SUFFOLK COUNTY LEGISLATURE

GENERAL MEETING

TWELFTH DAY

November 9, 2016

MEETING HELD AT THE EVANS K. GRIFFING BUILDING
IN THE MAXINE S. POSTAL LEGISLATIVE AUDITORIUM
300 CENTER DRIVE
RIVERHEAD, NEW YORK

Minutes Taken By: Alison Mahoney & Lucia Braaten
Court Stenographers

* Index Included at End of Transcript
Special General Meeting - November 9, 2017

(*The meeting was called to order at 1 P.M.*)

(*The following testimony was taken & transcribed by Alison Mahoney - Court Stenographer*)

P.O. GREGORY:
Okay. Good afternoon, Mr. Clerk

MR. RICHBERG:
Good morning. Good afternoon.

P.O. GREGORY:
Can you do the roll call?

(*Roll Called by Mr. Richberg - Clerk of the Legislature*)

LEG. KRUPSKI:
Here.

LEG. FLEMING:
(Not Present).

LEG. BROWNING:
(Not Present).

LEG. MURATORE:
Here.

LEG. HAHN:
(Not Present).

LEG. ANKER:
Here.

LEG. LINDSAY:
Here.

LEG. MARTINEZ:
Here.

LEG. CILMI:
Here.

LEG. BARRAGA:
Here.

LEG. KENNEDY:
Here.

LEG. TROTTO:
Here.

LEG. McCAFFREY:
Here.

* Index Included at End of Transcript
Special General Meeting - November 9, 2017

LEG. STERN: Here.

LEG. D'AMARO: (Not present).

LEG. SPENCER: (Not present).

D.P.O. CALARCO: Present.

P.O. GREGORY: Here.

LEG. FLEMING: Mr. Clerk, I'm present.

MR. RICHBERG: Fourteen (Not Present: Legislators Browning, Hahn, D'Amaro & Spencer).

P.O. GREGORY: Okay. Would you please all rise for the salute to the flag led by Legislator Muratore.

Salutation

(*Legislator Hahn entered the meeting*)

Okay, Legislator Muratore is going to introduce our clergy today, and it's going to be given by Pastor Scott Kraniak from the Centereach Bible Church

LEG. MURATORE: Good afternoon, everyone. It's my pleasure to introduce today for our invocation Scott Kraniak. Scott Kraniak is the Senior Pastor at the Centereach Bible Church since 2005. He attended North Carolina Bible College and has received a Bachelor of Arts Degree in Theology and a Master's Degree in Christian Counseling. Scott is a mental health counselor specializing in suicide prevention, depression, teen cutting issues and family mediation. He's an author of two books; Anxiety, Depression and the Child of God Part 1, and Anxiety, Depression and the Child of God Part 2; The Daily Mediation -- Devotional, I'm sorry.

Scott is also involved in the community. He served as Chairman of the Town of Brookhaven Youth Board, member of the Suffolk County Ministers Association, and even as the track Chaplain out here at Riverhead Raceway; he says he likes fast cars. Scott's a pleasure to work with in the community. He is so kind and caring and giving to people of his church and to the community in its entirety. Scott and his wife have three sons; Jacob, Aaron and Luke. So without further ado, I'd like to introduce Pastor Scott Kraniak. Scott?
PASTOR KRANIAK:

Thank you. Tom. I was kind of a little nervous when Tom asked me, in light of all the turmoil of the nation, the election, because I'm going to have to do this the day after the election (laughter), so I'm going to have to have special grace to really bring our hearts to the place that we need to be.

So I was looking for a scripture in the Bible that is a great unifying scripture, because we need unity even when we don't always seem unified. And there's a scripture that you might have heard before, it's in the Old Testament, and what's unique about this particular scripture, it's from the Book of Proverbs in the Bible. And for those of you who don't know, people are always surprised when I tell them this, the Book of Proverbs in the Bible is accepted by Judaism, Christianity and Islam, they all accept that book from God, so it has a little bit of more kick to it. And it's Proverb 29 versus 18, it says, "Where there is no vision, the people perish, but he that keeps the law, happy is he." And what it really means is where there is no vision from God, when there is no word of what we need to do, help us, Lord, for we need to know what to do, how to lead this great people that you put us in charge of.

So my invocation today, as I close in a prayer, is that our great God and Creator of all people, of all denominations and of all creeds and of all political parties, that we would all cry out to him and say please help us to serve these people, and all of you here to serve and to unify and to do what's best for the people of God's creation and this planet that he's given to us.

So at this time, I'd like to ask you to bow your heads in the word of prayer as I lead you. Dear Father in heaven, Lord God, creator of all of us, Lord, we come to you, Lord. We congratulate those who have won, we pray for those who have not. But more importantly, we ask, Father, and I know everyone here who has a lot of work ahead of them, the lawgivers -- and we think of Moses, the first lawgiver, he would probably be a Legislator if he was here today -- Moses, Lord, he sought your counsel and he would say, Lord, God, how do I lead these people? Help me. Tell me what to do, and we know that you did tell him what to do. And we ask today that you would guide this great group of men and women, give them insight, discernment, discretion, wisdom beyond their wisdom, that together we may bring about a peaceful, safe, good society under your law. And we do pray this in the name of the Father, Son and the Holy Spirit, Jesus Christ. Amen. Thank you.
Please remain standing for a moment of silence. Let us bow our heads in a moment of silence to remember slain **NYPD Sergeant Paul Tuozzolo of Greenlawn** who was killed in a shoot-out in the Bronx last week. He paid the ultimate price for dedicating his life to protecting others and we can honor that sacrifice by keeping in our thoughts and prayers his wife and two young children.

Let us also remember all these men and women who put themselves in harm's way every day to protect our country. This year on Veterans Day, let us recognize the service of our veterans and renew our country's national promise to fulfill our sacred obligation to our veterans and their families who have sacrificed so much that we can live free.

**Moment of Silence Observed**

Thank you, be seated.

Okay. This Special Meeting is being held pursuant to Section A2-6B of the Suffolk County Administrative Code for the following purpose; we have a one-hour public portion. I have two cards.

Oh, okay, I'm sorry, a one-hour public portion, to reconsider and vote -- to consider, excuse me, and vote on Budget Amendments to the Mandated and Discretionary Portions of the Proposed 2017 County Operating Budget, also to lay certain bills on the table and set public hearings.

Now to the **public portion** of our Special Meeting. We have two cards, the first being Linda McGreggor.

**Ms. McGREGGOR:**

Good afternoon. Linda McGreggor. Thank you for the opportunity to speak here today. I'm a resident and I'm also a member of the Suffolk County Association of Municipal Employees.

First and foremost, I hope you restore the 21 Public Health Nurse positions, the visiting public health nurse service. They provide an invaluable service, they accept the most difficult cases that need the most care and attention. Our Public Health Nurses are a valuable resource to the community and to the County.

Secondly, over the years I have spoke often about recognizing member items enjoyed by the Suffolk County Legislators, from presenting community events that are funded by the Department of Economic Development to securing grants that are funded by the Department of Economic Development, to stating the grants are their grants from the Department of Economic Development. The end result of present and securing your grant is praised publicity and potential votes for all of you. You control the budget and the public funding as a result of the Hotel/Motel Tax law. You decide where that money goes and you, in the end, get the credit, not the Department of Economic Development.

I respectfully request that you don't ask for any concessions from any of the public unions, employee unions in Suffolk County, and don't raise any taxes until you eliminate the Hotel/Motel Tax law.
because it's being utilized for member items, or control of the public funding that is transferred into somebody else's hands. It's not fair to ask the residents and the public employees of Suffolk County for concessions five years in a row when member items are being enjoyed and they're not being disclosed to the public. I appreciate your consideration. Thank you.

P.O. GREGORY:
Okay. Next, Christina Limba?

MR. LIMBACH:
I go by Christian.

P.O. GREGORY:
Christian, I'm sorry.

MR. LIMBACH:
It's okay. I've been having that since 1st grade.

(*Laughter*)

P.O. GREGORY:
Sounds like a personal problem.

MR. LIMBACH:
It is. Good afternoon, everybody. Thanks for allowing me to speak. My name's Christian Limbach, I'm the Recording Secretary for the Suffolk County Association of Municipal Employees. I'm here speaking on behalf of the 6,000 members we represent.

We represent a workforce that provide essential services to all residents of Suffolk County and this workforce will be out of contract in 2017. It was noted that in line D, DO15 of Amendment 2, it cuts salaries by nearly half, from $8.6 million to $4.4 million, and Amendment 9 cuts an additional $200,000 from that account. It should be noted that this will impact more than just the AME. The County Executive did not include funds in the proposed budget for salary settlements. These monies, which are normally used for future salary settlements, were used for contract agencies, agencies which I believe the County Comptroller had some issues with. The funds were intended to be allocated in 2017 once those issues were resolved.

We're requesting that the Legislature include funds for the four bargaining units and we realize that the -- and understand that the ability to pay should not be based on the budget, but on the ability to raise the General Fund Tax to support equitable settlements. The data to support the argument has been already provided to your body and can be had upon request from our office. You know how to reach us, most of you; if you don't, I'll be here first bell. Thank you for hearing me.

P.O. GREGORY:
All right. Thank you, Christian. Okay, that's all the cards that I have. Is there anyone else that would like to speak? Please come forward. Okay. Seeing none, I make a motion to close the
public portion.

**LEG. BARRAGA:**
Second.

01:13PM

**P.O. GREGORY:**
Second by Legislator Barraga. All in favor? Opposed?
Abstentions?

01:13PM

**MR. RICHBERG:**
Seventeen (Not Present: Legislator Spencer).

01:13PM

**P.O. GREGORY:**
Okay. Dr. Lipp, you want to do the highlights of the 2017 Omnibus?

01:13PM

**MR. LIPP:**
We're waiting for one technical thing to occur and we'll get started in 60 seconds, as soon as the screen comes down.

(Brief Pause)

01:14PM

Okay. So we're going to review the Omnibus and -- so the Omnibus is -- the index that you received for the Omnibus has several different line items, and we're talking about not the standalones but just the Omnibus resolutions, there are two of them; the first one is mandated, the second one is discretionary. County law requires that we do it that way, but basically they're the same thing. So if you look on the screen, you can see now there are --

01:16PM

**P.O. GREGORY:**
Robert, can you speak a little closer to the mic? Some of us can't hear you.

01:16PM

**MR. LIPP:**
Okay. So the Omnibus consists of 39 different line items, I'll say, or action items, actually, in the index that you have in front of you, and this is one way of categorizing them. So you can see here, 39 is made up of various items. The big things are the increased expenditures or decreased revenue, and second would be the increased revenue, decreased expenditures. So the first is we're spending more or taxing less, and the second one is where we got that money from.

01:17PM

So the first item of business, the expenditure increases or decrease in revenue, there are three cases that fees were reduced. That is if you recall the 2016 Adopted Budget this time last year, there were a number of fees added, I believe over $40 million, and this year, similar to the number of fee increases and that totaled about $50 million across all funds. So what the Working Group did is it decided to reduce or eliminate three funds that met two criteria; number one, it was affordable because we were very limited in the dollars that we had, so there may have been other fees that you would have liked to see reduced or eliminated, but we didn't have the funding -- or I should say the Working Group of Legislators did not have the funding to implement that. So the three fees that are being reduced are the tax map certification
Special General Meeting - November 9, 2017

fee, and that's $4.15 million, a loss of that to go from -- to move
back from 225 proposed back to 200 which it is now.

The second one is the reducing alarm program revenues by
2.8 million, that was according to the Budget Review Office fiscal
impact statement on one of the -- well, there are three
resolutions, as you may be aware, out there that would either
eliminate or reduce the false alarm program, and this presupposes
that one of the two reductions will occur but not the elimination
one. The elimination one would be five million, I believe.

And then lastly, there was a fee proposed in the County Executive's
budget that would have a 1% contract agency service fee and that
was taken out by the Working Group. So those are the three fees
that you have in front of you that are the factor. So much for
that.

Next, there were four items that the Working Group decided to
restore in terms of services, okay. The first one is -- well, actually, that's an addition, not a -- it's an increase in
services; a Gang Prevention Program for $200,000, that's a small
one. The ones that we're more interested in here are, number one,
day care. Day care was funded at a level that would have reduced
the eligibility to a hundred of the property -- I'm sorry, a hundred percent of the poverty level, okay. So that was eliminated
so that it could continue at the current program.

The second was the ShotSpotters, that was also restored for
$360,000. And the next one was to add contract agencies that were
under the category of various items, in particular a lot of it was
for youth programs and food pantries, that kind of stuff. In
addition, there was also -- I don't seem to have -- oh, here it is, ha ha. The two biggest ones that I neglected to have on my screen
here, I apologize, are, number one, we're bringing back visiting
nurses unit, I should say Public Health Nursing Bureau, that's
coming back at a cost; health Education Tobacco Control Unit is
coming back.

Also, $3.8 million were spent in terms of putting back or restoring
15 mental health contract agencies. The problem with these 15
programs was the revenue was put in the recommended budget, but
there was an oversight when the budget was put together that the
dollars for expenses were not there. So if we don't put back the
$3.8 million, we're still going to have to pay for -- well, we
won't have to pay for anything, but we won't get the revenue that's
already booked in the budget. So what you'd have here then is a
deficit either way, so this way we could restore the program and
even though on paper it looks worse by $3.8 million, in terms of
what actually will happen at the end of the day is no different.

So that's for restoring services. And if you'd like, you can
interrupt me at any time, I don't mind interruptions.

Let's look at some of the other stuff. How about increased
revenues? That's always an interesting category. So how do we pay
for some of these things? Well, there is an increase in sales tax
of -- and broken up in the mandated and discretionary categories.

* Index Included at End of Transcript
The increase in sales tax is attributed to the following. First of all, it would bring in an extra four million per year this year and next year. When the budget was put together with a 0.85% increase in the recommended budget for this year, 2016 -- you have a question? I'm sorry.

P.O. GREGORY:
Can we hold questions until we finish?

MR. LIPP:
Okay. So when the budget was put to bed, the third quarter of sales tax was not available. Before we wrote our review it was available and the growth rate was higher, 2.75 I believe, than was anticipated. So as a result of that, the average growth for the entire three-quarters of this year was 1.16%, so the Working Group decided, okay, if we're flat for the rest of the year at that 1.16%, then that's good. So we raised the proposed increase from 0.85 to 1.16% and that got us another four million for 2016. For 2017, you'd get that same four million also with minimal -- with no increase, actually. So the budget increases sales tax revenue by four million in each of the two years, 2016 and 2017, is the moral of the story.

Police District Property Tax. In order to pay for some various items, the Police District Property Taxes are increased by half of million dollars over and above what the proposed program brought in. And if you would like to see what that looks like, here you go. So the recommended budget increased property taxes in Police District by 20.3 million and we -- and the Omnibus resolution raises it another half of million.

Okay, next. Audit recoveries. The Comptroller is doing a bang up job -- or a good job, I should say -- in terms of going after contract agencies that owe money. So he's able to increase significantly audit recoveries and we used some of that money in the Working Group.

There was also some of the money that, in order to do the various expenditure increases or fee decreases, what was done was there's a salary contingent fund, or I should say a salary contingent account that had about 4.9 million, I believe -- I'm sorry, 8.9 million in salary contingency. And of the 8.9 million, we took out 4.2 million, reduced it and the remainder will stay in the budget, that's 4.7 million. That's the dual of the sales tax that I spoke to you about before.

Okay, so now we're getting into discretionary area, okay. This portion of the resolution on row 35 -- well, that's not on your index. We reduced -- I'm sorry, we increased motor vehicle registration surcharge revenue by $2 million. The logic for that is the money's looking like it's coming in better. The Budget Office, the Executive's Budget Office did an analysis and they spoke with some people Upstate and based upon that information, the Working Group decided to increase the revenue by $2 million.

Understand, the motor vehicle registration surcharge was increased in last year's budget -- last year for this year's budget, 2016,
and we did not get off the ground with it because it wasn't
determined until later in the year that they were never adding the
fee. So it wasn't until August that we started getting the money
in that was clearly resulting for the higher fee, so there's an
extra two million is the moral of the story there.

Also in EMHP, Employee Medical Health Plan, which is well over
$300 million, we decreased -- I should say the Working Group
decreased prescription claims by 4.1 million for next year under
the belief that -- well, two things. Number one, since it's well
over 300 million, 4.1 million is not a lot; and also, the logic
here was that, number one, the prescription benefit manager is
going to be RFP'd and there's a belief that we'll be able to save
money there. And the other thing is that the unions signed an
agreement to save money through 17 million a year for
prescriptions, and the formula is more involved than that, but I
won't bore you to tears; unless you want me to, that's good. So
there was a belief among the group that we could lower prescription
costs in the next year by 4.1 million.

Those are the main things. I could go on and on, but I'm thinking
you'd either rather ask questions or tell me to please be quiet.

P.O. GREGORY:
Okay. Thank you, Dr. Lipp. I do have two people, two of my
colleagues that would like to ask questions, the first being
Legislator Trotta. I'll add Legislator McCaffrey to the list, but
Legislator Stern's going to be next.

LEG. TROTTA:
At the beginning of last year we estimated a 3.65% increase in
sales tax?

MR. LIPP:
Something like that.

LEG. TROTTA:
What happened to the money that we didn't get where it only
increased .85%? How do we make that up?

MR. LIPP:
That money goes to fund balance deficit and then it's made up in
the recommended budget by either decreasing expenditures or
increasing revenue by that amount and anything else that created a
deficit.

LEG. TROTTA:
So it's not really fair to say that, you know, we predicted the
.85% when initially we didn't predict that at all.

MR. LIPP:
No, no, no, clearly that's not the case. The only thing that
matters in life is the current budget in front of you. So yes, we
have a hole because of the 2015 adopted amount did not come in,
okay, that was a shortfall. But now in terms of making the
amendments, which is why you're here, the focus of that is what is
the 2016 estimate in the 2017 recommended budget, and the estimate is something that you would then say that's the 0.85%, you would say, **Okay, do we think that number's too high, too low, and the Omnibus is saying, Well, we think that a more likely scenario is 1.16% growth**, which happens to be literally year-to-date growth of the first three-quarters. So it will come in exactly at the 1.16% if we duplicate the average over the first three quarters.

**LEG. TROTTA:**
The $17 million a year from the union's prescription fund that we're supposed to save every year; that never materialized?

**MR. LIPP:** So the way that deal, or agreement I should say -- it was a Memorandum of Understanding, I guess, MOU -- between the Administration and the unions -- I believe there are eight of them and their umbrella group is called SCOPE -- they had a look-back every two years, part of that agreement, and the first year was 2013. So the look-back last year or -- yeah, last year, was over 2013 and 2014. What they found is that the shortfall in the 17 million was well above that, but that's not the whole formula. The rest of the formula is how much we spend overall for employee mental health plan versus what the norm would be nationwide based upon the Kaiser Health Index. So it wound up being where we were at a dissavings of 17 million a year, and then we had some savings associated with our costs being less than the Kaiser Index. So overall, for 2013 and 2014, the shortfall was 19.77 million that in some way the unions are supposed to make up and there was an agreement between the County Executive's, I guess, Labor Relations and the unions as to how to best do that, which I'm not privy to.

**LEG. TROTTA:** So we don't know the status of that negotiation.

**MR. LIPP:** Correct.

**LEG. TROTTA:** Is anybody here who might know the answer to that question?

**MR. LIPP:** So my understanding, there was a negotiation and it was clear to everyone what the shortfall is. We reviewed it ourselves in-house, the EMHP consultant {Lochtin} is the one that prepared it and we looked at the numbers and they seemed to make sense, so those '13 and '14 numbers are good.

**LEG. TROTTA:** So we did realize some savings? Thirty-four million is what they owe us?

**MR. LIPP:** No. So I believe -- without having looked at that document in a while, so I could stand corrected -- I believe it was more like a $38 million shortfall.
LEG. TROTTA:
So it actually cost us money.

MR. LIPP:
Yes. But we did better, though, in other facets of the Employee Medical Health Plan to lower the number down to 19.77 million.

LEG. TROTTA:
Well, was that part of the agreement? That if it --

MR. LIPP:
Yes, it was.

LEG. TROTTA:
Okay.

MR. LIPP:
The formula included not just the 17 million in pharmaceutical savings, which everybody is aware of, but there was also that extra piece on the formula that is not as obvious.

LEG. TROTTA:
So we're talking about 19 not 36 or 38.

MR. LIPP:
Nineteen point seven seven, yeah.

LEG. TROTTA:
Okay.

MR. LIPP:
And then next year there's supposed to be a look-back for the previous two years, 2015 and 2016, and since that look-back hasn't occurred yet because 2016 is not over, it remains to be seen whether we're moving in the right direction or not.

LEG. TROTTA:
Is there any indication on where we are with that, do you have any insight into --

MR. LIPP:
Well, from what I've been told, they think that we're -- that we're doing well and that, therefore, it'll be taken care of implicitly in the budget if they have more time, which was agreed to by the Administration. Our office did an in-house calculation. And understand, we're like Monday morning quarterbacks and we don't have any standing in it; that's not our position, but we're not seeing where those savings are for 2015.

LEG. TROTTA:
I'm just going over your opening statement, you said it cost us about $42 million in new fees last year, about $50 million in new fees this year. Just for the record, that's approximately a 100% tax increase for the prior two years, on the General Fund tax.
Special General Meeting - November 9, 2017

MR. LIPP:
I always refer to that as a tax increase because that's an ad valorem tax based upon your property values, but rather a user fee.

LEG. TROTTA:
Well, it's the equivalent, whatever you want to call it. It's essentially the equivalent of a 100% tax increase.

MR. LIPP:
The dollars --

LEG. TROTTA:
Yeah, the dollars, that's all.

MR. LIPP:
Yeah, but it won't be on your tax bill.

LEG. TROTTA:
So we have the ability to fee or tax, whatever you want to say it, our residents 100% for the past two years.

MR. LIPP:
So what the Omnibus resolution does is it reduces or eliminates three different fees based upon the limited amount of resources.

LEG. TROTTA:
Well, those fees are sort of insignificant in the scheme of -- percentage-wise. Thank you.

MR. LIPP:
You're welcome.

P.O. GREGORY:
And before I proceed, I just want to thank BRO and, Robert, your staff and all the members of the Budget Working Group. You know, it's not an easy -- you know, it's not an easy task to pull together a $2.9 billion budget, and every year it's becoming more and more difficult, particularly from as I -- you know, from our side, because really we have -- if you look at the schedule, and I really want to look at, you know, potentially look at changing the budget process because, in effect, we only really legitimately have two weeks to review the budget and look at it after the County Executive submits it and BRO gets -- generally you take about three weeks to put your analysis together, then we have two, two-and-a-half weeks to kind of work as a budget Working Group to identify and try to address issues in there and then a week or so for your office to pull everything together to make sure there are no mistakes. So I think we need to adjust that so that we have our due -- we've got time to do our due diligence in a more appropriate way.

So again, but under those circumstances, I want to thank you, Robert and Roz and everyone for the work that you've done, and the Working Group. You know, a budget is really a reflection of our priorities and, you know, a lot of times we see things that we may not necessarily agree with and there are negotiations as we go.
around and have individual votes on certain things, or everything actually. So it's a reflection of where we feel our priorities are and we try to manage it within the tight fiscal constraints that we have and issues that we have and I think we've done a good job. Is it perfect? Absolutely not. Would we like to see more sales tax revenue? Absolutely. But I think we have attempted to address some of the concerns, like reducing the alarm fee that concerns people and address some of those concerns with fees, but also restoring funding in contract agencies that -- in departments or bureaus, that is important as well, like mental health agencies, the Public Health Nursing and others that attempt to address the important concerns that many of us have.

