

**AUDIT & ADMINISTRATION COMMITTEE MEETING**  
**Held In Room 318 of the**  
**PUTNAM COUNTY OFFICE BUILDING**  
**CARMEL, NEW YORK 10512**

**Members: Chairman Castellano, Legislators Albano & Nacerino**

**Monday** **6:30 PM** **October 28, 2013**

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The meeting was called to order at 6:30 P.M. by Chairman Castellano who asked Legislator Nacerino to lead in the Pledge of Allegiance. Upon roll call, Legislator Nacerino and Chairman Castellano were present. Legislator Albano arrived at 6:35 P.M.

**Item #3) Approval of Minutes – August 27, 2013  
September 24, 2013**

The minutes were approved as submitted.

**Item #4) Update/Putnam Community Foundation Litigation**

At 6:32 PM Chairman Castellano made a motion to move into Executive Session to discuss litigation, seconded by Legislator Nacerino. All in favor.

At 6:51 PM Chairman Castellano made a motion to come out of Executive Session, seconded by Legislator Nacerino. All in favor.

Legislator Albano arrived at 6:35 P.M. and joined the Executive Session.

No motion was taken in Executive Session.

Legislator DiCarlo thanked Chairman Castellano for placing this on the agenda at his request. He stated that it is important to keep up-to-date on this litigation and he hopes that something can be worked out soon.

**Item #6) Correspondence/County Auditor**  
**Item #6a) Sales Tax Report**

Chairman Castellano made a motion to accept all additional information for tonight's meeting, seconded by Legislator Albano. All in favor.

Legislator DiCarlo asked Commissioner of Finance Bill Carlin how much of a percentage of the sales tax is from tax on gasoline.

Commissioner Carlin stated he could look it up.

Legislator DiCarlo stated that his concern is that when gas prices skyrocket it is bad for consumers but good for the County because the sales tax received also goes up. He stated that he heard that with the pipeline talks that gas prices are coming down and will go down more and more. He stated we are close to if not surpassing what Saudi Arabia produces. He stated that in looking at budgets for the future we need to know how much of the sales tax received that we are budgeting might decrease with gas prices.

Legislator Nacerino stated hopefully if there is a cost savings on gas for consumers that consumers would use that savings to purchase other things.

Legislator DiCarlo stated it is just something to keep in mind.

Commissioner Carlin stated that he will look that up.

**Item #6b) Board In Revenue Report** was duly noted.

**Item #6c) OTB Report**

Chairman Castellano asked for clarification on the steep decrease in September.

Commissioner Carlin stated it was due to Payment In Lieu Of Taxes (PILOT). He stated that the PILOT payment goes to the Southeast School District.

**Item #6d) Transfer/Revenue Report** was duly noted.

**Item #6e) Contingency/Sub-Contingency Report** was duly noted.

**Item #7) Correspondence/Commissioner of Finance**

**Item #7a) Overtime/Temporary Report**

Legislator LoBue asked why the Sheriff's Jail Food overtime was so high.

Commissioner Carlin stated that is a temporary line for the Jail.

Undersheriff Peter Convery stated that if there is overtime they use the temporary line instead of full-time so it does not affect legacy costs.

Legislator LoBue asked why the Sheriff's Jail Medical is over 200% in overtime.

Undersheriff Convery stated that we have constant suicide watches on certain inmates which cost \$1,000 per day. He stated that we have psychiatric inmates that also need to be watched. He stated that males and females need to be watched separately and therefore there could be multiple officers on watch at any given time. He stated a couple of inmates were in the hospital for medical procedures and there are requirements for that as well. He stated it is approximately \$1,000 per day for an officer to watch the required inmates and that the watches are mandated.

**Item #7b) Approval/Budgetary Amendment (13A071)/Finance/Use of Excess of Budgeted Sales Tax Revenues to Purchase Equipment**

Commissioner Carlin stated that we are using the sales tax monies that were over and above the budgeted amount of sales tax for 2013 to purchase equipment for the Golf Course in lieu of bonding for said equipment.

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Nacerino. All in favor.

