

**L. Brooks Patterson
Oakland County Executive**

2011 State of the County Address

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Speech is also available on the website at: www.oakgov.com

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I. INTRODUCTION

Good evening, ladies and gentlemen. My annual State of the County Address this year will be brief: The Road Commission for Oakland County is responsible for snow removal on our roads. The Road Commission for Oakland County is an independent agency, not a part of Oakland County government nor my administration.

Thank you and good night.

Maybe I have time to eke out a few more words tonight. First of all, of course, I want to thank you, Mark, for your kind words and generous introduction. I also want to commend you on your leadership in Macomb County as its first executive. The difference between me and my friend Mark is that I inherited a government fairly well established and defined.

On the other hand, Mark Hackel has 180 days to design and launch a new government. That's why I refer to him as Thomas Jefferson.

As you can readily see, Mark and I are good friends and this presents an historic opportunity to foster stronger ties between our two counties and build upon our strengths to move Oakland, Macomb, the region, and for that matter the state, forward in creating desperately needed jobs.

II. ECONOMIC GROWTH ALLIANCE

It was music to my ears to hear that Macomb County is joining our fairly new Economic Growth Alliance. As you can see on the map behind me, the Economic Growth Alliance (or what we call the "EGA") includes the counties of Oakland, Livingston, Genesee, Lapeer, St. Clair, and now Macomb.

This growing regional alliance now represents nearly three million people, all intent on the same thing: fostering quality growth, attracting good high paying jobs, and supporting a unique quality of life.

If you look at the assets of the EGA you can detect the beginnings of our master plan. St. Clair County, with the Blue Water Bridge, is increasing commerce with Canada at Port Huron and Sarnia. Our new EGA will support the expansion of that job creating activity.

In Genesee you have Flint Bishop International Airport, a transportation hub and a gem that many of us are now regularly using to travel the country and ultimately overseas.

Macomb sits on an international border, and its interior houses one of the most dynamic and expanding defense sectors in the entire country. It's a multi-billion dollar job creating juggernaut.

Livingston and Lapeer are perfectly situated between international airports and freeway systems to support logistics and commerce. When you combine all of the assets and potential for growth for the region, it's a force to be reckoned with.

And Oakland? You'll hear more about Oakland County's expanding assets and unique programs tonight.

III. AUTOMATION ALLEY

As I have done throughout the years, I design my State of the County Address to accomplish three things: take a quick look back at where we've been and review the progress of established programs; take a quick look at where we are today and check the pulse on some of our ongoing initiatives; and then, of course, I like to end my remarks with a view of coming attractions as we move into the second decade of the 21st century.

So let me start by giving you a quick update on a program that I first announced way back in 1998. It was called then and is today still referred to as "Automation Alley." Early on in my administration, businessmen would complain at lunch or dinner where I would be speaking that they couldn't get their top jobs filled: engineering positions, IT positions; unfilled, as talent went to the east coast and west coast, never thinking there was a high-tech career in the Midwest, let alone southeast Michigan.

You may recall I hired Patrick Anderson of the Anderson Economic Group from Lansing to find out where the high-tech jobs were in America. To nobody's surprise, they were in Silicon Valley, followed by Boston. But believe it or not, Oakland County ranked third behind these two powerhouses, with 167,500 high-tech jobs, using the same NAICS codes for measurement.

That's all I needed to hear. I went out and began to recruit businesses and eventually launched a consortium of 43 high-tech companies in 1999 under the banner of "Automation Alley."

Today, under the very able leadership of my Deputy Ken Rogers and his staff of professionals now working in Automation Alley's own headquarters off Big Beaver in the City of Troy, membership has grown to over 1,000 companies in eight counties (and that growth has occurred in the worst economy since the Great Depression).

Automation Alley has now been recognized by two presidents – George Bush and Barack Obama. Bush bestowed an Excellence in Export Award upon Automation Alley and Obama invited my Deputy and Automation Alley Executive Director Ken Rogers, along with 129 other business leaders from around the nation, to take part in a White House jobs summit.

Most recently, Ken has been appointed to the Industry Trade Advisory Committee by Secretary of Commerce Gary Locke and the United States Trade Representative Ambassador Ron Kirk.

It's safe to say Automation Alley has arrived.

IV. EMERGING SECTORS

Following on the heels of the successful launch of the Automation Alley consortium, came a program which we today recognize as “Emerging Sectors.”

There was a headline in one of our major newspapers in October, 2003 that read: “200,000 jobs leave Michigan.” Most of those were manufacturing jobs within the automotive sector, and unfortunately Oakland County would not be immune to the pain of an imploding domestic automotive industry. Before it was done, General Motors, my largest employer in Oakland County, had gone through bankruptcy, and Chrysler that is headquartered in Oakland County also suffered the same fate.

Not that I could have foretold those events back in '03, but the antennae were up and the red flags were waving: our manufacturing sector was under attack. I asked Dennis Toffolo, then my Director of Economic Development, to do some research with his outstanding team and try to divine for me what would be the top ten sectors of future economic development, outside of the automotive sector.

Clearly we had become a one sector economy and the risks were evident. My plan was to start the long and arduous task of diversifying the economic base of Oakland County and I needed some guidance as to where those good paying, high-quality, sustainable jobs would be created in the future.

Dennis returned in '04 with the research and we immediately launched Emerging Sectors that included Alternative Energy & Water Technologies; Advanced Electronics; Advanced Materials; Communications & Information Technology; Defense & Homeland Security; Film & Digital Media; Finance, Insurance & Real Estate; Medical Main Street; Robotics; and Aerospace.

Since the kickoff in 2004, I'm delighted to inform you that the 180 Emerging Sector businesses that have either come to Oakland County and/or expanded in Oakland County have invested \$1.7 billion dollars with nearly 25,000 jobs created and another 10,000 jobs retained by this strategy.

This initiative is so successful that Moody's Investors Services, one of Wall Street's premiere bond institutions, cited the success of Emerging Sectors as one of the reasons it recently reaffirmed Oakland County's AAA bond rating.

