

AUDIT & ADMINISTRATION COMMITTEE MEETING
Held via Audio Webinar Pursuant to Temporary Emergency Orders

Members: Chairman Castellano, Legislators Gouldman & Sayegh

Monday **6:30pm** **July 27, 2020**

The meeting was called to order via audio webinar at 6:37pm by Chairman Castellano who lead in the Pledge of Allegiance. Upon roll call Committee Members Gouldman, Sayegh & Chairman Castellano were present.

Item #3 - Approval of Minutes – June 29, 2020

The minutes were approved as submitted.

Item #4 - Update/ First Quarter Financials/ Putnam County Golf Course & Tilly Foster Farm/ General Manager Mike McCall

General Manager of the Putnam County Golf Course and Tilly Foster Farm Mike McCall stated he would begin with the Putnam County Golf Course (Golf Course).

Golf Course

He stated since the agenda was published, he submitted the second quarter financials as well. He stated the Golf Course is doing very well, they are seeing numbers they have never seen before. He stated compared to last year through June, they are 26% higher this year and 30% higher on average over the last nine (9) years. He stated in July, they are on track to doing close to 6,500 rounds, which they have never done before. He stated the highest they have ever done is 5,400 rounds. He stated this could be attributed to a number of things, but of course we are experiencing times that we have never experienced before. He stated the banquet side has been more effected by the COVID-19 Pandemic as there have not been events held, which has been challenging but golf is carrying the load. He stated the weather has been mostly dry this season, which has been fortunate. He stated the Golf Course has already hit their budget for July, which was \$208,000 and as of July 26, 2020 they were at \$238,000. He stated they are also \$100,000 ahead of their budget for the whole year. He stated both AppliedGolf and Homestyle Caterers utilized the payroll protection plan funds to continue paying employees for about seven (7) weeks until it ran out, which was very helpful. He stated while there have not been events bringing in revenue, there has also been no expense on the catering side. He stated the bright side is that Article 9 work on the siding and roofing at the Golf Course has begun, which would be a challenge to get done if events were being held there. He stated a new Golf Course Superintendent was hired in April and has done a great job. He stated two (2) golf raters from Golf Week Magazine came to the Golf Course and rated it very highly. He stated because of COVID-19, they have not been able to go to the courses they had planned on and they had actually never heard of the Putnam County Golf Course before coming to rate it.

He stated they were shocked at how well the course was laid out and maintained and with the service. He stated they sent emails relaying how pleased they were with the Golf Course, which can now be used in marketing. He stated they are looking forward to being able to hold private events in the banquet rooms again as they have had to cancel and refund or reschedule many for this year.

Legislator Gouldman stated it is great to see that golf is doing so well compared to last year. He stated his concern with the budget for next year being based on this year, which was an anomaly. He stated also, it is great news that the Golf Course was rated by Golf Week Magazine. He questioned if the rating would be published.

General Manager McCall stated it was published locally; the Golf Course put out a press release and a local newspaper wrote an article about it. He stated Golf Week Magazine keeps a database of courses that they submit. He stated they release their top 100 courses; however he does not believe Putnam County Golf Course will be included on that list at this time. He stated the rating gets the Golf Course in the system, which he does not believe has happened before. He stated the review could also come up when searching for the Golf Course.

Legislator Gouldman questioned if there is a national rating system.

General Manager McCall stated yes there are two (2). He stated one is run by Golf Digest and the other is by Golf Week Magazine. He stated they publish different categories of top courses.

Chairman Castellano stated it is great that the raters ended up at the Golf Course and put it on the radar.

Legislator Sayegh questioned how the Golf Course compares to other courses.

General Manager McCall stated he does not have specifics, but all golf courses are doing very well right now. He stated even the private golf clubs are doing more rounds than normal. He stated he believes since people are working from home, they have more time to golf. He stated golf is also one of the few activities available right now since it is a low risk recreational activity and it is easy to social distance while playing. He stated there are more people golfing and people are also playing more frequently; some people are playing five (5) times per week. He stated more statistics will be known toward the end of the year. He stated the quality of the Golf Course is making a big difference.

Legislator Sayegh stated she has seen advertisements for concerts and questioned if they are being held.

General Manager McCall stated the events were advertised in the hope that they would be able to be held. He stated they originally thought such events could be held in Phase 4 of the reopening plan. He stated tickets were sold, and once they determined

the event could not be held they sent emails to everyone that purchased a ticket. He stated buyers knew that there was a possibility of cancellation when they bought the tickets. He stated some events were rescheduled to later in the year hoping it would be possible to hold. He stated they have continued to plan these events because the rules have been changing quickly. He stated they have decided not to advertise anymore for the time being. He stated they recently held a drive-in movie at the Golf Course, which had about 85 vehicles attending, and it went very well. He stated they may have another drive-in movie later in the summer.

