

Mr. Chairman, Members of the Legislature, and Members of the Community:

*Expectations versus Deliverables in a Challenging Economy*

What are people's expectations from government in a challenging economy? Do they differ from expectations during a thriving economy? Who are the different diverse constituencies with all these expectations? How can government respond to every constituency when various expectations are on opposite ends of the spectrum and there are only finite resources? How much are we willing to pay to support these expectations?

There are many answers to these questions, some of which are obvious, some that contradict one other. Particularly during periods of recession the most important constituency, the property taxpayer, is heard to say "Enough - no more". Simultaneously as a result of the current state of the global, national and state economies, caseload demands from local residents for county government services grow, occasionally as a direct result of changing needs from the very same taxpayer who says "no more".

In the eyes of the average property taxpayer and resident, tax bills often exceed their expectations. Yet these government costs are for the provision of the same programs and services the taxpayer expects government will provide and may even take for granted that those services will always exist. When enough cash (revenues) is not supplied to meet the demand for services, then services and costs must be cut. That doesn't come without extracting another cost - a sometimes painful diminishment of services in the community.

When any government goes through a "correction" or rightsizing to match lower revenue, there are customers and clients of needed services as well as purveyors of these services from both the profit and the non-profit worlds who publicly call for more money for their own particular service to be maintained or even enhanced. There are property taxpayers; businesses, families, senior citizens - many of whom are fighting to protect their jobs, their future and their assets. There are loud constituencies within the government itself led by union members, law enforcement, health care workers and educators - all of whom clamor to protect their 'rights' and their turf. Ours has become a world divided by special and personal interests.

However, after all the public comments, the clamoring and struggling to be heard through the din of the crowds, the most difficult question of all still must be answered - when the money doesn't exist to pay for all the public's expectations, where will the service cuts be made, who will lose a service they value, and how will the community absorb those cuts? We all have core philosophical beliefs, but in the end public policy must be driven by some compromise and a huge dose of today's fiscal reality. If fiscal realities are too long denied, local and county governments will struggle even more and suffer from the same severe fiscal and credibility crises associated with the dysfunctional New York State government.

We cannot allow that to happen here; we cannot be accessories to denial of the fiscal realities - the "new normal" - faced by all governments, and importantly faced by our residents and neighbors. Collectively, our job is to hear the voices; listen to the words; understand the passion and emotion. Yet we must then respond in a balanced, responsible way.

### **Year Three - The “New Reality” Becomes the “New Normal”**

Beginning in the latter part of 2007, and then in earnest in 2008 and since, our financial landscape has continued to decline and change in profound and uncertain ways. Economic indicators seem to show some possible beginnings of economic recovery with small signs of stability, but there are and will be lagging impacts for businesses, the **un**employed and the **under**employed into the foreseeable future.

History has shown New York State and other governments typically lag behind the rest of the nation in a recovery. All levels of government are confronted with major policy issues driven by the economic realities we face. We must continue to plan and prepare to meet these challenges and uncertainties and be positioned to make the most of every opportunity ahead.

It was reported last week by the State Department of Labor that New York State’s December 2009 unemployment rate reached 9%, matching a 26 year high. The number of unemployed state residents increased to an astronomical 868,000. That’s nearly three times the total population of Dutchess County!

At home, Dutchess County unemployment for December was 7.6%, compared with 7.5% in November and 6.1% in December 2008. While the current rate is down slightly from the 8.2% in September when unemployment was at its highest point since 1994, it is significantly higher than the average annual unemployment rate in our area of 4.0% for 2007 prior to the economic downturn. The State Department of Labor also suggests the unemployment rate may continue to increase even in the early stages of an economic recovery.

Recently the local housing market has shown some signs of improvement over 2008 figures due in part to the federal first time homebuyers tax credit. Statistics released by the *Mid-Hudson Multiple Listing Service* show Dutchess County housing sales for December were up 8.2% compared to December 2008, however, the county is still significantly below 2007 statistics. For some context, in 2005 the total dollar value of “closed” residential units in Dutchess County was \$879 million. In 2009 it was only slightly over half of that at \$468 million.

Home foreclosures in 2009 were up 35% compared to 2007 prior to the economic downturn, and are expected to continue to rise in 2010.

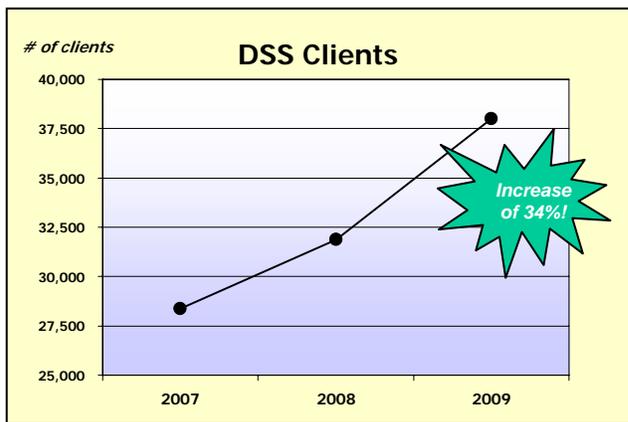
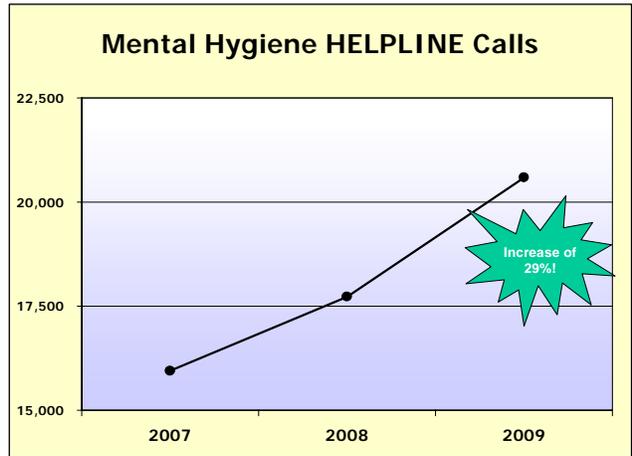
For the second consecutive year, we are confronted with a decrease in the county’s tax base; this year it is lower by \$1.6 Billion due to declines in the new construction market, the overall decline in property values, as well as reassessment activity at the municipal level over the past few years.

The list of fiscal challenges to provide county government services and meet residents “expectations” can be daunting. Sales and



mortgage tax revenues necessary to fund programs and services for residents continued to decline sharply in the past year. Other economically sensitive revenues also continue to be negatively impacted - including interest earnings for funds in the county treasury as a result of interest rates below 1% and lower than normal cash levels in the county's bank accounts; permit fees due to a slowdown in construction; and Mass Transportation Operating Assistance revenue as the State's distribution formula is factored on declining mortgage recording fees.

At the same time revenues shrink, demands on our health and human services agencies continue to increase as families struggle to make ends meet, find themselves without a job, are underemployed, or deal with the stress of financial hardships. For the current heating season, homeowner applications for HEAP (Home Heating Assistance) have increased by 62% to 2,984 compared to 1,842 in 2007 prior to the economic downturn. The 24/7 HELPLINE operated by our Department of Mental Hygiene saw a 29% increase in calls for assistance from 15,946 in 2007 to 20,596 in 2009, demonstrating the stress and mental health challenges for our residents. The Health Department's Adult Immunization program has seen a doubling of its average attendance, due in part to the H1N1 virus this year.



A notable barometer of the sagging economy is that in January 2010, the Department of Social Services reports a total caseload for its TANF, Safety Net, Medicaid, SSI, Food Stamp and Family Health Plus programs to be 38,006 versus 28,357 for the same period in 2007. **This is a dramatic increase of 34%, or nearly 10,000 unduplicated cases.** It's expected these trends could continue in 2010.

**State Budget Impact**

As New York State faces a projected \$7.4 billion budget deficit, it's uncertain how the 2010-2011 state budget, when adopted, will impact county government finances. But it is certain there will be a negative impact on our ability to fund our services. According to a recent report from the New York State Association of Counties (NYSAC), even if every one of Governor Paterson's budget proposals is implemented, future year state budget gaps will still be enormous. In his 2010 budget address Paterson warns, "We cannot keep spending money we do not have. Significant spending reductions are necessary if we want to emerge from this crisis..." The Governor talks of "shared sacrifice" which we know includes proposed

reductions to state aid for counties, including Dutchess. That will further impact our ability to deliver important health and human services which have historically been part of our core mission.

