

State of Cortland County Address

June 28, 2012

Good evening and welcome to our 2012 county address. I begin tonight by greeting my fellow legislators, county administrator murphy, county attorney purser, media representatives and guests.

I want to thank the members of the legislature for allowing me the opportunity to serve as your chairman for this two year term.

The state of our county is strong; but our future is uncertain.

All counties across this state have played a vital role in the history of this great state. But circumstances and the challenges we face have put us at a crossroads.

Counties were created and given autonomy to finance and provide vital services such as police, fire safety, public health and welfare, jails and court services. We are responsible for building and maintaining an adequate and dependable network of highways and roads. We had local responsibilities and we acted locally using local resources.

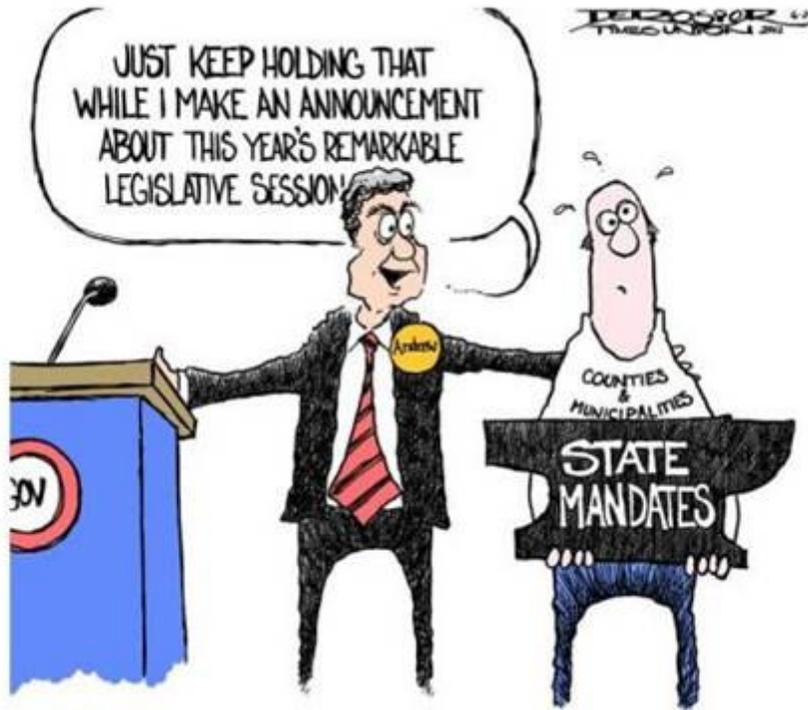
Over time, we have increasingly become more of an arm of the state and less of a local purpose government. We address fewer of our own citizen's needs and more of our operations have become an extension of the state.

In fact, today there are nine state-mandated, state-regulated, state-controlled programs that consume over 90 percent of the total county property tax levy statewide outside of New York City.

These state mandates have pulled us away from our 300 years of autonomy of using local taxes for local purposes.

One program alone – Medicaid - will consume over \$10 million of our local taxes this year. Statewide, counties and New York City will spend \$7.2 billion as the “local contribution” to support the Medicaid program. This is more than what 46 states spend out of their general fund for their respective Medicaid programs and more than what 35 individual states spend in total funds for the Medicaid programs.

The gradual state takeover of county Medicaid costs by capping the cost increases over three years, effectively locks the county into an annual \$10.355 million contribution. At the same time the state's immediate capping of the reimbursement increase for administrative costs to counties falls well short of meaningful mandate relief. Our Medicaid bill will increase over \$300,000 this year alone.



Collectively, all state mandated programs consume **\$.87** of every property tax levy dollar paid by Cortland County property owners.

As a result of the state mandates we are required to pay for, there is very little revenue left to pay for local county programs. Services suffer. Vital programs that county tax payers depend on are in real danger of disappearing. Certified home health services and consolidation of certain mental health service programs are two examples of local services being eliminated.

What we need is a major shift in the unfunded state mandates that have burdened counties for decades. We must change the way the state and its decision makers view counties. We are not another bank account for the state to dip into. We provide vital local services that ensure a high quality-of-life for Cortland County residents and these services must be retained.

In addition to paying for state mandated programs, Cortland County is also faced with closing a landfill cell next year that is projected to cost \$2-\$2.5 million. Presently, we have approximately \$900,000 in reserve for closure and post-closure monitoring of the landfill cell.

