

**STATE OF THE COUNTY ADDRESS**  
**OAKLAND COUNTY EXECUTIVE L. BROOKS PATTERSON**  
**FEBRUARY 12, 2004**  
**MSU MANAGEMENT CONFERENCE CENTER**  
**TROY, MICHIGAN**

***INTRODUCTION***

My friends, good evening.

Since my last report to you in February of 2003, new challenges have arisen while some old ones remain. Tonight I would like to highlight how Oakland County measured up to the challenges, and then spend a few minutes talking about the new, exciting programs we will be launching in the months to come.

In the early years of my tenure as Oakland County Executive, I was cutting so many ribbons at groundbreaking ceremonies in Oakland County that I was in danger of developing carpal tunnel. But as the 2002 recession worsened, my focus, and that of my team, shifted to the challenge of balancing our budget while cutting \$33 million over the past 24 months. We were determined to do so without employee layoffs and without a diminution in the quality of service you've come to expect from Oakland County government.

Some of you may wonder how we balanced our budget for '04 while we funded our reserves, met the financial expectations of Wall Street in order to maintain our AAA bond rating, survived reductions in state revenue sharing, experienced less than anticipated returns on investment due to record low interest rates, and endured skyrocketing health care costs?

I suppose some of you may think that I'm going to try and take credit for doing all those things by myself.

Well, I don't want to disappoint you.

Actually, with all due humility, I am responsible for meeting and vanquishing last year's substantial fiscal challenges...but in a very indirect way. Let me explain what appears to be an outrageously boastful statement.

As the CEO of Oakland County, if I have one talent that I can point to, it is that I can recognize talent in other people. I really can detect talent. I do not hesitate to go outside and recruit talent into the ranks of Oakland County government. Nor do I hesitate to promote talent from within county government, sometimes reaching down in the ranks and leap frogging a promising individual to a leadership position.

Over the years, what I have ended up with, is a cabinet of directors whose professionalism, intelligence, experience and creativity is unequalled any place in county governments across the state. In fact, I would stack my team up against any similar office across this country.

Then when you take the combined talent of the directors within the executive branch of Oakland County government, and couple them with the dedication and skill of the legislative branch called our Board of Commissioners, and then join all of them with our great countywide elected officials, (the Treasurer, the Clerk, the Prosecutor, the Sheriff, the Drain Commissioner) and backed by the busiest, most productive judiciary in the state, what you end up with is a well managed, well respected, and often emulated government that mowed down the challenges of 2003 and looks forward to establishing bench marking programs for tomorrow.

If asked, I would say that I purposely have adopted a Reaganesque approach to governing. By that I mean not only do I recognize talent and hire it from the outside or promote it from within, I also have the good sense to get the hell out of the way and let my appointees do the jobs they were hired to do.

When it came to balancing the budget during the tough times of 2003, Oakland County was more than ready for the test. About 22 months ago, I had the good sense to promote Laurie Van Pelt to her present position as Director of Management & Budget. Laurie is as tough as she is smart, and enjoys my absolute confidence. Let me introduce you to this lady.

The State of Michigan has a fairly new program: an extremely tough and challenging certification called the CPFO - Certified Public Finance Officer. So far this distinction has been conferred upon only six people within the entire State of Michigan. Laurie is one of those six. And Laurie's manager of Fiscal Services, Tim Soave, is the second of the six in Michigan. Two out of the six CPFO's in the entire State lead and/or work in Oakland County's Department of Management & Budget. Backing Laurie up as her deputy in the DMB is Art Holdsworth, who I recently brought inside Oakland County government from the private sector where he was a partner in the very respected accounting firm of Plante & Moran.

Folks, when you assemble talent like that in-house, you can balance the budget in tough times. You tell these individuals, in the broadest terms, what you expect, and then you let them work their magic.

Because Oakland County adopts a biennial budget - in essence, that's a two year rolling budget - not only am I able to report to you tonight that we are balanced for the current fiscal year 2004, but we know that we are also presently in balance for the 2005 fiscal year.

Our award winning biennial budget gives us the unique opportunity to look out to the future and see storm clouds while they are in the formation stage. We can take the necessary preemptive steps to correct those problems twelve months ahead of time. In fact, looking very far out, we are starting to noodle the numbers for fiscal year 2006. I can assure you that nobody else in the State of Michigan is doing that.

When I refer to Oakland County’s biennial budget as an award winning program, I mean exactly that. My Fiscal Services Division has repeatedly received three prestigious annual awards presented by the Government Finance Officers Association. Fiscal Services Division received the Popular Annual Financial Report, the Certificate of Achievement for Excellence in Financial Reporting, and the Distinguished Budget Award. Oakland County was the first county in Michigan to receive all three GFOA Awards at the same time.

Trimming \$33 million from the budget over the past 24 months was not an easy task. I formed a Budget Task Force made up of my deputies and my directors from Management & Budget and Personnel. This group astutely advised me on the tough calls that had to be made. We instituted an early retirement program that cost us dearly in personnel, but saved us \$8.3 million annually. We instituted a hiring freeze which generated X dollars savings in unpaid salaries, but at the same time putting hellacious pressures on those employees who had to work extra hard because the desk next to them remained vacant. We scaled back salary increases for all employees to a meager 2 percent. In the face of skyrocketing health care costs, including a 33% spike in prescription costs alone, we asked the employees, for the first time in the history of Oakland County government, to assume a portion of their own health care costs as well as higher co-pays for prescription coverage. We banned all travel, we stalled all capital projects, and we hunkered down to ride out the storm.

At the end of last year, when it was all said and done, over 150 separate acts were taken by Oakland County government to balance our budget, with no employees laid off nor quality of services diminished.

