



2018 Ulster County Executive Michael P. Hein Budget Address

Good afternoon. Welcome to what was, a mere seven days ago, an overstuffed County storage facility at the front of our Department of Probation. In the not too distant future, I believe in my heart that with the changes we have planned this very place may ultimately save someone's life. After reviewing some important information about property tax reductions and the steps we have taken to solidify Ulster County fiscal health, I am looking forward to discussing the critical life altering details of what is truly possible in this very space.

The 2018 Executive budget is so much more than just a basic set of revenues and expenses. Instead, this budget provides real insight into one of my administration's core philosophies: if you are willing to embrace innovation and change while partnering with others, then you can accomplish both fiscal responsibility for taxpayers and socially responsible programs that benefit us all.

That is why I am so proud that even with our well-funded expansion of so many critical services, especially for those among us most in need, our ongoing commitment to taxpayers has allowed us to deliver valuable annual tax cuts that matter to families trying to make ends meet, that matter to seniors on fixed incomes, and that matter to our small business owners. In fact, the 2018 Ulster County budget includes one of the lowest County property tax levies in over a decade and the lowest County property taxes for everybody since all the way back in 2010.

This means that even with improved access to services we have lowered County property taxes in 2013, 2014, 2015, 2016, 2017 and now 2018 too. This is an unprecedented six years in a row of tax savings for Ulster County families. To put that fact into context, from 2010-2017 Ulster County is the only county in this entire region where the property tax levy is actually lower.

Whether it is tens of millions of dollars towards children's services, SUNY Ulster, substance abuse prevention and treatment, safer roads and bridges, help for our Veterans and help for our seniors too, or comprehensive economic development that has helped slash unemployment in our County literally in half, we are constantly focused on investing in a much brighter future for everyone, while protecting taxpayers from Saugerties to Marlboro and from Kingston to Shandaken. As we do, it is important to note that we have been able to do it all while simultaneously providing over \$32 million in Safety Net relief to our 20 towns and the great City of Kingston over just the past 5 years. All to help our partners in government balance budgets hold down taxes and invest in the future themselves.

Accomplishing this has not been easy. We still face some very serious challenges, like employee healthcare costs, especially with the uncertainty and the never ending "Repeal & Replace" efforts that seem to emanate from our nation's capital almost every day. Plus, there are more looming potential Federal budget cuts to key areas like the Office of Employment & Training and the Office for the Aging, as well as transportation cuts that

would directly affect our countywide system of buses. In addition to these potential cuts there are other areas within this budget that are either uncertain or highly volatile. For example, the casino revenue. As a neighboring county, Ulster County is scheduled to receive a percentage of revenue, but our budget projections have been complicated by the fact that other counties in similar situations are currently receiving significantly less than New York State had originally expected.

Add to that the budget pressure associated with properly funding well-earned future labor contracts for our roughly 1,300 amazing County employees and most notably our largest annual revenue: sales tax (at \$117 million) that unfortunately, is also our most volatile revenue source. All of this combines to place significant upward pressure on the upcoming 2018 Ulster County budget.

This kind of pressure is precisely why I am so proud of my entire team, because through it all we have remained keenly focused on serving the great people of Ulster County, and designing creative solutions to these complex fiscal challenges. So much so that the New York State Comptroller and the Independent Bond Rating agencies have once again highlighted Ulster County for our strong fiscal management and programmatic leadership.

Our total appropriations for 2018 are \$324 million dollars, down \$1 million. Our total revenues are relatively level at \$234 million. This leaves us with a total County cost of roughly \$89 million. After an appropriated fund balance of \$13 million, or \$3 million less than last year, we remain well within the State Comptroller's guidelines. All of this boils down to a County property tax levy, or the amount of your tax dollars that our County government actually requires to operate, that is less than it was last year. All things being equal, this is yet another property tax decrease for the great people of Ulster County, with a tax levy that is even less than it was all the way back in 2010.

