

ECONOMIC DEVELOPMENT

HIGHER EDUCATION

and

ENERGY COMMITTEE

of the

SUFFOLK COUNTY LEGISLATURE

Minutes

A regular meeting of the Economic Development, Higher Education & Energy Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, Veterans Memorial Highway, Smithtown, New York, on Wednesday, June 16, 2010.

MEMBERS PRESENT:

Legislator Wayne Horsley - Chairman
Legislator Steve Stern - Vice-Chair
Legislator Thomas Cilmi
Legislator Ricardo Montano
Legislator Lynne Nowick
Presiding Officer Lindsay - Ex Officio Member

ALSO IN ATTENDANCE:

George Nolan - Counsel to the Legislature
Joe Schroeder - Budget Review Office
Joe Muncey - Budget Review Office
Renee Ortiz - Chief Deputy Clerk of the Legislature
Ben Zwirn - County Executive's Office
Linda Bay - Aide to Minority Caucus
Paul Perillie - Aide to Majority Caucus
Bob Martinez - Aide to Legislator Montano
Dot Kerrigan - AME
Gil Anderson - Commissioner - Department of Public Works
Moke McGowan - LI Conventions and Visitors Bureau
George Gatta - Suffolk Community College
Lynda Moran - Islip Arts Council
Gerard McLeod - Islip Arts Council
Phyllis Wolkoff - Islip Arts Council
All other interested parties

MINUTES TAKEN BY:

Donna Catalano - Court Stenographer

(*THE MEETING WAS CALLED TO ORDER AT 2:12 P.M.*)

CHAIRMAN HORSLEY:

All right. Good afternoon, everybody. Welcome to the June 16th Economic Development, Higher Education and Energy Committee Meeting. May we all please stand for the Pledge of Allegiance.

SALUTATION

May we all stand for a moment of silence for the men and women protecting our freedoms both home and abroad.

MOMENT OF SILENCE

All right. All right. Again, good afternoon, everybody. What we're going to do is I have -- I have cards for people to come up and speak during the public portion. But I think what we're going to do first is we're going to do the public hearing on the Suffolk County Community College Budget first. And according to my notes here, I have only one card relating to the College budget. If I may, I'd like to call up George Gatta. George, welcome. Good afternoon.

MR. GATTA:

George Gatta, Executive Vice-President of Suffolk County Community College. On behalf of Suffolk County Community College President Dr. Shaun McKay, I want to thank the Legislature for its ongoing support of the College. Your investments in both our Capital and Operating Budgets have enabled us to meet the educational needs of over 25,000 students this here, the highest enrollment in our 50 year history. And I'm pleased to report that we're now the largest community college in the State University of New York system.

Your action last week of advancing the College's Capital Budget projects will ensure that the college has the educational facilities and appropriate infrastructure it needs to serve the growing number of Suffolk residents who are seeking to maximize their college savings, retrain to a new career or enhance their job skills for job and employment stability. We certainly appreciate your commitment to maintaining first rate public higher education experience here in the County.

And looking forward to our next academic year, we are seeing another increase in the number of County residents seeking admission, and that's on top of the 8.5% increased enrollment we experienced this year. Applications for enrollment are up significantly over last year at this time as more and more County residents recognize the great value and quality of our academic and workforce development offerings.

As the Legislature begins its review of the recommended 2010-11 College Operating Budget, I'd like to highlight several important issues. First and foremost, in the midst of significant enrollment growth and fiscal constraints, we remain focused on fulfilling our mission of providing affordable access to high quality education for every County resident who desires to attend Suffolk. We have worked hard this past year to meet the various fiscal challenges, including \$1.9 million midyear State cut in aid. And we take great pride in the fact that we were able to enroll every qualified student who came to us this past year. And while we did hire more part-time faculty to offer additional high-demand classes, the college was able to address this need without adding any new full-time faculty positions this past year.

Looking to next year's budget, unfortunately, as the Legislature considers our request, the State budget process remains unfinished, and we remain unsure of the level of their support for our Operating Budget. As you know and as I mentioned earlier, that \$1.9 million midyear cut was approximately \$130 per full-time equivalent student, and that was an unexpected cut midyear. The Governor has proposed an additional \$285 per full-time equivalent student for the next year, and

that translates to about 5.6 million. So if adopted as proposed, our State aid will have declined 15% per full-time student over the last two years.

However, based on the continuing budget impasse in Albany and recent media reports that the Governor plans to include -- and that report has just changed within the past hour -- yesterday the Governor was planning on including his proposed cuts to Higher Ed, that \$285 per FTE cut in next Monday's extender bill. As of an hour ago, he's now said that he may not do that. And, in fact, he's challenged the Legislature in Albany to adopt the budget by June 28th. If not, all the cuts as proposed in his original budget including our base aid cut would be in the June 28th extender bill.

So the budget that we forwarded, the recommend budget, includes that \$5.6 million reduction as well as mandatory cost increases related to salaries, benefits and other contractual costs. Our requested budget also contains a number of actions to address the anticipated reduction in State aid, including reduced spending in non-personnel areas, the realization of additional savings by not filling vacant positions, and utilizing approximately \$1.7 million of our reserve funds.

These measures, however, were not enough to generate a balanced budget in the face of that potentially significant reduction in State aid funding. As you know, all of our funding comes from three places; the State, the County, and from students in the form of tuition. So in order to maintain balance, the college's budget -- or our requested budget as approved by the Board of Trustees, did include a modest tuition increase of \$100 per semester. And it also requested additional funds from the County.

