

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

Members: Chairman Castellano and Legislators Ellner & Gouldman

Monday **March 27, 2023**
(Immediately following the Personnel Committee Meeting beginning at 6:30pm)

The meeting was called to order at 6:50pm by Chairman Castellano who requested Legislator Gouldman lead in the Pledge of Allegiance. Upon roll call Legislators Ellner and Gouldman and Chairman Castellano were present.

Item #3 – Correspondence/County Auditor

a. Sales Tax Report

Legislator Gouldman stated the County has collected about \$1 million more in sales tax revenue as compared to the same time period in 2022.

Legislator Ellner questioned if the revenue on the spreadsheet for January and February 2023 were estimates or actual numbers.

Commissioner Carlin stated the spreadsheet lists the actual numbers.

Legislator Montgomery requested that the numbers be read into the record.

Chairman Castellano stated the sales tax revenue collected in February 2023 is \$5,979,925 which is up \$932,334 over February 2022.

b. Board In Revenue Report – Duly Noted

c. OTB Report

Commissioner Carlin stated Putnam County Representative to the Catskill Regional OTB Board Vincent Tamagna has been invited to the April 24, 2023 Audit & Administration Committee Meeting to provide an update to the Committee.

d. Transfer/Revenue Report – Duly Noted

e. 2022 & 2023 Contingency/Subcontingency Report – Duly Noted

Item #4 – Correspondence/ Commissioner of Finance

a. Overtime/Temporary Report – Duly Noted

b. Approval/ Budgetary Amendment 22A092/ Finance/ Year End Entry #3

Commissioner Carlin stated this is the last Year End Entry and it mainly closes out a lot of capital projects. He stated that included in this budgetary amendment is the \$2 million infusion into the capital reserve, which County Executive Byrne spoke about in his State of the County address. He stated this is money that cannot be spent until it is brought before the Legislature for approval. He stated these funds are recommended by the necessary department to the Legislature and they are approved via a CP (capital projects) resolution. He stated there are projects coming up that will request this funding at the Kohler Center and the 6N Highway Garage.

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

c. Approval/ Budgetary Amendment 23A009/ Dept. of Social Services & Mental Health/ Utilize Opioid Settlement Trust Monies to Fund Prevention Programs (Also reviewed in Health)

Legislator Montgomery stated she is happy to see funding going to the Prevention Council of Putnam so they can keep a position that had been funded through a grant. She stated she is looking forward to seeing what kind of proposals come in for the remainder of the Opioid Settlement money.

Commissioner Carlin stated the National Settlement Agreement has a list of approved uses for the funding. He stated the County has committed to using everything in the Settlement Funds for the approved uses.

Legislator Montgomery stated the approved uses are not restrictive; they leave a lot of room for interpretation.

Commissioner Carlin agreed, there are extensive approved uses.

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

Item #5 – Approval/ Fund Transfer 23T048/ Finance/ Tilly’s Table Insurance

Commissioner Carlin stated a post-audit was done. He stated Tilly’s Table has had lots of activity and successful years and the insurance bill increases accordingly.

Chairman Castellano stated Tilly’s Table is a great facility and he would like to see the continuation of its success.

Legislator Gouldman questioned if the County is indemnified on the insurance of the operator of Tilly’s Table and the Putnam County Golf Course.

Commissioner Carlin suggested contacting Risk Manager Mat Bruno for the detailed insurance information. He stated the operators of the facilities have their own insurance as well.

Legislator Gouldman questioned why the County needs insurance if the operators' insurance indemnifies the County. He stated in the event of something happening, the business owner should be responsible for making the owner of the property whole.

Legislator Nacerino stated both the operator and the County each have an insurance policy.

Legislator Ellner stated the increased premium is due to increased sales and questioned what the increase was.

Commissioner Carlin stated there is a chart attached to the backup material showing the estimated exposure and audited exposure. He stated the bill is for both the Putnam County Golf Course and Tilly's Table.

