

**BUDGET AND FINANCE COMMITTEE**  
**OF THE**  
**SUFFOLK COUNTY LEGISLATURE**  
**VERBATIM TRANSCRIPT**

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, September 7, 2010.

**MEMBERS PRESENT:**

Legislator DuWayne Gregory - Chairman  
Legislator Lou D'Amaro - Vice-Chair  
Legislator Daniel Losquadro  
Legislator Ed Romaine  
Legislator Jay Schneiderman

**ALSO IN ATTENDANCE:**

Presiding Officer William Lindsay, Legislative District No. 8  
Legislator John Kennedy, Legislative District No. 12  
George Nolan, Counsel to the Legislature  
Sarah Simpson, Assistant Counsel to the Legislature  
Renee Ortiz, Chief Deputy Clerk of the Legislature  
Robert Lipp, Deputy Director, Budget Review Office  
Benny Pernice, Budget Review Office  
Bill Shilling, Aide to Presiding Officer Lindsay  
Kara Hahn, Aide to Presiding Officer Lindsay  
Paul Perillie, Aide to Legislator Cooper  
Jason Richberg, Aide to Legislator Gregory  
Nancy Jacobsen, Aide to Legislator Gregory  
Justin Littell, Aide to Legislator D'Amaro  
Ben Zwirn, County Executive's Office  
Tom Vaughn, Intergovernmental Affairs  
Gail D'Ambrosio, SC Probation Officers Association  
Dot Kerrigan, AME 4th VP  
Rob Zielenski, AME Treasurer  
All other interested parties

**MINUTES TAKEN BY:**

Lucia Braaten, Court Stenographer

**MINUTES TRANSCRIBED BY:**

Denise Weaver, Legislative Aide

**[\*THE MEETING WAS CALLED TO ORDER AT 10:11 A.M.\*]**

**CHAIRMAN GREGORY:**

Good morning, folks. We're going to get started with today's Budget and Finance Committee meeting. I know Jay Schneiderman is stuck in traffic. There's a horrible accident, so we may have to excuse him, depending on --

**LEG. ROMAINE:**

He's going to be awhile.

**CHAIRMAN GREGORY:**

Yeah, and we have a short agenda today.

So we are going to start off with the Pledge of Allegiance, led by our Counsel, George Nolan.

**(SALUTATION)**

All right. Let's go to the agenda. The public portion we don't have any cards. Is there anyone in the audience that would like to speak? Please come forward, state your name. No big rush, no rush at all to the mic. Okay. We'll move on. Okay. Let's get to tabled resolutions.

IR 1368. Oh, where's the Clerk? Okay. Oops. All right. Maybe we should address -- there was a -- I sent a request to the County Executive's Budget Office to come before us and answer some questions regarding the DTAN public statement. I received a message back from Connie Corso. I asked her or Eric Naughton to come before us, and the response was that they are entrenched in the budget process, and I understand that, and that they wouldn't be able to break away. But there were some questions that were brought to my attention, so -- by Legislator Romaine, and his inquiry gave me reason to look into some of the statements and things that are in it. So I'll turn over the floor to you at this moment.

**LEG. ROMAINE:**

Well, I haven't reviewed the entire offering that was made for the DTAN. As I was drifting through it, on page A 16 and A 17, it clearly stated, for those who wishes to invest in our DTAN notes, that we were saving \$42,000 per patrol person by replacing the Suffolk County Police on the Sunrise Highway and the Long Island Expressway with the Deputy Sheriffs. Now, I just wanted that confirmed. I see our Budget Review Office is here, because I thought that \$42,000 number, which the County Executive used in his press release, was a number that was later shot down in the sense that the estimate was too high. I don't doubt that there may be some savings, but I think there was a Budget Review report that said there was less; is that correct, Mr. Lipp?

**MR. LIPP:**

Our preliminary report, it was in that neighborhood, but we have not since updated it to look to see what the actuals were, you know, moving forward. So --

**LEG. ROMAINE:**

So is it \$42,000 per patrol person? Is there a savings of \$42,000 per man or woman?

