

BUDGET & FINANCE COMMITTEE
of the
SUFFOLK COUNTY LEGISLATURE

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, June 16, 2009.

Members Present:

Legislator DuWayne Gregory - Chairman
Legislator Lou D'Amaro - Vice-Chair
Legislator John Kennedy
Legislator Brian Beedenbender
Legislator Daniel Losquadro

Also In Attendance:

Presiding Officer William J. Lindsay - District #8
George Nolan - Counsel to the Legislature
Sarah Simpson - Legislative Counsel's Office
Barbara LoMoriello - Deputy Clerk of the Legislature
Gail Vizzini - Director/Budget Review Office
Robert Lipp - Deputy Director/Budget Review Office
Lance Reinheimer - Assistant Director/Budget Review Office
Benny Pernice - Budget Review Office
Maxvel Rose - Aide to Legislator Gregory
Janine Zaltsman - Intern/Legislator Gregory's Office
Kara Hahn - Director of Communications/PO Lindsay's Office
Michael Pitcher - Aide to Presiding Officer Lindsay
Paul Perillie - Aide to Majority Caucus
Linda Bay - Aide to Minority Caucus
Justin Littell - Aide to Legislator D'Amaro
Marcus Povinelli - Aide to Legislator Losquadro
Ben Zwirn - Deputy County Executive
Tom Vaughn - County Executive Assistant
Brendan Chamberlain - County Executive Assistant
Connie Corso - Director/County Executive's Budget Office
Carmine Chiuiano - County Executive's Budget Office
Allen Kovesdy - Director of Mngmnt & Research/County Executive's Office
Joe Sawicki - Suffolk County Comptroller
Christina Capobianco - Chief Deputy Comptroller of Suffolk County
Richard Tortora - President/Capital Markets Advisors, LLC
Anthony Nash - Assistant Vice-President/Capital Markets Advisors, LLC
Martin Cantor- Chairman/Judicial Facilities Agency
Lynne Bizzarro - Chief Deputy County Attorney
Jeff Tempera - Director/Labor Relations
Deborah McKee - 2nd Vice-President/AME
All Other Interested Parties

Minutes Taken By:

Alison Mahoney - Court Stenographer

*(*The meeting was called to order at 10:10 AM*)*

CHAIRMAN GREGORY:

Good morning, everyone. Welcome to the Budget & Finance Committee. We will start by -- with the Pledge of Allegiance led by Legislator Lou D'Amaro.

Salutation

Okay. Good morning. Before we get to the public portion, I'm going to ask that Comptroller Sawicki come forward. You have some representatives with you?

COMPTROLLER SAWICKI:

Yes.

CHAIRMAN GREGORY:

Good morning.

COMPTROLLER SAWICKI:

Good morning, Chairman Gregory. Thank you.

CHAIRMAN GREGORY:

Good morning. I understand you want to -- you're here to -- you have some comments that you want to make about IR 1558 and the JFA?

COMPTROLLER SAWICKI:

Yes. I just thought I would share with the committee a little bit of history and a little bit of -- not so much history, but an analysis of what has transpired over the last month and a half or so which led to this resolution and for consideration of the Legislature and certainly this committee.

We estimate -- and the real reason we are here today and this resolution is that there's a potential that the County could save over -- well over \$5 million for 2009 alone by issuing bonds to purchase and buy out the JFA's interest in the Cohalan Court Complex.

Back in 1999, many of you will recall that the County and the JFA each purchased a portion of the Cohalan Court Complex. The County's portion continues and it was at that point 13.6%, and the JFA owns 86.4%. Each entity, the County and the JFA, issued bonds for this purpose. The County currently has outstanding bonds of about almost \$16 million and the JFA's outstanding bonds is almost \$74 million.

As you know, Capital Markets Advisors, Rich Tortora, who is to my left, and I routinely scrutinize and analyze the County's financial situation and our outstanding debt to determine if there are any possible refunding opportunities in an effort to save the County money in debt service. The JFA debt, which was issued in 1999, is eligible for considerable savings which ultimately can be passed on to the County. Now, that's the JFA refinancing on its own, a straight, clean refinancing by the JFA. And this is a result of basically market rates falling and also the result of the fact that ten years, a legal ten years has already transpired which would make the JFA eligible to do their own refinancing. We estimate that this straight refunding would probably save the County anywhere from two to \$3 million. To my right is Martin Cantor, many of you know he is Chairman of the JFA.

In further consultation -- and again, this is probably about six weeks ago. In further consultation with Rich Tortora of CMA, he raised the possibility that if the County, through its own issuance of general obligation debt, if we could buy the JFA debt, and buy basically not the debt but the assets, and depend and use the County's historically high credit ratings -- which we all know exist today thanks to the Legislature, the County Executive and our financial offices working together -- if we could take advantage of our high credit ratings and purchase this debt or purchase the assets, according to Rich Tortora, we could save substantially more than the two to \$3 million that the JFA

could on their own.

We estimate right now that the potential savings -- and again, the remaining life of these bonds is about seven years, through 2016.

The potential savings of this deal, rather than the two to \$3 million, could be well over \$7 million. And that \$7 million, again, is spread out over seven years, but the beauty is, the beauty is that 5.3 million or more could be realized this fall. And I know we're all interested in coming up with as many dollars as we can, especially for 2009-2010 budget year.

When I learned this -- and again, after several meetings with Rich Tortora and CMA, I reached out to Marty Cantor -- again, on my right -- and just kind of bounced this idea off him. And without putting words in Marty's mouth, he was extremely ecstatic and basically said anything we can to help the County and help the taxpayers of this County, we're all ears. A couple -- about two to three weeks ago we had a meeting, which Marty and I hosted in my office, we invited Rich Tortora, we invited our Bond Counsel, Hawkins, Delafield and Wood, and Bob Smith and Bill Jackson came, I believe Bill Jackson is here with us today also, just to kind of bounce this off and to see where we would go. We invited the Budget Offices of both the Legislature and the County Exec. And right now, or back then and right now it continues to have steam, we continue to feel that with the market conditions as they are, we can realize this money. But number one, not only do we have to act prudently, but we have to act quickly, because as Rich Tortora and as Bill Jackson can explain to you in a little bit and Marty Cantor, that there's a specific timing involved and we have to -- I believe we have to basically consummate this whole deal by early September to legally and to practically take advantage of the savings.

So again, I felt it was my responsibility and obligation as the Comptroller of the County to share this with you, to share this with the County Executive and to say, "Hey, the opportunity exists. We can save \$5 million or more this year." I mean, there are some estimates out there that put the total savings as high as eight million over the seven years which could be over five and a half million this year; but again, a lot of it depends on the market. And I just throw this out to you in support of the resolution. We have a ways to go yet but, again, we have to act quickly, we have to act prudently.

There are some legal questions here, no question about it. That's why you have Bond Counsel involved, Rich Tortora, our own County Attorney and your counsel because, you know, there's some discussion, legal discussion, technical discussion of how we go about purchasing the debt of the JFA and at what price do we pay. So with that, I don't know, should I --

MR. CANTOR:

Mr. Chairman?

COMPTROLLER SAWICKI:

Marty, would you like to talk?

MR. CANTOR:

Sure, I'd like to make a couple of comments. The JFA was already looking into refinancing its outstanding debt, we had been talking about this at the board meetings for about a year now. We had it -- we could only do it once and we had an opportunity a couple of years ago, but we declined because there wasn't enough savings. Now with the interest rates so low, at one of our board meetings earlier in the year we had started to prepare an RFP for a financial advisor to help us refinance. We felt that we could save about \$2 million over the next five to seven years just on refinancing, and those are direct savings because Suffolk County pays us rent based upon our debt service. So whatever savings we can make in terms of how much we have to pay for the debt goes right to the County, and we were looking into that.

At that same time, Comptroller Sawicki gave me a call and said he was looking at this and I said this

is even better. It would mean that we would just sell our interest in the Cohalan Court Complex, which is 89%, back to the County. There are issues that the lawyers are looking at, appraisal value, how much we have to pay. The original legislation enacting the JFA to buy the courthouse talks about the rules of selling it back to the County and that's what we're walking through right now.

Rich Tortora will tell you why we need to move. October 15th is a magic date and it has more to do with the bonding of the JFA and the terms of the bonds. We're having a board meeting tomorrow, JFA Board meeting tomorrow where the board is going to authorize me, and I pooled the board members, polled the board members rather, and they're going to authorize me to sign on behalf of the board to sell the complex back to the County so the JFA won't be an impediment as to the speed that's -- you know, the efficiency that's necessary to accomplish this.

We are -- we're looking to do this at the least cost to the County. We're going to be sharing services, the Comptroller has been gracious enough to let us, the JFA, use the County services for Bond Counsel and a financial advisor, things like that. So the cost of retiring bonds is as minimal as possible so we can approach that seven to eight million that the Comptroller spoke of as savings to the County.

(*Legislator Losquadro entered the meeting at 10:20 AM*)

In reference to the comment of the Presiding Officer Lindsay the other day, this is real money. It's not -- he raised the question that he needs to look at this a little more, which is absolutely correct, and he thought it was coming out of one pocket or another, and it's not. It's real savings and there's only one pocket that's involved here and that's the pocket of Suffolk County taxpayers. And the JFA wants to do what it can to reduce those costs, inasmuch as that's why the JFA was created in the first place, was to reduce the cost of the bonds of the Cohalan Court Complex to the taxpayers. We initially bought out the Dormitory Authority's bonds and that's what saved about ten million at the time.

So if this whole thing works as we're discussing it, the creation of the JFA since 1999 has saved over 17 -- could -- with the seven million that the Comptroller is talking about, has really saved Suffolk County taxpayers over \$17 million, and that's a lot of money.

COMPTROLLER SAWICKI:

Mr. Chairman, if I may. The additional -- we have an additional refunding opportunity which we probably will take advantage of anyhow and that's the \$60 million on the County side. Again, that's a straight-forward refunding, we anticipate doing that, you know, basically around the same time, in September or so, but it would be great if we could piggy-back, you know, with this other JFA, with the entire JFA situation itself.

CHAIRMAN GREGORY:

Yeah, that's a question that I had, that were we going to, you know, refinance all the debt, the 16 and the 74 for a total of 90 or just the 74?

COMPTROLLER SAWICKI:

Rich?