Legislator Oliverio stated that next month he would like to have on the agenda an item for discussion about sharing excess sales tax with the Towns. He clarified not the budgeted amount but the excess of the budgeted amount.

Chairman Castellano stated he would place that discussion item on next month's agenda.

**Item #7c) Approval/Budgetary Amendment (13A072)/Highway/Repair Guardrail Damage – Insurance Recoveries**

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Nacerino. All in favor.

**Item #7d) Approval/Budgetary Amendment (13A075)/Finance/Remove Various Capital Projects**

Commissioner Carlin stated that these are old and inactive capital projects and we are moving forward with a new system and re-rating projects based on safety and liability.

Legislator Albano made a motion to pre-file the necessary resolution, seconded by Legislator Nacerino. All in favor.

**Item #7e) Approval/Budgetary Amendment (13A076)/Sheriff/Pay Master Support Maintenance Agreement**

Legislator DiCarlo asked if this was an oversight of invoices.

Commissioner Carlin stated that yes it was but there is money left in the grant to pay for it.

Chairman Castellano asked what SCAAP stood for.

Undersheriff Convery stated that it is an illegal alien grant from the Federal Government.

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Albano. All in favor.

**Item #7f) Approval/Budgetary Amendment (13A077)/Highway/Repair Guardrail Damage – Insurance Recoveries**

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Nacerino. All in favor.

**Item #7g) Approval/Budgetary Amendment (13A078)/Update Capital Project Estimated Costs for Bikeway IV**

Commissioner Carlin stated that it is the Bikeway from Drewville Mobile Station to the Village of Brewster. He stated they are going to bid in the next week or two.

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Nacerino. All in favor.

**Item #7h) Approval/Budgetary Amendment (13A079)/Sheriff & Highway /Automotive**

Commissioner Carlin stated that the Highway Department purchases the tires and this is a reclassification of the money.

Legislator LoBue asked how many tires this budgetary covers.

Undersheriff Convery stated that it is for the fleet.

Legislator LoBue asked for a breakdown and more detail.

Commissioner Carlin stated he could get that for her.

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Albano. All in favor.

**Item #8) Approval/Fund Transfer (13T212)/Emergency Services/Purchase Replacement Computers for EOC**

Legislator DiCarlo asked if these computers that were being replaced were obsolete.

Commissioner Carlin stated yes they are.

Legislator DiCarlo stated that there should be a plan for how computers are aging out so it is not a surprise.

The Committee approved said Fund Transfer.

**Item #9) Approval/Fund Transfer (13T257)/Sheriff/Replace Deadlined Road Patrol Vehicle**

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Nacerino. All in favor.

**Item #10) Approval/Fund Transfer (13T269)/Sheriff/Cover Overtime Lines**

Chairman Castellano asked if this would effect in the overtime report.

Commissioner Carlin stated he would need to check if these lines fell under that report.

The Committee approved said Fund Transfer.

**Item #11) Approval/Fund Transfer (13T281)/DSS/Reallocate Funds to Cover Title XX Misc Through 12/31/13**

Legislator DiCarlo asked if this is normal for this time of year.

Commissioner Carlin stated that it is and that we will always see these depending on the program. He stated that the Department can never know exactly how much for each program until it happens but the Department has successfully been able to move money around within their Department to cover these programs. He stated he has been here years when the Department had to go outside of their lines which created a real problem but so far we have not had to.

Legislator Albano made a motion to pre-file the necessary resolution, seconded by Chairman Castellano. All in favor.

**Item #12) Approval/Fund Transfer (13T283)/Law/Cover Legal Services Invoice Through 2013**

Legislator LoBue asked what invoices this transfer would cover because she would like to know what they are spending it on.

First Deputy County Attorney Andrew Negro stated that he could not provide that at this time but could gather that information after the meeting.

Legislator Albano stated that it seems it's already been spent.

Chairman Castellano stated that once the information is provided that he would sign the transfer.

The Committee agreed.

The Committee approved said Fund Transfer after the information requested is received and reviewed.