I have to confess to you tonight that with the State constantly mired in billion dollar shortfalls and budget cuts bombarding us from every direction, it got a little bit dicey. One day, in exasperation, I even looked toward the heavens and

said, “Give me a sign.” **[I can see it all now...next year’s State of the County will be on a five minute delay.]**

**Where was I?** The payoff for all of our budget effort: I am delighted to tell you this evening that on December 11, 2003, Moody’s Investment Services, a premier Wall Street bonding agency, wrote the following appraisal as they reaffirmed our AAA bond rating. “Moody’s Investment Services believes that the county’s financial situation will remain strong given current fund reserves.” Moody’s report also said that “The county’s sound financial management is further evident in the proactive measures it has taken to address challenges for the county’s 2004 budget.”

Out of more than 3,000 counties in America, less than 20 enjoy the distinction of a AAA bond rating. The credit for this bond rating is shared by many. Laurie Van Pelt, my Director of Management & Budget, and her Budget Task Force who gave me such sound advice; our extremely cooperative partners at the Oakland County Board of Commissioners who must adopt our proposals to give them force and effect; and to our individual countywide officials who willingly bit the bullet, accepted our recommendations, and rode out the storm as a team.

But I must caution you that we’re not out of the woods yet. The State of Michigan is looking ahead to the ‘05 fiscal year with some serious trepidation. The number being batted about at this early stage suggests that the State may be facing at least another \$1.3 billion shortfall next year. Our State, by constitutional mandate, must balance its budget. Therefore, we anticipate future rounds of revenue cuts and program reductions which will once again challenge Oakland County.

But I think you can see, we’re ready for the test.

## **TECHNOLOGY**

If you think we spent the entire year hunkered down in the bunker budget, let me disabuse you of that thought.

Over the past decade, Oakland County has invested more than \$100 million for the benefit of our citizens, communities, and businesses. It was a wise investment because, over time, the utilization of technology has become an absolute necessity in the conduct of our business because of budget and program cuts, early retirements, and vacant positions not being filled. Less employees does not mean less service...that's where technology comes in. Hark, the advent of e-government, where our constituents are able to enter an expanded virtual world of on-line products and services that are just a mouse click away.

Those who subscribe to the notion that "time is money" will appreciate the real value of e-government. We estimate that nearly 36,000 government documents which are downloaded monthly translates into \$750,000 worth of mitigated costs. Clerks who do not have to stand at the counter, secretaries who do not have to answer the phone, and citizens who are spared precious time driving to and from county offices. It can now be done on-line.

Our 10,000 pages of website content provide an ever expanding assortment of documents that range from certified copies of birth and death records, marriage certificates, delinquent tax statements, park vehicle permits, hazardous waste pickup forms, and more products literally being added each month.

With one million page views per month, the Oakland County e-government website has become one of the most popular government sites in the nation.

## **CLEMIS**

Technology has not only made access to government information more convenient, but it has also made our lives safer as well. A case in point is the

Courts and Law Enforcement Management Information System (CLEMIS). Over the years we have built in Oakland County the largest crime data sharing network in the nation. Let me repeat that. Dating back 30 years we have put the building blocks in place, refined and reinvested in CLEMIS, and today Oakland County operates the largest crime data sharing network in the nation.

The CLEMIS system boasts such technology breakthroughs as the “live scan” fingerprint system which makes it virtually impossible for criminals suspects to conceal their true identities when arrested.

Just last June, the Auburn Hills police arrested a man on a shoplifting charge who had no identification with him. By entering the man’s fingerprints into the “live scan” system, it was learned that he actually was an individual who had two outstanding felony warrants for drugs and dangerous assault. Every month between six and twelve people with fake i.d.’s who are wanted on other crimes are caught in the booking process, and their true identities are revealed through the use of this state-of-the-art fingerprint technology.

Another piece of the CLEMIS crime fighting arsenal is an upgraded mug shot system that is web-based and supports a high-tech facial recognition capability. A sketch or a photo can be entered into our database to search for a suspect with similar characteristics from among 1.5 million photos on file.

By this summer, a state-of-the-art video arraignment system will be fully operational in all of our district courts in Oakland County. We call the system “Oak Video.” It allows for instantaneous live point-to-point or multi-point video communication between courts, jails, law enforcement agencies, prosecutors, and video conferencing systems worldwide. Oak Video will minimize the transport of prisoners, mitigate law enforcement costs, allow for redeployment of more than 100 police officers back into the community where they can do the most good.

Today, more than 150 public safety agencies in five counties are members of CLEMIS, a truly regional crime data sharing network. And we have more than a dozen agencies who have made application to join.

Ladies and gentlemen, why have we invested so heavily in law enforcement technology? The answer is simple: if a government should do anything at all, it should provide for the safety and welfare of its citizens. Utilizing technology will keep Oakland County one of the safest places in America to live, work, and raise your family.

Coming in 2004 we have another technology to roll out, something called “Thin Client.” It is an information access device, much like a PC, that is designed to use a centralized server for computing tasks. Unlike a PC, however, the thin client requires almost no maintenance, no software configurations. It is less vulnerable to computer viruses, crashes, and down time. With all processing relegated to a centralized server instead of a laptop, data security is greatly enhanced. More importantly, consider the cost savings: there are 3600 PC’s in use around the county, at a cost of \$3,000 each. The Thin Client costs \$500 a piece. The projected savings are expected to exceed \$10 million over the next nine years.

Where do programs like Enhanced Access to government records on-line, and “Thin Client” come from? From the fertile mind of my Director of Information Technology Phil Bertolini and his outstanding IT staff.

Remember I said early on in my remarks that I can recognize talent? Well, when I first saw Phil he was laboring in a totally unrelated department called “Equalization,” actually part of Management & Budget. I studied Phil as he made presentations before different audiences. His remarks were always clear, concise, compelling. He was a quick study. I saw in Phil a leader. So I moved him out of Management & Budget and made him my Director of Information Technology.

