

## **Ulster County Executive Mike Hein's 2012 State of the County Address**

Good evening ladies and gentleman, Chairwoman Bernardo, Majority Leader Ronk, Minority Leader Donaldson and all of the honorable legislators in this new and historic Ulster County Legislature. Tonight's State of the County Address provides us with a chance to reflect on some of the successful changes implemented during a highly eventful 2011. But more importantly, it is an opportunity to outline valuable initiatives that can help shape the future of Ulster County and better serve our 183,000 residents.

I, like you, have been determined since taking my oath of office to do what I thought was in the best interest of the people. As a result, regardless of whether or not it was controversial, I always did and continue to do what is right: advocating on behalf of the hardworking people of Ulster County.

To accomplish this, my administration is committed to honestly assessing the challenges that are before us. I will always be clear about what those challenges are, even if the facts are uncomfortable to hear. Because as the County Executive, I know that honestly assessing a problem is the first step towards making real and lasting change.

I would like to be clear about the growing danger of unfunded and underfunded mandates. The fact is, right now, the only people who can change this unsustainable mess are our State representatives and I encourage each and every one of you to reach out to them. As County Executive and President-elect of the County Executives' Association, I promise to do everything in my power to fight for immediate mandate relief because I know how dangerous the consequences of the status quo are. If they fail to deliver fundamental mandate relief, every New York county will be forced to make deep and unnecessary cuts to essential services. That is something no county leader wants to do.

Governor Cuomo has taken a leadership position on this issue and is making extraordinary changes in Albany, but only the State Legislature can enact the types of reforms needed to provide sufficient relief to county budgets in time. These reforms are critical because the Medicaid expenses alone charged to New York counties by the New York State government for a program that is 100% State controlled are over \$7.3 billion a year.

To put that number in context, that is 700% higher than the next highest state in the nation. In fact, the vast majority of states do not charge their counties at all. The New York State Legislature has made the decision to pay for a progressive Medicaid policy with the most regressive tax available: the local property tax. What makes the current funding policy even more dangerous is that it is combined with costs like \$16.8 million in pension expenses and employee health care costs which now exceed \$24 million. These types of skyrocketing costs are putting severe pressures on our ability to deliver essential services and protect our taxpayers.

That is precisely why innovation and change must and will remain a hallmark of my administration. We should make no mistake, the issue of Golden Hill, as hard as it was, is not the end of the difficult choices we will face. The reasons we have been able to deliver on the growing demand for services even though we have reduced overall staffing levels by over 10% is because we have redesigned the way services are delivered and we are getting more efficient. But most of all, it is a testament to our amazing workforce who have risen to the challenge and should be commended.

We now have a completely restructured County highway department with a transformed financial and management team and a much leaner operation that better utilizes technology, like automated vehicle locators. Our newly designed DPW is doing an amazing job rebuilding the roughly \$15 million worth of infrastructure damage caused by Hurricane Irene and Tropical Storm Lee. They are doing all of this on top of their normal maintenance responsibilities. And though this winter has been mild so far, let us not forget that last winter was one of the worst we have seen in over 20 years.

We now have an award winning Tourism Department that has been transformed into a success story. Working with our private sector partners, we have grown County bed tax revenues by over 5% last year despite a sluggish national economy. I believe we can do even more. We have designed a shared services plan with the City of Kingston's Major Shayne Gallo to create a true win/win situation with the City of Kingston getting a professionally staffed visitor's center, \$30,000 in dedicated advertising and saving an additional \$40,000 a year for our mutual taxpayers. The County, at the same time, has the opportunity to attract more tourists, relocate to a high traffic area, and save County taxpayers over \$15,000 a year in rent.

I would be remiss if I did not mention our totally redesigned County Health Department. Permitting and inspections are now delivered on time, which is a complete turn around from just a few years ago. We have better aligned health and mental health operations. Dr. Hasbrouck and our entire health team have been lauded for their efforts. Through hard work and a wide variety of *Healthy Ulster County* initiatives, the Ulster County Health Department has now become one of the best health departments anywhere in our region.