What we have proven is that when you manage taxpayers' money well, when you treat their hard-earned dollars with respect by eliminating waste and inefficiency, then you not only have more money to give back to taxpayers but you also have more opportunities to fund innovative programs that can help everyone. Like programming that tackles important issues such as homelessness among our Veterans or access to higher education for inner city youth or access to low cost/high quality food for everyone. You see, if you are careful with taxpayers' money you can actually create the resources needed to fund valuable programs that would otherwise be deemed unaffordable.

That kind of savings is more important now than ever, especially if we are to deliver all of the essential services our great citizens deserve and honestly address profound national issues at the local level including serious issues such as institutional racism, equal justice and generational poverty; issues that communities all across America are now just beginning to come to grips with.

As always, I am committed to tackling difficult issues head on. In this budget, we will begin by taking the unprecedented step of establishing an entirely new division within the Ulster County Department of Probation and creating an appropriate facility to house it. It will be called the Restorative Justice and Community Empowerment Center. This facility will be utilized to administer life altering programs to at-risk youth and show these teenagers a better way, while keeping them out of dangerous adult prisons. Because the uncomfortable truth is this: in the United States of America, African American and Hispanic children are being incarcerated at dramatically disproportionate rates. It is not right and we can do something about it.

As a nation, we incarcerate more people per capita than any other country on the face of this earth: almost 2.3 million men, women and children, or roughly every single person in Dutchess, Sullivan, Orange, Ulster, Putnam, Rockland and Westchester, all at the same time. It is ridiculous and the data shows in far too many cases it simply has not worked. When we talk about bringing reform to the system, we are not talking about the most violent felons. I want to highlight that. Clearly there are individuals who deserve serious prison sentences. No, we are talking about changing a system for teenagers who often end up in a school to prison

pipeline. That is ruining their lives and breaking the hearts of far too many mothers and fathers. And it does not have to be that way.

Though it is not perfect, I am pleased that New York State has at long last passed important legislation known as Raise the Age. This law is designed to keep 16 to 17 year-olds out of adult prisons. This law provides a unique opportunity for counties to be daring and creative. What you may not know is that my administration, along with our partners, have achieved great success in breaking the cycle and diverting over 90% of 14 and 15-year-olds away from youth detention facilities and into critical life altering services. But those successes must now be reimagined and reapplied to help redirect 16 and 17-year-olds to a different path.

I believe the new Restorative Justice and Community Empowerment Center can ultimately become a center of hope and make all the difference in the world for at-risk youth, providing real hope where before there was none. It will not be easy and it will require a major renovation to the unfinished portion of the Ulster County Department of Probation building where we stand today.

This \$1.6 million capital project will be combined with additional investments to support data-driven programming designed by a task force of concerned citizens, community leaders, experts in the field, members of our law enforcement, the District Attorney's office and members of our faith based community. In addition, this facility will provide greater community access to enhanced supports like job training and meaningful employment opportunities, all of which are proven to reduce recidivism, reduce crime, and positively impact the longstanding nightmare of generational poverty.

For those who may be unfamiliar with the concept of restorative justice, instead of being purely punitive, restorative justice emphasizes repairing the harm caused by a crime while holding the individual accountable and allowing them to make amends. As a result, it can be transformative for the community, for the victim and for the offender too, especially for a young person with the capacity to change. Because I believe that every parent shares the same dreams for their children, whether they are rich or poor, black or white, Christian or Muslim, we all want our children to be happy, safe, healthy and have more opportunities than we ever dreamed of. Hope and love for our children transcend our differences and in turn can truly unite us all.

For anyone who believes that we are somehow being soft on crime, please know that the District Attorney always has the ability to intercede, even with Raise the Age. Plus, for those concerned about the money, like me, I want to be clear: the cost to send only one teenager to a secure juvenile detention facility is more than \$200,000 a year. So this is more than just great social policy, it is great fiscal policy too. But in the end, it is not about the money or the new facility, you see, I believe that it is only by working together and breaking down longstanding barriers that we can truly make our community and our nation as a whole a more equitable, compassionate and just place for all of us to live.

