

2016 Tentative Budget Overview



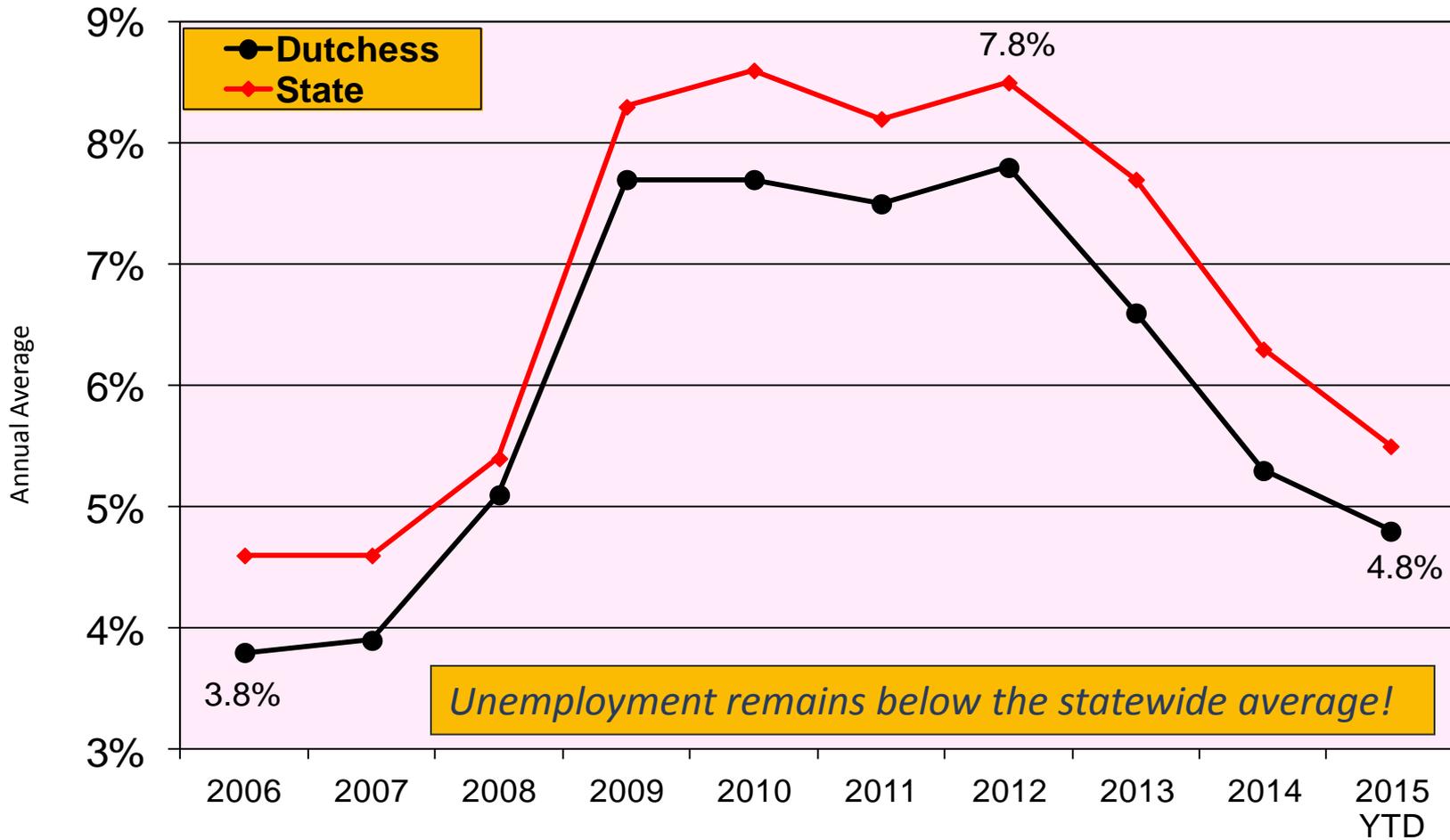
Marcus J. Molinaro
Dutchess County Executive

Overview

- Local Economy
- Mandates
- Budget Initiatives
- Budget Highlights
- Sales Tax
- Fund Balance
- Fiscal Exposures