Chairman Castellano questioned if the golfers are local residents or if they are coming from other areas.

General Manager McCall stated he could get that information.

Legislator Albano read a portion of the article written about the Golf Course being rated by Golf Week Magazine, which mentioned the well kept conditions of the course and architecture of the building. He stated he is thankful that the Golf Course is kept in such great shape. He stated the Article 9 work is also getting done, which is great.

Legislator Jonke stated it is great to hear that the Golf Course was so positively reviewed by individuals who really know golf.

Legislator Sullivan stated the Golf Course is located in the district he represents, and he has heard positive feedback from residents. He stated the increase of people playing golf could help the game in the long run. He stated the investment made in the Golf Course in recent years is really paying off now. He thanked General Manager McCall and the employees of the Golf Course for doing such a great job. He stated this is a great place for residents to enjoy.

Tilly Foster Farm

General Manager McCall stated the season began great for Tilly's Table and then everything shut down mid-March. He stated on June 9, 2020 they could begin offering outdoor seating on the deck. He stated they tried expanding days, however they found that most business was on Thursday-Sunday therefore they went back to their original schedule. He stated once it began to get hotter, they installed a shade structure to protect customers on the deck area from the sun. He stated indoor seating is also now available. He stated the restaurant was open for only part of June, but generated a small profit. He stated fresh ingredients from the Farm are being used for dishes and there is a chalkboard listing the produce that is being used each day. He stated there is a new chef at Tilly's Table, who moved there from the Golf Course, and he is a great addition. He stated Tilly's Table is beginning to get busier. He stated they are still unable to hold events in the restaurant or barn, which turn a larger profit than daily meals. He stated they are currently behind budget by about \$24,000 and he believes they will be able to make some of that up throughout the rest of the year. He stated they are working on marketing the restaurant, specifically the outdoor deck area. He

stated during this time, he is optimistic but is also being realistic about the situation. He stated they will continue to capitalize on how well golf is doing.

Legislator Sullivan requested that General Manager McCall expand on other activities going on at Tilly Foster Farm such as the produce being grown. He stated it is important to remember that it is still an active farm.

General Manager McCall stated Farmer Lisa Walker is in charge of the animals and harvesting the produce. He stated they are having an issue with deer jumping over the fences, which has not been an issue in the past. He stated Tilly's Table is using as many vegetables as they can and some are donated to the senior centers. He stated they were hoping to coordinate with BOCES to have a farm stand, however they do not know if BOCES will be coming back this year. He stated in the past they have utilized ATI (Alternatives to Incarceration) participants as additional workers, however that was not an option this year, therefore they are short staffed. He stated they are working on the foundation for the creamery area between the two (2) barns.

Legislator Sullivan requested further clarification on what is grown at the Farm and where the produce goes.

General Manager McCall stated they send some to the senior centers and are now delivering produce right to seniors' homes since they are unable to go to the senior center. He stated they are not allowed to sell the produce. He stated excess produce is sometimes donated to food pantries as well. He stated a lot of varieties of fruits and vegetables are being grown. He stated Farmer Lisa Walker plants, harvests, and sorts the produce and cares for the animals. He stated there is another employee who cares for the animals as well. He stated two (2) part time employees were hired to help with these tasks. He stated the Farm is being run by two (2) full time employees, two (2) minor part time employees, and one (1) part time farmer.

Item #5 - Correspondence/County Auditor (Attached for Information Only)

- a. **Sales Tax Report** – Duly Noted
- b. **Board In Revenue Report** – Duly Noted
- c. **Transfer/Revenue Report** – Duly Noted
- d. **2020 Contingency/Sub-Contingency Report** – Duly Noted

Item #6 - Correspondence/Commissioner of Finance

- a. **Overtime/Temporary Report (Attached for Information Only)** – Duly Noted
- b. **Approval/ Budgetary Amendment 20A036/ Finance/ Vacancy Control Factor April – June 2020**

Commissioner Carlin stated this is the second quarter vacancy control factor report. He stated each quarter, the money saved by not filling vacancies is utilized to increase contingency or lower the estimated sales tax revenue if that is what is warranted. He

stated this budgetary amendment is increasing contingency to be used to deal with possible shortfalls throughout the remainder of this year.