I expect to hit the magic \$2 billion dollar level of investment in Emerging Sectors businesses sometime later this year. We'll have a blow-out party to celebrate this milestone. As emerging sector companies come to and/or expand in Oakland County, they'll bring high-tech, high quality, high paying, sustainable (and that's the keyword “sustainable”) jobs that will be here for 30 or 40 years.

I've told my friends that this program of diversification of Oakland County's economic base, which we started in '04, will probably take 20 to 25 years to complete. And when it's done, while I can't promise you that Oakland County will be “recession proof” in the future, I can promise you that Oakland County will be “recession resistant,” and that's what we're working toward.

As a postscript, you should know that the \$1.7 billion refers to just emerging sector companies. Obviously other companies, big and small, outside of our Emerging Sectors umbrella, have come to Oakland County and are contributing to the growth of our economic base as well.

I want to salute, of course, my staff who directs the Emerging Sectors program, Deputy County Executive Doug Smith and Director Maureen Krauss, and their fine team that backs them up in so many ways.

And while I have Doug's picture up on the screen, it's probably a good time to let you know that Doug has been recruited by the Snyder administration and will be leaving for Lansing next week to head up the state's economic development efforts. As I said in the newspaper, it is definitely Michigan's gain and Oakland County's loss.

Doug joined my administration in 2006 and has done a superb job directing the myriad of economic development programs we have here in Oakland County.

Doug, it was good while it lasted and I wish you all the best in your new challenges in Lansing.

V. HEALTH AND LIFE SCIENCES

As we began to monitor the growth of Emerging Sectors on a monthly basis (with this report that keeps track of every company that came in and/or expanded within those ten sectors in Oakland County), it became readily apparent that one sector was eclipsing all of the others and was growing like topsy. And that, of course, would be the Life Science and Health sector.

One would only have to drive around Oakland County a couple of years ago to see what I witnessed: the new Providence Park Hospital in Novi with a couple of thousand jobs created there. The same for the Henry Ford Hospital in West Bloomfield and the multi-million dollar investment that it represented. And then McLaren Hospital starting to build its \$600 million medical campus in Clarkston. The expansion at St. Joe in Pontiac well underway with its new \$125 million patient tower. Beaumont in Royal Oak commencing its program to build a proton beam therapy accelerator. Oakland University and William Beaumont Hospital teaming up to build the first medical school in Michigan in nearly 50 years in Rochester Hills.

As you drove around you knew something big and exciting was happening in the health field. I hired the Anderson Economic Group once again to quantify for me the booming medical development occurring in the spring of '08, and this is what Anderson said: "Brooks, today, September 24, 2008, you've got 93,000 people in Oakland County working in healthcare." That would be doctors' offices, clinics, pharmaceutical, medical device manufacturers, etc. – 93,000. And then he added, "You will add 45,000 more jobs in the health sector within the next six years if you do nothing." The life science and healthcare industry in our county, overnight, very quietly, had positioned itself to become the strongest sector for economic growth in Oakland County for decades to come.

Made aware of this fact, it was easy for me to develop a new program which I called Medical Main Street. It's an effort to market Oakland County's vibrant healthcare sector as a recognized center for excellence in life science and healthcare. We brought in the CEOs from the various hospitals, pharmaceutical companies, and medical device manufacturers, and created a board which oversees and promotes the expansion of the healthcare industry in Oakland County under the title of "Medical Main Street."

In our second year, Medical Main Street quadrupled sector investment from the 2009 level, and such investment brought an additional 600 jobs in 2010.

During these formative days of Medical Main Street I learned a new phrase: it's called "medical tourists." These are people who will travel to obtain the best healthcare available. As I made my rounds with the various CEOs from our outstanding hospitals, they confirmed to me that medical tourism was already alive and well in Oakland County. Our area hospitals have treated patients from virtually all 50 states and over 30 nations from around the world.

This prompted me to ask the presidents of these various hospitals one simple question: "I may be naïve in asking, but given the resources and infrastructure that we already have in place, if we combine those assets under one marketing campaign called 'Medical Main Street,' do we have the talent and the expertise to go head-to-head with the Mayo Clinic and the Cleveland Clinic?"

Their answer was a unanimous "Yes."

And that's my goal for Medical Main Street, to unite the industry under one umbrella and to send a message worldwide that southeast Michigan, and in particular Oakland County, is a destination for excellence in healthcare. And from the early reports on the articles that are being written about Medical Main Street, we are getting the attention we are looking for.

Ladies and gentlemen, you can see from the programs which I have highlighted so far in my speech, the Economic Growth Alliance, Automation Alley, Emerging Sectors, and Medical Main Street, they all have one thing in common – the arrows are all pointing to economic development in Oakland County.

I found early-on in my career as Oakland County Executive that I was spending more and more time in my Economic Development Department. Like a moth to the flame, I was drawn to the challenges and the opportunities represented by this department. And given what happened to our economy over the last 10 to 12 years, I believe that my decision, in retrospect, was the correct one. That's where I could bring the most value-added to my administration as County Executive.

I hope that some of the programs that we've developed are deflecting some of the pain of the great recession and are helping to pave the way for a quicker economic recovery for our 44,000 businesses and 1.2 million residents of Oakland County.

VI. OAKLAND UNIVERSITY WILLIAM BEAUMONT SCHOOL OF MEDICINE

Speaking of economic development, I would like to comment on a transformational economic development event which is about to occur in Oakland County in less than seven months.

I speak, of course, of none other than the new Oakland University William Beaumont School of Medicine, scheduled to open August 11, 2011, on the OU Campus. It's been on the drawing board for several years and through the skillful and deft nurturing of this ambitious undertaking by Oakland University President Gary Russi, and his partner from William Beaumont, Ken Matzick, the first medical school in Michigan in nearly 50 years will open its doors this August to 50 freshman students.

I cannot even begin to underscore the impact this medical school will have on our health and life sciences sector that I mentioned a moment ago.