We were conservative in developing the 2010 Executive Tentative county budget last fall anticipating potential cuts in state aid. However, should it be adopted, several proposals outlined in the Governor's 2010-11 Executive Budget will have a significant **negative** impact on county government programs and services. Details of the proposed budget are still being sorted out, but some of the most significant proposals include:

- shifting certain mandated social services funding streams that eliminate county discretion on how best to provide services
- a new mandated *Subsidized Kinship Guardianship Program* without any new funding, requiring counties to bear the entire expense burden of this initiative
- the removal of community funding for *Alternatives to Incarceration, Home Visiting, Advantage Afterschool* and other programs and services that support placement avoidance in the community for at-risk youth
- shifting responsibility from the state to counties for federal government penalties or disallowances for Medicaid fraud, waste and abuse cases
- elimination of some temporary assistance programs, including *Summer Youth Employment Program, Supportive Housing for Families* and the *Emergency Homeless Program*
- elimination of reimbursement for certain Health Department optional services such as laboratories and home health care programs
- the closure of state-operated psychiatric beds without any additional community services reinvestment funding
- a 10% reduction in state aid to Probation, it's not clear whether this is an additional 10% from the reduction imposed late last year

The Governor's Executive Budget does include some proposals which could bring county savings in the future, including:

- a four year moratorium on new unfunded mandates
- a cap on counties' exposure to *PreSchool Special Education* at 2% annual growth
- restructuring of the *Early Intervention Program*, including establishing a parental fee, requiring private insurance companies to pay claims for early intervention services, and revising rates

- proposals to expand the use of video conferencing for certain court appearances and services to jail inmates; this could produce savings from less inmate transportation and travel time for correction and probation officers and public defenders
- provisions for additional procurement flexibility for local governments and the elimination of the fee imposed by the state for use of state contracts.

Some of these proposals are not new. Counties across the state, working with NYSAC, have long sought relief from unfunded state mandates. Similar proposals have been included in past state budget proposals only to be reversed in the final legislative adopted budget. As the state budget process moves forward, **it is critical Albany lawmakers do not renege on their latest promise of mandate relief.** County government cannot be expected to absorb new state mandates to lessen the state's fiscal burden. Albany will need to make the painful decisions and hard choices that county governments have had to make all across the state.

As the state nears the end of their fiscal year, there is additional uncertainty whether county government finances will be impacted by the state's cash flow problems. In 2009, the state's reimbursement due the county for the state mandated *Preschool Special Education* lagged well beyond the historical payment timeframe. Again in early December, the state reduced and delayed state aid payments to schools, local governments and nonprofit service providers so the state would have sufficient cash to pay their own bills.

Earlier this month, State Comptroller DiNapoli cautioned, "The state could barely pay its bills last month and it is questionable how we're going to make it through March... what happened in December could be just a flurry compared to the possible blizzard heading our way in the next few fiscal years. The cumulative out-year gap is staggering." If the state decides to hold back reimbursement to counties as they did last year, it's possible Dutchess County government may be forced to do a short term borrowing later this year to meet our fiscal obligations until state revenues owed to the county are received. County government has not been in the position of short term borrowing in over 20 years.

We will continue to monitor the state budget process over the coming months. It may be well into 2010 before we know the final outcome and the impact on the programs and services we deliver and fund at the county level.

### **County Finances**

It may take years to work through these challenges, making it more important than ever we come to terms with the County's current fiscal position. That is why I proposed a 2010 Dutchess County budget with **no increase in the tax levy and a decrease in spending.**

The budget adopted by the Legislature however increased spending and increased the property tax rate for 2010 by more than 11%, on top of the 2009 increase of 10.9%. I have repeatedly warned legislators **increased spending is not sustainable going forward.** We all have a fiduciary responsibility to plan for the short term while looking forward on a multi-year basis.

As always this administration will continue to manage the \$401 million budget based on the current economic climate and the county's financial picture. We will defer purchasing some services until we have a clearer picture of the county's finances for 2010. Funding adjustments may also be necessary later this year based on the final state budget outcome, local legislative policies, and the economy's impact on our revenues needed to pay for the services.

Medicaid continues to be the single largest mandated program for county government. The 2010 budget includes more than \$40 million for the County's share of Medicaid paid by local county taxpayers. In 2009 and 2010, all counties including Dutchess received temporary federal stimulus funds (FMAP) to offset the cost of the state mandated Medicaid program. I have advised legislators that this temporary relief, which totals \$6.6 million for 2009 and a projected \$5.9 million for 2010, will end on December 31, 2010 creating a huge gap to be filled in 2011 and beyond.

Costs in 2010 for the state mandated *Early Invention* and *Preschool Children's Services* programs are projected to be \$23 million. Mandated costs for day care, juveniles, foster care and public assistance programs are projected to be nearly \$54 million. With cuts in state funding inevitable, we are hopeful the final state budget will include provisions that allow counties greater flexibility to administer these programs in the most efficient and cost effective manner.

Other state mandated costs include \$2.8 million for Assigned Counsel costs plus the *MTA Mobility Tax* will cost county taxpayers more than \$415,000 in 2010, a reoccurring and growing annual expense. This unfair payroll tax imposed on businesses, governments, and not-for-profits across the MTA counties, including Dutchess, must be repealed by the NYS Legislature and Governor.

**Alert To Taxpayers:** The total estimated cost for **state mandated** programs and services in 2010 is nearly **\$126 million** - not including staff and costs to administer these programs.

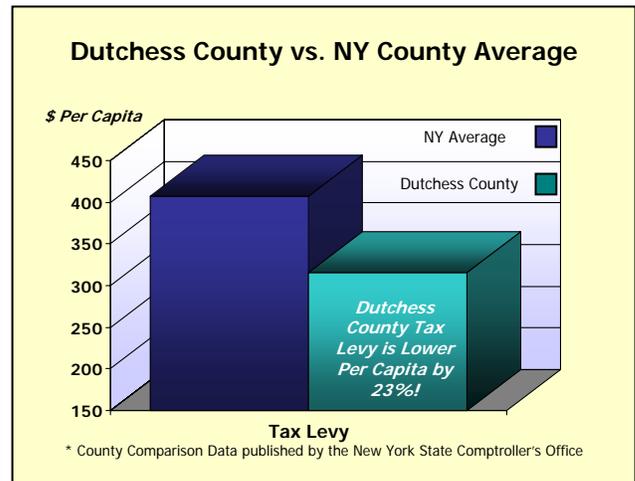
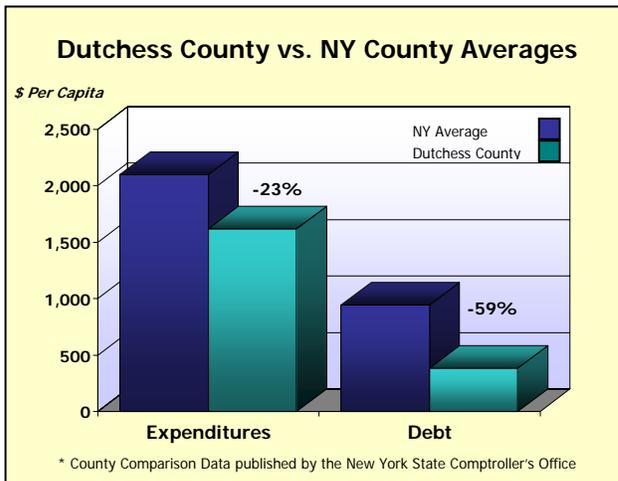
Other non-discretionary costs factor heavily into county spending. State pension costs to fund our employees' retirement, health insurance costs, and workers' compensation combined total nearly \$41 million in 2010. Energy costs for county government are estimated at \$4.5 million.

The economic recession is impacting Dutchess County government and our localities (with whom we share our sales tax revenue) with lower sales tax receipts. Typically, our strong local economy has produced reliable annual growth in sales tax revenue. However, 2009 year-to-date sales tax revenues are down compared to 2008. Upon receiving the remaining 2009 payments, projections are we will end the year \$6.5 million **below** budget, monies we needed to receive to pay for services already delivered. Sales tax projections for 2010 reflect a modest increase in sales tax as analysts predict the economy will start to rebound later this year.

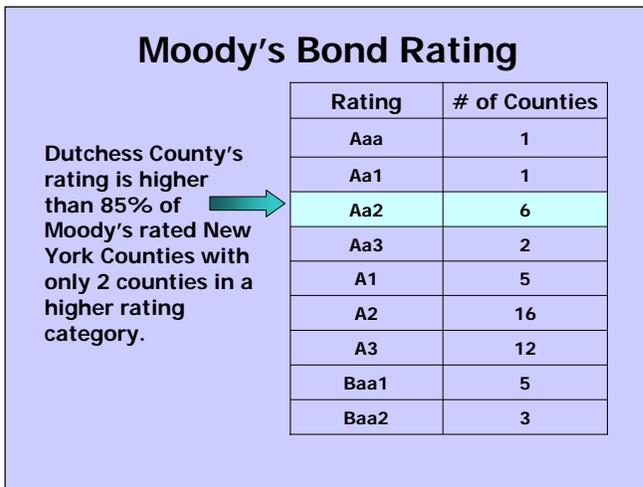
Mortgage tax revenue through the November 30, 2009 expiration was 13% below budget estimates, and coupled with the Legislature's decision last year not to extend the mortgage tax resulted in an additional estimated loss of \$360,000 for the month of December. This will also mean the projected loss of an estimated \$1.7 million for the first half of 2010 while the County

Legislature this year moves forward with the required “home rule” process to reinstate the mortgage tax. As I outlined in my budget message last November, the reality is fiscal pressures facing the county now are even more difficult than those challenges faced two years ago when the Legislature first voted to implement the mortgage tax. The challenges that existed then were compounded and are even worse now. As a means of confronting these challenges, the 2010 budget adopted by the County Legislature includes an estimate of \$1.7 million to provide for the reinstatement of the mortgage tax on July 1, 2010. The Legislature will need to act promptly to meet projected reinstatement deadlines to avoid the structural financial imbalance created in their adopted 2010 budget.

