

2010 State of the County

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Governments at all levels are facing unprecedented combinations of increasing costs and needs coupled with revenue shortages. The federal budget deficit is in the trillions. The state budget hole is in the billions and as more scandal envelops Albany, no solutions are found nor are any offered. In our region, rising costs for food, energy, housing and life's necessities are making life even more difficult for our residents and thus, increasing the work load upon our public employees.

The very simple, obvious conclusion is that we cannot continue to operate government in the 21st Century the way it was done even 10 or 20 years ago. It's not working. There is too little efficiency and too much waste.

It's a telling sign of our plight that we see how little progress we have made when we see the region through the eyes of area natives who have come back to be part of our future after 10 or more years away. They can find the dynamics of governmental debate unchanged: Consolidation is being studied but not adopted because the ideas are never quite perfect enough; bold infrastructure and community development ideas are stalled in details which are driven by the fear that what's good for everyone may not be better than what is good for a few; and partnerships with the Oneida Indian Nation are never quite acceptable no matter what the terms because greed, bias and posturing get in the way.

We need to change, and we need action.

- Action to put into practice ideas that can consolidate services and lower costs.
- Action to throw away old grudges and differences and focus on solutions, not politics.
- Action to commit to partnerships that will weather successes and failures with a vision committed to moving forward.

Regions that grow in the future will not be those divided against themselves to the point of going nowhere. Success will come to areas where community and political leaders recognize that every partnership is not perfect, but that over time, all the partners win or lose as a team. Regions that grow will not talk ideas to death, but take them, shape them, implement them, learn from what fails to work as hoped, and try again.

Recent events have brought more of the realities of the economic downturn to Oneida County. Job losses at Empire Aero and Daimler Bus as well as the Covidien plant closing in Oriskany Falls show us that we are not exempt from what many communities in New York State and the Nation are facing. These job losses further demonstrate the increased need of government services in difficult times. However, the debate by some in the County Legislature and local media is not concern about those that will lose their jobs and how we, those charged with serving the people, can work with a company to keep people employed. The concern is rather, who is to blame and did we make mistakes in investing in infrastructure for a new company. In the situation with Empire Aero, it is vital that we make use of the notice given to

work with them in order to try and prevent their closure and keep some or all of their employees working. In what has been called the worst economic downturn since the great depression, to point fingers and blame will get us no where except 200 more people out of work. We need to deal with the situation as it is and move forward doing everything in our power to prevent this closure. I cannot nor will not subscribe to methods or beliefs that do nothing but create fear and panic and create no solutions. In this case, as with many area businesses, we invested in infrastructure and began to cultivate an emerging workforce that did not exist here before. We tried to cultivate a new industry for this region and I believe in the long run, it will weather the aviation downturn and survive. I will continue to push for investment in the County and will work to save every job.

Since taking office three years ago, I ask myself everyday, “what are you doing to make this County a better place?” That is what leads me and that is the motivation for these initiatives for 2010:

- The consolidation of 911 will allow the City of Utica the option of putting 12 police officers on the street and a quarter of a million dollars in savings to the fire department. It will also cut New Hartford’s annual spending by almost three quarter of a million dollars.
- End the duplication of services in public works services across Oneida County.
- Reduce the overall taxpayer cost of public safety in the town of Whitestown
- End the alienation of our largest employer and begin collecting revenue instead of piling up legal documents.
- Aggressively develop assets through one coordinated regional plan that will jump-start our economy when the global economic picture changes – including our airport, business parks, downtowns and colleges.

All of this is possible if all of us who serve the taxpayers make a commitment to stop talking about change, and get the job done.

If any of us were to design a system to maintain roads and protect the public, no one would use the public works and public safety system we now have. We all recognize it is inefficient, duplicative and wastes the efforts of the fine men and women who work for our communities. But for almost 20 years, whenever a plan emerges to change this, it stops dead. This is the choice: Waste money or save money. It’s that simple. We cannot have a public safety structure that increases overall taxes while trying with the other hand to reduce overall taxes. By the 2011 budget season, we can be saving money for our towns and villages if we are willing to act.