Unemployment

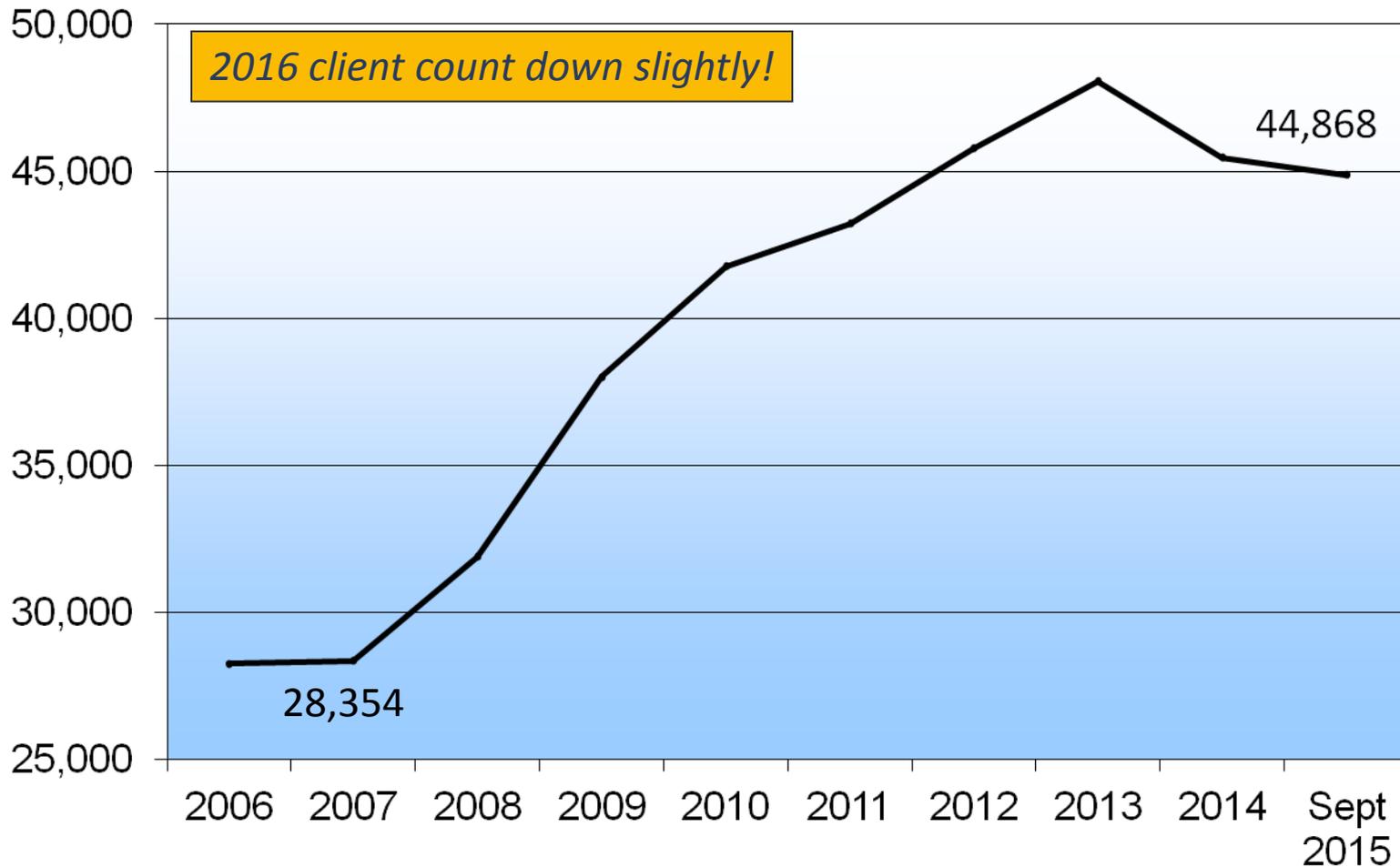
Dutchess County vs. Statewide Average



Source: NYS Dept of Labor

DCFS Client Count

(Unduplicated)