**MR. LIPP:**

Yeah. The answer really is we would have to revisit it to see if that number stands up under scrutiny.

**LEG. ROMAINE:**

Because I remember getting reports that it was closer to ten, \$11,000, not the \$42,000 that was estimated. Hey, Jay, you survived the Long Island Expressway?

**LEG. SCHNEIDERMAN:**

Oh, my God. It was a parking lot.

**LEG. ROMAINE:**

I mean, that's the report I'm getting. And my concern, I don't mind people doing that in press releases, because we know sometimes there's an exuberance in press releases that does not always go to accuracy. However, when you put that in a DTAN statement that investors are basing statements on that based on their, you know, willingness to invest in our notes, that's another matter. So I would like that confirmed by Budget Review.

**MR. LIPP:**

We'll look into that.

**LEG. ROMAINE:**

Thank you.

**CHAIRMAN GREGORY:**

If I may piggy-back on that, it was my recollection that in Public Safety, when the whole issue first came about, that there was, at least from BRO's perspective, a revision of that number as you call in, and I want to say the initial projection was about 1.2 million in savings, and when it was all vetted out, we had estimated, or BRO had estimated, I think it was around the neighborhood of 400 or 500,000. So there was some savings, but it wasn't in the neighborhood of what the initial projections were.

**LEG. ROMAINE:**

Well, I have no question that there's savings, but I don't think it's \$42,000 per patrol officer. And I don't mind people making claims like that, because you can do anything with statistics. You can take the highest paid Patrol Officer and look at -- in the Police Department, and look at the lowest paid Deputy Sheriff and come up with the number of 42,000. But for you to put that in a DTAN statement, that rises to a whole level of -- a whole different type of level.

So I definitely would like Budget Review to look at that. I had E-mailed you earlier last week so that the Budget Office could explain their calculations, and, in fact, if that statement in that notice made to investors who would buy our notes was, in fact, accurate. I assume that every statement that we put in those notes are accurate or attempts to be accurate, I would make that assumption. So I wanted an explanation, because it just would be astounding to me if there was a Budget Review report out there that indicated that the savings would be less and someone still put that in the notice.

**CHAIRMAN GREGORY:**

And again, from my recollection, since you brought it up to me, I hadn't even researched it to verify it, but my recollection is the initial -- the \$42,000 was based on the starting salary of a Deputy Sheriff. And when BRO analyzed, did their analysis, they said, well, the average Highway Patrol Officer, Police Officer, is a ten-year veteran. And then when you look at a Deputy Sheriff with that amount of experience and you put them on a patrol, that's when the savings was reduced. That's my recollection.

**LEG. ROMAINE:**

There's only one valid way to make a determination of savings. Go back and look at all the payrolls, week by week, add up what the Deputy Sheriffs are getting paid, including overtime, add up what the Highway Patrol got and compare them, and if there isn't \$42,000 in savings, that statement should have never been made in a DTAN note publication for investors to review prior to investing. And it calls into question, and I'm going through the DTAN notice now to take a look at all other statements of County government to make sure that we as a Legislature ensure absolute

accuracy so that investors can be assured that whatever statement is made in there is, in fact, true and correct.

**CHAIRMAN GREGORY:**

And I agree with that. Legislator Losquadro?

**LEG. LOSQUADRO:**

I was just going to make a similar point. I mean, if Budget Review is going to undertake an analysis, let's just make sure it's done properly and takes into account all overtime, a true apples-to-apples comparison. I know it's difficult sometimes being that people are moved back and forth between civil and patrol in the Sheriff's Department, it's difficult to do a comparison, because people perform different functions there. But if we can look at average salaries, include overtime, and, for that matter, include overtime for the Police Department as well, A true apples-to-apples comparison is something that thus far has been difficult to accomplish for the reasons I just stated. But if we're going to undertake it, I would certainly be interested to see those numbers.

**P.O. LINDSAY:**

I just wanted to say something.

**CHAIRMAN GREGORY:**

Yes, Legislator Lindsay.