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

c. Approval/ Budgetary Amendment 20A037/ Social Services/ Amend Social Services 2020 Budget to Reflect Grant Modifications per Spending Adjustment Request Approved by NYS Office of Victim Services (Also reviewed in Health)

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

d. Approval/ Budgetary Amendment 20A038/ Office of Senior Resources/ Fund Appropriate Lines for Caregiver Respite Grant through Field Hall Foundation (Also reviewed in Health)

Legislator Sayegh stated she spoke with Office for Senior Resources Director Michael Cunningham about another program they are also looking to get grant finding for; Go Go Grandma. She stated this program would operate similarly to Uber, and it would be for senior citizens.

Legislator Montgomery questioned if the Legislators could have access to the application process for their respective districts. She stated with this information, Legislators could help inform residents how to apply for this program. She stated this is a great program. She questioned what the criteria is for those chosen.

Commissioner Carlin recommended sending a memorandum to Director Cunningham.

Legislator Addonizio stated this grant will provide \$500 to 30 caregivers.

Chairman Castellano made a motion to approve Budgetary Amendment 20A038; Seconded by Legislator Gouldman. All in favor.

e. Approval/ Budgetary Amendment 20A039/ Health Dept./ Reorganization (Also Reviewed in Personnel)

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

Item #7 - Update/ Commissioner of Finance Carlin/ Financial Impact of COVID-19 Pandemic

Commissioner Carlin stated Chairwoman Addonizio requested updates on the fiscal ramifications of COVID-19 before the budget process begins. He stated this will be his

third and final update before entering the budget process. He stated the biggest concern is sales tax. He stated for the second quarter of the year, the County received \$13.7 million, which is a decrease of about \$3 million from last year, or 18%. He stated before COVID-19 really began to take effect, at the end of the first quarter the County exceeded the projected sales tax revenue budget. He stated therefore the 2020 year to date sales tax deficit is \$1.1 million. He stated he expects the decrease to continue into the third quarter. He stated all County Departments were asked to look at their budgets for the remainder of the year and identify any areas that can be used toward making up the deficit, which resulted in a budget reduction across the board of \$2.3 million. He stated the vacancy control approved earlier this evening will add another \$400,000. He stated the County is doing well in terms of the sales tax deficit. He stated they will have to reassess in the fourth quarter. He stated they are also watching for what will happen with State aid. He stated the County has been told there could be anywhere between a 20%-50% cut. He stated the Federal government has two (2) bills in front of them, the Republican Senate's HEALS Act, which does not include aid for local governments, and the House Democrat's HEROES Act, which does include aid for local governments. He stated the bills are being negotiated. He stated as of now, the County is doing okay. He stated hopefully we continue on this positive trend; the economy has not completely stopped in Putnam. He stated of course, if budget reductions become necessary they will be prepared to do so. He stated right now, they are not looking to reduce as we only have a \$1.1 million deficit in sales tax and there is no way to know what will happen on the State or Federal level. He stated in terms of the budget process moving forward, the Administration will be holding their budget meetings digitally from the Legislature's meeting room, which is a larger space than they usually use to allow for distancing. He stated outside agencies have been notified to check the website or contact the Legislative Office to confirm where or how the Legislative budget meetings will be held in October.

Legislator Gouldman questioned if the amount received from online sales tax revenue is known at this time.

Commissioner Carlin stated he does not have specific numbers, but the County has been receiving online sales tax and it has been going very well.

Legislator Albano questioned if the sales tax report includes internet sales tax to date.

Commissioner Carlin stated yes, it does. He stated although Putnam County does not have many retail establishments, anything purchased online by a County resident contributes to the County's sales tax revenue.

Legislator Montgomery stated there seems to be an increase in home sales right now, which could contribute to the mortgage tax within the towns. She questioned if there has been any mention of this.

Commissioner Carlin stated he has heard the same, but it would not specifically effect Putnam County since the mortgage tax goes to the towns. He stated the real estate market is booming because people are leaving the metropolitan area. He stated they saw

the same thing after September 11, 2001. He stated he would like to see the towns do well too.

Legislator Montgomery thanked Commissioner Carlin.

Chairman Sullivan questioned what effect the car dealerships have on sales tax.

Commissioner Carlin stated the sales are down. He stated inventory moving forward is a concern, because if the factory shuts down they cannot build the cars. He stated where they end up will depend on the future of the pandemic.

Chairman Castellano stated as a commuter, he has noticed much less drivers on the road. He stated he is sure gasoline sales tax is down as well.

Item #8 - Other Business – None

Item #9 - Adjournment

There being no further business at 7:31pm, Chairman Castellano made a motion to adjourn; Seconded by Legislator Sayegh. All in favor.

Respectfully submitted by Administrative Assistant, Beth Green.