

# Overview

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## Section 1

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# Introduction

## About This Document

This document presents Onondaga County's 2012 Annual Budget. It is one of a series of documents produced by Onondaga County to help administrators, elected officials, and interested others understand the issues facing the County and the steps being taken to address them.

Simply stated, a budget is the plan that a government will use to reach its goals. In order to be most effective, four important components must be included in a budget document.

1. Policy Orientation - The budget defines the executive direction and general goals for the community. Any significant policy changes should be explained.
2. Financial Planning - The budget explains where funding comes from and how the money will be used. The budget also contains information about how much debt the government owes, and for what it borrows.
3. Operational Focus -The budget provides direction for managers to develop priorities and plans through goals and objectives. It also helps to establish performance expectations.
4. Effective Communications - Budgets are one of the most important ways that governmental priorities and activities are communicated to the public.

The format of this document is designed to be easily read and understood. Generally, the presentation of the information is straightforward and self-evident. Where it is not, explanatory notes are provided.

This budget is divided into seven sections, which are separated by divider pages. The divider pages are accompanied by a listing of the section contents, which facilitates finding the desired information.

## Budget Document Format

The first numbered section is an *overview* of the budgeting process. It contains explanations of how the budget is developed, how it is monitored and how it can be changed. In addition, it includes "Onondaga County at a Glance," which contains a thumbnail sketch of Onondaga County, and the County's table of organization.

The second section is a *fiscal summary*. It contains information on the County's financial condition, and includes summaries of appropriations, revenues, and staffing levels.

The third, fourth, and fifth sections contain detailed line item budgets for County departments engaged in *administration and financial services*, *human services*, and *physical services*, respectively. A budget is presented for each organizational unit for which "budget control" is exercised. Budget control essentially forms the boundaries between County departments, divisions and agencies.

A brief narrative, which includes the organization's mission and accomplishments, is presented with an organization chart, the organization's line item budget, and roster of budgeted positions. The Program Profiles have also been incorporated into this main document. They contain descriptions of the varied

functional programs provided by Onondaga County government. Grant projects managed by the organization are also presented.

The sixth section contains information about the County's *debt service and capital planning*, including debt schedules and summaries of the debt and capital processes. *Appendices*, the last section, includes a glossary of budget terms, the County's expense code classifications, salary plans for the County workforce, the County's investment policy and the Explanation of Tax Rates and Equalization Report.

## The Budget Documents

Following is a description of the series of documents that are related to the budgeting process.

This document series includes:

**Annual Budget.** The Annual Budget is an operating budget that lists revenues and appropriations for Onondaga County government. Article VI of the County's Administrative Code, Section 6.03b and 6.04 requires the document. **Note: When submitted for consideration to the County Legislature, it is published as the "Tentative Annual" Budget. When approved by the Legislature it is published as the "Annual" Budget.**

**Capital Improvement Plan.** This six-year document contains descriptions of proposed capital improvements and the associated project costs. It also contains useful information about the capital planning process. It is required by Article VI of the County's Administrative Code, Section 6.02. **Note: When submitted for consideration to the County Legislature, it is published as the "Tentative" Capital Improvement Plan. When approved by the Legislature it is published as the "Capital Improvement Plan."**

**Onondaga Community College (OCC) Annual Budget.** The OCC budget lists revenues and appropriations associated with the College. It also describes proposed capital improvements. The document is required by Article XXIV of the County's Administrative Code. **Note: When submitted for consideration to the County Legislature, it is published as the "Tentative Annual" Community College Budget. When approved by the Legislature it is published as the "Annual" Community College Budget.**

## Access to the Budget Document Series

All documents in this series are available for public reference at the Onondaga County Public Library in the Galleries. The Operating Budget document is also available on the County's website, [www.ongov.net](http://www.ongov.net). If traveling downtown is not convenient, a librarian at any Syracuse Branch Library, Independent Member Library or North Country System Library can acquire the documents through inter-library loan.

Copies are distributed to Syracuse area colleges and universities for research purposes. The public is usually allowed to use campus libraries, but special rules may apply.

## Special Requests

Special requests for additional copies of published budget documents *must* be made in writing and submitted to:

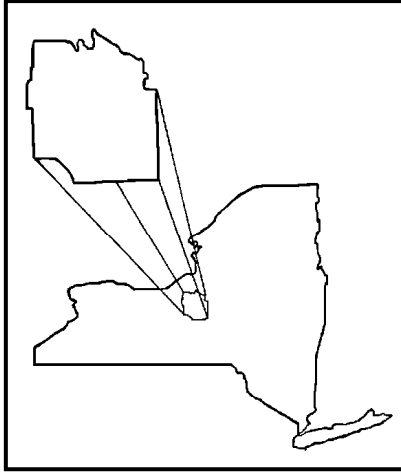
Division of Management & Budget  
John H. Mulroy Civic Center 14<sup>th</sup> Floor  
421 Montgomery Street  
Syracuse, NY 13202-2989

Special requests for information beyond what is published in the budget documents *must* be made in writing and submitted to:

FREEDOM OF INFORMATION OFFICER  
Executive Department  
John H. Mulroy Civic Center 14<sup>th</sup> Floor  
421 Montgomery Street  
Syracuse, NY 13202-2989

# Onondaga County at a Glance

## Geographic Size



Onondaga County is located in the center of New York State. It has a land area of 780.3 square miles, and is approximately 35 miles in length and 30 miles in width. The County has an extensive transportation system in place. It is served by several major airlines through the City of Syracuse's Hancock International Airport, as well as the major railroad facilities of Conrail and Amtrak. Onondaga County is at the juncture of the New York State Thruway (Interstate 90) running east and west, and Interstate 81 running north and south. Interstate 690 forms the east-west axis through the County to which Interstate 481 links the City of Fulton and the surrounding towns. Onondaga County is serviced by over 2,600 miles of highways, roads and streets as well as the New York State Barge Canal System. The Canal System, in connection with the Hudson River, allows for water transportation from New York City to Buffalo and Lake Erie. Thus,

Onondaga County has been appropriately referred to as the "Crossroads of New York State."

