

Ulster County State of the County
January 2, 2008

Welcome fellow members of the Legislature, other elected officials, employees, citizens and press:

The past session of the County Legislature was quite productive by any standard. Over the two year period, we created long needed reforms with an eye toward efficiency and accountability while remaining transparent. Every legislator that served, regardless of party affiliation, played a part to bring about a better government at a better price. All should stand proud.

As I stand before you, I am humbled by the fact that I am about to begin my third year as Chairman of this Legislature. I am further humbled by the point that we are all a part of an era that is coming to a close while simultaneously having the distinction of ushering in a new dynamic in governance.

Over the past two years I have tried hard to work with all members of this body, but today I understand that I must try even harder. It is more important today than it has ever been for all of us to work together to form a legislature that works as a team rather than a group of various factions with ever shifting alliances.

Our role as a Legislature will change significantly and only as a team will we realize our potential as an effective part of the new dynamics of power. We need to make those strong bonds this year so we can be that force that is called for in the future.

Reforming the Operation

Completing something on time in government is sometimes an accomplishment in itself. The completion of the federally mandated MS4 requirements was one such accomplishment. The amazing thing was that it was done at 1/10 the estimated cost. Instead of the \$2.5 million tag given to it three years ago, through the diligence of the reorganized Environmental Management Council and the Administrator's Office, it was recently completed at a cost of \$250,000 dollars.

This past year we completed the consolidations of the Public Works Department which reduced three departments into one. We also consolidated Alternative Sentencing, Community Corrections and Probation into one department.

The inflation busting increases in employee health insurance has created a strain on every governmental body across the nation. Some have chosen to

grin and bare it. We have instead decided to fight the trend while still protecting our employees. Over the past two years we have taken measures that reduced our potential cost by over \$4 Million.

Change rarely comes easy or without controversy. Although there is still work to be done, the initial fear of losing primary care physicians and specialists in the “new” network is disappearing. Due to successful negotiations with BC/BS to secure better payment rates along with outreach to the doctors, I am happy to say that most if not all those doctors previously available in network will continue to be available. For many employees there will actually be an additional number of doctors in network available to them.

To continue improvements in cost and coverage of health care insurance our next step needs to be toward self insurance that is controlled by our employees through the cooperation of all unions.

Information is at the crux of what we do. Financial restraints have had us repeatedly postpone needed upgrades to our information services which in turn has had an adverse effect on employee productivity. *I am glad to report that by holding out and making the right choices, we are presently in the middle of investing over \$1.3 Million in desktops, routers, servers and the like to bring us well into the 21st Century. We will oversee further upgrades as we move throughout this year.*

Through the tenacity of Legislator Rich Parete, at the beginning of 2007, we finally walked our first inmates through the doors of the new Law Enforcement Center.

Although the State usually requires a year of occupation prior to taking in inmates from other counties, through the diligent work of Sheriff Paul Van Blarcum and Legislator Frank Dart, we began to board in inmates from other counties at least 3 months ahead of that schedule.

On the other hand, in defiance of common sense the State at first did not allow us to take Dutchess County’s inmate overflow. They presently allow us to only take in certain classifications of overflow from Dutchess County. This also defies common sense and forces poor economic decisions on Dutchess County while denying Ulster County the revenue from such boarding in. We will be addressing this as we move forward.

Economic Development

Economic development is one of those hot topics that everyone seems to have a general idea about but few specifics on how to be successful. This past year we gathered over 65 volunteers across the economic spectrum from experts to novice and from environmentalist to manufacturer to help us create some guide lines on how we need to approach the subject. This Ulster Tomorrow initiative has recently completed the creation of various strategies and specific targeted actions that we are beginning to implement.

We have also made historic changes toward the way we will be funding, the Ulster County Development Corporation, our economic development agency. *We have created a base funding and we will be finalizing the incentive funding during the next 45 days. This common sense approach will hopefully give them the tools to produce the results we want.*

In the meantime, we have had some significant successes that are worth noting. This past year's funding of Saugerties Old King's Highway shovel ready site is the first in several years. The development of this corridor should reap benefits well into the next decade.

What is also certain is that the Solar Energy Consortium, spearheaded by Congressman Hinchey, appears to be the most exciting economic development opportunity that has come along in at least a generation. This year's \$200,000 of County budgeted money may in fact be the best economic development investment Ulster County has ever made. The immediate federal investment will be at least \$4.5 Million. After recent conversations with Governor Spitzer, I am confident that the State's investment should also prove to be significant. However, I must warn you that we may be called on to invest another \$150,000 to bridge a funding gap until the Federal and State money is in hand.