When the school is fully ramped up to between 600 and 700 students, the potential is there for over 10,000 new jobs and an economic impact of over \$3 billion dollars on an annual basis.

The econometric model that was used to make these projections was validated when the last medical school in America opened up in Florida several years ago.

Ladies and gentlemen, I think you can begin to appreciate what this new medical school will do for the region.

There were 3,300 applications for 50 freshman slots, literally from all around the United States and several foreign countries. This new medical school is single-handedly reversing the brain drain that we hear so much about. We are bringing into Michigan, into Oakland County, some of the best and brightest young minds from around the United States.

Congratulations Oakland University. Congratulations William Beaumont.

VII. ALTERNATIVE ENERGY

Since the inception of Emerging Sectors, Oakland County's second fastest growing sector next to the life sciences and healthcare has been alternative energy. A total of \$345 million has been invested which created over 3,000 jobs and retained more than 800 jobs. In 2011, alternative energy takes center stage in Oakland County.

Auburn Hills will become the global center for electric car research for Fiat-Chrysler. Azure Dynamics, headquartered in Oak Park, is quickly becoming a world leader in electric and hybrid vehicle drive technology for light to heavy duty commercial vehicles. And ALT-e in Auburn Hills is retrofitting light and medium duty fleet vehicles to hybrids.

Oakland County is embracing this dynamic growth in the alternative energy field. With the proximity of so many high-tech alternative energy companies, Oakland County will play a significant role in the new Southeast

Michigan Advanced Energy Efficiency Center for Excellence – also known as Cleantech – an alternative energy business incubator launching this year in Troy.

Cleantech, a public-private partnership, will bring business, educational and government entities under one roof. It will promote research, development, commercialization and manufacturing of advanced energy efficient products and technologies.

VIII. MANAGEMENT AND BUDGET

I've told my staff many times that managing a government like Oakland County in good times is a "no brainer." Managing a government when we're in the depths of the greatest recession since the Great Depression will test us. And my staff and I have been tested over and over again, and no part of my administration exhibited more resilience and strength than the team I have in place to manage our budget.

The Deputy in charge of the county's budgeting and finances, as many of you know, is Robert Daddow; and the Director of the Department of Management and Budget is the very talented Laurie VanPelt; and backing her up is her experienced manager, Tim Soave.

These three people, along with their accomplished staff, have made Oakland County the envy of this state, and in some respects, even the nation. Laurie, as an example, was the CFO of the Year in Crain's for 2010. Bob Daddow has emerged as a major player in government finance around the state. He was an integral player on Governor Snyder's transition team; he has emerged as a lecturer crisscrossing the state as he attempts to educate local budget directors on the pitfalls and challenges of multiple-year budgeting in tough times. He has acquired many names along the way: Darth Vader, Dr. No, and that "son of a bitch on the fifth floor" – he wears them all as a badge of honor.

Oakland County's three year budget process continues to win recognition and awards. It's been recognized by Wall Street as a contributing factor to our AAA bond rating, and has received National Association of Counties awards for its concept and execution.

When I say we have a three-year rolling budget, what I am saying to you, ladies and gentlemen, is that we have a budget that is in line item detail and in balance for 2011, our current fiscal year; 2012; 2013; and we're already working on the challenges that we see in fiscal year 2014. Nobody else in government is looking out that far. Not in Michigan, and from what we can see, not anywhere in the United States, certainly not at the county level.

Oakland County has reached this pinnacle of financial excellence not just because of the hard work of the staff, but also because of the support and efforts put forth by the other countywide officials and the Board of Commissioners.

I would be terribly remiss this evening if I didn't single out the cooperation and the sacrifice of each of the other countywides, and let me do so by name:

Sheriff Mike Bouchard who has taken hit after hit every year, we call them “budget tasks.” And because of the size of his department, he has had to endure the largest cuts. As a team player, he has done so with full understanding that these cuts have to be made, so let’s get them done right, and we’ll get through this together.

We have Prosecutor Jessica Cooper, who I think I should point out is a democrat and who might not always agree with me on political issues, but she certainly recognizes the challenges of the budget and has made the cuts that we’ve asked her to do in an extremely professional and prompt way, and I thank you for that, Jessica.

I have Bill Bullard, stepping into the Clerk’s Office. His predecessor Ruth Johnson, and now Bill sees how these cuts were necessary, certainly from his previous role as Chairman of the County Board of Commissioners. Bill realizes that there is no other way to escape the spiraling revenue decline than by reducing the size and cost of government. The Clerk’s Office under Ruth, and Bill’s role as Chairman of the County Board, have both made the necessary cuts without complaint.

As County Treasurer, Andy Meisner knows the numbers as well as anybody. He knows the downward trend of revenues that have been the story these past eight or nine years and will continue to be the story for at least the next four or five years. My Department of Management and Budget hands out the budget tasks and Andy, like the others, has stepped up and made the cuts required to keep us in a balanced mode. And while Andy and I might have some differences of opinion on some issues, we are in full agreement that the budget must be balanced and sacrifices must be made. Thank you, Mr. Treasurer.

And the same compliments and kudos go to our Water Resource Commissioner, John McCullough. John, in his other life, was not only Chairman of the Oakland County Board of Commissioners, but is also a lawyer and a CPA. His educational background and political experience have given him all the insights he needs to understand that budget cuts are required and that sacrifice is necessary by all of us as a team if we’re going to succeed. And I thank John for his support as well.

While all the foregoing officers are members of the Executive Branch, there are two other branches of government that have also been asked to make sacrifices and take cuts. Since they technically are not under the Executive Branch, we could have gotten some pushback. But the Legislative Branch that we call our Board of Commissioners that actually passes the budget as one of their main functions understands that revenues are falling. They are briefed at least every month on the revenue projections and the cuts that we are proposing. They, along with my Department of Management and Budget, deal with the actual budget almost exclusively. The Board understands how dire the tax losses are and the diminishing revenue stream that results. We could not have had a three-year rolling budget in balance without their support.

