



INCORPORATED VILLAGE OF OCEAN BEACH

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MARCO ARMENT, *Trustee*

JOSEPH DIFRANCISCO, *Village Administrator*
JONNEIGH M. ADRION, *Village Clerk*
LINDA MORRISEY, *Village Treasurer*
KEVIN J. SCHELLING, *Superintendent of Public Works*

April 1, 2023

Ira McCracken
Chief Examiner
Division of Local Government and School Accountability
Office of the New York State Comptroller
110 State Street
Albany New York 12236

***Re: Village of Ocean Beach New York
Examination 2022M-79***

Dear Mr. McCracken:

This correspondence constitutes the Village of Ocean Beach's "Corrective Action Plan" in response to the above-captioned Report. In that Report, seven specific recommendations were made. They are listed below, together with the Village's plan of action in response thereto.

- 1. Implement procedures to ensure that all salaries and benefits are provided to officers and employees in accordance with any employment agreements, the employee handbook or pursuant to other proper Board authorizations.** The Board of Trustees has directed the new Village Administrator and our Firm to work together to craft documents reflecting (1) a generic "Employee Handbook" reflecting the terms and conditions of employment of all employees of the Village, and (2) a specific "Employment Agreement" for each employee having one and indicating in such document the extent to which the "Employee Handbook" applies, and itemizing any differences applicable to any individual employee. *Work on same is in progress.*

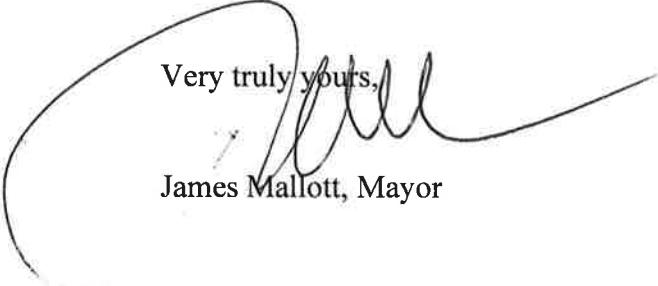
2. **Publicly approve any extensions, additions or changes to the Clerk-Treasurer's Agreement before those extensions, additions or changes become effective.** The Board of Trustees and Mayor have, since the date of the Audit Report, divided the former Clerk-Treasurer's responsibilities into three separate positions: Village Administrator, Village Clerk, and Village Treasurer (each filled by a different person). The Board and Mayor have further agreed that any prospective "additions, extensions or changes" to any of the agreements with any of these individuals will be done by a public vote of the Board of Trustees before same become effective.
3. **Consult with the Village Attorney about the overpayments of the prior Clerk-Treasurer's unused leave accruals identified in the report and, if appropriate, seek recovery of such payments that are inconsistent with the Clerk-Treasurer's Agreement or the employee handbook.** The Village has and continues to consult with the Village Attorney about the payments you identified in your Report, both with respect to the legal merits of any such claim, the probability of success in any attempted "recovery," and to the likely costs of any such litigation. The Board will actively seek recoupment of any overpayments taking into consideration the advice of counsel as aforementioned, as referenced in the Board Resolution adopted on April 1, 2023.
4. **Adopt a comprehensive policy and develop written procedures that provide consistent guidelines for pre-approval of overtime and comp time and adequate documentation and supervisory approval authorizing accrual of comp time, including that earned comp time is supported by employee requests that clearly indicate scheduled work hours, the exact time and date the employee worked overtime, reason for overtime, certification by the employee and approval by the employee's direct supervisor.** The new Village Administrator, Clerk and Treasurer have all been made aware of the current policy that any overtime by them is not compensated. Each has been advised that hours beyond the normal workday are built into annual salary, and there is no additional compensation for additional hours beyond the normal workday.
5. **Ensure that accrual of comp time complies with the Village's employee handbook and that it is controlled and accounted for in accordance with Board policy and procedures.** As outlined above, we anticipate the new Employee Handbook, and individualized employment agreements (where one exists) will spell out the conditions for compensatory time accrual and "cash-outs" (when and if applicable).
6. **Conduct a cost-benefit analysis to justify assigning Village vehicles to employees for business use. This analysis should compare the Village's costs of owning vehicles to the cost of reimbursing employees for the use of their personal vehicles on Village business** The Village policy of requiring some employees to use village vehicles has been reviewed. While such assignments will continue to undergo review on a case-by-case basis, the Village currently believes

that a "cost benefit" analysis is an insufficient analysis. The nature of Ocean Beach work requires an availability for emergencies by a larger percentage of the workforce than would ordinarily be found in a village workforce. The Village will continue to review the assignment of village vehicles on a case-by-case basis.

7. **Report the value of any taxable fringe benefits as additional income on the Clerk-Treasurer's W-2 forms, as appropriate.** The Village is taking this matter up with its outside Village auditors and will be guided by their advice.

Thank you again for your time in making the foregoing suggestions. Please let me know if you require anything further.

Very truly yours,



James Mallott, Mayor