

BUDGET AND FINANCE COMMITTEE

OF THE

SUFFOLK COUNTY LEGISLATURE

MINUTES

A meeting of the Budget and 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 June 10, 2014, at 12:30 p.m.

MEMBERS PRESENT:

Legislator Lou D'Amaro - Chairman
Legislator Sarah Anker - Vice-Chairwoman
Legislator John Kennedy
Legislator Monica Martinez
Legislator Steve Stern
Legislator Robert Trotta

ALSO IN ATTENDANCE:

Sarah Simpson - Assistant Counsel to the Suffolk County Legislature
Lora Gellerstein - Chief Deputy Clerk/Suffolk County Legislature
Robert Lipp - Director/Budget Review Office
Greg Moran - Aide to Legislator Trotta
Debbie Harris - Aide to Legislator Stern
Christina DeLisi - Aide to Legislator Schneiderman
Bill Shilling - Aide to Legislator Calarco
Lynne Bizzarro - Chief Deputy County Attorney
Frank Bayer - Audit and Control
Manuel Alan - Audit and Control
All Other Interested Parties

MINUTES TAKEN BY:

Gabrielle Severs - Court Stenographer

MINUTES TRANSCRIBED BY:

Kim Castiglione - Legislative Secretary

(*The meeting was called to order at 12:39 p.m. *)

CHAIRMAN D'AMARO:

Welcome to the Budget and Finance Committee. Please rise and join us in the Pledge of Allegiance led by Legislator Martinez.

Salutation

Please remain standing for a moment of silence for the five Special Operations Officers that we learned were killed in Afghanistan and for all the other men and women who made the ultimate sacrifice to protect our freedoms.

Moment of Silence

Good morning, afternoon rather. We'll turn to the agenda. We've completed the Pledge. Please note that the committee has received correspondence. I'll read them into the record. June 9, 2014, correspondence from Jeannine Dyer, Deputy Director of Guild Hall. We've also received correspondence dated May 23, 2014, from John Eilertsen, Executive Director of the Bridgehampton Historical Society, and finally correspondence dated May 27, 2014, from Carole Nappi, an accountant with Carole Nappi Accounting and Tax Services. Those items will all be included in our record, and I believe each committee member has received a copy of the correspondence.

We'll turn now to public comments. To the Clerk, are there any cards this morning?

MS. GELLERSTEIN:

No.

CHAIRMAN D'AMARO:

Okay. There are no cards for the record. Is there anyone present who would look to address the Budget and Finance Committee this afternoon? And for the record, there is no response. There are no scheduled presentations today. We'll turn next to Tabled Resolutions.

Tabled Resolutions

And I'll call the first. ***1146-2014 - Amending The 2014 Operating Budget to provide additional funding for the Citizens Advisory Board for the Arts (Schneiderman).***

LEG. STERN:

Motion to table.

CHAIRMAN D'AMARO:

Motion to table by Legislator Stern. Second by Legislator Trotta. All in favor? Opposed? Abstentions? Motion carries. ***(Vote: 6-0-0-0)***

Resolution ***1248-2014 - Removing HSBC as a bank doing business with the County of Suffolk and amending Resolution No. 7-2014 (Kennedy).***

LEG. KENNEDY:

Motion to table.

CHAIRMAN D'AMARO:

Legislator Kennedy offers a motion to table.

LEG. STERN:

Second.

CHAIRMAN D'AMARO:

Second by Legislator Stern. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

Next is resolution **1252-2014 - Adopting Local Law No. -2014, A Charter Law to update, clarify and improve process for Budget Deficit Mitigation (D'Amaro)**. I'll offer a motion to table.

LEG. STERN:

Second.

CHAIRMAN D'AMARO:

Second by Legislator Stern. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

Resolution **1431-2014 - Adopting Local Law No. -2014, A Charter Law to authorize Reserve Fund transfers (Pres. Off.)**.

Requires a public hearing. Motion to table. Second by Legislator Anker. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

Next is resolution **1432-2014 - Approving County funding for a contract agency (Guild Hall of East Hampton) (Schneiderman)**.

Motion to table by Legislator Kennedy. I'll second. Just note for the record that we did receive correspondence from Guild Hall, and they have requested that we table pending the outcome of their audit and working with the Comptroller's Office, and I expect them to get back to us shortly. So I'll call the vote. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

Resolution **1433-2014 - Approving County funding for a contract agency (Shinnecock Nation Cultural Center and Museum) (Schneiderman)**. I'll offer a motion to table.