Certainly, we recognize the serious fiscal condition facing the County, and we understand that an increase in its contribution will be difficult in the coming year. Given these realities, President McKay continues to make progress in securing budget savings that were not available when our budget requests were delivered to the County in mid April. Specifically, I'm pleased to report that as part of our contract reopener with the Faculty Association, and if approved by our Board of Trustees next week and ultimately by the County Legislature, the college will also realize additional savings in each of the next four years, including savings associated with an increase in class size by two additional students.

We'll also seek to identify salary savings with the Guild of Administrative Officers. And also, at its last meeting, the Board of Trustees did approve salary concessions for exempt employees. On top of that, we will continue to pursue every available funding opportunity outside the County and the State, including partnerships with business and industry and Federal funding sources.

In summation, we certainly appreciate the Legislature's support of the college in the past. You've been there to support us both on the operating and capital side. We will certainly look forward to providing additional information to you as the State budget unfolds particularly as it relates to its impact on us. And we thank you for continuing support of the college and for our students. Thank you.

CHAIRMAN HORSLEY:

Thank you very much, Mr. Gatta. We always appreciate your professionalism. I have a quick question, if I may, before I go turn this over to Ms. Vizzini, because she is going to give BRO's report. I did have a quick question. You are saying that the numbers are even higher as far as applications at this point in time than last year. How high do you think this is going to go? What do you think we're talking about?

MR. GATTA:

If we use last year as an example, and it's probably the most realistic example, at this time last year, applications over the prior year were up in the range of 30% over the prior year. This year, to date we're up just slightly less than 20% in terms of applications received.

CHAIRMAN HORSLEY:

But 20% over the 30.

MR. GATTA:

Well, that's just in terms of -- 20% over last year's number of students and number of applications, exactly. When we look at the number of students that are actually registered for classes as of yesterday, that number is around 12%, a little more than 12%.

CHAIRMAN HORSLEY:

Twelve over the 11% increase last year.

MR. GATTA:

Over last year. But what happens is as we get closer to the beginning of the semesters, those numbers continue to decline for a number of reasons; first, we think that most residents have recognized that if they want to access a schedule that's convenient for them, that works for them, that contains all the classes they need for a particular major at a time when they can actually attend, that they need to register early.

We have communicated that repeatedly to the high school guidance counselors, that we encourage high school students to apply early to get their acceptance, to come in and be tested and advised, which is all part of our admissions process, prior to the beginning of August. So we have had great cooperation with the high schools, with their guidance counselors.

We've had a number of on-site registrations at the high schools where all the documents are there. It's not a case of them getting an incomplete application and the following us and saying, "We need your health records, we need an official transcript, we need, you know, X, Y and Z documents." So all of those efforts have, we think, helped us register students earlier than in the past.

But getting to your question, we do -- I think the heart of the question, we do think that there will be an increase in enrollment next year. We've budgeted a 2% increase, recognizing that as we increase enrollment, we also need to increase the number of faculty that can teach the sections that are added. And given the pressures from both the State and the serious budget challenges that the County faces, that's the balancing act that we're dealing with.

Now, I did mention in my prepared remarks that the Faculty Association had agreed to increase class size by two. That has certainly been a help in the past year and will be undoubtedly a help over the next four years of this contract should that reopen or be approved, and we would hope that it would be.

With that, we've worked hard to manage the master schedule so that we're running class sections that are full or as close to full as possible. Each of the campuses are coordinating schedules so that students can get classes in a time block that's convenient. We're running early morning sessions, we're running more sessions on Fridays and on weekends. And with all of that, we still are anticipating that we will be able to accommodate just about every student that wants to attend the college in the fall.

CHAIRMAN HORSLEY:

So if I'm -- if I do the math, it's approximately -- you are looking that the numbers will be in the range of about a thousand new students?

MR. GATTA:

Well, a thousand new students would be almost a 5% increase. It may not -- we don't think it will end up at 5%. We think it will be less than 5%.

CHAIRMAN HORSLEY:

Less than 5%. Okay. All righty. Thank you very much, George. Are there any further questions of George at this point in time? We certainly still have him on the hot seat here. We can always bring him back. Good for now? All right. What I'd like to do is ask Ms. Vizzini to give the BRO update on where we are with our budget negotiations and -- on the college itself and their budget.

MS. VIZZINI:

Sure thing. Each of you should have received via e-mail a copy of our review of the College's requested budget and the County Executive's recommended budget. Not to duplicate anything that George said, but the highlights are that the College did ask for \$189 million dollars in appropriations. The County Executive has recommended 1.5 million less, which is basically the difference in the County contribution.

The summary in the report, there's a summary of findings that highlights all the salient items that you can review. The only options available to the Legislature are to change the County contribution and/or the budget total. And you can -- each 1% increase in the County contribution is \$380,000. The County contribution has remained flat since 2007-2008 and was equivalent to \$38.6 million. Since we have such a substantial financial commitment to the College, this is one of the reasons why we continue to do a report for you even though you can no longer make line item changes. If the committee has any particular questions for me, I'd be happy to respond.

CHAIRMAN HORSLEY:

Gail, just quickly, and I'm not sure, the issue of -- and I think it was going to be a legal issue -- if we give a designated dollar amount that's less than the total amount of dollars spent, because they've got increased students and increased revenue, is that still in play or?

MS. VIZZINI:

Well, I think what you're talking about is --

CHAIRMAN HORSLEY:

Clarify that for me.

MS. VIZZINI:

Sure. Based on our report and also what you're all well aware of, the County facing significant -- a significant budgetary shortfall that Budget Review estimated to be \$231 million dollars in the General Fund for 2010 and 2011. In light of this, there are no compelling or overriding reasons why we should increase or can increase our contribution to the college. They requested another million-five. We are just not in a position to do that in the opinion of the Budget Review Office.

