To: Honorable Town Supervisor and Members of the Town Board

From: James L. Heslop, Town Comptroller

Subject: WestHELP Rental Payments, Disbursements and Uses

Date: July 16, 2007

The Sublease and Homeless Housing Facilities Agreement between the County of Westchester, Town of Greenburgh, and WestHELP became effective September 18, 2001. The term of the agreement is from September 18, 2001 to September 30, 2011. For the initial period from September 18, 2001 through September 30, 2002 the rental amount was $1,200,000.00. For the balance of the agreement, the rent shall be in equal monthly installments of $101,903.66. The Town did not receive the first rental payment August 11, 2003. Listed below are the rental payments, disbursements to the Valhalla School District and Fairview Fire District, appropriation to the Town Outside Villages (TOV) Fund. Rental payments deposited:

- August 11, 2003 - $1,950,947.97 – wire transfer into Town’s bank account
- January 2, 2004 - $166,184.95 – check deposited (the gross amount of the check was $175,404.43; $9,219.48 was credited to the interest earnings line in the TOV Fund)
- January 27, 2004 - $203,807.32 – check deposited (the gross amount of the check was $213,782.71; $9,975.39 was credited to the interest earnings line in the TOV Fund)
- March 2, 2004 - $203,807.32 – check deposited (the gross amount of the check was $212,199.71; $8,392.39 was credited to the interest earnings line in the TOV Fund)
- April 12, 2004 - $203,807.32 – check deposited (the gross amount of the check was $210,641.85; $6,834.53 was credited to the interest earnings line in the TOV Fund)
- May 17, 2004 - $203,807.32 – check deposited (the gross amount of the check was $209,058.85; $5,251.53 was credited to the interest earnings line in the TOV Fund)
June 8, 2004 - $203,807.32 – check deposited (the gross amount of the check was $207,601.49; $3,794.17 was credited to the interest earnings line in the TOV Fund)

July 20, 2004 - $203,807.32 – check deposited (the gross amount of the check was $206,043.62; $2,236.60 was credited to the interest earnings line in the TOV Fund)

August 30, 2004 - $101,903.66 – check deposited
September 21, 2004 - $101,903.66 – check deposited
October 4, 2004 - $101,903.66 – check deposited
November 8, 2004 - $101,903.66 – check deposited
November 15, 2004 - $101,903.66 – check deposited
January 10, 2005 - $101,903.66 – check deposited
February 7, 2005 - $101,903.66 – check deposited
February 8, 2005 - $101,903.66 – check deposited
March 21, 2005 - $101,903.66 – check deposited
April 11, 2005 - $101,903.66 – check deposited
May 16, 2005 - $101,903.66 – check deposited
June 10, 2005 - $101,903.66 – check deposited
July 12, 2005 - $101,903.66 – check deposited
August 15, 2005 - $101,903.66 – check deposited
September 13, 2005 - $101,903.66 – check deposited
October 13, 2005 - $101,903.66 – check deposited
November 10, 2005 - $101,903.66 – check deposited
December 14, 2005 - $101,903.66 – check deposited

The total rental payments were $5,174,242.72. While there is no indication of the reason for interest amounts being included in the first seven checks, it would seem the interest was to compensate the Town for lost interest earnings for the period between the effective date of the agreement and when the Town started receiving payments.

Disbursements to the Valhalla School District and the Fairview Fire District:

April 9, 2004 - $517,955.00 – date of check to Valhalla School District
May 7, 2004 - $100,00.00 – date of check to Fairview Fire District
June 24, 2005 - $728,894.80 – date of check to Valhalla School District
June 24, 2005 - $100,00.00 – date of check to Fairview Fire District
February 10, 2006 - $617,301.00 – date of check to Valhalla School District
May 26, 2006 - $100,00.00 – date of check to Fairview Fire District

The total disbursements were $2,164,150.80.
The annual amount credited to the TOV Fund as Rental of Real Property WestHELP:

- Fiscal year 2003 – $816,054.89
- Fiscal year 2004 – $372,843.96
- Fiscal year 2005 – $372,843.96

The revenues credited were $1,561,742.81.

The remaining balance at December 31, 2005 was $1,448,349.11, which relate to the Valhalla School District - $898,349.29; Fairview Fire District - $124,999.91, and the neighborhoods - $424,999.91.

(The Town has continued to receive monthly payments of $101,903.66 from WestHELP which are credited to the Town’s General Fund, A Fund.)

An amount of $75,000.00 which was reported to have been spent has been misconstrued. In September of 2006, the amount of WestHELP rental payments that would have been available for purposes other than the Valhalla School District and the Fairview Fire District was $500,000. After September of 2006, the Town received three more months of rental payments in 2006. This was an additional $25,000 of payments would have been available for purposes other than the Valhalla School District and the Fairview Fire District. The $500,000, as of September 2006, plus $25,000, for the three remaining months in 2006, is $525,000. Presuming that the entire amount of the rental payments for 2006 is credited to the General Fund, $100,000 of the $525,000 came from the 2006 rental payments. When the $100,000 is deducted from the $525,000 the amount is $425,000 as indicated above. The assumption was that the amount of $500,000 was reduced to $425,000, because $75,000 was spent which is incorrect.

I trust that this information is helpful. If there are any questions, please let me know.

cc: Timothy W. Lewis, Town Attorney
    Bart J. Talamini, Deputy Town Comptroller