

STATE OF THE COUNTY ADDRESS
OAKLAND COUNTY EXECUTIVE L. BROOKS PATTERSON
MARCH 6, 1997
COMMISSIONER'S AUDITORIUM

Chairman McCulloch, distinguished guests, ladies and gentlemen:

I would like to thank all of you for joining me once again as I report on the State of the County.

It seems almost incomprehensible that four years have passed since I first assumed the duties of Oakland County Executive. So many challenges. So many changes.

Tonight, let's take a quick look back, then review where we are at this moment in time, and finally look into Oakland County's crystal ball as we approach the next millennium.

Four years ago my Administration was tested under fire when we discovered a looming \$24.5 million budget shortfall. We responded quickly and decisively with a full frontal assault on the problem. Through the ingenuity and initiative of my Budget Director, Bob Daddow, former Personnel Director Vincent Luzi, Deputy County Executive Doug Williams, and many others within my Administration, a bold plan was devised to rescue Oakland County from a mounting sea of red ink. An early retirement program was offered, and 243 long time employees left county service; hiring and salaries were frozen; a new money-saving Defined Contribution Plan was established; and privatization throughout the County was aggressively pursued.

The end result was the elimination of the shortfall which had the concomitant effect of prompting Wall Street's two most prestigious investment houses, Moody's Investment Services and Standard and Poor's, to upgrade the

county's bond ratings one full notch for the first time in a decade. And as we all know, higher bond ratings mean less borrowing costs for the taxpayers of Oakland County.

That was then. This is now. And tonight I'm happy to report to you that Oakland County is in a strong, healthy, robust financial condition.

The one-half billion dollar County budget, which this Administration submitted to the Board of Commissioners, was approved recently, with little fanfare. The smoothness of this process is a testament to the quality of the team effort exhibited by all County departments. The Board of Commissioners and other elected officials are to be commended for their diligence, understanding, and cooperation in this complicated budget process.

TECHNOLOGICAL INITIATIVES

My second term of office as County Executive will close out the 20th century. As we approach this milestone, we must make sure that all roads to the future run directly through Oakland County. This can only be achieved - and make no doubt about it - if we re-double our efforts to buttress Oakland County's technological superiority. Tonight, I reconfirm my commitment to plant Oakland County's flag deeper in the high-tech arena.

In 1996 technology was the order of the day. We began the year by arming our law enforcement community with new and improved high-tech tools with which to fight crime.

The "Instant Image" Photo Imaging System, which is being used by the Sheriff's Department and a number of local police agencies, is a vast improvement over the old "mug shot" system. There are nearly 29,000 photos in this new computerized system, and enough disk space to store some 500,000 on-line mug shot images. This technology provides Oakland County's law enforcement

community with a tremendous resource pool which can easily and quickly be accessed and transmitted over high-speed phone lines to the Sheriff's Department and other police agencies.

Another high-tech component added last year in our war on crime was the inkless, live scan fingerprinting process which gave our law enforcement agencies another technological edge over the criminal. Live scan produces higher quality fingerprints that can be passed back and forth electronically by area police departments.

Oakland County now has warrant teleconferencing capability. This technology, which has been in operation for the past eight months, makes it quicker and easier for our police departments to obtain warrants. Instead of making the long trek across the county to the courthouse to meet with an assistant prosecutor, a police officer can now simply request a teleconference from his or her own local police department. With the aid of a video camera and a monitor, a face-to-face discussion can be held with an assistant prosecutor in Pontiac. Physical evidence can be displayed, and ultimately a warrant can be generated, via the computer, right at the police station.

This year, we are looking forward to replacing our nearly 30-year-old antiquated "Courts Law Enforcement Management Information System" - better known as CLEMIS. This system, which is mainframe based and labor intensive, has served our law enforcement community well over the years, but as times change, so do needs.

The new CLEMIS will give us the ability in the future to link with other non-CLEMIS agencies across geographical lines, which is not currently possible. In addition, the new CLEMIS will allow us to input data that covers the entire spectrum of a case, from the time a suspect first has contact with the police, to the final outcome at trial.

As you can see, my Administration is committed to the employment of technology in support of law enforcement, which, in turn, keeps Oakland County a safer community in which to live. Have no doubt about it, we will continue to invest the necessary dollars in technology to wage a winning war on crime.