LEG. STERN:

Second.

CHAIRMAN D'AMARO:

Second by Legislator Stern. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

LEG. STERN:

As we're going through these upcoming, if there's anybody, either the committee or the Comptroller's Office that would be able to give some indication as to whether or not there has been some kind of an outreach effort or some kind of conversation that has occurred since the last time the committee met, so we can get some kind of status in determining how we're going to be chiming in and voting on these, the next several coming up.

CHAIRMAN D'AMARO:

Right. The Guild Hall we heard from and we did receive that correspondence, which you have a copy. The next one that we just voted on, the Shinnecock Nation Cultural Center and Museum, we have not received any communication from.

LEG. STERN:

Thank you.

CHAIRMAN D'AMARO:

As of to date. And also, Frank Bayer is here. Frank, thank you for joining us today, from the Comptroller's Office.

All right. The next resolution is **1434-2014 - Approving County funding for a contract agency (South Fork Natural History Museum) (Schneiderman)**.

This agency has not communicated with the committee as of today. I'll offer a motion to table.

LEG. STERN:

Second.

CHAIRMAN D'AMARO:

Second by Legislator Stern. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

Resolution **1435-2014 - Approving County funding for a contract agency (Bridgehampton Historical Society) (Schneiderman)**.

We've also received correspondence from the society, excuse me, from John Eilertsen. Basically he's saying that they are reclassifying items on their 990. They are not through the process yet. They expect to finish that process by -- let me just take a look at this letter. He says his auditors have assured them that it's appropriate and proper for them to reclassify several budget items, and that they do not know yet how close to 20% they will get, "but I am confident we will make vast improvement". But the letter does include a request to waive the 20% rule. My preference would be, because they're at 84%, to give them a little more time to work with the auditor and the 990 and the Comptroller's Office to see whether or not they can even get close on that. Frank, have you had any communication with Bridgehampton?

MR. BAYER:

Not with the historical society. You know, last we have, and we have them at 62%, and we do know they're working, but no further contact.

CHAIRMAN D'AMARO:

You said last -- they are working with you, did you say?

MR. BAYER:

Initially, month's ago, I believe, they reached out to Joseph, but nothing -- we haven't received no new information. The last financial statement we had from them we had them at 62%.

CHAIRMAN D'AMARO:

Right. They're working with Joe Pecorella, and he's assured them, according to this letter, "that our percentage will be much improved for our 2013 Form 990". He's awaiting our 2013 Form 990. I believe they did make an appearance here once as well and we were focusing on the fact that much of what they program as administration expenses should be program expenses. But I suggest we give them more time. I would offer a motion to table.

LEG. STERN:

I'll second.

CHAIRMAN D'AMARO:

All right. Second by Legislator Stern. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

1436-2014 - Approving County funding for a contract agency (Bridgehampton Child Care & Recreation Center)(Schneiderman).

Now, this one we did receive correspondence from Carole Nappi on this as well, telling us that the Form 990 will be completed no later than July 31st, and they believe they will come into compliance. So I suggest, again, we table and just give them an opportunity to meet the threshold. So I'll offer a motion to table.

LEG. STERN:

Second.

CHAIRMAN D'AMARO:

Second by Legislator Stern. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

Resolution **1437-2014 - Approving County funding for a contract agency (Three Village Community Services)(Kahn).** I don't think we've had any communication from them at all, so I'll offer a motion to table.

LEG. STERN:

Second.

CHAIRMAN D'AMARO:

Second by Legislator Stern. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

Introductory Resolutions

This is Introductory Resolutions now. **1507-2014 - Adopting Local Law No. -2014, A Charter Law to improve budget and fiscal communication in County Government (Krupski).**

It requires a public hearing. I'll offer a motion to table. Second by Legislator Anker. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

And resolution **1534-2014 - To readjust, compromise, and grant refunds and charge-backs on real property correction of errors by: County Legislature (Control No. 963-2014)(Pres. Off.).** I'll offer a motion to approve and place on the Consent Calendar. Second by Legislator Anker. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

Resolution **1536-2014 - To readjust, compromise, and grant refunds and charge-backs on real property correction of errors by: County Legislature (Control No. 964-2014)(Co. Exec.).** Same motion, same second, and without objection, same vote. **(Vote: 6-0-0-0)**

Resolution **1539-2014 - To readjust, compromise, and grant refunds and charge-backs on real property correction of errors by: County Legislature (Control No. 965-2014)(Co. Exec.).** Same motion, same second, same vote. **(Vote: 6-0-0-0)**

1549-2014 - Amending the 2014 Operating Budget and appropriating funds in connection with bonding for a settlement for a liability case against the County (Co. Exec.).

