

2026 | Dutchess County Executive Budget



Budget Overview

GOALS & PROCESS

- Met with Departments- Reduction Plans
- Evaluated and took reductions
- Reviewed line by line
- Reduced expense lines based on actual
- Reduced to control spending
- Reviewed vacant positions to delete
- Reduced and held positions where possible
- Reviewed revenue trends and projections
- Evaluated additional revenue sources
- **GOAL: Minimize Impact to Taxpayers**
- **GOAL: Maintain Critical Programs & Services**

Expense

Spending Increasing only 1.8%
Under 1% Excluding Mandates

Expense Drivers:

- Mandates: \$6.7 million & highly reimbursed (not including positions):
 - Day Care- \$15.7M up \$3.2M- 100% reimbursed
 - EI & Preschool Special Education- \$39.4M up \$2.5M- 50-60% reimbursed
 - Foster Care- \$22M up \$2.2M- 50% reimbursed
 - Medicaid- \$43M level
 - TANF & Safety Net- \$16.3M level
- Positions: \$10.3 million
 - Salaries and Wages- \$5.6M 3.5%
 - Employee Benefits- \$4.7M 4.8%

Expense Drivers

Salaries & Wages Increasing \$5.6M

- Increase 2 positions- Deputy Sheriffs- School Resource Officers Funded
- Deletion of 10 vacant positions- Savings \$700K
 - 1 County Clerk
 - 4 Public Works
 - 3 OCIS
 - 1 Probation
 - 1 Public Defender
- Holding 17 positions vacant at \$1- Savings \$1.1M
 - 10 Correction Officers
 - 3 District Attorney
 - 2 Mental Health
 - 1 Public Defender
 - 1 Health
- 76 Restructured Positions – Increase of \$313K
 - Restructure of Organization- 43 DA Restructuring for Retention
 - Duties and Responsibilities
- Vacancy savings budgeted \$4M up from \$2M in 2024.

Expense Drivers

Salaries & Wages Increasing \$5.6M

- Union Contracts:
 - PBA contract 3.25% COLA
 - DSA contract 2.75% COLA and Merit
 - Includes steps and longevities for bargaining units
 - Merit increase for M/C & DSA 5- 1.2%, 4- 1%, 3- 0.8% 2- .5%
 - M/C and BOE will get same COLA as CSEA when the contract is settled
 - BOE- Step equity of 0.8%

Will Impact Fund Balance when settled

- DCSEA- expires 2025
- CSEA- expired 2024

Expense Drivers

Employee Benefits- Increasing \$4.7M

Health Insurance-up \$1.3M

- MVP- 9%
- NYSHIP- 10% (won't know until December)

Pension-up \$2.7M

- 7% Rate increase
- Salary increase

Expense & Offsets

Sales Tax Distribution- \$1.9M

- 1% rest of this year payments and 1.5% Growth
- Elimination of the Clothing Exemption \$952K
- Increased Sharing \$858K

Operations- \$1.3M

- New Towers Radio Project \$460K
- Workers Comp \$260K
- Sheriff Equipment \$170K
- Janitorial \$110K
- Security Services \$110K

Debt Service down (\$446K) Bonded less than Retired

Contracted Services down (\$4.7M)

- Prior year grant program spending in 2025 (\$4M)
- Transitional House closure saving (\$1.4M)
- 2% not-for-profit partners \$400K