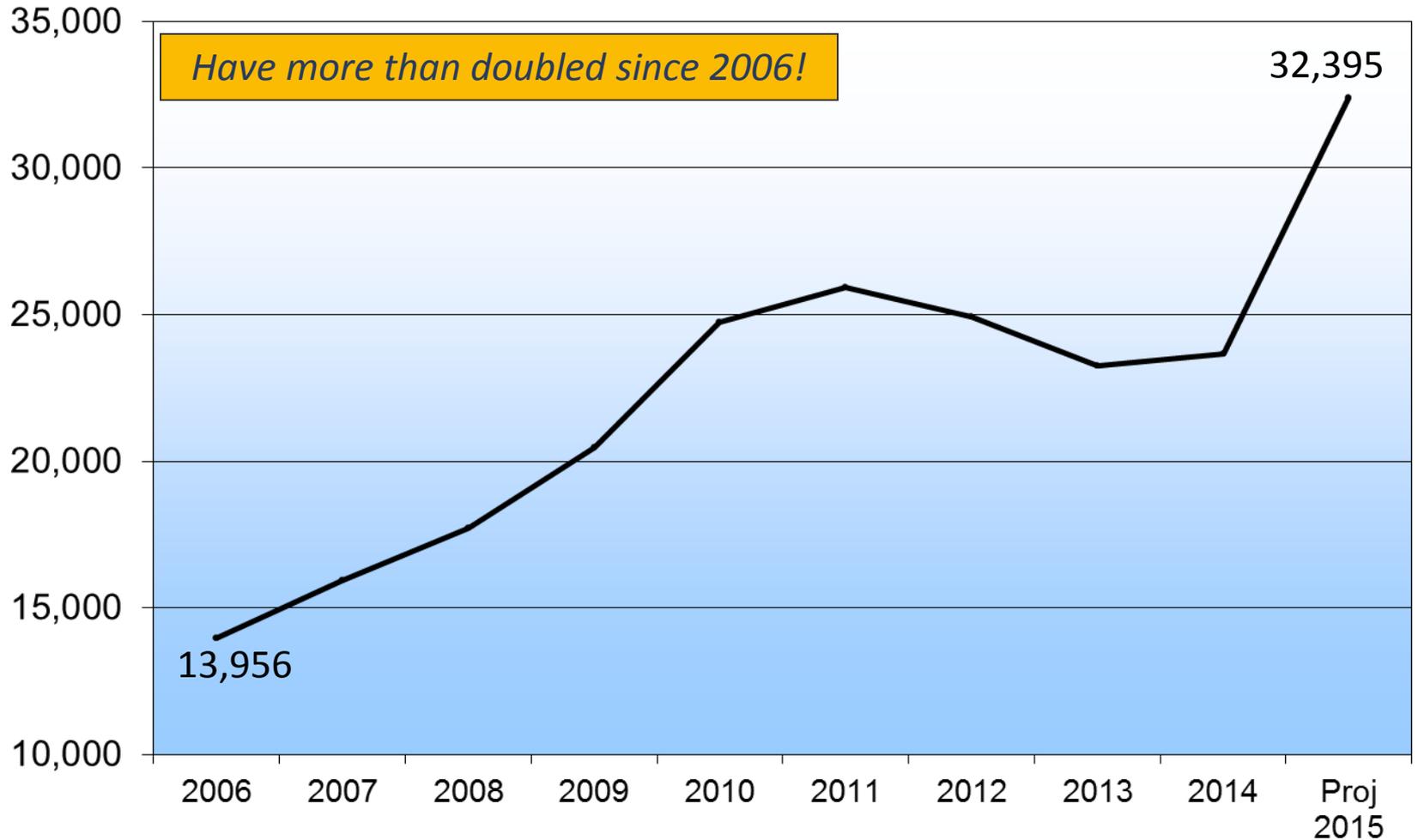
Source: Department of Community & Family Services

DCFS Caseloads

	<u>2007-2013</u>	<u>Sept '13-Sept '15</u>
Temporary Assistance:	16%	(12%)
Medicaid:	65%	(12%)
Food Stamps:	112%	(9%)

