

BUDGET & FINANCE
INFORMATION TECHNOLOGY
COMMITTEE
OF THE
SUFFOLK COUNTY LEGISLATURE

MINUTES

A meeting of the Budget & Finance Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, New York, on Tuesday, March 1, 2011.

Members Present:

Legislator DuWayne Gregory - Chairman
Legislator Jay Schneiderman - Vice-Chair
Legislator Ed Romaine
Legislator Tom Muratore
Legislator Lou D'Amaro
Presiding Officer William Lindsay - Ex-Officio Member

Also In Attendance:

George Nolan - Counsel to the Legislature
Jason Richberg - Aide to Legislator Gregory
Renee Ortiz - Chief Deputy Clerk of the Legislature
Gail Vizzini - Director Budget Review Office
Legislator John Kennedy - 12th Legislative District
Christine Malafi - County Attorney
Eric Naughton - Director/County Exec's Budget Office
Connie Corso - Deputy Director/County Exec's Budget Office
Bennie Pernice - Budget Review Office
Eric Kopp - County Executive's Office
Paul Perillie - Aide to Majority Caucus
Gail Lolis- County Attorney's Office
Catherine Stark - Aide to Legislator Schneiderman
Justin Littell - Aide to Legislator D'Amaro
Dot Kerrigan - AME
Adrienne Esposito - Citizens Campaign for the Environment
All Other Interested Parties

Minutes Taken By:

Donna Catalano - Court Stenographer

(*THE MEETING WAS CALLED TO ORDER AT 10:11 A.M.*)

CHAIRMAN GREGORY:

Good morning, Ladies and Gentlemen. Welcome to today's Budget and Finance and Info Technology Meeting. At this point, we will have the Pledge of Allegiance led by Legislator Muratore.

SALUTATION

CHAIRMAN GREGORY:

Okay. We are going to go to the public portion. We have one card. We have Adrienne Esposito. I know I saw her.

MS. ESPOSITO:

Good morning, Members of the Legislature. My name is Adrienne Esposito. I'm the Executive Director of Citizens Campaign for the Environment. I am here today to ask you to please support Suffolk County Legislator Ed Romaine's budget amendment, which is Number 1035. It is the amendment which allows for the continuation of the Pesticide Management Program by Cornell Cooperative Extension.

I just want to tell you what you may not know. Cornell Cooperative Extension has been an active partner and a leader in the Citizen Advisory Committee for implementing the Pesticide Phaseout Law of this County. This Legislature passed the Pesticide Phaseout Law back in 2002. I've been a member of that committee for ten years. Not quite sure how that happened, but it has been ten years. And the committee is quiet -- if you can believe it, I am actually on a quiet committee -- but extremely effective.

What you may not know is that this committee has actually succeeded for the vast majority of pesticides to phase them out on County-owned properties. We actually have quite an accomplishment, and you may not know, so I'm going to read you a number or two here. Because of the work of this committee, we have actually phased out 183 different pesticides, which equates to almost 1500 pounds of active ingredients, active ingredients over the county over the last ten years.

Now on one hand, I want you to know we now have -- the DEC is reviewing a plan to reduce pesticide use across Long Island. It's the Long Island Pesticide Management Plan. The reason that they're doing that is because we currently have 114 pesticides found in our sole-source aquifer and our drinking water supply. So that's a good thing. They're planning on what they can do better. But you already have a committee that has started the process and has succeeded in reducing the pesticides. So we need that committee to stay in place. It is a committee composed of most County agencies; the wonderful leadership of the County Health Department, the DPW is on it, Cornell Cooperative and just a few non-governmental organizations; myself and the Babylon-Brentwood Breast Cancer Action Coalition.

But my point to you is we need to keep going. We have worked very, very hard over the ten years to implement this law for you, to implement this law successfully for the people of Suffolk County. And we've done it, we've succeeded. If the budget gets cut, we won't be able to continue what we have done. You will be taking a step backwards. You will be allowing more pesticide use on County property if the budget gets cut again.

I know this is tough times. You know I hardly ever rarely appear in front of this Legislature asking for something any more, although I'll be back next week. But this very, very important, because last year, they experienced a 10% cut in their budget. We're managing to keep going. But this would be another 20% cut in the budget, and it would severely impact the ability to implement this

program successfully. So you have to make a choice. I know you make hard choices with budgets every year. But if we're going to continue successfully to not use pesticides in our parks, in our buildings, on our roadways and all the other places -- all the other properties that Suffolk County owns that we need to keep the project alive, we need to keep the program going.

Our committee -- this is one of the best -- and I say this to you honestly as somebody who works throughout the State of New York -- this type of program and these citizen advisory committees for pesticide phaseout exist throughout New York. There's one in Buffalo, there's one in Albany, there's one in Westchester. I can tell you objectively, this is the most successful one. This is the best committee. This is the one that does the research for the alternatives, that provides alternatives for your buildings, provides alternatives in the parks, provides alternatives for the golf courses. This is the best one, so we'd like to keep you -- we'd like to keep it successful. Thank you very much.

CHAIRMAN GREGORY:

Thank you.

LEG. ROMAINE:

Quick question.

CHAIRMAN GREGORY:

Adrienne, there's a question by Legislator Romaine.

LEG. ROMAINE:

First of all, thank you for appearing. This is a budget amendment, so it doesn't add to the budget, it simply offsets it. The offset is an automobile. This Integrated Pest Management Program, this is strictly for us to comply with our own law. This is for County properties. I mean, it's as simple as that. This is not for the general public. This is for County properties so the County says, "not do as I say, don't do as I do," because we want to do -- we want to walk the walk, we want to make sure that this program works for County properties, and we will not have sufficient funding to do that. Thank you.

LEG. SCHNEIDERMAN:

Can I ask a related question maybe to Legislator Romaine. The Integrated Pest Management Program, Legislator Romaine, in terms of the budget amendment, that is or at least probably should be funded with 477 funds?

LEG. ROMAINE:

It is. By the way -- I'm sorry. This is rolled up with returning a small amount of funding to the Diabetes Program that was also cut from the County Executive's budget.

LEG. SCHNEIDERMAN:

I don't think you'd be able offset an automobile --

LEG. ROMAINE:

So it's 477 money for this and automobiles --

LEG. SCHNEIDERMAN:

477 money -- Gail, there's 477 money available, is there not?

MS. VIZZINI:

There is money available, and this is a small amount of money, 37,454.

LEG. SCHNEIDERMAN:

Okay. So we're not eliminating another 477 -- just for those who may not be familiar, 477 is part of that special fund for water quality, which is directly related to, you know, this project of reducing pesticide use and keeping it out of our groundwater as Ms. Esposito spoke about with all the various pesticides found in groundwater. So the money that would be need to bring up the funding for that IPM Program, it would not be taking away from any other 477 project, right? It's available funding.

MS. VIZZINI:

There is fund balance money available in the fund.

LEG. SCHNEIDERMAN:

Okay. Thank you.

MS. ESPOSITO:

And it may be a small amount of money, but it's a very big pay off of at the end.

P.O. LINDSAY:

Legislator Schneiderman?

CHAIRMAN GREGORY:

We have Legislator D'Amaro.

P.O. LINDSAY:

You were talking. Just really real for the sponsor, and I guess we could debate it when it comes up, but while Adrienne is here, she could maybe add some insight. I would suggest to the sponsor to split these two pieces. I don't think anybody objects to taking the money out of 477. We would all rather see that money used for this cause than for paying salaries, which has been the standard over the last few years.

The other part of the Diabetes Program, I'm reluctant to reopen the budget. The budget was the worst budget we have ever had to do. And we really struggled with reassessing priorities, and we cut programs that we liked and we loved, to try to keep some of the domestic violence agencies going, the soup kitchens going. So just a suggestion to the sponsor that if you split these two and treat them separately instead of combining them together, I would be more likely to support it.

CHAIRMAN GREGORY:

Legislator D'Amaro.

LEG. D'AMARO:

Yes. Okay. Good morning. Just a quick question. Thanks for all your work on this committee. What is the budget now for this program?

MS. ESPOSITO:

For the entire committee?

LEG. D'AMARO:

Yeah.

MS. ESPOSITO:

I think it would better to ask the Cornell Cooperative Extension that rather than myself.

LEG. D'AMARO:

Well, do you chair the committee?

MS. ESPOSITO:

No. Actually Amy Euchatz from the Division of Environment and Energy for the Suffolk County is the Chair of the Committee.

LEG. D'AMARO:

So the Integrated Pest Management Program, we're looking to restore another 37,000, right?

MS. ESPOSITO:

Yes.

LEG. D'AMARO:

And so just explain to me how -- you know, how that 37,000 has an impact.

MS. ESPOSITO:

Okay. That's a fair question. Number of the ways. One of things that Cornell does that nobody else on the committee can do is they'll do tests on the effectiveness of the non toxic alternative.

So, say, for instance, one of the things that I will refer to as the sacred cow of the County are the golf courses. So we need for the golf courses to still be playable, we need for them to still generate money, we need for them to still be a very high quality. So what Cornell does is each year when a new product comes out that says it can kill {Dialspot} or something else that will hinder golf courses functionality, they will do test plots. And we will look for the effectiveness of the non toxic alternative and then we can use it or not use it.

So a lot of what they do is fieldwork; they're out there. They'll go to a building, they'll see what is the structural problem where we can use non toxic methodology to stop an insect infestation, they'll be on the golf courses, they'll be at the Suffolk County Community College for the tick infestation, they'll -- I actually -- I have to tell you, I wouldn't want to do what they do. I mean, they go with the draggers, they have to count the ticks. We use non toxic. We see if the tick population has -- when I say "we," I really mean them -- if the tick population has been reduced. And then it allows our committee to give proper guidance about what are the non toxic alternatives that will succeed and what won't succeed, because we don't want a health impact. I don't want children going to a park and being covered with poison ivy, and I don't want students at Suffolk County Community College to be infested with ticks.

LEG. D'AMARO:

Let me ask you -- and that's very important work, I agree with you. Are there new products that are coming out that need to be tested but are not being tested presently?

MS. ESPOSITO:

New products are coming out pretty much on a yearly basis, because this is now the new mantra, "pesticides reduction." So the answer to your question is yes.

LEG. D'AMARO:

Okay. If you know -- maybe I should ask this to the sponsor through the Chair. How do you arrive at the amount of funding needed for the testing? Or how did Cornell arrive at that amount.

LEG. ROMAINE:

I met with the officials from Cornell, including the Executive Director and the Director of Agricultural Program. We went over -- and there are two things here, I'm going to speak to both of them, that's why I wrote them together; one was the Integrated Pest Management so that the County could comply with its own laws; and the other one was the Diabetes Program, because that is a program

that the Health Department leverages for several of its grants. I believe -- and I don't have an exact number -- but I think it's several hundred of thousands of dollars in grants that the Health Department has been able to leverage by using -- 3.7 million. Thank you, Bill -- they have been able to leverage by using the Cornell Program. So it's like we make an investment of pennies and we return for dollars.

So this is something that I thought because of the small amount -- I mean, both of these roll together as \$77,000, and the offset is automobiles. I thought because of the small amount, it made sense to put them together. I understand the Presiding Officer's point of view, but I consider both of these programs vital. These are funding levels that were not established by me, but by the County Executive who does have a reputation for being cost conscious in his budget presentations. I met with Cornell. This is the minimum they need to do to run both of these programs.

MS. ESPOSITO:

And if I may just add, one of the things that we have not quantified is how much money the County has saved by implementation of this program, because when you're not buying the pesticide and you're not -- there has been much more conscious procurement of these chemicals for the last ten years than there was ten years prior. We no longer have leftovers sitting around and then buying the new thing. The consumption and even the procurement is way down. I don't know what that savings is, but I know it does exist.

LEG. D'AMARO:

Okay. And one more question to the Budget Review Office, what is the total budget for this program?

MS. VIZZINI:

The Integrated Pest Management Program was adopted at 149,818 for 2011. It had been recommended at 187,272.

LEG. D'AMARO:

All right. Thank you.

LEG. SCHNEIDERMAN:

Just briefly, thank you. Adrienne, thank you so much for serving on this committee too. And you just talked about the potential cost savings in the chemicals themselves. And the one thing we may never be able to measure is also the savings -- our health, you know, savings by not having, you know, these chemicals and all their toxicological affects on the human body that we may find out years from now what cancers or whatever other growth defects that they may cause. So we may be saving a lot more than we actually see in the first instance just looking at those numbers.

MS. ESPOSITO:

It's true. I mean, I think if you ask any parent, they bring their I bring children to a park to be healthy, not to be exposed to toxic pesticides.

CHAIRMAN GREGORY:

Adrienne, you know, the important question is -- because you mentioned golf courses -- will this bill help improve my handicap? Now, obviously, I guess it doesn't address it. But thank you for coming here today.

MS. ESPOSITO:

I'm sure it will.

CHAIRMAN GREGORY:

All right. Well, you have my support. That is all the cards we have in the public portion. Is there anybody else who would like to speak that hasn't filled out a card, please come forward. Okay. All right. We'll move on with the agenda. We do have correspondence.

