

AUDIT & ADMINISTRATION COMMITTEE MEETING
To Be Held via Audio Webinar Pursuant to Temporary Emergency Orders

Members: Chairman Castellano, Legislators Gouldman & Sayegh

Tuesday **6:00pm** **May 26, 2020**

The Audit & Administration Committee Meeting was originally scheduled for May 21, 2020, however it was rescheduled due to a technical issue preventing public access.

The meeting was called to order via audio webinar at 6:01pm by Chairman Castellano who lead in the Pledge of Allegiance. Upon roll call Committee Members Gouldman, Sayegh & Chairman Castellano were present.

Item #3 - Approval of Minutes – April 27, 2020

The minutes were approved as submitted.

Item #4 - Correspondence/County Auditor (Attached for Information Only)

- a. **Sales Tax Report** – Duly Noted
- b. **Board In Revenue Report** – Duly Noted
- c. **Transfer/Revenue Report** – Duly Noted
- d. **2020 Contingency/Sub-Contingency Report** – Duly Noted

Item #5 - Correspondence/Commissioner of Finance

- a. **Overtime/Temporary Report (Attached for Information Only)** – Duly Noted

- b. **Approval/ Budgetary Amendment 20A022/ Sheriff’s Department/ NYSDCJS National Criminal History Improvement Program Grant Award (Also reviewed in Protective)**

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

Legislator Sayegh questioned if this grant would be used for the Livescan equipment.

Chairman Castellano stated yes, the grant was for that equipment which has already been paid for. He requested that Commissioner of Finance William Carlin clarify this.

Commissioner Carlin stated the adopted budget for the Sheriff’s Department included funding for the Livescan project. He stated after the budget was adopted in October, Sheriff Langley was able to secure a grant to pay for half the cost, lowering the County share to 50%. He stated the remaining money is being used to bolster contingency.

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

c. Approval/ Budgetary Amendment 20A023/ Planning Dept./ Allocate MEP & Transit 5307 Funds to Transit Facility Rehabilitation Project per Resolution #150 of 2019

Legislator Sayegh questioned if this was pertaining to the Fair Street project.

Legislator Albano stated this is for the rehabilitation of the Transportation facility, which is located on Fair Street, and utilizes State and Federal aid.

Legislator Nacerino stated this money is being put to good use and it is great that the County was awarded this funding.

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

d. Approval/ Budgetary Amendment 20A024/ District Attorney/ Use Forfeited Asset Reserve Funds for Minor Renovations to Front Office (Also reviewed in Protective)

Legislator Nacerino stated her support for this budgetary amendment. She stated she believes Department Heads know what is best for their office. She stated this is a reconfiguration and will make the front office flow better and more safely.

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

Item #6 - Approval/ Fund Transfer 20T074/ 2020 Salary & Benefit Costs Pursuant to the Ratified Contract Settlement Between Putnam County and the Putnam County Sheriff's Employees Association (Also Reviewed in Personnel)

Legislator Nacerino stated she is happy this contract has been ratified and she thanked Commissioner Carlin for having the foresight to allocate these funds in the 2020 budget in anticipation of this ratification. She stated this is a win-win for both the taxpayers and collective bargaining unit.

Legislator Addonizio stated she is glad to see this moving forward.

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

Item #7 - Approval/ Fund Transfer 20T081/ Sheriff's Department/ Cover Overtime Expenses due to 3 Vacancies, 1 Extended Sick Leave and 1 Officer on 207C in April 2020 (Also reviewed in Protective & Personnel)

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

Item #8 - Approval/ Fund Transfer 20T088/ Sheriff's Department/ Reallocate 2018 State Homeland Security Program Grant to Purchase Communications Equipment/ Headsets (Also reviewed in Protective)

Chairman Castellano made a motion to approve Fund Transfer 20T088; Seconded by Legislator Goldman. All in favor.

Item #9 - Approval/ Budgetary Transfer 20T091/ Probation/ Projected Monitoring Costs

Chairman Castellano stated this is an increased cost, which he believes is a result of bail reform, increasing the number of individuals on probation.