MR. TORTORA:

Sure. Good morning. Richard Tortora with Capital Markets Advisor. This is working, okay. There will be two separate transactions ideally done on the same official statement. One would be the refunding of the County's existing outstanding general obligation debt, which was originally issued in '99, for its portion of the Cohalan Complex; and then the second issue is the one we're before you with today which would be approximately a \$65 million issue, the proceeds of which would be used to buy out the JFA's interest in the Cohalan Court Complex. So two transactions ideally done on the same official statement.

CHAIRMAN GREGORY:

Okay. But the \$5 million statement that you're referencing, is that out of the 65 million or the total?

MR. TORTORA:

It is. The \$5 million -- it's approximately \$5.3 million in savings, will be as a result of the buyout of the JFA bonds. And then in addition to that, there will be annual savings of -- well, total savings of just over a million dollars as a result of refunding the \$16 million general obligation bonds that were issued in '99 by the County for its portion of the Cohalan Court Complex.

CHAIRMAN GREGORY:

Okay. Any questions? Legislator D'Amaro.

LEG. D'AMARO:

Comptroller Sawicki, gentlemen, good morning. Thank you for coming down, I appreciate it. Two quick questions. Does the JFA participate in any way with the operations of the complex?

MR. CANTOR:

No, the County provides the maintenance of the building, so there will be no additional cost to the County, it's already absorbed. There will be additional savings because the JFA, the largest part of our budget, which is really minimal, is that we pay close to \$30,000 for liability insurance, so that will wind up being a savings because it will come under the County's coverage. So there's -- we have agency Counsel and we have annual audits, so our total budget is about \$45,000 a year, so that's additional savings that will occur with this.

LEG. D'AMARO:

So there's really no change in operation in maintenance of the facility, we're doing that now.

MR. CANTOR:

Exactly.

LEG. D'AMARO:

We meaning Suffolk County, as opposed to the JFA.

MR. CANTOR:

Oh, absolutely. The way we set this up was the JFA is an agency without any staff, without any operations, without any obligations, because we wanted to maximize the savings that we could generate for the taxpayers. And the County already has a DPW staff, general maintenance staff, so we share in that, and that's what the County was doing anyhow initially with that building.

LEG. D'AMARO:

Okay, I just wanted to make that clear for the committee. And also, to the Comptroller, Mr. Sawicki; would the source of funds to pay the new debt be the same as the source of funds as the old debt? Is it just an operating budget expense to us?

COMPTROLLER SAWICKI:

Could you clarify that, Legislator D'Amaro?

LEG. D'AMARO:

Well, as opposed to paying rent to the JFA, we would now be servicing bonds in lieu of paying rent.

COMPTROLLER SAWICKI:

Correct.

LEG. D'AMARO:

Does that have the same impact on our operating budget?

COMPTROLLER SAWICKI:

Yes, Legislator D'Amaro. With the effect of having -- effecting a savings of this October payment which would basically be 5.6.

MR. TORTORA:

Five point three.

COMPTROLLER SAWICKI:

Five point three million is the savings, but the rental payment or lease payment this October I believe is around 5.6 million, without this deal.

MR. TORTORA:

That's correct.

COMPTROLLER SAWICKI:

And we -- or do I have the numbers reversed?

MR. TORTORA:

I believe it's five six --

MS. VIZZINI:

Five point four.

COMPTROLLER SAWICKI:

Okay. And that would be reduced to about \$300,000 interest-only payment, so that's where that \$5 million savings would come from for this 2009 year.

LEG. D'AMARO:

Okay, that's great. So a 5.6 or three, whatever it might be, was a lease payment to the JFA.

COMPTROLLER SAWICKI:

Right.

LEG. D'AMARO:

Would that payment have retired any of the principal of the outstanding bonds? My point is are we just saving upfront to pay more over the long haul, or is this a true cost savings?

MR. TORTORA:

No, it's a true savings. The lease payments are sized such that they match the debt service payments on the JFA bonds. So the lease payments that the County makes to the JFA are an amount equal to the debt service payments that are due, plus some of the JFA expenses that Mr. Cantor referred to, the \$45,000 in expenses.

LEG. D'AMARO:

But when does that debt service end for the JFA and when does it end -- when would it end for the County?

MR. TORTORA:

It will -- the term of the new bonds, the County's general obligation bonds that are going to be used to take out the JFA bonds, they'll; they will indeed come due over the next seven years, so 2016 will be when those payments are done. The JFA's bonds, the last debt service payment will occur this October. And then going forward, the County will have interest payments on its bonds April and October and principal payments every April until maturity in 2007. So I think your base question was in lieu of making lease payments to the JFA, which the JFA then uses to pay its bonds, the County will just make debt service payments on its own bonds, the replacement bonds.

LEG. D'AMARO:

And the final payment would be the same under the lease payment as well as the new debt service payment for the County, the final payment date.

MR. TORTORA:

Correct. Yeah, it will not be extended by virtue of this new transaction.

LEG. D'AMARO:

So the savings is really built into the lower interest rate, that much savings?

MR. TORTORA:

There's three things that generate the savings. One is the JFA transaction was a revenue bond issue and a revenue bond issue, it's required that you fund a Debt Service Reserve Fund. If we replace revenue bonds with general obligation bonds, we no longer have to fund the Debt Service Reserve Fund; that right there frees up \$11 million, so that's the initial savings.

The second savings is because of the County's very high credit rating, AA with each of the three credit ratings agencies, we do not believe the County will need to purchase municipal bond insurance, and that's a significant cost.

The third advantage is selling general obligation County bonds as compared to revenue bonds of the JFA, the County will receive lower interest rates under current market conditions than the JFA would because the general obligation credit that's very well known to the market will always sell at lower rates than a revenue credit for an issuer that's not particularly known to the market. So those three benefits generate the savings.

LEG. D'AMARO:

Those three benefits. So that reserve fund that the JFA is required to maintain is not a requirement if the County goes out and bonds this itself.

MR. TORTORA:

Correct.

LEG. D'AMARO:

And we can apply those funds to pay down -- those funds would be used to pay this debt down directly?

MR. TORTORA:

That's correct.

LEG. D'AMARO:

Okay, very good. Thank you.

MR. TORTORA:

You're welcome.

MR. CANTOR:

Legislator D'Amaro, I would like to ask one question of Rich Tortora which I know is on everybody's mind. Why is it important that we get this done by October 15th,

*(*Presiding Officer Lindsay entered the meeting at 10:29 AM*)*

MR. TORTORA:

Sure.

MR. CANTOR:

Why is it necessary for speed?

MR. TORTORA:

The existing JFA bonds have their first call date on October 15th, 2009. So when we issued the bonds originally in '99, we reserved the right for the JFA to call, call in all the bonds and pay them off starting October 15th, '09. In order for us to trigger that call, the Trustee has to have funds in hand prior to 30 days before the call date to trigger the call. So if this issue indeed can sell -- say in August, let's say, or sooner -- and then close by the first week of September, that will give the Trustee the funds in hand that it needs to trigger the call to pay off the JFA bonds in October. If we were not to close this deal until after September 15th, we will have missed the 30 day call notice provision and any savings that we would recognize in '09, that \$5.3 million, we wouldn't recognize in this year. We'd lose some of the savings, we'd catch some of them in subsequent years, but we'd lose the big benefit in '09 of that 5.3 savings.

MR. CANTOR:

You know, and those savings go right to the budget, and that's why we're proceeding with all deliberate haste to try to accomplish this.

LEG. D'AMARO:

Just one final question. Would the reserves required by -- that the JFA is required to maintain be used for -- what's the purpose of that reserve; just to secure against a default on the revenue bonds?

MR. TORTORA:

It's an additional credit feature. So in the event that during the life of these bonds, if there was insufficient revenues to make principal and interest payments, you would tap into the reserve fund to make yourself whole to make the payments. So now that the reserve fund isn't required in a general obligation issue, the full eleven million and some-odd dollars that's in there can be used to pay down the JFA bonds in October on their call date.

LEG. D'AMARO:

Thank you.

MR. TORTORA:

You're welcome.

LEG. D'AMARO:

Thank you, Mr. Chairman.

CHAIRMAN GREGORY:

Legislator Kennedy.

LEG. KENNEDY:

Thank you, Mr. Chair. Thank you for bringing this issue forward. It does seem like, as you say, there's some real money. I was trying to go over the three categories, Rich, that you talked about as far as the alternatives, but I have a more basic question before we get to that.

And I'm trying to remember back to '99 in a little bit different capacity. Why did we go the revenue bond route, or why did we create the JFA which, in essence, is a paper entity in order to go ahead and facilitate this funding and construction if even then we probably had a better credit rating with the County, full faith and credit of the County-at-large, than with the JFA; why did we do it?

MR. TORTORA:

Sure. It --

MR. CANTOR:

Go ahead, Rich. Well, we said, the JFA was set up to retire the Dormitory Authority bonds.

LEG. KENNEDY:

Which was what was first issued, I guess, when we did Cohalan, right?

MR. CANTOR:

Right, that was the one that was first issued. The second thing was, and Rich Tortora will answer about the rates, the JFA had a better bond rating than the County at that time.

LEG. KENNEDY:

In '99?

MR. CANTOR:

In '99, and so we were able to borrow at a cheaper rate than the County.

LEG. KENNEDY:

So it really is a function of where we're at now as far as contrasting the two different entities and the rates that were available?

MR. TORTORA:

In '99, the reason why the JFA came into being was the -- we were looking for an opportunity to restructure the existing JFA debt.

The exist -- excuse me; the existing debt that was outstanding on Cohalan.

LEG. KENNEDY:

The Dormitory Authority, right.

MR. TORTORA:

The existing debt had itself been a refunding debt, and the rule is you can't advance refund bonds, you can't advance refunding bonds until ten years after they were issued. So to capture market conditions in 1999 and generate significant savings, rather than doing an advanced refunding, the JFA was created and the transaction was deemed an acquisition rather than an advanced refunding, which is similar to what this is now. This new transaction that we're proposing is, once again, it's an acquisition, the County will now issue debt to buy out the JFA's interest in the bonds.

Mr. Cantor's comment regarding the ratings; the JFA had a high rating because it had insurance in 1999. Had it not been -- if you stand kind of side-by-side the County and the JFA, in just about any circumstance the County debt will sell at lower interest rates because it's very straight-forward, it's general obligation debt as compared to the JFA debt which is lease debt and revenue bond debt, so the market always discounts the value of that because of the credit structure. But in this instance today, certainly the County, with its AA ratings from all three rating agencies, will certainly sell at lower rates than the JFA would if it were to do its own refunding under current market conditions.

