

**PUBLIC WORKS & TRANSPORTATION COMMITTEE**  
of the  
**Suffolk County Legislature**

**Minutes**

A special meeting of the Public Works & Transportation 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 October 23, 2002, to discuss the matter of the Operating Budget.

**Members Present:**

Legislator Joseph Caracappa - Chairman  
Legislator Brian Foley - Vice-Chair  
Legislator David Bishop  
Legislator Angie Carpenter  
Legislator Andrew Crecca

**Also in Attendance:**

Paul Sabatino - Counsel to the Legislature  
Kellianne Sacchitello - Aide to Legislator Caracappa  
Frank Tassone - Aide to Legislator Crecca  
Fred Pollert - Director/Budget Review Office  
Jim Spero - Deputy Director/Budget Review Office  
Gail Vizzini - Budget Review Office  
Robert Lipp - Chief Economist/Budget Review Office  
Bob Bortzfield - Director/Budget Office  
Ken Knappe - Budget Office  
Read Vail - Budget Office  
Nicole DeAngelo - Intergovernmental Relations/County Executive Office  
Charles Bartha - Commissioner/Suffolk County Public Works Department  
Richard LaValle - Chief Deputy Commissioner/SC Dept of Public Works  
Leslie Mitchel - Deputy Commissioner/SC Department of Public Works  
Tedd Godek - Suffolk County Architect/SC Dept of Public Works  
Lou Calderone - Director-Buildings & Grounds/SC Dept of Public Works  
Laura Conway - Director of Finance/SC Department of Public Works  
Jim Burt - Finance Division/SC Department of Public Works  
Ben Wright - Director of Sanitation/SC Department of Public Works  
Bill Shannon - Director of Highways/SC Department of Public Works  
Lorraine Hickey - Highway-Fleet Maintenance/SC Dept of Public Works  
Bob Shinnick - Director of Transportation/SC Dept of Public Works  
Peter Quinn - Long Island Coalition for Democracy  
Phyllis Garbarino - President/AME  
Cheryl Felice - Executive Vice-President/AME  
Valerie Burgher - Newsday  
All Other Interested Parties

**Minutes Taken By:**

Alison Mahoney - Court Stenographer

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(\*The meeting was called to order at 10:06 A.M.\*)

CHAIRMAN CARACAPPA:

We're going to start the Public Works Budget Hearing with a Salute to the Flag led by Legislator Carpenter.

Salutation

Good morning, everybody. As I said, this is Public Works & Transportation Hearings on the 2003 Operating Budget. At this point in time, I'd like to ask the Commissioner to come up.

COMMISSIONER BARTHA:

Good morning.

CHAIRMAN CARACAPPA:

Good morning. Commissioner, after the Early Retirement Incentive Program was all said and done, your department took some hit. I see within the report -- I guess this is a good starting point and something we will probably talk about at length. I see in the report that Budget Review has recommended filling many of those jobs; why don't we start there, if that works for you.

COMMISSIONER BARTHA:

Sure. You're absolutely right, the retirement incentive hurt us particularly hard in both the Sanitation Division followed by the Buildings and the Highway Divisions we developed a plan to comply with the 20% savings goal of the retirement initiative, however, the budget does eliminate some of the positions that we were going to use for that. So we support BRO's recommendations to restore some of those positions.

CHAIRMAN CARACAPPA:

All right. Let's go through your list first of things that you -- other things that you agree and disagree with and then we'll get into I guess questioning from the committee.

COMMISSIONER BARTHA:

Well, I would say we certainly agree in general with BRO's evaluation, they spent considerable time with our staff as well as myself in reviewing it and they're familiar with the department. I would like to emphasize -- as BRO says, about Capital Projects since there's been so much discussion about Capital Projects in Public Works Committee over the last few months -- that without restoring these positions in the engineering areas it will impact the prosecution of the Capital Program and some projects will slip. There's a certain amount that I'm

afraid that we would slip anyhow with the retraining or the transition to some new staff, but it will be a lot more if we don't have the staff.

The one area that we have disagreement with BRO is they suggest consideration of the Dormitory Authority to be utilized on the court addition in Riverhead. We don't see any evidence that there's any kind of cost savings associated with that, there certainly is a lack of control when a project is turned over to the Dormitory Authority. We have discussed that particular project with the Dormitory Authority a

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number of times to see if there was any way it would be in the County's best interest to have them involved in any fashion and we determined that it was not in our interest to do that. So that's an initiative that we do not support. Other than that, we're pretty much on board.