**Item #13) Approval/Fund Transfer (13T285)/DSS/Reallocate Funds to Cover EAF CW Foster Care Placements & Family Assistance Through Year End**

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Albano. All in favor.

**Item #14) Approval/Fund Transfer (13T286)/DSS/Reallocate Funds to Cover Adoption Subsidy FP & Foster Care Through Year End**

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Nacerino. All in favor.

**Item #15) Approval/Fund Transfer (13T287)/DSS/Reallocate Funds to Cover Committee on Special Education Through Year End**

Legislator DiCarlo stated that he would like to report that the NYS Education Commissioner is backsliding on the Common Core Standards and Testing due to increased opposition to them throughout the region. He stated that we will hopefully be seeing a change soon. He thanked everyone who spoke up regarding this.

Legislator Gross stated that he was under the impression that Special Education was funded through the school districts.

Commissioner Carlin stated that is not true. He stated that the monitoring and things of that sort is covered by the County.

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Nacerino. All in favor.

**Item #16) Approval/Fund Transfer (13T288)/DSS/Reallocate Funds to Cover Safety Net Through Year End**

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Nacerino. All in favor.

**Item #17) Approval/Fund Transfer (13T289)/DSS/Reallocate Funds to Cover Safety Net Through Year End**

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Albano. All in favor.

**Item #18) Approval/Fund Transfer (13T291)/Veteran's Lease Transportation**

Commissioner Carlin stated that since it has gone over to the transportation department that it has been advertised more and it is getting more use which increases costs.

Legislator Scuccimarra stated that she spoke with Transportation Manager Vincent Tamagna today regarding this and he stated that it has been a huge success and many people call for it.

Legislator Nacerino stated we are clearly meeting our objective for this transportation and it is a good thing.

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Nacerino. All in favor.

**Item #19) Approval/Fund Transfer (13T292)/Office For Aging/Food Service Helper Position**

Legislator Oliverio stated that he would like to thank Director of the Office for the Aging Patricia Sheehy for her hard work on this subject and this position will be a big help.

Chairman Castellano stated that unfortunately Director Sheehy could not attend tonight's meeting but did send an email regarding this item.

Legislator Scuccimarra stated that the seniors were very upset and afraid that they were not going to get the services they needed when this change took place and this position will help to curb that anxiety and accommodate that. She stated that she is all for it.

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Albano. All in favor.

**Item #20) Approval/Semi-Annual Mortgage Tax Report April 1, 2013 through September 30, 2013**

Legislator LoBue asked if we could have a running total for each one of the towns.

Commissioner Carlin stated that he could get that for her.

Chairman Castellano read the report aloud.

Chairman Castellano made a motion to pre-file the necessary resolution, seconded by Legislator Albano. All in favor.

**Item #5) Update/Tilly Foster Farm**

Robert Lusardi, a volunteer with Preserve Putnam, presented a letter from Preserve Putnam to the Committee.

Legislator Nacerino made a motion to accept the additional material, seconded by Legislator Albano. All in favor.

Legislator Oliverio stated that the letter says Mr. George Whipple III will be retiring from philanthropic activities in Putnam County and advises us that we need to move forward in assessing the County's role in Tilly Foster since he will no longer be supplying the financial support.

Chairman Castellano stated that copies of the letter are being made for everyone at the meeting.

Mr. Ed Cooke, board member of Preserve Putnam, read the letter submitted by Preserve Putnam. He stated that personally, Mr. George Whipple III is hereby retiring from further philanthropic activities in Putnam County. He further stated that they are not taking any questions tonight and they request that the Legislature consider their wants for the farm and the way they want to move forward in the future. He stated that the Preserve Putnam Board is willing to work with the Legislature in any way shape or form to make this work for the residents to keep the farm free and open to the public.

Art Singer, Resident of Putnam County, stated that he is glad the Preserve Putnam Board is here tonight. He then requested that the Preserve Putnam Board submit all requirements as stated in the lease. He then read from the lease between Preserve Putnam and Putnam County, citing subsections 5c-5h. He stated that if the farm is being handed to the County then this information is going to be very important to see where they are at and how to proceed.