LEG. KENNEDY:

I don't want to deviate, maybe I'll have this conversation with you afterwards, but we've just, with the JFA, done a substantial amount of debt issuance with our jail as well; correct?

MR. TORTORA:

No, the JFA has never issued any debt other than these 1999 bonds.

The County is funding --

LEG. KENNEDY:

So then we created another entity. But there's an entity associated with the jail that's similar to this.

MR. CANTOR:

Legislator Kennedy, no, this is the same entity. The JFA, we are a conduit for the bidding process and the construction. We have -- we have a relationship with the Suffolk County Attorney and the Commissioner, Department of Public Works, and what happens is every phase of the jail construction gets bid by the County. I sign the contracts, we get a sign-off from the County Attorney saying that the bidding rules have been followed and a certification to us that everything is proper, then we get a presentation from Commissioner Anderson and his staff as to what the next stage is, what the bids came in at, why it was decided to accept a particular contractor, and then we approve the contracts and sign it. We don't issue debt and we don't touch the cash, we are just a conduit for the construction of the jail.

LEG. KENNEDY:

Okay. Let's go back to this for a second. Every time we do something with debt, whether it's issue in the first place or we refund or somehow we move debt, there is a cost associated with that reconfiguration. What you're proposing to us, I assume you've looked at as far as the cost, the gross amount that we can recover minus the cost for the net that we can recover, compared to, I guess, just the straight JFA or this flip transaction. How does that -- how do they compare?

MR. TORTORA:

Sure, good question. Clearly, the cost in issuing County general obligation bonds is significantly less than issuing JFA revenue bonds. The big cost that we avoid is the County general obligation bonds, as evidenced by your last two or three forays into the market, does not require municipal bond insurance, whereas the JFA deal almost certainly will. In this market, that cost could be millions of dollars; that would be totally avoided.

And then with regard to the cost of issuance associated with the professionals working on the transaction, Bond Counsel, financial advisor, trustee, verification agent, etcetera, those fees, again, are significantly less with the County general obligation bond than they are with a JFA revenue bond.

LEG. KENNEDY:

All right. Through the Chair, if I can. What you say to me seems to make general sense. I'm just going to ask if you could forward me, in general terms, what that comparison is as far as gross to be realized, cost to transact and net gain for us under both of those possibilities, before Tuesday if you could.

MR. TORTORA:

Of course. Sure, I could do that this afternoon.

LEG. KENNEDY:

Thank you.

MR. TORTORA:

You're welcome.

MR. CANTOR:

In fact, Legislator Kennedy? Rich, tomorrow we're having a JFA Board meeting at nine o'clock and that's going to be a question that I know the board is going to ask as well on the comparison of cost. We feel that the benefit would be having the County buy out the interest, but before the board makes this decision we want to see the same comparison. And so your question is not out of line, it's right in line with what we want to look at as well.

And as I said, once we do our discussions at the board meeting tomorrow, I fully expect to have the authority to sign-off on this on behalf of the JFA so we can meet that September deadline that we're all trying to meet.

LEG. KENNEDY:

Okay. Thank you.

MR. TORTORA:

I'm going to correct myself, if I could. I'm just looking at the numbers we last ran. Because this is such a short issue, it only goes out seven years, we're approximating that the interest expense -- excuse me, the insurance expense, if it was insured through JFA, would be approximately \$660,000. The cost of issuance, JFA, we approximate it at approximately 400,000 as compared to the County's cost of issuance at about 250,000.

LEG. KENNEDY:

Okay. And there's just one other question, Mr. Chair, and then I'll yield. Now, you talked about that initial escrow of the eleven million that had to be held associated with JFA, and so by going through general County there's no need to escrow. That escrow becomes available and does what; helps to buy down the existing remaining balance?

MR. TORTORA:

That's correct.

COMPTROLLER SAWICKI:

Seventy-four.

MR. TORTORA:

The existing bonds are approximately \$74 million, JFA bonds.

LEG. KENNEDY:

Yes.

MR. TORTORA:

So if we use the eleven million in the Debt Service Reserve Fund that's presently funded to pay that down, so now we're left with a approximately 62, \$63 million financing that the County has to now fund, so it will be issuing its bond in the neighborhood of \$64 million as compared to if we did a JFA refunding on its own, the size of that issue will be approximately 77 million. And the big difference in the size of the issue is the application of the reserve fund monies.

LEG. KENNEDY:

Where did that escrow originate from, Rich; was that with the Dormitory Authority and got flipped --

MR. TORTORA:

No.

LEG. KENNEDY:

-- or did that come to effect when JFA picked up?

MR. TORTORA:

It was funded with bond proceeds from the 1999 issue of JFA.

LEG. KENNEDY:

It was.

MR. TORTORA:

Correct.

LEG. KENNEDY:

Okay. All right.

CHAIRMAN GREGORY:

All right. Gail, do you guys have any comment?

MR. TORTORA:

I think the question is how is the JFA affected going forward, which I think was Mr. D'Amaro's question. What this transaction will do, of course, will just eliminate the debt that the JFA issued in 1999. Any ongoing responsibilities that the JFA has vis-a-vis the construction of the prison, bidding it out, etcetera, that will be unchanged by this transaction, as far as I know, certainly.

LEG. KENNEDY:

And there's no other debt function that the JFA holds at this point. So then it's going to be just, in essence, an administrative oversight entity.

MR. CANTOR:

That's correct. And, you know, since we don't have any assets and we don't have any balance sheet items, it will save us from doing an audit that we're now obligated to do. But we'll be just an administrative entity, that's correct.

LEG. KENNEDY:

Okay.

CHAIRMAN GREGORY:

Now, as far as liability -- and I'll get back to you in a second, Gail.

MR. TORTORA:

Ms. Vizzini thought it would be appropriate that one of the important steps in this transaction is that an appraisal of the Cohalan Court Complex has to take place, so that it's deemed that the County is paying an appropriate price for it.

CHAIRMAN GREGORY:

Right.

MR. TORTORA:

And that has not yet taken place.

CHAIRMAN GREGORY:

Oh, okay.

LEG. KENNEDY:

Mr. Chair, there's just one other item that I had to go at with this. And again, I'll go back to something that I dealt with many years ago. It used to be traditionally some State funding that was associated with court construction or court rehab in Counties and operations was always a County function; is that long gone and do we bear all costs associated with the courts now, or is there any revenue offsets that will ever be a part of this?

MS. CAPOBIANCO:

No State funding. It's funded by the County.

COMPTROLLER SAWICKI:

We're told that it's a hundred percent Suffolk County --

MS. CORSO:

No, no.

MR. KOVESDY:

Reimbursed.

COMPTROLLER SAWICKI:

Let me get the budget experts up here, John.

LEG. KENNEDY:

All right.

MS. CORSO:

Hey, it's Connie Corso. The maintenance is 100% reimbursed by the State.

LEG. KENNEDY:

So its just a pass-through for us, Connie?

MS. CORSO:

Yes, it's a pass-through.

LEG. KENNEDY:

All right. But the construction or the actual physical court structures that the County -- well, I guess we don't own them at this point; we're now proposing to go ahead and do that.

MS. CORSO:

That's right, and we would still be reimbursed 100% from the State for the maintenance.

LEG. KENNEDY:

Okay. All right.

CHAIRMAN GREGORY:

Okay. And BRO, do you guys have anything to add?

MR. LIPP:

We just had one question, actually. The savings would be substantially less if the JFA did the refunding as opposed to the County. And the only open issue, and I don't -- we don't really understand exactly whether or not this is a trivial point or an issue, is that if the appraisal came in really high, and I have no idea as to whether that would be the case, then in theory the JFA would be doing the refunding as opposed to the County, is our understanding. And therefore, the savings, while there would be some, it would be substantially less.

So I was wondering if Capital Markets or JFA had anything to shed on that.

MR. CANTOR:

Yeah, that's a question that we had asked the attorneys to research for us on the -- in the original documents regarding the JFA, it talks about an appraisal so we have to enter into that, but the attorneys are looking into that question.

It is the position of the JFA that we don't want to make any money on this deal. You know, we want to be able to -- we would like the appraisal to come in at the 70 million, the exact cost of the bonds. So it will be a very -- it will be a clean transaction, but that is an open question we have the attorneys looking at. That will be applicable to what the County does as well and we're hoping to get that answer very shortly. Our agency Counsel is pursuing that with the Bond Counsels and Wilke Farr.

CHAIRMAN GREGORY:

Okay.

COMPTROLLER SAWICKI:

Mr. Chairman, if I can introduce -- if I may, I'd like to introduce Bob Smith from Hawkins, Delafield and Wood, the County's Bond Counsel who has explored this legal, very important, very critical

question. Bob? If that's okay, Mr. Chairman.

CHAIRMAN GREGORY:

Okay.

MR. SMITH:

Hi. Bob Smith, Hawkins, Delafield, County Bond Counsel. Yeah, the appraisal question is important and we just don't know an answer to it, obviously, just yet.

I'm not sure that the -- well, I am sure that the deal can still go ahead if the appraisal comes in high, there's no legal bar to that. The County and the JFA might want to look into the possibility of whether it makes sense for the JFA to do the refunding, as Mr. Lipp had mentioned, if the appraisal is higher. But there's no legal bar to doing the transaction anyway, there would just be more proceeds. And the legal question then becomes, which we don't necessarily have an answer to at this point, is what would the JFA do with those excess proceeds, and that's one to be answered. But a high appraisal doesn't mean the deal can't get done the way it's proposed.

CHAIRMAN GREGORY:

Okay. Thank you. Thank you, gentlemen. I think that's all. Anyone else? Okay. Thank you.

We will now go to the public portion of our meeting. We don't have any cards, but is there anyone in the audience that would like to come and speak before us? Okay. All right, we will go into the agenda.

Tabled Resolutions

Tabled Resolution IR 1000-09 - Adopting Local Law No. -2009, A Charter Law to enhance budgeting flexibility and responsiveness (Schneiderman).

I make a motion to table.

LEG. D'AMARO:

Second.

