

2018 Budget Address

In accordance with the terms of the Oneida County Charter, I come before you today to present the proposed budget and capital plan for 2018.

This is the eleventh 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 Jerry 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, District Attorney Scott McNamara and President of MVCC Randy VanWagoner continue to lead their offices with vision and integrity.

The county budget, prepared for you every year, is a working blueprint that aims to increase efficiencies and invest in our community while working to create solutions to societal problems. We accomplish this by being on a strong financial footing in all we do.

We have done that. This budget is no different. It creates a path for all government must do, should do and needs to do for all our citizens. We have been successful by every conceivable financial bench mark a government can be measured on. When I came here we had no general fund surplus to speak of. Now we do. Our credit ratings were poor and our financial outlook was negative. Now our ratings are high and our outlook is positive. Our sales tax was 9%. We lowered it to 8.75%. We reduced a workforce with too many people doing too little. We have kept property taxes at 0% or below four years in a row.

You don't have to just take my word for it. Ask national organizations that have given our airport and our IT department awards in excellence. Ask the statewide organizations that have given numerous department heads leadership roles. Ask the New York State Association of Counties that uses our DPW shared services model as a case study for all other New York Counties to follow. Ask the national credit rating agencies that continue to give us upgrades.

This government continues to set the bar for excellence and I couldn't be more proud of all we have accomplished together.

Because of our management, we have been able to lead this community forward in economic development, health care, education and many other aspects.

We've come to a pivotal moment in this region's history. With the decline of the '90s long over and the stagnation of the early 2000s coming to an end, we are at long last seeing real growth. We need to acknowledge this moment and make a real decision about our future. Are we ready to embrace real growth? Are we ready to believe in this community again? Most importantly are we ready to put in the work toward the real goal of change for the better? Or will we wallow in the self-loathing and negativity that comes so easy to too many? I say we continue to do what is hard and necessary to move us forward.

I know this County Government stands ready to do just that.

I commend this Board for stepping up to the plate and including in our future capital projects the necessary parking structure to make a new hospital a reality. It was the right decision. It was the only decision for responsible leaders, with the facts at their disposal, to make. I again urge Utica's Common Council to do the same.

We are ready to move forward on a new health care facility for this entire region. This hospital is essential to our future. A community with old, outdated health care infrastructure not only won't grow, it will wither and die. Health care will become triage units, like an episode of M*A*S*H except with no humor and real lives lost. New doctors won't come here. Specialized care will be outsourced to other communities with the facilities needed for their use.

This outrageously obtuse argument about need and location is one that has become detrimental to progress and filled with inaccuracies. Just listen to people like Dr. Michael Kelberman who have articulated to all of you the stakes of missing this opportunity. The future of this community's ability to medically take care of itself is at stake. There is nothing more important.

There are some who remain opposed. They will always be opposed. They're wrong. But to all of you who may listen to the opposition and think maybe they have a point, I speak directly to you. The hospital facilities we have are more than outdated. Our ability to recruit young talented doctors to our community has become increasingly difficult and therefore our medical community is aging at a rapid rate. The dedicated professionals at our hospitals need new equipment, new tools and new facilities. They need a state-of-the-art hospital. These are realities that should concern all of you.

If we continue with the status quo, it's important to understand what is at stake. But it means so much more. For this community to survive we cannot continue to outsource our health care to Rochester, Syracuse, Cleveland, Boston or New York City. How many of you have driven a loved one to some other city to get essential tests or the lifesaving-treatment they must have?

That's a hard thing for anyone to do even when they have the means. Just take a minute to consider what happens to the people who don't?

This is a brand new half a billion-dollar hospital. This is a once-in-a-generation opportunity. Why in the world wouldn't we want it?

I have lived here my whole life. I have worked in this downtown Utica corridor for 35 years. The area of the proposed hospital is not some nirvana of progress. We will work together with the city and find those businesses new homes but the largest property owner in the district is the City of Utica. Why? Because they own the buildings no one wants and no one has wanted for over 40 years. That area of the city is not being redeveloped and this is the only plan that will do that. Let's come together and get this done because to not, is idiotic, and the result will be devastating.

We continue to move forward on our economic development opportunities. Economic development has many facets and we continue to focus on high tech, agriculture and tourism to make this economy grow.

Work at the Marcy Nanocenter site, which is designed to hold up to three chip fabs, has never stopped. We continue to work with our partners at Empire State Development and Mohawk Valley EDGE and are close to bringing a manufacturer that will make Oneida County the premier location for the future of NanoTechnology in America.

This past week 300 UAS industry leaders came to our airport. Joined by Governor Andrew Cuomo and NASA they came to see a demonstration of technology developed by Gryphon Sensors. This technology doesn't exist anywhere else in the world. I want to thank Governor Cuomo whose financial commitment to the industry is essential to our progress. We are engaged with our partners at CenterState CEO in Syracuse to create a one-of-a-kind operation for drone technology. We continue to invest, and have seen companies including Ax Enterprise, Walmart, Microdrones and Gryphon Sensors grow this industry of unmanned systems that will occupy our skies, waters and roadways into the future.