**CHAIRMAN CARACAPPA:**

Fred, why don't you give us just for the record a synopsis of your report relating to Public Works and then I have a few questions for you.

**MR. POLLERT:**

The Department of Public Works is one of the three departments that were really the most impacted by the Early Retirement Incentive Program, in particular with the Sanitation group. The Sanitation group charges back in large part, there are positive fund balances in the Assessment Stabilization Reserve Fund, there's no real net budgetary impact with respect to the restoration of titles in the Sanitation group. I believe that probably the reason they were cut was just to adhere to the backfill rate, but that should be something that is considered by the Legislature for restoration.

Part of the concerns we have not just with the Department of Public Works but with the Health Department and in particular with the Department of Social Services is that there may need to be some flexibility to bring back some of the employees that left under the Early Retirement Incentive Program just because there's such an experience gap and it's going to take a tremendous amount of time before Public Works can have their staff get enough experience on their succession plan. So that was one of our overarching recommendations that cut across not just the Department of Public Works but cuts across problems that have been experienced in the Department of Social Services and health as well.

For the most part, the revenues and expenditures that were forecast for the Department of Public Works were accurate, we don't really make any recommendations with respect to reducing appropriations with the

exception of global policy determinations that the Legislature may make with respect to turnover savings.

Personnel really seems to be one of the major issues in the Department of Public Works and it's a topic that could slow down projects. The recommendation with respect to the Dormitory Authority was just in general, not necessarily in the court complex but there are a number of large projects which the Department of Public Works has in the pipeline with respect to the Capital Project, that might be an alternative to bridge the gap of lack of personnel. And just because the County has had a working relationship in the past, it might be advantageous to be able to use them on specific projects, if it's the Children's Shelter or if it's, you know, something of that sort, it may be a relatively inexpensive alternative until the Department of Public Works can restore the titles that they need.

CHAIRMAN CARACAPPA:  
Questions?

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LEG. FOLEY:  
(Inaudible).

CHAIRMAN CARACAPPA:  
We have plenty. All right, as committee members mull over what their questions are going to be, let's --

LEG. FOLEY:  
Are we going to talk about the Dormitory Authority?

CHAIRMAN CARACAPPA:  
We can talk about the Dormitory Authority, Fred did mention Dormitory.

LEG. FOLEY:  
You want to stay on that for a moment?

CHAIRMAN CARACAPPA:  
Sure, absolutely.

LEG. FOLEY:  
Thank you, Mr. Chairman.

CHAIRMAN CARACAPPA:  
You may have missed it when you walked out, Legislator Foley. The Commissioner said they were not in favor of using the Dormitory Authority for the court complex. And as Fred, mentioned there are a series of other very large projects such as the old Infirmary, the children's shelter and the Riverhead Complex that could also be considered.

LEG. FOLEY:

Thank you for that synopsis of the Commissioner's remarks. Before we go any further, Mr. Chairman, perhaps we could have other members of the department just on the record mention who they are because they're knew to me and I haven't seen them here before.

COMMISSIONER BARTHA:

Laura Conway is the Director of Finance Division and Jim Burt is the Chief Budget Examiner for the department.

LEG. FOLEY:

Very good. Commissioner, you heard the remarks made by BRO and you obviously read the report thoroughly, particularly with the concerns of the Chair and those of us have with trying to find means other than overrelying on consultants for a lot of the work done by the department and that one of the ideas is to utilize the talents of the State Dormitory Authority. You mentioned that you were opposed particularly -- or let's say you disagreed with the recommendations of using the Dormitory Authority for the Riverhead building as far as the court houses, essentially because of the loss of control that -- what's the essential reason why you're opposed to having the Dormitory Authority involved; is it also because of the experience that you had and the department had with some other projects here in the County? Just comment on that.

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COMMISSIONER BARTHA:

It's a loss of control that would exist, I don't see what benefit would be gained from inserting another party to the process. And frankly, the department and the staff view it as an insult after the jobs that they have done with the Dennison Building and the ball park projects, two major projects. We're very excited about being involved in more major projects and we have -- we're progressing on them as anticipated.

