

AUDIT & ADMINISTRATION COMMITTEE BUDGET MEETING
Held In Room 318 of the
PUTNAM COUNTY OFFICE BUILDING
CARMEL, NEW YORK 10512

Members: Chairwoman Conklin, Legislators Birmingham & LoBue

Monday October 15, 2012
(Will Immediately Follow the Eco Dev Budget Mtg at 6:30 P.M.)

The meeting was called to order at 7:12 P.M. by Chairwoman Conklin who requested Legislator Birmingham lead in the Pledge of Allegiance. Upon roll call, Legislators Birmingham, LoBue, and Chairwoman Conklin were present.

Department of Finance – Account 1310

Chairwoman Conklin asked about Line 10131000 424011 INTEREST AND EARNINGS.

Commissioner of Finance Bill Carlin stated that it is going down steadily every year because of the Federal Reserve rates and they were adjusted down to what we think we are going to collect. He stated he believes we will be a little short this year and it is a subject of rates.

Legislator LoBue asked for an explanation of Line 10131000 54382 COMPUTER on page 16.

Commissioner Carlin stated that line is used for the Tyler-Munis system.

Legislator LoBue asked if each year the County pays for it.

Commissioner Carlin stated that is correct. Under the old system the County paid about \$300,000 per year for an MS-DOS operating system. Now the County is paying \$340,000 per year for a Windows system that is much more modern and has many more features.

Legislator LoBue stated that she thought it would be under the contracts line but it is under the computer line.

Commissioner Carlin stated that is correct, it is under the computer line.

Legislator LoBue asked what contracts were paid for under the contracts line.

Commissioner Carlin stated that the County pays for an actuary to follow our GASB requirements, bond counsel and things associated with bonding, Moody's rating, etc.

Chairwoman Conklin asked to address the Finance Department's overtime line, Line 10131000 51093 OVERTIME. She stated that the Department has used a great deal of overtime this year and asked if it was because of the new Tyler-Munis system.

Commissioner Carlin stated that the new system is part of the overtime usage. Another reason was a major illness of an employee but that individual is back now. Like every other department it was cut and they will manage it. At the busier times they hire temporary employees to help get things completed. He stated he has approximately 25% less employees than when he started as Commissioner. That is how this department and many other departments carry out the mission. It has not gotten any easier over the years but we have less people to do the job.

Legislator Oliverio asked what Line 10131000 426601 SALE OF REAL PROPERTY is in the Finance Department.

Commissioner Carlin stated that that line was used long ago but not anymore. The Gain From Sale of Tax Acquired Property is on page 24 Line 10136200 410511 GAIN FRM SALE OF TAX ACQ PRO.

Legislator Oliverio suggested that a line that is no longer used should be struck because leaving it in only adds confusion.

Commissioner Carlin stated that they are going to do that when they have the final printout; anything that has not had any activity through a period we will kill that line and it will not appear. He further stated that not every property will be suited for a broker. We have small strips, land locked pieces, etc. and we are not talking about those with these gains. We are talking about choice properties that will go through the MLS Listing Service. We came up with an estimate of \$424,000 gain from the sale of these properties based off of 10% of the 2008 assessed value of these properties, less the taxes due.

Chairwoman Conklin asked what line the properties that have been sold at auction go to.

Commissioner Carlin stated they go to Line 10136200 410511 GAIN FRM SALE OF TAX ACQ PRO on page 24.

Legislator Birmingham asked why Line 10131000 457891 RETIREMENT STABILIZATION on page 16 is empty.

Commissioner Carlin stated it has to do with GASB regulations and the State Comptroller's office. He further stated that the first year he recorded it net, which would be the net of the total expense less the amortization. This year in 2012, he was told to budget it gross, which he did. For next year, GASB said budget it net. So we are back to net. We are not shifting our policy, we are shifting the accounting. So the reason that some of the budgets will look like the expense fell from 2012 to 2013 they did not

fall. What happened is he is recording it net as opposed to gross. There is no revenue for stabilization per se in the 2013 budget because the cost is reflected as net, which is the State Comptroller's way they told us to do it. What will happen is he will put in an entry which will wipe out the stabilization revenue and the expense.

