

**BUDGET & FINANCE COMMITTEE**  
**of the**  
**Suffolk County Legislature**

**Minutes**

A special meeting of the Budget & Finance Committee of the Suffolk County Legislature was held in the Maxine S. Postal Legislative Auditorium of the Evans K. Griffing Building, 300 Center Drive, Riverhead, New York, on **June 22, 2004**.

**Members Present:**

Legislator Andrew Crecca • Chairman  
Legislator William Lindsay • Vice•Chair  
Legislator Allan Binder  
Legislator Lynne Nowick  
Legislator Daniel Losquadro

**Members Not Present:**

Legislator David Bishop.

**Also in Attendance:**

Mea Knapp • Counsel to the Legislature  
Jim Spero • Director/Budget Review Office  
Kevin Duffy • Budget Review Office  
Ilona Julius • Deputy Clerk/Suffolk County Legislature  
Ben Zwirn • Assistant County Executive  
Allen Kovesdy • Assistant Director/County Executive's Budget Office  
Ken Knappe • Senior Budget Analyst/County Executive's Budget Office  
Frank Tassone • Aide to Legislator Crecca  
Maria Ammiratti • Aide to Legislator O'Leary  
Kevin LaValle • Aide to Legislator Losquadro  
Eric Brown • Aide to Legislator Schneiderman  
Ron Foley • Commissioner/Department Parks & Recreation  
Vito Minei • Director/Division of Environmental Services/DHS  
Bill Shannon • Director/Division of Transportation/DPW

Steve Tettlebach • Southampton College  
Tom Williams • Cornell Cooperative Extension  
Chris Smith • Cornell Cooperative Extension  
All Other Interested Parties

Minutes Taken By:

Alison Mahoney • Court Stenographer

***(\* The meeting was called to order at 9:09 A.M. \*)***

**CHAIRMAN CRECCA:**

The meeting of the Budget & Finance Committee will come to order. I would ask everybody to please rise for the Pledge of Allegiance which will be led by Ken Knappe.

***Salutation***

When we were last here, the reason we recessed the meeting primarily was because of the information that we were lacking regarding the Water Protection Fund 477. And I asked the Budget Office, as well as the Budget Review Office on behalf of the committee, to report back to us how much money is in those accounts and specifically broken down by category. So why don't we first go to Budget Review, if you could fill us in on whatever information you have; and then, Ken, I'll ask you to give your input also.

**MR. SPERO:**

Okay. I prepared a memo for the committee members which should be in front of you and in the memo we outline what the balances are in the Fund 477 Account. We're still ironing out a few differences between our numbers and the numbers from the Budget Office, but they're not material. If you look on ••

**CHAIRMAN CRECCA:**

Jim, can we have a copy of that memo?

**MR. SPERO:**

It's right in front •• it should be on your computer.

**CHAIRMAN CRECCA:**

Oh, now this involves technical ••

**LEG. LINDSAY:**

I have it in written form.

**MR. SPERO:**

Give Andrew a copy. Oh, it's at your •• you're not at your spot.

**CHAIRMAN CRECCA:**

Oh, I apologize.

**MR. SPERO:**

We're projecting a \$26 million fund balance in Fund 477 at the end of this year, that's in the first bullet. If you look at the second bullet, you can see how the funding is broken down among the various program components. There's some extra money for sewer tax relief and General Fund tax relief and we're projecting a \$14.6 million balance for Water Quality Programs, a \$3.2 million balance for Farmlands and a \$7.4 million balance for Open Space acquisitions.

After the meeting, Kevin Duffy is going to go down to the Treasurer's Office and review these numbers with the Treasurer and compare our budget projections with the cash balances on hand at the Treasurer's Office.

We also make a number of recommendations or comments concerning the use of these funds which include having sufficient backup provided to the Legislature when these funds are allocated so the Legislature can make an informed decision as to the use of these funds and whether or not they supplant other operating funds that would normally not be funded out of this program.

**CHAIRMAN CRECCA:**

Jim, I apologize but we didn't understand a lot of what you said, I think it's the microphone.

**MS. JULIUS:**

Is it bad?

**CHAIRMAN CRECCA:**

Yeah, it was sort of ••

**LEG. LINDSAY:**

I understood it.

**CHAIRMAN CRECCA:**

Did you? Ken, do you agree with Budget Review Office's numbers, first of all?