Ladies and gentlemen, municipal budgets span a wide range of critical areas: from complex social issues like those we have just discussed to the most basic local concerns like making sure our roads and bridges are safe. And this massive cross section of issues is precisely why I have assembled a team of professionals to serve you, with such a diverse set of skills. As we turn to our infrastructure system, it is important to note that over the past few years my administration has quietly overhauled our entire Public Works system, investing millions of dollars up front while designing a proactive maintenance schedule to ensure better roads today and fewer unpredictable budget spikes long into the future.

Because the ability to safely and easily move people and products across our great county requires a modern and efficient infrastructure system, as well as an amazing workforce to maintain it, on the hottest days of summer and the coldest and stormiest nights of winter we have dedicated \$60 million. That is the unprecedented amount of funding my administration and our County Legislature have dedicated to overhauling the County's system of roads and bridges over the past three years, including 2018.

Our “Building a Better Ulster County” Initiative has literally helped reshape our entire County infrastructure. \$60 million makes our roads and bridges better and much safer. That number includes \$15 million more in 2018. With our “Building a Better Ulster County” initiative, I am pleased to report that our system of roads and bridges are better today than they have ever been in our history. 236 miles out of our 423-mile system have been completely resurfaced in just the last three years, and 65 more miles are scheduled in 2018. There are wider shoulders to help cyclists, joggers and walkers alike and an added County focus on school safety to better protect our children. Plus, we have created a unique bridge replacement program that includes valuable community input and engineering to better handle hurricanes, floods and almost anything Mother Nature can throw at them while still respecting the historic nature of some of these grand old structures.

Last but not least we have included \$2.1 million in a multi-year capital project to replace rusted, damaged and dangerously hard to read County road signage, some of which are decades old, with new, highly visible signs that utilize the best of modern technology, greatly improving what is referred to as “retro reflectivity.” This will reduce accidents, better protect our children and further increase safety for everyone.

The fact is, public safety comes in many forms, some more obvious than others. Like when we invest in initiatives that protect our environment and address large global concerns like climate change. For some, these actions may seem disconnected from their everyday lives. But protecting our environment is more than just the right thing to do, it can have immediate and profound impacts on the health of both ourselves and our families. Like in Flint Michigan, when the government wasn’t hyper vigilant about protecting drinking water, state and local officials let lead contamination poison their very own residents. Or Hoosick Falls in upstate New York, where a Teflon manufacturer contaminated local wells and left many residents with dangerous toxic chemicals in their blood. And closer to home in the City of Newburgh, where PFOA, a cancer causing chemical, was allowed to leach from a military base into one of the main drinking water supplies of this nearby local community.

With these as the backdrop, the question is: as a Statewide leader in environmental actions how do we in Ulster County better ensure clean and healthy drinking water for all of our residents? Fortunately, we start with an amazing natural resource. We have some of the finest drinking water anywhere on earth; water so good that we provide almost half the drinking water for over eight million New York City residents every single day. And protecting our water supply is crucial to maintaining a strong and healthy community. That is why it serves as such a key motivator for our aggressive commitment to environmental protection.

Whether we are expanding our fleet of alternative fuel vehicles or building utility scale solar, we are continually focused on clean air, clean water and reducing our reliance on fossil fuels. In the process, we have won countless awards, been featured in National Geographic and have become the only net carbon neutral county in our entire State.

But the truth is, no award means anything if even one child, or senior or anyone else is sickened by drinking water that simply could have been tested. That is why, in this budget, we are proactively investing in water quality protection like never before with much needed well-water testing help for all Ulster County residents with limited household incomes and not on a municipal system, including many of our seniors on fixed incomes. Because it is my firm belief that no one should have to drink water that is not safe or even wonder, just because they cannot afford a simple water test.

And because the stakes couldn’t be any higher, we are also seeking funds to assist low income households with real solutions when their water tests show dangerous signs of contamination. To coordinate everything, including enhanced protection of our waterways, I am funding the Ulster County Water Quality Management Agency under the leadership of the Department of the Environment and our County Health Department, to

dramatically increase Ulster County's overall focus on protecting what is arguably our most important natural resource.

