

STATE OF THE COUNTY ADDRESS
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MSU CONFERENCE CENTER
TROY, MICHIGAN

Secretary of State Candice Miller, distinguished guests, ladies and gentlemen, good evening:

It was Justice Oliver Wendell Holmes who said, "I find the great thing in this world is not so much where we stand, as in what direction we are moving...."

As I report to you tonight, I can tell you in what direction Oakland County is moving ... Oakland County is on course to become America's premier county of the 21st Century.

If you are seeking a place where opportunities abound, where businesses can grow and prosper, and where families are able to embrace a lifestyle that offers personal enrichment, reward and safety...ladies and gentlemen, you're home!

They say things were supposed to have been great in legendary Camelot. My report tonight will reveal that things are equally great in Oakland County...but there's one important difference to remember...Oakland County is real.

How real is it?

Well, consider this one astounding fact that was reported only last week: The value of all property in Oakland County, residential, commercial, industrial - rose in 1999 by an incredible \$5.9 billion.

No other county in America can touch those numbers, not even Camelot.

Over the past 19 years the value of all property in Oakland has spiraled upward by an incomprehensible 411 percent. If our land values continue to skyrocket, and I believe they will, Oakland County property values will hit \$196 billion in the year 2010. By the time we reach nearly \$400 billion in the year 2020, I might be persuaded to hand over the reins of Oakland County government.

This impressive increase in the value of the county's tax base has been fueled by the phenomenal growth of Oakland County's business community - the nearly 48,000 businesses that have located here because of the demonstrated potential for economic success. Such opportunities have

spurred a 27 percent increase in new business since my first election in 1992, including a spectacular 57 percent growth in the high-tech sector.

Just look around us, new development and economic growth is burgeoning everywhere: DaimlerChrysler: selected Auburn Hills for their \$80 million financial services World Headquarters facility. They chose Oakland County over New York City. Behr America: chose Oakland County over Charleston, South Carolina for their \$33 million North American Cooling Systems Headquarters. Magna Interior Systems - a Canadian company - chose Troy for their Global Seating Headquarters. The Robert Bosch R & D Center expansion is underway in Farmington Hills. The bustling Center Point Business Park Development in Pontiac now has an eleven story Marriott under construction...new growth and expansion of existing investment in Oakland County continues unabated.

It is reasonable, based upon the good fortune we have experienced for so long, to raise the tough, but inevitable question: when will Oakland County, the economic engine that drives the state economy, begin to slow down?

According to a team of seasoned economic forecasters at the University of Michigan who research Oakland County and then issue their annual economic forecast, the answer is that there is no end in sight. And that's the good news that I report tonight.

Encouraging as all this may be, we can't afford to rest on our laurels. It's like riding a bike: when you stop pedaling, first you start to coast and then you slow down. Eventually you come to a halt. Well we're not about to fall off the bike here in Oakland County. My intentions are to aggressively push ahead with new initiatives that will keep Oakland County in the forefront of quality economic development.

If I have one long-range goal during my tenure as County Executive, it is to make Oakland County "recession-proof" to whatever extent possible.

AUTOMATION ALLEY

One of the programs designed to keep Oakland County's economic engine pumping is "Automation Alley," my national marketing strategy to attract the best and the brightest skilled talent available to the high-tech businesses that line the I-75 and I-696 corridors in Oakland County. If we want to attract and keep the high-tech businesses which contribute so vitally to our diversified business base, then we must help them recruit the talented staffs they require.

I started Automation Alley, which we define as the Midwest's only true technology cluster, with 44 high-tech companies. In less than a year the roster has swelled to more than 138 members, and is expected to grow even more this year. Since kicking off the Automation Alley consortium about a year and a half ago, we have produced and distributed an extremely successful recruiting magazine called First Class that tells the phenomenal opportunities of doing business along Automation Alley. We have developed and enhanced our website, recording more than a million hits our first year. A new CD rom has been developed as a marketing tool for member companies, produced in five languages.

In September of last year, we kicked off phase two of the Automation Alley project and took our show on the road. We carried the Automation Alley banner to Germany in search of high skilled talent. Another focus of our mission was to lay the groundwork for internship programs that could be established between Oakland County and German universities. Our time spent with German university officials was well spent. In Munich alone, there are two universities that boast a combined enrollment of over 100,000 students, most of whom are studying to be engineers - which just happens to be the job skill most in demand by our Automation Alley companies.