Dutchess County government is recognized as a leader throughout New York for our innovation, partnerships and collaborations. We have built this success through sound fiscal management, working smarter, and learning from our past as we prepare for our future. Dutchess has fared better than most counties, as we have been able to control costs and respond to our fiscal challenges through the continued restructuring of our county government workforce. In fact, the 2010 budget **reduces the number of employees** by another 47 full time equivalents, **bringing our county government workforce to its lowest level since 1987**, and realigns several other tasks and positions to achieve greater efficiencies and cost savings. We continue to foster successful collaborative partnerships with community agencies and local businesses and to maximize our investment in technology to work better and smarter with shrinking resources. Focusing on program outcomes and best practices, we’ve worked to provide quality, cost effective services for taxpayers’ dollars.



Dutchess County government continues to stand out statewide. **Dutchess taxes our residents 23% less per capita and spends 23% less per capita than the statewide county average.** Our indebtedness per capita is an impressive 59% below the statewide average. Dutchess County’s outstanding indebtedness represents a mere 4% of the constitutional debt limit. Of particular importance to Dutchess County property taxpayers, the county property tax levy totals only 16.5% of the county’s constitutional taxing limit. In fact, according to the database released last year by the *Business Council’s Public Policy Institute and the Empire Center for New York State Policy*, **Dutchess County government’s spending and taxes per resident were ranked among the lowest of all 57 counties** and we had the **best** ranking among the medium and large counties of the Mid Hudson region.



We have maintained our Aa2 bond rating, substantiating the county's sound fiscal management. This enviable rating reflects the county's financial position despite the economic challenges facing all New York counties. Only 2 counties statewide are higher than the Dutchess Aa2 rating.

According to a recent *Rockefeller Institute of Government* report, both state and local government have placed increasing focus in recent years on "fiscal sustainability," the ability of governments to meet existing spending commitments with existing

resources not only in current times but into the future. Our experience tells us we must strive to go beyond sustainability to build an organization that is flexible enough to adapt to changing financial conditions and resilient enough to insure ongoing fiscal health. Maintaining a reasonable fund balance is critical to achieving this goal, although it becomes increasingly more difficult to realize in tough economic times.

*Moody's Investor's Services*, our bond rating agency, expects the county's financial position to face near-term pressures resulting from reliance on economically sensitive revenue streams, ongoing expenditure pressures, and a decline in fund balance and the potential for state cost shifting to the county. *Moody's* believes the maintenance of a stable and satisfactory fund balance will be a key in future ratings, making it more important than ever we are prudent and practice pro-active fiscal management.

Through strategic, multi-year planning the administration has worked to position county government to best address the needs of our residents in the short term as well as the long term, in good times as well as hard times. We've built a strong external and internal management infrastructure to strengthen our service delivery systems, promote problem-solving and achieve outcomes, which help us to sustain county government's foundation during these tough economic times and position us for the future. However, as county government faces the reality of doing less with less, innovative and strategic thinking becomes more important than ever. Innovation will be the key to operating efficiently and effectively with fewer resources. **Waiting for economic growth to return cannot be our strategy.** Strategic thinking will be critical to leading our county government through these difficult fiscal times, achieving fiscal sustainability and preserving a strong foundation for the future.

Our ability to achieve fiscal sustainability and preserve our strong foundation is also dependent on the health of the business industry in our community. When businesses aren't healthy, new jobs are no longer created and existing jobs are lost. That affects capital investments as well as consumer spending capacity; and that affects government revenues needed to provide services our residents and businesses expect.

### **Focus on Business and Jobs: Retain, Recruit, Retrain**

Small business has always been the backbone of our economy. The majority of jobs and job creation in most communities rest with small businesses. But small businesses are struggling to create or even maintain jobs in part because of the lack of credit availability from banks for capital investment. This is a national crisis that must be addressed at that level, however, our Dutchess County Economic Development Corporation (EDC), led by its President John MacEnroe; the Dutchess County Industrial Development Agency (IDA), led by its longtime experienced Chairman Mike Tomkovitch; and the Dutchess County Workforce Investment Board (WIB) and Executive Director Richard Altman, nevertheless have been individually and collectively extremely active in supporting the needs of small businesses and job seekers in our community. We must continue, particularly during a recession, to be pro-active in business development, job creation, and worker training efforts.

During 2009, three significant business recruitments were successfully completed. We spent a great deal of time, energy and effort to convince *SpectraWatt* to locate here in our community.



This is a notable achievement because *SpectraWatt* is the first solar cell manufacturer in New York, and will occupy 110,000 sq. ft. on IBM's East Fishkill campus. It brings with it \$80 million in investment and an initial 100 jobs, expected to grow to 150 jobs once fully operational. I just visited the site a few weeks ago to again meet with company management and to check on their construction and start up progress. I am pleased to see first hand the success of our work to recruit this exciting opportunity to Dutchess. This recruitment is especially exciting because it is hoped it will add to a new evolving synergy cluster for other solar-related businesses and jobs to locate in the Hudson River Valley.

*DERF Electronics Corporation* has consolidated its operations and relocated to Dutchess County. An independent distributor of electronic components, *DERF* is an established business since 1946 and enjoys a worldwide client base. In eastern Dutchess, *Clancy Moving Systems*, a small company of eight, has relocated to the former Westech Building in Pawling, adding important activity to this area of the county. The EDC continues to focus efforts on several other active prospects in 2010.



Important retention efforts were also successful when the EDC joined with the Executive office and others from TEAM Dutchess in helping to eliminate a new tax provision put in place last year by New York State that would have forced *Associated Aircraft Group* and its 76 local jobs to leave New York State and its home at the

County Airport. *eMagin*, a leader in OLED micro displays and virtual imaging technologies, has re-signed its lease in East Fishkill. I believe it is critical that the businesses we have successfully recruited over the years know that we are still engaged and committed to their continued success. That is why I recently returned to visit the new Site Executive at the *Gap* facility in Fishkill. It is also why in carrying out its strategic decision to increase direct interaction with local small businesses, we funded EDC staff to conduct 78 site visits in 2009 and will continue its pro-active outreach and assistance in 2010.

**Every** business and job in Dutchess County is worth fighting for because **behind that job or business are people and families** - perhaps a personal friend or neighbor.

Not all the hard work in 2009 ended in positive results however. A tremendous effort was put forth by many of us, including a personal conversation with Governor Paterson, in trying to put together a deal that would have retained many of the 600 jobs at *NXP*, a valued high tech manufacturer whose European ownership had announced it would shut down. A year long endeavor left no stone unturned or available tool untapped, but in the end the owners of *NXP* did not work out an agreement. This was a major disappointment and took a great emotional toll on the community, and the 600 families who would no longer have an income and would face job loss during a national recession. County government, as well as many others in the community, rallied with as much support, information and services possible to assist those impacted.

With the initiation of a *Business Services Team* comprised of Dutchess County and regional service providers to streamline delivery of service to businesses, EDC with funding from County government, assisted over 610 individual businesses with financial and/or business counseling and Empire Zone assistance.

In another proven strategy that supports local manufacturers in marketing their products, the IDA provided \$28,000 in non-tax dollar grants to several small businesses to attend trade shows. This effort, administered by the EDC, has helped businesses bring new products into new markets, and keeps local families employed. While some may not be familiar with all the names, Dutchess County businesses like *Paragon Aquatics* in LaGrange; *Mechtronics* in Beacon; *Harney & Sons Tea Company* in Millerton; *James L. Taylor* in Poughkeepsie, as well as *Unifuse*, *Kent Optronics*, *Kitchen Cabinet Co.*, *ModCraft Inc*, *Superior Walls of the Hudson Valley*, and *Vantage Manufacturing & Assembly* and their employees represent the diverse business sector and geographic group who benefited from this grant program. It is an important component of our business development and jobs retention strategies.

As expected, training and retraining for the unemployed and underemployed was actively sought by many in the community who lost jobs or had not been able to find jobs. Dutchess County *Workforce Investment Board (WIB)* services reached 10,900 adults and dislocated workers in various ways including skills assessments; certified training; skills upgrade clinics; and online skills training during the WIB's federal program year ending September 2009. About \$650,000 was invested in the training programs.

Approximately 4,000 participants successfully found jobs in the 2008-2009 period ending September 2009 - and 84% held the job for six months or longer. These job placements generated more than \$65 million in earnings.

Enhanced federal stimulus funds reached 5,900 new customers with 475 adults enrolled in training programs. All ARRA stimulus funds currently are committed to worker training.

The WIB is busy developing a new operations model for the *One-Stop Center*; administering \$750,000 in individual training commitments which include both certificate and degree

programs; and the upcoming eight Green Talent Pipeline Regional Sessions scheduled in Dutchess County through April 2010.

