

We begin today with a moment of silence for the lives lost yesterday tragically in Douglas County Oregon at their Community College.

In accordance with the terms of the Oneida County Charter, I come before you today to present the proposed budget and capital plan for 2016.

This is the 9th time I have been before this Board to present this government's budget. I thank the members of the Board for being my partner in Government; especially, Chairman Gerry 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 and District Attorney Scott McNamara continue to lead their offices with vision by delivering the best services in an efficient way while minding the taxpayer's money.

This budget presented to you today is more than a 173 page book filled with numbers. It's more than a list of positions and a revenue and expenditure line. Its value is more than the sum of the numbers contained within. It is a blueprint that moves this county forward while fulfilling our vital role as a provider of services to those that need them the most. One that paves the way for future generations to live in a new economy, rebuilt cities, thriving towns and neighborhoods that are safe and secure.

This Blueprint is thoughtful in its construction. It is designed to create a stable financial structure, not one that crumbles when the wind blows. It is resolute.

When I became County Executive I said from day one I will tackle the problems of this county, not punt them to future Executives like had been done in the past.

I also promised the people of Oneida County that I would bring stability to this government. I'm the longest serving County Executive. I have always had a long term approach. Our fiscal position today is strong, not by chance but by design.

This blueprint looks to the future. It's another budget that does more with less, saves money and continues to keep property taxes low.

This budget confronts, head on, issues all leaders of county government have to deal with. Mandated costs, fluctuation in gas prices and ever increasing retirement

payments. The growth in the budget from year to year is based on these inescapable facts.

To borrow a famous phrase, this government is a tale of two cities, a tale of two realities. We have a fiscal certainty as a service provider and employer and we have a lead role in moving our economy and community forward.

We have a responsibility to every person in this county who comes here for help. We have a duty to those who have mental health needs, to seniors who need basic care. We have an obligation to every child who is being abused at home or being left to fall behind at school. We care for our veterans and house the homeless. These are some of the people who come to this county every day for help.

While these services fall under our mandated costs, these are things we need to do. Because we don't believe children should go uneducated, without food and shelter and we believe families should be given the help they need to help themselves. These are all noble causes, causes that should be celebrated and we should take the time to applaud all of those in county government who help those in need.

These services come with an unavoidable cost and continue to rise. \$1.5 Million more to run our correctional facility. \$1.3 Million more in day care; which in many cases is the only way some parents are able to join the workforce or seek a college education. \$1 Million for Juvenile delinquent care. Special education pre k is up nearly \$1 Million dollars. Meanwhile, our state and federal aid to the county has decreased nearly \$2 Million.

Despite these increases, the budget I present to you today has kept expenses as low as possible. The growth of this budget is less than one half of 1%. I believe that bears repeating. The growth of this budget is less than one half of one 1%. This limited growth is because we manage correctly. We tighten our belts. We do more with less. There is not one new position in this budget. For example, our county expenses in our single largest department, Social Services, are down nearly half a million dollars but the county price tag is still up \$2.6 Million.

We can't hide from these costs. We can't bury our heads in the sand and pretend they aren't there. This is a major part of what this government does every day. The proudest I can be of this administration is when we help people. Some of these people live in the most abject poverty any of you in this room could ever imagine. I'm not going to apologize for helping them.

What we will continue to advocate for is an equitable way to pay for these costs. We have had success in Albany, during my time as President of the New York State Association of Counties, and we will continue to have more.

All bargaining units need to be renegotiated next year and this fiscal unknown has been accounted for in this budget. Our employees are the hardest working, most dedicated government employees in the state. We will come to the table this year and negotiate the fairest contracts possible for our workers, the taxpayers and all of those we serve.

Retirement costs continue to be a burden on the tax levy. Once again I have chosen to amortize \$2.6 Million. We have used this option in the past. It works. It has provided us flexibility when we needed it and our fiscal discipline has allowed us to pay it off. In 2015 we paid back nearly \$10 Million in amortization. Since 2011, the County has paid \$54 Million in retirement payments. To put this in perspective, nearly 16% of our property tax levy per year goes to pay our state retirement bill.

Even with the increasing cost of these programs we have never gone above the tax cap since its inception.

Our job is not merely to administer programs. County government has a duty to lead this region towards economic growth and prosperity. We are doing it.

9 years ago this county had no dollars in fund balance to speak of. Sales tax was 9%. The budget process was year to year with no long term outlook or financial plan in place.

I knew in order for us to see any real economic growth we had to fix this government's financial problems while fundamentally changing the way the County did business. If we didn't, no chip fab plant was ever going to build here. No College was ever going to invest hundreds of millions in research facilities here. No one would work with us to restore our auditorium, paving the way for AHL hockey to return. The FAA wasn't going to designate Griffiss International Airport one of 6 UAS test sites in the country. These things don't happen if we are running deficits, our tax situation is unstable, and our credit ratings are in the tank.

The blueprint was simple. Keep property taxes low. Reduce the sales tax. Create a county financial plan that restricts the fund balance and then get money into those accounts. Cut spending. Increase our credit ratings. And settle longstanding disputes and become partners with the Oneida Indian Nation. Budget with a 5 year outlook and avoid short sighted financial decisions.

We have a combined restricted/unrestricted fund balance of \$25 million. Our fund balance falls within a targeted range of 5 to 15% of our General Fund. This is recognized by the NYS Comptroller and other professionals, to be at a necessary level so we can deliver essential services, maintain sufficient cash flow, and manage unanticipated contingencies. Credit Ratings and outlooks have been raised 3 separate times and our outlook has been changed to positive by every major credit rating agency.

We have the smallest workforce since the 1970's and a shared service program that has saved millions of dollars.

This has worked. Unemployment is down to 4.9% which is below the state and national average. During my time as County Executive this County has seen a transformation.

