

Ulster County State of the County
January 3, 2007

Fellow members of the legislature, citizens and press, as I stand before you I am sure we all agree that individually and collectively we have much to be grateful for. 2006 was a historical year for Ulster County. Individually we each held new positions in the organization that often forced us to reevaluate ourselves and our priorities. We grew from that experience and learned to work together in ways we may have thought impossible twelve months ago.

We have made significant advancements in creating better government at a better price. Just as it took political courage to make many of the decisions this past year it will take courage to continue reform this year. Political courage is something this body has proven to have.

After one year into this administration I am very proud to say we changed the status quo while remaining true to the concepts of transparency, accountability and reform.

Finances (Better Government at a Better Price)

Going into this year's budget process we were facing a 22% tax increase if we accepted business as usual. Both sides of the aisle agreed that this was unacceptable.

We advanced the mind set that the budget process needed to start in January and would end with the adoption of the 2007 budget in December. All spending was put under close scrutiny and for the first time in the County's history, significant reductions were realized through cuts mid year in the existing operating budget which saved nearly \$1,500,000.

We reevaluated our staffing requirements and eliminated positions through attrition while putting off hiring in needed positions for as long as possible, saving nearly \$2,000,000.

While businesses constantly reevaluate staffing needs and adjust when necessary, government tends to handle staffing in an inefficient manner.

1. They shy away from new positions out of fear of public backlash while not eliminating unneeded positions for fear of employee backlash.

or

2. They create new positions where needed but out of fear of employee backlash keep positions that should be reduced.

We examined our work force for 2007 and made changes to reduce personnel where not needed and increase personnel in areas of need. This common sense approach was a historic step that took a great deal of political courage and conviction for doing what was best for the people of Ulster County.

Of course this created a hardship to employees marked for elimination. In response, the Chairman of Personnel, Peter Loughran immediately put in place a clear process that will assure a vast majority will be able to fill other positions as they become vacant. At this point approximately 1/4 of those affected have already been earmarked to fill upcoming vacancies. We have until April 6th to fit others. Although there is no promise all will be held harmless, we can promise everything will be done to work toward that goal without creating or keeping unnecessary positions.

Through common sense and creativity we instituted a change in Health Care insurance for our employees that saved the majority of the employees the looming increase in premium cost while saving the taxpayers of Ulster County over \$2,500,000. This was the first time in the history of County Government that Health Care Insurance cost actually went down. I am optimistic that Majority Leader Jeanette Provenzano's continual work with the Unions for other ways to get control of Health Care costs will reap new savings in the next budget cycle.

Our financial reform efforts paid off through Administrator Mike Hein's no gimmick budget that's been called a model for other municipalities to strive toward. Though any tax increase is too much, the 7.5 % increase was a far cry from the huge increases of the recent past. This was done without raiding the fund balance while being conservative on estimated revenues. Although this was accomplished through the diligence of all legislators, the Ways and Means committee chaired by Alan Lomita and the short lived Budget Gap committee chaired by Don Gregorious, played a significant role in building consensus through hard work, mutual respect and bi-partisanship.

Other Reforms

Last year we instituted Contract Management through the diligent work of the Administrator, County Attorneys Office, Auditing, and Purchasing. This overhauled the process of negotiating, approving and monitoring over 5000 county contracts which brought accountability to a system that was riddled with inconsistencies. What could have been saved if it was in place BEFORE the jail project is anyone's guess? Unfortunately, we'll never know

that answer. Although the final form changed from the original concept of January 2006, contracts are now strictly adhered to, being standardized and closely watched for individual performance. With the contract management system we initiated stronger auditing functions along with a spot forensic audit for accountability.

An internal committee lead by County Auditor Lisa Cutten will be putting together new standards relative to timely payment of claims. These standards will assure the streamlining of the entire payment process.

