

In accordance with the terms of the Oneida County Charter, I come before you today to present the proposed budget and capital plan for 2017.

This is the 10th time I have been before this Board to present this government's budget. I thank the members of the Board for being my valued partners; especially, Chairman Gerry Fiorini who has been a colleague, and a friend who has been instrumental in helping me move this county forward.

I want to take a minute to recognize all my department heads and my budget team of Tom Keeler, Gerald Belutis and Anthony Carvelli for putting in the work on this budget; it's not an easy task.

To my other partners in Government, thank you for all the great work you do. Comptroller Joe Timpano, Clerk Sandra DePerno, Sheriff Rob Maciol and District Attorney Scott McNamara continue to lead their offices with vision and integrity.

This budget presented to you today is more than a 179 page book filled with numbers. This is an outline for how this government will function for years to come.

My goal has always been to tackle the problems of this government while addressing the issues necessary to move our economy and our community forward. As the longest serving County Executive, my approach has always been long term. I came here to modernize our government while creating a financial stability allowing us to invest in this community's future.

Today we see the fruits of investment all around us. Our economy continues to grow. New industries are emerging that put us on the cutting edge of technology and in the international spotlight.

As we all know our years of investment and preparation for Nano Technology has begun to bear the fruit we have worked for. We intend to continue to recruit companies and prepare so we can fully realize the thousands of jobs and hundreds of technology related companies that will enhance growth.

Just last month teams and media from around the world came to Griffiss International Airport to compete in the DJI International Developer's Challenge. The challenge was a competition focused on UAS technology and innovation with the winning team earning \$100,000 to develop their new technology.

In November Griffiss, with our partners in Syracuse, will play host to the Unmanned Aircraft System Traffic Management (UTM) Conference. This will bring experts and exhibitors in the UAS field from all over the country to Griffiss and our region.

Working with our consultants this month Commissioner of Aviation, Russel Stark and his deputy Chad Lawrence, will begin meeting with commercial airlines. With their input we will make a determination on whether commercial traffic will once again be viable in Oneida County.

From work with NASA and UAS testing to potential commercial traffic things happening at Griffiss continue to put Oneida County on the map in exciting and interesting ways.

Next year, Mohawk Valley Community College will finish their \$33 million project to completely renovate the Rome Plumley complex. This project is essential to the viability and eventual growth of the programs offered by MVCC. Physical renovations will allow the college to expand its unique curriculum ranging from culinary arts to UAS systems. The project will bring state of the art technology to the classroom while creating a campus with the necessary aesthetics to be successful. We are a proud partner in this project and the investment in higher education moves this community forward.

Meanwhile, we look inward to Utica and see an opportunity to wipe away years of decay and blight while giving thousands of people a reason to be downtown every single day. A new Hospital is a \$600 million investment in the heart of downtown Utica. It's a slow and arduous process and I know some people get frustrated waiting for the next milestone. Some even dread potential progress because of a barrage of negativity and flat out false information. Along with the City of Utica we are working with MVHS and EDGE to bring the hospital to fruition. MVHS has begun its appraisal and RFP process for the development, construction and other aspects that will create this new hospital.

The hospital will be a state of the art healthcare delivery system that our community should have. It isn't a luxury but an essential component of a thriving city and region. A restructured health network has ramifications throughout our community and this government. This is a community that is not as healthy as it should be; we have seen that in the numbers. A new hospital will help everyone. This Health Network will drive down costs, increase quality of care while saving the County on the services we provide.

I understand that when it comes to large undertakings like Nano or UAS or a new Hospital there is a level of frustration that comes with the ebbs and flows of these endeavors. Patience is in fact a virtue and not a catchphrase. A hospital will take 5 years to be up and running. Transparency is vital but providing incomplete or inaccurate information in the name of being transparent benefits no one. As information becomes available it will be provided to the public.

In 10 years the content of these addresses have changed. For example, in 2008 I spoke to you about a \$2 million offset the State gave us for lost revenue from the Oneida Nation and creating a masterplan for the old county airport. Currently, we have a historic Oneida Nation settlement that

generates over \$15 million a year in revenue for the county. Today, the old Oneida County Airport property is the home of a state of the art \$50 million dollar New York State Emergency Preparedness Center and the property has been sold for \$10 million to the State of New York.