On August 20th the Governor and I, along with the leaders of our community, announced the AMS Nano Chip Fabrication Plant, a multi-billion dollar investment built here in Oneida County. In addition our campus at SUNY Poly will direct cutting edge research in the Nanotech field with none other than General Electric leading the charge.

We have expanded Vision 2020 and created the next phase, focused on developing strategy and tactics that can solve our transportation needs. We will address the needs of everyone from the new millennial workforce to senior citizens and those that desire or need alternate forms of transportation.

We are working with Mohawk Valley Health Systems to complete a once in a lifetime opportunity to convert Oneida County's Health care delivery system. With a \$300 million investment from the State of New York and a commitment from County and City officials the MVHS will become one integrated campus.

MVHS' preferred location is downtown. I believe a state of the art healthcare campus in the heart of downtown Utica will be an economic driver that will continue to revitalize the County Seat. It will clear urban blight and rid the landscape of crumbling infrastructure. I say to Scott Perra, and the MVHS Board of Directors, that Oneida County will be a partner in making this campus a reality.

I created the MV500 to bring all of our economic, agricultural and tourism talent from 6 counties together to construct the best plan possible to win the \$500 million Upstate Revitalization Initiative. This budget, as presented, continues to invest in our infrastructure and our people which is essential to winning this competition. I expect to win.

By fixing our government finances we have become an entity that invests in the future of this region instead of holding it back.

In 2015, we put aside money for our Partners in Prosperity Program. We used gaming revenue to work with schools, police and fire, our cities, as well as arts and cultural organizations.

In Rome we partnered with the city to create a lasting waterfront at Bellamy Harbor Park that will be an economic driver for the City. In Utica we are working with the city administration with a similar goal in mind.

In our schools we funded 10 projects that are teaching children science, technology, engineering and math right now. That's how your children take part in our high-tech economy. Our goal is to keep our young people here.

We partnered with the Community Foundation and invested in 18 projects in arts and culture that have vastly expanded the offerings in our county. Companies like AMS and GE are looking for these offerings as they bring hundreds of new families here.

Meanwhile, our Police in Rome, Utica, New Hartford, the Probation Department and our Sheriff's Office have been outfitted with state of the art tactical vests to protect them when they are in the line of fire. A safe community is essential to economic growth.

We must continue to invest in this community, as we have this year. We need to foster education, arts, culture, support public safety and develop key infrastructure so that people want to live, work, play and raise a family here. I am not waiting for others to prepare this community for growth. This year's budget includes \$1.3 Million for Partners in Prosperity Funding for STEM, Arts and Culture and Public Safety.

Capital projects are another way we invest. We choose to invest in the infrastructure and technology that people rely on every day. This includes, 911 radio technology upgrades, county building asbestos abatement, a new community college campus in Rome as well as rehabbing and renovating the airport and more.

The recommendations made to me by the Capital Projects Screening Committee were \$22.9 Million in bonding for 2016.

This year we are completing the sale of the former Oneida County Airport in Oriskany. The State will pay the County \$10 million for the property occupied by the New York State Emergency Preparedness Center. This will also be home to the first of its kind Emergency Preparedness College.

We will take the sale of this asset and use the money, not to plug an operational hole, but to pay for long term investment saving the taxpayers millions in interest and lowering our overall debt. This \$10 Million should be used accordingly: \$5 million towards the construction of the MVCC Plumley Complex, Mohawk Valley Community College is a valued partner in all of our economic development endeavors. \$4 Million will go into our roads program, improving the conditions of our roadways is vital to the safety of our people and the prosperity of the business throughout the County. Finally, \$1 Million will go to continue the work at the Utica Auditorium, for which the Utica Comets and Utica College Hockey have ignited the spirit of our community pride.

This \$10 Million will reduce the actual bonding for 2016 to \$12.9 Million which is less than the amount that we will retire.

When we prepare the budget we look at the growth in our expenditures and the growth in our revenue and what's left is how we determine the Property Tax Levy. To be clear, I believe it is imperative that property taxes stay as low as possible. My past 8 budgets prove that. I believe the burden of this government should be shared in the most equal way possible by all of those that live, work and visit Oneida County.

Today I tell the people of Oneida County for the third consecutive year this budget includes no increase in the tax levy. This equates to \$8 million dollars in property tax savings over three years.

Some have said now is the time to lower the levy by 3% or as much as 5%. I wish I could agree. I cannot. It's short sighted. It's financially irresponsible and it will have financially devastating consequences to the taxpayer going forward.

I know that decision will force me to raise taxes next year. Let me be as unequivocal as possible, any reduction to the tax levy in this budget will result in an increase above the cap in 2017, guaranteed.

We have in this community today a momentum the likes of which I've never seen before. County government leads the way. We have helped the people of this region believe in this community again. We have done so because we in this room have worked together. We have cut through our geographical, political and demographical differences to do what's best for every resident. I have done the same outside this room. I have worked with a Governor and State Legislature that have been willing to move the county forward with us, regardless of politics.

Over the past 9 years we have laid out a financial plan that has played a significant role in creating this momentum. It is built on prudent decisions while looking towards the future.

Property taxes are low. Credit ratings are up. We have a fund balance. We have been able to invest in Nano, UAS, Cyber, Entrepreneurship, Agriculture, Infrastructure, Emergency Services, Education, consolidation, our community college, Airport, flood mitigation, quality of life, the Aud, and the list goes on and on. We have been able to bring the entire community together through Vision 2020 and the MV500. This approach has worked. These facts are undeniable.

All these things we did together and we must continue to be the type of government that leads this community. We cannot revert back to making disastrous financial decisions. We stand to lose all we have gained as a community.

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 regarding this budget.

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