

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

Members: Chairwoman Crowley and Legislators Regan & Russo

Monday **July 27, 2026**
(Immediately following the Economic Development Mtg. beginning at 5:00pm)

The meeting was called to order at 5:12pm by Chairwoman Crowley, who requested Legislator Russo lead in the Pledge of Allegiance. Upon roll call, Legislator Russo and Chairwoman Crowley were present. Legislator Regan was absent.

Item #12a. – Other Business – Approval – Budgetary Transfer 26T183 – Subcontingency – Second Chance Foods and Cornell Cooperative Extension (Approved in concept at Health)

Chairwoman Crowley made a motion to waive the rules and accept other business #12a; Seconded by Legislator Russo. All in favor.

Chairwoman Crowley stated this item would be addressed first.

Legislator Birmingham questioned if the item pertains to the food insecurity item put forward by Legislator Montgomery.

Chairwoman Crowley confirmed it is and that a request was made to go out order to accommodate the schedules of those present to speak to this. She recognized that Legislator Montgomery was not yet present and stated her intention to leave the item open through the end of the meeting.

Legislator Birmingham stated Legislator Montgomery may have questions for the department heads present to speak to this. He stated he is an ex officio member of the Committee and he does not agree with going out of order, which requires a unanimous vote.

Chairwoman Crowley stated ex officio members do not have voting power.

Legislative Counsel Heather Abissi stated that is correct, however a unanimous vote on this is impossible because not all Committee members are present.

Chairwoman Crowley stated she would like to appoint Legislator Gouldman to the Committee in Legislator Regan's absence.

Legislator Birmingham stated the Chair of the Legislature appoints to committee. He stated his point is that the Legislator who proposed the legislation is not present.

Chairwoman Crowley stated this meeting has been noticed on the calendar for weeks.

Legislator Birmingham stated this evening's meeting began at 5:00pm which is an hour earlier than the majority of other Legislative Committee Meetings. He stated the time of this meeting was amended late last week.

Chairwoman Crowley stated her intention to schedule the Audit & Administration Committee

Meeting at 5:00pm moving forward. She agreed to hold off on this item for now.

Item #3 – Acceptance of Minutes – May 21, 2026 & June 29, 2026

The minutes were accepted as submitted.

Item #4 – Correspondence – County Auditor

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

Item #5 – Correspondence – Commissioner of Finance

- a. **Approval – Budgetary Amendment 26A055 – Sheriff – Funds Received from NYS Sheriffs Association Inc. for DRE Trainings for Overtime (Also reviewed in Protective – Item #12)**

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

- b. **Approval – Budgetary Amendment 26A056 – Sheriff – Reclassify Revenue Funding Streams (Also reviewed in Protective – Item #13)**

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

- c. **Approval – Budgetary Amendment 26A057 – Sheriff – Insurance Recoveries from Accident (Also reviewed in Protective – Item #14)**

Legislator Birmingham commended Risk Manager Mat Bruno for his efforts to recover insurance proceeds on behalf of Putnam County taxpayers.

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

- d. **Approval – Budgetary Amendment 26A059 – Sheriff – Funds Received from US Capital Police for Overtime Security at Lawler Town Hall Event in April (Also reviewed in Protective – Item #15)**

Chairwoman Crowley stated she would recuse herself from this item because of her employment with Congressman Lawler.

Legislative Counsel Abissi stated a recusal was appropriate.

Legislator Birmingham appointed Legislator D'Angelo to the Committee for this item.

Legislator Russo made a motion to pre-file the necessary resolution; Seconded by Legislator D'Angelo. Two Ayes. One recusal: Chairwoman Crowley. Motion carries.

