

BUDGET & FINANCE COMMITTEE
OF THE
SUFFOLK COUNTY LEGISLATURE

MINUTES

A meeting of the Budget & Finance Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, New York, on Tuesday, January, 29, 2008.

Members Present:

Legislator Ricardo Montano - Chairman
Legislator Kate Browning
Legislator Edward Romaine
Presiding Officer Lindsay - Ex-Officio Member

Members Not Present:

Legislator Jon Cooper - Vice-Chair - Excused Absence
Legislator John Kennedy - Not Present

Also In Attendance:

George Nolan - Counsel to the Legislature
Bob Martinez - Aide to Legislator Montano
Renee Ortiz - Chief Deputy Clerk of the Legislature
Gail Vizzini - Director/Budget Review Office
Linda Bay - Aide to Minority Caucus
Ben Zwirn - Assistant County Executive
Allen Kovesdy - Deputy Director/County Executive's Budget Office
Debra Alloncius - AME
All Other Interested Parties

Minutes Taken By:

Donna Catalano - Court Stenographer

(*THE MEETING WAS CALLED TO ORDER AT 10:09 A.M.*)

CHAIRMAN MONTANO:

I'm going to call the meeting of the Budget and Finance Committee together today, our first meeting of the new year. We'll start with the Pledge of Allegiance led by Legislator Kate Browning.

SALUTATION

May we all stand for a moment of silence.

MOMENT OF SILENCE

Good morning. As I said, good morning to the first meeting of the Budget and Finance Committee for this year. I've been reappointed Chairperson, and I note that we have some new members of the committee this year; Legislator Romaine, welcome.

LEG. ROMAINE:

Thank you.

CHAIRMAN MONTANO:

Legislator Kennedy, is he -- is he here today?

LEG. ROMAINE:

I guess he is on his way.

CHAIRMAN MONTANO:

Okay. Why don't we -- we'll start the meeting, but hold up on the votes on the resolutions until he gets here. And I just want to note that Legislator Cooper is not expected, he has an excused absence. And Kate Browning is also new to this committee. I sit with her on Housing, so we just -- I just kind of thought I was in the wrong place. Welcome, Kate.

LEG. BROWNING:

Thank you.

CHAIRMAN MONTANO:

I don't know why they put us all together in one committee, but be that as it may. A couple of quick announcements. One is that -- Gail, I want to thank you. You sent out a memo that any Operating Budget amendments for this quarter need to be laid on the table by 2/5. So I guess if they're not in by now, they can go in as a late starter. So if anybody wants to amend the Operating Budget for this quarter, get your resolution in there.

And the other announcement is that this Thursday at -- the 7th, at 10:00 a.m., the Budget Reform Commission Meeting will be held, the first Budget Reform Commission that we passed last year, we're going to have our first meeting on Thursday.

LEG. ALDEN:

This Thursday or next?

CHAIRMAN MONTANO:

I'm sorry, next Thursday, the 7th. Actually, I thought it was this Thursday, but I stand corrected. It's the 7th. We don't have any correspondence. And what I'm going to do is Legislator Alden is here, he wanted to address the committee briefly on two resolutions. And he has an appointment to go to, so I'm going to move the agenda and allow him to make his presentation. I believe that,

Legislator Alden, you would like to speak on Resolution 1004 and 1005.

LEG. ALDEN:

Yes. Thank you.

CHAIRMAN MONTANO:

Okay. Go ahead, the floor is yours.

LEG. ALDEN:

Thank you, Mr. Chairman. And thanks to the committee for allowing me to address you. Last year, when we were talking about this, and it was at the end of the year, there were some remarks that were made about this being my problem and my solution to a problem. Actually, that's the opposite of what it is. This problem -- this tax on home energy is the problem of the people that live in Suffolk County, and therefore, it's our problem, because we were actually represented -- we were elected and sworn in to represent the people of Suffolk County.

So I think it's time for an open dialog on 1004 and 1005, which when you look at the cost of government and how are you going to raise the revenues to support that government, I think that they have to be done in a fair and equitable manner. And home energy tax is something that is neither fair nor equitable. It affects the poorest in our society the most, it hurts the senior citizens, it hurts the people that are on fixed incomes, and most importantly, the middle class that's working and youngsters that are trying to form families and buy houses, this really hurts them and hits them disproportionately.

So I think it's time to look at where else we can get some money. And by the way, the history of this tax, not a lot of counties in New York State have this tax. We're one of only two or three that actually tax home energy consumption. And number two, it was at half the amount it is today prior to 9/11. And when terrorists declared war on the United States, knocked down the Twin Towers, that's when we decided to double that tax, which I thought was the complete opposite time that we should be looking to bring in more money into government; when people have less money to spend, when people are afraid of what's going to happen in the future, when they weren't sure of whether there were more taxes that were going to occur. That was not the time to double this tax.

And then move forward a couple of years -- and actually, it's three years ago, and that would be 1005, we actually did this bill, we passed this bill, and it worked. The government didn't go broke, we didn't have to close down major programs, we made it work. So either one of these two bills is an option. Either we can do away with the entire energy tax or we can start to phase it out. And by phasing it out, I mean, in 1005, we cut it in half, going back to the same thing we did three years ago.