It was one of the best moves I've ever made in my nearly 12 years as County Executive. Info Tech continues to deliver consistent quality service on a daily basis while developing innovative breakthroughs. But what I like most about Phil Bertolini is his limited vocabulary. He does not have in his lexicon the word "no." Nor does he have the phrase "It can't be done." I've asked Phil time and time again to do a project, and to get it done in an unrealistically short period of time. His response is always the same: "Not a problem." I can say tonight, ladies and gentlemen, that the county is well served by having Phil Bertolini as the Director of Information Technology. He is a source of inspiration to his staff and a dependable ally to his fellow directors.

### ***DIRECTORS OF OAKLAND COUNTY GOVERNMENT***

So far this evening I have recognized the valuable services of Laurie Van Pelt, my Director of Management & Budget, and just now my Director of Information Technology, Phil Bertolini.

What I am about to do, I've never done at a State of the County before. Let me introduce you to my entire team of Deputies and Directors who work so hard with me, but more importantly, they work so hard for you as they lead their respective department in the delivery of quality services and quality programs. I wish I could spend more time tonight singing the praises of these individual directors, but I'm sure they understand the constraints of time tonight. Let me simply say that they are all stars, and grouped together, they make the Milky Way dim in comparison.

DOUG WILLIAMS, Deputy County Executive [One of my top finance guys and a nationally recognized expert in employee benefits and retirement programs.]

KEN ROGERS, Deputy County Executive [I plucked Ken from private business and he now guides, with distinction, the fortunes of Automation Alley.]

BOB DADDOW, Assistant Deputy County Executive [CPA, my first Director of Management & Budget, and now assigned to special projects, spending most of his time in the technology arena.]

JERRY POISSON, Assistant Deputy County Executive [My go-to guy on the most complex issues, and a trusted advisor.]

LYNN ALEXANDER, Senior Citizen Advocate. [Was Governor Engler's Sr. Citizen Advocate and brings her consider experience to Oakland County for the benefit of our seniors.]

JUDY CUNNINGHAM, Corporation Counsel. [A respected attorney whose reliable legal advice I call upon frequently.]

BOB DUSTMAN - Media & Communications. [One of the most prolific writers in the business, a respected professional.]

TOM GORDON, Directors of Human Services. [In charge of my largest department. Wears many hats, and wears them well. Deals constantly with life and death issues.]

ED POISSON, Directors of Personnel. [My newest Director, in charge of one of the busiest departments in county government with 4200 employees, and has the credentials and drive to do it well.]

DAVE ROSS, Director of Facilities [What can I say about David? If you see our campus or walk through our buildings, Oakland County would not be what it is today without his tireless work ethic and attention to detail. He's my long-term visionary.]

JULIE SECONTINE, Risk Manager. [Julie, fairly new to the job, has overhauled that department, and in short order has gained the respect and admiration, not only of her peers at the county, but around the state.]

CARMEN TALBOT - South Oakland Liaison and Special Projects Coordinator. [Liaison to the Board, liaison to the Legislature, my alter ego on so many special projects.]

DENNIS TOFFOLO - Director of Community & Economic Development. [What a delightful guy, a seasoned pro whom I will have much more to say about later in my remarks tonight.]

DAVE VANDERVEEN - Director of Central Services. [A friend and confidant. His 37 years with the county has made him an invaluable advisor.]

RICK WILLIAMS, Director of Community & Minor Affairs. [What can I say about Rick? One word fits: ubiquitous. I asked Rick to go out into the community and be a salesman for Oakland County. He does it with enthusiasm.]

KRISTIE ZAMORA, Coordinator of Arts, Culture and Film. [We stole Kristie from the Flint Institute of Arts. She brings experience, talent and panache to this important position. She keeps Oakland County's oar deep into the arts on behalf of our 61 communities.]

MIKE ZEHNDER, Director of Public Services. [The only reason Mike is last on our list is because his name starts with a Z. In everything else he is first. The departments he manages are the most highly motivated among any in county government]

### **2003 IN REVIEW**

Now let's take a quick look at 2003 before I move on to a prospective look at Oakland County. 2003 was the year many of our programs achieved new levels of success. None more important than the West Nile Virus Prevention Program. Coming off a disastrous year in 2002, where Oakland County led the state with 20 deaths attributed to West Nile Virus, and another 187 infected, I called my Director of Human Services, Tom Gordon and his manager, George Miller into my office

and gave them a very clear directive: devise a plan to reverse these unacceptable statistics; get back to me in 90 days. It was imperative that we protect the citizens of Oakland County against this mosquito borne disease. In January, 2003, Tom and George returned with a comprehensive plan that contained several critical components.

First, the program stressed personal responsibility. People were advised to wear long pants and long sleeved shirts at dusk and dawn when mosquitoes were most active. They were advised to use mosquito repellent containing DEET; fix screens, remove standing water on their property.

Secondly, the County would work with the local units of government on a program of focused spraying in the green areas, and helped fund an extensive program to extinguish mosquito larvae in storm drains and catch basins.

Finally, there was an educational component. My Senior Citizen Advisor, Lynn Alexander, worked closely with the Health Division to spread the prevention message to the county's senior population, the group that faces the greatest health risk from West Nile. Lynn, in partnership with Channel 4, created an information series on West Nile, tapes of which were distributed to 20 different locations around the county, including senior citizen centers and health clinics. West Nile information packets also were delivered in conjunction with home meals to seniors. Volunteers were enlisted to help seniors clean up their property. This educational component dipped down into the schools where we had poster contests to help educate the kids while giving them a fun challenge in which to participate.

Through a combination of good luck and good planning by Tom Gordon and George Miller, Oakland County had zero West Nile related deaths last year. We went from worst to first....take that, Bill Lambeer.

But 2004 is another year, and we cannot let our guard down. We must remain vigilant, both on a personal level and on a countywide level. Once again, I

encourage residents to take the necessary precautions to protect themselves and their families against West Nile. It will return. We'll do our part by getting the prevention message out. And as I did last year, I will again this year ask the Board of Commissioners for another \$500,000 appropriation to help local communities fight the deadly West Nile mosquito.