And Linda McGregor's comments don't go unnoticed as far as Hotel/Motel. You know, there are individuals that look to provide funding for organizations, for cultural programs in their communities, I don't think that's a bad thing, but that is a part of the process. It's not the entirety of the Hotel/Motel sales tax -- tax, excuse me, but it is -- it's a portion of it. But I think we did -- I think we did a good job given the circumstances that we have. I'm going to yield the floor to Legislator Stern who's next on the list and then Kevin McCaffrey.

LEG. STERN:

Yeah, thank you, Mr. Presiding Officer. And Thank you to Dr. Lipp and BRO during this process. In years past we have relied upon sales tax revenue projections and that has consistently been a challenge. And so I know that this year we wanted to be especially conservative, and so the 2016 number was the .85, we have it now at a 1.16. Dr. Lipp, I was hoping you can take us through, once again, the conversation and the analysis that had us arrive at that 1.16 number. And if you can also touch on what it would take for the rest of the year to be able to come in and arrive at that number so that it is an accurate number for 2016.

MR. LIPP:

Okay. Well, the analysis was -- well, the two types of analysis you could say. There was one that was in a review, which we have an econometric model, and we projected 1.23% for this year, but we said we wouldn't -- we didn't recommend touching it because of the bad track record, for lack of better term, of the last few years, better safe than sorry.

That being said, we had the conversation in the Working Group as to what the various alternatives are. And it's easy for Budget Review to say don't raise it. So the question really to us was, well, is there a reasonable amount that it could be raised that is not being overly optimistic or rosy, and the answer is yeah, you can do the year-to-date number. It looks like the economy is starting to pick up a teeny bit, you know, nothing much, but if they just coast along with 1.16% in the fourth quarter, they will maintain the -- we will maintain the 1.16% growth for the year and the revenue will come in, in terms of dollars, exactly as budgeted.

LEG. STERN:

And to take us through the rest of the year, the number that we
would need to recognize in order to arrive at that number would be what?

MR. LIPP:
Okay, so there's a file that we have that I will get to in a second. (Brief pause). So I apologize, but this screen here is a little odd, so I wasn't used to it; 387.7 million more we would get in the fourth quarter, which is 1.16 above the previous year's fourth quarter.

LEG. STERN:
Fourth quarter number.

MR. LIPP:
The fourth quarter would be an additional three hundred and eighty-seven thousand -- point eight million. So, you know, what you need to remember is the sales tax is over $1.3 billion, so the 387 million, while it sounds like a lot, is only one quarter. In other words, it's a very large number we bring in in sales tax revenue, well over 1.3 billion.

LEG. STERN:
And going to the home alarm fee, it proposes a reduction in revenue. My question to you is you had mentioned Legislative initiatives that are before us now, there are three of them -- two of them; one introduced by Legislator Browning, one introduced by Legislator Hahn. I think my question is that is the number that is part of what is before us, is that a number that applies to both or either of those resolutions?

MR. LIPP:
It's an approximation that they're similar enough, the two resolutions, that that's sort of ballparkish for either of those. That being said -- and we did the fiscal impact statements for the resolutions. That being said, given the importance of this, before it's discussed in committee, we probably should, you know, look at the numbers one more time to make sure that nothing's changed.

LEG. STERN:
Okay. But for purposes of today, either one of those resolutions, as currently drafted and before us, would result in that approximate amount of revenue reduction.

MR. LIPP:
correct.

LEG. STERN:
Okay. Thank you.

P.O. GREGORY:
Okay, next I have Legislator McCaffrey.

LEG. McCAFFREY:
Thank you. And I just wanted to echo the Presiding Officer's comments about the fine work that BRO has done, and also about the process itself. I mean, we're challenged with doing a
billions-dollar budget in basically two-weeks time. By the time
the Budget Review -- we get that budget from the County Executive
and it goes to the BRO review, then Working Group has two weeks to
figure out how we're going to be able to make this right, and I
don't think that's fair and I think we need to look at ways to
improve that process. I think we need to get that budget sooner
and give us more opportunity to make some real good decisions on
this.

But as for specific questions, Dr. Lipp, you had, I think,
$4.1 million for prescription drug cost savings. And I've been
trying and I've asked several times and I really can't get a good
answer as to how we would expect to have $4.1 million in savings in
our drug costs based on just putting out an RFP for a PBM, a
pharmacy benefit manager. And as we're sitting here today, we
booked $4.1 million in revenue for that line and no one is able to
give me a real good reason why we should be doing that. Since we
last spoke, are you aware of any basis for putting that savings in
there?

MR. LIPP:
No. In fact, our review went the other way, actually. But through
conversations with the Budget Office, they had strong convictions
that they thought that would work.

LEG. McCAFFREY:
You weren't aware of the basis for those -- for their belief.

MR. LIPP:
So part of it was, I guess, looking at the numbers since August,
because we -- well, not since August, I beg your pardon. Just
looking at the numbers that they had discussions in EMHP about and
that at least one person in EMHP who is very knowledgeable thought
that there should be no reason why they can't have at least $5
million in savings from there. That's not in a BRO analysis,
that's outside sources that we wouldn't begin to say if they were
accurate or not and only time would tell.

LEG. McCAFFREY:
Right. Because being someone that's very familiar with medical
care costs and things like that, I would send out an RFP every year
in my medical plan if I knew I could save $4.1 million. But I
still, even after the explanation we received, I don't think
there's any basis for believing that to be true.

Some other issues that we've got in here is the borrowing related
to pay for the cost. We have -- we've been advertising our pension
obligation, I had asked you for this information, and since 2011 we
have borrowed $352 million, thereabouts, to pay our pension
obligations each year, and this year we're estimated to borrow
another $35 million. And at the end of the day, that $352 million
in borrowing will end up costing us $431 million. And I believe in
our discussions that that could end one day, that New York State
can tell us that not only do we need to pay this back, but we also
need to be -- we may not be able to borrow this anymore; is that
correct?
MR. LIPP:
Yes. There's a formula that we've observed, it's shrinking, the
dollar amount. And depending upon what your assumptions are, that
one day will not allow us to borrow or amortize anything.

LEG. McCAFFREY:
Okay.

MR. LIPP:
I'm not sure exactly when it is, but we are observing as of now
that the dollars are going down each year.

LEG. McCAFFREY:
Right. And this year we also have for -- we're borrowing from the
Sewer Stabilization Fund or the Sewer Fund. How much are we
borrowing this year from that?

MR. LIPP:
Right. So this is the -- from the -- let me make sure I got this
right. Okay, so this is from the ASRF, so -- Assessment
Stabilization Reserve fund. So basically we were able to do this
since 2014, we borrowed 13.8 million in 2014, another 22 and-a-half
in 2015, 38 and-a-half million in 2016, and for the upcoming budget
another 60 million. So 2017 will be the last year of that
agreement, so we will then have to start paying back the 153.8
million starting in 2018, and the approach for borrowing it is over
12 years. And the formula is -- first of all, it could be paid
back all in one year or at any point if funding was available. But
one of the requirements is that you don't have to pay any more than
5% of the remaining balance. So what happens then is in terms of
the repayment, these are the numbers that you're going to see.
Next year -- I'm sorry, 2018 will be the first amount we would have
to pay back, that's $7.7 million. And over the life of the
project, what would happen is if we only gave back the 5% remaining
balance, then in the last year it would be a balloon payment of
$87.5 million. And there is -- also, there's no interest on this,
so it all adds up to the total amount of principal, no interest.
And at the -- if it worked out that way, if the balloon payment
occurred, that would be in the last year, 12 years now from now,
which would be 2029.

LEG. McCAFFREY:
So there's no interest on this because we're borrowing this money
interest-free from the Southwest Sewer District residents?

MR. LIPP:
No, actually this is a separate fund, Assessment Stabilization
Reserve Fund which services all the sewers, not just Southwest.

LEG. McCAFFREY:
Okay, so all the sewer funds then. I'm sorry, I didn't want to
just include --

MR. LIPP:
Yeah, okay.
LEG. McCAFFREY:
Okay. All right, so next year we -- next year is the last year we'll be able to borrow from this fund?

MR. LIPP:
Correct, and that's in the 2017 recommended budget, and presumably -- well, it would stay if you adopt the budget based upon the two Omni resolutions.

LEG. McCAFFREY:
So the following year we will not only not be able to borrow 35 million, but we'll have to start paying back the money that we borrowed previously, about $7 million; so we'll have a $42 million hole next year that we have to come up with?

MR. LIPP:
I would say 67.7 based upon that.

LEG. McCAFFREY:
Sixty-seven point seven.

MR. LIPP:
So in other words, we borrow -- for 2017 we're borrowing 60 million, and for 2018 we're not allowed anymore so we have to come up with other things being equal, either decreasing expenditures or increasing revenue of 60 million, plus --

LEG. McCAFFREY:
The repayment.

MR. LIPP:
-- the repayment would be the 7.7 million we'll have to repay on top of that, so it's 67.7 million.

LEG. McCAFFREY:
And you layer on top the money we're borrowing for our pension obligations that we should be paying; basically our operating costs for each year, we're borrowing that money from the State as well and we are paying them back with some interest.

MR. LIPP:
So there are different ways to do the calculation, but the way that we did it in terms of what's the structural deficit issue in 2017 budget, as you can see on the board, 194 million made up of four items, which if you want me to talk about them I will, but I'll be quiet unless you want me to.

LEG. McCAFFREY:
So basically a hundred -- when you call it a structural deficit, it almost makes it sound like it's okay, you know, like it's supposed to be there.

MR. LIPP:
Well, the reason why I call it that is because, you know, when you're talking about what the actual budget deficit or not is, you know, we make up for it in different ways, whether it's new
revenues or sales tax having to grow or we would cut back on programs or not spending as much, perhaps; those are the actual surplus or deficit. And then in the end of 2015, there was an actual deficit and then there will be associated with this budget, which remains to be seen what that is. So when I talk about structural deficit, I look at things as what have we used as a one-shot or a loan that wouldn't be available in the future.

LEG. McCAFFREY:
So we have 60 million from a reserve fund that's going to go away next year and then we have to pay back, so it's 67 million we have to find next year. Then the 35.2 is pension amortization which may or may not continue, but we're eventually going to have to pay that back with interest. And then now we're proposing to borrow $26.7 million each year to bond SCAT pay, which is basically salaries.

MR. LIPP:
Well, the way I understand the SCAT pay bond is that the Administration is going to go to Albany and request 60 million over two years. So the remainder of the 60 million, assuming that they got the 26.7, really then they could utilize it more so if SCAT pay was higher.

LEG. McCAFFREY:
And so if we don't get the State-enabling legislation, we have a $26 million hole in the budget then.

MR. LIPP:
Correct. But there are other possibilities one could exercise that won't be an actual deficit, it would just be a structural deficit.

LEG. McCAFFREY:
Right. I just want to change gears a minute. Somebody mentioned the Hotel/Motel Tax and the money that's used out of that. I understand that the State law is what mandates how that money is appropriated and it's only to specific areas such as cultural and historical and things like that.

MR. LIPP:
Correct.

LEG. McCAFFREY:
Okay, so we couldn't use that to pay operating costs for anything right now, the way State law is.

MR. LIPP:
So we do have some money as part of the allocations that does that, but it's very, you know, strict and rigid. My understanding is the authority through the Hotel/Motel Tax expires at the end of 2017, so I would assume that there will be some maneuvering during the year to make a decision as to what the allocation should be and whether the tax itself should be raised or not.

LEG. McCAFFREY:
Or maybe used to be able to pay back some of our debt for -- that we're taking out for operating costs maybe.
MR. LIPP:
Well, yeah, that would be perhaps I'll say as a hard sell, because
to the extent that there are specific things. Like for instance,
Parks and Historical Services, those are things that you would
understand as part of tourism and promotion and the use of
Hotel/Motel Tax that would perhaps help the industry. But if
you're saying debt service, it might be harder to get that in
there.

LEG. McCAFFREY:
Okay. Thank you.

D.P.O. CALARCO:
Legislator Krupski.

LEG. KRUPSKI:
Thank you. So I want to start by thanking Dr. Lipp, Roz, Benny,
you know, and everyone from Budget Review. It really amazes me how
in like almost a $3 billion budget we ask the question and they're
like, Just wait a second, and the numbers appear magically on a big
screen or else they just know the numbers off the top of their
heads.

MR. LIPP:
Well, just for informational purposes. We had a small staff
meeting this morning and we said, Okay, you guys have to be
listening in on a feed and doing the e-mail thing with us if we
need some information, so there's kudos there. And also, when we
had our meeting we spoke about, Look, this is a great time that
we're having all these problems. Why is it a great time?
Everybody looked kind of funny at us, and I said the reason why
it's a great time is because it's easy for us to do our job when
the money is flowing. It is a real challenge to do it now, so
these are the interesting times.

LEG. KRUPSKI:
So you didn't make me feel better, so I'll ask you a question.

("Laughter")

The -- and I want to thank the Presiding Officer, too, you know,
for the whole process. I do appreciate the process, the Working
Group. You know, I want to give everyone on the Working Group
credit for sitting there voting, making suggestions. I think it's
a good process, I think it's -- it would be different -- I think
everyone has that in their mind, it would be different if they were
dictator, everything would be a different process. But we're not,
we're in a democracy and I think it's a good -- I think it's a good
way to do it.

So I want to, if I could, start with the mechanics of the budget,
if you could, Dr. Lipp. So there's -- what are we going to vote on
today and is there anything -- I know it came up in past budgets.

01:57PM
If one thing is voted on, then the other things aren't voted on; is
there anything like that today, or is everything that's presented
here going to be voted on?

MR. LIPP:

So there are a couple of standalones that would conflict, possibly, depending on what happens. And you should have in your index, your packet a column on the left which says whether or not it is a conflict, and that relates just to the standalones, because the order of the resolutions are the -- the Omnibus goes first.

Now, the Omnibus, because of the technicalities of the way we have written laws related to our own restrictions or caps, there's a mandated side of the budget and a discretionary side of the budget and the language that creates that law well back several years ago requires us to do resolutions -- two resolutions; one to pass the mandated, one to pass the discretionary budget. So if you look, for instance, in the words to those first the two resolutions, it's literally everything is the same except in three places, I believe, where instead of mandated we say discretionary and the other one. So if you're voting for the first resolution, which is the mandated budget, you really, really should vote for the second one. Because what will happen is if your -- if one passes and the other doesn't, which has never happened before, you will either get a tax increase or a tax decrease because you -- the numbers have to work out together. And since sales tax gets allocated between mandated and discretion, so by raising the sales tax by 4 million each year, we have to split it in some way between the two resolutions. So if you're only voting for one, we're not going to get the full amount and the budget will be out of whack and other things being equal, you would have to either raise or lower the property tax.

LEG. KRUPSKI:

Okay, thank you. One of the things I have to ask about is the Police District and how that money is collected and spent. So how much -- now, there's a proposal to increase the taxes in the Police District by almost 4% in this budget; is that right?

MR. LIPP:

Correct. If you look on the board, you'll see 3.986% increase.

LEG. KRUPSKI:

Okay. So if you consider -- if I represent two towns that are both proposing to pierce the cap and they pay for their own police service, and they make their own decisions based on, you know, how much staffing, how much coverage they need and whatnot and they pay for it as they go along. So I'm not going to comment on whether the police contract is good or if it's bad because it's our police contract and we need to pay for it. Then we have a -- public safety is very important, we all agree with that. So if you -- looking at the contract the way it's written for 2017, how much of an increase in the Police District would you need to actually cover the cost, the honest cost of the contract?

MR. LIPP:

It's a good question. Let's see, I could maybe show you something here that might help. Okay, so if you look on the screen, this is something that we did when the budget just came out to look at, you
know, what are the big action items in the Police District budget. So this is just a very simpler way of looking at it. So the recommended budget increased property tax in the Police District by $20.3 million. And there's a Bond Anticipation Note, part of the SCAT pay bond that we're talking about for 26.7 million; some of it is in the General Fund, but most of it is in the Police District, we're talking Police District, 18.9 million of the 26.7 million is in the Police District. So those are two increases in revenue or sources, and then a third item that sort of helps the Police District is that there was a transfer of staffing from the Police District to the General Fund, so the General Fund has to pay an additional 11.3 million estimated and the Police District gets the savings. If you want, I'll continue with the others, too.

LEG. KRUPSKI:
No, that's fine for now, thank you. So really the 11.3 -- 72 positions should really be in the -- paid for out of the Police District, since the individual towns and villages who have their own police forces already pay for their public safety.

MR. LIPP:
That's an interesting observation. So the department is saying that this is just clean-up, they already are in the General Fund. I could not speak to that, the department would have to do that, nor would it be appropriate for me to say how they should spend their dollars.

What I would say, though, is to the extent that they're doing that, and this will mean that it's appropriate, that frees up some sales tax money that could be used in the General Fund instead of the Police District. So everything is so intertwined that it's almost impossible to have a simple explanation for anything.

LEG. KRUPSKI:
Okay, thank you.

There's another question about the borrowing that we have. Could you go back to the structural deficit? Yeah, that one, thanks.

So since -- so 2012 we borrowed over 45 million; 2013, 60; 2014, 87; 2015, 80; and then 2016, 45 and the proposal is to borrow the pension amortization, I think 35 million?

MR. LIPP:
Okay, so when you come to the amortization, if you look at what I just put up on the board, part of the problem is the following. If you look, for instance, at the current recommended budget, you won't see $60 million as the amount borrowed. What you will see is 88 million and change in the 2016 estimated column; they're choosing to put it in 2016. But if you look at the 2016 adopted budget and you compare it to the 2017 recommended budget, actually 60 million of that number is really new borrowing. So from my perspective, from Budget Review Office's perspective, the only factual thing is that we're doing an additional $60 million in 2017, the last year that we're allowed to borrow from them.
LEG. KRUPSKI:
You say the last year that we're allowed to borrow. So who --
that's for 2017, you're saying that's the last year.

MR. LIPP:
Correct, and that's borrowing by the General Fund.

LEG. KRUPSKI:
No, I mean from the -- I'm talking about the pension amortization,
I'm not talking about the ASRF.

MR. LIPP:
I apologize.

LEG. KRUPSKI:
It's okay.

MR. LIPP:
Okay, I don't think I have on me that file.

LEG. KRUPSKI:
Okay, so I'm looking at something from your report.

MR. LIPP:
Well, in any event, I could do it maybe from the report. Okay.

LEG. KRUPSKI:
It's page 67.

MR. LIPP:
Technical difficulty.

LEG. KRUPSKI:
Well, that's good. So --

MR. LIPP:
Let me get to the next table, it's even better.

LEG. KRUPSKI:
Yeah, that's the one I'm looking at.

MR. LIPP:
Yeah, here we go. So this table, for those of you who are looking
on your review or you can call it up on the screen, which I did, it
is page 66. Okay? So you can see here is these are the amounts
borrowed, I should say in this column here, and the total would be
with the -- with 2017, it would be 352 million has been borrowed.
Debt service associated with each year comes out to $38 million.

LEG. KRUPSKI:
So that's borrowing from who?

MR. LIPP:
It's borrowing from the New York State Pension System.
So, I mean, they're happy because they're getting pretty good interest rates, so they're making pretty good money. At what point does someone say somewhere, Hey, you can't -- I mean, because otherwise we could just keep borrowing this indefinitely, right? Is that the case; can we borrow this indefinitely?

MR. LIPP:
No, there's a formula that I'd have to read the notes to articulate, I would be stumbling, it's a very complex formula. We go out pretty far, several years, but it makes a lot of heroic assumptions that may or may not be the case, but we see we're able to borrow for -- till about 2021, I'll say, but it's not clear. You have to make a lot of assumptions. We don't have the detail of the data that the State has and they don't go out more than a year and a half.

LEG. KRUPSKI:
They get a pretty good cut on the action there. Who sets that interest rate?

MR. LIPP:
That's set by the State Retirement.

LEG. KRUPSKI:
Is this -- is the County, Suffolk County the only municipality that borrows this heavily from them?

MR. LIPP:
That's a good question, too. I've looked at -- well, I shouldn't say I, somebody from the office looked at the State website to try to figure that out, and it -- they don't have that information, really, so we have to try to work on our own to get it.

LEG. KRUPSKI:
Okay. I'm looking at my notes here.

MR. LIPP:
So the State does set the rate. And you can see, the interesting thing here is here are the interest rates in the third -- well, column two, so the projected rate for what we'd be borrowing now would be -- for next year, rather, would be 2.63%, we'd have to have that check to them by the 1st of February, and it's a 12-year payback period.

LEG. KRUPSKI:
Okay. So I have a note here, six of the eight unions have contracts and in 2017 three unions will be without a contract. Does this current budget address all those different options that could come out of those negotiations and future contracts?

MR. LIPP:
Well, that would be impossible to answer definitively one way or the other, since we're not involved in the labor negotiations or what each party is thinking, for that matter. There is some money in there in the contingency account --
LEG. KRUPSKI:
Uh-huh.

MR. LIPP:
But would it be sufficient? I don't know.

LEG. KRUPSKI:
Okay. So the budget, the Omnibus budget -- so there's two options here, the Omnibus budget and the County Executive's budget?

MR. LIPP:
Yes. So what happens is we're amending pieces of that budget. And as we were speaking about it, some of the things that are done are reduce or eliminate three different fees and to restore some service levels for the Tobacco Cessation Program, Public Health Nurses and contract agencies, and the biggest contract agency thing is the scrivener's error for 15 contract agencies for mental health.

LEG. KRUPSKI:
And how -- so would you say that the Omnibus restores the budget to greater fiscal stability or not? Or does it -- by reducing revenue and increasing expenditures, does it make it less?

MR. LIPP:
I would say based upon the things I just said, it addresses a bunch of Legislative priorities, and that even if you were going to make it a little more fiscally sound, in other words you could think of -- we all could think of different things we might want to put in there that would be revenue enhancers or expenditure decreases, but given the limited time and resources we have in the six weeks or so to go from recommended to adopted budget, and given the amount of years it took to get into this position, I would say that the Presiding Officer has it right in that he wants to set up a Working Group, or whatever you want to call it, a committee, to try to start addressing those long-term issues.

LEG. KRUPSKI:
Thank you. And I do also acknowledge the Presiding Officer's leadership in that, trying to address long-term issues in greater than a two or three week time span. So thank you for that.

P.O. GREGORY:
Okay. General; Legislator Barraga?

LEG. BARRAGA:
Thank you very much. First I'd like to commend the Working Group for all the time and effort you put into your recommendations. I know it takes a lot of work and it can be very frustrating; that's on the plus side. On the negative side, I will not be supporting your recommendations.

Mr. Lipp, I want to ask you a few questions. I took a look at your analysis of the County Executive's budget when you sent it over, and I just want to go down a few things and then maybe I can ask you a couple of questions. In your analysis of the Executive
budget, you indicated in the Executive budget overtime was
underfunded, underfunded by $14.3 million. You indicated that 2016
sales tax revenue was down 34.8 million less than the adopted, and
due to low oil prices, the collection there was $28 million less in
2016-17. There was an anticipated reduction, in your judgement, in
State and Federal aid of $26 million for 2017. The overtime
estimate of 65.8 million, which is 18 million less than was
estimated for 2016. The overtime provision for the Sheriff's
Department was low, you thought it was several million dollars
higher. You pointed out that the health care costs will grow by
29.9 million or 7%. And you also indicated that there was a union
and County shortfall with reference to drug costs amounting to
about $19.8 million. Now, obviously when you take a look at your
projection, your analysis, I don't believe this Omnibus comes
anywhere near rectifying what is a very serious fiscal problem that
you have found in the Executive budget.

