

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

Members: Chairwoman Conklin, Legislators Birmingham & LoBue

Thursday **December 27, 2012**
(Immediately Following Eco Dev. at 6:30 PM)

The meeting was called to order at 6:44 P.M. by Chairwoman Conklin who requested Legislator Birmingham lead in the Pledge of Allegiance. Upon roll call, Legislators Birmingham, LoBue, and Chairwoman Conklin were present.

Item #3) Approval of Minutes – October 15, 2012

The minutes were approved as submitted.

Item #4a) Sales Tax Report

Commissioner of Finance William Carlin stated that the County is doing alright so far and we will see how we fair in the next two payments. The telltale one will be the final payment on January 15, 2013, it will be the reconciled distribution for the quarter and the year and we will see how we faired during Superstorm Sandy.

Item #4b) Board In Revenue Report

Commissioner Carlin stated it has picked up in the last month or so because our own population has gone down somewhat. Whenever they have the opportunity to make board-ins they do it. He does not know where they will be at the end of the year, precisely. If they can make it, they will.

Item #4c) Transfer/Revenue Report was duly noted.

Item #4d) Contingency/Sub-Contingency Report was duly noted.

Item #4e) OTB Report

Legislator Birmingham stated that he knows that Legislator Tamagna is plugged into this but the Governor vetoed Catskill-OTB joining NYC-OTB.

Legislator Tamagna stated that he is having breakfast the next morning with President and Chief Executive Officer of Catskill-OTB Donald Groth to discuss these issues.

Item #5a) Overtime/Temporary Report

Legislator LoBue stated that we are up to approximately \$65,000 over the budgeted overtime for the Highway and Facilities Department. She asked if it was the weather or the construction of the building.

Chairwoman Conklin invited Commissioner of Highways & Facilities Fred Pena forward to discuss the overtime usage in his department.

Commissioner Pena stated that he needs to take a closer look at these overtime reports to see what those numbers represent.

Legislator LoBue asked Commissioner Pena, as manager of the department, he does not know what the overtime was for?

Commissioner Pena stated not at this moment, no but, he will take a look at it.

Legislator LoBue stated that to date his department is over their budgeted overtime amount by \$65,000.

Commissioner Pena asked if Superstorm Sandy was included in this number.

Commissioner Carlin stated that it is and is probably a big part of it.

Legislator LoBue stated that she asked if it was Superstorm Sandy or the construction/renovation of the County Office Building.

Commissioner Pena stated that no construction/renovation of the County Office Building is done on overtime.

Chairwoman Conklin asked Commissioner Pena if he felt that the biggest impact was Superstorm Sandy.

Commissioner Pena stated he would imagine.

Legislator DiCarlo stated that we had discussed for 2013 to have monthly updates by each one of the department heads with regards to overtime, projects, what is being done and where they are at, so that the Legislature gets this update on a monthly basis so we can see that scope and sequence. Whoever the next Chairperson is, this is something we would like to have for next year.

Legislator LoBue stated that this was supposed to be part of the new account software. We were supposed to be able to see \$65,000 of overtime and know exactly how it was spent and how it was allocated. She asked Commissioner Pena that if she were to request a breakdown for what the \$65,000 in overtime was for, could he get her that?

Commissioner Pena stated he could do that.

Commissioner Carlin stated that County Auditor Alfano-Sharkey can go into the new accounting system and see what it was for as well. He further stated that he met with Deputy County Executive Bruce Walker today to talk about doing this form for every department and throwing in an important column that seems to be forgotten; even

though overtime is spent there is a cost, especially on the pension that comes in in the next year. Not only the legacy costs when that individual retires, he is speaking to the cost that affects the County budget for the next fiscal year. They will put a column in that form to show why it is so critical what is done in overtime in a year and to show why every department needs to rein it in.

Legislator Birmingham stated that this is a nuisance that he is just realizing. That the amount the County owes the New York State Employee Retirement System is based upon our prior year's actual salary including overtime? He stated it makes obvious sense to him but he is just realizing it.