Our enormously popular and highly rated community college, *Dutchess Community College* (DCC), continue to be one of the great jewels of this county. In good times and tough times, the college stands out as one of our most important pieces of “infrastructure”. Enrollment continues to grow as families turn to the convenience and affordability for the traditional aged student just graduating from high school to those non-traditional students who may be looking to another career or have found it necessary to upgrade their skills and knowledge to compete in the market place.

DCC has had the lowest tuition of any college or university in the state for the past nine years, while offering students a high quality education. DCC President Dr. David Conklin recently noted student enrollment increased substantially for this past fall semester. 1,350 more students took credit courses this past fall than the prior year, an impressive 16% increase. This increase was the second highest percentage enrollment of any college or university in New York State! In fact, the increase in credit enrollment at DCC was nearly as high as the enrollment increase for ALL of the thirteen comprehensive colleges in the State University of New York combined!

Although challenged due to the current economy, tourism remains one of the largest industry segments, generating significant tax returns to the County through sales and bed tax in 2009. The bed tax typically generates about \$2 million annually. Dutchess County Tourism efforts focus on engaging new and repeat visitors to Dutchess County. The overwhelming response to the *Walkway Over the Hudson* (more than 400,000 visits in the first two months) portends well for 2010.

2009 was a significant year, highlighted by the *Hudson Fulton Champlain Quadricentennial* and the opening of the *Walkway Over the Hudson*. The *Quad* brought numerous events and activities on the Hudson River including the replica of the Henry Hudson ship, the *Half Moon*, during the Memorial Day weekend and the John J. Harvey historic fireboat on the 4<sup>th</sup> of July where more than 8,000 people gathered on river shores to see fireworks and first-time-ever lighting of the sprays of the Harvey. Thanks to our promotion and marketing efforts, the *Quad's* website, *Dutchess400.com*, received over 30,000 unique visitors.

Thanks to the county dollars we direct to Dutchess County *Tourism*, we had designed, produced, and distributed 75,000 travel guides, 90,000 calendars of events and hosted a record 50 travel writers who generated more than \$2 million worth of articles in various national and international publications. Eight distinct e-newsletters were distributed to more than 9,100 business and leisure travelers.

More than 600 tourism businesses, employing thousands of local workers, were promoted at six travel and trade shows; the leads generated at these shows were distributed to 60 businesses interested in group markets, 13 new experiential tours were created for the group travel market and 27 packages were posted to *Getaway New York* designed to generate overnight stays in leisure market.

[Dutchesstourism.com](http://Dutchesstourism.com) was updated and over 550,000 unique visitors learned about Dutchess County from the site. If even a fraction of those online visitors became real visitors, the impact supports businesses and families dependent on the industry.

Dutchess County is rich in cultural and historic landmarks, as well as the natural beauty of our physical landscape. The success of the new *Walkway* adds to an already popular inventory of destinations - it all bodes well for a brighter 2010 for our tourism industry and local businesses.

### **Community Development**

If you believe that the economy has brought a halt to all projects and development is standing still in Dutchess County, this would be a serious misconception. If you believe we are sitting idle waiting for new investment, that would also be a serious misconception. Last year alone, planners for the County's Department of Planning and Development handled approximately 600 municipal referrals submitted for review of proposed site plans, special permits, zoning amendments, and SEQR under GML 239.

As we head into 2010, the department, led by newly appointed Commissioner Kealy Salomon, will be focused on a full agenda of planning and community assistance projects, affordable housing projects, community development support and more.



Projects such as *Silo Ridge* in Amenia, the *Knolls of Dover*, the *Carvel Property Development* by the *Durst Organization*, and the *Cricket Valley Energy* project in Dover remain in our community development “pipeline” and continue to move forward incrementally. **Combined, these projects are poised to have an estimated \$2.3 billion investment impact on our community. That’s impressive!** Each is receiving support and guidance in various forms from different elements of our TEAM Dutchess

members to help them to succeed and to trigger these huge sums of money compounding through our county.

Affordable housing remains a strong focus for Dutchess County. As an example of regional “shared services”, in 2009, we completed and released the *Regional Housing Needs Assessment* in partnership with Ulster and Orange counties that details the affordable housing needs for the region through 2020. In 2010, construction will begin on several significant affordable housing developments within Dutchess County, creating more than 90 new units, including 72 senior and family rentals at *Pendell Commons* in the Town of Poughkeepsie, and rehabilitating over 34 occupied units at *Livingston Arms* in the City of Poughkeepsie. Both projects are “shared” efforts with other entities and partners.

Last year we completed the 2010-2012 requalification process for the *Community Development Block Grant (CDBG)* Program, allowing local participating municipalities to be eligible for \$1.6 million in federal grant funds distributed by Dutchess County for affordable housing, economic development, public facilities & infrastructure improvement and public services projects. In 2009, projects ranged from road and sidewalk improvements to storm-water management and handicapped accessibility projects at local town parks for municipalities throughout the county. Again these projects are a prime example of “shared” efforts with other partners.

Also in 2010, as a continuation of my commitment to smart growth principles, the Department will work toward the adoption of four Greenway Guides into the Greenway Compact plan, *Greenway Connections*. The new guides include *Slower, Safer Streets*, *Rural Roads*, *Convenience Stores with Gas pumps*, and *Centers and Greenspaces*, a regional pattern guide.

Planning staff will also continue its work in collaboration with the U.S. Census Bureau for the *2010 Decennial Census*. For the past two years, the Department has been engaged in reviewing more than 116,000 address records provided by the Census Bureau. Using our Geographic Information Systems (GIS), county staff from Planning, OCIS and Real Property Tax, corrected, deleted or added over 57,000 addresses and made over 5,900 road corrections to the Local Update to Census Addresses. This information is critical to our community as the *2010 Census* will determine how much communities receive from more than \$400 billion in federal funds for use towards hospitals, job training centers, schools, senior centers, public works projects and more.

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An inherent dilemma in our society is that it’s become too easy to look at a glass of water and think of it as half empty. We tend to concentrate on our losses rather than what’s available in the “account”. Let’s talk about what’s available in the Dutchess County “account” because despite difficult times, it remains healthier than most.

At the risk of offering an overly simplistic view when we all can agree nothing in life is as simple as it may appear, let’s look at what Dutchess County has in our account. To further flesh out the title of the 2010 State of the County, *Expectations vs. Deliverables in Challenging Times*, we will use the following fictional narrative to set the stage for more expansive answers to the big questions “Just what do we pay county taxes for anyway?” and “So tell me again how that helps my family, my community and my employer?”

*It’s an early February morning in Dutchess County. Life long county resident John Smith just finished shoveling off his sidewalk from the overnight snow and stops to grab the daily newspaper out of the paper box. He waves to the plow truck driver who is clearing the remaining snow from the road, and is relieved to know he shouldn’t have trouble getting to work this morning. As he heads back into the house, he scans the news headlines and shakes his head. “Another frustrating headline about government,” he thinks. “Why do I work so hard to pay my taxes when it seems those dollars just go down the drain?”*

*Once inside, he sits down for a few minutes to chat with his wife Jane before heading out to work. "Don't forget, I will be home later tonight," he says. "I have that High Intensity Firefighting training class tonight at the Emergency Response Center over near Dutchess Community College. There will be five other volunteers with our fire department taking the class plus volunteers from other fire companies, so I am not sure how late I will be. While I'm there I want to be sure to ask Pete about his daughter who just got back from Iraq".*

*"No problem," says his wife. "I want to try to finalize some of our plans for the family reunion this summer. I know we talked about booking the new pavilion at Bowdoin Park since the family really liked it when we went there for the summer concert last year, but I thought I might also look into Wilcox Park since it has swimming and paddle boats as amenities. Both parks have overnight options – camping at Wilcox and that great Mapleknoll Lodge at Bowdoin which sleeps 25. I will use the time tonight to do some more research online about both parks, and then we can make a final decision."*

*"Sounds good to me," says John. "Hey, did you get a chance to call and check in on Mrs. Adams to see how she is doing with the bad weather? I worry about her as she is getting older and living alone."*

*"I actually just got off the phone with her," said Jane. "She is doing just great. She is such a doll, but boy is she is a talker! I got the complete rundown of her schedule for the week. You know how she joined that exercise group last year? Well, now she is going to these Brain Games classes at the senior center as well. She has the Dial-A-Ride bus coming to her house a few days a week to get her everywhere she needs to go. I think it is great how she is working to stay active and involved. She is still thinking of relocating up to that new place Red Hook Commons where she can be closer to her daughter, but for now she seems content to stay where she is. She recently got one of those Personal Emergency Response devices, which seems to have given her an extra level of confidence knowing she can get help if she falls."*

*"She was even filling me in on all the neighborhood gossip," Jane went on. "According to her, things seem to have improved for Mary and the kids; you know the ones around the corner? Her ex-husband has finally started paying the child support payments through the County and even caught up on the back payments from the last two years. That should make life a lot easier for them."*