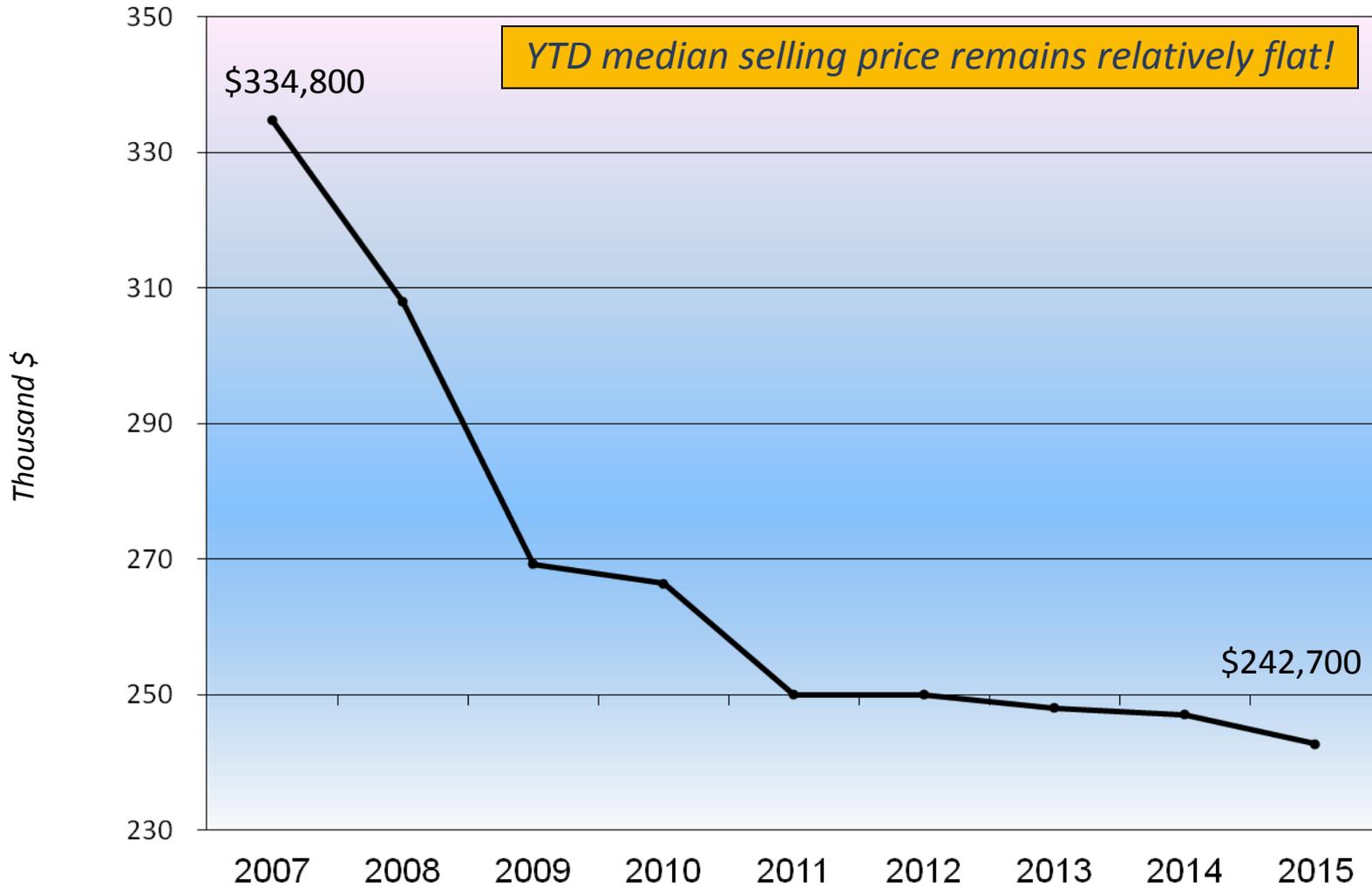
Source: Dutchess County Dept of Community & Family Services

Mental Hygiene HELPLINE Calls & Texting Contacts



Source: Department of Behavioral & Community Health

Median Sale Price



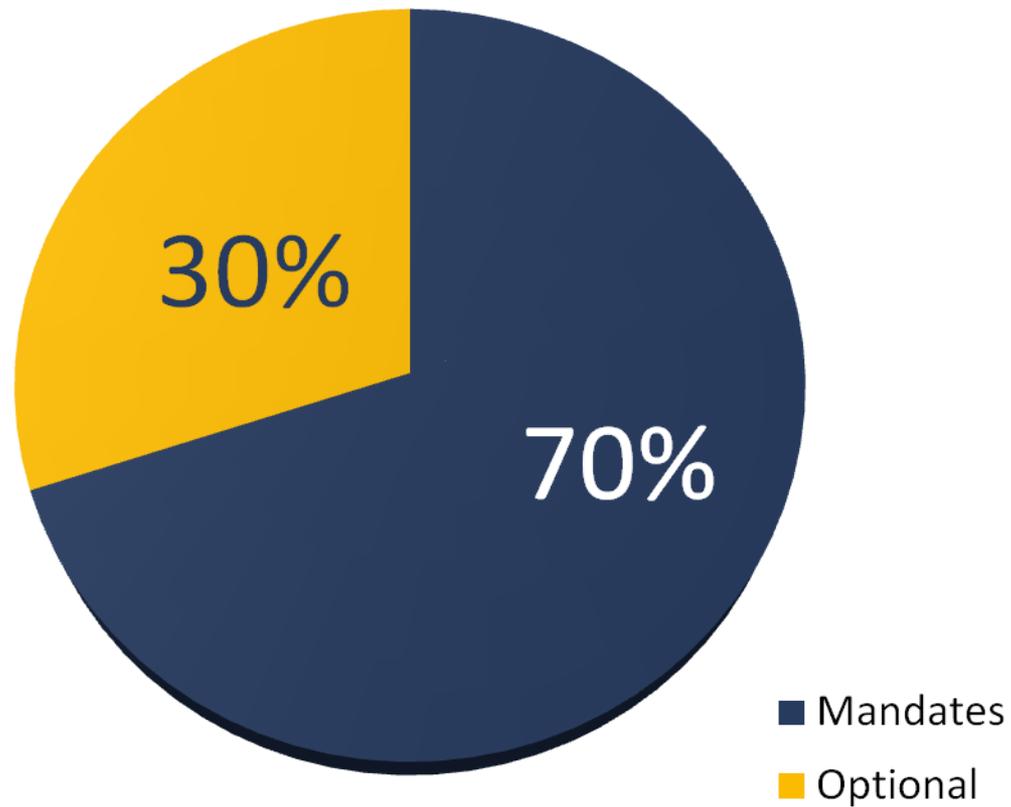
Source: Hudson Valley Multiple Listing Service