Commissioner Carlin stated that is correct. That is why we are choosing to include this column in the report. We are going to apply the overtime dollars by the rate of the plan that individual is in and you are going to see that is a substantial number from 20-30% depending on what plan the individual is in, especially the Deputy Sheriffs, police and fire is the highest one.

Legislator Birmingham stated that if we are able to lower it or get it under control, other than the built in Albany math that is in there that makes it jack up every year, we might see a reduction based on what we can control.

Commissioner Carlin stated perhaps, based on what we can control but, unfortunately we cannot control the rates.

Chairwoman Conklin asked if the answer to the overtime is hiring more people, maybe part-time people.

Commissioner Carlin stated those are all things that need to be looked at. All of these things have to be considered. Do we cut back on the workload? Can we do every event? Can we do this, can we do that? At what point do we have to start saying, "no"? These are all things that are going to need to be considered next year and really the budget forces us to make those decisions next year because when you cut back the money you have to make changes. You cannot make changes if you do not cut back the money and the money has been cut back now.

Legislator DiCarlo stated that there is going to be a whole discussion in January up in Albany, they are going to have to look at this 2% cap. In light of the tragedy that took place earlier in December, we received a letter from the Superintendents of Schools requesting that we put School Resource Officers in every school and that we split the cost with the districts. This is happening across the country. We cannot continue to operate with the 2% cap. It will almost be an impossibility. The people want certain things. He stated that he can speak for Mahopac and he is sure Legislator Oliverio can speak for Putnam Valley, they are educators and he can speak for down in New Rochelle, that parents are clamoring and saying that "we will pay for it." He just wants everyone to know. January is in a couple of weeks and we are going to start having conversations. This is a reality check and we cannot continue with the 2% cap with a lot of what has gone on. It might be something that people do not want to hear but things

happen in the world and things happen in the country that change things forevermore. That is why he asked to have this information every month because he agrees with Legislator Birmingham and Commissioner Carlin that we really need to take a look at some of these lines and take a look at what we can do. For the betterment of all the people, we have to do what is right. We need to be as frugal as possible yet provide the services that people want. He stated last year in the budget process that a lot of times we already go in and have that microcosm look at things yet people do want certain things. Again, this is something that is out there and there will be a discussion but remember, it is not just about security it is also about mental health in this country. We, as a nation, have been cutting, cutting, cutting, mental health. Security and mental health, sadly, are the two issues that came up based on this tragedy that are going to be on the forefront that we as a Legislative body, because we control the money, are going to have to have those conversations all during the year, not just during budget time.

Legislator Albano stated that overtime is a last ditch effort. We need to think out of the box in the future. As the need for overtime arises, we might need to hire more part-time employees, eliminating the benefits. There is a workforce from 40-60 years old that would be perfect for that. That is something we need to see a lot more of and he believes that would curtail expenses.

Legislator LoBue stated it is a management issue. You cannot handle it after the money has been spent, you have to be proactive, you do it at the beginning of the year. Anyone that has been a manager knows, you know what the workload is and you need to spread it out evenly across the board. If there are specific needs then you have to come to the Legislature and tell us that there is a problem when there is a specific need. You do not spend the money and then come after the money has been spent. She further stated that Commissioner Pena, she is not specifying you but she is also looking at the Sheriff's Department. What the Sheriff's Department budgeted for overtime in 2012 is almost \$2 million. They have gone over the budgeted overtime amount by almost \$250,000. That is \$2.4 million in overtime for the Sheriff's Department in 2012.

Legislator Birmingham stated that to be fair some of this is temporary.

Legislator LoBue stated she understands the ebbs and flows and it depends on the traffic in the jail and specific events but this is \$2.4 million in overtime. She does not know what the percentage of their budget this is.

Item #5b) Approval/Budgetary Amendment (12A095)/Sheriff/Purchase Two Road Patrol Vehicles (also reviewed by Protective Services Committee)

Legislator LoBue asked if we were receiving this money.

Chairwoman Conklin stated that yes it is an increase in a revenue line and they are using it to purchase motor vehicles.

Commissioner Carlin stated that is correct.

