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2010 State of the County Address

Given by Sullivan County Legislature Chairman Jonathan F. Rouis
On Wednesday, February 17, 2010 at Seven P.M.

Good evening. Welcome to the 2010 State of the County Address. I would like to begin tonight by recognizing my fellow Legislators seated behind me, County Manager David Fanslau, Assemblywoman Aileen Gunther, the supervisors and mayors present, as well as representatives from the offices of Senator John Bonacic, Congressman Maurice Hinchey, and our honored guests. I would especially like to thank my family and friends for being here as well.

Thank you to Mike Sakell and Thunder 102 for broadcasting live this evening.

I would also like to thank the Sullivan County Sheriff's Deputies for providing tonight's honor guard and the members of Mamakating American Legion Post 1166 for posting tonight's colors. Your service to our country is exemplary. I would also like to take a moment this evening to recognize those serving our country at home and abroad. Our thoughts and thanks go out to you and your families this evening.

As I prepared to write this year's State of the County Address, I went back to my first State of the County Address in 2008, and was struck by the optimism and hope I found there. And I'll be honest, when comparing that optimism with the state of our communities today, I was saddened and more than a little discouraged by the impacts of the economic recession. These past two years have not been kind to Sullivan County- our unemployment rates have climbed into double digits, our own revenues have fallen by millions of dollars and our financial aid from New York State and the Federal Government has decreased by hundreds of thousands of dollars.

Even standing here a year ago I don't think we could have imagined the depth and scope of the challenges that we faced and continue to face. This is truly the worst financial crisis our nation has endured in most of our lifetimes, and the light at the end of the tunnel has yet to emerge.

My colleagues and I have been straddled with the unenviable task of producing budgets and delivering essential services in this environment of declining revenues and increasing costs, a decision-making paradigm that unfortunately is shared by too many of our businesses and residents.

I stand before you this evening, fully recognizing that the Sullivan County we are living in today is far different from the one we envisioned just a few short years ago. As the economic reality sets in and we establish a new baseline to operate from, my colleagues and I are faced with some very difficult, and often unpopular, decisions.

Let's be realistic. We can no longer operate in the same manner in which we have in the past. We know that for our families and businesses to survive, let alone thrive, they must be able to adapt and reinvent. Government cannot be exempt from this line of thinking, no matter how difficult the task or how unpopular the decisions. We must take a long, honest look at the core operations of our County government and enhance those services that work and serve our residents, and, unfortunately, divest ourselves and our taxpayers of those services that simply no longer make sense.

Before I discuss our divisions, their accomplishments and the challenges they face, I would like to take a moment to recognize the men and women who truly run the County. They are the ones who care for the sick, protect the innocent, make our roads safe and passable, and they are the ones who truly make a difference in the lives they touch. These last two years have not been easy for our County staff, with losing nearly forty of their necessary but painful layoffs in 2009, and yet they still come to work each day to serve and protect our communities. Without them, this County simply would not be. They are the embodiment of loyal public servants, and I'd like to give them a round of applause.

The Legislature has established that its top priorities are growing the economic base of the County through a strategic economic development plan; investing in the improvements and maintenance to the County's infrastructure, as well as, stream maintenance and flood mitigation. The Strategic Plan, when paired with the Capital Plan, clearly states our goals and helps establish our spending priorities. However, many more initiatives would be targeted for funding to achieve the goals of the Strategic Plan and the Capital Plan, but for the economic realities we find ourselves in.

As the County weathers the current economic storm, it must look to reduce its costs, not just with one-time savings or revenues, but through common sense approaches. Government must be able to operate within the means of its constituents, and as such we must look to implement practices that are fiscally sustainable. I am proposing that we continue to review our operational structure and identify those areas where we can combine efforts to improve efficiency.

I am pleased to report that for the third year in a row, there are zero funds appropriated from the County's unreserved, undesignated General Fund Balance. This continues a trend that places the County on a more prudent fiscal course. While our current unreserved undesignated Fund Balance is insufficient; it nevertheless reflects a positive financial condition. We must continue to build an appropriate level of Fund Balance which should reflect a minimum of five percent to a maximum of fifteen percent of the total budget. The Fund Balance is essential to maintaining and improving the County's credit rating, which, if negatively affected, could add millions of dollars of additional costs to finance imminent capital projects.

The first Division I'd like to discuss tonight is probably the most recognizable division to county residents: Public Works. Public Works encompasses our road and bridge crews, our county airport and our most contentious department of late: our solid waste operations.