Legislator Birmingham stated that at the end of 2012 we will not see an actual \$2.5 million there. You are changing the accounting as of now. The bottom line is that we are not changing our policy, we are changing our accounting. He asked how our retirement is doing this year.

Commissioner Carlin stated it is going up about one half of a million and it would be up about three or four million more.

Legislator Birmingham stated that has a cost though because as soon as things start getting better we are still going to be paying more.

Commissioner Carlin stated that it smoothes it.

OTB – Account 427201

Chairwoman Conklin asked about the OTB revenues.

Commissioner Carlin stated that OTB revenues are down and he reflected that in the budget.

Legislator Birmingham asked County Auditor Michele Alfano-Sharkey what number the County was at with OTB. He further asked if the OTB Distributed Earnings Line 10131000 427201 actual 2012 amount of (172,173) was up to date.

Commissioner Carlin stated he believed that was relatively up to date.

Legislator Birmingham stated that if that number is actually something more like (185,000) then he would make the 2013 budget number something more like (240,000) instead of the current tentative (230,000).

Commissioner Carlin stated that OTB earnings go down year after year.

Legislator Birmingham stated he does not disagree with Commissioner Carlin on that fact. He is just stating that the County is taking a big drop from 2012 to 2013, close to \$100,000.

Commissioner Carlin stated the County only made \$220,000 in 2011.

County Auditor Alfano-Sharkey stated the County is at (197,244) as of the end of September 2012.

Commissioner Carlin stated that you cannot calculate the number on a straight-line proration because you get more in certain months.

County Auditor Alfano-Sharkey stated those months are April, and July/August so far. You also have the Payment In Lieu of Taxes (PILOT) program.

Legislator Birmingham asked if the PILOT was included as well.

Commissioner Carlin stated it is and the PILOT is capped but the OTB Distributed Earnings is reflective of that.

Legislator Oliverio stated that we give some to the towns.

Legislator Birmingham stated we have been less generous to the towns than in the past. We passed that in 2011.

Commissioner Carlin stated that the cap started, he believed, with last year's school bill.

Use of Reserve/ Fund Balance – Account 427161

Chairwoman Conklin asked if anyone had any questions about the Use of Reserve/Fund Balance.

Legislator Birmingham stated that our Fund Balance is higher now than it was last year at this time. It is always good to have a healthy Fund Balance but we have a number of things to pay for and we do not want to go over the tax cap.

Legislator Oliverio stated that this will be one of the first year's he supports the use of fund balance because we do have more to pull from and we are not pulling as much as we did last year. He commends the Administration on that. He does not like borrowing from the "piggy bank" but in this case, to make this budget work, we have to.

Legislator Birmingham stated we may need to pull more in order to fully fund the transit system.

Legislator Oliverio stated we have a way to fix that.

Legislator Birmingham stated that we can but we might not have the six votes needed to override a veto and then we are going to have a problem of a higher tax rate than the true 2% that we have right now, food for thought for the Budget & Finance Meeting. Legislator Birmingham then asked about the Vacancy Control line and pointed out that the Audit Committee has not received a recent report.

Commissioner Carlin stated that the report is now given to the Committee quarterly and will be on the next regular Audit Committee agenda.

Legislator Birmingham asked where we are right now.

Commissioner Carlin stated that we have put in approximately \$700,000 almost \$800,000.

Legislator Birmingham asked if we were going to have less vacancies this year?

Commissioner Carlin stated that was correct. When you look at the vacancies we've eliminated, some were put in in the fourth quarter and he had to lower the number way down because there would be no way to make \$1.2 million. The \$1.2 million we are going to make this year was a benefit of the over budget of health insurance because of the rates. That will not be there for 2013. Now that we are doing the budget later in the year he has more concrete numbers such as the health insurance rates.

Purchasing – Account 1345

Chairwoman Conklin opened the floor for questions regarding the Purchasing Department's budget.

