

2026 Budget Address

In accordance with the terms of the Oneida County Charter, I come before you today to present the proposed operating budget and capital plan for 2026.

I thank the members of the Board of Legislators for being my valued partners, especially Chairman Gerald Fiorini, a colleague who has been instrumental in helping us move this county forward, and I want to acknowledge that this will be the last time he sits behind me as I present the budget. He is a great friend and a great partner, and I will miss his leadership every day.

I want to take a minute to recognize all my department heads and my budget team of Tom Keeler, Dmitry Sidorevich and Anthony Carvelli and his staff for putting in the work on this budget. It is never an easy task. I want to thank Comptroller Enessa Carbone for her work as well.

To my other partners in government, thank you for all the great work you do. Clerk Mary Finegan, Sheriff Rob Maciol and District Attorney Todd Carville.

As I have said many times, this budget is the blueprint for how we accomplish our tasks day in and day out. What is entailed in this budget is a series of hard choices. In my entire time as County Executive, I have always taken a conservative approach. Don't borrow more than you can afford. Keep taxes low. Become more efficient, cut services and programs that don't work or are underperforming, while being sure to fund the ones that do.

But almost the same way a household budget works, there are things that cannot be cut. Households must pay rent or a mortgage and utilities. They need food and clothing. They invest in their children's education and in their health and well-being. Well, it works the same for county government in a lot of ways. There are many areas we need to invest in for the betterment of this community, and we do just that.

Where a county budget differs from a household, and from all other forms of government, is that the State of New York forces us to provide mandated services that make up over 90% of our allocations.

While the federal government has passed a bill that fundamentally changes the way it deals with the State, nothing has changed for the latter. The State of New York never cuts services because it doesn't get hurt financially. Instead, it just pushes more and more of the costs for these programs onto the counties.

There is uncertainty at the state and federal level surrounding the future of Medicaid. We must be prepared for the increased costs the State pushes onto us, in what could rapidly become a post-Medicaid cap world. Currently our Medicaid bill is \$57.3 million a year. That's \$1.1 million per week and 86% of our entire tax levy.

There is also a law on the Governor's desk right now that will likely be signed, which could mandate countywide ambulance services, a cost that would be millions of dollars per year.

SNAP will be funded at 75% by the County in late 2026. Previously the funding was 50/50. The additional cost will be \$2 million a year. However, the bigger hit may come from the State in 2027, if it decides to shift its error rate costs to the counties. That hit could be in the range of another several million dollars.

The list of actions such as these goes on and on and on. It is our job to be prepared to handle these situations.

Meanwhile, while state and federal aid plummets and our mandates increase, our other revenues are mostly flat.

The Oneida Indian Nation agreement has been a major factor in not raising the property tax levy for 12 straight years. It has generated \$233.5 million for this government since its inception. The last two quarters are trending upward, with the recently-opened Point Place, along with Turning Stone's \$700 million investment, that trend is anticipated in this budget.

Sales tax is another story. It is flat for the first time since the COVID-19 year of 2020 and is budgeted this year below the 2025 amount. What some fail to understand is that sales tax does not always go up. It is cyclical and we cannot tie all our fortunes to it.

We have reduced expenditures in this budget in every way we can, understanding that we, unlike every other government, have costs that cannot, by law, be cut.

So, we are taking action to offset that.

We are moving the administration of the foster care program in house in response to rapidly rising contract expenses. By transitioning the work internally, the County will save millions in long term costs, while also improving efficiency. Greater efficiency means cases will move more quickly, ultimately reducing the number of days children spend in foster care. This will result in a better outcome for children and for our county finances.

Last year, our collective bargaining agreements corrected the disparity on salaries in county government. Something long overdue and much deserved for our workforce. We were not competitive in the marketplace. We couldn't attract or retain the talent necessary to serve our people. We have gotten better, but we still have a way to go. We have unfunded long-vacant positions and have maximized our vacancy rate in this budget.

This budget as presented to you today stands at \$560,897,139, an increase of approximately \$12 million over this year, despite the reductions and changes made. Let me remind you, it costs us \$46 million a month to run this government.