LEG. ROMAINE:

Mr. Chairman, because there is a number of people who are from Cornell Cooperative Extension, would it be inappropriate to make a motion to take this resolution out of order? It's at your discretion, sir?

CHAIRMAN GREGORY:

No.

LEG. SCHNEIDERMAN:

Does the sponsor have any issues with splitting it up into two, in which case, we couldn't do this today?

LEG. ROMAINE:

Today is the day we have to do it. I only have four times a year, as I think you are eminently aware of --

LEG. SCHNEIDERMAN:

That is coming up later today.

LEG. ROMAINE:

-- to amend the budget. This is the opportunity to get it done.

CHAIRMAN GREGORY:

I request that you hold off on your motion to submit this. Correspondence in compliance with -- pursuant to Local Law 40 of 2010, as Chair of the Budget and Finance Committee, we received notices from the administration about contracts that I think is totaling 234 contracts that warrant completed by the February 1st deadline. So I want to submit those for the record. And, Legislator Romaine, we'll go with your motion now.

LEG. ROMAINE:

Yes. With your permission, I'd like to take Resolution 1035 out of order.

LEG. SCHNEIDERMAN:

I'll second that motion.

CHAIRMAN GREGORY:

Mr. Kopp. That's to -- you want to talk about this bill?

MR. KOPP:

Yes.

CHAIRMAN GREGORY:

Okay.

MR. KOPP:

It's important to note that these items were funded in the original proposal submitted by the County Executive when looking at the 2011 Budget. And they were both defunded as part of the Budget Omnibus process, which the Presiding Officer just referred to a few moments ago as being a difficult

process as all budgets are in these difficult times when we're all faced with making tough decisions and making cuts.

Significantly, every time we restore funding for something, we're cutting something else, which puts more budget pressure on all of us who have to administer it. So I would like to recommend the Legislature not pass this resolution and leave the budget in tact and not create any additional holes in the budget.

P.O. LINDSAY:

Can I comment?

CHAIRMAN GREGORY:

Yes, Mr Presiding Officer.

P.O. LINDSAY:

First of all, Mr. Kopp, would you tell your boss that we let you talk, okay? I mean, that's important to me. And second of all, I agree with you. I'm very reticent to reopen the budget again because of the difficulty of it.

And again, contrary to a lot of press reports, we worked very, very hard on the budget to -- if we funded something, we cut something else and tried to keep it as flat as possible without adding any more burden. And I'd rather not do it mid year. And to Counsel, wouldn't we have one more chance -- can't we vote on the budget amendment at the second meeting in March?

MR. NOLAN:

We can vote on budget amendments at any meeting. The restriction is when we can file them. So right now, it's February; first meeting in February, first meeting in April, budget amendments can be laid on the table and there's two other meetings subsequent to that.

P.O. LINDSAY:

So this budget amendment couldn't be split into the two --

MR. NOLAN:

If you're going to split out -- the intention is to split out and create a new bill, it would have to April.

P.O. LINDSAY:

All right.

LEG. D'AMARO:

You could delete one.

LEG. SCHNEIDERMAN:

You could delete one as an amendment. So you could, let's say, delete the Diabetes Program and you could still allow the 477 one to move forward now, and then reenter the Diabetes piece in April. That's a possibility.

P.O. LINDSAY:

All right.

MR. KOPP:

Thank you.

CHAIRMAN GREGORY:

Okay. All right. We have a motion, we have a second to take it out of order. All in favor? Opposed? Abstentions? Okay motion passes.

1035, Amending the 2011 Operating Budget to support Cornell Cooperative Extension's Diabetes Prevention Program and Integrated Pest Management Program. (Romaine)

LEG. ROMAINE:

Motion to approve.

LEG. SCHNEIDERMAN:

I'll second it.

CHAIRMAN GREGORY:

Motion to approve by Legislator Romaine, seconded by Legislator Schneiderman. On the motion.

LEG. SCHNEIDERMAN:

To the sponsor, because, you know, the 477 funding we're been told there's money available to do that. It seems like it's a prudent thing to do. The Diabetes Program is a great program. Of course we'd all love to see the full funding of it, however, we had to make radical cuts throughout the County. And the sponsor -- Legislator Romaine, I think you have this offset by a vehicle; is that right, the diabetes Program?

LEG. ROMAINE:

That's correct.

LEG. SCHNEIDERMAN:

And do we truly not need that vehicle? Where did that come from?

LEG. ROMAINE:

That actually came from my colleague, John Kennedy, who indicated that there were vehicles that were not being used. In fact, he has a unique vantage point. All he has to do is look out his window, and he can take a look at vehicles not being used.

But if you would, Legislator Schneiderman, if I could refer a quick question to Budget Review and to Craig at Budget Review, the Diabetes Program that Cornell uses, is that leveraged by the Health Department for additional grants that come to the County of Suffolk to help in the treatment of diabetes?

MR. FREAS:

Yes. There are -- in addition to treating the some 4500 patients in the health centers who suffer from diabetes, the dieticians also keep our Prenatal Care Assistance Program in compliance, and they keep our HIV/AIDS patients up to the appropriate standard of care.

LEG. ROMAINE:

And how would you say that money is leveraged by the Health Department?

MR. FREAS:

We get several HIV grants through the different Federal Ryan White Programs. We also have to, in order to meet the standard of care both for the Prenatal Care Assistance Program and the HIV/AIDS Program, we are required to provide dietary and nutrition screenings for pregnancy women and for HIV/AIDS patients.

LEG. ROMAINE:

And this is what Cornell does?

MR. FREAS:

This is what Cornell does for us, yes, sir. If we were not to do that for some reason or if we were behind, we could fall out of the -- we could fall out of compliance not just with grants, but with --

LEG. ROMAINE:

Not only with grants, but with Federal Law.

MR. FREAS:

Well, it would be Medicaid money that we would not then receive.

LEG. ROMAINE:

Would this put several millions of dollars at jeopardy?

MR. FREAS:

That's my understanding.

LEG. ROMAINE:

Several millions of dollars for what is essentially about \$40,000 that we are adding for the Diabetes Program?

MR. FREAS:

Potentially, yes, sir.

LEG. ROMAINE:

I mean, I guess we're going to trip over dollars to pick up pennies. Thank you.

P.O. LINDSAY:

Craig, how does this Article 6 reduction play into this? I mean, if my understanding is correct, the State's mandate on the cutback on the Article 6, no can't -- we can no longer see patients over 21 with chronic diseases under the Article 6 pullback. And how -- I mean, diabetes is a chronic disease. So are we going to be faced with a situation where we can't see the patient in the first instance at our health center?

MR. FREAS:

For the diabetics -- the Article 6 funds -- as you know, both Budget Office and the County Attorney's Office are going to address this further during the meeting. But the Article 6 funding with respect to diabetes falls under the chronic care, and that's one of the -- it's one of the reimbursement claims that we make that is at issue in our lawsuit with the State.

The funding that is used by Cornell is reimbursed at about 35% from the State -- or was, I should say -- reimbursed at about 35% for this chronic -- under the chronic illness part of the aid to municipalities.

There are other reimbursement streams for those particular treatments. You can be a Medicaid or Medicare patient, in which case, we're receiving revenue directly. And the aid to municipalities is not the only revenue stream that flows into the Health Department. It's one of them. It's a very significant one. But again, it's not the only one. And there would be obviously -- and again, I'm not the Health Commissioner.

There are long term affects to not treating diabetics that actually end up costing us more money, because they end up in the hospital instead of being treated by their physicians. So that's --

P.O. LINDSAY:

Well, that's the whole point of the pullback on the Article 6 is we are not going to have a choice, we are going to have to turn people away from our health centers that we saw before because of this reduction in the Article 6 money. But my point is if we can't see these people in the first instance because we're not getting paid for it, the testing that follows and the programs that Cornell provides -- I mean, if you can't see the patient initially to do the diagnosis, how does the follow-ups -- you know -- I mean, it becomes -- and I agree with you. You know, these people are still sick. They're going to wind up going to emergency rooms at three times the cost, which we're still picking up at 25% of the Medicaid dollar.

CHAIRMAN GREGORY:

Legislator D'Amaro.

LEG. D'AMARO:

I just -- I agree with Legislator Schneiderman and the Presiding Officer. We went through the budget process. And the arguments that the sponsor makes in support of the funding for the Diabetes Program are valid arguments, however, we made those decisions through the budget process. We were very well aware of this program and some other programs that were cut where there was the potential loss of leveraging the funds for additional aid or grant money.

You know, to single out one program over another is not a position I even want to be put in at this point. We did that in the working group. And I just don't think -- it's not -- it's not a slam against the program to say I just don't think we need to open up this entire process again and take these piecemeal throughout the year. I just don't think that's good for the budget process, and it's not a good way to run -- to administer the budget throughout the year.

So just -- you know, those decisions were all -- those impacts were all considered when we worked on the Budget Working Group. We were very well aware of that fact. And it's unfortunate, but, you know, these are the times that we are living in.

CHAIRMAN GREGORY:

Legislator Romaine.

LEG. ROMAINE:

Thank you. First off all, I have a great respect for my colleague, and certainly the wisdom that he spoke rings true. I was not on the working group. And I think when you put together a budget of 2.6, \$2.7 billion that to make some fine tune adjustments of \$77,000 within a 2.6, \$2.7 billion budget.

One program has to do with the environment, and it has to do with the ability of this County to live within its own laws regarding Integrated Pest Management. Something that if we start violating our own laws, I mean, at that point, we are truly failing as a government. I know some people think the State of the County is strong. I've served for 26 years as an elected official, I have never seen it in worse condition.

So I know what you speak of, but this gives us the ability to carry out our own laws.

As far as the Diabetes Program is concerned, I am told that it is one of the greatest health risks that Americans face and is rising faster than any other disease. It obviously is going to help those with AIDS with the Ryan White Law, kids with AIDS. We get 100% grant that we're able to leverage for that purpose.

I hear everything you say. I understand it. This is an opportunity to take some -- this is not an opportunity to add to this budget. This is an opportunity to take some 477 money -- we have more money now, I believe, in the program than we originally thought -- and direct to that the Integrated Pest Management through the cost of one automobile, possibly one and a half automobiles that we would not be using. We have an opportunity to put some money back in the Diabetes Program that going to leverage out roughly \$3.7 million. I think that's a good investment.

You know, I'm not one to make budget amendments. I think -- I've been here six years and have put in one or two. It's a great number. I was compelled by the background information about both of these. Again, a 6, \$2.7 billion budget. Maybe afterwards there was some room to take a look, and these are the two that I came up with. I would not blame anyone for voting against this based on the explanation given by my colleague. I'm going to make the best fight I can for the things that I believe in that isn't going to add to the budget, where we are going to take a little extra 477 money and deal with the Integrated Pest Management. That's what 477 is all about. And we're going to use one or two or one and a half less automobiles, and we're going to fund the Diabetes Program that's going to leverage \$3.7 million. I believe that's a wise investment. I would not have put my name on this amendment if I didn't think otherwise. I can understand people looking at things differently. I respect them. And I fear for the future of my County. Thank you.

CHAIRMAN GREGORY:

I'm just going to interject. I support this bill. I think it, you know, focuses on issues that we should prioritize. I had ten residents of mine come to my office over a year ago in support of this program. It's a wonderful program. Cornell does a wonderful job. I think the budget process is exactly for this purpose. You know, we set out a budget, we set out our priorities with the budget, but we have the ability to adjust our priorities throughout the year, and that's through budget amendments. And I think that's exactly what we're trying to do here today.

I had advocated for this funding in the working group. If we see that funds are available, this is, I think, an appropriate method to try to fund a program that will have great impact to those people that it serves. So I support this bill. Legislator Schneiderman, you have a comment?

LEG. SCHNEIDERMAN:

I was also part of the work group working on the budget that is the group that made this decision to cut this program. And my recollection is we never discussed that, you know, saving 77,000, because we all want savings, would actually cost us close to \$4 million. If that were presented, obviously, the grater savings to the County would then be to fund the Diabetes Program significantly. So if I could get just some more detail on that, otherwise I would recommend to the sponsor to amend it to just do the 477 and resubmit the Diabetes Program so we can look at that separately in April. But if I can get clarification on to what degree of certainty spending this \$70,000 will save us millions of dollars, that would help me certainly make this decision. So, Gail or Craig --

MS. VIZZINI:

We will certainly reach out to the Health Department. The Chairman might want to consider asking a representative from the Health Department to come to the committee meeting or even from the County -- I know the County Executive's Budget Office are here now, in terms of the potential impacts, also the options. You know, we will reach out to both those parties and give you some information.

LEG. SCHNEIDERMAN:

You know, the word potential obviously mean -- have any certainty behind it. So we know if we reduce the program we're saving, in this case, 70,000 -- \$77,000 I think was the number. I would

like to know that if we don't reduce it, we're saving significantly more. If I can get some data to support that, I certainly would support putting the money back in, because we all want to save the County ultimately. That's why we made the decision in the first place.