New technology will also serve our citizens in other ways as well. For instance, Oakland County was instrumental in getting the Legislature to enact a bill last year allowing for "Enhanced Access." What this means is that anyone with a computer will be able to access County information at any time of the day or night from the convenience of their home or office. The range of data which can be made available to the public is almost limitless, everything from property records to tax records, to information on civil law suits, to vital statistics, and so forth. But bringing Enhanced Access on line will not be cheap. Therefore, in order to provide this high-tech service a modest fee will be established to offset developmental costs.

It's important to emphasize at this point that Enhanced Access will not preclude someone from engaging in the time honored practice of driving to the courthouse and doing business over the counter. The retrieval of information in this fashion will still be available as it has been in the past.

In my two previous State of the County addresses, I have spoken at length about our GIS efforts. Since this is such an important project, I would like to spend a few moments updating you on our progress in this area.

We recently received a \$500,000 grant for our remonumentation program, the cornerstone of the Geographic Information System. By way of explanation, remonumentation is a grid system that provides geographic points of reference from which permanent legal points are established for all land surveys, plats, and parcels.

An additional \$1.5 million in funding was also obtained which allowed us to accelerate our Base Map Conversion pilot project. Over the past year, we have converted over 100,000 of our 430,000 parcels of land from paper maps into digital format. By the end of this year, phase one of the remonumentation effort will be completed with nearly 300,000 parcels of land converted to the digital format which will mark the start-up of the installation of our GIS program. When GIS is fully up and running, the storehouse of information available to us will be staggering and the possible applications virtually limitless.

As you can see, technological initiatives and innovations have been the hallmark of my Administration, not by accident but by design. I truly believe that Oakland County's ability to compete in the marketplace of tomorrow will be directly linked to our resolve to become America's high-tech work place of the 21st century.

COMPETING IN INTERNATIONAL TRADE

Oakland County leads in other arenas as well. Take, for instance, international trade. With 362 foreign-owned firms based here, representing 19 countries from around the world, and with nearly 400 of our 1,000 manufacturing firms engaged in some level of import/export activity, Oakland County has emerged as the epicenter of international business for the State of Michigan.

International trade is becoming an increasingly important part of our economic fabric as evidenced by a U.S. Department of Commerce report which indicates that an estimated 16 million jobs worldwide will be dependent upon export trade by the year 2000.

Within the past year Oakland County has taken a number of proactive steps to increase our ability to compete in these corridors of commerce around the world.

Newly installed full time customs service at the renamed Oakland County International Airport has made it easier for international visitors to conduct business in Oakland County. In fact, our international flights the first year are projected to increase five fold to 3500, and that number is growing steadily.

We were delighted to open, in late 1995, the Export Assistance Center which is geared toward helping businesses initiate or expand trade opportunities abroad. Available services range from export counseling to joint venture/strategic alliance matchmaking, international trade formation, trade finance assistance, just to name a few.

Also enhancing opportunities for international trade, this past year Oakland County partnered with Ameritech and the U.S. Department of Commerce to launch a video teleconferencing pilot project which has literally put the world at the doorstep of our County's small and mid-size businesses. For the nominal cost of a high-speed phone line, our business people here in Oakland County can now sit down in front of a computer screen and engage in face-to-face discussions with prospective trading partners in 40 countries. We have yet to begin to realize the full potential of this high-speed state of the art business-to-business tool which could literally bring new worldwide trading partners into focus with the flip of a switch.

COST CUTTING

Now, what about the business of government? It is a fact of life in today's world of tight budgets and shrinking bottom lines, that government as well as business, must look for ways to economize while maintaining a strong level of service to their customers. I am very satisfied to be able to report to you tonight that during my first term as County Executive, while overall the County work force

has grown slightly, we have been able to reduce the number of Oakland County funded positions from 3,170 to 2,863 today - a reduction of 307 positions.

I am proud to say that we have achieved a great deal of success in finding other innovative ways to cut costs which has resulted in huge savings to the taxpayers. A case in point is our innovative Defined Contribution Plan which was the brainchild of Deputy County Executive Doug Williams. At last report, nearly 50 percent of active County employees had switched from the Defined Benefits Plan to the new DC Plan. As older employees leave county service and are replaced by new hires, we expect the percentage of County employees enrolled in the DC Plan to grow. We estimate by the end of this decade - just three short years from now - the DC Plan will result in cost savings to the taxpayers of Oakland County in excess of \$25.8 million.

