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**BROOME COUNTY LEGISLATURE  
REGULAR SESSION  
MONDAY, MARCH 3, 2003**

The Legislature convened at 5:02 p.m. with a call to order by the Chair, Daniel A. Schofield. The Clerk, Louis P. Augustini, read the fire exit announcement and called the Attendance Roll, Present-13, Absent-6 (Burger, Hudak, Hull, Kolba, Miller, Whalen).

The Chair, Mr. Schofield, led the members of the Legislature in the Pledge of Allegiance to the Flag.

**WRITTEN OR ORAL PRESENTATIONS OF THE COUNTY EXECUTIVE:**

Chairman Schofield introduced County Executive Jeffrey P. Kraham presenting the State of the County Address for 2003.

Mr. Chairman, Members of the Legislature, Distinguished Guests:

It is my distinct privilege to again stand before you and offer my assessment of the state of our community.

These are difficult times. The global slowdown in electronics manufacturing has taken its toll on the Greater Binghamton economy.

Skyrocketing costs of Medicaid, increasing costs of general government services, and the additional cost and constant threat of terrorism weigh on us each and every day.

We are part of a larger world, a world these days filled with tension. We may in a matter of days, be at war. A war unlike any we have ever fought.

And yet with all of the challenges we have and will continue to face, the core fabric of our community is strong. We need to keep moving forward, one step at a time, to retool our workforce, to rebuild our community, and to rejuvenate our spirit.

In my remarks this afternoon, I will focus on three things: our strategy for growing the economy and improving the overall quality of life in the Greater Binghamton region, our strategy for streamlining and enhancing the ways we provide public services to our residents, and our strategy for dealing with budgets at the federal, state, and local levels that will continue to be extremely difficult.

Our economy has for more than two decades been in transition. In 1995, we were dead last in job growth and economic development statewide. By 2000, we were leading the state and most of the nation, in job growth and economic development.

As the national recession started to take hold at the end of 2000, our electronics manufacturers were hit particularly hard by the worldwide slowdown in demand for their products. Our region lost nearly 3000 jobs in a short period of time. While we still have more people working than in 1995, many of our residents needed our help. Broome-Tioga Works, our regional workforce development arm, mobilized and provided more than \$850,000 in federal dislocated worker training funding to people who needed education and skills upgrades to find new work.

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Over the past year, Broome-Tioga Works has obtained more than \$2 million in grants from New York State to help us upgrade our workforce in companies that fall into key industry clusters including Lockheed Martin, BAE Systems, Universal Instruments, NLX Corporation, Sanmina, Ametek Aerospace, and Innovation Associates.

We allocated nearly a quarter of a million dollars in On-the-Job Training (OJT) funds to 70 companies for training of 125 new workers. While other parts of the state were still figuring out how to make OJT work, we were becoming critical partners in the efforts of our businesses to grow and expand.

This afternoon I want to recognize Dick Lindhorst and the entire staff at the Broome Employment Center for all of their efforts with local businesses. They are making a real difference and deserve our appreciation.

Last summer, working with the Press & Sun Bulletin and the Binghamton Mets, we created a "Work Try Out Camp," giving career changers a chance to try out various jobs in the Greater Binghamton region. In the laid back setting of NYSEG Stadium, participants could become a real estate agent, practice their bank teller skills, and attend workshops on starting a business.

More than 600 people and 30 companies participated in this annual event. This program has received state and national attention for the innovative way in which it brought employers and workers together.

Strong partnerships with Binghamton University, Broome Community College and Broome-Tioga BOCES have helped us better assess the needs of area businesses and develop innovative programs to meet those needs.

Recently, BOCES announced a new 10-week Warehouse Training Program, a collaborative effort with Broome-Tioga Works and 10 local companies. The first group of graduates was honored at a ceremony two weeks ago at BOCES.

Our one-stop employment centers in Owego, Endicott and on Front Street here in Binghamton averaged nearly 2,000 visitors a month in 2002, a 40% increase over 2001. Our clients are able to receive advice on their job search, practice interviews, create, print and send resumes, and take advantage of the latest technology for job searching.

Under the leadership of Patrick Doyle, we have in a short period developed the most effective workforce development system in New York State. As I speak, Patrick is in Washington, receiving national recognition for his efforts. In the next few weeks, we will be announcing an even greater challenge for Patrick.

As we look to the future we know that manufacturing will continue to be a significant part of our local economy; this sector will be leaner and more adaptable to the lightning speed changes of a global economy.

Local manufacturers in tandem with Binghamton University are working on the next generation of electronics manufacturing processes that will keep our tradition of being on the cutting edge of this technology in place for years to come.