Agriculture continues to be the largest economic driver in Oneida County and the region. Annually, in this budget is nearly \$1 million committed to agriculture. We have recently completed our Farmland Protection Plan, which has been approved by the state, and we will use that plan to grow agriculture in our region.

We have in place an initiative that will bring in line town-wide zoning and planning that will foster growth and streamline local regulations so agriculture will grow. We call it Ag-Friendly and we look forward to unveiling it in full in the coming weeks. \$50,000 is committed to the first phase of an Ag-incubator that is a partnership between Oneida County, the MVCC thINCubator, SUNY Cobleskill and Cornell Cooperative Extension.

We continue to have a \$500,000 financial commitment to Vernon-Verona-Sherrill School District's Animal Science Center which has now grown to a nearly \$27 million campus that we are proud to be a partner in. Agriculture continues to be a major focus as we move forward.

Finally, the next largest economic sector in our region is tourism. The Oneida Nation continues to be a partner and leader in tourism. They are the largest employer in the county. The settlement agreement continues to add revenue to this government. Meanwhile the partnership continues to bear fruit. The Oneidas are committed to a \$50 million facility in Utica that will create 300 jobs and refurbish an area near the Auditorium that has had 40 years of neglect.

The Adirondack Bank Center at the Utica Memorial Auditorium is undergoing a \$10.5 million transformation. It's a one-of-kind experience. The Comets continue to be a success and catalyst for this region. I was pleased to announce, with Governor Cuomo and Nation Representative Ray Halbritter, as well as Rob Esche of the Utica Comets and Chris Nikolas of the AHL, that the All-Star game is coming back to Oneida County for the second time in five years. The partnership between the Oneida Nation and the Utica Comets allows us to show off our world-class facilities at The AUD and Turning Stone, as well as our county, to 100 million viewers world-wide, and to the thousands that will visit here that weekend.

We continue to advance the plan for the U District. The U District combines regional partners, the Oneida Nation, Utica Comets, Utica College, MVCC, Cornell Cooperative Extension, the State of New York and others to create a one-of-a-kind tourist destination that will include The AUD, the Nexus Center, Utica Commons Casino and the American Craft Beer Experience. This will create hundreds of jobs, bring a million people annually downtown, and inject tens of millions of dollars a year into our community. This is what economic and tourist development experts call place-making.

This coming year, we are once again keeping our libraries at their current funding levels. Libraries are a vital component to our region. Libraries serve as essential places for learning and access to technology that many won't receive anywhere else. Engaging parents in the important process of exposing their children to reading at an early age helps them be ready to read and write, giving them a better chance of reading at grade level.

This year, we will work with our library system to create three new programs. First, we will enhance our libraries' digital and ebook collections for all our residents to enjoy. Second, we will begin a books for babies program for all children born in Oneida County. Third, we will fund new and free books to participants of our libraries summer readership program.

A congressional report found legal issues as a leading cause of veteran homelessness and suicide. Injured veterans can wait close to two years for disability compensation. Nationally, in

2013, 55 veterans a day died before receiving their VA benefits. Here in Oneida County we will not sit idle and let our veterans become statistics.

When veterans have legal representation they can receive the benefits they earned in as few as 21 days as opposed to a two-year wait. Veterans represented by an attorney had their appeals allowed or remanded 82 to 90% of the time. This is why we have created a three-year partnership with the Syracuse University College of Law and its Wohl Family Legal Clinic to provide legal services for veterans here in Oneida County. This three-year \$150,000 commitment is crucial for our area veterans.

We continue to see the devastating effects of opioid abuse in our community. Ninety-one Americans die per day from opioid abuse. Roughly 21 to 29% of prescribed opioids for chronic pain are misused. About 80% of people who use heroin first misused prescription opioids.

We have taken the steps to combat this epidemic. We moved to a Medical Examiner system which provides the proper medical information on overdoses necessary to combat this epidemic. We created an opiate task force bringing members of our community together to face this problem head on. Our probation departments and Sheriff's Office are using Narcan. We have installed MedEx return units throughout the county to get dangerous prescriptions disposed of properly.

In the coming weeks the County will pursue litigation to recover costs incurred as a result of the opioid epidemic from those who are responsible for the proliferation of prescription opioids in our communities.

This past year we worked on a framework with many of the towns and villages on ways to share services and save money into the future. We have put a plan in place that will work toward consolidated courts, shared codes and animal control officers, as well as youth and DPW services. We have to work together as municipalities to deliver a more efficient service at a lower cost. That's what we will continue to do. This coming 2018 the Shared Service Plan that was approved by 27 municipalities will save taxpayers \$164,000 and we hope in 2019 to see that number increase as our framework becomes a reality.

Internally, county government has been a leader in gaining efficiencies and keeping costs as low as responsibly possible. This coming year will be no different.

