

Robert P. Astorino
County Executive

December 18, 2017

Members of the Westchester County
Board of Legislators
148 Martine Avenue
White Plains, New York 10601

Dear Honorable Board:

Pursuant to Sections 110.11 and 107.71 of the Laws of Westchester County (LWC), Act 225-2017, adopted by your Honorable Board on December 11, 2017 and presented to me on December 11, 2017 is hereby vetoed in its entirety, including all increased budget lines, and returned to the County Board of Legislators with my disapproval for the reasons set forth herein.

On November 13, 2017, pursuant to Section 167.61 of the LWC, I submitted to your Honorable Board a balanced and fiscally prudent budget that contained expenditures to meet the responsibilities and needs of the residents of Westchester County without any increase in the Real Property Tax Levy. This budget submission also provided for realistic and adequate revenues to meet all the financial obligations of the County.

Your Honorable Board increased expenditures beyond what I submitted and raised the Real Property Tax Levy by two percent (2%). Such an action by this Board was unnecessary and unacceptable to County taxpayers, already burdened with the highest combined property taxes in the nation. Working in a bi-partisan manner and through prudent and sound management for the past seven years, I have submitted and your Honorable Board has adopted budgets that fully provided for services and programs, protected the County's unrestricted reserve fund and broke the bad habits of the past by not increasing the County Property Tax levy, in fact lowering it by two percent (2%) in 2011.

The imposition of an increase in the property tax couldn't come at a worse time as Congress and the President have reached an agreement to limit the deductibility of state and local property taxes to \$10,000. This will affect many individuals, families and businesses in Westchester.

The budget as revised and adopted by the County Board also allocates a staggering \$20 million from the County's unrestricted reserve funds. Draining 14.3% of that fund is unwise and might be viewed unfavorably by the rating agencies, which could adversely impact the County's AAA credit ratings.

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The property tax increase, the significant use of the unrestricted reserve fund and borrowing for tax certioraris are all unnecessary because the budget I submitted provided a legitimate and sustainable long-term source of revenue to balance the budget without increasing the tax levy. Specifically, revenue to balance the budget would have been provided by the public-private partnership for the County Airport, a joint effort and negotiating process by the County Executive's office and your Honorable Board. This effort was led by a bi-partisan Task Force made up of three distinguished members of the Board (two Democrats and one Republican) who engaged in months of discussion and dialogue. The Task Force reviewed the responses to the Requests for Proposals and extensively vetted the three finalists, unanimously recommending the submission by the Macquarie Group. This deal would have provided the county with \$30 million of non-tax revenue next year to be applied to the 2018 budget, as well as approximately \$5 million in new revenue for the next 39 years.

For all these reasons Act 225-2017 is hereby vetoed.

Sincerely,



Robert P. Astorino
County Executive