So I think that what we have is some areas where we can pursue money to pay for this, and one of them would be the Fund Balance, because every year around this time we start seeing adjustments in the Fund Balances. And I've never seen it, in the past three or four years, go down. So it looks like the Fund Balance is actually going to go up again this year. That would give us most of the money we need to do it in this year. If not, I've had some discussions with Jeff Fraylor, who's the head of the PBA, and I think that there are some areas where we can look to implement new and unique procedures in the Police Department that would cut down some of the costs in the Police Department, which in turn, would make us less reliant on the big portion of sales tax that we allocate towards the Police Department and the police budget, which would give us more money to actually do away with this energy tax.

So for those reasons, I think that it's time that either one or both of these gets pushed out, whether you just -- if you approve it, that would be nice, or if you just send it out to the floor without any recommendations, that would be nice too, because then all 18 Legislators can -- we can start working on this, because this isn't my problem, and this isn't my proposed solution. This is going to have to come from everyone that's on this Legislative body, and then we have to work with the

person that's across the street. I mean by that the County Executive.

So it's about time to give people -- and we're getting into a crisis mode right now. We need to put more money back into the peoples' pockets. And this is a very, very regressive tax, it's an unfair tax. So it's really more than time that we should start looking at this and try to give some help to the people that really need it in Suffolk County.

So I would -- I would encourage you to -- if you don't want to pass it, just to get it out onto the Legislative -- onto the full floor where all of us can work on it. And really, if you have any ideas on it, any further than what I've just outlined, because there's other programs and other ways to come up with revenues to replace these revenues, I think that we really have to look seriously at that. Thank you.

CHAIRMAN MONTANO:

You are welcome. I just want to say, Legislator Alden, I actually reread both bills yesterday, because I hadn't looked at them in a while. And you know, I'm not unsympathetic to the points you raised about it being a regressive tax. The problem that I have, and I've said this before, is that when we -- when we look at eliminating a tax, I feel that this should be in the context of doing the overall budget, and that's the more appropriate time.

The other issue I have is that when I look at the financial statement that's attached to both bills, the amounts of money that are projected to be lost -- and, you know, again, they're based on this starting date for this year and then at a 5% increase projected for the following years -- they're quite substantial. So you know, I think you are right, I think we need to look at this, but I think we need to -- if we're ever going to move on something like this, you know, I want to be clear on where the revenue that is going to replace the lost tax revenue here is going to come from.

And, you know, I'd be certainly willing to discuss it further in terms of if we could find an offset -- and I'm not so sure that the Fund Balance is where we want to go on that -- but these are things that maybe BRO can look at more in depth. And, you know, if you ever come up something, then I might be amenable to discuss it. But at this point, I think, you know, we just started our budget, we're starting the new year, and it's difficult to -- you know, to take this kind of money out of the budget so early in the process. Go ahead.

LEG. ALDEN:

In response, if I may. And you bring up one great point that I forgot, and thank you for reminding me. Budget Review can give you the numbers. A couple of years ago, the cost to the public, to the homeowner was quite low compared to what it is now. So we're -- in one sense, you could say could that we are reaping a windfall at the expense of people. And mind you, it's a double whammy that people are being hit with. The rising cost of their energy is hard enough on them, but that tax keeps going along with it. So more and more of a proportion of their income, disposable income, is going for energy costs.

And it shows in the numbers. And Budget Review can run the numbers. What we collected ten years on this -- on this tax five, and what we collected five years and what we're collecting today, these are horrendous numbers. Look at the amount of money that's coming out of the -- out of the public's pocket; 57 million. Only a few years ago, it was ten or 12 million or less. And again, it goes to the fundamental basic philosophy of how we are going to fund our government, and it's the people's government; what's a fair and equitable way to fund the services that we provide for people. This is not fair, and this is not equitable. I don't know if everyone else on the Legislature agrees with me on that -- on those points. But I don't think this is fair and equitable. And that's where I'm starting from as far as a premise.

And saying you're replacing something, you know, that we're going to lose this revenue, that's making the assumption that everybody can continue to pay their bills, which I think that this -- this actually -- if we look at it in a different perspective, by people having to pay these energy bills,

they're not out there buying trucks and electronics and food and other things, and some of those things would be taxed. So we're taking and forcing people to spend more on their energy consumption and we're hurting the rest of economy, because the rest of the economy puts people to work.

And as you can see on the package that they're discussing on the Federal level, they think it's so important to try to stimulate the economy because they see this downward spiral where people in their homes are getting hurt, that they're willing to put in a big spending package. I hope they do it the right way this time, that it actually truly is a stimulus to the economy to create jobs and doesn't work the opposite way. But this type of tax works the opposite way; this closes down private industry and absorbs more and more of the people's disposable income. I apologize for rambling on.

CHAIRMAN MONTANO:

No. No. Not at all. It's a good point, and I'd like to discuss it further, not necessarily today. But, Gail, I did have a question. In terms of the financial impact statement, it projects that the -- the growth rate of collection on this tax is 5%. Is that higher than the rate of inflation? And why it is so high? And is that because the cost of fuel is rising rapidly?