I would be remiss if I didn't point out tonight that the success of Automation Alley is due in no small measure to the steady guidance and commitment of Deputy County Executive Ken Rogers. I asked Ken to take the point on this extremely important project, and I am delighted tonight to single Ken out and applaud the superb job he has done in recruiting companies and molding them together into a consortium that is more than prepared and willing to take on Silicon Valley on the west coast and Boston's famed Route 128 on the east coast.

BUSINESS ROUNDTABLE

Complementing the important work of the Automation Alley consortium is the Business Roundtable. As you may recall from past State of the County remarks, the Business Roundtable is comprised of 125 Oakland County business leaders who, for the past seven years, have studied the economy of Oakland County and have advised me on initiatives to create and help maintain a pro-business environment.

Automation Alley and the Business Roundtable are traveling parallel paths toward stimulating and improving the county's economic vitality and quality of life.

AAA BOND RATING

As you can imagine, there are other efforts simultaneously underway to keep Oakland County an attractive place to live and work. Not least among those is my annual trek to Wall Street.

Just a few weeks ago, I led a delegation of county officials to New York as I've done each January for the past six years. We met with Standard & Poor's and Moody's Investor Services in two hour meetings to forcefully argue for a continuation of Oakland County's AAA bond rating, the top rating that we achieved just last year. Assistant Deputy County Executive Bob Daddow took them through the 1999 numbers: a \$38.5 million General Fund balance at the end of the year; conservative budget practices that cast off a positive variance of \$18 million; a Defined Benefit plan which has assets in excess of actuarial accrued liabilities of \$235 million; the county's Delinquent Tax Revolving Fund equity - cash on hand - as of September 30, 1999: \$184.5 million. At the same time we are generating these positive numbers and surpluses, Oakland County has reduced its property tax rate to 4.19 mills, the lowest county tax rate in the State of Michigan.

Whether it was the financial numbers presented by Mr. Daddow, or whether it was the evidence of our escalating property values, our expanding tax base, the exploding business growth, the spiraling commercial, residential and industrial development which has exceeded more than \$2 billion a year for the past three years - whatever it was, Wall Street was impressed.

I'm delighted tonight to announce that once again we captured the highly coveted AAA bond rating - making us one of only 20 counties in America that can make that claim.

The AAA bond rating from Wall Street gives me more than just bragging rights tonight, it gives all of us as taxpayers in Oakland County millions of dollars in interest savings over the years through lower borrowing costs for major capital improvement programs. Not only does the county benefit from the AAA rating, but all of the 61 cities, villages and townships that must borrow on the bond market can also utilize Oakland County's AAA bond rating. And today we borrow at approximately 3.8 percent.

This might be a good time for me to pause tonight and tell you once again why I support quality development in Oakland County and why we work overtime to create an environment that is unabashedly pro-business.

I think the answer is so simple, but let me muddle my way through it: When businesses invest in Oakland County, they bring jobs. For every 100 jobs created in our county, the overall payroll expands by approximately \$6.3 million. Our 48,000 businesses have an annual combined payroll of over \$26 billion, making our economy larger than that of 19 states.

But more importantly, these jobs provide paychecks that are spent at the malls, in restaurants, in the hardware store, at the dealership, with the insurance agent, or on a mortgage - probably everybody in this room benefits one way or another from the billions of dollars that are spun each year through the Oakland County economy. To be honest about it, from all those payrolls and property development, taxes are deducted with which we fund our schools and pay for health care initiatives, such as fighting unacceptably high infant mortality rates, especially in the black community. We put sanitarians in our restaurants and nurses in our schools. These jobs and their taxes put judges on the bench, prosecutors in court, and deputies on the highway which keep you and your family safe. Park land is purchased, natural trails are preserved. That's why we fight to keep business in Oakland County: businesses contribute directly to the wealth of Oakland County and are essential in order to maintain the quality of life that we enjoy in Oakland County.

Some people will say, "Brooks, with all that development comes congestion." And I say, "To a certain extent that's true...but look at cities without business...they'd trade us for our congestion in a heartbeat."