However, if the College were to make a compelling argument that they -- even though the Legislature may not necessarily support an increase in the County contribution, if they were to make a compelling argument that they need their appropriation level at the higher amount, the 189 million because of the anticipated continued growth in enrollment or expenses, you do legally -- in the opinion of Legislative Counsel in consultation with Budget Review, you could adopt a higher number.

They in turn, just like what they must do now, they must go back and balance their budget. Since they requested 189 million, the County Executive is recommending 187 million, the College will go back and balance their budget accordingly. Should there be an overriding case for them to have these appropriations, it would be prudent for them to identify a different source of revenue that would fill in the gap and balance their budget accordingly.

CHAIRMAN HORSLEY:

The follow-up question to that would be if their growth and they have to spend 189 versus the 187, can we amend that next year?

MS. VIZZINI:

That I don't know. In other words, it is a little bit different procedure for us, and I will defer to George. I don't know if you've had a chance to research this or the college themselves. I think what you are asking is whether they need us to take money from their reserve account. I don't know the answer.

CHAIRMAN HORSLEY:

If that's where they're getting the monies from. Are there other locations, like, say, increase tuition -- I mean, increased numbers of students?

MS. VIZZINI:

It's not like the County's Operating Budget where we would amend it during the year. We simply are authorized to set these two numbers and then it comes to us again this time next year.

MR. NOLAN:

Like she said, the law is we set two numbers; the budget total and the contribution. So we can set those numbers of what we think is appropriate, and the College is going to have to deal with that.

CHAIRMAN HORSLEY:

I've got the same look you gave me. Okay. But what if -- with increased enrollment, they have more monies that could equal to that dollar amount, could they not spend it then?

MR. NOLAN:

I think they can spend what's in their budget, whatever that budget total is. I think --

CHAIRMAN HORSLEY:

Which could be less than what they actually have, then the monies would go to fund balance, and they're just going to have to make due. I think. We will deal with this later, I guess.

MS. VIZZINI:

It might be prudent to ask the college.

CHAIRMAN HORSLEY:

Okay. George, did you follow that?

MR. GATTA:

I think I followed the line of the questioning and answering.

CHAIRMAN HORSLEY:

Good for you.

MR. GATTA:

We agree that the County certainly has the right to establish a budget total at the number we requested, lower, higher. That is the County's role, the Legislature's role. We are aware in some instances where other community colleges have had their budgets amended midyear. However, I think at this point it might be premature for a couple of reasons; one, we don't know what the final -- not final, but we'll be much closer to what enrollment will look like in the next month or so. This committee will be devoting, I think, a portion of its time at its meeting at the end of July prior to the Legislative action on the budget on August 3rd, talking about the status of where we are.

Additionally, given the uncertainty of what's happening in Albany and the impact on our revenues from the State, I think there's certainly plenty of time, and President McKay would welcome the opportunity to speak with you about the options as we, you know, see more in terms of what's happening in terms of enrollment.

I can tell you that in my discussions with Dr. McKay, first and foremost on his mind is our ability to

accommodate the students that want to come to us for a college education or for workforce training or for skills upgrades. And so we'll work very hard to put in place the sections that we need, which will entail additional faculty, which will entail some additional costs for supplies, for instructional materials, for all the things that go into running additional class sections.

We think at this point, you know, there is time. We'll be going over specifically with the committee any questions that you might have at that committee meeting at the end of July. And if need be, we can certainly have informal discussions with the committee members, with the Presiding Officer and his staff and with BRO so that you have all the information that we have to make best decisions.

The last thing we want to do is to be hamstrung and say, "We have revenue, whether it's coming from tuition or some other area, but we can't spend it because we must live within a number that we agreed to that in a public finance arena you must live with." So two things; one, there's probably time to have a broader discussion with more information; and two, if need be, we believe that there is precedent to have a discussion and possibly a budget amendment should conditions warrant sometime after the budget is adopted and after we see what the final fall enrollment looks like.

CHAIRMAN HORSLEY:

I think you answered the question. And if there is precedent out there, I'm sure our esteemed Counsel will address that.

MR. NOLAN:

I would just say that right now there's nothing in our code that really contemplates how we would amend the Operating Budget of the Community College during the budget year. It's just not set forth. So it would be something, I think, new for us.

CHAIRMAN HORSLEY:

Okay. We'll deal with it when and if it comes up.

MR. GATTA:

Thank you.

LEG. CILMI:

Thank you, Mr. Chairman. I guess I have a short list of questions that maybe could be answered by either one of you. Thanks for coming, George. First question is can you reiterate -- what was the Governor's reduction, proposed reduction, in funding to the college?

MR. GATTA:

Well, first we received a \$130 per FTE midyear cut, which translated to us in the current academic year which runs through the end of August, to approximately a \$1.9 million cut in our State base aid. On top of that \$130 reduction, the Governor has proposed an additional \$285 reduction per full-time equivalent student, and that translates to in next year's budget a difference of about \$5.6 million in revenue. So the two year number is upwards of \$7 million seven and a half million dollars.

LEG. CILMI:

So a \$1.9 million cut, and the -- and the requested increase in County contribution is roughly the same amount, right?

MR. GATTA:

The request for the County was the 4% number, which is approximately 1.5 million.

LEG. CILMI:

Okay. Second question, relative to the capital project that we've approved in the Capital Budget process, Gail, I guess is best suited to answer this, it may not have any impact at all given the

timing of those capital projects, but what is the increase to our debt service as a result of those capital projects that we approved for next year?

