

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

Members: Chairman Castellano, Legislators Sullivan & Jonke

**Thursday May 25, 2017
(Immediately Following Special Personnel Mtg. & Special Full Mtg. beginning at 6:00pm)**

The meeting was called to order at 6:22 p.m. by Chairman Castellano who requested that Legislator Sullivan lead in the Pledge of Allegiance. Upon roll call Legislator Jonke, Legislator Sullivan, and Chairman Castellano were present.

Item #3 - Approval of Minutes – April 24, 2017

The minutes were approved as submitted.

Item #4 - Discussion/ Rescue 911 Campaign – Surcharge on all Prepaid & Postpaid Devices

Commissioner of Finance William Carlin stated when 911 began, it was only for hard lines and the \$0.30 charge was supposed to cover the cost of the program, which it likely did back then. He stated currently, less revenue is collected from the hard lines due to the usage of cell phones increasing. He stated whether a cell phone is prepaid or postpaid determines if the surcharge is paid. He stated no matter what type of payment, the surcharge should be applied and that is what the State is trying to correct. He stated in terms of Putnam County, about \$583,000 is collected in surcharge revenue; however the expense is about \$1.85 million therefore the taxpayers are picking up the remainder of over \$1 million.

Legislator Jonke questioned if the amount collected through the surcharge ever covered the cost.

Commissioner Carlin stated in the 1990's it was closer to covering the cost. He stated today, the technology has advanced and 911 has gone to E-911. He stated in the future voiceover internet protocol will also be discussed. He stated the reason it is in the budget is to level the playing field.

Chairman Castellano clarified that currently, the surcharge is being applied to landlines.

Commissioner Carlin stated the surcharge is being applied to both the landline and postpaid cell phones. He stated this campaign would address the prepaid cell phones.

Chairman Castellano questioned if the majority of phones would be landlines and postpaid cell phones.

Chairman Castellano stated prepaid cell phones are getting more popular.

Commissioner of Bureau of Emergency Services Anthony Sutton stated people utilize prepaid cell phones because they do not want to have a contract. He stated there is also a trend of people using their home phone less and less. He stated prepaid cell phones are widely available and it is easy to purchase more minutes for them. He stated the cell phones that are able to be tracked are decreasing. He stated at a future date, a discussion should be had about voiceover internet phones, because the surcharge is not being captured with them either.

Commissioner Carlin stated State legislation is needed to collect the surcharge on voiceover internet phones. He stated the surcharge collection for prepaid and postpaid cell phones that is being discussed tonight already has State legislation.

Commissioner Sutton stated an advantage is that Taxation & Finance will handle the transaction. He stated this is a great initiative by the New York State Association of Counties (NYSAC).

Legislator Albano stated when he was at the NYSAC Conference in January it was mentioned to him that not all the money collected through the surcharge goes where it is supposed to.

Commissioner Sutton stated the money collected from cell phones does not go where it should go. He stated it was initially intended for 911 centers and Enhanced 911. He stated a good portion of it goes into the general fund and the State Police receive a portion of it as well to run their dispatch centers. He stated when the cellular answering points were being developed at the beginning of 911 every County had the opportunity to sign on and take it over. He stated at the time, the offer was that the State would purchase the equipment and set up the 911 centers, however the personnel costs were put on the Counties. He stated today, wireless communication is growing and the cellular answering points are needed. He restated that a good portion of the money goes into the general fund. He stated there is a lot of opposition, particularly upstate. He stated the Sheriffs upstate are constantly fighting to get their cellular money.

Legislator Albano stated this campaign is a step in the right direction.

Legislator Sullivan questioned if there is an estimate of how much money this may generate.

Commissioner Carlin stated NYSAC provided an estimate of \$50,000-\$75,000, however the exact amount will not be known until it goes into effect.

Legislator Jonke questioned if the surcharge of \$0.30 that was in place in the 1990's is still in place.

Commissioner Carlin stated yes. He stated in order to raise the surcharge, State legislation would be required.

Commissioner Sutton stated State legislation would be required because only Counties with a population in the millions can change the amount on their own. He stated the ultimate solution would be to increase the surcharge. He stated he does not believe that the majority of people would mind having an extra \$1 charge on their cell phone bill. He stated it is a painless change that would go a long way for staffing and equipping 911 centers. He stated there is a periodic replacement in the 911 centers that is currently funded by taxpayer dollars. He stated he believes the surcharge would help with these costs; however surcharges are not a popular initiative.