Now, the reality is, as you know, that when an Executive puts forth
a budget, that County Executive is going to get about 98% of what's
in the budget. When it comes to this Legislature, unfortunately we
have a history of putting things back, even though we have a
structural deficit in excess of a hundred million and maybe an
overall three-year deficit of 400 million. We're putting back
programs we can't afford to put back, and we're cutting fees we
can't afford to eliminate.

So we seem to be -- the back portion of this is that the only way
we justify this is to go out and do a lot more borrowing. You
know, whether it be Sewer Stabilization, we're going in there for
an additional 60 million; the pension, maybe another 35 million.
But I want to get your comment; does this Omnibus proposal come
anywhere near clearing up the evaluation you made of the County
Executive's budget when you saw it?

MR. LIPP:
Good question. So as I said a little while ago, at least the view
that I have is it's taken many years to get to this place, number
one. Number two, the Legislature is faced with a recommended
budget that they only have a few weeks to address. Number three,
there aren't any obvious areas to go in a few weeks to be able to
rectify that. So I think at this point here what we're sort of
saying is that, okay, what's the best we could do or the Omnibus,
and you could agree or disagree that those actions and that your
priorities or not. But I knew going in that we weren't going to be
able to solve all the problems just to take the County's
temperature to show where they are and then do perhaps whatever we
thought we could do then. But the big problem has been, among
other things, that we don't have this group looking at and making
decisions for long-term issues which will take a lot longer than in
adopting this budget and the Omnibus couldn't address it right now.

LEG. BARRAGA:
Well, I mean, I've been sitting here eleven years and every year
it's the best year we can do, and it seems to get worse every
single year. I mean, I wouldn't be surprised if that structural
deficit is not a hundred million anymore, maybe it's going to pop up to 140 or 150. We don't seem to be --

MR. LIPP:
I think you're wrong; it's not going to pop up to 150, it's going to pop up to 194.

LEG. BARRAGA:
Well, that doesn't make us feel any better. It's worse than I even anticipated.

MR. LIPP:
Oh, yeah.

LEG. BARRAGA:
All right. It's just that I think the Executive Branch, when I take a look at their budget, I have no real objections to increasing fees. I mean, this isn't rocket science when you're dealing with a deficit; you either increase taxes and fees or you reduce spending, and obviously they made an effort to increase the fee side of it. I mean, you're going to bring in roughly another $50 million. But when it comes to the spending side, they have fallen down really badly. Nobody wants to make cuts because the programs are usually very good, but they're not affordable. And I've pointed out several times, I feel we're sort of going down a road that eventually, instead of just cutting a program five, ten or 20%, we'll be cutting personnel, we'll be cutting programs entirely because we just can't afford them.

You know, it's like Suffolk County government has the equivalent of a growing fiscal cancer. Cancer at times is described by physicians in various stages; stage one, two, three and four, stage four being the most serious. I think Suffolk County, from a fiscal perspective, we're at a stage three, and it's unabated. We're not really taking the kind of steps to really come to grips with the major decisions we have to make to close this deficit. I think we were on the right track four and five years ago, maybe up to two or three years ago, but everything seems to have fallen by the wayside. And now we're doing the best we can and maybe we'll have a committee to take a look at it and next month when we meet again we'll go on to some other stuff. But this thing is bad, and it's just not getting any better.

So with all due respect to the working committee, I think you've done a good job, you did what you could, but it doesn't really answer the serious fiscal problems that we're dealing with here. And it's really difficult to do that, because you're all good, decent people and you want to do the right thing, you don't want to cut any programs. But you know, I'm not going to be around here for too much longer, but five, six, seven years some of you may be sitting here and have to make some awful fiscal decisions, awful, the way we're going. Thank you.

P.O. GREGORY:
Legislator Fleming.
LEG. FLEMING:
Thank you, Presiding Officer Gregory, and certainly for your leadership in the Working Group. I, too, want to thank the Budget Review Office. And I also want to thank members of the Budget Working Group, particularly the majority members who I believe really made a conscientious effort to be inclusive and fair to everyone in the group and really worked diligently to include everyone and to present an Omnibus that, in fairness, I think deserves broad support.

You know, with the really extraordinary skill of the BRO, I think the group has presented an Omnibus that is responsive to the community; it does reduce fees and it does restore vital services. We are here to be responsive to the community, and at the same time, because BRO is so good at what they do, is realistic.

My district is unique in many ways. Yesterday the five East End towns passed a popular referendum that will provide many millions of dollars to fund water quality improvements that'll benefit the County as a whole. While these advances can move forward only with County support with regard to regulation, research and development and technological advances, the County will benefit from relying on the East End towns as a significant funding source to start to reverse the devastating effects of nitrogen pollution; that happened yesterday and outside this budget process.

We in my district are also unique because we're outside the Police District and I think the direction that the Omnibus takes us from the County Exec's recommended budget is very fair. I wonder,

Dr. Lipp, if you could just summarize with regard to the Police District funding, just leaving the 72 positions aside, but with regard to funding the Police District itself; could you just summarize the shift from where we're moving from with regard to the recommended and the Omnibus?

MR. LIPP:
Okay, so we reduced fire alarm fees by $2.8 million and we --

LEG. HAHN:
False alarms.

MR. LIPP:
I'm sorry, false alarms, yes. I say all the time, instead of false alarms, I'm always saying fire alarms; I don't know, it's just something I do.

LEG. FLEMING:
It would be a completely different thing if it was a fire alarm (laughter).

MR. LIPP:
Yes, right. Exactly. I don't know. Okay, so the changes that they made. The recommended budget shifts a net of 72 positions from the Police District to the General Fund as a savings. The recommended budget adds 18.9 of the 26 million in Bond Anticipation Notes as revenue in the Police District. The recommended budget
adds 20.3 million in additional property taxes, which are reoccurring, in the Police District and the Omnibus would add another half of million to that. The Police District also has received over -- over the last few years, number one, in 2016 the false alarm permit fee and fines; and I even have it wrong on the screen that I have here, I’ll have to change that. And then last year -- last year, the sales tax has sort of like been used as like a pluck figure to either give them more or less associated with their expenses to balance the budget.

LEG. FLEMING:

Thank you. And with regard to the 72 positions that have been shifted to the General Fund, I have to say that we did question the Commissioner at committee and he confirmed for us on the East End that these positions do, in fact, operate County-wide and are appropriate to live outside the Police District. I know we on the East End have, for instance, homicide, crime scene unit, you know, the folks who have the local districts do benefit from these positions, and Commissioner Sini did confirm that that was an appropriate allocation of expenditures.

I do believe that the challenges inherent in this budget place an obligation on each of us to continue to find ways to lend County support to efforts towards economic revitalization in each of our districts. We need to keep building sales tax revenue. And in that regard, the East End's economy is tourism-based, and I greatly appreciate how critically important it is to support the extraordinary cultural organizations that draw the tax dollars that this budget depends on so badly, you know, to the East End of Long Island.

I think we also have to commit to further reforms to reduce costs with real diligence, you know, even once this budget is put to bed, because we're not doing it well enough; and I agree with Legislator Barraga on that to a certain extent. But I think, for instance, badly needed risk management reforms, we've already begun to speak about that. I think there's a lot of savings that we can find there or, for instance, a newly formed public transportation Working Group to partner with the Long Island Railroad and municipalities to start to carry some of those costs so that we can realistically provide the services that folks count on us for without the kind of burdens to taxpayers that, you know, we're moving in the direction of if we keep having such difficult budgets.

But I really just -- I just really wanted to thank you, Dr. Lipp, and your staff as well as the Working Group, because this has been enormously difficult. And as a freshman, I just think that under very difficult circumstances, everyone here did a terrific job. I think that the taxpayers in my district are well served by this and I'm very happy to lend my support.

P.O. GREGORY:

Thank you, Legislator Fleming. Legislator Trotta.
LEG. TROTTA:
I just wanted to go back to that -- I have a question on that chart on page 66 about the amortization. We're taking 35 million and it looks like we're paying back. Are we just borrowing to pay back what we borrowed in the past with interest?

MR. LIPP:
So yeah, we're about at the point now where we're approximately paying back in terms of debt service an amount that's equivalent to the amount that we are allowed to amortize.

LEG. TROTTA:
And clearly that's not a good thing.

MR. LIPP:
Correct.

LEG. TROTTA:
Okay. You know, I think -- you know, I've only been here for three years, but it's gotten worse and worse and worse. And being a conservative guy who likes to pay his bills, it's out of control. It's about time -- we need drastic, drastic changes here. Because what will we do next year? It's -- like it's over? I mean, there's no -- you know, I can't see what we could possibly do.

So, you know, I could never support this and I would call that the State should come in and freeze everyone's salary. Because our arm is cut off, we're bleeding profusely and we're trying to put blood on the other arm and we're trying to fix our scratch on our shoulder. You have to stop -- it's the only way out of here. It's a sinking ship, there's no doubt about it. Because it's horseshoe are willing to say, Listen, we've got to stop this. We got ourselves involved -- I didn't get myself, we got ourselves involved in contracts we clearly cannot afford to pay. I mean, the fact that $70 million are increased this year in the police? It's insanity. You know, a cost -- if they would have gotten a cost of living increase, we wouldn't have any problems right now, none, we'd be sitting pretty, but instead it's bankrupting us. And I don't know how anybody could support this. We need to take drastic action or I don't know what's going to happen here. It's insane. I will not be supporting any form of this.

(*The following was taken and transcribed by Lucia Braaten - Court Stenographer*)

P.O. GREGORY:
Well, that's unfortunate, because you had been requesting for a couple of years, as I recall, to be a member of the Working Group. You attend the Working Group meetings. I invited you to participate in the Working Group this year, and I'm glad that you sought to do that, and I mean that respectfully. But from the beginning you were calling for a Control Board. We actually had a formal vote in the Working Group, of which two of our members had supported it, or three members. Okay. Well, that's even more than I recall. That's not a solution. You know, there are many challenges that we have to deal with and come up with, and saying...
that unless we vote for, you know, a Control Board, we're just not
going to -- you know, we're going to put our hands up and not
participate in the process? I'm not finished, please, thank you.

Before you even heard one issue, that was your solution as we went
through the two or three weeks. I think that's an abdication of
our responsibilities. So it was a narrow, one-minded focus, which
I think is a distraction, and really offers no long-term solutions,
because if you look at Nassau County, you know, you have to ask
yourself easily what benefit has Nassau County gotten from having a
Control Board? Yeah, they froze salaries, but still, they're
still, I don't know what, 15 years now, they're under a Control
Board? Have their finances, their fiscal situation improved any?
I would say no.

So, you know, and that's why I have brought up to some, if not most
by this point, you know, in an informal way, you know, my thoughts
about having an ad hoc committee look at, you know, how do we sit
down as a committee, and, hopefully, it's a bipartisan committee,
but to look at how we come up with savings, one which is a bill
that I put forth to look at efficiencies in establishing measures
for contract agencies. We don't know if they're meeting their
responsibilities as provided by the contracts or not, because we
haven't had the opportunity in those two or three weeks that we get
when we get the budget to call them in, and the Departments, and
ask them, you know, why are you not meeting, you know, the
standards that you in the Department have set? That's just one
facet. We could look at other things as well, but that has to be
outside this, quote/unquote, budget process because we don't have
the time to do that.

So -- and I don't think, you know, calling for a Control Board is
a, you know, end-all-be-all solution to the problems that we face.
We have to cut expenditures, yes, but we have to generate revenues,
and our biggest revenue source is sales tax. So we have
to generate -- help the best we can help, you know, the local
economy, which is going to, you know, obviously impact sales tax,
but, you know, we have to look for efficiencies wherever we can.
And I'm not saying -- and I just think that calling for a Control
Board, as you have proposed, and Leslie has supported, and I guess
you said other -- someone else has supported, is not the answer to
our fiscal situation.

LEG. TROTTA:
With all due respect, I agree with you 1000%. The sad thing is it
alone will not do much at all. It will save maybe $50 million a
year in a $190 million budget, but we have to do something. It's
out of control. I mean, and you said that Nassau -- Nassau saved
$250 million when they put their Control Board in. They're still
in horrible shape.

P.O. GREGORY:
Over 15 years.

LEG. TROTTA:
Okay. But it saved -- you know, in the three years that it was in,
when they froze their salaries, it saved $250 million. Now, right
now we have $194,000 deficit. It's pretty obvious that we can cut
that down, in addition to what you are talking about. What you're
talking about alone will never do it. It's just we will never get
out of it. You need drastic, drastic measures.

Listen, this is something a 9th grade math student can figure out
by looking what's coming in, by looking at what's going out. It's
sinking. It's getting worse and worse every year. This is -- this
is Economics 101 and we're failing. We need drastic things to
happen in order to get this -- my kids will be paying for it. And
you think it's bad, unaffordable for kids to live here now? All
we're doing is making it worse. You think sales tax revenue is
down now? With every fee, with every red light camera, with
everything else we do, we're taking away their disposable income
and making other parts of the country more attractive for them to
live and for companies to go. And unless we take drastic steps,
this will continue and it will be a horror show in this County.
And you can say all you want about contract agencies, those little,
teeny pieces. It's always the little things that matter, but we
need to do this big thing also, because if not, we're screwed.

P.O. GREGORY:
But what other solution is there? You know, I -- you know, it's
almost like the -- you know, your caucus', you know, only agenda
item is to put forth the Control Board.

LEG. TROTTA:
It's sad, it's sad.

P.O. GREGORY:
I haven't seen -- I haven't seen an omni -- I've seen some
amendments by Legislator Cilmi to address some things, but where is
your footprint in where we need to go and attack some of these
issues?

LEG. TROTTA:
My footprint is we are bleeding severely and we need to stop the
bleeding, and a Control Board would do that at this point. Maybe
we don't need it. Maybe the unions come in and say, "You know
something, hold off a second. Let's come back in and let's
renegotiate some of these things." But it's foolish for us to sit
here and make pretend it's that contract in 8-year -- you know,
$400 million contract that's not killing us. He just showed us
$70 million of increases. Listen, I benefitted from that, well,
actually not from this contract, but from the last contract. But
the reality is my job now is to look after the taxpayers and make
sure this County runs efficiently, and it's not. And I'm not
saying we should cut anybody's salary, I'm not saying we should
take any benefits away, but it's time that -- the people on Social
Security are getting one-third of 1% increase on $17,000 and our
highest paid employees are getting 3.5%. It's unconscionable at a
time when the cost of living is 1.5%.

I have no problem with giving cost of living increases, because
that's the reality of it, but the County Executive got himself into
a contract and he sold a bill of goods to a lot of you people that all these savings are coming down the line that never materialized. Some time in the future with the new contract it might, but that may never happen if it goes to binding arbitration and they equalize the units. Then we're really screwed. We need drastic actions.

This is not something that's -- you know, that happened overnight, this is plain and simple. It can't get anymore clearer than what's happening here. This is black and white what's happening. And the Control Board, we might not ever need it. They might come in and say, "You know something, we understand that we're a sinking ship, and we understand we've got to do something, let's talk." But until we bring them and all the unions, whoever they may be, we can't afford this anymore.

P.O. GREGORY:
But we have to make the tough decisions. You know, the Control Board --

LEG. TROTTA:
And the tough decision is call them in.

P.O. GREGORY:
A Control Board is not going to come in and say, "Leslie Kennedy, you advocated to increase the budget to restore the Public Health Nursing. You advocated to restored mental health agencies."

LEG. TROTTA:
Whatever it is, it has to be done.

P.O. GREGORY:
All the things that you guys voted to in the Working Group to expand the budget, but now you're saying you're not going to support it and you voted for it.

LEG. TROTTA:
I don't think I voted for -- I didn't vote for anything, if I remember correctly.

P.O. GREGORY:
I disagree. And you advocated for the Health Department for the -- what was it, the Sanitarians or Inspectors?

LEG. TROTTA:
No. I questioned. Oh, and by the way, I put it in. It was already there.

P.O. GREGORY:
There you go. Okay.

LEG. TROTTA:
I had questions. Someone sent me a letter --

P.O. GREGORY:
Myself?
LEG. TROTTA:
-- asking about one position. Listen, don't try to bring a little thing in --

P.O. GREGORY:
No, but --

LEG. TROTTA:
-- away from a big fact. The fact of the matter is --

P.O. GREGORY:
It's the principle.

02:34PM

LEG. TROTTA:
-- we're in serious problems.

P.O. GREGORY:
No, absolutely.

LEG. TROTTA:
We're in serious, serious problems. And I am providing everyone in the room with an answer. You don't want to do it, don't do it.

02:34PM

P.O. GREGORY:
Okay. All right. We'll move on. So Legislator Calarco is next, then I have Legislator Cilmi.

D.P.O. CALARCO:
Thank you, Mr. Presiding Officer. And to all of the members of the Work Group, thank you for your work. And to Budget Review, certainly thank you to all of your work on this. I know it was months and months of going through the County Executive's budget, and then dealing with us yelling at you constantly about why you can't find us some more money.

02:35PM

But, you know, when we do our budget, it's always about priorities, and it's about setting what is our -- what are our policy decisions in the things that we support and the things that we think are important, most of the things that the County Executive put in his budget, which defined what his policy proposals are. And this omnibus resolution certainly doesn't fix everything that Budget Review pointed out in the budget, you're absolutely correct, Legislator Barraga. There were a lot of items, not counting the pension issue, and not counting taking from ASRF, which are structural issues that we still need to figure out. And the proposed budget does have over $50 million in new fees, over $20 million in new taxes, to try to move in a direction to address those. But we had to make some fixes, and address some of our policy issues that we felt were important. So we added back in the tobacco cessation programs, actually at a cost neutral process, because we identified other fees that could be implemented to help pay for that program.

02:36PM

You know, we restored the Public Health Nurses, because we thought that they provided a service in the County that other nursing
agencies just aren't going to provide. We restored the daycare
cuts, because we understand that daycare is extremely expensive,
and if we want people who are low income to have an opportunity to
actually work and have dignity in their lives and be able to work,
that they need help paying the daycare. And so we restored it from
the 100% of median income level, which, you know, 100% of the
poverty level is $25,000 a year. Tell me one family of four that
could live in Suffolk County on $25,000 a year and pay daycare,
which I can tell you, because I'm paying it, costs about $12,000 a
year. They can't, they need help. And we want them to be able to
work. We want them to be employed in the workforce, so we added
that back in.

We added simple things like custodians, so our buildings could get
cleaned, because we know that our workforce is struggling to keep
up. I remember an email chain between Legislators a few years back
because their offices weren't getting cleaned, and it was because
we don't have enough bodies. It's just a simple fact that you
could only cover so much turf in an eight-hour shift, and they
needed some help, so we restored those. You know, we gave them
some extra money there.

And we also addressed some fees that we thought weren't fair. You
know, there was a big increase in new fees, and we decided not to
increase the existing fee for the tax map verifications. And it
was a small increase, and it was -- but it was an impact to the
budget, but we thought it was something that was, given the big
picture, not something that was fair.

We put money into the -- we cut revenues that was in the Police
District for the alarm bill, because as we have sat around this
horseshoe for the last six months debating over and over again
whether or not we think that program is fair, it is clear that many
of our residents don't think it's fair the way it was implemented,
and many of the people around this horseshoe don't think it's fair
the way it's implemented. We have three different resolutions that
addresses it. So we made sure not to budget for something that we
know there is not much will to continue in the form that it's in.
So we addressed those issues, and we found some revenue to help
offset it. Luckily, we were -- we were able to look at sales tax
projections through the full third quarter, so we raised that a
slight amount by less than a half a percent, based on where we are
in reality, right now, current day sales tax numbers.

So we tried to be fair. We tried to impose our values, and our
policy protocols, and the things that we thought are more
important, and we tried to be fair to the residents. At the same
time, we managed to stay under the tax cap, because we recognize
that our property taxpayers can't afford to have continual
increases. And, yes, there's an increase in the Police District,
but overall we're staying underneath the State tax cap, and we're
avoiding general fund tax increases. Those are important things.

We're trying to manage the services we need to provide and do it in
a fair manner to the residents. And I understand that maybe it's
not perfect, and I am very frustrated that members of the Working

* Index Included at End of Transcript
Group are going to vote for this budget. They sat in the room, they took votes, not everything the way I wanted it. Not everybody in that Working Group were of the same mind. Some of us would be considered extremely conservative, and some of us would be considered extremely liberal, and a lot of us would be somewhere in the track in between, but we sat in that room, we debated things, we took votes. The votes were not party line votes, they split different ways on different issues, to come up with an Operating Budget omnibus resolution for us to consider. And I think we did a fairly good job, given what we were -- we had to deal with.

We are continue to struggle, because our sales tax revenues just aren't growing at the leaps and bounds that they once did.

And when you talk about the Police District and wanting us to raise taxes in the Police District even more to continue to put the costs on the taxpayers, of the property taxpayers in the Police District, but, I mean, there was a time when we put $90 million worth of sales tax into the Police District. This proposed budget I think reduces that number to $26 million. We found ways of paying for the Police District in other ways. Yeah, the Traffic Violations Agency, that money that we collect there goes to the Police District, because there are Police Officers writing the tickets. If a Police Officer from Riverhead Township writes a ticket, that ticket gets adjudicated in the Riverhead Court system, and the Riverhead Court and Riverhead Township keeps the money and it helps pay for their police costs. That's why we pursued creating the Bureau in the first place, because the way it used to work, that money went to Albany and didn't pay for any police costs. So we're trying to address those issues.

And I think it's ultimately fair. I mean, I think we're down to $26 million going into the Police District in sales tax revenues. We're giving $9 million, almost $10 million to the Towns and Villages for revenue sharing. It's nowhere near as proportional as when we struck the deal with the Towns and Villages of how much we want to give them, because at that time we were giving them $90 million a year, or we were putting 90 million into the Police District, excuse me.

So I think we're trying to be very fair to all the residents across the County, trying to do it in a fashion that is not going to be too burdensome to any one group. Trying to make sure we're restoring agencies that are doing good work like drug rehab programs, like youth -- Youth Bureau agencies that are going to help keep our kids out of trouble, off drugs, out of gangs. We all know that those are real problems we're facing here in the County right now. Those are the things we restored. The reality is is we had -- we had some major savings in contract agencies this year. Just from our actions to shift our health centers to Hudson River alone generated a significant decrease in the amount of money. I think it was $1.8 million total in how much was being paid out for those services from last year. So we are trying to get there. And it's a long haul, it ain't going to happen overnight. This budget isn't perfect, and we're going to have some more structural issues to deal with moving forward. But I reject the idea of calling for the State to come in with a Financial Control Board, because that's
just saying I give up on doing my job, because that's what our job is, is to manage this County, to set our priorities and to do a budget. So that's why I'm supporting this omnibus resolution and I urge all my colleagues to do the same.

P.O. GREGORY:
Legislator Cilmi.

LEG. CILMI:

Thanks, Mr. Chairman. You know, we've sat here year after year, and we've really talked about our budget. We've all articulated mutual concerns about our budget. There's not a doubt in my mind that every single member sitting here tonight understands what the real fiscal challenges are in our budget, is concerned about the future of Suffolk County, not only from a financial perspective, but the effect that that -- that our finances has on our ability to provide services to our residents. There's not a doubt in my mind that every member here has those concerns and everyone here understands the dire nature of where we're at fiscally in this County. The question continues to be, though, what are we prepared to do about it. And this is where I listened to the comments from my colleague, Legislator Barraga, my colleague, Legislator Trotta. And I don't like the idea of a fiscal Control Board, but I understand why he's suggesting it, because year after year we've really talked about the same things ad nauseam when we keep saying, "Well, we have to get to" -- "Maybe after this budget process we'll look at it. Maybe after this we'll do it. We're going to form a committee." We're going to do this, we're going to do that. I've proposed multi-year budgeting. Every year we talked about it. This is my sixth or seventh budget process and every single year we've talked about the same thing.