### ***AUTOMATION ALLEY***

In 2003, Automation Alley, the high-tech consortium that I established five years ago to compete with America's other regional technology clusters, enjoyed a spectacular year. Under the able leadership of Deputy County Executive Ken Rogers, who serves as the Automation Alley Executive Director, our membership reached the 500 mark at a time when other similar technology organizations were going out of business or experiencing declining membership.

Over the past two years, Automation Alley membership increased by 25 percent and 22 percent respectively. Why? Because we deliver on our promise that member companies will see a return on their investment in participation in Automation Alley.

One of the greatest achievements for Automation Alley in 2003 was the finalization of plans for its own technology center. Under Ken's leadership, \$10 million was raised to build this center, scheduled to open in the city of Troy this coming August. It will be the official home of Automation Alley as well as *glima*, the interactive association of high-tech professionals with which we have partnered.

The tech center will feature a display area where companies can roll out new products for introduction into the marketplace. The technology center will work with companies to commercialize new products that have good potential, but can't seem to overcome certain obstacles. That may mean tapping into the expertise of

Automation Alley companies to solve technology issues or business management problems. In a very real sense, the tech center will be a problem solver that comes up with the answers which allows new products to find their way into the commercial mainstream.

Again, when I say that I'm able to find talent in the private sector and bring it into Oakland County for the benefit of our citizens, this is no more true than in the appointment of our first Automation Alley Tech Center Director, Tom Anderson. He comes to the Alley with impressive credentials. Tom is a Ph.D. neuroscientist with five additional advanced degrees to his credit. Prior to coming to Automation Alley, Tom headed up the neurological research on crash data at General Motors.

Part of Tom's mission will be to employ the assets of the Tech Center to grow new companies, particularly small ones which will create most of the new jobs in the future.

Ken, thank you for your leadership, and with you and Tom at the helm of the new Tech Center, I'm confident we ain't seen nothing yet.

### ***BUSINESS ROUNDTABLE***

The kissing cousin to Automation Alley, which also has been a catalyst for business development and economic growth in Oakland County, is the Oakland County Business Roundtable.

I established this 125 member blue ribbon panel in 1993. It represents business, government and education. Its membership includes representatives from business, government and education. It has been extraordinarily successful in creating programs that have enhanced Oakland County's quality of life and business climate. I wanted to bring together talent from the business sector,

basically as an advisory group. Who better to ask what programs Oakland County could devise to assist the business sector than the private sector itself?

I promised this group from the outset that the recommendations submitted to me by the Business Roundtable each year would not be left to gather dust on some shelf. And they haven't. Over the years, since formation of the Business Roundtable, 82 percent of suggestions submitted to me at our annual meeting have been implemented.

Two years ago, then Governor-elect Granholm made one of her first public appearances after her election, but before she was sworn in. She attended the annual meeting of the Oakland County Business Roundtable on December 5, 1902. Afterwards, the Governor asked me if I would mind if she replicated parts of the Business Roundtable on a statewide basis. I said I was flattered and gave it my blessing. The end result: the Governor's Council of Economic Advisors was soon established. Dennis Toffolo, my Director of Economic Development, and the person who heads up the Business Roundtable, now also serves as a Committee Chair of Governor Granholm's Council of Economic Advisors. This gives Oakland County a voice on important issues at the state level before final decisions are made. Instead of being on the outside looking in, we are in the more advantageous position of being on the inside which gives us greater leverage to protect Oakland County's vital interests.

The success of the Business Roundtable, as well as the remarkable successes of my entire Economic Development team throughout the year, is directly laid at the doorstep of the department's director, Dennis Toffolo. Again, carrying forth on my theme of recognizing talent, Dennis was indeed a fortunate find for Oakland County. We drafted him from the private sector where he served seven years as the President of J.L. Hudson Company. With his extensive business contacts and his business acumen, he is the embodiment of what I needed to expand economic

development in Oakland County. I will have much more to say about Dennis in my remarks later.

### ***VETERANS CEMETERY***

Plans have been developed and preliminary work has moved ahead during 2003 on a new National Veterans Cemetery in Oakland County. It will occupy a 544-acre parcel of land in Holly Township. It is beautiful rolling terrain that, when finished and landscaped, will rival the natural beauty of Arlington. The cemetery will include a visitor's center and an avenue of flags which will fly a flag from each state in the nation. Headstones will be made of white marble, and the cemetery, located in this pastoral setting near Lake Fagan, will be able to accommodate 160,000 grave sites. The National Cemetery, the only one in Michigan except for Ft. Custer in Battle Creek, will serve a veteran's population in southeast Michigan of nearly 460,000 over the next 50 years.

There will be an official groundbreaking this summer. We will celebrate the fact that the U.S. Department of Veteran's Affairs chose Oakland County for its new national cemetery. This honor would not have come to Oakland County had it not been for the tireless, around the clock efforts and leadership of Mike Zehnder, a two term Vietnam veteran himself, and my Director of Public Services.

### ***SENIOR PRESCRIPTION PROGRAM***

Nearly four years ago, I proposed, and the Board of Commissioners approved, an innovative Senior Prescription Savings Program to help ease the financial burden of spiraling drug costs for those 60 and over. You only had to be an Oakland County resident, age 60, with no other prescription drug coverage available in order to qualify for the program.

Now the nearly 23,000 Oakland County seniors enrolled in the program are enjoying a 15 percent to 40 percent savings on their prescriptions. A detailed study conducted by the Area Agency on Aging 1-B in November, 2002 determined that Oakland County's Prescription Savings Program was the best value around, even better than similar programs in Canada.

Until the federal government comes along with a better program that treats our deserving seniors with more generosity, we will continue this program.

### ***LITTLE OAKS***

Ladies and gentlemen, there's been some slight controversy of late whether Oakland County should in fact operate the on-site day care center that we call Little Oaks. The answer to that question is an emphatic and unapologetic "yes!" Unless you want to keep 'em barefoot and pregnant, and unless you believe a woman's place is in the home, then an on-site day care center in Oakland County, is here to stay.

