

**ECONOMIC DEVELOPMENT & ENERGY COMMITTEE
BUDGET MEETING
HELD IN ROOM #318
PUTNAM COUNTY OFFICE BUILDING
CARMEL, NEW YORK 10512**

Members: Chairwoman Addonizio, Legislators Gouldman & Sullivan

Tuesday

October 10, 2017

The meeting was called to order at 6:00 P.M. by Chairwoman Addonizio who requested Legislator Gouldman lead the Pledge of Allegiance. Upon roll call, Legislators Gouldman, Sullivan, and Chairwoman Addonizio were present.

Item # 3 – 2016 Budget Review

Dues (Page 43/Account #1920)

Legislator Gouldman questioned what line 1920, Dues, was for.

Chairwoman Addonizio stated that is the dues for NYSAC (New York State Association of Counties).

County Auditor Michele Sharkey stated Pattern for Progress is also included.

Legislator Sullivan questioned what else is included.

Chairwoman Addonizio stated the National Association of Counties (NACo) and the County Executives of America are also included. She stated Pattern for Progress is a not-for-profit that promotes business.

Legislator Sullivan questioned how much goes to Pattern for Progress.

Auditor Sharkey stated \$9,000.

Tourism Promotion Agency (Page 162/Account #6410)

Legislator Gouldman questioned if Putnam County Visitors Bureau Executive Director Bruce Conklin was comfortable with the budget.

Director Conklin stated he is very comfortable with the budget. He stated the Visitors Bureau Board is also comfortable with it.

Legislator LoBue questioned why there is a \$5,000 increase in the County Contribution (line 54950).

Director Conklin stated the increase is for equipment, software, and office expenses that the office is currently lacking that are needed to progress.

Legislator LoBue questioned what kind of software is being purchased.

Director Conklin stated a new computer with a higher and faster processing rate. He stated anti-virus software and an accounting software will be purchased so the Visitors Bureau can monitor the accounts and budget more closely. He listed other software that would be purchased.

Legislator LoBue questioned the age of the current computer.

Director Conklin stated he does not know as the Visitors Bureau does not own it.

Legislator LoBue questioned who owns the computer.

Director Conklin stated the County owns it.

Legislator LoBue questioned if it is an Apple computer.

Director Conklin stated no.

Legislator Sullivan stated he has experience buying accounting software and others like it at his job and the cost adds up quick.

Legislator LoBue questioned how much money was spent by the Visitors Bureau on Tilly Foster Farm and Restaurant.

Director Conklin stated the Visitors Bureau has not spent anything on Tilly Foster.

Legislator LoBue noted the 2017 actuals through October 31, 2017 are at \$106,497. She stated that is almost \$40,000 less than what was budgeted. She questioned what was remaining for November and December of 2017.

Director Conklin stated the Visitors Bureau expects to use approximately \$217,000 which is just shy of the \$218,000 that was budgeted.

Legislator LoBue questioned if the Committee had the 2018 Budget breakdown that was submitted to the County Executive which shows what the Visitors Bureau plans to spend. She questioned if the Visitors Bureau hired any consultants in 2017.

Director Conklin stated no.

Chairwoman Addonizio questioned if the document Legislator LoBue was referring to was entitled "Operational Funding".

Legislator LoBue stated yes. She added that the Committee should have that document.

Legislator Nacerino stated the document corroborates what Director Conklin has stated.

Legislator LoBue stated there is \$30,000 on the 2018 Budget breakdown for Professional Fees. She questioned what that is for.

Director Conklin stated it is for any professional services such as lawyers or accountants.

Legislator LoBue questioned if the \$30,000 for next year would be used on the attorneys that were discussed at the September 25, 2017 Economic Development & Energy Committee Meeting.

Director Conklin stated no it is for all professional services, all accounting fees, all lawyer fees, and any other professional services the Visitors Bureau may need to retain over the year.

Legislator LoBue stated she does not recall the Visitors Bureau having lawyers in the past.

Legislator Scuccimarra and Director Conklin stated they did.

Putnam County Economic Development Corporation (Page 163/Account #6420)

Legislator Albano questioned the \$75,000 increase in County Contribution (line 54950).

Chairwoman Addonizio stated there was \$75,000 left over when the previous President of the EDC left.