There were no questions or concerns.

Real Property Tax Services – Account 1355

Chairwoman Conklin asked for a status update on the hiring of a new Director of Real Property.

Commissioner Carlin stated they are looking at all of their options, resumes are in. It is next, after the Budget.

Legislator Oliverio asked about the computer contracts for this department.

Commissioner Carlin stated that was the contract we have with the Towns and Villages.

Legislator Oliverio thanked Commissioner Carlin.

Tax Advertising & Expense – Account 1362

Chairwoman Conklin moved the discussion onto page 24 Tax Advertising Expense.

Legislator Birmingham stated that it took a little convincing to him about the program that the County Executive initiated under Chapter 31 where we will begin starting to advertise properties for sale, not through the auction process through legal advertisements that nobody reads unless they are in the market to buy properties of that nature. He believes under this new program that we will now reach a broader exposure through the sale of our properties. He asked Commissioner Carlin if there was a sale this year.

Commissioner Carlin stated that there was not a sale this year, no. The year 2008's properties are stored up, it took a long time to get them through the courts. The year 2009's properties will take a long time as well.

Legislator Birmingham stated he would like to be more bullish with this projected number for the sale of properties under the new program. He asked how the current number, \$424,000, was arrived at.

Commissioner Carlin stated that they took 10% of what they believed they could make on the 2008 property sale using the assessed value less the tax basis of the properties. A lot of these properties sell at a loss therefore they wanted to keep a conservative figure in that line.

Legislator Birmingham asked what the magic was about 10%.

Commissioner Carlin stated that they thought that was a realistic number to put in that line.

Legislator Birmingham asked if 10% was more exact than say, 15%. It is certainly less but is it more exact? He commends Commissioner Carlin on wanting to be conservative with this number because he himself is generally conservative.

Legislator LoBue stated she is not in agreement with the new program. She further stated that the former Director of Real Property George Michaud was against the new program.

Commissioner Carlin interjected to say that was not quite true.

Legislator LoBue stated that was what former Director Michaud told her.

Commissioner Carlin stated that he personally talked to former Director Michaud about the program and former Director Michaud was not against the new program. What former Director Michaud stated he was against would be taking all of the properties and putting them through the new program.

Legislator LoBue stated that was not what former Director Michaud indicated to her. She made her "no" vote. She doesn't see how this program is going to be successful because most of these properties are marred and when they fall into tax arrears people walk away and the properties have a lot of issues. In the paper, there are problems selling good properties in this economy, she cannot imagine selling the properties that fall under tax foreclosure. Those that purchase properties through the new program may have to acquire mortgages and that would be a new part of the purchase process. She further stated that she does not feel good about making a profit from people that fall on bad times. This is government, she does not believe we should be taking these properties and selling them for a profit. The first thing that happens when people lose their property is the owners do not pay their homeowners insurance and liabilities are a result. She does not see a benefit, plus the Real Estate agency that is awarded the bid gets a portion of the profit. She stated she will vote "no" to any increase in this line.

Legislator Oliverio stated the whole idea of this is based on hard reality and that is looking at the banks that do short sales. There is a great deal more bank foreclosures than there are property tax foreclosures. The banks simply want to be made whole so, they simply sell that property at a shortage. Two properties in Putnam Valley, both are designated business property, even if we were to only get \$200,000 for each of those two properties, and he believes on the real market we will get much more than that, you have met this tentative line. He further stated he agrees with Legislator Birmingham that this line is underestimating the worth of this new program. He does not agree with Legislator LoBue that we are depriving people of their homes. We are not depriving people of their homes. He can think of the cases in Putnam Valley that the County now owns, these are individuals that just refuse to pay property taxes because they did not believe in them. The other two individuals said they will stay in their property until the County can come and rescue us and that is exactly what has happened, they are now in a single-room occupancy that the County is handling until they can get on their feet and go. Their house is sitting there on the business corner that is the envy of many of the small business owners of Putnam Valley. He stated he knows when that goes for sale that there are three or four individuals who have already contacted him about when the property will be available for sale because they see the potential. He further stated that he agrees with Legislator Birmingham that we are underestimating this line and this is a boom for our taxpayers. We are all taxpayers, he feels bad for those that lose their homes but he does not feel bad for those that just refuse to pay their taxes or want a free ride. That is wrong. He knows of others in his town who are up to date on their mortgages but state that they do not care about paying County and school taxes. Society collapses when not everyone pays in.

