



**NIAGARA COUNTY STATE OF THE COUNTY ADDRESS**

**March 2026**

**Michael Hill, Chairman**

Vice Chairman Nemi, Majority Leader Bradt, Minority Leader Elder, Sheriff Filicetti, District Attorney Seaman, County Clerk Jastrzemski, Treasurer Andrews, County Manager Updegrove.....my fellow Legislators.....neighbors, taxpayers and concerned citizens.....it is my distinct honor and pleasure to stand before you and deliver my first State of the County Address as Chairman of this Legislature.

As I stand here before you tonight, it's evident the political buzzword of 2026 is "AFFORDABILITY." Everyone running for office wants to talk about their plan to make things more affordable for working families. While this is certainly a worthwhile goal, I have to ask, especially when it comes to New York State, "where the heck have you been."

You see, one of the advantages of serving in local government is that you actually spend a lot of time in the local community talking with people. And in doing so, you get a pretty good understanding of what's on people's minds.

I can tell you, the so-called affordability crisis didn't just happen overnight, even though we have a lot of people in Albany acting like

they just discovered it. People have been talking about affordability for a while now. It's groceries. It's gas. It's housing. It's healthcare. It's taxes. And certainly, it's the cost of utilities.

New York State's policy decisions – from poorly thought-through climate policy, to over-the-top Medicaid expenditures, to over-regulation of both businesses and citizens – is clearly the driver of these costs. But, that's not what I want to discuss this evening.

I want our residents to know that here in our corner of the state...here in Niagara County....your local government does hear you. We know the challenges taxpayers face. And we are...and have been...taking the steps necessary to control costs AND deliver the services that are expected.

First and foremost, is the property tax cap. Staying under the property tax cap is not a goal....it's a commandment for us. Since 2012 when the cap was instituted, every single budget this body has adopted has stayed below the property tax cap.

And let me tell you, it has not been easy. New York State has continued to burden local governments with unfunded state mandates – their policy decisions, our problem..... Let what I am about to say sink in....9 of the biggest state mandates consume 96 percent of our entire property tax collection....96 PERCENT!! That's before we put one deputy sheriff on the road, cut one blade of grass in a county park, answer one ambulance call.

Three years ago, Governor Hochul made this problem worse when she unilaterally intercepted what is known as the Enhanced Federal Assistance Percentage – better known as eFMAP – from county government. These funds came to us from the federal government for Medicaid costs. The Governor's actions have now cost Niagara County taxpayers \$10 million over the last three years.

Of course, Governor Hochul claimed the state needed to these funds to help support its insatiable Medicaid spending. Yet this year, the Governor somehow found the money to bail out New York City to the tune of \$1.5 billion. To the Governor, I say it is outrageous that you stole this money from upstate property taxpayers and are now using it

to bailout the failed socialist policies of New York City. Yet, that's what we are dealing with.

So, the approach of Niagara County to these misguided and unpredictable policy decisions from the State Capitol has been pretty straightforward – control what we can control to the very best of our ability.

What does that mean? We have essentially the same number of county employees today that we had more than a decade ago, even as demands and mandates have increased and even though we have added services like our county ambulance. That's a testament to the great leadership of our department heads and the talent and dedication of our workforce.

To that end, we have also been able to settle our contracts that treat our employees fairly while being very mindful of taxpayer dollars. This is always a delicate balance and I compliment our County Manager, Rick Updegrave, for his great efforts in this regard.

One way we are able to control employee costs is the fact that the county is self-insured. I do not need to tell anyone how health care costs continue to skyrocket. When the county made the decision to pursue self-insurance years ago, we knew we could save money but we would have to be very aggressive in our management. And that's what we have done.

It has been estimated, conservatively, that the county saves 30 percent or more a year through self-insurance. Working together, we have designed and now manage the Niagara County Health Care Plan that provides excellent coverage for employees at a lower cost.

We regularly solicit bids to ensure we are getting the best prices on things like administration, prescription drugs and hospitalization to control costs. And our team in Risk Management and those involved in the plan from different departments do a great job staying on top of issues.