MR. LIPP:

Yes. The budget implicitly has a two and a quarter percent increase for overall sales tax. In all likelihood, it would seem reasonable that the rate would be higher for -- for home energy and for gasoline energy sources. It's some what speculative as how high a rate it should be, so we just thought that it would be, you know, a reasonable straight of rate to go with the 5%, but it would be a little bit too low if we went with the overall budget rate of two and a quarter.

CHAIRMAN MONTANO:

But it's basically growing at double the rate of the sales tax, is what you're saying?

MR. LIPP:

Yeah. Well, there are -- there are offsetting issues too. One is that prices are going up, but then people adjust and, you know, reduce their consumption somewhat. So that would offset it partially. So 5% seemed like a plausible illustrative example for the fiscal.

CHAIRMAN MONTANO:

Okay. Anyone one else want to comment on this? Legislator -- Presiding Officer. Good morning.

P.O. LINDSAY:

Yeah. I really want to kind of reiterate what Chairman Montano said on a couple of points. First of all, I believe that and have said this over and over again last year that if we were to do something with the energy tax, it should be done in the context of the overall budget, because it's -- it's a huge part of our revenue in terms of us balancing our budget. I don't think it's feasible to say the Fund Balance will make up the revenue.

We're just starting a year that I think both the County Executive's Budget Office as well as our Budget Review Office have a lot of trepidations about, that this could be a very, very difficult year in terms of financing. Our sales tax is certainly much lower than it was a few years ago. And we're still waiting for the final numbers in '07, if I'm not mistaken, Ms. Vizzini, to see if we even met our projections of what we thought the sales tax would come at.

I would be very happy to have a dialog about replacing part of or all of the energy tax, but it has to be in a context that's real. Going into this year, for us to remove a big source of our revenue and to not have an adequate replacement or the accompanying cuts to balance the budget, I just don't know how you do it. And I don't know where else we can cut. I mean, we've sat at this horseshoe and have bemoaned the lack of staffing in many, many departments in this County. And, I mean, we have addressed it with different pieces of legislation, some that are before us now.

And you know, I don't think it's an accident. When energy prices rise, our economy starts dipping, because we're so heavily dependant on foreign oil, on oil period. And I think it probably goes back to history of 25 years in country where we haven't had an energy policy. You know, we have to solve that problem. I mean, I'm all ears as far as what -- you know, how we could do this, but it has to be done in a logical way that we can -- we can't just waive a magic wand and say we want to replace this tax. How do we do it?

CHAIRMAN MONTANO:

Thank you. Legislator Romaine -- oh, Legislator Alden, you want to respond?

LEG. ALDEN:

I think that the Presiding Officer hit at the very heart of what the problem is here and what we as Legislators -- not just me -- we as Legislators have to address. If we're feeling the pinch from a lack of sales tax, what are the people sitting at home with no increases -- they have no place to go for increase. They go to the -- as a matter of fact, some of these financial and economic data has come out and shown that we're not growing -- in Suffolk County anyway, our salaries and wages are not growing to even keep up with inflation. So when somebody gets hit with the increase in the price of energy, where do they go to offset that increase in cost?

So we heard a little bit testimony, yeah, you could turn the thermostat down or you could divert money from something else, like, for instance, food or medicines or some other costs that you have as family or as an individual. So we're actually going right at the right at the heart of the problem. And the problem is government can raise taxes all the time to cover its increase of cost where people can't. And this affects people very, very fundamentally in their ability to stay in their own in homes.

So I welcome the dialog. And that's what I've been trying to do with this, because it was on the agenda last year, and it was on the agenda through the time period that we looked at our budget. I think have to answer some fundamental questions, like what is fair and what is equitable as far as providing the money for government and the scope and scale of government after that. Thank you.

CHAIRMAN MONTANO:

You are welcome. Legislator Romaine, did you want to comment?

LEG. ROMAINE:

Yes, I did. I hope the Clerk has me as a cosponsor for resolution 1004, because I do intend as I have in the past to be a cosponsor with Cameron Alden. We all must pay taxes. Death and taxes are two certainties in life. But how we tax and what we tax and how we collect it speaks a great deal about government. This is a tax that is one of the most regressive taxes that falls most heavily on the poor, that falls most heavily on seniors, that falls most heavily on the middle class. It is a crushing burden.

Energy is one of the necessities of life. We do not tax food, and at one point we didn't tax clothing, but we do now. But now we tax energy, home heating energy. We tax it in every form possible. If you are eeking out a miserable living on a Social Security check in a run down mobile home in Riverhead, we tax the kerosene or the propane that you heat that home with. So you have to turn your thermostat down to 60 and wear extra clothing. If you attempt to buy a wood stove to avoid the high cost of energy, we tax chord wood. We tax home heating oil. And worse by far, we tax electric. So when you get your LIPA bill, there's an energy tax on that. And even worse on your LIPA bill, we tax your tax.