Legislator Birmingham stated that we are using seized assets to buy non-budgeted vehicles. Is there any way to track these non-budgeted vehicles, whether they are purchase or granted, so when their useful life runs out they are not required to be replaced using tax dollars?

Commissioner Carlin stated yes, they can track that.

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

Item #5c) Approval/Budgetary Amendment (12A104)/ Emergency Services/Local Enhanced Wireless 911

Legislator Birmingham made a motion to pre-file the necessary resolution, seconded by Chairwoman Conklin.

By Roll Call Vote: Two Ayes. One Nay – Legislator LoBue. Motion Carries.

Item #5d) Approval/Budgetary Amendment (12A105)/ District Attorney/Asset Forfeiture Program – Use Funds Collected to Offset Program Expenses

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

Item #5e) Approval/Budgetary Amendment (12A106)/Highway/GIS Project

Commissioner Carlin stated that this is to continue our compliance with GIS as per MS4.

Legislator LoBue stated that she thought we already purchased GIS equipment this year.

Commissioner Carlin stated he thinks we did but it was a small piece and we have not done what is in this item.

Legislator LoBue asked if it was a duplicate.

Commissioner Carlin stated no, this is not a duplicate. This is to continue to bring us into compliance.

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

Item #5f) Approval/Budgetary Amendment (12A107)/Highway/NYSERDA Grant Adjustment

Legislator LoBue asked Commissioner Pena if he could elaborate on this item.

Commissioner Pena stated there was an original grant that was applied for and the objective was to do a certain scope. The scope was reduced and we were able to accomplish \$32,000 worth of that grant.

Commissioner Carlin added therefore, we are adjusting it down accordingly.

Legislator Birmingham asked Commissioner Pena if we were giving back a grant here.

Commissioner Pena stated that is correct, we are giving back a portion of it.

Legislator Birmingham asked if NYSERDA was asking for the money back or could we just change the scope of services?

Commissioner Pena stated the money was not received.

Commissioner Carlin stated that the time ran out on the scope of work, we never received the money, and this is a reimbursement.

Legislator Tamagna stated we are getting \$32,000 out of the \$150,000.

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

Item #6) Approval/Fund Transfer (12T390)/County Clerk/Purchase Cabinets & Map Copier & Scanner (also reviewed by Rules Committee)

Legislator LoBue asked if it was cabinets for the renovations.

Commissioner Carlin stated he would assume it is.

Legislator Birmingham made a motion to pre-file the necessary resolution, seconded by Chairwoman Conklin. All in favor.

Item #7) Approval/Fund Transfer (12T396)/Sheriff/Cover Internet Cost through Year End (also reviewed by Protective Services Committee)

Legislator Birmingham asked if this was for the new location.

Commissioner Carlin stated he was not sure but he could check.

County Auditor Alfano-Sharkey stated it is due to the new location.

Commissioner Carlin stated it is the new location and probably the monthly cost.

Legislator Birmingham made a motion to pre-file the necessary resolution, seconded by Chairwoman Conklin. All in favor.

Item #8) Approval/Fund Transfer (12T397)/Sheriff/Cover Narcotics Overtime Through Year End (also reviewed by Protective Services Committee)

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

Item #9) Approval/Fund Transfer (12T399)/Highway/Properly Classify Purchases through Year End (also reviewed by Physical Services Committee)

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

Item #10) Approval/Fund Transfer (12T409)/Sheriff/Cover Overtime & Temporary Time through Year End (also reviewed by Protective Services Committee)

Legislator Birmingham stated it has already been spent.

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

Item #11) Approval/Fund Transfer (12T411)/Sheriff/Capital Projects – Security Doors (also reviewed by Protective Services Committee)

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

Item #12) Approval/Fund Transfer (12T414)/Sheriff-Corrections/Cover Prisoner Board Out to Year End (also reviewed by Protective Services Committee)

Legislator Birmingham made a motion to pre-file the necessary resolution, seconded by Chairwoman Conklin.

By Roll Call Vote: Two Ayes. One Nay – Legislator LoBue. Motion Carries.