The final group is the courts. The courts have always fiercely maintained their independence as a third branch of government. I, being a lawyer, certainly understand and respect that. And yet when we went to this branch seeking budget cuts, I received nothing but complete cooperation and support from them. The Circuit Court, the Probate Court, and the District Court, under the leadership of their Chief Judges now Nanci Grant, Linda Hallmark, and William Bolle, have accepted their tasks and made the necessary reductions to support our requirement for a balanced budget.

While other counties are engaged in nasty, internecine warfare between their branches of government over the budget and budget cuts, I've got to compliment the public officials here in Oakland County for the harmonious and thoughtful way they've approached the budget process.

It is a delight to work with each one of you and I thank you for your support and understanding. Hopefully as a team over the next few years we can finally work our way back into a budget era that allows us to restore some of your programs and move away from this debilitating financial crisis.

I use the phrase "debilitating financial crisis" given what's going on Michigan. "Debilitating" might be a euphemism. Unemployment is still painfully high both around the State of Michigan and our country. Banks are still not lending, or at least not lending to the extent necessary to stimulate the local economy. Half of the housing market in the nation is now under water. The Fed's are desperately trying to keep the interest rates from rising, even though they have now borrowed \$14 trillion dollars. The municipal bond market has palpitations just at the thought that some local units of government may not be able to repay the bonds. Fuel prices are back on the rise in the face of a weak dollar. The state's unresolved operating shortfall will almost certainly bring forth discussions of a tax increase in Michigan. The hellacious debts facing the Detroit Public Schools, Hamtramck, Pontiac, Flint, Saginaw, and dozens of school districts around the state threaten for the first time in history the specter of bankruptcy.

I'm not normally a pessimist, but in this case I think by just being a realist it almost puts you into that camp. So this is the segue for me to say one more time to my fellow countywide elected officials, the members on the County Board, and the members of our outstanding judiciary: we've come a long way together. Despite all of the challenges facing government today, we're still recognized, according to Moody's, as the best managed county in America.

With the warning signs everywhere, we're clearly not out of the woods yet. And so I implore you tonight to continue marching arm-in-arm with us in the administration as we move together to slay the dragons loosened by a persistent and prolonged recession.

IX. BUDGET TASK FORCE

You've heard my assessment of the financial challenges facing the region and how we here in Oakland County are meeting those challenges. Back in 2003 I did one of the smarter things that I've done during my tenure as Oakland County Executive. I formed an in-house "Budget Task Force" to help me deal with complex financial issues that are intertwined with politics, policy, and projections.

The Budget Task Force I brought together include my five deputies, Jerry Poisson, Bob Daddow, Doug Smith, Ken Rogers and Phil Bertolini. I also added to the Task Force directors from two essential departments – Management and Budget and Human Resources. That would be Laurie VanPelt and Nancy Scarlet respectively. These seven people meet virtually every Monday and often two or three times a week to wrestle with the budget and make recommendations to me about how to resolve the continuing challenges that confront an organization as large as Oakland County.

I want you, ladies and gentlemen, to know that their work has resulted in the only three-year rolling balanced budget anywhere in the United States and helps maintain our decade old AAA bond rating.

I will confess tonight, without their expertise, knowledge, and support, I could not have been as effective as Oakland County Executive. I want to acknowledge them and thank them this evening for their hard work, their expertise, and their commitment.

X. THE BROOKSIE WAY

There are a couple other quick updates on programs that I'd like to share with you before I go into the new initiatives you will see this year.

As you know, I announced a half marathon and 5k race back in '07. Then, after the loss of my son Brooks, the committee named the race "The Brooksie Way." (The Brooksie Way being an extrapolation of a phrase my son-in-law used in the eulogy "Live Life the Brooksie Way.")

As many of you know, we teamed up with our good friends at the Crim Foundation and we have now had successful half marathons and 5k races in 2008, 2009, and 2010, with expanding participation each year. Last year there were over 5,000 runners.

In last year's State of the County Address I announced the expansion of the Brooksie Way races with the creation of "The Brooksie Way Minigrants." These are small financial grants with big results. Let me explain how they work. Any organization around Oakland County which has as its mission the improvement of the physical health and well-being of its membership, such as senior dance clubs, swim clubs, 5k races at churches, etc., can apply for a financial grant called "The Brooksie Way Minigrant" to help fund the program. These grants are funded from the proceeds of The Brooksie Way Half Marathon and 5k Race.

Since the inception of The Brooksie Way Minigrants we have given 35 grants totaling nearly \$37,000 to organizations around the county who promote healthy, active lifestyles.

These minigrants are awarded to organizations that are struggling in this economy and there is one recipient organization in particular that I want you to see tonight that's called "Hugs for Horses." The video says it all: www.TheBrooksieWay.com/minigrants.

XI. WELLNESS PROGRAM

In 2006, we had a 20% spike in the cost of our healthcare for our employees. An unanticipated 20% spike can wreak havoc with the budgeting process and we knew that we had to get a handle on it.

We were determined to tame the runaway costs of healthcare. The end result of that commitment was a program that we launched in January of 2007 that we call "OakFit." The OakFit program, now four years old, is a

multifaceted program that begins with a blood screening appointment where trained personnel check glucose and cholesterol, as well as blood pressure and body mass index (BMI).

Then a second component, which is a “Risk Assessment Survey,” combines the screening results with a risk survey to determine who the high risk employees are. If we find any, they are referred to their primary physician.

In 2007, our outside consultants referred 15% of our participating employees to their primary physician. Four years later, only 4% were referred. So you can see what is happening: high-risk employees are being identified, referred for treatment, and the potential development of costly chronic health conditions is being reduced. Ultimately it represents significant savings to the county through “cost avoidance.”

We also have a plethora of lunchtime programs available for our workforce: Weight Watchers came on campus; yoga; pilates; we have a “Lunch and Learn Series” where lecturers are brought in to talk about health topics of interest; all employees were encouraged to go to the Farmers Market with a \$5.00 coupon good for the purchase of fruits and vegetables; a Health Fair was instituted which has become very popular with employees; and on and on it goes.