Legislator Gouldman questioned if this transfer of \$9,000 was for the remainder of 2020 or for this quarter.

Chairman Castellano stated the increased cost is for the remainder of 2020; \$5,000 is being transferred out of contingency and \$4,000 is being transferred out of lab analysis to cover the cost of the contract.

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

Item #10 - Approval/ Budgetary Transfer 20T092/ County Executive/ Deputy County Executive Position (to be reviewed in Personnel Committee)

Chairman Castellano stated this budgetary transfer would cover the cost of a temporary Deputy County Executive from June 1, 2020 to December 31, 2020. He stated he is supportive of this necessary position, especially during these times when the County is working to restart the economy in Putnam County. He stated it will be helpful to have someone in the position who is knowledgeable to help guide us through this process.

Legislator Sayegh agreed with Chairman Castellano. She stated the position of Deputy County Executive has been vacant since October 2017, which has saved the County over \$450,000. She stated now is the time to fill this position as the County Executive cannot be everywhere at once. She stated it will be great to have someone with business experience, project experience, and construction experience to help the County move through the phases of reopening.

Legislator Sullivan stated he could not be happier with the County Executive's choice of Deputy County Executive. He stated he has known the candidate for many years and considers him a close friend. He stated the candidate is dedicated, sincere, hardworking, and always takes a common sense approach to getting things done. He stated County Executive MaryEllen Odell has gone above and beyond what could be expected of her over the past few years without a deputy. He stated the vacancy saved the County over \$450,000. He stated with the COVID-19 pandemic, everything has changed including the workload on County government. He stated the way we do business moving forward is going to be very different and will require a tremendous amount of time and work from the Administration. He stated the County Executive really needs someone to help her with the added workload and he is very happy that she has chosen the candidate she did. He stated he looks forward to working closely with the Deputy County Executive in the coming months. He stated this has a \$0 fiscal impact for this year.

Legislator Nacerino stated she would like to dispel some of the notions made at the May 18, 2020 Personnel Committee Meeting. She stated this budgetary transfer request was emailed to each Legislator on Friday, May 15, 2020 and it is the responsibility of each Legislator to check their email. She stated to suggest or ask if the majority party caucused as to be apprised of this matter in advance not only challenges our integrity, but seems foolhardy because if held at all, caucuses are usually held before a Full Legislative Meeting. She stated if this was the case in this matter, it certainly would have been contemplated well in advance and would have been placed on the Personnel Committee Meeting agenda accordingly and would not warrant a letter of necessity. She stated the Legislature does not review resumes, nor do they appoint to positions under other Elected Officials. She stated this budgetary transfer on the agenda is to approve the funding for the part time position of Deputy County Executive for the remainder of 2020. She stated County Executive Odell has been working without a Deputy for over two (2) years which is the exception in New York State and by doing so she has saved taxpayers nearly \$500,000, which is significant. She stated it is a fallacy to insinuate that her annual percentage was contingent upon the Deputy County Executive vacancy. She stated the vacancy was merely a point of reference in the 2020 budget, which under other circumstances most likely would have remained vacant. She stated no one could have predicted that a worldwide pandemic would hit and cripple our Federal, State, and local economies, our health, our safety, and our welfare. She stated to be clear, the County Executive's increase was the same percentage as every other Elected Official. She stated she applauds County Executive Odell for her intuition and her ability to get in front of issues. She stated to fill the Deputy County Executive position, given the circumstances of the health crisis and economic fallout, is a wise decision. She stated the reality at this point, is that we do not know the gravity of the situation at hand. She stated this is a smart, rational move.

Legislator Addonizio stated her support of filling the Deputy County Executive position. She stated the candidate has the qualifications needed. She stated as previously mentioned, the position has been vacant since October 2017, which has resulted in a large savings to the County. She stated this budgetary transfer has a \$0 fiscal impact for 2020.

Legislator Montgomery questioned if this part time position comes with a County vehicle.

Commissioner Carlin stated a vehicle will be used during the day, but will not be used overnight. He stated he could clarify that information.