Item #13) Approval/Fund Transfer (12T415)/Sheriff-Corrections/Purchase Food through Year End (also reviewed by Protective Services Committee)

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

Item #14) Approval/Fund Transfer (12T416)/Sheriff-Corrections/Cover Jail Overtime through Year End (also reviewed by Protective Services Committee)

Legislator Birmingham stated obviously these individuals have already been paid. What kind of system can we setup to address this use of overtime? Maybe the Administration can have an overtime committee and once a department goes over certain thresholds of 50% or so they must go before that overtime committee.

Commissioner Carlin stated that they have that now with reports. He knows every dollar, where it is, how it is and how it gets up there. The issue is above him. It is not the system.

Legislator DiCarlo stated that if he is reading this correct they are taking money out of the electric line to cover this.

Commissioner Carlin stated that electric rates dropped. When this budget was put forth a year and a half ago and the energy costs were, at that time, going bonkers. Electricity ended up going down and now we signed a new deal with MEGA or some consortium group like that where the electric went down even more.

Legislator DiCarlo stated that it looks strange where you are taking almost \$85,000 out of electric to cover overtime costs.

Commissioner Carlin stated that in future budgets we have adjusted for the decrease in electric costs.

Chairwoman Conklin stated that is the thing that we talked about during budget that people put money in different lines so they can pull it out for things they need.

Legislator Birmingham stated that to Legislator DiCarlo's point if you look at Item #12 again, similarly \$61,000 was taken out of the machine maintenance line. There is a lot of padding in lines and some may argue that is smart budgeting in a sense that we can get it from here or contingency or fund balance. You are never going to get budgets down to the penny. Budgets and needs change throughout the year. These two instances are illustrative.

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

Item #15) Approval/Fund Transfer (12T417)/Sheriff-Corrections/Cover Jail Overtime through Year End (also reviewed by Protective Services Committee)

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

Item #16) Approval/Fund Transfer (12T418)/Sheriff-Corrections/Cover Transport Overtime through Year End (also reviewed by Protective Services Committee)

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

Item #17) Approval/Fund Transfer (12T419)/Finance/Due to Amount of Public Improvement Bond

Legislator LoBue asked Commissioner Carlin which contracts this was going to be applied to.

Commissioner Carlin stated specifically it would be bond counsel, they are paid depending on the size of the borrowing and we borrowed more this year because rates were so low. We saved a tremendous amount of money.

Chairwoman Conklin made a motion to pre-file the necessary resolution, seconded by Legislators Birmingham and LoBue. All in favor.

Item #18) Approval/Fund Transfer (12T430)/Planning/Cover Building Maintenance to Year End

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

Item #19) Approval/Fund Transfer (12T431)/Board of Elections/Purchase of New Computer for Voting Machines Technicians

Legislator LoBue asked if we knew what kind of computer this is? She further stated that \$4,000 is a pretty significant computer. Was this purchased already?

Commissioner Carlin stated no it has not been purchased already, it would have to be encumbered first.

Legislator Birmingham stated that if we do not pass this resolution they cannot encumber it.

Commissioner Carlin stated that is correct. Then this department would have to use 2013 funds to purchase this computer. It can be passed and then the County Auditor can watch their purchase. The Legislature can find out before the end of the year or set a condition on it.

Legislator Birmingham stated that to be honest, if the Commissioners of Elections stated that they have a computer they are going to purchase and that they need it, Legislator Birmingham himself is not in a position to second guess the Commissioners.

Legislator LoBue stated that for the record, the Legislature has been asking for detail. This item just says purchase of new computer for voting machine technicians. She further stated that \$4,000 in her mind is a lot of money for a computer.

Commissioner Carlin stated that the Department should have specifications for the computer already drawn up it is just not attached.

Legislator Tamagna stated it could also be for a diagnostic piece of equipment. They do have their own shop there and do their own maintenance.

Commissioner Carlin stated the Committee can put it to next month; he will not close the 2012 books.

Legislator Birmingham asked, then 2012 dollars can still be used?