Legislator Albano stated that we are not profiting from those who lose their homes. At the very least, we are trying to just be made whole. An individual that showed up at an auction may still be able to buy this property through the new program but the potential to get a greater value of what the property is actually worth, when you expose this to everyone in the County, there will be properties that create higher dollars. Mortgage rates are down and we might be due for a big change in this world. He believes we will get numbers but, just wouldn't go crazy with the number right now.

Legislator DiCarlo stated he agreed with Legislators Oliverio and Albano. He asked Legislator Birmingham what number he felt was more appropriate.

Legislator Birmingham stated he does not claim to be an expert but we are going from \$167,989 actual in 2011, there was no sale in 2012, projected \$424,000 in 2013. This is a new program, there may be a hunger for properties since there has not been a sale in two years, therefore, he would like to change the 2013 number to \$450,000.

Legislator Oliverio stated he was thinking \$500,000.

Legislator LoBue stated she hopes everyone is right.

Legislator Oliverio stated it is not whether we are right or wrong, he knows they will sell the properties, at least in his town.

Legislator DiCarlo stated in Westchester and Putnam, sales are up.

Commissioner Carlin stated he would like to agree with Legislator LoBue that no one takes solace or happiness out of selling tax acquired properties. They have a fiduciary duty to foreclose and try to get as much as we can for all of the taxpayers because most of these properties generate a loss.

Legislator Birmingham stated just because we change this number does not mean we will foreclose on more properties. Properties will be foreclosed on no matter what number we put in this line.

Legislator Birmingham made a motion to amend Line 10136200 410511 GAIN FRM SALE OF TAX ACQ PRO from (424,000) to (500,000), seconded by Chairwoman Conklin.

By Roll Call Vote: Two Ayes. One Nay – Legislator LoBue. Motion Carries.

Legislator Birmingham asked Commissioner Carlin where the sale of 34 Gleneida Avenue is in the Budget.

Commissioner Carlin stated that is not a Budgetary item, it is a Capital Project Budget where we would create a reserve.

Legislator Birmingham asked if we do not sell it then it does not hurt the Budget?

Commissioner Carlin stated that is correct.

Expense on Property Acquired for Tax – Account 1364

Legislator Birmingham stated that the advertising is a great deal higher in this year's budget. He stated that if he understands the program correctly, a lot of the sunken costs that we used to pay for advertising our properties through the legal advertisements and the law firm that used to do that for us, a lot of that will be absorbed in the fee for the realtor so why is that number increasing?

Commissioner Carlin stated that is based on an actual number. These are the school taxes we pay on these properties.

Legislator Birmingham asked why it is double this year.

Commissioner Carlin stated that you cannot look at 2011 and if you look at 2012 there needs to be a budgetary amendment. Now that we are doing the budget a month later he has better numbers.

Legislator Birmingham asked why it is larger this year.

Commissioner Carlin stated we did not have a sale this year so we have a great deal of foreclosed properties that we have to pay school taxes on and the County will not have that many out, even with a realtor, by next May.

Legislator Birmingham asked if that number may come down for the 2014 budget.

Commissioner Carlin stated that is correct if we can clean out some inventory.

Legislator DiCarlo stated if you looked in the paper your eyes would drop seeing all of the taxes that are in arrears.

Legislator LoBue stated that is what results from 10% unemployment.

Legislator Birmingham stated that is a logical answer. We acquired more properties therefore we are paying more in school taxes.

Information Technology – Account 1680

Chairwoman Conklin opened discussion regarding the Information Technology Department. Chairwoman Conklin asked regarding the three lines that the IT Department has for Computers on page 43.