The -- we really have to address the elephants in the room. And while, Mr. Presiding Officer, you know, you're absolutely correct in trying to find savings in different places, contract agency expenses, you know, certainly there are some -- we should hold them more accountable for delivering results and delivering value for the money. I mean, in my mind, and I've said this before here, we should have a -- sort of a 30,000 foot look-at at the services that we provide through our contract agencies, and not only figure out where there's duplication of services or expenses, but to figure out how to most effectively deliver those services with the limited resources that we have in our finances. And not only that, but look at where we're spending money with contract agencies that we could better spend the money inhouse, where we could better control the expenditures inhouse, and better examine the deliverables, the metrics, the results inhouse.

So, you know, everybody's got sort of their own little interesting ways to save money. We talk about bloating and -- you know, in the County Executive's Office, and we'd all like to see less -- fewer chiefs and, you know, more Indians and -- but when it really comes down to it, a lot of that is small potatoes, and it's small potatoes as compared to the following, the following few items: Public safety costs are tremendous. The cost of public assistance, Medicaid, Safety Net, is tremendous. The cost of our health
insurance here in the County is tremendous, and it's going up and up. I think it's -- I think Budget Review said it's going up 7%, proposed to go up 7% next year. Our pension obligations, pension obligations, the fact that we will be -- we will spend as much money next year in debt service to pay for prior years pension obligations, as we will amortize in pension obligations next year, is breathtaking. The fact that we've borrowed in excess of $300 million in prior years pension obligations, which in effect is borrowing to begin with, is breathtaking.

So unless we figure out how to deal with all of those things, that's where the real money is, Ladies and Gentlemen, that's where it is. And, granted, granted, much of that is very difficult to deal with. You have mandated expenses in there, you have contractual expenses in there, but we're not going to deal with it by continuing to pretend that we're balancing a budget year after year after year. I've said this before. And by even adopting this omnibus resolution, which may improve things in terms of some of the services that we deliver. I like the fact that you've put back in some public health nursing expenses. I like the fact that you've reserved some money for a reduction in the alarm program costs.

If we pass this omnibus budget amendment, we are in effect saying to the public that our budget is balanced, and my friends and colleagues, it is only balanced to the extent of our credit limit here in Suffolk County. And it appears very much to me that we have no credit limit, because that -- it just keeps going up and up and up and up.

The County Executive concluded his budget message in this year's budget, as I think he does pretty much every year, by saying that he wants to work with the Legislature to continue to move our County forward. I would submit to you all that is suicidal to move forward when moving forward means moving forward at an accelerated pace off of a cliff, and that's what we're doing if we continue to pretend that our budget is balanced. Thank you.

P.O. GREGORY:

LEG. KENNEDY:

Thank you, Presiding Officer. I'm not going to be argumentative. I am just going to say this is my -- I have been in office a year-and-three-quarters. This is my fourth Budget Working Group. I can't possibly vote yes on this budget, and not because as a Republican I feel that government's responsibility is to put back in Public Health Nurses, or to assist people get off welfare by having assistance, some assistance so they will be able to work. That's not the way I feel. We need to do those things in there. It's that each day I said, "When are we going to look at some cuts we could make in the County Executive's budget?" I had 13 of them and I never got past the first one, we just moved on.

Instead of taking out a loan, we could have modified the County Executive's budget and paid for the Nurses, instead of bonding out,
instead of waiting. I will tell you my honest feeling as a person who has lived on this Earth for a long time. The last day when we went over the ways we were going to deal with that 12 or $15 million, I was looking at them and I said, "Oh, the money fairy is coming." This is not going to happen in 2018. Our economy, if anybody has read any economic forecasts, is not going to bring us this money.

It's not -- I try, as I always do, to make things the least partisan as possible. And I understand the frustration of my peers with asking for a Control Board, because sometimes I feel like we have to have a grown up in the room. That's -- I don't want to go any farther with this. I know we all worked ourselves to death on this particular budget. The decisions were extremely difficult. I don't fault anyone for doing what they did. I just can't go forward with something that I know is going to put us in more debt.

P.O. GREGORY:
So, if I may, and not to be argumentative, but -- so you're saying you would support the omnibus if we eliminated, you know, what was it, 500,000 I think it was --

LEG. KENNEDY:
No, no.

P.O. GREGORY:
-- in the Executive's Office to pay for the Health Nurses?

LEG. KENNEDY:
No. It was well more than that, and we didn't even address the amount of money. I only got to say number one, which was something piteous like 200,000. But to me, you add on each one. No, it was well more than that. If we would do a pure analysis -- and I know that I read those two weeks before the meeting every single line. At 2 and 3 o'clock in the morning, it's a pain in the behind. I take it seriously. I drive Robert Lipp insane. We can do more; we don't.

P.O. GREGORY:
So you're voting against the positions that you wanted in the Comptroller's Office, you realize that?

LEG. KENNEDY:
I'm not here to support my husband. If that's what happens --

P.O. GREGORY:
I'm not -- I didn't use that word. I'm just saying, you advocated for positions.

LEG. KENNEDY:
You didn't use the word, but that said --

P.O. GREGORY:
No. I'm just saying that there was a --
LEG. KENNEDY:
I didn't vote on that one. I didn't vote on that one.

P.O. GREGORY:
You did not?

MR. NOLAN:
No, she didn't.

P.O. GREGORY:
Oh, okay. All right.

LEG. KENNEDY:
I did not vote on that one.

P.O. GREGORY:
I apologize, I thought you did.

LEG. KENNEDY:
And I couldn't stifle it.

P.O. GREGORY:
Okay. All right.

LEG. KENNEDY:
I try to be fair.

P.O. GREGORY:
Okay, okay. All right. Legislator Browning.

LEG. BROWNING:
So there was a time that I had said give the County Exec the budget back. Let's deal with his and find some offsets to pay for Public Health Nurses, our contract agencies. But as the process was going through Robert, you know, I came into the Budget Working Group late. I was asked to participate after they had started. But when I got in and I found out there was $12 million worth of items that it was a whoops, the County Executive forgot about a $4 million expenditure, and a number of other items, the Sheriff's Department, overtime for Corrections Officers, a mandated item. So when we started to look at the budget and see, you know, honestly, we did not get a balanced budget. We did not get a good budget from the County Exec, and they were very irresponsible. I don't know what in the name of God they were thinking that they forgot $4 million, but we had to fix that. So before we even started looking at a lot of the items that were important to us, like the Public Health Nurses, we had to fix some of those items before we even started.

So, you know, I think this work group, I do believe that this work group tried hard. And I certainly credit our Budget Office, Robert and his staff, because they have done a phenomenal job. And the time period that we have to do this is just way too short. So, DuWayne, I know that we spoke about creating a committee, and to really start looking at the County as a whole.

I've said to you about the contract agencies, yes, we do need to
look at them. I know that a lot of those contract agencies have joined together so that they could save money, so that they could work together and continue to provide. So there is an effort on their parts to prevent overlapping of services. They have done that.

I think we need to look at our departments. And I have said it, and I'll say it again, is the Administration has been handing out pay raises like candy. It's ridiculous when I find out the kind of pay raises that they're getting, and that the salary line up there is out of control, and that's something that we need to get control under, too. And we should be looking at that here at the Legislature, absolutely should.

We need to be setting standards on how exempts are getting paid, and I don't think that standard has been set. And whether it's a Republican-controlled or Democrat-controlled, at this time right now it's a Democrat County Exec, but the same goes for the Republicans if they ever take over. You know what, they're going to have to live with that, too, and live by that standard, and I think it's a standard we should be setting across the Board.

I will have to say, I know I saw the Comptroller earlier, but he's brought us in some revenue and he's done a good job. So I am going to support this, because the contract agencies that we pay are saving us money. And to say to bring them back into the County, I don't think that we are going to be able to do what they do with the amount of money that they have. I think it would cost us more.

Daycare, yeah, we need to take care of these families, that they're trying to work. So while we're giving them money, I think they bring us back as much, twofold we get back in taxes from them.

The Sheriff's Department, I can't vote no on this budget until the Sheriff's Department, you're not getting overtime, that we're not going to fund your overtime. We have to, we have no choice.

The Comptroller, I absolutely support giving him more auditors. It's something that we need. And he's done a phenomenal job, and I know if we give him more positions, he'll do even better. So if I vote no on this budget, I'm voting no on the Comptroller and his request.

So I think that the Work Group have tried to be fair. I know I didn't agree with everything. I didn't agree with everything that we have done in the budget. But I think as a whole, I have to support this budget, because we are trying to do the right thing. And when we want to talk about a Control Board, yeah. I said, "Yeah, sure, let's bring a Control Board in." But we have a budget right now that we have to deal with. That's not going to fix what we have to sit and do here today. We have to get this done. You want to bring a Control Board in for the next year, whatever, that's fine, bring them in, but I really don't think that's going to solve our problems.

MR. LIPP:

So if I could suffer an interruption for point of information.
LEG. BROWNING:
Go ahead.

MR. LIPP:
I'm not sure if you -- if everyone realizes this, but we did put 2.4 million back in for overtime at the Sheriff's.

LEG. BROWNING:
No, no, that's what I'm saying. I said if I vote no on this budget, it is not to fund -- that means that we will not be able to fund the Corrections Officers and their needs.

And I believe, Robert, one last question. I mean, Federal and State mandates, what percentage of our budget do you know is mandated by Federal and State?

MR. LIPP:
Well, I think if you look at the numbers that we've calculated, which I don't have any trust in, about 50%. Could be off a little bit. But that being said, we have like unusual rules as to what's considered mandated or not, so I don't have a lot of confidence in that.

LEG. BROWNING:
Right. But again, you know, we talk over and over again. We've been told that we were going to get mandate relief how many years ago? We really haven't gotten the mandate relief that we should be getting. So there are Federal and State mandates, and I think that's something that we should continuing to pursue. And I know that that's another issue that you've brought up is having someone to represent the Legislature and the Legislature's needs, and mandates are one of the most difficult things that we have to live with.

And while everybody wants to say we can't afford to live on Long Island, we can't afford to live on Long Island because 70% of our bill is school taxes. The County portion of our taxes is pretty minimal. So we are continuing to try. I know I've only got a year left. Tom, I know that we're leaving and we don't know what's going to happen. You know, different events that happen, we have had wars, we have had all kinds of things. We have had weather related issues that have cost us money, and we don't know what's going to happen over the next few years that could change how we're doing and how we're going to be fiscally. I'm hoping that it will be better, I'm hoping it will get better, but we don't know that, and we're dealing with a budget based on what we have. And I'm hoping that we'll get more sales tax revenues.

I just can hope for the best for each and every one of you who are still going to be here when we're not, when I'm not, that things will be better for you and you'll be able to handle the budget better. But I will support this, because I'm not going to vote against the Comptroller's needs to have positions to bring in us more money. I'm not going to vote against Public Health Nurses, I'm not going to vote against daycare, and I'm not going to vote
against those contract agencies that work so hard for us. So that's why I'm voting yes on the budget and not no.

P.O. GREGORY:
All right. Thank you. So I am going to make a motion to approve Budget Amendment 1, right?

D.P.O. CALARCO:
Second.

P.O. GREGORY:
Second by Legislator Calarco. All in favor? Opposed?

(Opposed: Legislators Krupski, Muratore, Cilmi, Barraga, Trotta, McCaffrey, Kennedy)

P.O. GREGORY:
Abstentions?

MR. RICHBERG:
Twelve. (Vote Amended to 11 yes, 7 no)

P.O. GREGORY:
Okay. I make a motion to approve Budget Amendment 2. All in favor? Opposed?

03:02PM

MR. RICHBERG:
Who was the second?

P.O. GREGORY:
Oh, I'm sorry. Second?

D.P.O. CALARCO:
I second it.

P.O. GREGORY:
Second by Legislator Calarco. All in favor? Almost gotcha. All in favor? Opposed?

(Opposed: Legislators Krupski, Muratore, Cilmi, Barraga, Trotta, McCaffrey, Kennedy).

Abstentions?

MR. RICHBERG:
Twelve. (Vote Amended to 11 yes, 7 no)

P.O. GREGORY:
Okay. All right.

LEG. MCCAFFREY:
Excuse me. What was that vote? Was that -- I'm sorry. Was that 12 or 11?

LEG. FLEMING:
It's 12. Doc's in the back.
LEG. MC CAFFREY:
But Legislator Krupski, I'm not sure how he voted.

LEG. KRUPSKI:
Because of the reasons I stated earlier, I didn't support the omnibus.

LEG. MC CAFFREY:
No, I understand --

LEG. KRUPSKI:
Even as part of the Working Group. And I really --

LEG. MC CAFFREY:
I'm not questioning why you voted against it, I'm just questioning -- the vote count was wrong. It was -- it's 11, not 12.

LEG. KRUPSKI:
Okay.

MR. RICHBERG:
Eleven. *(Opposed: Legislator Krupski, Muratore, Cilmi, Barraga, Trotta, McCaffrey, Kennedy)*

LEG. ANKER:
I voted against the second.

D.P.O. CALARCO:
No, Sarah only voted no on the second one.

LEG. TROTTA:
He got it wrong, because Al voted no twice.

LEG. KENNEDY:
Yeah, he voted no twice.

LEG. D'AMARO:
Do a roll call.

LEG. BROWNING:
Roll call.

P.O. GREGORY:
All right. So what we'll do is I will do a motion to reconsider *Budget Amendment Number 1*.

LEG. CILMI:
Second.

P.O. GREGORY:
Second by Legislator Cilmi. Roll call.

*(Roll Call by Mr. Richberg, Clerk of the Legislature)*
LEG. CILMI:
New motion and a second, right?

P.O. GREGORY:
Yes, yes, yes, yes. Now you got me confused. All right. All in favor on reconsidering Budget Amendment 1? Opposed? Abstentions?

MR. RICHBERG:
Eighteen.

P.O. GREGORY:
Almost got you, Al. All right.

LEG. KRUPSKI:
I was reading something.

P.O. GREGORY:
I make a motion to approve Budget Amendment 1, second by Legislator Calarco. Roll call.

(Roll Call by Mr. Richberg, Clerk of the Legislature)

P.O. GREGORY:
Yes.

D.P.O. CALARCO:
Yes.

LEG. KRUPSKI:
No.

LEG. FLEMING:
Yes.

LEG. BROWNING:
Yes.

LEG. MURATORE:
No.

LEG. HAHN:
Yes.

LEG. ANKER:
Yes.

LEG. LINDSAY:
Yes.

LEG. MARTINEZ:
Yes.

LEG. CILMI:
No.
LEG. BARRAGA: No.
LEG. KENNEDY: No.
LEG. TROTTO: No.
LEG. MC CAFFREY: No.
LEG. STERN: Yes.
LEG. D'AMARO: Yes.
LEG. SPENCER: Yes.

MR. RICHBERG: Eleven.

P.O. GREGORY: Okay. Motion to reconsider Budget Amendment Number 2, second by Legislator Calarco. All in favor? Opposed? Abstentions?

MR. RICHBERG: Eighteen.

P.O. GREGORY: Okay. I make a motion to approve Budget Amendment Number 2, second by Legislator Calarco. Roll call.

(Roll Call by Mr. Richberg, Clerk of the Legislature)

P.O. GREGORY: Yes.

D.P.O. CALARCO: Yes.

LEG. KRUPSKI: No.

LEG. FLEMING: Yes.

LEG. BROWNING: Yes.

LEG. MURATORE: No.
LEG. HAHN: Yes.

LEG. ANKER: No.

LEG. LINDSAY: Yes.

LEG. MARTINEZ: Yes.

LEG. CILMI: No.

LEG. BARRAGA: No.

LEG. KENNEDY: Yes.

LEG. TROTTA: No.

LEG. MC CAFFREY: No.

LEG. STERN: Yes.

LEG. D'AMARO: Yes.

LEG. SPENCER: Yes.

MR. RICHBERG: Ten.

P.O. GREGORY: Okay. So for the purposes of Budget Amendment Number 3, the Chair recognizes Legislator Cilmi. You can offer an explanation.

LEG. CILMI: Yeah, I'm with you. I just want to get -- first make sure I'm making the motion on the right motion. Okay. Motion to approve. Just to double-check, there's no conflict with the omnibus on this, Robert?

MR. LIPP: Correct.

LEG. CILMI: Okay.
P.O. GREGORY:
Robert, can you explain what this does?

LEG. CILMI:
I don't think we got a second yet.

LEG. KENNEDY:
(Raised hand) I made a second.

P.O. GREGORY:
Second by -- motion by Legislator Cilmi, second by Legislator Kennedy.

MS. GAZES:
Okay. BA 3 and BA 4 are a package. It's the Mandated and then Discretionary piece of the amendment. It adds two positions of Investigator I in Social Services to address Medicaid fraud, and salaries and necessary benefits are added for the two positions, and it's 100% offset by Federal and State Aid.

LEG. CILMI:
So, if I may, it's budget neutral?

MS. GAZES:
That is correct.

LEG. CILMI:
But it provides some additional assistance for us to investigate that fraud, which ultimately could save our taxpayers money?

MS. GAZES:
Yes. The Department identified that this is where they had a backlog in investigations.

LEG. CILMI:
Thank you.

P.O. GREGORY:
Legislator Lindsay.

LEG. LINDSAY:
To the sponsor, is -- would this be a Civil Service position?

LEG. CILMI:
Yes, I believe these are Civil Service positions.

MS. GAZES:
Yes.

LEG. LINDSAY:
And would the funding be for just one year or would it be ongoing?

LEG. CILMI:
It's a one-year budget, as I understand it, so it would be for one year.
LEG. LINDSAY:
I'm not saying the budget item, I'm talking about the funding source. Is it a multi-year grant?

LEG. CILMI:
Yes, we get -- we get reimbursed on an annualized basis for these -- for these positions.

LEG. LINDSAY:
Okay. Thank you.

P.O. GREGORY:
So, if I may, I'm not sure who would be most appropriate to answer this. So we're using Federal and State Aid to offset the expenses for salary and benefits to an investigator to look for Medicaid fraud? Doesn't the State investigate that? I mean, I know we have our own CSU Unit.

MS. GAZES:
There are already titles of this nature in Fund 360, which is the Medicaid fund, so they're already doing these types of services. The Department identified that they had a backlog in reviewing the fraud complaints.

P.O. GREGORY:
Ah, gotcha, gotcha. Okay. All right. Legislator Fleming.

LEG. FLEMING:
Just in response, too. At committee, the Department did identify that, in fact, there is an Office -- you know, New York State Office of Medicaid Fraud Enforcement, and that they could conceivably work with those individuals also, as opposed to adding staff. That's my recollection of the testimony.

P.O. GREGORY:

LEG. D'AMARO:
Just quickly, the funding that's expected for these, what is it, two positions?

MR. LIPP:
(Nodded yes).

LEG. D'AMARO:
If we don't pass this, do we get the funding and it goes towards some other function in County government, or is it --

MS. GAZES:
No.

LEG. D'AMARO:
-- specifically earmarked for these positions?

MS. GAZES:
You have to incur the expense to receive the revenue. So if we
don't hire the people and pay their salaries and benefits, we won't receive the additional revenue.

LEG. D'AMARO:
So when did this revenue become available?

03:09PM
MS. GAZES:
It's Fund 36-C, that's the funding allocations. That's the way they --

LEG. D'AMARO:
What I'm trying to understand is usually if we have something State-Aided, it's just included in the budget. Why is this -- why is Legislator Cilmi putting in an amendment at a late date?

03:09PM
MS. GAZES:
Well, you would have to ask Legislator Cilmi about putting in the amendment, but our information is that Fund 360 --

LEG. CILMI:
If I may, if I may to the -- to Legislator D'Amaro. It's funding that -- we already get this funding from the State and Federal governments to fund similar positions that we currently have in our -- funded in our budget, and we've had them for some time, it's not new. So these are just additional Investigators.

LEG. CILMI:
To clear up backlog and to more effectively pursue fraud.

LEG. D'AMARO:
So the funding comes in annually from State and Federal, but we are changing how the funding is being allocated?

LEG. CILMI:
No. The funding comes in whenever -- the funding comes in specifically to fund these positions. So whatever positions we have that are dealing with Medicaid fraud, the positions are funded through the State and Federal Government. We have positions that we fund currently, it's just that we don't have enough of them, so we -- the Department of Social Services suggests two additional positions to deal with the backlog and the -- you know, the level of investigation necessary to pursue Medicaid fraud.
LEG. D'AMARO:
I appreciate that, but I don't understand, if it's a 100% aided, why it would not be included even in the recommended budget.

03:11PM

LEG. CILMI:
Well, I mean, that's a good question. You'd have to ask the County Executive that. I don't know the answer to that question. All I know is that the Commissioner of the Department said that he could use two additional investigators and it won't cost us anything.

03:12PM

LEG. D'AMARO:
Right. But it seems to me the answer to that is that this funding is being utilized some other way.

03:12PM

LEG. CILMI:
No. We don't get the funding unless we -- unless we have the Investigators. It's -- how can I explain it? It's like -- it's like if we said to you --

03:12PM

LEG. D'AMARO:
I understand.

03:12PM

LEG. CILMI:
-- whenever you go out and buy a dozen pencils, we'll pay you for them, or when you use gas, we'll pay you for it.

03:12PM

LEG. D'AMARO:
Right.

03:12PM

LEG. CILMI:
If you don't use the gas, we don't give you the money, but if you use the gas, you're guaranteed the money.

03:12PM

LEG. D'AMARO:
Did the -- did the Department request this from the County Executive in their recommended budget, do you know?

03:12PM

LEG. CILMI:
Don't know the answer to that question.

03:12PM

LEG. D'AMARO:
Well, is the Commissioner here? I'd like to know the answer to that question. I don't understand how there's 100% State and Federal Aid available for these positions and they're not included in the recommended budget. How could that be?

03:12PM

LEG. KENNEDY:
It's supposed to be for salaries.

03:12PM

LEG. D'AMARO:
Okay. Well, like give me one more, give me another one.

03:12PM

LEG. KENNEDY:
Okay. God, what's it called? Let me call.
LEG. D'AMARO:
Yeah. And who sets the -- there's only two. Why don't we ask for 100? I don't understand this process at all. I don't understand how the County Executive has a recommended budget. You know, we sit -- I've sat in the Working Group many times and anything 100% aided, you know, take the money, of course. And I just don't understand why this particular two positions is now just appearing as a revenue source that's 100% aided and it's not included in the recommended budget, I don't understand that. How could that be?

LEG. CILMI:
Is it possible, Legislator D'Amaro, that the County Executive suggested or requested of the Department that they submit a budget that doesn't increase expenditures or positions, regardless of whether or not they're funded?

LEG. D'AMARO:
I'm not saying that there's not a response, and I'm not saying that I'm opposed to this.

LEG. CILMI:
I'm just suggesting -- I'm supposing that may be the answer to the question.

LEG. D'AMARO:
Right. But it would seem to me that even with that request, if it's 100% aided, it wouldn't fall within the category of increasing the budget. I mean, that would be discretionary funding, right?

LEG. CILMI:
(Nodded yes).

LEG. D'AMARO:
I just don't understand how that could possibly be, I just don't. So the reason why I questioned it, Legislator Cilmi, then, is I want to make sure that we're not taking a funding source and moving it from, you know, one function to another.

LEG. CILMI:
I think Budget Review can say unequivocally that we're not doing that.

LEG. D'AMARO:
All right. So to Budget Review, was this funding source included in the recommended budget?