The name of the game now is diversification and that's exactly what we have been doing in recent years.

We're seeing growth in all kinds of business services including software development, finance, insurance, real estate, simulation, and health care. Our strategic location at the crossroads of

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three major highway systems is helping companies such as Maines, Willow Run, and very soon Best Buy efficiently bring goods and services to the largest market in North America, in our very own back yard.

But our work has only begun. Nearly two years ago, we got together with the Broome Chamber, Partnership 2000, the Industrial Development Agency, the Economic Development Council, and the Workforce Board to develop a strategic, technology-based economic and community development plan that would guide us for years to come.

This coalition of leaders representing public and private entities who agreed to put differences aside and develop a regional economic development plan that would build on the tradition of technology and innovation for which we had become known.

While the development of the plan would be driven by these entities, the partners were committed to involving local economic development agencies, the private sector, and the community at large. With the challenges we face, we all realized the importance of working together.

Broome County was awarded a sizeable grant from Governor George Pataki's New York State Quality Communities Demonstration Program to jump-start this effort. Working together, we hired Angelou Economics, a Texas-based firm, to help us create a roadmap for growth and prosperity in the years to come.

The planning process that emerged represented the first county-wide and community-led effort in Greater Binghamton since the 1970s.

The Greater Binghamton Plan was completed in the Summer of 2002, following an unprecedented level of community input and support for this strategic economic development initiative.

Shortly thereafter, leaders of the major regional economic development organizations, including your honorable body, came together to insure implementation of the plan.

Although the plan addressed a multitude of needs and issues, four priority areas were highlighted for immediate action. They include marketing, workforce development, improved quality of life, and fundraising.

The new coalition assigned senior staff of their respective organizations to serve as the project management team, with the dedication of their resources, both human and financial, to ensure success of the overall plan.

The Plan has laid the groundwork for diversifying and strengthening the local economy by targeting economic development activities to 5 specific high impact industries including: electronics companies, communications services companies, private healthcare companies, biotechnology and bioinformatics, and food processing.

We have already begun systematically rethinking the way we do economic development in this region. We are involving education, media, and private sector entities in economic development.

We are creating a single marketing theme, logo, and message directed at target industries. And I'm pleased that the project management team is making good progress on this front.

We are focusing a lot more attention on entrepreneurship. The project management team has initiated dialogue with the Small Business Development Center of Binghamton University,

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Broome Community College, SCORE, Tioga County's Department of Planning and Economic Development, and the Broome County Empire Zone on developing ways they can more effectively serve people seeking to create their own businesses.

We are engaging in activities that nourish a diverse population of young, educated workers. Last fall, NYSEG and the United Way hosted the first annual Broome-Tioga Youth Summit giving more than 300 students an opportunity to interact with community leaders and express their ideas on improving opportunities for young people in the Greater Binghamton region.

We have begun strategically identifying brownfield sites for redevelopment. Last year, we were one of only a few communities in the country to receive a \$200,000 EPA grant to assess contaminated brownfield sites. This will help us begin turning key sites into opportunities for investment.

As simple as it sounds, one of the earliest successes of the coalition was to change the name of the region to Greater Binghamton. With support from the media, the business community, and coalition agencies, this has been a significant accomplishment for a region plagued by a history of parochialism.

I recently read an article from our local newspaper entitled, VILLAGES MAY UNITE. It read; "When the next session of the Legislature convenes a movement will be started to unite the two villages in the town of Union and the town into one city with a city charter and a city government." It goes on to read; "It is argued that all the places lie within the town of Union and that the interests of the three are practically identical; that with a single seat of government much more could be accomplished to boom the three villages than by separate action which is apt to run diversely."

The article was printed in 1913. The only change that did occur in 90 years is that Lestershire changed its name to Johnson City.

Consolidation of these municipal governments did not occur in 1913, or in subsequent years, and we have paid dearly for it. Many efforts have begun, only to be squelched. Yet we must and we will continue to pursue this end: to unite our efforts in delivering the necessary government services in the most cost efficient way possible.

I have taken the initiative to address this issue by appointing the Broome County Charter Commission. This body, made up of public and private sector citizens, has been charged with making recommendations to the Broome County Legislature for charter changes that will enable true consolidation to occur.

It has been thirty-four years since the Broome County Charter was adopted. During this time there have been many changes in Broome County. Our industrial base has been significantly eroded. Our assessed valuation has declined and our population has decreased. State mandated costs continue to be passed on to the county.

The Charter commission is already working with the Centralization and Consolidation Committee of the Broome County Legislature to develop a consensus for change.