Add to that the fact that we have made public safety a top priority. In spite of financial pressures we did not eliminate a single Sheriff's Deputy and as part of this commitment to public safety, both the District Attorney's office and Sheriff's Department actually received more funding. On top of that, we have added another criminal prosecutor, specifically dedicated to fighting drug and gang crimes.

To help all our residents we partnered with LGBTQ, BOCES as well as experts in the field for our second annual proactive anti-bullying webinar. This program was designed to keep our children safe and address this long ignored and very dangerous problem of bullying. I am proud to say that our program was utilized by over 16 different schools as part of their anti-bullying efforts.

We have brought business assistance workshops to areas like Phoenicia and Ellenville. And with the combined efforts of this Legislature and my office, we delivered real property tax relief this year to homeowners devastated by Hurricane Irene. In spite of all the upward pressures, we have held property taxes below the tax cap, in a time when taxpayers across our State have been pushed to their limits.

But with all of the efficiencies, all of the reform, and all of the innovation we will never forget the human side of government, the side that embraces the notion that we as a society must insure that our most vulnerable citizens are cared for. So tonight, in addition to taxpayer protections, I will be discussing initiatives specifically designed to help those desperately in need. Our drive to streamline, innovate and reform is centered around my administration's core belief that government must be fiscally responsible, not only to protect taxpayers but also to avoid running out of money to care for those most in need.

It is because of this desire to balance such competing interests that I may not always offer you the easiest path. But I assure you, I will always choose the path I believe best serves both our taxpayers and our overall community.

I believe that all the reforms we have implemented demonstrate exactly why the people of Ulster County changed our form of government in the first place. The bottom line: we had a system that did not work because it simply could not work. Critical but politically dicey decisions were almost impossible to make. The overall size of County government had grown beyond our taxpayers' ability to pay. The jail nightmare only highlighted what had become a system with a complete lack of accountability. Add to this the fact that highly partisan redistricting was undermining the very foundation of our democracy.

I would like to commend everyone who supported the charter and remind folks, no one did that better than Legislator John Parete. I would also like to thank County legislators who voted for the historic independent redistricting legislation. I was honored to sign it last year and I am confident that generations from now, citizens will benefit from this bi-partisan effort to insure every vote counts.

When I talk about difficult and politically dicey decisions, I think it is important that we be frank. I am talking about hard choices like the Golden Hill Health Care Facility and acknowledging the fact that addressing this highly charged issue can put great strains on the Legislative and Executive interactions. Now that the decision has been made, we must work together diligently to ensure the LDC succeeds and the transition goes smoothly.

I would also like to pause for a moment and recognize the passion and commitment displayed by all legislators who advocated so deeply for their positions surrounding Golden Hill, regardless of the side of the issue they were on. The fact is, I know everyone involved did exactly what they believed was right, and reasonable people can sometimes disagree.

Being able to move through this type of issue is another one of the reasons our charter was passed. As I travel across our amazing County, from firehouses to coffee shops and from classrooms to boardrooms, the truth is that the vast majority of the people in Ulster County like the changes that are happening in County government. They like having someone accountable to them and they like the fact that things are getting done. But they are also acutely aware that even though the process is working, there is still a long way to go.

To that end, I offer my hand in cooperation to anyone who is earnest in the desire to make things better. My door is always open and I have instructed all County department heads to continue making themselves available for legislative committee meetings, to further support this open exchange of information.

## **Initiatives**

If there is one thing we can all agree is critical to a strong democracy, it is information. With that in mind, I am proud to announce something very exciting: Ulster County "Citizen's Access," an entirely new section on the County website that puts a bright spotlight on critical County information and makes Ulster County a model of openness and transparency around the State.

Included on this site are:

1. Searchable data from County purchasing contracts so that every citizen can easily see exactly where their hard earned tax dollars are being spent.
2. A directory of elected County officials, with hyper links that make it easy for you to contact your representatives.
3. The entire County budget is available at the push of a button and so are all of the County's financial statements.
4. My administration will now provide an easy to read chart that identifies every single employee "take home" vehicle in use in Ulster County.

