

**BUDGET & FINANCE COMMITTEE MEETING
OF THE
PUTNAM COUNTY LEGISLATURE
HELD AT
PUTNAM GOLF, INC.
187 HILL STREET
MAHOPAC, NEW YORK 10541**

Wednesday

October 1, 2014

7:00 P.M.

The meeting was called to order at 7:02 P.M. by Chairman Albano who led in the Legislative prayer. The Sheriff's Color Guard presented the flag. Chairman Albano recognized Director of Veterans Affairs, Karl Rohde and requested that he lead in the Pledge of Allegiance. Upon roll call, Legislators Scuccimarra, Oliverio, Tartaro, Nacerino, Gross, Castellano, LoBue and Chairman Albano were present. Legislator Wright arrived at 7:58 P.M. Also present was Legislative Counsel Van Ross.

Director Rohde requested support of the "Row of Honor" program where someone could purchase a flag to honor a Veteran. He stated that the money raised from the program stays in Putnam County to assist Putnam County Veterans and to memorialize them. Previous money collected was being utilized for a Purple Heart monument that will be placed at Veterans Park next year around Memorial Day. He stated that they were also very proud to bring the Vietnam Veterans Moving Wall into Putnam County for the third time. Director Rohde also explained the grassroots organization "United for the Troops" where a donation of \$15.00 will contribute to sending a package to troops all over the world. (for more information please visit <http://unitedforthetroops.org>)

Item #3 – Committee to Meet with the County Executive and the Commissioner of Finance to Discuss the Proposed 2015 Budget.

Chairman Albano introduced Deputy County Executive, Bruce Walker.

Deputy County Executive Walker introduced the elected officials in attendance, individuals running for office, Putnam County Justices, party chairs, former Legislators and County Executive and a number of representatives from outside organizations. He also recognized all of the Putnam County Department Heads. Deputy County Executive Walker then introduced County Executive MaryEllen Odell for her Report of the 2015 Executive Budget.

County Executive Odell presented her 2015 Budget Message which explained her vision and budget focus (copy attached).

Highlights of the County Executive's Presentation included a summary of the Proposed 2015 Budget of \$145.4 million, which is a net increase of \$2.5 million over the 2014 adopted budget or a 1.75% increase. This keeps Putnam County within the Tax Cap. The General Fund Surplus allocation of \$2.85 million is the third straight budget using less surplus than the previous year. She stated that the bottom line to the taxpayer is that the average homeowner assessed at \$261,219 will pay \$989 in 2015, an increase of \$13.00. As per the NYS Property Tax Freeze Credit Legislation eligible Putnam County homeowners will be entitled to a refund in the fall of 2015.

County Executive Odell continued and explained the breakdown of the 2015 Budget Projected Revenues: Sales Tax - \$54.7 million, Property - Tax 40.6 million, Department Revenue - \$17.3 million, General Fund Surplus - \$2.85 million. She stated that the State and Federal Mandated programs will cost the County \$103.3 million and the County is only reimbursed \$28.8 million, which is 20% of the County's total revenue. She stated that this means that out of the County's Budget of \$145.4 million, there is a balance of \$42.1 million for our Quality of Life Services such as; Sheriff Road Patrols, Parks and Recreation, Emergency Services, Office for Senior Resources and Outside Agencies.

County Executive Odell continued and explained how the Administration, over the last three (3) years, has substantially reduced its reliance on utilizing General Surplus Funds to balance the County Budget. She explained when it is necessary to bond for certain items, however, she also explained that the County's long term debt service expense for 2015 is slightly less than 2012. She stated that while Counties around us have had their bond rating downgraded, Putnam County continues to have a strong bond rating grade of Aa2.

County Executive Odell continued and explained that 71% of the County's budget goes toward more than 200 New York State and Federal government mandated programs that the County has absolutely no control over. These mandated programs totaling \$103.3 million consumes the entire Property Tax Levy and the vast majority of Sales Tax Revenue. She continued by highlighting some of the top mandated programs such as; Medicaid, Community Colleges and Board of Elections, and explained how the mandated costs continue to rise each year.