This is an oppressive tax that hurts those who can least afford it. This is a tax that hurts all business in Suffolk County. We are the only county that taxes energy. We are the only county that puts this oppressive burden on. And what do we want to do? We want to continue to tax even though our economy has slowed, even though businesses are struggling, even though seniors say they have to leave the state when they retire. Yes, we do have to have taxes to pay for government, Presiding

Officer Lindsay, but this is the wrong tax levied against the wrong people for the wrong reason. And this is a tax that should be lifted, and it should be lifted today.

And it's what I felt when I came to this Legislature, it's what Legislator Cameron Alden has been fighting for. And if we continue to tax this, we have established a public policy to tax those who least can afford it. We have established a public policy of regressive taxes on the residents of this County. And it is the wrong way to raise revenue. It's the wrong way to govern. And this tax should be repealed immediately, and with it, the tax on the tax on the LIPA bill, which is the most ridiculous thing I have ever seen.

I hope committee moves -- I hope it ignores the advise of our Presiding Officer, and it moves not from a sense of fiscal responsibility, although it's fiscally prudent in a recession to do exactly that and to substitute other taxes. But it should move from a sense of conscience. This is an economic bill that speaks to the conscience of this Legislature and to the method by which we govern. This bill needs to be adopted, this energy tax must go, it needs to be repealed. Thank you. Thank you.

P.O. LINDSAY:

I want to respond.

CHAIRMAN MONTANO:

Go ahead, Mr. Presiding Officer.

P.O. LINDSAY:

That was a very dramatic speech. It was a great speech. Put meat on bones. Where are you going to replace the revenue? Are you going to replace -- are you going to increase real estate taxes to make up the deficit that you're going to cause in this budget? That's what I want to know. Are you going to cut another 500 employees? Where? What services are you going to eliminate for the County. Don't tell me you're just going to take it from the surplus, because we all know that the surplus goes to holding down taxes this year. So, come on, don't just say replace it now, give us some substantial alternatives, and we'll look at them.

CHAIRMAN MONTANO:

Hold on. Legislator Alden, you want to -- I want to get back to the agenda, but go ahead, make your point.

LEG. ALDEN:

Unfortunately, that makes it my problem. And it's not my problem. It's the Legislature's problem. The Legislature imposed this tax. I voted against it. I fought very hard to not have this imposed on people. And it's not my problem to come up with every single little answer to all the questions -- the questions that you just asked.

The problem is -- and it's a little bit of a disingenuous argument that heard last year, not from you, but from other members when I served on this committee that I never brought this up. I did bring it up. I brought it up last year, and I brought it up the year before. I wanted the dialog to occur last year and the year before about where fairness would be and where fairness would fall as far as supporting government. And you know what was happening each of those last two years? This was just brushed aside. Yet three years ago, I was able to convince the County Executive to work with me and work with the rest of the Legislature, and we knocked off the tax, we cut it in half.

So it can be done. It was done once two -- three years ago. We could follow that model once again, and we can try to do exactly what we did three years ago and cut this in half and maybe even wean government from this regressive tax. So it's not my problem, though. It's the people's problem. They're the ones that we've handed this bill to. So it's our problem; 18 Legislators and the County Executive, to figure out how we are going to run government and how we are going to fund it in a fair and equitable way. I really resent the -- basically that it's thrown on me to fix a problem that is not mine to fix. It's our problem. We imposed this tax as a Legislative body, not me.

P.O. LINDSAY:

Last word.

CHAIRMAN MONTANO:

Last word.

P.O. LINDSAY:

Last word.

CHAIRMAN MONTANO:

I'll take the last word from Legislator --

P.O. LINDSAY:

Then you can get on with the meeting.

CHAIRMAN MONTANO:

Mr. Presiding Officer, go ahead.

P.O. LINDSAY:

If you are presenting legislation to remove this tax, you have to come up with an alternative on how it's going to be replaced. I don't mean to do this in a way that's -- that's pointing the burden at you, Legislator Alden, but you participated in the working group that put together our budget. And there was little or no discussion about this in that working group. Why? I mean that's where we should make policy decisions as far as we're going forward in the next year. We worked together for two months to put together a budget. We made a lot of changes in that budget. That was the time to come forward with ideas to brainstorm. It didn't happen.

LEG. ALDEN:

Unfortunately, through the Chair.

CHAIRMAN MONTANO:

Go ahead, Mr. Alden.

LEG. ALDEN:

I have to take exception to that. For two years, I have come forward and asked for the dialog, because I've been in the minority, and I don't run and I don't dictate the whole dialog. So I came forward and it was poo-pooed, it was pushed aside. I brought that argument that we can do it. It's a regressive tax. It's unfair. But that argument was brushed aside by the majority. So to, again, point the finger at me that I didn't bring it up in the budget process, that's wrong, and that's not true.

CHAIRMAN MONTANO:

All right. I'm not going to get into -- I have the last word.

LEG. ROMAINE:

Very short.

CHAIRMAN MONTANO:

Short?

LEG. ROMAINE:

Very short.

CHAIRMAN MONTANO:

Legislator Romaine, go ahead.

LEG. ROMAINE:

Our neighboring counties, even Nassau, which has its economic problems does not tax energy. This -- I'm sorry, I thought I had the floor.