Let’s take 911 consolidation. Once again the debate has taken the ugly road of misinformation, untruths and the extreme of telling our constituents that their safety will be jeopardized. My first reaction to this was, can those charged with public safety really believe that? Can they really believe that the consolidation of true professionals would diminish public safety? Or is it the same reason why nothing has been done to date. The reason why consolidation doesn’t take place. Not because it can’t be done but because the very people that serve can’t get past the fact that there could be a better way and then they convince the public that it is so. We will move forward with this consolidation because it is the right thing to do and it will improve that service.

Last year, I proposed a plan to end years of lawsuits between the Oneida Indian Nation and its neighbors. It was rejected out of hand with the claim by most other elected officials that a better deal was needed. However, not one of those elected officials has proposed a better deal. No one before me ever reached an agreement with the Oneidas and thus far, no one since has been able to reach an agreement. A golden opportunity was simply dropped and forgotten. The time is now. This region is struggling and the Oneidas move on. My challenge is simple; I want to know what the better deal is and where to pick up negotiations. However, please don't tell me you want everything and will concede nothing. Negotiations do not work that way and neither will this one.

Oneida County has made a major investment in our airport so that we can use the former air base we were handed as a tool for growth. Griffiss remains a major asset to our County and I will continue to push forward to make it even more successful. We are committed to developing the Whitestown Business Park to its fullest, and working to assist Utica and Rome with their downtown development plans. We all want major tenants and instant results, but in a down economy, expansion projects are few and far between. We are not building for 2010, but for 2015 and beyond.

I would like to see us invest more in our educational institution, Mohawk Valley Community College. Working with the college, let's set a goal over the next five years of raising the number of community college graduates and let's create new outlets and strategies for learning including more on-line availability for students who need to work full-time. We need to create a new strategic industry training cluster that can build upon the initiative between IBM and SUNY IT announced last year by Assemblywoman Destito. The ties of Utica College, Hamilton College, SUNY IT and MVCC have never been stronger and at no better time.

That's the vision. Invest in what we can, target our opportunities, use education as a driver for growth, and never quit just because it's not easy.

And it isn't easy. Everything costs money. Nobody has it – not the business just getting by; the family with one or two adults out of work for weeks or months; or even the working family that sees bills going up while pay does not.

County Government gets it. Every year, New York State hands us cost increases that we absorb by responding to the challenge of managing in a perpetual crisis. As each state budget drops new costs at our door, we come up with new ways of operating so that as few people as possible can do as much work as possible. Through innovation and creativity, we are able to deal not only with the routine business of providing essential services, but to respond to major events.

The H1N1 flu was a major health concern across the nation this past year and continues to be a threat. This past fall, as the flu season drew near, our Health Department launched a massive mobilization and provided more than 13,000 immunizations across the County. This was a major undertaking which took the staff of five departments, multiple health care and community agencies and over a dozen school districts and I would like to thank all of those involved for their hard work and a successful outcome including our hospitals and schools for their collaborative effort.

Our Health Department also formed a partnership with Cornell Cooperative Extension of Oneida County in order to increase the effectiveness of our Woman, Infants and Children's

(WIC) program. CCE offers extensive nutritional expertise which partners excellently with the Health Department's skills in maternal and child health. Through this realignment, almost 17,000 people were served with an increased efficiency.

Lead poisoning continues to remain an issue in the City of Utica. This year, with the receipt of a \$2.2 million grant and the health Department as the lead agency, we will begin to make a difference in Utica's housing stock. We will be working with the City, landlords, tenants, and contractors to help make this change.

Hard times in the economy mean that more people need help. Our Department of Social Services has seen its Medicaid caseload increase by 2,627 cases and the foodstamp caseload has increased by 2,237 cases. Also, the average number of people interviewed for Temporary Assistance has increased from 50 people a week to 80. This is a very time consuming process and through all this work, DSS has helped 891 people who are on Temporary Assistance get a job.

