:05 a.m. ***A motion was made by Mrs. Ervin, seconded by Mr. Laguzza to waive the reading of the minutes and approve the minutes of the proceedings of the previous committee meeting; MOTION CARRIED.***

Chairman Warner took the agenda out of order.

2. **VAN DUYN:** Roberta Sprague, Commissioner **a. Informational: HEAL 20 Grant**

Ms. Sprague introduced the following partners who were present at the meeting: Tom Quinn, Community General Hospital; Lynn Shepard Scott, Upstate University Hospital; Maureen Cerniglia, Administrator-Van Duyn; Michelle Brown, Van Duyn; Dr. Thomas Dennison, Syracuse University and also Ann Rooney, Deputy County Executive - Human Services. The four collaborators regarding this grant: Community General Hospital, University Hospital, University Medical and Van Duyn Home and Hospital; lead applicant is the County of Onondaga on behalf of Van Duyn and the CHIPS organization. In addition, an assisted living program or an adult day care program is a necessary component of this new concept. This is the beginning of something new and different throughout the community to reach a solution about Van Duyn and about where resources can be pulled upon to help people who are currently lingering in hospitals who cannot get out – from our community and from the 17 region area that the university deals with. At this time, this Heal 20 Grant is being called the CHIPS collaborative – transforming long term care, focusing on the future. The purpose and goals of the grant:

- To improve the quality, stability and efficiency of healthcare services in New York State. Right size the health care delivery system – to eliminate duplicative health care services consistent with the needs of the community. Promote alternative care at appropriate levels, cost-based on community needs.
- Reduce the rate of increased health care spending.

Ms. Sprague noted the following:

- Grant submitted on August 25th, should hear outcome on September 30th. Total grant amount - \$35 million. Proposal cost of new concept - \$71 million. Would bond for about \$36 million (with reimbursement with the Medicaid rate with a two year lag, would receive approximately eighty percent

back)

- Total net would be \$7.2 million for a \$71 million project.

Grant has two components:

- Technical Component (things they have been working on over the last two to three years): Transforming and upgrading the Van Duyn Campus infrastructure (have already done oil tanks, boilers, lighting, etc., this will would take that one step further): Reconfigure some units to be more cost effective and efficient, add assisted living on the 7th floor. Build out 7 green houses. Need to look at highway system as they would be bringing on more services to the campus. Transforming the operations at Van Duyn:
- Looking at co-boarding people within specialty units
- Look at doing specialized units that could include taking in people with more complex clinical needs – IV therapy, bariatric care, renal dialysis, specialized wound care, neurobehavioral, sub acute (for those who may be in the hospital who aren't ready to be discharged home), dementia, and possibly the pediatric population coming out of the Golisano Children's Hospital
- Improving education and training for geriatric care:
- A wealth of opportunity between the doctors and students at University Hospital and the doctors at Community General – bringing them into the facility, helping to build a continuum where by doing so they would not only have the resources to help with the care needs, but would also start to grow their own. This would have them on the campus working with the folks and learning from others who have been in the business. Would allow for people who are there who might want to help out on their time, work for home care agencies, work in the assisted living program, do some overtime from their normal jobs or studies; allows them to start building this continuum of getting people entrenched in learning and loving the whole field of long term care.
- Financial Component: If the grant is accepted, they would come back to the Legislature for approval to bond for the money - around \$36 million, with refunding that they would get back over time in their rate, they would get back about \$7.2 million.
- Included in this: build out of the green houses, changes within the building and infrastructure changes, changes on the 7th floor and partner with somebody to run an assisted living program (30 – 35 beds), the Behavioral Care Center people would be put back onto their own specialized unit co-boarded and offering that to another provider to run an adult day care program.

Grant would provide the following opportunities:

- To develop their own system of recruiting, educating and attracting caregivers. Specialized units would bring in people with higher level needs; reimbursements would go up, would affect the bottom line over time. Meets unmet community needs. Continues a safety net mission while providing support for their collaboration with others, broadens their base, expands their expertise
- Freshens the canvas with state-of-the-art facilities.

Mr. Warner asked about the possible merger of Community General Hospital with University Hospital. Mr. Quinn said it is an active study – will likely take the form of an acquisition by the State, many things have not been determined from both the clinical consolidation implications (what services, at what campus, to what degree), there is also the financial impact. Dr. Dennison noted that Van Duyn takes one of the highest percentages of difficult to place patients from hospitals; they are looking to the future for a more streamlined less vulcanized system of care as somebody moves through the system. Community and Van Duyn have a special relationship as a result of the Berger Commission and have a common planning company called CHIPS (Community Help Information Planning Service) to look at how the campus best serves the continuum of care to the benefit of each organization and the benefit of the community. This project would improve the ability to care at Van Duyn by specialization, more private rooms and the community neighborhood concept (green houses and new configurations within the four walls) which are much more human and more efficient. Mr. Meyer asked if they plan to reduce their patient load during the time of remodeling and how they plan the management of patients. Ms. Sprague noted the following:

- Initial phase – take down S-1 building and construct the green houses (7 buildings that would house 12 individuals in each). Would start design of floors. Look at the Assisted Living Program where they can take some of their current residents who score at the lower end and move them up to the 7th floor once it is ready and there is another provider on line to care for them (Van Duyn would not operate the Assisted Living Program).
- Floor for sub acute or rehab area.

Mr. Meyer asked how they will manage the number of hard to place patients. Ms. Sprague said they would define the size of the units, have taken a look at those people who are currently out there at Community and Upstate, facility would also be open to other hospitals. Ms. Shepard Scott mentioned they have talked about doing specialize training for staff at Van Duyn for things they do not currently provide – also educational programs that will make it easier to care for these residents. Mr. Myer asked if they would be bailing out all the other nursing homes because they would be taking the more expensive people. Mr. Quinn said Van Duyn couldn't possible take them all, will reposition some of the units so that they can take better care of those patients. Right now, about 20% of the nursing home placements from the four non-federal hospitals in this county are considered difficult to place; some nursing homes take 8% - 4%, there are three or four nursing homes that take 20% to 30%, Van Duyn is one. Some of the changes proposed, such as the sub acute care, would be advantageous, have to mix the balance of the patients for the good of the organization long term. Dr. Dennison noted that in the last five years counties have begun to look at the operation of their public nursing homes because the Medicaid program has been very unstable. While exploring options, very few counties have taken action to divest of their nursing homes. Public nursing homes have never been reimbursed differently than private nursing homes; large nursing homes have a rate ceiling that is higher.

- There was a time when Medicaid paid the actual cost of provision of care. State realized this was not an efficient way of paying since 45% of the facilities in New York are for profit, 45% non-profit and 10% public.
- Different forms of sponsorship have different profiles of expense. Public tend to cost more per day because of the cost of public employment and because they often serve the safety net roll. Non-profit spend more on staffing than the for profit facilities (quality of care about same as public). For profits cost less, staff less, quality of standards tend to be lower.
- There is a different price ceiling set for large nursing facilities (Van Duyn falls in that category), no fundamental difference between for profit, non-profit and public. Now moving to another phase of nursing facility reimbursement. Prices are based on peer groups and regions, treated the same way as every other facility. IGT revenue is available to public nursing facilities (in some respects better positioned from a revenue perspective). Have different rates of payment between private, Medicare and Medicaid patients. Medicaid pays on average less than everyone else, Medicare a little more and the private is tapped with a rate of payment that is much higher that is subsidized by Medicaid.
- Medicaid reimburses around \$200, Medicare - \$280 to \$300 and private - \$300 to \$350.