Commissioner Carlin stated that is correct. He further stated that he will make his announcement at the department head meeting like he does every year that transfers must be detailed and there should be backup with it.

Legislator DiCarlo stated that if something is not detailed enough it should be kicked back. He is not singling out the Board of Elections but, if any request is not detailed enough it should be kicked back by the Finance Department.

Commissioner Carlin stated that it usually is. It is just because it is the end of the year.

Legislator Birmingham made a motion to table this item to the January 2013 Audit Committee meeting, seconded by Legislator LoBue. All in favor.

Item #20) Approval/Fund Transfer (12T432)/DSS/Cover Projected Year End Costs for Local Share OMH State Facility Admissions

Commissioner Carlin stated that he knows that \$50,000 seems like a great deal of money but in these programs that might cover one child.

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

Item #21) Approval/Fund Transfer (12T434)/DSS/Reallocate to Reflect Projected MA Transportation

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

Item #22) Approval/Fund Transfer (12T435)/DSS/Reallocate to Reflect Projected Title XX Transportation

Legislator LoBue stated that she is just curious as to why, according to the transfer information, would we be paying non-employees for travel?

Commissioner Carlin stated that if you make below a certain income level and you are traveling to get to work, that is what this is referring to.

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

Item #23) Approval/Fund Transfer (12T437)/DSS/Reallocate to Reflect Projected Increase in Cost of EAF Placements

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

Item #24) Approval/Fund Transfer (12T438)/DSS/Reallocate to Reflect Projected Costs

Legislator Birmingham stated that there is some discussion in Albany about this.

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

Item #25) Approval/Fund Transfer (12T439)/Law Department/Cover Legal Services

Legislator LoBue stated that she would like to have a breakdown for this. She will be a “no” vote on this item until she receives a breakdown of where and what bills this money is being applied to.

Chairwoman Conklin asked if this was for judgments.

Commissioner Carlin stated that this is for the Outside Counsel line for the Law Department, he is not aware of the specific cases though.

Chairwoman Conklin made a motion to pre-file the necessary resolution, seconded by Legislator Birmingham.

By Roll Call Vote: Two Ayes. One Nay – Legislator LoBue. Motion Carries.

Item #26) Approval/Tax Refund/Hugh & Martha Courtney/Town of Patterson Tax Map #25.62-1-6

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

Item #27) Approval/County Procurement Policy/Purchasing Department Designees

Legislator Tamagna asked why this item was not being done at the 2013 Organizational Meeting.

Clerk of the Legislature Diane Schonfeld stated that it will be on the 2013 Organizational meeting agenda and will not be on the Full Legislative meeting that will follow the present Audit Committee meeting. It needed to go through Committee and this is the last Committee meeting before the 2013 Organizational meeting.

Legislator Birmingham made a motion to pre-file the necessary resolution, seconded by Chairwoman Conklin. All in favor.

Item #28) Schedule of Revenues/Fines Levied by Boards/FYI was duly noted.

Item #29) Other Business

Legislator Birmingham made a motion to waive the rules and accept the Other Business items, seconded by Legislator LoBue. All in favor.

Item #29a) Approval/Budgetary Amendment (12A109)/Sheriff/Town of Carmel Marine Patrol

Commissioner Carlin stated that the County received the bills from the Town of Carmel and the County needs to cut the Town of Carmel a check before December 31, 2012 or they have to wait until 2014 to be paid.

Legislator Birmingham asked if this was 100% reimbursable.

Commissioner Carlin stated that is correct, marine patrol is 100% reimbursable.

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

Item #29b) Approval/Fund Transfer (12T421)/County Clerk/Cover Cost of Books

Legislator Birmingham made a motion to pre-file the necessary resolution, seconded by Chairwoman Conklin.

By Roll Call Vote: Two Ayes. One Nay – Legislator LoBue. Motion Carries.

There being no further business, at 7:24 P.M., Legislator Birmingham made a motion to adjourn, seconded by Legislator LoBue. All in favor.

Respectfully submitted by Krista M. Butler, Administrative Assistant.