Ann Fanizzi, Resident of Putnam County, stated that she donated \$200,000 to Tilly Foster Farm. She stated that this is not the first time that Mr. George Whipple has resigned. She stated that she has proof that he also resigned at the end of 2010.

Chairman Castellano asked if these conversations came from the lawsuit.

Ms. Fanizzi stated it was prior to the lawsuit. She stated that since there are so many new legislators that it is really unfair for them to be placed in this position because they do not know the whole story. She stated that Preserve Putnam did indeed give notice of intent to surrender its interest as lessee to the lease to Tilly Foster on June 22, 2011 and that she had a document dated January 23, 2012, that states that. She stated that there has been a succession of surrender and each and every time there was the fear of what are we going to do with Tilly Foster? She stated the Farm did and will continue. She stated she would like to sit with all the Legislators for about an hour to give them a history. She stated she does not believe Mr. George Whipple will step down.

Mr. Cooke stated that no one is or will diminish Ms. Fanizzi's contributions to the Farm. He further stated that moving forward Preserve Putnam has a professional board in place filled with professional people. He stated that Mr. George Whipple is one person on the Preserve Putnam Board but he is not the whole board. He stated that the Board is working towards the right future for Putnam County and its residents and we welcome the Legislature's input and we want to move forward to working with the Legislature and we want to find the right solution for Tilly Foster and Putnam County.

Legislator LoBue thanked everyone from the Board for coming this evening. She stated that the Legislature is the finance board for the County and that it our responsibility to monitor this contract. She stated that the Preserve Putnam Board is probably not aware of some of the issues that are in the contract. She stated that she does not recall any of us diminishing Mr. George Whipple or his family and their efforts made at the farm. She stated that in terms of transparency and open government, that in order for us to determine what is taking place with our property we ask for certain information. She stated that what is disappointing to her is that it has taken 5 years for the Preserve Putnam Board to get here. She stated that what has led us to this point is that there are obligations in this legal document, this lease, that have not been fulfilled. She stated we have asked and asked Mr. Whipple to come here and he has not and she does not know why.

Mr. Cooke asked that the Legislature look at Tilly Foster Farm as a Board and not as Mr. George Whipple. He stated there are various people and organizations that help and volunteer at Tilly Foster. He stated that moving forward he believes the Preserve Putnam Board will be fulfilling the things that you need.

Legislator DiCarlo stated that in order to move forward this needs to be resolved. He stated that whatever information is required needs to be shown and then we can move forward. He stated that we need to put the key stakeholders together to figure out how to move forward just like we did last year with the Transportation issue.

Legislator Nacerino stated that she agrees. She stated that we all agree and feel strongly about Tilly Foster Farm and preserving it and its importance to the County. She stated that there has been a lack of openness and transparency which we are striving to achieve. She stated that there has been a lack of communication. She stated that if we are going to move forward with the new people on the Preserve Putnam Board or whoever then we are going to foster that communication.

Legislator Oliverio recommended we make this item a standing issue on either Audit or Physical until it is resolved. He stated that Mr. Cooke is right; we need to deal with the entity that oversees this great project. He stated that we need to ask specifically for this information to move forward.

Legislator LoBue stated that we are not spinning this off into a task force.

Ms. Fanizzi stated that her only reservation in all of this is that the Preserve Putnam Board has been in office for a year and a half and what she does not understand is that when they came onto the board she wonders what were they were told and if they knew about the lease and budgetary requirements of this lease. She stated she has been on boards before and it is the responsibility of the board and not just the chairman of that board to understand what obligations of the organization and be responsibility to make sure these things were submitted. She stated she looks forward to having a new board. She reiterated her desire to have a meeting with the Legislature to give her perspective.

Chairman Castellano asked that with Mr. George Whipple stepping down who will be the point person for Preserve Putnam or when will that be decided if it has not been as of yet.

Mr. Cooke stated that would be decided at the next board meeting.

Chairman Castellano asked when that meeting would take place.

Mr. Cooke stated he does not have that date yet.

Chairman Castellano asked how many board members there were.