MS. VIZZINI:

Right now, the County provides \$6.3 million to pay for debt service associated with capital projects for the college. I don't have an immediate projection in terms of what we're paying off next year or what we're adding to 2011.

LEG. CILMI:

Okay. Is that something that you can look into?

MS. VIZZINI:

Well, the College fiscal year spans '10 and '11. We can look at it, but our 2011 Budget will probably have debt service on or about that number. If that changes, we will take a look at it and I will advise you accordingly.

LEG. CILMI:

Can either of you speak to the question of the fund balance? I understand that it's gone up considerably but that it's still sort of close to the bottom of what Middle States recommends in terms of percentage of overall, I guess, expenses or revenues, I'm not sure which. And speak to that relative to the possibility of taking part of that fund balance and using it to -- in place of the additional County contribution.

MR. GATTA:

In terms of the first part of the question, Middle States' recommendation as I understand it is to is for institution to have a fund balance of somewhere between five and 10% of its annual Operating Budget. With our budget approaching 190 million, we're talking about somewhere in the neighborhood or ten to \$19 million, in that range. If you use the mid point, 15; if you use the low point, 10.

Our fund balance has increased over the past year and half. We're proud of that. However, we are currently just at the bottom end of the recommendation for Middle States. The recent -- there have been several things recently that have had an impact on that; one of which is a write down on accounts payable that our auditors have recommended and that the college has implemented as part of its annual financial audit. And the second has to do with some legal matters where the County Attorney has advised the auditors to set aside a portion for some liability that the college may face in the near future.

So the number that BRO reports in their review is several million dollars higher than it actually is at the current time. We are just around -- the last numbers I had from our business office is around nine million dollars.

So getting to the third part of the question which is using reserves to fund -- using a one-shot revenue, which is what a reserve is to fund continuing operating expenses, we believe that -- that it's not a good situation from a fiscal standpoint, because what happens in the subsequent year when you've built a budget that has as a revenue -- when you need that continuing revenue to operate at a certain level, how do you replace it in the subsequent year? That becomes very problematic and challenging.

LEG. CILMI:

But theoretically, the reserve is coming from ongoing operations, right? I mean, the increase in the reserve is somewhat a function of savings throughout ongoing operations, yes or no?

MR. GATTA:

That's correct.

LEG. CILMI:

So it stands to reason then if you use just a small portion of that reserve to make up for the County contribution or the lack of addition to County contribution, that especially given the increases enrollment that you are expecting, that there would continue to be an increase in the fund balance going forward.

MR. GATTA:

Well, I think that there are a couple of factors that we have to consider. First, you know, we can't continually count on an increased enrollment. And if enrollment does not in fact reach the prior year level, then you're left with a deficit in the budget that's built on assumptions that needs to be covered.

Secondly, given the fiscal situation at the State level, when one looks at the fact that the stimulus funds that the State Government has used to balance their budget, specifically related to Higher Education and to our base aid and when you look at the Governor's two-year projection, this year's cut to the community colleges was around \$50. His projection in next year's fiscal budget in the document that we reviewed that he circulated as part of this year's budget package shows a reduction of about \$75 million beyond where we are now.

So given the uncertainty at the State level, given the actions that they're contemplating over the several weeks, the uncertainty of future enrollment growth beyond the coming year, it becomes a real challenge to try to predict the future and use reserves for a continuing -- a continuing expense, especially in light of the fact that if we do have a significant budget shortfall in any given year for whatever reason, we need reserves in place to cover that.

LEG. CILMI:

I certainly hope that there continues to be increased enrollment growth, because many of the decisions that we're making from a capital point of view are designed to deal with that increased enrollment growth. So that's neither here nor there at the moment. The last question I have is more general for informational purposes. Can you sort of compare and contrast for us our college and Nassau Community College in terms of the enrollment numbers, in terms of some of the finances, either one of you, just briefly?

MR. GATTA:

I can give you some -- just a broad view. We are slightly larger in terms of overall student body. We may be about the same, we may be slightly less in terms of full-time equivalent students. We operate three campuses, they operate one. Their budget is approximately \$25 million more per year, their Operating Budget is approximately \$25 million more per year than our Operating Budget. So from a cost per student standpoint, we believe we are run extremely efficiently. You know, the contribution and the investment that the County makes in us is very well placed. I don't have the exact numbers on the Nassau County contribution to Nassau Community College, but it's my understanding that it's significantly higher than Suffolk's in terms of raw dollars. But again, I don't have that information in front of me.

LEG. CILMI:

Thanks, George. Thanks, Mr. Chairman.

CHAIRMAN HORSLEY:

Of course that would exclude the Capital Budget, right?

MR. GATTA:

Believe me, we are very appreciative for the Legislature and the County support of our Operating Budget. And many of the projects that Legislator Cilmi just eluded to have been on the drawing boards and have been needed for many, many, many years. In terms of Nassau, Nassau

Community College, their Capital Budget is also supported by Nassau county. All community colleges -- you know, to have a project move forward, it's 50% State, 50% local sponsor funding. So we're on equal footing when it comes to Capital Budget funding.

CHAIRMAN HORSLEY:

Legislator Montano.

LEG. MONTANO:

A couple of quick questions. George or Gail, the percentages for the County contribution and the State contribution are what this year based on, you know, the existing budget? I think the County contribution is about 27; am I correct on that? Lower? Where is it?

MS. VIZZINI:

In our report, we take a look at all revenue and we exclude grants and the use of the reserve. And the County contribution of \$38 million is 21%.

LEG. MONTANO:

It's 21%. What is the State contribution, George, do you know?

MR. GATTA:

I believe Gail's report, BRO's report, has it at about 25%. And the rest is student and the other funds that Ms. Vizzini has just referred to.

