

2019 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 2019.

This is the twelfth 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 Gerald Fiorini who has been a colleague and a friend and 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 County 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 past year has been one that presented real challenges for our community. While the obstacles that were placed before us were not of our own making, my administration and our partners attacked them head on nonetheless. I have said to this body and to the public many times that I would not let county government sit back and wallow in the problems exacerbated by the inaction of Albany and Washington. Their inability to act does not prevent us from working together to get things done.

When Albany and Washington refused to act on school safety and gun violence, we did. Shortly after the unthinkable tragedy of the Parkland shooting, we announced a framework in March of this year that would enable us to better secure this community. We put forth a plan that would station more officers in schools, develop emergency plans for soft public targets, bring on more 911 operators and coordinate an effort to study gun violence. Today, in cooperation with Sheriff Maciol, more school buildings than ever have an armed Special Patrol Officer stationed from his office, with more coming every day. We have created a program coordinator position to work with emergency services experts to develop the proper safety plans for schools as well as other public locations with vulnerable populations. Together with Utica College and Mohawk Valley Community College, we will launch a comprehensive criminal justice study on gun violence before the end of the year.

When it comes to natural disasters, whether it be devastating floods or blizzards that shut down entire cities for days, we have been left out in the rain and cold by the federal government. Local governments have suffered tens of millions of dollars in damage with no aid from Washington. I have written letters to the Federal Emergency Management Agency urging the reconsideration of the way it does business, as well as asking for federal emergency declarations. Both have been ignored.

So we took action.

County DPW crews evacuated residents of Sylvan Beach and removed the ice jams which caused flooding to overtake its village. Our forces joined with Utica to return life to normal after the heaviest snowfall in the city's history. County manpower and equipment were dispatched to Whitesboro when a 500-year storm threatened its residents and their property. We have created and we maintain critical infrastructure to respond to crises throughout our county which would overwhelm our communities. County Government will not stand idly by while the people who need us suffer.

Together with this Board, we instituted a long-term plan to mitigate flood damage. We committed \$12 million over six years. We are mitigating flooding on both the Sauquoit and Mud Creeks, as well as in other hard hit areas throughout the county such as Marshall, Augusta and Kirkland. So far, in only the first year of this program, we have approved 11 projects, completed five and have 13 more under review.

Our dairy farmers are in crisis. They continue to face enormous challenges imposed by the federal regulation of dairy prices, and many other factors that are contributing to their struggle. We put together a team, met with our farming industry and formulated an action plan to assist our farmers. That plan is now being implemented.

We continue to see Unmanned Aircraft Systems and the technology cluster grow in and around Griffiss International Airport. In conjunction with AFRL, DFAS and EADS, the airport and business and technology park, have been transformed into an area where the high tech industry is growing every day. Just this year, we have seen companies like Micro Drones and NAVMAR grow and add jobs. Currently, eight tech companies at Griffiss are looking to fill over 180 engineering and software developer positions. The sky is the limit for job creation and economic growth in this sector. We must continue to facilitate this growth through strategic investment and valued partnerships. This is an industry with real jobs, right here in our county.

The county budget, prepared for you every year, is a blueprint with a plan to unshackle local government to be the catalyst for the positive change we work on every day.

This budget I present to you today, is over \$419 million, and for an unprecedented six years in a row, it carries with it no increase to the tax levy. We continue to do more by finding innovative ways to govern in the most fiscally-responsible way possible. Sound planning and growing sales tax and Oneida Nation gaming revenue streams have allowed us to keep property taxes level.

As in years past when we have not raised the tax levy, residents will see changes in their tax rate. Like many other counties throughout the state, county-wide assessment does not exist here in Oneida County. Therefore, the State of New York imposes a formula to level the playing field. The formula is known as the equalization rate. The county property tax levy sets the amount of money collected in property taxes. The State of New York, through this formula, decides who pays what. Because of the equalization rate, like every year, some municipalities rates will go up and some will go down. Our county real property revenue will remain the same as it was in 2018.

