

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

Wednesday

October 3, 2018

7:00 P.M.

The meeting was called to order at 7:05 P.M. by Chairman Castellano. The Putnam County Sheriff's Department Color Guard presented the flag. Chairman Castellano recognized Director of the Putnam County Veterans Service Agency, Karl Rohde to lead in the Pledge of Allegiance and District Attorney, Robert Tendy to sing the National Anthem. Chairman Castellano requested that Legislator Nacerino lead in the Legislative Prayer. Upon roll call, Legislators Scuccimarra, Gouldman, Addonizio, Nacerino, Albano, Jonke, Sayegh, Sullivan and Chairman Castellano were present. Also present was Legislative Counsel Firriolo.

Item #3 – Committee to Meet with the County Executive and the Commissioner of Finance to Discuss the Proposed 2019 Budget.

Chairman Castellano introduced Commissioner of Finance, William Carlin.

Commissioner Carlin introduced the elected officials and representatives in attendance, individuals running for office, Putnam County Justices, party chairs and Election Commissioners. Commissioner Carlin then introduced County Executive MaryEllen Odell for her Report of the 2019 Executive Budget.

County Executive Odell presented her 2019 Budget Message which was the Administration's 7th Budget Address (copy attached).

Highlights of the County Executive's Presentation included a summary of the Proposed 2019 Budget of \$159.3 million, which is a net increase of \$1.9 million over the 2018 adopted budget or a 2.9% spending increase which includes: \$976,000 increase in employee and retiree health insurance costs; \$1.5 million increase in contractual obligations; \$629,000 decrease in NYS Pension expense due to amortization Pay Off; \$350,000 increase in Preschool Education Program which serves 347 children and costs the taxpayers \$7.9 million; and \$267,000 increase in Debt Service costs. The tax cap for 2019 is 2%. The average homeowner assessed at \$277,000 will pay \$1,008 in County taxes in 2019; an increase of \$24.00.

County Executive Odell continued and explained how the Fund Balance would be used. The anticipated Year Ending 2018 Fund Balance is \$17.8 million. She explained that \$3.2 would be utilized for the 2019 Operating Expenses which would leave a remaining balance of \$14.6 million. She stated that the Administration would be utilizing a fund balance of \$1.5 million less than last year. She explained that Moody's stated, "Putnam County's financial position is sound and will remain stable going forward, given management's conservative budgeting". She stated that Putnam County maintains Aa2 Moody's rating for 2018.

County Executive Odell continued and detailed the Administration's Debt Management since she came into office. She stated that the Long Term Debt year ending 2011 was \$88 million and year ending 2017 was \$75 million; a 15% reduction. The Short Term Debt year ending 2011 was \$17.2 million and year ending 2017 was zero; 100% reduction. She also explained the history of the Pension Amortization which the Administration began repaying in 2014 and payed off in 2017. This saved the taxpayers \$773,000 in interest costs.

County Executive Odell continued and explained many of the Quality of Life Services in the 2019 Operating Expenses in the following areas: Sheriff's Road Patrol \$7.3 million, Office for Senior Resources \$6.8 million, Retiree Health Benefits \$5.4 million, Emergency Services \$4.5 million, Parks & Recreation \$4.7 million, PART System \$3 million, Outside Agencies \$2.9 million and General Government Support \$15.7 million. She explained that the total of these services is \$50.3 million out of the \$159.8 million budget.

County Executive Odell continued and listed the mandated services that we cannot fully control the costs of, such as: Health Department, Food Stamps, Traffic Control, Real Property, Debt Services, Contingency, Coroners, Pensions, SAFE Act, Planning, E911, Early Intervention/Pre-K, MTA Subsidy, Child Support Services, MTA Mobility Tax, Medicaid, Workforce Investment Act, Child Welfare, Maintain Roads & Bridges, Weights & Measures, EPA Mandated MS4 Program, Jail, Mental Health, Judgements & Claims, County Clerk, Health Education, Sheriff-Civil Division, Traffic Safety, State Snow Removal, Probation, Consumer Affairs, Adult Protective Services, Social Services, Health-Immunization, District Attorney, Indigent Defense, Unemployment Insurance, Highways & Facilities, HAVA and Community College. She explained that the HAVA mandated cost is the responsibility of local governments. She stated that the County pays the full Town cost of this program without chargeback. She explained that the cost of Community College is mandated to be split approximately 1/3 from student, 1/3 from the State and 1/3 from the Towns. She stated that Putnam County pays the full Town cost of this program without chargeback. She stated that, between the costs for HAVA and Community College, Putnam County pays an estimated \$4.8 million. County Executive Odell explained the other areas in which the County shares services, such as Inter-Municipal Agreements (IMAs). She also explained the Shared Services Plan initiative which was mandated by Governor Cuomo.