The 2026 Capital Plan retires \$17.6 million in debt and takes on \$13 million in new borrowing for critical projects. Once again, I ensured we are not borrowing that which we cannot afford.

Despite these efforts, for the first time in 12 years, this budget comes to you with a raise of 2.9% to the property tax levy. With the current climate at the state and federal level, and our revenues flattening, this adjustment is necessary to move the needle for the future. I have also appropriated \$7 million in reserve from the general fund to close the budget gap, an increase of \$500,000 over this year.

This should not come as a surprise. If you recall in last year's address, I stated that a modest increase was contemplated, but reconsidered in the eleventh hour. We cannot do the same thing again this year. The structural imbalance that we face, along with changes at the federal and state level, warrant that action be taken now and not when the changes come. I also stated last year that we had to look at hard choices going forward. Can we be all things to all other governments and still maintain our level of fiscal strength? I'll get back to that later.

The reasons for this increase are many:

- We have had two devastating tornados in less than a year with millions of dollars in damage and loss of lives. Those events, and the remnant storms, required our action. When all is said and done, we will have distributed nearly \$4 million in direct assistance to residents who were affected, without any contribution from the State or Federal Government.
- We have done over 50 flood mitigation projects in 18 municipalities with over \$8 million in county spending.
- We continue to invest in Mohawk Valley Community College's programming and facilities to prepare our workforce for the growing opportunities in the high-tech and manufacturing industries, including an \$18 million commitment to the soon-to-be constructed Applied Technology Center on the Utica Campus.
- We upgraded to a state-of-the-art radio system at E-911 for all first responders at the cost of \$22 million. In turn, we created a records management system so first responders can have as much information as possible at their disposal for increased public safety, with a price tag of \$2.5 million.
- We invested \$2 million in broadband expansion so that underserved rural areas can have access to high-speed internet.
- We continue to invest millions of dollars combating opioid use and work 24/7 on the growing homeless crisis.

- We invested \$2.3 million in security cameras across the county that have already assisted law enforcement in making arrests.
- We are constantly at the mercy of New York State and the Federal Government who continue to push extra costs onto us.

No other local government comes close to that list. I could go on and on, because there is much more, but my point is this: we are the government all others rely upon and we always answer that call.

If we are expected to respond to natural disasters; if we must assure our first responders have the best system at the ready; if we must deal with societal issues that no other government is prepared for or willing to do, then we need to look at fundamental changes to our governmental structure.

I spoke of some proposals in last year's budget address that I will stress again.

I will once more send a resolution for your action to address the County's responsibility of making villages whole on their tax collection.

I will again convene the mayors of Utica and Rome regarding sales tax distribution. I note our two large cities have also had to raise taxes, while many of our towns and villages sit on large reserves but still come to the county for money. Under the current sales tax formula and structure, many towns don't even need a town tax, yet we are required to make their property and school taxes whole.

Things need to change, and we need to lead that change.

Look at what we have accomplished:

- Improved healthcare systems with direct county investment.
- A vibrant tourism and recreation network stimulated by county investment.
- Infrastructure improvements with county investment.
- A better, more responsive county government that serves everyone.

2025 is a year that brought us the largest natural food processing facility in the nation in Chobani. Oneida County won that competition over larger areas in states other than New York. Why? Because of what we have done and continue to do.

I ask you and the people of Oneida County not to look at this as a step back, but a leap forward. I have been proud of the response of this government in challenging times, but I am even more proud of the people of this community. Our collective strength and resilience is unmatched.

Challenges are why I love this job. Because we face them together and we don't run away.

Abraham Lincoln said it best, "You cannot escape the responsibility of tomorrow by evading it today."

Yes, we have challenges, but they are opportunities. As you review this budget please keep in mind that we cannot ignore what is coming. We are handcuffed by dysfunctional governments in Washington, where they can't agree on anything, and in Albany, where if it's not needed in New York City, our voice is unheard.

That is not Oneida County. We are one, and as one, we will meet what is put in front of us and keep moving forward.

As always, my team and I look forward to your discussions, review and input.

Thank you and God Bless Oneida County and the United States of America.