MAIN STREET PROJECT

It's not only Oakland County's 48,000 businesses which enable Oakland County to flourish. There are other indicia of a vibrant and robust county, and clearly that would include the unique contributions from each of the 61 communities that make up Oakland County. Each, in its own way, enhances the experience of living, working, recreating, and raising a family across the 910 square miles of this county.

I'd venture to say that we have a vast array of communities represented here in the audience tonight, and many more listening on the radio or reading the paper tomorrow. I'm sure each is proud of his or her hometown. But as proud as I am of Oakland County, I acknowledge we still have work to do. Likewise, I am sure that every elected official in the audience tonight, while proud of the community he or she serves, would also acknowledge that there's work to do, projects to be launched, successes to be proclaimed.

Well, for those cities, townships and villages in Oakland County, especially those who want to preserve the character of their community and are looking for fresh and exciting ideas to revitalize their historic districts or traditional commercial areas, help is on its way.

Ladies and gentlemen, it gives me a great deal of pleasure to announce this evening that Oakland County has earned the distinction of becoming the first county in the United States of America ever to be accepted as a member in the Main Street U.S.A. project - a designation normally reserved for cities.

The Main Street project operates out of Washington, D.C., and has on staff preeminent urban planners, downtown redevelopment specialists, and a 35 year history of providing successful technical assistance to over 38 states and 1500 downtowns.

For the first time a county will now have a direct line to this vast network of technical assistance to help communities that want to develop or redevelop their downtowns or central business districts. The motto for the Main Street U.S.A. project: "Protecting the Irreplaceable."

I am absolutely delighted that Oakland County, under the direction of Bob Donohue, the county's redevelopment specialist, and his team at Development & Planning, will serve as facilitators between our local communities and the Main Street U.S.A. organization. It took a long time for us to achieve membership in the Main Street U.S.A. project, and the ultimate goal of this recognition will be to work with our partners, the local communities, to help preserve the historic fabric that enriches the quality of life for the 1.2 million Oakland County residents who live in our diverse cities, villages and townships.

TECHNOLOGY

Ladies and gentlemen, as Oakland County moves forward into the 21st Century, to solidify its claim as a world class community, it will be the utilization of technology and the inculcation of technology into our daily work processes that will separate the men from the boys. This is true for the private sector as well as for us in the public sector. Those counties that have the vision, the talent, and the financial resources to chart a high-tech course and make the necessary investment will be the communities of tomorrow. And I am determined, and my staff is equally committed, to ensure that Oakland County not only survives the high-tech challenges of the 21st Century, but leads all others as we chart the unexplored labyrinth of cyber space.

Let me very quickly bring you up to date tonight on some of the investments in state-of-the-art technology that Oakland County has made which will benefit you as citizens, as well as provide support for our cities and townships with whom we have partnered.

G.I.S.

Shortly, Oakland County will complete the long and arduous process of transforming 440,000 parcels of land from 4,500 manually maintained maps into one single digitized format, which we refer to as our Geographic Information System. The substantial data concerning land and land features converted to this new format will allow us to perform a myriad of functions that were not possible before due to the length of time that it would have taken to accomplish each task manually. Speed and accuracy have been phenomenally improved.

Singularly, the barrier preventing most cities, villages and townships from entering into a GIS project on their own was the cost of the initial base map construction. We, at Oakland County, made the decision to absorb the developmental costs of the GIS program for all of our municipalities, and thereby ensure that we will all be using the same data while fostering a closer working relationship between the county, its villages, cities and townships.

The developmental cost for the county for the Geographic Information System to date: \$7.3 million.

Before we could launch our GIS system, the county had to undertake a massive remonumentation effort. Remonumentation sets up legal points of reference for future surveys utilizing GPS (global positioning satellite) technology. It basically is a grid system that replaces the former fixed markers that identified sections of property for land survey purposes in the past. Oakland County was the first county in Michigan to complete the state-mandated remonumentation project. It was a herculean effort, and I certainly want to recognize Dr. William Caddell and his team in the Clerk-Register of Deeds Office for their leadership. It was incredibly time consuming and labor intensive, but the work was done ahead of schedule. Congratulations to Doc Caddell and his fine staff on a job well done.