MR. FREAS:

Based on how you just phrased your question, I think you can say that returning the \$77,000 more or less guarantees -- subject to any change -- guarantees that the reimbursement -- and I'm not even talking about the Article 6 reimbursement -- that the reimbursement from the Ryan White Programs and -- the Ryan White Programs aid and PCAP, the Prenatal Care Program would continue to flow in.

The problem with the reduction -- we had a similar situation I believe two years ago with this program where the program was reduced even more significantly by some 250,000, if I remember correctly, is that the people who make sure that we're doing everything that we do come annually, they come at certain times of the year. If the program is not running at a certain time of the year, let's say they -- then -- or the -- if the program is not meeting the standard of care, then, you know, then the reimbursement goes away. If the program is meeting that standard of care, the reimbursement continues. It's really pretty simple. Does that help you make a decision in any way?

LEG. SCHNEIDERMAN:

Not entirely. Is there a time sensitivity here? Let's say this was reintroduced in April and passed in May, does that change anything?

MR. FREAS:

I would say with respect to the Diabetes Program that there are sufficient funds to run it through at least April. Whether there are sufficient funds to run it for the entire year would be a more difficult question.

LEG. SCHNEIDERMAN:

Legislator Romaine, do you have objections to taking the route of splitting --

LEG. ROMAINE:

The resolution is before us, a vote is going to be taken today.

CHAIRMAN GREGORY:

We have three presentations. You know, we have had significant debates on this. I recommend that we take the vote so we can get through our agenda. It's almost 11 o'clock already. If anyone does have any new comment or any new concerns, please voice them. But I would really like to call the vote. We have a motion and a second to approve. We have a motion to approve, we have a second. All in favor? Opposed?

LEG. D'AMARO:

Opposed.

P.O. LINDSAY:

Opposed.

CHAIRMAN GREGORY:

Abstentions? **APPROVED (VOTE: 4-2-0-0; opposed, Legis. Lindsay and D'Amaro).**

We have the County Attorney, Christine Malafi and a representative from her office. Please come forward. Thank you, Madam County Attorney for being here today at the request of some of the members from the committee. Yes, Ms. Corso, thank you. Now, the person who requested you to

come is leaving the auditorium. I don't understand that, but okay. No press call goes unanswered.

But the general crux of your request here today was the address the loss of Article 6 funding, what -- as a County, what's our legal ramifications? I don't think we really have to go into the lawsuit per se. And, Ms. Corso, the budget impact. You know, I believe by Charter, losing State funds, it triggers a three-quarter vote -- I'm just stating to you -- a three-quarter vote to sustain programs that we lost the State funding for. So I think that was the general crux of what the question was revolving around. So, yes, the floor is yours.

MS. MALAFI:

Thank you. In December of 2011, the County Health Department and other departments became aware of changes that were made by the New York State Health Department in calculating reimbursement to the County.

P.O. LINDSAY:

We haven't hit December 2011 yet.

MS. MALAFI:

Sorry. The Advil for my headache not taken affect yet. I stand corrected, December 2010. And immediately -- in a nutshell, what happened was the State Health Department changed the way it calculated reimbursement to the County, and it made those retroactively back to 2008, which affected monies already paid by the State to the County, and the State seeking reimbursement from the County for those monies.

It is the County's position that the State Health Department had no authority to do what they did because it's contrary to the Public Health Law of the State of New York and previously enacted regulation by the Health Department that are enacted much like laws are; there's public hearings and there's a mandated set of regulations called the New York Code Rules and Regulation.

As a result of changes, I have been told -- because I'm not the budget person, that's why I asked Connie to come up with me -- that it leaves a \$20 million budget gap for this year for the County for the reimbursement requested by the State and for funding cut for 2011. It affects many programs, many services provided by the County to the people of Suffolk County.

P.O. LINDSAY:

Can I stop and ask a question, a clarification? Would you mind, Mr. Chairman?

CHAIRMAN GREGORY:

Sure, Mr. Presiding Officer.

P.O. LINDSAY:

Isn't there some kind of statute that if we do not receive funding for a health related thing, we have to stop the funding, we can't fill in with County dollars?

MS. MALAFI:

There is the Suffolk County Chart, which I was getting to --

P.O. LINDSAY:

I'm sorry I interrupted.

MS. MALAFI:

It's fine. I just figured I would give you the background on the lawsuit first, and then get into that, but it's fine, I can do it now. The Suffolk County Charter, Section 4-37 is implicated by the disallowance by the State. But the -- that section of the Charter says that the County can't

reinstate a program, contract, aid or funding through local funding with County money unless there's a supermajority vote of the Legislature. It does not apply to funding that's already in place in the budget. So if there is a program that is 10% funded by the County and 90% funded by, let's say, a State grant, it does not affect the 10% that's already been funded in the budget. It would just be if somebody was trying to replace the State funds.

P.O. LINDSAY:

So we'd have to reduce the services that that 90% -- by the Charter unless we have a supermajority vote?

MS. MALAFI:

Absolutely, because the budgeted amount available would only be the 10%. That's how it would take affect.

P.O. LINDSAY:

And the burning issue with this policy, if this is services we've already provided and been paid for, how do we adhere to the County Chart? You can't pull back services that you've already provided.

MS. MALAFI:

And that is part of the basis of our lawsuit. I've provided the Chair, Legislator Gregory, with a copy of the petition, the supporting affidavits in the County's lawsuit yesterday. If anyone wants me to e-mail them -- I'm saving paper, so I won't provide hardcopies. I would be glad to e-mail them to you.

P.O. LINDSAY:

Can you send on to our analyst in Budget Review?

CHAIRMAN GREGORY:

For the record, I've forwarded that information to all the committee members.

MS. MALAFI:

Thank you.

CHAIRMAN GREGORY:

And if you recall, Presiding Officer, a couple of years ago, this similar issue happened with the Domestic Violence Program, and we had to face a similar vote where the State had cutback funds for Nassau-Suffolk Law Services Domestic Violence Project. You know, so it was a similar situation with a supermajority vote.

MS. MALAFI:

I will just give you a little bit of insight into our lawsuit against the State. My office has sued the State on numerous occasions for similar issues, none as big as \$20 million retroactively. But -- and I'll use as an example the VEEB, the Vocational Education Board. The State had calculated its aid to VEEB in a certain way for many years. And then a couple of years ago, it simply decided to calculate it a different way without any basis in law or regulation. So my office on behalf of VEEB sued the State. We got a judgement saying, "Yes, State, you calculated it wrong. You owe \$200,000 and change." Immediately upon my getting that order, the State amended its budget to take the money out of the VEEB budget. So we get a piece of paper that declares a victory against the State, and then the State immediately changes its budget, which overrides the piece of paper saying the State owes us the money.

CHAIRMAN GREGORY:

Okay. Is that the end of your presentation?

MS. MALAFI:

There was only one other question.

CHAIRMAN GREGORY:

I thought you were finished. I thought that was a pregnant pause.

MS. MALAFI:

I was just to see if there were any questions.

P.O. LINDSAY:

I'm going to fill in some time until Legislator Romaine comes back in the auditorium, because he had a lot of these questions, and I'd like him to hear the benefit of it. This ruling on the Article 6, I've heard that it's more widespread; that it's affecting the Medical Examiner. And again, is it VEEB.

MS. MALAFI:

No, that was just an example. The Article 6 reimbursement is affecting -- the Medical state Examiner's officer receives State funding for the crime lab, which is run out of our Medical Examiner's Office, not through the police Department as it is in Nassau County.

P.O. LINDSAY:

Is that classified as Article 6 money too?

MS. MALAFI:

Yes, because the Medical Examiner's Office is within the Health Department.

P.O. LINDSAY:

Does that add an additional burden on to the \$20 million?

MS. MALAFI:

It's part of it.

P.O. LINDSAY:

It's part of it. Okay. And the Fire Rescue Training, is that part of the 20 or is that additional?

MS. MALAFI:

It's part of. And the specifics, Mr. Naughton and Ms. Corso could give you further clarification on that.

P.O. LINDSAY:

So they're involved in this lawsuit as well.

MS. MALAFI:

Many departments in this County and the Executive's Budget Office help in the lawsuit, because the very specifics of the affect budgetarily to the County come from them.

P.O. LINDSAY:

It just baffles me when we see what is going on in the Nassau Crime Lab, to again, pull back money from this vital, vital service that I don't think any of us would agree that we should cut back or -- especially in light of, you know, the crime stats and the murder -- the unsolved murders. It's just crazy, crazy policy to me. But, Legislator Romaine, I've been -- I'm been carrying on until you got back into the room.

CHAIRMAN GREGORY:

Legislator Schneiderman had a question.

LEG. SCHNEIDERMAN:

You can go to Romaine.

CHAIRMAN GREGORY:

But I do -- just before we go to you, so it is 20 million? I had heard that it had escalated up to 45 -- 40, 45 million.

MR. NAUGHTON:

No I believe the 40 to \$45 million you're referring to are all the State cuts that we are facing right now.

CHAIRMAN GREGORY:

Okay. Great. Thank you. Legislator Romaine.

LEG. ROMAINE:

Thank you, Presiding Officer. I had to deal with a TV station about some comments our Executive made about the Legislature as a body. In any event, let me ask this of one of three, whoever would like to answer it, when did this County first know of this Article 6 reimbursement cuts. When was the County informed of this? I'm asking this for the record. I want to be clear about this.

MS. MALAFI:

December, 2010.

LEG. ROMAINE:

Okay. That's when you first heard about it.

MS. MALAFI:

From what I've been told in speaking with the various departments involved with in the litigation, it was December, 2010.

LEG. ROMAINE:

Okay. What I would like to do -- and I understand -- is that your understanding, Mr. Naughton, as our Budget Director?

MR. NAUGHTON:

Yes, it is.

LEG. ROMAINE:

Is that your understanding, Ms. Corso, as our Deputy County Executive of Finance?

MS. CORSO:

This has been going on -- yes, it is. But threats of this type, I believe, if you remember, these go back to 2004, five, six. But this was the first time that they actually swept money out of the check.

LEG. ROMAINE:

In those 2004, 2005, 2006 memos, what was the County notified of by the State -- by the State regarding Article 6 reimbursements?

MS. CORSO:

They kept changing the interpretation. Remember, the loss isn't -- hasn't -- wasn't changed then, it didn't change now.

LEG. ROMAINE:

I get it, it's a regulatory change.

MS. CORSO:

They just changed -- they kept -- every time we submitted the plan, they came up with another reason they didn't like the plan. Every time that the plan came in, we kept changing the plan. And then eventually, the plan got accepted, which we hoped the plan would get accepted again. But again, we had to take steps to go into litigation.

MS. MALAFI:

I can further clarify. The documents in issue from the New York State Health Department in the lawsuit are -- they're called guidance documents. They are related to the Public Health Law and the regulations -- adopted regulations of the New York State Health Department. And they have been drafting guidelines and changing them for many years.

So we are aware of they were changing potential changes and that the guidance documents changed. And the County had been working for at least two or three years, I believe some time in 2009, sitting down with the State Health Department saying what was wrong with their guidance documents, what was wrong with their drafts and how they were changing things.

So we have been talking to them routinely. But the County Health Department and the County Executive's Office were assured by the State that if any changes were made, they would not be retroactive. And they were assured that the County's considerations would be considered by the State Health Department in this process.

LEG. ROMAINE:

But now the changes are retroactive. So what do the people in the State say that gave you the assurance that these would not be retroactive now that they are retroactive?

MS. MALAFI:

It's part of the new documents that were received by the County.

LEG. ROMAINE:

And what do the people in the State -- I'm sure have not all retired -- many of the people that gave you these assurances are still there. What do they say about their assurances?

MS. MALAFI:

Well, once we started the lawsuit, everything stopped; the communications regarding their assurances have stopped. So I can't tell you -- the Attorney General's office, when now Governor Cuomo was still the Attorney General, he requested an extension of time to answer our petition, which we gave to them, since the court would give them anyway, until March 6th. So we will know on 7th when we get their responsive to papers.

LEG. ROMAINE:

You will -- your office, as the Counsel for this County, obviously will keep Legislators informed of this to the extent that you can. We certainly would like to have that information.

Let me go beyond that now. So what you're saying is for the first time, definitively, you were told -- your money was taken out of the account in County in December, and then you were told, someone in the County was told, "Not only would you not be getting the five million this year, but that you would have to pay 20 million going back to 2008, this year;" is that correct.

MS. MALAFI:

To my knowledge, yes, that's correct. It was 2010, December of 2010.

LEG. ROMAINE:

And, Connie, that's your knowledge, that now this is going to be, not only the five million for this year, but it would be 20 million retroactively that would be due this year?

MS. CORSO:

Well, the 20 million includes the five. So we are assuming we are going to get cut five-five-five, '09, '10, '11. And we are assuming that that's going to come right out of the check, that it's just going to be netted right off the check.

LEG. ROMAINE:

And have you confirmed this with anyone at the Comptroller's Office, anyone in State Government, anyone at all?

