

**BUDGET & FINANCE COMMITTEE MEETING
OF THE
PUTNAM COUNTY LEGISLATURE
TO BE HELD AT
PUTNAM GOLF, INC.
187 HILL STREET
MAHOPAC, NEW YORK 10541**

Wednesday

October 2, 2013

7:00 P.M.

The meeting was called to order at 7:00 P.M. by Chairman Othmer who requested Diane Schonfeld, Clerk of the Legislature, lead in the Pledge of Allegiance. Upon roll call, Legislators Scuccimarra, Oliverio, Nacerino, Albano, Gross, Castellano, LoBue, DiCarlo and Chairman Othmer were present. Also present was Legislative Counsel Van Ross.

Item #3 – Committee to Meet with the County Executive and the Commissioner of Finance to Discuss the Proposed 2014 Budget.

Chairman Othmer welcomed everyone to the Budget & Finance Committee meeting. He introduced the Legislators and supporting Staff, the Executive staff and the County Commissioners and Department Heads. He then introduced County Executive MaryEllen Odell for her Report of the 2014 Executive Budget.

County Executive Odell presented her 2014 Budget Message which explained her vision and budget focus (copy attached).

County Executive Odell gave an explanation of why the 2% Tax Cap is now actually a 1.66% Tax Cap. She stated that NYS Property Tax Cap Law provides that the tax levy increase is capped at 2% or the rate of inflation, whichever is less. For 2014 the Federal Bureau of Labor and Statistics has determined the rate of inflation to be 1.66%. This is a Statewide cap. She stated that the Administration strongly supports the tax cap and that the proposed budget meets that commitment.

Highlights of the County Executive's Presentation included a summary of the Proposed 2014 Budget of \$142.9 million, which is a net increase of \$2.3 million over the 2013 adopted budget or a 1.6% increase. County Executive Odell stated that the increase includes: \$925,000 increase to meet NYS mandated pension costs; \$922,000 increase due to step and longevity increases, as well as pending contract negotiations; \$243,000 increase to meet NYS mandated worker compensation costs; and a \$150,000 contribution to PARC. The General Fund Surplus allocation of \$3.75 million is the second straight budget using less surplus than the previous year. She stated that the average homeowner assessed at \$266,286 will pay \$975 in County property tax in 2014 which is an increase of \$16.00.

County Executive Odell continued and explained the breakdown of the 2014 Budget Projected Revenues: Sales Tax - \$52.5 million, Property Tax - \$39.2 million, Federal & State Mandated Program reimbursements - \$25.2 million, Department Revenue - \$20.9 million, General Fund Surplus - \$3.75 million and Other revenue - \$1.35 million. She stated that the budget operating expenses consisted of \$103.2 million in State and Federal Mandated Programs. This leaves a balance of \$39.7 million for our Quality of Life

Services such as; Sheriff Patrols, Office For the Aging, Emergency Services, Parks and Recreation and Outside Agencies.

County Executive Odell continued and explained what a Mandate was. She stated that there are more than 200 NYS and Federal mandated programs which consume the entire sales tax revenue and the entire property tax levy. She listed some of the mandated programs and stated that they were not services that we didn't want or didn't want to fund, however, what Putnam County did want was accountability and oversight. She stated that we want to control the spending ourselves. She stated that the enactment of the SAFE Act has forced the County to add one full time employee to handle this new mandate. She stated that Medicaid is the single largest line item in the Putnam County Budget and there is a 24% increase of eligible participants. There is a \$1.96 million increase in mandated expenses in the 2014 Tentative budget.

County Executive Odell explained some of the Revenue Initiatives. She stated that the Proposed 2014 Budget included an increase of \$1.4 million in sales tax revenue. She stated that there were renovations done at Putnam County Golf Course, and the County continued to generate revenue during the course of these renovations. She stated that an increase of \$525,000 at the Golf Course was booked for 2014 as our investments in and our promotion of this property is anticipated to continue to payoff for our taxpayers. She continued and stated that Chapter 31 of the Putnam County Code allows for the Sale of County owned properties acquired by tax foreclosure through the Multiple Listing process. She stated that more revenue will be received from the Transportation reimbursement portion to the County. She stated that Transportation Chairman Vincent Tamagna identified the need to correct the reimbursement amount to reflect the true cost. The reimbursement amount was \$3.25 per ride and will now be \$37.33 per ride. This reflects an amount of 10 times the previous reimbursement. She explained that the Video Arraignment program is now in effect. This will provide Putnam County with; efficiency in prisoner transportation, reduction in overtime and fleet costs and increased public safety.