Dr. Dennison said from a programmatic perspective, this project knits together much of the work that has been done at Van Duyn over the past five years and really takes the best ideas and puts them into one package. The sub acute, the conversion to assisted living beds, patients from the skilled nursing facility into assisted living, creation of the green house model; ability to move patients and congregate them according to their care needs positions Van Duyn to be successful. Having the programs that match the needs of the hospitals can position Van Duyn financially and as a partner. In answer to Mr. Warner, Dr. Dennison said in order to change Van Duyn's reimbursement status they would have to change sponsorship. Mr. Warner requested the Comptroller's office to look into this. Mr. Maturo said they could look at the cost of running the facility as private rather than public. In answer to Mr. Laguzza, Ms. Sprague said the people who would be living in the green houses would score higher and would not qualify for assisted living because of their care needs, they would be less

able to take care of themselves, would receive more individualized, self directed care – same care they would receive in the high rise part of Van Duyn, just in a small, intimate setting. In answer to Mr. Meyer, Ms. Sprague said this is a highly competitive grant with a total of \$150,000,000. Dr. Dennison said NYS has allocated this amount towards long term care restructuring.

1. HEALTH DEPARTMENT: Dr. Morrow, Commissioner

a. Request for Proposals to Provide Correctional Health and Behavioral Health Services at the Justice Center, Jamesville, and Hillbrook Facilities

Dr. Morrow introduced her colleagues present at the meeting: Ms. Linda Karmen, Deputy Commissioner; Mr. Bob Long, Commissioner – Mental Health; Chief Dick Carbery, Sheriff's Dept.; Mr. Tim Cowin, Commissioner – Corrections; Mr. Jason Dean, Management and Budget. Dr. Morrow reviewed that a few years ago they started looking more seriously at privatizing correctional health – is this a roll of public health or is this specialized health care delivery. Dr. Morrow reviewed the following:

- In April 2010 Upstate Family Medicine, who was providing the medical director as well as some of the physician sessions at the Justice Center, informed her they could not longer provide services, Dr. Greenwald's last day was August 30. They currently have individual contracts with physicians who are providing four-hour blocks of care through September and October. Administrator for Correctional Health left her position for personal reasons in June. An RFP has been issued for outsourcing Correctional Health, have received five responses. RFP required an in person visit so that vendors could see and understand all three facilities. After they received the responses, they required an in person presentation for questions and answers.
- The selection committee will meet later today to discuss which vendor is best positioned to provide care for the inmates.

In answer to Mr. Warner, Dr. Morrow said the total Correctional Health budget is \$5.9 million. Total cost for Correctional Health, Correctional Behavioral Health and Hillbrook is \$7.9 million; on top of that are the Law Dept. and Sheriff's costs. The RFP included liability litigation; vendor would assume all responsibility for any legal costs. All of the vendors have suggested bringing more clinical capacity on site which would decrease transportation needs to offsite appointments which would subsequently decrease costs to Sheriff's Dept. and Corrections. Mr. Warner asked what these hidden costs are. Mr. Dean said they hope to have those figures by next week for Budget. Dr. Morrow noted the following:

- Hope to come to the Legislature in October or November to transfer funds to start the contract services. Most immediate and dire need is for physicians. Once RFP process is complete, that which is currently a contract would be contracted out with the vendor. Hope pharmacy, lab services, non-personnel services would be a transfer in 2010 from their budget to Sheriff's. There are currently 46 Health Department employees, 13 Mental Health and 3 Hillbrook who would be affected by the privatizing. They are currently struggling with several nursing positions, the number employed is changing every day. All vendors have guaranteed that they will interview current employees. The majority of the vendors have 100% retention of existing employees, most vendors offer higher wages. They are also looking internally at how they can accommodate those people who do want to stay with the County, hoping to offer the current employees as many choices as they can.
- Need to maintain a high level position in County government who would be a contract compliance administrator. Everyone they have talked to has said in order to provide the best level of care for the inmates, the most important mechanism to do that is to have a county employee responsible for making sure the contractor is doing everything they need to do.

Mr. Laguzza said that he can't comprehend one county employee having authority, control, responsibility over every employee working in the three facilities. Dr. Morrow said the vendor is completely responsible for their employees and everything that they do. They have outlined the minimum staffing requirements in the RFP, will not accept an RFP that has less than this number. Mr. Laguzza asked about the County having no contributory negligence if something happens. Ms. Perry, Law Dept., said according to the way the RFP was written, the vendor would be taking all liability; that's the way the contract will also be written. Mr. Laguzza said the bottom line is that the County is responsible for those in our care. Ms. Perry said they can't prevent somebody from suing the County, but there will be a director and administrator, the contract will be written tightly so that it is the vendor's responsibility. Ms. Berger (Law Dept.) said they can't prevent every claimant from suing the county but they have means of defense. Dr. Morrow noted that they have gotten five or six references for every vendor being considered and have also done background work. They asked the references if their litigation and number of grievances decreased since they started using the contractor; with every vendor they are considering, it has been a universal "yes". There is a wide range of facilities that some of the vendors have taken over and wide range of what the vendors do. Ms. Perry pointed out that the County's current contracts with the physicians who work at the Justice Center and Jamesville have a reverse hold harmless. The contracts say the County will defend and indemnify this position if they are sued as a result of something that occurs.

Mr. Warner asked about the potential savings associated with this. Mr. Dean said they would do a cost benefit analysis after the decision is made regarding the vendor.

Mrs. Ervin asked if the vendors being considered are operating in the State of New York. Dr. Morrow said three of the five do.

Dr. Morrow said the references are mixed. A person representing the National Commission for Correctional Health Care advised that the position of contract manager is critical in order to maintain open communication, etc., to really understand what the vendor is doing; also recommended that they talk to the vendors and the people who are currently using them.

Chief Carbery noted that the National Institute of Corrections has a unit called Large Jail Network that he is a member of. He has talked with a lot of contacts about this issue who advise getting out of the health care business and going to the people who do just that for a living. Secondly, they advise having somebody monitor the contract who is on the County payroll.

In answer to Mr. Holmquist, Dr. Morrow said their intention is to have the contract services start in November; the employee issue will be part of their budget presentation. Contract would be a three year contract with a three year renewable with termination clauses.

Mrs. Ervin noted that they have indicated that it is tough to find folks to do the work, asked how the new vendor will find quality doctors and nurses. Dr. Morrow said they pay better. One of the biggest potential cost savings is in antipsychotic use; they have a different mechanism in dealing with psychiatric medications; that gives them more flexibility with wages. There is a penalty if they don't staff at the level requested; the vendor could take some of their pool from another county, such as Monroe, to help out while they try to recruit.

The meeting was adjourned at 11:30 a.m.

