

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

Members: Chairman Castellano, Legislators Albano & Gouldman

Monday **6:30pm** **August 29, 2016**

The meeting was called to order at 6:33 p.m. by Chairman Castellano who requested that Legislator Gouldman lead in the Pledge of Allegiance. Upon roll call, Legislator Albano, Legislator Gouldman, and Chairman Castellano were present.

Item #3 - Approval of Minutes – July 25, 2016

The minutes were approved as submitted.

Item #4 - 2015 Audit Report/ O'Connor and Davies

a. Correspondence/ Commissioner of Finance/ Audit Responses

Alan Kassay, Partner at O'Connor and Davies stated he will be discussing the Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2015. He drew the committee's attention to page xiv, which is the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended December 31, 2014.

Domenick Consolo, Partner at O'Connor and Davies stated excluding New York City, Putnam County is one (1) of 15-20 municipalities in New York State that received this award.

Chairman Castellano requested clarification on what Mr. Consolo meant by municipalities.

Mr. Consolo stated municipalities include counties, towns, and schools.

Chairman Castellano stated there are a substantial amount of municipalities throughout New York State.

Mr. Consolo stated Putnam County's financial statement has two (2) sections that normal financial statements which are not CAFRs do not have. He stated these two (2) sections are the introduction and the statistical section which includes information on debt and fund balances dating back 10 years. (pages 110-141) He stated these documents are created by the Finance Department.

Mr. Kassay stated page 1 shows the Independent Auditors' report which states they have an unmodified opinion, which is the best opinion that a County can receive. He

drew the Committee's attention to page 64, the General Fund. He stated in regards to the revenues, the original budget for 2015 was \$126,607,301, the final budget was \$126,668,022, and the actual budget was \$124,603,790, resulting in a negative variance of \$2,064,232. He stated the largest hits of the revenues were in the real property taxes because there was a significant increase in the tax liens in 2015.

Mr. Consolo stated having a revenue shortfall is actually good news because that means things such as sales tax and State or Federal Aid were not overestimated. He stated the problem was that some real property taxes were not collected, but somewhere down the line, they will be collected and will be revenue in another year.

Mr. Kassay stated as compared to 2014, the County was down about 1% in revenue. He stated in regards to the expenditures, (page 64) the original budget was \$130,477,960, the final budget increased slightly to \$133,621,599, and the actual budget was \$123,476,588 which generated a positive budget variance of \$10,145,011. He stated some of the larger expenditures were in general government support, which was down almost \$3 million from the prior year because of the settlement in 2014. He stated the overall expenditures were down about 2% from 2014. He stated the net change in fund balance was a positive \$477,383. He stated the beginning of the row shows that the County anticipated using \$3,885,659 from the fund balance and that amount was increased to \$7,603,396 during the year to pay off retirement incentives that were amortized. He stated this resulted in an increase of about \$2 million as compared to 2014.

Mr. Consolo stated in the final budget, the net change in fund balance was \$8,080,779 higher than anticipated, which is very positive for the County.

Mr. Kassay stated the year was ended with a total fund balance of \$33,356,355. He directed the Committee to page 63 which shows the General Fund Comparative Balance Sheet. She drew the Committee's attention to the tax liens, which for 2015 were \$18,094,804 and in 2014 were \$16,086,862.

Chairman Castellano questioned if the tax liens were a regional issue.

Mr. Kassay stated the tax liens vary from municipality to municipality. He pointed out the prepaid expenditures line, which shows \$2,386,166 in 2015 and \$3,733 in 2014. He stated because the retirement bill was paid in December rather than February, there is a three (3) month prepaid expense component. He described each category in the fund balance. He stated the unassigned fund balance is \$12,476,739, which is about 10% of the 2016 appropriations.

Mr. Consolo stated 10% is a good fund balance for the County to have. He stated the County is certainly in very good financial condition.

Legislator Albano requested clarification on the pre-payment of the pension bill.

Mr. Kassay stated when the pension bill is received; the County has the option to pay in December or February. He stated the bill increases if it is paid in February. He stated the bill cycle runs through March 15, so it covers nine (9) months in one year and three (3) in the next. He stated the three (3) included in 2015 was a pre-paid expense.

Mr. Consolo drew the Committee's attention to page 43, which shows the total outstanding bonds that the County has, dating from 2006 to 2015. He stated some bonds have been refunded, meaning the interest rate dropped and the County took out a bond to pay off another bond at a lower rate, which results in savings. He stated the total amount of all bonds is \$60,438,274 and they go through 2036. He stated the payments are approximately \$6 million per year, with interest.