County Executive Odell continued and explained some of the Operating Expense Initiatives. She stated that there will be no layoffs. The County did offer an Early Retirement Incentive Program which produced a savings of \$201,000. She stated that there was a consolidation of the Department of Social Services and the Law Department Legal services which realized a savings of \$35,000. She stated that in further Administration efficiencies the County renegotiated the cell phone contract, initiated a PILOT program (Putnam Invests in Leaders of Tomorrow), limited motor vehicle and equipment purchases and established a Capital Projects Reserve Fund. She stated that the Outside Agencies have remained at level funding with the exception of an increase of \$10,000 for both the Libraries and Putnam County Tourism and an increase of \$25,000 for Putnam County Economic Development Corp to promote Putnam County business attraction and job creation. She stated that a Private Public Partnership has been established with Mercy College for Higher Education Opportunities. She stated that thanks to partnership with applied golf and Homestyle Caters, Putnam Golf, Inc. is a beautiful destination facility.

County Executive Odell continued and listed the many boards in which, for the first time, Putnam County has a seat at the table. She stated that these were the boards that drive economic development opportunities for Putnam County looking toward the future. She stated that under the leadership of Meghan Taylor of the EDC, Putnam County has been

the recipients of the Consolidated Funding Awards and the Priority Projects at Clear Solution Labs and the Putnam Hospital Center. The County is also the recipient of the Opportunity Area Grant. She stated that these opportunities mean job retention, job creation and economic development for the County. She stated that there are currently twenty-five projects in “the pipeline”.

County Executive Odell explained the fiscal and social challenges. She stated that State and Federal reimbursements from mandated programs are decreasing, while the number of participants and costs are increasing. She stated that this will result in: an increase in property taxes, a decrease in funding for “Quality of Life Services” and an increase in “Program User Fees”. She continued and explained the possible impact to our County as a result of the Federal Government shutdown.

Chairman Othmer stated that Superintendent of Mahopac Schools, Thomas Manko, was in the audience. He thanked him for spearheading the SPO program.

Legislator Scuccimarra thanked County Executive Odell and stated that she looked forward to working with the Legislature in the next few years in trying to implement many of these visions. She thanked Vincent Tamagna for the wonderful job he is doing at the Transportation Department. She also mentioned that Jack Riley has recently joined Putnam County temporarily as our Transportation Consultant.

Legislator Oliverio thanked County Executive Odell and stated that it was an excellent presentation that was straight forward and to the point. The tentative budget provides our constituents with a good tax rate with a tax cap of 1.66%.

Legislator Nacerino thanked County Executive Odell for a wonderful presentation. She stated that she was looking forward to working with her colleagues as they peruse through the entire budget in the upcoming weeks. She believed that working together and fostering a good collaborative working environment was a win win for our constituents.

Legislator Albano thanked County Executive Odell for the great job on the budget. He believed that it was a very feasible budget. He believed that every year we take a step further in the right direction. He had a true sense of security with being a part of Putnam County and believed that good things were coming in the future.

Legislator Gross thanked County Executive Odell and stated that he enjoyed the presentation. He stated that bright things happened this year as Chairman Othmer mentioned that the SPO program started this year in the Mahopac Schools. He believed that the Putnam Golf Course has taken off. The facility is busy and is making money. He stated that the PILOT program was one of his favorite programs; inviting High School and College students to work in all aspects of County government. It is a rewarding program and many of these students would like to come back again. The sale of properties was encouraging. He looked forward to good things happening in 2014.

Legislator Castellano thanked County Executive Odell for her presentation. He stated that this was his first budget process and was looking forward to it. He was glad that we were staying at the tax cap of 1.66%.

Legislator LoBue thanked County Executive Odell. She invited the public to attend and partake in the Legislative Budget Committee meetings.

Legislator DiCarlo thanked County Executive Odell for the great presentation. He stated that the County Executive spoke about communication between the branches of government. He stated that this communication is an important part of our fiduciary responsibility in putting together a budget. He stated that in echoing on Legislator LoBue's comments, the Legislature would like to hear input from the agencies as we start to review the proposed budget. He encouraged everyone next year during the election process for State and Federal officials, to keep in mind the billions of dollars that go to other countries, and yet we can't do for our own here. He stated that this has to stop. He stated that those funds would help us with some of these unfunded mandates. He asked everyone to bring some money back to Putnam County so that our young adults and seniors will not have to leave because they can't afford to live here. He stated that he looked forward to this budget process. He stated that he met with the gentlemen from applied golf and Homestyle Caters in the beginning of the year and stated that they are doing an absolute incredible job.

Chairman Othmer wanted to mention that Legislator Gross worked very closely with Superintendent Manko on the SPO program.

There being no further business, at 7:46 P.M., Chairman Othmer made a motion to adjourn; seconded by Legislator Oliverio. All in favor.

Respectfully submitted by Diane Schonfeld, Clerk.