Thanks to Deputy Legislative Clerk Victor Work we initiated and completed a reform that put into operation a fleet management system that will prove to pay for itself in longer lasting vehicles through better and more cost effect maintenance while reducing the total number of county vehicles needed to maintain services.

Recognizing the 21st century has ushered in amazing advancements in technology, we embraced that opportunity to provide more transparency and citizen interaction. Through the efforts of Legislator Brian Cahill and the Legislative Clerk's Office, our web site has been simplified while supplying more information to our constituents. We will continue our efforts to make County Government more user friendly by providing information in a clear and concise matter.

An exciting item within the 2007 budget is funding for a hotline to report government fraud and waste.

The intelligent use of technology can clearly make us more efficient and effective. Our Tourism Department will continue to work toward better use of technology and web based advertising while working closely with the new Tourism Advisory Board that was created last year through the diligence of Legislator Zimet and Rocking Horse Ranch's Stan Ackerman.

Referendum

Perhaps the most important thing accomplished last year was the referendum and its acceptance by the electorate for a new form of government. Much has to be done to pave the way for the Comptroller and the County Executive positions and staff. It will require rearranging, elimination and creation of departments. Legislator Gary Bischoff's leadership on this issue will continue as he will Chair the Transition Team with the assistance of Doctor Gerald Benjamin.

Consolidations (Better Government at a Better Price continued)

We have numerous department consolidations that are either in the process or will begin the process this year. While we recently lost “the hardest working man in show business”, James Brown, we still have our hardest working legislative equivalent. The Chairman of the Public Works, Mike Berardi, will be overseeing a consolidation of the three departments that report to his committee along with working toward better property and building utilization with a new real estate review we will be undertaking.

When Andy Kosover was interviewed for the Public Defender’s position we asked, “How will you save money. How can you help deliver better government at a better price”? His answer was music to our ears. Through internal consolidations he brought about savings and began working on more significant ways to save for 2007. He will explore rearranging how we carry out the Assigned Counsel that is awarded by the courts when his office is not allowed to represent defendants due to legal conflicts. This will require new staff but may prove to save far more than the cost. I am confident that the Criminal Justice Chairman, Frank Dart will make this a priority along with the consolidation of Alternative Sentencing, Community Corrections and Probation.

For the past three months, the acting DSS Commissioner Barbara Sorkin and Office for the Aging Director Kathy Puglisi worked closely together to work out the details of a consolidation to assure better service at better price. With two new department heads arriving and oversight being provided by Legislators Zimet and Kraft, the transition toward a single point of entry is underway.

The Health of the County

As the administration in Washington continues to lend a blind eye to the mounting costs of health care, more and more of our constituents go without. Seeing the need to work toward a healthier Ulster County, the Human Development Committee and the Health Committee teamed up with Tourism Director Rick Remsnyder to make more people aware of New York State programs and Ulster Rx. Rick’s impressive newspaper insert that followed will hopefully aid toward that goal. Legislator Mary Sheeley, who chaired the sub-committee, assured me she will continue to monitor the results and be prepared to adjust where needed.

Thanks to the leadership of Legislator Phil Terpening, tonight we will be considering a resolution to include health care for same sex domestic partners. Although this equality of health care may have been triggered by legal action, it is long overdue.

Within the next few weeks, Doctor Peter Liepmann, a legislator from District #8, and I, will be meeting with Assemblyman Kevin Cahill to discuss innovative ways to bring more efficient and effective health care to those on Medicaid.

The State has recently mandated a merger of the hospitals in Kingston or face the closing of one. At the same time Ulster County faces significant costs in needed repairs and upgrades to Golden Hill. The Chairman of The Health Committee, Robert Parete has requested that a “Blue Ribbon Panel” be formed of Health care professionals to perform a comprehensive assessment of Ulster County’s overall health care services in an attempt to explore options, alternatives and initiatives to preserve and expand quality services in a cost effective manner. Potential members are being contacted and we hope to initiate the panel within the next couple weeks with a completion date for recommendations that the County may act on by the end of the summer.