MS. CORSO:

They won't speak to us because we're in litigation.

LEG. ROMAINE:

So this is an assumption that you're making that the 20 million would be lost?

MS. CORSO:

They have sent us notification that they are not going to pay for chronic care for anybody --

LEG. ROMAINE:

Would you please share that notification with our Presiding Officer, that \$20 million we have to come up -- we're looking at exact numbers. I'm trying to figure this out. Would you send our Presiding Officer that correspondence, and he can review that with Budget Review and then determine if it should be shared with my colleagues and myself? I would appreciate that.

Now, let's talk about this. Based on what you believe to be true, you believe that \$20 million may be cut out of our budget this year; is that correct, Connie?

MS. CORSO:

More than that is going to be cut from the State. But on Article 6 specifically?

LEG. ROMAINE:

Yeah, Article 6. We're talking Article 6.

MS. CORSO:

It's going to be a revenue that's not going to come in.

LEG. ROMAINE:

So you're thinking \$20 million is your estimate or guesstimate.

MS. CORSO:

They already took five million, so that's not a guesstimate, that's a solid.

LEG. ROMAINE:

Right, okay.

MS. CORSO:

They're going to take likely \$15 million -- anything that we've spent in --

LEG. ROMAINE:

Okay. So that's 20 million.

MS. CORSO:

-- '08, '09, '10, '11 on the Crime Lab, on EMS or on chronic care, and a series of other little things.

LEG. ROMAINE:

Right. But you were notified of this December of 2010.

MS. MALAFI:

I'm just going to answer that for her, yes.

LEG. ROMAINE:

Yes.

MS. MALAFI:

And it had always been paid by the State to the Health Department. The Health Department has indicated to all of us -- and there's nothing to indicate otherwise -- that the State always paid these funds. We have been told -- for 40 years. And we have been told that for some reason the State took a closer look at this at the end of last year, because Suffolk County is I think the only County in the State that instead of having a hospital, runs health centers. So by targeting this type of money, they came to be able to cut this funding from the County.

LEG. ROMAINE:

I got that from the great reporting that Rick Brand did for Newsday on this topic. Let me move on to the next topic. Obviously, we have a resolution up before this committee for the creation of a bipartisan committee to figure out what to do. Yet, all of us are familiar with the County Charter. County Charter Section C4-37 makes it clear that any cut in Federal or State aid should result immediately in the reduction of that program by the amount cut, unless the County Executive comes forward with a resolution, which he has not, to restore funding to anything. And that resolution would require 14 votes, a three-quarter vote to restore funding.

We haven't seen a resolution. We did get a letter in December. It is now March. I'd like to know from Connie what has the County done to comply with Section C4-37 of the Charter? What cuts have you made that you are required to make that you should have made beginning in December -- end of December, beginning of January to bring us into compliance with the County Charter.

MS. MALAFI:

Legislator Romaine, I'm going to answer the question only because it has to deal with the Charter and what the Charter says. The Charter does not say -- what 4-37 says is that the County can't reinstate a program without a supermajority vote. So as of right now, nothing's been, quote, reinstated.

Right now, the budget -- if there is a budget line item that, let's say, is \$100,000, 90% funds by the State, that budget line right now would be the \$10,000, the 10%. It would not require an act of the Legislature to spend the 10,000. It would require a supermajority vote of this Legislature to spend -- to have County funds cover the 90% that was lost by the State's action. So as of right now, everyone is in compliance with Charter Section 4-37. So it's not that no one's in compliance with that.

With respect to the bipartisan commission that is part of the County Executive's Resolution 1086 of this year, that is -- to my knowledge in reading it, it is only to have people look at everything to give him suggestions on how to preserve the services without the State money. It doesn't affect the lawsuit, and it doesn't change any budget. That commissioner will not change the budget.

LEG. ROMAINE:

It's only to give suggestions to the County Executive. Something he's been very willing to accept from the Legislature multiple times throughout the last few years are suggestions. So based on that track record, I don't hold much hope for this commission.

But nevertheless, let me ask a question to Gail. This goes a little bit to debt service. In reviewing the Adopted 2011 Operating Budget, in the aggregate, were expenditure in revenues for combined debt service underestimated in the budget by \$6.5 million?

MS. VIZZINI:

Based on Budget Review's analysis and in coordination with Audit and Control, we believe that the debt service was understated.

LEG. ROMAINE:

Understated by whom?

MS. VIZZINI:

Well, understated in the Adopted Operating Budget that potentially could be to the magnitude of 6.4 million, yes.

LEG. ROMAINE:

So the debt service is understated? This is a totally separate issue from Article 6. I just want to bring that up since I had the microphone. We have essentially a gap in the Operating Budget of six and a half million dollars in terms of debt service. Did I state that correctly?

MS. VIZZINI:

Yes. Debt services is not a precise science, but it is one of the more precise sciences, depending on market conditions and what have you. But based on our analysis at the time we did it, we think that it is understated.

LEG. ROMAINE:

Thank you very much. Thank you, Mr. Chairman.

CHAIRMAN GREGORY:

Legislator Kennedy, you had a question.

LEG. KENNEDY:

I did. Thank you, Mr. Chair. Although I'm not a member of the committee, I'm concerned and interested with this matter as are the rest of my colleagues. Christine, I wanted to ask a question just about the nature of the suit itself, the premise. You might have said it before, and I apologize if you did. Are we challenging on the basis that the State Health Department did not properly

promulgate the rules, and therefore, the clawback's invalid? I'm just curious. What's the line that we're challenge on? We had a summons, we got a complaint, what did we say besides, "This is a bad thing for us"?

MS. MALAFI:

It's a notice of petition and a petition with supporting affidavits and documents seeking to annul and reverse the decision of the New York State Health Department because of -- yes -- the decision of the New York State Health Department does not comport with the New York State Public Health Law and the New York Code of Rules and Regs as properly promulgated by the State and the Health Department.

In addition, we are using many different theories, including that you can't -- after you've already approved a plan, an SAA, a State Aid Application, and once it's already been approved and you've already said you're going to pay us the -- the State was going to pay us the money, you can't come back three years later and say, "Oops, give it back yo us."

LEG. KENNEDY:

Right. It's like a breach of contract. Services that were, you know, were requested, services rendered, therefore, there's no legitimate basis to go ahead and to claim them back.

I'm just a little, I guess, confused as to the different subcategories. I apologize, I should have read Article 6 to see the language. But the State Health department lumps the provision or regular out-patient direct health care in the same category as we have for our Crime Lab, for our lab with the --

MS. MALAFI:

No. It's all part of Article 6 of the Public Health Law, and there's various different sections. I don't think they're lumped together. The article has many sections. They're not all lumped together in the same section, but it is all part of Article 6 reimbursement from the New York State Health Department to our Health Department in various other health related services by the County.

LEG. KENNEDY:

But is it a common reimbursement rate? In other words, it's 36% for eligible types of services rendered, is that it?

MS. CORSO:

It is, but what happens is throughout the State -- a lot of states don't have separate EMS, and they don't have a crime lab. I think there's only five counties that have a crime lab. All the other lab tests get done in, I think, Albany and buffalo. I'm not 100% sure. So it fits the category. That's why EMS -- and you've always heard that FRES -- where's EMS, should it be in FRES or should it be in Health? It's in Health because we were getting reimbursement for it. The same thing with the ME. Some of the Medical Examiner's Office, I think in Nassau County it's under the PD, but we put it under Health because we were getting reimbursement for it.

LEG. KENNEDY:

Well, it actually it was a wise decision to have it under Health, because of the standards as well, not to besmirch the PD, but clearly it's clinical science and the science holds up well with us. If there are four or five other labs similarly situated throughout the State, just out of curiosity, I would imagine it would be Monroe and it would be Erie, all the other large suburban-urban counties. Are they equally being impacted? What are we doing to try to network or see --

MS. MALAFI:

I will tell you that I am a member of the County Attorney's Association, and I routinely, when we

bring lawsuits against the State or join in lawsuits against the State, I get e-mails from the County Attorneys saying, "Can you send me your paperwork? We want to join, we're having the same problem." And I don't make any reach-out to them. There is -- it goes out from the press releases and other counties get the press releases, and then they contacted us.

Our paperwork, our petition and everything is a public document that has been shared, I believe, with counties, and I have not been contacted by anyone to join in on the lawsuit. So I do not know if they're in the same position as us.

I do know that, for an example, the Medical Examiner's Crime Lab has a special certification that other crime labs don't have, an accreditation. So I don't know if maybe they don't run them the same, maybe they don't have the same funding, maybe they don't do the same things. But the Medical Examiner, if she was here, I'm sure she would tell you how proud she is of the Crime Lab at the Medical Examiner's Office.

LEG. KENNEDY:

No doubt. As a matter of fact, they do outstanding work. And Dr. Milewski is, you know, a consummate professional. I have no question with it. As a matter of fact, I think it's a service that we need to keep funded, And I think my constituents, you know, feel that same way as well.

Let's go to one other piece. And I appreciate this. You talked about the irony of prevailing against the State in court and the efficacy of the judgment and how do you execute. And when you're faced with those amendments, again, I don't want to pretend to be a lawyer, but, I mean, there's a lot of ways that you go ahead and execute on a judgment. Why don't we attach their vehicles? How about we take over one of their buildings?

MS. MALAFI:

Well, two things. Hopefully in this lawsuit, even if they adopt something, a budget amendment to affect the money that we were supposed to get for 2011, we're hoping to at least stop their clawback for the three years. 15 so that would affect 15 million, that we would get a judgement saying, "You can't come back after the County for that 15 million." Hopefully that would help it.

And unfortunately, and I say that very loosely, the counties are subdivisions of the State. And the law is very clear; a state -- a budget passed by the State, by the County, by the town, once something is zeroed out or a certain amount of money put in the budget for any given item, there's nothing that the courts can do to force money to be put into that line.

So if the State had -- you know, we're suing over a budget line saying you have to pay us this money. Once they say the money is gone, there is nothing that we can do about it. And I learned that in 2005 when we sued the State for the reimbursement in FIT, the Fashion Institute Technology. We got a piece of paper that said the state should have been paying us, I think at that time, it was \$4 million reimbursement -- I don't know if you want me to get into why -- but community colleges, if somebody from one county goes to another community college in another county, there's a charge-back between the counties.

The Fashion Institute of Technology in New York City is the only four-year community college. So therefore, there's an extra two years of payback. There is a State Law that mandates that the State reimbursement the counties for the charge-backs for the second two years of students at the Fashion Institute of Technology. It's a State Law. It does not say, "They may reimburse." It says, "The State shall reimburse the counties."

So we won a judgement, said the state shall reimburse, and then they just stopped putting that money -- they refused to put the money in the budget, so we do not get reimbursed. It's cost this

County millions of dollars over the last -- now it's coming up to eight years. I don't know about before that, but over the last eight or nine years. So winning against the State, because they are the supreme being in the State, getting a piece of paper, they have routinely passed budget amendments that make it appear a victory.

LEG. KENNEDY:

It's good to be the crown, huh? Thanks.

CHAIRMAN GREGORY:

I just have -- maybe you said this earlier, I'm confused as to the retro back to 2008. I understand that this year going and possible going forward -- actually going forward, that they are not going to fund these monies. But I don't think you stated, maybe I missed it, as to specifically why we think it's going to go back three years for 15 million.

MS. MALAFI:

Because the changes to how they calculate their reimbursement to us, they retroactively made back to 2008, and they say we owe five million dollars for 2008, we have to pay them back; \$5000 for 2009 -- I'm sorry, \$5 million for dollars 2009; and \$5 million for 2010, which is 2010, which is 15 million, and then they reduced their aid on this specific issue, the Article 6 reimbursement for five million for this year. So on a check that came in from the state in December for 2010, took \$5 million out saying we owe it to them from 2009 -- 2008. So we know that they're clawing back and taking this money from us and they're not going to give it to us.

CHAIRMAN GREGORY:

Okay. That answers it. All right. Anybody else? Presiding Officer.

P.O. LINDSAY:

Probably the Health Department would be -- maybe you guys know this, and Craig said something before. So if we live to the letter of the law as far as the Charter is concerned without a supermajority, we can no longer see people over 21 with chronic diseases in our health centers?

MS. CORSO:

Right. There were 12,000 visits.

P.O. LINDSAY:

Okay. Craig said something about if they were on Medicaid.

MS. CORSO:

I'm sorry, 36,000 visits.

P.O. LINDSAY:

Craig, clarify that. Aren't these all Medicaid people?

MR. FREAS:

No, they're not all Medicaid people, some of them are self-pay. And the way that Article 6 works for patient visits, whatever they are, is you get the percentage -- the percentage of unreimbursed expenses, and it's less generally any revenues that you receive for the service you provide. There's a slight difference in the formula that gives us a break on our fringe and everything, but that's basically how it works. So if we make -- if it costs us \$2 million to run it and we make a million dollars in revenue, we only get \$350,000.

P.O. LINDSAY:

But someone comes into our health centers, has Medicaid as an insurance, do we see them or refuse

to see them, because they're over 21 and they have a chronic disease?