Respectfully submitted,

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COUNTY FACILITIES COMMITTEE MINUTES, SEPTEMBER 9, 2010
KATHLEEN A. RAPP, CHAIR

MEMBERS PRESENT: Mr. Lesniak, Mr. Dougherty, Mrs. Tassone, Mr. DeMore

MEMBERS ABSENT: Mr. Masterpole, Mr. Kinne

ALSO PRESENT: see attached list (*Attachment 1*)

Chair Rapp called the meeting to order at 9:34 a.m. ***A motion was made by Mr. Lesniak, seconded by Mrs. Tassone to waive the reading of the minutes; a motion was made by Mr. DeMore, seconded by Mr. Lesniak to approve the minutes of the proceedings of the previous committee meeting; MOTIONS CARRIED.***

1. **FACILITIES MANAGEMENT:** William Fisher, Deputy County Executive; Brian Donnelly, Commissioner
Create R.P. 01 80051000 0008 1281, Mechanical Systems Maintenance Worker, Grade 04 @ \$44,658 effective October 9, 2010
Create R.P. 01 80051000 0008 1293, Mechanical Systems Maintenance Worker, Grade 04 @ \$44,658 effective October 9, 2010
Create R.P. 01 80051000 0008 1294, Painter, @ hourly rate \$24.6205 effective October 9, 2010
Create R.P. 01 80051000 0008 1295, Carpenter, @ hourly rate \$26.8031 effective October 9, 2010

Mr. Fisher advised that the County Executive now has the option to change the way that maintenance, utilities and repairs are done at the Convention Center and the War Memorial after the Legislature approved changes to the management agreement between the County and the Oncenter Corp. at the September session. According to financial information provided to the County Executive, there would be a substantial savings (\$100,000) if Facilities Management took over this responsibility.

Mr. Lynch said County Facilities is fully prepared and aware of the scope of work in front of them and pointed out the following:

- They have the capacity to provide 24-hour service to the Oncenter.
- The Steam Plant would have control of the Oncenter systems through a web-based management system and the new steam and chilled water meters that were installed.
- Contract estimates for painting needed at the Oncenter is about \$15,000; Facilities Mgt. painters will do it for about \$5,500 (this savings is not included in financial information).
- Facilities Mgt. has certified people to work on high voltage motors and HVAC; that work is currently being contracted out by Oncenter, will have the efficiency of the same people working on the equipment.
- There are over 250 pieces of equipment – boilers, motors, chillers, roof top units, cooling towers, etc.

Mr. Lesniak asked if the eight Oncenter employees would be interviewed to fill the four positions at Facilities Mgt. Mr. Lynch replied “yes”, but two of the positions are local participation agreements they have with the Building Trades Council, they would have to be members. Mr. Lesniak asked if the County will be reimbursed for the new positions. Mr. Fisher said one option being considered is to use Room Occupancy Tax; for the remainder of this year, it would come out of Facilities Management budget. Mr. Lynch said these people could be used for any facility in the County, not just for the Oncenter. They have a work order system currently in place with an extremely accurate tracking system - by building, by location, by hour, and by material for every single work order (did over 7,000 last year). Mr. Lesniak said this would add positions to the County payroll at times when we are looking to cut, would like to see how paying and budgeting for them. Mr. Fisher said they could give an estimate for 2011 and then Facilities Management can track it carefully in 2011; it would then be based on actual for the 2012 budget; will have the estimate in time for Ways and Means and the Budget process.

A vote was not taken at this time.

2. **TRANSPORTATION:** Brian Donnelly, Commissioner
a. **A Resolution Amending Resolution No. 154 - 2010 Relating to the Acceptance of Additional Revenue for Plowing State Roads During the Winter of 2009 - 2010**

Mr. Donnelly explained that the State Comptroller's office will not process payment without the exact amount of revenue, \$1,807, 040, included in the resolution; the original resolution considered at July Session did not include it.

A motion was made by Mr. Lesniak, seconded by Mr. Dougherty to approve this item; passed unanimously; MOTION CARRIED.

The meeting was adjourned at 9:47 a.m.

Respectfully submitted,

Johanna H. Robb,
Deputy Clerk

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MEMBERS PRESENT: Mr. Buckel, Mr. Kilmartin, Mr. Holmquist, Mr. Stanczyk, Mr. Lesniak, Mr. Warner

MEMBERS ABSENT: Mr. Kinne, Mr. Corbett

ALSO ATTENDING: see attached list

Chairman Jordan called the meeting to order at 8:30 a.m.

1. MANAGEMENT AND BUDGET:

a. Second Quarter Forecast - James Rowley, CFO

Mr. Rowley provided the 2010 2nd Quarter Forecast, *Key Economic and Fiscal Indicators (attachment #1)* and read the following:

2010 Second Quarter Update

As requested I am here to provide members of the Fiscal Ways and Means Committee with the second quarter update to the 2010 budget. The Division of Management and Budget has worked with County departments to provide our best estimate of how Onondaga County will finish the fiscal year, given the results for the first six months of the year. The 2010 budget continues to provide County departments with the resources needed to ensure that essential services are maintained, at a reasonable cost to taxpayers. The difficult choices made in adopting the 2010 budget and the fiscally prudent estimates used in budgeting sales tax revenues have allowed the County Executive to maintain a balanced budget through the second quarter, despite unanticipated expenses passed along by New York State and unbudgeted cost increases in certain areas. We are continuing our efforts to delay the filling of vacancies and hold positions open to provide budgetary relief for the balance of the year. I'd like to note that this second quarter forecast does not reflect potential savings in the remaining months of 2010 from the retirements of employees under Part A or Part B of the Early Retirement Incentive program adopted by this Legislature. At this time, we project to be slightly under budget by approximately \$500,000, before accounting for austerity. The County Executive imposed austerity of \$2 million at the start of the fiscal year and with austerity as a cushion, we feel confident at this time we will finish the 2010 fiscal year on budget without taking any extraordinary measures such as last year's sale of tax sale certificates.

Highlights of the second quarter forecast include:

Economic Indicators

The County's fiscal health is reflective of the local economy's health. DMB tracks a host of different indicators, both local and national, that gives guidance to our forecast and provide context to our performance against plan. Generally speaking, the key leading indicators are in a stable range. First quarter trending was favorable while second quarter trends seem to have flattened out somewhat. Given how our local economy tends to lag national economic trends, it was not surprising to see this flattening effect. We are watching the national economy closely for signs that the economy may decelerate or even turn into a "double dip" recession.

The unemployment rate in Onondaga County stood at 7.5% in June, down from 7.9% in March and slightly better than the 2009 average rate of 7.6%. While our local economy has added some jobs, it is unfortunately also likely that some people in our county have given up looking for work, which shows up in the statistics as a decrease in the unemployment rate. At the national level, the unemployment rate stood at 9.5% for June, down from the March level of 9.7%. Job growth continues to be slow, which indicates the likelihood that the recovery will continue to be slower than we would usually see at this point in the business cycle.

National GDP grew at an annual rate of 1.6% in the second quarter, down significantly from the first quarter growth of 3.7%. This statistic is concerning as an indicator. Although one quarter does not indicate a trend, the change from first quarter growth points to a recovery that is far less robust than we would all like to see.

- Inflation year over year was 1.7% in the northeast for the second quarter of 2010, down from the first quarter 2010 of 2.6%. This deflationary trending reading means that aggregate demand for goods and services is slowing. Although helpful from the County's perspective for purchasing goods and services at a lower cost, from an economic perspective this trend may signal a slowing recovery, especially when coupled with higher than normal unemployment and slowing GDP growth. The stimulus spending proposed at the Federal level is in part a response to slowing aggregate demand.*

Human Service Caseloads

As another indicator of the County's fiscal condition, these indicators continue to trend in the wrong direction.