MR. LIPP:
There's definitely funding there. It's just that over time, you could wind up with different services where maybe we overspend. So instead of getting 100% aid back, we're only getting 70, because it hits a ceiling, or we're not generating the monies to be able to get the additional reimbursement. But what the Department is saying at this time, at this date, they could use two more Investigators and they would be able to generate enough for this --
LEG. D'AMARO: Right. But if the recommended budget took this funding source and let's say put it towards the existing investigator -- investigators and had it for overtime, or something like that. I mean, I just don't want to put these positions in the budget and then the funding source is spread too thin. So, again, I'm asking -- I mean, look, I don't want to take up a lot of time, but you're saying two new Investigator I positions in Social Services. Well, how many Investigator I positions are in there now?

MR. LIPP: We could look it up. I'm not sure off the top of my head.

LEG. D'AMARO: And with those investigator positions that are in there now, is this funding source already included?

LEG. CILMI: Again, I believe, there's a submission of -- submission of expenses, including man-hours, etcetera, to the State and Federal Government by the Department, and then there's a reimbursement for those man-hours to the County. So it's not that there's an existing pot of funds and the State says, "Here's $100,000, spend it how you -- you know, how you like." We could theoretically add four investigators and it still be budget neutral. The Department felt that two investigators would be sufficient.

LEG. HAHN: Why wouldn't you want to create more jobs?

LEG. CILMI: Well, because there's a -- there's a --

LEG. D'AMARO: I don't understand that.

LEG. CILMI: Well, first of all, there's a law of diminishing return. Second of all, there's a point at which, if you're -- you know, you don't want to -- you don't want to make it so that it's inefficient. If you had -- if an investigator can investigate ten cases, let's say, why only give that investigator five cases because you have extra investigators? That doesn't make too much sense. Let's only spend what we'd need to spend. We shouldn't just add jobs just to add jobs. The Commissioner believes that we can utilize these two additional positions. Now it may be that halfway through the year, if at the end of this year the Commissioner comes back to us and says, "You know what, we were successful in recovering or saving the County "X" amount of money as a result of" -- just when I say the County, I don't mean -- it doesn't -- it doesn't inure to the County's budget because it's budget neutral, but saving the taxpayers "X" amount of money because we uncovered "X" amount of fraud. But we still have the backlog, so I suggested one additional investigator. He may come to us and say that. He may come to us and say what we have is sufficient. As of now, he's saying to us that we could use two additional positions. It's not...
costing us anything. We can save the taxpayers money overall. It
doesn't inure to the County's budget, but we can save the taxpayers
money.

03:17PM

MR. LIPP:
So there are -- to answer your question from before, there are
three investigators in the appropriate unit. And I suppose, but I
don't know with certainty, what we're talking about here is the
Commissioner believes that he could generate the additional fraud
revenue, but he doesn't have the appropriations to be able to hire
those people.

03:18PM

LEG. D'AMARO:
Right, because, as Legislator Cilmi points out, if you add two more
positions, they will be complete -- they'll be 100% reimbursed by
State and Federal Aid; is that correct?

MR. LIPP:
I believe so, yes.

03:18PM

LEG. D'AMARO:
So there's no cap on how much the State and Feds will reimburse?

MR. LIPP:
There's probably at some point, but I don't know what that point
is. I could only assume that that's implicit in this. And at the
end of the day, if they decided that they're not going to hire both
or any of them, then the revenue wouldn't come in, but neither
would the appropriations get spent. So, in that limited sense, it
would be a wash.

03:18PM

LEG. D'AMARO:
Legislator Cilmi, just if I may, this came up in committee?

LEG. CILMI:
He sponsored a similar resolution last year.

LEG. D'AMARO:
Right.

LEG. CILMI:
And I questioned the -- and it didn't pass. I questioned the
Commissioner in committee this year in the budget hearing process
as to whether or not he could still use the additional
investigators and he said yes. We had offline conversations as
well.

03:19PM

LEG. D'AMARO:
I would just be curious to know if the Commissioner asked for that,
requested that for the recommended budget; we don't know.

03:19PM

LEG. CILMI:
I just don't have the answer to that question. I'm sure if you ask
the Commissioner, he could explain.
MR. LIPP:
This was not in the Department's budget request, correct.

LEG. D'AMARO:
It was not in the Department's request.

MR. LIPP:
Correct. I seem to be having trouble with this microphone, talking loud enough. Correct, they did not have that in the budget request.

LEG. D'AMARO:
So the Commissioner of Social Services is charged with the responsibility to put in the request and this was not included.
But then after the recommended budget comes out, says, "Oh, wait a minute, I need two more positions," and they're fully funded. I don't understand why that wouldn't be in the initial request.

LEG. CILMI:
Is there a question outstanding for me? I'm sorry.

P.O. GREGORY:
Are you done?

LEG. D'AMARO:
No, no, it's just a mystery to me.

P.O. GREGORY:
Oh, okay.

(*Laughter*)

LEG. D'AMARO:
I don't understand it. I don't understand how the Social Services Commissioner --

LEG. CILMI:
Many mysteries here.

LEG. D'AMARO:
-- you know, is asking us, you know, "Look, I need these positions." We all want to, you know, combat Medicaid fraud, I understand that. But if it was so important, how could he not put it in his request for the budget? I don't understand that.

LEG. CILMI:
I don't --

LEG. D'AMARO:
You know, maybe there's an explanation.

LEG. CILMI:
I'm sure there is.

LEG. D'AMARO:
Maybe the funding wasn't available at the time.
Special General Meeting - November 9, 2017

LEG. CILMI:
I'm sure there's a -- knowing Commissioner O'Neill, I'm sure there's a very --

LEG. D'AMARO:
I'm not questioning any -- I'm not saying anything nefarious.

LEG. CILMI:
No, I understand.

LEG. D'AMARO:
You know, it seems to me that out of a $2.6 billion budget, there's two positions that we can get more money for from the Federal and State Government, and we didn't know about it, and we didn't put in our request, and three weeks later I found out about it, and it's just one resolution out of this entire budget. I just find that extraordinary.

LEG. CILMI:
But for me to comment any further, I would be -- I would be putting words into the Commissioner's mouth, and I really should not do that. You know, I just -- I would only encourage you to reach out to the Commissioner tomorrow, regardless of the outcome of this resolution and ask the question.

LEG. D'AMARO:
Fair enough. Thank you.

P.O. GREGORY:
All right. I have a long list. Legislator Stern.

LEG. STERN:
Yeah, thank you. Maybe through the Chair to Legislator Cilmi, if you know, and maybe to BRO, does anyone -- has there been an analysis done on the type of recoveries that these investigators have been able to bring in over the past year or more? Because when we say that it is budget neutral, that we're going to seek reimbursement from both the Federal and State Government, that might be budget neutral to us, but still we're talking about an expenditure, we're still talking about taxpayer dollars. I would hope that there would be an analysis done to determine whether or not from a cost benefit analysis, the investigators, do they bring in any revenue now, and what, if anything, might two additional or more investigators be able to provide? If there's been some analysis of that, that would be helpful.

LEG. CILMI:
In answer to your question, from my perspective at least, I know that's something that the Commissioner looks at in managing his Department, and he's indicated to me that there is a tremendous benefit. As far as exactly what the per-investigator return on investment is, I don't remember the number off the top of my head, I couldn't say. But he seems to indicate that they do pay dividends, and that an additional two investigators would continue to pay dividends. And the dividends, by the way, he believes are

* Index Included at End of Transcript
Special General Meeting - November 9, 2017

at least equal to or possibly exceed the cost of the salaries.

LEG. D'AMARO:
Then you should get 100 of them.

LEG. CILMI:
Not if there's -- not if the work -- not if the caseload doesn't justify that, though.

LEG. HAHN:
That's it?

LEG. STERN:
Mr. Chairman, I mean, at this point, where are we at with this -- with this issue? Do we have a call out to the Commissioner? Is there a representative from the Administration that's prepared to answer some of these questions? Where are we sitting right now?

P.O. GREGORY:
Legislator Martinez.

LEG. MARTINEZ:
If I may, yes. I just got off the phone with the Commissioner. He was here during budget hearings, which is where Legislator Cilmi brought it up, and at that moment he did not object of these two investigators. The reason why he did not put it in the recommended budget was because he's being conscious of the fiscal problems that we're having in the County. But if we are willing to put this in there for him at cost neutral, then he will be grateful for it.

LEG. D'AMARO:
Right. So, if I may, then the Commissioner of Social Services' initial request was -- did not include this because of the -- being aware of the cost, which leads me to believe that, you know, it says 100% aided, but if the aid doesn't come in or it's not the right amount, we're creating positions that could wind up partially County funded. And it just seems odd to me that the Commissioner -- no Commissioner is going to say no if we want to put in more positions, but the Commissioner really didn't ask for this.

LEG. MARTINEZ:
No.

P.O. GREGORY:
Legislator Stern, Steve, you're good?

LEG. STERN:
Yeah.

P.O. GREGORY:
Okay. Legislator Trotta.

LEG. TROTTA:
Is this something that would get add later, like, you know, later on? Because, you know, Legislator Stern's question is the question
I want answered. Is this cost effective? What have the people who are there now brought in? Because if they haven't brought anything in, it's not worth it.

LEG. CILMI:
So I can answer that question. I think that the Legislature can amend the budget four times a year, the Operating Budget four times a year.

LEG. STERN:
So we can do this --

LEG. CILMI:
The County Executive, in fact, can amend the budget at any time he so chooses. So in direct answer to your question, if the Legislature chose -- this is -- I've presented this today in the context of our budget discussions. You know, we're adopting our Operating Budget today. So, you know, in a perfect world we would have these investigators, or we would start the process at least now, so that we would have them as early as possible. But if the Legislature chose to, you know, not support this resolution today, then at some point during the time when our first opportunity is to amend the Operating Budget again, which I think is in February, if I'm not mistaken --

MR. NOLAN:
Correct.

LEG. CILMI:
-- we could introduce it again, and you could have a conversation with the Commissioner as to the benefit of these two positions at that time. But I would suggest it's -- I understand the questions, and the questions are good questions. But, you know, we trust but verify with the Commissioners, and the Commissioner has suggested that we could use these two positions, that they would be a benefit to the taxpayers ultimately, and that they would be cost neutral. It seems to me like there's no reason not to approve these at this time. And the questions that are being asked today, which are good, valid questions, can be asked of the Commissioner, you know, after the fact.

LEG. TROTTA:
But once we approve these, it's not up to us of hiring them, or, you know, if it comes out that --

LEG. CILMI:
Ultimately, the County Executive has to sign SCINs anyway. So if the County Executive, who can -- who, by the way, has line item veto authority over this budget, if the County Executive finds that either the positions are not cost neutral, or unwarranted for whatever reason, the County Executive could veto this resolution, and --

LEG. TROTTA:
Okay.
LEG. CILMI:
You know, we could have a conversation with it -- with them at that
point.

LEG. TROTTA:
See, I -- all right. I just -- I think that we should have these
questions answered before we vote on this.

P.O. GREGORY:
Okay. Legislator Krupski.

LEG. KRUPSKI:
Thank you. So the resolution says they are going to be -- the
total cost is going to -- salary and benefits, 100% offset by State
and Federal Aid. So in my experience what happens is, at some
point -- and there was just an article either today or yesterday
about New York State tax collections are down 3 1/2% in the first
half of 2016. So the State Legislators are going to look at this
and say, "Well, we need to cut somewhere because our revenues are
down. We don't want to get" "we can't borrow from the State,
because we are the State, so we're going to have to cut something.
Hey, you know, we're funding these people 100%. You know, the
County should have some skin in the game. Maybe the County should
fund them 50%. We're only going to fund them 50% the next year,"
and we're going to own these two positions forever.

So the Commissioner didn't ask for these positions. There's no
assurance that they'll be funded for more than one year, fully
funded. And so I have a difficult time adding two new positions
when we are where we are, with no assurance that we'll get
reimbursed ever again.

P.O. GREGORY:
Okay. Legislator Kennedy.

LEG. KENNEDY:
Just an answer for Legislator D'Amaro. When he asked one -- name
one other position, the answer that I got back from a relatively
highly placed DSS person is all Medicaid positions are 100%
reimbursed by either State or Federal, so there are many.

I also just want to say I disagree with some of the thought that's
coming out here. We get a percentage of whatever these
investigators pull in, the other part goes to the State. I don't
exactly know what the percentage is. But why in God's name for
even a year, if there's fraud going on, would we not take an active
affirmative effort to catch it and stop it?

LEG. D'AMARO:
If I may respond, I agree, of course you want to do that. The
problem is is what Legislator Krupski is talking about, is that --
and I've sat here and watched this happen over the years with the
State. We create two new positions, they're 100% aided, now you've
hired two people, they're County employees. You're not going to
fire them after a year when the funding doesn't come back or if it
gets cut. Now it gets pushed onto the County as a County expense.
LEG. KENNEDY:
So we move them, as DSS often does, to a Medicaid position --

LEG. D'AMARO:
Well --

LEG. KENNEDY:
-- that is 100% funded.

LEG. D'AMARO:
All I know is I heard a lot of talk about we're driving off a cliff at an accelerated speed and now we're hiring more employees.

LEG. KENNEDY:
But I don't recall doing the State's budget for the last 3 1/2 weeks. It's the County budget that we were speaking of at this time. We're projecting that maybe they may cut the position later, the State may cut the position later on down the line.

LEG. D'AMARO:
Well, the Commissioner himself did not request these positions. I mean, it would seem to me that it's suspect right out of the gate. Maybe the Commissioner doesn't believe that the funding will materialize.

P.O. GREGORY:
Okay. All right. Legislator Fleming.

LEG. FLEMING:
Just very quickly, I want to agree with my colleagues who have concerns about adding more decks to the -- more deck chairs when we don't have any -- we don't have any absolutes with regard -- the Commissioner was not able at committee to tell us anything solid about any kind of savings we're going to see. There are at least two other agencies at State and Federal level that do this kind of work. This -- adding investigators will undoubtedly also add clerical responsibilities. And then moving them, you know, once State funding disappears for these programs to Medicaid I think is, like I said, adding a couple of more deck chairs. So unless we have some more solid information for this, I really don't see why we should be adding staffing at this point.

P.O. GREGORY:
Okay. All right. I'm going to call the vote. We have a motion and a second. All in favor? Opposed?

LEG. KRUPSKI:
(Raised hand).

LEG. FLEMING:
(Raised hand).

LEG. HAHN:
(Raised hand).

* Index Included at End of Transcript
Special General Meeting - November 9, 2017

P.O. GREGORY:
(Raised hand).

LEG. ANKER:
(Raised hand).

03:32PM

LEG. BARRAGA:
(Raised hand).

03:32PM

P.O. GREGORY:
Abstentions? All right. Maybe we'll do a roll call.

D.P.O. CALARCO:
Do a roll call.

03:32PM

(Roll Call by Mr. Richberg, Clerk of the Legislature)

LEG. CILMI:
Yes.

03:32PM

LEG. KENNEDY:
Yes.

03:32PM

LEG. KRUPSKI:
No.

03:32PM

LEG. FLEMING:
No.

03:32PM

LEG. BROWNING:
Yes.

03:32PM

LEG. MURATORE:
Yes.

03:32PM

LEG. HAHN:
No.

03:32PM

LEG. ANKER:
No.

03:32PM

LEG. LINDSAY:
Yes.

03:32PM

LEG. MARTINEZ:
Yes.

03:32PM

LEG. BARRAGA:
No.

03:32PM

LEG. TROTTA:
Abstain.

03:33PM

LEG. MC CAFFREY:
Yes.

03:33PM

* Index Included at End of Transcript
LEG. STERN:
No.

LEG. D'AMARO:
No.

LEG. SPENCER:
(Not Present)

D.P.O. CALARCO:
No.

P.O. GREGORY:
No.

MR. RICHBERG:
Eight.

LEG. CILMI:
I tried.

P.O. GREGORY:
Okay. All right. So--

MR. RICHBERG:
Seven. (Not Present: Legislator Spencer)

P.O. GREGORY:
Okay. Budget Amendment 4 is conveying to Budget Amendment Number 3. So Budget Amendment Number 5, Legislator Cilmi?

LEG. CILMI:
I'll make a motion to approve Budget Amendment Number 5. And just very quickly, what this does is it eliminates the increases proposed in the Operating Budget for positions in Traffic and Parking Violations Agency. It's a total of $52,000 in permanent salaries. And when asked what to do with that money, my recommendation to Budget Review, which is reflected in this budget amendment, is to put the money into drug and gang prevention programs. Because the money is within the Police District, we had to keep it within the Police District, and the Police District has a line for contract agencies. And we had previously put some money in that fund for similar programs in the past, so that's where this money goes. So it's $52,000 coming out of payroll increases in Traffic and Parking Violations Agency and going to drug and gang prevention in the Police Department.

P.O. GREGORY:
All right. That was very clever, I like that.

(*Laughter*)

I will say before we get a second, we stand strong in gang prevention. We added $220,000 to address gang prevention in the budget.

* Index Included at End of Transcript
LEG. KENNEDY:
Yes, we did.

P.O. GREGORY:
On top of other issues. I'm not -- before I look at this further, I have one question. So you're eliminating a position. What position is it?

LEG. CILMI:
No, no. Maybe Budget Review can clarify, but it eliminates increases in positions.

MS. GAZES:
There were increases in the grade assigned to certain titles, and so this is the funding that the savings that would result from permanent salaries for them not being at a higher grade than they were in this current year.

P.O. GREGORY:
So you're cutting someone's salary, increased the funding in the gang prevention.

MS. GAZES:
Well, we're not --

P.O. GREGORY:
Is that what it is?

MS. GAZES:
It's not a cut in salary. This is -- the grades that they are now, they would stay at that same grade associated with those titles. The recommended budget had two increases in grades associated with these titles. The omnibus does not include the changes to the Classification and Salary Plan to make that happen, so they would need another -- if this was not approved, they would need another resolution coming up to change the grades assigned to certain titles in Traffic Violations Bureau.

P.O. GREGORY:
But these are two existing positions.

MS. GAZES:
It's more than -- it's two titles, it's more than would positions.

P.O. GREGORY:
Okay. So how many -- whatever numbers of positions there are, the grade increases changes are I would imagine increases.

LEG. HAHN:
Do you have the titles?

MS. GAZES:
They are Traffic Court Clerk and Traffic Court Supervisor.

LEG. HAHN:
And they're Civil Service, correct?
MS. GAZES: Yes.

03:37PM

LEG. HAHN: This wasn't the -- I'm sorry, I have a quick question. This wasn't -- there was one case where supervisors were going to get paid -- we wanted to make sure they got paid more than the people they were supervising -- that was something else, right?

03:37PM

MS. GAZES: Yeah, that wasn't this issue.

03:37PM

LEG. HAHN: Okay. Thank you.

03:37PM

P.O. GREGORY: Okay. Legislator D'Amaro.

03:37PM

LEG. D'AMARO: Through the Chair, Legislator Cilmi, to the sponsor, what made you single out these two particular titles to deny them their grade increases?

03:37PM

LEG. CILMI: It wasn't -- it wasn't these two titles that I singled out, but rather the grade increases for these for -- in that department. These were the only titles that were proposed to be increased in the department, and it was something that the Budget Review Office noted in their review of the budget, and when I saw it, I thought to myself, there are better things that we could be spending the money on.

03:38PM

LEG. D'AMARO: So this was in the recommended budget to increase the grade for these two titles?

03:38PM

MS. GAZES: That's correct.

03:38PM

LEG. D'AMARO: At a cost of $52,291 for 2017?

03:38PM

MS. GAZES: Yes.

03:38PM

LEG. D'AMARO: Right. So without that increase in the recommended budget, the individuals filling those -- that title and those positions would stay where they are into 2017?

03:38PM

MS. GAZES: They would stay at their grades that they're currently at in 2016.

03:38PM

LEG. D'AMARO: Right. So the question in my mind is why is the County Executive
seeking to increase the grade level of these particular positions?

MS. GAZES:
My understanding is there's been recruitment issues recruiting and
then maintaining people to stay in the Traffic Violations Bureau.

LEG. D'AMARO:
Oh. So there's like actual reality behind this esoteric discussion
about grades and positions. So we open up a Traffic Violations
Bureau, we depend on the revenue, and we have a problem recruiting
and now we're going to cut the legs off the small increase to get
the right people in there to do the right job. I mean, you know,
again, it's micromanaging. I think that if the County Executive is
coming in in their budget and saying, "Look, I need this because we
have to hire the right people to make sure our revenue stream stays
intact," I think we should support that.

P.O. GREGORY:

LEG. FLEMING:
Could I just get some clarification, Roz, on what you said about if
it's not in -- that this is not in the Omni -- is the 58,000 -- I'm
sorry, 52,000 in the omnibus currently?

MS. GAZES:
There was no change to that line in the omnibus. So it changed --

LEG. FLEMING:
So they recommended -- they recommended these --

MS. GAZES:
But I just want to clarify that there were no changes to permanent
salaries associated with these positions, but that there needs to
be an amendment to the Classification and Salary Plan to make those
grade increases associated with the titles. So they would need --
the omnibus does not include the resolved clauses that would be
necessary to make those stick. So there would need to be a
separate resolution that would come before the Legislature that
would say these titles are now this higher grade, not their
original grade --

LEG. FLEMING:
So these are two separate --

MS. GAZES:
-- to make it be put into effect.

LEG. FLEMING:
So these are two separate things. The recommended includes a
recommendation that this 52,000 be allocated toward grade increases
for these two titles, but it's missing the implementation mechanism
to carry that forward?

MS. GAZES:
There is -- the beginning of the recommended Operating Budget are
resolutions in the mandated and discretionary portions of the
budget containing whereas and resolved clauses that would take care
of this. However, the Legislature generally expunges those items
and then omni discretionary and mandated portions have their own
whereas and resolved clauses. So because the omni where -- doesn't
have these clauses in it, then technically there needs to be
another resolution that provides for those grade increases as an
amendment to the Classification and Salary Plan.

**LEG. FLEMING:**
So if we pass this, we will have eliminated the recommended change,
but if we don't pass it, we won't approve the recommended change,
or at least we won't approve the implementation of the recommended change.

**MS. GAZES:**
There would still need to be another resolution to add or -- I should say not add, amend this Classification and Salary Plan to include the titles at a higher grade than they currently are.

**LEG. FLEMING:**
Okay. And then how many individual positions would be affected by these increases?

**MS. GAZES:**
I believe it's 19 positions.

**LEG. FLEMING:**
And for what reason are we told that these are the only titles within the Traffic and Parking Violation Agency that would supposedly need this increase?

**MS. GAZES:**
That's from the recommended budget. That's where we got the two titles from that they --

**LEG. FLEMING:**
Yeah. I'm sorry, I just don't have it up here. You don't have a justification for why those two titles were picked out?

**MS. GAZES:**
Yes. As I mentioned before, that we were informed that there were some issues with retaining current people, and to get others to come to work in that agency based on the salary level.

**LEG. FLEMING:**
Okay. But the TPVA is a fairly large agency. I mean, they're not having that problem anywhere else, just in these two titles?

**MS. GAZES:**
I couldn't speak to that, I don't know.

**LEG. FLEMING:**
But whether or not we pass this, in order to implement the County Exec's recommendation, we'd have to revisit this at some other time anyway?
Special General Meeting - November 9, 2017

MS. GAZES:
Yes.

03:43 PM

LEG. FLEMING:
Thank you.

03:43 PM

P.O. GREGORY:
Okay. All right.

03:43 PM

LEG. D'AMARO:
Just one quick question --

03:44 PM

P.O. GREGORY:
All right.

03:44 PM

LEG. D'AMARO:
-- to BRO. How much do they make? And what percent increases would this fund?

03:44 PM

MS. GAZES:
It's approximately a 3% increase.

03:44 PM

LEG. D'AMARO:
A 3% increase. And what's the -- I mean, there are varying salaries. What's the range, if you have it?

