

March 1st, 2005

State of the County

Good afternoon, Chairman Schofield, members of the legislature and distinguished guests. I would like to thank you for this opportunity to address you today to talk about the state of our County, a place we all love and want to see succeed.

This is my first State of the County and I am very pleased to be in this chamber presenting this status report, as well as my vision for Broome County.

We have been placed in these positions by the people of Broome County because they believe we are going to work for them to make their county and their lives better.

As County Executive, I cannot do it alone. As lawmakers, you cannot do it alone. We need to work together. We need to find common ground for the common good. I hope we can. I believe we can.

We have many reasons to be proud, but we also have many challenges to face. This by no means is going to be an easy year. It is not going to be an easy couple of years.

But if we seize the opportunity for change, real change and reform, we can make a difference in the short term that could have positive long term effects for County Government and the people of Broome County.

Voters in Broome County and across New York State sent a very strong message this past November. They want politicians to put politics aside and start putting the taxpayer's interests ahead of their own.

That is what I pledge to do and I hope you will join me in taking that pledge.

I have worked 40 years in the public sector. I am a public servant. I work for the people of Broome County. I pledge at this time that every decision I make as County Executive will be made with the people of Broome County in mind, first and foremost.

It has been a few short weeks since I took the oath of office but we are already extremely busy. While I am disappointed in the issues I have had to tackle so soon into my administration, I am glad we are addressing them and fixing county policies so these problems do not happen again.

I do not want to spend too much time on the missing files or the sick time overpayments, but I do feel they need to be discussed at this time. Both were wrong. We are addressing them and I assure you, it will never happen again.

While I am disappointed we could not move forward more quickly on changing county policies, I am putting my faith in you that you will do the right thing and tighten up the county's payroll system and incorporate a more effective checks and balances.

We look forward to the New York State Comptroller's report on our payroll procedures. I also look forward to working with you on implementing some of the Comptroller's recommendations.

I also want to inform you that we have handed the payroll and file issue over to the District Attorney's office. In addition to the New York State Comptroller's review of recent developments, we felt it was important to get a second, independent review of the matter.

While these payouts and missing files have been somewhat of a distraction they have not kept us from our main objective which is getting a true handle on Broome County Finances.

While that has been difficult in these short 8 weeks, a pretty clear picture is emerging. We have got our work cut out for us if we are going to keep Broome taxpayers from facing a huge tax increase next year.

I want to recognize Budget Director Don Freed and Assistant Budget Director Nathaalie Maxwell for all of the work they are doing, to give us a perspective on the county's finances.

We kid Don about always being the bearer of bad news but I am very glad he has come out of retirement to help Broome County. I trust his analysis and I trust his recommendations. Now for the tough news:

The County appropriated almost twenty-million dollars in various fund surpluses to pay for the 2005 expenses. Without these "surpluses" the County tax rate would have been 38% higher!

Since we cannot produce similar annual surpluses in the future, the property taxes will be affected dollar for dollar for any shortfall.

The potential negative effect of these shortfalls will make our Medicaid problems seem minor in comparison.

And speaking of Medicaid, in 2006, Governor Pataki is proposing to cap Medicaid increases to counties at 3-point-5 percent over the 2005 actual costs. The cap in 2007 would be 3-percent.

In 2008 the Governor proposes that the state take over Medicaid costs completely in exchange for the equal amount of our sales tax.

While that plan may ease the Medicaid burden it does not solve the problem entirely for the county because starting in 2008 we would simply trade away a dollar of our sales tax revenue for every dollar the state spends on our Medicaid costs.

In addition, the governor proposes to cut reimbursements to nursing homes and hospitals across the state. Bottom line, those cuts will negatively impact our Willow Point Nursing Home revenues by an estimated \$1.2 million dollars.

That is money, we as a County, will have to make up in the end.

Just so we are all clear on this, the proposed cap, will under no circumstances reduce our expenses.

The caps will simply reduce the amount by which our costs will increase.