CLEMIS

Oakland County has been the leader among Michigan's 83 counties in the utilization of technology in the law enforcement arena as well. One

such high-tech program is our 31-year old Courts and Law Enforcement Management Information System, or CLEMIS as it is known. This central management information system links area police departments to a computerized crime data sharing network whereby fingerprints, mug shots and criminal records can be accessed by officers in patrol cars. The CLEMIS system has recently been awarded a \$17 million federal grant so that we might continue to expand the number of functions that can be performed on this vital information network. The next generation of lap-top computers are being installed in patrol vehicles, and soon we will be implementing a computer-aided dispatch that will use technical references to track the location and movement of police officers in the field.

There were 44 police agencies from Oakland County on the CLEMIS system when we started. But over the past few years, our technology has improved to such a degree that more and more law enforcement agencies outside of Oakland County have applied to join the consortium and make it one of the largest and most advanced multi-jurisdiction crime fighting systems in the nation. Today there are more than 110 police departments in southeast Michigan that have partnered with us.

The upgrades being made to CLEMIS will result in significant improvements as well to our emergency 9-1-1 call-taking communication system that will enable us to better serve the needs of our police agencies and citizens. The ability to protect the public and respond more quickly to citizens' cries for help in times of crisis is being addressed by this new technology.

In addition to the \$17 million federal grant, Oakland County has invested \$6.8 million in the CLEMIS system.

OAKNET

In yet another area where Oakland County leads in technology is the utilization of fiber optics. By October 31 of this year, we expect to finish laying 330 miles of fiber optic cable that will connect 150 different locations throughout the county. OAKNet, as we call this project, will allow the county and the local units of government to exchange large amounts of data more efficiently and cost effectively. OAKNet will provide for video conferencing and will allow warrant teleconferencing from one location to another. It will also make video arraignments of prisoners possible. OAKNet will establish a single, consistently managed network for communications between the county and its cities, villages and townships.

Oakland County invested \$8 million in the OAKNet system.

ENHANCED ACCESS

New technology has unlocked the doors to a treasure trove of government data that was difficult, if not impossible, to retrieve in the past. Again, using technology, Oakland County was the first government unit in the United States to successfully develop a program that we call Enhanced Access that allows citizens to access government records via the Internet for a fee. The data that can be made available is almost limitless.

Phase one of the program was our Data Warehouse project which involved reformatting the main frame data to allow access with newly acquired decision- support tools. County land records were the first to be reformatted which opened the door for improved services in such areas as assessing, community and economic development, public safety, and other land related management efforts. Programs we call "products" are being developed at an accelerated pace. One of the first to come on line was our MAAP program, the Mortgage Application Acceleration Program, where we partner with the banks in the private sector to make mortgage and home equity loan reviews quicker and easier.

Today, Oakland County has invested more than \$2 million in Enhanced Access.

As you can see, we feel that investment in technology today will pay huge dividends for our citizens tomorrow.

QUALITY OF LIFE

Another aspect of living in Oakland County is, of course, our quality of life - the sum total of the experience of living and working in Oakland County. Two major summertime events have become magnets for drawing visitors from all over the state, and from the world for that matter, to Oakland County. A third such event is being added this summer.

First, the Arts, Beats & Eats in downtown Pontiac, debuted two short years ago and is fast becoming a premier attraction on a national scale. In our inaugural year, 1998, 475,000 people came from all over during the Labor Day weekend to sample the food, listen to the music, and check out the art. Word must have spread quickly that Arts, Beats & Eats was something very special because this past September more than 635,000 came with family and friends to enjoy Oakland County's four-day summerfest.

Next year we expect attendance to increase even more as Arts, Beats & Eats continues to solidify its reputation as a national caliber event.

Another uniquely Oakland County extravaganza that puts us squarely in the national, if not the international spotlight, is the annual Woodward Dream Cruise. Like Arts, Beats & Eats, this extraordinary summertime blast from the past gets bigger and better every year. In 1994 when the Dream Cruise first took to the streets, nearly a quarter of a million people came to see the classic cars. Since then, more than one million people annually have lined Woodward Avenue to enjoy this magical and nostalgic trip back to the good old days of hotrods, poodle skirts, angora sweaters, DA's, cherry cokes and rock and roll. More than 80 charities benefit from the Dream Cruise, and the positive economic impact to southeast Michigan has been estimated at \$75 million.

Jean Chamberlain, the county's Government Liaison to South Oakland, is the Chair of the Dream Cruise Committee and doing an outstanding job.

