

## **State of the County Presentation, 2010**

Thank you for inviting us back! We appreciate this opportunity to share with you our State of the County presentation.

Let me begin by saying that the greatest lesson I learned in 2009 is that despite economic hardships touching virtually everyone throughout the last year, people living in Marion County are extremely generous, caring and proud of the community they live in. People readily put aside their own worries and misfortune to reach out to those less fortunate.

How amazing it is that we do what we do when we are facing such difficult times.

Those difficulties include:

In Oregon we have had six consecutive quarters of job losses, according to state economists.

Here in the Salem area our unemployment rate was basically the same as the state's, although we began the year at 12.4% in March – higher than the state's rate - and in October, at 11.4%, we were once again higher than the state's rate.

Marion County median household income is less than Oregon's, the United States' and even less than our neighbors across the river in Polk County.

Throughout the year, it was gut wrenching every time I heard about another local business closing its doors. Every time I learned about new layoffs, my heart went out to those employees and I wondered how their families would survive. And, as we begin this new year, the pain is not eased knowing that many businesses are simply trying to figure out how to say alive.

Agriculture, Marion County's top industry, has been hit hard; and just recently (12/30/09) Katy Coba, ODA director said, "I'm really hopeful that our farmers and ranchers can continue to hang on until the economy improves."

When our nurserymen alone saw a 17% drop in sales in 2008, and officials now forecast another 10 to 20% drop for 2009, I wonder, and worry, how long hanging on is possible.

This is all part and parcel of the broader issues we face here locally, statewide and nation wide according to our state economists: Frozen credit markets; instability in the housing market; the decrease in the federal timber payments; the extent of the global downturn; national and regional energy prices; even the H1N1 flu; and of course, global politics and wars.

Yes, our work was cut out for us throughout 2009. And with reduced revenues, John Lattimer, our County Administrative Officer directed all departments to cut 5% from the current budget. To meet our goal of being good stewards of taxpayer dollars, we set a course that takes us to a financially manageable service level not just for the current budget, but for the long term. We set priorities, focused on our core functions, and looked for efficiencies.

Every dollar Marion County spends on services must have an identified revenue source.

To help us do so, a budget note I submitted directs us to monitor, track and assess trends. Knowing what the key indicators are, we can realign resources to meet changing community needs, and be held accountable for where tax dollars are spent.

Elected officials, department heads and our 1,300 county employees all stepped up to the plate with a can-do attitude and a commitment to find innovative ways to do things better and more cost effectively. This has become the hallmark of Marion County.