



Robert E. Antonacci II, CPA
Comptroller

COUNTY OF ONONDAGA

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County Comptroller*

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The Honorable County Executive
The Town Supervisor's Association
The Town Highway Superintendent's Association
The Commissioner of the Onondaga County Department of Transportation
The Onondaga County Legislature
The Clerk of the County Legislature

Please find enclosed our report relative to snow plow costs incurred by the Onondaga County Department of Transportation (OCDOT).

OCDOT for many years has contracted with the towns within Onondaga County to provide certain snow plowing services on County roads. This year the contract expired and is up for renewal. At the request of interested parties, the CSI Onondaga Tax Force which is within the Onondaga County Comptroller's Office reviewed county costs in an effort to provide factual data for use in the ongoing negotiations. It is our hope the report will provide the necessary data so all parties may work in good faith to reach an agreement that benefits all taxpayers by encouraging accountability, transparency and overall efficiencies in providing snow plowing services to our constituency.

In summary, our report is the beginning step in what we believe can be a useful service of the Comptroller's Office in helping formulate and implement the County Executive's policy of encouraging greater use of town highway departments in providing services county-wide.

In the short run our review of county data finds the OCDOT has reasonably estimated the average cost to plow county roads. We commend OCDOT for its transparency and cooperation in moving this issue forward. We hope to review and assemble the costs incurred by town highway departments at a later date with the hope of formulating a county-wide snow plow strategy.

We recognize there are geographic and service differences in each town as well as different cost structures and material preferences. It would be our hope to continue to develop uniform methodology so all municipalities can consistently and accurately predict each other's costs and understand the fiscal impact of each others decisions as they work together.

It is the opinion of the Comptroller's Office municipalities dealing with each other should not make or lose money off of each other's assistance. One of the goals in conducting this review was to ascertain the cost to the County taxpayers for snow plowing services. Ultimately it would be disingenuous for the County to "make" money off of the towns and on the other hand it would not be proper for the county to pay the towns more than it costs OCDOT to perform the same services. While we find the methodology used by OCDOT management

to be reasonable it does come with a caveat OCDOT does not presently have broken down the actual cost of plowing a county road and their cost as indicated includes both the cost to plow county and state roads. OCDOT can breakout the actual costs of the County road but not in time for this report. In the past the state has not mandated OCDOT to track costs in this fashion.

While OCDOT average cost for snow plowing all roads is more than it pays the towns the actual average cost of plowing a county road may be lower due to the inclusion of state plowing within said figures. Costs associated with plowing state roads may be higher than county roads due to the additional materials and time used to plow state roads.

We believe openness in this process will assist negotiations between municipalities, but all must understand there are operational differences that can and do result in different costs to plow.

Sincerely,



Robert E. Antonacci II, CPA

REA/nlc

Overview of Onondaga County Snow Plowing Costs and Reimbursements

Purpose: To provide a general overview of Onondaga County's costs associated with snow plowing services provided on County and State roads throughout the winter season. Also, to report the approximate centerline mile reimbursement rate, including the severity factor the County receives from the State, as well as, the amount the County pays to the towns for plowing County roads.

Scope: Obtain an understanding of the Onondaga County Department of Transportation (DOT) compilation of snowplow costs for the 2008 –2011 snow seasons.

Background: The typical snow season for Onondaga County runs from October to May. The Onondaga County DOT is responsible for County roads and a portion of State roads totaling 789 equivalent centerline miles (centerline mile is defined as two –11 foot lanes with two- 4 foot shoulders). This is further broken down into 574 miles of County roads and 215 miles of State roads. Various towns are reimbursed for providing plowing services to the County and during the 2010/2011 season plowed approximately 318 miles of County road.

Methodology: The Audit Division compiled information based on data provided by the DOT. All reviewed reports footed without exception. It was noted, costs were not distributed between the plowing of State roads versus County roads. In discussions with the DOT a breakout may be possible but is not available at this time. Therefore, when referring to County costs please note they are inclusive of costs associated with both State and County roads.

Conclusion: Based on the Audit Division's review of DOT records, the overall cost allocation methodology appears reasonable. Although, caution should be given in regards to jumping to conclusions on "Base County Costs" shown below, due to the blend of plowing both State and County Roads. The DOT may want to consider separating County and State road costs in the future. The DOT should further contemplate including some or all of the costs they are currently excluding from the "Base County Costs" calculations to ensure a more accurate representation of expenditures presented in this report. See section titled (**County & State Road Costs Not Included in the Above Numbers**) for excluded costs.