Legislator Sullivan questioned if the surcharge is only collected once, upon the sale of the prepaid phone or if is on a monthly basis.

Commissioner Carlin stated he is unaware of when the surcharge is collected.

Commissioner Sutton stated he tried to research that, however there are many vendors of prepaid phones. He stated the purchase of minutes for a prepaid phone can be done through the phone itself by providing a credit card, or by going to a store and buying a pre-loaded card and entering the serial number.

Senior Deputy County Attorney Shannon Brady stated the law provides for a \$0.30 surcharge per retail sale, which means it is charged at the time of the sale.

Chairman Castellano clarified that land lines are charged \$0.30 per month per line.

Commissioner Sutton stated that is correct.

Chairman Castellano questioned how the surcharge applies to internet phones.

Commissioner Carlin stated that is the voiceover internet protocol that was mentioned earlier and will be discussed in the future.

Legislator Sullivan stated State legislation is needed to address the voiceover internet phones.

Commissioner Sutton stated he believes the voiceover internet phones can be addressed without State legislation. He stated he believes this was done in Westchester. He stated according to the statistics, there is a cell phone for almost every person in the world. He stated the prepaid cell phones are used for illegal activities because they are "throw away" phones and are not traceable.

Town of Southeast Councilwoman Lynne Eckardt questioned if the \$0.30 goes to the State or the County.

Commissioner Sutton stated the money goes to the State.

Councilwoman Eckardt questioned if other counties have also been reviewing this campaign.

Commissioner Sutton stated yes, other counties have.

Councilwoman Eckardt clarified that any increase would need to go through the State.

Commissioner Sutton stated yes, the law is written based on population. He stated only a place like New York City could increase it without State legislation.

Councilwoman Eckardt stated as mentioned earlier, a lot of the money is going into the general fund. She questioned if this was something that could be home legislated.

Commissioner Sutton stated he believes the only place that can set the rate themselves is New York City.

Councilwoman Eckardt stated since the surcharge is supposed to be used to help 911 services within the County, she suggested using the funds from the cell tower rental for the same purpose.

Commissioner Sutton stated no decision has been made yet, but it is standard practice that any income like that would go toward debt service for the two-way radio system. He stated they are trying to keep the cost to the taxpayers as low as possible.

Councilwoman Eckardt questioned how long that debt service would be.

Commissioner Sutton stated it is unknown at this point in time.

Councilwoman Eckardt stated for the record, she would not like to have an extra \$1 surcharge on her bill.

Commissioner Sutton stated as long as there is an added value to the surcharge and it is appropriately applied, he believes the average person would be less opposed to it.

Councilwoman Eckardt stated the amount that goes towards taxes on a telephone or cell phone bill is staggering.

Chairman Castellano agreed that cell phones bills are always staggering; however everyone is still buying them.

Legislator Nacerino questioned if safeguards are in place to ensure the money is appropriated properly.

Commissioner Sutton stated if Taxation and Finance is collecting and processing the funds, there is going to be a portion going to administrative expenses.

Chairman Castellano questioned if New York City has already raised their rate.

Commissioner Sutton stated he does not believe so.

Chairman Castellano questioned what the next step is.

Commissioner Carlin stated if the Legislature would like this to go into effect, the letter must be sent to the State by September 1st. He stated there are two (2) models that are to be adopted.

Senior Deputy County Attorney Brady stated Putnam County has a County Law from 2002; therefore she will look into which model needs to be adopted.

Commissioner Carlin stated he believes he read something stating if the County had an older law, both models needed to be enacted.

Chairman Castellano stated the discussion has begun tonight and this will be reviewed next month.