**MR. KNAPPE:**

Within the ballpark figures, yes. The first time I saw the report was about 10, 12 minutes ago and I found a couple of discrepancies when I was looking at the report right at first glance. But the overall fund balance, we're about a million different which in 24 to 25 million after looking at the report. You know, I hate to say that a million dollars isn't too much, but we're within the same ball park.

If I could, the Budget Director wanted me to go over the revenues and expenditures specifically related to Water Quality and to get it on the record since the Budget Office is the agency that's responsible for this, and then if the committee has any questions either Budget Review or myself can answer those questions.

**CHAIRMAN CRECCA:**

Thanks.

**MR. KNAPPE:**

The revenue specifically to the Water Quality portion, the Water Quality is 11.25% of the Quarter Cent Sales Tax, that gets distributed into Fund 477. So the revenue that gets accepted and dedicated to Water Quality is the sales tax as well as interest and earnings on that money, and it gets prorated at the 11.25% based on the law. In 2000 the revenue was \$450,221; in

'01 it was 5.3 million and change; in '02 it was 5.8 million and change; in 2003 it was 6.3 million and change; and we're projecting in 2004 for 6.9 million if sales tax comes in as we have estimated. So the total revenue dedicated to the Water Quality, it's approximately 24.8 million.

Expenditures; from December 1st, 2000, when the program commenced to December 31st, 2002, because that's what we have audited actuals of ••

**CHAIRMAN CRECCA:**

Do you have this in writing, too, Ken? I'll ask you to keep going, but ••

**MR. KNAPPE:**

I could submit it in writing, I only have about two or three more lines left.

**LEG. CRECCA:**

Go ahead.

**MR. KNAPPE:**

The audited actuals from 2000•2002 was \$717,522, according to what we have; the 2003 actuals which haven't been audited yet was five million and change. So the total expenditures dedicated from the Water Quality Program has been about 5.7 million.

***(\*Legislator Binder entered the meeting at 9:16 A.M. \*)***

In addition to that, the obligated amount in 2004 based on what's in the 2004 Adopted Operating Budget, as well as a couple of resolutions that the Legislature has already passed is 3.4 million, which leaves us a free balance •• excluding any resolutions that are laid on the table that haven't been adopted by the Legislature or the County Executive at this point; it includes a free balance of about 14.6 million. And that is where we see the Water Quality Program at this point.

**CHAIRMAN CRECCA:**

Legislator Lindsay.

**LEG. LINDSAY:**

Does that include •• your estimate includes the assumption that these four resolutions will pass.

**MR. KNAPPE:**

No, it does not. It only •• what I basically said was resolutions that were adopted by the Legislature at this point. If you want to include the pending resolutions, there is approximately five, six of them, five sponsored by the County Executive and one by Legislator Bishop; they equal \$6.2 million which would draw the free balance down to approximately 8.4.

**LEG. LINDSAY:**

So we have plenty of money in the account.

**MR. KNAPPE:**

And one other note, in the Budget Review Report they talk about that it would be a good idea for a reserve balance to be created for these funds; it is a very good idea and the Budget Office had that idea on December 1st, 2000. We had built in a reserve fund balance for each of the three programs, so we would never be oversubscribed as we were in other cases of sales tax dedicated programs. We have a 5% reserve on the sales tax for that given year, it gives us a little cushion, if sales tax takes a dive we're not overexpending our funds.

**CHAIRMAN CRECCA:**

We also asked that they be broken down to separate account numbers for the different Farmland Acquisition, Open Space, Water Quality Protection.

**MR. KNAPPE:**

The way that the Legislature and the County Executive in years past have adopted the budget, there were three reserve fund balances for the three programs. In the past, the County Executive's Office has requested three separate appropriating lines for this money and the Legislature never adopted that process, I think that was back in 2001's budget process. So we've been going back and forth in how to deal with that, but we do show three separate reserve fund balances for the three programs.

**LEG. CRECCA:**

Okay. What I'm asking is, though, and I made the request at the last committee meeting, send

us over •• you can send over, the County Executive has the ability to do a resolution to amend the budget, not to change the numbers, just to create the separate lines in the budget; you have my commitment that I'll support that so that it just makes it a little cleaner and easier for us to define in the budget itself.

**MR. KNAPPE:**

My only hesitation, I have no problem with that, but it is the decision of the Budget Director and the County Executive if we're going to submit a resolution in that regard. I do not want to hold •• personally in the Budget Office we have six pending resolutions which we are fully aware, Budget Review and the Budget Office had their sufficient funding for those resolutions, and that they are being appropriated correctly in that resolution.