Jill Varricchio, President of the EDC, stated that aspect was a footnote when the EDC submitted their budget request.

Legislator LoBue stated the Legislature does not see that document, it goes to the Administration.

President Varricchio stated prior to her hiring the EDC did very little between Presidents. She stated due to that the budget was kept at \$100,000 and then it was realized that, to get things done, a high budget would be necessary. She stated the budget is getting back to where it was before the previous President left.

Legislator LoBue questioned what projects are happening.

President Varricchio stated the projects are really marketing. She stated marketing is key. She stated the EDC is not on a level playing field. She stated she does not have the money to underwrite software or to attend functions, which she knows surrounding counties are attending. She noted that she can only afford to attend the New York State EDC conference for one (1) day, while it is usually two (2) or three (3) days. She stated she is very frugal with spending funds because she knows it is taxpayer dollars. She stated the EDC has a plan to have an ad agency help with strategic planning so she does not have to do it all herself.

Legislator LoBue questioned if it is just President Varricchio in the office.

President Varricchio stated she has a part time employee who works four (4) hours a day.

Legislator Sullivan requested clarification on the 2016 and 2017 budget.

President Varricchio stated last year \$100,000 was dispersed but she had heard that there was \$75,000 in sub-contingency for something else. She stated she worked with the \$100,000 and did some fundraising. She stated there was about \$7,500 dollars raised. She stated there was a lot of uncertainty then. She stated the IDA was not functioning. She stated it was hard to get people to invest in Putnam County. She noted that the EDC offices will be moving in with the Planning Department. She stated this will help them work together. She stated the \$175,000 budget for 2018 is great for getting Putnam County where it wants to go.

Auditor Sharkey stated in 2015 the budget was \$175,845. She stated \$75,000 was left over after the previous President left. She stated the 2017 budget was \$100,000.

Bill Carlin, Commissioner of Finance, stated the \$75,000 that was left from 2015 was rolled over into 2016 and that is why the budget is now going back up to \$175,000 for 2018.

Putnam County Industrial Development Agency (Page 165/Account #6460)

Legislator LoBue questioned how the \$65,600 from the 2017 budget was spent.

Bill Nulk, Chairman of the IDA Board, stated so far it has been spent on audit services.

Legislator LoBue questioned how much they were.

Chairman Nulk stated \$24,000. He stated there is also the \$10,000 bill for the IDA's consultant.

Legislator LoBue questioned who the consultant is.

Chairman Nulk stated Teri Waivada. He stated Ms. Waivada was worth every penny. He stated they are still in the process of figuring out any legal expenses due to working on a refinance with Hudson Valley Cerebral Palsy Association and the closing for Ace Endico.

Legislator LoBue questioned the closing with Ace Endico and if bonds were involved.

Chairman Nulk stated no, there are tax incentives and the PILOT (Payment In Lieu of Taxes) program.

Legislator LoBue questioned if they are closing out the bonds.

Chairman Nulk stated this is a new program, they are not doing anything with their bonds and this is a PILOT and mortgage incentive. He stated it is a 63,000 square feet expansion. He noted that interns worked for the IDA this summer. He stated the bill for that was approximately \$5,000. He stated some money was spent on computer and scanning equipment to scan files that they were able to recover. He stated there are also insurance costs.

Legislator LoBue questioned if it is the interns who have done the clerical work.

Chairman Nulk stated yes the interns have done it.

Legislator Sullivan questioned the audit fees of \$24,000. He stated the expense was for two (2) years' worth of audits. He stated he would expect a decrease in that cost moving forward.

Chairman Nulk stated they have requested an estimated price for the 2018 audit but have not received an answer yet. He stated in 2017 \$75,000 was put in sub-contingency and the IDA only asked for \$66,000. He stated in 2018 the IDA expects to get some income with their projects so they will only ask for the funds from the County as needed. He stated the IDA is looking forward to not using the whole allotted budget.

Legislator Nacerino stated the IDA has made great strides in a very short period of time.

Item # 4 – Other Business-None

Item # 5 – Adjournment

There being no further business at 6:23 P.M. Chairwoman Addonizio made a motion to adjourn; Seconded by Legislator Sullivan. All in favor.

Respectfully submitted by Administrative Assistant Ed Gordon.