## Government

Onondaga County is governed under home rule, which provides for the separation of the legislative and executive functions. This charter was approved by voter referendum in 1961. The County Executive, elected to a four-year term, is the chief executive officer of the County. The County Legislature, composed of 17 members (effective January 1, 2012) elected to a two-year term is the County's governing body. Other elected positions are District Attorney, Sheriff, County Comptroller, and County Clerk.

## Land Use

The land use pattern that has existed for several decades has led to expansion in the suburban towns and a mixed pattern of stability, decline, and redevelopment in the City of Syracuse. The northern towns of Onondaga County have undergone the most significant development in past years, the eastern and western towns less, and the southern towns have remained relatively stable.

## Population

According to the U.S. Census Bureau annual July population estimates survey, Onondaga County's population rose nearly 2% in 2010 since the 2000 Census (see table below).

Year	Population	Occupied Housing Units
1980	463,920	165,677
1990 Census	468,973	177,898
2000 Census	458,336	181,153
2010 Census	467,026	187,686

Source: U.S. Census Bureau, American FactFinder

## Housing

The housing sector in Onondaga County shown by the breakdown below includes the number of existing homes sold, the average median selling price of homes and the percent change over the prior year. The June YTD data represents all sales and prices between January and June of that year and the associated percent change over the same time period of the prior year. The average median selling price is the price point in the middle of all prices of homes. That is, there is the same number of prices below the median price as above.

Year	Existing Homes Sold	Percent Change	Average Median Price	Percent Change
2000	4,293	3.5%	\$82,621	(1.5%)
2001	4,560	6.2%	\$88,392	7.0%
2002	4,917	7.8%	\$90,723	2.6%
2003	4,650	(5.4%)	\$104,164	14.8%
2004	5,090	9.5%	\$108,941	4.6%
2005	5,169	1.6%	\$120,688	10.8%
2006	4,748	(8.1%)	\$125,190	3.7%
2007	4,654	(2.0%)	\$130,016	3.9%
2008	4,056	(12.8%)	\$128,668	(1.0%)
2009	3,795	(6.4%)	\$127,661	(0.8%)
2010	3,434	(9.5%)	\$134,558	5.4%
June 2010 YTD	1,779	(22.6%)	\$130,700	3.1%
June 2011 YTD	1,343	(24.5%)	\$128,258	(1.9%)

Source: Greater Syracuse Association of Realtors

## Economic Assets

Some of Onondaga County's best economic assets are its diverse industrial composition, competitive wage structure, reasonable cost of living, and its productive, highly educated work force. While the nation experiences more volatile economic swings, the County's economy is safeguarded from these potentially adverse fluctuations by its economic diversity, thus making our economy relatively more stable year over year.

Syracuse and Onondaga County offer both existing and new businesses the advantage of a central location in a northeast market of 63 million people, excellent transportation access to major US and Canadian urban centers, and freedom from long or difficult commuting patterns. For employees in the County and the surrounding area, Onondaga County is the regional center for retail, medical and educational facilities. It offers housing opportunities at very competitive prices, excellent educational facilities and a wide range of cultural and educational opportunities.

## Higher Education

The Central New York region houses the third largest concentration of colleges and universities in the nation. Syracuse University, LeMoyne College, Onondaga Community College, SUNY Environmental Sciences and Forestry, SUNY Upstate Medical University, and the Syracuse regional center of SUNY

Empire State College are all located within Onondaga County. These institutions of higher learning have a combined full-time student population in excess of 30,000.

### **Employment in Onondaga County**

The table below lists the major employers in Onondaga County. The diversity of the County's workforce is reflected in the size and scope of the major employers.

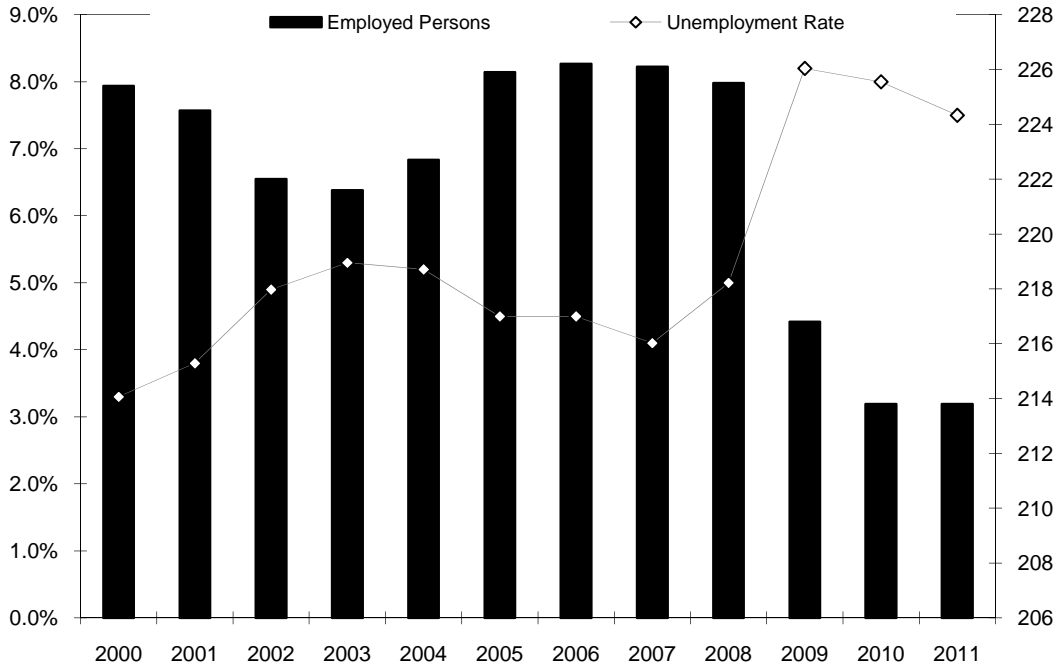
#### **Major Employers in Central New York**