A new event this year, Oakland County will be co-sponsoring with the Waterford Lion's Club off-shore boat races that are scheduled to take place for the first time on Pontiac Lake July 15-16. This two-day festival of fast boats and family fun, will, I'm sure, become as popular as Arts, Beats & Eats and the Dream Cruise in the years to come. We have tentatively named this event "Off-shore Oakland." The highlight of the event will be the presentation of the Governor's Cup by Governor Engler himself.

FOOD CERTIFICATION PROGRAM

Reflecting on quality of life issues, no function of county government is more important than that of protecting the public's health. In the wake of two Hepatitis A outbreaks in 1997 and again in 1999, our Health Division team, led by Dr. Tom Gordon, Director of Human Services, and Rosemarie Rowney, Manager of the Health Division, went to work to find a way to eliminate or at least reduce the likelihood of this bacteria-fed illness from infecting customers who patronize Oakland County's dining establishments. Dr. Gordon and Ms. Rowney joined forces with County Commissioner Eric Coleman, and the trio came up with a solid proposal: a Food Manager Certification Program that requires all of Oakland County's 3,800 restaurants to employ at least one individual within the next five years who is fully certified as a food service manager. This person will be responsible for training staff, maintaining quality control, and ensuring that proper sanitation and food preparation procedures are followed. Only two other

counties in Michigan have taken this important step to ensure a positive and safe dining experience.

EMPLOYEE RECOGNITION

As I do every year, I enjoy reporting to you on the successes chalked up by Oakland County. But you and I both know that none of these accomplishments would be possible without the support and the dedication of the more than 4,200 men and women who comprise the workforce in Oakland County government. I would be terribly remiss if I did not recognize them this evening.

Day in and day out, the men and women of Oakland County government excel at the highest level, and the beneficiaries of this work ethic are the citizens of Oakland County. The tremendous effort put forth by our employees has not gone unnoticed.

This past year, Oakland County government won numerous state and national recognitions. Our Information Technology Department won the Urban and Regional Information Systems Association Award for Exemplary Government Wide Information Systems, and I.T. also garnered the Environmental Systems Research Institute Special Achievement Award which recognizes outstanding work in the field of geographic information systems .

We also won National Association of Counties Achievements Awards for our Automation Alley project and Canadian Trade Mission initiatives.

Community Corrections earned two NACo awards: first, for its program which disables a driver's car as an alternative to jailing those individuals charged with various minor traffic offenses; and a second award for their Weekend Alternative for Misdemeanants program which requires offenders to perform community service on weekends in lieu of jail time.

Our Fiscal Services Division walked away with no less than three prestigious awards from the Government Finance Officers Association, a nationally recognized organization. The division received a Certificate of Achievement for Excellence in Financial Reporting, the Popular Annual Financial Report award, and the Distinguished Budget Presentation award.

Oakland County International Airport earned the Balchen/Post Award for Outstanding Snow and Ice Removal, taking home the national first prize in the large general aviation category. The airport also won a Keep Michigan Beautiful Award for its efforts to improve the aesthetic appearance of the facility - work that included installation of a new boulevard entrance, landscaping, and relocation of the main service drive.

Probate Court Youth Assistance was named winner of the American Correctional Association's Exemplary Offender Program for the tremendous success it has achieved in strengthening youth and families while reducing the incidents of delinquency, abuse and neglect through citizen involvement.

The Community Development Division, which is one of those quiet, unassuming departments that helps to make Oakland County a better place to live, won again the Department of Housing and Urban Development's Best Practices Award for its home improvement program and the rehabilitation of 275 homes annually in Oakland County, far above the national average of 65.

Our first rate Health Division, which in the recent past has successfully dealt with Legionnaires and two Hepatitis outbreaks, earned national recognition for its Shaken Baby Syndrome and Substance Abuse Prevention programs.

Although departments win the awards, it is the people in those departments who make it possible. I am proud of the caliber and the character of the men and women who work for county government.