Director of Information Technology Tom Lannon came forward to discuss these questions. Line 10168000 52130 COMPUTER EQUIPMENT on page 43 is for actual computers and printers, the actual equipment themselves. We estimate 44 PCs for the year and that is for all departments. We have approximately 500 computers total and 44 is a rough estimate that we need.

Chairwoman Conklin asked if that is for when someone's computer goes down?

Director Lannon stated that is correct and replacement computers. He further stated the average life of the computers that we have is approximately four years depending on the user. Line 10168000 52630 COMPUTER EQUIPMENT on page 43 is for the purchase of two SAN units which are very high speed storage units. Right now, all of the employees files are located on a single server and it is filled. The two SAN units will be redundant units so if one goes down the other immediately picks up. They will hold us for quite a while.

Chairwoman Conklin asked if we stored off-site too.

Director Lannon stated that they do not store off-site. We have two locations so they back up to two locations.

Legislator DiCarlo asked about backing up into the Cloud.

Director Lannon stated that we do not need to backup into the Cloud because we have two storage centers that back each other up. You could lose a whole building and still be up and running. Our data never leaves our own facilities.

Legislator Albano asked if the Cloud is more cost-effective.

Director Lannon stated that the Cloud is very expensive. We own all of our own equipment and manage it appropriately and it works out very well for us. Line 10168000 54382 COMPUTER on page 43 is for the lease payments for the network equipment and that is the same every year and for consulting services. He cut a little.

Legislator LoBue asked what the difference from 2011 to 2012 was for.

Director Lannon stated he did not have that information in front of him but it might have been consulting services that went to an in-house consultant that caused the slight difference.

Chairwoman Conklin asked about Line 10168000 54510 MACHINE MAINTENANCE on page 43, why it went up approximately \$20,000?

Director Lannon stated is to cover the warranty that ran out on equipment they have purchased and to increase the number of blades to up the blade storage that we had. The cover for the warranty is 4-hour service, 24-hours guaranteed on all parts, so we would be up and running very quickly if anything went down.

Legislator DiCarlo asked Director Lannon to explain to the public what virtual actually means.

Director Lannon stated that typically you have a server and it is actually a physical box that you could pick up and it only does one thing. When you get a virtual server you get a larger processor and you divide up the services within the processor that can actually handle the job of a server but virtual means that the box is not dedicated to it, it actually runs through the SAN which is a high speed data storage and it is constantly building an image of itself. So even if it failed, the image is on another server and you could pick it right up and put it onto another processor and be up and running. Our average downtime for a catastrophic failure would be approximately 7 minutes that it would take us to physical move it and put it onto another server. Most of them are redundant though because we run two of everything. We have actually had an Exchange server go down, nobody knew it. We knew it went down but our Exchange server kept going because it just automatically rolled to the other one.

Legislator Albano asked if it was like having two hard drives in the old days.

Director Lannon stated that it was kind of like that, where one mirrors the other.

Chairwoman Conklin stated that Line 10168000 54636 INTERNET COSTS have increased and would like to know why.

Director Lannon stated that they moved \$4,800 from Line 10168000 52140 AUDIO VISUAL EQUIPMENT, so you will see a decrease in that amount from that line. We moved it to Line 10168000 54636 INTERNET COSTS because it was felt that it was more appropriate to come out of this line rather than stay in the line that it was in so, that \$4,800 increased Line 10168000 54636 INTERNET COSTS. The additional item that increased Line 10168000 54636 INTERNET COSTS is the budget transfer request for Lighttower fiber optics at a County property and that includes the monthly fees that are charged for that service as well, he will speak about at the November Audit Committee Meeting.

Chairwoman Conklin asked why Line 10168000 52140 AUDIO VISUAL EQUIPMENT was still higher than last year.

Director Lannon stated that it was used to purchase video camera equipment to stay up with technology, video equipment which is normally used for Legislative Meetings.