MR. FREAS:

I would assume that we would see them because we would be reimbursed for what it costs us to do that.

MS. MALAFI:

That's not Article 6 reimbursement, that's Medicaid reimbursement.

P.O. LINDSAY:

So that's different than what we're talking about?

MS. MALAFI:

Yes. And what this would affect is the health centers -- you could walk into a health center and say, "I don't want to apply to Medicaid, I will pay the copay and I will pay a small fee for you treat me." And we would treat because if we collect five or \$10 -- it's a very small amount of money that we take from the walk-in people -- we would apply for the Article 6 reimbursement for the treatment to that person.

P.O. LINDSAY:

And this accounts for 36,000 visits?

MS. MALAFI:

Yes. Our health centers see a lot of people.

P.O. LINDSAY:

So let me go one step further. And this is to Craig, so we have 36,000 people that we're not going to be able to see in our health centers if we lived by the Charter.

MR. FREAS:

No. There are about 12,000 people who would fall under -- let's say would fall under, who are not reimbursed by any other way other than the reimbursement we receive. And it's programmatic, it's not a per-visit reimbursement or anything like that. It's programmatic. We basically do -- it's part of our -- we make a claim based on our cost reporting.

P.O. LINDSAY:

So is it 12,000 or 36,000?

MR. FREAS:

It's 12,000, 36,000 visits.

P.O. LINDSAY:

But we're reimbursed by the person, not the visit?

MR. FREAS:

We get reimbursed by the cost to take care of those patients.

P.O. LINDSAY:

Based on 36,000 or 12,000?

MR. FREAS:

Based on what it costs us to provide 36,000 visits. That's the best way to put it.

P.O. LINDSAY:

So where I'm going with this, these people still have chronic diseases. Where do they go for care?

MS. MALAFI:

They are either going to go to the emergency room or they're going to have to be forced to apply for Medicaid. A lot of these people will not -- when people walk into a health center, the people in the health center offer to help the patients apply for Medicaid. A great majority of them -- I shouldn't say majority. A great percentage of people refuse to apply for Medicaid.

MS. CORSO:

I just need to update Christine, because I directed the Health Department yesterday, no one gets to the front desk window until they fill out a Medicaid application. You can't do that anymore. And the reason it wasn't being done is because Royal Health Care does the enrolling, and it depends on how aggressive you want to be. Well, now it's time to be aggressive. Everyone must submit and fill out a Medicaid form now.

P.O. LINDSAY:

Well, that's really to comply with the Charter, because we can't -- we can't pay for them anymore. Where I'm going -- and maybe Craig knows this. We have heard an awful lot about the health delivery system in emergency rooms is probably the most expensive form of health delivery. Do we have any idea how much more expensive it is over our health center model?

MR. FREAS:

I can give you an example.

MS. MALAFI:

Okay. In connection with our petition against the State, we got affidavits from some, not all, of the hospitals regarding how the failure of the County to be able to see people in our health center will impact the hospital's budgets and the emergency room treatments. I don't know it off the top of my head. They were included in the paperwork that I e-mailed to Chairman Gregory. One of reasons that we have -- one of the reasons that hospitals step in -- and we have contracts with them to run health centers -- is for this reason; the hospitals want to keep as many people as they can out of the emergency rooms, because in an emergency room, they are required to see every single person that come to an emergency room complaining of something. So the hospitals, I can tell you, they know how much more expensive it is for them to treat people in the emergency room than in our health centers. And that is why they work with us in running the health centers. And that's one reason why the people running the health centers for us don't always force people to do -- to fill out Medicaid applications, because they'd rather see them in the -- they know that some will people refuse to fill them out, and those people will wind up in the emergency rooms instead of in the health centers. And that is one reason why Connie has now directed that if somebody refuses to fill out a Medicaid form and has no insurance that they cannot be seen. And it's to save the money --

MS. CORSO:

There's something to be said about not being able to be seen, because the Health Commissioner does have an obligation to protect public health, so I can't say for certain, you know, you are not going to see somebody. Listen, this is unchartered territory, and we're still trying to work out how we are going to implement the severe cut that the State has pushed on us. And considering the lawsuit and what the responsibilities are of the Health Department, this also could be another underfunded mandate pushed down onto the counties.

P.O. LINDSAY:

It's absolutely an unfunded mandate.

MS. CORSO:

We just can't have that.

MR. FREAS:

We are licensed under Article 28 Public Health Law just like a hospital. So if you walk in, if we can treat you, we're required to treat you regardless of your ability to pay.

You asked a question about pay versus in a health center. It probably costs us about \$300 a visit in a health center give or take, and that's you know, remembering from when I used to do that on a regular basis. If you walk in with a cold in a health center, it's going to cost 300. That's a lot of money. But if you walk in to an emergency room with a cold, they're going to check you for pneumonia, they're going to check you for tuberculosis, they may -- and then they're going to send you home, ah, you've got a cold, go home. That's going to cost you a thousand or \$1500 a visit versus in the health center.

P.O. LINDSAY:

That's what I was looking for; is it three times, is it five times more to go to an emergency room?

MS. MALAFI:

I just want to correct one thing. We are not obligated to see every person who comes into a health center. We are obligated, if somebody walks in and it is a true emergency, life-threatening emergency, then the Health Department would never turn them away, even without a Medicaid application. But if it is something like, chronic care just as an example, chronic care, that is not -- the funding was cut for that by the State, so that's what would be affected.

MS. CORSO:

I mean, this is difficult. And I know someone is going to blast me on this, but that's why we're looking at you. You know, how are we going to handle this? If I can't see 12,000 people for chronic care, are we going to cut one of our health centers, are we going to cut back all of your health centers a certain percent, what are we going to do without? And that's why we asked for this commission to sit down and think about what we are going to do. And again, how do you cut something -- if you're going to comply with the Charter, well, I provided a service in 2008, am I going to go get it back? I mean, how do we comply? So that's why they're asking, you know, you guys to join us to come up with the decision of how we're going to handle this Article 6 cut.

CHAIRMAN GREGORY:

Gail, do you have comment?

MS. VIZZINI:

Just one comment. Christine was very clear in terms of the Charter's applicability in terms of the fourteen votes. That kicks in in terms of restating programs that have lost the State or Federal aid. So the typical scenario is, oh, my God, when we do the 2012 Budget, what is not going to be in there, what portion of that budget or does the entire budget have to be approved by 14 votes.

What Connie is talking about, just to paraphrase, is meanwhile, because revenue that the budget anticipates is not coming in, policy decisions need to be made in terms of since the services are no longer reimbursed to the extent that they were, are we going to continue to deliver them. And these policy decisions have to be made, you know, by the Executive, because he is the Chief Executive Administrator of the Health Commissioner, and then looking to the Legislature in terms of how we deal with policy decisions and if there are other ways we want to go.

CHAIRMAN GREGORY:

I want to make one comment. It was my understanding that three years ago, Royal, we had

worked a partnership with them, and their main goal was to increase enrollment because whoever we had at the health centers weren't doing their job. Now, three years later, they haven't done the job or they're not doing to the level --

MS. CORSO:

No, this doesn't have -- we did increase revenue from Royal, it's just when people -- people come into the health centers -- and believe me, you guys are going to get phone calls from these people. Either they're, you know, working poor -- they have a stigma. I don't know how to -- you know, how else to explain it without saying that, and they walk past the desk, we cannot physically make them sit down and fill out the form, but now we have to try. I mean, we have to say, "No, we'll see you after you fill out the form." It's going to be very difficult for the people who work in the centers.

CHAIRMAN GREGORY:

Legislator Schneiderman.

LEG. SCHNEIDERMAN:

I am not sure who this is directed to, anyone, I guess, who can answer it. It goes back to that Medicaid piece. And I remember, a bunch of years ago, maybe five or six years ago, Albany gave us a cap of something like 3% in the increases in Medicaid. And, you know, prior to that, I guess, we were in 25% of the full cost, but that savings were something like, at least at that point, in the range of \$50 million a year, I think. I guess, is that cap still in place? We in jeopardy of losing that cap? And what might be the fiscal impact if that cap were removed by the State?

MR. NAUGHTON:

As far as I know it's still in place.

LEG. SCHNEIDERMAN:

Do you know what the current savings are versus if we had to pay the full 25% of the actual cost?

MR. NAUGHTON:

I don't have the exact number, but we can get back to you on that.

LEG. SCHNEIDERMAN:

I would appreciate that. It's a cap on -- the increase is per year, 3%.

LEG. LINDSAY:

But our Medicaid cost went up, what, \$41 million this year?

MS. CORSO:

Medicaid, it still goes up a tremendous amount. But let me tell you, looking at the State budget and some of these working groups that have formed, you can only come to the conclusion that that cap is on the table.

LEG. SCHNEIDERMAN:

Exactly. So I think everything has to be looked at in context as we -- and I think the right thing to do is to challenge the State. I think you're doing the right things over their new formula. We just have to be mindful too that the State has their tools, and we're fortunate to get that cap. And I just want to make sure we don't -- that cap stays in place, because losing that cap, I'm sure, is going to cost us in excess of \$50 million a year at this point. That would be quite serious.

CHAIRMAN GREGORY:

Okay. All right. Thank you. Next we have -- Gail is going to make a presentation, a quick

presentation about -- and all of you should have gotten the presentation in front of you of Suffolk County personnel and the staff issues.

MS. VIZZINI:

Mindful of the hour. The presentation before you is a snapshot of personnel and personnel costs. The short story is that although

We have some considerable reductions in personnel, costs are trending upward. Public Safety as a percentage of the County workforce is now probably at 50%. Fifty percent of the County's workforce is public safety. Since you all have electronic copies of this which I e-mailed to you and hardcopies, what I'm going to do is simply show you how to read it and highlight a few things.

It's broken up into three parts; a general overview, a departmental presentation that will show you Probation and Police, some of the departments you're interested in and something specific to overtime. Right here you can see, this pie chart shows you the breakout by function of the average percentage since 2007 of staffing. And Public Safety is roughly 50% of the County workforce. Public Safety we define as Police, Sheriff, Probation, District Attorney and First, Rescue and Emergency Services.

This is all funds -- some of these graphs will go back to 2000, some of them to 2004, some of them 2008. Again, it's to show you the trends. In January of '08, the County workforce -- these are active employees, live bodies on the payroll -- was at 10,546, we are now at 10,222. This drop in September of '10 reflects the 312 employees participating in the Early Retirement Incentive.

These bar graphs are used throughout the presentation. They show that annually 2007, 8, 9, and 10, in the General Fund, the number of employees are going down. Similarly in the Police District with the exception of 2010, Foley Nursing Home. However, the Medicaid Compliance Unit, which is 100% reimbursed, the trend there -- and remember, we didn't have a Medicaid Compliance Unit until about 2007 -- is upward. Generally speaking in other funds, the trends in number of employees are down.

This is just the General Fund where the employees were in 2008 at about 6550. We're now at 6221. Again, a function of our Early Retirement Incentive Program. General Fund and Police combined, still the trends are downward. This is a lot of information, but the important pieces of information here by department, the number of employees, 312 who participated in the Early Retirement Incentive, theoretically allowing us -- \$23 million dollars in salaries walked off the payroll.

By our own legislation, we established savings goals which the 2011 Adopted Budget did achieve some of that be abolishing a significant portion of those vacated positions. We were able to save \$7.6 million. Some of the downgrades associated with those vacated positions, another 847. So we have hit about half of our \$18.4 million target. The target as you remember is we needed to save 80% of the 23 million.

Here are certain departments; Public Works, Sheriff, Police, Social Services, health Services and the others are grouped. The general trends with the exception you can see here for Sheriff -- of course, this is related to having sufficient trained Correction Officers in preparation of the opening of the jail which is possibly some time in 2012. And the increase here in Social Services is predominantly the Medicaid Compliance Unit. Very busy graph, but it gives you percentages of loss of personnel by certain specific departments.

This is the Bargaining Unit. In the aggregate, most bargaining units have lost active numbers of employees. A combinations of factors including Early Retirement Incentives and restrictive hiring.

This chart shows you that despite the fact that we have been doing the best to control and downsize County Government, salaries are trending upward. This graph shows you the money as a percentage of change versus employees. So fewer employees, but the costs continue to escalate. Legislator Gregory, you have that why look on your face. We are getting there.

LEG. SCHNEIDERMAN:

The overall costs or per employee?

MS. VIZZINI:

These are salaries. These are what we -- just one category of expenditures. We understand salaries go up, there's contractual raises, etcetera, but are we talking -- the overall money spent on employees, is that increasing?

MS. VIZZINI:

Yes. These are actual expenditures.

LEG. SCHNEIDERMAN:

Overall expenditures.

MS. VIZZINI:

Yes. You can see on Page 15, the actual expenditure for personnel salary; 2007 actual was close to -- this is everything. You know, all funds, not just General, not just Police, all funds. The salaries and related salary costs, but not benefits. Had we not had those years -- actually it's one year of lag payrolls and concessions, the trend line would have continued. But the 2010 estimates are in the \$980 million area. The Adopted Budget as it directly relates to Early Retirement and other savings, is trending downward. We'll see where we are with that.