*"Then she caught me up on how young Danny from down the street is doing. After that trouble he got into it with drugs, remember... when he nearly did jail time?" Jane continued. "Well, now he really seems to have turned his life around, has been doing his probation community service sentence for a local church and helping with some Greenway trail work. According to his mom, he also has been going to chemical dependency treatments and has come a long way. Sounds like the experience has really changed him for the better and got him back on the right track."*

*“Things are still pretty tough for the Martins though,” Jane said sadly. “Frank still hasn’t had any real luck finding a new job since his company closed last year. He has been taking some training courses to broaden his employment options, but they are really worried about how long they can make it through this.”*

*Jane went on, “I did tell Mrs. Adams how we ran into the Jones family at the flu clinic we went to at John Jay High School and I filled her in on how big the girls have gotten. I let her know they were asking about her. I thought we would have had longer to catch up while waiting on line, but we were in and out of there so quickly we didn’t get to chat very long at all!”*

*John looks at the clock and gathers up his coat and his keys. “Time to hit the road,” he says. With a kiss for his wife and hugs for the kids, he heads out to the car. On his way to work, he stops at the gas station and fills up the tank. He gets back on the road, but is momentarily delayed by the LOOP bus stopping to pick up passengers. While he waits, he glances over at the newspaper he has tossed on the passenger seat and as traffic begins to move along, he is again thinking about the news headlines about government and taxes and is frustrated. “Just once, I would like to know what I am getting for all that hard earned money I pay in taxes. Where exactly does it all go??”*

Anytime we invest money, we want to see a return for our dollar. That is particularly true for property taxpayers. Property taxes are an investment by residents into their community. Rightfully so, residents expect to see that investment put to good use. But when the news is full of headlines about government waste and bloated spending, combined with difficult economic times where residents and businesses are feeling the pinch on their own budgets, it can be difficult to believe tax dollars are really being spent wisely and to see how our tax investment actually touches lives each and every day.

So let’s take another look at John’s morning. Let’s look at just some of the ways Dutchess County Government has and will continue to impact his life and the lives of those in his community.

### **Support for Our Seniors and Our Veterans**

The Smiths’ elderly neighbor, Mrs. Adams, is taking advantage of a few of the many programs and services offered through Dutchess County’s Office for the Aging (OFA). More than 1300 seniors participate in the *Senior Exercise Program* offered at locations throughout the county. The *Brain Games Program* is a mental fitness program that was introduced just three years ago and already has 15 classes underway countywide. Programs like *Senior Exercise* and *Brain Games* help keep seniors socially engaged with the community, while promoting physical and mental fitness that allow them to live independently. Mrs. Adams’s *Personal Emergency Response System* (PERS) helps her to feel confident about living alone, knowing that she can call for help if she were to fall or be injured. PERS can be arranged through Dutchess County Office for the Aging's DUTCHESS NY Connects, and through other suppliers.

Many of OFA’s programs are held at nine county *Senior Friendship Centers*, some of which are operated as a “shared service” in partnership with local municipalities. The Friendship

Centers offer seniors a place to have a hot lunch, join in activities and meet new friends. In 2009, more than 51,000 congregate meals were served in the county's *Senior Friendship Centers*.

To participate in OFA programs or to get to other destinations, many seniors require transportation assistance. OFA, also a "shared service" with 10 local municipalities, helps fill this important senior assistance need with *Dial A Ride* service. Since 2007, Dial A Ride service has seen an astounding 20% growth in ridership with more than 28,000 trips provided in 2009. This service gets seniors to medical appointments, nutrition programs, shopping, social activities and more, improving quality of life by providing continued access to community living.

There are numerous seniors in our community who are homebound and depend upon OFA for assistance with home delivered meals. In 2009, more than 133,000 meals were delivered to disabled or frail elderly in Dutchess County, thanks to the dedication of OFA volunteers – that's right, not paid County staff. For many seniors, the volunteer who delivers their daily meal may be their only social contact that day.

One of the hallmarks of our Office for the Aging is its use of volunteers to enhance and provide services. Nearly 400 volunteers provide more than 40,000 hours a year in service to make many of our programs possible. Using the current estimated dollar value of volunteer hourly service as calculated by the *Independent Sector* in Washington, D.C., our **OFA volunteers donated more than \$1.1 million in 2009**. What a tremendously positive reflection on our community at large here in Dutchess County – and what a great way to save tax money!

In 2010, we will continue to work to meet the needs of seniors in our community with new and innovative programs. One new initiative is for OFA to work collaboratively with the Department of Mental Hygiene to implement a demonstration program of depression screening for case management clients as well as a depression identification and awareness program for those who have contact with homebound elderly, such as volunteers and letter carriers.

We will also build on the successful *Senior Exercise Program* by working to further reduce the incidence of falls among the elderly through *Falls Prevention Awareness* and other education programs. Falls are costly to the elderly, both in terms of physical injury and even death, as well as financial cost. A broken hip resulting from a fall can cost over \$60,000 for hospitalization and rehabilitation.

Another new initiative for 2010 includes Dutchess County as one of a handful of counties chosen by New York State Office for the Aging to participate in the *Community Living Program* in 2010. The two year program identifies those at risk of nursing home placement and Medicaid spend-down and provides them with in home services.

John Smith mentioned how he wanted to talk to his friend Pete about how his daughter was doing, who had just returned home from serving in Iraq. For so many local families who have a son or daughter, or a husband or wife or other family member serving in the military, our County Veterans Service Agency has been a welcome haven of counseling, resources and

compassion. When a veteran, active duty service member and or family member come to the Veteran Service Agency, they are seen by a counselor who has walked in their shoes.

The men and women who have recently returned from service in Iraq or Afghanistan are often left wondering...*what's next?* The Veterans Service Agency is here to help with resources designed especially for returning veterans from information about employment options to assistance to help them pursue college education using their hard earned benefits and much more.

Our trained veteran counselors provide a professional service on a personalized basis to assure our county veterans and their families receive the maximum benefits from the Department of Veterans Affairs and other agencies that they have earned from their Honorable Service to our country. In 2009, we had more than 9,400 contacts with veterans, family members and others and provided over 13,000 services, this represents a **dramatic 54% increase in contacts since 2005.**

Our success in increasing veteran contacts is a result of our ongoing outreach efforts. **We go to where our veterans are.** We attend Department of Labor Veterans Seminars, Office for Aging Senior Picnics, Community Day Celebrations. In 2010, we will be working closely with our local colleges to ensure veterans who are attending classes have on site access to our veteran's counselors. We will also be making home visits to our homebound veterans as well as those in local nursing homes. We will also continue our hugely successful *Veterans Appreciation Day* event, scheduled for Saturday, November 6th, 2010 at the Wallace Center at the FDR Library and Home.

### **Social Service, Mental and Physical Health Support**

Back to our story, the Smiths' neighbors, the Martins have been struggling as a result of job loss, like many others in our community. One of the primary goals of the Dutchess County Department of Social Services (DSS) is to provide assistance to eligible individuals and families while helping people to achieve their full potential. In this uncertain economic time, DSS has seen significant increases in the need for transitional assistance, with an increase to more than 38,000, a daunting 34% increase that County staff has had to respond to since 2007. Here are just a few examples of the increase in DSS service demand:

- Food stamp benefit payments through October 2009 totaled more than \$23 million, reflecting a 94% increase when compared to the same time period in 2007.
- Day care support was provided to more than 2,600 families and nearly 4,300 children. This is a 16% increase in families served and 14% increase in children served since 2007.
- The *Mentoring/Work Now* program had 86 active participants to help eligible individuals in job searches, soft skills, resumes, and obtaining and keeping jobs.
- In 2009, Child Support collections totaled more than \$31 million, a 5% increase as compared to 2007.
- There were over 300 children in foster care, a 4% increase from 2007.
- 2009 Medicaid gross cost was \$345 million with a county cost of \$35 million, 18% higher gross than in 2007.
- Currently there are 17,131 Medicaid cases, an increase of 19% over 2007.

DSS continues to seek out cost savings measures to implement additional initiatives to streamline its processes and provide assistance as efficiently as possible in order to keep up with rising caseload demand:

- A new Non-Emergency Medicaid Transportation Broker service contract, developed by an in-house administration team, provides improved customer service and **saves taxpayers** an estimated **\$1.25 million**.
- The *Special Investigation Unit* for Temporary Assistance, Medicaid and Food Stamps has been able to avoid over \$12 million in ineligible benefits.
- Imaging of records has improved efficiency and also requires fewer staff for filing and pulling records.
- A new greeter and line control system in the reception area minimizes wait time for customers.
- The new *MY Benefits Electronic Food Stamp* application process gives residents the ability to apply online for *Food Stamp* benefits.
- The Eastern Dutchess Government Center offers appointment service, and currently carries 600 active cases, bringing County government services closer to our customers – improving access and convenience.

These challenging economic times have created stresses that can manifest into mental health issues. The Dutchess County Department of Mental Hygiene (DMH), in collaboration with community partners, have trained professionals available to assist residents with clinical services for adolescents and adults with substance abuse issues, mental health services, intensive services for children with emotional needs and their families and more.