The OakFit program has been an unqualified success and our rising healthcare costs have been tamed. We call it “bending the curve.” The program has drawn state and now national attention. I appeared on Fox News a couple of times. Here’s the January 16th clip: <http://video.foxnews.com/v/4499153/>.

What you just saw in that brief video is absolutely correct. At the end of 2010, we’re paying the same rate for healthcare coverage for our employees that we paid in 2007. On a simple projection of a 9% increase, which is the normal average increase around the country, our costs would have been \$50 million dollars. Today we’re at \$38 million and we’re not done “bending the curve” yet. Other programs such as smoking cessation, stress management, etc., will be introduced this year.

My goal, ultimately of course, is to improve the health and quality of life of my workforce.

Do you folks see the mosaic that we’re stitching here in Oakland County? Now we have the very successful “OakFit” program on campus for our employees. Eight years ago we launched the “Count Your Steps” pedometer walking program for nearly 34,000 third and fourth grade children in our schools – getting them off the couch. In ’07 we announced “The Brooksie Way Half Marathon and 5k Race.” Then there is the “Oakland Edge” hockey tournament. Most recently “The Brooksie Way Minigrant” program has been successfully launched and is really the octopus that puts its tentacles into all 61 communities in Oakland County, with a long range goal of improving the health of all Oakland County residents.

I’d like to think that in 10 to 15 years down the road, we will have increased, in a quantifiable way, the quality of life that we enjoy here in Oakland County.

I would be terribly remiss if I did not give credit where credit is due. The successful OakFit program is the brainchild of my Human Resource Director Nancy Scarlet. Nancy, along with Dawn Hunt, who assumed the role of coordinator of the program, really nurtured this program from its humble beginning to the nationally recognized program it is today.

Nancy and Dawn, I want to thank you for a job well done. Also, I want to direct your attention to the screens where you will see our private sector partners supporting OakFit.

- Amanda Dennis, Exercise Instructor
- American Cancer Society
- American Diabetes Association
- American Heart Association
- American Institute for Preventive Medicine
- Athletic Republic, Auburn Hills
- Barbara Ann Karmanos Cancer Institute
- Beaumont Hospitals
- Blue Cross/Blue Shield of Michigan
- Botsford Hospital, Farmington Hills
- Clarkston Hot Yoga
- Crittenton Hospital Medical Center, Rochester
- Delta Dental
- Eight Gate Acupuncture & Wellness, Jeffrey Remer
- Elton Black & Son Funeral Home/Dignity Memorial
- Fidelity Investments
- Houston Fitness Consultants
- Kingswood Chiropractic Center, Bloomfield Hills
- Functional Physical Therapy, Inc. (Waterford, Clarkston, Oxford)
- Great Lakes Cancer Institute
- Health Alliance Plan
- HealthPlus of Michigan
- Healthy Oakland Partnership
- Henry Ford Hospital, West Bloomfield
- ICMA RC
- Jazzercise, Letha Martin
- Kerry's Dance Stages, Lake Orion
- Kosch Catering, Inc.
- Lynn Alexander, Your Living Well Advisor
- Medical Network One, Rochester
- Navitus
- Michigan Institute of NeuroDynamics
- Michigan State University Extension
- Oak Management
- Oakland County Credit Union
- Oakland County Facilities, Maintenance & Operations
- Oakland County Farmers Market
- Oakland County Health Division
- Oakland County Human Resources, Training & Development
- Oakland County Parks & Recreation
- Oakland County Sheriff's Office
- Oakland County Wellness Coalition
- POH Hospital
- Richard Paul & Associates, Macomb Twp.
- Schenden Communications, Inc.
- Senior Options & Services, Elaine Simpson
- St. Joseph Mercy Oakland
- Summit Chiropractic, Waterford
- TEAM (Total Employee Assistance & Management, Inc.)
- Variety Food Services
- Weight Watchers
- West Bloomfield Police Department

The OakFit program is so successful that I am in active negotiations with Representative Gail Haines from Oakland County, the Chairperson of the Health Policy Committee in the Michigan House of Representatives. As the Chairperson of the House Policy Committee, she sees some opportunities to take OakFit to Lansing and expand its positive cost savings impact statewide under a new state moniker called “MIFit.” No details are available yet, but we’re flattered that the state might adopt OakFit as a Michigan model.

XII. ENERGY SAVINGS

Over the years we have proven that we can reduce our utility costs significantly by adopting energy efficient policies in the county. Really folks, in some instances it’s like picking low hanging fruit. As an example, since 2005 we have saved millions of taxpayers’ dollars on our utility bills through simple steps such as changing our nighttime building lighting procedures to adding sensors to our sprinkling systems.

Pursuing these efficiencies further, last May I announced the “OakGreen” challenge. I encouraged all of Oakland County residents, businesses and governments to reduce their energy consumption by 10% by the end of 2012. In fact, I renew my call to all of you tonight to take part in the challenge – go to our website for more details at: www.oakgov.com/oakgreen.

Oakland County government has already reached that 10% goal, so I gave my Facilities Management team, led by Director Art Holdsworth, an additional challenge of reducing the county’s energy consumption by 15% by 2015.

Art’s department has formed a “Green Team” under the direction of Facilities, Maintenance & Operations Manager Bob Larkin who is looking to identify ways to further reduce energy consumption across our campus.

The Green Team has been so successful that they were recipients of a National Association of Counties award in 2010 for their leading-edge “green” ideas. In fact, through the Green Team’s efforts, the Executive Office Building where I work was cited as the first Oakland County government building to receive an “Energy Star” rating. That means my office building meets stringent energy efficiency standards as outlined by the Department of Energy.

XIII. THE FUTURE

As you heard me say tonight, Oakland County – for that matter, governments across the state and nation – are facing hellacious budgetary challenges. I’ve tried to give you tonight an idea of how we here in Oakland County are responding to the realities of our economy.