Other Allocations

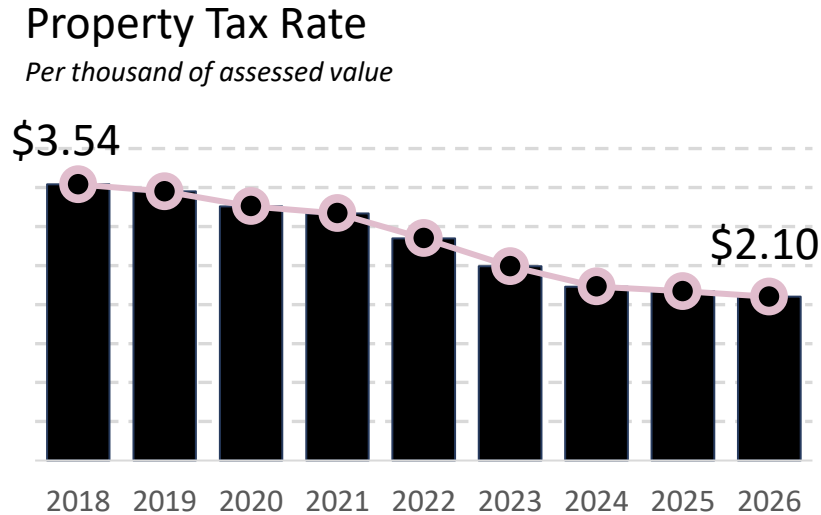
Community Benefit Fund

- Emergency Medical Services- \$2M
- Sheriff Equipment- \$150K
- DA Drug Taskforce Covert Equipment & Buy Money- \$150K
- Youth Programming- \$100K
- Active Shooter Training- \$100K
- AED Heart Safe- \$100K
- Recycle App & Household Hazardous Waste Events- \$100K
- Housing Trust Fund- \$500K

Grant Programs

- Agency Partner Grant- Level at \$1.5M
- Veterans Grant Program- \$100K
- REV250- \$75K

Revenue



- PROPERTY TAX RATE CUT OF (3%)
- Levy Increase of \$4.6 million under the tax cap \$107M- \$106.8 million
- True Value Assessments up \$3.8 billion or 8% to \$50.9 billion

Revenue Projections

- Sales tax

- 3rd Quarter Growth- 1.23%
- 1% growth through the end of the year (loss of \$3.5M)
- 1.5% growth in 2026
- Elimination of Exemption on Clothing and Footwear under \$110 Effective March 1, 2026 \$5.4M- Annual- \$6.5M
- Growth: 2022- 1.6%, 2023- (.3%), 2024- 4% Average- 1.8%

2026 Gross Sales Tax Projection	
2025 projected sales- remaining payments 1% over 2024 payments	\$264.5M
2026 Growth at 1.5%	3.9M
Elimination of the exemption on clothing and footwear under \$100 Effective March 1, 2026	5.4M
Total 2026 Gross Sales Tax Projection	\$273.8M

- Hotel Tax

- Growth of 3% Full year of 5% rate

Revenue Projections

- State and Federal Revenue up \$8 million
 - State Aid up \$9.5M- Mandates & Pass through
 - Federal Aid down \$1.5M
 - ¼ Food Stamp Admin 50% to 75% share \$380K in 2026- \$1.5 to \$1.6 million annually.
 - \$450K Planning Studies
 - \$175K ARP OFA
 - \$511K less ARP for Public Transit
- Interest
 - Decrease of \$1.5 million to \$5.9 million
 - Still up from \$2.6 million in 2022- sensitive to economy

Revenue Projections

Fund Balance Projection

Balance of \$104.3M end of 2024

- 11.4M Community Benefit Fund Set Aside
- 2.5M Opioid Funds Set Aside for 230 North Road

\$90.4M Balance

- 3.2M YTD Appropriated
- 2.7M December Resolutions

\$84.5M Balance

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- 23.5M Appropriated in 2026 Budget
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\$61M Balance - All Else Equal

1-2 Months of Operating \$49M-\$99M

Revenue Projections

Community Benefit Fund:	\$11.4M
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2026 Budget Uses:	\$ 3.2M
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Balance:	\$ 8.2M
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Revenue Projections

Other Appropriated Reserves

- D&E Fund balance- \$2.75M
- Debt Reserve- \$4M offsetting debt service
- Opioid Settlement Reserves- \$393K

Risks and Concerns- Appropriations

- Reduced spending, may have departments coming in next year
- CSEA & DCSEA Contracts to be settled
- Vacancy Factor- \$4M while also holding 17 positions vacant
- Mandates continue to increase

Risks and Concerns- Revenue

- Interest Revenue \$5.9 Million was \$2.6 million in 2022
- Last Year of ARP revenue offsetting Public Transit \$2.6 million
- \$23.5 million fund balance from General fund
- Sales Tax 42% of the Budget

Thank you
Budget Office Team
County Executive Team

Questions ?