Government that serves the people effectively and efficiently facilitates growth and change for the better. County government is a strategic partner in the growth of our region; what we do is necessary.

Optimism in these game changing opportunities can be infectious. We have seen this with every ribbon cutting and every new business that has opened. Whether it is a new restaurant, drone manufacturer or a Blue Apron distributor, Oneida County is on the economic offensive. We believe in the prosperity of this region. The Proof is in the numbers. Unemployment is down to 4.3% which is more than a half a point below the state average.

The Capital Budget I present builds on our bold investments that have moved this government and community forward. We continue to invest in our 5 year roads and bridges plan because maintaining that infrastructure is a key to our economic growth. We will continue our work on the Oneida County office buildings in Utica and Rome so our employees and constituents are in an environment worthy of the taxpayer.

The Department of Public Works oversaw the Oneida County Office Building parking project which added more street parking and 80 new public parking spots to downtown Utica. As part of this project, we paved Park Ave saving the City of Utica \$100,000 while repairing a main thoroughfare.

In 2017 we will embark on a complete IT and Cyber Security overhaul. This project is aimed at assuring we are secure from all too common cyber breaches that could result in stolen identities or the compromising of millions of legally protected records. We are being proactive.

Once again internal consolidations are the hallmark of this budget. All information technology personnel are now streamlined into one department. We are transferring the Sheriff's building maintenance department into the DPW. This adds increased efficiency while allowing for future cost avoidance that will save the taxpayer's money going forward.

I believe we have the unsurpassed ability to affect real change in people's lives. It's what we do here every day. There is dignity in being a public servant. There is pride in working in this place and serving this community.

Our Criminal Justice system is wide ranging. Oneida County Government handles all public defender cases, civil and criminal, in Oneida County. \$5.4 million in 2017 will be spent ensuring all people regardless of economic status have the right to a fair trial. We are also committed to juvenile justice; our County Attorney's office handles family court cases as well. The three offices handled over 12,000 cases in 2015.

Budgets are a spending plan. However, the budget you adopt can quickly be impacted by unforeseen events beyond our control. These costs cannot be avoided; they are fiscal realities that government has to deal with. Take the Word of Life Church Case, where district attorneys prosecute and public defenders defend. This case will have over a \$300,000 impact to the 2016 budget and very likely could impact this budget as well. We cannot plan for it. We cannot change it. All we can do is pay it.

Our Emergency Services Department handled over 430,000 911 calls last year. We continue increasing our technology and training to prepare and protect all of our first responders in Oneida County. We continue our multi-year countywide radio system upgrade. This new radio system will allow all first responders, from different agencies in the field, to talk to each other. It is hard to believe that was never the case before. This is referred to as interoperability and is essential to keeping Oneida County safe and secure. This is a \$7.5 million capital project begun in 2016.

Our Public Safety employees include dispatchers, road patrol deputies, correction officers and emergency managers. They are public servants and are committed to making us all safe.

We are also responsible for the Public Health of this Community. We handle and disseminate educational material dealing with a wide range of information from essential vaccines for your children to information on Zika. We also deal with environmental health including inspections to safeguard the food you eat as well as testing water assuring it is safe to drink.

We run two community health clinics that give flu vaccines and other essential health care to those who cannot receive it anywhere else. We handle roughly 7,000 patients a year. We offer smoking cessation and hands only CPR classes. We are partners in the Walk the World Prepared Initiative. This initiative informs people what they may need in emergency situations such as floods and other natural disasters.

The Health Department has staff ranging from nurse practitioners and health sanitarians to family services specialists and program managers. They work every day to make this community a healthier place. It is a fact, that a healthier community is a more productive community. Healthier residents work more; go to the hospital less, driving healthcare costs down. The Health Department's budget for 2017 is \$7.6 Million

A national focus on Mental Health has never been more important. The Oneida County Office of Mental Health is on the forefront of dealing with the heroin epidemic and opioid addiction in our community. We run the Oneida County Opiate Task Force. The task force brings agencies together to assess and identify gaps in services for those individuals and families affected by addiction. In this budget, we will allocate \$12 million for mental health services.