Ours is a multifaceted approach as you see: a hardworking, relentless group called the Budget Task Force; a supportive and understanding team of countywide officials; and the utilization of technology, including green technology, to reduce costs and save taxpayers’ money – it is ongoing, it is intense, and it is working.

While my staff spends an inordinate amount of time dealing with the budget, I am excited to tell you tonight that we still have the ability to launch new programs that are basically cost neutral to you, or better yet, they actually have the potential of generating badly needed revenue without raising taxes.

“What kind of programs?” you might ask. Let’s take a look.

1. Cloud Computing

In 2011 Oakland County will enter the realm of “Cloud Computing.” What that means is we will position our IT applications out in cyber space so that local governments can use them on an as-needed basis. We have been providing technologies to governments within our county and region for years. The next evolution of our technology will make these applications available to governments across the State of Michigan.

“Cloud Computing” will be a real budget saver for local cities, villages and townships. They will not have to buy software nor pay for the servers to host the applications. They simply will pay Oakland County a nominal user fee. It is a savings for the local government user, and at the same time a revenue enhancer for Oakland County that allows us to manage our costs longer term.

“Cloud Computing” will not just be available to local governments in Oakland County, it will be available to anyone who wishes to use the application, whether it’s our friends in the Economic Growth Alliance or the State of Michigan or the City of Detroit. Our applications will be there to help them reduce their costs and enhance services for their residents.

The first applications we will make available are in my Health and Human Services Department. These applications will allow citizens to register for vaccinations and provide the ability for schools, hospitals, and physicians to work collaboratively with health departments across the state. Shortly after our initial launch we will follow up with our nationally recognized eHealth food inspection application.

2. Wireless Oakland

There’s good news tonight about a program I announced way back in 2005. That would be “Wireless Oakland.” Nearly six years ago I announced the concept of Wireless Oakland. It was a well-developed and ambitious project that unfortunately fell victim to the economy.

Private sector investors who had been lined up to fund the project decided not to take the risk in an economy that was already in a free-fall. A decision that disappointed me, but one I certainly understood.

Well, we’re back with a less ambitious effort than before, but nonetheless one I think that many communities are going to be delighted with. I am excited to tell you that we are moving the “son of Wireless Oakland” forward, but this time with a public-private partnership. A private internet provider, located in the Thumb area, is coming down to the northern and western tiers of the county to provide competitively priced wireless broadband services where none are available today. As part of the Wireless Oakland initiative, we are going to

provide the company, “Air Advantage,” access to our strategically placed towers. But here’s the important trade-off. In exchange for access to our towers, Air Advantage will offer free Wi-Fi services in some of our downtown areas.

Air Advantage has received federal financing allocated for the development of rural broadband networks.

The first three cities that we are initially targeting for free Wi-Fi are: the Village of Holly; the Village of Oxford; and the City of Clarkston. We expect to announce other communities scheduled for free Wi-Fi later this year.

3. Assessment Seminars

Nothing is more perplexing than understanding how assessors determine the value of your property. People want to know the basis of those decisions and most of all they want to know “If my assessment is going down, why are my property taxes going up?”

Beginning this year, for the first time, Oakland County’s Equalization Manager Dave Hieber and my Deputy County Executive Phil Bertolini, who used to hold that exact job, will hold a series of Assessment Seminars for residents during February and March. As real estate values begin to bottom out – and I say begin to bottom out – residents want to know more about their assessments and what they truly should be paying in property taxes. We will actually be hosting four seminars across the county to proactively meet with concerned citizens. Residents may go online for more information regarding dates and locations at our Equalization Division’s website: www.oakgov.com/equal.

4. Transparency

Oakland County government has been and continues to be a strong believer in transparency. We’ve got nothing to hide and if you do things right – and we think we do – we want people to see it and appreciate it. We believe it’s important that residents understand how their county government operates.

In that spirit, my Purchasing Division will begin posting our vendor contracts online for the public to review. Taxpayers will know who is getting their money, for what purpose, and exactly how much. When the contracts are posted, just look for them at Purchasing’s website: www.oakgov.com/purchasing.

5. Oakland County International Airport

In my 2010 State of the County Address I announced that we would be constructing Michigan’s, and for that matter the nation’s, first “green” terminal at the Oakland County International Airport located in Waterford Township. OCIA is Michigan’s second busiest airport, next to Metropolitan Airport, in terms of take-offs and landings.

The Oakland County International Airport is, in fact, the gateway to Oakland County. Virtually every Fortune 500 company will come through the doors of our terminal during the course of a year. We have a chance to make a first impression. It's either going to be a good one or a bad one.

Well, obviously, we want to impress the business leaders of America and present Oakland County as a progressive, well-managed county where one might want to do business.

The current terminal is more than 60 years old and very inefficient and costly to operate. So, in 2010 I announced that we would be constructing a new gateway – a new terminal – at Oakland County International Airport. It will be a green terminal that will therefore include utilization of wind and solar energy, geothermal heating and cooling, plus other energy efficiencies. Indeed, it will become the county's first LEED certified building. (LEED stands for Leadership in Energy and Environmental Design.)

It will say to the business executives that come to our airport from all around the world that Oakland County embraces new technology and welcomes innovation.

My Central Services Director Dave VanderVeen and Airport Manager Karl Randall both assure me the new terminal will open on schedule this summer and I invite each of you to our airport open house August 28th to visit our new terminal.

When you tour Michigan's newest terminal, there will be a special "green" architectural feature which we have added to the design just this past month. It's called a "living wall." If you've ever been to Planterra Nursery in West Bloomfield, you may have seen one of these. A living wall is an innovative, vertical arrangement of plants that are part of the wall, watered by rain water which is collected from the rooftop. Not only will it be an attractive, unique feature for those who pass through our terminal, but it will be an additional green component that will keep the air in the terminal free from pollutants.