Full Value Assessments



Source: Dutchess County Finance/Real Property Tax Division

Mandates Continue



***Decrease
In
Tax Levy & Rate!***



***Largest levy decrease in 16 years!
1st tax rate decrease in 8 years!***

***Decrease
In
Spending!***



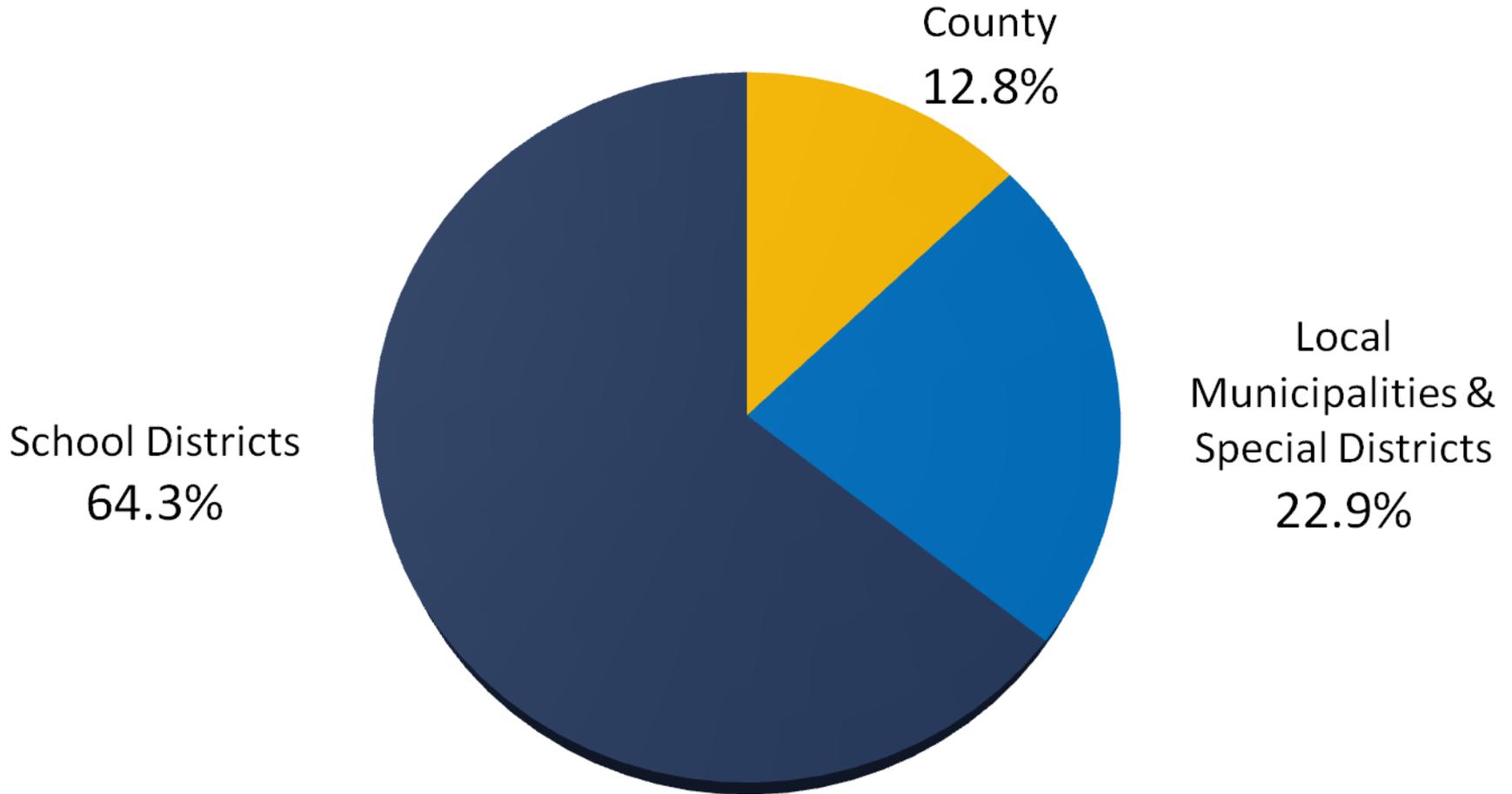
Below the 2015 Modified Budget!

NYS Property Tax Freeze Credit Program

- ✓ Levy under the property tax cap
- ✓ Government Efficiency Plan approved
- ✓ 27 local municipalities participated
- ✓ \$27M in annual savings

Ensures tax rebates for STAR eligible homeowners!