Legislator LoBue asked about Line 10168000 54782 SOFTWARE ACCESSORIES.

Director Lannon stated that this line is to maintain all of the software that we have that is not licensed like Adobe software. Adobe is one of those odd ones that you cannot license and you have to buy the upgrade every year and big chunks of what we do is through Adobe.

Legislator Birmingham stated that this year Director Lannon's department has only spent \$8,556 from this line and in 2011 they spent \$22,037. Could we compromise and possibly take \$8,000 off of the 2013 Tentative amount for this line of \$33,500?

Legislator LoBue stated that Director Lannon's department already got a jump in Line 10168000 54783 LICENSING SOFTWARE.

Director Lannon stated that Licensing Software is nothing arbitrary. That is what it costs us.

Legislator Birmingham asked if the Legislature could cut Line 10168000 54782 SOFTWARE ACCESSORIES down to \$25,000. He thinks it is a good compromise. To be fair the actual so far for 2012 spent is \$8,556 but might be a little old. It could be more like \$12,000. He believes based on the data that bringing Line 10168000 54782 SOFTWARE ACCESSORIES down to \$25,000 is a good compromise.

Director Lannon stated if that line is cut down then he might need to say no to someone next year who asks for software. He is not planning on buying anything outrageous, this is just maintenance so, he does not have a problem with that compromise.

Legislator Birmingham made a motion to amend Line 10168000 54782 SOFTWARE ACCESSORIES from 33,500 to 25,000, seconded by Legislator LoBue. All in favor.

Insurance Expense – Account 1915

Chairwoman Conklin stated this line decreased.

Taxes/County Property – Account 1950

Legislator Birmingham stated that this is for County property that we own and expect to continue to own that we are not planning on selling.

Commissioner Carlin stated that this is sewer too and one of the biggest properties is the Fred Dill Conservation Area.

Legislator Albano stated that is his district and unfortunately it is based on acreage not usage. He has been trying to tell the Town that it should be based on what the water use is.

Legislator Birmingham stated it should be a hybrid such as frontage, acreage, and usage.

Legislator Albano stated that you could have a tiny house on ten acres and pay a great deal in sewer taxes but you could have an apartment house on a quarter of an acre and the sewer tax could be less. It is just a problem with the formula.

Legislator LoBue stated that she knows someone who is suing the Town on the formulation.

Legislator Birmingham asked Commissioner Carlin about the name of Line 10195000 54911 TAXES AND ASSESS ON CO PROP, we do not pay taxes though. We may pay assessments but not taxes.

Commissioner Carlin stated that is correct, it is just called that.

MTA Mobility Tax – Account 1980

Chairwoman Conklin stated she thought this was repealed.

Legislator DiCarlo warned to be careful on this because he heard it is going back to court.

Commissioner Carlin stated that we would not take that out until it was upheld on appeal. There is a long way to go on this one.

Contingency Fund – Account 1990

Legislator Oliverio asked for confirmation that we already took out that \$138,845?

Legislator Birmingham stated that is correct.

Chairwoman Conklin stated that she is uncomfortable with an incentive program, referencing Line 10199000 54986 SUB CONTINGENCY GRANT INCENTIV for the Planning Department.

Legislator LoBue stated she agrees with Chairwoman Conklin.

Chairwoman Conklin stated the position is taken out but the funding for this is not.

Legislator Albano stated that we should keep in mind that in the sales world, everything is motivated by incentive programs. A lot of times without that it just does not go where it needs to go.

Chairwoman Conklin stated that she believes it is Pandora's Box.

Legislator LoBue agreed with Chairwoman Conklin.

Legislator DiCarlo stated that for this budget cycle it goes back to the Full and it would be nice to have conversations ahead of time. Let's not wait until next budget cycle, let's start the conversation much earlier. He would like to start up this conversation right after budget season.

Legislator LoBue stated that other departments came to us earlier about two to three months ago and there was two other positions and they gave the Legislature a heads up that they were not asking for funding now but they just wanted to let us know that they were interested in these positions.