Our DC Plan has become a national model. Doug Williams travels all around the country speaking to various governmental organizations who want to know how we did it here in Oakland. The answer to that question lies in the design of the plan. We did not adopt a supercilious approach and force employees to switch to it. Quite the contrary, we made the plan attractive enough so that employees could see the benefit of changing over. Because of that, it was a relatively easy buy in for our labor unions at contract time.

The bottom line is: it used to be that retirement benefits for employees were costing us in the neighborhood of 14 percent of payroll, but with the DC Plan that has been cut to nine percent - and that five percent difference is a whopping savings to the County.

Additionally, the restructuring of some of our health care costs through the Flexible Benefits Program saves in excess of \$200,000 annually, largely through the reduction in premiums we realized by switching our dental program, and further administrative savings achieved with the elimination of one HMO.

Implementation of the Deferred Buy Out Program will save the County about \$23 million over the next 30 years. And a new Preferred Provider Prescription Network, instituted in 1995, is on target to save us an additional \$400,000.

But our efforts to cut costs have not been limited to just the health care arena. When we learned that it would cost us nearly \$200,000 to bring our bump shop up to EPA standards, it was an easy call to privatize and outsource the county's collision work. On top of the capital savings, we also realized a \$35,000 annual operational savings.

By outsourcing our office supply section of Materials Management and contracting with Staples, we saved an additional \$35,000 a year.

Cutting costs was on our mind when we worked out a unique long term lease agreement with the City of Troy which now clears the way for a new 52-4 District Court building. By leasing the Community Center building and refurbishing it, instead of buying property and constructing a whole new edifice, the County will save about \$2.5 million in construction costs. It's an ideal location for the court since the police department is located right next door. The project will go out for bid this year and court personnel are expected to be in their new 22,000 square foot home in 1998.

Finally, by tapping into one of our most valuable resources, the men and women of Oakland County government, we have been able to save taxpayers millions of dollars over the last four years through our Employee Suggestion Program. When I first launched that program in 1993, some ridiculed the idea. But since its inception the suggestions submitted by County employees have saved the taxpayers of Oakland County more than \$3 million total.

KUDOS

As I think the Employee Suggestion Program proves, we are blessed with some of the most talented, dedicated and hard working employees anywhere in the United States, or for that matter, even the world. As I did in my State of the County Address last year, I would like to single out for recognition two individuals whom I believe represent the type of top calibre employees we have working right here in Oakland County government.

George Miller, until recently, was the Manager of the Community Corrections Division. He has since left that position to accept a new and challenging position with the Board of Commissioners. But during his tenure at the helm of a fledgling, and yes at times, controversial unit of county government, he built from the ground up an alternative sentencing program that has already garnered national recognition. From October of 1995 through September of last year, the division's Pretrial Services Unit has saved the taxpayers \$2,926,000. How was that accomplished? Basically by averting needless incarceration of low risk defendants, by monitoring defendants who are on bond, and discouraging pretrial misconduct with early intervention.

(Recognize George Miller)

For three tense weeks in October, the Farmington/Farmington Hills area was held hostage by fear as an outbreak of Legionnaires disease swept through the two communities, eventually hospitalizing more than 30 people and claiming four lives.

During those long and arduous days, Oakland County found itself in the national spotlight, besieged by CNN, CBS News, and all the other national and local media wanting to know the origin of the outbreak. To say that Rosemarie Rowney and members of her Health Division staff were on the hot seat would be a gross understatement. But they were more than up to the task.

As a result of Ms. Rowney's cool and professional response to the crisis, a potentially volatile situation was kept in check. She and her staff went about the business of finding the source of the contamination in a precision-like manner, despite the onslaught from an aggressive media that wanted answers.

In three short weeks, suspect air handling units on rooftops in Farmington/Farmington Hills were identified, water samples were taken and analyzed, and the test results pointed conclusively to one primary source. Although tragic in its consequences, the Legionnaires outbreak did showcase County government at its very finest. **[Recognize Rosemarie Rowney]**

As we've just seen, Oakland County government is more than a corporation or an organization chart, it is a service agency made up of dedicated individuals. Our County has long enjoyed a reputation for excellence. In no small measure this is due to the men and women who toil in the trenches every day, providing the taxpayers with the best service possible. But this reputation for exceptional performance did not occur over night. It is a testament to those County employees who, over the years, have worked so hard to build Oakland County into an efficient organization, recognized as a premier county government across the United States.