CHAIRMAN MONTANO:

You do have the floor, Mr. Romaine.

P.O. LINDSAY:

Who interrupted?

CHAIRMAN MONTANO:

Mr. Zwirn.

LEG. ROMAINE:

Mr. Zwirn.

MR. ZWIRN:

Sorry.

LEG. ROMAINE:

Apology accepted. Nassau County doesn't tax energy, and they're a county that has more financial problems than us. Legislator Alden has put forward a way to pay for this from the Fund Balance. If I'm not mistaken, the Fund Balances for the last couple of years have all run in excess of \$150 million. That has to go back -- 75% of that has to go back to the taxpayer. We're giving it back to the taxpayer through this method.

Finally, I would say that this is something that if this Legislature does not decide, there will be enough support for the people to decide. We still, as imperfect as it may be, have initiative and referendum in this County. This is not an issue that is going to die away. This is an issue where if this Legislature doesn't want to decide, we should give that decision to the people of Suffolk.

And by the way, when we attempted to have dialog in June of 2006, when we still had discharge motions, when we could still raise a dissenting voice in this Legislature, we tried to get this bill moved to the floor so we could have debate. It was killed. It was killed on a straight party line vote. So don't say let's have dialog and then vote against. At least bring it to the floor where that dialog could be had. That's disingenuous. That's absolutely disingenuous.

P.O. LINDSAY:

Are we going continue this --

CHAIRMAN MONTANO:

No. No.

P.O. LINDSAY:

-- because that's a bunch of bullshit.

CHAIRMAN MONTANO:

No. This is it. I have to agree that a lot of the comments are really beyond what I thought this discussion would be. I'm not going to address them. I said it earlier, and I'll repeat it again, Legislator Alden, I'm not adverse to having a conversion on this particular tax. Before we entertain it, though, before we entertain it out of this committee, I'd like to see where the replacement of the revenue sources are going to come from before we start talking about eliminating the tax.

I also said earlier, and this was backed up by the Presiding Officer, and I've maintained this for a couple of years, certainly while I've been Chairman of this committee, that if we're going to start

repeal taxes, it really should be done in the context of the overall budget. We recently passed the budget. I think we passed it in November. The conversation with respect to this particular issue was scant at best in the committee. This is something that if we're going to do it, we should do in the context of passing the County budget.

I mean, we're here in -- what's today's date -- January? January. You know, our budget -- the ink on the budget isn't even dry, and we're talking about taking out \$28 million on one bill, and I think 57 on the other. I think that, you know, I'll have this discussion, but I want to see where those numbers are coming from. I think that whoever wants to advocate for this needs to come up with some alternatives so that we have a balanced budget. But with that, I'm going to get back to the agenda. I want to thank you. I know you have to run, Legislator Alden.

LEG. ALDEN:

Thank you.

CHAIRMAN MONTANO:

Okay. We have no correspondence, but I did attach to the agenda a Letter to the Editor that was written by the County Executive to Suffolk Life, which is part of the package and also an article that came out on December 12th that the County Executive's letter refers to. And that relates to one of the bills on the agenda, so you might want to take a look at that. Moving along to -- we have no presentation today, but we're going to go right into public portion; Debra Alloncius from AME. Debbie, Happy New Year. How are you?

MS. ALLONCIUS:

Happy New Year.

CHAIRMAN MONTANO:

I think we're going to -- we're off to a good start this year. Let's see where we go now.

MS. ALLONCIUS:

Good morning, Chairman Montano, Legislators. I hope everybody is taking a deep breath.

LEG. ROMAINE:

We all have. Don't worry.

MS. ALLONCIUS:

Yes. I know. And believe me, at least the poor and the people that are on a fixed income have some sort of help through the HEAP Program. It really the middle class that bears it. But like the Chairman said, where are we going to find money? We're always constantly looking for people to staff in our departments. I can't imagine losing that amount of money more.

I'm here to speak to you on behalf of Cheryl Felice and the Association of Municipal Employees regarding the -- 1027 and the agency oversight report. I'm not going to speak long on it. We have spoken, we have given you written material. We are here just to tell you that that information is not available in the present reports that you're getting unless you work extremely hard at extrapolating it and get correct information from your Commissioners. You're not getting it.

Over and over and over again I've said at these meetings last year -- and you did not get the correct answers -- we're relying on systems -- on State systems that skew numbers. And the only way you can really get the correct information is by getting the number of people -- the number of staff that are handling the caseloads. And the caseloads, you have to come up with a correct way to count them in all the units; day care, all the DSS units, food stamps. If you look at all -- if you look at the amount of people that they're servicing every day, you're going to wonder how it's really possible.

AME members work very, very hard. They work for you. They take pride in their work. They work through their lunch hours, they work through their breaks. They are not going to be able to do it.

You're going to lose people. You're losing people. The 911 operators, look at -- you're losing them. They're going out on sickness. And the same thing, you have a lot of chronic illness in DSS; people using time off for stress-related conditions. So I would just really like you to look at all the written information that we gave you and move the Agency Oversight Report Resolution out of committee on to the floor. Thank you. Have a good morning.