Property Tax Distribution



Moving Dutchess Forward

Economic Development

- Th!nk Dutchess – Alliance for Business
- Investments in Tourism, Arts & Agriculture
- Expanded Public Transit for DCC & Marist
- Investment at Airport & StartUP NY with DCC
- Continue commitment to shared services
- \$10.8 million infrastructure investment

Moving Dutchess Forward

Prevention, Intervention, Diversion

- Dept of Behavioral & Community Health
- Crisis Stabilization Center
- Justice & Transition Center
- Domestic violence services
- Child preventive services
- Capital commitment for youth center

Moving Dutchess Forward

Think Differently

- Special needs picnic & movie
- Autism awareness training
- Special Needs Liaison
- Focus on ADA compliance at Parks
- Special Olympics New York
- Think DIFFERENTLY Awards
- Increased Agency Partner Grant

Budget Highlights

- \$106.6M Levy – down \$1M
- \$3.62 Tax Rate – down 1.6%
- \$456.2M Budget – down \$6M
- 1716.72 FTE Positions up 4.11
- Targeted position restructuring
- No layoffs

Budget Highlights

- Pension down \$1.7 million
- Retiree health insurance initiative saves \$300K
- Jail spending down \$900K
- Reduction in enterprise subsidies
- \$3.5m in state aid for mental health
- Moderate 1% sales tax growth
- Maintains fund balance at 6.6%

Providing relief for taxpayers!

Airport Enterprise Fund (EA)

Subsidy from General Fund

2011	793,403
2016	<u>219,685</u>
\$ Change:	(573,718)
% Change:	(72%)

*Under the new FBO, the annual operating deficit has been eliminated.
The \$219,685 above pays for debt service, not operating costs.*

Public Transit Enterprise Fund (ET)

Subsidy from General Fund

2013	2,316,373
2016	<u>1,386,093</u>
\$ Change:	(930,280)
% Change:	(40%)

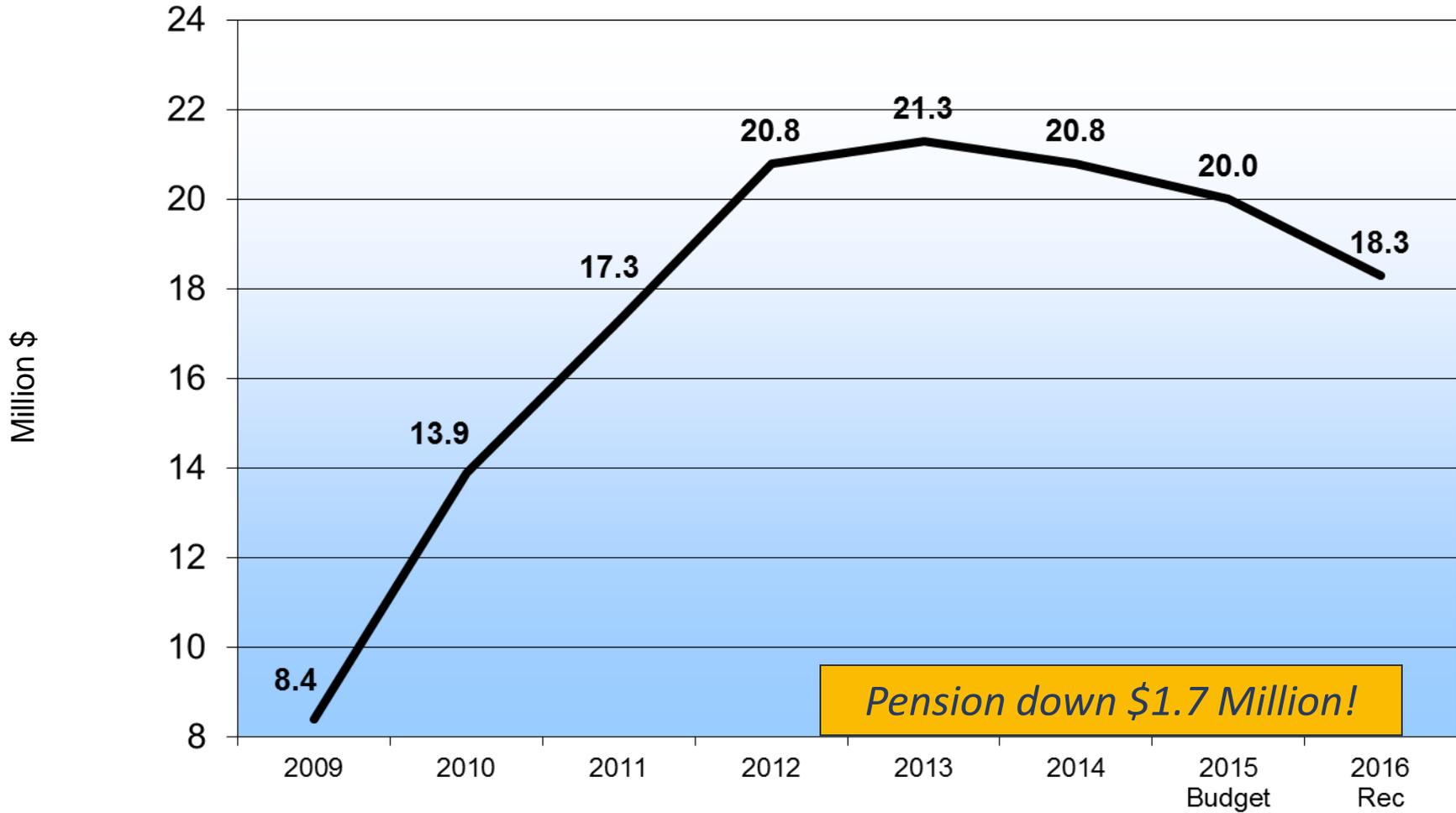
The subsidy to the ET fund is down by \$930K due to a \$1 million appropriation of ET fund balance included in the budget.