Legislator Montgomery stated it is noted that the annual salary will be \$116,217. She questioned if that amount is being approved as well. She stated the budgetary transfer is being approved for the part time temporary position and requested further clarification on the annual salary.

Commissioner Carlin stated the budgetary transfer covers the difference between the annual salary and the salary that the candidate currently makes in his full time position with the County. He stated they wanted to make sure that information was included to be completely transparent. He stated they usually include the annual salary in these resolutions. He stated as for the vehicle, there is already a Highway vehicle allocated to him as the Project Manager, therefore an additional vehicle is not necessary.

Legislator Montgomery questioned where the vehicle will be next year.

Chairman Castellano stated this budgetary transfer is only for 2020. He stated if someone were to be hired for the position in 2021, it will be taken up in the budget process in October.

Legislator Montgomery stated this is a \$35,000 increase for this individual who is already a County employee making over \$80,000 in his position in the Highway Department. He stated next year, it would be \$116,217, which is a \$35,000 increase in salary. He stated this year, in addition to their current salary of over \$80,000, they will be earning an additional \$20,000.

Chairman Castellano stated \$20,558 is being transferred for the rest of the year. He stated the position is already budgeted and this will cover the cost for this year. He stated if it is included in the 2021 budget, that can be addressed during the budget process in October. He requested further clarification from Commissioner Carlin.

Commissioner Carlin stated that is correct; this is only for 2020 and using temporary funds already in the County Executive's budget leaving no fiscal impact. He stated if it is included in the County Executive's 2021 budget, the Legislature will take any actions they believe are necessary at that time.

Legislator Montgomery clarified that the employee will continue to perform his functions as Project Manager in the Highway Department in addition to getting the County back on track in terms of economic support and being the mediator between the County's Economic Development Corporation and the County Executive's office. She stated he will be the full time Project Manager in the Highway Department and the Deputy County Executive.

Commissioner Carlin stated that is correct.

Legislator Montgomery stated she listened to United States Congressman Sean Patrick Maloney's meeting with the County Executives from Westchester County, Dutchess County, and Orange County and together they appealed to the Federal Government to aid County Governments during this time. She stated they all projected dire financial straits for their counties and likely massive layoffs in County government. She stated this means cuts in capacity for County agencies and departments, cuts in services to constituents, and by extension means a reduction in buying power for families of County workers which means reduced spending in the local economy and further losses in sales tax. She stated this is a vicious cycle. She stated Commissioner Carlin was quoted in a recent article stating the County's expenditures are mostly mandates, therefore cuts will have to be made in the unmandated programs which could involve layoffs and furloughs and that everything would be on the table. She stated as a Legislative Body, we have a sworn fiduciary responsibility for the County budget and we approve all spending. She stated now more than ever, we need to make smart, fiscally conservative decisions. She stated when money is tight, you have to make sacrifices and our constituents know this first-hand in their own family budgets. She stated if there is not enough to go around, cuts need to be made to pay for the most critical needs. She stated sometimes, we will have to say "no" to unnecessary spending. She stated now is not the time for the creation or reinstatement of any position. She stated now is the time for hiring freezes and austerity measures until the County finances can be stabilized. She stated we need to take care of the rank and file employees before they need to be laid off. She stated we need to retain as many as possible before expanding any County management and executive position. She stated she cannot support the budgetary transfer for this position because it does nothing to ease the burdens that the departments, workers, and constituents are facing due to the COVID-19 pandemic. She stated while the selection of a particular candidate is not within the purview of the Legislature, she believes Legislators have a duty to raise concerns when they see what may be the mismanagement of public funds. She stated she wants the public to understand why she cannot support the hiring of a new Deputy County Executive right now, under the proposed circumstances. She stated the Deputy County Executive position has been vacant since 2017 and the County Executive has bragged about her ability to run a smaller, more efficient executive team. She stated this should have been preparation for the situation we are in now, when we all need to work smarter and leaner. She stated this is the time for the County Executive to double down on her skills to oversee a smaller County government, including her own office. She stated she is going to ask departments and employees to sacrifice. She stated the whole County was asked to volunteer; a good leader never asks the ranks to do something they will not do themselves. She stated she cannot support this proposal because the duties described by the County Executive in a memorandum dated May 15, 2020 are entirely unrelated to the job description. She stated the duties as stated by the County Executive, among others, is to provide operational assistance and support to the County Executive related to departmental affairs. She stated the memorandum states that the County Executive needs a Deputy County Executive to provide information, assistance, and assurances, for our Economic Development Corporation and local