<b>Rank</b>	<b>Name</b>	<b>Number of Employees</b>
1	Upstate University Health System	7,935
2	Syracuse University	6,504
3	Wegmans	4,100
4	St. Joseph's Hospital Center	3,142
5	Crouse Hospital	2,700
6	Loretto	2,427
7	Lockheed Martin MS2	2,350
8	National Grid	1,856
9	Raymour and Flanigan	1,400
10	Syracuse V.A. Medical Center	1,400
11	Carrier Corporation	1,300
12	Welch Allyn	1,300
13	United Parcel Service	1,230
14	Verizon	1,100
15	Community General Hospital	1,080
16	Roman Catholic Diocese of Syracuse	1,000
17	Excelsus Blue Cross Blue Shield of CNY	990
18	AXA Equitable Life Insurance Co.	943
19	L. & J.G. Stickley, Inc.	934
20	Syracuse Research Corp	885
21	Time Warner Cable	875
22	The Bank of New York Mellon Corp.	830
23	Anheuser Busch Companies	815

**Source: Centerstate Corporation for Economic Opportunity**

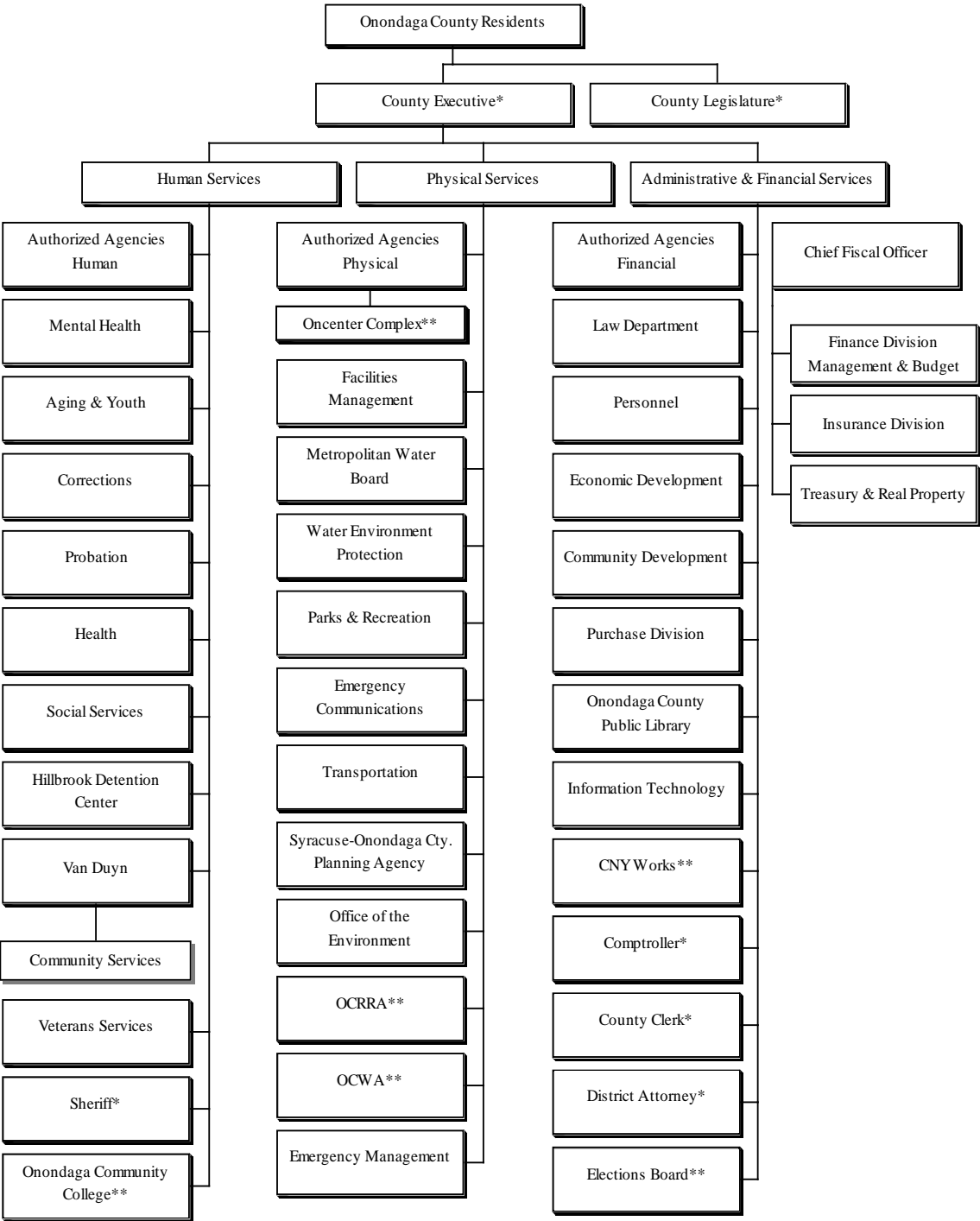
The following graph depicts the labor force statistics in Onondaga County including the unemployment rate and employed persons for the month of June between 2000 and 2011. These statistics represent Onondaga County residents only.