The division continued to maintain the 400 plus miles of county roads and more than 100 bridges within their jurisdiction, and the Division once again responded to three major flooding emergencies, working day and night to rebuild roads and embankments, and restore bridges.

This year the County will embark upon a study to determine how and where we can make our Public Works operations more effective, similar to what was done in 2009 with the Division of Health and Family Services. Once a complete review of our operations is complete, I propose we extend the review to include the highway operations at all levels of governments to see where additional combinations and shared services can be accomplished. We have many programs that are currently in place, including joint purchasing of materials and sharing equipment, but in this environment, I believe more can be done to provide services more efficiently.

My colleagues and I all agree that even in difficult economic times, we cannot ignore the basic infrastructure of our county. We plan to accelerate our capital plans for 2010 & 2011 to take advantage of \$8 million dollars of ARRA bonding power, which will allow us to pave nearly 80 miles of County Roads and perform needed maintenance on several bridges. The ARRA bonding opportunity will also permit the county to replace equipment that is beyond the reasonable and fiscally prudent cost of repairing. The equipment that will be replaced will fill critical needs to ensure that the County will be positioned to maintain our road and bridge infrastructure and to take proactive measures on preventing flooding in the at-risk areas of the County.

And of course, in 2010 the taskforce of legislators, County staff and community leaders will review and make recommendations to the Legislature with regard to the financing of the County's Solid Waste operations. My colleagues and I will be the first to tell you, the system put into place this year was far from perfect. And while we conducted Town Hall meetings, numerous public meetings and answered dozens of media inquiries about the new system, I recognize that we did not do enough outreach to our communities before the system was put in place, and for that I do apologize. We studied the alternatives, reviewed dozens of proposals and I still believe the premise of financing our solid waste operations by requiring 100% of the users of the system to pay for it is most equitable. But I pledge to you tonight, we will review the system again, and remain committed to making the necessary changes in order to make the system equitable and fair for the majority of users. My colleagues and I will visit town and village board meetings, chamber meetings and conduct more Town Hall meetings of our own, to ensure that Sullivan County residents have more opportunities to comment and be heard going forward.

Public Safety is an important area of service Sullivan County works hard to deliver to our residents. The men and women in this Division, including the Office of Sullivan County Sheriff Mike Schiff and District Attorney Jim Farrell, work to protect our friends, neighbors and children.

The Division of Public Safety also includes our emergency first responders, EMTs and firefighters, most of whom are not paid for the service they provide in protecting our communities. They do so, often putting themselves in peril, to protect each and every one of us, and I know we all truly appreciate their service.

This year the Division of Public Safety expanded the uses of the Emergency Training Center to ensure we have the best trained first responders. The facility is used by more than 40 fire departments, 16 EMS squads as well as the sheriff's department. More than 940 firefighters completed 48 courses at the facility, logging over 14,000 hours. I am happy to report that construction is underway on new classroom facilities at the center, which are expected to be operational by summer.

Our Emergency 911 center fielded nearly 88,000 calls in 2009, an increase of more than 5%. These calls resulted in over 31,000 police, medical and fire dispatches. The center also successfully migrated to Version 2 of the NY-Alert System providing even greater notification capabilities in the event of an emergency.

Our Probation Department supervised more than 1200 probationers in 2009, and collected more than \$189,000.00 in restitution for crime victims of Sullivan County, an increase of \$18,000 from 2008.

In 2009, the Alternatives to Incarceration program diverted 200 persons from jail by offering participants some form of alternative sanction, including drug and alcohol rehabilitation, rather than go to jail. In addition, 7,840 hours of community service were completed by participants in lieu of jail.

My colleagues and I believe the ATI program is a great public safety tool because it corrects the offender's behavior and teaches them to be productive members of their communities. We also recognize that \$1 in prevention saves us \$10 down the road. That is why we continue our commitment to protect, educate and better the lives of disadvantaged and at-risk juveniles when we provide funding for Judge Josephine Finn's Project D.R.E.A.M. Tank. Judge Finn has an excellent reputation for helping those less fortunate, and this program, which keeps our children off the streets while learning about music, culture, etiquette and self-respect, deserves to be recognized as an important preventative initiative.