Cortland County's annual payroll of approximately \$25 million will increase by 1.5% or \$375,000 despite having over 100 fewer employees than just 10 years ago.

Currently, the county has exhausted over 90% of its constitutional taxing limit. We simply cannot continue to look to the taxpayer to cover these increases. We must look to reduce expenses and increase other revenues.

Albany has also pulled funding to some road and bridge projects that were already in the design stages. Hopefully they will reimburse us for monies already spent. The state legislature's refusal to even consider home rule legislation, such as telephone and cell phone surcharges to contribute to the cost of the interoperable radio system has impacted all municipalities throughout the county.

Solid waste

One area that is going to receive a lot of attention this and next year is our solid waste program. We must start to bring costs under control. Losing \$400,000 or more is unacceptable. Our new solid waste committee chairman John Troy will look at all options and we as a legislative body must make the hard decisions to stem our losses.

Sales tax

Cortland County and the city of Cortland have entered into a new 5 year sales tax agreement. The annual cost of the interoperable radio system will be taken off the top of all sales tax receipts and the balance then will be distributed on a formula basis. In 2013 the distribution stays the same - 52% county 18.24% city and 29.76% to towns and villages. Over the next 4 years the county portion will increase to 53.5 % and the city decrease to 17.62% towns and villages decrease to 28.89%. Thanks to Marty and Tony for working on this with me and a big thank you to the legislators that voted yes, it was the right thing to do to ensure the county remains financially solvent.

Highway department

Infrastructure is one of the few non-mandated expenditures this county has. Regretfully, as one of those non-mandated costs, over the years the highway department has seen a significant reduction in funding. This has resulted in the deterioration of many bridges, culverts and roadways. The county highway department maintains 248 miles of county roads, 60 bridges and 121 large culverts. In 2011 eight miles of roads were rehabilitated, 4 bridges were repaired and 10 culverts. In 2012 another 8 miles of county roads are scheduled to be rehabilitated, 1 bridge replacement, and 10 culverts repaired. This legislature is the first in many years to look to the future of our infrastructure, and have committed to bonding \$1.6 million each year for the next ten years to help maintain the facilities of this county that are so vital to the community and have gone unfunded for so long.

Buildings & grounds

2011 saw the completion of an energy upgrade in county facilities, including 4 new boilers, 1 new chiller and lighting upgrades in all county buildings. This will provide savings this year and for years to come. Thanks to the efforts of Newell Willcox, Ray Parker and the buildings and grounds committee, the jail has a new roof that will last for many years and the base of the courthouse steps on both the east and west entrances have been replaced. This item has been on the radar for years and was addressed in a cost efficient manner by cooperation between county departments. Additional and expensive work still needs to be done on the court house, and other buildings and this legislature is

committed to finding the best and cost efficient way of keeping our buildings safe and presentable. New window replacement in the county gymnasium and 37 church street, as well as a variety of masonry projects will be completed in 2012. Next year the committee has committed to replacing the doors in the county office building and further addressing building security.

BDC/IDA

The Cortland County Business Development Corporation and Industrial Development Agency have played a significant role in a number of important projects recently, providing the county with new job creation, job retention, community development and capital investment. The new \$4.3 million finger lakes east business park is “shovel ready” and has already drawn interest from prospective businesses. Plans for the development of a new hotel near the business park, a \$5million, 64 – room best western plus, were recently announced. This hotel, plus a new holiday inn express in the city of Cortland will add to the counties continued growth of the local sports tourism industry. Suite-Kote’s recently announced \$2.5 million acquisition and investment in the former Barden homes facility in Preble saved more than 215 jobs for the community and will lead to the creation of new ones and is just one more deal that was facilitated by the IDA. The IDA has also been a key factor in other projects such as northeast transformer services expansion, action at the former Buckbee Mears site, Alpla and Cortland plastics.

Cortland County clerk

In 2011 the county clerk’s office filed and recorded 10,811 documents relating to land records and 11,059 filings for the supreme court. The total revenue transferred to the county treasurer in 2011 pertaining to land and court records was \$888,053.13. The total number collected and transferred to the state of New York was \$920,415.09.

The county clerk’s office has worked closely with the state to develop and introduce legislation to allow the electronic recording of land documents. Not only will this save time and improve accuracy for the clerks office, it will also save taxpayer dollars. The law to allow electronic recording in nys will go into effect on September 24, 2012.

