

# Molinaro Delivers 2014 Tentative County Budget

**Poughkeepsie...** Dutchess County Executive Marcus J. Molinaro presented his 2014 Tentative County Budget this morning. The County Executive's budget proposal begins Year Two of the multi-year transformation of county government by cutting spending by \$1.6 million and holding the property tax levy under the New York State property tax cap without tapping the County's general fund balance.

"This budget proposal maintains the county services and programs our residents depend on and provides greater fiscal stability for the future, while limiting the impact to our property taxpayers," said County Executive Molinaro. "With continued consolidation and cost cutting, restructuring and focus on greater efficiency, we enter Year Two of our multi-year transformation of county government."

Appropriations will total \$411.1 million for 2014 as compared to 2013 modified appropriations of \$412.7 million. For the first time since 2006, there is no appropriation from the general fund balance, with only limited appropriations from other reserves. "We are committed to rebuilding our fund balance for greater fiscal stability and to maintain the County's impressive Aa1 bonding rating," said County Executive Molinaro. Additionally, the 2014 Tentative Budget proposal reduces the annual debt service payment as compared to 2013.

"Right-sizing" of county government continues in the 2014 county budget with further workforce consolidation of 9.61 Full Time Equivalent (FTE) positions, saving \$725,000 and bringing total workforce to 1,710.61 FTES, the lowest level in 31 years. 9.34 new positions were added in the budget proposal in targeted areas, the majority fully funded through grant programs or service contracts. These positions focus on critical areas including domestic violence prevention, school safety, jail inmate population reduction and shared services with municipalities. More than 40 positions were restructured in the 2014 budget proposal with nearly 19 positions deleted through reorganization and consolidation, including significant compression in the Department of Public Works management and supervisory structure.

Chairman of the Dutchess County Legislature's Budget, Finance and Personnel Committee Jim Miccio said, "County Executive Molinaro's budget proposal offers a well crafted plan to secure Dutchess County's fiscal foundation and ensure we can provide the services and programs our residents need and deserve. We look forward to the budget review process and continue to work with the Budget Office to adopt a plan that works for Dutchess County."

Economic stagnancy continues to present challenges for Dutchess County Government. Service demand

continues to increase while resources shrink. The County's tax base has declined \$8.8 billion since 2007 to \$29.6 billion. The County is further challenged by state and federal mandates that dominate 70% of net county costs, with no mandate relief from state leaders. To close the initial \$27 million budget "gap" that began the 2014 budget development process, decisions had to be made about reductions to expense "optional" services and/or increased revenues.

In order to maintain the "optional" services important to residents, such as 911 dispatch, veterans' services, law enforcement, parks and recreation, road repair and snow removal, there is a need for reliable, reoccurring revenue. The 2014 Tentative Budget includes an estimated \$7.8 million in new revenue by repealing the current sales tax exemption on residential energy sources. This new revenue will be shared with municipalities based on the 2013 sales tax distribution formula. To promote the use of clean energy technologies, the budget proposal will also provide for a sales tax exemption on the purchase of solar energy systems and equipment.

New initiatives in the 2014 Tentative Budget includes \$500,000 in funding for a new home heating & energy assistance Program, HEAP +, to assist residents struggling with energy costs or who cannot afford necessary home weatherization improvements. The new program will help fill a gap created due to cutbacks by the Federal Government to its Home Energy Assistance Program (HEAP). The program will include assistance to those affected by the reductions in the federal HEAP program. Additionally, it will provide assistance to those who are slightly above the HEAP eligibility threshold but face similar difficulties paying their heating bills. The program will also include furnace repair/replacement and weatherization to increase energy efficiency and ensure home safety. The program will be coordinated in partnership with the United Way.

Additionally, County Executive Molinaro has further increased economic development focus, directing \$110,000 in new funding to focus on agriculture business development and agri-tourism in continuation of efforts to support small and medium businesses to help them grow and expand.

Dutchess County Legislator Ben Traudt, who represents Red Hook and serves as Chair of the Environmental Committee, noted, "Agriculture is a vital component of Dutchess County's economy, particularly in Northern Dutchess. The popularity of Dutchess County Tourism's Farm Fresh tours and the growing interest in locally grown food sources shows the enormous potential for growth. This added funding will support our local farmers grow their businesses and help fuel our economy."

David Tetor of the Dutchess County Agriculture & Farmland Protection Board said, "Agriculture is a critical part of Dutchess County's heritage and fundamental to strengthening diverse economic growth. Agriculture creates jobs and new exports, opening up new markets for Dutchess County goods. County Executive Molinaro's support for our local farmers will help them to be successful on the business side of farming."

The 2014 County Budget also continues the outcome based Agency Partner Grant Program with level funding compared to 2013 and continues the Municipal Consolidation & Shared Services Grant Program with \$1 million. Shared service opportunities for municipalities will be expanded to include Information Technology (IT) services such as website development as well as the continued expansion of the workers' compensation insurance pool, which has already provided more than \$550,000 in savings to local municipalities.

City of Beacon Mayor Randy Casale noted, "County Executive Molinaro has been committed to partnering with local municipalities to find new ways to be more efficient and collaborative. The City of Beacon is already saving over \$275,000 through the County's workers' compensation insurance pool and the recent Municipal Consolidation & Shared Services Grant Program awards will allow us to move forward with important projects including document management, municipal sewer service improvements and consolidation of fire resources. We look forward to continuing work with the County in IT services, enabling us to design and operate an up-to-date, modern website to better communicate with our residents."

County Executive Molinaro's 2014 Tentative Budget, including his "Budget in Brief" overview as well as video of this morning's presentation, can be seen online at [www.dutchessny.gov](http://www.dutchessny.gov). The County Executive will host a special Telephone Town Hall meeting this evening beginning at 6pm to discuss his budget proposal with county residents and answer questions. Call in number for the telephone town hall meeting is [877-228-2181](tel:877-228-2181) (event id # 18978).

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