This is changes in numbers of staff and dollars by bargaining unit and the allocation of employees by levels of -- levels of salary. Again, you can look at the detail at your leisure, and my staff and I are available if you have questions.

Why are salary -- why are salaries trending upward when they have fewer people? First of all, the restricted hiring has resulted in cost mitigation, but not necessarily cost reduction. Salaries are directly related to collective -- collective bargaining, step increases, necessary promotions and arbitration awards, which were some -- which have been averaging somewhere between three, three and a quarter, three-and-a-half annually in terms of the arbitration awards. Public safety employees on average do make significantly more than non-public safety employees.

This portion is departments. You can see what's happening in Probation, where in January of '08, the total number of employees in the Probation Department, not just Probation Officers, but all employees, for a while have been fairly consistent, they were at 433, now we are at 382. Public Works --

LEG. ROMAINE:

Mr. Chairman, just a quick question on Probation.

CHAIRMAN GREGORY:

Sure.

LEG. ROMAINE:

The staffing for Probation has declined, it would seem, precipitously, if I look at this chart. It would seem to have declined precipitously. What does that mean in terms of people that are placed -- what does that mean for people that are placed on probation? Are they getting sufficient

coverage? Are they being checked in on? I would ask our Probation Director, but I understand that he is no longer with us -- with the County, that we have a new Probation Director. So I'm going to be asking you, what does that mean in terms of Probation? Are the probation officers capable of carrying out the function of checking people that are on probation or parole? What is the caseload? What has that done to caseloads?

See, I see the numbers, but I want to understand the effect of these numbers on the chart. Does that mean that someone that's on probation that could be a potentially dangerous person is not getting checked once a month, if that? Does that mean their home visits aren't being done? Does that mean spot checks aren't being done? People that are former drug addicts or convicted of other such sex offenses aren't being checked on? I mean, I just want to know what that precipitous drop means. I get all of the statistics, I understand, but I just picked this, I could have picked any department, but I picked Probation because I understand it's in a state of flux with a new director coming on board.

MS. VIZZINI:

No, I understand the question, and I think you've hit one of my purposes. This is -- this is taking the place of the typical memo that we would provide to you. This gives you a picture of what's going on with staffing. Quite frankly, a larger number of AME employees have contributed to the reduction in Probation. So we can certainly reach out to Probation or I can accept from you what we had said during our review of the Operating Budget in terms of what's going on.

But generally speaking, certain departmental and administrative determinations have to be made when you are covering an important department, such as Probation, with less employees. One of the things that Probation actually said in their 2011 budget request was that clerical support is a dire concern. And that happens in Public Works, that happens in Probation, it happens -- even the Sheriff, where certain clerical administrative functions have to be performed, and if you don't have the clerical people to do it, the probation officers end up doing it or the correction officers end up doing it or what have you.

LEG. ROMAINE:

At a much higher salary.

MS. VIZZINI:

There's that, too. To the extent that that is going on, we have to reach out to the department. But the trend line in Probation is down, similarly in Public Works where their staffing level was up about 871 in '08, and now we're at 809 in 2010.

LEG. ROMAINE:

If I may, Mr. Chairman, does that mean that some of the services that were performed by Public Works in the past now to be done must be contracted out because of the lack of staffing?

MS. VIZZINI:

Well, to a certain extent we're well aware of that. The construction inspections, we passed a resolution to bond over 600 and something thousand dollars for construction inspections. We're just getting to the point where we have to make certain decisions in terms of whether we're going to look for recurring revenue, raise taxes, downsize government, contract out. You know, we're in an era where we will be shutting and downsizing and transferring as long as there's an absence of political and social will to generate the necessary recurring revenue to continue service provision.

LEG. ROMAINE:

Thank you.

MS. VIZZINI:

Moving along.

LEG. SCHNEIDERMAN:

Sorry. If I could ask a question as well. A few slides ago you were showing how the overall cost of the employees, even though we had reduced the number, it was roughly a billion dollars in salaries, but you had excluded benefits. And we had done a fairly aggressive Early Retirement Program which reduced the number of County employees. Though, as we bring -- those people who retire, they are certainly still getting benefits, as we know, and then there is some backfilling and those people are also getting benefits. Do we have a picture of the cost of, you know, the non-salaried cost, the other associated benefit costs so we could see how that is growing or not growing?

MS. VIZZINI:

Actually, we may have something. He's going to check. Moving along, this slide 21 is the Health Department. By the way, Health had 84 participate in the Early Retirement Program. Public Works had, I believe the number was 52 in the previous slide. So although that program was excellent in terms of helping us save costs, we have significantly fewer employees on the job.

This is another slide showing active employees in the Department of Health Services with the 84 ERIP participants. Employees at the skilled nursing facility, a subject of some policy concern, 2008 at 316, now, or at least the last time we did this, the last payroll in December, on or about 253. There's probably less now.

Social Services, this is the salary trends. These are the active employees in Social Services. Again, remind you that we created the Medicaid Compliance Unit on or about 2007 in the 2008 budget. So that unit is a hundred percent reimbursed, but even there -- this slide shows the decreasing number of employees paid from the General Fund in Social Services, and the trend in the hundred percent Medicaid reimbursed fund.

Sheriff, the trends in salary costs, the trend in employees in the Sheriff here in 2010, we've got the 30 new Correction Officers that were hired in 2010. We had 45 Correction Officers on or about September of 2010, and 17 Deputy Sheriffs at the end of the year as well.

LEG. SCHNEIDERMAN:

It's a little hard to read.

MS. VIZZINI:

But you have the hard copy.

LEG. SCHNEIDERMAN:

Right. So we had quite a number of new Sheriffs, is that the case? And that's one of the few areas where the numbers are going up?

MS. VIZZINI:

Yes, we're --

LEG. SCHNEIDERMAN:

Now, is that because Sheriffs were placed onto the Long Island Expressway and Sunrise Highway and now we need to fill in?

MS. VIZZINI:

No, those are -- well those were Deputy Sheriffs. This is a combination of Correction Officers --

LEG. SCHNEIDERMAN:

Oh, Correction Officers.

MS. VIZZINI:

And Deputy Sheriffs. Although the Deputy Sheriffs do perform that function and do perform some other functions as well.

LEG. SCHNEIDERMAN:

So the -- was that move affecting the numbers, then? Because I think the Sheriffs had to place, I think, what, 50 individuals out on the -- to patrol those highways?

MS. VIZZINI:

Yeah. I think when the actual switch occurred, it was less than 50. But I would guess that a portion of the 17 new hires were to replace retired Deputy Sheriffs.

LEG. SCHNEIDERMAN:

Okay.

MS. VIZZINI:

And they continued to absorb that function.

LEG. SCHNEIDERMAN:

Okay.

MS. VIZZINI:

Police salaries, we have the recent arbitration award that came down in May of 2010 that covered three years; '08, '09 and '10. Hence, the significant trending upward in terms of, you know, having a lower salary level and then advance through the arbitration awards ratcheting up to a three year 2010 salary base. Employees in the Police Department, police officers, compared to 2008 --

CHAIRMAN GREGORY:

Gail.

MS. VIZZINI:

Yes.

CHAIRMAN GREGORY:

If I may, I'm going to ask that we -- yeah, we cut it off at this point.

MS. VIZZINI:

Sure.

CHAIRMAN GREGORY:

We have Public Works coming up in five minutes. We haven't even addressed the agenda yet. So what I'll do is I'll ask the members to review the presentation and we'll present questions, if any, at the next meeting. Because I certainly have some questions about the overtime and the direct correlation, what positions going -- decreasing in overtime, increasing, or expenses for personnel increasing and some questions about loss of positions as they may directly correlate with loss of revenue as -- in relation to, you know, whatever correlation there may be. But I do have some questions about that. Okay. Is everyone okay with that? Okay. All right. Thank you, Gail.

LEG. SCHNEIDERMAN:

I just want a clarification on -- you know, we had moved Public Work earlier because there was

originally a Special Meeting that County Executive held. What is -- are we starting Public Works at noon or at one?

LEG. ROMAINE:

12 o'clock.

LEG. SCHNEIDERMAN:

It's at 12? Okay. I wanted to double check.

CHAIRMAN GREGORY:

Okay. I didn't realize that until just a few minutes ago. Okay. So we'll get to the agenda. We have Tabled Resolutions.

We have **IR 1941-2010, directing the Department of Information Technologies to publish the County's total indebtedness online.**

At request of the sponsor, he asked it to be tabled. So I make a motion to table.

LEG. D'AMARO:

Second.

CHAIRMAN GREGORY:

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

IR 2107-2010 adopting a Local Law, a Charter Law, strengthening the budget adoption process (COUNTY EXEC).

It has to be -- it's in Public Hearing, so it has to be tabled for Public Hearing. Seconded by Legislator Schneiderman. All in favor? Opposed? Abstentions? **TABLED (VOTE: 5-0-0-0).**

Introductory Resolution **1008, Adopting Local Law No. -2011, A Charter Law to enhance budgeting flexibility and responsiveness. (Schneiderman)**

That bill is in Public Hearing, so it has to be tabled. I make the motion, seconded by Legislator Schneiderman. All in --

LEG. ROMAINE:

What's in Public Hearing?

CHAIRMAN GREGORY:

1008.

LEG. ROMAINE:

I'm sorry.

CHAIRMAN GREGORY:

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

IR 1023, to readjust, compromise and grant refunds and chargebacks on corrections or errors/ County Treasurer, by the County Legislature, Number 348 (COUNTY EXEC).

I make a motion to approve and place the on Consent Calendar. Seconded by Legislator Schneiderman. All in favor? Opposed? Abstentions? **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

IR 1024, to readjust, compromise, grant refunds and chargebacks and correction of errors/County Treasurer, the County Legislature, Number 347 (COUNTY EXEC).

Same motion, same second, same vote, okay? **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

All right. **IR 1026, amending the 2011 Operating Budget to support Parents for Megan's Law (PRESIDING OFFICER).**

Presiding Officer's not here. Motion by Legislator Romaine, I'll second that motion. Now, this is to --

MS. VIZZINI:

It's a reallocation of omnibus monies to provide \$15,000 for Parents for Megan's Law.

CHAIRMAN GREGORY:

Oh, was it 15? I was under the impression it was ten.

LEG. ROMAINE:

Ten thousand, it got amended.

CHAIRMAN GREGORY:

Oh, okay.

MS. VIZZINI:

Oh, I'm sorry, I don't have that.

CHAIRMAN GREGORY:

Now, just for clarity, this is for the Crime Victims Center, because I think at one point, there was a misunderstanding that it was for the Hate Crimes Victims Advocate. But this money is to go to the center, I believe, right?

MS. VIZZINI:

This is -- they have two line items, but this is their major line item, their Youth Program.

CHAIRMAN GREGORY:

Right, right.

MS. VIZZINI:

So what -- they will determine what they're going to do with that money.

CHAIRMAN GREGORY:

Right. Okay. Thank you. All right. So we have a motion and a second. All in favor? Opposed? Abstentions? **APPROVED (VOTE: 5-0-0-0)**.

Okay. IR 1035 we addressed already.

IR 1036, amending the 2011 Operating Budget and transferring funds to Lifeline Mediation Center (ROMAINE).

Motion to approve by Legislator Romaine, seconded -- I'll second it. Gail?

MS. VIZZINI:

Yes, this is also a reallocation of omnibus monies.

CHAIRMAN GREGORY:

Okay. We have a motion and a second. All in favor? Opposed? Abstentions? **APPROVED (VOTE: 5-0-0-0).**

P.O. LINDSAY:

Mr. Chairman, if I could interrupt.

CHAIRMAN GREGORY:

Yes.

P.O. LINDSAY:

I was called out of the office. Was there a question about the Megan's Law stuff? It was just a reallocation of money that I had appropriated to different --

CHAIRMAN GREGORY:

Right. I just wanted to clarify that the funding was going to the -- wasn't for the Hate Crimes Advocate Program, but for the Crime Victims Center.

P.O. LINDSAY:

That's correct.

CHAIRMAN GREGORY:

Right.

P.O. LINDSAY:

That's correct.

CHAIRMAN GREGORY:

IR 1037, amending the 2011 Operating Budget for the First Congregational Church in Bay Shore (BARRAGA).

LEG. ROMAINE:

Motion.

CHAIRMAN GREGORY:

Motion by Legislator Romaine, seconded by Legislator Muratore. This is omnibus funds.

MS. VIZZINI:

Yeah. It actually just moves it from one section of Social Services to another. When we put it in, we thought it was their food pantry program, but it is not. So has gone through the section of Social Services where it is more appropriately placed.

CHAIRMAN GREGORY:

All right. Okay. We have a motion and a second. All in favor? Opposed? Abstentions? **APPROVED (VOTE: 5-0-0-0).**

IR 1070, to readjust, compromise, and grant refunds and chargebacks on real property, correction of errors by: County Legislature, Control Number 841-2011 (COUNTY EXEC).