Another example of sound fiscal practices was the decision by this Legislature to increase the percent of our budget dedicated to reserve

accounts. Not only does that help us manage through the peaks and valleys of the annual budget process and plan for future needs, but thanks to the sound money management practices of our County Treasurer, Kyle Andrews, we are now generating significant revenue from those reserves that helps control property taxes.

Thinking strategically, planning for the future, not focusing solely on the short-term....all common practices in the private sector but not something you often hear about in government. Yet that is the approach we have taken in Niagara County.

When the New York Power Authority was seeking to relicense the Niagara Power Project prior to 2007, Niagara County joined with other localities in the Niagara Power Coalition. The goal of this coalition was to ensure our community received a significant benefit from this relicensing.

I don't think it's any great secret that residents feel our community has never received enough of the benefit of being home to the Niagara Power Project. Through a series of state and federal laws, too much of

power generated here ends up elsewhere. This is the feeling the county had during these negotiations.

So, during that relicensing, the county's goal was to secure an allocation of power rather than take money. Payments come and go and devalue over time. But an allocation of power would always hold its value. And so that's what we held out for and that's what we received.

Today, in a time of spiraling utility costs, the power Niagara County receives from NYPA is enough to cover the power usage of our county buildings, with leftover power sold back. This sale then generates revenue back to the county to fund other needs. That foresight nearly two decades ago continues to pay dividends today.

Self-insurance, reserve funds, power allocations....these nuts and bolts of governance are not exactly the soaring rhetoric that makes for a great speech but I wanted to cover them because they highlight the bedrock principles of Niagara County government – fiscally

conservative, soundly managed and focused on both today and tomorrow.

Since I have touched about what we've already done, let me talk about what our future could be. While controlling costs is one part of affordability, the other part is growing the pie.

As you all know, Amazon is on schedule to open later this year, representing \$550 million in investment and the creation of 1000 jobs. This represents a significant development for our community and the Niagara County Center for Economic Development, led by Commissioner Andrea Klyczek, is already working to leverage that into further opportunities.

I do want to take a second and acknowledge the great work done by our economic development team to ensure we are at the forefront of trends and opportunities. Just last month, they held an event to help local companies explore ways to access the semiconductor supply chain through NY SMART I-CORRIDOR initiative and the groundbreaking of Micron in Central New York.

Semiconductors are imperative to powering the future, from AI and advanced manufacturing to automotive and clean energy. As such, the evolving semiconductor supply chain will create real and substantial opportunities for those who are ready. That's why our team is working with local companies to ensure they can take advantage of it, bringing jobs and investment to Niagara County.

It's imperative Niagara County be part of the changing economy. The Town of Somerset is home to what used to be Niagara County's largest taxpayer – the AES coal plant. Today, that site is being reborn as a major AI data center hub, with multiple buildings representing a level of investment well beyond anything this county has ever seen.

The projects being built there could significantly reshape the future of Somerset, Eastern Niagara County and really, all of the region. Our job must be to make sure the community is treated fairly and receives proper benefits from such an investment.

We have already had some complaints about truck traffic and road damage and appreciate Sheriff Filicetti working to mitigate the situation in conjunction with the Department of Public Works. We are working on a road use agreement right now with the site owners to make sure they are paying for the road repairs and sticking to the proper routes. We are also looking into state tax policy and how best to ensure our community gets its fair share.

Let me be clear. Niagara County is open for business but we demand collaborations that benefit the entire community and set the stage for future growth. We will not sell our future for some short-term gains.

Let me end with this: I believe the state of Niagara County is strong and if we continue to be smart, strategic and forward-thinking, there are immeasurable opportunities for us. At the same time, we have a state government that does not align with our vision, our needs, and our values.

On issues like banning natural gas, siting of industrial solar projects, 2<sup>nd</sup> Amendment Rights, property rights and much more, we will always be

fighting uphill battles. But as we all know, nothing worth fighting for ever comes easy.

Thank you. God Bless Niagara County.