Access to all of DMH's services is available through the department's HELPLINE at 485-9700, a 24/7 centralized intake, crisis counseling, information, and referral service. As the economy has contracted, DMH has experienced a corresponding increase in the number of calls. **HELPLINE calls have increased 29% since 2007, with more than 20,000 calls in 2009.**

Suicide prevention call boxes, with direct connections to HELPLINE, are currently in the process of being installed on the *Walkway Over the Hudson*, similar to what is already installed on the other Hudson River bridge crossings. Of note, there were two incidents where lives were saved in 2009 because of the quick actions taken by HELPLINE staff. One incident occurred in June and one in August; and both individuals used the call boxes on the north side of the Mid-Hudson Bridge.

DMH has also been taking aggressive steps to improve efficiency, recently completing the last major phase of a migration from paper charts to electronic medical records. In 2009, the NYS Office of Medicaid Inspector General audited Mental Hygiene's records from 2004-2008. The audit reviewed nearly \$39 million in Medicaid payments and found DMH to be in full compliance with Medicaid billing rules and regulations. The audit had no negative findings and required no payback to the State, a significant accomplishment considering counties across New York have been ordered to pay thousands of dollars in repayments.

DMH has also begun a major initiative - its plan to reform and restructure the department and realign its resources. The first phase was the recent closure of the Southern Dutchess Continuing Treatment Center and the transfer of patients and staff to other appropriate treatment programs. The net effect over several years will be a reduction in county costs, without compromising the quality or treatment services provided.

In 2009, much of the news from the health community was about H1N1 (swine flu) influenza. This health threat was and continues to be a significant concern for families, schools, and businesses. The County Department of Health orchestrated a multi-layered strategy to respond to this community health threat that includes surveillance efforts, community mitigation, risk communication and mass vaccination.

While there were more than 1,500 confirmed or probable cases of H1N1 influenza reported in 2009, the overall impact of the H1N1 outbreak in Dutchess was not as severe as originally feared, thanks in large part to the successful public information outreach efforts conducted by our County Health Department. Education presentations were made to schools, colleges, community residents, medical providers and businesses. The County's award winning website, [www.dutchessny.gov](http://www.dutchessny.gov), features a "What to Do About the Flu" information page, where tens of thousands of people have gotten the most up to date information about flu. This is just one more very highly visible example of taxpayers using county government for service and information.

A terrific example of the coordination and effectiveness of interagency cooperation – collaboration among Health, Emergency Response, Mental Hygiene, Office for the Aging, Sheriff, and Public Works, coordinated the receipt, storage and distribution of the H1N1 vaccine released from the Strategic National Stockpile. Nearly 70,000 doses of vaccine were distributed to medical providers throughout our community, or at our county government operated H1N1 public vaccination clinics.

We hosted 13 H1N1 vaccination sites late in 2009 and into 2010. More than 6,000 residents took advantage of the clinics held throughout the county. An online clinic registration process proved to be an effective and efficient planning tool and ensured residents were in and out of the clinic quickly with minimal waiting time.

Another key element in the success of our flu clinics was the participation of our ***Medical Reserve Corps (MRC) volunteers***. More than 100 MRC volunteers took part in the H1N1 response with a variety of functions including administrative assistance in planning the clinics, assistance with the arrival of the vaccine and serving in both medical and non-medical roles at the clinics. The dedication of our MRC volunteers translated into **big savings for taxpayers** as well, with **more than \$32,000 saved** because of volunteers at the H1N1 clinics held in 2009. More importantly, the response of our MRC volunteers demonstrates the County is prepared to deal with public health events and other emergency situations. The Dutchess County MRC is considered a model in the state and the nation.

Cardiovascular disease continues to be the leading cause of death in Dutchess with more than 140 residents in the county who die each year due to sudden cardiac arrest. That is why we

continue to expand the successful *HeartSafe* Communities program. Since this first-of-a-kind countywide program was launched just three years ago, there are more than 40 community and municipal organizations who have taken simple steps to become *HeartSafe*. Making sure employees are trained in CPR and having *Automated External Defibrillators (AEDs)* available can make a life saving difference in the event of sudden cardiac arrest. In 2010, we look forward to honoring Rhinebeck, the first municipality to earn the *HeartSafe* designation for its entire geographic area.

The difficult economy saw more people than ever take advantage of the *Dutchess County Prescription Drug Discount Card* which was a major initiative of ours a few years ago. In 2009, more than 10,000 Dutchess residents saved over \$400,000 by using the discount card at locations throughout the county.

In 2009, the Health Department was awarded a \$100,000 grant to develop collaborative local health planning efforts to promote healthy communities. The *HEAL 9* project is a regional health care planning and development project in partnership with neighboring Hudson Valley counties. A regional survey was developed and administered in 2009. In 2010, survey results will be released and focus groups will be held to identify strategies for improving health outcomes.

In 2010, in collaboration with OCIS, the Health Department will continue to improve efficiency and revenue maximization with a new *Public Health Nursing Billings & Records System*. This expanded initiative is another example of working smarter to be more efficient and effective. We will expand the electronic capture of patient data, allowing better tracking of patient results and accurate/timely submission of claims and billing to Medicare, Medicaid and 3<sup>rd</sup> party insurance.

### **Public Safety and Emergency Services**

The Smiths' young neighbor, Danny, has experienced trouble with the law as result of drug issues, but after treatments and community work as a condition of his probation, he is moving in a positive direction to get his life back on track. Danny reflects just one of the possible success stories of our multi-department integrated criminal justice efforts, including the *Criminal Justice Council*.

The *Criminal Justice Council (CJC)*, which I first created in 1993, is a unique structure that exists in few communities across the United States. It is composed of representatives from various areas of the criminal justice system including representatives from the District Attorney, Public Defender, Sheriff, Probation and Community Corrections, Social Services, Mental Hygiene and Youth Bureau, as well as legislators, members of the judiciary, law enforcement officials and volunteer citizens. The Council has successfully engaged its members in a collaborative process of information sharing, and maximizing resources that results in an enhanced more efficient criminal justice process – that we believe also saves taxpayer money.

The CJC received a NYS grant award of over \$180,000 to continue its *Re-Entry Task Force* initiative with the goal of further reducing recidivism and enhancing public safety. CJC sub-

committees have partnered with the county's Veterans Service Agency to increase awareness of issues surrounding veterans returning from their active duty experiences.

In 2009, the Office of Probation and Community Corrections launched the Juvenile Pretrial Program designed to reduce unnecessary juvenile detention. It provides the Family Court with alternatives to detention. Youth are screened for potential alternatives commensurate with their level of risk. In collaboration with the County Attorney's Office and with funding from Social Services, it is projected the program will **save taxpayers \$200,000** due to the reduced number of detention beds and at the same time will increase the likelihood of successful outcomes. As part of the program, the *Curfew Monitoring* project was also initiated. Teams of probation officers check on youth ordered to obey curfews set by Family Court Judges.

In late 2009, we purchased, at no taxpayer cost because of *STOP-DWI Program* funding from fine money, "call center" technology for automated calls that will notify probationers of their reporting instructions and random drug/alcohol tests. This will assist probation officers with caseload management, allowing them to spend more time interacting with clients and focusing on enhancing community safety.

In 2010, the Probation and Community Corrections, Mental Hygiene, Social Services, and Public Defender departments will collaboratively participate in the newly formed Drug Court in County Court. *Probation* will be faced with increased caseload from this initiative in addition to an anticipated increase in the DWI caseload due to a change in state legislation requiring ignition interlock for certain DWI convictions.

If you recall, John Smith had also reminded his wife that he would be taking firefighter training at the *Emergency Response Center*. Training our county's first responders is a critical component of the Department of Emergency Response's mission. The opening of our *Emergency Operations Center* in 2009, featuring our new Learning Lab and additional training rooms, have improved the learning environment dramatically and has been well received by fire, police and emergency personnel throughout the county.

More than 3,300 individuals, including firefighters, commissioners, fire chiefs, emergency medical technicians, 911 dispatchers, other county employees and outside agencies, have attended over 400 training sessions and meetings at these new facilities, representing a **20% increase** in annual trainings. In 2010, the County Fire Instructors will develop a basic *Introduction to Firefighting Course* for emergency first responders for support operations. We know the expense for a county provided Emergency Operations and Training Center has a high "return on investment" because Dutchess is still a county highly dependent on the volunteers who make up so many of our local first responder organizations – which most certainly saves taxpayers millions of tax dollars each year. This is another perfect example of the "shared services" partnerships county government has created with its local communities.

Our new *Emergency Command Center* was constructed with a detailed specification process based on valuable input from fire, EMS and police professionals from throughout the county. As we watch the news coverage about the response to the earthquake in Haiti and remember the devastation of Hurricane Katrina or the tragedy of 9-11, we know how critical it is to have

immediate, coordinated communication in a centralized location to deliver a quick and effective response to meet the needs of our residents in emergency situations. While we hope never to have an event of that magnitude happen in Dutchess, other events and emergencies are certain to occur that require us to respond with speed and efficiency, such as the widespread flooding we experienced in the spring of 2007 or the Northeast blackout in August 2003.