03:44 PM

MS. GAZES:
Well, some of the positions are going from a Grade 12 to a Grade 14, and another position would go from a Grade 17 to a Grade 18.

03:44 PM

LEG. D'AMARO:
Right. And what's the pay associated with those grades?

03:44 PM

MS. GAZES:
Are you talking about an annual salary?

03:44 PM

LEG. D'AMARO:
Yeah. What's the base salary, because you said it's a 3% by moving grade.

03:44 PM

MS. GAZES:
The Grade 12 positions start at $31,000 and go up to 51,000 at top step.

03:44 PM

LEG. D'AMARO:
Okay. I just would ask, through the Presiding Officer, if there's anyone from the Administration that wants to discuss or come up and explain to us why there's a recruiting issue, or does anyone have anything they want to say? So some of these folks are working at 31,000 a year, and this would give them a $900 increase in grade by moving a grade, and, hopefully, that will help to retain or help to recruit is you're understanding? I know you're not speaking for them.

03:45 PM

* Index Included at End of Transcript
MS. GAZES:
Right, that's my understanding of the situation.

LEG. D'AMARO:
03:45PM
And we're going to take out that guy's $900 salary increase, is that what we're talking about? You talk about -- my colleague uses the word "insane" all the time, this is insane.

P.O. GREGORY:
03:45PM
Go ahead.

LEG. MC CAFFREY:
03:46PM
Yeah. I don't want to belabor this, but we don't know. The range in the salary is 31,000 to 51,000, so we don't know if it's a 900 or a $2700 salary increase. I mean, this is crazy. When we -- maybe -- well, we're going to borrow the money anyway to pay them, so I guess it doesn't make any difference. So, I mean, this is -- this is crazy.

LEG. LINDSAY:
03:46PM
But we're not saving any money. This is just shifting money from one pocket and putting it into another, this isn't savings.

LEG. MC CAFFREY:
03:46PM
No, it's not. But if we don't give the increases, we're not -- we will save the money, won't we?

LEG. LINDSAY:
03:46PM
No, because you're saying take the money and spend it somewhere else.

LEG. MC CAFFREY:
03:46PM
No, no, no, no. I'm saying it doesn't matter. I said we're going to be borrowing this money to pay for it anyway, so I was just frustrated when I said that, all right? Sorry.

LEG. CILMI:
03:46PM
Just a question, Mr. Presiding Officer, to Budget Review. The positions that we're talking about here, assuming they're full-time positions all of them?

MS. GAZES:
03:47PM
We'd have to check on that.

LEG. CILMI:
03:47PM
Okay. And correct me if I'm wrong, but they get step increases, they get regular increases anyway, correct?

MS. GAZES:
03:47PM
They are entitled to step increases, yes.

LEG. CILMI:
03:47PM
Right. Just like every other employee in the County, or every other, at least, of certain civil service employees --
MS. GAZES: Correct.

LEG. CILMI: -- in the County. So they're getting increases on a regular -- on an annualized basis. This is just kind of increasing the floor at which they begin to get -- at which they get those increases from.

MS. GAZES: In response to your previous question about part-time versus full-time, we believe they're all full-time. We're just checking on one position.

LEG. CILMI: Okay. Thank you. I really just wanted to confirm about the step increases. Thank you.

P.O. GREGORY: Okay. All right. So we have a motion and a second?

MR. RICHBERG: No second.

P.O. GREGORY: Oh, we don't have a second.

LEG. TROTTO: (Raised hand).

P.O. GREGORY: Oh, second by Legislator Trotto, who's going to vote against it anyway.

(*Laughter*)

All in favor? Opposed?

LEG. MURATORE: (Raised hand).

D.P.O. CALARCO: Roll call on the vote.

P.O. GREGORY: Okay. Roll call.

D.P.O. CALARCO: Call the roll call.

MR. RICHBERG: Legislator Cilmi.

LEG. MC CAFFREY: Can we explain what we're voting on? If we vote yes on Number 5, so we want to vote --
LEG. TROTTA:
Take the money away from them.

LEG. MC CAFFREY:
So we want to vote yes on this, okay.

LEG. CILMI:
I'm going to vote yes, it's up to you.

LEG. MC CAFFREY:
I was confused. I want to vote yes also. I want to vote against the raises, so I want to vote yes. Yes.

(Roll Call by Mr. Richberg, Clerk of the Legislature)

LEG. CILMI:
Yes. Oh, we're roll-calling?

D.P.O. CALARCO:
Yes.

(Roll Call Continued by Mr. Richberg, Clerk of the Legislature)

LEG. TROTTA:
Yes.

LEG. KRUPSKI:
Yes.

LEG. FLEMING:
Yes.

LEG. BROWNING:
Yes.

LEG. MURATORE:
Yes.

LEG. HAHN:
Wait, now I'm lost. I'm sorry.

LEG. FLEMING:
This is against the raises. If you vote yes, you're eliminating the raises.

LEG. HAHN:
So no.

LEG. ANKER:
Yes.

LEG. LINDSAY:
Pass.

LEG. MARTINEZ:
No.
LEG. BARRAGA: No.

LEG. KENNEDY: Yes.

LEG. MC CAFFREY: Yes.

LEG. STERN: No.

LEG. D'AMARO: No.

LEG. SPENCER: (Not Present)

D.P.O. CALARCO: No.

P.O. GREGORY: No.

LEG. LINDSAY: No.

MR. RICHBERG: Nine. (Not Present: Legislator Spencer)

P.O. GREGORY: Okay. All right. Budget Amendment 6 says there's a conflict, Dr. Lipp?

MS. GAZES: That's the only reason why you put it --

P.O. GREGORY: Oh, okay, gotcha, gotcha. Okay. Budget Amendment Number 6, Legislator Cilmi?

LEG. CILMI: Yeah. So I filed Budget Amendment Number 6 just to reflect my opinion that we shouldn't be characterizing something, especially as significant as $26.7 million, as revenue when we require State approval to do it. So it's very speculative.

When I proposed the resolution, there was some concern, but some uncertainty, as to whether or not we could use the fund that -- the Tax Stabilization Reserve Fund for this resolution, but we decided -- I decided to move forward with it anyway. And our Counsel tells me that we cannot use it for that purpose, so in light of -- in light of that, I'll withdraw this resolution.
P.O. GREGORY:
Okay. All right. **Budget Amendment Number 7**, Legislator Cilmi. Oh, Budget Amendment Number 7 is a companion bill, so, okay, we can't do that. All right. **Budget Amendment Number 8**, Legislator McCaffrey.

LEG. MC CAFFREY:
Yes, this is -- this is the positions we discussed in the Comptroller's Office. And every time we've increased these positions for these auditors, which are about $40,000 a year, we have realized probably four or five times that amount of savings in the audits that they perform. And we think it's very important that the Comptroller continues the fine work that he has. He's had a proven track record of putting these positions to good use and returning revenue back to the County. So I'll make a motion that we approve this.

P.O. GREGORY:
Okay. I just have a question. So we added -- Robert, Dr. Lipp, excuse me, we added --

MR. LIPP:
Three.

P.O. GREGORY:
All right, I like that.

(*Laughter*)

But there was a request for four, plus the government liaison, if you recall?

MR. LIPP:
Yes.

P.O. GREGORY:
I'm at a loss as to -- the argument was these positions would fund themselves? I'm at a loss as to how the government liaison person will generate revenue.

LEG. MC CAFFREY:
Well, I believe the Comptroller is here, if we could -- if I could ask him to come up and --

P.O. GREGORY:
That's at least going to be an hour discussion.

(*Laughter*)

LEG. MC CAFFREY:
Okay. Let's just vote on it.

P.O. GREGORY:
All right. All right. No, I'm okay, I'm okay.

(*Laughter*)
LEG. HAHN:
(Raised hand).

P.O. GREGORY:
03:52PM
Oh, wait. Well, Legislator Lindsay first -- Lindsay, Excuse me, and then Kara.

LEG. LINDSAY:
03:52PM
My question was the same, how does a government liaison position generate revenue. And basically to the Comptroller, is this -- if this position were filled, it's just to interact with us; is that correct?

COMPTROLLER KENNEDY:
03:53PM
There we go. Thank you. Good afternoon, and thank you, Legislator Lindsay. Actually, the Government Liaison Officer, when you look at the position, would be interacting with and dealing with all levels of government, candidly, say all the way down to our local towns and villages.

03:53PM
As far as generating revenue to bring in, I would go to the other side, much of what the discussion was earlier today, which would be a cost avoidance posture basically associated with unfunded mandates. And I think it's very important that everyone around this horseshoe realizes that as you're adopting this budget, particularly with my office, which, by the way, has now an audit recovery target that we did go up in next year to 2.6 million, I think it is right now, Robert.

MR. LIPP:
03:54PM
I think so.

COMPTROLLER KENNEDY:
03:54PM
Okay. We offered 1.6 million. The Administration elected to raise that by 800,000 and chose not to give us any positions at all. You very graciously have elected to go ahead and give us three auditor trainees. But I digress.

03:54PM
If you go back to the cost avoidance, we are being charged with adding unpaid water bills next year, which never came before this body, which never came before me, which never went to the Tax Receivers in any of our Towns. Candidly, it was a piece of legislation that came out of the blue, and only did we become -- made aware of it after both levels of the State Legislature, House and Senate, pass it. And, as a matter of fact, County Executive Bellone joined with me in opposing what the impact would be as far as the mechanics go.

03:55PM
Unfunded mandates are everywhere that we go. When you talk about Legislator Cilmi's bill associated with the fraud investigators, that is fraud associated with recipient fraud. My office is the one that actually prepares the request for the bulk funding from both the Federal Government and the State Government associated with offsetting pretty much everything that's being done over in the Department of Social Services.

* Index Included at End of Transcript
I'll go back to the Government Liaison Officer's role. And, by the way, one other piece that I want to bring your attention to, there are two other items that are requested in that resolution. One is to relieve me of about $100,000 worth of turnover savings. Because when you create the positions, if a department is saddled with an unachievable turnover savings number, then we never get to fill the positions that you deem to create. We also have to deal with, since we had five years worth of fiscal emergency, we're still subject to going to the Exec's Office for the signing of the SCINs.

Having done the consolidation and now dealing directly with the Tax Receivers Offices, ten of them, it is critical that we have a liaison that's working with them associated with the levy, the collection, the turnover, and the interaction. It is an extremely disparate and labor intense process with ten different towns, with ten different pieces of software, many of them, as a matter of fact, even hitting different times with which they turn over and remit to us.

LEG. LINDSAY:
How is it handled now, though? Who interacts with these ten towns or these other levels of government?

COMPTROLLER KENNEDY:
We had all ten of them in this -- in this body here about 30 days ago. Remember, I still haven't even gotten 12 months under my belt yet with being the primary liaison with them now. I'm identifying the fact that we absolutely have to have somebody who's charged with monitoring both our local impact from our electeds and ministerial functions to our State legislation, and, candidly, to our Federal legislation.

(*The following testimony was taken & transcribed by Alison Mahoney - Court Stenographer*)

LEG. LINDSAY:
I understand that, Mr. Comptroller. But who -- who's doing that function now? How is it being done?

COMPTROLLER KENNEDY:
It is being done on an ad hoc basis by me.

LEG. LINDSAY:
By you personally; there's nobody else? Okay.

COMPTROLLER KENNEDY:
Legislator Lindsay, I deal with the electeds just as I do with many of you when you call my office.

LEG. LINDSAY:
So now we won't deal with you, we're going to deal with a government liaison first?

COMPTROLLER KENNEDY:
If you were to create the position and I was to get the SCIN, then
that would be my primary contact; however, you would always have
access to me, as far as all 18 here go. This would be the
individual.

Understand, I will go with whatever the body chooses to do as far
as the number of positions. The Auditor Trainees we made the case
for. But I want to bring your attention also to the fact that we
have the turnover savings and I've also -- I'm sorry, not -- yes,
the turnover savings, and also the fact that I've requested a
modest increase in the temporary salary line, too. Much of what
you've seen as far as the increase associated with your Hotel/Motel
has been done by college interns, along with the Chief Auditor and
an Auditor Trainee. The opportunity -- and by the way, we have
just scratched the surface with it.

LEG. LINDSAY:
No, I commend you for the job and we've had conversations both on
and off the record --

COMPTROLLER KENNEDY:
Yes, absolutely.

LEG. LINDSAY:
-- where I've touted your efforts and you --

COMPTROLLER KENNEDY:
You've been very supportive and I appreciate it.

LEG. LINDSAY:
I have no problem supporting your auditors, I just -- I have a
difficulty saying that we need someone within the government to
deal with other levels of government and other -- you know, with
all the budget constraints and so forth that we have, we're trying
to contract and it just doesn't seem like an area that at this
point is --

COMPTROLLER KENNEDY:
The budget that you are adopting today has multiple government
liaison officers throughout County government; Economic
Development, Department of Social Services. It's a recognized
function; as a matter of fact, it's an intergovernmental.

LEG. LINDSAY:
I understand that part. I just -- I don't see it being a parallel
here with your department.

COMPTROLLER KENNEDY:
Okay.

LEG. LINDSAY:
But I respect and appreciate the job that you've done and, you
know, I'd be happy to support more auditors because I think it'll
help you to do even more with that, so.

COMPTROLLER KENNEDY:
Again, I'll offer to you on the other side when you were very --
the Working Group was very gracious to have me in, I offered that I would go up another 250,000 on audit recovery. We will hit $4 million in audit recovery this year; that has not been done in fifteen years. It goes to areas where there is just unfortunately almost bottomless opportunity. Homeless housing seems to be a turkey shoot.

P.O. GREGORY:
Okay. Legislator Hahn.

LEG. HAHN:
So Robert, can you just explain? We put in the budget three positions, so this would give them four more plus the government relations officer, so there would be a total of eight?

MR. LIPP:
That's right.

LEG. HAHN:
But we would use the same 200 -- and also suggest 250,000 more in audit and recovery?

MR. LIPP:
Right, this is a standalone resolution. You add another --

LEG. HAHN:
Yeah, so it would add it on top of, it wouldn't --

MR. LIPP:
Correct.

LEG. HAHN:
So it wouldn't --

COMPTROLLER KENNEDY:
Can I --

LEG. HAHN:
Because we already gave them three in the budget, this amendment is written as if we weren't going to do that.

MR. LIPP:
Right. Actually, we didn't give them the new positions in the Omni, but we did give them the dollars to fill positions.

LEG. HAHN:
Well, they didn't need positions because they have vacancies?

MR. LIPP:
Yes.

COMPTROLLER KENNEDY:
There are no Auditor Trainee vacancies.

LEG. HAHN:
So now if we pass this, then he'd have enough money for even more positions and that's not what he requested. So this is really just
going much too far. The request was for a total of five positions, but if this is passed on top of our Omnibus, they would get eight and --

MR. LIPP:
No, it wouldn't be eight new positions. Any positions in the Omni they would have to earmark, though; they could spend the money and he could earmark positions to get those.

LEG. HAHN:
They would get the money for it, though.

MR. LIPP:
Right. But this standalone would give them new positions as well as an extra 250.

LEG. HAHN:
Right. Say that one more time?

MR. LIPP:
This Omnibus would give them the new positions, five new positions. Otherwise what the Omnibus was doing is it wasn't giving new positions, if did some earmarking, though. They got more money in the Omnibus but no new positions; this gives them additional money, 250,000, and five positions.

LEG. HAHN:
Right, and we gave them more money, enough for three positions --

MR. LIPP:
Correct.

LEG. HAHN:
-- in the Omnibus.

MR. LIPP:
Correct.

LEG. HAHN:
So they'll have enough money for eight positions.

MR. LIPP:
Right, and the three additional ones from the Omni, it had to be earmarks, they wouldn't be that title.

LEG. HAHN:
Okay. Thank you.

MR. LIPP:
But they're earmarked to that title.

P.O. GREGORY:
All right. Legislator Calarco.
D.P.O. CALARCO:
Thank you, and I think Legislator Hahn hit some of the things I wanted to hit on. Dr. Lipp, how many positions or titles does Audit & Control have now?

MR. LIPP:
We're looking it up now.

D.P.O. CALARCO:
Okay. And I would be interested in knowing what the number was before we did the merger of the two departments. Because part of the intention of doing the merger of the two departments was to create efficiencies and reduce the amount of staff and workload. And, you know, a year after we did the merger, we created a new title for a senior level position to oversee some of the roles of the Treasurer's Offices where that title was originally going to be abolished, or that prior title was abolished as well as the merger. Now we're being told we need another person to help liaison the roles at the Treasurer's Office, because let's face it, I mean, in all due respect, somebody's been the liaison with the towns for the last however many years the County's been, you know, working with the towns and the towns have been collecting the taxes and the County Treasurer's Office was taking those taxes and redistributing them out and somebody's been doing that work. All of a sudden we need a new person to do that work?

COMPTROLLER KENNEDY:
Can I -- can I respond?

D.P.O. CALARCO:
I guess I'm just saying --

LEG. KENNEDY:
(Inaudible)

D.P.O. CALARCO:
Well, no, we did a merger intending to remove the need for a certain number of bodies, to create some efficiencies, to have savings and to not have to come back and say that we need to add one title, then add another title in order to make sure that this new merged department can handle the workload of the two separate departments means that we're not creating those savings anymore.

And I have a lot of respect for the work you're doing, Mr. Comptroller, I think you're doing a great job, and you certainly are bringing new life to that department in terms of making sure they're working hard. Because I know you work hard and you expect your employees to do the same, and I know that they are doing that. But when we have every single department in this County struggling to meet their workload demands, you know, I don't know if -- there's a certain break-even point, and I don't know if it makes sense to continually add another title, another title, another title. We gave you two auditors last year to help do shared services with the towns and not one town has taken us up on it yet. There's just a certain point where I don't know if it makes sense to keep putting more bodies there where we can use
those bodies somewhere else, quite honestly.

MR. LIPP:
So to get back to you on the answer to your question. So if you look on page -- if you're looking at your review, if you look on page 111, there's a summary. We have a number of positions as of September each year, so this is the first year that the two offices merged, Treasurer and Comptroller; 99 positions as of the middle of September some time. And the previous --

MS. GAZES:
That's filled.

MR. LIPP:
That's filled positions, right. They have 110 authorized positions, 99 filled. Last year at this time they had 104 positions filled out of 113; so they lost three positions, 113 down to 110, and they have five fewer filled positions, 104 down to 99 as of September of this year and last year.

P.O. GREGORY:
Okay. All right. So we have a motion --

LEG. D'AMARO:
Can I go?

P.O. GREGORY:
Yeah, Legislator D'Amaro.

LEG. D'AMARO:
The bill we just passed, the Omnibus gave three of the Auditor Trainee positions, right?

COMPTROLLER KENNEDY:
Legislator D'Amaro, let me make sure that I'm very clear, because unfortunately I only had an opportunity to quickly review --

LEG. D'AMARO:
I think this bill was put in in the event that the Omni did not succeed.

COMPTROLLER KENNEDY:
That may have been a conversation I had with Legislator McCaffrey as far as a belt and suspenders, if you will.

LEG. D'AMARO:
Right.

COMPTROLLER KENNEDY:
However, the one piece that I'm a little uncertain about here is if all that -- I'm sorry, let me rephrase.

LEG. D'AMARO:
Uh-huh.
COMPTROLLER KENNEDY:
If, in fact, the act on the part of the Working Committee and the
Leg to add 168,000, which would be comparable to what the salary is
for three Grade 17 Auditor Trainees, that does not give me the
ability to augment the 21 or 22 audit personnel I have now. That
gives me funding, but I still am in the position where I either
have to take a vacant clerical who do account payable functions,
who do the functions upstairs and get them earmarked, or I have
funding that, in essence, will be unexpended, will go to turnover
savings.

LEG. D'AMARO:
All right. So just so we're clear -- and Dr. Lipp, maybe you can
answer and maybe you already did -- but the Omni bill we just
passed provided funding but did not create these Auditor Trainee
positions?

MR. LIPP:
Correct. And as the Comptroller just mentioned, he'd have to
earmark, which we've stated.

LEG. D'AMARO:
Why did that -- why did we do that? Why would we put the funding
in and not create the positions? Weren't you requesting those
positions?

COMPTROLLER KENNEDY:
Yes, Legislator. Now, as a matter of fact -- and to be candid with
you, it is not my intention to game the system to get eight Auditor
Trainees.

LEG. D'AMARO:
No, no, no, I know that. I'm just trying to get -- clarify, was it
the intention of the Working Group to provide three more Auditor
Trainee positions?

LEG. FLEMING:
Yes.

LEG. D'AMARO:
So why aren't they in there?

P.O. GREGORY:
I don't specifically recall why it was done that way, but the
intention was -- that was the purpose.

LEG. D'AMARO:
So you have other positions available where that funding can go to,
de facto, create that position?

COMPTROLLER KENNEDY:
Well, I have four clerical positions, Legislator D'Amaro, and we
have a Grade 29 Investigative Auditor that is being earmarked down
to go ahead and to bring in an Auditor Trainee, almost to a person.
My position has been, just as you've heard from Commissioner O'Neil
or anybody else, to be mindful of an extremely abysmal economic
climate.

LEG. D'AMARO:
Right, I know that.

COMPTROLLER KENNEDY:
But at the same time, to bring individuals in to candidly undertake a significant amount of additional audits, as I said to you.

LEG. D'AMARO:
Couldn't we just put in a resolution to create the three positions and then you have the funding for it?

COMPTROLLER KENNEDY:
I think -- and I'm trying to scratch my head here remembering whether there's latitude to amend on the floor with a budget amendment.

LEG. D'AMARO:
No, I don't think we could do it today.

LEG. FLEMING:
February.

LEG. D'AMARO:
But let me ask Budget Review Office; do you recall why the positions were not put in?

MR. LIPP:
So I believe the reasoning was, but perhaps other members of the Working Group could -- or members of the Working Group could tell me if I'm wrong here. They have 11 vacancies, it was felt that let them earmark them and they'll turn into Auditor Trainees anyhow instead of adding positions and keeping that number of vacant positions.

LEG. D'AMARO:
Okay.

COMPTROLLER KENNEDY:
Legislator D'Amaro, let me -- towards your point. And again, I admire you for being, you know, solution-oriented. There's no point in continuing with dialogue here if it's the mindset or the will of the Legislature to add the funding that would support the positions.

LEG. D'AMARO:
We did.

COMPTROLLER KENNEDY:
Yes. I would be happy to come back, and I know that you have the opportunity, I believe it's in February. Candidly, I could not bring these individuals on before probably April or May as we will have again exhausted the existing list.
Right, but what about the thinking of just using the funding for your existing positions to perform this function?

COMPTROLLER KENNEDY:

What we have attempted to do is what Legislator Calarco spoke about, achieving what the multiple obligations and responsibilities of the department are with fewer individuals. So I'm somewhat reluctant to continue to push that funding towards the power professional level that meets our timeliness obligations, but does nothing to grow our revenue or get the audits in front of you that you need.

LEG. D'AMARO:

No, no, no. But, I mean, spend the funding, fund the positions you have, three positions you have, but they would do the Auditor Trainee position function.

COMPTROLLER KENNEDY:

An Investigative Auditor? Candidly, that's a Grade 29, that's a high end position that would not be, in my opinion --

LEG. D'AMARO:

You said you have 11 positions.

COMPTROLLER KENNEDY:

I don't think we're down to -- if I can, through the Chair.

LEG. D'AMARO:

Yeah.

COMPTROLLER KENNEDY:

Robert, when did you get that slice? We don't have 11 vacancies at this point.

MR. LIPP:

Like I said before, in September we did it. Mid September when we were doing the review, we have for each?

COMPTROLLER KENNEDY:

I think we have at most maybe three or four, Legislator D'Amaro, and they are all in a range of an Account Clerk, a Senior Account Clerk; they're lower end. We have one Investigative Auditor of a Grade 29 which we're earmarking down.