This is a settlement of a negligence action against the County for the amount of \$175,000, and I believe it was approved by the Ways and Means Committee. I'll offer a motion to approve. Second by Legislator Anker. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

Resolution **1550-2014 - Amending the 2014 Operating Budget and appropriating funds in connection with bonding for a settlement for a liability case against the County (Co. Exec.).**

Another negligence action that was settled for the amount of \$200,000 and this was, again, approved by the Ways and Means Committee. I'll offer a motion to approve. Second by Legislator Anker. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

Resolution **1556-2014 - To readjust, compromise, and grant refunds and chargebacks on correction or errors/County Treasurer By: County Legislature No. 409 (Co. Exec.).** I'll offer a motion to approve and place on the Consent Calendar. Second by Legislator Anker. All in favor? Opposed? Abstentions? Motion carries. **(Vote: 6-0-0-0)**

And resolution **1557-2014 - Amending the 2014 Operating Budget, transferring funds within the Traffic and Parking Violations Agency and authorizing the refund of administrative fees in accordance with Local Law No. 6-2014 (Co. Exec.).**

This provides the funding, \$263,950 for 4,663 people who, I believe, were found not guilty and paid an administrative fee nonetheless. So this is a refund as per our local law. It funds the local law. I'll offer a motion to approve. Second by Legislator Anker.

LEG. KENNEDY:

On the motion, Mr. Chair.

CHAIRMAN D'AMARO:

Yes, please go ahead.

LEG. KENNEDY:

Can I just through the Chair, Frank, Mr. Bayer, could I ask, did your office go through the verifications on this?

MR. BAYER:

Yes. The Comptroller's Office conducted a review and determined the repayment amount. Manny Alban was the Chief Auditor that oversaw the review, so any questions can be directed to him.

LEG. KENNEDY:

Okay. Thank you. So my question is simple. Based on what we have reflected in the resolution, that's a sufficient amount to cover, I guess, those individuals that you identified, in fact, actually had made administrative payment but, in fact, there was never -- it was either dismissed or there was never any issue associated with guilt.

MR. ALBAN:

That's correct.

LEG. KENNEDY:

Okay. That's fine. Just wanted to make sure that it was covered. Thank you, Mr. Chairman. Thank you, gentlemen.

CHAIRMAN D'AMARO:

Thank you, Legislator Kennedy. Also, Rob, what is the source of funding? Where are we getting this refund from?

MR. LIPP:

The money is being taken from elsewhere in the department's -- the Traffic Bureau's budget that has sufficient appropriations. So it's an offset within their existing appropriations.

CHAIRMAN D'AMARO:

Okay. So it's coming out of their own budget.

MR. LIPP:

Correct.

CHAIRMAN D'AMARO:

Okay. Thank you. Any other questions? Okay. Is there a motion pending, to the Clerk?

MS. GELLERSTEIN:

Yes.

CHAIRMAN D'AMARO:

Has it received a second?

MS. GELLERSTEIN:

Yes.

CHAIRMAN D'AMARO:

Okay. Thank you. I'll call the vote. All in favor? Opposed? Abstentions? Motion carries.

(Vote: 6-0-0-0)

Resolution **1567-2014 - Updating County's Investment Policy (Pres. Off.)**.

The Treasurer's Office has asked us to table this for one cycle. They are making some changes and the County Investment Advisor, Rich Tortora, could not make this meeting but could make the next. So I'll offer a motion to table.

LEG. ANKER:

Second.

CHAIRMAN D'AMARO:

Second by Legislator Anker. All in favor? Opposed? Abstentions? Motion carries. **(Vote:**

6-0-0-0)

There's no further business before the committee. We are adjourned. Thank you.

(*The meeting was adjourned at 12:53 p.m. *)