As we protect our environment, it is important to remember that strong environmental protection can not only coexist with smart economic growth but it is essential that they complement each other, because they are both such huge parts of what makes a great community sustainable. That is why we continue to invest in economic development efforts that have helped slash unemployment rates in half, that have helped grow our local real estate values, and that have helped new and existing local small businesses succeed like never before.

I want to take a moment to give a special congratulation to Mayor Steve Noble and his team on the recent \$10 million State Revitalization grant they earned with their amazing plan. It was a pleasure to have our teams collaborate and a great example of what happens when we all work together. Whether it is our greatly expanding tech industry or our half a billion-dollar tourism or agriculture industries, or even our burgeoning arts & entertainment sector, the reason we invest in economic development throughout our County is because it works.

I simply could not have captured the sentiment of the hundreds of local business owners we have helped any better than Rich Gottlieb did. He is a successful New Paltz business owner who, like many, has faced serious challenges over his 47 years at Rock & Snow. He said, "Ulster County's Office of Economic Development came to our rescue and simply gets the job done." And so, with this budget we will continue to fund these highly successful efforts that have helped businesses that are both big and small, and everyone in our community from our children to our seniors.

For our seniors, we will continue to invest to provide exactly the kind of critical services they want, need and deserve. That is no small feat because our senior citizens are an extremely diverse population with one great constant: our seniors have an extremely strong desire to remain independent and in their own homes. A large part of our programming is designed to help make that possible. We are doing this with a dramatically improved Meals on Wheels program that is now the gold standard in New York State and with specialty services for our most vulnerable seniors that other counties simply do not have. With the New York Connects program, and an amazing volunteer program, as well as legal services, Medicare and insurance help too, all of our services are designed to help seniors live happy, healthy and productive lives and remain in their homes as long as they would like. In addition, we are expanding senior transportation to assist with doctor visits, grocery shopping and other basic needs. All of this is included in the 2018 budget.

But there is one more real world service that I want everyone to know about. It is called Lifeline. And it can truly be a lifesaver because for many older seniors there is a genuine fear of falling, especially for those who live alone. Their kids cannot always be there, so services like Lifeline can give these seniors and their families the reassurance and peace of mind that their mom and dad are safe and can quickly notify help if ever there is an emergency. And with a targeted investment of County dollars in 2018, we will eliminate any waiting list for this program and bring Lifeline to all of the loving families in Ulster County who simply cannot afford it.

Programs like Lifeline and their emergency call out features once again highlight the importance of our County's amazing first responders. In this budget, we are proud to invest over \$45 million in public safety efforts in Ulster County, continuing with our promise to provide strong funding for Emergency 911, our Sheriff's Office, our EMTs and now, a full-time Fire Coordinator to assist all the brave fire departments all across our County.

Whether it is dramatic infrastructure upgrades or enhanced public safety or critical environmental protections or a leading-edge investment in equality and restorative justice, we are continually focused on ensuring the highest quality services for the great people of Ulster County and doing it all with compassion and care. As we do, I am

proud to say that we have been able to accomplish this all while still lowering your County property taxes to levels not seen since 2010.

Because we are a government of, by and for the people, the diverse and extraordinary citizens of Ulster County have every right to demand the very best: both strong fiscal management that protects them as taxpayers, as well as the highest quality services for everyone, especially- those among us most in need. As we do, we must embrace the idea that what people want from their government can mean very different things to very different people. That is good. And respecting those differences and remaining focused on our collective humanity is at the heart of what makes a society great. Because in a world where it seems divisiveness, hate and disrespect have become all too common, I, like you, know in my heart that for our County and for our Country to reach its fullest potential, we must all hold dear to the pillars and promises of inclusiveness, respect and true access to the American dream for everyone. It is only then, when we all have the opportunity to succeed, that we can forever be the finest place anywhere to live, work and raise a family.

Thank you and God bless.