Mr. Kassay stated on page 44 the advance refunding is explained and shows that it resulted in a savings of over \$1 million.

Mr. Consolo stated in regards to retirement, this is the first year that municipalities have had to disclose the funding for the employee retirement system. He stated the reason for that is because some areas were well underfunded in their retirement system and the Governmental Accounting Standards Board decided that the reports throughout the Country should disclose where the funding sits so it is clear how much will ultimately have to be paid to the retirement system to make up the differences if they are underfunded. He explained the three (3) assumptions outlined on page 50 of the report.

Legislator Gouldman questioned if 97.9% funding for the retirement system is a good number.

Mr. Kassay stated it is one of the best percentages in the Country. He stated for example, the State of New Jersey has a very low percentage.

Mr. Consolo stated another component that Putnam has been disclosing for about 10 years is retiree health insurance, which is shown on page 53. He stated Putnam County is contributing about \$4 million to retiree health insurance.

Legislator LoBue requested clarification on the New Jersey retirement system percentage.

Mr. Kassay stated their pension system is underfunded.

Legislator LoBue stated Putnam is a small county, as compared to a whole State.

Mr. Consolo clarified that the 97.9% is referring to the whole State of New York.

Chairman Castellano stated that New York State is in good shape, whereas New Jersey is underfunded.

Mr. Kassay stated that is correct.

Legislator LoBue requested an explanation of the sales tax.

Mr. Consolo stated the sales tax is shown on page 66.

Mr. Kassay stated the budgeted sales tax \$54,739,000 and it was reduced to \$53,953,400 and it came in at \$53,956,385. He stated in 2014, the sales tax was about \$56 million. He stated the difference from 2014 to 2015 can probably be attributed to the price of gasoline.

Legislator LoBue questioned if there was a more specific breakdown of the sales tax.

Mr. Kassay stated a more specific breakdown is not included in the report.

Mr. Consolo stated the Commissioner of Finance may have a more specific breakdown.

Chairman Castellano questioned if Putnam County is bonding responsibly.

Mr. Consolo stated yes, the County is bonding responsibly. He stated the amount bonded by Putnam is well below some of the surrounding Counties.

Mr. Kassay stated at the beginning of last year, the total outstanding bonds were almost \$65 million and the County issued about \$11 million in bonds, and the County redeemed payments for \$15.4 million, therefore the balance at the end of the year is \$60,438,000. He stated Putnam County is down about \$4.5 million from the prior year.

Legislator Albano questioned if the interest would change the amount of the total bonds. He stated when looking back to past years, the bonding may be less, however the total debt may be more based on interest.

Mr. Consolo stated some bonds have call provisions, which means the bond cannot be refunded until the call date.

Chairman Castellano requested further clarification on the Certificate of Achievement for Excellence in Financial Reporting that Putnam County received.

Mr. Consolo stated the certificate is given for the preparation of the report. He stated it is a very prestigious award that takes a lot of work to obtain. He stated the 10 year trends in the back of the report provide a world of information.

Legislator Addonizio questioned if bonding more is a good idea at this point.

Mr. Consolo stated the County is nowhere near the debt limit. He stated if bonding is necessary for projects, the County should look into what is affordable and what really needs to be done. He stated as it stands right now, he would be comfortable with the County bonding.