CHAIRMAN GREGORY:

Second by Legislator D'Amaro. All in favor? Opposed? Abstentions? ***Tabled (VOTE: 5-0-0-0).***

IR 1003-09 - Repealing home energy nuisance taxes on Suffolk County residents (Alden).

I make a motion to table.

LEG. D'AMARO:

Second.

CHAIRMAN GREGORY:

Second by Legislator D'Amaro. All in favor? Any opposed? Abstentions? ***Tabled (VOTE: 5-0-0-0).***

IR 1004-09 - Establishing a program to reduce unfair home energy nuisance taxes on Suffolk County residents (Alden).

LEG. D'AMARO:

Motion to table.

CHAIRMAN GREGORY:

Motion to table by Legislator D'Amaro, second by Legislator Beedenbender. All in favor? Opposed? Abstentions?

Tabled (VOTE: 5-0-0-0).

IR 1077-09 - Amending the 2009 Operating Budget and transferring funds to Literacy Suffolk, Inc. (Kennedy).

LEG. D'AMARO:

John?

LEG. KENNEDY:

Motion to table.

CHAIRMAN GREGORY:

Motion to table by Legislator Kennedy, second by Legislator D'Amaro. All in favor? Opposed? Abstentions? ***Tabled (VOTE: 5-0-0-0).***

IR 1099-09 - Amending the 2009 Operating Budget and transferring funds to BiasHELP, Inc. (Gregory). I'll make a motion to table.

LEG. D'AMARO:

Second.

CHAIRMAN GREGORY:

Second by Legislator D'Amaro. All in favor? Opposed? Abstentions? ***Tabled (VOTE: 5-0-0-0).*** I'm sorry, Barbara.

IR 1105-09 - Amending the 2009 Operating Budget by transferring \$500,000 in excess energy appropriations to the Police Department's Patrol Special Operations Unit to fight violent street crime and gang activity (Cooper).

LEG. LOSQUADRO:

Motion to table.

CHAIRMAN GREGORY:

Motion to table by Legislator Losquadro, second by myself.

LEG. D'AMARO:

Mr. Chairman, please note my recusal as per my previously filed disclosure statement.

LEG. KENNEDY:

Mr. Chair?

MR. PERILLIE:

No, different bill.

CHAIRMAN GREGORY:

No, a different bill.

LEG. D'AMARO:

What are we on?

CHAIRMAN GREGORY:

We're on 1105.

LEG. D'AMARO:

Okay. Strike that.

(*Laughter From Panel*)

CHAIRMAN GREGORY:

All in favor? Opposed? Abstentions? *Tabled (VOTE: 5-0-0-0).*

IR 1106-09 - Amending the 2009 Operating Budget to strike \$500,000 in excess energy and parks appropriations (Cooper). Same motion, same second, same vote. Tabled (VOTE: 5-0-0-0).

IR 1279-09 - Instituting a lag payroll in fiscal year 2009 for Bargaining Units 21, 30 and 24 (Management, Confidential, and Board of Elections Employees, respectively and exclusive of Suffolk County Community College Employees), to address revenue shortfalls and avoid a reduction in the workforce of County personnel (County Executive).

LEG. LOSQUADRO:

I would suggest a motion to table subject to call, being that we already addressed this with a similar resolution.

CHAIRMAN GREGORY:

Okay, I second that motion.

LEG. D'AMARO:

All right. Just please note my recusal on the record.

LEG. KENNEDY:

Mr. Chair, please note mine as well.

CHAIRMAN GREGORY:

Okay. All in favor? Opposed? Abstentions? *Tabled Subject to Call (VOTE: 3-0-0-0-2 Recused: Legislators D'Amaro & Kennedy).*

IR 1296-09 - Enhancing Administrative Budget Deficit Control for Fiscal Years 2009 and 2010 to proportionately include the Police District Fund 115 in the Budget Mitigation Plan (County Executive).

LEG. KENNEDY:

I'll make a motion to table.

LEG. LOSQUADRO:

I'll second. I would like to hear an explanation on this.

CHAIRMAN GREGORY:

Okay. Motion to table by Legislator Kennedy, second by Legislator Losquadro. Discussion? We have Ben Zwirn from the County Executive's Office, I'm sure you have some comments.

MR. ZWIRN:

As you know, and as the Legislature and the County Executive have talked in the months preceding this, is that we have asked for a lag payroll from the different bargaining units to help offset the economic downturn and the lack of revenue coming in, including sales tax for Suffolk County. All the other bargaining units, aside from the PBA, have reached an agreement and the elected officials have agreed to participate in a lag payroll. We're down to just one bargaining unit that has not been able to reach an agreement with the County Exec's Office and that is the PBA.

The County Executive is moving forward, looking to save money, because the situation has not gotten any better County-wide. In this particular resolution, we eliminate the vacancies, which is what we have to do before we can do any layoffs at all, and the vacancies that are in the Police Department here are not funded, they're unfunded vacancies. So we're eliminating them and then we are also eliminating an additional seven positions that are filled by Police Officers at this time.

We have to get savings. It's not fair for all the other bargaining units to have stepped forward and made a sacrifice and not have one unit come to the table. We hope that this will be the start of something that comes to -- we can get some sort of agreement going forward. But in the event that we don't, we will begin to start making savings here.

One question is on the overtime; can we save \$4 million? We don't know, we don't know, because if there's an emergency somewhere, we're not going to not send Police Officer. So that number is always tentative. If we don't have any emergencies and things move smoothly through the year, then perhaps we can achieve those savings, we're going to try to achieve them through managing the Police Department. But again, as I say, if there's an emergency situation in the community or anywhere in the County, we call in Police, we worry about how we're going to pay for it afterwards.

But we do have a problem. And it's been a tough road for all the different bargaining units, it's been a tough road for the Legislature and the County Executive, and we're at this stage here today. We would ask you to at least get this resolution to the full Legislature so that we can debate it on Tuesday and let everybody have their say at that time, but it should -- we hope to see the light of day so at least we can have an up or down vote before the full County Legislature on Tuesday.

CHAIRMAN GREGORY:

Thank you. I have some questions. Now, there are seven positions, and what are those positions exactly? I understand they're non-patrol positions, but what positions are they?

MR. ZWIRN:

That's correct.

MS. VIZZINI:

Here, Jeff.

MR. TEMPERA:

Thanks, Gail. I'm sorry, what's the question?

CHAIRMAN GREGORY:

What are the positions, the seven positions?

MR. TEMPERA:

There are --

MS. MAHONEY:

You have to hold down the button.

LEG. LOSQUADRO:

You've got to hold the button down.

MR. TEMPERA:

There are seven positions, as I understand it. I don't have exactly where they're from. It was -- actually, the Budget Office I think has the exact spots; Warrants, I think Motorcycle, Applicant Investigation. There's seven administrative positions within the administrative non-patrol function that are being eliminated. Ultimately, those won't be the positions that would be impacted, Civil Service will do their bump and retreat. The least senior, least retention standing Police Officers would be the ones that ultimately would go out the door and the resolution, if I remember correctly, has a transfer of the position from the administrative end back into the patrol function.

CHAIRMAN GREGORY:

Okay. Now, I assume we're going to kind of go through the same process as with the other bill that we had, the layoff bill with the AME employees, where there's going to be a notice that goes out, you

know, there's seven positions, but there could be a lot more people affected with the bump and retreat, or no?

MR. TEMPERA:

Actually, no.

CHAIRMAN GREGORY:

It's separate, it's different from that?

MR. TEMPERA:

It's different than that. There's no notice requirement. The notice requirement that you got with AME was through the contract, the 60 days was something that was called for contractually. The bump and retreat analysis here, you're laying off, as I understand it -- it's more of a Civil Service question, so I always defer to them -- but you're laying off the entry-level position for a Police Officer. So ultimately they're going to look at the individuals who have the least retention standing of the Civil Service Law and those seven individuals would be the ones that would be impacted. And understand, and the resolution states this, no one wants to get there. If we're able to reach an agreement, the vacancies aren't impacted, the layoffs don't occur, and that's built right into the resolution and that's exactly what was in the resolution that we dealt with in the past for the other bargaining units.

CHAIRMAN GREGORY:

But the question I have is, you know, just with these seven personnel, you said that they will ultimately be the people that are affected. So they -- you know, you said someone in Warrants; I assume this person is Warrants is going to go back to somewhere else and bump someone, or am I misunderstanding?

MR. TEMPERA:

There's no bump. They're all Police Officers, they're all the same title. They have to be assigned to different areas within the department. So you have a Police Officer who is assigned to the Court Liaison, you have someone assigned to the Warrant Enforcement, Police Academy, Recruitment, Motorcycle; that's their assignment, but they're all Police Officers.

CHAIRMAN GREGORY:

So they're going to be assigned to a position that we're abolishing? How are they going to be assigned to a position that doesn't exist, or does that position exist already?

MR. TEMPERA:

What's going to occur -- and again, you're looking at this from an assignment standpoint. These Police Officers, there are some assigned to Patrol, there are some assigned to these administrative functions. The ultimate positions that go out, if they are in the Patrol Division, if they are the individuals with the least retention standing, the resolution states that the individual positions that are affected here, if it's not these people, would be transferred into the Patrol Division.

CHAIRMAN GREGORY:

Okay, gotcha. Okay. It's basically just seniority; if you're the junior guy you're getting bumped. If you're assigned to an area and you're the junior guy, you're the first guy out; that's what it is, pretty much.

MR. TEMPERA:

And again, Civil Service Law. If you have the least retention standing under the law, if you're the last group that was appointed permanently off a Civil Service list, you're the one that are impacted.

CHAIRMAN GREGORY:

Okay, I understand that.

The other question I have is in the WHEREAS clause, it mentions the seven positions. It doesn't

delineate what they are, but in the RESOLVED clause it doesn't. So the RESOLVED clause appears to me to give you more authority than what you're actually seeking to have.

MR. TEMPERA:

Well, again, I don't know if you can point me specifically to where you're talking about. The actual positions and the position control numbers are attached to the resolution, as I understand it. There's a whole listing of positions, and they're listed exactly where they're coming from.

CHAIRMAN GREGORY:

Okay. And those seven positions are included in that.

MR. TEMPERA:

That's correct.

CHAIRMAN GREGORY:

And the remainder are just unfilled vacancies.

MR. TEMPERA:

Unfilled, unfunded.

CHAIRMAN GREGORY:

Unfilled, unfunded vacancies.