Little Oaks, our nationally certified day care center, provides quality care for 103 children, while their mothers and fathers do their duty in the Prosecutor's Office, in Veteran's Affairs, in Personnel, at the Road Commission, etc.

Several years ago, I went to bat for a day care center on our campus when I lost two top female employees who left for jobs in the private sector where day care was available.

The criticism is not whether we need an on-site facility, but whether we can afford it. Ladies and gentlemen, Oakland County's subsidy of a day care center is \$106,000 per year. And when you look at that amount in context of the \$515 million budget that we manage, it represents 0.018 percent.

In an effort to assuage a couple of commissioners who are concerned that lower paid employees are priced out of Little Oaks, I have this month, through

services of a private law firm, filed an application for an IRS 501(c)3 Foundation on behalf of Little Oaks. The Foundation will raise funds, which in turn will offer scholarships for day care to lower paid county employees. Over time we also hope to reduce the county subsidy of \$106,000.

I think I've met the criticism head on. So I am asking you, my friends assembled here, as well as the Commissioners who are hearing my words tonight, keep Little Oaks open. When it comes to recruiting and retaining talent, I need to compete on a level playing field with Wayne County, which has a day care center by the way, and with the majority of the progressive corporations in Oakland County.

### ***EMERGENCY PREPAREDNESS***

Budget challenges and other priorities have not sidetracked Oakland County's resolve to spend the time, money and manpower necessary to protect citizens against the continuing threat of terrorism and natural disasters. Since 9/11, my Health Division, under the able direction of Dr. Tom Gordon, has been actively engaged in the development and implementation of a critical disaster response program. A comprehensive public health emergency response plan has been tailor-made to provide response options for biological, radiological, chemical, and natural disaster or terrorist events.

In 2003, Oakland County became the first county in Michigan to formally enter into a working relationship with the Michigan-One Disaster Medical Assistance Team, called DMAT, which is a component of the U.S. Department of Homeland Security. What this agreement does is give me the authority to activate the 160 member DMAT team consisting of health care and support personnel to respond to an emergency or disaster in Oakland County.

Some of the other things done in 2003 to tighten Oakland County's security net were the establishment of a fully operational radiological response team and the development of a small pox plan, and the implementation of a first-of-its-kind mutual aid agreement between all 14 Oakland County hospitals.

Since the terrorist attacks on American in 2001, our Emergency Response and Preparedness Division has been completely overhauled and upgraded. My Administration, backed with the enthusiastic support of the Board of Commissioners, allocated \$1.7 million from our county budget to directly support our city, village and township first responders. Some of these funds have been used to train an additional 100 firefighters from 35 different departments across the county and eight people from my Health Department as certified hazardous materials technicians. We now have more than 200 fully certified HAZMAT technicians countywide, which is the most of any county in the state.

There are two talented people that I definitely want to recognize at this juncture: certainly again Dr. Tom Gordon for his personal interest and leadership in development of homeland security defense measures and HAZMAT training. The second individual, one that we recruited from the Dearborn Police Department after his retirement, who also had a career in the military as well, is Mike Sturm, my Director of Emergency Preparedness. Oakland County is a safer place today because of these two men's leadership, commitment and dedication.

When put to the test, Oakland County was the best prepared, best equipped, best trained and best protected county in the state of Michigan.

We owe all of those involved our thanks for keeping us safe in a sometimes unsafe world.

## ***THE OAKLAND ECONOMY***

Despite the soft economy these past couple of years and the consequent loss of some manufacturing and high-tech jobs, Oakland County has more than held its own during these challenging times.

For the fifth straight year, Oakland County led the state in new plants and expansions with 162 projects. Twenty-eight large scale construction projects last year represented an investment of \$182 million in Oakland County, along with the creation of 1,700 jobs and the retention of more than 1,000 other jobs.

Last year Oakland County gained some real bragging rights when Borg Warner selected Oakland County over Chicago to build its new \$10 million corporate headquarters. It was quite a tug-of-war between Chicago and Auburn Hills, but the pro-business community in Oakland County carried the day.

Other projects of note included AKZO Nobel's \$55 million expansion of its Pontiac manufacturing plant, as well as American Axle's \$10 million tech center expansion in Rochester Hills.

Oakland County may not be recession proof, but we have proven to be recession resistant. The diversity and strength of our local economy softened the impact of the economic downturn.

Those of you who have attended these State of the County addresses in the past know that I am unabashedly pro-business and pro-development. I explain why year after year: business investment creates jobs, jobs create payrolls, and payrolls in turn create a stream of wealth that is shared and invested throughout Oakland County's 61 communities. The more investment, the more jobs; the more jobs, the more vibrant the community. One only has to look at Oakland County's quality of life to appreciate the impact of quality growth and investment.

Now there's some out there that oppose economic development in Oakland County calling it by the pejorative phrase "sprawl." These anti-sprawl

provocateurs would have you believe that suburban growth is at the root of all problems that beset our older cities here in Michigan and across the country. They've got it backwards. The cities did not decline because people chose to pursue the American dream in the suburbs; rather, the cities declined because they squandered their assets. High crime rates, high taxes, failing schools, invisible public services drove people out to greener pastures.

If you listen to those people who deplore development in the outer suburbs, their argument is embarrassing. Basically what they are saying is since there is no growth in our community, we don't want you to grow either.

Some would actually use the power of government to force you back into the city or to a housing site that they choose not to live in themselves. They want to force you back to the city or a neighborhood in an effort to help purge themselves of their perceived sin of abandonment.

I have a bit of advise for the critics of suburban development. You who live in the older urban areas in Oakland, as well as Wayne and Macomb, look at the strength of your community rather than complain about the successes of your suburban neighbors. The older urban communities in Oakland County, for example, have much to offer: affordable housing; an infrastructure that's in place and paid for; a highly trained, capable workforce; and most importantly, you have a downtown, something the northern suburbs will never have.