### Labor Force Statistics Onondaga County June, 2000 – 2011



Source: New York State Department of Labor

# Onondaga County Table of Organization



\*Elected Official \*\* County Liaison

## Operating Budget Calendar

<b>January</b>	<ul style="list-style-type: none"> <li>▪ County fiscal year begins January 1</li> <li>▪ Tax bills are sent to taxpayers</li> <li>▪ DMB develops ensuing year budget forecast</li> </ul>
<b>February</b>	<ul style="list-style-type: none"> <li>▪ DMB reviews impact of Governor’s proposed State Budget</li> </ul>
<b>March</b>	<ul style="list-style-type: none"> <li>▪ DMB assembles ensuing year budget manual and instructions</li> <li>▪ State budget impact report sent to State Legislators</li> </ul>
<b>April</b>	<ul style="list-style-type: none"> <li>▪ OCC submits ensuing year budget request</li> <li>▪ County Executive and DMB review OCC budget request and prepare recommendations</li> </ul>
<b>May</b>	<ul style="list-style-type: none"> <li>▪ Ensuing year budget manual and instructions are sent to departments</li> <li>▪ County Legislature reviews OCC ensuing year budget request</li> </ul>
<b>June</b>	<ul style="list-style-type: none"> <li>▪ Departments submit operating budget requests to DMB</li> <li>▪ Legislature adopts OCC budget</li> <li>▪ County Executive and DMB review department budget requests</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>▪ County Executive and DMB review department budget requests and prepare recommendations</li> </ul>
<b>August</b>	<ul style="list-style-type: none"> <li>▪ County Executive and DMB review department budget requests and prepare recommendations</li> </ul>
<b>September</b>	<ul style="list-style-type: none"> <li>▪ County Executive submits tentative operating budget, including City Abstract, to the Legislature by September 15</li> <li>▪ Legislature reviews tentative operating budget between September 15th and 30th</li> </ul>
<b>October</b>	<ul style="list-style-type: none"> <li>▪ Publish a notice of public hearing by deadline of October 1</li> <li>▪ Public hearing held between October 1<sup>st</sup> and 10<sup>th</sup></li> <li>▪ Legislature to adopt operating budget by October 15</li> <li>▪ County Executive to veto any increase by October 20</li> <li>▪ Legislature to consider County Executive’s veto by October 25</li> </ul>
<b>November</b>	<ul style="list-style-type: none"> <li>▪ Operating budget is required to be adopted by the Legislature by the first Monday in November</li> <li>▪ Determination of final equalized tax rates</li> </ul>
<b>December</b>	<ul style="list-style-type: none"> <li>▪ Legislature adopts property tax rates</li> <li>▪ Legislature adopts sewer district tax rates</li> </ul>
<b>Ongoing</b>	<ul style="list-style-type: none"> <li>▪ Budget analysts meet with departments throughout the year to assist them in managing their operating budgets within the resources adopted</li> </ul>

## **Budget Administration**

### **Approach to Budgeting**

Preparation of an annual budget serves many purposes. The budget is the County's formal statement to the public of how it expects to convert its short and long range plans into services and programs. It provides detailed cost information regarding those services and programs, and outlines the sources of revenue required to support them.

The procedures governing the preparation, submission and adoption of Onondaga County's annual budget are stipulated in Article VI of the County Administrative Code.

### **Basis of Budgeting**

The Onondaga County budget is prepared in accordance with Generally Accepted Accounting Principles except for encumbrances, which are considered expenditures in the period the commitment is made.

The County budgetary and accounting systems are organized and operated on a "fund" basis, which is the basic fiscal and accounting entity in governmental accounting. The operations of each fund are separately budgeted. All governmental funds are accounted for using the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when measurable and available to pay current liabilities. Expenditures are recognized when the related fund liability is incurred, except for principal and interest on long-term debt, which are recorded as expenditures when paid.

Onondaga County budgets on a line item basis. The line item budget separately lists all expenditure and revenue categories for each department, along with the dollar amounts budgeted for each specified category. County departments prepare budget requests taking into consideration program requirements, mandates, infrastructure maintenance needs, and other elements critical to County operations.

### **Budget Preparation Calendar**

The budgeting process begins in the spring of each year with the development and distribution of instructions for personnel changes followed by forms and instructions to develop departmental operating budget requests. Departments and Authorized Agencies are required to submit their budget requests for review and analysis to the Division of Management and Budget (DMB) for initial review. Together, the County Executive, DMB, and departments prepare a Tentative Annual Budget for submission to the County Legislature. The Tentative Annual Budget must be submitted to the County Legislature no later than September 15th.

### **Legislative Review**

The Legislature is required to advertise and hold at least one public hearing on the tentative budget prior to legislative approval. At this hearing, any person may be heard in favor of, or against, the County budget. The budget must be adopted by the County Legislature no later than October 15th. If the Legislature adopts the budget with no additions or increases, no further action is required on the part of the County Executive. If the budget, as passed, contains any additions or increase, the change must be submitted to the County Executive for her consideration. The County Executive has until October 20th to approve or disapprove each of the Legislative increases. The Legislature in turn has until October 25th to override a

County Executive veto with a two-thirds majority vote. If the County Legislature fails to adopt the budget by October 15th, they can only make reductions to the County Executive's tentative budget and must approve the budget containing these reductions by the first Monday in November. If a budget has not been adopted on or before the first Monday of November, then the budget as submitted by the County Executive becomes the adopted budget for the ensuing year. The Onondaga County Legislature formally adopts the County's budget by resolution.

## **Budget Transfers**

Modifications may be made to the adopted operating budget, which involve the transfer of unencumbered appropriations between classifications of expenditure within or among administrative units. A department must submit a "Transfer Request Form" to the Division of Management and Budget, where it is reviewed before being forwarded to the County Executive for approval.

The County Executive has the authority to approve transfers into an account on a yearly cumulative basis up to \$7,500. For transfers of \$1,500 to \$7,500, executive notice to the County Legislature is required. Any transfer more than \$7,500 on a yearly cumulative basis must be approved by the Legislature. The Comptroller's Office receives a copy of the approved transfer request so that the moneys can be transferred to the appropriate accounts. No transfer can be made from appropriations for debt service, and no appropriation may be reduced below any amount required by law to be appropriated.

The County Executive may at any time transfer part or all of any unencumbered appropriation balance between classifications of expenditures within the same administrative unit, or from one county administrative unit to another, provided the transfer is necessary to provide for the payment of a salary increment as a result of any negotiated salary plan, or when it has been affected by a change in the rate or total due to a change of salary grade, a change of salary position, or a salary adjustment.