Not to add more bad news to this picture but if the recent court decision, requiring New York State to provide an additional \$14 Billion dollars for New York City schools, is not overturned or modified, it is unlikely that the State will have any additional resources.

And it will not be possible for them to deal with our local Medicaid problems.

Suffice it to say we cannot wait around for the State to answer our problems. We have got to roll up our sleeves and start reducing "controllable" costs.

My discussions with Don also lead us to believe that the county needs to review its definitions of "fund balances", "fund equity", "net assets" and "retained earnings".

And we must study how they impact future budgets and tax rates.

An example of why this is needed; in 2002 the County authorized 4-point 4 million dollars in budget notes to cover an anticipated shortfall of this amount.

However, during the same month the County adopted the 2003 budget with an appropriated surplus of nearly 5-point 6 million in the same fund.

It is a mystery to Don and me how the administration could project a deficit and surplus in the same month for the same fund. But that is exactly what the previous administration did.

I bring this up only to emphasize the fact that we need to do some major reform in the budgeting process as well. We must all get on the same page about where the county is financially.

We cannot have any surprises when it comes to budget shortfalls or budget surpluses.

These types of practices lead to unstable tax rate changes and will eventually undermine the financial stability of the county if it is not contained.

In technical language, the county has a structurally unbalanced budget.

I commend our lawmakers for taking important steps last year to move towards a more stable budget. Your foresight in creating a tax stabilization fund is exactly the kind of reform I am talking about. It took a lot of courage but it needed to be done.

Our sales tax formula is another difficult issue. Our towns and villages are very vocal about the fact they want a larger share.

During my campaign I made an issue of the fact that if the previous administration had a so called surplus, why was it holding back sales tax revenues from the towns and villages? It made no sense.

It made no sense because there was no surprise surplus. There is no surprise surplus!

I have already explained to representatives of the Broome County Council of Governments and the Association of Towns and Villages that there can be no re-configuration of the sales tax formula until we, the county, can get a handle on our finances.

I tried to explain that while we are not insensitive to their needs it is simply too early to have this discussion. But the discussion needs to take place.

We are not sounding a crisis alarm; we are also not throwing up a white flag of surrender.

We have our work cut out for us and once again I ask for your cooperation this budget season so that we can get a better handle on our county budget.

This is where I believe Shared Services can help.

As we already know, shared services like, 9-1-1- dispatching, police patrols, fire response, and highway maintenance, are already taking place between the county and our towns and villages.

We have to take this concept one step further. That is why I proposed the Shared Service agreement with the Village of Endicott. I was disappointed that this was held over in the last legislative session.

I only hope you will see that it can be a win-win for the County and Endicott. And it can set the example for similar agreements in the future.

My resolution would have allowed the county to handle Endicott labor relations and negotiations. In return they would pay us for our services. I ask for your support on this agreement and for any future agreements that can help move this county in a new direction.

Because as we have all realized, it cannot be business as usual anymore.

In addition to proposing the Shared Services resolution, my administration is also reviewing county leases to make sure we are getting the best return on our investment.

According to Comptroller Alex McLaughlin's recent audit, it appears we are not.

County Attorney Joe Sluzar has already been in contact with a number of landlords to make sure they are keeping up their end of the bargain.

We will also review whether, paying year long leases up front, is really in the best interest of the county.

Another looming problem for our county is the funding of our library system. I want to take a moment to commend Chairman Dan Schofield for the leadership he has demonstrated on the library issue.

I agree with the Chairman that consolidation is the right course and I look forward to working with you all on a plan that will lead to a more efficient and cost effective library system for all of Broome County.

It is no secret that Broome County's budget pressures could be eased quite a bit if our local economy was stronger.

I believe the economic forces that have negatively impacted our community are not just the result of lagging national and state economies; they are the result of missed opportunities on the local front.

While we cannot directly create private sector jobs, Broome County Government does have a responsibility to foster an environment that allows jobs to be created. And they must be jobs that families can live on.