Item #5 - 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 #6 - Correspondence/Commissioner of Finance

- a. **Overtime/Temporary Report** – Duly Noted

- b. **Approval/ Budgetary Amendment 17A027/ Highway/ Amend 2017
CHIPS County Capital Project Budget (Also Reviewed in Physical)**

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

- c. **Approval/ Budgetary Amendment 17A028/ Finance/ Vacancy Control
Factor January – April 2017**

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

**Item #7 - Approval/ Fund Transfer 17T067/ Probation/ Reclass Funds to Overtime
Line due to Vacant Receptionist Position (Also Reviewed in Personnel)**

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

Item #8 - Approval/ Fund Transfer 17T080/ Finance/ Provide Funding for 2017 Salary & Benefit Costs Pursuant to Ratified Contract Settlement – PuMA (PuMA Contract Reviewed in Personnel)

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

Item #9 - Approval/ Fund Transfer 17T093/ IT/GIS/ Purchase Veeam Software

Legislator LoBue questioned who was operating the GIS (Geographic Information Systems) in the department.

Chairman Castellano stated Director of IT/GIS Thomas Lannon was invited to the meeting, however he was unable to attend.

Chairman Castellano made a motion to approve Fund Transfer 17T080; Seconded by Legislator Jonke. All in favor.

Item #10 - Approval/ Fund Transfer 17T094/ Sheriff's Dept./ Overtime for July 1st Town of Southeast Fireworks (Fireworks Overtime Discussed & Approved in Protective)

Chairman Castellano stated this is the 5th year the fireworks are being held at the Highlands shopping center in the Town of Southeast. He stated it is a great event and a great benefit for Putnam County. He stated he believed providing security for this event is the right thing to do.

Legislator Gouldman agreed with Chairman Castellano.

Legislator Albano agreed that it is a great event. He suggested earmarking funds for events such as this one in the future. He stated by setting funds aside for this purpose, the amount of money available would be in the planned budget.

Legislator Nacerino stated she would like to begin the planning process for this event earlier next year so there is enough time to weigh the costs. She stated at the May 16, 2017 Protective Services Meeting it was said that more overtime, in addition to the fund transfer being considered tonight, might be required.

Legislator Jonke stated he is a member of the Fireworks Committee and through speaking with other members of the Fireworks Committee, it was decided that private security would be looked into for this event next year.

Legislator Nacerino stated Undersheriff Boscia stated hiring private security is something they would entertain as well. She stated this is a good event for Putnam County that contributes to the quality of life. She stated the money spent on this event needs to be analyzed.

Legislator Jonke agreed. He stated during the Protective Services meeting on May 16, 2017, it was stated that the cost of security was much more than the cost of the event. He stated privatizing security for next year will be seriously looked into.

Legislator Nacerino stated she would like to analyze similar events in the area and find how many officers are utilized for the volume of attendees. She stated this information would serve as a good gauge to use moving forward. She stated the City of White Plains holds a similar event at their high school.

Legislator Gouldman stated it is difficult to compare these events because the locations can be so different. He stated the Town of Putnam Valley has a Town Day where fireworks are displayed, with the number of attendees fluctuating from year to year. He stated there is only one (1) way in and out of the event. He stated the Village of Cold Spring also has a similar fireworks display, with one (1) or two (2) ways in and out of the event.

Legislator Nacerino questioned how many officers are needed for those events and how many hours they are there. She stated the comparison will not be “apples to apples” but will provide a good gauge.

Legislator Gouldman stated Madison Square Garden has 10 police officers per event.

Legislator LoBue stated the Hudson Highlands is not a venue where people are going to arrive in the early afternoon such as a beach or a park. She stated it is a parking lot and the event does not begin until the evening. She stated she cannot justify the cost for officers to arrive hours before the start of the event. She stated she does not believe it is sustainable.

Legislator Albano agreed. He stated decreasing the amount of time the officers are there would save a lot of money. He stated next year, the State and local police departments should be contacted well ahead of the event to request their participation. He stated this could result in a substantial cost savings.

Legislator Scuccimarra agreed with what has been stated. She stated on the other hand, what is happening in the world today must be kept in mind; such as the May 22, 2017 bombing in Manchester, England. She stated the real threat that exists in the world cannot be ignored. She stated beginning the planning process earlier and increasing fundraising efforts could help with the costs of this event. She stated in any case, we need to be prepared for the worst.

Legislator Sullivan stated he is happy to hear that the Fireworks Committee is looking into privatizing security and reducing the cost to the taxpayers of Putnam County. He stated this is a nice event; however it is an expensive event. He stated the cost must be considered, especially if the security costs more than the fireworks themselves.