In case you're wondering, the new green terminal I'm bragging about this evening will not cost you, the taxpayers, one dime. The construction has been funded either through federal grants or airport user fees paid by airplanes that come and go from our airports. Not one general fund dollar was used to build this new terminal.

6. Video Jail Visits

I've asked my staff to investigate the potential for what I call "Video Jail Visits." It's a program that would allow families with broadband connection, a computer and webcam to visit an inmate in the jail online for a fee.

The connection would cost the visiting friend or family member approximately \$6.50, of which \$4.00 would go directly into the county's general fund. It's a convenience to the family or friend who can visit a loved one in the jail from their home or office, or perhaps the office of their lawyer. With 1,700 inmates and a projected visit of one day a week, we estimate that video jail visits could generate for the county's general fund revenues in excess of \$1.5 million dollars annually.

New revenues of \$1.5 million dollars in a tough economy could go a long way in supporting our strained budget, and at the same time providing a service for families who seek to visit loved ones in jail.

The next step, obviously, would be to expand these video visits to children who are detained at Children's Village. And I would recommend to my friend Governor Rick Snyder to take a look at this program at the state level where there are 40,000 inmates incarcerated. Certainly people from southeast Michigan, for example, would rather do a video visit than to drive all the way up to Marquette. I think it has potential in the millions of dollars to help the state deal with its budget crisis.

It's just another use of technology in Oakland County. In 2009, the Centers for Digital Government and National Association of Counties declared Oakland County the most digitally-advanced county in the nation. In 2010 we were ranked among the top five in the same category. This is another innovation utilizing technology, something that Oakland County has now become recognized for around the country.

7. Paperless County

I have asked Phil Bertolini as my Deputy and CIO, along with Ed Poisson, Director of Information Technology, and his staff, to look at the possibility, long term, of Oakland County being the first county in America to go paperless. Certainly there are corporations, and perhaps even some smaller units of government, such as a school district, that have managed this challenge of going paperless. I would like to think that we have the technology and the resources to be the first county in America to achieve that lofty goal.

Going paperless would not only result in a huge financial savings for the county, but it would also underscore Oakland County's role as a leader in technology, as well as protecting the environment. My staff and I will continue to look for ways to cut costs and improve services, and I think looking at the potential of a paperless county serves me on both levels.

8. Proud To Be A Vet

And finally, I want to tell you about a really cool moment I experienced this past Veterans Day, which was November 11th, as you know. I was having lunch at a local restaurant when my server - who waited on me before - came up and asked why I wasn't wearing a suit and tie that day. I replied that it was Veterans Day and that I had earned this day off. She looked at me and said, "Are you a veteran?" and I said, "Yes, I am, U.S. Army." She then reached across the table and said, "I want to shake your hand and say 'thank you' for your service to our country."

This was the first time in all my years since I was in the Army, that anyone has thanked me for those two years in uniform. I never expected it, but when it happened, I have to tell you, I was truly moved. There was a lump in my throat that I could not explain. After all, it was just a handshake and a brief recognition for something I did back in the '60's.

As I thought about it later, and while the lump was still buried down deep in my throat, I decided that every veteran should be able to experience the emotion I did last Veterans Day. So tonight I am announcing the creation of my “Proud To Be A Vet” campaign. I’ve designed a button that says exactly that and it will be available to any veteran in Michigan – and for that matter, any veteran in our country – who wants to let others know, in a very subtle way, that they proudly served their country in uniform.

A picture of the button is on the screens beside me and information on ordering them is available through our website: www.ProudToBeAVet.com. A nominal charge of 50¢ per button will be imposed to cover the costs of production, shipping and handling.



My goal is to distribute as many of these “Proud To Be A Vet” buttons as I can across the State of Michigan so that come next November 11th, Veterans Day, there will be a lot of heartfelt handshakes in restaurants, shops, and stores across the state.

I have printed up some sample buttons and they are available tonight as you leave the room. Take as many as you want and distribute them to your friends who proudly served our country in the Armed Forces.

I’ve asked Mike Zehnder, my Director in charge of my Veterans Affairs Division (and himself a two-tour Vietnam veteran), to join forces with the Veterans Committee of the Oakland County Bar Association to manage this program. Mike and this Bar Committee are a gung-ho bunch of great guys who, like me, are proud to be a vet. The Veterans Committee of the Bar will help fill the orders and promote the program.

Tonight we have our young men and women involved in two wars, and as I think about the sacrifices they are making for all of us, I think you would agree with me that they deserve all the recognition we can bestow upon them. This is one small way to ensure that they get it.

XIV. AWARDS

As I get near the close of my remarks this evening, I’m always careful to make sure the Oakland County employees receive the recognition they so richly deserve. Oakland County continues to receive numerous awards around the state and the nation. All the awards received are being displayed on the screen to my right

and left – too numerous to mention individually in my remarks tonight. But I would like to highlight a few so you can appreciate the excellence and professionalism with which Oakland County employees approach their jobs every day.

Oakland County received 17 achievement awards from the National Association of Counties in 2010 – the most of any county in Michigan. Among those awards was recognition for my Green Team I mentioned earlier and their efforts to reduce energy consumption on our campus. The Oakland County Business Venture Forward Series, a 10-week planning series to help small businesses expand and thrive hosted by Lola Are', our senior business development rep.

My Health Division – directed by George Miller and managed by Kathy Forzley – received one of the most prestigious awards bestowed upon a local health department. In 2010, the National Association of County and City Health Officials, recognized Oakland County Health Division's collaboration with IT to create an eHealth portal where schools, hospitals, and other stakeholders can communicate information immediately with the health department about communicable diseases. This award is one of excellence which highlights best practices that should be adopted around the country.

In 2010, one of my directors received the public recognition that she so richly deserves for her hard work every day on managing the county's budget and keeping our spending in line. She is one of the architects of our much heralded three-year rolling budget that has garnered significant recognition around the state and nation. As I mentioned before, Crain's Detroit Business named Management and Budget Director Laurie VanPelt as Chief Financial Officer of the year in 2010.