Keeping taxes as low as possible and making strategic investments in our places and people has proven to be an effective approach in expanding our county tax base. In 2018, our taxable assessed value was \$7.3 billion dollars. In 2019, that will increase by over \$35 million. That growth is a shining example that we are on a prosperous path for the future.

Although the property values in our county increase and the property tax levy does not, I must request of this Board an override of the state-imposed tax cap for this budget. Again, not because of our property taxes, but because of a confluence of chargebacks, including the cost of three elections that took place last year. In addition, we are tied to a New York State imposed chargeback system where we pay for our students to go to other community colleges throughout the state.

In 2013, we settled our differences with the Oneida Nation and entered into an historic partnership that has generated over \$60 million in revenue for Oneida County, and allowed the Oneida Nation to expand, create jobs and bring in more and more visitors to see all our community has to offer. I'm certain that trend will continue, as for third year in a row, Turning Stone Resort & Casino has been named New York State's best overall gaming resort by readers of Casino Player magazine. This settlement has allowed the County of Oneida to fight off some of the external fiscal forces that are impeding us, and has enabled us to keep our property tax levy with no increase since 2014. Without this settlement agreement and the money it has generated, we would have had to raise taxes 5% or more every year since 2014. To say we would have been in austerity and extreme financial distress is not an exaggeration, it is a fact.

The Oneida Nation settlement revenue is the third largest revenue generator for our county government behind property and sales tax. We have budgeted \$19 million in gaming and tax stabilization revenue.

In this budget, I have zeroed out the revenue sharing agreements with the four municipalities that have been receiving revenue. The school districts revenue sharing remains intact.

I took this action because the remaining three municipalities — the Towns of Vernon, Verona and Vienna — are now seeking to be part of this sharing. The bottom line is the formula offered then is now unworkable. Remember that we held money in abeyance for one year awaiting those three municipalities to come to the table. When they didn't, those funds were used to hold the line on taxes.

This was not an easy decision and I realize that there will be much discussion and frustration regarding it. However it does require a reality check as to the overall intent and goal for this revenue.

There are options before you. Restore the funding through either cuts in other areas, determine revenue neutrality or increase the tax levy. Or, renegotiate with all seven municipalities to a fixed amount for each. Or, designate a specific funding stream for economic development and infrastructure repair, like we did last year with the one-time allocation of \$250,000 to Verona for its Willow Place project and fire department.

There are always solutions if reasonable people can gather properly and discuss them in the best interests of all concerned. I will seek to do just that.

After a year of planning, we have implemented the new Raise the Age state legislation that has raised the age of criminal liability to 17 years-old this year, and 18 next. I want to commend all of our partners including our departments of Social Services, Mental Health and Probation, as well as our Law Department, the Sheriff and Family Court judges as they prepared this plan. The new court system, based on DCJS estimates, will see an additional 30 felony cases in this age group, while 300 cases will be added to the juvenile justice system. We are working internally and with our community partner providers to expand and develop an extensive network of support services including arrest diversion and alternative programs. In this budget, we have increased staff to meet those demands. This will include three new positions in probation, six in DSS and one in Mental Health.

This was something New York needed to do years ago. Our multifaceted plan is a model for counties throughout the state. The costs for 2018-2019 will be \$3.1 million, and at full implementation the cost will be \$6.9 million. While these expenses are reimbursable, they still impact this budget.

The need for human services in Oneida County cannot be understated. The greatest portion of our budget each and every year is dedicated to helping those in need. While our Departments of Social Services, Health, Mental Health, Office for the Aging & Continuing Care, Workforce Development and Veterans Services do an admirable job servicing our disadvantaged populations, the challenge can be daunting.

Too few of our young people are taking full advantage of the available educational resources that can lead to successful careers in our community.

Based on the success of the Oneida County Summer Youth Employment Program in meeting the needs of our community services agencies, and preparing our youth for jobs in that field, I am proposing a year-round initiative that would further develop this relationship.

