

**GREENE COUNTY
STATE OF THE COUNTY ADDRESS**

February 18, 2009



**By: Wayne C. Speenburgh, Chairman
Greene County Legislature**

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Distinguished members of the Legislature, Interim Administrator Frank, County Attorney Stevens, Linda, Tammy, Members of the press and guests, as Chairman of the Legislature, please accept my warm welcome to you tonight and my appreciation for having this opportunity to address you.

The citizens of Greene County have elected us to represent their interests, to address their needs and to provide strong, fiscally responsible government.

Last year I promised that we, as Legislators, would work smarter to serve the taxpayers' needs. In a bi-partisan effort, I believe that we are delivering on that promise. 2008 was a year laced with major challenges along with many major accomplishments. We faced a slowing global economy, enormous state budget woes, record energy prices, significant land acquisitions by the New York City DEP in the mountaintop communities, and rapidly rising costs in the maintenance and provision

of our county workforce. In spite of those difficulties, we were able to make a lot of good things happen.

By taking a more business-like approach to our government, we became more proactive rather than reactive in the way we managed our business affairs. We adjusted our spending to more closely coincide with our revenues. We revisited every budget item, looked at the performance of each department and reviewed our procedures for billing out reimbursable expenses by state and federal government. We have given our department heads more authority while at the same time making them more accountable and it's working! As a result of our collective efforts we saved over 1.5 million dollars from our original budget.

Thanks to the tireless effort of Legislator Valentine, Administrator Frank, Human Resources Director Karen Macintosh-Frering, Nancy Dorpfeld, our independent consultant Karen Landau-Gnatek, and most importantly, the CSEA, the Deputies Union, the Corrections Union, and AFSCME, we were able to implement a health care change that not only improved coverage for our staff but also eliminated over \$1 million dollars in additional new health care costs for 2009. More importantly,

this change will enable the county to better manage its health care costs going forward.

Thanks to the tireless efforts of our courthouse committee, we were able to successfully get our courthouse renovation underway, approximately 1.5 million dollars under the original amount proposed. We were also successful in making the transition to the temporary courthouse **on time and under budget**. By delaying the vote one month, we we're able to cut our short term financing in half. It is important to note that because of the county's very good credit rating, we received a very competitive financing rate of 2.3%.

In 2008, we also commenced construction on the much-anticipated Fire Training Center and 7 Bay garage. After re-bidding the Training Center once and the Garage twice including a major redesign, we were able to reduce the original project total from \$2.4 million to \$1.4 million dollars including an allocation for those construction services provided by county agencies. The Training Center is now complete, as is the shell of the garage. We anticipate completion of the garage in the next three to

four months. As a result of those savings, we were able to reallocate \$200,000 to the County Jail for necessary fire and safety improvements.

In an effort to streamline government and to make it more responsive to the needs of our residents, we combined Greene County Planning and Economic Development with Greene County Tourism. The new entity called 'Greene County Economic Development, Tourism and Planning' will consolidate and coordinate the efforts of those two departments. Please note the name is intentional as Economic Development and Tourism have become priorities. Tourism is a critically important element of our local economy. However, Tourism is also an economic development tool. By combining those departments, we will be better equipped to have our tourism efforts mirror our economic development efforts and vice-versa.

Last year I announced the Think BIG – Buy in Greene initiative, a county sponsored initiative to support our local businesses and to help retain and create new jobs. Thanks to Legislators Valentine, Lawrence, Dudley, Martinez and Frey, that program is now well under way and beginning to produce results.

Our County Owned Property Task Force, chaired by Legislator Deyo, examined every parcel owned by the county with respect to location, current use and potential future value to the County as well as others. Specific recommendations were made to the legislature and excess property was sold at auction last year netting over a quarter million dollars to the County.

While the County is blessed with a very talented workforce, “working smarter” means equipping that staff with better tools to do their job. In concert with College President Jim Campion at Columbia-Greene Community College we have initiated a program of staff development for our senior management. This program is intended to teach skills that will help us to be more efficient and productive. This is particularly important as we ask our staff to do considerably more with considerably fewer resources.

Through attrition, we have eliminated 20 positions saving the taxpayers nearly one million dollars in wages and benefits. This change comes with a great deal of sacrifice on behalf of existing staff because as the

economy continues to slow down, the demand for county provided services continues to grow. The demand for services provided by our Department of Social Services, Public Health, Family Planning and Mental Health are increasing at double-digit rates.

Looking forward, we have made a tremendous amount of progress but there is so much more to do. As we enter 2009, the financial challenges for all County governments are very significant. Our County is statutorily required to establish our budget by December 20 of the preceding year. However, New York State adopts its budget many months later. Why is that significant? It is significant because over 50% of our budget depends on reimbursement from state and federal agencies. A number of the cost reduction initiatives being put forth in this upcoming state budget are proposed to be applied retroactively. This means that some of the reimbursement that we believed we would have when we adopted our budget may be removed six months later. This could have a devastating impact on our budget. While we are very understanding of the state's financial woes and the difficult task before them in balancing their budget, **PASSING THOSE COSTS TO THE TAXPAYERS OF OUR COUNTY IS NOT A SOLUTION.** As a

legislature we must stand together and tell our state representatives that passing these costs back to county government is not acceptable.

For 2009, the State has proposed to freeze its tax payments on all of its land holdings. Currently, the state owns approximately 84,000 acres in Greene County. If the state is successful in freezing its tax payments, this will pass all future increases to local taxpayers. School districts will be the most seriously impacted but it will also impact our local government as well as the county. As a legislature we must stand together and tell the State this is not acceptable particularly in light of the fact that the State is proposing to spend an additional \$67 million on new acquisitions. The State should postpone any new land acquisitions until they can pay their fair share for that which it currently owns.

