



COUNTY OF ONONDAGA

Office of the

County Comptroller

John H. Mulroy Civic Center, 14th Floor
421 Montgomery Street
Syracuse, New York 13202-2998
(315) 435-2130 • Fax (315) 435-2250
www.ongov.net

James V. Maturro
Deputy Comptroller

Thomas G. Squires
Deputy Comptroller

Robert E. Anronacci II, CPA
Comptroller

April 1, 2008

Mr. Chairman and Members of the Legislature:

I come before you today as the elected Comptroller of Onondaga County and as a member of the Onondaga County Planning Board.

As I have sat through several sessions of this Legislature that has dealt with the topic before us today I believe the reason there is so much debate between the members is because you have a choice.

The choice is not whether or not this reservoir capping project must be done. We all know it must be done.

The decision as to who should incur this debt is the choice before you and because you have the ability by simple majority vote to transfer our assets to a state authority it has presented difficulty.

You have a choice between completing this project as a County project or transferring our County's assets to a state authority in order to remove the debt from County books and place that debt somewhere else. The discussion has been that while sixty-ninety million dollars of debt borrowed by the County may not today jeopardize our bond rating, someday it might. I do not agree with this analysis. In particular, these bonds will be backed by revenue and as such, simply adding this debt to our books will not be the cause of harm to our bond rating.

No one wants to jeopardize the County's high bond rating. Can you imagine the phone call from the media? So many years ago you voted NOT to transfer debt to a state authority and now the County has borrowed so much that the bond rating as slipped. What say you?

Well I say today that if this happens and our rating is harmed it will be because of other factors and not this borrowing. Some factors will be completely out of our control and whether we borrow or not the rating will slip.

Other factors will be completely within our control and if we do not work to control spending, increase efficiency, bring more non-property tax revenue to our area then we will fail. But it will not be because we borrowed for this project.

In addition to the concern over the harm to our credit rating I have heard other reasons for allowing others to complete this project.

08 APR - 1 PM 2:02

ONONDAGA COUNTY

First, some believe we shouldn't be in the water business?

We are already in the water business, actually we are in the wholesale water business and we, this County, deliver some of the best water in the country very inexpensively. One just needs to look at Las Vegas or Atlanta to illustrate our good fortune.

Some have said we do not have the expertise that the authority has?

Well if we transfer our asset we will be transferring our rights in the contract with the engineer to the authority. The project will be done with the same engineering firm and with the same contractors no matter who performs.

If the water business is a business the County should not be in, then what business should we be in—we might as well close the doors if we cannot deliver this essential service.

Somewhat more in conflict is the decision as to who should pay for this debt?

I think we all agree that only water users should pay for the debt, but only if the MWB retains the project do we retain more than one option to equitably share the cost.

I have heard discussion that we are under a timeline and that we cannot wait any longer. The fact that this body has been placed in this position should not be justification for making the decision to transfer the assets.

There are reasons to retain the project in County hands that go beyond the bond discussion, that includes economic development, financial integrity and leadership and land development. I respectfully suggest the economic ramifications of your decision today are immeasurable.

We have been here before, we have been promised that other decisions would remain local and they have not. We have seen private enterprises, much like the purchase of Carrier Air Conditioning, come to town and promise decisions would remain local only to have the company become a skeleton of its former self.

We continue to see the Federal government dictate the placement of power lines in our communities and no one seems able to reign in the Thruway Authority.

Why now would we transfer local decisions away from this body—especially one involving our fresh water.

Onondaga County has been the model for financial integrity and consistency in this State. Today, we really have the opportunity to chart a path toward government modernization by refraining from using the layers of government that plague our system.

Accountability remains with this Legislature because our County will not shift debt away and out of sight. We will not circumvent constitutional debt limits and we will protect our water supply. Each one of you will remain directly answerable to the people and will have the ability and flexibility to respond to your constituents needs. The discussion must be our discussion, in the open and not made in the board room of an authority.

The effect of transferring this debt allows us more room to borrow more money. This is not the reputation of frugality we enjoy. Let us be the new model that does away with these practices. It is true we do not have an elephant authority or lighting authority yet we will be spending significant dollars on those projects. We chose to use county resources on those projects. More opportunity to spend will come before you; sooner rather than later, and maybe retaining this debt will make all cast a weary eye on further debt and spending. But of all the projects to transfer off of our books, do not start with water.

As a member of the OCPB I am here individually, I cannot speak for the board as a whole. However as part of my duties I am learning about 2010 our County's planning guide, and a policy adopted by this Legislature.

Besides the fact that water it is essential to human life it is also the economic engine that truly allows our County to compete globally. How many companies will look to Onondaga County for its abundance of fresh clean water? Many I hope.

Water will, and does drive development but we must also consider responsible land planning. A transfer to the authority may continue to allow the urban sprawl some of you detest. As a member of the OCPB I am learning the true cost of our sprawl to the far reaches of our community. And while many of our citizens move to these areas knowing full well that sewers and public water are not available, it doesn't take long for the request to come in—can we get public water here, our well is running dry and the water does not taste good.

If we lose control of our water we begin to lose control of other decisions that affect the future of our community. We are protectors of our natural resources and we should not give them away.

While the lighting project downtown, the elephants at the zoo and another building at OCC are crucial to our economic success, nothing matters without fresh water.

Respectfully,

A handwritten signature in black ink, appearing to read 'Robert E. Antonacci II, CPA', with a long horizontal flourish extending to the right.

Robert E. Antonacci II, CPA