

**AUDIT & ADMINISTRATION COMMITTEE MEETING  
HELD IN  
ROOM #318 OF THE COUNTY OFFICE BUILDING  
CARMEL, NEW YORK 10512**

**Members: Chairman Castellano, Legislators Sullivan & Jonke**

**Monday**

**6:30pm**

**June 26, 2017**

The meeting was called to order at 6:32 p.m. by Chairman Castellano who requested that Legislator Sullivan lead in the Pledge of Allegiance. Upon roll call Legislator Jonke, Legislator Sullivan, and Chairman Castellano were present.

**Item #3 - Approval of Minutes – May 25, 2017**

The minutes were approved as submitted.

**Item #4 - Discussion/ Renewing County Sales Tax/ Home Rule Revenue Bills**

- a. Memorialization/ Allegany County/ Calling on Governor Cuomo to Immediately Convene a Special Session of the New York State Assembly and, if necessary, the New York State Senate, and to keep said Body in Session until such time as it takes up and passes Home Rule Messages for all 53 Counties reliant upon Sales Tax Extenders to Help Fund State-Imposed Mandates**

Chairman Castellano made a motion to waive the rules and accept the additional;  
Seconded by Legislator Jonke. All in favor.

Chairman Castellano stated the 1% sales tax extension may be in jeopardy this year unless the State acts quickly. He stated an Allegany County resolution calling for the State to act on the sales tax extension was received in the Legislative Office. He stated if the extension is not approved, there will be a \$14 million shortfall for Putnam County.

Legislator Albano questioned if the shortfall would affect the County beginning in 2018.

Commissioner of Finance William Carlin stated the impact would include November 30, 2017 through December 31, 2018.

Chairman Castellano stated there would be a shortfall of over \$1 million for the month of December in 2017.

Commissioner Carlin stated that is correct.

Legislator Gouldman questioned when the Senate and Assembly will go back into session.

Commissioner Carlin stated they are finished for the year unless they are called back into session.

Legislator Albano questioned if there is an explanation why the sales tax extension was not passed.

Commissioner Carlin stated the sales tax extensions for every county in the State have been tied to the mayoral control of New York City schools. He stated New York City is not affected by the sales tax extension.

Chairman Castellano requested clarification. He stated as he understands it, the Governor wants the Mayor to have control of the school districts in New York City.

Commissioner Carlin stated he believes the Assembly wants the Mayor to have control.

Legislator Jonke stated the Assembly wants the Mayor to have the ability to control the school districts in New York City so they tied the mayoral control with the county sales tax extender bills.

Commissioner Carlin stated taking the sales tax extension out of State control has been fought for. He stated this year, NYSAC (New York State Association of Counties) proposed a four (4) year extension rather than two (2) years. He stated that was not granted, and the extension is lumped in with mayoral control of NYC school districts. He stated this poses an interesting problem for the Legislature in terms of putting the budget together. He stated NYSAC has recommended putting the budget together as if the sales tax extension was granted. He stated the Decentralized Review Guidelines recommends that the budget is prepared without using sources of revenue that are outside of the County's control.

Legislator Jonke clarified that the impact would be \$14 million.

Commissioner Carlin stated that is correct.

Chairman Castellano stated \$1 million would impact this year.

Commissioner Carlin stated the 2017 impact is bad enough; however next year there may be layoffs, property tax increases, or a combination of both to make up the \$14 million.

Legislator Jonke stated the County has a \$40.5 million levy. He stated \$14 million is about 35% of that.

Commissioner Carlin stated losing 25% of the top revenue source is not good.

Legislator Sullivan questioned what Commissioner Carlin recommends.

Commissioner Carlin stated he would recommend following the advice from NYSAC and preparing the budget as if the State is going to approve the extension that the County has had for the past 10 years. He stated as it gets closer, if the extension is not approved there will have to be an alternative that will upset a lot of people.

Legislator Sullivan stated it is important to have a back-up plan just in case it would need to be implemented.

Commissioner Carlin agreed. He stated there is time right now, but if the State waits until the last minute, a decision would need to be made by November 1<sup>st</sup>.

Legislator Jonke questioned if November 1<sup>st</sup> would be the absolute deadline.

Commissioner Carlin stated yes. He stated it would need to be about a month before a quarter begins.

Legislator Sullivan stated the County would need to know prior to the budget process in October.

Legislator Jonke stated he recently spoke with Assemblyman Kevin Byrne who believed the sales tax extension would be passed, even if it was not done by the end of the session.

Chairman Castellano stated the larger counties are projecting an even greater loss.

Commissioner Carlin stated the important figure to look at is the percentages of the loss. He stated for years the County has advocated taking the sales tax extension out of the control of the State, but that has not been successful.

Commissioner of the Bureau of Emergency Services Tony Sutton stated as he understands it, this is geared towards mayoral control. He stated the alternative to mayoral control is setting up decentralized school boards in New York City and shifting the power back to different school boards, which would need to be completed by the beginning of the next school year. He stated the estimated cost of doing so is \$1.4 billion.

