

October 2, 2017

To the Honorable Members of the Rockland County Legislature:

On my first day as County Executive in 2014, our county faced a deficit fund balance of nearly \$138 million and a bond credit rating of Baa3 with a negative outlook; one step above junk bond status. Today, our deficit fund balance has been nearly eliminated and our bond credit rating is A- with a stable outlook. This progress was a collective endeavor with the participation of our employees, our unions, and our taxpayers. My administration will continue to be fiscally prudent with our taxpayers' money, ensuring that we further improve our balance sheet and begin building our reserves to meet the challenges ahead.

Therefore, in accordance with Section 6.04 of the Rockland County Charter, I respectfully submit the 2018 Proposed Budget for your review and consideration.

It is once again my honor and privilege to present a balanced budget for the County of Rockland. The balancing of the budget always comes as a challenge, trying to meet the needs of the organization, our employees, our community and our taxpayers. I am proud to report to our taxpayers that this budget maintains a level of service consistent with 2017 for municipal operations and contains a County property tax levy that is under the New York State's property tax cap.

For 2018, the total net appropriations are \$684,250,260 for all funds. Even with the additional annual cost of \$13.2 million for the deficit bond, this spending level is nearly comparable to the 2009 Adopted Budget. And, just as important to you the taxpayer, we have avoided having to pay a double-digit tax increase for re-paying this annual cost.

In preparing this new budget, my administration was adamant that we begin allocating funds for future union contract settlements. Many of our union contracts have expired or will be expiring. Our valued employees deserve better, therefore, for the first time in nearly a decade my administration has allocated funding for the eventual settlement of many of these contracts. This budget may not be able to provide funding for all the contracts, but we will begin the process of prudently negotiating with our bargaining units. Our employees have made the needed sacrifices over these many years and it is time for a fair and equitable resolution to these contracts.

Also, year after year, in the preparation of the budget there has been a struggle of providing adequate funding for the non-profit contract agencies. My administration had migrated many of these contract agencies under the auspices and direction of our county departments, thus ensuring proper management and oversight to enhance the services to our residents. Funding for these agencies will continue in this new proposed budget without any reduction.

While preparing this proposed budget, my administration had made several overtures to the legislative staff asking if they wished to provide funding to the public benefit contract agencies known as 224's, as these specific agencies are under their jurisdiction. However, no response was provided until only weeks before this budget was submitted. Therefore, my office initiated the inclusion of these 224 agencies into this proposed budget so that they would not face uncertainty for 2018. The proposed budget has allocated \$760,530 specifically for these public benefit (224) agencies.

Also after careful review, we are proposing to migrate the following 224 agencies to county departments in the amount of \$587,355 to enhance their existing services as well as providing oversight:

• Cornell Cooperative Extension	Environmental Resources	\$261,000
• Keep Rockland Beautiful	Environmental Resources	\$52,000
• Big Brothers/Big Sisters	Department of Mental Health	\$97,000
• MHA-CASA	Department of Mental Health	\$11,300
• MHA-Family Treatment Court	Department of Mental Health	\$14,355
• Hi-Tor Animal Care Center	Department of Health	\$45,000
• Rockland Center for Holocaust Studies	Economic Development	\$9,100
• Garnerville Art Center	Economic Development	\$18,000
• Historical Society	Economic Development	\$37,000
• Hopper House Art Center	Economic Development	\$3,200
• Penguin Players	Economic Development	\$2,400
• Rockland Center for the Arts	Economic Development	\$37,000

In this proposed budget, my administration continues its efforts to reorganize and redesign government to improve departmental operations, enhance county services to our residents and to provide cost savings. This includes the elimination of 50 positions; a majority of which are vacant positions. The budget also calls for the creation of 39 positions as part of the overall departmental missions. The overall impact is a net reduction of 11 positions bringing our position count to 1,691 – a level not seen since the 1970's.

In 2015, the Rockland Codes Initiative was launched to improve safety and reduce blight by taking aim at illegal housing and subdivisions, fire, health and zoning violations, overcrowding and other code infraction concerns that first-responders or residents could be harmed due to sloppy code adherence. Therefore, to enhance the Department of Health's housing unit with this public safety program, this proposed budget contains the creation of two new positions and the cost of an outside vendor. These costs will be completely offset with the additional revenue generated by fines and penalties for housing and building violators. The department's housing unit investigates all residential housing complaints, including allegations regarding single family dwellings, multiple dwellings, rental properties and owner-occupied premises.

When I came into office my administration noticed the need for a county auditor, a Charter position that was vacant for many years. Due to the fiscal constraints, this position was funded only part-time, now this proposed budget calls for the expansion of that valued office by adding additional hours for County Auditor from part-time to full-time and transferring in one Accountant I position while eliminating the part-time Auditor position. The office will expand its role by conducting more internal audits and programmatic reviews to enhance both oversight and state and federal reimbursements.

Also, contained within this proposed budget is the transfer of positions from one department to another, either to improve departmental operations or to maintain state aid reimbursement. As you may recall, several years ago the finance personnel from various county departments were transferred to the Department of Finance. However, this proposed budget calls for the following:

- Transferring 9 positions from the Department of Finance back to the County's Department of Health. Unfortunately, the New York State Department of Health will discontinue reimbursing the county unless these personnel are listed and paid within our Department of Health.
- Transferring 6 positions from the Department of Finance back to the County's Department of Mental Health. The Commissioner of Mental Health requires the needed fiscal resources to be in his department to provide day to day financial guidance and information.

- Transferring 7 positions from the Office of Community Development to the Department of Social Services. These positions will constitute a new unit within DSS called Section 8 Housing Choice Voucher Program. With the integration of the Section 8 Housing Choice Program with existing housing services provided by the Department of Social Services, this will ensure that services are provided in an efficient, responsive and cost-effective manner, as approved by New York State.

For the past several years the county has been discussing renovating the building at the Hi-Tor Animal Care Shelter facility that is located on county property. Repairing this building has become both problematic and costly. It would simply be more prudent to construct a new animal care facility on the existing property. Therefore, I am including in the 2018 Proposed Capital Budget additional funding for this project for a total cost of \$1.2 million.

Since 2015, my administration has been urging the legislature to sell the Sain building due to the poor working conditions faced by our employees. The sale of this property would generate nearly \$4.5 million in needed revenue. This proposed budget does not include this property sale. However, I am will again submit to the legislature a request to pass the necessary resolutions declaring this property surplus so we can finally sell the property.

As I have stated previously, this proposed budget allocates funds for the settlement of various union contracts. However, if the legislature wishes to sell the property, I strongly urge them to use the funds generated by the sale to help finance the cost of settling union contracts.

County government still faces difficult decisions ahead. Our commissioners, department heads and our employees are working to improve operations and the delivery of services to our residents. My administration has and will continue striving to eliminate the remainder of our deficit fund balance. With an improving balance sheet and a fiscally prudent budget, we look forward to further credit upgrades from the ratings agencies. I ask all county residents and legislators to support this 2018 Proposed Budget.

Cordially,



Edwin J. Day,
Rockland County Executive