

**ECONOMIC DEVELOPMENT, HIGHER EDUCATION & ENERGY COMMITTEE
CONSUMER PROTECTION COMMITTEE
LABOR, WORKFORCE & AFFORDABLE HOUSING COMMITTEE**

of the

SUFFOLK COUNTY LEGISLATURE

MINUTES

A special joint meeting of the Economic Development, Higher Education & Energy Committee and Consumer Protection Committee and Labor, Workforce & Affordable Housing 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 October 22, 2008.

MEMBERS PRESENT:

Legislator Wayne P. Horsley, Chairman of the Economic Development, Higher Education & Energy Committee, member of the Consumer Protection Committee
Legislator Lynne C. Nowick, Chairperson of the Consumer Protection Committee
Legislator Jon Cooper, Chairperson of the Labor, Workforce & Affordable Housing Committee
John M. Kennedy, Jr., member of the Economic Development, Higher Education & Energy Committee

ALSO IN ATTENDANCE:

George Nolan, Counsel to the Legislature
Lance Reinheimer, Assistant Director of Budget Review Office
Robert Lipp, Deputy Director of Budget Review Office
Joe Muncey, Budget Review Office
Brendan Stanton, Aide to Leg. Horsley
Barbara LoMoriello, Deputy Clerk
Terrence G. Pearsall, Chief of Staff
Linda Bay, Aide to minority leader
Tony Ceglie, Gabresky Airport
Debra Alloncius, AME Legislative Director
April Ortiz, Aide to County Executive
Commissioner Robert Dow, Labor Department
Allen Kovesdy, Budget Office
Carolyn Fahey, Economic Development
All Other Interested Parties

MINUTES TAKEN BY:

Diana Kraus, Court Stenographer

THE MEETING WAS CALLED TO ORDER AT 2:10 PM

PUBLIC PORTION

CHAIRPERSON NOWICK:

All right. Good afternoon. We're going to start the meeting with the pledge to the flag led by Legislator Horsley.

SALUTATION

Okay, good afternoon. Welcome to operating budget hearings. We do have a card here, Debra Alloncius. Would you like come up?

CHAIRMAN HORSLEY:

First of all, would we note that there's three committees that are actually -- we're hearing as far as the budget goes. And that would be Economic Development, Energy and Higher Education as well as?

CHAIRPERSON NOWICK:

As well as Consumer Protection.

CHAIRMAN HORSLEY:

Right. As well as Labor. Okay.

CHAIRPERSON NOWICK:

Okay. We're going to start with Debbie Alloncius.

MS. ALLONCIUS:

Good afternoon. Thank you for giving me this opportunity to speak to you. I stand before you on behalf of Cheryl Felice and the AME membership. Just wanted to bring you a few updates. We're giving things piecemeal but as they're happening, we're coming to you with information that we're finding out.

And I would like to address the Tobacco Securitization which we had originally stood in support of but were kind of given mixed messages about the whole thing. And I would just like to read this blurb to you.

The 60 million from Tobacco Securitization is revenue. It's not a cut in spending, as it was simply moved off the budget. If you look at page 120 of the BRO report, that will show the same. Tobacco Securitization costs 548 million to pay off 219.3 million. The cost is 6.672 percent to borrow this versus the current borrowing cost of 4 percent according to the BRO report on page 127. This is 66.8 percent more expensive way of funding. It means the County receives 41 cents for every dollar of tobacco revenue. This shows the practical impact of what the October 3rd, 2001 Fred Pollert evaluation of Tobacco Securitization really meant. The cost is 249.9 percent more than the revenue generated.

Regarding the Early Retirement Incentive Program, as far as the Early Retirement Incentive Program is concerned, it provides insight into Levy's priorities by what the EIRP positions were abolished. You had 27 percent in the Executive's Office. Only three of the 11 positions were abolished. In the Police Department you had 77 percent, 17 out of 22 positions were abolished. 75 percent in the District Attorney's Office, six out of the eight positions were abolished. 70 percent in Health, 32 of the 46 positions were abolished. 80 percent in probation. 12 out of the 15 positions were abolished. 80 percent in DPW, 35 out of 44 positions were abolished. In Parks 78 percent, 7 out of the 9

positions were abolished. Political appointees seem to be more important than delivering county services.

AME represents over 7,000 county employees and their families and communities. They see and they feel the pain of this financial misrepresentation. Working families without child care, without access to affordable health care, without access to public nursing home for the sick and elderly, without emergency 911 operators covering us 24/7 365 days a year. Food pantries care for the elderly and protection against violence cannot continue to survive. If AME employees lose their jobs, the public loses services. The economy loses revenue. A bad situation is only going to get worse.

Attacking county and state Legislators or blaming union leaders will not solve any problems. Punishing county employees will not help either. Cutting off basic health and safety services will not improve our economy. Throwing the sick and elderly out into the streets will not advance health care. Insisting on a make believe budget that will not put food on the table, create jobs, make mortgage payments, hold down energy costs while keep working families in the workplace.