## **Budget Amendments**

Increases or decreases to the total appropriations or revenues of an operating budget subsequent to the adopted budget require legislative action. If in any fiscal year there are surplus revenues either received from sources not originally anticipated, or from anticipated sources in excess of the budget estimates, then the County Legislature may make supplemental appropriations for the year not in excess of the additional revenues. The County Legislature may also make emergency appropriations to meet a public emergency affecting life, health, or property. If there are no available unappropriated revenues to meet such emergencies, the Legislature may authorize the issuance of obligations pursuant to local finance law.

If it appears at any time during the fiscal year that anticipated revenues might fall short of the amounts appropriated, the County Executive must report to the Legislature the estimated amount of the deficit, the remedial action taken by the County Executive, and recommendations as to further action. The County Legislature will take any action it deems necessary to prevent or minimize the deficit. It may by resolution reduce one or more appropriations; however, no appropriation for debt service may be reduced nor may any appropriation be reduced by more than the unencumbered balance, or below any amount required by law to be appropriated. The Legislature may also borrow temporarily, pursuant to local finance law, provided the amount is not greater than the estimated deficit.

## **Budgeting Monitoring Process**

The Division of Management and Budget has identified key appropriation and revenue accounts that are critical to maintaining a balanced budget. Budget monitoring activities are driven from this database of key accounts or indicators.

Budget analysts regularly meet with fiscal officers in line departments to collect data on expenditures, revenues, work or caseload volume, and to discuss potential budgetary problems in upcoming months. The indicators in the database are updated monthly based on the information gathered at these meetings. The data that has been collected is used to produce a number of reports projecting short and long-term budget performance. These reports include:

### **Appropriation/Revenue Forecasts**

Monthly reports on key expenditure and revenue accounts are produced. These reports are the most important component of monitoring activities. The analysts attempt to link the behavior of these key accounts to leading national, state and local economic indicators. The goal is to predict the magnitude that a change in the economy would have on Onondaga County's budget.

### **Ensuing Year Departmental Budgets**

These forecasts are used to project incremental growth of departmental budget accounts during the budget request process. Requests for funds beyond what is projected must be fully documented and justified.

### **Special Reports**

The database of the key indicators serves as an important base for many special reports on key issues facing the County.

### **Payroll Projection Report**

This report is produced periodically throughout the year and combines actual YTD payroll spending with forecasted payroll by department to produce a reliable projection of expense.

In addition to the budget monitoring process for the operating budget, the Capital Improvement Plan (CIP) is designed to balance the need for public facilities with the fiscal capability of the County to provide for those needs.

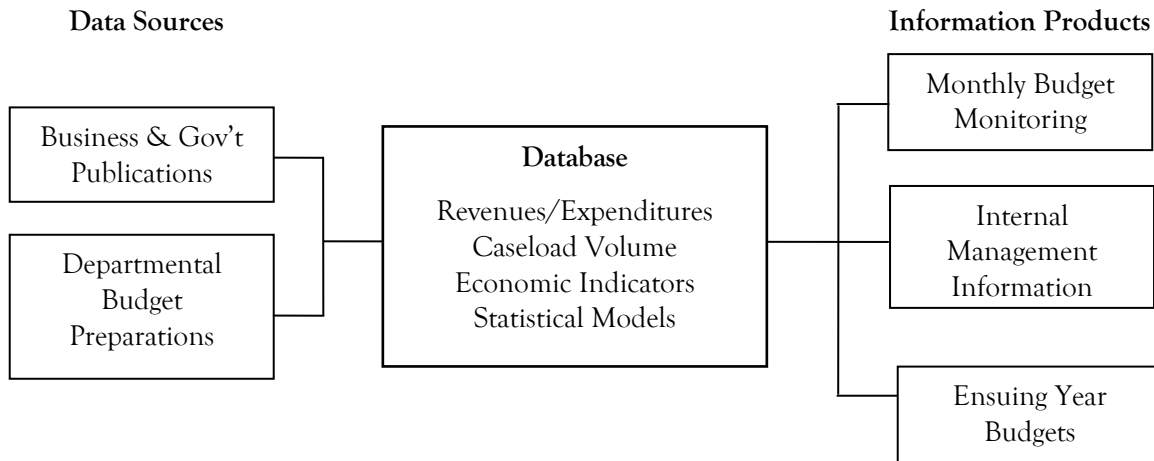
In conjunction with Onondaga County's land use plan, called the 2010 Development Guide, the CIP serves as a general planning guide for the planning and construction of expensive general purpose projects for public facilities and infrastructure in the County. The CIP provides careful attention to the development of reliable capital expenditure and revenue estimates and the timely scheduling of the issuance of debt.

## **Adapting to Change**

A significant portion of Onondaga County's revenue comes from the Federal and State governments through various aid programs. Onondaga County has been forced to take austerity measures to cope with annual shortfalls in Federal and State aid, which result from an increasing level of mandated services with flat or declining aid to fund these services.

One of the most important mechanisms used to address any problem mid-year is a spending freeze. Because personnel costs represent one of government's largest expenses, a hiring freeze is very effective in making up a significant portion of a projected shortfall, primarily through attrition in the County workforce.

### Budget Monitoring System



# Financial Structure

## Fiscal Year

The County's fiscal year is from January 1 through December 31 of the same year.

## Fund Structure

### Fund Accounting

The accounts of the County are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are summarized by type in the financial statements. The County uses the following fund types and account groups:

### General Fund

The General Fund accounts for all financial resources except those required to be accounted for in another fund. Sources of revenue include: county-wide real property tax, State and Federal aid, sales tax, user fees, etc.

### Special Revenue Funds

Accounts for revenues from specific taxes or other earmarked revenue sources, which are required by law or regulation to be accounted for in special funds. The Water Fund, Water Environment Protection Fund, Van Duyn, Library, and Community Development, General Fund Grants, the County Road Fund, and the Road Machinery Fund are included in Special Revenue Funds.

### Debt Service Fund

Accounts for resources for payment of principal and interest on short and long-term debt.

### Enterprise Fund

Accounts for operations that are financed and operated in a manner similar to private business enterprises - where the intent is that costs of providing goods or services to the general public be financed or recovered primarily through user charges. Currently, Onondaga County does not have any enterprise funds.