Developing our economy through these types of environmentally friendly ways must be a priority. Let us explore any and all opportunities to attract companies that produce and promote alternative energy so the world knows Ulster County as the place to go to research and develop alternative energy.

Over the past year, we have seen the following announced and committed projects - Armor Dynamics (Kingston), Blue Heaven Hosiery (Ellenville), Fala Technologies (Ulster), Interstate Brands (Ulster), Kosco (Saugerties), Mobile Media (Ellenville), Numrich Arms (Hurley), Revenue Markets (Kerhonkson), Sta-Dri (Saugerties), Events Unlimited (Saugerties), Global Palate (Esopus), Kirkland Hotel (Kingston), LeFever House B&B (New Paltz), Lloyd Park Commons Apartments (Kingston), Medusa Gallery and

Antiques (New Paltz), Woodland Ponds (New Paltz), Gym Stars (Saugerties), Kingston Health Pavilion (Kingston) and the Tischler Dental Center (Woodstock).

We are not without setbacks. The Ellenville area in particular has had significant economic setbacks over the past few years that need to be addressed. Although they have always proven to be resilient, we need to double our efforts to help in their recovery.

On the Environmental Front

We completed a long awaited Open Space Plan in 2007. With this plan we have a new charge to secure funds to expand our ability to assure that farming remains vibrant in Ulster County and open space is protected for generations to come. We have already begun implementation by securing the development rights of two farms during the past year – the Davenport and Misner farms in the Town of Marbletown and funding was recently announced which will allow us to preserve two more in the coming year – the Arrowhead and Domino farms in the Town of Rochester. This economic and environmental common sense approach should help us expand our population centers while saving space, money and the beauty of our County.

One of our proudest accomplishments this past year has been the creation of the Department of Environment using existing funds. Thanks to the combined efforts of Legislators Shapiro and Lomita we are perhaps the first County in New York to do so.

We revamped our Recycling Law this past year and we will continue to work toward incentives to assure compliance.

Tourism and the Arts

Despite the decrease in funding for tourism in the 2007 our Tourism Department delivered impressive results. The Ulster County Tourism's 2007 travel guide was honored as one of the best in the United States by the North American Travel Journalists Association, the premier association of writers, photographers and editors dedicated to travel and hospitality.

The impressive upgrade to our Tourism website has made it much more user-friendly and attractive. There have been an increasingly larger numbers of visitors to the site that browse for longer periods.

Working with the towns this year brought the start of installing all-weather, year-round tourism kiosks for the distribution of tourism information in various parts of the County. Marlborough has seen one erected *and weather permitting, the village of Ellenville and town of Shandaken will see them soon. Others will follow throughout the year.*

Through the efforts of County Clerk Nina Postupack along with Tourism Director Rick Remsnyder and Records Management Clerk Laurie Hancock, the Ulster County Quadricentennial Committee is planning Tulip Festivals for 2008 and 2009 to celebrate the Hudson Fulton Champlain Quadricentennial in 2009.

As part of the celebration we will continue to work with the villages, towns, the City of Kingston and school districts, in the coordination of tulip planting throughout the county. This tulip extravaganza will help commemorate Henry Hudson's 1609 exploration of the Hudson River for the Dutch. Watch for the tulips coming up this year and let us all encourage more planting this September through October for the 2009 affair.

I am happy to say that our investment in the Tourism Department has increased this year. We have also created for the first time a dedicated fund for the Arts. Having one of the highest per capita of working artist in the nation this is long overdue.

Seeing the Big Picture on Our Little Screen

We created a Global Warming Advisory Committee to help our constituents combat this scientific trend in our little corner of the planet. *We will produce a comprehensive list of ideas created for publication this year that uses local suppliers and local common sense approaches to lessen our contribution to the problem.*

Our Local Re-Entry Task Force was created to deal with a national statistic that shows that most prisoners in the United States are “doing life on the installment plan”. Their repeated crimes and prison times are costly in so many ways. *Working with people like Ronnie Wade, with his faith based approach; we will continue to work toward defying those statistics in our communities.*

Presently one simple task required of Ulster County parolees has proven to be difficult for them to adhere to. Reporting for parole may sound quite easy to each of us. The fact that someone lacks personal transportation and has very limited resources while being required to report to Poughkeepsie gives

it another angle. We will work with state officials to create a place to report in Ulster County for Ulster County parolees.