Is that correct? Okay. I make a motion to approve and place on the Consent Calendar, seconded by Legislator Schneiderman. All in favor? Opposed? Abstentions? **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 5-0-0-0)**.

Okay. **IR 1096, authorizing the County Treasurer to borrow cash funds from other County Funds for 2011 (COUNTY EXEC).**

LEG. D'AMARO:

Mr. Chairman, could I just ask Counsel for an explanation on this bill?

CHAIRMAN GREGORY:

Yes. I'm going to make a motion. I'll make a motion to approve for purposes of discussion. Second? No second?

LEG. D'AMARO:

I'll second.

CHAIRMAN GREGORY:

Okay. Seconded by Legislator D'Amaro. Counsel?

MR. NOLAN:

Well, this is a resolution we pass every year just to authorize the Treasurer to borrow from different funds and move in from different funds. All the money has to be repaid to those funds by the end of the fiscal year. But this is an annual exercise. I think maybe Gail could speak on it as to why the Treasurer needs this authority.

LEG. D'AMARO:

Okay.

LEG. ROMAINE:

I could start off with a question.

CHAIRMAN GREGORY:

Okay. So, Gail, first, did you want to weigh in here? And then Legislator Romaine.

MS. VIZZINI:

Well, just to echo what George said, since on or before 2002, although the Treasurer does have certain authority under General Municipal Law, this local resolution echos that authority. And also, when she does borrow from the reserve funds or from water quality or some of the other funds that have cash for those funds like the General Fund that does not have cash, she's authorized to do that. And pursuant to General Municipal Law, those funds are paid back, they're paid back with interest by the end of the year.

LEG. SCHNEIDERMAN:

Legislator Romaine.

LEG. ROMAINE:

Yes. This resolution, which usually comes later in the year, this resolution would allow the Treasurer to go and borrow funds from dedicated funds, you mentioned some of them, to better

handle cash flow issues. Here, the end of February, beginning of March, do we have a cash flow issue at this moment in time with the Suffolk -- with Suffolk County Government?

MS. VIZZINI:

There are always cash concerns on a daily basis. There are funds that have revenue and there are funds that do not. We have very legitimate cash concerns. We're all hopeful for our big sales tax check coming second week of March that will help us, but it will simply help us for a very short period of time. So it's much more cost effective for us to borrow from within the County's funds.

LEG. ROMAINE:

No, I understand that and, obviously, I'm going to vote for that, because that will give flexibility to us. But my concern -- and again, I've been here a while, watched the County over many years, it's rare to have a cash flow problem this early in the year. Do we have a cash flow problem? Can we make payroll?

MS. VIZZINI:

Oh, whether we can make payroll, that is something you would have to ask, you know, the Budget Office or the Treasurer herself, because I am not on top of the daily moving -- moving around. There's payroll, then there's special payrolls, then there's vendors that need to be paid.

LEG. ROMAINE:

Can we pay our bills? Can we pay our payroll? If this resolution was delayed for a month, which it's not, we're going to pass it today, but I'm looking at -- I'm trying to understand the -- you know, where we are in terms of cash flow.

LEG. SCHNEIDERMAN:

In some ways, I think the question is almost unfair or --

LEG. ROMAINE:

Okay.

LEG. SCHNEIDERMAN:

And I'll tell you why. Because the Treasurer has that ability to move money, yes, you can probably make payroll. The question is later on in the year will we be able to pay back those monies with interest. And so you might say, yes, we can make payroll, and it may not give a real accurate picture of where we stand in terms of cash flow.

LEG. ROMAINE:

Well, no. I asked that question specifically because I have concerns about that.

LEG. SCHNEIDERMAN:

Right. I do, too.

LEG. ROMAINE:

I have concerns about paying our vendors and making payroll. And I'm obviously going to support that. And I'm not talking about later in the year, I'm talking about this month, because I have concerns about that as it would apply to the operation of County Government now.

LEG. SCHNEIDERMAN:

I think what might indicate the severity of the problem is are we using it -- borrowing a lot more? Is the Treasurer borrowing a lot more from these various funds than we would be at this point in prior years?

LEG. ROMAINE:

I'll defer to my colleague.

MS. VIZZINI:

Well --

LEG. SCHNEIDERMAN:

Gail, do you have that?

MS. VIZZINI:

Cash flow is not new. Last year, at the end of the year, we borrowed 390 million dollars, an unprecedentedly high number, to meet our cash needs. We don't have cash because property taxes are not coming in due to the economy and State Aid is not coming in due to the economy.

We also sustained three consecutive years, '07, '08 and '09 where we had sales tax shortfalls. So the revenue is not coming in. And as we have said to you in our reports, despite our best efforts to cut expenditures, they have not been able to keep pace with some of the changes in revenue, as well as the increases in other costs. Now, Legislator Romaine, you're absolutely right, this resolution is before us a little earlier than usual. Quite frankly, it would be my future recommendation that this might -- this authority, which is something that we have granted every year since 2002 or before and is necessary, probably will be something we address at our Organizational Meeting until the economy improves. The flow of money is not as robust as it had been. Plus, because of our cash concerns, we -- the Treasurer has been diligent in paying back the funds that need to be paid back. So no sooner do you get 390 million dollars, and then you use that, you pay back the 200 million that you've borrowed all during the year and you don't have a whole lot to work with, and you have, you know, arbitration awards where you're paying 2008, 2009, 2010 retro payments. You know, there's a lot going on.

LEG. SCHNEIDERMAN:

Gail, could you run into a situation where you lacked the funds to pay back the borrowing you did from the special funds?

MS. VIZZINI:

Hopefully not, because -- well, are you talking about not having sufficient tax revenue to pay back the Tax Anticipation Notes?

LEG. SCHNEIDERMAN:

Because of the lack of cash flow, we take from other funds, we borrow from other funds, we pay it back from interest to meet the immediate cash flow needs of the County.

MS. VIZZINI:

Well, we've --

LEG. SCHNEIDERMAN:

Could you run into a situation later in the year where there's simply not enough revenue to replace the funds?

MS. VIZZINI:

All the reserve funds have to be paid back and they are paid back, and that was -- the Treasure's required to notify in writing those -- when they borrow from water quality or when they borrow from assessment or Tax Stabilization Reserve. But we also, you know, borrow -- you know, if a sewer district happens to have cash, we borrow there, or if sewer districts have to make payments into reserve funds so --

LEG. SCHNEIDERMAN:

The money must be paid back by the end of the year by law with interest.

MS. VIZZINI:

Definitely for the reserve funds.

LEG. SCHNEIDERMAN:

And let's assume that cash flow comes in and allows us to do that. And you said there were I think \$390 million dollars last year was the number for the full fiscal; is that correct?

MS. VIZZINI:

Well, we borrowed that in Tax Anticipation Notes at the end of the year and we underscore that, you know, we need to borrow the maximum and it was the largest that we had borrowed to date.

LEG. SCHNEIDERMAN:

Okay. And do we know -- do we have a projection for this year what that borrowing may end up being, or is it too early to tell?

MS. VIZZINI:

It's way too early to tell.

LEG. SCHNEIDERMAN:

Okay. In terms of --

MS. VIZZINI:

There was some concern that since we have been borrowing so much, that the trend will continue unless there is some -- you know, unless we have recurring revenue or sales tax becomes more robust.

LEG. SCHNEIDERMAN:

So could we assume, though, because we're borrowing earlier than we did last year that the potential is there that it will be a significantly higher number over the course of the year?

MS. VIZZINI:

I think we have to wait until we get closer to when we're ready to borrow. Last year we did borrow a bill sooner than we had borrowed before, so there are some things that you can do. I know that the Audit and Control and the Treasurer are working on cash projections for the April presentation to the rating agencies, so we'll have a better idea there to --

LEG. SCHNEIDERMAN:

You also before mentioned something about waiting for that March sales tax figures. I'm being told there may be some good moves in sales tax; is that true? Or are we going to come in higher, or at least year to date are we higher than we projected?

MS. VIZZINI:

Well, it's very early in the year to determine how we're going to fair in 2011. We did -- we did fairly well all things considered in 2010, but --

LEG. SCHNEIDERMAN:

Did we come in in 2010 over projections, our projections in our budget?

MS. VIZZINI:

Well, we came in a little bit more than was estimated for '10 when we did the '11 budget, a couple -- it was 5 million, but I can --

LEG. SCHNEIDERMAN:

Okay. And how are we looking in '11 so far? I know it's early in the year, but --

MS. VIZZINI:

It is early, yes, and the --

LEG. SCHNEIDERMAN:

Any signs for hope sales tax wise?

MS. VIZZINI:

I think there are some, but there's still some volatility. If you recall, the County Executive's growth rate was 4.2 in '11 over '10. So there are some concerns still with unemployment, housing. Yeah, these are -- these are very unusual times.

LEG. SCHNEIDERMAN:

I understand that. Gail, just the raw numbers so far, coming in in sales tax, are they higher than the same numbers the year before?

MS. VIZZINI:

I think we've only gotten two or three checks. The reason I mentioned the March 8th check is it's a --

LEG. SCHNEIDERMAN:

I'm not getting an answer, so, sorry.

MS. VIZZINI:

Yeah, you're not getting an answer. The March 8th check should be in the vicinity of a \$60 million check, as opposed to a 17 million or -- you know, so just that -- that check last year at this time was \$60 million, so we're hopeful, but I don't know what that check will be.

CHAIRMAN GREGORY:

Legislator D'Amaro.

LEG. D'AMARO:

No, I'm good.

CHAIRMAN GREGORY:

Okay. I think some of the concerns that I have are, you know, with your previous presentation with overtime costs escalating, us having problems with cash flow. I just had a meeting the other night and someone had asked me, or referred to me a person that they knew that was trying to open a restaurant and the problems that they're having, going through the Health Department, taking nine months to get a permit, and these are revenue generating permits, that we don't have the staff to process and to do these inspections. You know, because of staffing, what impact does that have on us generating revenue?

I mean, we're not going to fill any budget gaps with, you know, restaurant with those types of inspections and applications, but certainly we're in a position where any revenue is good revenue, obviously. And I think we can certainly do better. But, as you correctly stated, this is -- this is more like a procedural matter that we do every year. The cause for concern is that it's earlier than

usual, especially after our largest borrowing in the history of our borrowings.

And I'm a little concerned that the -- I refuse to call it the State of the county, because it wasn't in the Legislature, but the County Executive's speech the other week didn't -- painted a rosier picture than there actually is when we have -- a couple of weeks later we're presented with this type of resolution. So, you know --

MS. VIZZINI:

If I could just clarify one thing --

CHAIRMAN GREGORY:

Yes.

MS. VIZZINI:

-- for the record, and that is -- well, we've just -- look, over the past four years, this resolution has been laid on the table on or about the first meeting in February, February 3rd, 5th -- February 3rd, 5th, 1st, what have you, but I do know that there are some cash concerns, and it would be customary and prudent to approve this.

CHAIRMAN GREGORY:

Okay. Yeah, absolutely. Okay. So --

LEG. ROMAINE:

We made a motion to approve.

CHAIRMAN GREGORY:

Right, we have a motion, second, Madam Clerk?

MS. ORTIZ:

Yes.

CHAIRMAN GREGORY:

Okay. Okay, Legislator D'Amaro.

LEG. D'AMARO:

Gail, I just want to ask you, as you -- as we're moving the date back that we're requesting this authority earlier and earlier so then the Treasurer borrows --

MS. VIZZINI:

I may have misspoke on that. For the past four years, it has been on or about early February that this was laid on the table.

LEG. D'AMARO:

Okay.

MS. VIZZINI:

We did move the Tax Anticipation Note borrowing earlier than we had last year.

LEG. D'AMARO:

Okay. Is it possible that, you know, the Treasurer borrows from the various acts -- by the way, what's the interfund interest rate? I'm just curious.

MS. VIZZINI:

It's the -- yeah, it's the prevailing rate.

LEG. D'AMARO:

Prevailing rate.

MS. VIZZINI:

Yes.

LEG. D'AMARO:

Okay. But what's the number, roughly?

MS. VIZZINI:

Small, tiny.

LEG. D'AMARO:

I'm sorry?

MS. VIZZINI:

Okay. We don't have the rate -- we'll have to get back to you on that. We have the amounts, the dollar amounts that we pay, we don't have the rate. We can get back to you on that.

LEG. D'AMARO:

Is it 1% or 10%, you know?

MS. VIZZINI:

It's not 10%, it's --

LEG. D'AMARO:

It's not. It's a lower number.

MS. VIZZINI:

It's closer to being less.

LEG. D'AMARO:

Right, okay.

MS. VIZZINI:

Whatever the, you know --

LEG. D'AMARO:

That's what I thought. So it's good business, good prudent practice to borrow it from ourselves, probably get a much more favorable rate and avoid a lot of costs and all of that.