Our Office of Aging and Continuing Care is working with senior citizens every day to assure they can embrace their life with dignity and security. We assist senior centers with funding to provide the type of daily care elderly deserve. Office for aging has embarked, with our partners, on our Age-Friendly/Livable Communities Initiative. Well-designed, livable communities

promote health and sustain economic growth, and they make for happier, healthier residents — of all ages. OFA’s 2017 budget is \$5.8 Million

Some of the most difficult work done in county government is by the Department of Social Services. Sometimes we forget this work can be unbelievably heartbreaking and frustrating. We should not lose sight of how important these jobs are. Many of these people in direct services are truly heroes of this community.

In the past I have told you how many people we moved from the assistance rolls to a pay roll and this year is no different. We placed 897 adults in jobs in 2015. In addition, through Workforce Development, our summer youth program employed over 500 economically disadvantaged youth this summer, giving them their first jobs. There is a self-worth gained through work. It is the dignity and pride that comes with earning a living. We will continue to find those opportunities for people.

HEAP is a program we run which gives people heat in the winter. Heat. Maybe take a moment and think about when a person comes into a HEAP office. A mother or father has to look a county employee in the eye and say “I can’t afford to keep my heat on”. This is important work. Last winter HEAP had 25,857 cases, 4000 of which were emergencies.

Social welfare examiners connect those in need to services. These people need food, shelter and clothing for their families and themselves. Examiners work with these families and see the crushing effects of abject poverty up close and personal every day. Our Social Welfare Examiners currently have a monthly caseload of 1289 across all program areas. The low rate of pay combined with the overall caseload and pressures of the job make it very difficult to recruit and retain these essential employees.

Our Protective Services Division ensures the safety of children and adults while housing the homeless and placing children in foster care. The situations they deal with can be unspeakable. We received 4318 Child Protective Services intake reports last year. It’s not uncommon for a caseworker to put a child in their car at midnight to remove them from an abusive situation. Routinely caseworkers have to go into situations that can only be experienced by being there and seeing them. Children languishing in filth. Children who have been physically and emotionally abused. Newborns who are failing to thrive in their first few weeks of life. It’s a caseworker who has to make a decision that could save that child’s life.

I don’t know many people that can handle that work. Our caseworkers and examiners do it every day. They do it without enough resources. They do it without enough staff. They do it without enough compensation.

Lawyers and law enforcement. Engineers and accountants. Nurses and caseworkers. Blue collar and white collar. Oneida County has the most dedicated workforce in the entire state of New York. It’s filled with people who come to this place every day and serve this community doing jobs that are necessary, difficult and rewarding.

I'm proposing the start of a 5 year process that will bring salaries in line with other counties. Working with Gary Hickey, Regional Vice President of the UPSEU, and the local UPSEU representatives, this process will make us more competitive while helping us retain and attract the caliber of people necessary for these positions.

This budget includes an upgrade for the caseworker and examiner series. The cost to this budget will be \$400,000. It's money well spent by this government. If the description I've just gone through is not enough let's look at the numbers. Presently we have 22 caseworker vacancies. That's 22 more than we can afford when you are talking about the safety of children. Only 19 people signed up to take the civil service exam. Only 15 passed. Out of those 15 we have to go through a hiring process. The chances of all 15 of those people being hired are 0. Bottom-line is we have an attraction problem.

We also have a retention problem. With an economy on the rise people with 4 year degrees have a plethora of other options. Schools are hiring again. The State of New York has become a competitor for talent with their new internal investigation unit known as the Justice Center. Non-Profits and others in the human services sector can also serve as competitors for talent while offering better compensation.

Meanwhile, with a national heroin and opioid epidemic, the caseload has become more routinely severe bringing a new set of challenges. The State of New York continues to add new layers of regulations and mandates that make it harder for caseworkers to handle the load. It costs us \$28k a year to train a new caseworker. To train a caseworker and then lose them in 6 months or a year is a devastating loss we cannot afford.

The actions I outline today will seek to stem that trend. We must do more. We have begun by working with caseworkers and examiners to provide better equipment, technology and institute new safety measures.

I have a responsibility to present to you and the people of Oneida County a budget that is responsible and pragmatic. I have done that every single time. The budgets I present have led to real results. Accomplishments we should all be proud of.

Our responsibility and leadership has been rewarded through increased credit ratings, most recently we were upgraded for 2015's financials. We have seen surpluses that have allowed us to build a fund balance to shield ourselves from rainy days; never is that more important than today.