For 2009, the State has proposed to eliminate direct funding for youth programs. They propose to provide those funds through a Block Grant, combining funding for mandated and non-mandated youth programs. This will essentially eliminate funding for all non-mandated programs. As a Legislature, again we must stand together and tell the State that this

is not acceptable as it will eliminate most of the youth programs in our local towns.

For 2009, the State has proposed to eliminate the Empire Zone program. Greene County was one of the last counties in the state to receive Empire Zone benefits. Empire Zones have been a very effective tool in attracting new businesses to Greene County. Removing those benefits will dramatically impact our ability to create jobs. While I recognize that there may be problems with Empire Zones in other parts of the state, Greene County has lived up to the expectation of the program. The State needs to fix the abuses, not eliminate the program. As a Legislature, again we need to stand together and tell the state that eliminating the Empire Zone program is not the solution.

For 2009, the State is proposing to reduce our CHIPs funding by 40%. These are the funds that county and local governments use for road repairs and restoration. Coincidentally, this is nearly the same amount that we increased our road funding for 2009. Good roads are critical to the health and welfare of our citizens. Good roads are also essential to

attracting new businesses. As a Legislature, again we must stand together and say no to CHIP funding cutbacks.

For 2009, the State has proposed to significantly cut funding for some of the services provided by our Department of Social Services. There has never been a time in the last 50 years that our residents have needed us more than they do now. As a Legislature, we again must stand together and say no to funding cutbacks that will reduce services to those who need it most.

As you can see, our challenges for 2009 are significant. Consequently, we must be prepared to react quickly to the changing landscape. **There is no room for business as usual; we can and must change the way we conduct our affairs.** It is time to break the stereotypical way that government conducts its financial affairs. It is time to develop a government that is lighter on its feet and better equipped to adapt to the changing environment. To this end, I have asked the County Administrator in cooperation with the County Treasurer, to report to the Legislature no later than April 1, and to make specific recommendations with respect to changes that need to be incorporated in order to make

our county more “business-like” in the way it conducts its financial affairs. Areas to be considered include, but are not limited to, financial forecasting and budget management, a complete analysis of the State’s proposed budget and its potential impact on our county and potential considerations that will enable us to compensate for losses incurred as a result of state cutbacks. We also need to set a standard for how we conduct our business affairs throughout the county.

A second and equally important consideration for 2009 must be our local economy. We must focus on jobs, jobs, and more jobs. Through Warren Hart and his Department of Economic Development, Tourism and Planning, we’ll use our substantial expertise to work with Towns, Villages, the IDA and private businesses to create and retain jobs.

Last year, Greene County took an active role in the private / public debate regarding State owned recreational facilities. With tourism a very significant part of our local economy, the County’s interest was intended to protect the sales tax revenues and jobs generated by tourism. As an off shoot and benefit of the debate, Greene County will be partnering with Ulster and Delaware Counties to market the Catskills. Our

immediate goal will be to market the entire area as a winter ski destination. This will give us the opportunity to “grow the pie” rather than arguing the share of the pie. Next we’ll look at opportunities to market the region as a summer destination.

This year the County will be partnering with the Village of Catskill and the IDA to develop the Catskill Waterfront Enhancement Plan, which has the potential of creating considerably more tourism and economic growth. Much has been done to improve the business environment in Catskill and those efforts have been successful. However, more needs to be done to finish the job. Since the county owns land within the study area, our participation will help facilitate execution of a community-designed plan.

We’ll continue our Think BIG, Buy in Greene program to encourage people to support our local businesses. Buying in Greene encourages a vibrant, local economy, helps to create and maintain jobs and generates additional sales tax revenue.

2009 will be a transition year for our Tourism efforts. While we will continue to fund some of our historical events and promotions this year, we have already begun meeting with our tourism stakeholders for the purpose of building, by consensus, a much more dynamic program for 2010. This will include new branding for Greene County and a much more focused way to promote tourism in Greene County.

Countywide public transportation is also on our radar screen for 2009. We are currently seeking funding for a countywide transportation study. Providing more accessible public transportation will provide better employment and educational opportunities, better access to medical care, and more shopping opportunities for our local residents.

A major service provided by our County government is the handling of solid waste. With the changing nature in the way solid waste is now being handled, it is time to re-evaluate our solid waste business model. I have asked County Administrator Frank and Bob VanValkenburg, Director of Solid Waste, to review our current operations and to make specific recommendations how this operation can be done more efficiently.

Our most difficult task this year, however, will be reaching labor agreements with our bargaining units. In all likelihood, this year we will be asked to ratify labor agreements with 4 of our six bargaining units. Quite honestly, the timing couldn't be worse both for the county and our units. We have a dedicated, talented workforce; they deserve fair compensation. However any agreement must be reflective of the harsh economic times we are in and the impact to our taxpayers. 30% of our entire county budget is dedicated to maintenance and provision of our workforce. In the absence of new or growing revenue sources, even small changes can have a dramatic impact on our tax levy. Think of our Greene County government as a three legged stool: the first leg representing our county residents, the second leg representing our workforce and the third leg representing our Legislature. The only way that we can have a stable government is to balance the needs of all three. As any collective bargaining agreement may have consequences that go well beyond 2009, I have asked our County Administrator to provide a full analysis of the long-term consequences of any potential negotiated agreement.

Though not from our own doing, we face significant challenges in 2009. With those challenges come opportunities. As Legislators, we need to avoid the temptation to resort to election year rhetoric but rather work in a bi-partisan effort to address and solve these problems. **We can do it!** And when we do, we'll be positioning our county for growth and prosperity in the future.

Thank you!