

Westchester Charter Revision Commission
Budget and Finance Focus Group
Minutes of February 8, 2012, Meeting

A meeting of the Budget and Finance Focus Group of the Westchester Charter Revision Commission was held on February 8, 2012, at the offices of Jeffrey Binder, 68 East Post Road, White Plains, New York. Present were focus group members Jeffrey Binder (Focus Group Chair), Paul Meissner (Focus Group Vice Chair), Derrickson Lawrence, Ann McAndrews, Matthew Thomas, and Paul Windels (physically) and John Mattis (by telephone). Also attending by telephone were Christopher Crane and Stacey Dolgin-Kmetz, both Counsel to the Board of Legislators.

After the meeting was called to order, Paul Windels volunteered to serve as secretary for this meeting. The minutes of the January 13 minutes were approved subject to a revision to reflect a comment from Ms. Dolgin-Kmetz.

The meeting then addressed the topics set forth on the meeting agenda, a copy of which is annexed hereto.¹ Mr. Binder stated that he saw four overall criteria for improving the budget process: accountability, transparency, inclusivity, and efficiency.

With respect to the “common themes” (Agenda Item 6), the Focus Group agreed that the themes listed on the agenda merit further study, along with the possibility of an elected Controller as an alternative to an independent budget office (Item 6(c)(i)). Mr. Meissner also raised the projection process under which anticipated revenues are projected. Mr. Windels proposed that the Focus Group should address whether there should be limitations on borrowing against reserves and pension assets as revenue items, and whether, the extent to which, and/or under what circumstances and/or procedures the County government of a particular term should be able to impose mandates limiting the ability of future County governments to act. Ms.

¹ These minutes will address the discussion by topic rather than chronologically for the sake of clarity.

McAndrews brought up the issue of how much money can be applied from the undesignated fund balance ("surplus") in order to meet expenses without further raising taxes.

Mr. Crane noted that the issue of county-wide revaluation has recently been addressed by a report of the Westchester Collaborative Assessment Commission in October 2011, which was joined by the Board of Legislators Committee on Housing, Planning, and Operations. Charter Revision Commission member Al Gatta served on the Collaborative Assessment Commission. Ms. Dolgin-Kmetz pointed out that she did not believe that a county-wide revaluation could be imposed by amendment to the Charter, but requires action by the State Legislature. Mr. Windels questioned whether the subject was appropriate for a commission charged with proposing revisions to the Charter and suggested that the issue and the history of the prior efforts to obtain state legislation should be brought up but not be the subject of further proposals.

With respect to timing and calendar issues, Mr. Binder sees the budget as being too large to be completed in six weeks. Mr. Thomas noted that businesses do not prepare budgets comparable to Westchester's \$1.8 billion budget in six weeks. Ms. Dolgin-Kmetz noted that the current Board of Legislators has a former Budget Director on its staff who has overall familiarity with the budget, and that the Board is able to gather further information outside the formal budgeting process. Mr. Meissner expressed interest in the possibility of a two-year budget. It was pointed out that a two-year budget might be subject to more effective monitoring than a one-year budget. Mr. Windels observed that changing the fiscal year would enable the budget calendar to be lengthened without putting either the County Executive or the Board under the burden of making proposals on the eve of an election. He also suggested that input from the Bennett, Storch & Kielsen accounting firm, which is retained by the Board in connection with the budget process, would be significant in assessing whether the six-week period for completing

the budget was reasonable or not. Questions were raised about the scope of BS&K's assignment in this connection. Mr. Binder asked Mr. Windels to prepare a list of topics for discussion with BS&K.

Mr. Lawrence proposed that the focus group should apply the following analytical steps to each theme or issue: (i) gathering as much pertinent information on the issue as practicable; (ii) determining whether the issue presented a problem, the seriousness of the problem, and whether the problem raises a Charter issue; and (iii) proposed solutions to the problem. He urged that the Focus Group needs to make progress along these guidelines on each issue or theme that has been identified in order for the Focus Group to be able to present a cogent report.

Additional parties who should be asked to provide input for the focus group include past Budget Directors, past Budget Committee Chairs from the Board of Legislators, past County Executives, representatives of rating agencies, a representative of Bennett, Storch & Kielsen, representatives from the different parties on the current Board and the County Executive's office, along with the current Budget Director.

The meeting was then adjourned.

Respectfully Submitted,

Paul Windels III
Acting Secretary