Chairwoman made a motion to amend Line 10199000 54986 SUB CONTINGENCY GRANT INCENTIV from 56,447 to 0, seconded by Legislator LoBue. All in favor.

Legislator DiCarlo asked that some kind of task force be put together for a cost/benefit analysis of having a community college in Putnam.

Legislator Oliverio stated that years ago the Legislature received enabling legislation to establish a Putnam County Community College. Putnam can if they wish to pursue that. The costs involved forced the subject aside.

Legislator Birmingham stated that legislation might have a sunset. He further stated we are spending \$3.2 million for our Putnam students to attend two very good community colleges, Dutchess and Westchester. They can go anywhere. Money that is well spent. To have our own college though, that \$3.2 million would be a drop in the bucket.

Commissioner Carlin stated that one way might not be a community college per se but more of a private-public idea where maybe something would work that way. He further

stated that he does not believe that the State would approve community colleges anymore; they are trying to get rid of community colleges.

Tax Anticipation Notes – Account 9760

Chairwoman Conklin moved the discussion onto Tax Anticipation Notes.

Legislator Birmingham asked Commissioner Carlin if that was the number that he was comfortable with and if it was conservative.

Commissioner Carlin stated that he is comfortable with that number and it is indeed conservative.

Legislator LoBue asked if it was the interest?

Commissioner Carlin said it is.

Legislator Birmingham stated that we issue later in the year and that is why you do not see anything in 2012.

Commissioner Carlin stated that was correct and he believes it will be \$240,833 for 2012. He stated he thinks he will be approximately \$833 short.

Interest/Anticipation Notes – Account 9765

Chairwoman Conklin asked if this was the bond interest.

Commissioner Carlin stated that we do not do short-term notes.

Debt Service – Account 9710

Legislator Birmingham asked Commissioner Carlin, last year we cleaned up some of the projects and excess proceeds that we had from bonds that we've issued, whose projects are done, anything for this year?

Commissioner Carlin stated there will be a small amount for year 2013 going into 2014.

Legislator Birmingham asked where that revenue line will be.

Commissioner Carlin stated that it will be in the Debt Service Reserve, Line V9710000 427111 DEBT SERVICE RESERVE on page 285. It has to go to pay Debt Service; it cannot go to anything else.

Legislator Birmingham asked that we talk about Line V9710000 424015 PNG DEBT SERV REIMB on page 285 for (248,000).

Commissioner Carlin stated that was the agreed upon average of the debt service for Putnam National Golf that is to be received by the County from Putnam National Golf every year.

Legislator Birmingham stated that there has been some talk about changing the way we do things at Putnam National Golf.

Commissioner Carlin stated that if we do change anything we will have to adjust that number.

Legislator Birmingham stated we already adjusted the appropriations side in the Executive Budget by putting four new positions in.

Commissioner Carlin stated that the budget stays the same way because we have lowered the Contract line. If we take the positions out, we put the Contract line back and we are status quo.

Legislator Birmingham asked who mows the lawns there? He did not see a lawn mower. He stated this is probably a question for the Personnel Committee or Budget & Finance but, he further stated that we had a lot of chiefs and not enough Indians there, he thinks, at Putnam National.

Commissioner Carlin stated that they hire temporary employees and they would need to budget that within.

Legislator Birmingham asked where they would get the money to do that.

Commissioner Carlin stated that is still \$1.2 million in the contractual line.

Legislator Birmingham questioned if we were going to bifurcate part of it.

Commissioner Carlin stated we only bifurcated Personnel, the whole thing would need to be bifurcated. The plan is not cogent yet, no decisions were made.

Legislator LoBue asked if we have been given a definitive answer.

Commissioner Carlin stated that we have not.

Legislator LoBue stated she is leery because we've already went that route with our own people there and the Comptroller's office had to come down.

Legislator Oliverio agreed.

There being no further business, at 8:12 P.M., Legislator Birmingham made a motion to adjourn; seconded by Legislator LoBue. All in favor.

Respectfully submitted by Krista M. Butler, Administrative Assistant.