

2022 Budget Address

In accordance with the terms of the Oneida County Charter, I come before you today to present the proposed operating budget for 2022 and the six-year capital plan.

I thank the members of the Board of Legislators for being my valued partners, especially Chairman Gerald Fiorini, who has been a colleague and a friend and has been instrumental in helping us move this county forward.

I want to take a minute to recognize all my department heads and my budget team of Tom Keeler, Dmitriy Sidorevich and Anthony Carvelli for putting in the work on this budget. It is never an easy task and even more so as we continue to navigate these uncharted waters.

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

This is my fifteenth budget presented to this Board, and like our last budget, we are in unprecedented times. The COVID-19 pandemic continues, and the brunt of the public health response falls squarely on this government, affecting this budget and our finances in a myriad of ways.

We are the leader when it comes to ensuring the public health against COVID-19. I cannot stress enough how important it is that everyone who is eligible and able, be vaccinated. To not do so is simply irresponsible.

Vaccinating the public en masse is expensive. We must have sites, computers, equipment, shots, doctors, nurses, organizational staff, IT personnel and more. Multiple departments are involved and it costs roughly \$25,000-\$50,000 a POD depending on the size.

Our clinics and our PODs continue to vaccinate people for the first time. We are now giving Pfizer booster shots for those meeting CDC and New York State qualifying criteria and are prepared to administer Moderna and Johnson & Johnson boosters when they are approved. We soon expect the FDA to give Emergency Use Authorization to vaccinate children 5-11 years-old, and we will lead that effort as well.

Our Health Department is the epicenter for the public and providers on the ever-changing guidance handed down from above. We continue to assist the State with contact tracing, primarily in school-related cases. This costs money, for not only staff and lawyers to analyze and interpret the guidance, but also for creating the physical space, phone lines and open hours necessary to handle that volume of calls. So far, we have received over 25,000 calls to our Health Department's COVID hotline.

We also must address the testing needs here in Oneida County. Since the drive-thru test site run by the State of New York at Griffiss International Airport shut down, testing needs have once again risen dramatically, opening a gap that this government must close. We are exploring options to increase testing capacity and will be announcing a plan soon.

As we work to move past this pandemic, we have our eye on the projects that will strengthen our systems and create the necessary jobs and revenue this community needs going forward.

Cree-Wolfspeed's silicon carbide chip fab construction continues. If you haven't gotten the opportunity to see it, the facility is remarkable. It is the largest of its kind in the world. It is a \$1.2 billion dollar project. It will employ over 600 people and is already becoming an economic engine for generations to come.

Cree-Wolfspeed is a top notch community partner and I want to thank Gregg Lowe for his commitment to this County. I reciprocate that commitment to his team, his employees and his company.

If this pandemic has taught us anything, it is that a strong healthcare system is essential. It is vital to a thriving, growing and healthy community. We also know a strong and enduring healthcare system begins with a state-of-the-art facility. With MVHS's Wynn Hospital rising in the heart of downtown Utica, we are well positioned to take on the challenges of the future. An area that was once sparsely populated with little commercial or retail activity will soon be bustling with visitors, employees and activity 24 hours a day, 7 days a week. The County is committed to building a parking garage, without which the hospital cannot operate.

I have long said that in order to have a truly flourishing community we have to have more. More people. More investment. More growth. More things to do. And more things to draw visitors. The Nexus Center sports complex was stalled due to the pandemic, but is moving forward in a partnership between Oneida County and the Upper Mohawk Valley Memorial Auditorium Authority. Due to the County's strong fiscal credit rating and financial wherewithal, this unique tourist attraction will be completed in 2022, and when fully utilized, will attract 300,000 visitors a year.

How can a county be such a strong partner in these generational projects while fighting a deadly pandemic and carrying out every other function of government? We do it by having dedicated employees who give it their all every day. We also do it by implementing a fiscally conservative philosophy and committing to constant improvement.

This 2022 spending plan of \$457 million does just that. It all starts up front with revenue. The Oneida County budget has multiple revenue streams, but the three biggest, outside of state and federal aid, are property tax, sales tax and Oneida Nation revenue.

I'm proud to announce to this Board, and the community, that for the ninth year in a row, Oneida County's proposed budget does not raise the property tax levy. ZERO INCREASE. One zero is hard enough, let alone nine. Zero because we control discretionary spending. Zero because we create better efficiencies. Zero because of unique revenue sources like the Oneida Nation agreement. Zero because when the pandemic hit we took strong immediate action.

A surprise this year has been the increase in sales tax. The budgeting of sales tax was a challenge for 2022, as we had to take into account new trends and loss of revenue in 2020. We benefited from the inclusion of revenue from internet sales and we adjusted an increase from the 2019 budget through the 2022 budget. With revenue trending higher, we have budgeted \$114 million in sales tax for 2022.