Our extensive emergency training, the tabletop exercises and infrastructure investments all ensure we are prepared to deal with emergencies and provide for the public's safety and security.

### **Transportation and Infrastructure**

When John Smith stopped for gas on his way to work, he probably didn't give much thought to whether or not the pump was dispensing the correct amount of fuel as compared to what he was being charged. Like most of us, he just took it for granted that the fuel pump meter was accurate and the fuel met acceptable quality standards. Last year, the Department of Consumer Affairs inspected more than 4,500 gasoline pumps, scales and fuel oil meters to ensure accuracy and consumer protection. Consumer Affairs randomly sampled the 117 million gallons of gasoline sold annually in our county for chemical content to ensure the quality of the gasoline residents and visitors put into their automobiles.

Consumer Affairs provides a wealth of consumer information online at [www.dutchessny.gov](http://www.dutchessny.gov), ranging from identity theft protection, guidelines for dealing with home improvement contractors to tips on energy savings, all more important than ever as residents seek a better value for their dollar.

In our story, John Smith also has to wait for a moment behind a LOOP bus. In 2009, more than 600,000 passengers got to their destination as a result of LOOP bus service.



Last year the Dutchess County Department of Mass Transit underwent numerous changes to provide better management and operations. The County's first ever Transit Administrator was hired to ensure regulatory compliance and to be directly involved in the development of route schedules, marketing and advertising. Management changes have ensured our mass transit operation is meeting rigorous NYSDOT standards, while also providing quality service to county LOOP users. Increased focus on

policies and procedures, training for employees and the new management's understanding of all current regulatory requirements will ensure safety and security in all LOOP operations.

In 2010, the County's *Transit Development Plan* will be implemented. A major part of this plan is the finalizing of the fixed route service beginning in the early part of 2010 and the flex route service beginning later in the year. These changes will help to streamline routes, provide more commuter-friendly service and decrease the amount of time between routes.

We also look forward to the arrival of 14 new LOOP buses, including our first two hybrid buses as part of our commitment to reducing dependency on foreign oil. All were purchased using *American Recovery and Reinvestment (ARRA)* grant funding. Mass Transit will also complete the installation of electronic fare boxes on all of our buses and finish the bus stop shelters program, including the replacement of eight existing bus shelters. Additionally, federal and state funds will provide 90% of the cost for updating an outdated computer system.

In addition to our hybrid buses, Mass Transit will also be engaged in our ongoing “*Dutchess Goes Green*” efforts by working with Public Works to replace the existing fueling system with new eco-friendly and easier to maintain above ground tanks.

Over the past several years, we have made energy conservation one of the major objectives for the Buildings Division of the Department of Public Works as part of our *Dutchess Goes Green* initiatives. In addition to several initiatives designed to decrease energy consumption, we have diligently monitored our costs for fuel and electricity, always seeking the best prices and most cost effective process.

Over the past five years, we have conducted two separate formal request processes for the purchase of bulk supply for electricity. After extensive research and analysis following each request, we opted to remain a full requirement customer of Central Hudson rather than enter into an agreement for a fixed price contract with a consortium such as the *Municipal Electric and Gas Alliance (MEGA)*. These well-researched decisions have resulted in **taxpayer savings of nearly \$400,000 from 2005 to 2009**, with almost **\$200,000 in savings for 2009 alone**.

We have also focused on moving forward with another one of my top priorities, energy efficiency improvements for our county facilities. Opposition from the prior leadership of the County Legislature to conduct important energy audits on various county facilities was particularly disappointing, and costly, since we would be positioned to take fuller advantage of federal stimulus funds for energy related projects.

However, our staff worked diligently to submit a proposal for a grant of more than \$2.3 million in *Energy Efficiency and Conservation Block Grant (EECBG)* funding. With this funding, we will conduct the energy audit project early this year on approximately 750,000 sq. ft. of space in county buildings. To the extent possible, the funding will also be used to begin implementing recommendations made as part of the energy audit.

Additionally, we are eligible to take advantage of *Qualified Energy Conservation Bonds (QECCB's)*, a federal program administered through NYSERDA, which will allow us to fund additional energy improvements up to \$3 million, interest free.

A significant capital project for Public Works is the County’s *Highway Operations and Engineering Headquarters* on Route 44 in the Town of Poughkeepsie, which is slated for completion by early fall. The original complex dated back to the 1930s and an updated facility was needed to meet the county’s changing needs and the taxpayer’s expectation for a



*Highway Operations & Engineering Complex*

highway organization that could respond to the infrastructure needs of the 21<sup>st</sup> century. Continuing with our emphasis on using alternatives to fossil fuel, the new facility will also feature another of our major initiatives - the County's fourth **geothermal heating and cooling system**, following the successful installation of geothermal at the *Emergency Operations Center*, *Eastern Dutchess Government Center* and *Dutchess Community College*. Payback for these geothermal systems range from 9 to 12 years and are also eligible for more than \$100,000 in funding from NYSERDA.

In 2010, Public Works will also move forward with five major stimulus-funded projects totaling over \$8.5 million in construction costs, including three bridge replacements, paving of 10 miles of roadways and the continuation of safety stripping and pavement markings. This is in addition to the ongoing maintenance and repair of County highways, culverts, bridges as well as the snow and ice removal, mowing, tree trimming, sign maintenance and litter pick up on our County roadways that we handle each year to improve public safety on the roads.

### **Recreational Opportunities Abound**

*Bowdoin* and *Wilcox Parks*, the two location prospects for the Smith's family reunion, are two of Dutchess County's seven park facilities which are administered under the umbrella of our Public Works Department. The *Dutchess Rail Trail (DRT)*, the *Harlem Valley Rail Trail (HVRT)*, *Dutchess Stadium* and *Quiet Cove Riverfront Park* are the other County park facilities. Dutchess County offers a wide range of amenities to residents and hundreds of thousands of people take part in the numerous events hosted at county park facilities.

In 2010, our ongoing efforts to provide quality of life enjoyment at all of our park facilities will continue. At *Bowdoin*, our newest pavilion perched on the hilltop overlooking the spectacular Hudson River Valley is slated for completion. New playground equipment will be installed for the many hundreds of families who love bringing the kids for a day of fun - plus there will be an expansion of the popular Naturalist's programs at both *Bowdoin* and *Wilcox*. Annual activities include senior citizen picnics, the BMW Motorcycle Club Weekend, the Nike Regional Track Meet and collaborative town/county offerings of summer concerts and fireworks.

Upgrades and renovations at *Dutchess Stadium* will continue as we welcome the Hudson Valley Renegades back for their 17<sup>th</sup> season in 2010. Last year, a significant park upgrade was completed - the right field picnic deck area was finished and new field lights were installed. Dutchess Stadium continues to be a popular destination for events outside of baseball, with tens of thousands of people attending concerts and other events at this popular county owned park destination.

Another meaningful park upgrade will move forward with new site and facilities work at our *Quiet Cove Riverfront Park*, including the replacement of the building roof and front deck improvements to the “Navy Barracks” building. Additionally, needed restrooms will be installed in the building for visitors who utilize the park to enjoy the awesome river views.

Our two premiere rail trails, the *DRT* and *HVRT*, were both added to the National Registry of walking trails by the American Heart Association in recognition of the healthy benefits derived



*County Executive Steinhaus joins several young bicyclists for the Phase II opening of the DRT in 2009*

from walking, cycling and more on these popular trails. As each phase of the DRT opens, it becomes a more popular destination for residents and visitors alike. In 2009, the 2.4 mile Phase II, stretching from Morgan Lake to Overocker Road in Poughkeepsie, opened to the delight of thousands of residents.

In 2010, **our next big Rail Trail initiative moves forward** with construction of Phase III of the DRT, which will add six additional miles through LaGrange and Wappinger to connect with the existing East Fishkill/Hopewell Junction section.

### **Technology Advances**

For the sixth year in a row (2003-2009), Dutchess County Government has been recognized as one of the **most digitally-advanced county governments in the nation**. In 2009, Dutchess soared to the **#2 national ranking** in the 250,000 to 499,000 population category in the 2009 Digital Counties Survey.

One of the most recognizable technological aspects of county government and key example of what taxpayers get for their money is the County’s website, [www.dutchessny.gov](http://www.dutchessny.gov), which is open 24/7 to provide residents as well as visitors with **information they need when they need it**. The county website has experienced a dramatic **1,700% increase in web pages served** over the last 6 years, with usage now averaging an eye opening total of nearly 1 million pages per month! In 2009, [www.dutchessny.gov](http://www.dutchessny.gov) was also nationally recognized as one of the 10 best county government websites in the nation by the Center for Digital Government.

We made commitments to upgrade our service even further so in 2009 some key website enhancements to [www.dutchessny.gov](http://www.dutchessny.gov) included speech enabling, language translation, online application system, and an electronic payment pilot for park reservations and civil service exam fees.

In 2010, additional new website enhancement initiatives will include expanded use of electronic payments with a study currently underway for the County Clerk, new map-based LOOP bus schedules and routes, keyword phone directory and a consolidated county meeting/events calendar.