MR. TEMPERA:

That's correct.

CHAIRMAN GREGORY:

Now, Budget, have you had a chance to look at the amended bill and the attachments? BRO, excuse me.

MS. VIZZINI:

Really just a cursory review last night and this morning. The only comment we would make is to remind you that we have already struck \$3.2 million in a prior resolution from permanent salaries. And although it's likely that there could be reductions in overtime, I just want to clarify that we're striking \$5.5 million from permanent salaries; it's from the Permanent Salary Account. And it would appear, based on the position control register, that this does absolutely abolish all existing vacancies.

MR. KOVESDY:

Good morning. If I could just point out that the 3.2 that was taken out was for the Police class that we put in a grant for. So that 3.2 related to the new positions that were to be funded in September by a Police grant and that we put in a COPS proposal to the Federal government that matches that exactly.

CHAIRMAN GREGORY:

Right, okay. Legislator D'Amaro, then Legislator Losquadro.

LEG. D'AMARO:

Thank you, Mr. Chairman. I need to understand the effect of the resolution a little clearer for me. Schedule A has positions on it, all of which are unfunded and not filled except for seven of those positions; is that correct?

MR. TEMPERA:

That's correct.

LEG. D'AMARO:

So there are -- the way it works is that all of the vacant positions are abolished, leaving you with the

seven filled positions and funded positions which will be abolished if there's a layoff that occurs in that position; is that what's happening?

MR. TEMPERA:

That's correct.

LEG. D'AMARO:

Okay.

LEG. LOSQUADRO:

I don't know if you are turning the mike on, just be careful when you are using it.

MR. TEMPERA:

I'm sorry. That's correct.

LEG. D'AMARO:

Okay. So if I'm someone in one of those seven positions and I'm performing, let's say, a warrant function or the Warrant position and you abolish the Warrant position; what happens to me?

MR. TEMPERA:

If you are the individual with the least retention standing, under Civil Service Law, you would be the person who would be laid off. If you're not the person with the least retention standing by Civil Service Law, the individual who has the least, the seven individuals who have the least retention standing will be the individuals laid off. And if there is an impact on the patrol function, there will be a body transferred back into Patrol, so there's no impact on the patrol function.

LEG. D'AMARO:

So if through the bump and retreat process, if it impacts patrol, that position -- that impact would be eliminated by refilling the patrol position.

MR. TEMPERA:

Administratively there will be a transfer, that's absolutely correct.

LEG. D'AMARO:

Okay. Now, what happens to the warrant function; how is that then performed?

MR. TEMPERA:

Through other officers who are remaining within the department.

LEG. D'AMARO:

And the same would be true for the other positions as well, the Motorcycle and the other positions you stated?

MR. TEMPERA:

That's correct.

LEG. D'AMARO:

And what would be the -- if this were to go into effect, what would be the savings?

MR. TEMPERA:

I don't have that number in front of me.

MR. ZWIRN:

(Inaudible).

MR. KOVESDY:

Approximately, for an entry-level Police Officer, including fringe benefits, it's over \$100,000 a position, including benefits.

MR. ZWIRN:

So it would be from 750 probably -- with the positions, it would be about 750 to a million dollars; 750,000.

LEG. D'AMARO:

And what's the total amount the administration was seeking? There was an amount slated for each of the municipal unions; what was the amount for the Police?

MR. TEMPERA:

It's approximately \$6.8 million.

LEG. D'AMARO:

And how far along are we in that?

MR. TEMPERA:

I don't know that I understand -- how far along are we in negotiations?

LEG. D'AMARO:

Well, we're also striking some other appropriations in this bill, or proposing to do so. I mean, how do we add up to that number? How do you get to that number?

MR. KOVESDY:

Basic -- if I might? We looked at sales tax and --

LEG. D'AMARO:

No, no. Yeah, no, I understand that part of it. I mean, in other words, if we're --

MR. KOVESDY:

That's the matching piece to get the sales tax done.

MR. ZWIRN:

I understand what Legislator D'Amaro is saying. This is a beginning, it's not the end, this is just the beginning of a process trying to find ways we can save money. We didn't get all of it here because we're not sure, as I mentioned earlier, with respect to the overtime numbers. If we have emergencies, you know, Police Officers show up and we'll use money, whatever we have to do. But this is the beginning and hopefully we can come up with additional ways over the next several months to add to this, but this is a start.

LEG. D'AMARO:

Okay. So this is one of the steps in the process to get to the number that you've slated for the Police as opposed to all the other municipal unions as far as concessions go.

MR. ZWIRN:

That's correct.

LEG. D'AMARO:

How certain are you about the impact on the patrol function? If you're eliminating seven position but yet that function still needs to be performed, where do you -- where do you draw the coverage for that -- for those functions that you're eliminating? If you have the officers all in Patrol and ultimately, through bump and retreat, Patrol is affected, okay, and you have to fill those positions first, at least that's your commitment to do so.

MR. ZWIRN:

Well, the Police --

LEG. D'AMARO:

Then how are we going to perform these other functions?

MR. ZWIRN:

Well, the Police Commissioner has access to an awful lot of Police Officers that will be remaining; we're talking about seven individuals here. The Police Department, the Police Commissioner can assign personnel to cover functions that are necessary at any given time and backfill. I mean, there's lots of options that the Commissioner has.

I don't -- you know, in the long run, I think he'll be able to cover seven positions without a great deal of sacrifice on the part of the department.

But as I say, this is the beginning of a process that's going to have -- it's going to get tougher as we go forward because we don't have the revenues coming in to pay the bills. You know, we've already stopped a new class from starting this year, we're looking for Federal stimulus money to cover that. We're doing everything we can to try to, you know, save money in the County and we still haven't seen a turnaround with respect to the largest revenue that we come in with which is sales tax. So we still have a problem, we're not out of the woods by a long shot.

I think we've tried very hard in good faith to try to reach settlements with all the bargaining units and we have, virtually with every one of them. And here we are at the end and we were hoping that we would have done this by this time but we hadn't, and we have to do something. Either that or we say that we carve out the Police Department, the PBA separate from every other bargaining unit in Suffolk County and say we're going to treat them differently. We asked everybody else to sacrifice, we went into Tax Stabilization money, the Legislature has voluntarily given up, you know, submitted to a lag payroll. We're just saying that the PBA is somehow going to be different and going to be treated differently; that's what we'd be saying.

LEG. D'AMARO:

Well, I think the Legislature and the Executive have been working together in dealing with this whole deficit and budget problem and we have passed legislation similar to this in the past with respect to the other municipal unions. And so far, I guess happily, the other unions have worked with us as well and contributed into the problem -- not contributed to the problem, but helped us to solve the problem by negotiating with the County, which has been a positive step, I think, in the right direction.

The seventh RESOLVED clause I guess is the clause that's similar to when we passed last month, or maybe two months ago. This is the clause that -- the operative clause which says that in the event that a savings target is achieved and ratified, then this entire -- the provisions of this entire bill would not apply; is that correct?

MR. TEMPERA:

That is absolutely correct and that's exactly what has occurred with all the other bargaining units that we've reached agreements with. The Legislature passed a resolution, we sat down, we negotiated, and once the agreement was reached and ratified there's no impact on those units.

LEG. D'AMARO:

Well, it's my hope that we can reach some kind of accommodation or agreement with the PBA, as we have with all the other municipal unions. But it begs the question where are we at and what type of give-back or concessions are you looking for? Are they anything different than what we've done with the other municipal unions, are we in parody here or, you know, where are we at with that discussion?

MR. TEMPERA:

Again, I don't want to get into the specifics. What I will tell you is we've met -- I don't have the

number, but four or five times with the PBA. We are not asking for anything different than we've asked for from the other unions. We've reached agreements with --

LEG. D'AMARO:

Well, my question is -- I'm sorry to interrupt, but the focus of the prior debates was about a lag payroll, for example. Is that something that we're -- that's on the table?

MR. TEMPERA:

Absolutely on the table. But again, I have to emphasize, we're not going to dictate to the union how we get the savings, as long as the savings is quantifiable, it's agreed to by the Budget Office, it's fine. As a matter of fact, the two other Police unions within the Suffolk County Police Department, we successfully negotiated agreements with them and it wasn't a lag payroll, they did a holiday pay deferral. They get paid holiday pay twice a year, it adds up to the same dollar amount, we had no problem with that, that was approved by the leadership and by the membership overwhelmingly.

LEG. D'AMARO:

So the same concessions made by the other municipal unions would be acceptable in this round as well.

MR. TEMPERA:

Absolutely.

LEG. D'AMARO:

Or it could be something different. Depending on how those negotiations go and what's put out on the table, you're willing to listen to whatever suggestions are made as long as it adds up to that target savings amount.

MR. TEMPERA:

Absolutely. In terms of a dollar savings and how we get there, as long as we agree that the dollar amount comes out the same, it's -- we're not going to dictate to the unions how we get to that amount.

LEG. D'AMARO:

Okay. Thank you.

CHAIRMAN GREGORY:

Legislator Losquadro.

LEG. LOSQUADRO:

Thank you. First, I would like to point out the financial impact statement attached to this, actually it shows that this would be less than \$500,000 in savings, and I think that goes to the point that the beginning of a process here that we heard.

At the last Public Safety meeting, I spoke to the Chief of the Department, over much to the chagrin of some of the members, for probably about 35 or 40 minutes trying to get him to outline a plan that the department has to meet these targets, this budget shortfall numbers. Every other department we were given a set plan; if X then Y, if this doesn't happen, this is what's going to happen. But for some reason with the Police Department, all we keep getting is, "Well, we're going to enhance our flexibility. We're going to move COPE into the 10 command," as happened today, "We're going to eliminate seven positions here. We're not exactly sure where they are because some of those people might have seniority, some might not." Basic common sense would tell me the people with the seven least seniority are probably going to be basic patrol guys. A lot of these positions that you're mentioning people have worked their way up into; we may call them administrative positions, but the Police Department is not just patrol. We like to focus on the patrol function, but a lot has to happen to make the Police Department work, for the investigations to take place, to hire new officers. There is so much that goes into making this Police Department operate.

We want to focus on the patrol function because that's the thing that people see when those cars drive around, but without everything happening in the background, the Police Department ceases to function. And I have a great deal of concern here that we're not seeing a plan and we're just being asked to approve things in a piecemeal fashion here.