Item #5 - Update/ Putnam County Golf Course/ General Manager McCall

General Manager McCall stated the conditions of the Golf Course this year have been phenomenal. He stated the Golf Course Superintendent started mid-season last year and he is an unbelievable worker. He stated managing the turf was tough this year because the rain was inconsistent, sometimes the grounds were very wet and other times it was very dry. He stated in general, it has been a good year. He drew the Committee's attention to a PowerPoint presentation (attached). He stated page 3 shows the numbers of rounds by month. He stated March was exceptionally better than it had been in three (3) years. He stated in May, there was a lot of rain in the first half of the month, however through July, the weather has been up 13% and rounds are up 15% as compared to last year. He explained the financials on page 4, which are actual compared to 2016 budget. He stated as far as revenue, golf is up 6% and food and beverage is down 7%. He stated for three (3) weeks while the bathroom was being redone, not many events were booked, which could explain the 7% decrease in the revenue for food and beverage. He stated the Friday night barbecues have all been held, however the weather has been ominous, which may have effected attendance and therefore contributed to the food and beverage decrease as well. He stated the total revenue is almost exactly what had been budgeted. He stated operating expenses are down \$60,000 compared to budget, which is related to the food and beverage decrease. He stated County chargebacks are down, however not all the money has been spent. He stated the net operating profit is \$84,469 higher than budgeted. He stated page 5 compares revenues and expenses by year. He stated as compared to 2015, golf is up 8% this year, food and beverage is down 9%, and the total revenue is up slightly. He stated the operating expenses are somewhat flat. He stated this year had more rainy weekends as compared to 2015, which affects the number of rounds. He stated page 6 shows video boards that are utilized for marketing. He stated these boards allow them to advertise upcoming events as well as charity golf outings. He stated while the numbers of outings have not really increased, the participation has. He stated the Golf Course advertised through commercials in southern Dutchess, Danbury, and northern Westchester. He stated page 7 shows the website traffic, which has increased about 10% as compared to 2015. He stated the Golf Course has also been utilizing Facebook, mostly for events held at the Golf Course. He stated page 9 shows the addition of a bar underneath the pergola on the patio which has proven to be a success during the Friday night events. He stated golfers have also been utilizing the patio and bar as a place to relax once they are finished golfing.

Legislator LoBue questioned if the bar was purchased or made.

Mr. McCall stated the bar was made from concrete by the Parks and Recreation Department.

Legislator LoBue questioned how much the bar cost.

Mr. McCall stated the chargeback is not yet finished, but the materials were less than \$1,000.

Legislator LoBue questioned how long it took to make.

Mr. McCall stated he is unaware of the exact amount of time. He stated they used a form to shape it and then a lot of sanding and polishing was required to get it to the glossy level. He stated the outdoor lighting has been improved for use during the Friday night events and there are still some lights to add. He stated the picture on page 10 shows the crowd for the Friday night event where The Nerds were playing, which is one of their biggest events. He stated the Golf Course is experiencing some preparation issues for the Friday night events relating to the pre-sale of tickets. He stated since there is no incentive to buy the tickets in advance, many people are paying at the door. He stated one (1) Friday night there was only 30 pre-sells, however most people paid at the door and they ended up having a crowd of about 300. He stated in an effort to reach the revenue budget, events will be held into the Fall and possibly later into the season inside at the bar/cafe area. He stated they will begin looking into incentives for purchasing tickets in advance to alleviate planning issues. He stated as far as improvements to the Golf Course, they are going to try to do as much in-house work as possible. He stated the cart paths are being redone small sections at a time. He stated they are going to test a different material for the cart paths in a small area to see how it works. He stated they are going to try to have the Golf Course crew fix the bunkers. He stated there are dead trees that need to be removed, which is being done a little bit at time. He stated they have included funds in their budget to purchase sprinkler heads because they no longer make the ones that are currently being used. He stated they have about 150 sprinkler heads and as they break, they would like to have replacement sprinkler heads. He stated things such as green contours are part of the renovation but are a more expensive project.

Legislator Scuccimarra questioned what the green contours are.

Mr. McCall stated two (2) of the greens were built very steep, which makes half of the green unusable. He stated due to this, the other half of the green gets very worn and the turf thins out. He stated to contour the green the sod would need to be stripped then a contractor would come in to reshape it and the sod would then be replaced. He stated the contour will probably not be done in 2017. He stated this is a project that would be done in the Fall because during the process a temporary green is put down, and they would not want to begin the year with a temporary green. He stated a new maintenance facility is still in their plans to eventually build. He stated having a simple facility will allow the Golf Course to protect their equipment and have it all in one place. He stated the maintenance building currently at the Golf Course is in rough shape, however they are managing until building the new facility is feasible. He stated the Golf Course is also looking into using electric golf carts, which could be a cost savings depending on the price of gasoline and the customer experience with electric golf carts is much better. He stated with electric golf carts, the Golf Course would raise price per golf cart about \$2.00. He stated the electric golf carts need a facility with ventilation and chargers, therefore there is a cost associated with it.

Legislator LoBue questioned when the current lease for the golf carts is up.

Mr. McCall stated this is the third year of the current lease, which is a five (5) for four (4). He stated this means the carts can be changed out after the fourth year, but the vendor would remain. He stated another choice is to keep the golf carts through the fifth year and then start over. He stated the Golf Course is planning ahead to 2018, when the lease would be up.

Chairman Castellano questioned if the electric golf carts would be leased as well.