Legislator Nacerino stated whether this event is fiscally prudent is what the Legislature must consider. She stated the need for safety at the event is recognized. She stated the cost for security is increasing each year and it would be helpful to have comparable data to see if what is being spent is reasonable. She again stated the planning process for this event should begin earlier.

Chairman Castellano stated comparing this event to the one held in the City of White Plains will be interesting because they are relatively similar. He stated it will be interesting to see what their expenses are for that day.

Legislator Nacerino stated she would like to know how far in advance the event is set up in White Plains. She stated it would be interesting to see how neighboring areas handle events such as this. She stated the Legislature needs solid information to base their decision on. She stated right now, the Legislature is being fed information with no concrete background to justify it.

Councilwoman Eckardt stated she spoke to some constituents in the Town of Southeast regarding the security of the event and that the area would be swept hours before the beginning of the event. She used the May 22, 2017 bombing in Manchester, England as an example of an area that was swept beforehand. She stated even if that venue was checked, the bombing still would have taken place. She agreed with comments made by Legislator LoBue and Legislator Albano that the amount of time the officers will be there is excessive. She agreed with Legislator LoBue's comment that people do not attend until the evening at about 6:00pm rather than earlier in the afternoon. She stated this year, the amount of time seems excessive and she would rather see police dogs at the event instead of sweeping the area beforehand.

Chairman Castellano stated the officers and dogs are present before and during the event.

Legislator Jonke stated that was discussed at the May 16, 2017 Protective Services Meeting and Undersheriff Boscia stated that the Legislators are "laymen." He stated he also believes the time is excessive. He believed privatizing the security would be less expensive. He stated he is a layman; he did not know that part of what the officers need to do is gather at a command post at the beginning of the event. He stated he still believes the number of officers and amount of time is excessive.

Councilwoman Eckardt stated she too is a layman but agrees that the hours could be reduced. She stated the constituents she has spoken to seem to agree as well.

Chairman Castellano stated at the May 16, 2017 Protective Services Committee Meeting it was stated that the Sheriff's Department would cover any overtime costs that exceed the \$13,970 out of their overtime budget. He stated the possibility of using a private security company in the future will help to subsidize costs as well. He stated he does not believe the cost of a private security company would be encumbered upon the Legislature, perhaps the Fireworks Committee would pick up the cost. He stated he is on the Fireworks Committee along with Legislator Jonke and it is something that will be looked into. He stated he would like to begin the planning of next year's fireworks event in January or February so the cost of the Sheriff's Department overtime could be known well in advance.

Legislator Nacerino stated even if the Sheriff's Department covers any additional overtime through their budget, it is still taxpayer money. She questioned how the number of attendees is determined in an outdoor venue such as the Highlands Shopping Center. He stated arbitrary numbers of attendees over the past few years have been provided.

Legislator Jonke stated he used Google Earth to count the number of parking spaces at the Highlands Shopping Center by Kohl's & DeCicco's, Home Depot, Marshalls, and the Eveready Diner. He stated there are no more than 1,500 parking spaces. He stated with an estimation of three (3) people in each car, there would be about 4,500 people in attendance. He stated he does not believe there are even that many people in attendance. He suggested having volunteers count the attendees to have a solid number to go by. He stated there has not been an arrest in the past three (3) years and they have a few Officers at the event for processing in the case of an arrest.

Legislator Nacerino stated the Sheriff's Department had stated there was excessive drinking and drug use; however the record does not reflect that. She stated there has not been an arrest, DWI, or any cited violation. She stated the information brought forth should be substantiated.

Chairman Castellano stated the question of how many attendees there are has been asked and the Sheriff's Department provided their professional opinion of the number of people. He stated last week the number provided was 5,000 - 15,000. He stated he does not believe there are more than 4,000 people there.

Legislator LoBue stated the Mahopac School District has trained, part-time Special Patrol Officers. She stated Legislator Albano has suggested utilizing these officers several times and she agrees. She questioned why these officers could not be used for events such as this. She stated if these officers are trusted to take care of the children in the schools, they can certainly handle providing security for an event.

Chairman Castellano agreed.

Legislator Nacerino stated the Special Patrol Officers are highly trained.