Now, Mr. Zwirn, you can shake your head all you want, but this is what we've been asked. And I think it would put everybody, everyone, the administration included in a better bargaining position if we just had a set plan, to say this is the total dollar amount and this is what it's going to mean if we can't do this. And we just haven't seen that in one complete package in one place; it's piecemeal, it's spotty. And with these functions, I mean, not to be flip but, I mean, you seem very cavalier about the fact that the Commissioner would be able to make up for seven bodies within the department, the functions that they're fulfilling now. I mean, these are people who are working full-time positions with probably a great deal of experience in these jobs, you know, that we're just going to -- well, you know, we'll make that up. We can do transfers, I even heard the term "backfill" come out of Mr. Zwirn's mouth; I'm not sure if he meant to say backfill or not. But I think that just goes to show that we really don't have a plan in place as to how the Police Department is going to operate in the absence of this funding. All we keep hearing is, "We'll keep patrol whole. We have guys on precinct patrol"; well, that's not all the Police Department is, far from it.

And I have a great deal of concern that we just don't see how this is going to operate in the big picture. And I'm hoping that this Public Safety Committee meeting, upcoming, that Chief Moore is going to have the answers and going to put forward that plan that I and the other members of that committee asked him for, because as of right now we're just not -- we're being asked to vote on things, as I said, in a very piecemeal fashion and I don't think that is the way to address any budget shortfall and certainly not a shortfall in the area of public safety.

CHAIRMAN EDDINGTON:

Thank you.

MR. ZWIRN:

If I might. If I might, Mr. Chair?

CHAIRMAN GREGORY:

Sure. Go ahead, Ben.

MR. ZWIRN:

Fist of all, the number of about \$500,000 is because we're at this point of the year. The numbers I would give you were based on an annualized basis as opposed to what you have now, with the seven officers going out mid-year.

With respect to manning the Police Department, you have almost seventeen hundred sworn Police Officers that work for the County; we're talking about seven, reducing the staff by seven. We've eliminated the ones that they talk about all the time, the 360 Police Officers that the County pays for, they're not funded; it's a good number, they're not funded. They're not funded in the budget, they exist so that there's flexibility for the County Executive, if he needs to hire Police Officers there is a spot there. But we could do that if there's an emergency, we can move forward expeditiously to add Police Officers if the situation came to be.

We agreed on a plan, the County Executive's Office and the Legislature, to come up with \$30 million in savings. The Police -- and you knew this when you signed off on it and 6.8 --

LEG. LOSQUADRO:

Mr. Zwirn, I --

MR. ZWIRN:

Excuse me. Six point eight million dollars --

LEG. LOSQUADRO:

You know I was one of the people who has been very supportive of that, you know that.

MR. ZWIRN:

I understand. I'm just saying, \$6.8 million was coming from the Police Department.

MR. TEMPERA:

PBA.

MR. ZWIRN:

The PBA. The SOA has signed off on their give-backs and their cooperation, the Detectives Association has done it, all the other bargaining units have come forward; it has not been easy. But you're going to have to have not just -- the Police Department, things happen, the Commissioner has to be able to move people around and he does. I don't know how much you want to micromanage the Police Department, but he has to have that kind of ability to move positions around. If the seven Police Officers don't show up on a particular day, he's got the ability to cover important spots; he has to make determinations and make priority decisions. But if we don't have the political will to bring everybody to the table, and we've had that political will up till now, except for the PBA.

CHAIRMAN GREGORY:

Ben, don't even go there. Don't even go there.

MR. ZWIRN:

But it's true.

CHAIRMAN GREGORY:

Don't even go there.

MR. ZWIRN:

This is the last bargaining unit at the table. We're asking for your support to try to hammer out a fair agreement. As Jeff Tempera has said, we're not dictating the terms, we're looking for the savings that you gave us the authorization to go find.

CHAIRMAN GREGORY:

But ben, with all due respect, this is different than other unions, other functions in government because we're talking about public safety. We're not talking about some administrator in a room, a clerk filling out paperwork.

MR. ZWIRN:

DSS is important, there are other departments in this --

CHAIRMAN GREGORY:

Absolutely. But we're talking --

MR. ZWIRN:

Child Protective Service workers are important. We have dealt with very important --

CHAIRMAN GREGORY:

-- about people's lives in the community. And I don't appreciate being called that I'm on -- that as a body, that we're on the leash of the PBA. I don't appreciate those comments, because I think we're all concerned about the public and what this could possibly -- the effect that this possibly could have. And with all due respect, I think this bill has more than just to do with these seven positions, because as BRO pointed out, we have five and a half million dollars being struck from permanent

salaries. Now, what happens to those positions, because now they're going to be unfunded? So what is the real picture that we're looking at and where are those -- why aren't those positions listed in this attachment? You can't eliminate funding for a permanent position without a position being eliminated, so where are those positions?

MR. KOVESDY:

If I might just add. As I explained to you last time when we tabled this, we took all the money out of one line to make it easier. We would make the cuts from equipment, supplies, travel and such, but rather than go through and take it from 25 lines --

CHAIRMAN GREGORY:

But you're taking it from permanent salaries.

MR. KOVESDY:

We have the ability to move that on a daily basis, so we just took it from one line for the sake of expediency.

MR. ZWIRN:

We're talking about these seven positions here today and eliminating vacancies.

CHAIRMAN GREGORY:

Okay.

LEG. KENNEDY:

Mr. Chair?

CHAIRMAN GREGORY:

I interrupted you. Go ahead, Danny, you have anything else?

LEG. LOSQUADRO:

No. I was just going to say, I mean, that goes back to the same statement that I made before; that's not a plan. That's just, "Here, approve this." It's piecemeal. I don't think it's too much to ask. I mean, we worked very hard and are continuing to work very hard on this budget. I, like Legislator Gregory, you know, quite frankly I'm a bit insulted for someone saying that we're not committed to seeing this through, because we are.

And as I said, I think it puts everybody in a stronger position to have a real plan, to not just say, "Well, we're going to just strike this and remove these and we can figure it out; day-to-day we can move things around"; that's not a budget plan. We have budgets for a reason and I would like to -- I would personally like to approve one that has a plan as to how we are going to move forward and keep a department operational and what the real impact is. Are we not going to be able to have special events? Are we not going to be able to have officers to do those patrol checks that COPE was doing? What is the impact actually going to be? If X then Y, as I've said a dozen times.

So I'm hoping Chief Moore comes and outlines that plan for us on Thursday, and then perhaps could even come back before the full body on Tuesday, because I think that's an important aspect of this that we're just not seeing. Do I want to see the Police union hammer out an agreement with the administration? Absolutely. Absolutely. But we have an obligation to see what the effects of what we're doing are and right now we just don't have a clear picture of that.

MR. ZWIRN:

If I might, Mr. Chairman, just respond briefly.

CHAIRMAN GREGORY:

Sure.

MR. ZWIRN:

The seven positions we're eliminating, one Warrant Officer, one Court Liaison, so we will have one less Court Liaison Officer, we'll have one less in the Police Academy, two in Recruitment and two in Motorcycle Section; those are the positions we're going to be eliminating. So the Court Liaison Officers will probably have to work that much harder to arrange for the Police to show up for the Grand Jury and for trial, the Police Academy Officers I guess are not that busy quite right now because there's no class in the Academy, two in Recruitment and two in Motorcycle; those are the seven positions that we're eliminating. And you're the Police -- we don't have a plan, the Police Department is going to come to a grinding halt? I don't understand.

CHAIRMAN GREGORY:

Are you aware of a plan? You may not be, but is there a plan to where -- or do you have an idea where you're going to place these personnel; are they going to the Marine Bureau per se or Patrol?

MR. ZWIRN:

Patrol.

CHAIRMAN GREGORY:

Okay. All right.

MR. TEMPERA:

And if I might. Just I think everyone has to keep in mind, this is no different than what we did with the Probation Officers. We had a lengthy debate before the Legislature when we approved the resolution for Probation Officers, for Detective Investigators within the DA's Office. We had the Deputy Sheriffs, the Park Police, all important functions being performed around the County. We had a lengthy debate before the Legislature and this Legislature stood up and approved that bill. This is no different in terms of passing a resolution that will have zero impact if we reach the agreement for the \$6.8 million in savings.

CHAIRMAN GREGORY:

Yeah, but -- go ahead.

LEG. LOSQUADRO:

I'm going to relinquish my time because I'd like to let Legislator Kennedy speak, but I will just say that we had set dollar amounts in those various departments that we wanted to achieve and the proposed elimination of those positions met that dollar amount. What we have here before us --

MR. TEMPERA:

That's not correct.

LEG. LOSQUADRO:

How is that not correct? That's what was given to us.

MR. TEMPERA:

When you talked about -- I think there were four Deputy Sheriff positions, there was I think two Detective Investigators, there was one Park Police officer, I think there was 15, if I remember correctly, Probation Officers. And I don't remember the exact dollar amounts; 870,000 for some reason sticks in my head with the Probation Officers, somewhere around 825,000 for the Deputy Sheriffs. It was a start towards getting long-term savings if we had to get there. The goal here is to get \$6.8 million in savings from the PBA through negotiations and this is no different from what we've done with the other groups.

LEG. LOSQUADRO:

I'll turn it over to Legislator Kennedy, I know he has a lot of questions.

CHAIRMAN GREGORY:

Actually, Legislator Beedenbender is next.

LEG. LOSQUADRO:

Oh, I'm sorry.

CHAIRMAN GREGORY:

Okay? And then Legislator Kennedy.

LEG. BEEDENBENDER:

Ben, I want to go back to something Legislator D'Amato talked about, the seventh RESOLVED clause. I just want to make sure this is clear on the record.

The wording of the RESOLVED clause says, you know, if the PBA comes to the table and agrees to the savings target -- excuse me, let me rephrase. If there's an agreement, I shouldn't say the PBA comes to the table because they have been at the table. If there is an agreement to the savings target, the PBA will be excluded from the -- it will be excluded from the provisions of this resolution. Is it your intent that the five and a half million dollars being stricken will also not occur if there is an agreement?

MR. ZWIRN:

Yes.

LEG. BEEDENBENDER:

Okay. Because you could just read that clause a couple of different ways and if that's the intent, then it's important that that's on the record.