**CHAIRMAN CRECCA:**

Yeah, no, I'm not suggesting that we hold off on those ••

**MR. KNAPPE:**

Okay, I'm sorry.

**LEG. CRECCA:**

•• we'll address those on the merits. I guess my one question is Budget Review, did you look at Ken's numbers or have you just reviewed those?

**MR. SPERO:**

We're going to continue to work and reconcile the numbers between what we have and what the Budget Office has, so we'll come to the same bottom line.

**CHAIRMAN CRECCA:**

Have either •• what about the money that's been expended, do you agree with those numbers?

**MR. SPERO:**

Yes, because basically we're looking at the actual numbers. I think part of the problem is how the funds on our memo are allocated among program components versus what the Budget Office has.

**CHAIRMAN CRECCA:**

Have either of you or both of you spoken with the Treasurer's Office?

**MR. KNAPPE:**

I think we both have; not speaking for Budget Review, but Christina Cook in the Treasurer's Office I spoke to yesterday afternoon. The difference between how they do it and how we do it, and it's a good check and balance in the whole system, they operate on a cash basis so they do a snapshot picture of the fund as it is today, it doesn't project out any possible sales tax receipts coming in throughout the year. So based on what has been from the beginning of the program to date, we do agree.

**CHAIRMAN CRECCA:**

Thanks, Ken.

**MR. KNAPPE:**

In addition, the Budget Office has worked with Audit & Control in multiple years in this regard. And yesterday between the Budget Review Office and the Budget Office playing phone tag trying to equal out our numbers, unfortunately I didn't get in touch with the Budget Review Office until the later part of yesterday afternoon when I was hoping to get in touch with them earlier.

**CHAIRMAN CRECCA:**

Legislator Lindsay.

**LEG. LINDSAY:**

Yeah, while Mr. Knappe is here, maybe on one of the specific resolutions.

**MR. KNAPPE:**

Sure.

**LEG. LINDSAY:**

On 1553, the one for the maintenance, the golf course maintenance building.

**MR. KNAPPE:**

Yes.

**LEG. LINDSAY:**

There's some confusion on my part. I know that we have I think the same project funded in the Capital Budget; is it the same project in the ••

**MR. SPERO:**

Yeah, it's the same project, Resolution 603 appropriated additional funding for the Timber Point.

**LEG. LINDSAY:**

Okay. So if we approve this we would over fund that project; am I correct?

**MR. SPERO:**

Yes, and it's our opinion that this project should not be funded out of the Water Quality funding.

**LEG. LINDSAY:**

Well, that was my next question; why is this under Water Quality?

**MR. KNAPPE:**

Well, if I •• it's under Water Quality for a couple of different reasons. One, the Water Quality Review Committee, which was established by the Legislature and the County Executive I believe last year in a resolution, deemed it so based on their application.

Now, let me go a step further and explain on why they approved it. The maintenance building, or part of the maintenance building, is going to be a capture of all the fertilizer or the organic maintenance components that are used on the golf courses; when the rates, when their equipment is hosed off and cleaned. It is a special type of maintenance, it's not just a regular maintenance facility, it is going to capture this residue and be able to keep it from going into the regular groundwater and stuff like that at the golf course. I know we have other people here to speak specifically on the environmental effect of this type of maintenance building. But in a nutshell, in laymen's terms, that's what it is, it's to clean the type of equipment so the residue that they use on the care of the golf courses are captured in a certain manner.

The County Executive's philosophy is that this is appropriate under the Water Quality money

and why not use funds that we already have in a pay•as•you•go fashion rather than going out and bonding an additional 600,000 or so and pay interest on that bond.

**LEG. LINDSAY:**

Does this resolution provide enough funding to build that building?

**MR. KNAPPE:**

For the one component of the maintenance program it does.

**LEG. CRECCA:**

For the one ••

**MR. KNAPPE:**

Between this and what was in the County Executive's Adopted Budget, yes it does.

**LEG. LINDSAY:**

Mr. Chairman, if you don't mind, I see the Parks Commissioner here; would you mind if I get an explanation from him on this as well?

**CHAIRMAN CRECCA:**

I don't, I just ask to keep it brief because I promised the Presiding Officer we'd be wrapped up by 9:30.

**LEG. LINDSAY:**

Okay.

**LEG. CRECCA:**

So get •• Commissioner Foley? I was going to say Legislator Foley, but that's •• I don't ••

**COMMISSIONER FOLEY:**

No, he's the other guy.

**LEG. CRECCA:**

Yeah, I don't mean to demean you like that; no, I'm teasing.