New York State Mandates

The 2016 county budget includes \$298 million in gross spending for mandated programs & services, including:

	<u>2015 Modified</u>	<u>2016 Recommended</u>
Medicaid	43.0	41.9
Jail	40.6	38.6
Foster Care & Institutional Care	32.9	35.3
Preschool Special Education	18.1	19.3
Dutchess Community College	15.0	16.2
Family Assistance	10.2	10.1
Safety Net	6.1	6.1
Early Intervention Program	5.0	3.4
State Juvenile Secure Detention	2.4	1.4

Pension



Jail Housing Out



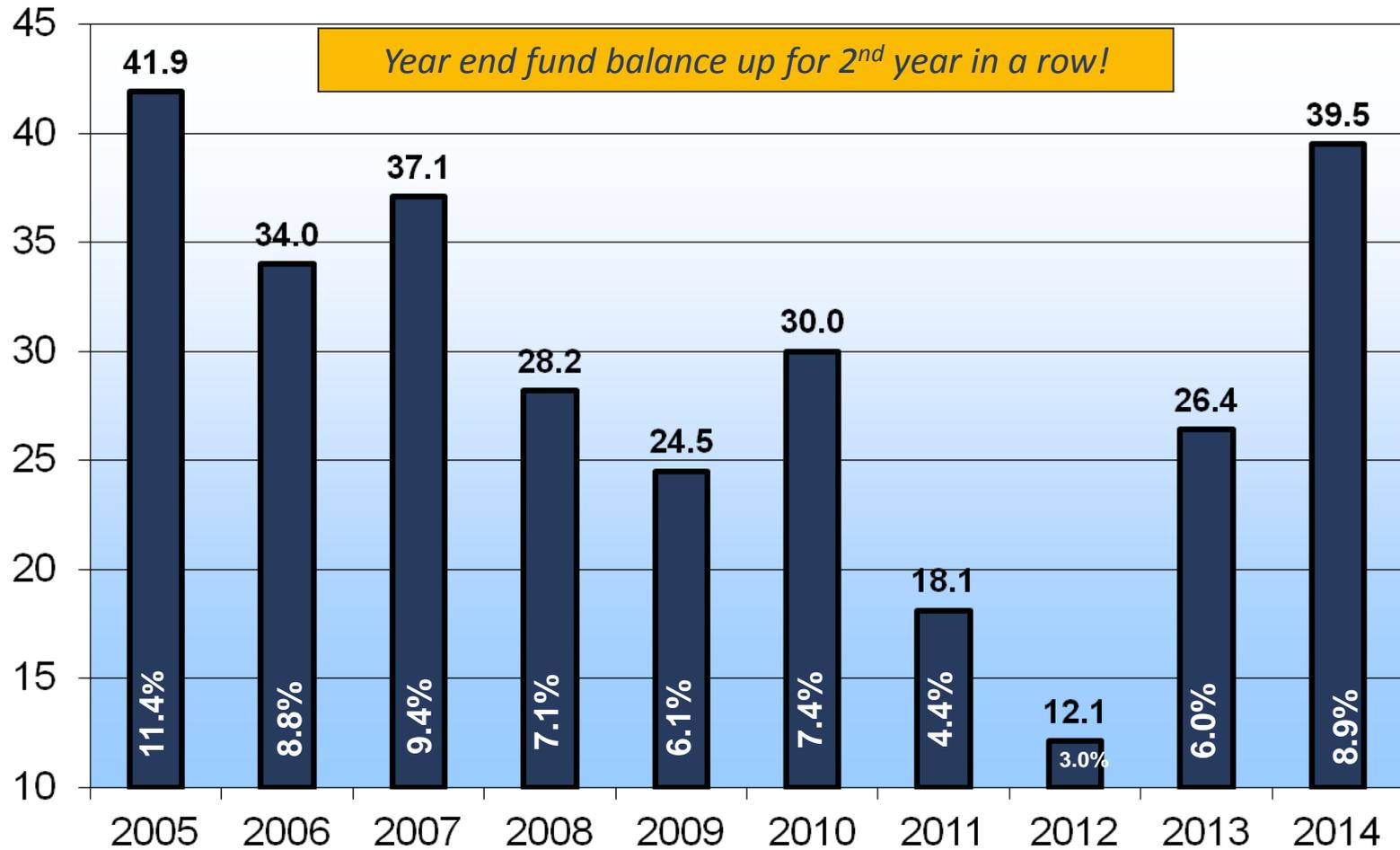
Sales Tax Revenue Forecast

	<u>Economic Growth</u>	<u>Gross Revenue</u>	<u>County Share</u>	<u>Municipality Share</u>
2013 Actual:		166.4	141.4	25.0
* 2014 Actual:	4.3%	173.5	146.7	26.8
2015 Budget:	0.6%	174.4	147.9	26.5
2015 Year End Projection:	1.0%	175.1	148.5	26.6
2016 Budget:	1.0%	176.9	149.9	27.0

***2014 Actual** excludes the State's estimate of \$2.3 million for three months of sales tax on energy as this is not economic growth.*

Year End General Fund Balance

With % of Subsequent Year's Budget



Source: Dutchess County Audited Financial Statements

Appropriation of Fund Balance

General Fund (A): 9,500,000

Road Fund (D): 1,000,000

Road Machinery Fund (E): 245,000

Transportation Fund (ET): 1,000,000

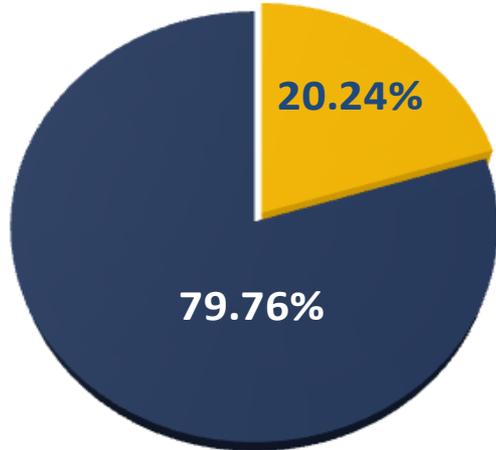