- e. Approval – Budgetary Amendment 26A060 – Finance – Fund County Park and Fire Training Center Communications, Security and Access Control Capital Project (Also reviewed in Physical – Item #9)**

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

- f. Approval – Budgetary Amendment 26A061 – Finance – Amend 2026 CHIPS County Capital Project Budget to Equal NYS Budget (Also reviewed in Physical – Other Business #11a)**

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

- g. Approval – Budgetary Amendment 26A062 – Sheriff – Reimbursement from NYS Sheriff’s Association for DRE Recertification (Also reviewed in Protective – Item #16)**

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

- h. Approval – Budgetary Amendment 26A063 – Sheriff – Utilize Federal Seized Assets to Replace 2 Motorcycles in Fleet (Also reviewed in Protective – Item #17)**

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

- i. Approval – Budgetary Amendment 26A064 – Legal Aid Society – Pass through Award from NYS DOCJ for Aid to Defense (Also reviewed in Protective – Item #18)**

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

- j. Approval – Budgetary Amendment 26A065 – Sheriff – Corrections – DASNY Grant Award to Purchase Specialized Inmate Transportation Vehicle (Also reviewed in Protective – Item #19)**

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

- k. Approval – Budgetary Amendment 26A066 – Health Dept. – School Flu Clinics (Also reviewed in Health – Item #6)**

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

**Item #6 – Approval – Fund Transfer 26T146 – Finance – MTA Railroad Station Maintenance
(Also reviewed in Physical – Item #5)**

Chairwoman Crowley made a motion to waive the rules and accept the additional; Seconded by Legislator Russo. All in favor.

Legislator Montgomery stated she contacted Putnam County's MTA representative, Neal Zuckerman, regarding questions raised about the annual railroad station maintenance charge. She stated the obligation is imposed pursuant to Section 1277 of the New York Public Authorities Law and covers the operation, maintenance and use of passenger stations, including station buildings, platforms, lands and adjacent approaches. She stated Putnam County's statutory base amount was established in 1999 and is adjusted annually based on the Consumer Price Index. She stated the current adjustment increased the County's bill by over \$45,000 and explained that if the County did not pay the bill, the MTA could certify the unpaid amount to the State Comptroller and future aid would be withheld. She thanked Mr. Zuckerman and Acting Commissioner of Finance Alexandra Gordon for providing the requested information.

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

**Item #7 – Approval – Fund Transfer 26T153 – DPW – Donald B. Smith Building Renovations
(Also reviewed in Physical – Item #6)**

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

Item #8 – Approval – Fund Transfer 26T170 – Finance – Reclassification – Account Clerk to Senior Account Clerk as of June 1, 2026 (Also reviewed in Personnel – Item #5)

Chairwoman Crowley made a motion to pre-file the necessary resolution; Seconded by Legislator Russo. All in favor.

Item #9 – Approval for Signature – Fund Transfer 26T174 – Sheriff – Mini PCs to Run Merlin Core Camera Feeds (Also reviewed in Protective – Item #20)

Chairwoman Crowley questioned whether the use of Merlin Core required a licensing agreement or legal approval and whether the applicable vendor was included on the County's approved vendor list.

Legislative Counsel Abissi stated she would have to look into that.

County Auditor Michele Sharkey clarified that the item before the Committee was a signature item for the purchase of hardware; the computers used to run the camera feeds from Amazon, which is an approved vendor.

Chairwoman Crowley stated she would request additional clarification regarding the software.

Legislative Counsel Abissi stated Sheriff Hess indicated this is an update to software already in use so the vendor may already be approved.

Chairwoman Crowley made a motion to approve Fund Transfer 26T174; Seconded by Legislator Russo. All in favor.

Item #10 – Discussion – Requested Information from Finance Department

a. Deposit Amount in each Official Depository

Legislator Birmingham thanked Acting Commissioner Gordon for responding so quickly and providing the information. He questioned why the number of possible depositories had increased to 48 when in years past there were about 12. He asked whether reducing the number would create an administrative burden. He recognized that not all depositories have funds in them.

Acting Commissioner Gordon stated she believes maintaining a broader list gives the County flexibility to compare interest rates and obtain better returns. She stated Finance can use competing rates to negotiate with institutions and that having more approved options is not an administrative burden.

b. 2025 Annual Financial Information and Operating Data

Acting Commissioner Gordon stated the 2025 Annual Financial Report had been submitted to the Office of the State Comptroller and remained unaudited and subject to questions or corrections from the State.