And no conversation about public safety could be had without discussing the \$80 million dollar elephant in the room: the proposed new County Jail. This proposed facility has been talked about in Sullivan County for nearly as long as casinos. We know we need a new facility, particularly in light of the recent intent of Commissioner Beilein to close cells. Commissioner Beilein compared the facility to a dungeon, quite accurately I might add, and the working conditions are simply unsafe for our County staff, not to mention those incarcerated there. Renovating our current facility, the oldest in NYS, is simply not a long-term solution, and frankly, I would expect my fellow taxpayers to join me and revolt if anyone attempted to put a \$5 million dollar band-aid on a facility that will not last the life of the bond. But before we settle on spending 80 million dollars, I remain committed to exploring several options including the Woodbourne Annex, public-private partnerships, as well as the construction of a new facility by

the County. We can debate the size, scope and location but the bottom line is: we need a new facility. We needed it 10 years ago, and maybe even 20 years ago, and the reason we are faced with this \$80 million dollar price tag is due in large part to lack of action taken to move this project forward over the past 20 years. Make no mistake about it; the price will only continue to go up if we try to wait. My colleagues and I are ardently committed to finding the most cost-effective solution possible to reduce this tremendous burden on our taxpayers, but ultimately we must come to the decision that is right for the long term and can be funded in the short term. As all of the options are considered we remain committed to providing the most up-to-date information to all those interested through Town Hall meetings and, I promise, your public comments will be heard.

One area we began to examine more closely this year was our Division of Health and Family Services, which encompasses Public Health Nursing, Community Services, Social Services, Office for the Aging, our Youth Bureau, and our Adult Care Center.

As the recession deepened in 2009, the demand for services and programs delivered by the Division of Health and Family Services increased sharply. To give you an idea of the demand: there was an increase of nearly 25% in HEAP applications, a 12% increase in food stamp cases, a 10% increase in family's needing temporary assistance, and an 8% increase in Medicaid cases. More people than ever needed help, and I am grateful our County staff was able to provide it.

Public Health Services was also busy this year. Our Long Term Health Care Program, which goes a long way in allowing our seniors stay in their homes, provided more than 36,000 home visits. The Certified Home Health Agency, or CHHA, had nearly 21,000 home visits throughout the county, serving residents needing short-term care. And our Women, Infants & Children, or WIC, program provided over 2,000 residents with nutritional education and healthy food vouchers.

In 2009 the Sullivan County Youth Bureau funded 23 programs across the county. The Youth Bureau administers funds that serve more than 5000 young people from Bloomingburg to Roscoe and everywhere in-between. In 2010 the Youth Bureau will fund 25 programs, and we are truly fortunate to have national organizations such as the Boys and Girls Clubs and YMCA taking a very active interest in the young people of our county, as well as locally-grown programs like the International Boxing Academy of Monticello.

Our Office for the Aging was very active again this year with the Retired Senior Volunteer Program volunteers logging over 61,000 hours of volunteer service and providing transportation for 587 medical trips for other seniors. These dedicated volunteers continue to provide an invaluable service to our county, and my colleagues and I can't thank you enough for all you do.

Our Adult Care Center continued to operate at above a 90% occupancy rate for 2009 with nearly 80% of those residents funded by Medicaid. My colleagues and I recognize the Adult Care Center is a vital part of our county. However, as the costs of care continue to rise and revenues are dependent on an annual Intergovernmental Transfer Grant from New York State, we need to be practical about the ability for Sullivan County to stay in the nursing home business

and proactive in evaluating the Center's future to ensure we make the best decision for the residents and our taxpayers. Over the next month, I will be naming a committee to explore all the potential options for the future of the Center, including but not necessarily limited to, a joint venture with another not-for-profit, a combination or an outright sale. I can honestly say, and know my colleagues agree, that if the funding from the state was to continue we would look to maintain the facility for as long as fiscally and operationally viable. We owe it not only to the taxpayers but the residents and the employees of the facility to explore these options, and come to the conclusion that provides the best services in the most efficient manner.

I would like to spend the remainder of my speech talking about economic development. I think it is more important than ever to take stock in where we are economically and where we want to be. During the past two years we have worked to create a comprehensive Economic Development Plan, and in December we brought together over 150 diverse local stakeholders to begin the process of charting a common course of action. The broad-based, diverse taskforce created at the Charrette has already led to an economic approach that puts Sullivan County in a position to strengthen and diversify our economy in the areas of Agriculture, Tourism, Health Care and professional services. I remain committed to continuing to foster greater communication and collaboration between our economic development partners. The Sullivan County Economic Development Corporation has been officially incorporated and bylaws plan to be finalized in March. I still believe that bringing our economic development partners together through a formalized corporation will allow us to spend our dollars more efficiently and avoid duplication. This formal group will also work with the Charrette Taskforce to implement their diverse plan of action.