My economic development director John Serino brings a unique perspective to our economic development efforts and I am looking forward to his contributions.

John is a Binghamton native who spent most of his professional career with IBM. He has also been a consultant for large and small businesses.

John's private sector business background in the global arena and his knowledge of the Broome County area will be a tremendous asset to our local business development efforts.

John and I have talked about what needs to be done to take some of these efforts that are already under way, to the next level.

As with most operations in Broome County we have come to the conclusion, there are just too many layers and too many entities dealing with economic development in Broome County.

We would like to take the same shared service philosophy that we plan to implement within Broome County and its city, towns and villages and try to apply it to the economic development arena. We must come together and work towards the same goal or we will continue to miss opportunities.

We are anxious to get working with the Greater Binghamton Coalition and the Broome Tioga Workforce Investment Board.

We are also looking forward to working closer with our Broome County Industrial Development Agency and with you our Broome County lawmakers.

We would like to begin stripping away some of the layers and start focusing our efforts more directly on identifying economic opportunities preferably those that already exist in Broome County.

I think we all agree that we cannot sit around waiting for a large, well funded corporation to blow into town and answer all of our problems. We need to nurture the companies we already have here in Broome County and do all that we can to help them grow.

This area has a long history of entrepreneurship. IBM, E-J, Link, Maines, Universal, the list goes on and on. They started with one person with an idea. It can happen again.

There are thousands of new business certificates filed in the Broome County Clerk's office. These are people turning to entrepreneurship to make a living and support their families.

They need help and we want to be the place they turn for that help.

One way we are preparing for future opportunities is by assembling a Rapid Response Team. This will allow for immediate action on any local, regional or national economic development opportunity. We are already talking with local groups to make this happen.

We are also talking about creating a one stop-shop for economic development. We have contacted Senator Charles Schumer's office and Senator Hillary Clinton's office to see if we can get some federal money to rehabilitate a local historic building for this venture.

And finally John Serino is meeting weekly with small and large businesses to find out what their obstacles to expansion are and find out how we can assist in removing these obstacles.

Our employment and training center is a clearing house for all kinds of information related to workforce development and training grants. Nearly a thousand people go through the doors of the center every month.

That agency has accomplished quite a bit since its creation but we need to do more.

We need to do more outreach to make some of the smaller businesses in our community aware of what is available so that they can take advantage of some of these state and federal programs.

Also throughout my campaign I stressed that the county needs to do more follow up. We must check on the businesses that received loans and grants and make sure the money is being spent properly.

I am sure most are using the money to create jobs and train workers but since we don't do enough follow up; there is no way of knowing for sure.

Our employment training center has already made contact with Lockheed Martin to see how we can help them in their efforts to hire and train the right employees for the right jobs.

We are so thrilled for Lockheed Martin and their hard working employees.

This Marine One contract can have a huge impact on this entire community and we need to be poised for whatever may come our way.

This contract for Lockheed Martin could provide the kind of momentum this area has not seen in quite a few years. I for one want to be ready when these opportunities present themselves.

While I have talked about the many economic development challenges we face, that is not the whole story.

We have so many things to be grateful for. We have such beautiful natural resources.

We are the population center for what potentially could be millions of people if you take into account downstate New York, Pennsylvania, Upstate New York and even Canada.

We are truly at a crossroads.

We have highly skilled and educated workers.

If planned and marketed properly we can capitalize on all of these positives.

What we are lacking is a workable economic delivery system. And that is what we plan to work on.

Moving on to other economic development efforts, our planning department is currently working to convert a vacant building in the Broome Corporate Park into an incubator for budding businesses.

Rita Petkash and her staff are also working with the I-D-A and a private business person to develop a portion of the former Anitec site on Charles Street in the City of Binghamton.

The Planning Department is also aggressively pursuing federal money to address a number of Brownfiled Sites throughout the County to get them back on the market for development purposes.

Two more big projects on the horizon include the proposed renovation of the George Harvey Justice Building and the construction of the Inter-Modal Transit Terminal.