Instead of yelling and fighting, AME proposes that we act wisely and lead our way out of this financial mess by showing leadership and offering hope. The Legislature's Budget Review Office has confirmed the holes in the budget and the gaps in basic services. We have identified the priorities and have located the revenues to get us through this transition period.

We need a long term solution to the nursing home which allows the workers to be part of the solutions. The County is sitting on \$130 million rainy day account in the tax stabilization reserve fund. The public should be very angry that the existence of this relief fund is being hidden from the people of Suffolk County. If we cannot use a rainy day fund in the middle of an economic storm, then what are we going to use it for? What is the money really for? Please listen and hear our voices. Save our communities. Heal our economy. Use the rainy day fund.

I have it in writing. I'm going to give it to the Clerk here. And I also have the testimony from Cheryl the other day that I wish to be passed out and put in all the Legislators' mail boxes. Thank you.

CHAIRMAN HORSLEY:

Thank you very much, Debbie.

CHAIRPERSON NOWICK:

Thank you, Debbie.

We have another card here, Allen -- I'm not sure how to say -- pronounce the last name.

MR. KOVESDY:

Kovesdy.

CHAIRPERSON NOWICK:

Kovesdy.

MR. KOVESDY:

Hi, good afternoon. Usually I wouldn't get up here but, you know, Debbie becomes a target; but basically Debbie made some statements that I'd like to clarify on the record.

First of all, the County Exec's budget met the requirements of the cut plan. Full funded positions were abolished. The only positions that weren't abolished on early retirement were a hundred percent positions in Aging and positions which we legally could not abolish, i.e. Director of Consumer Affairs. Charlie Gardner's position by law couldn't be abolished. So the County Exec like every other department met the 80 percent funding requirement that was in the budget.

Secondly, the savings plan which the Legislature worked in conjunction with the Executive dealt with the Tobacco Securitization. It dealt with the early retirement. And the numbers that were put on in the financial impact statement and given to the Legislature have been met. Without those cuts of 60 million plus additional turnover savings of six million this year and six million next year, you would have had a gigantic hole of over \$80 million in the budget. Rather than castigate the County Executive, the union should be happy that \$150 million hole was collectively reduced to zero in the budget.

Thank you very much.

CHAIRPERSON NOWICK:

Thank you. Is there anybody else that would like to speak to the various committees and have not filled out a card? This would be the time.

Well, we're going to go into that Committee, right, separately?

CHAIRMAN HORSLEY:

Certainly.

CHAIRPERSON NOWICK:

Or do you want to have that now? Do you want to go into that committee separately?

We're going to do Consumer Affairs first. We're going to do the various committees.

CHAIRMAN HORSLEY:

Okay.

CHAIRPERSON NOWICK:

Okay with you?

CHAIRMAN HORSLEY:

Sure.

CONSUMER PROTECTION COMMITTEE OPERATING BUDGET

CHAIRPERSON NOWICK:

Okay. Is there a representative here from the Consumer Affairs Department? Okay. Sounds like they're happy over there.

Budget Review, do you have anything that you need to tell us on the Consumer Affairs Department? Sounds like everybody's happy.

MR. REINHEIMER:

I think we only had one major or one recommendation that was to restore and fill a Spanish speaking clerk position in Consumer Affairs to help people with the applications and the intake process. And it's a grade 9. Other than that --

CHAIRPERSON NOWICK:

Okay. And I don't see anybody here from Consumer Affairs so I guess nobody has a problem with that.

Having said that, we will next go to the Chair of EEE -- the Chair of EEE and we can address any of those problems or maybe hopefully not problems.

**ECONOMIC DEVELOPMENT, HIGHER EDUCATION & ENERGY COMMITTEE
OPERATING BUDGET**

CHAIRMAN HORSLEY:

Welcome to the budget hearing on Economic Development, Energy and Higher Education. As everyone knows, at least in this room, I believe, that the college budget has been completed. And that we're more or less discussing today the Energy and Economic Development elements of the Committee assignment.

Would anybody like to be heard from Economic Development? Carolyn?

MS. FAHEY:

Good afternoon. We're here for questions. We really have no issues with the County Executive's budget. We were happy with the presentation. And we're here in case the members have any questions. That's all.

CHAIRMAN HORSLEY:

Thank you very much. Would anyone else like to be heard? Would anyone else like to be heard?

Okay. I'll close the hearing for the Economic Development, Energy and Higher Education Committee for the budget process. And I'll refer this to Legislator Cooper who is the Chair of Labor.

LABOR, WORKFORCE AND AFFORDABLE HOUSING COMMITTEE OPERATING BUDGET

CHAIRMAN COOPER:

Good afternoon. Please to open the public hearing on Labor, Workforce and Affordable housing.

Are there any individuals who would like to address this Committee about any concerns? Going once, going twice. No.

So I will follow Legislator Horsley's lead and I will close the public hearing unless there are any questions, anyone from Labor here that wants to make a statement? No. I move to close this hearing. Thank you very much. Have a nice day.

**THE MEETING CONCLUDED AT 2:30 PM
{ } DENOTES SPELLED PHONETICALLY**