Due to the increasing volume of criminal filings and the limited storage space in the court house, the county clerk’s office began scanning all criminal filings on January 1, 2012. Ms Larkin is projecting that due to the additional land recordings and filings by the gas companies, our land documents will exceed 12,000 for 2012. Our court filings will exceed 15,000.

In 2011-2012 the county clerk wrote and received grant funding to write a disaster prevention preparation and recovery plan for the records in Cortland County. The research involved in this grant has brought to light many issues of records management that will be **addressed** with department heads in the following months.

DMV

Our Cortland County DMV is one of two DMV's in New York state with a drive through service window. The new location and convenient service are projected to increase revenues by \$22,000.00 above 2011. In anticipation of increased internet usage, NYS county clerks negotiated with the NYS DMV to receive a portion of the revenue generated by internet transactions by our county residents.

Budget and finance

Since making the change in how the treasures dept works we have seen a big improvement in receiving timely and accurate reports which helps the committee make better financial decisions. The annual AUD report was filed in a timely manner this year. Accounts are reconciled on a monthly basis and we have worked to address findings in our annual independent audit.

Workshops

I have found them to be very productive. It really gives us the chance to have a lot of give and take and vet a subject before we take it to committee for final review. Two examples are the creation of a solid waste committee and the consolidation of the health and human services committees. We will be doing more of these workshops in the coming months

Interoperable radio system

The Judiciary & Public Safety Committee, the information technology department and the communications advisory committee have worked diligently over the last five years to bring this project to reality. A big thank you to Kevin Whitney, communications advisory committee chairman and now JPS committee chairman who has worked tirelessly and guided much of this project, and has kept the legislature up to date and well advised of progress.

As of right now we are on schedule to be operational on January 1, 2013. We expect to break ground for new towers and hard infrastructure in the next few weeks. We will continue to work closely with Motorola to complete this project on budget and on time.

Our information technology department was successful in securing a \$4million dollar grant for the radio system, which not only pays the first \$4 million it will also reduce the total interest paid by almost \$500,000. A special thanks to Jack Hess and all who contributed to that effort.

The implementation of the new radio system presents an opportunity for us to consider the restructuring and reassignment of personnel to administer this very complex system on a 24-hour, seven day a week basis. I will present a plan to the county legislature for a newly created department to manage and administer the new \$14 million emergency interoperable communication system.

Sheriff's department

Law enforcement is one of the largest non-mandated services that the county provides, and one of the most important. Arrests are up for the first five months of 2012, when compared to the same time last year. Over the course of the last 12 months, the county has seen an increase in drug use and drug-

related arrests. The sheriff's department, in collaboration with the health department is targeting intravenous drug use, which is a health concern as well as an enforcement issue. We need to ensure the safety of Cortland County residents, and we need to do it in a cost effective manner.

Redistricting

Although i believe our citizens are better served with a board comprised of 13 legislators, reducing our numbers from 19 to 17 is a step in the right direction.

Having served two years as a county legislator and now one year as its chairman, I have seen first hand how difficult and complex county government truly is. We are fortunate to have so many highly trained and qualified individuals overseeing the more than twenty departments necessary to run a \$120 million organization.

In 2002 Cortland County legislature recognized that increased direction, control and coordination of county government functions would provide a more efficient administration of the various departments and agencies of the county.

Local law no. 7 of the year 2002 established the office of county administer who shall perform the functions of a chief administrative officer and be directly responsible to the county legislature.

We, as legislators, have a responsibility to oversee the various departments that report to our respective committees but must resist the temptation to micromanage the day to day administration of the county.

Our primary responsibility is to create policy and hold the administrator and our department heads accountable for implementing that policy both effectively and efficiently.

As the 2013 budget preparation approaches, we must look at every dept and we are faced with the possibility of reducing or eliminating programs. We also need to look at all services and identify opportunities for shared services with other municipalities to reduce costs in order to maintain services that our people need. This will undoubtedly require tough decisions to stay within the 2% tax cap.

We have a lot or work ahead of us that will require compromise and commitment. I, as well as the rest of the citizens in Cortland County, am depending on you to make the necessary and sometimes difficult decisions that will allow the county to prosper and provide opportunities for all our citizens so that they too can enjoy the high quality of life that Cortland County offers.

Thank you all for your dedication to our great community. I look forward to addressing the many challenges we face as a legislature.

Thank you and god bless.

Michael park