**COMMISSIONER FOLEY:**

It's an honor. Good morning. Ken gives you an accurate portrayal of this project. The 600,000 that this resolution talks about is merely •• it's about 25% of the entire project, so the building is a \$2.2 million project, the 600,000 makes sure we can properly deal with the \\_rinse•aid\\_ from these machines and prevent that from going into the aquifer. We think it fits the fund very well and having it in the bank is better than borrowing it. Any other questions, I would be happy to answer them.

**LEG. LINDSAY:**

Okay.

**CHAIRMAN CRECCA:**

That's it? Okay, thank you, Commissioner. What I'll do is I'll just ask the Budget Review Office, as we go through these remaining four resolutions, just to give us the numbers on each one again; I think I know them, but just so everyone is clear.

**MR. KNAPPE:**

Can I just ask a question of the Chairman? I was confused with the whole status of these Fund 477 resolutions, and I apologize for my own naiveness. But some of them have been recommitted back to this committee but not all the ones that tap Fund 477 appropriations. So I was just •• one, I'm questioning why is that the case, or I apologize if I shouldn't ask that.

**CHAIRMAN CRECCA:**

No, you can ask that, that's fine. Which ones aren't? I know the one that's on the floor is ••

**MS. KNAPP:**

There's ••

**LEG. CRECCA:**

And it's good that everybody is aware of that anyway, so.

**MS. KNAPP:**

There's at least one that I know of with 600,000 •• is that the one you're talking about, Ken, from the EPA Committee on the •• I think it was on the ditching?

**MR. KNAPPE:**

There was 601,005 on IR 1552, I believe it was for something in that regards.

**MS. KNAPP:**

That is live on today's agenda.

**LEG. CRECCA:**

That's the only other one I'm aware of.

**MR. KNAPPE:**

And how about IR 1513 which is Legislator Bishop's bill for \$3 million for stormwater; is that in front of this committee?

**LEG. CRECCA:**

It's not today.

**MS. KNAPP:**

That I believe is tabled on the floor, if I'm not mistaken.

**MR. KNAPPE:**

That's tabled on the regular floor of the full Legislature.

**CHAIRMAN CRECCA:**

Yes, it was asked that that not be recommitted but that certainly one of the ones we're considering. Those are the only two that I'm aware of that are on the ••

**MR. KNAPPE:**

And then the other four are in front of us.

**CHAIRMAN CRECCA:**

Correct.

**MR. KNAPPE:**

Okay, my apologies.

**LEG. LINDSAY:**

We're just trying to get a handle on how much money we have.

**CHAIRMAN CRECCA:**

Yeah, we were trying to get a handle on it and then we have to obviously make the policy decision.

**MR. KNAPPE:**

I certainly understand, I just wanted to make sure we're all on the same page.

**LEG. CRECCA:**

Okay. And I •• well, I'll leave it at that. Let's go to **1550** which is the Cornell bill for restoration of Peconic Bay Scallops ***(Amending the 2004 Operating Budget to transfer funds from the Suffolk County Water Protection Fund (477) Reserve Fund to the Cornell Cooperative Extension of Suffolk County for "Restoration of Peconic Bay Scallop Populations and Fisheries" (Presiding Officer at the Request of the County Executive).***

**LEG. LINDSAY:**

I'll make a motion.

**LEG. CRECCA:**

A motion to approve?

**LEG. LINDSAY:**

Yeah.

**LEG. BINDER:**

Motion to table.

**CHAIRMAN CRECCA:**

Motion to table by Legislator Binder, seconded by myself. All those in favor? Opposed?

**LEG. LINDSAY:**

Of tabling? Opposed.

**LEG. CRECCA:**

List Legislator Lindsay opposed, ***it is tabled 4•1•0•1, the one being •• Legislator Bishop is not here. (VOTE: 4•1•0•1 Opposed: Legislator Lindsay • Not Present: Legislator Bishop).***

***IR 1551•04 • Amending the 2004 Operating Budget to transfer funds from the Suffolk County Water Protection Fund (477) Reserve Fund to the Cornell Cooperative Extension in partnership with Suffolk County Department of Public Works for "Suffolk County Stormwater Phase II Program Implementation" (Presiding Officer at the Request of the County Executive).*** This is the same fund, the Cornell, this is Phase II Implementation Program, part of the Education Program. I'm going to make a motion to approve 1551.

**LEG. LINDSAY:**

Second.

**LEG. CRECCA:**

Second by Legislator Lindsay. All those in favor? Opposed?