To our communities who have the confidence to reinvent themselves, we here in Oakland County stand ready to assist. A few years ago I directed my Economic Development team to apply for membership in the National Main Street program, a nationally recognized, prestigious historic preservation organization based in Washington, D.C. The Main Street program is just what their name implies: a program to revitalize, rejuvenate, and preserve downtowns. It has worked in 1700 cities across the nation. To our delight, Oakland County was

accepted into the Main Street program, and in fact is the only county in America today that has such a membership. Through our affiliation with Main Street, we have so far given assistance to eight communities in Oakland County over the past four years, generating \$73 million in public/private investment, establishing 133 new businesses, and adding 485,000 square feet of new floor space to 15 new buildings.

If you've got the pride, we've got the program.

### ***AWARDS/TRIBUTES***

Often, the true measure of achievement and success comes from not how we see ourselves, but rather how we are viewed by others. By that measure, Oakland County departments and individuals are held in high esteem by those who objectively view us from a distance. The awards given Oakland County this past year are too numerous to mention in this speech, but I would like to highlight them on the screen behind me. [PAUSE]

What makes Oakland County our great place to work is the quality of the employees whose contributions and talents are nationally recognized year after year. They bring credit upon themselves, and their achievements make all of us in Oakland County very proud.

In the past year, Oakland County government garnered eight Achievement Awards from the National Association of Counties (NACo). These include the Personal Property Assessment System, a program designed to make tax computations fair and more equitable for the business community; Standardized HAZMAT Technician Training which provides a coordinated and totally funded training program for first responders; Countywide Mutual Aid Consortia, a comprehensive initiative that resulted in the formation of four mutual aid pacts to provide security coverage for one hundred percent of Oakland County; Public

Health Small Pox Preparedness Training, a pro active response to potential terrorism events; GIS Blanket Purchasing Program which led to the development of four GIS service areas, including project management, data management, application development, and training support; OakVideo, the video arraignment project that will minimize prisoner transport while maximizing court security; REAP2, a forward looking program to establish a private sector electronics recycling infrastructure in Oakland County; and Oakland Help Link, which is a consumer-friendly Human Resources directory.

The National Association of Government Defined Contribution Administrators presented Oakland County with its 2003 Leadership Recognition Award. This award recognizes outstanding achievements in effective communication or plan design and administration for Defined Contributions and 457 plans.

Oakland County also earned the Best Practice Award for 2003 for its Polycom Users Group for “dedication and ingenuity” in Oak Video, the video arraignment project.

Oakland County was also singled out for praise in the area of environmental stewardship. The North Oakland Headwaters Land Conservancy bestowed the prestigious Blue Heron Award on the county’s Planning and Economic Development Division. The award recognizes exemplary service to land conservation in the headwaters area of the Clinton, Shiasassee, Huron and Flint Rivers.

Oakland County employees also took home a basketful of individual honors this past year.

Tim Soave, manager of the Fiscal Service Division, has joined his boss, Laurie Van Pelt, Director of Management & Budget , as one of only six Certified

Public Finance Officers in Michigan. Tim was also recently elected President of the Michigan Municipal Finance Officer's Association for 2004.

My newly appointed Senior Citizen's Advocate, Lynn Alexander, earned the meritorious service award from the Senior Alliance, a private non-profit agency that administers a network of services to older adults in southeast Michigan. In addition, Lynn was selected a Wonder Woman for 2003 by the Women's Survival Center for making a "significant impact on the lives of women and children in Oakland County."

Over at Children's Village, Terry Cassady, a youth specialist working in shelter care, was selected as State Childcare Worker of the Year by the Michigan Juvenile Detention Association.

Evelyn Reinke of the Health Division was honored by the Michigan Public Health Association, Community Health Nursing Section with the Excellence in Leadership Award.

What makes Oakland County a great place to work is the quality of the employees whose contributions and talents are nationally recognized year after year. They bring credit upon themselves, and their achievements make all of us in Oakland County proud.

### ***CASUAL DAY/EMPLOYEE SUGGESTION PROGRAM***

The extraordinary achievements of our employees may only be exceeded by their remarkable generosity. Since 1993, the men and women of Oakland County government have contributed nearly \$400,000 to the weekly Casual Day Fund. This past holiday season, such generosity permitted me to donate on their behalf \$34,000 to Oakland County charities. In addition, we had special Casual Day events where we raised \$3,800 for a Pontiac man who tragically lost his entire family in a house fire. In another Casual Day we raised \$3,100 for the son of a

county employee who had experienced the onslaught of serious medical bills in the wake of a bone marrow transplant and a series of operations to remove brain tumors.

### ***ANTHONY CHOATE***

Not only do our employees bring us respect and honor nationally, but so do the residents we serve. Let me tell you about one such resident.

One morning last year, Anthony Choate, a screener with the Transportation Security Administration at Detroit Metropolitan Airport, found an envelope containing a stack of bills totaling \$10,000 cash at the bottom of an escalator. Anthony, a father of six who lives in Royal Oak, secured the envelope, promptly notified a supervisor, and then made arrangements to turn the cash over to airport police. The money was soon returned to the rightful owner. Anthony was offered a generous reward, which he respectfully declined.

Human nature being what it is, some people might have taken the money and ran...especially if you had six kids to feed and clothe, but Anthony Choate demonstrated the best in human nature. He did himself proud, and we in Oakland County are delighted to call him one of our own.

He is with us here this evening. He is accompanied by Jim Douglas, TSA's Acting Federal Security Director at Detroit Metro, and Keith Jarvie, Stakeholder Manager for TSA's Detroit field office. Anthony, would you please stand up and be recognized for your extraordinary honesty and selfless action.

People like Anthony Choate help reinforce Oakland County's growing national reputation as a quality place in which to live, work, recreate and raise a family. Our congratulations to you tonight on this exemplary deed.