Oneida Nation revenue is unlike any other revenue stream received by any other county in the United States. Since the agreement, Oneida County has received over \$139 million. We continue to see Nation businesses succeed and their investment into our community is unmatched and unwavering. In 2022, we have budgeted the Nation revenue at \$20,850,000.

This year, we have a new one-shot influx of restricted revenue: American Rescue Act funding. Together, with Comptroller Joe Timpano, we were able to secure the first \$22 million of our \$44 million two-year allotment in ARA funding.

These funds do come with strict guidance from the federal government. This money will be used to continue to combat COVID-19, of which the costs continue to mount and are ongoing for the foreseeable future. This money can replace lost revenue, strengthen our healthcare system and our main streets, bring broadband to our residents who desperately need it and revive our tourism industry.

We are going to utilize the first \$22 million in the following ways: revenue replacement over the past 18 months; continued COVID expenses and reduce the need for increasing bonding on capital projects.

We cannot, I repeat cannot, by law, use it to lower taxes or put it in a bank account and save it for a rainy day. We have only until 2024 to spend it. The rules are very specific and we will use it only for what is allowed.

Our 2022, six-year capital plan will build on the investments we have and will continue to make in the years ahead. The Capital Plan for 2022 will total \$29 million and we will retire \$19 million in debt.

In this Capital Plan is the building of the parking garage for the Wynn Hospital. We had an agreement between us, the City of Utica and MVHS. The City, which has received \$64 million in federal recovery money, despite being closed for the majority of the pandemic, has backed out of that agreement and will not participate in the largest and most significant project in the City of Utica in our lifetime.

The garage will be built. We have secured \$10 million in state funding and we will use American Rescue Act money to bring down the bonding cost. This will save the County millions in bonding expenses over time.

The City still has a window of opportunity to use some of their \$64 million in Rescue Act money to honor its commitment. We stand ready to work with them on that, the Nexus Center, the U-District the REA Wing or any other significant investment we have made in our county seat. That is up to them. We are moving forward either way.

To be clear, there is \$149 million in ARA funding spread throughout this county and I continue to offer to partner with all local governments to maximize its impact for the betterment of all.

Other projects in the capital budget include upgrades for the MVCC Campus, improvements to the County Office Building, revitalization of our main streets, flood mitigation and more money for our roads and bridges than ever before.

In addition to battling the COVID-19 pandemic, the day-to-day needs of county government have continued unabated, and in some aspects issues such as opioid abuse and mental health, have actually been exacerbated. Included in this budget is the funding necessary for our departments and operations to continue to provide day-in and day-out county services.

A trademark of my administration has and will always be that we tackle tough issues head on. This budget continues to be the blueprint to move this community forward and deal with those issues. This budget provides funding for departments, programs and initiatives dealing with public health, human services, public safety, community and economic development, legal services, transportation, infrastructure and government operations.

We are restoring funding for our libraries, humane societies, Cornell Cooperative Extension and Mohawk Valley EDGE.

We are funding programs that work to alleviate domestic violence, investigate child abuse cases, find foster homes for children and put officers in our schools to keep our children safe.

This budget provides funding that tackles societal issues such as food insecurity, poverty, the opiate epidemic and homelessness.

This is a conservative budget. A conservative budget that meets our needs.

As I stand before you today, we are still in the midst of a public health crisis. The Delta variant is real. It is spreading and its impacts are unknown.

We still face challenges. We still live in a time of great uncertainty. We do not know what the next day or week will bring. Just days ago, one of our largest school districts had to switch to remote learning due to a workforce shortage. Something that would have been unheard of before the pandemic.

The same way COVID has long-term physical effects, it also has long-term mental health ramifications.

We need to understand the mental health consequences of this pandemic more thoroughly. We will embark on a county-wide mental health assessment. We will look at all the effects of this pandemic on mental health, including but not limited to the effects on our schoolchildren, homelessness and drug addiction. We will assess the system in place, identify the gaps and create actions necessary to bolster services in the community.

Make no mistake, as I previously stated, there are many challenges that remain and as we have adjusted during the last two years, we will more than likely have to do so again. This budget is a blueprint of what we need to do, as well as what we hope to do.

We have navigated through a pandemic that has changed the world. We have successfully managed through economic trials and societal tribulations.

We know this county and community is on the right path forward. The proof is all around.

This budget continues us down that path. It does it by being smart, efficient and fiscally conservative.

It does it by funding our signature projects. It does it by funding the departments, programs and initiatives that address this community's challenges.

It does it without raising the property tax levy. And it does it without passing onerous debt on to our children and grandchildren.

I've stated repeatedly about what we are facing. I am reminded of a great saying: "We don't grow when things are easy. We grow when we face challenges."

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.