

**BUDGET & FINANCE COMMITTEE MEETING
OF THE
PUTNAM COUNTY LEGISLATURE
HELD IN THE
EMERGENCY OPERATIONS CENTER
CARMEL, NEW YORK 10512**

Wednesday

October 3, 2012

7:00 P.M.

The meeting was called to order at 7:00 P.M. by Chairwoman Conklin who led in the Pledge of Allegiance. Upon roll call, Legislators Oliverio, Othmer, Albano, Gross, Birmingham, LoBue, DiCarlo and Chairwoman Conklin were present. Legislator Tamagna was absent. 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 2013 Budget.

Chairwoman Conklin introduced County Executive MaryEllen Odell for her Report of the 2013 Executive Budget.

County Executive Odell mentioned that the video that was playing before the meeting was footage from rolls of film that was in the time capsule which was unearthed on June 9, 2012. It was footage from the sesquicentennial parade from 1962.

County Executive Odell presented her 2013 Budget Message which explained her vision and budget objective (copy attached).

Highlights of the County Executive's Presentation included a summary of the Proposed Budget which she stated represented a "true 2%" property tax increase (\$761k) used solely to fully fund those mandates imposed by NYS and the Federal Government. The 2013 County Budget appropriations total \$139.2 million, is a ½ of 1 percent increase over the 2012 adopted budget. State and Federal mandated programs represent 73% of the proposed 2013 budget; Medicaid being the single largest line item. She stated that there was a \$2.2 million dollar increase in mandated expenses. The Administration has proposed a reduction of \$1.4 million dollars in expenses related to quality of life services. The difference between the mandated increases and the reduction of expenses still results in the need to increase property tax by 2%. The NYS and Federal mandated programs consume the entire property tax levy and the majority of the sales tax revenue. County Executive Odell continued by listing some of the mandated programs and listed the percentage of how the annual growth of many of these State mandated programs exceeded inflation.

County Executive Odell explained that the proposed 2013 budget included an increase in revenue projections based upon new initiatives in the Consumer Affairs Department through "item pricing" and the "Renew Putnam Program" in the County Clerk's office. She also detailed how the revision of Chapter 31 of the Putnam County Code would allow for an increase in revenue through the sale of County owned properties acquired by tax foreclosure. The properties could be marketed through the use of a real estate broker in order to realize fair market value. There was also a slight increase in Sales Tax revenue projections.

County Executive Odell further detailed how the operating expenses decreased from: No raises and no layoffs, 10% reduction in overtime across the board, limited motor vehicle purchases, reduction in transit services, establishment of a Capital Projects Reserve Fund, electric commodity charge decrease, efficiencies and consolidation in the Office for Aging and the establishment of the PILOT Program (Putnam Invests in Leaders of Tomorrow). As part of the reduction in overtime expenses in the Sheriff's Department, she stated that the Administration was expecting full implementation of the Video Conferencing Program. Also, due to cost increases in Transit Services, there was a 16% cost reduction of the transit system equaling \$650,000 dollars.

County Executive Odell further stated that there were no funding cuts to the outside agencies. The libraries will receive a 3% increase over the 2012 adopted budget amount. She detailed opportunities in looking toward the future such as: Risk Management Initiatives, Private Public Partnership with a higher education facility, consolidation with other municipalities and County governments, Chapter 31 – Sale of 2009 properties, tourism initiatives and managing jail costs. County Executive Odell also detailed the future risks such as: the expiration of the sales tax extension on November 30, 2013 and the decreasing State and Federal reimbursements.

Legislator Birmingham complemented County Executive Odell on the reinstatement of the intern program. It was a program that was phased out approximately four or five years ago. It is not only a good way to recognize local talent and provides a good summer job for high school and college students, but also helps the Executive's Department and the Finance Department manage their increased workload since the budget process begins in the summer months. He is also interested in the program in the Consumer Affairs Department with respect to the "opt out". He would like to learn more about that. He did not know if statutory changes needed to be made to it because he does know that it is in the Code.

County Executive Odell said, "yes". The Administration did need Legislative approval.

Legislator Birmingham stated that when it was put in in the early 90's, the debate at the times was: Is this just another unfunded mandate to our businesses?

Legislator Gross stated that he liked the idea of the PILOT project with respect to getting students from high schools involved in County government was very important. He stated that he was concerned about the sunset of the sales tax extension.

Legislator Albano stated that he liked the new initiative in the Motor Vehicle Department with respect to the registration of vehicles which will provide an opportunity to generate additional revenues for the County.

Legislator Othmer complemented the County Executive and her Administration for a job well done.

There being no further business, at 7:32 p.m., Legislator Birmingham made a motion to adjourn; seconded by Legislator Oliverio. All in favor.

Respectfully submitted by Diane Schonfeld, Clerk.