***1551 is approved (VOTE: 5•0•0•1 Not Present: Legislator Bishop).***

***1553•04 • Amending the 2004 Operating Budget to transfer funds from the Suffolk County Water Protection Fund (477) Reserve Fund to the Suffolk County Department of Parks for "Timber Point Golf Course Maintenance Building" (Presiding Officer at the Request of the County Executive).*** How much is this again?

**MR. KNAPPE:**

Six hundred thousand dollars.

**LEG. LINDSAY:**

I'll make a motion.

**CHAIRMAN CRECCA:**

Motion to approve by Legislator Lindsay. Motion to table by myself, seconded by Legislator Binder. All those in favor of the tabling motion? Opposed?

**LEG. LINDSAY:**

Opposed.

**LEG. CRECCA:**

List Legislator Lindsay as opposed. ***1553 is tabled 4•1 and one absent (VOTE: 4•1•0•1 Opposed: Legislator Lindsay • Not Present: Legislator Bishop).***

***1554•04 • Amending the 2004 Operating Budget to transfer funds from the Suffolk County Water Protection Fund (477) Reserve Fund to the Suffolk County Department of Public Works for "Stormwater Remediation on Carlls River at Phelps Lane" (Presiding Officer at the Request of the County Executive).***

**LEG. BINDER:**

Motion to table.

**LEG. CRECCA:**

Motion to table by Legislator Binder for the purposes of discussion, I'll second that. How much is this one?

**MR. KNAPPE:**

One hundred and seventy•five thousand dollars.

**CHAIRMAN CRECCA:**

And ••

**LEG. LINDSAY:**

I'll make a motion to approve.

**CHAIRMAN CRECCA:**

Yeah, I'll second the motion to approve. Actually, let's make a motion to discharge without recommendation since we have the other stormwater bills on, too.

**LEG. LINDSAY:**

Okay.

**LEG. CRECCA:**

I make a motion to discharge without recommendation, second by Legislator Lindsay. ***All those in favor? Opposed? 1554 is discharged without recommendation (VOTE: 5•0•0 •1 Not Present: Legislator Bishop).***

Before we wrap up this meeting, there's a ***motion to reconsider IR 1463 by myself.***

**LEG. BINDER:**

Second.

**LEG. CRECCA:**

Seconded by Legislator Binder.

**LEG. LINDSAY:**

Explanation.

**LEG. CRECCA:**

1463. If you remember, I had two bills on during the meeting and I got, for lack of better way of putting it, confused as to which one was which. Let's do the motion to reconsider and then I can explain what the bill is. There's a motion to reconsider IR 1463•04 by myself, seconded by Legislator Binder. All those in favor? Opposed? ***1463*** is now before us, ***(Amending the 2004 Operating Budget, creating a position in the County Legislature Budget Review Office and transferring funds to the Suffolk County Clerk (Crecca)).***

On that bill, this bill does two things, it creates the Office Systems Analyst in BRO which creates an additional person to service our computers which was in our budget I believe; right, Jim, we had the money there in Budget Review's budget?

**MR. SPERO:**

There's sufficient appropriations to fund the position for the remainder of this year.

**LEG. CRECCA:**

It also puts 200 •• adds \$275,000 to the County Clerk's Office Permanent Salaries. It's my understanding, from talking to Budget Review, that with their current payroll they will run out of necessary allocations by the end of the year, and I believe this is money that we already discussed was necessary and there was an appropriate offset; is that correct?

**MR. SPERO:**

Yes, we take it from other Permanent Salary Accounts where we're projecting a surplus.

**LEG. BINDER:**

Motion to approve.

**CHAIRMAN CRECCA:**

Motion to approve by Legislator Binder, second by Legislator Nowick. All those in favor? Opposed? **1463 is approved (VOTE: 5•0•0•1 • Not Present: Legislator Bishop).**

Legislator Losquadro had an excused absence at the last meeting, he's asked that his votes be recorded with the majority at the last one.

**LEG. LOSQUADRO:**

Thank you, Madam Clerk.

**LEG. CRECCA:**

And I would ask the Clerk •• would direct that the Clerk do so.

If there's no other business before this committee, the Budget & Finance Committee is recessed •• adjourned. Thank you.

Thanks, Budget Review.

**(\*The meeting was adjourned at 9:30 A.M.\*)**

**Legislator Andrew Crecca, Chairman  
Budget & Finance Committee**

\\_ \\_ • **Denotes Spelled Phonetically**