Medicaid caseload – up 12% YTD second quarter compared to 2009

Safety Net – up 17% YTD second quarter compared to 2009

Family Assistance – up 11% YTD second quarter compared to 2009

Revenues

Aggregate revenues are in-line with budget expectations, despite some variability among revenue components. As I will further explain, increases in sales tax revenue are offset with decreased prior year tax collections and increased reserve for deferred and uncollected taxes.

Second quarter County sales tax receipts were up 5.07% year over year. Although 2010 sales tax receipts are above the budgeted increase of 1%, we remain about 2% below the sales tax receipt levels enjoyed in the first six months of 2008. It's a little puzzling to us that the favorable sales tax collections are running ahead of other economic indicator data, which are not trending higher at nearly the same rate. This is one reason that we are not ready to forecast a huge increase in sales tax receipts for the current year. I'll also note that in the majority of years over the past two decades, the County has encountered at least one down quarter in sales tax receipts. With the County receiving a disproportionate share (approximately 32%) of its sales tax in the fourth quarter and the very real possibility that one of the next two calendar quarters will decline from last year's level, we are not ready to predict that the strong growth in sales tax receipts will continue in the second half of the year. With that said, we have in fact revised our estimate of 2010 sales tax growth to 3%. In our 2010 Budget, we forecast a 1% increase, which we increased to a forecast of 1.7% in our First Quarter Update. By establishing an estimated growth rate of 3% for sales tax receipts in 2010, we have modified our estimate to reflect our interpretation of conflicting data in a manner that is fiscally sound.

We have also updated our estimate of tax collections from prior year's property tax bills, which we project to decrease by \$5.0 million, an increase from the first quarter estimate of \$4.7 million. Prior year tax collections are down, of course, due to last year's sale of tax sale certificates. In our First Quarter update, we estimated that this decrease would be \$4.7 million. Additionally, deferred and uncollected taxes are trending higher and we recently updated our analysis of this reserve after fully accounting for the effects of the sale of tax sale certificates. As a result, we have increased the level of this reserve by \$1.6 million above the budgeted level.

Room Occupancy Tax (ROT), while having no influence on the general fund beyond budgeted amounts, had a strong year over year increase in the second quarter of 2010. ROT collections were \$2.43 million in the first two quarters of this year compared to \$2.19 million in the first two quarters of 2009, an increase

of nearly 11% increase. Along with the businesspeople who own and operate hotels, motels and restaurants, we hope this positive trend will continue this quarter and in quarters to come.

Expenses

As with revenues aggregate expenses appear to be in-line with budget expectations despite some variability among components.

Salary and wages are trending lower than budget as a result of ongoing and continued management of position vacancies. As noted earlier, the effects of the ERI plan have not been reflected in this projection and we expect further marginal improvement for the balance of the year in the salary and wage category.

Utilities are projected to be under budget by \$400,000 as a result of favorable commodity prices, especially off-peak pricing and lower usage.

New York State provided an unwelcome surprise recently when it decided to recoup \$42 million statewide from localities for what they decided were prior year undercharges relating to youths being sent to state-run detention facilities. Onondaga County's share of this bill for NYS Training (youth detention) is estimated to be \$3.8 million in local dollars. The state has directed us to pay this amount by March 2011. We have budgeted half of this amount, or \$1.9 million, in the current year budget and we will have to budget the remaining \$1.9 million in the 2011 Budget.

In addition, Safety Net expenditures are above budget by approximately \$1 million, as caseloads and cost per case have increased.

Future Risks

The State Legislature finally passed a budget for the State's 2010-11 fiscal year, which means that State funds are starting to flow again. The County is beginning to receive catch-up payments from the state for previously frozen aid payments, which of course is helpful to our cash position. We are not anticipating any further delays in the State's payments in the final months of this year. What Albany has in store for us next year is another matter.

In answer to Mr. Jordan, Mr. Rowley explained the following:

- Unexpected cost to the county - \$42 million statewide; \$3.8 million is Onondaga County's share unexpected cost to the county; have in 2010 budget, half in 2011
- \$134.1 million County's share of sales tax collection projection for total year, up from \$129 million
- Sales tax – cash collection up over 5% YTD through June; interpreting economic data slow down in GDP growth, high unemployment rate, deflationary trend in inflation – countervailing arguments for raising sales tax beyond 3%
- Sales tax – 4th qtr runs at approx. 32% of total pie for the year; there is typically a down qtr. every yr.
- Recoupment – State estimates or advances an aid payment charge to the county for sending kids off site to state-run detention facilities. State does reconciliation and determines what the charges should have been; County has no input into that process. **Mr. Rowley will provide more details to the committee regarding the State's calculation.** It is a multi-year calculation.

In answer to Mr. Stanczyk; Mr. Rowley explained the following:

- Best estimated for the 300+ people taking early incentive – it is a moving target; adjustments are being made today; does not characterized it as significant savings at this point. There will be a marginal cost savings in 101; many depts. are bringing people back; savings in 2010 will not be as great as savings realized in 2011 or 2012.

Mr. Stanczyk said that the information should be provided today; there has to be a ballpark number. Mr. Seitz said that many employees received 4 – 6 wks of vacation and comp time balances, terminal leave payments will draw down a lot of potential savings. Mr. Fisher said there are 284 confirmed retirees; people can still pull paperwork; will have a much better idea by the time the Co. Exec. presents her budget. Mr. Rowley will provide a more reasonable estimate of the numbers by budget review time.

In answer to Mr. Lesniak, Mr. Fisher explained:

- Confirmed retirees 284, 29 non-confirmed; estimating 11 for Part B, which starts in 2011
- Does not have a number available as to how many are coming back part time; will be big part of each department's budget presentation

Mr. Rowley explained:

- Unemployment rate down based on the fact that people have stopped looking for work – analogy is determined by – people that have stopped looking drop out of calculation of the unemployment rate. Another measure is the underemployment rate, which includes people that have dropped out of looking for the jobs. If the people that have stopped looking for work are including, then the rate is much higher.
- The information comes for the Bureau of Labor Statistics
- On a national level the underemployment is 15%-16% for 2009/2010 -- will provide a number for Onondaga County.

In answer to Mr. Kilmartin, Mr. Fisher explained that:

- Original estimate for those taking advantage of ERI was high 200's/low 300's. The sweet spot is between 250 – 325. If more than that, so many may have to be refilled that the 50% savings may not be reached. If lower than 250, may not get the savings hoped for.
- Average salary across County employment is approx. \$47,000

Mr. Kilmartin said if there are approximately 300 employees taking the early retirement, with a salary of \$47,000 on average; equal \$12 million, \$3 - \$4 million of savings before there is back fill with part time and contracts. Mr. Stanczyk said that the federal and state aid has to be pulled out as another factor. Mr. Kilmartin said that the benefits weren't factored in, so it may wash itself out. Mr. Rowley said that the terminal leave pay needs to be factored in.

Mr. Kilmartin said that the analysis didn't include potential savings from early retirement and some austerity measures; Mr. Rowley agreed. Mr. Rowley said that austerity isn't considered when the forecast is put together, but every year when the budget is adopted the County Executive traditionally established austerity. Last year austerity was in the \$8 million range. This year the Co. Executive established a \$2 million austerity. It is spending that is held aside--not letting departments spend until it is known that there will be a black year. The County Executive makes the determination as to whether or not austerity would be lifted.