I guess the further comments I would have, and I said this -- you know, this would be similar to the same speech that I gave at the General Meeting when he had to take the -- when the Legislature took the difficult position of voting to lay off Probation Officers, Deputy Police -- Deputy Sheriffs, Park Police, Detective Investigators if they didn't come to an agreement. I just think that it's a matter of fairness. The last thing I would ever want to do is lay off Police Officers. I think public safety is our first charge and it is the first thing that we are bound to do and make sure is there for our constituents.

But in the same respect, I think that it would only be fair if every member of -- every employee of Suffolk County, and unless I'm incorrect, we've caught everybody. Everybody has sacrificed something except for possibly the PBA, I'm not sure if the college employees have done something yet, so that would be the only other one that I think might be still out there .

So I guess what I would say is I would ask -- you know, again, to the County Executive and to the representatives from the PBA, if there's any way to start this anew and sit down. As a Legislator, and I think I could speak for many of my colleagues, we would like this to get done. We understand that the discussions between the County Executive and the PBA have not always been fruitful and that there's been some difficulties between the two. But we would just ask that if there's any way for both sides equally to start anew and find a way to solve this problem and break this impasse. Because I believe the PBA wants to talk, I really do, and I believe that the County Executive doesn't want to fire Police Officers, I believe that. So if we can start from there, I think there is room for agreement and whatever it is, whether it's holiday pay, lag payroll, uniform allowances, whatever creative ideas they can come up and everybody at that table is a creative individual and an intelligent person.

So last time in committee I said this as well, I thought we should discharge it to the full Legislature and we did this for all the other unions a couple months ago and that would be my same recommendation today. I have absolutely zero desire to decrease the number of Police Officers. I was one of the Legislators that voted for a budget that would have put in a new class that would increase the number of Police Officers. But in the same respect, I think it is inherently proper that if

all the other bargaining units, all the exempt employees, the elected officials and everybody else has agreed that there is some sort of contribution to this, that everybody should do it.

Now, to be very clear, I am not in any way insinuating that this is one group's fault; I think the fault lies equally with the County Executive and the PBA for not being able to get this done. I don't -- I think the PBA has been willing to talk, I think the County Executive has been willing to talk, I think they both need to move in some way. We have two groups that believe passionately in their position, but in that situation both will need to move to get something done.

So Mr. Chairman, given all of that, my recommendation, I'll make a motion to discharge without recommendation.

CHAIRMAN GREGORY:

Okay. Do we have a second?

LEG. D'AMARO:

I'll second it.

CHAIRMAN GREGORY:

Okay, seconded by Legislator D'Amaro.

LEG. LOSQUADRO:

Jack, is he on the list?

CHAIRMAN GREGORY:

Yeah.

LEG. D'AMARO:

Well, I'm going --

CHAIRMAN GREGORY:

Just on the motion.

LEG. D'AMARO:

Yeah, just on the motion, with respect to the second.

LEG. KENNEDY:

Any time, fellas, any time.

LEG. D'AMARO:

And thank you, Legislator Kennedy. I appreciate that.

LEG. KENNEDY:

That's quite all right. No problem.

LEG. D'AMARO:

I just want to -- I will second that motion because I think that, as Legislator Beedenbender says, we're all very interested in seeing this come to some resolution that's fair. But, you know, as I sit here and think about moving this to the floor, that's what we did with the prior resolutions as well. It's an important issue, it's something that everyone, all of us, all 18 of us need to consider thoughtfully. And I agree with Legislator Losquadro, I think we -- and I said this with the other resolution as well, we need to see more of a detailed plan. And until we know exactly what the effect of this resolution would be, I can't sit here today and say to you that I would approve of it, but I am willing to put it before the entire Legislature so we can continue with the dialogue, continue with formulating that plan, and also give an opportunity to all of my colleagues to consider the bill as

well.

So I'll second Legislator Beedenbender's resolution -- motion.

P.O. LINDSAY:

Mr. Chairman?

CHAIRMAN GREGORY:

Yes.

LEG. LOSQUADRO:

(Laughter).

CHAIRMAN GREGORY:

He was on my list before you, John.

LEG. KENNEDY:

No, no, you're the Presiding Officer; absolutely.

CHAIRMAN GREGORY:

The early bird gets the worm.

P.O. LINDSAY:

I was on the list, I had to step out for a meeting that's going on in my office and I'm trying to listen with one ear and listen to people with the other ear. I just have a couple of pertinent questions that I just want to get on the record and then I'll go back to my meeting. I haven't been voting on anything in committee for months, as everybody knows, but it's such an important issue, I just have to get down to some bare-bone facts. Do we have another bargaining session scheduled with the PBA?

MR. TEMPERA:

Yes.

P.O. LINDSAY:

When is it?

MR. TEMPERA:

I believe it's June 26th, I'll tell in a second.

P.O. LINDSAY:

Okay.

MR. TEMPERA:

June 26th.

P.O. LINDSAY:

Just to correct something that was said. Last year this Legislature increased the Police tax slightly, over the County Executive's veto, with a purpose of starting a replacement class in the academy this year, because we are desperately concerned about the level of Police staffing across the County. Ms. Vizzini, do you have the numbers on where we are with Police numbers, a historical perspective?

MS. VIZZINI:

Sure.

LEG. LOSQUADRO:

It's being brought to you now.

MS. VIZZINI:

As you know, the Budget Review Office tracks active --

P.O. LINDSAY:

Did we do this when I was out of the room?

LEG. KENNEDY:

No, she brought them to me before.

MS. VIZZINI:

From the beginning of January of '09, we were at 1,680, we're at 1,635. July is another month where we expect additional retirements, although the pace of retirements has been not as rapid as it has been in the past.

P.O. LINDSAY:

Where is that historically as far as the Police force is concerned?

MS. VIZZINI:

We used to budget for about 80 to 100 retirements, now we're below 80.

P.O. LINDSAY:

That isn't what I'm asking. I'm asking do we have more Police Officers on the force now than we did four years ago or three years ago or two years ago or ten years ago?

MS. VIZZINI:

We have less. We have less than we did in '04, we have less than we did in the beginning of this year; we have less.

P.O. LINDSAY:

And, you know, I know that we agreed to take the money out of the budget for the Police class. The administration didn't do that, by the way, this Legislature agreed with that, with the promise that we were applying for the stimulus money and they were going to replace the class. Talking to the Commissioner the other day, we're not going to get a class this year because he hasn't even started doing the background checks on the next class which takes six months. So we're not going to have a Police class this year, which is disturbing, it's disturbing. I think we're all concerned about public safety, like we're concerned about everything else.

I don't disagree that we need savings, we need savings from every unit. And the PBA should not be treated any differently than all of the other bargaining units, but the numbers are falling that we're really concerned about this one. I'm concerned about the negotiations, Jeff. I mean, everybody knows I was a labor leader, so I went through this before. And it's one thing to agree to something at the table, but then you've got to pass it past your membership. And I just -- I'm just troubled. You know, you're in the midst of this critical negotiations where we need the cooperation of every bargaining unit. And, you know, you guys did this thing with the COPE Unit last week which has the whole department up in arms and in turmoil. I've talked to a number of Police Officers since this went down last week and they think you're trying to destroy the department, you know that. And how do you -- how do you -- even if the PBA agrees to something, how do you get that through your membership, an agreement to give back \$7 million with that type of attitude?

MR. TEMPERA:

Well, again, I won't get into the specifics of it. You all know me, I've been doing this a long time. My job is to reach agreements and I've been successful over a long career in reaching fair agreements each and every time; not one that the County wins not, not one that the union wins. And Bill, you've been involved in this in your background, you know that that's something that you can't have. There's no winners, there's no losers in negotiations because that's just a recipe for disaster. You reach a fair agreement. That's the goal here, to reach a fair agreement and one that

has been reached with the other unions, with the Detectives, with the SOA within the Police Department where they were overwhelmingly approved by their membership.

So I understand what you're saying. I am at the table, I'm willing to meet whenever to get this done and to reach an agreement that's going to get through the membership, because nobody wants to put an agreement out there for the sake of seeing it fail.

P.O. LINDSAY:

Was the elimination of COPE helpful in this process to you at the bargaining table?

MR. TEMPERA:

We haven't met and I don't think COPE has been eliminated. I think the functions have been transferred into the Patrol Division and I think that's going to give greater accountability, it's going to give greater service. There's seven day a week service, as you know, we've spoken about this where there was the Tuesday to Saturday service, it's now going to be seven days a week. So we haven't met since that has occurred, but I think the goal with COPE is to make sure the residents get the greatest service that we can out of our Police force.

P.O. LINDSAY:

Is there a cost savings to that?

MR. TEMPERA:

I don't have any numbers in terms of a cost savings, but I think the move was made to get seven day a week coverage.

P.O. LINDSAY:

Okay, so that isn't going to be quantified in the --

MR. TEMPERA:

In terms of the \$6.8 million? No. And that's not something we've done with any of the other bargaining units. This is a one-time deferral of cash.

P.O. LINDSAY:

No, I understand. The other thing that's bothersome to me is the -- and like Legislator Gregory, is the inflammatory statements in the paper and the press are not helpful to this process. The comment about the Legislature being on a leash to the PBA is uncalled for, unnecessary and not helpful to the process, and it's not helpful to this body in trying to support the County and trying to get through these very, very difficult times.

We know we're in horrible, horrible times. I mean, some of the bills and the votes we've taken over the last six months two years ago would have been laughed out of here. I mean, we're battling with the environmental community at the last meeting over slowing down our Land Preservation Program; you would never see that type of dialogue around here prior, but we know we're in trouble.

You know, I don't know how the committee's going to handle this. And, you know, I'm not objecting it to go to the whole membership, but we want to see some fairness in this process. We want to see the PBA treated fairly, like the other unions were treated fairly, and we want an agreement here. We want an agreement, an agreement that will wrap up all of our seven bargaining units together, that we can move forward and hopefully move out of this fiscal tsunami that we're in and survive for another day. But some of the stuff that's happened with the process is a little bit upsetting to me as well as to some of my colleagues.

MR. TEMPERA:

Well, again, you know me, you've seen my work over the years. I have an even hand with the way

I negotiate with all the unions. Fairness, I am treating the PBA in absolute fairness in the way that I've negotiated in each of the other units. I'm not asking for anything more from them that we've asked for from the other units. I'm asking in return the same cooperation I've gotten from the other bargaining units.