Mr. Cooke stated that so we do not have any guess, asked if the Legislature could prepare written questions for them and they will respond in writing so it becomes a public document and there is clarity.

Chairman Castellano agreed.

Legislator Nacerino asked if Meredith Whipple will be remaining on the board.

Ms. Fanizzi asked why the Executive Director is not here tonight.

Chairman Castellano stated that we will place all of our questions in a letter to the Preserve Putnam Board.

Eric Gross, Press, asked what happens now; will Tilly Foster close?

Chairman Castellano stated that we are in the process of investigating this. He asked what the day-to-day operations of the farm are now.

Mr. Cooke stated it is as is, nothing is changing and they are moving forward. He stated the Preserve Putnam Board is happy to entertain any ideas for how to move forward to get the farm self-sustainable.

Legislator Albano stated he does not think anything is going to change immediately but it would be great if we could get it in writing. He stated that it seems that all of the events lately Meredith has been there so he does not believe she would be leaving. He stated that we get it all in writing that nothing is going to change, the Board is still going to be there, and we can move forward. He stated nothing is going to happen tomorrow.

Chairman Castellano stated we will send the Preserve Putnam Board a letter with specific questions.

Legislator LoBue stated that we have a contract here and there are compliance issues with that contract. She stated that we asked the Preserve Putnam Board to come here and now we are answering to them.

Chairman Castellano stated that we have consulted with our Law Department.

Legislator LoBue asked how long the Law Department is reviewing the lease that they wrote to cite non-compliance issues.

Chairman Castellano stated he does not know what has happened in the last five years nor why the Preserve Putnam Board has not been called here in five years but we need to start somewhere.

Legislator DiCarlo stated that the past is the past. He stated that if certain things were not enforced then we need to know who the enforcement agency of the County is. He stated it goes back years and years. He asked what the impact of Tilly Foster Farm is on the 2014 budget.

Legislator Albano stated that right now the farm is open. He stated that it seems like we all need to be on the same page and move forward. He stated we should have it all on paper but he does not think we are going to be finding anything that is shocking.

Legislator Nacerino stated that as the Legislature we have a responsibility and that is to know what is and what isn't. She stated she has a positive feeling moving forward but we need to have facts and figures. She stated that tonight has been evasive. She stated that we have a responsibility to ask the hard core questions to which we have not gotten any answers to in the last five years.

Mr. Singer stated that the Legislature has subpoena power.

Legislative Counsel Van Ross stated that the Legislature does.

Legislator Oliverio stated that at this point in time we need to give them time with the written request that we submit as a result of this meeting. He stated that we do not need to break open a peanut with a sledgehammer. He stated if we do not receive a response to the letter we send from tonight then use the subpoena power. He stated we need to move forward rapidly but let's be fair.

Mr. Singer asked if there would be a time limit on the letter's response.

Chairman Castellano stated that by the next Audit or Physical Meeting.

Legislator Scuccimarra stated that we need to give them the benefit of the doubt and give them time until next month to respond to tonight's letter.

Legislator Albano stated that we welcome volunteers and he does not believe we are going to find big surprises when we are given the information that is required.

Mr. Lusardi stated that there have been segregated bank accounts and the Preserve Putnam Board has submitted financials to the County year after year. He stated that what is damaging here is what people, through innuendo, suggest that there is some

sort of financial secrecy or improprieties; there are none. He stated there are members of the board who are community leaders whose reputations, including his own, are involved with this organization. He stated we are not doing anything improper.

Legislator LoBue stated that we have received 990s that are completely comingled and they should be separate. She stated that Preserve Putnam has also never submitted subleases to the County which is required under the contract. She stated she is not suggesting that something illegal is going on, she is doing her due diligence. She stated she wants to see the farm succeed.

Chairman Castellano stated that we will send a letter to the Preserve Putnam Board and he expects this item to be on the Audit Agenda for November.

There being no further business, at 8:03 P.M., Legislator Nacerino made a motion to adjourn, seconded by Legislator Albano. All in favor.

Respectfully submitted by Krista M. Butler, Administrative Assistant.