I'm thinking about people like Ed Smith, who is in our audience tonight. For 42 years, from November 3, 1926 to April 30, 1968, Ed Smith was an employee of Oakland County government. When Ed retired, he was the Director of Auditing and Accounting.

Mr. Smith is quite a fellow. He'll be 99 years old next month. The date of his birth - 1898. The horse and buggy was still the main mode of travel on the roadways. The technology we take for granted here in Oakland County would be decades away. (John Nichols was just finishing his first term as Sheriff.)

As you can imagine, Mr. Smith is a devotee of Oakland County government. He invited me to stop by our Medical Care Facility where he is a resident, just to

talk about things that are going on here in the County. A couple months ago I did walk over and shared a very enjoyable 45 minutes with Mr. Smith. He is as sharp as a tack, in fact I asked him if he wanted to come back to county government.

As I was leaving the meeting, he put the bite on me: he wanted to know if we had any of those old, "out of date" county computers laying around. It seems these newfangled machines had come into county government after he retired. He thought he would like to see what the fuss was all about...maybe even train himself on one. Three days later we installed a p.c. in our Medical Care Facility for Mr. Smith and the other residents.

As I left the Medical Care Facility that afternoon I thought to myself if Mr. Smith at 98 could take the initiative to learn the intricacies of the personal computer, it's about time that I hook up the one that's been setting helplessly on my desk for the past four years.

The guys at Information Technology had me up and running within a week, and I want to thank you, Mr. Smith, for inspiring me to join the computer age. Now, when I arrive at the office in the morning, I grab a cup of coffee, fire up my HTML 3.0, browse the URL (that's the uniform resource locator), execute my WFTP utility, hyperlink to the County's web site, complete the binary transfer, and go surfing in cyberspace for an hour.

In appreciation for nudging me into the 21st century, Mr. Smith, I have a small gift for you: it's a copy of a map of Oakland County as it existed in 1857. I thought you might enjoy perusing it to see how things have indeed changed over the last 140 years.

PRESENTATION TO MR. SMITH

Mr. Smith, and the other 1,079 living County retirees, deserve more than just our thanks for building Oakland County government into the model of efficiency that is admired across this nation. They deserve a tangible show of appreciation for the part they have played in preparing Oakland County for its national leadership role.

On February 20, 1997 the Oakland County Retirement Commission forwarded to the Board of Commissioners a recommended adjustment in the pension base for Oakland County pensioners who retired before 1993. The proposed adjustment would cost the County an estimated one-time contribution of \$1.2 million.

Tonight I call upon the Board of Commissioners to approve that one-time pension adjustment for our retirees, so that they may know we value their years of service and recognize that, had it not been for their efforts and sacrifices, Oakland County government would not be in the enviable position it enjoys today.

Our Oakland County retirees, 1,079 of them, are losing the battle with inflation. For Ed Smith, who retired 29 years ago, the spending power of his retirement dollars are only 43 percent of what they were when he retired in 1968.

We can do better than that for the men and women who built Oakland County government.

1996 ACCOMPLISHMENTS

This past year we have undertaken other measures to make Oakland County government more streamlined and cost efficient.

One of the steps toward that goal was accomplished this past year with the merger of the Budget and Accounting Division into a single Fiscal Services Division - at a cost savings of \$187,000 per year.

Effective this coming October 1, the County's fiscal year will be changed from January through December to October through September to coincide with the State and Federal fiscal years.

With the implementation of our new Human Resource and Financial Information System that replaces our cumbersome and, frankly, antiquated 25-year old labor intensive system, we will significantly improve Oakland County's business practices. Better financial reporting will be achieved, along with greater functionality at lower cost.

The new system, which will be phased in over time, also carries with it a human resources component which will allow us to handle personnel records and payroll information in a way we never could before.