Some of this data has been available in the past with some digging, some of it is brand new and some of it is downright ground breaking. I never forget exactly who I work for and exactly whose money it is that we are spending.

No discussion of 2011 or 2012 would be complete without a look at the devastating one-two punch of Hurricane Irene and Tropical Storm Lee. On the heels of these natural disasters, we saw first hand just how remarkable our first responders are. From Sheriff's deputies who risked their lives to save others to emergency fire and rescue personnel who worked tirelessly to keep us all safe, and throughout our County there were individual citizens who stepped up and did an extraordinary job simply helping their neighbors.

In the aftermath we had a Highway Department that did nothing short of move heaven and earth. I want to personally thank everyone because it is during dangerous and stress-filled times like these that you learn to appreciate just how special the people of Ulster County really are.

We also have a duty following a major event like this to reexamine all aspects of the response and look for ways we can get even better. Following our review, we are creating an EOC or Emergency Operations Center at the Law Enforcement Center, at no additional cost to taxpayers. An EOC is a central command and control location responsible for carrying out the principles of emergency preparedness and disaster management.

I would like to acknowledge Sheriff Van Blarcum, Emergency Management Coordinator Art Snyder, as well as Fire Coordinator Charlie Mutz and everyone else involved for their participation. We look forward to updating Legislator Rich Parete and the entire Public Safety Committee on our progress as we implement this initiative. In case of an emergency the EOC team will collect, gather and analyze data, making decisions that protect life and property. To maximize communication, it will also become the central source of critical disaster information for the people of Ulster County. During emergencies and disasters communication and coordination is more than just crucial. In some cases, it can be the difference between life and death.

Issues we deal with in County government can be very serious and so the next major initiative for 2012 revolves around our Veteran's. It has been said that one of the first steps to making things better is to recognize there is a problem. Well nationally and locally we have problem. One that is often underreported. Unfortunately, there are a growing number of homeless veterans in our community.

Some of our veterans returning from places like Iraq and Afghanistan, as well as other brave men and women from past conflicts are struggling to readjust to civilian life. As a result, some are ending up homeless and that is unacceptable. Returning military personnel who find themselves in difficult straights should never find themselves abandoned. They deserve clean, dignified housing regardless of their circumstances. In recognition of this problem, I am asking the Ulster County Legislature to work with me to create high quality, transitional housing for Ulster County's homeless veteran population, maybe even using current County property.

Our Veteran's Service Coordinator, Captain Steve Masee will continue with his outreach efforts. But to best serve those who have served us, I am asking every legislator to help identify veterans in their district that may need help. To that end, we look forward to working with Legislator Wayne Harris and Minority Leader Dave Donaldson, since their committee includes Veteran's Affairs. Working together we can insure our brave service men and women receive the kind of respect, honor and dignity they so richly deserve. Because in the end, how do you pay someone back for giving us our future?

When we talk about our future, we are often talking about our kids, our children and our children's health. Unfortunately, in a nation even as wonderful as America, far too many children are going without basic healthcare. Now, regardless of your position on the national healthcare debate, I think everyone can agree that our kids should not get caught in the middle.

In New York there are two different public health programs to help: Child Health Plus and Medicaid coverage for children. They are comprehensive health insurance programs that cover a wide range of children's health and dental needs. The very reasonable income requirements make it possible for working families to get free or low cost health insurance for their children. Beyond the obvious, here is why it matters: uninsured children on average perform more poorly in school and are 10 times more likely to have unmet medical needs, like asthma and diabetes. These are treatable problems that will follow them right into adulthood.

Unfortunately, about 10% of Ulster County's children are currently uninsured. That is almost 4,000 children, and it is not right. We have to redouble our efforts to collectively help. My Administration looks forward to working with Legislator Aiello, as the chair of the Health and Personnel Committee as well as Legislator Provenzano, his Vice- Chair, to identify ways to make a greater impact.