The Justice building has been out of commission for several years now and it is deteriorating quickly. It is a historic building and we need to preserve it.

But we also need to use it for county purposes.

The proposed terminal will serve Greyhound, Coach USA, Shortline and B-C Transit. We are able to move forward on this because of funding secured by Congressman Maurice Hinchey.

When the terminal is finished it will provide an inviting Gateway to the city.

It will also mean BC transit riders will no longer have to cross busy streets dodging cars and they will not have to wait outside in bad weather.

We are also moving forward on the All Wars Memorial at the Broome County Veterans Memorial Arena. That should be complete by Veteran's Day of this year. We want to thank Senator Libous' office for securing funding for that.

Our Broome County Veterans Memorial Arena itself has seen improvements and will continue to be repaired and improved in 2005.

Last year the skybox project was completed and there were also large video screens installed.

These were major upgrades and we plan to have discussions with the Senators about continuing with additional renovations at the Arena to try to improve the conditions for the team even more.

We must first figure out a funding source for these improvements.

More immediate is the repairs on the Arena roof. Work will begin on that later this year.

We are also planning to move forward with a national search for an Arena Manager. I believe we can make this venue less of a drain on county taxpayers with the right personnel in place.

We also plan to move forward with the idea of a private management firm to help us market the Arena.

Our Parks Department meanwhile is doing a good job of keeping the Arena in good shape.

Our Parks Department is also doing a great job of keeping our parks in excellent shape. Broome County Parks are real gems.

They are free and I can promise you they will stay that way. And they are getting better every year.

The Otsiningo Park trail extension has been completed and opened.

The number of soccer fields has expanded and all the fields were upgraded this past year.

Our parks people tell me we can look forward to more improvements this year including new playgrounds at Grippen and Roundtop.

Picnic shelters will be built at Otsiningo, Dorchester and Cole Parks.

And in cooperation with Whitney Point High School and the Whitney Point Rotary Club, a paved trail connecting Whitney Point and Dorchester Park will be constructed.

A big thank-you to all of our Parks Department employees!

And speaking of hard working employees, this has been another difficult winter with all of the snow we have had. Our highway workers who care for nearly 240 miles of highway are the unsung heroes during these storms.

Many people only associate Public Works with the daily functions of plowing snow, collecting sanitation, recycling, and fixing roads.

And it is a job well done. But we know that it is much more than that.

You are on the front lines of public safety during emergencies. You must be on call 24 hours a day, 7 days a week, every day of the year.

Your jobs affect everyone in this county and from what I see and from what I have been told, nobody does it better. Your efforts are noticed and they are appreciated.

Public Works Commissioner Henry Weissmann tells me our Public Works department has a number of projects on its 2005 calendar.

In addition to the Arena roof and assisting with the planning for the transportation terminal, Public Works is also assisting in rehabilitation of the Government Plaza parking area.

Public Works also is working on repairing an important road near Deposit that was washed out last year and will be doing work on six county owned bridges.

They are also about to administer a new highway rating system for county highways.

We have already touched upon the issue of the Willow Point Nursing Home finances as they relate to the Medicaid reimbursement problem but we have got another Willow Point issue facing us.

And that is whether we renovate the current facility or build a brand new structure at a new location.

While we have not decided which way to go, we do not believe a new nursing home should be dismissed outright. Don Freed says there still needs to be more review of how each proposal will impact the County's financial future.

If a new home provides a better deal and better care for its clients it might be the way to go.

I am a strong supporter of our County providing this kind of service to its residents. With our ever expanding elderly population, this service is going to be needed more than ever.

I not only want to make sure we are providing a place for those with no other options, I also want to make sure we are providing the highest level of care.

I look forward to talking with you about best course of action and I look forward to hearing from the people of this community on what they feel is needed as well.

I am happy to see that our Sheriff's Department is a strong believer in sharing services. Sheriff David Harder reports that last year the Department's Special Investigations Unit began its first official year of working together with the Binghamton Police Department.