County Executive Odell explained that there are over 200 mandated services. She stated that the mandated services in the 2019 budget total \$109.5 million of the \$159.8 million budget. She stated that we must carefully balance the budget to provide mandated programs, which absorb the majority of the County's revenue, while continuing to deliver quality of life services and stay within the Albany imposed tax cap. She stated that according to data found on the NYS Comptroller website, Putnam ranked 4th lowest in expenditures per capita of all 57 NYS Counties outside of New York City for the year ended December 31, 2016. She stated that Putnam County's portion of a homeowner's tax bill is only 9.1% and remains the lowest County portion of any tax bill in New York State. She stated that the New York State average County tax portion is 21.52%

County Executive Odell continued and provided the following breakdown of the projected revenue for 2019: \$60.5 million sales tax, \$43.4 million Property Tax, \$26.9 million Department Revenue and \$29 million total Federal & State revenue; (\$9.1 million Federal reimbursement and \$19.9 million State reimbursement).

County Executive Odell stated that Putnam County is ranked the highest of all the counties in New York State for internet sales. She stressed the need for economic development and the investment of infrastructure projects in order to keep property taxes low. She stated that the Planning Department is currently managing over \$18.5 million in grants and other funding awards such as; Envision Brewster Project, Traffic Improvement Investments, Bikeway Projects, Office for Senior Resources and Stoneleigh/Drewville Hospital Corridor. She explained that the Envision Brewster Project was a transit-oriented development project that will re-vitalize downtown Brewster bringing retail opportunities, residential housing and public areas together. She explained how the Southeast to Danbury Sewer Project would encourage growth along Danbury Road. She thanked Senator Terrence Murphy and stated that the County just received an additional \$750,000 grant towards this project. She stated that this would be in addition to the \$1.2 million that the Commissioner of Planning obtained through funding opportunities last year.

County Executive Odell continued and stated that the County remains dedicated to fighting the war on addiction and we remain committed on the local, state and federal level. She mentioned the names of the members on the "One Army on the War on Addiction Task Force" which is Chaired by Legislator Scuccimarra. She stated that the Legislature just passed the T21 Local Law. She stated that she is also committed to the fact that vaping must be addressed and stopped in Putnam County. She stated that the funding was increased for the Drug Treatment Court program and we are pursuing litigation against big pharma. She stated that the Tentative Budget also includes the first staffing increase for the District Attorney's office in 14 years adding one (1) new Assistant District Attorney (ADA) for a total of two (2) ADAs devoted strictly to narcotics prosecution and the formation of a new Law Enforcement Narcotics Taskforce.

County Executive Odell stated that the County continues to maintain 114 miles of roads and 56 miles of New York State roads that we clear during snow and ice events. She stated that we also maintain Inter-Municipal Agreements with our local municipalities to assist with local roads. She thanked Senator Terrence Murphy and Assemblyman Kevin Byrne for their help with the Route 6 Paving Project. She explained that an additional \$1.7 million was secured through Senator Murphy and Senator Byrne to increase the Route 6 Paving Project area to include Route 6 from Willow Road to Route 301.

County Executive Odell stated that Putnam County supports our Veteran's Service Agency. She stated that the 2019 Tentative Budget increases Deputy Director Art Hanley's position from Part Time to Full Time. She stated that this will fill a hole that New York State created when they reduced our New York State Veteran's Service Officer from two (2) days per week to a half a day per week. She stated that the County continues to operate the County run Veterans Residence and the PFC Joseph P. Dwyer Program which brings Veterans together to help one another cope with the effects of Post-Traumatic Stress (PTSD). She explained that the funds collected through the Row of Honor goes toward supporting our Veterans initiatives such as the Purple Heart Monument. She stated that this year's Row of Honor funds will go towards the Veterans Traveling Wall.

County Executive Odell ended her presentation by stating that it was an honor to be the President of the New York State Association of Counties (NYSAC) this past year. She stated that the experience was invaluable. She explained how her colleagues in County Government supported each other. She stated that the Director of NYSAC, Stephen

Acquario does an incredible job advocating and lobbying for county's needs. She presented some of the initiatives that they worked together on.

County Executive Odell stated that she is very proud of Putnam County and she thanked everyone for attending the presentation.

There being no further business, at 8:26 P.M., Chairman Castellano made a motion to adjourn; seconded by Legislator Jonke. All in favor.

Respectfully submitted by Diane Schonfeld, Clerk.