Legislator Montgomery questioned how often the County shops around to change our insurance carrier.

Chief Deputy Commissioner of Finance Mike Lewis suggested directing that question to Risk Manager Bruno.

Commissioner Carlin stated the County's basic insurance policies are through NYMIR (New York Municipal Insurance Reciprocal).

Legislator Montgomery questioned if the insurance is renewed each year.

Commissioner Carlin stated that is correct.

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

Item #6 – Approval/ Fund Transfer 23T054/ Finance/ Office for Senior Resources/ Reclassification (Also reviewed in Personnel)

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

Item #7 – Approval/ Fund Transfer 23T058/ Health Dept./ Correctly Allocate Funding for McGuinness Software (Also reviewed in Health)

Chairman Castellano made a motion to approve Fund Transfer 23T058; Seconded by Legislator Ellner. All in favor.

Item #8 – Approval/ Fund Transfer 23T065/ District Attorney/ Reclassification (Also reviewed in Personnel)

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

Item #9 – Approval/ Fund Transfer 23T067/ Sheriff’s Dept./ Move Funds from Vehicle Purchase Line to Vehicle Lease Line (Also discussed in Protective)

Chairman Castellano stated leasing vehicles will result in a cost savings and provide the County with a better product in the long run.

Legislator Nacerino stated at the Protective Services Committee Meeting it was made clear that leasing vehicles is the best option for the County on a multitude of levels. She stated there is no cap on the mileage and the vehicles will be traded in, keeping the fleet in good condition. She stated she hopes the County begins utilizing electric vehicles as well.

Legislator Ellner stated the fleet will also be more fuel efficient.

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

Item #10 – Approval/ County Auditor to Attend Association of Local Government Auditors 2023 Annual Conference held Virtually

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

Item #11 – Local Law to Amend Chapter 41, Section 41-5 of the Code of Putnam County Entitled “Deposit & Investment Policy”

Item #12 – FYI/ Signature Bank Update

Commissioner Carlin addressed items #11 & #12 together. He stated on March 12, 2023 Signature Bank was closed by the Federal Government due to a part of their bank being involved in a cryptocurrency which caused a run on the bank. He stated the funds Putnam County had in Signature Bank were safe for two (2) reasons: the Federal Government announced they would make all depositors whole and our investment policy requires that every bank we do business with collect collateral at 102% of market value. He stated the County had about \$36 million in the bank and the money was moved out. He stated moving the money was a swift and easy process. He stated the employees who service our accounts were great through the whole process. He stated the County is looking for new alternatives, one of which is a product called “Muninvest”, a municipal pool endorsed by NYSAC (New York State Association of Counties). He stated Signature

Bank has been removed from the list of depositories and funding levels have been adjusted accordingly.

Legislator Gouldman thanked Commissioner Carlin for his fast response to this issue.

Legislator Jonke thanked Commissioner Carlin for handling this situation well and putting him at ease when the news broke.

Commissioner Carlin stated Signature Bank was a good partner to work with.

Chairman Castellano questioned if there was a local branch of Signature Bank.

Commissioner Carlin stated there was one in Westchester.

Legislative Counsel Firriolo stated the final version of this local law may look a little different in format to comply with E-Code but will be substantially identical.

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

Legislator Ellner questioned if the County would consider going back to Signature Bank now that it has been purchased.

Commissioner Carlin stated yes, once the sale is fully finalized and the County is able to go through all of the collateral and agreements.

Legislator Montgomery thanked Commissioner Carlin.

Item #13 – FYI/ County’s Deposit & Investment Policies/ Fourth Quarter Ending 12/31/2022 – Duly Noted

Item #14 – Other Business – None

Item #15 – Adjournment

There being no further business at 7:20pm, Chairman Castellano made a motion to adjourn; Seconded by Legislator Ellner. All in favor.

Respectfully submitted by Administrative Assistant Beth Robinson.