In answer to Mr. Kilmartin regarding additional revenues, Mr. Fisher and Mr. Rowley explained:

- Additional FMAP money will be included in the 2011 budget, not 2010 – estimated to be \$7.1 million
- Onondaga Co. has applied for federal stimulus grant for early retirement; will help with post retirement health costs in 2011, 2012 and 2013. The impetus being that until the new federal health care takes effect in 2014, the federal government did not want benefit plans cut to retirees. Developed an incentive to keep plans stable into the transition to 2014. It is for the 55 – 65 age group

- Estimate of \$580,000 included in the insurance fund in the 2011 budget
- It is nationwide stimulus, \$5 billion and goes until it runs out or until 2014
- An electronic process is being set up to submit claims

Mr. Kilmartin asked if there is a sales tax of approximately 3%, trending out at 5%; what is the projection for sales tax increase/decrease for 2011 budget and what is it based on. Mr. Rowley said that the best indicator for sales tax growth for the county is inflation. Inflation for 2011 will be less than 2%; subject to final adjustment. It is looking at actual data over last couple of years; comparing it to an indicator that they can rely on. Mr. Kilmartin asked what the estimate for additional sales tax for the County would be for 2011, based on recent sales tax years and considering the most recent sales tax agreement. Mr. Rowley said that the estimate right now is \$64 - \$65 million for 2011.

Mr. Stanczyk referred to actual sales tax receipts, noting that last year was a down year -- would be surprised if any quarter will be down from the quarters' of last year. In 2009 sales slowed significantly for the whole year; now there are rebound results; maintains that a down quarter should not be expected. Raw data for the year -- 32% comes in the last quarter; questioned how much comes in the first two quarters/percentage of total amount. Mr. Rowley will report back. Mr. Stanczyk said the statistical way government looks at unemployment numbers has changed. To say that we are still in tough times when unemployment number goes down, means that a calculation has been done to find out how many people dropped off the unemployment bus 6-9 months ago compared to how many people dropped off now. Realistically going from 8% to 7.5% shows that improvements are being made. Another confirmation of improvements is that sales tax receipts are up 5% from last year. Feels the wrong conclusions are being drawn. Mr. Rowley said that historically the unemployment rate was high compared to past year when the economy was good--a clear indicator that we are on a slow economic recovery period. To look at GDP or CPI, is a little scary. Mr. Fisher said that in forecasting they are trying to figure out what estimate will leave the County in a good place if the unforeseen happens. A few years ago there was a very aggressive estimate of sales tax, which left us \$10's of million short. Up 3% is pretty aggressive; the 3% \$280 million, each 1% is \$2.8 million; this year approx. 46% of it for the County. Another point or two is only a couple million dollars. Building it into next year's base will also say that it will go up again --it is not prudent to budget based on an aggressive forecast. Mr. Stanczyk said that the forecast is too flat for the next 2 quarters, which is inherently cautious, too prudent, and non-realistic. The County takes in a much larger share of sales tax going forward; it is much more incumbent on us to get this as right as possible, and not as prudently tamped back as possible, to make sure the property tax decrease can be provided, which was anticipated because of what was done with the sales tax distribution. Mr. Rowley said he has two statistics that he believes things are getting worse. Mr. Stanczyk said that if Mr. Rowley is right, then there will be a trigger where the federal government comes in and gives us a huge amount of money.

Mr. Lesniak asked what the debt service projection is for 2011. Mr. Rowley said that in this year's budget, there is a very robust amount, reserve for bonded debt, which was taken out by the Legislature to help balance the budget. A more modest reserve for bonded debt is being budget tentatively; debt service in general fund can be expected to creep a little higher.

In answer to Chairman Jordan, Mr. Rowley said that relatively speaking, departments for the most part, hit their target on the expense side in the 2009 budget. There was a revenue problem in 2009, an overly robust estimate of sales tax. A tax sale certificate program was proposed to help bail out 2009; without it, there would have been a deficit in 2009. **Chairman Jordan asked for a breakdown on how the departments fared in 2009 and how they are faring in 2010. Mr. Lesniak asked that the back charges be included.** Mr. Rowley said that generally speaking, departments are hitting their targets on the expense side for 2010 also.

The meeting was adjourned at 9:21 a.m.

Respectfully submitted,

DEBORAH L. MATURO, Clerk
Onondaga County Legislature

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PUBLIC SAFETY COMMITTEE MINUTES – SEPTEMBER 10, 2010 CHAIRMAN PATRICK KILMARTIN

MEMBERS PRESENT: Mr. Meyer, Mr. Masterpole, Ms. William, Mr. Dougherty

ALSO PRESENT: Mr. Buckel and *see also attached list*

The Chairman called the meeting to order at 9:06 a.m. ***A motion was made by Mr. Masterpole, seconded by Mr. Meyer to waive the reading and approve the minutes of the proceedings of the previous committee meeting. MOTION CARRIED.***

1. **SHERIFF:** Chief John Balloni

a. Amending the 2010 County Budget to Authorize the Onondaga County Sheriff's Office to Accept a Vehicle from the United States Marshals Service, and Authorizing the County Executive to Enter into Contracts to Implement this Resolution (\$11,000)

- New 2010 Ford Explorer provided for the sole use of an officer in the Gang Violence Task Force (GVTF)
- \$5,000 - for equipment to be added to the vehicle (about the cost of a radio)
- Current vehicle equipment will be transferred to the new vehicle
- \$6,000 - for fuel and maintenance
- Officer's current vehicle will be returned to the fleet and used to replace a wrecked vehicle (*Will reduce a requested vehicle from the Vehicle Use Review Board*)

In response to the Chair, Mr. Balloni stated that if the task force unit was disbanded, the vehicle could be used for other purposes. The vehicle must be returned if the County withdraws from the task force.

A motion was made by Mr. Masterpole, seconded by Ms. Williams to approve this item. Passed unanimously; MOTION CARRIED

2. EMERGENCY MANAGEMENT: Joseph Rinefield, Director of Fire

a. Amending the 2010 County Budget to Accept Funds from the New York State Emergency Response Commission for Use by the Onondaga County Local Emergency Planning Committees (\$3,776)

- Support disaster preparedness activities
- No local tax payer dollars; entire budget is \$3,776
- Monthly meetings in various locations throughout the county; 100 County agencies involved

A motion was made by Mr. Dougherty, seconded by Chair Kilmartin to approve this item. Passed unanimously; MOTION CARRIED

b. Amending the 2010 County Budget to Accept \$272,170 in Additional Homeland Security Funds from the Urban Area Security Initiative Grant Program for the Onondaga County Department of Emergency Management, and Authorizing the County Executive to Enter into Contracts to Implement this Resolution (\$272,170)

October 15, 2009 - SCNYUA recommended use of funds

Critical Infrastructure

Increase funding for ongoing generator project for Onondaga County DOT
*15000
Continue funding of vulnerability assessments & risk analyses 10,000

Interoperable Communications

Increase funding for build-out of regional communications system 48,000

Information Sharing

Increase funding for license plate reader system 21,000

CBRNE

Increase funding for training, exercise and equipment 45,000

Emergency Planning/NIMS Compliance/USAI Management

Increase funding for planning 58,500
Increase funding for UASI conference & management 4,670