The recidivism rate for prisoners across the nation is approximately 76 %. Most prisoners are doing life on the installment plan. This fuels the idea that we need bigger and more places to incarcerate. It wastes time, money and human talent. Through his hard work and dedication, community activist Ronnie Wade has won the attention of the District Attorney, various Judges and this Legislature to work toward reducing that trend. Although we may not be able to address the national trend we will address it in our little part of the nation with A Re-Entry Task Force of professionals in the field chaired by someone who knows the trend too well, retired correction officer, Legislator Lenny Distel.

Economic Development

This past year was a time of regrouping and changing the rules. The IDA has been changed to stop the unnecessary practice of granting loans to those not actually contributing to development while the UCDC is restructuring to address the concerns of the legislature. Meanwhile the UCDC, through the guidance of Hector Rodriguez, the Chairman of Economic Development will be finishing a comprehensive study that brought in over 70 voluntary stake holders across the economic spectrum from the environment to industry. At the same time, a search for a new Director of the UCDC has begun and

should be finished by late March or early April. With a new dynamic governor ready to address economic development, the opportunity for a difference has never been better.

With this opportunity, we need to be prepared to allocate additional funds to use our shovel ready program and other tools we have at our call.

In regard to our “home town” businesses, we need to work harder to level the playing field for “Small Mart” businesses to expand and flourish in Ulster County. I am asking the IDA, UCDC, and the Economic Development Committee to explore new and proven ways to help “local” business get the necessary support. The profit made and spent in a “small-mart” local business has a multiplying affect that far surpasses that of the “outsider”.

Areas of Concern

As part of the three year financial stabilization, the need for new revenues was clearly shown. Our over-reliance on property and sales tax remains regressive. The additional revenue that we requested the state to allow us to levy remains uncertain. We are working with Senator Larkin and Assemblyman Kirwin to assure these home rule requests will be honored quickly.

The war in Iraq continues to strain our ability to budget effectively. It has come with a volatility of energy cost, ever decreasing Federal and State aid and the inability to address the nation’s health care cost that trickle down to the local level.

The Law Enforcement Project, although close to completion, has continued to elude the orange jumpsuits (inmates). It has been the most disappointing realities of the entire year. Concentrating on blame must be a discussion for AFTER the completion. Sadly settling some law suits and pursuing others will require additional funds.

The managers have gone too long with out a contract. The process has dragged out with a tone of negotiation that has been less than healthy for all involved. This has forced the S-managers to feel they must unionize, which of course is within their rights. We also will see the CSEA, PBA and CWA contracts expire by year’s end. We are all one Ulster County and the tone of all negotiations must be that of mutual respect. Regardless, the resulting new contractual cost along with rising retirement cost will require new expenditures.

Closing

We look forward to the challenge of improving Ulster County Government in the upcoming year. Although we made strides that many would have thought impossible 12 months ago, there is still much to be done, more difficult decisions to be made and courage to be expended.

It is my sincere desire to continue to build bi-partisan support for the necessary reforms as we go forward. I have been encouraged by the many examples of bi-partisanship throughout this past year. Legislators Aiello and Fabiano were both impressive on the budget gap committee. If legislators were paid by the number of committees they serve on, Legislators Busick and Harris would be getting rich on their legislative salaries. The working relationship I have with Minority Leader Glenn Noonan and Minority Whip Susan Cummings should bring envy to the hearts of Legislative Chairman everywhere. The Majority Leader Jeanette Provenzano has led the Democratic Caucus as a public servant first and foremost. We need to build on these relationships and not have election year rhetoric cloud our way.

According to Albert Einstein, genius is 98% perspiration and 2% inspiration. I believe good government is 98% common sense and 2% creativity. Using common sense with a dash of creativity we will continue to bring better government at a better price and the people of Ulster County will benefit by our governance.

David B. Donaldson
Chairman of the Ulster County Legislature