Chairman Castellano stated he cannot imagine the sales tax extender not being passed at some point but right now the reality is that it may not be. He stated he would like to either write a letter supporting the resolution sent from Allegany County, or creating a similar resolution to send to the State next month.

**Item #5 - Correspondence/ County Auditor**

- a. **Sales Tax Report** – Duly Noted
- b. **Board In Revenue Report** – Duly Noted
- c. **OTB Report**

Legislator Sullivan questioned if OTB costs the County anything.

Commissioner Carlin stated no, it does not. He stated it is a revenue source in the County.

Legislator Albano questioned if the County provided anything to the OTB located in Brewster.

Commissioner Carlin stated the County provides PILOTs (Payment in Lieu of Taxes) to the Town and school through Legislative resolution.

**d. Transfer/Revenue Report – Duly Noted**

**e. Contingency/Sub-Contingency Report – Duly Noted**

**Item #6 - Correspondence/ Commissioner of Finance**

**a. Overtime/Temporary Report – Duly Noted**

**b. Approval/ Budgetary Amendment 17A012/ Finance/ Closeout Completed Capital Projects and Adjust for Ongoing Capital Projects to Reflect Actual Costs (Also reviewed in Physical)**

Legislator Albano questioned what was included in the “Lake McGregor Club.”

Commissioner Carlin stated it was the reconstruction of the sewer plant at the Golf Course. He stated it has been done for a long time; this Budgetary Amendment is closing it out.

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Jonke. All in favor.

**c. Approval/ Budgetary Amendment 17A031/ Emergency Services/ Use Donations Received from NYS Electric & Gas to Purchase Fire Retardant Foam (Also reviewed in Protective)**

Chairman Castellano made a motion to approve Budgetary Amendment 17A031; Seconded by Legislator Sullivan. All in favor.

**d. Approval/ Budgetary Amendment 17A032/ Sheriff’s Dept./ NYS Dept. of Criminal Justice Services SFY 2016-2017 Police Protective Equipment Program Award (Also reviewed in Protective)**

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Jonke. All in favor.

**Item #7 - Approval/ Fund Transfer 17T082/ Sheriff's Dept./ Corrections/ Overtime due to Vacancies (Also reviewed in Personnel)**

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Jonke. All in favor.

**Item #8 - Approval/ Fund Transfer 17T085/ Sheriff's Dept./ Corrections/ Overtime due to Vacancies (Also reviewed in Personnel)**

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Jonke. All in favor.

**Item #9 - Approval/ Fund Transfer 17T103/ Sheriff's Dept./ Corrections/ Overtime due to Vacancies (Also reviewed in Personnel)**

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Jonke. All in favor.

**Item #10 - Approval/ Fund Transfer 17T105/ Finance/ Cover Shortfall in Railroad Maintenance due to Higher Inflation from 2015-2016 vs. 2016-2017 (Also reviewed in Physical)**

Legislator Sullivan requested clarification on this fund transfer.

Commissioner Carlin stated the fund transfer is for maintenance of all the railroad stations in the County. He stated years ago, the State set a base cost that increases each year based on an average inflation. He stated the County tries to estimate what the inflation will be.

Chairman Castellano made a motion to approve Fund Transfer 17T105; Seconded by Legislator Sullivan. All in favor.

**Item #11 - Approval/ Budgetary Transfer 17T124/ Finance/ Transfer Funding to Putnam County Industrial Development Agency (IDA) (Request reviewed in Economic Development)**

Commissioner Carlin stated the IDA is moving forward. He stated the 2015 audit is completed.

Chairman Castellano questioned if the IDA is close to completing the 2016 audit as well.

Commissioner Carlin stated yes, that has been worked on concurrently with 2015.

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Jonke. All in favor.

**Item #12 - Approval/ Bond Resolution/ \$92,950 for Acquisition of Various Buses and Equipment for the Office of Senior Resources (Also reviewed in Physical)**

Commissioner Carlin stated a higher amount was included in the capital projects budget, but the Planning Department was able to find a funding source, therefore lowering the budgeted amount.

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Sullivan. All in favor.

**Item #13 - Approval/ Bond Resolution/ \$190,400 for Acquisition of Various Transit Buses for Use in and by the County (Also reviewed in Physical)**

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Jonke. All in favor.

**Item #14 - Approval/ Bond Resolution/ \$700,000 for Preparation of Surveys, Preliminary and Detailed Plans, Specifications and Estimates Necessary for Planning the Fair Street Improvement Project (Also reviewed in Physical)**

Legislator Albano stated this project is long overdue. He stated this plan is a lesser version of the original plan and is an important project.

Chairman Castellano stated it will be a great improvement for Fair Street.

Legislator Albano stated the section of the road between Carmel High School and Hill and Dale Road is highly traveled.

Legislator Sullivan questioned when the project will begin.

Legislator Albano stated it will possibly start next year. He stated there are one (1) or two (2) houses to acquire. He stated the original plan was to acquire over 10 houses.

Commissioner Carlin stated the original plan was to have Fair Street be a straight line from Gleneida Ave. to Hill and Dale Road and for the speed limit to be 55 mph. He stated in order for the road to be made straight, 17 houses were going to be removed.