In 1996, we reduced the County funded debt to \$31.8 million, down from \$52.7 million that was on the books when I took office in 1993. This dramatic reduction was realized by accelerating payment of certain leases and notes, along with the early defeasance of some bonds. We closed our books at year's end with a Fund Equity Balance - basically our surplus - of \$30 million. While all this was occurring, we were actually cutting our millage rate 1/10th of a mill below the authorized levy.

Our financial picture is so strong that on March 24 I will be leading a delegation of County officials, including Chairman of the Board McCulloch, County Treasurer Hugh Dohany, Drain Commissioner George Kuhn, representatives from my Administration, and our outside bond counsel to New York City to meet with Moody's and Standard & Poor's to once again ask for an elevation in our bond rating. We will be seeking the highest level obtainable, AAA. Such an impressive rating, if granted, translates into millions of dollars in savings through reduced borrowing costs for the County, local municipalities, and ultimately, for the citizens of this County.

We were busy on other projects last year as well. In June, the West Oakland Office Building opened its doors in Walled Lake. The new 17,000 square foot facility, which houses part of the Health Division, Probate Court Juvenile Services, and Veteran's Services will, for the first time, provides residents in western Oakland County easier access to County services. Citizen utilization of that site is rising daily.

This past year, I was able to keep a commitment to the Friend of the Court and Equalization employees by moving them out of their dingy, drafty, dilapidated temporary housing in Annex II over to the Oakland Pointe Center where they joined the Health Division in a modern facility acquired by the County a couple of years ago.

We addressed one of the most serious threats to our natural environment here in Oakland County. The past few years has seen the arrival of the Gypsy Moth. In 1995, more than 10,000 acres of our mature hardwoods in city and suburban locations were threatened by these burrowing, pesky insects. Oakland County joined with some 20 local communities to wage war against this menace by spraying more than 8,500 acres which contained high populations of Gypsy Moth larvae. The end result was the prevention of major tree defoliation which could have resulted in the loss of valuable trees.

Out at the Oakland County International Airport work continued last year on the beautification program that will enhance the facility's aesthetics. This includes a noise barrier wall, landscaping on the north side, and a new boulevard entrance off M-59. The major runway has been extended and widened. A new Air Traffic Control Tower is also being erected and should be ready for dedication, along with the new Oakland County International Airport, this spring.

One project coming to fruition this year will be the construction of a new facility for the Medical Examiner. Their current home at the rear of the County

Jail was unsuitable the day it was built in 1957. The workload of the ME and his staff has grown from 200 autopsies annually in 1970 to more than 1100 today, and the cramped quarters make it more difficult for them to do their job effectively. We can no longer allow a first rate team of professionals to work in a second rate facility. In the spring, we hope to start construction of the building that will bring the Medical Examiner's office into the 21st century.

In the coming year we will continue our negotiations with the State on purchasing a portion of the Clinton Valley Center property. Acquisition of about 85 of the 300 acres to the south of us would provide for our future growth needs and long-term planning. We are in the process of having the property appraised and conducting the appropriate environmental studies at this time.

OAKLAND FORUM

Well, as you can see, Oakland County has a good story to tell. It's where the action is. Business is booming, our 14 institutions of higher learning are expanding, our programs have put us in the international spotlight. To capitalize on all this activity, to tap into the resources that are available, Oakland County has decided to take the lead in launching yet another new program: The Oakland Economic Forum. This Forum, where government, business, and educational leaders can come together and exchange ideas and forge new partnerships, will meet, at first, on a quarterly basis. We will invite national leaders to appear at the Forum and address economic issues of interest to the membership. More details on the formation of this Oakland Economic Forum will be set forth at a later news conference.

THE FUTURE

Despite all the good news to report tonight, I would be somewhat remiss if I didn't acknowledge there are a few thorny issues Oakland County is wrestling with as well.

For instance, there is the year 2000 problem. It does not affect only Oakland County government, it affects literally every business, governmental unit, school district in the United States - or for that matter in the world - who depend upon computer technology. Since computers are programmed to report a year utilizing only the final two digits, when we reach the year 2000, computers the world over will report that year with a double "o." But then the computer won't be able to decipher whether that means 1900, 2000, or the year 2100. Think about tax records, think about amortization schedules, think about court dates. Think about birth and death certificates. Whatever we do to fix the problem, it will have to be done prior to December 31, '99. The potential cost for reprogramming Oakland County government has been placed between \$40 and \$60 million, but those numbers could move up.