Mr. McCall stated yes, the electric golf carts would be leased. He stated the batteries on the electric golf carts are very expensive, therefore leasing the carts would be more cost effective. He stated he would like to have the cart paths in good condition before new golf carts are leased. He stated it is time to upgrade the golf carts. He stated page 12 shows capital improvements that he would like to get done in 2017. He stated the flat roof is 30 years old and needs to be replaced. He stated the HVAC in the ballroom is over 30 years old and the parts to repair it are hard to find. He stated he would like to be pro-active and replace the system before it fails. He stated at another facility where the HVAC system failed and they had to rent a system at a cost of \$15,000 per month. He stated he will come back to the Legislature relatively soon with requests for such projects. He stated the downstairs bathrooms need to be addressed as well. He stated there is no ADA stall and the opening to get into the hallway is very narrow.

Legislator LoBue questioned if the upstairs bathroom are ADA compliant.

Mr. McCall stated the upstairs bathrooms are ADA compliant. He stated there are also issues with the ease of which someone can go to the first or second floor.

Legislator Albano stated having an ADA bathroom is now mandatory.

Legislator LoBue stated she is concerned that the food and beverage part of the Golf Course is below where it should be and there seems to be more and more on the list of things to be upgraded and redone. She stated there should be a bigger return based on the amount of money that is being invested into the Golf Course. She stated the projects must be prioritized. She stated building the maintenance facility to house the equipment should have been more of a priority than the snack stand that was built. She stated she is not seeing numbers in return that reflect the investment. She stated she appreciates that Mr. McCall reports to the Legislature on a regular basis, however she requested that his report be submitted prior to the meeting in the future.

Mr. McCall apologized for not submitting the report ahead of time and will do so in the future. He stated the Golf Course does have a positive return; it is netting close to \$200,000 per year.

Legislator LoBue stated the debt service needs to be covered. She also stated she would like to see a breakdown of the money spent on marketing.

Legislator Albano stated some National parks are in severe debt, to the point where they are considering closing some down. He stated the County is not in the business of making money off the Golf Course, he stated the idea is to offset as much expense as possible.

Mr. McCall stated he is in the business of making money. He stated the Golf Course has seen a continually improved return since its purchase.

Chairman Castellano stated the Golf Course is also providing employment, which is fantastic.

Mr. McCall stated the Golf Course is also bringing sales tax into the County and it offers a social value as well.

Legislator Scuccimarra stated the Friday night events draw large crowds.

Mr. McCall stated the Golf Course used to only serve golfers, however now there is a much more diverse group experiencing the facility.

Legislator LoBue stated East of Hudson funds were used for the parking lot and a lot of money went into the lighting installed in the parking lot. She stated a lot of the work that went into the Golf Course was done through East of Hudson. She stated a lot of money has gone into the Golf Course.

Legislator Albano stated it is important to keep the Golf Course healthy. He stated the use of East of Hudson funds turned out to be a win-win because both the environment and the Golf Course were improved by the projects.

Legislator Scuccimarra stated she is appreciative of the way Mr. McCall takes on each project and his work ethic.

Legislator Albano stated the ADA compliance must be addressed.

Mr. McCall stated the downstairs bathrooms are being utilized more and more with the events being held downstairs. He stated there are showers downstairs that are not being used so the idea was to add more stalls, while making the bathroom ADA compliant. He stated they would rather not have people going upstairs to use the bathroom because there is nobody up there at night when the events downstairs are being held.

Chairman Castellano questioned what happens when someone who needs an ADA bathroom is downstairs at an event.

Mr. McCall stated someone will need to help them get upstairs.

Legislator LoBue questioned how someone in a wheelchair gets down to the back area for an event.

Mr. McCall stated there is a path on the side, but it is quite steep. He stated if the path could be meandered, the steepness could be resolved. He stated there are areas that need to be repaved and commercial doors are needed in the back of the building.

Ann Fanizzi, constituent stated the first thing said after the Golf Course was acquired was that it was going to be a huge money making operation.

Chairman Castellano stated he does not recall that being said.

Ms. Fanizzi stated it was said, and the same was said in reference to Tilly Foster Farm. She stated National parks were never in the business of making money. She stated many times with open space acquisitions, people are opposed to it because they must be subsidized. She stated the County, in the name of the people, have to take financial responsibility. She stated perhaps if expectations were lowered, the situation would be better and the things that really would need to be done do not have to be explained.

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

Item #6 - Correspondence/County Auditor

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

Item #7 - Correspondence/Commissioner of Finance

- a. **Overtime/Temporary Report**

Legislator LoBue stated the overtime report shows that the Highway Department is over 100% and Highway Administration is 80% and there are still six (6) months left in the year. She stated the Alternatives to Incarceration program through the Probation Department is at 263%. She questioned why Transportation is at 80%.