Beyond providing valuable web services to the public, the Office of Computer Information Systems (OCIS) has worked to provide a full spectrum of computer technologies, ranging from internal county applications to streamlined procedures that add to the operational efficiency of county government. In these difficult fiscal times, these added efficiencies are more critical than ever.

Some of the technological advancements done in 2009 or underway in 2010 include new higher-speed “Dark” Fiber Optic network to serve the current and future bandwidth needs of internal applications as well as County website applications for the public; *Aegis Justice Link (AJL) Public Safety* systems to provide connectivity among users in the District Attorney, Jail, Probation and Sheriff offices; County Clerk Cash Receipt and web site Document Search systems; and a new *Internet Provider Telephone System* project.

New for 2010 and another example of a “shared service”, OCIS and our Real Property Tax Office will assist eight municipalities with the production of Assessment Disclosure Statements which are mailed to residents as part of the annual assessment process. These statements are a state requirement for certain municipalities in order for them to receive assessment aid money. The County will be providing this service at significant savings as compared to what it would cost for the municipalities to produce the statements on an individual basis.

### **Collaborations and Shared Services**

Dutchess County government has a long history of collaborations with local municipalities and neighboring counties to provide maximum value to our residents through shared service arrangements. There are many examples of these services briefly mentioned throughout this document, but “in the spirit” of John and Jane Smith in our narrative who wonder what their county taxes pay for and how it benefits them and their community, let me go into some more detail.

The concept of “shared services” represents a formal or informal agreement among public entities such as local or county level municipalities, school districts, fire districts, or police departments to allocate equipment, facilities, staff or other resources to achieve costs savings, efficiencies or reduce duplication of services for mutual benefit. Shared services can also represent interagency contributions of knowledge, expertise, technology, training and leadership to improve the quality of public service for the individual constituencies.

Within County Government, the *Health & Human Service Cabinet* is the centralized hub for our human services departments to share information, promote co-located services, and support best practices to fulfill the County’s mission with collaborative departmental work plans and funding with a focus on outcomes for our residents. The Cabinet has achieved internal efficiencies for improved procedures, increased use of technology, training for both county and not-for-profit agency staff, and promoted evidenced based programming to reduce out of placement/incarceration costs.

What follows are examples of our long standing commitment to **shared services**:

- Central Services provides significant administrative cost savings to county government, the City of Poughkeepsie and many towns through joint bidding of expendables; purchase of paper; copier and telephone leases; as well as our print shop services.
- Our *Hudson Valley Municipal Purchasing Group* offers *BidNet* online which has increased opportunities for local business and nonprofit communities, improved transparency in the bid process and increased competition for better pricing.
- We contract with various towns to plow county roads within their borders. This provides revenue for the town yet saves County taxpayers the expense of additional manpower and equipment. The County also provides towns with salt assistance and storage, loan of equipment and engineering support regarding drainage, traffic management land access and other engineering issues.
- The County's Department of Planning and Development is by its very nature essentially a shared service, providing planning and zoning expertise to local governments, assisting in housing needs analysis, comprehensive mapping and geographic information systems (GIS) data and much more.
- Traffic Safety/STOP-DWI funding is provided to local municipalities for *selective enforcement patrols* to improve the safety of our residents on local roadways.
- Our Personnel staff provide school districts and local municipalities with expertise on Civil Service law, organizes the testing, provide lists for job openings and provides computer access to civil service information.
- Dutchess County Water and Waste Water Authority (WWA) works with towns on sewer and public water supplies, and county government often contributes to the cost of the planning for these projects. For example, our WWA has worked closely with Village and Town of Red Hook officials to apply for \$3.4 million in federal stimulus dollars that will be used to construct the Red Hook Sewer project, a smart growth project that has been long anticipated.
- Real Property Tax works jointly with local assessors and with the County's Computer Information Services to provide tax bills and provide assessment and other information via the popular *ParcelAccess* online applications.
- The Youth Bureau administers state funding for local municipal recreation and service grants, provides training on youth development and free short counseling for youth experiencing family or school difficulties.
- The Probation Department offers **Gang Resistance Education and Training Program** (GREAT) in the City of Poughkeepsie school district and assists with Poughkeepsie's Safe Passage Program.

- Department of Mental Hygiene coordinated an effort with local law enforcement agencies and St. Francis Hospital to streamline a process for mental health evaluation by police.
- The County and the City of Poughkeepsie will have an intermunicipal agreement for the City to provide back up capabilities to the County's E911 system, while providing the City with a revenue source that allows them to offer state-of-the-art 911 technologies for its residents.

In 2009, I had the opportunity to meet with several local municipal leaders for a frank discussion on shared services and how Dutchess County Government is striving to provide services in a manner that is fair and equitable to all of our residents. Village, town, city and county government within Dutchess County all have combined interests and we must work together to deliver services so our mutual residents and taxpayers are getting the best value for their tax dollar at an equitable rate.

As follow-up to that meeting, an invitation was extended to the Executive office to participate in *Dutchess Supervisors and Mayors Association* meetings and we were pleased to accept. In 2010, we will work with the Association to explore further potential shared services among the towns, villages and cities.

Shared service is not a new idea; in fact it has been the culture of this administration for nineteen years. It is a process that needs proactive participation and new input from multiple levels. In 2010, we look forward to working with our local Mayors and Supervisors for new ideas to serve our residents better, more efficiently. New ideas should not only come from within government, however. So in 2010, we encourage all residents to think about the services they receive from their local and county governments and even from community agencies and share with us their ideas for cost savings measures or more efficient practices.

In the coming weeks, we will be launching a new initiative – a **Shared Services** section to our county website, [www.dutchessny.gov](http://www.dutchessny.gov), where current shared service arrangements will be listed, but where residents can offer their ideas and insights as well.

At a time when all levels of government are facing significant fiscal challenges, it is important to remember challenge can present opportunity. There is a developing sense of energy as county government seeks to strengthen existing partnerships and forge new ones, utilize technology and maximize existing resources and ideas. We look forward to working with the new 2010 County Legislature to turn our challenges into opportunities for our residents.

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At this time each year for the past 18, my State of the County addresses have covered the landscape of county government's accomplishments for the preceding year and the work agenda for the new year. Our always full agenda has varied as diverse issues and public policies were developed, implemented and completed. One of the constants over this time has been the presence of Roger P. Akeley.

In my first few years as County Executive, we initiated a nationally recognized and award winning criminal justice system that has successfully integrated, coordinated, and complemented the numerous silo components of our criminal justice system; Roger Akeley helped lead those efforts for me. With the major corporate downsizing of IBM in 1993-94, we jumped into action with a first ever Economic Development Summit that brought together major stakeholders from business, government and education to establish community strategies for economic development and job creation which helped diversify the County's employment base and positioned the business community to grow jobs and prosper; I asked Roger Akeley to lead those efforts. We developed and maintained a strong focus on community development with the *Greenway Compact*; *Smart Growth initiatives*; *Rail trails development*; *waterfront development* and again I tapped Roger Akeley to help make it happen.

In 1994 with support from the County Legislature, I enhanced the mission of the Planning Department to add the *Development* element. This change reflected the need for an **action organization** within county government to partner with external economic and community development issues. It also enabled the Commissioner to become a stronger, direct extension of the County Executive as we welcomed the community's new expectations that the County Executive's role in the more external affairs of the County become broadened and strengthened.

With that new role, Roger also played an integral part in developing essential parts of the annual State of the County - so we're certainly missing him these days! However, over the years, Roger took advantage of many "*Windows of Opportunity*" as he brought us on a "*Journey to a Better Tomorrow*"; he had us "*Embracing Our Past; Investing in Our Future*" while he walked us north and south and over again along the County's 50 mile waterfront, our front porch on the Hudson River; he worked many "*Connections*" "*Getting There From Here*", knitting the threads of our fabric through the unique and disparate cities, towns, villages and hamlets throughout Dutchess County - always "*Maintaining and Renewing Our Commons*" along the way; Roger made sure we "*Measured Twice, Cut Once*" (okay, maybe there were a few occasions when we had to cut a few times); but all along the way Roger Akeley was vital in "*Making a Difference*" in the landscape of Dutchess County for generations to come.

Roger has accomplished much with his unqualified dedication to his work. Working closely with him one learns quickly it's not just a sprint with Roger but also a marathon. There are always more steps to take before you reach the finish line. Now after 26 years, Roger Akeley has retired as Dutchess County's Commissioner of Planning and Development and taken his final steps in the first half of his marathon.

During his time here, through a rare combination of visionary, creative thinking coupled with his action-oriented, facilitative style of bringing people and ideas together, Roger brought a mere position title - *Commissioner of Planning and Development* - to life.

I have been honored to work with Roger, and we as an organization and community have been blessed with his knowledge, talents and his ability to keenly understand and help develop the full sense of this community called Dutchess County, NY.

Thank you, Roger - you will be missed. Our best wishes go to you as you enter the next phase of your personal marathon!

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As we face economic challenges here at home, we remember and thank the men and women in our military who are serving overseas in a far more challenging environment. May God Bless them and keep them safe.

William R. Steinhaus  
Dutchess County Executive  
February 1, 2010