I'd like to touch on a number of economic initiatives on the table for 2010. First of all, the Red Meat Processing Facility in Liberty is but one signature away from breaking ground. Countless hours have been spent to make this vital agribusiness project become a reality, and I thank everyone who worked on this project for their tireless commitment. We are also in the advanced stages of developing a Demonstration Farm project, and have secured the support of an impressive group of partners who share my belief that this project will serve as an incubator to continue development of cutting edge and renowned agribusinesses. We are also committed to continuing our efforts to "green" Sullivan County and improve our energy efficiency, reduce our waste and be a better friend to our environment, whenever possible. And our largest and most aggressive economic development project for 2010 is the redevelopment of the Apollo Plaza as an integrated recreational and retail experience. This project will allow us to recognize and utilize the site as the gateway to the Catskill Mountains, honor Sullivan County's legacy as an outdoor sports destination and serve as a model for innovative environmentally-responsible site redevelopment. And of course, no State of the County speech would be complete without the mention of what I dare say is our most elusive project: casinos. I believe elusive says it all!

I believe it is also important to take a few minutes and point out some of the economic successes of the year. Through the dedicated efforts of our economic agencies, a buyer was secured for the Leisure Time Spring Water Company in Monticello. The Boreal Water Company has made a substantial investment in Sullivan County with plans of investing \$4.2 million in new technology and equipment upgrades, and adding up to 60 additional employees in the coming years. Following Boreal's investment, Sullivan County attracted Shelburne Plastics to set up

shop within the County, showing success breeds more success. In 2009 we also saw some of our existing business continue to expand and flourish. The County's largest employer, The Center for Discovery, expects to complete its \$22 million dollar expansion in early 2010. The dedicated work done at the Center has led to its stellar reputation and I am confident this world-renowned facility will continue to grow and thrive, and we are all proud that they call Sullivan County home. The Monticello Motor Club also continued to expand, bringing thousands of sports enthusiasts through their gates in 2009, and their 2010 season is on pace to double last years numbers. We also saw our two home grown local banks, The Jeff Bank and Catskill Hudson Bank, not only weather the banking crisis but expand through the process. The Bethel Woods Center for the Arts had another phenomenal season and the celebration of the 40th Anniversary of Woodstock once again shined the international spotlight on Sullivan County. And a little closer to home, the County celebrated its Bicentennial in 2009, and I was proud of the level of commitment and community participation the Steering Committee was able to inspire, with more than 100 events throughout the year, and at least one event in each of our fifteen townships. These events not only brought a renewed sense of community pride, but acted as an economic stimulus for our communities and Main Streets, generating an estimated \$3 million dollars in local spending. Building on that success, in 2010 the Legislature will continue our commitment to helping small businesses grow and succeed by appropriating 100% of the room tax revenues to the Visitor's Association. The SCVA will spend nearly \$100,000 to reintroduce the local matching funds program, a public-private partnership that assists small businesses with marketing themselves to local residents, second homeowners and visitors. These companies believe in Sullivan County and have put their money where their mouth is and truly give us reason to be optimistic.

One issue that has ardent support and has provoked feverish public outcry is the issue of drilling for natural gas in Western Sullivan County. While drilling continues to be regulated mostly at the State level, the County will ultimately need to get involved to both protect our landowners and our beautiful, pristine environment, as well. The County must maintain its role as the lead educator and disseminator of the factual information surrounding drilling. We will continue to work with the Town officials, many of whom have taken a very proactive stance, and will dedicate the necessary staff to assist as this project evolves.

While it might be easy, given the current financial situations we are all facing, to fall into a state of negativity, I refuse to give in. I came here tonight not only to talk about the past year and the State of our County, but also to propose initiatives I believe will make a difference. The road ahead is not going to be easy, but I refuse to believe it is impossible to improve the quality of services our residents have come to rely on for their everyday existence, and at the same time realize the limitations of the taxpayers in the County who fund those services.

In writing tonight's comments, I wanted to keep them, and myself, grounded in the harsh realities we are all facing. Yet as I wrote this speech, I came across a quote from President Obama that I felt conveyed those realities, yet also embodied my own sense of optimism: "In America, when we get knocked down, we don't stay down. In the last 80 years, America has experienced 13 economic recessions and fought back with 13 economic expansions. It was never easy, but it was always possible. If you're bullish on America, and I am, then you're bullish on getting up and coming back. That's not a belief, that's history."

I call upon all of us, my colleagues, this audience, our friends, neighbors and communities, to come together to find solutions to the multitude of issues we are facing. I ask that you resist the urge to join the chorus of simple negativity and join those of us that want to make a difference. The doors of county government are open and now, more than ever before, we welcome your input.

Thank you, good night and God bless.