**P.O. LINDSAY:**

I really agree with both of my colleagues. Budget Review did do a white paper on this, but, at the time, it was an estimate when this program was just starting. But here we are in year two of this experiment and we should have hard numbers. I mean, I'm sure somewhere the Sheriff must keep a hard number of what his costs are on the Expressway and Sunrise Highway. And we certainly should have the hard numbers from the prior year from P.D. on the Highway Patrol. So, you know, I think now we're not talking about estimates anymore, we're talking about actuals, and I think that would be a very enlightening number.

I do agree with Legislator Romaine, that when you put a number in an investment document, it better be right, because, I mean, you're asking people to invest their hard-earned money, and you get into SEC issues and it becomes a very serious issue. So I think we should be able to acquire the numbers.

**CHAIRMAN GREGORY:**

Yes, Legislator Schneiderman.

**LEG. SCHNEIDERMAN:**

I'm sorry, I missed the first part of this discussion because I was on the L.I.E. and it was a giant parking lot, as it sometimes is.

When you're doing this analysis, the one question that seems obvious in terms of -- because it really is apples to oranges, is you have two different tax bases here. You have the Sheriffs that are being paid County-wide and you have the P.D. that's paid by property owners only within that Suffolk County Police district. So, although, there may be savings to those individuals by having the cost of this patrol shifted to a larger tax base, there is an inherent unfairness in the way this is done in terms of having a road in the Police District patrolled by the entire County, rather than the Police District itself. And I don't know how you build that into any kind of analysis, but it seems like a really bad precedent to set at least.

**MR. LIPP:**

It's a different issue. We would look at just the expenditure side, and it's really a policy issue whether it should be General Fund or Police District, but that's an excellent point, though.

**LEG. SCHNEIDERMAN:**

Is there -- and I'm not suggesting that we do this, but 27 is a State Road -- I'm sorry, Route 27 is a State road as well as L.I.E., the Sheriffs on the L.I.E. and portions of Sunrise 27, but not all of 27, and there's no reimbursement that's going to the local police departments for patrolling the State road within those jurisdictions. It seems like that would be a fairer approach than just that partial coverage within the County from a whole County function.

**MR. LIPP:**

Again, the fairness issue is a policy issue that would probably be on the scope of the initial request at least.

**LEG. SCHNEIDERMAN:**

Would the County have to -- if it's going to patrol a State road in a portion of the County, would it be required that they either patrol it or pay for it to be patrolled throughout the County; is there any law that would require that fairness?

**MR. LIPP:**

I don't think so. It's always a moving line to say what is the General Fund portion of police functions, and that's typically a policy issue. And, you know, we've looked at that a few times and it's -- there isn't anything you can clearly say that we have too much or too little in the General Fund. It's -- you know, the perspective is one of clearly of equity, which is a value judgment, so it's hard to say definitively.

**LEG. SCHNEIDERMAN:**

Let me ask Counsel. If the County is providing a service, whole County service, can it be provided by policy only in one portion or does it have to be extended throughout the County? That's, you know, the area that is funding it, the tax district, in this case, the whole County that's funding that service.

**MR. NOLAN:**

Well, but don't those roads extend into both the Police District and outside the Police District?

**LEG. SCHNEIDERMAN:**

It's like the L.I.E. as well.

**LEG. ROMAINE:**

No, they don't. No, they don't.

**LEG. SCHNEIDERMAN:**

Well, Sunrise Highway is both in the Police District and outside the Police District.

**LEG. ROMAINE:**

But the Deputy Sheriffs don't patrol the non --

**LEG. LOSQUADRO:**

You've got to use the mic.

**LEG. SCHNEIDERMAN:**

Right. Is that your question, George?

**MR. NOLAN:**

That was my question.

**LEG. SCHNEIDERMAN:**

Right, the Sheriffs are only patrolling the Police District portion of it.

**MR. NOLAN:**

So your question was, is there a legal impediment?