But is it possible that after all of this borrowing is complete from other funds that there is not -- I mean, after all, you have to do the borrowing because the revenue -- it's not -- it's a function of it not coming in as anticipated, but also the timing of when the revenue comes in. But is it possible that at the end of the day, there's insufficient revenue that comes in to cover the borrowing for the reimbursement?

MS. VIZZINI:

I'm not sure if I understand your question. I mean, the funds will be paid back. If there's not sufficient sales tax revenue or property tax revenue, or other sorts of those revenues, then we

resort to the outside borrowing, either on the short-term or the long-term, yeah.

LEG. D'AMARO:

Okay. That was my question. Okay. So that's a relief valve.

MS. VIZZINI:

And if we get jammed up, there are other things we could resort to that other counties have resorted to, but, hopefully, we will not get, you know, that jammed up.

LEG. D'AMARO:

Right. Okay. All right. Thank you.

CHAIRMAN GREGORY:

Okay. All right. We have a motion and a second. All in favor? Opposed? Abstentions?

APPROVED (VOTE: 6-0-0-0)

Okay. **IR 1098, amending the 2011 Operating Budget and transferring funds from the John J. Foley Skilled Nursing Facility to the Legislature (BROWNING).**

I'm going to make a motion to discharge without recommendation. Can I get a second? You've got something to say? Second.

LEG. SCHNEIDERMAN:

Second.

CHAIRMAN GREGORY:

Second by Legislator Schneiderman. And Mr. Kopp.

MR. KOPP:

I was actually going to speak to both 1098 and 1099. If it would please you all, I'll do it both at once so we can save some time here. We heard some interesting presentations today I think from the budget people and your BRO staff about some of the issues we're confronting here.

I note in 1098 that we're transferring \$200,000 out of the Health Insurance Fund. And if we think that there's \$200,000 that are going to be left over in Health Insurance at the end of the year, maybe we ought to leave it there so we have a cushion.

On 1099, we're taking \$625,000 from various areas in the Operating Budget for the ShotSpotter Program. I would say the same thing about that. But beyond that, I would say we already have a demonstration project going on in Huntington Station, and perhaps it would be more prudent if we were to wait to expand it until after we see the results of the testing that's going to go on in Huntington Station first before we expand it to the other areas. So we'd respectfully request that you keep all this in mind as you cast your votes.

CHAIRMAN GREGORY:

Okay. Thank you. Now, my response is 1099, that we understand that you have a test pilot program going on in Huntington Station, but there are real life deaths happening in Wyandanch and North Bellport and other areas that a test pilot program can't wait for.

So we have 1098 before us. And just for everyone's -- or for my edification, my understanding is that this is transferring money from the Foley Nursing Center to fund the RFP or the consultant for the RFP for the nursing home for Legislator Browning's efforts.

MS. VIZZINI:

Yes.

CHAIRMAN GREGORY:

Okay.

MS. VIZZINI:

This would be, for a practical matter, a companion resolution to the resolution that you passed to proceed with a consultant for the private/public partnership. Mr. Kopp is correct, the nursing home has expenses that it pays to the Health Insurance Fund for employees. And as you saw, the number of employees at the nursing home is on a downward slide, so we believe that if there's any one item where there may be a surplus, this would be one of them. And there will be a cost associated when the -- if and when the consultant is hired. So rather than having that come out of the General Fund, it would come out of the nursing home fund. So it's 200,000 going from the nursing home to actually the Legislature, since we are overseeing the hiring of the consultant.

CHAIRMAN GREGORY:

Okay. And this is to ensure that there's a dual track in case the nursing home is left open. It's still in the courts. Legislator Browning is providing an alternative with an RFP to develop a public/private partnership. This funding will go to a consultant to help with the RFP to help provide a public/private partnership. And I know she's asked me to forward that sentiment and that she encourages her colleagues to support it. And so I'm going to support it. I don't know where everyone else is --

LEG. ROMAINE:

I'm going to recuse myself.

CHAIRMAN GREGORY:

Legislator Romaine is going to recuse himself. And we have Presiding Officer, and then Legislator D'Amaro.

P.O. LINDSAY:

Yeah. I would just encourage my colleagues to discharge it to the floor. This is a situation that is evolving very rapidly over this week. We're awaiting a decision over the lawsuit. We have a Special Meeting on Thursday about the sale. I would like to see it to get to the floor and then it might be much clearer next week where we stand with the whole situation.

CHAIRMAN GREGORY:

Legislator D'Amaro?

LEG. D'AMARO:

Okay. The resolution calls for transferring 200,000 to the Legislature. I assume that's for the cost of preparing the proposal, the BRO costs, Gail; is that correct?

MS. VIZZINI:

Well, no. BRO is, you know, using our own in-house staff to prepare an RFP to attract a consultant. The 200,000 is to pay the consultant --

LEG. D'AMARO:

Okay.

MS. VIZZINI:

-- to do the RFP for the private/public partnership for the nursing home. We do not have that level

of in-house expertise.

LEG. D'AMARO:

Yeah. Just conceptually, I have an issue with this bill, as I did with the original bill for doing this in the first place, in that if the County budget already took the position to defund the health -- the nursing home, and we only have, I think, funds up until the end of this month now, the end of March or April 1st, it seems to me inconsistent to now spend another \$200,000 on a facility where we've already made a policy decision to shut down.

And I understand the reality of the lawsuit is hanging out there. I'm confident and I believe, just based on the merits, that the County is not going to be compelled to keep that facility open, but, you know, you never know once you're in court. So, to defer to what the Presiding Officer has asked, I am inclined to discharge without recommendation today. I don't support the resolution, but I think it at least gives us the opportunity to have everything before us, especially in light of the Special Meeting. So I'll support the discharge without recommendation.

CHAIRMAN GREGORY:

Okay. Anybody else? Okay. I think for the third time I said we have a motion and a second.

MR. NOLAN:

I think we got that. We have a motion to discharge without recommendation?

CHAIRMAN GREGORY:

Yes. All in favor? Opposed? Abstentions? And Legislator Romaine is recused. **DISCHARGED WITHOUT RECOMMENDATION (VOTE: 5-0-0-0-1).**

Okay. **IR 1099, Amending the 2011 Capital Budget and Program and the 2011 Adopted Operating Budget, and appropriating \$652,500 in connection with the improvement of the safety and security of Suffolk County through the use of ShotSpotter Gunshot Location Systems (GREGORY).**

I'm going to make a motion to table, seconded by Legislator Schneiderman. All in favor? Opposed? Abstentions? **TABLED (VOTE: 6-0-0-0)**

IR 1111, Amending the 2011 Operating Budget and appropriating funds in connection with bonding for a General Liability Case (COUNTY EXEC).

I make a motion to approve. Seconded by --

LEG. D'AMARO:

I'll second, I'll second.

CHAIRMAN GREGORY:

By Legislator D'Amaro. I'm sure you have your standard questions, Legislator Romaine?

LEG. ROMAINE:

Yes, I do have some standard questions, obviously, normal liability issue that comes before us. I believe this is for six million dollars, and I'm not announcing the New York State lottery.

*(*Laughter*)*

With that, I need some explanation about what type of case this was that we lost for six million dollars.

MS. LOLIS:

If I may, Mr. Chairman. Gail Lolis, Deputy County Attorney. This was a settlement for six million dollars. We offered the self-insured retention limits of three million dollars with a Ways and Means approval back in 2009. The excess carrier made the determination to pay the additional three million for a total settlement of six million dollars.

LEG. ROMAINE:

And what type of case is this? It involves what?

MS. LOLIS

It was an automobile, a one-car automobile accident. The plaintiff, an 18-year-old, was catastrophically injured. They claimed a road defect was a contributing factor to her injuries.

LEG. ROMAINE:

Do you know the road that --

MS. LOLIS

It was on Route 50 -- Route 48 out in Southold. I'm sure you're familiar with the area. I don't know the exact cross street. I believe it's --

LEG. ROMAINE:

I'm sure it's by the restaurant out there, Soundview Restaurant.

MS. LOLIS

It's -- no, it's not. It's actually further west in the area where there's two lanes in either direction, and there's the grass median, and you'll notice there are concrete drainage areas within the median. And there was a battle of experts as to whether or not that was defective.

LEG. ROMAINE:

This is -- now you have reminded me, because I believe several years ago I asked --

CHAIRMAN GREGORY:

Push the button.

LEG. ROMAINE:

Yeah, I am pushing it, the green light's on. Okay. I asked for guardrails along this section of roadway. I guess we thought it was cost efficient not to put in the guardrails. Okay. I'm not going to vote for this, but thank you.

CHAIRMAN GREGORY:

Okay. Thank you. So we have a motion, we have a second. All in favor? Opposed? Abstentions?

LEG. ROMAINE:

I oppose this.

LEG. MURATORE:

Opposed.

CHAIRMAN GREGORY:

Okay.

LEG. SCHNEIDERMAN:

Abstention.

CHAIRMAN GREGORY:

Well, is that --

LEG. SCHNEIDERMAN:

All right, I'll support it.

CHAIRMAN GREGORY:

All right. All right.

MS. VIZZINI:

Mr. Chairman, if I may just for a second.

CHAIRMAN GREGORY:

Yes.

MS. VIZZINI:

I just want to point out for the record that, as Gail said, the settlement was six million dollars. The County's insurance carrier covered half the cost. This will -- authorizes the -- you know, the three million, which would be the portion of the cost that was not covered by the insurance carrier.

CHAIRMAN GREGORY:

Okay.

P.O. LINDSAY:

I certainly understand the resistance of my colleagues not to support such a huge settlement, but if this was going to be stopped, it should have been stopped at Ways and Means. I mean, Ways and Means approved it, our attorneys went into court, the insurance company went into court and approved a settlement. This -- you know, I don't think it would be very responsible if we blow it up at this stage, being that it's went this far.

LEG. ROMAINE:

Mr. Chairman.

CHAIRMAN GREGORY:

Yes.

LEG. ROMAINE:

I agree with our Presiding Officer, if the vote was in question -- I am pushing this down. If the vote was in question, I would support this, but it's not. Mine is a protest vote, because I had asked for guardrails along this. It reminds me of the horseshoe, not this horseshoe, a horseshoe on a horse. And I think we all remember Shakespeare, Richard III, "for the lack of a horseshoe, a kingdom was lost." Here we go. For a lack of guardrail, we're now settling a case for six million dollars. I think it's instructive. Mine is a protest vote. If the vote was in question, I would add my vote to this so that the attorneys could proceed, but it's clearly instructive of some of the Public Works projects that we think we're being cost efficient about and in the end it costs us a great deal more, because we get sued all the time. Thank you.

CHAIRMAN GREGORY:

Okay. Madam Clerk, what did you have as a vote? We had two objections -- or two no's.

MS. ORTIZ:

He's yes.

LEG. SCHNEIDERMAN:

I'm going to have to support it, because, obviously, we have to pay it. It's a settlement. There's really no choice here. And, you know, we have to do it, so I'll make sure it moves forward then.

CHAIRMAN GREGORY:

Okay. All right.

LEG. D'AMARO:

I'm going to -- I'm going to support it also, because now that we put on the public record that we were liable and had prior notice of a dangerous condition, I think it's very important to support the settlement as rapidly as possible.

*(*Laughter*)*

CHAIRMAN GREGORY:

Yes, all right. Cosponsor, right? All right. **APPROVED (VOTE: 4-2-0-0; Opposed; Legis. Muratore and Romaine)**

IR 1117, amending the 2011 Operating Budget and transferring funds to Fund 102 for Public Safety Answering Points (PSAP) (COUNTY EXEC).

The sponsor has asked that we table this motion, so I make a motion to table, seconded by Legislator Schneiderman. All in favor? Opposed? Abstentions? **TABLED (VOTE: 6-0-0-0)**

No, not yet. **We have IR 2106, Adopting a Local Law No. - 2010, a Charter Law to enhance transparency in the County budgeting process (CILMI).**

I make a motion to table. This motion was recommitted from the General Meeting.

P.O. LINDSAY:

Second.

CHAIRMAN GREGORY:

Second by Legislator Lindsay.

LEG. D'AMARO:

Just on the motion.

CHAIRMAN GREGORY:

Legislator D'Amaro.

LEG. D'AMARO:

Yeah. I believe I opposed recommitting at the last session. However, I have not had any discussion with the sponsor, so I'm going to support it for this cycle, the tabling.

CHAIRMAN GREGORY:

Right. The sponsor has reached out to me that he is working on some amendments.

LEG. D'AMARO:

Oh, okay.

CHAIRMAN GREGORY:

He hasn't finalized them yet --

LEG. D'AMARO:

Okay.

CHAIRMAN GREGORY:

-- and requested a tabling.

LEG. D'AMARO:

All right. On that basis, I'll support the tabling.

CHAIRMAN GREGORY:

Okay. All right. So we have a motion and a second. All in favor? Opposed? Abstentions?

TABLED (VOTE: 6-0-0-0).

Thank you. We stand adjourned.

(*THE MEETING WAS ADJOURNED AT 12:35 P.M.*)

{ } DENOTES BEING SPELLED PHONETICALLY