

2021 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 2021.

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 and Anthony Carvelli for putting in the work on this budget. It's not an easy task, and as I will lay out shortly, was nearly impossible this time.

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

Often I have come before this board and talked about good times and bad. 14 times I have presented a budget to you and each time was unique and came with its own sets of challenges and opportunities.

Never in my time serving this community or as county executive have we faced what we face today. To call this moment in our nation's, state's and county's history unprecedented, does not do justice to the harsh reality of the crisis we all find ourselves embroiled in. COVID-19 has become, for many, a political issue. It is not. It has become a social issue about freedoms and rights. It is not. It is a virus. A virus that spreads quickly and causes many to suffer mightily and for our most vulnerable it has resulted in death.

Over 3,200 people in our community have contracted COVID-19. Hundreds have been hospitalized. 134 of our people have died.

In this county 1 out of 25 people who have tested positive for this virus have died.

Many elected officials will spend their time telling you who is to blame and try shirking their responsibility. We have seen it on the state level and we have seen it on the federal level. I have refused to do that. When it comes to the safety of this community, it is my and this board's responsibility to do all we can to make sure people do not die.

Since March, we created and implemented a strategy centered on key goals and metrics; we increased testing; implemented contact tracing; closed down portions of the community where spread was likely and acquired and distributed PPE to those who needed it the most. Finally, we implemented measures and guidance for social distancing for our government, other municipalities and businesses of all sizes.

We have made every effort to mitigate the spread of this virus, protect our hospital capacity, prepare our businesses to reopen and inform the public on the best ways to keep themselves and their loved ones safe.

We moved quickly, closing schools and senior centers days before the State of New York did. We rescheduled village elections knowing they had a chance to be a spreading event.

We created and staffed a 24 hour-a-day, 7 day-a-week hotline for the public and medical providers to call with questions related to COVID-19. That hotline has received over 11,000 calls since March.

Even as we dealt with the pandemic, we also had to contend with the severe economic fallout. We created a helpline to assist those in need of emergency assistance, daycare and aging services. It was staffed 24 hours a day, 7 days a week for months, helping thousands of people in need.

We worked with our manufacturing industry, who have remained open since the beginning, to create industrywide guidelines that have worked to mitigate the spread of the virus in their businesses.

We conducted a business survey, reaching over 300 businesses. We collaborated with Mohawk Valley EDGE and created a mask buying consortium. Over 70,000 masks were placed into the hands of our small businesses and their employees.

We created broad-based business guidance and toolkits based on CDC and John Hopkins recommendations to assist businesses in preparing for reopening.

We purchased over \$2 million worth of PPE, including masks, sanitizer, gowns, shields and more. We placed these vital supplies in the hands of our medical providers, local governments, not-for-profits, daycares, schools, nursing homes and we even provided PPE to state agencies.

The first mandatory mask order in the state of New York was created and implemented by Oneida County.

We have collected, analyzed and used comprehensive data to make decisions on how to stop the spread.

Meanwhile our Health Department, led by Director Phyllis Ellis, traces every case – over 30,000 people so far. We have enforced quarantines with public health orders, investigated every complaint and penalized violators.

We worked with our partners and private business to increase testing capacity. Through our efforts, the State of New York set up a testing site at Griffiss International Airport. We became one of the first seven locations in the United States to have a Rite Aid self-testing site. Primary Urgent Care set up one of the first rapid testing sites in the state. These partnerships were vital to our strategy.

We have been aggressive and effective, but this virus is relentless. The fight against this virus has cost this government over \$10 million and counting.

October and November's numbers have been staggering. By far the worst stretch we have encountered since this pandemic began. We are in the middle of a fall surge and we must remain vigilant. We must remain focused on being one community who does what we must, to keep everyone safe.

There are many people who have COVID fatigue and have been less vigilant. There are those who refuse to take even the simplest precautions. We know that our surge is directly related to the bad behavior of those who just refuse to follow the rules. That blatant disregard threatens the health and economy of this community.

We must wear masks, remain socially distant, wash our hands and follow the rules that are in place to stop the spread of this virus. We must be as focused on taking these precautions as we were in March and April.

You have heard this before but I believe it is important to reiterate because every single effort we made costs money and time and affects this government's finances and this budget. This pandemic was not an intangible and abstract item on the national news. It hit us here and it continues to do so.

This pandemic highlights why county government is different from every other level of government in this state. We have more responsibilities and more costs, and when faced with crisis, county government is open every single day to deal with the public health and safety of this community.

We knew we had to take drastic measures to deal with our current finances. Tracking our revenues from the onset, we were facing a \$20 million shortfall for 2020. We moved quickly and decisively to cut costs so we could spend what we needed to fight COVID while also immediately beginning to address the revenue shortfalls we expected from a closed economy.

We restructured our financial plan. We sent to this board cuts that resulted in \$8 million in reductions. We continue to delay sales tax and Oneida Nation payments to cities, towns and villages.

I directed all departments to get as close to a 15% cut in their budgets as possible from 2020 to 2021.

Just as we did in our own government, we cut funding to outside organizations. They all understand the fiscal realities related to this pandemic.

There are unavoidable costs that increase year over year no matter what. Meanwhile, there are revenue shortfalls that are beyond our control. Fortunately, Oneida County, during my administration, has built a rock solid financial foundation, and never has that been more vital than now.

These are the realities we face.

Sales tax revenue is down from last year. As I stand here today, sales tax revenue is nearly \$4 million short from 2019. State reimbursements have been delayed and could be cut by as much as 20% in 2021.