Recently, The State Comptroller released a report which shows we are susceptible to fiscal stress. He's right; we are and here's most of the reason why. A tax cap was imposed without true mandate relief. 9 state mandated programs eat up our entire property tax levy and then some. We have no control over the price tag but we are required by law to pay the ever increasing bill.

In what amounts to a federal mandate, The Affordable Care Act required us to alter our contract process and create 70 new positions throughout 2016; or be punished by a fine. The fine is really

a tax and the price tag would have been over \$3.5 million a year if we didn't make these changes.

In addition to these demands from mandates this budget, like every budget, is faced with unavoidable growth like retirement, contracts and health benefits. Despite all that, the past 3 budgets I have presented included a 0% increase in the tax levy. The levy was then decreased by 1.44% last year. Reasonable people can disagree and we did. However the consequences are real and significant. And they are ours to deal with.

This budget started with a \$16 million hole that had to be closed. That meant our spending plan was \$16 million above our revenues. Choices had to be made. I stood here last year and said a cut in the levy would require a tax increase this year. It should. But we are not ready for that now. The growth that this county needs cannot be moved backwards by a tax increase. We went back and made adjustments and began balancing this budget. But simple adjustments are not enough.

Last year I said I would use the proceeds from the sale of our former airport for capital expenses. I did not. Knowing that 2017 would be financially difficult I held back and am using the sale of that asset to plug the remaining gap and maintain needed reserves. This allows me to present to you a budget with a zero increase to the levy for the 4th consecutive time.

In this budget we will continue to invest in our infrastructure and our workforce, grow our economy and move our community forward because inaction is not an option.

Listen to this statement from another county leader. "We are all well aware of the pressures on public officials regarding taxes and their effect on local citizens and business enterprises. However, there are times when inaction is the costliest thing for these same concerned taxpayers. This is clearly one of those times."

That was 51 years ago in the budget address by the first County Executive, Charles Lannigan. He was referring to delays in the construction of the County Office Building, caseworker salaries, mental health and capital projects on the whole. His point is still true today. The longer we wait to fix things the more it will cost.

While I know you and the citizens of this county will be pleased with no increase in the levy, this trend cannot continue. There is not an economics professor in the world who would tell you another zero is a good idea. As I have stated before, we cannot continue to operate a nearly \$400 million government organization responsible for public safety, public health and dozens of other critical services for 235,000 people without increasing revenues.

Sales tax is flat. In this budget we have decreased the revenue assumption from this year's amount by \$2million. For those who continue to look for a reduction in sales tax, I say you cannot have it both ways. Zero on the property tax levy and a reduction in sales tax. Unless and

until one of those pundits can show me a recurring revenue stream of \$22 million; it is impossible.

So, while we wait for significant mandate relief which has been promised but never comes, while we are confident the growth of a new economy will bring more people, we still need to move forward.

For us, there are no more airports to sell, retirements to defer or nation agreements to settle. We have to consolidate and be a catalyst. Project ARGO was the carrot on the stick for any local government looking to shed duplicative services and it did not work.

In my state of the county address this year I once again pushed for municipal consolidation and restructuring of our sales tax formula. There is no more waiting. It is now or never. My office has spent the last 4 months reviewing every town and village budget as well as other formulas throughout the state. I will now assemble a committee to come together and make a final recommendation for a new formula. I will serve on it, as will the Chairman of the board of Legislators, majority and minority leaders, the Mayors of Utica and Rome and 3 town representatives selected by the President of the Association of Towns. I will insist upon a final recommendation by January 1st.

This change is essential not just for this government but for all major governments in this county. If this formula does not change the next budget you approve will require an override of the tax cap and draconian cuts in all non-mandated services.

The question to all elected leaders of this county is as follows: are you serious about consolidation and regionalization? If you are lets work together to make a great county better and pave the way for more growth, more people and less costs.

Today more than ever people should know there is another side to government. One that isn't cynical and flippant. A government that doesn't defy the public trust or abscond with the people's money. A government of hardworking people who take pride in what they do while doing what they believe is best for all the people they serve. Government that is idealistic, positive and honorable. That's why I serve. I'm proud of what we do here in Oneida County. I'm proud of the work we have accomplished and the work we will still accomplish together.

In the coming weeks this budget will be given a thorough review, my Administration is eager and available to answer any and all of your questions.

Thank you and God bless Oneida County, the great State of New York and the United States of America.