Workforce Development Director David Mathis will utilize Summer Youth funding in conjunction with supplemental grants to create the Oneida County Community Services Corps. This initiative will be a partnership between Oneida County Workforce Development, Mohawk Valley Community College, Leadership Mohawk Valley, the Community Foundation of Herkimer & Oneida Counties' Impact Center at the former Utica Free Academy and others, to help at-risk teens use employment as a stepping stone to a brighter future.

The Community Services Corps will be made up of teens who meet income requirements similar to our Summer Youth Employment Program. They would work for non-profit organizations on weekends, during school vacations and for special events, with a subsidy of wages up to 50% and the employer paying the balance.

A long-term goal of this project would be to establish a Youth Employment and Service Center at the Impact Center, which would serve as a place where youth can connect with educational and employment opportunities.

The opioid epidemic continues to ravage this nation and strike down members of our community from all walks of life. It seems that nearly every week we learn of the overdose of a friend or loved one, or our hearts are broken by the tragedy of an untimely demise. We are fighting this plague every day with every resource at our disposal, from the substance abuse services we provide to the formation of our Opioid Task Force to the filing of a class action lawsuit against the drug companies who pushed these drugs on an unsuspecting public.

Whether it's as a byproduct of opioid addiction, a propagator of homelessness or a catalyst for the gun violence that has terrorized our schools, mental illness is on the forefront of our national consciousness. Those suffering from mental illness remain misunderstood, misdiagnosed and mistreated by doctors, schools and loved ones who are often times overwhelmed or ill-equipped to provide care and cater to their needs.

More and more veterans are returning to our community and bringing back with them the horrors of wars and conflicts they have faced both near and abroad, struggling to find normalcy and make sense of the lives they left behind. Too often, their mental health is severely compromised. Their rate of suicide is skyrocketing.

These factors have resulted in a common negative denominator: an increase in homelessness.

Our Department of Social Services has been inundated with homeless cases. So much so that it is becoming an impediment to dealing with the other essential services DSS provides such as child protection and other areas of assistance. In this budget, I am proposing that six new positions be created within DSS to solely handle cases of homelessness. The Homelessness Prevention Services Unit will tackle the problem head on and give it the attention it so desperately needs.

But we mustn't stop there. We need a new weapon in the war against all of the social issues that face our community and today I am proposing a way to fortify our frontline.

The Oneida County Stabilization Center will be a walk-in facility for those dealing with mental health, substance abuse or other life issues.

This 24/7 facility will be open seven days a week, 365 days a year, providing one-stop wraparound services to seniors, adults, youth and families who are in crisis in a safe, secure, comfortable environment.

No appointments or referrals will be necessary and no one will ever be denied service based on lack of health insurance or inability to pay.

I believe that together with our community service partners, we can make the Oneida County Stabilization Center a beacon of hope that will deliver an unprecedented range and level of human services in a way that has never been seen before in this area.

Over the last several years, I have worked with members of this Board to address the lack of senior services in the western part of Oneida County. In keeping with our dedication to improving the human services for our residents, I am also announcing a one-time appropriation of \$215,000 to invest in the Town of Verona's Jason Gwilt Memorial Senior Apartments and Senior Housing Complex.

This partnership between the Parkway Senior Center, Oneida Municipal Housing Authority, the Town of Verona and the County, will rehab and renovate a vacant school building, and not only provide housing options, but a full array of desperately-needed services to seniors in an area that has long been devoid of such care.

I also present to you today the Capital Budget for 2019. Each year the Capital Budget outlines a multi-year plan to devote bonded and other funding to maintaining and improving the infrastructure that is essential to providing consistent services to the public we serve. We need safe roads and bridges. We need equipment to plow, sand and clean those very roads and bridges. We need improved storm water runoff and stream management. We need to maintain and update the many public buildings and structures under our stewardship.

This budget adds to the innovative projects at our airport. Its largest hangar facility, Building 100, has seen several small construction projects that have addressed various upgrades. I now propose to totally repurpose the building. A new façade, elevator and conversion of three floors into Class A office and conference space to include clean labs and an auditorium.