Please keep in mind, you do not have to be on public assistance to get Child Health Plus and your taxes will not go up as a result of helping someone. But a sick child may get better and a young person's future may well be changed. Ultimately, if we are to become the healthiest county in all of New York State, helping our children is a must.

When I think about our children, I often think about education. I would like to talk to you about another problem; one that I believe can be turned into an opportunity. If I told you we are paying for a government-owned luxury home with an estimated value of over half a million dollars, one with a circular driveway, manicured lawns and an in-ground pool, you might not think that it is not possible.

If I told you, not only is it true but to add insult to injury, no one actually lives there. In fact, it is primarily used for a few functions a year, you might wonder, "How is this critical to the core mission of government?"

The UCCC currently owns and operates what is referred to as the “President’s House,” a luxury home for a college president to live in, at taxpayers’ expense. Regardless of whether or not this is a product of a by-gone era, as an elected official who represents the taxpayers of Ulster County, I cannot and will not support the continued County ownership or subsidy of this luxury home.

I want to give a great deal of credit to our College President Don Katt, as well as the amazing Executive Committee of the College Board, both of whom support the proposal I will bring forward tonight. With over \$6.3 million a year in County taxpayer dollars going to our community college, I think it is safe to say that we are committed to education. But I think it is also safe to say that it is absolutely unacceptable to expect hard working taxpayers to pay for a luxury home on their dime.

Tonight, with and the full support of the College President and the Executive Committee, I am proposing the immediate sale of the “President’s House” with the vast majority of these proceeds going to offset property taxes. I also suggest we take a portion and use it to fund our “Dignified Transitional Housing Plan” for our homeless veterans. As an American, I think that it is a far more appropriate use of these valuable public resources.

In addition to addressing the issue of the President’s House, my administration remains committed to continuing with aggressive reforms that put our taxpayers first. I have said all along that government must change and there is no question that is exactly what we are doing. Tonight I am requesting a joint Executive / Legislative Taskforce to review all County-owned properties. Right now there are over 70 of them, all of which are off the tax rolls, and some are simply not needed for County purposes. I am confident that with your help we can put multiple properties back on the tax rolls and better serve the interests of the people of Ulster County.

As we look to streamline government and rebuild access to the American dream, I believe we have to do whatever we can to remove obstacles and promote home ownership within our community. Section 457 of the Real Property Tax Law provides the option for counties to grant a partial exemption from property taxes for newly constructed homes purchased by first time homebuyers. This exemption lasts for a maximum of five years, beginning at 50% the first year and declining to 10% in the fifth year and final year, with almost no impact to County revenues.

Obviously there must be safeguards built in, but new home construction has a tremendous impact on our economy with positive effects that reach across sectors, from creating new construction jobs to generating demand for furnishing, appliances and other durable goods. By creating incentives for the purchase of new and renovated homes for first time homebuyers, who tend to be young entry-level professionals or hard-pressed, hard-working families, the County is taking proactive steps to strengthen local communities, attract new residents and help our economy.

I am asking Legislators Gerintine and Gregoreous and the rest of the Ways and Means Committee to help make this a reality in 2012. A strong community is important when it comes to getting things done.

When it comes to dealing with agencies like the New York City DEP, I think everyone understands just how important strong communities really are. I would like to thank all of our federal, State and local partners, especially the Ulster County Legislature, as well as environmental groups like Riverkeeper for helping us as we fight the DEP’s longstanding injustice. The simple fact is, we must remain fearless and united if we are to force the New York

City DEP to change its ways. They have functioned forever with a divide and conquer mentality. But 2012 may well be the turning point in a struggle that has existed for over one hundred years.

On the economic front, there are a large number of entities throughout Ulster County working diligently to help new and existing companies everyday. I, like you, share in the joy every time jobs are created and I feel the same pain every time even one job is lost because I know how difficult that loss is for a family.