The Charter Commission shall examine the workings of county government within the framework of the existing Broome County Charter. Their work will include examining and defining the role and function of the Legislature and the County Executive and propose amendments to the Charter to accomplish these recommendations.

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The Commission will request the assistance of the Centralization and Consolidation Committee of the Legislature in reviewing the functions of the various departments and agencies of county government to determine ways to eliminate duplicity.

The Commission will also request the assistance of the Centralization and Consolidation Committee to examine the delivery of essential government services within the county by local political subdivisions.

Some of the services to be studied might include police, ambulance, wastewater disposal and other essential services. The Centralization and Consolidation committee will determine the feasibility of transferring the function from the local political subdivision to the county. Ultimately the Centralization and Consolidation committee will recommend transfers of functions deemed feasible and propose procedures for implementing the changes recommended.

The budget situation at every level of government is as serious as it has been in a half century. We've all read that homeland security, huge increases in social program entitlements, a weak national economy, and preparations for a potential war in the Middle East have created enormous federal deficits. These forces have had a profound impact on us.

The Broome County budget faces many challenges. The use of substantial one shots in the 2003 budget on its own could cause a tax increase of 18% in 2004. A projected \$4.5 million increase in the local share of mandated DSS expenses could also significantly increase 2004 taxes. Unless we take some bold action, we enter the 2004 budget process with a potential 30-35% property tax increase. That increase could be reduced if the State Legislature reinstates sales tax on clothing.

I'm prepared to recommend that we take action to relieve our overburdened property taxpayers, particularly those on fixed incomes. Property taxes in upstate New York are already 64% higher than the national average. I have teamed up with my executive counterparts from across the Southern Tier to send a strong message to Albany concerning Medicaid reform. Every dollar the state saves, is a dollar saved by the counties.

As important as reform is, it is crucial to stop using the wrong tax- the property tax to fund this federal mandate. The best scenario would be if New York State would raise sales tax one penny statewide. They could take over our share of Medicaid, and we could almost eliminate county property taxes. Absent any state action last year, I proposed that Broome County consider a penny for health care as a better alternative than a substantial property tax increase. There would have been no property tax increase for 2003, 2004 and probably 2005. With New York State facing its worst fiscal crisis ever, it may be extremely difficult for state leaders to reach an agreement on Medicaid. We must then be prepared to look out for the best interests of our taxpayers. Some form of sales tax, whether ½% or 1% would be a fairer way to pay for Medicaid. The costs would be paid by everyone, not just property owners. We will need to work together to resolve our budget issues. We will not be able to offset millions in the 2004 budget through program cuts alone.

The crisis in Medicaid is not confined to Broome County or even New York State. Every state in the Union faces huge increases in the costs of this important program.

Last week, President Bush announced that he would be proposing significant changes to the Medicaid Program. There will be a national conversation about the role of government, the responsibilities of individuals, and the part of the private sector in health care.

In the Governor's recently released amendment to the Executive Budget, he outlined a plan to help relieve local Governments of the pension cost increases announced by the State

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Comptroller. Without this relief we will experience a severe budget shortfall in 2003. Working with the Governor's office our voices have been heard.

Through our initiative to create a Front End Fraud Detection Unit in our Social Services Department, we have quickly become known as the most difficult county in the state to commit fraud. During the budget deliberations in October of last year we set in place very aggressive goals to be met by the Fraud Unit.

In spite of record applications, beyond expectations, we are controlling the cost of Medicaid by assuring that only those who are legally eligible are provided benefits and those who would commit fraud are prosecuted.

When it comes to internal operations and delivery of services, we continue our ongoing evaluation of every department, every system, and every way in which we serve people to determine if we are being as efficient and effective as possible. Our department heads are constantly challenged to do more with less.

This is all part of a plan that we began more than a year ago to streamline government services. We merged Mental Health with Social Services and the Airport and Transit services into one Transportation Department. Both of these actions are seeing early progress.

I have over the past five years focused much of my economic development strategy on improvements to the Greater Binghamton Airport. We are now beginning to see the fruits of these efforts. Our airport is becoming a regional hub, offering a diverse array of flights from different carriers at very competitive fares.

As you know, nationwide airport passenger traffic figures have fallen off an average of 5 to 11 percent. The Greater Binghamton Airport, however, experienced a 1.2 percent increase in passenger traffic for 2002. This is the first annual increase in several years. The hard work of the "two Carls" and the entire team at the Airport, and the commitment of this Legislature is paying off.

In addition, we have successfully put in place a Business Travelers Reward Program, the only one in the region, and one of only a few in the country. This exciting initiative is strengthening our customers' loyalty to the Greater Binghamton Airport. At the end of the 4<sup>th</sup> quarter, the first full quarter of activity, our membership had already surpassed triple digits.