Citizen Preparedness

Add funding for weather radio project 20,000
Add funding for SHSP funded vulnerable population project 50,000

- Return NYS share of the 2008 Urban Area Security Initiative Grant (UASI) - 20% of the grant funds received
- General budget allocations are Emergency Planning, CBRNE, Critical Infrastructure Protection, Interoperable Communications, Citizens Preparedness, Law Enforcement and Public Safety (See attachment #2) Emergency Management acts as the fiscal officer for these funds
- *Syracuse Central New York Urban Area (SCNYUA) will designate specific fund allocations of \$15,000 (item removed / funded out of another project)
- Projects are funded across 3 counties in NYS (Onondaga, Oswego & Madison) Planning allocation was used to create the Tactical Interoperable Communications Plan; plan required for additional grant funding Interoperable Communications monies can not be used for debt management; used for tower work expansion Salaries are not funded with this piece of the grant; the overall UASI grant covers salaries and overtime
- Funds must be used by September 30, 2011

Mr. Meyer asked that Mr. Balloni be prepared for further discussion during the budget process.

A motion was made by Ms. Williams, seconded by Mr. Masterpole to approve this item. Passed unanimously; MOTION CARRIED

c. Amending the 2010 County Budget to Accept \$317,781 in Additional Homeland Security Funds from the Urban Area Security Initiative Grant Program for the Onondaga County Department of Emergency Management, and Authorizing the County Executive to Enter into Contracts to implement this Resolution (\$317,781)

May 7, 2010 - SCNYUA recommended use of funds

Emergency Management	Increase budget by	\$90,000
Human Needs/Citizen preparedness	Increase budget by	\$10,909
Health	Increase budget by	\$27,225
Critical Infrastructure	Increase budget by	\$90,000
Information Sharing (LPRs)	Increase budget by	\$42,422
Emergency Services /CBRNE	Increase budget by	\$30,000
Interoperable Communications	Increase budget by	\$27,273

- Return NYS share of the 2009 UASI grant
- Funds must be used by May 31, 2012

In response to the Chair, Mr. Balloni stated the management entity includes 2 representatives from Oswego and Madison Counties, a City of Syracuse representative and a representative from Onondaga County Emergency Management. Under each of the investment justifications there is a working committee. The management and working groups determine the allocation of funds by consensus.

Chair Kilmartin asked for more detail on the funding in each category. Mr. Balloni stated the funds will be used in the same manner as the 2008 funds. Once the management group meets, their recommendations are sent onto the state for approval. **A copy of their request will be sent to the committee and Clerk of the Legislature.**

A motion was made by Mr. Masterpole, seconded by Mr. Dougherty to approve this item. Passed unanimously; MOTION CARRIED

3. Authorizing the Formation of a Taskforce to Study Fire Consolidation Options Throughout Onondaga County, and Notifying the Several Local Governments Within Onondaga County that the County Intends to Take Such Actions within Its Power to Cause such Consolidation to Occur (Sponsored by Mr. Buckel and Mr. Masterpole):

Dick Donovan, President Onondaga County Mayors Association /Mayor Village of Minoa; Mark Olson, Mayor Village of Fayetteville; Bob Antonacci, Comptroller; Manny Falcone, Onondaga County Volunteer Fireman's Association/Supervisor Town of Geddes; Richard Webster, President of the Onondaga County Fireman's Association; George Davenport, Member Manlius Fire Dept.

Mr. Buckel provided an information packet to the committee. (Copy on file with the Clerk)

He stated he would be discussing the taskforce resolution. He would like to pull items 4 & 5; as they were designed solely to show what is possible. The taskforce is designed to determine what is best. This issue was first addressed by the County Executive in her 2010 State of the County Address. Fire and emergency management systems are one of the largest and fastest growing components of our local tax dollars. His interest in this issue is not only related to fire and safety management but the entire structure of our government. In the 21st Century Local Government report dated April 2008, Stan Lundine states, "People are demanding change at all levels of government. They are frustrated by a local tax burden that is the highest in the nation". The report concludes with, "We encourage local leaders to be bold". One of the things mentioned on page 31 of the report is, "The potential for moving to countywide management for fire protection and/or emergency medical services (EMS) should be reviewed with the goals of improving efficiency and service as well as preserving the volunteer system. If, after a fact-finding and public discussion period, county leaders decide that some level of management for fire protection, EMS or both would be appropriate at the county level, they may promulgate a plan which would be subject to voter approval". The report goes on to describe what he hopes to accomplish today. "This recommendation is designed to ensure through legislative act that a local public information and decision-making process – spearheaded by county leaders in consultation with fire fighters, EMS operators, town, city and village officials, and most importantly the public – takes place". We live in one of the highest taxed regions in the country. If we look at county spending alone, we rank 4th in taxation per capita among comparable counties. He has prepared for the committee a copulation of local government spending; county, city, town, village, fire and school districts in Onondaga County. The numbers are from the NYS Comptroller's website comparing the years 2000 and 2008. Government in Onondaga County is a \$3,000,000 enterprise. In this eight year period spending was increased by \$1,000,000. There are five components of local spending; education, public safety, social services, transportation and sanitation - costing \$2,000,000 of the \$3,000,000. When you add employee benefits and general administration, the cost are over 75%. Unless we deal with these five categories in a new way, we will not alter the fundamental structure of our government. Despite all that we have done to reduce the county tax burden spending has gone up 8% in the last two years.

Mr. Buckel went on to discuss spending examples from the spreadsheet. Comparing a number of towns equaling the population of the city, the cost for fire protection is about the same. Volunteers are not always less expensive. The difference in cost is due to the equipment necessary to support the volunteer departments.

The taskforce as described would include the Syracuse Fire Chief, President of the Onondaga County Volunteer Fireman's Association, President of the Onondaga County Fire Chief's Association, Commissioner of the Onondaga County Department of Emergency Management, Onondaga County Executive or designee, Onondaga County Comptroller or designee, and an individual recommended by the Maxwell School. The point is not to attack or criticize. Rather, it is to follow through with what must be done to try and change the dynamics of taxes and spending in this county. He has chosen to focus on the fire service category of spending as this group of people is the most civic minded. His is appealing to our best interest.

Mr. Buckel stated he was not looking for a vote on the resolution as this time. He will revise the resolution, after receiving feedback. Everything is on the table. In response to the Chair, Mr. Buckel clarified his desire to pull items 4 and 5 from the agenda and revise the language of the taskforce resolution after hearing comments from others.

The Chair asked if he had an opportunity to discuss this with local fire department representatives before drafting these resolutions. Mr. Buckle stated he had discussions with Mr. Falcone and the Lyncourt Chief.