County Snow Plowing Costs

<u>Season</u>	<u>Lump Sum State Contract</u>	<u>Severity Factor Payment</u>	<u>Total State Reimbursement</u>	<u>Base County Costs**</u>	<u>County Pays Towns</u>	<u>Snowfall</u>
2008-2009 Snow Season	\$7,981	\$1,605	\$9,586	\$6,534	\$5,348	150 inches
2009-2010 Snow Season	\$7,939	\$437	\$8,376	\$6,100	\$5,660	106 inches
2010-2011 Snow Season	\$8,217	\$2,358	\$10,575	\$8,152	\$5,910	179 inches

** Not all County costs are included. (See section below)

Caution should be given to jumping to conclusions on County Cost due to the blend of State and County Roads.

County & State Road Costs Not Included in the Above Numbers

Does **NOT** include:

Ditch cleaning (snow)
Road patrol
Mailbox repair
Sweeping
Mixing/loading of materials (by loader operator)
Meal claims
Lawn repair (plow damage)
Layover
Repairs
Dispatchers
Filling out DPARs
Preventative maintenance
Getting orders
Putting on/removing plows

County & State Road Costs Consists of:

Personnel-plowing, salting, snow blowing, pretrip, loading, paid break, travel and refuel for these activities. Costs also include current regular & OT fringes, plus solo plow and call-in incentive.

Equipment-plowing, salting, snow blowing, pretrip, loading, travel and refuel for these activities.

Cost Components

The three major cost components of County Snow Plowing are:

- 1) Personnel- Each driver submits a DPAR (Daily Personnel Activity Report) which outlines what facility they departed from (Jamesville, North Area, Camillus, Marcellus). Included in the DPAR is the odometer reading from when the truck leaves the facility and when it returns. The driver also records hours spent plowing/salting each road and the amount of salt/sand dispensed.
- 2) Equipment- The County uses the NYS Equipment Rental Rate Schedule:
The rate schedule includes:
 - A) Ownership and overhaul expense
 - B) Field repair and fuel expense
 - C) Hourly rental rate for the increased fuel cost associated with snow and ice operations only (plowing, spreading, plowing-and-spreading).
- 3) Materials- Sand and salt are tracked by Dickie Johns, the measurement and disbursement mechanism located on the back of County plows.

Onondaga County DOT enters the information from the DPARs into Abacus, their tracking software. It is subsequently downloaded into detailed Excel spreadsheets.

County Plowing State Roads

The County plows approximately 215 centerline miles of State roads. The County had a lump sum contract with the State and for the 2010/2011 snow season received \$1,766,760 plus a severity factor, bringing the total amount received by the County to \$2,273,821.

County Plowing State Roads Continued

Historically the lump sum payment received from the State is based on a three-year average of time and materials. Through discussions with the DOT, the Audit Division understands prior to the lump sum agreement with the State, payments were based on time and materials information provided by the County. After several years of providing this information, the State decided a lump sum agreement would instead be optimal and alleviate paperwork.

The State requires all snow plow related information to be documented and retained by the County for six years. Proof of wages, equipment, materials and purchases/inventory/bid rates must also be kept for six years.

Towns Plowing County Roads

In 2008, a new 3-year agreement was reached allowing annual adjustments for materials, fuel personnel and non-fuel equipment costs.

The towns were paid \$5,910 per centerline mile for plowing County roads between November 2010 and May 2011. The towns plowed approximately 318 miles of County roads.

County Snow Plowing Costs (duplicate of table shown above)

<u>Season</u>	<u>Lump Sum State Contract</u>	<u>Severity Factor</u>	<u>Total State Reimbursement</u>	<u>Base County Costs**</u>	<u>County Pays Towns</u>	<u>Snowfall</u>
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Caution should be given to jumping to conclusions on County Cost due to the blend of State and County Roads.

Possible reasons for the difference of County Costs vs. Town Reimbursement Rate

- 1) It is the Audit Division's understanding, the towns travel these roads as part of their plowing routes regardless, minimizing any additional costs.
- 2) In order to get reimbursed by the State the County has to keep very detailed records of the plowing related activities and keep those files for six years.
- 3) The County does not require any record keeping on behalf of the towns when sending reimbursement monies.
- 4) State roads may require more materials and time to plow.

Note: The Audit Division has not reviewed any of the towns' records regarding costs.