LEG. MONTANO:

And with the -- when you talk about the proposed budget, that's the Governor's proposed budget. Assuming that we are -- that we are the budget that was passed, where would you be at in terms of percentage, if you know?

MR. GATTA:

Those numbers are based on the budget that we requested. And at the time that we requested it, the only information that we had and the only basis for the request was based on the Governor's proposed reductions. So those percentages are based on the proposed reductions if they were -- you know, if they're enacted, those are the numbers. If the Legislature restores, the State Legislature, restores any of the State funding, then the numbers would change slightly with the State numbers coming up, the County number just as a percentage of the total being reduced and the student number being reduced slightly.

LEG. MONTANO:

Right. You're not at all affected by these extended bills with respect to cuts in education yet, are you?

MR. GATTA:

What I was trying to mention in the testimony was that up until yesterday, we were advised by the Chancellor's Office that next Monday, the 21st extender bill would include the governor's full proposed cut, the \$285 per FTE should the State Legislature not adopt the budget by next Monday.

LEG. MONTANO:

So you haven't been included yet, but you will be included in the next extender bill.

MR. GATTA:

On my ride over here, I got an e-mail from Lori Taggart, my Governmental Relations Coordinator, the Governor announced today that he was basically pulling back his proposed cuts to education for next Monday. But his challenge to the State Legislature was either adopt the State budget by June 28th, or all of the cuts that he had proposed including those to education would be included in the extender bill that would come the following Monday on June 28th.

LEG. MONTANO:

All right. So they're that game. Just last thing, when you were talking with Legislator Cilmi about the fund, balance what is the technical term, is it a fund balance or the reserve fund or are they two different items.

MR. GATTA:

I'm not the accountant, so I'll defer to Ms. Vizzini.

LEG. MONTANO:

Well, it's the same money whether you call it fund balance or reserve, am I correct, Gail?

MS. VIZZINI:

Well, the numbers that we in our review come from the County Executive's recommended budget, which we still have vestiges of the Budget Office preparing when we call the status of funds, the revenues versus the expenditures. And as George indicated based on a few considerations, the funds that were -- are estimate to be surplus ending the current '09-2010 Year are \$12.5 million. We refer to that as the fund balance.

LEG. MONTANO:

Then it would go into the Reserve Fund, is that what you are saying?

MS. VIZZINI:

Of that, the College is willing to use 1.7 as one-shot revenue to support the new 2010-2011 Budget, leaving 10.7 million. Again, the source is the status of fund. What exactly in their reserve, I will defer to the College.

LEG. MONTANO:

Just so I get this. If you are winding up with a balance of 12, you're going to take 1.7, you're going to use that up, the balance of the money goes into the reserve account or is that reserve account?

MR. GATTA:

Correct. Any surplus at the end of this year that unused or unbudgeted as a revenue to next year's budget would flow to the Reserve Fund or balance of funds, whatever you want to call it. It's essentially a reserve fund for the college.

LEG. MONTANO:

I call it the Reserve Fund. So when you gave the \$10 million figure, that was -- what do you have in the Reserve Fund right now, if anything? What is your reserve account right now?

MR. GATTA:

Right now, as I understand it, it's somewhere around \$9 million.

LEG. MONTANO:

All right. And this extra money would make it 19, is that -- that's what I'm asking.

MR. GATTA:

No. Thank that's the number that we project for the end of the this fiscal year.

LEG. MONTANO:

That's the projected. Okay. Thank you.

CHAIRMAN HORSLEY:

Legislator Nowick.

LEG. NOWICK:

I just wanted to clarify something that said, George. Did you say that Nassau Community College -- I think I read in the paper the other day, 24,000 students as opposed to our 26,000 and one campus -- has a budget of \$25 million more than we do? Do I hear you say that?

MR. GATTA:

I think those are in the ballpark. I believe their annual budget -- it might have been in the paper -- it might have been \$207 million, if my recollection serves me correctly. If our budget is adopted at 187 million, that's actually almost \$20 million more. So maybe I was off a couple of million dollars. But it's certainly a significant difference on the up side.

LEG. NOWICK:

So we run three campuses.

MR. GATTA:

We run three campuses and two significant downtown center on --

LEG. NOWICK:

Culinary Arts, the Nursing School.

MR. GATTA:

Yes.

LEG. NOWICK:

Congratulations.

LEG. HORSLEY:

Anyone else? We are good? All right. George, thank you very much. We appreciate you coming today. Ms. Vizzini, thank you very much for your update. I'll take a motion to close the public hearing. Was there anyone else that wanted to speak on the College budget? Anybody? Okay. I've been informed by Counsel that because we have another hearing at the date that the full Legislature meeting that we don't have to close this. This will remain open. Okay. Thank you very much.

We will go the cards that are related to those issues that are non-college related. The first one in Lynda A. Moran concerning the Philharmonic Concert in the Park. Ms. Moran.

MS. MORAN:

Good afternoon, Presiding Officer Lindsay, Chairman Horsley and Members of the Committee. I'm here this afternoon on behalf of the Islip Arts Council. The Presiding Officer in conjunction with the Legislature and the Suffolk County Executive last season approved \$75,000 in funding from the Hotel-Motel Tax to provide the Islip Arts Council with monies to hold the annual Philharmonic Concert in the Park.

At this time, we're asking for you to approve a resolution that is actually last on your list here, but thank you for letting me speak, it's Resolution 1677, to advance funding the -- and it should be the Long Island Philharmonic, New because the York Philharmonic is no longer going to come to play in Heckscher State Park. The Long Island Philharmonic is consisting of contracted orchestra players who are part of a union. By contract with the Long Island Philharmonic, pay we must them \$30,000 on the day of the concert and then \$30,000 one month later.