The Department of Social Services is also the front line to help our children and families. DSS decreased the number of children in all levels of foster care by 26.4 % and used grant funding to buy technology that puts Child Protective Service and Foster Care staff in the field, where they are needed. Through aggressive actions, DSS collected \$18 million in child support that otherwise might never have helped needy families, and recovered more than \$1 million in Medicaid costs.

The increases in the needs of our residents are being met all while our workforce has been reduced. Last year, an early retirement incentive was offered and 62 of our employees took advantage of it with half of the positions being eliminated after they were vacated. Few people getting more results; that is excellent work from our County employees who too often do not receive the notice they deserve for their efforts.

Oneida County is currently the lead entity for the development of our community's "10-Year Plan to End Chronic Homelessness". This effort involves the cities of Utica and Rome as well and is chaired by Randy VanWagoner, President of MVCC. The plan has developed substantially over this past year, and it will be available in draft form in the first quarter of 2010. On top of that, our Homeless Veterans Task Force has played a key role in the successful development of 52 units of housing that can help those who served our nation and are now facing hard times.

The Oneida County Department of Mental Health, as the Lead Agency for the Utica-Rome - Oneida County Continuum of Care played the lead role in seizing an opportunity presented through the Recovery Act. As a result of our work with the City of Utica and Mohawk Valley Community Action Agency, we were able to secure over \$2.2 million for two years of homelessness prevention and housing rehabilitation. In less than three months, this program prevented 97 households with 238 persons who were at imminent risk of homelessness from becoming homeless, and it provided the financial assistance and support services to move 50 households with 66 persons who were already homeless into housing that they could afford.

Our Oneida County Youth Bureau this past year reached into our communities to support youth programming at 36 community partners and to assist the 48 municipalities get funding for which they were eligible. The Youth Bureau continues to be a major outreach and recruitment

vehicle for the Potato Hill Farm Outdoor Educational Center in the North Country. Last year, 9,500 youth went skiing, snowshoeing, biking and learned about the outdoors – all at no cost to county taxpayers.

The Youth Bureau has helped me make County Government the catalyst that brings people together. The Oneida County Children Cares initiative is a huge success and it brought together many agencies within the County to provide our youth with volunteering opportunities. This past summer the Youth Bureau worked with the Utica Police Department and the community to implement a Police Athletic League (PAL) basketball league to provide opportunities to youth and to help build community-law enforcement relations. The Youth Bureau also helped 60 Oneida County youth dream of being the next Erin Hamlin when USA Luge brought a USA Slider Search to the City of Utica. We have another one coming this August. It's the kind of event that brings families out to dream together.

Our Probation Department has also done some excellent work with our youth. They worked directly with youth in 5 schools across the country as part of early intervention, and they are working to expand the presence of Probation Officers into 11 other school districts. Keeping kids out of court helps everyone. They are also increasing their electronic and in-person surveillance of offenders who are on probation or participating in alternatives to incarceration – with a special focus on personal follow-ups in cases with a high risk of domestic violence. Oneida County strongly supports alternatives to incarceration to reduce costs, but not at the risk of endangering public safety.

The Oneida County Office of the Aging and Continuing Care Served a total of 12,049 unduplicated consumers with a variety of services including information, assistance, and community based in-home services. They also provided on going case management and in-home services to approximately 3000 individuals during 2009.

This summer, our Office of Workforce Development served almost 1,000 young people through the largest summer jobs program in years, and we have followed that up with training to help young adults enter green careers.

Recently, some County Legislators have proposed that we expand our Public Works contracting beyond snow plowing to general road maintenance currently provided by the County. It is an excellent proposition that needs to be explored. I would like to see it be even more creative as roads do not stop at town boundaries. Towns that are neighbors should bid together as two or three jurisdictions. Passing the County responsibility to each town does not solve our problems, but towns bonding together in regional sections of the County can do much more. We will begin discussion this spring and look for a result in 2011.