CHAIRMAN MONTANO:

Debbie, can I ask you a question?

MS. ALLONCIUS:

Sure.

CHAIRMAN MONTANO:

Have you seen the copy of letter that was -- the Letter to the Editor that was sent by the County Executive?

MS. ALLONCIUS:

Of course.

CHAIRMAN MONTANO:

Well, I read that yesterday and I read the bill. And as I read the bill, the bill that we're talking about simply requires that the information be provided to the Legislature.

MS. ALLONCIUS:

Correct.

CHAIRMAN MONTANO:

The County Executive's letter, and I'll read a part, it says, "They introduce legislation pandering to the Municipal Union to put pressure on me to hire in excess of 1000 additional employees in the County. If these pandering Legislators have their way and gave the union leader everything she wanted, it would result in a property tax increase of 100%."

I was trying to understand by looking at this bill -- you know, I was trying to relate to his comments. My understanding of this bill is that it simply provides that the County Executive shall provide information to the Legislature on a quarterly basis as to how many employees -- how many vacancies we have. Is that essentially what you're asking for?

MS. ALLONCIUS:

We're not looking for vacancies. You're getting a vacant position report. You get that every month. I get that every month. I follow the positions. What we want you to see is what the workers are being encumbered with.

CHAIRMAN MONTANO:

The caseload.

MS. ALLONCIUS:

We want you to see the number of workers versus the number of cases that they're dealing with every day. We had a problem with CPS, which we are working on now and Family and Children Services with their numbers. Commissioner DeMarzo is telling us that in August we had 12 -- the average caseload was 12 cases. We have been sitting down and having dialog. Part of the problem is the reports that the Commissioner relies on are coming out of the State, and they're not counting probably 30% or more of the workload that these people are handling, because they have court inquires, they get -- you have secondary reports, you have -- there are four or five venues that -- routes that another report can come in in addition to the primary report. So there's this conflict in how things are counted. And by getting -- by having your Commissioners prepare a report as to what the workers are counting, it's not very hard. They all keep them. All the units keep them.

CHAIRMAN MONTANO:

What I'm asking is the only thing new in information would be the caseload per person on staff. The other information is already provided, I understand.

MS. ALLONCIUS:

Correct.

CHAIRMAN MONTANO:

Okay. All right. Thank you. Any questions? We will move on. Debbie, thank you very much.

MS. ALLONCIUS:

And might I add that I do not think that the Legislature is pandering to anybody. I think you are taking the time to realize that you don't get the correct reports. Cameron Alden -- Legislator Alden has said that he has requested information from the Police Department that you're not getting. So clearly, if you had a resolution in place that you would get the information, I think it would assist you in the budgetary process and seeing what's really going on. Thank you. Have a good morning.

CHAIRMAN MONTANO:

Thank you. Bill, you want to address that?

P.O. LINDSAY:

Well, I don't want to debate Debra, but just on the bill, are we going to discuss the bill now?

CHAIRMAN MONTANO:

No. The bill, I think, is going to be tabled. I'm going to make a motion to table the bill.

P.O. LINDSAY:

All right.

CHAIRMAN MONTANO:

We'll deal with it when it comes up, but of letters -- the Letter to the Editor came out, I thought everybody should be privy to that. All right. We have no presentation, we did the public portion. We're going to move on to Tabled Resolutions of which there are none, being that this is our first meeting. We'll move right into Introductory Resolutions.

1004-2008. Repealing home energy nuisance taxes on Suffolk County residents (ALDEN).

I'm going to make a motion to table.

LEG. BROWNING:

I'll second that.

CHAIRMAN MONTANO:

Seconded by Legislator Browning. We have had, I think, sufficient discussion on this bill. All in favor? Opposed?

LEG. ROMAINE:

Opposed.

CHAIRMAN MONTANO:

Abstentions? Motion carries. One abstention, (sic) Legislator Romaine. **TABLED (VOTE: 3-1-0-2 - Pres. Officer Lindsay voted; Opposed - Legis. Romaine; Not Present - Legis. Kennedy and Cooper)**

1005-2008. Establishing a program to reduce unfair home energy nuisance taxes on Suffolk County residents (ALDEN).

I'm going to make a motion to table.

LEG. BROWNING:

I'll second.

CHAIRMAN MONTANO:

Seconded by Legislator Browning. Again, we have discussion on this. I'll call for a vote. All in favor? Opposed? Abstentions?

LEG. ROMAINE:

Opposed.

CHAIRMAN MONTANO:

One opposition, Legislator Romaine. **TABLED (VOTE: 3-1-0-2 - Pres. Officer Lindsay voted; Opposed - Legis. Romaine; Not Present - Legis. Kennedy and Cooper).**

1012-2008. Delegating authority to refund certain erroneous tax payments to the Suffolk County Treasurer (COUNTY EXEC).

I'm going to make a motion to approve and place on the Consent Calendar. I need a second.

Seconded by Legislator Browning. All in favor? Opposed? Abstentions? Motion carries.