We will bring our legal operations under one management structure in the County Attorney's office. This will allow lawyers in the Department of Social Services and the County Attorney's office to work under one umbrella creating efficiencies when dealing with the court system while sharing a pool of paralegals, clerks, other support staff and equipment. This will be transitioned throughout the year. This is an essential step in preparing for the implementation and impact of the State's "Raise the Age" Legislation.

A major focus of my administration has been to bring all of our technology into one centralized IT department. We will complete this transition by bringing the Oneida County Sheriff's IT support within Central Services. This will put all of our technology and cybersecurity on the same page, an essential piece to being secure and optimizing the technology at our disposal. I thank Sheriff Rob Maciol for working with us to get this done.

Last year I began a five-year process of bringing salaries of our employees in line with the rest of county governments throughout the state so that we can continue to be competitive. Unemployment is down and more of our residents are able to find work in the private sector for more money. Therefore, recruitment of our positions has been increasingly difficult.

Last year, we upgraded salaries for caseworkers and examiners in DSS. This was essential to recruitment. These are the people that protect children and work with those residents who are in the most need of help. In this budget I propose, on the recommendation of my Commissioner of Personnel John Talerico and in conjunction with Gary Hickey, Executive Vice President of the United Public Service Employees Union, upgrading our Heavy Equipment Mechanics, Labor Supervisors and District Supervisors in our Department of Public Works. These are the people responsible for keeping our roads safe and clean.

This year's capital budget continues to look at our long-term financial investments in a conservative way that keeps our debt low while not starving our community of the assets it so desperately needs to grow. In 2017, we will have retired \$17.5 million of debt. In 2018, \$55 million worth of capital projects were brought to the Capital Projects Review Team. They reduced and recommended to me \$20 million in bonding. I have cut that to \$16.6 million. In a budget that invests in our future we still will retire nearly \$1 million in overall debt.

Our capital investments will focus on our infrastructure improvements necessary for our commerce and safety. This capital plan calls for \$6.7 million to repair and repave county roads and bridges. These improvements are an investment that residents see every day on their way to work. We will spend \$1.7 million to expand our 911 emergency operations center in Oriskany. A long-overdue project that will create a modern facility for our nationally-recognized consolidated E911 call center. This project will give dispatchers and staff more room and better office technology as they are the first line in any emergency situation.

We will continue to invest in the 23 buildings we own and operate on a daily basis. I take pride in our government offices and property and I want the people of this community to feel the same. We will once again spend \$6 million on comprehensive maintenance program including \$2.5 million on asbestos abatement at our 800 Park Avenue County Office Building.

In 2017, we were, once again, overcome by flooding. We cannot prevent natural disasters but we can build and develop in a way that prevents, to the best of our ability, flooding's devastating effects.

When flood water hits, County Government must respond. We committed \$2 million for flood mitigation projects. Because of that financial commitment, at my request, the Governor matched that investment. However, \$4 million is not enough. Our local governments are not in a position to truly make the impact necessary for all our residents living in harm's way. I propose a 6-year, \$12 million flood mitigation program aimed at reducing risk from flooding to as many residents and businesses as possible. We will fix all we can for as many as we can.

We always begin and end every budget process with the taxpayer in mind. When we closed the book on 2016 we were left with a \$15 million operating surplus. We have had a surplus every year I have been county executive. Why? Because we watch every dollar. Because we work smarter and more efficiently while constantly looking to improve.

This budget, which stands at \$407 million, has only 0.6% discretionary growth. In total, over the past five years, the budget has barely grown 2%. It's an unheard of number in municipal budgeting and I want to congratulate all my department heads for embracing the fiscally conservative approach I have always had during my time in office.

When you hold expenses down you can hold taxes down. For the fifth year, this budget does not require a property tax increase. This is my fifth zero in a row. When I first took office, I said consistently doing zeros would have consequences unless you could increase revenue sources. We have increased revenues. In just over three years of Oneida Nation revenue sharing, Oneida County has received over \$60 million in revenue. We have shared over \$4 million with villages, towns and schools. Make no mistake, without this revenue we would have had to raise property taxes at least 5% a year since 2014.

This budget I present to you today does so much more than time allows us to discuss. I have highlighted areas of significance, but they only represent a fraction of the work done in county government day in and day out.

I implore you to take a look back at all we've accomplished.

Smallest workforce in twenty plus years. Departments consistently recognized for their innovative achievements. Financial stability with surpluses every year. Four credit rating upgrades. No tax increases in five years. An antiquated coroner system eliminated. An outdated 911 system now nationally recognized for excellence. A DPW shared services program that is the model for the state. Decades worth of lawsuits with the Oneida Nation, settled.

We've invested. In flood mitigation. In the REA Wing and the Public Market. In the Utica Auditorium. In MVCC. In the Griffiss International Airport. And all of these things have become catalysts for regional growth.

We paid to prepare the Marcy Nanocenter site. No other local municipality has spent a dime there. The UAS test site is in Rome because of this administration. We have a plan for a Sports and Entertainment District in the heart of this county. We've led on economic development like no other.

I've never been prouder of this administration and all we do here. And together we will continue to lead this community forward.

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.