Legislator Birmingham requested that the Legislature receive a copy of the report when it is filed in April and noted that the information is public. He stated the report provides an earlier indication of the County's year-end financial position and fund balance before completion of the independent audit.

c. Fund Balance Information

Acting Commissioner Gordon stated the fund balance information provided was as of December 31, 2025. She explained that a June 30, 2026 fund balance analysis would be difficult to accurately prepare because expenditures and journal entries remain in process throughout the year. She stated assigned and restricted fund balance categories generally do not change as frequently and provided the most current information available.

Legislator Birmingham stated he requested the information to better understand the mechanics by which fund balance is classified and assigned. He referenced approximately \$5.5 million assigned for retirement expenses in prior audited figures and questioned how such assignments are formally made and documented. He stated the Legislature delegated authority to the Commissioner of Finance in 2012 to assign fund balance and expressed interest in whether the Legislature should consider reassuming that authority in order to provide greater transparency. He clarified this is no criticism of the Finance Department.

Acting Commissioner Gordon stated fund balance assignments have been made by the Commissioner of Finance since 2012, generally during the budget process and with guidance from the County's independent auditors to ensure compliance with State requirements. She stated allocations are made based on anticipated County needs such as known retirements in the coming year.

Legislator Birmingham referenced approximately \$71 million in assigned fund balance for subsequent-year expenditures and approximately \$78 million in unassigned fund balance, for a combined amount approaching \$150 million in non-reserve fund balance. He stated those

amounts are separate from restricted reserves and expressed concern that significant taxpayer funds remain available while the County continues to levy taxes. He stated the Legislature should consider how those funds may be used in future budgets, including the possibility of reducing the tax levy. He referenced the County's Fund Balance Classification Policy and stated it addresses several Governmental Accounting Standards Board (GASB) 54 classifications but does not clearly establish a policy for how assigned fund balance is allocated. He stated he intends to continue the discussion through the Budget & Finance Committee and would like the Legislature to review fund balance levels and policies in greater detail before the 2027 budget process. He thanked Acting Commissioner Gordon for the information provided.

Soil & Water Conservation District (SWCD) Board Chair Cassandra Roth questioned whether the County's Annual Financial Report (AFR) is made publicly available and specifically referenced the reporting of Soil & Water Conservation District revenues and expenditures in prior years. She questioned whether the AFR is subsequently reconciled with the County's independent audit and whether any revisions are returned to the Legislature.

Acting Commissioner Gordon stated the AFR is submitted to the New York State Comptroller and may be reopened by the State if questions or corrections arise. She stated the independent audit must ultimately agree with the AFR and adjustments may require the report to be resubmitted. She stated she would provide requested financial information to the Legislature and would confirm how and where the final AFR is publicly posted.

SWCD Chair Roth questioned language in the County's investment and depository procedures concerning collateralization and authorization by telephone. She stated the language appeared to permit financial instructions by telephone and questioned how those transactions are documented and protected against fraud.

Legislative Counsel Abissi stated a prior policy amendment changed the collateralization protocol from requiring written authorization to allowing telephone confirmation.

Acting Commissioner Gordon stated current practice generally involves written electronic communication followed by telephone verification and stated the policy language could be reviewed.

Legislator Birmingham requested Finance to identify any penalties or breakage costs that could result from withdrawing funds from current certificates of deposit or other investments before maturity, so the Legislature can evaluate the practical impact of using additional fund balance for taxpayer relief

Item #11 – FYI – Guiderail and Property Damage Report – Duly Noted

Item #12a – Other Business – Approval – Budgetary Transfer 26T183 – Subcontingency – Second Chance Foods and Cornell Cooperative Extension (Approved in concept at Health)

Item #12b – Other Business – Release of \$150,000 from Subcontingency for Countywide Food Security Initiative

Chairwoman Crowley made a motion to waive the rules and accept the other business; Seconded by Legislator Russo. All in favor.

Chairwoman Crowley stated items #12a and #12b would be addressed simultaneously.