APPROVED and placed on the **CONSENT CALENDAR (VOTE: 4-0-0-2 - Pres. Officer Lindsay voted; Not Present - Legis. Kennedy and Cooper).**

1027-2008. Adopting a Local Law, a Charter Law to promote accountability and transparency in government by requiring an Agency Oversight Report (COOPER).

I'm going to make a motion to table for purposes of public hearing. I need a second.

LEG. BROWNING:

Second.

CHAIRMAN MONTANO:

Seconded by Legislator Browning. Any discussion? All in favor? Opposed? Abstentions? Motion carries. **TABLED (VOTE: 4-0-0-2 - Pres. Officer Lindsay voted; Not Present - Legis. Kennedy and Cooper).**

Being no Tabled Memorializing Resolutions since we don't have any Memorializing Resolutions any more, we can knock that off the agenda. And with that, I'm going to entertain a motion to adjourn, unless, Mr. Zwirn, you want to make some comments to the committee. Welcome, by the way.

MR. ZWIRN:

Thank you very much.

CHAIRMAN MONTANO:

Is this your first day --

MR. ZWIRN:

Of the rest of my life.

CHAIRMAN MONTANO:

Yes. Okay. What would you like to address, Mr. Zwirn?

MR. ZWIRN:

Just two; one, with respect to the dialog that transpired over the letter that the County Executive sent to Suffolk Life. And I think the accusation of pandering, I think, comes from the fact that this -- this legislation was pretty much drafted by the union, and it was suggested to the Legislator to put this bill in. And what it does is -- and that's why -- you know, the reason we're opposed to this -- and we'll talk about it at the public hearing -- is because -- that's why we have the committee process; if you need a department head to come in to explain what's going on within a department. Because the raw data alone is not going to answer your question.

We may have a number of CPS workers and a caseload. New CPS workers get a much smaller caseload. But if you take the total number of CPS and you divide it by the number of cases, you're going to get a number, but that number may not be reflective of a particular caseload that individual CPS workers are carrying. So it's important to use the committee structure and to bring department heads in. And that bill in and of itself will give raw data, which we ultimately provide to the Legislature and BRO on a regular basis anyway with respect to vacancies, which is what you suggested in the beginning.

So I think that's why the County Executive -- and what happens with this information is that we get pressured all the time that we don't have enough public health nurses, we don't have enough sanitarians, we don't have police officers. Every department is under pressure to hire and hire and hire. And at the same time, I respond to, you know, Legislator Romaine here who wants to cut \$50 million out of the general operating fund in one shot, and yet we still want to have full -- all the vacancies filled, more police officers. And you can't have it all as the County Executive has said.

And I think I would agree with the Presiding Officer and the Chairman. If you are going to take \$50 million out of the budget, \$50 million worth of revenue -- and you could argue that the heating tax -- the energy tax is the wrong way to tax somebody, but you better come up with \$50 million worth of revenue somewhere else, which would be -- translate into 100% real property tax, which is what I'm hearing, that the Legislator is suggesting. Well, 100% property tax increase to eliminate the energy tax. You just can't -- you can't do it. You can't come here and ask for more money for every different organization, as well meaning and as good as they are, if you're not going to provide and raise revenues to pay for it. There's no magic, you know, beans that we plant in the ground and all of a sudden, money starts growing on trees. And that's all I have to say.

CHAIRMAN MONTANO:

Let me just address that, Mr. Zwirn. The letter that appears in the -- first of all, when I read the letter, I wasn't really clear on what bill he was referring to, meaning the County Executive. And then when I read the legislation and reread the letter, I found it very difficult to understand his comments, number one, about pandering Legislators simply because we ask for information that in some context is already available; and number two, really is public information in my mind.

We, as Legislators, you know, we don't have day-in-day-out access to information that you have in the Executive Branch. And when we make decisions, we like to make decisions based on as much knowledge and information as is available. So, you know, to say that this bill, which is simply reporting information that's available to the Legislature, is somehow pandering -- a bill by pandering Legislators forcing you to hire people -- and then -- if anyone is pandering, I think it's pandering from your side, pandering to the public by saying that we're going to --

MR. ZWIRN:

To who? To the taxpayers?

CHAIRMAN MONTANO:

Yes. Pandering to the public by saying that we're going to increase taxes 100% simply because we ask for information that's available, I think is a bit of a stretch. And I find it a little disingenuous to make those kind of comments. You know -- and, you know, I was hoping that we'd start the year on a more cordial basis. But, you know, it really seems to me a stretch to make these comments in

reference to a bill that simply requires information be provided to the Legislature. And that simply was my point.

MR. ZWIRN:

Well, the point is the information is provided. But you can also call the department heads in to discuss it. We've done it with Social Services.

CHAIRMAN MONTANO:

Well, why do we need to do that?

MR. ZWIRN:

With the Health Department.

CHAIRMAN MONTANO:

I'm not going to engage in a dialog. Legislator -- Mr. Presiding Officer, you want to address this?

P.O. LINDSAY:

I'm not convinced we need this bill, but we have had instances where commissioners have come in here and gave us one set of numbers, and the union gets up right behind them and gives us another set of numbers, which is disturbing. I agree with you, we should be able to get the accurate numbers from the Commissioner. And we have had some problems where we haven't -- where that hasn't happened, or at least we've gotten two different sets of numbers. And that's very disturbing, and I think that's the impetus behind the bill. And as far as the letter is concerned, I agree with Legislator Montano, I think the letter was over the top, and I don't think was anywhere near the intent of the legislation. We just want the true numbers, that's all.