In the East Hangar Bay, we will build Skydome, a one-of-a-kind, year-round indoor instrumented UAS experimentation environment that will support the development of technologies for connected and unmanned systems. A blend of county bonding with New York State REDC funding and a grant provided by Senator Joe Griffo will pay for this key new asset. This project will bring in scientists from all over the world to work as partners to develop future technologies and continue to solidify Griffiss as the global epicenter for UAS innovation.

As technology becomes more and more a part of our daily lives, county government must adapt. Separate from this budget, but submitted for your consideration in tandem, is a request to amend the County Charter and Code. You will have on Oct. 10 to sit on your desk until November, a proposed local law that renames the Central Services Department the Information Technology Department and folds the print shop and mailroom into the Purchasing Department.

In this budget are three new positions for our newly-dubbed Information and Technology Department. This additional staff will greatly enhance our depth in systems engineering and reduce our dependence on non-county employees.

Year after year, I have touted the merits of sharing and consolidating governmental services. I had hoped to come to you this year and make exciting announcements that would save money for government at all levels and make us more efficient. Unfortunately, we were unable to do that in any real way. The Shared Services Panel created by the State has proven mostly unworkable and is in desperate need of improvement. That however, isn't a reason to let many of our local municipalities off the hook. An unwillingness by more than two thirds of local governments to even come to the table to discuss ways to save money is a loss for every resident in Oneida County. Furthermore, the effect of not doing so has real fiscal consequences for the county and other municipalities that affect taxes.

Oneida County continues to lead by example. I have not exempted the County from the need to do this. I have tasked my department heads to find ways to consolidate and save money. We have consolidated functions within departments and between departments. We have offered to perform services for other municipalities to save money and eliminate duplication.

We must continue to share services and consolidate, but we also must change our antiquated and inadequate sales tax formula the way other counties have, to better put tax dollars where they belong. If we don't, then tax payers from municipalities whose governments are fiscally responsible will continue to foot a higher and higher bill for those municipalities whose governments are irresponsible. It isn't fair, it isn't fiscally responsible or conservative, and in many cases, it is flat out dangerous.

This budget presented to you, while keeping the levy stable and revenue on the upswing, still carries with it major concerns.

While we are encouraged by the growth in sales tax and gaming revenue, they will not be able to sustain the level of growth that this government will require in years to come. The demands that we have coupled with diminishing Federal and State aid will require decisions from the Executive Branch and this Board to issues long debated but not resolved.

To use a familiar but troubling analogy, we are holding back the floodwaters with a system that will need rebuilding sooner rather than later.

In my years here, I have never sugarcoated any situation nor have I forgotten my own words. While the new revenue source allowed us to hold the line on real property taxes, these zeroes cannot be sustained.

The reality is County Government is different than all other local governments. When you see a child being abused, a veteran homeless on the street, an elderly person in need of a hot meal, a mother with her children looking to escape domestic violence, a family looking to adopt a parentless child or a son struggling with addiction, these issues are only dealt with by County Government. Not villages, not towns, not cities. Which is why the lack of action on areas where we can consolidate and save money is so frustrating to me.

My quest for real consolidation is not about elimination of governments as many believe, but rather the ability of our residents to afford the government they require and deserve.

We have too many governments doing the same thing. We have a sales tax formula that does not adequately serve the County.

So as you review this budget and get questions from residents and businesses, ask them some questions in return.

Ask them if they want to continue to pay for two or three or more governments doing the same functions.

Ask them if they want to continue to have sales tax revenues used for duplication rather than real growth.

Very simple questions. If the answer is yes, then there is not much else to say other than taxes will rise. If the answer is no, then tell them to speak up and demand that those in office, including all of us, fix a broken system. We can be the county that gets it done. We have led on so many of the initiatives I spoke of today. We can do this. We have to. Our future depends on it, more importantly, generations to come depend upon it.

I know you will give this budget a thorough review. My administration stands ready to answer all of your questions.

Thank you for your service may God Bless Oneida County, the great State of New York and the United States of America.