The Sheriff says this unit had a very successful year in achieving its mission of disrupting the illegal drug traffic into and throughout Broome County.

The Sheriff anticipates consolidating more police agencies' illegal drug fighting efforts so they can all work as a team.

The Sheriff Department's Civil Division became accredited in 2004.

It joins the Law Enforcement and Corrections divisions which are already accredited by New York State.

Broome Security also had another successful year in investigating and cracking down on welfare fraud.

The case integrity unit, which is a leader in the state, once again stopped fraud and assisted in recovering money that would otherwise have been improperly distributed.

Security Director Carl Fenescy says in 2004, the Case Integrity Unit achieved avoidance and recovery of over 4.5 million dollars.

Broome's Emergency Services Department is also a shining example of how shared services can work.

The final piece of the consolidated 9-1-1 puzzle fell into place when the Village of Johnson City agreed to start using the dispatching services located at the Broome County Public Safety Facility.

We welcome them aboard. We do need to talk about funding for the additional dispatchers but I'm sure we can work that out.

The County 9-1-1 system received some more good news just this month with the announcement from Assemblywoman Donna Lupardo's office that an almost 3-hundred-thousand dollar grant had been awarded Broome County by the New York State 9-1-1 board.

This is exciting news because it means cell phone users in crisis will be able to be tracked by their cell phone signal.

It is tremendous technology and I am pleased Broome County is moving forward with incorporating it into our already excellent system.

I have talked to Emergency Services Director Mike Aswad about another exciting grant we received. It is the latest round in homeland security funds from the federal government.

We have been awarded nearly 400-thousand dollars this year.

Mike will be coordinating with our local police, fire and E-M-S personnel on how that money will be disbursed.

I thank him for that and I thank all of our first responders, volunteer firefighters and dispatchers for their dedication.

We are all safer as a result of their efforts.

Safety on our highways is also a top priority of our, state and nationally recognized, Stop-D-W-I program. Once again the numbers confirm that these education efforts are working.

According to Director Jim May, in 1981, 22 people died in Broome County from D-W-I related accidents.

For the period of 2000 to 2004, Broome averaged only 2 drunk driving fatalities per year.

According to Jim that translates to 135 lives saved as well as economic savings of public and private money of nearly 140 million dollars.

Stop D-W-I's, Chris Thater Memorial, will mark its 22nd anniversary this year. What a wonderful event that brings tremendous national attention to Broome County.

Shifting gears now to BC Transit and the Broome County Airport. I'll get to BC Transit and a special announcement in a moment, first the airport and its continued record of success.

If one of the cornerstones of a community's economic development is the strength of its air service, we must be doing something right in Broome County.

Our Greater Binghamton Regional Airport is once again coming off a banner year in 2004. This is the third year in a row that boardings have increased from the previous year.

It is the highest level of activity our airport has experienced in 6 years.

This is especially heartening in light of the fact these are some of the most challenging times facing the aviation industry.

Convenience is important for customers and that is why the airport staff has worked very hard to increase the number of carriers while others are facing decreases.

Comfort is also a top priority for travelers and our airport now has not one but four boarding bridges, more than any other regional airport.

And finally safety is not just “a” priority it is “the” priority. To ensure that, this summer, the airport will undergo an airport runway rehabilitation project.

I am excited about this project and I am pleased that our Department of Aviation has everything in place to pull off this major construction project without interrupting our local air service schedules. We look forward to more great things from our Greater Binghamton Airport.

Carl Olson, Carl Beardsley and the entire staff at the airport are to be congratulated for these airport successes.

Back on the ground our BC Transit service is also experiencing growth. Rider-ship is up 2-point-7 percent.

Increased rider-ship has led to an increase in the number of routes serving our community.

We will continue to review the population and its needs to see if further changes and additions are necessary.

One area we know is going to require more attention is the Vestal Parkway Plaza where there is expected to be hundreds more potential bus customers.

One of the major challenges faced by BC Transit and all of our departments operating a fleet of vehicles is the skyrocketing cost of fuel. It is at its highest level ever.