Though it was gratifying to recently learn that Ulster County created the second highest percentage of jobs in all of New York State last year, at 2.6%, it is still obvious to all of us that with a national economy that is struggling there is much work to do. The fact remains, if Ulster County is to compete in a rapidly changing world, the way we deliver business assistance must change too.

The current system was designed prior to the transition to our charter form of government. I, like you believe it is time for all the stakeholders to come together and redesign the system. I am confident that working with Chairwoman Bernardo, Legislator Maloney and Legislator Loughran of the Economic Development Committee we can do exactly that.

With a background in the private sector, my administration has been committed to bringing business principles to County government from the very beginning. Our commitment to fiscal responsibility has had long term benefits. In January, Moody's Investors Service reaffirmed Ulster County's strong bond rating, one that reflects our County's active fiscal management and willingness to make difficult but necessary decisions. I am pleased to say that Moody's was not alone. Over the past year, Standard and Poor's and Fitch Investor's Services did exactly the same.

But strong bond ratings in a vacuum mean nothing. What is exciting is what they allow us to do. Tonight I am proud to announce that because of our strong bond ratings we were able to refinance the jail project, and as a result, we saved Ulster County taxpayers over \$3 million over the life of these bonds. It is my great hope that this action can begin to ease at least a small part of the financial burden taxpayers have suffered as a result of the nightmare jail debacle.

As County Executive, I am committed to leading and making difficult choices but it is by working together that we can best serve the people of Ulster County. With that in mind, I am respectfully requesting your assistance.

1. I encourage you to join me in doing everything you can to advocate for fundamental mandate relief.
2. I ask that you pass the tourism shared services agreement with the City of Kingston because it saves our collective taxpayers money while it boosts our local economy.
3. I hope you will join me in doing the right thing for our homeless veterans and provide clean and dignified transitional housing.
4. In addition to confirming Mike Iapoce, a highly qualified individual, as the new DSS Commissioner, your help in promoting Child Health Plus could make all the difference in the world.
5. By selling the college's "President's House" we can stay focused on funding education while still protecting our taxpayers.

6. With a joint Executive/Legislative Taskforce examining our real estate, I am confident we can put some back on the tax rolls where they belong.
7. You can also help promote home ownership and help our economy by passing the first time home buyers exemption.
8. To attract more jobs, we can partner with all of the stakeholders to restructure economic development.
9. I would also like to take a moment and commend this Legislature for making the courageous commitment to address the tough and longstanding issue of the RRA this year. Fixing this problem has become a must, and I know that with the involvement of Legislators like Ken Wishnick, you are sure to get this accomplished.
10. Lastly, let's let 2012 be the year we collectively design a comprehensive multi-year answer for the Safety Net. I believe there is a solution and my office has some creative ideas that may help.

Ladies and gentleman, we have outlined an ambitious agenda for 2012, an agenda designed to protect taxpayers, help those in need and better prepare Ulster County for the future. I believe that working together we can achieve it. Ulster County is an amazing place. Each and every person in each an every town has shown exactly why Ulster County is the finest place anywhere to live, work and raise a family. It is because of our people.

As the County Executive, I have had the privilege to speak with thousands of them. I share their concerns. They are tired of politics as usual, tired of what they perceive as pointless-self serving political gridlock. They love their country and they want their government to live up to the principals of our forefathers. That is why Ulster County is so special to me. We have changed our form of government and we have a unique opportunity to be different. To set aside the poison of partisan politics and deliver the type of integrity based government the people so richly deserve.

On this day after President's Day, I am reminded of wonderful and poignant quotes from President John F. Kennedy. He said, "Let us not seek the Republican answer or the Democratic answer, but instead let us seek the right answer." and "Let us accept our own responsibility for the future." We are, without question, the greatest nation on the face of this earth. Ladies and gentlemen, working together we are embracing our responsibility for the future. We can best serve our citizens, insure Ulster County fulfills its extraordinary destiny and ultimately, guarantee that our finest days are yet to come!

Thank you for your time. God bless you and God bless the United States of America.