Commissioner of Finance William Carlin stated the Transportation Department has an intern who will work through the end of the summer.

Legislator LoBue questioned if it is a paid internship.

Chairman Castellano stated it is a temporary position.

Commissioner Carlin stated it is a temporary position that has helped bring down the cost of the veterans' transportation.

Chairman Castellano stated once the funding in that line has been used, the internship will be over.

Commissioner Carlin stated the savings incurred by this temporary position is shown on the veterans' transportation bill from July.

Legislator LoBue stated it was her understanding volunteers were driving for veterans' transportation.

Commissioner Carlin stated there are some volunteers and the intern has been coordinating and driving as well.

Legislator LoBue questioned what will happen when the internship ends.

Commissioner Carlin stated the intern may return, but he is unsure.

Legislator Scuccimarra questioned the temporary amount in the Health Department.

Commissioner Carlin stated that depends on the ultimate outcome of the Commissioner of Health position.

b. Approval/ Budgetary Amendment 16A041/ Finance/ Account for NYS Indigent Legal Services Distribution #6 & #4

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

c. Approval/ Budgetary Amendment 16A043/ Health Dept./ Reduce Anticipated Donations from Paws for Love for the Feral TNR Program

Legislator Addonizio stated the Trap-Neuter-Release program is very important.

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

d. Approval/ Budgetary Amendment 16A046/ Sheriff's Dept./ Grant Award/ Purchase Trauma Plates for Body Armor

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

e. Approval/ Budgetary Amendment 16A048/ Sheriff's Dept./ Correct Funding Stream in Accordance with NYS Chart of Accounts

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

- f. Approval/ Budgetary Amendment 16A049/ Finance/ Closeout Completed Capital Projects & Adjust for Ongoing Capital Projects to Reflect Actual Costs (Also reviewed in Physical Services)**

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

- g. Approval/ Budgetary Amendment 16A050/ Highway Dept./ Sheriff's Dept./ Bureau of Emergency Services/ Storage Garage Capital Project (Also reviewed in Physical Services)**

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

- h. Approval/ Budgetary Amendment 16A051/ Planning Dept./ Account for NYS Grant Award/ Bikeway Road Intersection Signage (Also reviewed in Physical Services)**

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

Legislator Albano stated there is a sign at the Board of Elections.

Legislator LoBue questioned how many signs were being purchased and what the cost per sign was. She stated she would also like to know who would be installing the signs.

Chairman Castellano stated the backup material is difficult to read and clarification would be requested.

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

- i. FYI/ Budgetary Amendment 16A052/ Dept. of Social Services/ Grant Award/ NYS National Children's Alliance Sub-Award/ Child Therapist - Duly Noted**
- j. Approval/ Budgetary Transfer 16T180/ Highway Dept./ Anticipated ATI Overtime through Year End (Also reviewed in Personnel & Physical)**

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

Legislator LoBue stated she had requested the breakdown, but she thought the projects being worked on would be included, rather it is broken down by employee. She stated that she would like to see a breakdown of the projects.

Commissioner Carlin stated he would ask Director of Probation Gene Funicelli for that information.

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

k. Approval/ Budgetary Transfer 16T195/ Finance/ Mandated Unemployment Insurance Through Year End (Also reviewed in Personnel)

Legislator LoBue questioned who the insurance was for.

Commissioner Carlin stated at the beginning of the year there were some claims from the District Attorney and some other claims throughout the year. He stated this is for individuals who were self-insured for unemployment. He stated even if those people leave the County and work somewhere else, it can come back onto the County.

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

l. Approval/ Budgetary Transfer 16T220/ Finance/ PC Industrial Development Agency/ Transfer Funds Earmarked in Subcontingency for the PC IDA to Achieve Compliance with Applicable Laws & Regulations

Legislator LoBue questioned why the outside auditors used by the County are being used for the Industrial Development Agency (IDA) as well.

Commissioner Carlin stated he was put on the IDA Board to ensure compliance. He stated at the initial meeting, he asked and the Board agreed that he be appointed Treasurer, which is a non-voting Board member of the IDA. He stated he received a letter from the State Comptroller stating that the IDA is not in compliance and questioning if there was anything that he, as chief financial officer could do as chief fiscal officer to help get them in compliance. He stated they put out an RFP for the auditors and received no responses. He stated he then contacted O'Connor Davies and asked if they would audit and they agreed. He stated because of this, he believes the IDA will be a component unit and be included in the County's financial statements and be put in the CAFR.