County Executive Odell continued and spoke about Quality of Life Services. She stated that the Outside Agencies will receive a 2% increase with the exception of the Libraries who will receive a 3% increase. She explained the County's social responsibility on the "War on Addiction" in Putnam County. She introduced a new campaign which will focus on education and awareness in partnership with law enforcement to combat this addiction epidemic. She provided some statistics in the United States regarding the costs to society due to substance abuse and addiction; Illegal Drugs – 181 Billion per year, Alcohol – 185 Billion per year. She stated that it is estimated that 25% of each Medicare dollar and 20% of each Medicaid dollar are spent on Addition Related Illness or Conditions. She stated that the 2015 Putnam County's Narcotics Enforcement Unit (NEU) budget contains \$1.6 million dollars because of Heroin Arrests increasing 300% since 2012. She stated that 40% of the inmate population at the Putnam County Correctional Facility was arrested by the NEU. In 2013 42% of NEU arrests were heroin or opiate related. To date in 2014 it has increased to 47%.

County Executive Odell continued and explained that 13 of the 21 children currently in foster care are there as a result of their parent's alcohol and substance abuse.; four (4) of those children sadly had their own substance abuse issues. She stated that 28 of our families have received Preventative Foster Care Services as a result of alcohol or substance abuse. She explained the fiscal responsibility for these constituents. The total cost of Medicaid expenditures for 2012 for Putnam Medicaid eligible residents was \$95,796,553. She stated that \$5.5 million dollars was spent on mental health treatment (736 residents) and almost \$1.2 million dollars on chemical dependency services (237 residents). She stated that these numbers do not include those who may have developed medical problems or were injured as the result of alcohol or substance abuse. She explained the social and emotional impact on families and friends, the amount of

Sheriff Department arrests for DWI/DWAI in 2013 and 2014, the amount of man hours and costs associated with these arrests.

County Executive Odell explained that part of the “War on Addiction” campaign was to bring early education and awareness to our schools and continue Private Public Partnerships. In the 2015 budget, \$165,000 was budgeted for the STOP-DWI Program. She stated that we were also engaging in the “Drug Crisis In Our Backyard” coalition which was created by Susan & Steven Salomone and Lou & Carol Christiansen. She explained that Putnam County has now been designated as a High Intensity Drug Trafficking Area (HIDTA) County. This will provide much needed funding to continue the War on Addition. She went on to explain the Putnam County Drug Treatment Court and the support received from the Sheriff’s Department to combat this War on Addition. She stated that in the 2015 budget, she has added two (2) new Deputy positions and one (1) new Investigator position to help maintain a stronger County presence on the western side of the County.

County Executive Odell continued by mentioning the many programs and explained the many successes achieved from designating 2014 as Year of the Senior in Putnam County. She also stated that Putnam County has the utmost respect and gratitude towards our Veterans and their families. She explained the County’s fiscal responsibilities for these Veterans and detailed the programs and services available for them.

County Executive Odell continued and described the areas that have increased the County budget such as; salary increases for the Sheriff’s Union (PBA) and CSEA Union, mandated pension costs, increased health insurance premiums and new positions to fund the campaign “One Army on the War on Addiction.” She then described how the County would offset these expenses such as continuing to look at; Medicaid Fraud, Worker’s Compensation Fraud, focusing on grant opportunities and reducing the use of outside contractors. County Executive Odell continued explaining how the County was “Managing our Assets & Optimizing our Resources” by describing programs which have saved taxpayer monies such as; the Retired Senior Volunteer Program (RSVP), expansion of the P.I.L.O.T. program, expansion of the use of Alternatives to Incarceration and the Video Conferencing System technology. She stated there was \$75,000 dollars allocated in the 2015 budget for the Putnam County IDA in order to build on our objective of driving Economic Development. She continued and went into detail on the Private Public Partnerships with; the Putnam County Industrial Development Agency, Tilly Foster Farm with Westchester/Putnam BOCES, Paladin Center, the Putnam County Chamber of Commerce, the Butterfield Project and the Putnam Golf Course.

County Executive Odell ended the meeting with a Recap of the Budget. She also stated that it was the 3rd year of staying within the tax cap, reducing the use of fund balance and managing long term debt. She stated that it was the 1st year where we reduced the pension loan debt.

Chairman Albano thanked County Executive Odell for her comprehensive presentation.

There being no further business, at 8:09 P.M., Chairman Albano made a motion to adjourn; seconded by Legislator Oliverio. All in favor.

Respectfully submitted by Diane Schonfeld, Clerk.