Legislator Albano stated there are now weight limitations on Fair Street.

Legislator Sullivan questioned where the road was going to be raised.

Legislator Albano stated there are dips that would be raised.

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Jonke. All in favor.

**Item #15 - Approval/ Bond Resolution/ \$850,000 for Construction of Air Conditioning Improvements at the County Jail (Also reviewed in Physical)**

Commissioner Carlin thanked the Legislature for reviewing this bond so the construction can begin quickly.

Legislator Sullivan questioned if the air conditioning units are currently working.

Commissioner Carlin stated the units are currently working, but the improvements should be made before they die. He stated the refrigerant will no longer be able to be used.

Legislator Albano stated originally, it was thought that this improvement would cost over \$1 million.

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Sullivan. All in favor.

**Item #16 - Approval/ Local Law to Amend Chapter 41 of the Code of Putnam County Entitled "Deposit & Investment Policy"**

Chairman Castellano questioned if this is done annually.

Commissioner Carlin stated it is done from time to time, whenever necessary. He stated another bank came in that the County is looking into. He stated some names of banks changed as well.

Legislator Jonke questioned the title of Mahopac National Bank.

Commissioner Carlin stated Mahopac National Bank is a division of Tompkins Financial Bank. He stated it could be listed under either name.

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Sullivan. All in favor.

**Item #17 - Approval/ Authorization/ Apply for New York State Community Development Block Grant (CDBG)/ Proposed Town of Kent Senior Center/ Requested by Legislator Addonizio**

Legislator Jonke made a motion to waive the rules and accept the additional; Seconded by Legislator Sullivan. All in favor.

Legislator Addonizio stated she has been looking into the possibility of a senior center in the Town of Kent for some time. She stated she believes the former Dill's Best Building Center building at 387 Route 52 in Kent would be a great location for a senior center.

She stated she spoke to the owner who was very receptive to the idea. She stated this is a great opportunity for the senior population in Kent, who are underserved. She stated this New York State Community Development Block Grant (CDBG) requires no County match.

Legislator Albano questioned how much the grant is for.

Legislator Addonizio stated the grant is for \$300,000. She stated the application is due at the end of July and a public hearing would be held the same night as the Economic Development & Energy Committee Meeting in July.

Legislator Jonke questioned if there is currently a church at that location.

Legislator Addonizio stated yes, the building is about 15,000 square feet and the church utilizes about 7,000 square feet, therefore the available space is about 8,000 square feet. She stated this is a great opportunity.

Legislator Sullivan questioned if the Town of Kent is in agreement.

Legislator Addonizio stated she will bring the proposal to the Town of Kent if and when the grant is awarded.

Legislator Sullivan stated it would be a great improvement for the area to clean the building up.

Legislator Albano stated these projects cost a lot of money. He stated even if an application is submitted, the County does not have to accept the grant if it is awarded. He stated it does not hurt to apply for the money and then investigate if the project is feasible.

Legislator Addonizio stated the first thing that would be renovated is the exterior of the building. She stated in order to complete the necessary work subsequent grants would need to be applied for.

Chairman Castellano questioned if the plan is to lease from the building owner.

Legislator Albano stated yes, the amount will be low because the building will be renovated. She stated the building is already off the tax records. He stated the owners of Dill's gave the building to the church.

Legislator Sullivan questioned if the \$300,000 from the grant would go towards a feasibility study.

Legislator Addonizio stated yes, if it is awarded.

Legislator Jonke clarified that the church would be in one part of the building and the senior center on the other.

Legislator Addonizio stated the church is located to the left of the building. She stated the senior center would occupy the rest of the space. She stated there is also a lot of property in the back where the owner would like to put ball fields.

Legislator Jonke questioned how many acres there are.

Legislator Addonizio stated she was unaware of the acreage.

Legislator Albano stated the property is in the sewer district as well, which is a plus.

Lynne Eckardt, Town of Southeast Councilwoman stated there is a convoluted history of a senior center in the Town of Kent.

Legislator Addonizio stated at one time, a senior center was proposed to be built by the library in the Town of Kent. She stated in this case, a building already exists and would be improved upon.

Chairman Castellano stated if the grant is awarded the Legislature can then decide whether or not to accept. He stated the \$300,000 could make a positive impact.

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Jonke. All in favor.

### **Item #18 - Other Business**

#### **a. Approval/ Budgetary Transfer 17A034/ District Attorney/ Staff Reorganization**

Legislator Jonke made a motion to waive the rules and accept the Other Business; Seconded by Legislator Sullivan. All in favor.

Chairman Castellano stated some changes were made to the request made by District Attorney Tandy at the June 22, 2017 Personnel Meeting. He stated the District Attorney is saving money through this reorganization. He stated as an Elected Official, it is his right to reorganize his staff.

Chairman Castellano made a motion to pre-file the necessary resolution; Seconded by Legislator Jonke. All in favor.

### **Item #19 – Adjournment**

There being no further business, at 7:09 p.m. Chairman Castellano made a motion to adjourn; Seconded by Legislator Jonke. All in favor.

Respectfully submitted by Administrative Assistant Beth Green.