business community from the County's perspective. She stated this task is entirely absent from the job description for the Deputy County Executive. She stated further, the County Executive states that the candidate is uniquely qualified for these non-existent duties because he is a successful local business owner. He stated the candidate already collects a salary of \$80,975 as a Project Manager in the Highway Department where he has overseen projects at Tilly Foster Farm and Butterfield. She stated both properties have had enormous cost overruns that taxpayers are paying for with borrowing, debt service, and drawdowns from County reserve funds. She stated despite this questionable record, the County Executive is asking to give the candidate a second part time position with expanded powers for an additional \$20,558. She stated how dare the Legislature approve a second salary for an already well paid manager. She stated especially in a time when in admission by Commissioner Carlin, we are going to have to lay off and furlough department workers. She stated this is insensitive at best. She stated although the budgetary amendment is for a part time position, the last line of the budget request states the annual salary of the position would be \$116,317. She stated if this candidate rolls into a full time position next year, he will be receiving a pay raise of \$35,242. She stated this will have a major impact on the candidate's salary upon retirement, and the public pension he will receive, which concerns her. She stated this candidate is not the first to double dip from County coffers. She stated this process has been in place longer than she has been on the Legislature will very few questions asked by the Legislature. She stated she will not participate in what looks like milking the public purse to benefit a select few; for example the Transportation Manager received a stipend on top of his \$80,000 salary.

Chairman Castellano asked Legislator Montgomery to stick to the topic.

Legislator Montgomery stated she is speaking to the practice of giving stipends on top of salary and how that would affect retirement or the pension fund. She questioned how this would factor in.

Chairman Castellano stated there is a benefit of having one (1) individual handling two (2) jobs. He stated the alternative is to hire a second employee, which would result in an additional health benefit package and retirement. He stated he believes it is good business practice to consolidate by having one (1) employee do two (2) jobs. He stated in this instance, we are dealing with unique events, where a Deputy County Executive could be helpful in reopening to government and economy. He stated if a second employee were to be hired, he would understand the concern, however in this case he believes having one (1) employee handle two (2) jobs is a good use of money.

Legislator Albano agreed with Chairman Castellano. He stated he is in support of filling the position and the candidate. He stated in terms of the financial uncertainty that the COVID-19 pandemic has caused, he believes Putnam County is in better financial shape than some other municipalities. He stated it is a good idea to have one (1) employee to two (2) jobs rather than hiring a second employee.

Commissioner Carlin stated as is the case in Putnam County, he is sure cuts will have to be made by the three (3) County Executives that Legislator Montgomery mentioned from Westchester, Dutchess, and Orange Counties, however he doubts any of them will cut their Deputy County Executive. He stated County Executive Odell has not bragged, but rather has always complimented the employees of the County, including the Legislature, as being part of a team that has enabled and helped the Deputy County Executive position to be left vacant for so long. He stated he is able to provide a different perspective on the work being done by the County Executive. He stated as an acting County Executive who is able to fill in, County Executive Odell requested that he listen to some of the many phone calls she goes on each day. He stated there could be anywhere from three (3) to seven (7) multiple-hour calls beginning in the morning about 8:00am and ending at about 8:00pm. He stated there is only so much one (1) person can do in a day. He stated County Executive Odell has not doubled down; she has tripled down, and he has seen it every single day. He stated they wanted to fill the Deputy County Executive position without hiring a new employee because they know money will be lost moving forward due to the COVID-19 pandemic. He stated the candidate is already helping because frankly, the office needs the help. He stated we are in a new era due to the COVID-19 pandemic, and otherwise this position may have remained unfilled.