... people like Vilisa Carson, one of our night time custodial workers whose moral compass is definitely pointed in the right direction. One night last December, as she was cleaning an office in the main courthouse building, Vilisa found a piece of a \$5 bill in the trash bin. Vilisa set about finding the rest of the bill, which she did, along with the torn envelope in which it came. By matching up the last four letters of the name visible on the torn envelope with the name plates in the office building, Vilisa was able to determine the rightful owner of the \$5 bill. The next morning, three pieces of the \$5 bill, the torn envelope, and a note from Vilisa were found neatly arranged on the employee's desk when she arrived at work. How easy it would have been for Vilisa to just ignore the whole thing. But she didn't. And that's what makes our employees special and sets them apart from all the rest. Vilisa Carson is in the audience tonight. Vilisa, please stand up and be recognized.

Vilisa, there's a gentleman walking down the aisle right now who is going to hand you an envelope. It contains 50 five-dollar bills, chipped in by the Directors in my Administration. We want you to accept this \$250 as a sign of our admiration and respect.

In Vilisa's case, it was \$5. But in another example of employee commitment, millions were at risk.

A few months ago, Robert Vandermark, Manager of the Equalization Division, uncovered a potentially serious problem. The problem was

cleverly camouflaged and it was fraught with political risks if anyone pursued it.

But Bob Vandermark decided to probe a little deeper. What he found was that the State Tax Commission, a state agency that he in fact once chaired, was about to pull a fast one on the citizens of this state. Bob found that the State Tax Commission was prepared to ignore the State Constitution and begin to assess the state's public utilities at a substantially different rate than the rest of the businesses or residents in the State of Michigan.

Trust me, this would have resulted in a huge windfall for the utility companies at the expense of other businesses, citizens, schools, and local government.

Here's what Bob found: the State Tax Commission changed the rules (we call them "multipliers") for utility property so that they could be assessed not on the current appreciated value of their property, but rather on the value or cost of their property in the year in which it was purchased (which might have been 10, 20, or even 40 years ago).

Wouldn't you like to have your house or business property assessed as of the date of purchase - and then depreciated from that point - rather than having your house or business assessed at current market value? Well, that's what Bob found the utilities were in line for.

The financial impact of this inexplicable assessment practice would have cost Oakland County and its communities \$32 million in refunds for the four years of pending appeals, and a county-wide revenue loss for \$8 million yearly thereafter.

The outcome of Bob's investigation resulted in a strong bipartisan reaction. Wayne County Executive Edward McNamara, Macomb County Chairman John Hertel, and Detroit Mayor Dennis Archer and I all joined together in a court challenge that is now pending to overturn this unfair and unconstitutional assessment proposal.

Not only did Bob's titanic and heroic efforts potentially save Oakland County and other local municipalities across the State of Michigan from losing millions of dollars in revenue, but you as taxpayers will hopefully be spared both service cutbacks as well as higher taxes to replace the 30 percent assessment reduction proposed for utilities.

The fight is not over yet, but we all owe Bob Vandermark a debt of gratitude for what he has done. Bob is in the audience tonight. I would like to have him please stand and be recognized.

The examples of Vilisa Carson and Bob Vandermark serve to illustrate the point that whether it's \$5 or millions of dollars at stake, there's

always someone at 1200 N. Telegraph watching out for the citizens of Oakland County.

In singling out these two extraordinary Oakland County employees for praise, I really honor all of those who serve the citizens of Oakland County daily - the 4200 men and women whose energy and commitment provide the fuel that keeps the engine of Oakland County government running smoothly and efficiently. Because these dedicated individuals are so vital to Oakland County's success, we have been very alert in turn to support their needs and address their concerns, which brings me to a very exciting and rewarding update tonight.

Two years ago, in my State of the County Address, I called for the establishment of a county-sponsored child care facility. An affordable, high quality, on-site child care center for Oakland County government employees was long overdue. Providing this kind of service goes to the heart of our ability to attract and retain qualified, highly motivated county personnel.

Well, folks, thanks to the tireless efforts of Personnel Director Judy Eaton and Facilities Director Dave Ross, we opened "Little Oaks" last month, and from a couple of personal visits there I can tell you that it is spectacular. We can accommodate up to 52 children in phase one. By mid-summer, phase two will be completed and we will be able to accommodate another 56 youngsters. Little Oaks is operated on our campus by Bright Horizons, a nationally recognized and respected organization that operates 260 child care centers across the country and is fully accredited by state and national agencies. Providing first-class child care for our employees is an answer to many prayers, and we believe that this added benefit will make Oakland County an employer of choice and a place where people will want to work.