Legislator LoBue stated two (2) years ago, she requested additional funding of \$19,000 for the Sheriff's Department to patrol Lake Mahopac for the whole summer.

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

Item #11 - Approval/ Semi-Annual Mortgage Tax Payments – 10/1/2016 to 3/31/2017

Legislator Sullivan stated compared to the same period of time in the past three (3) years, the amount has increased significantly, which is a good thing.

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

Item #12 - Approval/ Home Rule Request/ Assembly Bill A07306/ Senate Bill S00305 – 2017 – Exemption of County Sales Tax on Certain Clothing & Footwear during the Week of August 14-23, 2017

Legislator Gouldman stated this request has been passed by the Legislature each year. He stated the Senate usually passes it, but the Assembly does not. He stated hopefully it is passed by both the Senate and Assembly this year.

Legislator LoBue stated this is a feel good measure; however the request is not specifically for Putnam County. She stated it is not usually passed because the other counties do not want to forego the sales tax.

Councilwoman Eckardt stated she has been researching this request. She questioned how much sales tax is collected on clothing and footwear in Putnam County.

Commissioner Carlin stated he would need to get that information from Tax & Finance; however the time it is sold would not be included.

Councilwoman Eckardt stated in New York City, anything under \$110 is not taxed. She questioned if a similar permanent year round tax-free bill could be passed in Putnam County for clothing and footwear.

Commissioner Carlin stated that would cost a lot of money.

Legislator LoBue stated a lot of revenue would be lost.

Councilwoman Eckardt stated waiving the tax for clothing and footwear items under \$110 would attract shoppers to Putnam County.

Chairman Castellano stated this request is meant to help young families who are shopping for back to school clothing.

Councilwoman Eckardt stated those families would benefit year round with a permanent tax-free bill. She suggested looking into it.

Legislator Jonke stated if the County did not make enough sales tax revenue; it would need to be made up for in property tax, which would only affect residents.

Councilwoman Eckardt stated she would like to remove the temporary 1% sales tax increase. She stated it is always convenient to say it will cost more in property tax. She stated it should be looked into.

Legislator Nacerino stated it is not a matter of convenience. She stated if that were to be enacted, the lost revenue would need to be absorbed elsewhere.

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

Item #13 - Approval/ Memorandum of Support/ NYSAC “Mayday for Mandate Relief” Campaign

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

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

Item #14 - Approval/ Proclamation Request/ State Troopers Save Man from Drowning

Legislator Jonke stated on May 10, 2017 one of the consumers of Hudson Valley Cerebral Palsy left the building and made his way to a pond at the corner of Route 22 and Doansburg Road in the Town of Southeast. He stated the man ended up in the pond and a passerby saw him. He stated the passerby flagged down two (2) State Troopers who happened to be driving by. He stated Zone Sergeant John Hennigan and Trooper Jason Kim entered the water immediately and saved the man. He stated he requested that these officers be recognized and honored at a Full Legislative Meeting.

Chairman Castellano questioned if the person that was rescued would be invited to the meeting.

Legislator Jonke stated representatives from Hudson Valley Cerebral Palsy can be invited.

Chairman Castellano questioned if the Sergeant Hennigan and Trooper Kim would be attending.

Legislator Jonke stated yes, they are able to attend the June 6, 2017 Full Legislative Meeting.

Chairman Castellano made a motion to approve the proclamation; Seconded by Legislator Jonke. All in favor.

Item #15 - FYI/ County's Deposits & Investment Policies for the Quarter Ended 3/31/2017 – Duly Noted

Item #16 - Other Business

a. Verbal Update/ Legislator Jonke/ Date & Time of County Executive's Shared Services Meetings

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

Legislator Jonke stated on Thursday, May 18, 2017 County Executive MaryEllen Odell initiated a County wide planning session designed to save taxpayers money through increased efficiencies across Government services. He stated two (2) more meetings are scheduled to be held June 20, 2017 at 4:00pm and July 18, 2017 at 10:00am at the TOPS building.

Item #17 - Adjournment

There being no further business, at 7:14 p.m. Chairman Castellano made a motion to adjourn; Seconded by Legislator Jonke. All in favor.

Respectfully submitted by Administrative Assistant Beth Green.