The Islip Arts Council doesn't have the revenue to pay the Philharmonic to play on that day. Although it is not common practice of the Committee on Economic Development to advance funds, we are asking for advanced funding so that we could meet the expenses of the concert, hold the concert and pay our bills. And then, of course, we will in normal practice submit the cancelled

checks and proof that we have spent the money. The problem is that we don't have the money to spend. All our corporate funding has pretty much dried up because we're not presenting the New York Philharmonic, which is a shame. Here we are trying to keeping everything on Long Island, trying to continue with this annual free concert. New York State can't help us, as we all know, and that's why we had to cancel last year.

So I'm asking if you can help and approve this resolution and advance the funding so that the concert could go on on July 17th, at eight o'clock in Heckscher State Park.

P.O. LINDSAY:

Thank you very much, Lynda, for so eloquently explaining the dilemma. The resolution, I should point out to my colleagues, has been amended to change the title from New York Philharmonic to Long Island Philharmonic. This concert draws upwards of 40,000; am I correct?

MS. MORAN:

We are told that in 2008, we drew over 60,000 people.

P.O. LINDSAY:

Okay. So an awful lot of people participate in this event and enjoy this in these horrible times. When you get 60,000 in any one area of our County, they're going to spend some money, and that's what we need people to do is to come out and spend some money. So I would urge my colleagues to approve this resolution, because if we don't, the concert won't go on.

CHAIRMAN HORSLEY:

Legislator Montano.

LEG. MONTANO:

That is strictly an advance, we are going to get the money back?

MR. NOLAN:

No. They're funded in the budget. So this is just advancing the money.

LEG. MONTANO:

So we're just advancing the money and then we're going to just take it out of the budget. So it's really like a loan, a short-term loan.

MR. NOLAN:

It's just advancing the funding.

LEG. MONTANO:

I got it. I just wanted to be clear on that.

CHAIRMAN HORSLEY:

You can just ask a question.

LEG. NOWICK:

I'm just curious. What do you have, shuttle service? For 60,000 people, do you have people -- how do they get from their cars to the concert?

MS. MORAN:

Not all of those 60,000 came by car. What we have is a tracking service at the toll booth. New York State Parks runs the park, and the toll booth is manned by not only by New York State personnel by also by volunteers. The counts were done by head, by carloads of people, and by those people who did come through the toll booth, and estimates were then made from the amount of people who are staying overnight in the campgrounds, which is adjacent to where the concert is

held, by the amount of people who were on boats who came ashore, bicycles and so forth. Parking is all on the ground of Heckscher State Park. And, of course, there are those people who park illegally all over -- all over and walk in along Timber Point Road and along Great River Road in Great River and walk in from behind the park. So when ask for an exact count, that was an arbitrary figure that was based on Joe Montouri and New York State Park's Chip Gorman's figures.

CHAIRMAN HORSLEY:

So don't hold them to it, except he's going to be our new Commissioner so he must be telling the truth. Legislator Cilmi.

LEG. CILMI:

Hi, Lynda. I'm correct, there's no fee for this concert, right? There's no ticket price?

MS. MORAN:

There's no ticket price. There's a voluntary, if you'd like, you can pay a voluntary fee at the toll booth.

LEG. CILMI:

That was actually my question.

MS. MORAN:

Yes. Voluntary.

LEG. CILMI:

Did you receive anything from that last in 2008?

MS. MORAN:

Yes. In 2008 -- it's been pretty customary, well, at least in my time, which is only three years. But prior to that Lillian Barbash has assured me and I think Legislator Horsley can also attest to that that we split the fees with the toll booth -- with the New York State. It's not the toll booth operators, it's New York State Parks.

Just last week, we had out logistics meeting with New York State Parks and all of the Homeland Security, etcetera, etcetera, and we did discuss whether or not this is going to happen this year, because their funding has been cut too. And we are assured that we will get a portion of it, but there's no absolute assurance. So we don't make any money, if that's what you're asking. No, we don't make any money. What we do is provide armies of volunteers to work on that day, and then we provide some food for them. For those people who come to the concert, it's free of charge to all of those people, whether they live in Islip Town or the Tri-State area.

LEG. CILMI:

So is it the State that's collecting the donation, the voluntary donation at the toll booths, and then at their discretion, they're sharing a portion of that with the Islip Arts Council?

MS. MORAN:

Yes. The State is also paying for security. And then Suffolk County provides police. Of course, the town provides police. The town is actually donating three tents so that the Islip Arts Council doesn't have to pay for rental. Just to let you know, the \$75,000, 60 of the \$75,000 goes to pay for the Philharmonic Orchestra. That's what we've paid to the New York Philharmonic for the last four years that they played for us. And we made an agreement with the Long Island Philharmonic that we would pay them the exact same thing as long as they provided the exact same type of orchestral performance and that they brought all their own production equipment. The production equipment is being paid for by the Long Island Philharmonic. We're not paying for any of that.

The other \$15,000 of the \$75,000 goes toward rentals of Port-A-Potties. We provide Port-A-Potties

for the public out of our funding if we have it, we provide the food for the orchestra, because that's by contract. And we have a backstage orchestra picnic, which hereto for, has been funded by donations from corporation and so forth. We don't have that funding, so what has happened is that the Board of Directors has gone and asked from our own Board of Directors for donations and sponsorships of food, coffee and all kinds of other things. So we have a lot of in kind donations that make up. The rest of the \$15,000, I have to pay administrative staff and staff that do work round the clock especially in the month of June and July to put this event on. This is no small task.