There can't be any long-term costs as part of this, and that's just been something we've done with each of the unions. It's a one-shot you're looking at here, cash savings. So we're not going to start increasing payrolls and talk about the exorbitant costs associated with this because you're looking at something that is simply a one-shot here, and that's the way we've dealt with all of the bargaining units across the board. So fairness, absolutely, that's how I deal with all of my negotiations.

P.O. LINDSAY:

Jeff, I never questioned your fairness. But once it leaves the bargaining table what happens? That's -- you know, I would hope that we live up to the agreements that we negotiate.

MR. TEMPERA:

And again, my reputation is something that I have worked on over a long career and it's something that when I sign an agreement, when I shake somebody's hand and say we have an agreement, that's something you can take to the bank. We don't move forward and start violating agreements.

CHAIRMAN GREGORY:

Okay. Before I move on to Legislator Kennedy, is there anyone in the entire building that wants to speak before him?

*(*Laughter From Audience*)*

LEG. KENNEDY:

I'm counting on you, Mr. Chair.

CHAIRMAN GREGORY:

Okay.

LEG. KENNEDY:

Okay. I don't know where we should even go from here, at this point. In all the dialogue, I guess I do have one answer, that seventh RESOLVED really ought to have 6.8 million --

LEG. LOSQUADRO:

You have to hold that button down, John.

LEG. KENNEDY:

Six point eight million, not just projected savings, I think; is that true? Is that what the amount is that's being sought from the PBA?

MR. TEMPERA:

Approximately six point eight million, yes.

LEG. KENNEDY:

Okay.

MR. TEMPERA:

And that's exactly the same language that was in the resolution that was passed with the other bargaining units.

LEG. KENNEDY:

Well, when you say exactly the same language, yeah, there was the vague reference called "savings target", you're correct. But we're being asked to embrace this concept for you not knowing the specific.

Having gone down this course with my colleagues, I'm at the point where I struggled with the vote for the Probation Officers, you and I know, we had many conversations about that, I remain unconvinced that it was necessary. My own opinion at this point is it was more a function of time than it was anything else. I made the motion to table this about an hour-and-a-half ago, I'm going to continue to go with the motion to table it, I'm not going to vote to discharge without recommendation unless I file a resolution to disband committees. Because although I believe all my colleagues have much to say about this, I believe I got assigned to Budget & Finance to do the detailed work necessary to vet out this issue. And if I discharge without recommendation, I might as well go, I don't know, play golf or learn how to do it, which I don't know how to do yet.

I need to go to Budget Review for some of what we talked about when we started this process with the Police District some seven or eight months ago. What is the '09 budget that we adopted for the operations of the Police Department in total?

MS. VIZZINI:

We'll get that in a minute.

LEG. KENNEDY:

Okay. I'm also interested in what we authorized for the Police District Levy and what the commitment from sales tax was. Because I made a commitment to my constituents some seven or eight months ago and I try very hard not to break my commitments.

MS. VIZZINI:

The sales tax commitment was 69.3 million.

LEG. KENNEDY:

Okay. And what are we down on at this point?

MS. VIZZINI:

Yeah, let me just point -- well, we reduced 3.2 million in a prior resolution, so now we're down to 66.1. This will bring the sales tax revenue down to 60.6 which is, you know, again, based on Budget Review's negative 4% growth projections, about a 12.9% overall reduction for sales tax. The 5.5 is in the area of the 8.3. Sales tax, as you know, has not been good the first half of the year.

MR. KOVESDY:

John, I could just give you the numbers.

LEG. KENNEDY:

No, I'm not ready to talk to you yet, Allen.

MR. KOVESDY:

No, the total numbers.

LEG. KENNEDY:

I'll be happy to have a conversation with you in a minute. I was patient for a real long time. Let me go ahead and speak with Gail and find out when we need, all right?

MS. VIZZINI:

They're checking on the other numbers, John.

LEG. KENNEDY:

Okay. We have the 3.2 down, we have 6.8. When it comes to the five and a half million that's being sought from this resolution, how is the balance -- I guess 500,000 we have attributed to the

reduction in salary. What is the other five million reflective of for the budget? Allen, you could answer that or Ben or anybody; what is that -- what am I to think that that represents?

MR. KOVESDY:

You can infer from this resolution that that's the amount of commitment that the County would like the PBA to reduce in total savings, as Jeff said, as a one-shot. Okay? That money is approximately, when we did this, the planned goal for the Police Department. I can just give you -- just let me give you some background here, please, John? I'll make it real easy. The total Police budget was \$429 million, of which 325.5 is in the Police District.

LEG. KENNEDY:

Three hundred and twenty-five point five million raised from property tax levy.

MR. KOVESDY:

That's the Police District. The total Police budget, including all funds and grants, is 429,199,237.

MS. VIZZINI:

That's correct.

MR. KOVESDY:

That's just what I wanted to give you before.

LEG. KENNEDY:

Okay. But beyond what we're looking at in this number, we have nothing else that we can attribute this to as far as specifics, other than this vague term about looking for commitment. So maybe it's you're thinking you'd like them to work a four-day week, or maybe you're thinking you'd like them to go ahead and work a couple of holidays with straight pay, or maybe you're thinking that you want them to give up night differential, or maybe you're thinking -- I don't know what you're thinking. But you're asking me to go ahead and agree to something that's something you have in your mind but I don't have before me at all; that's not good representation on behalf of my constituents. Because like we just talked about and like I got to find out today coming to the meeting, didn't get to read Newsday, I'm purportedly on a leash to somebody and I lost the COPE Unit that I have out of the 4th Precinct who's got 20 neighborhood watches who my constituents on Saturday said they want in tact, they want as a command and they want functioning with their drug issues in neighborhoods. So I'm not voting for this, I'm not voting to discharge without recommendation. I'm voting to table and I'm thinking about making it table subject to call. That's all.

CHAIRMAN GREGORY:

Okay. Do you have a comment?

MR. ZWIRN:

Legislator Kennedy made his speech and there's nothing to respond to.

CHAIRMAN GREGORY:

All right. Well, we have a table to -- we have a table? We have a motion to table and a motion to discharge without recommendation; the tabling motion goes first. All in favor? Opposed? Abstentions? ***Tabling failed (VOTE: 2-3-0-0 Opposed: Legislators Gregory, D'Amaro & Beedenbender).***

All right, discharge motion; all in favor? Opposed?

LEG. LOSQUADRO:

Opposed.

LEG. KENNEDY:

Opposed.

CHAIRMAN GREGORY:

Abstentions? Discharge motion stands. *Discharged without recommendation (VOTE: 3-2-0-0 Opposed: Legislators Kennedy & Losquadro).*

IR 1351-09 - Utilizing County assets to address budgetary shortfalls (Viloria-Fisher). I make a motion to table.

LEG. D'AMARO:

Second.

CHAIRMAN GREGORY:

Second by Legislator D'Amaro. All in favor? Opposed? Abstentions?
Tabled (VOTE: 5-0-0-0).

IR 1414-09 - Instituting a lag payroll in fiscal year 2009 for Bargaining Unit 21 and 30 (management and confidential employees, respectively and exclusive of Suffolk County Community College and employees of the Board of Elections) to address revenue shortfalls and avoid a reduction in the workforce of County personnel (County Executive).

LEG. LOSQUADRO:

This was handled under a different resolution as well.

CHAIRMAN GREGORY:

Right, right.

LEG. LOSQUADRO:

I make the motion to table subject to call.

CHAIRMAN GREGORY:

I second that motion.

LEG. D'AMARO:

Just please note my recusal on the record as per my previously filed disclosure statement.

LEG. KENNEDY:

I'm recusing as well under the same circumstances, Mr. Chair.

CHAIRMAN GREGORY:

Okay. All in favor? Opposed? Abstentions? *Tabled subject to call (VOTE: 3-0-0-0-2 Recused: Legislators D'Amaro & Kennedy).*

IR 1458-09 - Adopting Local Law No. -2009, A Charter Law to amend the Drinking Water Protection Program to increase the allocation for property tax relief (Alden).

LEG. LOSQUADRO:

Motion to table.

CHAIRMAN GREGORY:

Motion to table by Legislator Losquadro.

LEG. D'AMARO:

Second.

CHAIRMAN GREGORY:

Second by Legislator D'Amaro. All in favor? Opposed? Abstentions? ***Motion is tabled (VOTE: 5-0-0-0).***

Introductory Resolutions

IR 1467-09 - Adopting Local Law No. -2009, A Local Law authorizing an optional lag payroll for certain elected County officials (County Executive). This has to be tabled for a Public Hearing. So I have the same motion, same second, same vote?

LEG. LOSQUADRO:

No, discharge it.

MR. NOLAN:

We have to table it for a Public Hearing.

CHAIRMAN GREGORY:

Yeah, the Public Hearing is still --

LEG. LOSQUADRO:

Okay. So yeah, that's fine.

CHAIRMAN GREGORY:

That's fine? Okay. ***Tabled (VOTE: 5-0-0-0).***

IR 1488-09 - To readjust, compromise, and grant refunds and charge-backs on real property correction of errors by: County Legislature (Control No. 811-2009) (County Executive).

I make a motion to approve and put on the Consent Calendar.

LEG. BEEDENBENDER:

Second.

CHAIRMAN GREGORY:

Second by Legislator Beedenbender. All in favor? Opposed? Abstentions? ***Approved and placed on the Consent Calendar (VOTE: 5-0-0-0).***

IR 1514-09 - Amending the 2009 Operating Budget and appropriating funds in connection with bonding for a General Liability Case (County Executive).

LEG. D'AMARO:

Motion to approve.

CHAIRMAN GREGORY:

Motion to approve by Legislator D'Amaro, second by myself. All in favor? Opposed? Abstentions? ***Approved (VOTE: 5-0-0-0).***

IR 1558-09 - Adopting Local Law No. -2009, A Charter Law to implement a cost saving measure to help mitigate budgetary shortfall (County Executive). This resolution has to be tabled for a Public Hearing. So I make a motion to table.

LEG. LOSQUADRO:

Second.

CHAIRMAN GREGORY:

Second by Legislator Losquadro. All in favor? Opposed? Abstentions? *Tabled (VOTE: 5-0-0-0).*

Having no more business, we are adjourned. Thank you.

*(*The meeting was adjourned at 11:50 AM*)*