**LEG. SCHNEIDERMAN:**

Right, since the payment for that service is coming County-wide. And the argument for putting the County patrol, the Sheriffs patrol on it, is that it's a State road. Then shouldn't the portions of that State road that are outside Suffolk County P.D. also be covered, either reimbursed to the local P.D.'s or the service offered?

**MR. NOLAN:**

I think we could, it could be done. I don't think there's -- that it has to be, but I think it's like what Robert just said, it's a -- really a policy call. I don't think -- I don't think there is an absolute requirement that we provide that service outside the district on those roads.

**LEG. SCHNEIDERMAN:**

So, if it were requested, let's say, could it be denied and say, "No, we're only going to provide that service within the P.D.," the Police District?

**MR. NOLAN:**

I think so. But I think maybe it's -- you know, I don't know the answer to your question. I'm doing the best I can.

**LEG. SCHNEIDERMAN:**

Could you give me a more formal opinion on that issue?

**MR. NOLAN:**

Okay.

**LEG. SCHNEIDERMAN:**

Thank you.

**CHAIRMAN GREGORY:**

All right. Anyone else? Okay. Also, we had requested Eric Naughton to come before us as well to address the -- some questions about the sales tax consultant and, I guess for the same reasons, they weren't be able -- they weren't able to come here. Legislator Romaine.

**LEG. ROMAINE:**

Second time in a --

**CHAIRMAN GREGORY:**

Yes, yes, yes. All right. We have the Clerk here. No more comments? Okay. We can do go to the agenda. We have IR -- tabled resolutions.

### **TABLED RESOLUTIONS**

We have ***IR 1368 - Adopting a Smart Government Plan to address budget shortfalls to prevent property tax increases. (Co. Exec.)*** I make a motion to table.

**LEG. D'AMARO:**

Second.

**CHAIRMAN GREGORY:**

Second by Legislator D'Amaro. All in favor? Opposed? Abstentions?

**LEG. ROMAINE:**

Recused.

**CHAIRMAN GREGORY:**

Okay. (VOTE: Tabled 5-0-0-1 Recused: Leg. Romaine - P.O. Lindsay included in vote).

**INTRODUCTORY RESOLUTIONS**

***IR 1849 - Amending the 2009 Lag Payroll Program to ensure equity for affected employees. (Pres. Off.)*** I make a motion to approve.

**LEG. D'AMARO:**

Second.

**LEG. ROMAINE:**

Second.

**CHAIRMAN GREGORY:**

By Legislator D'Amaro.

**P.O. LINDSAY:**

I'll second that, and I'll explain it, if I could.

**CHAIRMAN GREGORY:**

Sure.

**P.O. LINDSAY:**

With the early retirement, there's like a handful of people that kind of fell through the cracks that went through a demotion or something. And the way the lag payroll system is worded, they would get less money than they had deducted from the salary. So the only thing that this does is assure that whatever money we deducted in that lag payroll process last year that they get back. That's the explanation.

**CHAIRMAN GREGORY:**

Okay. Thank you. All right? All in favor? Opposed? Abstentions? Okay. **(VOTE: Approved 6-0-0-0 - P.O. Lindsay included in vote)**

**LEG. ROMAINE:**

Could you please list me as a cosponsor?

**CHAIRMAN GREGORY:**

***IR 1869 - Amending the 2010 Operating Budget and appropriating funds in connection with bonding a settlement for a bus liability case. (Co. Exec.)*** I make a motion to approve.

**LEG. D'AMARO:**

Second.

**CHAIRMAN GREGORY:**

Second by Legislator D'Amaro.

**LEG. LOSQUADRO:**

It's approved by Ways and Means?

**CHAIRMAN GREGORY:**

Yes.

**LEG. LOSQUADRO:**

Okay.

**CHAIRMAN GREGORY:**

All in favor? Opposed? Abstentions? **(VOTE: Approved 6-0-0-0 - P.O. Lindsay included in vote)**

Okay. There's our agenda and we are adjourned. Thank you.

***[\*THE MEETING WAS ADJOURNED AT 10:28 A.M.\*]***

*{ } Denotes spelled phonetically*