Legislator Montgomery stated \$150,000 had been placed in subcontingency during the 2026 budget process to address food insecurity in Putnam County. She stated that a proposal was developed to distribute the funding through existing County contract agencies. was also funding allocated for immediate use however it was not distributed because SNAP (Supplemental Nutrition Assistance Program) was reinstated. She stated this proposal being considered this evening would provide \$100,000 through Cornell Cooperative Extension and \$50,000 through Second Chance Foods and would permit eligible expenses as detailed in the resolution. She stated administrative expenses would be limited to 10% and an implementation plan and quarterly reporting would be required.

Chairwoman Crowley stated she supports using the \$150,000 to address food insecurity but believes the Legislature should review an implementation plan before the funds are disbursed. She questioned how the money would be distributed throughout the County, what roles the Department of Social Services and Office for Senior Resources would have, and how the County would ensure the allocation reflects countywide need. She stated the resolution seems to favor the western side of the County to make up for Meals on Main, which is no longer in operation there.

Legislator Birmingham stated the action before the Committee would move the funding from subcontingency into existing budget lines and would not itself disburse the money. He stated the implementation plan and existing contract requirements would provide safeguards before payment and compared the structure to other County outside agency programs. He stated delaying the transfer could postpone assistance to residents who are currently experiencing food insecurity.

Legislative Counsel Abissi clarified that the action would appropriate the funds but not disburse them. She stated the implementation plan required by the proposal would need to be provided before the money could be released.

Acting Commissioner Gordon stated the funds could be segregated through a project code or similar accounting mechanism so Finance could ensure invoices are paid only for the specified purpose. She stated Finance would need clear guidelines in place before processing expenditures under the existing contracts.

Director of the Office for Senior Resources Marlene Barrett requested clarification on how payment works.

Acting Commissioner Gordon stated there is an existing contract, therefore the invoices are paid from the lines where the funds have been allocated.

Legislator Birmingham stated the payments are reviewed by the Finance Department and County Auditor.

Chairwoman Crowley questioned how to ensure the funds will be equally distributed throughout the County.

Director Barrett stated the implementation plan would provide that information.

Commissioner of the Department of Social Services Sara Servadio stated \$150,000 is going to go a long way. She recognized the value in having a plan ahead of time but also spoke to the need for flexibility to respond to changing needs.

County Auditor Sharkey stated any approved requirements could also be incorporated into contract amendments, providing an additional safeguard before expenditures are paid.

Legislator Montgomery stated the proposal was intentionally written to remain flexible while establishing safeguards, including the \$100,000 and \$50,000 allocations, an implementation plan, quarterly reporting, a 10% administrative cap and legislative approval for material changes. She stated equitable distribution does not necessarily mean evenly throughout the County. She stated the Department of Social Services, Office for Senior Resources and contract organizations are in the best position to coordinate distribution and expressed concern that further delay would postpone needed assistance. She stated she does not see the need to micromanage this.

Legislator Birmingham stated he had initially preferred that all of the funding be used directly for food but believed the 10% administrative cap was reasonable because the outside agencies would incur personnel costs in administering the program. He reiterated that residents need assistance now and encouraged the Committee not to delay the program unnecessarily.

Legislator Sayegh agreed that this plan would need to remain fluid to be able to address the needs of the residents who are facing food insecurity. She referenced the flood at the St. John's food pantry in Mahopac, which had a real impact on residents who relied on it. She stated the Mahopac Library is accepting food donations to try to assist since St. John's food pantry had to shut down.

Director Barrett clarified that her intention is not to micromanage the funds, but to ensure they are distributed without prejudice.

Chairwoman Crowley made a motion to postpone Budgetary Transfer 26T183 pending receipt of a detailed implementation plan; Seconded by Legislator Russo. All in favor.

Commissioner Servadio requested that the matter be addressed as soon as possible because food-assistance needs are expected to continue into the fall.

Chairwoman Crowley stated she would be willing to call a special Audit & Administration Committee meeting to continue the discussion once the requested information is available.

Item #13 – Adjournment

There being no further business at 6:29pm, Chairwoman Crowley made a motion to adjourn; Seconded by Legislator Russo. All in favor.

Respectfully Submitted by Deputy Clerk Beth Robinson.