Speaking of talented ladies, my Corporation Counsel Judith Cunningham received huge recognition, as well, when Michigan Lawyers Weekly honored her as one of the "Women in the Law 2010."

As the chief executive officer in county government, I get to take a lot of bows for the work of my employees. But you know, and I know, that behind the scenes the real professionalism, the real effort, and the real grunt work is done by the people whose names are recorded in these awards. Please acknowledge their hard work with a well-deserved round of applause.

Complete list of awards:

- Oakland County Corporation Counsel Judith Cunningham honored by Michigan Lawyer's Weekly "Women in the Law 2010" for her significant contributions to the law
- Justin Quick, Friend of the Court systems support unit, won the Michigan Family Support Council's Program Improvement Award
- Friend of the Court Referee Arthur Spears won three awards this year: OCBA's Public Servant of the Year (along with Judge Moore); Michigan Family Support Council's Friend of the Court Manager of the Year and Referees Association of Michigan President's Award for Outstanding Leadership

- Friend of the Court Referee Sahera Housey was given the Outstanding Service Award by the Referees Association of Michigan
- Facilities Management earned the Energy Star rating for the Executive Office Building
- NACo Achievement Award for Facilities Management's Green Team
- Fiscal Services Division received the Award for Excellence in Financial Reporting – 19 consecutive awards
- Fiscal Services Division received the Distinguished Budget Presentation Award – 14 consecutive awards
- Fiscal Services Division received the Popular Annual Financial Report Award – 13 consecutive awards
- Laurie Van Pelt named 2010 CFO of the Year by Crain's Detroit Business
- Planning and Economic Development received NACo Achievement Award for Venture Forward
- Planning and Economic Development received National Green Infrastructure Award
- Bob Donohue, Planning and Economic Development, named to National Main Street Advisory Committee
- Sheriff Michael Bouchard was honored as MSU School of Criminal Justice Wall of Fame Award Inductee
- Sheriff Michael Bouchard American Police Hall of Fame Honor Award Recipient for Distinguished Achievement in Public Service
- Sheriff Department received NACo Achievement Award for Innovative Program- Operation Medicine Cabinet
- Department of Information Technology received NACo Achievement Award for Personal Property eFile, which allows businesses to submit personal property statements online
- Department of Information Technology received NACo Achievement Award for Health and Human Services Communication Portal, to improve communications between county schools, hospitals, physicians and the Oakland County Health Division
- Department of Information Technology received NACo Achievement Award for Cost Reduction/Investment Blog, which facilitates collection and evaluation of cost-savings suggestions submitted by employees
- Oakland County was named the fifth most digitally advanced county in America by the Center for Digital Government and the National Association of Counties

- Michigan Recreation and Park Association’s Grand Award for providing outstanding leadership, service, education and support to public recreation in Michigan
- Digital Government Achievement Award for Outstanding Agency Website for DestinationOakland.com by the Center for Digital Government
- Michigan Recreation and Park Association Best Video for boardwalk construction over wetlands at Independence Oaks County Park
- National Association of County Park and Recreation Officials’ Program Award for Tuning Your Tot, a favorite of visitors to the Wint Nature Center during the last 25 years
- Jason Scott, the 4-H Youth Development Program Coordinator, Oakland County MSU Extension helped the Video Club in Lathrup Village produce “Be Kind to Mother Earth” which was named winner of the National 4-H Digital Storytelling project
- Oakland County Human Resources received a second NACo Achievement Award for its OakFit Wellness Health Screening Results and Return on Investment
- Workforce Development Division received a NACo Achievement Award for the Skills Needs Assessment Checklist Program
- John Almstadt, Workforce Development Manager, received Automation Alley’s Member of the Year Award and the Pontiac Regional Chamber’s Workforce Development Award
- Health Division received NACCHO Certificate of Promising Practice for Perinatal High Risk Case Finding
- Health Division received NACCHO Model Practice Award for Communicable Disease Surveillance & Communication System, AKA Health and Human Services Communication Portal
- Health Division received NACCHO Certificate of Appreciation for Participation in H1N1 Sentinel Network
- Health Division received NACO Achievement Award for Health & Human Services Communication Portal
- Pamela F. Davis, Court Services Manager of the Oakland County Circuit Court, was presented with The President’s Award at the Michigan Association of Drug Court Professionals at the 11th Annual Conference
- The Oakland County Bar Association awarded its 2010 Distinguished Public Servant Award to Oakland County Probate Judge Eugene Arthur Moore

XV. CONCLUSION

Tonight I've given you a 30,000 foot flyover about many things we're doing here in Oakland County government: the expanding Economic Growth Alliance; the growth and the potential of our Medical Main Street initiative; an update on our economic development programs like Automation Alley and Emerging Sectors; our move into cutting edge technology with cloud computing; Oakland County International Airport's green terminal, the first of its kind in America; our award winning Green Team, saving taxpayers millions of dollars with efforts to improve energy efficiency around our campus; the incredible impact of the Oakland University William Beaumont School of Medicine right here in our county; and our wellness efforts, saving taxpayers millions of dollars and gaining national attention in the process on Fox and Friends.

Obviously I'm proud to be part of this growth, this innovation, this inculcation of technology into our work process, and I look forward to doing it for years to come.

Which brings me to my final point ... "years to come." Obviously I'm enjoying this job. I'm surrounded by talented people, and I think we're bringing all of you as Oakland County residents a quality product ... and I would like to continue to do so for years to come. That means for the upcoming election in 2012 ... count me in for another four year term! In fact, I may be in for 2016, 2020 and 2024. What would I do if I retire? Sit around and play parlor games and write nasty editorials about Professor Granholm?

The reason I bring this up now is because there are some people starting to breathe down my neck and whisper, "You've had a great run, Brooks; time to move on." I want to tell them tonight: I'll "move on" the first time one of you posts a video of me on "YouTube" riding a three wheeled bike around some mobile home park in Sarasota.

Thank you all for coming, and have a good night.