Speaking of employees, in 1999 we had some turnover and promotions at the top of my administrative team: Community and Economic Development Director Jeff Kaczmarek closed out an exceptional 28-year career by accepting a position in the Engler Administration as Sr. Vice President of Business Services in the new Michigan Economic Development Corporation - the number two man. Jeff was a truly dynamic leader who helped engineer many of the economic development programs that have propelled Oakland County into the national spotlight. Tapped to continue the momentum was Jim Bacon, the former City Manager of Troy, who just happened to be available at the right time. Jim brings to county government a solid management background, expertise in economic development, and a wealth of experience in building partnerships between the various levels of

government and the private sector. Jim, would you please stand up and let everyone see who you are.

The elevation of Corporation Counsel Jerry Poisson and Management and Budget Director Bob Daddow to newly created positions as Assistant Deputy County Executives for Special Projects has allowed for two new appointments. I can think of no one more qualified or better suited to succeed Jerry as Corporation Counsel than Judy Cunningham who distinguished herself as the Oakland County Circuit Court Administrator for 11 years. Judy, please stand.

I promoted from within the ranks of Management & Budget to fill Bob's position as Director. My first and only choice was Jeff Pardee who had served as Bob's deputy and Manager of the Budget Division prior to that. Jeff's financial acumen was largely responsible for Oakland County earning the Distinguished Budget Presentation Award. Jeff, would you please stand up and be recognized?

In his new role as Assistant Deputy Executive, Jerry Poisson handles infrastructure, water/drain, and transportation planning issues for the Administration. Bob Daddow, in his new assignment, focuses on technology issues like GIS and Enhanced Access. Will the two of you please stand up and be recognized?

Two other new faces in leadership roles in my Administration are Nancy Hayden who became the Director of Arts, Culture & film when Steve Weikal left in 1998 to become a Director of Conferences for Crain's Automotive News. Marty Seaman, the new Manager of Solid Waste, succeeds Roger Smith. Will the both of you please stand?

We are truly blessed in county government to have such talented people guiding the fortunes of Oakland County.

DEFERRED COMPENSATION

As you can tell tonight, I am very proud of the employees, not only in my Administration, but within the ranks of the entire Oakland County workforce. They really are the best and the brightest, and I think the proof is in the success of the programs that we originated and launched, and the subsequent recognition by outside objective agencies such as Wall Street.

To all my friends and fellow Oakland County employees in the room tonight, you can tell as I stand here before you how proud I am to represent a government that by every measure defines what good government ought to be. Oakland County is consistently a national leader when it comes to its

programs, and that is true for developing and implementing employee benefit programs to make Oakland County an attractive place to work.

With that said, I'm proposing tonight a new program that continues Oakland County in a position of leadership among the 3,000-plus counties across America.

Currently, county employees have the option of diverting a percentage of their paycheck to a deferred compensation plan. We encourage our employees to do so for we truly want their years in retirement to be as rewarding as those days when they stood their post working in Oakland County government.

To encourage employees to save and provide for their future, and that of their families, I am recommending tonight that the county match - and the operative word here is match - a maximum of \$25 each month to the Deferred Compensation account of every employee enrolled in our program.

Our research shows that seven states and two local units of government nationwide offer a supplemental savings plan like this to their employees as an incentive. We have examined these plans and we think it is prudent and sound financial management. If implemented here, Oakland County would become the first county in the State of Michigan to provide employees with a savings plan that offers an added cushion of financial security in retirement which in my opinion they have earned.

THE FUTURE

Before I exit stage left tonight, let me acknowledge a couple issues that we will be struggling with in the days ahead.

Certainly our annual tug-of-war in Lansing over the equitable distribution of our tax dollars is of perennial concern. Nearly 20 percent of the \$16.5 billion in taxes collected by the State of Michigan annually comes from Oakland County, and roughly a third of that amount is diverted to other counties around the state.

Thanks to our increasingly vigilant Oakland County legislative delegation who defend our coffers against relentless raids, we have improved our county ranking from 79th to 76th in terms of dollars returned from Lansing. But Oakland County still clearly ranks number one in generating revenues for the State of Michigan. Of the \$3.1 billion in property taxes, sales taxes, income taxes and single business taxes that Oakland County funnels to Lansing yearly, only a little over \$2.3 billion is returned to us in grants and services. This means we leave an astounding

\$834 million on the table, a large portion of which is used to subsidize programs in the remaining 82 Michigan counties.