Legislator LoBue questioned if anything was changing in regards to the setup of the IDA.

Commissioner Carlin stated no, the IDA is an independent agency.

Legislator LoBue questioned who would prepare the PARIS (Public Authorities Reporting Information System) Reports.

Commissioner Carlin stated it may ultimately be the auditors, but they are looking into having someone else do it, or perhaps he may do it himself. He stated if not, the consultant will do the report.

Legislator LoBue questioned who the consultant is.

Chairman of the Putnam County IDA Bill Nulk stated Teri Waveida has been interviewed and they are waiting for an official letter from her. He stated she is very knowledgeable.

Legislator LoBue questioned how much the consultant would be paid.

Mr. Nulk stated during their discussion, Ms. Waveida stated she would ask for less than \$10,000.

Legislator LoBue questioned who makes the decision to hire her.

Mr. Nulk stated the four (4) voting members of the Board will make the decision.

Chairman Castellano clarified that Commissioner Carlin is a fifth, non-voting member of the IDA Board.

Legislator LoBue questioned if the amount of money being requested is enough to cover the bills.

Mr. Nulk stated this amount would take care of the few outstanding bills the IDA has. He stated their biggest concern is to get in compliance before the cut-off date. He stated if the IDA is no longer in compliance it is an invalid Board and they may lose the incentives.

Legislator LoBue questioned why the IDA needs a consultant if they may not do the PARIS Report.

Mr. Nulk stated there are implementations in the 2015 bill that is effective in 2016 and there are a lot of changes that need to be caught up on. He stated there were also concerns that the IDA may not be fully in compliance with some other things that had come along. He stated a qualified person is needed to assist the IDA.

Legislator LoBue questioned if the person being considered to be the consultant is a lawyer.

Mr. Nulk stated no, they are trying to avoid going to a lawyer at this point.

Legislator Scuccimarra stated she believes Ms. Waveida ran the Westchester IDA for years.

Legislator LoBue questioned if there are lawyers on the Board.

Mr. Nulk stated there are no lawyers on the Board.

Legislator LoBue questioned why funding has not been requested to cover legal services.

Mr. Nulk stated attorneys are not needed at this point. He stated their focus is to get into compliance.

Legislator LoBue stated the IDA needs professional attorneys to be able to consult with.

Mr. Nulk stated when the IDA gets to the point where attorneys are needed they will come before the Legislature with a request.

Commissioner Carlin stated attorneys will be involved when a new deal is being made.

Legislator Albano stated the IDA has come to the Legislature with a reasonable request. He stated if something else is needed in the future, the IDA can come back to the Legislature. He stated there are good people on the IDA Board and the person being considered for consultant is very qualified.

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

Legislator LoBue questioned where the IDA is operating out of.

Mr. Nulk stated right now, they are operating out of Commissioner Carlin's office.

Legislator LoBue clarified that they are no longer using 34 Gleneida.

Mr. Nulk stated they have not used 34 Gleneida since January 2016.

Legislator LoBue stated the Legislature should have been made aware of that.

Commissioner Carlin stated his office is being utilized because it is ADA compliant and is centrally located.

Item #8 - Approval/ Fund Transfer 16T199/ Sheriff's Dept./ Corrections/ Temporary – Open Personnel Line – Cook Position (Also reviewed in Personnel)

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

Item #9 - Approval/ Proposed Bond Resolution/ Butterfield Senior Center Project -
See below.

Legislator Albano made a motion to waive the rules and accept the other business;
Seconded by Chairman Castellano. All in favor.

Chairman Castellano made a motion to move item #12a Other Business - Approval/
SEQRA Determination/ \$800,000 Bond/ Butterfield Senior Center up on the agenda;
Seconded by Legislator Albano. All in favor.

Item #12 - Other Business

**a. Approval/ SEQRA Determination/ \$800,000 Bond/ Butterfield Senior
Center**

Legislator LoBue stated she would like to see the form that was filled out before the
September 6, 2016 Full Legislative Meeting. She stated after the August 23, 2016
Physical Services Meeting there were comments in the newspaper by County Executive
MaryEllen Odell and Legislator Scuccimarra that this project was to be re-scoped.

Chairman Castellano stated \$200,000 was cut from the original bond. He stated a
donation of \$500,000 was lost and with that, changes had to be made.

Legislator LoBue questioned what was changed to be able to cut the \$200,000.