Legislator Sullivan stated he would like to comment on statements made by Legislator Montgomery pertaining to layoffs and furloughs. He stated these comments are unnecessarily scaring employees. He stated the Legislature has not had any discussions about laying employees off or furloughing anybody. He stated to make those comments, it sounds like decisions have been made or discussions have been held and it is unfair to the employees.

Legislator Montgomery referred to a memorandum from Commissioner Carlin to Chairwoman Addonizio dated May 20, 2020 regarding the anticipated revenue shortfall due to the COVID-19 pandemic. She stated based on this alone, it should require an immediate hiring freeze to new employees or backfilling existing positions until the County has a better idea what the budget will look like. She stated there is a newspaper article where Commissioner Carlin was interviewed and he is quoted as saying the County's expenditures are mostly mandates, therefore we will have to go to unmandated programs that could include layoffs, furloughs, and everything would be on the table. She stated it is no secret that this is a scary time and the truth is not always so positive. She stated she is trying to relay the truth, and this is not the time to hire anybody, it is the time to take care of the employees. She stated the time to hire people was in March when the Health Department needed support. She stated to Legislator Nacerino's point regarding the way this was put forward, it raised many red flags for her at the Personnel Meeting. She stated she did not see the email that went out the Friday before the May 18, 2020 Personnel Committee Meeting; the day after the agenda was set. She stated her fellow Legislators stated they could not discuss the details of the position being funded, as it was merely a budgetary amendment. She stated she was the only one to ask any questions. She stated this is a big item that came in under the radar.

Legislator Addonizio stated in reference to Legislator Montgomery's comments about the memorandum, due to the ongoing pandemic she requested that Commissioner Carlin send an anticipation of the fiscal challenges the County will be facing. She stated currently, there is nothing set in stone. She stated the County had a surplus, that will now become a deficit due to the result of the pandemic. She stated the conservative budgeting practices of the County have put us in a better position in terms of the deficit we will be facing.

Commissioner Carlin stated he believes Putnam County is in a stronger position than other municipalities due to the conservative budgeting practices that the Legislature and County Executive have adopted over the years. He stated this is why the position of Deputy County Executive is being filled the way it is. He stated there is no doubt that things will get tough, but the job needs to be done and the County Executive needs the help in her office right now. He stated Director of Personnel Paul Eldridge, who served as County Executive, has always stated that the Deputy County Executive is a vital position. He stated in the ability to save money, the position has been left vacant, which is a credit to the County Executive. He stated they are now at a point where the position is needed. He stated other positions such as Undersheriff or Deputy County Clerk, for example, have not been vacant or any long period of time. He stated the County Executive went as long as possible with the position being vacant, and now it is time to fund it.

Legislator Montgomery stated she hopes to be able to see that the person who is slated for this position meets the job description. She stated she understands that the County Executive's office needs help. She stated help was needed in March when she sent memorandums requesting what resources the Health Department needed, which went ignored, and now volunteers are being asked to help. She stated she cannot approve this budgetary amendment as she believes it is unfair to the other employees in the County. She stated there are other departments that need support.

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

Item #11 - Approval/ Semi-Annual Mortgage Tax Payments/ October 1, 2019 – March 31, 2020

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

Item #12 - Approval/ Sales Tax Adjustment

Chairman Castellano stated this is requested on a regular basis to keep the additional 1% sales tax, which represents about \$15,000,000 of the County's budget. He stated this tax is imposed of any purchase made within Putnam County and without it, the additional cost would fall upon the property owners within Putnam County.

Legislator Sayegh stated this additional 1% of sales tax is a way spread out the burden without putting extra strain on the already overtaxed homeowners within Putnam County.

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

Item #13 - FYI/ County's Deposits & Investment Policies (Attached for Information Only) – Duly Noted

Item #14 - Other Business – None

Item #15 - Adjournment

There being no further business at 6:57pm, Chairman Castellano made a motion to adjourn; Seconded by Legislator Gouldman. All in favor.

Respectfully submitted by Administrative Assistant, Beth Green.