I have conceded in the past and I will concede again tonight that Oakland County will always be a donor county. The distinction is just a fact of life. But as Michigan's only donor county, I think that accords us the unique opportunity to ask something in return from the Governor and the Legislature. If I had to summarize that request, I would say "Widen our expressways, widen our surface roads, fix our pot holes. We are your golden goose and we will continue to lay golden eggs as long as we are able to maintain and expand our phenomenal economy. The only thing that threatens our economy is a road system that is so congested that it postpones business expansion or, worse yet, drives business away." That's what I would say.

Amidst the orange barrels, bent rims, and frustrated drivers, I am still able to report to you tonight that there is a glimmer of light at the end of the tunnel. In the past year, Oakland County has forged a partnership with the Traffic Improvement Association, the Road Commission for Oakland County, and the Michigan Department of Transportation that has resulted in approximately \$78 million in new or advanced projects being approved for Oakland County.

Efforts are also under way behind the scenes to secure another \$285 million over the next five years that would specifically be targeted for relieving the gridlock on Oakland County's roads.

A separate issue is Governor John Engler's Build Michigan III initiative which he outlined in his State of the State Address. The Governor has proposed spending an additional \$1 billion around the state over the next five years to reduce congestion, increase safety, and promote economic development. This presents a real opportunity for our Legislative allies in Lansing to bring home the bacon.

At the same time I'll be pressuring the Governor as well to ensure that a significant allocation of his Build Michigan III program is focused on Oakland County. But I must confess, pressuring the Governor is a challenging experience: I've come to the conclusion sometimes you're the bug and sometimes you're the windshield. But in the final analysis I think Governor Engler will understand that it's in the state's best interest to provide Oakland County with the road funding it so desperately requires so that we can continue to be the engine that drives the state economy.

Certainly one bright spot on the whole topic of transportation would be the regional public transportation system known as SMART - Suburban Mobility Authority for Regional Transportation. On the strength of a 25

percent increase in ridership over the last two years, SMART has been recognized as the fastest growing transit system in the entire nation. Let me say that again: SMART has been recognized as the fastest growing public transportation system in the United States adding over one million new rides since 1998.

When the first SMART millage was approved by voters in 1995, three promises were made:

1. Elimination of a \$20 million debt.
2. Improve local community access to bus service.
3. Redesign the system of fixed routes.

I'm delighted to report to you tonight that SMART has kept each promise and continues to build a record of accomplishment.

The \$20 million debt that we looked at only a few years ago? Mark it paid off in full as of December 31, 1999. A community-based transit system that is structured to the individual needs of each community is now in operation, and a newly revamped bus route system now takes an increasing number of riders from Detroit to the suburbs and from suburb to suburb providing service to thousands of businesses never covered before.

CLOSING

As I close my remarks tonight, let me thank you all for coming. It's a chance for me to update you on programs, expose any storm clouds on the horizon, and hopefully leave you with a feeling that your tax dollars in Oakland County are being well spent.

It's been an exciting seven years for me as County Executive to be at the helm of one of the most dynamic counties in the entire United States of America. I think we've had a good run at it these past seven years, and I give all the credit where it is due: to my talented administrative team, to the dedicated county workforce, to the business and education community whom I have tapped so many times to sit on committees while we pick your brains, and of course, to all of you as friends who never wavered in your support.

Here I am in the last year of my second term, and if you all don't mind, in a couple months I intend to formally ask you if you will return me to this job for four more years.

As you might expect, I will make the formal announcement at a breakfast which will be a fundraiser.

There's no doubt that the future of Oakland County is bright - blindingly bright. As good as our days have been, our best days are before us. This county is indeed blessed. We've got natural beauty and resources, we enjoy the advantages of a private sector unparalleled in America, we have economic strength in reserve, great schools that shape our kids for tomorrow's challenges, and we have a population that rightfully demands and expects high quality service.

Ladies and gentlemen, I believe that Oakland County is not just a pathway into the 21st Century, but rather a final destination on the road to the American dream.

Thank you, my friends, for all your support and thank you for coming tonight.