Chairman Castellano stated plans for the bathroom changed.

Legislator Albano stated the plans for the kitchen were changed.

Legislator LoBue stated nothing in writing was received outlining the changes to the
plans.

Legislator Scuccimarra stated Deputy County Executive Bruce Walker has those
amendments.

Chairman Castellano stated the total project is \$1.5 million and the County is hoping to
receive \$500,000 from the State. He stated the other \$500,000 donation that was in the
plan is now off the table, therefore the project needed to be amended and \$200,000 was
cut from it. He stated the bond amount would be \$800,000 plus the \$500,000 from the
State, the new total amount would be \$1.3 million.

Legislator LoBue questioned where the \$200,000 is being saved.

Legislator Albano stated the Physical Services Committee received an updated report
with a revised estimate of the project after it was scoped down. He stated this is an
existing building that is being renovated, therefore there should be no issue with the
SEQRA.

Ms. Fanizzi stated there is a lack of specificity and detail surrounding this project. She stated she attended the Physical Services Committee Meeting and she does not recall an enumeration of exactly what was specified in the \$200,000. She stated Legislator Albano stated that the bond would be lowered to \$800,000 at the Physical Services Committee Meeting, but there were no specific details given.

Legislator Albano stated the Physical Services Committee received an estimate of the revised amount. He stated a commitment was made to complete this project for \$200,000 less.

Ms. Fanizzi questioned what part of the project was cut to save the \$200,000.

Legislator Scuccimarra stated amendments were made to the plans of the kitchen.

Legislator Albano stated an outside source was asked for an opinion of what could be done.

Ms. Fanizzi questioned who the outside source was.

Legislator Albano stated it was accepted at additional at the Physical Services Committee Meeting.

Legislator Addonizio questioned what was being changed about the bathroom.

Chairman Castellano stated he misspoke; it is the plan for the kitchen that is being changed.

Legislator Scuccimarra stated the original plan was to have a teaching kitchen, however that is no longer in the plan.

Legislator LoBue questioned where those plans are.

Legislator Scuccimarra stated the Highway & Facilities Department has the plans.

Legislator LoBue requested that Chairman Castellano send a letter to the Highway & Facilities Department requesting a copy of the plans.

Chairman Castellano stated a letter would be sent. He stated what is being considered tonight is the bond. He stated originally, the bond was going to be for \$500,000 and was increased to \$1 million when the \$500,000 donation was rescinded. He stated the amount was again changed to \$800,000 when the \$200,000 was cut. He stated the total amount of the project is \$1.3 million when the bond amount is added to the \$500,000 that will be received from the State.

Mr. Fanizzi stated she would like to see the details of the \$200,000 worth of work that was cut.

Legislator LoBue questioned if the \$500,000 from the State that was mentioned was the possible funding from Senator Sue Serino.

Chairman Castellano stated yes, Senator Sue Serino and Assemblywoman Sandy Galef are both expected to provide \$250,000 for the project. He stated to his knowledge the money is still there.

Ms. Fanizzi stated when Assemblywoman Galef spoke about this project she was rather dubious about the funding.

Legislator Scuccimarra stated that was because of the Ailes' donation agreement, which is no longer on the table.

Ms. Fanizzi questioned if the Legislature is confident that the \$250,000 will still be received.

Legislator Scuccimarra stated yes.

Ms. Fanizzi questioned what the determination on the SEQRA was.

Legislator Albano stated it is a type 2 action.

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

Item #9 - Approval/ Proposed Bond Resolution/ Butterfield Senior Center Project

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

Chairman Castellano stated the outline of the \$200,000 cutback that was received at the Physical Services Committee Meeting was then provided to the Committee.

Legislator Albano stated the breakdown shows the total amount of the project as \$1,280,800.01.

Legislator LoBue stated there is a person's name on the top of the outline that was handed out and questioned who that person is. She questioned if that is the person from the RFP.

Legislator Scuccimarra stated that is correct.

Legislator LoBue questioned how much the RFP was for.

Commissioner Carlin stated he would have to look to see how much the RFP was for.

Legislator LoBue stated that she would like to see the plans of what the inside of the center will look like.

Ms. Fanizzi questioned if the architect is the person employed by Mr. Ailes.

Chairman Castellano stated the architect went through an RFP.

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

Item #10 - Approval/ Budgetary Amendment 16A054/ Finance/ Butterfield Senior Center Project

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

Ms. Fanizzi stated there have been many figures going around in regards to how much this project will cost the taxpayers of Putnam County. She questioned if the Audit Committee could explore these figures.