One of the critical roles County Government fills is to be the leader when problems cross community lines. County Government continues to bring together state and local partners to address issues related to the use of water from Hinckley Reservoir so that whatever this year's weather pattern, we can meet the drinking water and industrial needs of our region. Together with Herkimer County Administrator Jim Wallace we formed the Hinckley Reservoir Stakeholder Committee. You will hear much more from this group in the days ahead as we work to set a clear direction for this region's water management. Water is our greatest resource and we have plenty of it despite what the DEC and Canal Corporation would have you believe. There is certainly no lack of rain in Oneida County. As such, we need to hold a greater role in its management, and not leave it solely to state agencies. We are also working with our

communities as well as the state and federal governments on the multi-million-dollar sewer and water project to address serious environmental issues in the Sauquoit Creek. Multi-community projects don't just happen. My staff, my department heads and I have devoted countless hours of effort to keeping communities united on these issues so that we can develop workable regional solutions.

The greatest limit to the possibilities for County Government is the very simple reality that our financial resources are being stretched to capacity. Not even the experts know what's next for the economy, so we have been very conservative looking at this year in our projections for sales tax revenue and property tax revenue.

However, county governments as you know, are in a unique position. State government requires us to provide services in certain ways and at certain levels but does not match that with funding to provide the services. Every state budget shifts costs to county property taxpayers with the cumulative result that the huge number of human services and social services programs we are required to operate have become a major drain on county taxes – something that is not supposed to happen. No matter how many times someone out in Albany says this will all be made right, it continues because it allows Albany to avoid tough decisions and cuts that are politically unpopular. The reality of our situation though, should make it clear that New York State taxpayers cannot subsidize an endless array of services that cost more money than we have to spend. The route to closing New York State's \$7.5 billion budget gap is not to shift it to counties, but to stop spending on programs we can't afford.

Washington has indicated that Medicaid funding known as FMAP funding will be included in 2011 which will help us avoid a serious problem when that funding was scheduled to end this year. However, one-shot revenue is only a temporary fix. The real issue is a structural reform of Medicaid. Oneida County, just like many other counties, cannot afford to keep spending more than \$1 million a week on this program. It's a huge fiscal drain that serves as an anchor around our necks to keep us from looking to the future, because we have to pay that bill. In the coming weeks I will convene a summit to deal with the Medicaid issue on a local level. It will include hospitals, nursing homes, transportation providers and all agencies that receive Medicaid reimbursement. We will explore ways that we can reduce costs and deliver services in a more efficient manner. There has to be a better way to reduce local costs and we can no longer wait for Albany for reform or look to Washington for more bailouts.

There is no question that we have fiscal challenges ahead of us. There's also no question that we have met the challenges we have faced – and met them well enough to preserve our credit rating even in this very difficult economy.

Our credit rating by Fitch Investors Service has remained steady which is excellent news considering the state of the economy over the past few years. When Fitch Ratings looked at Oneida County this spring, they told the financial world that we had “adequate financial reserves,” “improving tax base growth,” and “moderate debt levels.” They also cited the “Continuation of recent actions to achieve structurally balanced operations and maintain financial flexibility” as further reason for our sustained rating.

Simply put, with a crisis all around us, we have achieved respect and shown results. And as we have seen so many times in hard economic times, a solid fiscal foundation is the first step to the future. With it, everything is possible; without it, nothing happens.

So the state of our County is sound but there are warning signs on the horizon. The State government is mired in scandal and spiraling to fiscal abyss. The Federal government is lost in economic distress and grasping for legislation that can grow jobs. They both play a significant role in all of our success and equally our failure. As I see it, we have two choices: we can choose to wait to be helped or we can charter our own future. We can move forward in the areas of consolidation I discussed today and invest in our education sector and infrastructure for economic development. This needs to be done together as the people we serve have run out of patience. Enough talk; enough excuses; enough division.

Abraham Lincoln said, "The best thing about the future is that it comes one day at a time."

Let's take each day and make it the best future the County has ever seen.

Thank you and may God bless you.