LEG. CILMI:

I know. I've been there many times. Enjoyed it. Do you have any recollection what the numbers were in 2008 that we generated from the voluntary --

MS. MORAN:

The toll booth?

LEG. CILMI:

The toll booth.

MS. MORAN:

Nine thousand dollars.

LEG. CILMI:

Nine thousand dollars?

MS. MORAN:

Uh-huh.

LEG. CILMI:

Is that our take on it or is that the entire amount.

MS. MORAN:

That's the entire amount.

LEG. CILMI:

Any idea what the Islip Arts Council received?

MS. MORAN:

It was pretty much exactly half. We don't -- you know, they're very kind to us.

LEG. CILMI:

Fireworks this year?

LEG. LINDSAY:

Fireworks by Grucci. They normally charge \$10,000, they charge us \$5000 and donate the other half. And that's part of that extra \$15,000, some of that goes to the fireworks, goes to advertising signs, the programs and the posters. There's always an annual poster that's designed for the event. And because it's the first Long Island Philharmonic performance through Islip Arts Council, this is the poster to get. We sell raffle tickets. We raise money on our own. As a matter of fact, I have little high school interns making raffle ticket books as we speak, because I didn't have the money to pay \$2900 to get them printed. And I wouldn't dare ask you, Tom.

LEG. CILMI:

Well, I look forward to seeing that night, Lynda. It's a great event.

CHAIRMAN HORSLEY:

Legislator Nowick, did you want to speak?

LEG. NOWICK:

I just wanted to say something. This is a no-brainer, because as I'm listening to you speak, we talk about economic development, downtown revitalization, if you have to get posters, you have to go to somebody to make posters; if you have to do advertising, you have to go somebody to do advertising; business, business; food for the band, food for whoever it is. That's all of the local merchants, hopefully local merchants, selling food; anybody coming in, gas for their car; stop at the liquor/wine store.

This is an investment. We don't need to even -- well, we have to debate, but I don't even think we have to debate this. This is an investment, this is economic development, this is a shot in the arm. And I congratulate you for talking on what has to be unbelievable, from the Port-A-Potties to the advertising. Those things are all the things you have to think about. And when you put the Port-A-Potties out, you have to make sure there's lights so nobody trips. It just goes and goes and goes. So everybody gets a little shot. And in this economy, when you can give somebody, a family, something to look forward to, something that's free, something that Norman Rockwell, that's something we need to do here.

MS. MORAN:

Thank you very much.

CHAIRMAN HORSLEY:

Would anybody else like to ask any questions? We are good? Thank you, Ms. Moran.

MS. MORAN:

Thank you very much. Gerard McLeod also from the Islip Arts Council.

MR. MCLEOD:

That's Gerard McLeod. Thank you for allowing me to appear before the Legislature. My name is Gerard McLeod, I have been a board member of the Islip Arts Council for nearly five years, and it's been an absolute pleasure and joy to serve. We can't forget what makes Long Island Long Island. It's not just our beautiful beaches, but the activities that bring our communities together. And the Long Island Philharmonic Concert is one of the best ways.

The Long Island Philharmonic Concert was fastly becoming was of the largest free outdoor concerts in the United States. That distinction, honor should not be taken for grant or overlooked. I personally have family members who travel from out-of-state to attend this event. They're going to be a little broken hearted this year. Because of the cutbacks, they won't be able to accompany me at the VIP area, but I'm sure they'll understand.

We often have younger musicians carrying on traditions. Now Long Island needs to encourage and step up and carry on her own tradition, and that's the Long Island Philharmonic. We must not lose what we have built and created. Thanks to Lillian and Murray Barbash, the Barbash Family and our Executive Director Ms. Moran who is doing a terrific job. We should encourage and support her to grow rather than tie her hands. On behalf of the rest of the board members, our interns, volunteers and supporters and you, I'd like to say thank you and, please, let's do all we can to continue this tradition of the Long Island Philharmonic Concert in the Park. Thank you.

CHAIRMAN HORSLEY:

Thank you very much, Gerard. Phyllis Wolkoff.

MS. WOLKOFF:

I have nothing to add.

CHAIRMAN HORSLEY:

Thank you very much. We appreciate that. Moke McGowan.

MR. MCGOWAN:

Good afternoon. I'm Moke McGowan, President of the Long Island Convention and Visitors Bureau. And I'm here this afternoon to oppose IR 1531, which would require the LICVB to set aside one-third of the Suffolk Specialty Tourism Marketing Fund to create and administer a matching grant program to local tourism organizations with their own advertising programs.

Based on our current budget projections for this year, this would equate to setting aside over \$308,000 to fund this program. As I've explained before, the bureau currently and its own initiative has set aside \$105,000 for this year for a reimbursable matching grant program patterned after the state's I Love New York Matching Funds Program that has built-in accountability.

Likewise, as I've said before, this program's funding has expanded over the years incrementally as the bureau's budget has expand due to an increase in demand for lodging and the resultant taxes generated from that. However, at no time, did we expand on this program at the expense of existing and successful marketing program such as our consumer advertising that benefit the County as whole.

This resolution would greatly diminish the bureau's ability to affect the marketplace by causing a significant reduction in consumer advertising and other marketing programs in order to fund this matching grant program. Throughout the years -- rather throughout the last couple of years, the bureau's programs have been focused on trying to mitigate the impacts of the worst global recession since the Great Depression. Every program, every strategy we've employed has been focused on getting the best possible return on the County's investment in its tourism economy.