Chairman Castellano stated as it stands, the County's portion of this project is the \$800,000 that is being bonded.

Ms. Fanizzi questioned how that amount translates to the taxpayers.

Chairman Castellano stated the figures that have been circulating have the cost of the interest added into them. He stated this senior center has been discussed and researched for quite some time and is in a part of the County that has been underserved. He stated this is a great deal for the residents on the western side of the County and it is a fair deal for the Putnam County residents to pay for. He stated the seniors are well deserving of this senior center.

Legislator LoBue stated under the former Administration, the Koehler Senior Center was built in Putnam Valley so accommodate the west side of the County, with transportation for seniors to get to and from the facility. She stated the term of this lease is 15 years, which comes to over \$4 million. She stated the County does not have the option to purchase the building until the 15 years are up. She also stated the population of seniors is small in that area.

Legislator Scuccimarra stated Philipstown has more seniors than anywhere else in the County and 23% of the population is over 60 years old.

Ms. Fanizzi stated she believes the percentage of seniors in Philipstown is lower than 23%.

Legislator LoBue stated the seniors in Philipstown are affluent and independent, and will not be using the senior center.

Legislator Scuccimarra stated not all of the seniors in Philipstown are affluent.

Chairman Castellano stated whether a senior is affluent or not, the senior center provides a place to socialize.

Legislator LoBue stated County Executive Walker stated that the highest sales tax comes from that side of the County.

Legislator Scuccimarra stated the property tax is the highest in that area.

Legislator LoBue stated the highest amount of sales tax comes from the Highlands Shopping Center in the Town of Southeast.

Office for Senior Resources Director Patricia Sheehy stated the percentage of people over the age of 60 in Philipstown that Legislator Scuccimarra mentioned was from the census.

Ms. Fanizzi stated according to the census Philipstown has over 9,000 residents and about 1,000 are seniors over 62 years old.

Director Sheehy stated right across from the proposed senior center is the Chestnut Ridge Apartment Complex which is a senior housing facility where about 100 seniors live. She stated these seniors would not be considered affluent.

Legislator LoBue stated Route 9 is the road in between Chestnut Ridge and the proposed senior center. She questioned how residents of Chestnut Ridge would get to the senior center.

Director Sheehy stated they have committed to run a shuttle to Chestnut Ridge because they do not want the seniors walking across Route 9. She stated that is just one (1) development that is right across the street. She stated right now on a daily basis, about 30 seniors come to the American Legion, which is not the best place for a senior center. She believes having the senior center at the Butterfield location will not only attract those seniors living in Chestnut Ridge, but seniors from all around the area. She restated they are committed to providing transportation from Chestnut Ridge. She stated she believes the figures from the census are correct. She stated although some residents on the western side are affluent, upon retirement income becomes fixed and the senior center serves as a place to gather, socialize, and receive proper nutrition.

Legislator Albano stated the proposed senior center site is a central location on the western side of the County.

Ms. Fanizzi stated under the former Administration, there was a proposal to build a senior center in Kent that would serve both Carmel and Kent. She stated the Town of Southeast has a small center in Lakeview. She stated there are many areas with large populations that are truly underserved.

Director Sheehy stated the center at Lakeview and the center that is currently in Kent are meeting places, not senior centers. She stated the center in Carmel was the first center built and it services Kent, Carmel, and Southeast. She stated there is a plan to move the administrative offices out and turn the 7,000 square feet into just a senior center. She stated when the center was proposed for the Town of Kent it was at a cost of \$11 million. She stated it is unusual to have a senior center in every town. She stated when the center in Carmel is improved many more seniors will be served. She stated the west side of the County must be served.

Legislator Addonizio stated a combined senior-community center in Cold Spring would be beneficial. She stated she believed residents would be more confident in the Legislature's decision.

Item #11 - FYI/ County's Deposits & Investments/ Second Quarter Ended June 30, 2016 – Duly Noted

Item #12 - Other Business

b. Approval/ SEQRA Determination/ \$800,000 Bond/ Butterfield Senior Center – See above

c. Approval/ Authorization/ Legislators to Attend September NYSAC Conference

Legislator Albano made a motion to waive the rules and accept the other business; Seconded by Chairman Castellano. All in favor.

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

Item #13 - Adjournment

There being no further business, at 8:35pm Chairman Castellano made a motion to adjourn; Seconded by Legislator Albano. All in favor.

Respectfully submitted by Administrative Assistant Beth Green.