### Community College Fund

Accounts for community college operations. The College accounts for state and federal grants in a separate Grants Projects fund. Primarily funded by county-wide real property tax, tuition charges, and State and Federal aid.

### Internal Service Fund

Accounts for the financing of goods or services, on a cost reimbursement basis, provided by one department or agency to other departments or agencies within the same government or to other governments. The Insurance Fund is an internal service fund.

## **Accounting Principles**

Onondaga County conforms to the Uniform System of Accounts for Counties pursuant to Section 36 of New York State General Municipal Law. The Uniform System of Accounts requires that financial statements must conform to Generally Accepted Accounting Principles (GAAP).

## **Accounting Basis**

As noted under “Basis of Budgeting”, the County uses the modified accrual basis of accounting for all funds except proprietary funds, which includes enterprise and internal service funds. Revenues are recorded when they become susceptible to accrual, meaning they are both measurable and available. Revenues not considered available are recorded as deferred revenues. Expenditures are recorded when a liability is incurred if it is expected to be paid within the next 12 months, except interest on general long-term obligations which is recorded when due. Liabilities expected to be paid after 12 months are recorded in the general long-term obligations account group.

Enterprise and internal service funds use the accrual basis of accounting. Under the accrual basis, accounting transactions are recorded when the underlying economic event takes place without regard for when the cash receipt or cash disbursement takes place.

## **Account Codes**

Account codes classify expenditures by category. The structure of the account codes used by Onondaga County is part of a system prescribed by the State Comptroller. The following framework is used for account codes.

- 100 - Personal Services
- 120 - Employee Benefits
- 200 - Equipment
- 300 - Supplies and Materials
- 400 - 700 - Contractual and Other

A detailed explanation of some of the account codes for expenditures is presented in Appendix B of the Annual Budget.

## **Countywide Long Term Goals**

The goals set forth and funded in this budget collectively represent the priorities of Onondaga County government. They reflect a vision of the community and a philosophy of government held by those elected to represent the citizens of Onondaga County.

These priorities emanate from a commitment to maintain an excellent quality of life in Onondaga County that is important to the lives of our citizens and the health of our economy. To that end, the County’s budget allocates limited resources to achieve the following long-term goals:

- To provide care and sustenance to those citizens unable to care for themselves;
- To enhance the health and safety of citizens;

- To strengthen the area's economy and thereby promote economic opportunities for all members of the community;
- To realize the full value and maximum public enjoyment of the area's extraordinary natural assets by addressing existing and potential environmental threats;
- To provide civic facilities, activities, and amenities that enrich the quality of life in Onondaga County; and
- To provide these services in a professional, responsive, and cost-effective manner.

### **County Financial Policies and Planning Procedures**

To achieve the County's long-term goals, it is essential to establish financial policies to support them. The County has developed the following policies:

1. To develop and maintain a balanced budget for each operating year through financial planning and forecasting. The county has developed procedures and methods to examine and maintain a balanced budget. The Budget Monitoring section provides greater detail.
2. Seek and maintain diversification of revenues
3. Cash Management Policy to maximize the availability of cash:
  - To meet daily spending needs (i.e., payroll, vendors, etc.)
  - To earn interest revenue on the investments of the County's cash balances
  - To avoid or limit the need for cashflow borrowing

### **Investment Policy**

Pursuant to Article IV of the Onondaga County Charter, the Chief Fiscal Officer is the custodian of all County funds and is charged with the responsibility for creating and administering an investment policy, which is consistent with the Investment Policies and Procedures guidelines promulgated by the Office of the State Comptroller.

Currently, the County's portfolio consists of money market deposits, certificates of deposit, and U.S. government agency bonds, which range in maturity from one day to four years. See Appendix D for the complete Investment Policy.

### **Debt Issuance and Management Policy**

1. Debt service costs paid through the General Fund will not exceed 5% of total General Fund revenue.
2. The County's total net direct indebtedness will not exceed \$500 per capita or 1% of the full valuation of taxable property in the County.

3. Rapid pay down of debt will continue as a goal of the County's debt management policies, with a target of 65% of outstanding principal scheduled for retirement within 10 years. This goal may be modified to reflect changes in the interest rate environment, which may argue for shorter or longer retirement terms.

### **Fund Balance Policy**

As a way of regulating and maintaining the County's reserves, the County established a general fund balance goal of 10% of net general fund revenues. Reserves beyond this 10% goal should be applied to avoid future debt or for property tax relief.

### **Purchase Requirements**

Purchases of goods and services by Onondaga County are in accordance with New York State General Municipal Law (GML), the County Charter and Administrative Code, and specific County legislative resolutions.

Purchases of commodities, supplies, materials, and equipment of the same type by all departments that exceed \$20,000 annually require formal bidding. Smaller dollar amounts may require verbal or written quotes.

Purchases of services, labor or construction by all departments that exceed \$35,000 annually require formal bidding. Smaller dollar amounts require written quotes. Wicks Law (Section 101 of the New York State Labor Law) states that for construction projects costing more than \$500,000, separate bids are required for plumbing, heating, air conditioning, and electrical.

The acquisition of certain products and services is required by law through State-mandated services, such as furniture through the State Corrections Department.

In addition, products and services may be acquired through leases, state contracts, sole sources and emergency bid waivers. Professional services involving specialized skill, training and expertise, use of professional judgment or discretion, and/or a high degree of creativity are acquired through a request for proposal (RFP).