These revenue uncertainties required severe adjustments to the 2021 projections.

For 2021, I have budgeted sales tax revenue at \$105.4 million.

The revenue from our historic settlement agreement with the Oneida Nation has also been impacted. In 2020, we remain \$2.8 million below our projections.

Oneida Nation revenue is budgeted for 2021 at \$16 million.

Nevertheless, due to our strong fiscal health during my administration, in cooperation with this board and because we made hard decisions not just during COVID-19, but for more than a decade, I'm proud to present to you a budget that:

Does not increase the property tax levy, 8 years in a row.

Decreases discretionary spending by 7%.

Includes zero layoffs and adds no new positions.

The total budget for 2021 is \$434 million.

The capital plan I present to you today calls for a minimal amount of county bonding to pay for roads, bridges and technology upgrades only. Even while faced with this pandemic, we will retire over \$9 million of debt.

I want to reiterate what I have said time and time again, county governments are on the frontlines of this global pandemic. The federal government has an obligation to provide funding to all counties.

In recent days, we have seen encouraging news related to new vaccines, therapeutics and revamped national testing that renews hope that an end to this pandemic is coming, even if that is hard to see right now.

With our strategic and strong investment to move this community forward, when this ends, our future is still bright.

We are committed to working with the Auditorium Authority to secure the necessary funding to finish the NEXUS project, which will be a one-of-a-kind regional asset for tourism in the State of New York.

We continue to see investment all throughout our community.

Cree's new semi-conductor silicon carbide chip fabrication plant, the world's largest, continues to change the landscape of our community. The multibillion-dollar project is a game-changing investment. Cree has been a strong partner and its commitment to this project and this community is second-to-none. Soon, its Fab will be completed, running and creating an economic engine the likes of which this community has not seen in decades.

When you look at downtown Utica, you can see our state-of-the-art medical campus rising into the city skyline. Never has there been a more important moment to highlight the need and advantage of a new hospital to replace our 100-year-old institutions. We deserve this hospital and it will be a lynchpin of a thriving community for generations to come.

We remain committed to building a parking garage for the medical campus in downtown Utica. It makes no sense to build half a billion dollar hospital without a parking garage to compliment it. It is shortsighted to think otherwise.

We have seen our investments become reality.

The Innovare Advancement Center, built by Oneida County government, led by the Air Force Research Laboratory—Information Directorate and Griffiss Institute, is focused on what it takes to catalyze the key collaborations that spark innovations in areas critical to U.S. strength and economic competitiveness.

Investment in our FAA-designated UAS Test Site, one of only seven in the nation, continues with a new ops center and the construction of SKYDOME – the largest indoor testing facility in the world. It has also been selected to lead the charge on Phase 2 of the FAA’s unmanned aircraft traffic management pilot program. Unmanned flight is not a hypothetical. It is real. It is the future. And, thanks to our actions, it is Oneida County’s future.

The pillars of our economy remain strong and continue to grow despite this pandemic. This has allowed us to weather the economic storm that has accompanied this virus. In the month of September, the state unemployment rate was 9.7% and in Oneida County that rate is 5.8%.

While the pandemic has brought much pain and suffering to our community, it has also shined a light on our greatest asset, our people. Our doctors, nurses and all health care workers in hospitals, nursing homes, clinics and labs are due our sincere gratitude for their work, care and compassion, all while putting themselves and their families at great risk. Likewise, our first responders who face danger each day have also dealt with this unseen enemy admirably. They are all heroes and worthy of our appreciation.

As legislators, your interaction with the workers in this government is mostly limited to elected officials and department heads. While all of us in this room set policies and procedures, the most dedicated group of employees does the work. I have always looked with pride upon this workforce and have stated so publicly. During the last several months as we have navigated through this crisis, our people have responded not only as expected, but also far above the call of duty. I have spoken of our Health Department often, regarding the hours of tracing, working weekends and holidays since March. The social welfare examiners who distributed PPE to the public and outside agencies and assisted in the many milk and food distributions along with our Public Works employees. The caseworkers who had to visit homes throughout this time and deal with a public that often did not wear masks. The court attendants and examiners who assisted in contact tracing. Our Youth Bureau who handles PPE for other levels of government and manages our school hotline with the Health Department. The rotating staff that along with our Sheriff's office triage the hundreds of people who come through our front door each week for assistance. These are just a few examples of what our employees have done and continue to do to get us through these days. A government that has not shut down one day since March 13. A government that has had less than one percent of our employees test positive for COVID-19. This is your county government, your workforce, our people.

As I have reported over the last several days, cases have risen dramatically as they have across the state and nation. The spread however can be avoided by wearing a mask, social distancing and good hygiene. I am concerned about our children, they are not in school and not getting the socialization that they need, remote learning is convenient, but not the answer. They are not the cause for the rise in cases but they are a great casualty. Our responsibility is to set the example, to be smart, not put anyone at risk. We set our goals in all we do with their future in mind. We are putting it all at risk by being careless and letting down our guard. By gathering in groups larger than allowed and by thinking that it is only a virus.

It is a virus that is deadly and that is a fact. Let's be smarter and disciplined so we can realize the future that we have been working on.

We still have a long way to go to get to the other side of this pandemic. However, for the first time in a long time, we can see the other side. Our work is not done. We have to stay together and be committed to the health and safety of one another and this community. Only together, can we do this. When we do, I am confident Oneida County will be stronger, safer and more prosperous than ever before.

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