LEG. D'AMARO:

Okay, why don't we put in a bill. You have the funding, we'll put in a bill to create the three positions and you tell us which three we should eliminate.

COMPTROLLER KENNEDY:

I would be happy to go ahead and to offer that as well.

LEG. D'AMARO:

Right, this way the funding matches the positions.
COMPTROLLER KENNEDY:
Absolutely. Absolutely.

LEG. D'AMARO:
Okay.

COMPTROLLER KENNEDY:
I'll be in front of you --

LEG. D'AMARO:
I would support that.

COMPTROLLER KENNEDY:
Okay, absolutely. Thank you very much. I'll be -- come back in.

04:12PM

MR. LIPP:
So as of --

LEG. D'AMARO:
Because the decision's already made to --

MR. LIPP:
As of yesterday, they have 12 vacancies.

COMPTROLLER KENNEDY:
Twelve?

MR. LIPP:
That's with position Comptrollers.

COMPTROLLER KENNEDY:
All right, we'll talk about it afterwards. But the hour is late and you know what? As a matter of fact, I guess vote this standalone one way or the other, but I'd even encourage the sponsor to withdraw it at this point. I don't want to perpetuate some conflict.

LEG. McCAFFREY:
Happy to withdraw.

COMPTROLLER KENNEDY:
Thank you.

P.O. GREGORY:
And the church said amen.

LEG. KRUPSKI:
You saved an hour there, Kevin.

04:13PM

P.O. GREGORY:
Budget Amendment No. 9, this resolution adds $200,000 for Legislative fees for service. This is my thought process in putting forth this budget amendment, is to -- (laughter), actually help, in part help the County Comptroller. Because I believe we have to, you know, impress upon the State to help us as best we can with giving the Comptroller authority, for one, to enact sales tax
enforcement, which -- which if I recall, off the top of my head, is around $2 million, two-and-a-half million dollars going by the Budget Review Office estimates; as well as, you know, lobbying efforts to expand the Amazon, quote/unquote "Amazon law".

So I think it's important that, one -- and it's kind of -- in my mind, it's kind of a package, as I mentioned earlier during the Omnibus budget negotiations, that I'm going be establishing an ad hoc committee to look at how we can establish savings through contract agencies and other efficiencies throughout the County government. But it's also important that we send a message to the State that, look, we're going to do our internal review, it's important that we do that, but it's important that the State help us in common sense measures such as allowing and getting -- giving the County Comptroller the ability to enforce sales tax collections, which we once had in the pilot program. It only makes sense. It doesn't increase taxes, it just increases our ability to enforce sales tax collections locally, which I think I've heard in Suffolk County, the Department of Finance has maybe like two people throughout the County, maybe I'm wrong, but it's some de minimus number that's not enough to do the job in an appropriate way.

COMPTROLLER KENNEDY:
No.

P.O. GREGORY:
Oh, nobody.

COMPTROLLER KENNEDY:
No. Mr. Presiding Officer, as a matter of fact, we are barred from being able to do anything in the way of enforcement or audit on sales tax. The program that you're referring to, at one time we had collaboration in which New York State Taxation and Finance funded two Auditors, a senior personnel and some transportation in which we collaborated with the Regional Office of Taxation and Finance, and that was 350,000 in over a 60-month time period; 350,000 each year, over a 60-month time period, we realized an additional $10 million.

P.O. GREGORY:
There you go.

COMPTROLLER KENNEDY:
Yeah.

P.O. GREGORY:
All right. So that's my intentions. So Legislator Hahn has a question.

LEG. HAHN:
I agree. I've been, in fact, speaking with the Comptroller on the sales tax collection issue for a very long time.

COMPTROLLER KENNEDY:
Yep.
Special General Meeting - November 9, 2017

LEG. HAHN:

It is an absolute scandal. And, in fact, I begged Newsday to do investigative reporting, but it's a scandal as to how widespread sales tax avoidance is in this County, and the fact that we are not allowed to go after that is scandalous, it's disgraceful.

However -- and, quite frankly, Medicaid/Medicare fraud, we can't -- those other positions we were talking about, we're only allowed to go after individuals.

04:16PM

COMPTROLLER KENNEDY:

Recipients only, yes.

LEG. HAHN:

We're not allowed to go after the big fish in the game of the fraud, which are the doctors and insurance company fraud; we're not allowed to go after that.

04:16PM

However, I do not think, A, at this time we should be spending $200,000 on a lobbyist; but B, that we would be effective lobbying separately from the Executive Branch. So I really think we need to have a coordinated strategy in which we are working together with the Executive's Office in a bipartisan manner, and I think it's possible, I think we just have to come together and talk about it. But I just don't think if we go with our lobbyists and ask for A, B and C, and they go with their staff members and whoever and ask for D, E and F, I mean, we're just handing them an excuse to say, You guys aren't on the same page. Go get on the same page, if we're going to give you anything at all. So I just don't think this is a the strategy. I think we should -- and I don't think we should decide it today. Like I certainly think it needs much, much more discussion and work, and I think we can come up with a coordinated, you know, ask, per se. And I do -- but I do agree, completely agree on the sales tax enforcement. It's incredibly -- I could tell stories about it, which I have to the Comptroller, and there's a real problem out there and it's a huge scandal, and it not only needs to be investigated, but, you know, we need to be on it and be allowed to be on it to recover those costs, because there's people cheating and the rest of us are paying for it.

P.O. GREGORY:

Okay. Well, you know, I hear people say we're a separate but equal branch of government, and yet we seek to establish our ability to go to our State government and lobby for what seems to be commonsense legislation that will bring in money, there's no doubt about it, tens of millions potentially; and we have to -- we have to ask the County Executive to hold our hand to do that? I don't think that's appropriate. I think we have a responsibility. We could certainly work together, you know, but we're not necessarily always going to have the same priorities. I think most of our priorities should be the same, but I think there will be differences.

This is not the first time we've had this discussion. I mean, we've had at least four out of the past five years, but the Administration has not chosen to make this their priority, for whatever reason. I'm not -- don't want to dig at them, it is what
it is. They chose to lobby for a 1% fee for a water fee. I don't think anyone here even knew about that, or, you know, I don't think there's -- well, I won't even go into that.

But, you know, so I think it's important that, you know, we, you know, have someone there and it takes a full-time presence to do it. And again, this is -- you know, this is simple. You know, this is not a heavy lift. We just need the presence there to kind of push the issue. We're not asking them to, you know, add additional fees or anything like that. This is give us the ability to do what we know we can do so that we can generate more money. We're not charging people enormous fees, you know, this is giving us the ability to collect, and certainly that's my intention. So, I'll leave it at that. Legislator Fleming.

LEG. FLEMING:
Yeah. Thank you, Mr. Presiding Officer. I think it's -- I think it's a really smart thing to do. I went up to Albany to lobby for our fair share of MTA funds, you know, at sort of the eleventh hour to try to avoid those cuts that hit my district so hard on the buses, but also just because it makes sense. And I think it would have been extremely helpful to have had some professional guidance with regard to the timing, the folks that we picked the meetings with, who we sat down with, what our talking points were.

So I'm just looking at your resolution and I'm just wondering, is this -- your intention is only with regard to sales tax, or is there room within this to ensure that, you know, the County, struggling as we are financially, has the kind of support from our State Legislators. I think we could get if we had, you know, as a Legislature an organized, you know, well thought out approach to attacking some of these specific revenue sharing issues.

P.O. GREGORY:
Right. No, there are -- by BRO's estimate -- estimation, they report about $136 million in State enabling legislation that could be passed, you know, various issues that could be addressed. I chose, in my mind, the easiest lift. My intention would be to, you know, hire someone, bring in my colleagues and we establish the agenda. Because, you know, I'm not familiar with the inner workings of State government, and what's more likely to pass or not, what's -- you know, what, you know, has to be done to -- you know, obviously every initiative has its own challenges or not, so they come up with an agenda and, you know, create a plan to get that accomplished. You know, not the days of Steve Levy where he had a binder three inches thick, no wonder nothing got done. But they come up with a very strategic plan with professionals that understand the inner workings of Albany. And I'm sickened to say that we have to even do something like that to be effective, but I think it's necessary. And when you're looking at low-hanging fruit, $14 million potentially, I think it's, you know -- it's -- you know, we should, you know, support it.

LEG. FLEMING:
I appreciate that. So in the third WHEREAS clause, it says, "Appropriations for lobbying efforts for the Legislator's State" --
"Legislature's State agenda." So there's -- you're planning to formulate what that is and it's not limited to sales tax revenue. Okay, thank you. Appreciate it.

P.O. GREGORY:
Okay. Anyone else?

LEG. McCAFFREY:
(Raised hand).

P.O. GREGORY:
Oh, Legislator McCaffrey.

LEG. McCAFFREY:
Thank you. And Presiding Officer, I agree with, you know, your intentions here. I think we need to have a strong and maybe even a separate voice in our -- in our Legislative agenda in the State. But I believe that before we go to that step, I think we need to refine what that agenda is and to really follow up on some of the ideas you had about in terms of putting a bipartisan committee together to agree on those types of things of where we want to go and what we want to get behind. So I would recommend that we revisit this in the budget year when this comes up again, decide how we're going to go about this, make sure we know where this money's going to come from, I believe the offset is in the salary contingency line. So I want to make sure that there's monies there to do it and maybe look to see -- get a better idea what that budget should be for that -- for the lobbying that we need. And then after we know what our plan is, then decide how we're going to pay for it, instead of funding it and then deciding what the plan is. So that would be my recommendation, to not approve this at this time, but to consider that after next time we can amend this budget and after we've had the time to put a plan together and decide how we're going to use it.

P.O. GREGORY:
Fine. I'm just -- you know, we just had a debate about adding auditors who may pay for themselves and, you know, the revenue potentially generated is nowhere near as the revenues that this could generate. So you're saying come up with a plan first?

LEG. McCAFFREY:
I'd just like to have a plan.

P.O. GREGORY:
The other argument here to add positions to the budget that said, Well, let's add it and we'll get the revenue, there's no plan. It wasn't saying, We'll go to this particular agency and we'll create, you know, $300,000 of revenue from this particular audit. There was no plan, it was just, Put these position in and we'll create the revenue to pay for it. No, but I think there is a track record of how they've done that. And then based on that experience, you know, you would say, Okay, that he's done it here and the Comptroller's Office has done it.
there, with the assurances that he has, and he's actually booked
the revenue in his budget to make up for those salary costs. Here
we're just kind of taking it out of thin air, and I'd really like
to make sure that we've got -- we've got a real plan there.

P.O. GREGORY:
No, I'm just --

LEG. McCAFFREY:
And we've got to look at our current resources that we have within
the Legislature now. Maybe we can utilize some of the people that
we have on staff to help us with those things as well.

P.O. GREGORY:
Well, you guys say that -- you know, that we need a control board,
and I'm telling you, low-hanging fruit --

LEG. McCAFFREY:
Just for the record, I --

P.O. GREGORY:
Giving our Comptroller the ability to collect --

LEG. McCAFFREY:
I did not support any sales tax --

P.O. GREGORY:
-- sales tax collections, you know, I think is -- you know, I know
it's not a part of your agenda, but, you know, it's certainly an
easier lift than getting a control board.

LEG. McCAFFREY:
I am not in support of a control board.

P.O. GREGORY:
But you're caucus is.

LEG. McCAFFREY:
No, my caucus isn't.

P.O. GREGORY:
They have.

LEG. CILMI:
What is that?

LEG. McCAFFREY:
There are some people, and there are some people in your caucus
that agree with it.

P.O. GREGORY:
No, no. I mean, Legislator Cilmi mentioned it earlier, I thought.

LEG. CILMI:
No, I didn't. I said I'm not in favor of the control board.
Special General Meeting - November 9, 2017

P.O. GREGORY: Oh, I thought you did. I thought you said it was a good idea.

LEG. McCaffrey: It is not fair to -- it is not fair. And I made it very clear --

LEG. CILMI: Be careful what you say, Presiding Officer.

LEG. McCaffrey: -- the Republican Caucus here does not support a control board. There may be some individuals within it, in this caucus, maybe some individuals within the Democratic Caucus that want a control board, but I don't and the majority of us, it's not a position we're taking. So I need to make that clear.

P.O. GREGORY: Okay.

LEG. MC CAFFREY: I would like to see that the County Executive sit down in earnest with some of these unions and find out, and we can talk about that later, and I think they need to do that and find some savings outside of a control board before we're forced, someone else comes from the outside and forces us to have one.

P.O. GREGORY: Well, I'll tell you what I'll do. Since you think it's a bad idea to generate revenue, to have someone in Albany lobbying for our efforts to generate revenue, I'll withdraw the budget amendment.

LEG. McCAFFREY: No, I said I agree with you. I said --

P.O. GREGORY: I heard you loud and clear. I'll withdraw it.

LEG. McCAFFREY: No, no, no. The first thing I said was I agree with the Presiding Officer.

P.O. GREGORY: No, no.

LEG. McCAFFREY: And I just said I just want to plan before we put the money in there.

P.O. GREGORY: No, no.

LEG. MC CAFFREY: And I think that's fair.

P.O. GREGORY: But you disagree.
LEG. BROWNING:  
Call the vote.

LEG. McCAFFREY:  
I disagree about spending the money before we have a plan on what we're going to do it for.

P.O. GREGORY:  
No, I'll withdraw it. I'll withdraw it.

LEG. McCAFFREY:  
Okay.

LEG. BROWNING:  
Call the vote.

P.O. GREGORY:  
No, no, no. You know, because, you know, either we're going to be serious or not about addressing the issues that we have, and I want to give the County Comptroller the ability to collect sales tax, because I hear, and I heard from Kara Hahn who said we've got to get into the jewelry stores because they're not collecting sales tax, we've got to go to the delis, they're not collecting sales tax, we have landscapers that are cheating the system. And here I am saying, Hey, you guys have done this for free, you've got to pay for it, it's $14 million easy. Oh, I need a plan, you know, I need the -- you know, I need the foundation, the plan, this and that, you know, scratching places that don't itch. I mean, we're making excuses about finding -- you know, finding -- you know, going to Albany and finding solutions that I think -- and I'm not an expert in Albany politics, but they'll say, All right. Any discussions I've had with them, they say, Well, what are you guys doing locally to meet your challenges?

LEG. McCAFFREY:  
So maybe it's 500,000 that we need. I mean, we don't know. We don't know what we need to do. So why are we appropriating money when we don't know what the basis for that is? And maybe it's 500,000 and maybe I'll support that; I mean, who knows.

P.O. GREGORY:  
Well, if it was 500,000, I wouldn't support that, so.

LEG. McCAFFREY:  
Well, I'm just making numbers up. This is what we've been doing all day.

LEG. CILMI:  
You and I will go together, I'll drive. I'll buy you lunch. We'll go -- we'll all go together, if it's that easy. If it's that easy to find $14 million, we don't have to spend $200,000 to do it, we'll go and do it.

P.O. GREGORY:  
I didn't -- well, you know, again, as I stated previously, I think
you have to have a presence there, and that's more than just taking one trip up to Albany; I'm sure Legislator Barraga can tell you that, as a former member.

LEG. CILMI:
It's not low-hanging fruit.

P.O. GREGORY:
No, it is low-hanging fruit in the sense that if you have someone that understands the inside -- you know, inside Albany politics and how to utilize the system, not a system that I created. But anytime that I've had discussions with members of the State Legislature, they don't want anything -- what they tell you to do is, Well, if you ask for a fee increase, we don't want to do it during an election year, we'll do it after the election, and then after the election, then they don't do it after the election because -- you know, it's a continuing cycle and we're stuck because we're trying to, you know, address our budget issues, so, you know, we need someone that understands the system. And what's working -- you know, the County Executive has been effective to some degree, but I think we need to ramp it up. You know, I'm not looking to spend any money on a lobbyist if I didn't have to, but I think, you know, if you look at the bill recommendations, you know, the easiest of those is $14 million, so --

LEG. McCAFFREY:
And for the record, I don't disagree. All I'm asking for is let's come up with a plan.

P.O. GREGORY:
All right. I'll withdraw my motion, or my budget amendment and we'll move on.

All right, so Budget Amendment No. 10. Robert, you have to explain this.

MR. LIPP:
So, basically, this is a technical correction. When the recommended budget comes out, there are not the final number of parcels in the Southwest Sewer District, nor property values and equalization rates may not be final. So we need to properly rejigger the property tax items between the fee of the per parcel benefit charge and the property tax levy; this does that, it's a pro forma thing, it's just we do it every year.

P.O. GREGORY:
Okay, so it's a pro forma thing. All right, so I'll make a motion to approve.

D.P.O. CALARCO:
Second.

P.O. GREGORY:
Second by Legislator Calarco. All in favor? Opposed?

LEG. HAHN:
Special General Meeting - November 9, 2017

(Raised hand).

MR. RICHBERG:
Fifteen.

P.O. GREGORY:
Abstention? Legislator Trotta's not sure if he's opposed or in favor.

LEG. TROTTA:
I'm sorry, I was --

LEG. MURATORE:
Daydreaming?

LEG. TROTTA:
Sleeping. I was not paying attention. Can you just go over that again, please?

MR. LIPP:
Okay. So, basically, when the recommended budget comes out, the number of parcels in the Southwest Sewer District are not finalized, the same thing with the assessed values and the equalization rates. Those items go into a formula which determines what the breakdown of property tax items are between the per parcel benefit charges as the fee, and the amount that you would pay on your property tax line. So it just -- it keeps the number for property tax items the same, it just rejiggers it properly. So it's a pro forma thing every year so that people get their right bill.

LEG. TROTTA:
There's no cost to it.

MR. LIPP:
Correct, neutral.

LEG. TROTTA:
Okay.

P.O. GREGORY:
Okay. So all in favor, again, on Budget Amendment No. 10? Opposed? Abstentions?

MR. RICHBERG:
Sixteen (Not Present: Legislators Lindsay & Spencer).

P.O. GREGORY:
Okay. All right, Budget Amendment 11. This is to the -- this resolution removes 26.7 million of Bond Anticipation Note revenue in 2017, as it is unclear or whether or not the New York State will grant the authority to borrow for terminal pay, revenue decreases an offset by reduction expenses would defer paying the Police Department. Now, Robert, can you explain?
MR. LIPP: Sure. So when I had a conversation with the Presiding Officer about the possibility of doing this, we weren't able to eliminate the revenue bond which needs State enabling legislation, which we haven't received yet.

LEG. TROTTA: Rob, talk closer to the mic.

MR. LIPP: Sorry, I'm having problems with this microphone. Okay. So we would like to have had taken this money out of the Omnibus resolution, the 26.7 million in Bond Anticipation Notes for SCAT pay for the police, but there wasn't any easy offset. And the Presiding's Officer's concern was that if this was controversial and put in the Omnibus, the Omnibus might not pass, so he wanted to do a standalone. So the way we could structure it is we wiped out the 26.7 million in revenue, and the offset was associated with deferred pay -- the deferred pay salary line in the budget, so there's been experience with that.

So when there was deferred pay before, for instance, in 2015, that line came to -- just for the two appropriations we're looking at in this resolution, $9.7 million negative number was put in for the deferred pay. The deferred pay line is not completely clean, it also includes paying people when they leave, too, so it's a hybrid number. But what we did is, A, we lowered -- we put a negative number, as has been done in the past under deferred pay to make up the difference; and B, we felt that that was -- Budget Review Office felt that that was the best way to go simply because if we actually lowered the expense items for SCAT pay, the Administration wouldn't have had the appropriations to pay it and it would have put the unions in a -- we felt would have put the unions in a stronger bargaining position, which wouldn't have been the best way, we wanted to keep it neutral.

P.O. GREGORY: Okay.

MR. LIPP: So here's your opportunity or not to get rid of the 26.7 million. That being said, there's no difference in terms of, you know, substance, it's a net zero. And it's not clear how it will all play out in terms of getting, or not, the State legislation to do the Bond Anticipation Note or not, or getting it instead for negotiations with the unions.

P.O. GREGORY: Okay. All right, so basically this -- there is concern that the State will not -- particularly the State Senate, will not authorize borrowing for the SCAT. So as a backup measure, we've utilized the deferred payment line, pay line to be utilized as an offset, because having very preliminary discussions with the PBA, they said that they would be open to negotiations. Obviously the Administration would be responsible for those negotiations, but they think that with all the unions working together, that they
could come up with a savings, or same number, in the neighborhood of -- in that neighborhood, 26.7 million, which is going to be, you know, a potential hole in our budget. So this in my mind provides more flexibility. If the BAN doesn't go through, you know, the union concessions could pay for it and vice versa. So there's no -- am I overestimating the case, Robert?

MR. LIPP:
No, I don't think so.

P.O. GREGORY:
Okay.

MR. LIPP:
It's not clear what the final resolution will be. There may be other items; for instance, the only one that would be the obvious item, which wouldn't be a great thing to have to do, would be to pull in $90 million from a sale leaseback, not of the Dennison, we already did that, but of the new jail.

P.O. GREGORY:
All right. I saw two hands, Legislator McCaffrey and then D'Amaro.

LEG. McCAFFREY:
Yes. And I'm in agreement with the Presiding Officer on this, I support it. I think this is something that needs to get done. I can tell you that the unions are concerned about the financial health of this County and the ability for us to continue to pay our bills and meet the obligations of which we come under their collective bargaining agreements. And so they are willing to come forward. I think that is the only alternative, considering that the Senate Majority Leader -- and as of yesterday, they're still in the majority in the Senate -- had said that they are not supporting this. And so I think it's irresponsible to book that savings and expect that that's going to happen because it's not.

And reading in the Newsday article, I read the Administration's comments of just questioning their motives, and I think we need to not force -- take one side or another in the negotiations here, but if you've got one party that's ready, willing and able to help us meet these obligations, other than borrowing money that we've already been told we're not going to be able to borrow, I think we need to force that issue now, because we've tried and I believe that they've made an honest effort to try and do those things, and for some reason or another it's not getting done. And so I support this and if this, and if this is what forces the hand in the Administration to deal honestly and -- I don't say honestly, but more aggressively with the unions to help us deal in partnership with our problems, I think we need to do that.

P.O. GREGORY:
Well, I don't think it forces the Administration to have union concessions. I think it provides flexibility in the budget to do so.
LEG. McCAFFREY:
Right. And I don't mean to say -- I'm just talking about
restructuring of agreements and things like that. So at the end of
the day, you know, we're not saying we're cutting -- cutting
salaries but -- that was a Snicker's Bar that went down the wrong
way. We're not cutting salaries or anything like that, we're just
restructuring, sitting down with them, because we are not going to
get that $26.7 million in borrowing, so I think it's a responsible
amendment to put in there.

P.O. GREGORY:
Legislator D'Amaro.

LEG. D'AMARO:
I don't really know if I agree with that, because there's a process
here. Right now we owe "X" amount or we anticipate owing "X"
amount in pay, correct, this pay differential, or whatever you call
it?

MR. LIPP:
Yes.

LEG. D'AMARO:
So we know we have this obligation coming up in 2017; correct?

MR. LIPP:
Well, it's debatable, though, if the dollars are that high, though.

LEG. D'AMARO:
I'm sorry?

MR. LIPP:
It's debatable, though, whether or not the dollars will prove to be
that high; in other words, we would need the amount.

LEG. D'AMARO:
Okay. All right, forget the number. All right, it's $24 million.
We're going to owe a pot of money next year, okay, a significant
amount. So we have this obligation to pay it, and the way we want
to pay it or the way that's been recommended in the budget by the
County Executive to pay it is to go and do this Bond Anticipation
Note, but to do that we need State approval.