A discussion with committee members, town, village and fire department representatives present resulted in the following comments and recommendations for revising the taskforce resolution:

- Revise wording so that judgment is not cast on service, departments and process before examination
- Revise 3rd paragraph - page 1; remove inefficiencies exist / replace with looking to increase efficiencies
- Reword final paragraph of page 1:
- Do not want to bind a future legislature to take action
- Do not want to pass judgment on a report that has not been completed
- Note that 7 or 8 of the top 10 highest taxed counties per capita reside in NYS
- A large percentage of this figure is out of our control
- The way schools are structured and financed in NYS is another factor in this calculation
- Broad statements do not provide for absolute and finite information
- Process should be initiated by villages and towns that are issuing fire and EMS protection contracts
- Work the process from the bottom up as apposed to the top down
- Representative from each town should be added to the Taskforce
- Villages need to be involved in this process; they contract for services
- Taskforce should include a representative from the Central New York Fire Districts Association
- Engage current agencies already in place: Fire Advisory Board & EMS Advisory Board
- Review the average per capita cost for each town compared to the City; numbers can be deceiving
- City cost per capita is 3 – 5 times the amount of the towns
- They have different situations than towns and villages
- There are geographically expansive towns
- The city has a number of hospitals and non-profits
- Town of Onondaga also has a number of non-profits with a high density of population
- On a macro level a paid countywide service would result in taking the \$26,000,000 budget and at a minimum multiplying it by 2 or 3
- Numbers are not comparable
- Population - 454,000 County / 138,000 City
- Housing Units - 203,000+ County / 318,000 City (roughly 10% are vacant)

- Square Miles - 780 County / 25 City
- Population per square mile - 587 County / 5501 City
- Numbers quoted are not accurate - 70% of the Fayetteville village budget is labor and buildings
- Numbers quoted can be twisted and turned
- Example: If you take the total budget for all 55 departments; 35% of the budget would be derived from just 5 career departments (Fayetteville, Manlius, Dewitt, East Syracuse and Minoa)
- Fire service understanding is necessary in order to accurately comprehend the numbers provided; figures are very deceiving
- Analyzing all the issues is an enormous task; debt services, training, facilities, equipment, personnel, retention, attraction, every line item in any budget with the complications of state and federal requirements
- Comptroller's office has offered to provide cost analysis, assist in compiling and verifying data with legislature approval (Copy of Comptroller letter on file with the Clerk)
- Volunteers and fire departments need to be engaged and challenged; they have not been as of this point
- Ask fire departments what they need to attract and maintain volunteers
- Volunteers need to be recruited to decrease labor cost
- Additional incentives are necessary for retention and attraction of volunteers
- Fire and emergency services work very well together; both paid and volunteer
- Written standards must be followed as departments are accountable in a court of law
- City firefighters have different skill sets than town volunteers; would not be able to draft water
- Invite all politicians to spend a day at a fire house to become informed
- Use caution; do not want to destroy what we currently have
- Consider the intangibles, volunteers may not be interested in what is leftover; could decimate the services
- Capital has increased due to new stations being built to meet the mandates set forth by OSHA, PERM, PESH, and NFPA
- Federal and state mandates are driving cost up
- Recent OCC funding change – currently cost \$1,500 to send a new member for training; up from \$200
- Public education is needed
- \$10,000,000 grant application is being submitted for firefighter recruitment above West Chester County
- Grant will provide for tuition reimbursement through community colleges
- Media coverage via radio, television and newspaper

Mr. Buckel stated that he believes if the process was going to happen without our leadership it would have happened by now. It is important for us as representative of the entire County, to draw upon the best and take leadership. We don't have the answers, but we do have the resources, power and platform.

He added the committee will be unable to accomplish anything if it is too large. Mr. Dougherty pointed out that the City of Syracuse Fire Chief is listed on the committee and are not part of the consolidation. Mr. Masterpole added that they could be. Mr. Dougherty stated the entire discussion has been about volunteer fire departments. Mr. Buckel stated there are 57 different agencies in this county and he hopes to look at everything. Mr. Dougherty stated this is all about the volunteer organizations and the towns are not represented. Mr. Buckel responded that he would find a way to have all stake holders represented.

Mr. Buckel stated that he had spoken with the National Fire Protection Association (NFPA). They recommended looking at the county as if it was a blank slate without any preconceived notions. A design should be created listing where the firehouses should be located. Include how much equipment and the type needed in each location. Compare the design to what is currently in place, and determine any possible improvement.

Mr. Masterpole stated that there are more than enough people willing to take on the paid department positions. We are not doing something right, we need to do something better. Mr. Donovan responded that the volunteers have fulltime jobs and families besides the fire departments. Within the City fire fighting is there job. Mr. Masterpole stated that he is hoping with a broader brush and a clean slate, maybe some of the firehouses are to close together and perhaps some of this money should have been spent on hiring some fulltime firefighters. We need to take bold steps.

4. Authorizing the Formation of a Taskforce to Study the Methods of Forming a Unified Onondaga County Department of Fire Protection (Sponsored by Mr. Buckel and Mr. Masterpole)

Pulled

5. A Local Law Amending the Onondaga County Administrative Code to Add a New Article XXXI and Establishing the Onondaga County Department of Fire Protection Services; Transferring to the New Department the Functions and Duties of the Various Local Governments and Districts Within Onondaga County for Providing Fire Protection Services to the Extent Permitted by Law; and Abolishing all Fire Protection Entities Within the Various Local Governments Within Onondaga County (Sponsored by Mr. Buckel)

Pulled

The meeting was adjourned at 11:15 a.m.

Respectfully submitted,

Katherine M. French
Assistant Clerk

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**WAYS AND MEANS COMMITTEE MINUTES – SEPTEMBER 13, 2010
CHAIRMAN CASEY JORDAN**

MEMBERS PRESENT: Mr. Warner, Mr. Corbett, Mr. Lesniak, Mr. Buckel, *Mr. Kilmartin
MEMBERS ABSENT: Mr. Stanczyk, Mr. Holmquist, Mr. Kinne

Chairman Jordan called the meeting to order at 8:35 a.m. **A motion was made by Mr. Warner, seconded by Mr. Lesniak to waive the reading of the minutes of the previous committee; MOTION CARRIED. A motion was made by Mr. Lesniak, seconded by Mr. Warner to approve the minutes of the previous meeting; MOTION CARRIED.**

CONSENT AGENDA:

1. TRANSPORTATION:

a. **A Resolution Amending Resolution No. 154 – 2010 Relating to the Acceptance of Additional Revenue for Plowing State Roads During the Winter of 2009 – 2010**

A motion was made by Mr. Corbett, seconded by Mr. Lesniak to approve the Consent Agenda item; Passed unanimously; MOTION CARRIED.

WAYS AND MEANS COMMITTEE – REGULAR AGENDA

1. FACILITIES MANAGEMENT:

a. **Create R.P. 01 80051000 0008 1281, Mechanical Systems Maintenance Worker, Grade 04 @ \$44,658 effective October 9, 2010; Create R.P. 01 80051000 0008 1293, Mechanical Systems Maintenance Worker, Grade 04 @ \$44,658 effective October 9, 2010; Create R.P. 01 80051000 0008 1294, Painter, @ hourly rate \$24.6205 effective October 9, 2010; Create R.P. 01 80051000 0008 1295, Carpenter, @ hourly rate \$26.8031 effective October 9, 2010**

- Legislature passed a resolution amending the Oncenter Management agreement, which gave the Co. Exec. the right to change the way maint. and repairs are done at War Memorial and Oncenter and the way janitorial is done in Civic Center Theaters when there is no event going on
- Over \$100k savings if County takes over maintenance and repairs at War Memorial and OnCenter
- Currently Oncenter contracts with a local chapter Operating Engineers
- Jobs would be created on a county payroll in the same operating engineers; 2 would be building trades positions
- Facilities Management does not currently have the capacity to service the Oncenter/War Memorial complex.
- Plumbing, electrical, tile setting will be absorbed by current staff
- Substantial savings in contractual cost that the OnCenter has paid in the past (i.e. contract to paint ballroom – now will be done by Facilities staff
- Capital project savings – pipe painting, insulation – not included in the savings

Mr. Lynch stated that he would like to come back in a year and present the actual dollars expended compared to the savings.