MR. ZWIRN:

Well, I know that the County Executive did have a conversation with the sponsor of the bill before the letter was written. And I think after that conversation, that's when the letter took its form.

CHAIRMAN MONTANO:

You know what? I'm not going to debate this. We'll take it up at the public hearing. I'm going to entertain a motion for adjournment. I guess I'm not. Go ahead, Legislator Romaine.

LEG. ROMAINE:

In keeping with that, I have some questions for the Budget Office about a matter that this Legislature adopted and its status. I see Mr. Kovesdy is in the audience. Very quickly. And I spoke to Allen before the meeting. Essentially he's going to look into this matter, but I want to put it on the record.

CHAIRMAN MONTANO:

Now, which topic is this, Legislator Romaine?

LEG. ROMAINE:

This is the four poster system. A four poster system is a tickicide system to help collect and kill ticks. And it's used on deer on Fire Island and on Shelter Island. And to get the permit from the State DEC to do this, we had to agree to a study that Cornell would do to keep data on this and get back to the State. The County Executive I would have to say was extremely supportive. And I'm happy to report that this is one of those felicitous instances where we worked together on this, and hopefully there will be many more.

This was adopted back in August. This study was supposed to start in January. About two weeks ago, I ran into people at Cornell where my office is, and I said, "What's happening?" "We have no idea, no one has contacted us." So I said, "Okay, let me see," I start going through things. I pull out a memo where Paul Sabatino --

CHAIRMAN MONTANO:

He's no longer here.

LEG. ROMAINE:

Right. But our former Chief Deputy County Executive had sent out a memo that all Cornell Cooperative Extension contracts are to be handled by Planning. So I called Planning. They don't know anything about it. I keep on calling around, and eventually I find out that now Health Department has it, but they just got it. This five and a half months after this money was needed to start this study. And now, we're well behind the schedule is getting the study underdone. I don't want to point criticism, but I am concerned about the coordination of the expenditure of capital funds in an appropriate matter. And now, Allen, you can say you're going to look into it.

MR. ZWIRN:

If I might. I have some -- I didn't know about this beforehand, but I have had the opportunity to talk to the new Supervisor in the Town of Shelter Island, Supervisor Dougherty. And one of the problems -- and we'll check further into it with Cornell -- there's not enough money in the program. There are about -- I think it was about \$160,000, I think they needed.

LEG. ROMAINE:

A hundred-fifty five. But they're getting money from other sources.

MR. ZWIRN:

But Supervisor Dougherty said to me that they are short \$160,000, and he was hoping that the County would be able to come up with another \$160,000 to make this program get started and be successful. And I suggested to him that he speak with you and say -- look, it came out of the Capital Budget, and I don't know if there's going to be an offset for that kind of money this year, because it was a very tight Capital Budget. I said, but that's where the extra money is going to have to come from.

LEG. ROMAINE:

I've already drafted the resolution, because this is a multi-year -- it's a four year study. I've already drafted the resolution. Both the Town of Shelter Island and the Deer and tick Committee -- they have a foundation -- have raised private money for that, and people on Fire Island have raised private money for that. So I'm fully aware of all of these. They just -- their problem was the County money wasn't available when it should have been available. And that's why I raise that issue, because it goes to releasing capital money or coordinating the release of capital money. It seems that when I started to call around, the first response I got was this, which is pointing in different directions.

MR. ZWIRN:

That's our normal response. And then the second response is -- but we'll look into it. We'll look into it very quickly, because we're afraid if that \$50 million disappears from the General Fund we won't be able to afford to have the tick study. We'll all be out there with the ticks.

LEG. ROMAINE:

I'll respond to that at another time. The committee probably has gone on too long. But I'll talk about all those funded positions that we tax people for and we leave vacant, which creates a dishonest budget. But we'll talk about that at another time.

CHAIRMAN MONTANO:

All right. Let's keep going. Mr. Presiding Officer, let's go.

P.O. LINDSAY:

Just to point -- again, Legislator Romaine, on one hand proposes to take \$50 million out of the budget, and he comes forward continually with bills to add more to the cost to government over and

over and over again. I mean, if you are going to cut the energy tax, you have to come up with cuts, not new -- new expenses. And I just think that's disingenuous.

MR. ZWIRN:

It gives voodoo economics a new meaning.

CHAIRMAN MONTANO:

And, you know, I'm going to repeat this probably all year, I've said it for the last two years, a lot of, you know, this discussion really needs to be taken up in the context of overall budget, not in January, you know, not -- not at whim. But when do our budget, we make our projections, we look at our revenues, we look at our expenditures, and we make the policy decisions in total, not piecemeal. With that, I'm going to adjourn the committee. Thank you very much. See you next month.

(*THE MEETING WAS ADJOURNED AT 11:00 A.M.*)

{ } DENOTES BEING SPELLED PHONETICALLY