The way I see this bill is what we're doing is we're saying, Well,
we don't think that's going to pass, so we're going to
automatically create a deficit in our own budget by putting a --
and I'm reading here, "Revenue decrease is offset by a reduction in
expenses for deferred pay in the Police Department." Well, what
that means is it's just a book entry where we say we owe this
defered pay and we know we owe it, but we're just going to
subtract it out, like with no -- this is not a real offset to
getting real revenue from a Bond Anticipation Note.

MR. LIPP:
Right. What it is is it's neutral in the sense that if you leave
the Bond Anticipation Note in the budget as is now, there's the
whole -- assuming it doesn't get adopted, or approved rather. If you do it this way, if we can -- if we don't get the agreements from the unions or if some other --

LEG. D'AMARO:
All right. But, you know, agreements from the unions is a wonderful thing, but the question is when you go to the table, what position are you putting yourself in; okay? And this bill tells the union upfront that we're going to enhance your bargaining position because we've created a deficit that we have to address.

Now, I'm not saying we're going to prevail in the State. I understand the backup nature of this, but I think we should not pass this bill, not do this accounting offset, which we've never -- I've never seen this done before, where a $26 million write-off of some kind or parking. What you're doing is parking this debt obligation in the budget but not accounting for it: it's like off-the-books kind of thing. I think what we should do is not put that in there and go to our State delegation and tell them, Look, you know, if we don't get this, then we're going to be in a position where we have to figure out how to pay for it, and we don't really know how we're going to do that yet. But putting this in is already saying that, in effect, we're going to create this deficit. We've already accounted for it off our books, so what motivation would anyone in the State have to support this? None, zero.

No. So what I'm saying is we should not put that hole in the budget. This puts a hole in our budget. Right. So if we go to the State and they say no, we'll deal with it like we always do. But right now -- and I'm a little surprised, after all the time sitting here from so many years, that all of a sudden we come up with this way to take $26 million and just park it somewhere and say it doesn't effect anybody. I don't -- I'm not -- I'm not supportive of this. I think that if we owe this fund and, you know, we're not going to debate why we owe it or should we owe it, but we owe it.

LEG. TROTTA:
We owe it.

LEG. D'AMARO:
And that's the bottom line. So let's go up to Albany and let's talk to them about that, and they have to come to the table with us. But why would I say to the Police bargaining unit, Oh, we know we're not going to get this, we haven't asked but we know we're not going to get this, so let's come to the table, and they're going to say, Okay. Well, we'll give you the 26 million and here's what we want in return. (Laughter) It would just weaken our entire bargaining position.

To me, I think this is us intervening in an area that we shouldn't intervene. I think we should leave it the way we passed the Omnibus budget. Leave the anticipation -- the Bond Anticipation Note where it is and do the process and let it play out and go to Albany and tell them, We need this funding, this is the way it has
to go down, and deal with it from that point forward. I don't think we should pass this and create an automatic hole in our budget and give Albany the excuse to say, Well, it's not even on your books anymore. It's not our problem.

P.O. GREGORY:
I disagree with that characterization, but anyway. Legislator -- oh, Legislator Krupski.

LEG. KRUPSKI:
I kind of agree with Legislator Gregory here. He's trying to find a way to mitigate something that might be a real problem in the budget and everything that we've heard, this is going to be a real problem in the budget.

I've got a question for Dr. Lipp. If we pass this resolution, does it automatically -- does it automatically say we are not going to ever bond for this, or does it say if we are denied the ability, then this is another option?

MR. LIPP:
So the way I look at it is it's trading one hole for another, number one. Number two, if the bond goes through, then the County Executive will come to the Legislature with a resolution to adopt it and it'll be fine. If the agreements, whatever they hypothetically might be with the unions, comes through, then that would be consistent with the way this resolution occurs. I believe that it's more of like a form than substance, perhaps, and it's like making a statement that you don't think the bond makes any sense and that could be for two different reasons. Number one, you need State authority to do it; and number two, the reason why you need State authority to do it is because you'd be borrowing for operating expenses if you're borrowing.

LEG. KRUPSKI:
Thank you. So I have to agree, you know, thinking about this. When you negotiate with any union, you know, you do have to do -- so it's called negotiating in good faith. And this is a well publicized issues that we have here documented by the Budget Review Office, $60 million over two years. And I think if you want to negotiate in good faith, everyone should know the issues that we're facing here and sit down at the table honestly and say, These are our problems. Yes, we're going to -- would you please open up the contract and let's try to negotiate our way to help the taxpayers here.

P.O. GREGORY:
Legislator Fleming.

LEG. FLEMING:
Robert, I appreciate your professionalism. I wonder, though, about your characterization that this would mean that we'd make a statement that the bond doesn't make sense.

MR. LIPP:
I'm glad you asked that. So what I would like to have finished
with is it's basically -- I'm not saying that Legislator D'Amaro is
wrong at all, because from a negotiating point of view, there's no
way I could say that one way would be a sharper or better way to
approach negotiation than the other, that's for you to decide.

LEG. FLEMING:
And I appreciate your role as the Budget Review Office of providing
us advice with regard to Budget Review, as opposed to these other
very complicated and difficult things that we've got to wrestle
with. I guess my question is if we -- if we do not pass this
resolution and in all -- you know, with all, you know, the best
efforts, the effort to, you know, get the State Legislature on
board fails, then what? I mean, if we have this, then if the
effort fails at the State Legislature, we have a way to address
that contractual obligation; am I correct about that?

LEG. D'AMARO:
No.

LEG. FLEMING:
I'm asking Mr. Lipp.

MR. LIPP:
So I think right now I could count three different ways that we
could deal with this. One is you get the State legislation.

LEG. FLEMING:
Right.

MR. LIPP:
The other is you get union concessions or deferrals, or I don't
know what, you know, and that's a black box to me, I will say. And
the third one would be we might have to, depending upon the size of
the deficit, do the sale leaseback on the jail. I can't think of
right now, unless we get some other infusion of revenues or we
start cutting programs out or something like that.

LEG. FLEMING:
Infusions of revenue at the level of $26 million.

MR. LIPP:
I suppose -- well, the actual dollar number will be determined by
the SCAT pay itself, which I don't think it will be that high,
but --

LEG. FLEMING:
It's a very significant amount of money.

MR. LIPP:
True that.

LEG. FLEMING:
True that. So, Mr. Presiding Officer, I just have a question,
then, with regard to your thoughts in putting this forward. You
have been in contact with the union and have -- I mean, I don't
want to delve too far into that, but I assume, and we've discussed
that you're putting this forward in good faith in that you believe that it will help to move forward a solution to an extremely difficult problem that might be available to us should we fail to get -- or should the County Exec fail to get support in Albany.

P.O. GREGORY:
Absolutely.

LEG. FLEMING:
Okay, thank you. Thank you, Dr. Lipp.

P.O. GREGORY:
And I'll just end on this, because, you know, this is not speculation that the State, particularly the State Senate, is not in favor of this; I mean, it was in a Newsday article, but prior to that they have spoken to various people. So, you know, I think it's foolish to think that they're going to change their public position without adding any additional new circumstances to the equation. And, you know, in discussions with the Administration, they don't seem concerned with that, you know? I don't understand that. I think, you know, it's our responsibility to look at the circumstances as they are presented to us. The State is not going to authorize borrowing, as well as they shouldn't, in my opinion; it's not the fiscally responsible thing to do. And to hope that they change their minds to do that, you know, I don't think it's going to happen.

But this -- the way this particular budget amendment is put in place, it doesn't increase the -- because I was very concerned about that. It doesn't reduce, I should say, the Administration's position in bargaining. Well, what could have done that was if I had taken monies out of permanent salaries and said you have -- and replace it with union concessions, then it would force the Administration to come up with an agreement, because if not then you have layoffs involved, but this way doesn't do that. So the union could have gone to them, unions could have gone to them in that scenarios and said, Look, you've got to -- you've got to negotiate with us or you have to lay off four, 500 people, whatever the number comes out to be; this doesn't do that. So it doesn't give anyone more leverage, particularly the unions, which I know the Administration, they're very concerned and conscious about their position in the negotiation process. It just realizes the fact that, you know, there's a -- you know, there's some certainty that their plan will not come into effect and we have to have an option. And, by the way, they couldn't agree -- I mean, have discussions with the union and say, You know what, we don't like what you're saying, you know, and that's it, it has no negative impact. So that's -- I think it provides more flexibility.

LEG. D'AMARO:
Could I just ask a question on that?

P.O. GREGORY:
Yeah.
LEG. D'AMARO:
To BRO, when you say an offset by a reduction in expenses for deferred pay, the expenses for deferred pay that you're referring to, is that the purpose of floating the bond in the first place?

04:52PM

MR. LIPP:
No, that wasn't in the budget.

LEG. D'AMARO:
Okay.

MR. LIPP:
The bond itself would be paid over time with --

04:52PM

LEG. D'AMARO:
My point is if we pass this resolution, we've already underfunded then by $26 million our expense account for deferred pay, right?

MR. LIPP:
Yeah, there are appropriations in the budget for --

04:52PM

LEG. D'AMARO:
Wait, Rob, just follow me; offset by a reduction in expenses for deferred pay, offset. Offset by a reduction, so something's being reduced. The thing that's being reduced is our account that holds a number for deferred pay; is that right?

MR. LIPP:
Correct.

04:53PM

LEG. D'AMARO:
All right. So that number is funded right now at a certain level because that's what we expect to have to pay, right? So what we're doing is we're reducing that, we know we have to pay it, but we're going to reduce it by $26 million.

04:53PM

LEG. McCAFFREY:
Mr. Presiding Officer, if I may? I think one of the reasons for that, and I know this is your resolution, my understanding was that part of the discussions that we were looking for was the deferral of this -- of the deferred pay, which would be a similar effect as what we had in the bonding. Deferral of the deferral, yes.

04:53PM

LEG. D'AMARO:
Right, but that kind of leads up to my point that I'm trying to make, is that -- so we're pointing, then, to we would have to negotiate to -- in order for that reduction and expenses for deferred pay to stand, we'd have to give something in return, As opposed -- let me just finish my thought. As opposed to, all right, Albany doesn't pass the bill, they don't -- you know, for whatever reason, you know, it's bad policy, you know, because they do everything up on merit in Albany, as we know.

04:54PM

(*Laughter*)

04:54PM

* Index Included at End of Transcript
P.O. GREGORY:
Lobbyists.

LEG. D'AMARO:
They don't want to do this. And now we have every option available to us, including a reduction in deferred account. Like I don't understand why we need to put this out there up front so that when we go to the table we say, We've already cut into what the police are owed.

LEG. McCAFFREY:
And if the Administration had taken a proactive stance and pursued discussions with the unions as they would have liked to have done, we wouldn't be here making this standalone, but we're being put in this position of doing this.

LEG. D'AMARO:
Well, the Administration made a policy decision to put in for this Bond Anticipation Note, and I guess the extension of that is if it doesn't pass they're going to have to deal with that, and so are we. But I don't -- I still don't see how we can just offset a reduction in expenses for deferred pay. And the Police Department is already telling them we're taking something away, so obviously we're going to have to give something back.

LEG. McCAFFREY:
Without getting into the negotiations, because I'm not involved in them, and this probably isn't the place for it even if we were, but at the end of the day, I think that what I'm hearing is that our unions are concerned about the ability of us to meet our obligations as well, and then they see a downside if we're not able to do it, so that's their incentive. And then they're coming forward and saying, We're here to help and we want to do something.

LEG. D'AMARO:
But they can do that without passing this amendment.

LEG. McCAFFREY:
They could do it if they knew we had an Administration that was willing to sit down and discuss that with them, but apparently that's not happening. All we're hearing is in the newspapers second-guessing about what their motives are.

LEG. D'AMARO:
I don't see why we have to now decide that if Albany doesn't take on this initiative with this note, this Bond Anticipation Note, why do we have to decide now how we're going to meet that obligation?

LEG. McCAFFREY:
I don't know why we're worried about this, because the Omnibus, which is supposed to be --

LEG. D'AMARO:
We're reducing our Police Department account by $26 million, we better worry about it.
LEG. McCAFFREY:
But an Omnibus budget bill we just passed here that counted on
borrowing for $26 million, 26.7 this year, when the majority leader
for the Senate who's in control said he's not going to support it.
So, I mean, thought that was -- might be a little bit presumptive,
too.

LEG. D'AMARO:
I agree with you. I don't -- I don't know what's going to happen
in Albany, you know. And people say some things one day and they
change to another day. But what I do know is that this bill is
saying to the Police Department, We are cutting out $26 million
that we know we owe you, so in order for you to agree to that now,
what do you need? I don't see why we have to put ourselves in that
position, at all, at this point. So that's enough.

P.O. GREGORY:
Okay. All right, do we have a second?

LEG. KRUPSKI:
Second.

MR. RICHBERG:
No motion.

MR. LIPP:
Hold on a second, before you vote on the bill. We noticed that
there was a technical correction that's needed, so if we could
include that as part of the bill, I could tell you exactly what I'm
talking about.

P.O. GREGORY:
You're killing me, Robert.

MR. LIPP:
So if you look at the bill, and you'll see under expenditures there
are two line items that will be changed. The first three columns
of numbers are 2016 estimated, 2016 revised estimated and 2016
difference. The difference should be zero, and the numbers in the
revised estimate will be the same as in the estimate.

So there's no -- the bottom line is there's no change in 2016; it
shows it as there is a change. The entire change is in 2017, but
the line item here doesn't show it that way. So what we're asking
is to move -- is to zero out the 2016 difference, revised estimate,
and then to put in the same number under 2016 estimate and 2016
revised estimate.

P.O. GREGORY:
Okay. We'll make that -- I'll make that amendment and we'll vote
on it as amended, yes.

LEG. TROTTA:
Just for the record. You know, the Police Chief Cameron came in
here and said 125 people he estimates to retire next year. Now,
doing the quick math, that's about $37.5 million, so it's really
not $26 million.

**MR. LIPP:**
So we have, in the budget we have money that is for SCAT, okay.

**LEG. TROTTA:**
It's already budgeted, yeah.

MR. LIPP:
Not on the deferred line. So these monies we're talking about are for additional deferrals.

**LEG. TROTTA:**
How much is in the budget?

**MR. LIPP:**
Well, there really isn't money in the budget for that other than -- actually, if you look at these two lines, they add up to 2.9 million plus. So what the plus means is even if there was a negative in there, it's more than offset by people leaving and getting their SCAT pay.

**LEG. TROTTA:**
I mean, we're actually talking about deferring deferrals.

**MR. LIPP:**
Right, exactly.

**LEG. TROTTA:**
I mean, how -- what position are we in when we have to defer our deferrals? It's bizarre.

**MR. LIPP:**
I assume that wasn't a question.

**LEG. TROTTA:**
And to push this off again? Hey, listen, if the State doesn't do it, they vote no. Let the County Executive deal with it, he's the guy who got us involved in this anyway.

**MR. LIPP:**
But understand that the SCAT pay is in the budget; this would be additional deferrals.

**LEG. TROTTA:**
How much is in the budget?

**MR. LIPP:**
For SCAT pay? So there is 26 million in the budget, 26.7 million for SCAT pay.

**LEG. TROTTA:**
That's this money that we're going to borrow.

**MR. LIPP:**
Correct.
LEG. TROTTA:
Okay. What I'm saying is it could be 37 million. According to the Police Chief, he said 125 people are going to retire.

04:59PM

MR. LIPP:
Okay.

LEG. TROTTA:
Okay, so now --

MR. LIPP:
There's no question there so far for me.

04:59PM

LEG. TROTTA:
Okay. The point I'm trying to bring out here is we are deferring the deferrals, and we're probably going to have to give something up to defer deferrals. So getting back to my -- you don't think it's bad? This is horrible. This is horrible that this is going to happen, and I will not support it.

05:00PM

P.O. GREGORY:
Okay. All right, so we have a motion, and a second by Legislator Krupski. Roll call.

(*Roll Called by Mr. Richberg - Clerk of the Legislature*)

P.O. GREGORY:
Yes.

05:00PM

LEG. KRUPSKI:
Yes.

LEG. FLEMING:
Yes.

05:00PM

LEG. BROWNING:
Yes.

05:00PM

LEG. MURATORE:
Yes.

LEG. HAHN:
No.

05:00PM

LEG. ANKER:
Yes.

LEG. LINDSAY:
(Not Present).

05:00PM

LEG. MARTINEZ:
Yes.

05:00PM

LEG. CILMI:
No.
Special General Meeting - November 9, 2017

LEG. BARRAGA:
No.

LEG. KENNEDY:
No, not at this time.

LEG. TROTTA:
No.

LEG. McCAFFREY:
Yes.

LEG. STERN:
Yes.

LEG. D'AMARO:
No.

LEG. SPENCER:
(Not Present).

D.P.O. CALARCO:
Yes.

MR. RICHBERG:
Ten (Opposed: Legislators Hahn, Cilmi, Barraga, Kennedy, Trotta & D'Amaro - Not Present: Legislators Lindsay & Spencer).

P.O. GREGORY:
Okay, that is our agenda.

Oh, right, I'm sorry. I make a motion to lay the following -- to set the public hearing for the following resolutions -- I'm sorry, public hearings for November 22nd, 2016, 2:30 PM in Hauppauge: IR 1180, IR 1969, IR 1988. Do I have a second?

LEG. CILMI:
Second.

P.O. GREGORY:
Second by Legislator Cilmi. All in favor? Opposed? Abstentions?

MR. RICHBERG:
Sixteen (Not Present: Legislators Lindsay & Spencer).

P.O. GREGORY:
All right. That's our agenda, we stand adjourned. Thank you. Get home safely.

(*The meeting was adjourned at 5:01 P.M.*)

* Index Included at End of Transcript
INDEX

[Occurrence of Word] - Page Number:Line Number

rectifying [1] - 26:15
red [1] - 32:14
redistributing [1] - 78:23
reductions [1] - 8:9
reference [1] - 26:12
referendum [1] - 28:18
referring [2] - 84:32, 100:3
refine [1] - 87:19
reflect [1] - 71:44
Regional [1] - 84:35
regulation [1] - 28:21
rehab [1] - 36:43
reimburse [1] - 54:22
reject [1] - 36:55
rejigger [1] - 91:42
related [3] - 16:46,
...
restricts [1] - 21:11
reviewed [1] - 11:43
revaluation [1] - 29:24
RFP's [1] - 10:13
rid [1] - 93:41
ridiculous [1] - 41:9
rise [1] - 3:24
risk [1] - 29:36
River [1] - 36:49
RIVERHEAD [1] - 1.26
road [1] - 27:26
Rob [2] - 93:8, 100:23
rocket [1] - 27:18
roles [2] - 78:15, 78:19
### INDEX

[Occurrence of Word] - Page Number:Line Number

<table>
<thead>
<tr>
<th>Word</th>
<th>Page Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>sat</td>
<td>35:31, 36:1, 36:6, 37:10, 52:5, 59:2, 86:24</td>
</tr>
<tr>
<td>scripture</td>
<td>4:12, 4:13, 4:14, 4:16</td>
</tr>
<tr>
<td>sacrifice</td>
<td>37:44, 40:14, 44:17, 86:19</td>
</tr>
<tr>
<td>saved</td>
<td>37:44, 40:14, 44:17, 86:19</td>
</tr>
<tr>
<td>second-guessing</td>
<td>101:42</td>
</tr>
<tr>
<td>Second-guessing</td>
<td>101:42</td>
</tr>
<tr>
<td>scene</td>
<td>99:37</td>
</tr>
<tr>
<td>science</td>
<td>27:28</td>
</tr>
<tr>
<td>Seeing</td>
<td>36:49</td>
</tr>
<tr>
<td>seeking</td>
<td>58:35, 58:36</td>
</tr>
<tr>
<td>seek</td>
<td>58:35, 58:36</td>
</tr>
<tr>
<td>serious</td>
<td>58:35, 58:36</td>
</tr>
<tr>
<td>set</td>
<td>58:35, 58:36</td>
</tr>
<tr>
<td>settlement</td>
<td>58:35, 58:36</td>
</tr>
<tr>
<td>senator</td>
<td>58:35, 58:36</td>
</tr>
<tr>
<td>salutation</td>
<td>3:27</td>
</tr>
<tr>
<td>Salutation</td>
<td>3:27</td>
</tr>
<tr>
<td>Salute</td>
<td>3:27</td>
</tr>
<tr>
<td>Sanitarians</td>
<td>33:43</td>
</tr>
<tr>
<td>Sarah</td>
<td>44:31</td>
</tr>
<tr>
<td>Rosy</td>
<td>14:48</td>
</tr>
<tr>
<td>Row</td>
<td>6:4, 9:48</td>
</tr>
<tr>
<td>rules</td>
<td>42:21</td>
</tr>
<tr>
<td>running</td>
<td>32:48</td>
</tr>
<tr>
<td>sacrifice</td>
<td>37:44, 40:14, 44:17, 86:19</td>
</tr>
<tr>
<td>serious</td>
<td>58:35, 58:36</td>
</tr>
<tr>
<td>set</td>
<td>58:35, 58:36</td>
</tr>
<tr>
<td>settlement</td>
<td>58:35, 58:36</td>
</tr>
<tr>
<td>senator</td>
<td>58:35, 58:36</td>
</tr>
<tr>
<td>salutation</td>
<td>3:27</td>
</tr>
<tr>
<td>Salutation</td>
<td>3:27</td>
</tr>
<tr>
<td>Salute</td>
<td>3:27</td>
</tr>
<tr>
<td>Sanitarians</td>
<td>33:43</td>
</tr>
<tr>
<td>Sarah</td>
<td>44:31</td>
</tr>
</tbody>
</table>
INDEX

<table>
<thead>
<tr>
<th>Occurrence of Word</th>
<th>Page Number:Line Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>wide [1]</td>
<td>29:15</td>
</tr>
<tr>
<td>widespread [1]</td>
<td>85:3</td>
</tr>
<tr>
<td>wiped [1]</td>
<td>93:17</td>
</tr>
<tr>
<td>wisdom [2]</td>
<td>4:46</td>
</tr>
<tr>
<td>women [2]</td>
<td>4:45, 5:8</td>
</tr>
<tr>
<td>won [1]</td>
<td>4:38</td>
</tr>
<tr>
<td>wonder, [1]</td>
<td>28:29</td>
</tr>
<tr>
<td>wonderful [1]</td>
<td>96:7</td>
</tr>
<tr>
<td>wondering [1]</td>
<td>86:26</td>
</tr>
<tr>
<td>world [1]</td>
<td>58:18</td>
</tr>
<tr>
<td>worried [1]</td>
<td>101:50</td>
</tr>
<tr>
<td>worry [1]</td>
<td>101:55</td>
</tr>
<tr>
<td>wound [1]</td>
<td>11:24</td>
</tr>
<tr>
<td>wrestle [1]</td>
<td>98:9</td>
</tr>
<tr>
<td>write [1]</td>
<td>96:15</td>
</tr>
<tr>
<td>write-off [1]</td>
<td>96:15</td>
</tr>
<tr>
<td>writes [1]</td>
<td>36:23</td>
</tr>
<tr>
<td>writing [1]</td>
<td>36:22</td>
</tr>
<tr>
<td>wrote [1]</td>
<td>9:12</td>
</tr>
<tr>
<td>year-and-three-</td>
<td>quarters [1]</td>
</tr>
<tr>
<td>year-to-date [2]</td>
<td>11:5, 14:49</td>
</tr>
<tr>
<td>yielding [1]</td>
<td>34:34</td>
</tr>
<tr>
<td>yield [1]</td>
<td>14:21</td>
</tr>
<tr>
<td>YORK [1]</td>
<td>1:26</td>
</tr>
<tr>
<td>Z</td>
<td></td>
</tr>
</tbody>
</table>

130