* Mr. Kilmartin arrived at the meeting.

- Available funds in 2010 budget to pay for expenses; in 2011 ROT will be used to pay for the positions: \$251k in 2011 budget
- Other expenses: telecommunications, motor pool, etc.
- Employees will not be dedicated to Oncenter/War Memorial – will swing different specials to where they are needed

In answer to Chairman Jordan regarding utilizing existing staff, as the budget process will likely be eliminating positions, Mr. Lynch said that Facilities Management is at its max; does work beyond downtown complex, i.e. branch libraries, parks, etc. There is \$2 million worth of new telescopic seating; there are no carpenters on staff at the War Memorial to maintain it; the carpenters are maxed. He has asked for a carpenter 3 times and has been turned down due to budgetary restraints. There are some health and safety issues, which need to be corrected at the Oncenter.

Chairman Jordan questioned why the RFP to have the ballroom painted should not proceed, instead of having someone on the payroll receiving benefits. Mr. Lynch said that the painter will be also be used for Parks Dept., a lot of painting was needed at Alliance Stadium. They can dedicate that painter to other places where work was being considered to be contracted out. In answer to Chairman Jordan, Mr. Lynch said that 50% fringe is figured into the formula for cost savings.

Mr. Kilmartin asked what the net savings is in pulling out 8 and adding in 4 employees. Mr. Lynch said it will be approximately \$150k.

Mr. Lesniak would like the resolution amended to specify that the funding will come from ROT immediately, as we may be looking at cutting positions, and if this comes out of ROT, it is not coming out of property taxes.

Mr. Warner asked if this was a recommendation of the Comptroller; Mr. Fisher said that it was. It was explained that currently the Oncenter spends approximately \$365k on the in-house employees, County will spend approximately \$250k.

Mr. Corbett noted that the back-up information indicates 5 positions; and questioned what the other position is. Mr. Lynch said that one position will be absorbed from the current structure. Mr. Corbett noted that there are contracts in place and questioned how the contracts can be dissolved. Mr. Fisher explained that the contract is between Oncenter and local Operating Engineers. From a legal standpoint, the contract was entered into when the OnCenter was instructed to do that work. Once the OnCenter is told they no longer need to perform that work, they no longer have an obligation to employ those employees. If the work is not there, the contract ends. Mr. Corbett said that there are four grievances now from bringing in work -- the County will probably lose because of the way the contract is written. If there is no further use for that contract there, and the County turns around and performs the same type of work, it could be called "raiding". Secondly, it is going after and performing work where there is still a valid contract in place. There is an opportunity to facilitate this whole thing and have it work out. Mr. Fisher said that they met with the local business manager of Operating Engineers last week-- will be a meeting with him and/or representatives again with the local to clarify what the options are where things stand legally. Law Department will advise on any exposure to any changes that are made.

A motion was made by Mr. Warner, seconded by Mr. Kilmartin to approve this item. AYES: 3 (Warner, Buckel, Kilmartin); OPPOSED: 0; ABSTENTIONS: 3 (Lesniak, Corbett, Jordan). MOTION CARRIED.

2. SHERIFF: Chief John Balloni

a. **Amend Budget to Authorize the Onon. Co. Sheriff's Office to Accept a Vehicle from the U.S. Marshals Svc. and Authorize Co. Exec. to Enter into Contracts to Implement this Res. (\$11,000)**

A motion was made by Mr. Corbett, seconded by Mr. Kilmartin to approve this item.

- Grant – county will receive new vehicle, Ford Explorer, be used on fugitive-type cases
- \$11,000 will be received – dedicated to the vehicle for approx. 1 year (\$6k fuel & maint., \$5k equipment)
- Vehicle used exclusively for deputy assigned to the Gang Violence Task Force, per grant agreement

In answer to Chairman Jordan, Mr. Balloni explained that currently when the person is working, a vehicle is assigned to him out of the fleet. Aft the person is off duty, the fleet vehicle can be assigned to someone else.

Passed unanimously; MOTION CARRIED.

3. EMERGENCY MANAGEMENT: Peter Alberti, Commissioner

a. Amending the 2010 County Budget to Accept Funds from the NYS Emergency Response Commission for Use by the Onondaga County Local Emergency Planning Committees (\$3,776)

- County has a Hazardous Materials Planning group; NYS has a program that allows utilization of funds for the functions of the group
- Administrative activity to keep plans up to date, copies, training, conducting meetings, workshops/seminars
- County-wide organization--private sector attends meetings
- An interrupted program of the State; it started 1991 with continued funded until it stopped 3 years ago. It was not put in the budget and the funding has now reappeared.

A motion was made by Mr. Lesniak, seconded by Mr. Kilmartin to approve this item.

In answer to Chairman Jordan, Mr. Alberti said that this was basically funded out of other grants (Homeland Security for the last 3 years. Those grants are still being received.

Passed unanimously; MOTION CARRIED.

b. Amend Budget to Accept \$272,170 in Additional Homeland Security Funds from the Urban Area Security Initiative Grant Program for the Onondaga County Dept. of Emergency Management, and Authorize County Executive to Enter into Contracts to Implement this Resolution (\$272,170)

- Onon. Co. is the fiduciary agent for this grant (includes City of Syr., Onon. Co., Oswego Co., Madison Co. – provides administration and financial services to the group)
- A working group meets/decides the allocations – application made through NYS to FEMA – includes specific work plans and specific areas – all expenditure have to follow accepted work plan

Mr. Kilmartin noted that items 3b and 3c – are grants previously issued to Onondaga Co., but NYS held back 20%. NYS has now released the hold back.

Chairman Jordan questioned how the programs were funded if the monies weren't available. Mr. Alberti said that they aren't allowed to spend the money. They are now in the process of spending the money; it is a reimbursable program. The State has not always released the 20%. The numbers are not included in the 2010 budget, as it was not allocated. Last year FEMA started allocating specific numbers.

In answer to Mr. Warner regarding the license plate reader for \$21k. Mr. Alberti explained that it is an ongoing program; last year the guidance for the grant allowed for service maintenance and warranty in the program. It is a combination of installation work, maintenance/service agreements; probably won't have enough to purchase more license plate readers. There has been discussion on expanding the computer software behind it to handle/share information more efficiently. In answer to Mr. Warner, Mr. Alberti said that the County bought the license plate readers; there is program and database behind it; continually pay for the database.

c. Amend Budget to Accept \$317,781 in Additional Homeland Security Funds from the Urban Area Security Initiative Grant Program for the Onondaga Co. Department of Emergency Management, and Authorizing the Co. Exec. to Enter into Contracts to implement this Resolution (\$317,781)

Mr. Lesniak move items 3b and 3c, seconded by Mr. Warner. Passed unanimously; MOTION CARRIED.

The meeting was adjourned at 9:12 a.m.

Respectfully submitted,

DEBORAH L. MATURO, Clerk
Onondaga County Legislature

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