11,745,000

General Fund Balance

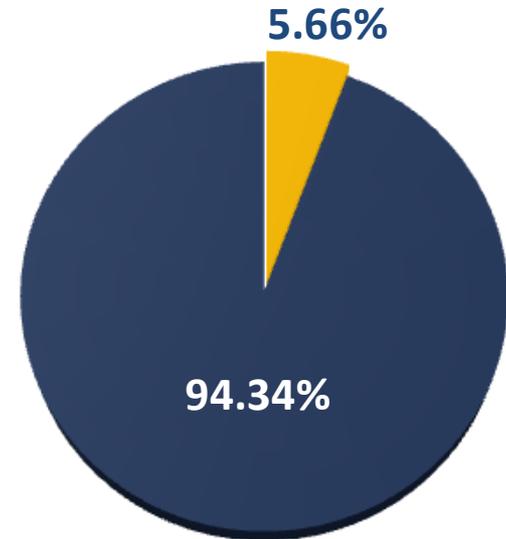
	<u>Million \$</u>
2014 General Fund Balance:	39.5
Appropriated in the Budget:	<u>-9.5</u>
Balance:	30.0
Percent of 2016 Budget:	6.6%

2014 portion of union contract settlements is already accounted for in the \$39.5M fund balance, 2015 portion is offset by projected year end replenishment of fund balance.

Constitutional Tax Margin & Debt Limit



■ Tax Levy
■ Tax Margin Available



■ Total Indebtedness
■ Debt Limit Available

Standard & Poor's Credit Rating

Rating	Number of Counties*
AAA	1
AA+	2
AA	7
AA-	8
A+	8
A	3
A-	1
BBB+	0
BBB	1
BBB-	0

** Note: S&P rates 31 of 57 New York State counties.*

Current & Future Fiscal Exposures

- Union Contract Settlements
- Federal Health Care Reform
- State/Federal Budget Impact
- Energy Costs
- Economic Volatility

Resolutions & Local Laws

- DBCH Charter & Code revisions
- Confirmation of DBCH Commissioner
- Confirmation of DCFS Commissioner
- Crisis Stabilization Center
- Veteran's Reserve

Moving Dutchess Forward

- Property tax cut & spending cut
- Rebate checks for taxpayers
- Economy continues to improve
- County fiscal health strong & stable
- Continue to provide core services
- Emphasis on economic development

Questions?