### **Capital Planning and Debt Management Strategies**

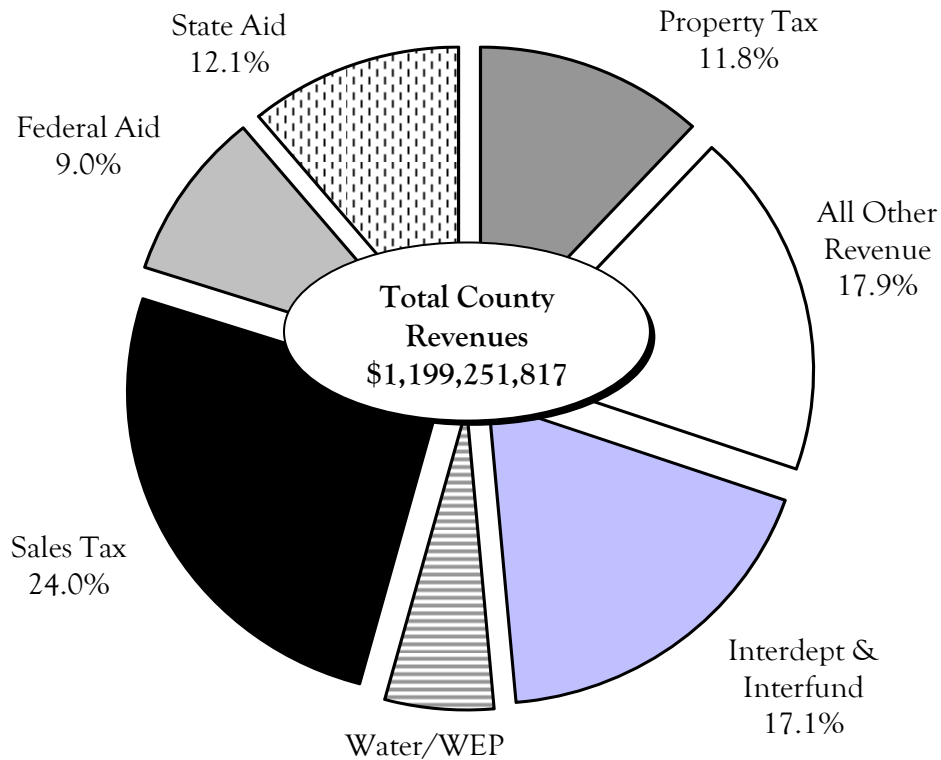
1. Where possible, capital expenditures will be funded through pay-as-you-go programs and alternative financing mechanisms, such as state loan programs and as federal pilot projects;
2. Reviewing operating cost and revenue implications for all proposed capital projects as a part of the annual six-year capital improvement planning process;
3. Maintaining an inventory of capital assets and developing plans to reduce maintenance costs and extend the useful life of the County's infrastructure, including the development and implementation of preventive maintenance programs.

See section 6 of this document, Debt Service and Capital Planning, for an expanded discussion as well as specific debt and capital project information.

## **The 2010 Development Guide**

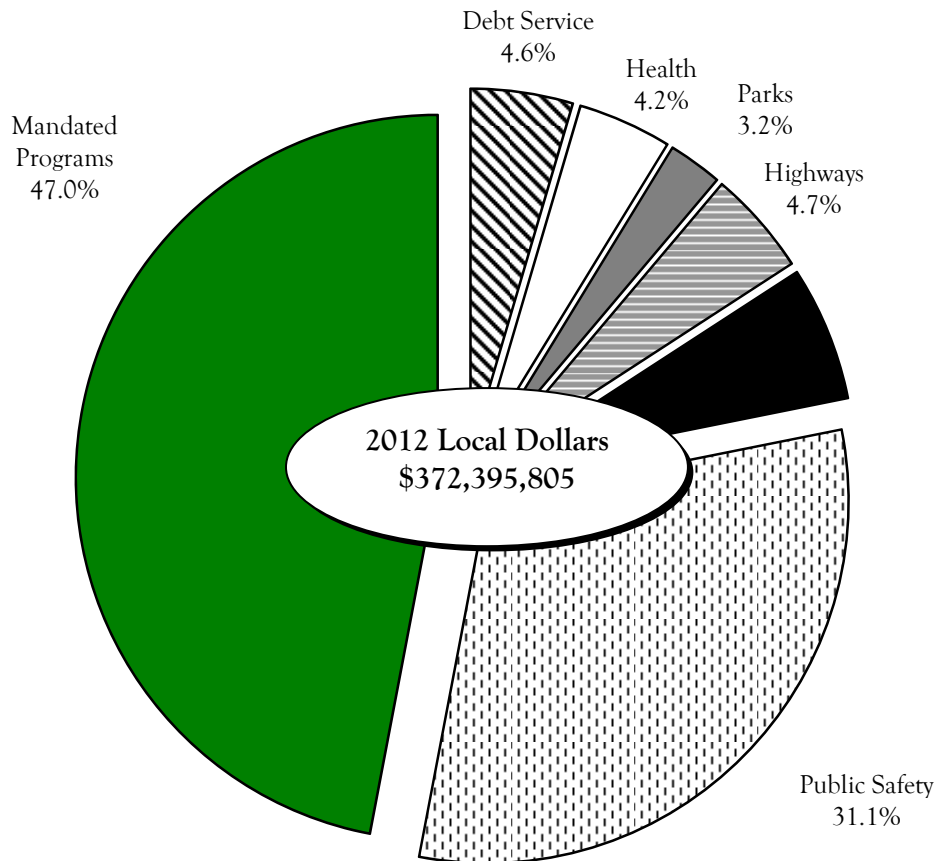
In 1991, the Onondaga County Legislature adopted the 2010 Development Guide to outline County policy with respect to infrastructure, land development, the environment and fiscal capacity. The Development Guide profiles Onondaga County in terms of natural resources and land use, population, and our local economy. While the Development Guide serves many purposes, clearly the most important is its role in influencing land development within Onondaga County. The 2010 Development Guide provides the planning framework within which capital-spending decisions will be made. It is in the process of being updated. The County is currently in the process of creating a new Sustainable Development Plan that will be completed in 2012 and replace the 2010 Development Guide.