More than just recognizing you tonight, Anthony, Oakland County would like to give you a small gift as a token of our respect. The young lady walking

down the aisle will hand you an envelope which contains a get-away for you, your wife and your six children to Mackinac Island for a long weekend, all expenses paid. The cost of this trip has been underwritten by donation from one of our good corporate citizens, David Fischer. It's a small way to show our respect for your exemplary behavior.

[Now maybe you'll let me pass through security without taking my shoes off. By the way, Anthony, I polled my staff and there was unanimous agreement: we would have turned the envelope in, too...all \$5,000.]

### ***WHAT'S NEW IN 2004***

As I near the end of my speech tonight, I have saved time for three important program announcements. One you may have heard about already, and the remaining two are hot off the presses.

You may have heard about my program called "Count Your Steps." It's the pedometer give-away program that involves all third and fourth graders in Oakland County...in an effort to get these kids up and moving. It's all about childhood obesity.

According to the United States Surgeon General, Dr. Richard Carmona, childhood obesity is a growing national epidemic. Dr. Carmona estimates that nearly 300,000 Americans die needlessly each year from complications of obesity, such as heart disease, stroke, cancer and diabetes. And the alarming statistic is if you are an obese child today, you run an 80 percent chance of being an obese adult tomorrow.

The reason I jumped into this national debate was because of a chilling statistic I heard during a lecture last year. The speaker said that there is growing evidence to suggest that the generation of young people we are raising in this

country today - our young children and our grandchildren - may be the first generation in our history not to outlive their parents.

Did you all here that? There is growing evidence to suggest that our young children and grandchildren growing up in America today may be the first generation in our history not to outlive their parents.

When I heard that, I said to myself, “What can I, as a lowly County Executive, do to fight this national epidemic?” And to make a long story short, “Count Your Steps” is our response.

The standard American diet and the lack of regular physical activity are primarily responsible for making our children and grandchildren the most overweight and least healthy kids in our nation’s history.

Today’s kids eat too much fat food, mainly fast food, and they consume too much sugar water in the form of soda pop and juice boxes.

As America’s most sedentary generation ever, many of our children get their only exercise walking from the dining room to the family room where they spend hour after hour surfing the Internet or playing video games. They sit there like pumpkin heads, not realizing that their obsession with TV and video games is threatening their long-term health, and consequently, their quality of life.

Well, it’s time to fight back, and we are.

A few months ago I came up with an idea to encourage our kids to get up and get moving. I presented my thoughts to my Health Department, which, along with our friends at the Oakland County Intermediate School District, took my idea and dramatically improved upon it and came up with the initiative that we call today “Count Your Steps.”

The program is simple: Some 35,000 third and fourth grade students in Oakland County’s public and non-public schools will be given pedometers to wear for a period of five weeks commencing March 29 and ending April 30. The

pedometers, the cost of which has been underwritten by generous donations from the General Motors Corporation and Pontiac Osteopathic Hospital, will record the number of steps taken by each student on a daily basis. Parents are being asked to help their children record the numbers of steps in a log book every night. Then at the end of the week, teachers will forward the weekly totals to my Health Department for tabulation.

Count Your Steps will culminate on May 8 with a Family Fitness Day celebration at the Detroit Zoo where the top five walkers in each class, along with the top performing classes in each district, will be awarded prizes in recognition of their achievement.

And for those students who want to continue counting their steps beyond the 30-day contest, they can do so throughout the year by utilizing the same log book. It will be up to the students and the parents to keep an accurate accounting for the remaining 11 months. Then at the end of the 12 month period, all completed log books will be sent to my Health Department and contest winners will be selected during a random drawing to receive prizes that include family passes to our county parks as well as Cedar Point.

For the program to be successful, it will take 100 percent involvement and commitment from our teachers, principals, students and parents. I encourage those schools who have not yet contacted us, please do so. I look forward to meeting with principals and teachers at the official kickoff of “Count Your Steps” on Thursday, February 26 at the Oakland County Intermediate School District auditorium.

My friends, we simply cannot afford to perpetuate a lifestyle that denies our children the opportunity to enjoy a long and healthy life. It must not be our legacy to have our kids become the first generation of Americans to predecease their parents.

## ***EMERGING SECTORS PROJECT***

I am very excited to make the following announcement tonight about a program that I call the EMERGING SECTORS PROJECT. Let me set the stage.

Although there are encouraging signs that a national economic recovery is under way, unfortunately Michigan is lagging somewhat behind. In part, this is due to the severe beating the state's manufacturing sector experienced over the past couple of years.

Since 2001, Michigan has lost more than 150,000 manufacturing jobs to places like Mexico and Asia where companies can reap the financial benefits of cheap labor. The loss of manufacturing jobs cuts deeper here in Michigan where nearly 17 percent of all employment is tied to manufacturing compared to just 7 percent nationally. These jobs have been exported to other countries around the world and probably will never return.

The erosion of our manufacturing base, along with an increased exodus of high-tech jobs, provides us with both the challenge as well as the opportunity to replace these lost jobs with new ones that will be more relevant and enduring as we rebuild in the decades to come.

Within this framework, I approached Dennis Toffolo, my Director of Community and Economic Development. I said to Dennis, "I want you and your team to identify for me the top ten emerging and promising business sectors for the 21st century that Oakland County might be able to tap into for future job growth and long lasting employment stability." (I ruled out automotive since we already have a significant investment within that particular sector in Oakland County and in Michigan.)

Next I said, "Dennis, then find and identify ten specific companies within each of those sectors. Prioritize those companies 1 thru 10, indicating which

companies would be most likely to consider expanding their business into Oakland County or southeast Michigan.”

I’ve seen the first draft of this program which we will formally launch mid to late summer. Incredible work was done by Dennis Toffolo and his staff, most significantly the brilliant research done by Kathy Graham, market analyst in Toffolo’s department.