The looming 12 Town Drain fiasco could have a multi-million dollar impact on some Oakland County communities in the near future. The Environmental Protection Agency, through the Michigan Department of Environmental Quality, has ordered Oakland County to make some changes in the 12 Town Drain retention basin which was built in the 1970s to accommodate storm water spillover. The price tag on a band-aid approach, short of building a new facility, is \$60 to \$100 million dollars, which would have to be collected through a special tax on the 14 communities in the southeast quadrant of Oakland County.

A multi-million dollar tax assessment on these communities would have a serious impact on property values and threaten the future economic viability of our more mature communities in that part of the County.

EQUITY

At the risk of sounding like a broken record tonight, allow me to spend a couple of minutes to discuss Oakland County's role in the region, especially as it relates to the issue of equity. I have addressed this subject in the two previous State of the County Addresses, but the growing seriousness of the problem makes it necessary for me to speak out again.

Let me say at the outset that Oakland County is proud of its traditional role as southeast Michigan's good neighbor and the State of Michigan's valued partner. Our contribution to Lansing in the form of taxes now exceeds \$2.3 billion. That makes us the number one taxpaying county in the State of Michigan.

Because of our economic strength, I always expect that Oakland County will be a donor county, but what we do not expect and cannot afford any longer is a funding gap that exceeds \$1.3 billion, and grows by the minute. By "funding gap," I mean that we send \$2.3 billion to Lansing and get back \$1 billion. We leave \$1.3 billion with the middle man in Lansing. We are 79th out of 83 counties in dollars being returned to the County taxpayers.

Once again I call upon our legislators in Lansing to aggressively fight for more equitable treatment for Oakland County and its residents. Vote as a group for what is the best interest of Oakland County. Examine, investigate, and change unfair funding formulas.

GAS TAX

As you've heard me say many, many times, Oakland County is the economic engine that drives the State economy. Our ability to attract new business, new jobs, and new investment is phenomenal and unparalleled. We are creating half of all the new jobs in Michigan - 26,000 new jobs this year alone. Oakland County

is growing at the rate of 10,000 parcels of land annually, which in essence means we are adding a new community every year. Our 40,000 businesses generate a \$22 billion annual payroll, and if counties could record a GDP, Oakland County's economy would be larger than 15 states.

During 1995 and 1996, almost 2.6 million square feet of retail space was constructed, led by the nationally acclaimed Somerset North which added 900,000 square feet when it opened its doors in August of last year.

Our taxable new construction in 1996 was assessed at about \$1.9 billion dollars. To put that in perspective, Oakland County's growth in one year exceeded the total existing tax base of 66 Michigan counties.

But all of this economic activity, this investment, this growth, this job creation juggernaut, is at risk if we do not have an adequate infrastructure to support it.

Let me illustrate my point by way of example: is there anybody in this room tonight, or in this listening audience, that thinks that the developers of Somerset North would have invested \$500 million while creating 3400 brand new jobs in Troy unless they had a guarantee from the State that Big Beaver Road would be widened to accommodate the projected increased traffic? Does anybody believe that Chrysler Corporation would have invested over \$2 billion at its Chrysler Technology Center in Auburn Hills unless there was a commitment to improve expressway ingress and egress to its new facility?

I believe it is axiomatic that new investment, new construction, new jobs, all resulting in an improved quality of life, can only be sustained by good roads.

It is absolutely no secret to anybody in this Auditorium that our roads are in a deplorable condition. I can't think of anybody who is satisfied with the condition of our roads today...other than perhaps my cleaners who charges me to get the coffee stains out of my shirt after my morning ride to work.

It is a serious problem. It's getting serious attention. The Governor is taking the fight to Washington, D.C. to convince the Federal government to readjust its decades-old Federal gas tax distribution formula. The Governor hopes to bring home an additional \$200 million for Michigan roads.

Congressman Joe Knollenberg from Michigan just this week introduced legislation to take the 4.3 cent Federal gas tax hike that was imposed in 1993 for Federal budget stabilization, and redirect those dollars back to the individual states for roads. If successful, that Federal legislation would pump an additional \$200 million into the Michigan Transportation Fund as well.