B-C Transit is about more than just numbers and buses and fuel costs.

It is also about the people who safely drive our citizens around the county.

They are a dedicated hard working bunch of men and women who are serving this community no matter what the weather or traffic conditions.

They are all excellent drivers but each year BC Transit singles out two drivers for special recognition as BC Transit Drivers of the Year.

And if you can indulge us for a moment I would like to take this time to introduce the fixed route Driver of 2004, Mark Hutcheson.

And the BC Country driver of 2004, David James.

Mr. Hutchison has been with B-C Transit since 1989.

Mr. James has been with B-C Transit since 2002.

When you are on a bus driven by one of these two gentlemen you know you are in good hands. Thanks gentlemen and congratulations!

Before I wrap things up I want to highlight some of our other departments work as well. We could not fit it all in but we felt some of these accomplishments were especially worth noting.

Our Broome County Health Department has certainly been kept busy with the flu vaccination program that was thrown into confusion last fall with the national shortage.

It also handled a pertussis outbreak which required follow up with 719 people at 15 different organizations.

And the most recent T-B case at a local nursing home required the investigation of more than 330 people.

The environmental health unit also responded to 170 suspected rabies cases and referred 99 people for post exposure treatment.

The outreach being done by the Health Department is like none I have ever seen before.

The Steps to a Healthier New York Program, the Healthy Living Partnership program and the Tobacco education programs are reaching a lot of people with good information.

It is already resulting in healthier residents living in Broome County, which of course is the goal.

Our Department of Social Services accomplished quite a few achievements in 2004 with the most impressive results coming in the area of child welfare.

Commissioner Art Johnson reports that his department has developed a number of new programs for emotionally disturbed children with funding coming from the New York State Department of Health.

And finally a huge pat on the back needs to go out to the entire D-S-S department for its efforts to speed up the process by which child abuse investigations are documented.

In September 2003, Child Protective Services had over 18-hundred child abuse investigation reports that were overdue.

By the end of 2004 that number was reduced to less than 200.

The department recently received state recognition for its tremendous efforts in this area.

Caring for those most vulnerable in our community is also the mission of the Broome County Office for Aging which delivered services to more than 16-thousand 400 seniors....that's 39% of the senior population.

And in 2004, the Office for Aging volunteers provided the community with over 84-thousand hours of service. That is worth an equivalent of 1-point 4 million dollars in wages.

Our Community Alternative Systems Agency or CASA also had a busy year.

It continues to operate the most successful Nursing Home to Community program in New York State with almost 3-thousand people transitioning from nursing homes to the community at large since 1996.

As you can see by these lists of accomplishments the State of a County rests in the hands of its employees.

And Broome County has some very dedicated and hard working employees.

I want to take a moment to say thank you to the hundreds of county workers who do their jobs day in-day out, with no regard to politics.

Most do their jobs well and as a county they make us proud. We may get all of the attention but they are doing yeoman's work and we cannot move forward without them.

We have a very exciting year ahead of us. Broome County will be celebrating its BiCentennial next year.

We have a lot of things to do to get ready for the big celebration. I look forward to working with our County lawmakers, our county employees, our local service organizations and our city, towns and villages to make sure this is one anniversary celebration to remember.

My pledge to the people of Broome County is that this will be a more open, more responsive County Government.

I believe this is your government. We are your employees. You deserve to know how we are spending your money.

I have put the Broome County Budget summary on the go-broome-county web site so you can see for yourself.

In our first 8 weeks on the job I believe I have been very open about our problems and how we plan to fix them. I pledge that this idea of open government will continue.

I want to thank my staff; Deputy County Executive Patrick Brennan. My assistant, Tammy Kocak, my executive assistants, Colleen Wagner and Darcy Fauci and our support staff, Carolyn Penna.

I look forward to reporting back to all of you in one year about the many successes of the proposed ideas outlined today. I thank you for your time and attention this evening.

Now let's get to work!