We also hope to formulate a way to counter the national trend of the rising number of guns on our streets. *Working with the Sheriff and former Legislator Lenny Distel, we hope to implement a Gun Buy-Back Program by approaching various businesses to supply vouchers to stores in return for guns that are voluntarily surrendered.*

Through the efforts of Legislator Robert Parete our Blue Ribbon Health Care Advisory Panel helped address the concerns of the local hospital merger while working on its main charge to prepare for the changing world of long term care. Attempting to address the problems associated with long term care within our aging population is difficult enough, but the fact that Golden Hill, our County funded senior home, is Medicaid reimbursed at lower rates than private for-profit nursing homes adds significantly to the problem. The two facts have caused the County to subsidize the facility at an alarmingly increasing rate.

We will seriously explore alternatives to address this problem in a way to further assure our elderly a dignified and affordable place to live in our communities when they no longer can stay in their homes.

The many layers of government accompanied by the rising cost of each have created a strain on taxpayers everywhere. Toward the end of 2007 we established a County Collaboration Council that has begun to work with all the municipalities and school districts throughout Ulster County.

We will be exploring ways to collaborate on services and products. Our first task will be coordinating highway services in a way that allows us to more economically maintain all roads throughout Ulster County while creating a better service to all constituents. From that we will also explore possibilities of increasing purchasing power to include school districts and municipalities where legally possible and work toward changing certain laws that prevent such action.

There will be renewed discussions on the merging of the Kingston City Bus operation into UCAT. The present system creates overlaps and exclusions that prevent a seamless passenger friendly operation. Since we have a similar number of fares while presently splitting the federal money allocated toward such transportation, a merger should prove to be more cost effective while making a better service for all those that use it.

The rising cost of education and the burden it puts on the property owner has been a topic that has created much stir but little reform. At the same time this present method of funding education has created significant differences across school district boundaries. While one district may be struggling with how they can get laptops into each student's hand another district is looking to upgrade their 10 year old history books and maps they are using.

The very fact that counties are required to make school districts whole when property owners go in arrears makes this more than a school district or state problem. As a County we can no longer sit back and say we have no stake in this matter. It always comes back to us.

There have been band aids and a number of competing bills in the two houses of the state legislature but the cure continues to elude them. We need to stand up and offer solutions.

At the request of Legislator Susan Zimet and a number of tax activists, I wish to form a Blue Ribbon Commission to look at how is best to reform this feudalistic funding method that is best for counties, our constituents, and the children attending public schools.

Finances and Other Concerns

Over the past two years we have worked diligently at keeping spending down and controlling our spending. The 2007 budget remarkably kept spending flat even through most obligations went up. Our 2008 budget was kept under the inflationary rate.

Although we have shown fiscal restraint, I must point out that this last budget used some "one shot" revenues to accomplish the end results. *They will not be available for the 2009 budget.*

At the same time our reliance on sales tax is becoming more risky as the times change. Whether people are just spending less in general or they are spending more on line, we must face the fact that there appears to be a trend we cannot ignore. We must reexamine our ability to rely on rising sales tax revenue and face the fact that without finding other more palatable revenues we may be facing ever increasing property taxes or serious cuts in services.

For the first time in the history of the county we are facing a renewal of ALL our labor contracts which expired at years end. The cost of such settlements is presently unknown. We do know they will have a significant impact on our budget and we must settle those contracts in a timely manner.

With the above in mind we must continue to be diligent in keeping a close eye on all spending throughout the year.

We began this past year with the understanding that we will be soon transitioning into a new form of government. *We now must complete the transition by actually creating the new departments while dissolving others. Salaries need to be attached to those changes. The Laws and Rules Committee in conjunction with a transition committee will need to spend a great deal of time over this next year. Time is running out and we need to be fully prepared for January of 2009.*

We have the empty old jail facility and various building space that is available but needs major renovation. We continue to have certain leases that are expensive but have little alternative. This past year we had a building utilization study that is now being completed to help us address many of these problems.

We now must use that study and come up with the right solutions at a cost that the taxpayer can afford. It will require a comprehensive look at all space needs and present utilization. I believe through the use of common sense with a dash of creativity we can solve these problems.

I will be proposing the creation of short lived committee to deal strictly with these issues to report back an action plan to the Public Works committee.

Have a happy, health and prosperous New Year.

David B. Donaldson
Chairman of the Ulster County Legislature