Unfortunately, right now, all indications are that tourism nationally will not fully recover from this recession for another two to three years. In the meantime, we now find ourselves facing a very uncertain future as it relates to the potential impacts on our tourism industry resulting from the Gulf oil spill disaster. While some experts have indicated that there's only a slight chance of oil reaching Long Island shores, the fact is this an unprecedented disaster that continues to develop.

It's quite possible that the largest threat to our tourism industry here will be a negative public perception generated by the national media. Unfortunately, public perceptions of the risk to our beaches can pose as much of a problem to our tourism economy as an actual impact. Should this occur, the primary key to our responsivity will be our financial resources and the ability to formulate effective and timely marketing communications and strategies at the situation unfolds. For these reasons and many too numerous in this time frame, we pose IR 1531. And I would like to reiterate our opposition to 1190 and 1366. Thank you.

CHAIRMAN HORSLEY:

Thank you very, Mr. McGowan. Moke, I wanted to extend an invitation for you, not for today, but for one of our future meetings, to take a look at your budget in a more extensive way, administrative costs, contract overhead, that type of thing. I know some of my colleagues have asked me to ask you if we'd can make an appointment for you to come in at some future meeting.

CHAIRMAN HORSLEY:

I'd be more than happy to.

CHAIRMAN HORSLEY:

I figured that. Thank you very much. That concludes the public hearing. Anyone else like to be heard? We're good? Excellent. All righty. Let's move on to the legislation.

1147, Dedicating the revenue generated by the County's lease with Eastern Long Island

Solar Project. (Romaine)

P.O. LINDSAY:

Motion to table.

LEG. STERN:

Second.

CHAIRMAN HORSLEY:

Motion to table, seconded by Legislator Stern. Motion was made by Legislator Lindsay. All those in favor? Opposed? So moved. **TABLED (VOTE: 6-0-0-0).**

1190, Adopting Local Law No. -2010, A Local Law to strengthen tourism promotion in Suffolk County, (Schneiderman)

Motion to table by Legislator Stern, seconded by Legislator Montano. All in favor? Opposed? So moved. It has been **TABLED (VOTE: 6-0-0-0).**

1366, Adopting Local Law No. -2010, A Local Law to maximize promotion of tourism in Suffolk County. (Schneiderman)

Motion made by Legislator Stern to table, seconded by Legislator Montano. All in favor? Opposed? So moved. **TABLED (VOTE: 6-0-0-0).**

1531, Adopting Local Law No. -2010, A Local Law improving tourism promotion in Suffolk County. (Schneiderman)

Same motion, same second. All in favor? Opposed? So moved. It's been **TABLED (VOTE: 6-0-0-0).**

1610, Amending the 2010 Capital Budget and Program and appropriating funds in connection with advanced EMT Training at Suffolk County Community College (CP 2154). (Pres. Off.)

Would you like to make a motion, Mr. Lindsay?

P.O. LINDSAY:

Motion to approve, yeah, please.

CHAIRMAN HORSLEY:

Motion to approve by Legislator Lindsay, seconded by Legislator Stern. All in favor? Opposed? So moved. **APPROVED (VOTE: 6-0-0-0).** Cosponsor on that.

LEG. MONTANO:

Cosponsor.

CHAIRMAN HORSLEY:

1657, Authorizing the temporary transfer of development rights to Motor Parkway Plaza. (Co. Exec.)

MR. ZWIRN:

We ask that to be table for one cycle. We'll get to that in the next meeting.

CHAIRMAN HORSLEY:

Okay. I'll make a motion to table, seconded by Legislator Stern. All in favor? Opposed? So

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

1667, Accepting and appropriating a grant amendment to the National Science Foundation Science, Technology, Engineering and Mathematics Scholarships Program (S-STEM) 100% reimbursed by Federal funds at Suffolk County Community College. (Co. Exec.)

CHAIRMAN HORSLEY:

Motion by Legislator Montano and also to be placed on the Consent Calendar, seconded by Legislator Stern. All in favor? Opposed? **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 6-0-0-0)**.

1673, Accepting and appropriating a 100% reimbursed grant from the U.S. Department of Housing and Urban Development for an Emergency Shelter Grants Program and authorizing the County Executive to execute an agreement. (Co. Exec.)

Same motion, same second. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 6-0-0-0)**

1674, Accepting and appropriating a 100% reimbursed grant from the U.S. Department of Housing and Urban Development for a HOME Investment Partnerships Program and authorizing the County Executive to execute agreements. (Co. Exec.)

Same motion, same second. All in favor? Opposed? So moved. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 6-0-0-0)**

1675, Accepting and appropriating a 100% reimbursed grant from the U.S. Department of Housing and Urban Development and authorizing the County Executive to execute agreements. (Co. Exec.)

All in favor? Opposed? It has been approved. **APPROVED** and placed on the **CONSENT CALENDAR (VOTE: 6-0-0-0)**

1676, Appropriating accepted grant funds in connection with Capital Project 5739 Pavement Management Rehabilitation for Gabreski Airport. (Co. Exec.)

CHAIRMAN HORSLEY:

I'll make a motion to approve, seconded by Legislator Stern. All in favor? Opposed? So moved. **APPROVED (VOTE: 6-0-0-0)**.

Lastly we have **1677, Advancing funding for the New York Philharmonic annual summer concert. (Pres. Off.)**

Motion by Legislator Lindsay, seconded by Legislator Montano. All in favor? Opposed? So moved. **APPROVED (VOTE: 6-0-0-0)**.

CHAIRMAN HORSLEY:

Cosponsor.

LEG. MONTANO:

Cosponsor.

LEG. STERN:

Cosponsor.

(*THE MEETING WAS ADJOURNED AT 3:19 P.M.*)

{ } DENOTES BEING SPELLED PHONETICALLY