If neither the Governor nor the Congressman are successful, and if our Legislature continues to sit idly by on the sidelines while our roads go to hell in a hand basket, as a last resort I would have no alternative than to lead a petition drive to place a question of a gas tax hike on the ballot next year.

My proposal has two basic components:

1. I will propose a five cent per gallon gas tax, with each penny of gas tax raising \$52 million. (What would that cost you? If you traveled 12,000 miles a year, and your car averages 20 miles to the gallon, this increase will cost you \$30 a year.)

2. Michigan is one of eight states that has a sales tax on gas. Our sales tax on gasoline is six percent. Unfortunately that six percent tax...in other words six cents out of every dollar of gas purchased...is not dedicated to roads. It goes into the General Fund and is spent elsewhere. I will propose to redirect three percent of the existing six percent sales tax to the Michigan Transportation Fund, thereby dedicating those dollars for Michigan roads. This provision is not a new tax; it's a partial redirection of an existing tax presently concealed in the pump price of gas. This will free up another \$150 million for Michigan road improvements and maintenance.

My proposal is not etched in granite. I'm willing to negotiate the content of my proposal with other citizen and business groups around the state who are likewise considering a petition drive as a last desperate measure to save our roads. I will forge a coalition with these groups and work to hammer out language agreeable to all so that we will end up with only one petition drive this summer.

The gas tax, which is a user fee dedicated to maintaining Michigan's roads, has not seen an increase in the State of Michigan since 1984. Because of that, Michigan now ranks 49th out of the 50 states in per capita state and local expenditures for roads.

DAY CARE

Finally, let me close my State of the County by introducing an idea whose time may have arrived. In Oakland County, our work force competes daily with that of the private sector. Businesses in this county, the 40,000 that I just mentioned to you, are looking for good human resource people, are looking for good computer programmers, are looking for nurses with experience, are looking for economic development talent, are looking for clerical employees trained with high level computer skills. And we have them right here in our County.

How do we keep them down on the farm, so to speak, here in Oakland County when businesses come recruiting? Well one way is to make Oakland County's work environment second to none. I spend a lot of my time doing just that with programs such as Casual Day, Employee of the Month recognitions, the Employee Suggestion Program, to name but a few.

There's a need to do more. I had a female employee come to me about a month ago - an employee who I think is one of the most outstanding individuals we have here in county government. She is skilled, and her work product is exceptional.

I did not like this particular visit though because she told me that she would be leaving after the birth of her second child, with whom she is now pregnant. I thought about her situation, which is not uncommon to a number of other female employees working for Oakland County.

She wanted to continue working, but her options were limited. I started thinking, what can Oakland County government do for women in this situation? Well, back in 1994 the County adopted a Flexible Benefit Program which included provisions for a Dependent Care Reimbursement Account. This account allows employees to set aside \$5,000 annually on a pre-tax basis to pay for child care expenses. Since pre-tax dollars are utilized, the cost of child care is actually reduced by approximately a third.

I've asked Judy Eaton, my new Director of Personnel, to take the lead in exploring the concept of Oakland County providing day care services for our employees. At the same time, I have asked Dave Ross, my Director of Facilities, to find space for a day care center on our campus. I am satisfied after talking to Judy Eaton, Dave Ross, and Stan Fayne, my Risk Manager, that a properly drafted, privatized day care program could be a huge benefit to our employees. We will explore this possibility and report our findings to the Board.

CLOSE

Ladies and gentlemen, my speech tonight was a quick review of the challenges we face today in Oakland County, and a look at some new proposals to strengthen Oakland County's position in the future as an efficient, cost-conscious, progressive unit of government.

Over the past four years I think my staff, and the 4,000 county employees, have done a good, solid job on your behalf. I think also you can see that my

Administration is not afraid to tackle the tough issues that lay before us as we move down that road, albeit a bumpy road, to the 21st century.

In this past election I was privileged to lead the ticket as the strongest Republican vote-getter in Oakland County. In that respect I would like to offer a word of thanks to the voters of Oakland County who, in November, gave me that strong vote of confidence and a mandate to continue on the course we set out on four years ago. I will continue to promote programs to keep Oakland County the premier place in which to live, work, recreate, and raise a family. As I do, I ask for your continued support.

Thank you, and good night.

**L. BROOKS PATTERSON
OAKLAND COUNTY EXECUTIVE**