We continue to do everything we can to improve the airport experience. With help from our Department of Information Technology, this past year we introduced wireless technology into the terminal allowing our customers free wireless access to the world wide web. Also, through a partnership with Time Warner Cable, we are now offering free broadband internet service to our customers, keeping them connected during travel.

We take great pride in the convenience of our airport. Unlike most airports nationwide, passengers using the Greater Binghamton Airport do not have to enter multiple check-in lines or carry their luggage to multiple points in the terminal. Instead, they can continue to make use of their normal check-in procedures through just one line, with the screening personnel coming to them. This efficient process provides our customers a significantly shorter check-in time.

And I would be remiss if I didn't mention the improvements we've made in service. We may be the only airport in the country that didn't lose any service after Sept. 11<sup>th</sup>, and last month Delta Connection began regional jet service to Cincinnati and yesterday Northwest started flying jets to Detroit.

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Broome County is now even further on our way towards becoming the preeminent airport in the region – offering more flights and more airlines than any other airport in the Southern Tier of New York or Northern Tier of Pennsylvania – including scheduled service from 4 of the nation's 6 largest airlines.

An increasing number of seniors are turning to the Office for Aging for support in their older years. Whether an older person is well, frail, or home-bound, the Office for Aging is there for them. In 2002, OFA assisted more than 17,500 seniors -- 42% of Broome County's senior population. OFA's comprehensive mix of in-home and community based services seeks to maintain the health and wellness of all seniors while assisting those with chronic illnesses.

As soon as the new Eastern Broome Senior Center opened, construction of the new Northern Broome Senior Center began and has recently been completed. The center will provide seniors with meals as well as health and wellness education and recreation and social activities for seniors living in the rural northern region of Broome.

A building was purchased in Endwell for the Broome West Senior Center. Seniors using the center will now have more space for the nutrition, health, wellness, and educational programming that they need. This facility will open in the next month.

In addition to Broome's three new centers, we are investigating the need for centers in other areas of the county including Deposit and the Town of Chenango.

Much of our population increase since 1995 has been former residents who have returned to our area to enjoy their retirement years. Since Broome County has so much to offer, it makes sense that we should be encouraging private developers to build retirement communities here. Once almost exclusively located in sun-belt areas, retirement communities are beginning to spring up in the Northeast and Midwest as active baby boom retirees prefer seasonal changes and a more hassle free lifestyle. Few areas our size in the country can match our amenities, the low cost of living, and the low crime rate that we have in Broome County.

The Broome County Veterans Memorial Arena has for thirty years been a signature facility in our community. Senator Libous helped secure more than \$3 million in state funds which enabled us to attract the Binghamton Senators, the American Hockey League farm team to the Ottawa Senators of the NHL.

Hockey has long been an important part of our civic identity, and the attraction of the Senators makes a significant statement that we are on the move as a community.

The improvements at the arena will be topped off with the completion of new skyboxes by the beginning of next hockey season. In addition, the Arena Club will be receiving a complete makeover that we anticipate will be finished by the end of this year.

Furthermore, we have already seen significant improvements in concessions at the Arena. The improvements we've made benefit not just hockey players and fans, but every organization and patron who frequents the Broome County Veterans Memorial Arena. 2003 is already shaping up to be the busiest in nearly 10 years.

Over the next year, I will continue to work with Veterans Groups on the final phases of completing an all wars memorial to be located at the northwest corner of the Arena.

Now, with improvements very much under way at the Arena, we turn our attention to the Forum, an important asset to this community. We are seeking funding for a new marquee and additional

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renovation work. These improvements put us in a much better position to attract the 2004 Empire State Games back to Binghamton. We are set to get word of the Governor's decision anytime.

This isn't the only area of our Parks Department that has improved over the past year with the help of Senator Libous. The trail extension from Otsiningo Park to the new entrance in the Town of Chenango will open in this year. The new playground equipment in the park has gotten rave reviews from children and parents alike. We plan to make similar playground investments in other county parks as well.

This afternoon I've assessed the challenges we face when it comes to the economy, to the delivery of services to our residents, and to the county budget.

The road ahead is long, and there will be plenty of hard work along the way, but we must remain focused and we must believe we will emerge from this adversity even stronger.

The positives far outweigh the negatives and I would encourage all of our citizens to be optimistic and ambassadors for our region. I believe if we maintain faith in ourselves and our community and remain committed to the future, then the future will be ours. Thank you.

Mr. Pasquale made a motion to adjourn, seconded by Mr. Wike. **Motion to adjourn carried.** The meeting was adjourned at 5:30 p.m.