Without giving too much detail and revealing our preliminary findings, let me give you a small peek at a few of the ten emerging sectors that we’ve identified for the 21st century:

**Bio Technology:** that would include Forensics, genome testing, Bio-pharmaceutical and Pharmaceuticals.

**Nano Technology** includes Micro electro-mechanical systems (MEMS), Nanoimprint lithography.

**Wireless Communications,** which includes Wireless networks, cell phones and networks, wireless Internet connections, bluetooth.

These are just three of the ten sectors that have been identified by Toffolo and Graham. The team is now in the process of screening target companies within those sectors that we intend to approach and hopefully recruit to Oakland County.

So far, 144 companies within the ten sectors have been preliminarily identified. They are still in the process of overlaying the criteria to see which companies merit further research. The evaluation grid includes such basic data as profitability of a company, the number of employees, what possible links would bring them to the State of Michigan and ultimately to Oakland County (such considerations including labor force availability, costs incentives, market and customer base proximity, etc.).

You should know that our preliminary research has uncovered some bad news: more than 60 percent of the targeted companies identified within these

emerging sectors are located overseas. I say “bad news” because these companies that are likely to succeed and expand in the 21st century are foreign corporations which will be in a position to challenge America’s longstanding leadership position in the high-tech arena.

Once the final list is whittled down to approximately 100 premier corporations around the world, we will then dispatch individually designed “calling teams” to meet the decision makers within those companies. Composition of these select calling teams will vary from corporation to corporation, but will include political officials and leaders of industry from Automation Alley.

I’ve mentioned this Emerging Sectors Program to Governor Granholm who indicated that she would be anxious to join with us as we begin to approach these individual companies. On such missions, she obviously will be selling the state, as I, at the same time, will be selling Oakland County.

If we are successful in bringing back fifteen, ten, or even five companies from around the world to invest in Michigan, and hopefully Oakland County, this program will be an considered an unqualified success.

### ***ROAD COMMISSION OF OAKLAND COUNTY***

Last month the Road Commission of Oakland County suffered a devastating fire at its Springfield Township garage. Four graders and five salt trucks, one truck trailer, and one tanker trailer were lost in the fire, along with several pieces of miscellaneous equipment. The estimated cost of replacing the equipment and the garage destroyed in the fire has been pegged at more than \$2.5 million, much of it beyond the limits of insurance coverage.

Upon hearing of the fire, I immediately called Brent Bair, the Managing Director of the Road Commission, to offer him our assistance, as did many other

surrounding governments. It was rewarding to see so many units of government outside of our boundaries respond to the Road Commission's hour of need.

The Road Commission will have to replace all of its damaged and lost equipment. Unfortunately, the money for replacement of the equipment, that not covered by insurance, will come from dollars now assigned to critical road projects in Oakland County. In other words, some road projects simply will not be funded this year because the money assigned to those projects will be diverted to pay for lost equipment.

The Road Commission maintains more than 2,660 miles of county roads, the roads that you and I drive on. While these roads technically do not belong to the Oakland County government, nonetheless you and I still use them. To pull money out of road improvement projects is not in Oakland County's best interests. Therefore, in the next few weeks, I will send to the Oakland County Board of Commissioners a request for a one time appropriation of \$400,000 from our general fund to the Road Commission for the specific purpose of restoring funding to county road projects.

I have approached the Chairman of the Board of Commissioners, Thomas Law, the Vice-Chairman, David Moffitt, and Chairman of the Finance Committee, Chuck Moss, seeking their approval. They have told me they will jointly sponsor the necessary resolution to effectuate this one time appropriation of \$400,000. I thank them for their support in this regard.

And while I'm on that subject of the Oakland County Board of Commissioners, I would be remiss if I didn't take a few seconds this evening to acknowledge Tom, Dave and Chuck, and the other 22 members of the Board. I thank you not only for the support of the \$400,000 appropriation, but for the extremely good working relationship that we have forged over the years. It was particularly apparent during 2003 when we worked so well together to manage the

budget crisis. The county residents, that we jointly serve, expect us to have a good, solid, positive working relationship. I can report to them tonight, on your behalf as well as mine, that we have achieved that relationship, and I look forward to building upon it as we move through the '04 calendar year.

### ***CLOSE***

As I close tonight, let me say that while I may be the most visible face of Oakland County government in my job as County Executive, there really are 4200 people who should be standing up here tonight taking the bows for our accomplishments. The real credit belongs to the men and woman of Oakland County government who labor behind the scenes daily to make Oakland County one of the best local governments in the nation.

Theirs has not been an easy task these past two years, as you have heard. They nonetheless continued to provide the citizens of Oakland County with friendly, quality and efficient service under some very difficult circumstances.

In front of all of you here tonight, and the thousands listening on the radio, I want to publicly thank our 4200 employees for the extraordinary job they do for Oakland County. I want to thank them for the sacrifices they have made.

It seems like only yesterday that I was elected Oakland County Executive, but it was actually in 1992. I am now entering the last year of my third four-year term at the helm of one of America's most dynamic counties. This is the best job in the world, and I have truly enjoyed serving the citizens of Oakland County.

I have a decision to make: whether to run again this November in search of a fourth four-year term. Well, let me share my decision with you tonight. We're not out of the woods yet when it comes to fighting the budget wars because the state itself will be fighting a similar battle until at least the year 2009. We have children and grandchildren threatened by an epidemic of childhood obesity that will take

years to reverse. We are taking only the first step next month with the launch of Count Your Steps. The Emerging Sectors program that I have announced tonight is critically important for the long-term economic health of Oakland County. It will take at least two to three years to contact the companies we have identified as the best companies of the 21st century that we'd like to see invest here in Oakland County.

So it's clear to me that I have a lot of unfinished business on the table. I don't want to leave with this much work to be done. So, with your blessing and support, I am announcing tonight that I will seek a fourth term as Oakland County Executive.

God willing, I'll see you all back here next year for my 13th annual State of the County address. Thank you for joining me this evening. Good night.

**L. BROOKS PATTERSON  
OAKLAND COUNTY EXECUTIVE**