



PUTNAM COUNTY EXECUTIVE
KEVIN M. BYRNE

TO: William Carlin
Commissioner of Finance

FROM: Kevin M. Byrne
County Executive

DATE: March 27, 2026

RE: Recommendation for Allocating Fund Balance to Public/Mental Health

I write with respect to the Stabilization Center project, for which the County had contracted with People USA to construct a 24/7 facility using \$2.5 million in American Rescue Plan Act (ARPA) funding received in 2022. As you are aware, the Carmel Town Planning Board denied the site plan application earlier this year.

Given the constraints associated with the ARPA encumbrance deadline of December 31, 2024, the number of eligible projects is very limited, and none appears to address public health needs. With the December 31, 2026 deadline to expend the remaining \$2.1 million in ARPA funds approaching, it is increasingly likely that any reallocation will need to be directed toward infrastructure or other pre-approved ARPA-eligible projects to avoid the risk of forfeiture.

The County's original allocation, as reflected in Resolution No. 135 of 2022, was driven by a clearly identified need to expand mental health services in Putnam County. That need remains. This Administration continues to prioritize investments that strengthen access to mental and behavioral health care for our residents.

Accordingly, I respectfully request that, pursuant to your authority under Resolution No. 115 of 2012 and in conjunction with the annual audit, you consider assigning \$2.1 million of the unassigned fund balance to an assigned account for future public and/or mental health initiatives. This approach would allow the County to advance its original policy objective using flexible local funds not subject to federal ARPA restrictions.

I understand that any expenditure of these assigned funds would remain subject to Legislative authorization and County Executive approval.

Thank you for your consideration. I look forward to continuing our collaborative efforts to enhance public and mental health services in Putnam County.