## Where the 2012 Dollars Come From



Revenue Source	\$ Amount (in millions)
<b>Property Tax</b> revenues represent only 11.8% of the County's total revenue. This is net of deferred/uncollected (-\$12.27m) and prior year taxes (+\$6.02m).	\$141.92
<b>All Other Revenue</b> includes department income of \$176.15 million, user fees, etc	\$222.25
<b>Interdepartmental and Interfund Transfers</b> represent internal services between departments and funds.	\$219.27
<b>Water/Water Environment Protection Tax</b> revenues come from water taxes, annual sewer rents, and Drainage District taxes.	\$66.82
<b>Sales Tax</b> revenue now includes the distribution of sales taxes to all municipalities. The local amount retained is \$225.85 million.	\$309.41
<b>Federal Aid</b> is estimated to increase by \$6.4 million above the 2011 BAM	\$108.02
<b>State Aid</b> has decreased \$13.21 million below 2011 BAM, which is a decrease of 9.1%	\$131.56

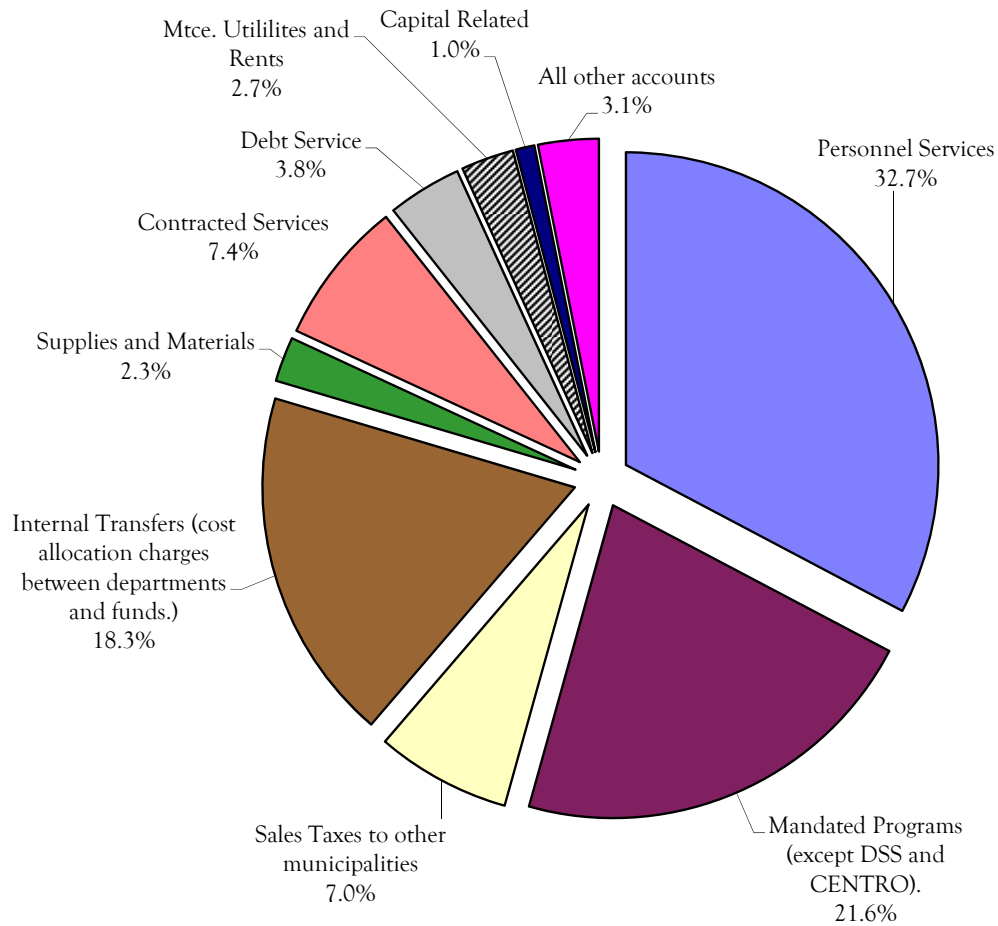
## Where Your 2012 Tax Dollars Go



Local Dollars: in 2012, the County will collect \$372.40 million local dollars. This includes: \$148.22 million in property taxes, \$225.85 million for the County's portion of the sales tax, (\$12.27) million in uncollected taxes, \$6.02 million in prior year collections and the use of \$4.58 million is prior years surplus.

Expenditure Category	\$ Amount (in millions)		
	2010 Actual	2011 Modified	2012 Adopt
<b>Debt Service</b>	\$11.2	\$16.7	\$17.0
<b>Mandated Programs</b> include: Medicaid, Public Assistance, CENTRO, Services to the Handicapped, and other social services programs.	\$140.3	\$160.1	\$175.0
<b>Health Department</b>	\$10.9	\$13.2	\$15.6
<b>Parks Department</b>	\$9.2	\$8.4	\$9.0
<b>Highways</b> represents the investment in the County's infrastructure	\$16.5	\$15.4	\$17.4
<b>All Other</b> includes the Library, Youth Bureau, financial services, etc.	\$16.7	\$22.1	\$22.4
<b>Public Safety</b> includes County agencies engaged in Law enforcement, prosecution, and correctional activities (excludes debt and legal aid)	\$106.3	\$111.3	\$116.0
<b>Total</b>	\$311.1	\$347.2	\$372.4

## Where All the 2012 Dollars Go



Expenditure Category	\$ Amount (in millions)		
	2010 Actual	2011 BAM	2012 Adopted
Personnel Services	\$361.7	\$378.2	\$392.38
Mandated Programs (except DSS Admin and CENTRO)	\$222.4	\$242.9	\$259.23
Sales Taxes to other municipalities	\$147.8	\$95.9	\$83.57
Internal Transfers	\$186.5	\$203.7	\$219.27
Supplies and Materials	\$31.7	\$28.7	\$27.71
Contracted Services	\$77.2	\$92.2	\$89.28
Debt Service	\$34.9	\$41.1	\$45.94
Maintenance, Utilities and Rents	\$34.8	\$38.3	\$32.67
Capital Related	\$10.6	\$11.5	\$11.67
All other accounts	\$47.9	\$40.6	\$37.53
<b>Total Gross Budget</b>	<b>\$1,155.4</b>	<b>\$1,173.2</b>	<b>\$1,199.25</b>