LEG. FOLEY:

Well, I think particularly with these sympathetic members of the committee, insult may be too strong a word. Certainly what I think we're all trying to do is to make sure these projects move forward in as cost effective a manner as possible and that's why -- just for BRO for a moment. Is there a cost savings by going to the Dormitory -- not withstanding the concerns that are raised by the department but including those concerns, we certainly need to keep those in mind, but is there some kind of cost savings involved by going the route of Dormitory Authority over some of the major projects?

MR. POLLERT:

Clearly that would have to be explored on a project by project basis.

The Dormitory Authority is flexible with respect to the types of services they provide. So the County has the capability if they only want the Dormitory Authority to do project management and not the design work, they can do the design work in-house or they could flip it around. The Dormitory Authority does have economies of scale, just because throughout the State of New York they are involved in court complex construction, they are involved in jail construction, so they do have a track record and they do have experience. Combined with the fact they're a not-for-profit agency which means that when you contract with them it's not that they're necessarily making a profit on it. There are administrative charges and clearly because they can offer the County a Chinese menu of services it could well be that you just want to retain them to be Clerks-of-the-Works or something of that sort. So it's difficult to say what their cost would be versus having the Department of Public Works do it. The recommendation was as a short-term solution to make sure that these projects can continue to move ahead.

At this point in time, there's roughly \$75 million worth of projects coming due over the next few years. It's important to be able to --

LEG. FOLEY:

Building projects as well as road projects or you're speaking specifically of building projects?

MR. POLLERT:

Specifically to the building projects. So it's relatively important to be able to do borrowings while the interest rates remain advantageous to the County. What the expectations are is that because interest rates are so unusually low, in the next few years they're going to start to track up. So clearly it's important not to have the projects delayed if at all possible because we can lock in the lower interest rates.

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LEG. FOLEY:

Just one or two more questions in this particular area. Thank you, Mr. Chairman. Back to the Commissioner for a moment. The -- you're in concurrence with other parts of the BRO's recommendation as far as putting back positions in the budget; that's correct?

COMMISSIONER BARTHA:

Yes.

LEG. FOLEY:

All right, then let me ask it this way. As the budget is proposed, if we made no changes to the budget, didn't add any positions, just accept with the County Executive has approved -- has proposed, rather, would you not agree that that would cause a delay in the number of

Capital Projects that we've been speaking of today?

COMMISSIONER BARTHA:

I don't believe it would impact the projects in the Buildings Division; those major projects are being performed by consultants under our review. We have -- there's two positions in the buildings area that would be related and that would be during the construction phase; we have made some adjustments in staff and I think we could handle that

LEG. FOLEY:

Okay. In the broader sense then, where would we see delays in projects, is it in road projects; what projects specifically?

COMMISSIONER BARTHA:

Road projects.

LEG. FOLEY:

Road projects? Both the federally aided program -- projects as well as hundred percent local monies or is it more of the Federal because of the additional documentation that's required?

COMMISSIONER BARTHA:

It would really be both because on the Federal, as you point out, there's additional documentation and on the local it's more being done with our own staff, the work.

LEG. FOLEY:

Have you been able to quantify what the delays would be, would it be another year, a half a year, would it be two years; is there a way of looking? Particularly with the new road map that you've put together with the Chair of the committee, have you been able to adjust the time line as to what would -- how the time line would be impacted by making no changes to the proposed budget?

COMMISSIONER BARTHA:

We haven't been able to do that yet. It would be more likely that some projects would be dropped and not progressed in order to keep the other projects on somewhat of a schedule; you can't have people jumping around to all different projects.

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LEG. FOLEY:

Back to the old issue of prioritization then I guess; it's all in the eyes of the beholder.

COMMISSIONER BARTHA:

I'm trying not to use that word.

LEG. FOLEY:

Okay. Thank you, Mr. Chairman.

CHAIRMAN CARACAPPA:

Legislator Carpenter.

LEG. CARPENTER:

I'm trying to get a handle on how many positions actually Budget Review is recommending that we additionally authorized be filled; do you have that number?

MR. POLLERT:

While Jim is pulling up the list, there are --

LEG. CARPENTER:

How many do they lose through the incentive; Charlie, do you know?

COMMISSIONER BARTHA:

We had 74 people I believe retire through the incentive, but not all of those positions were abolished. Jim might be able to answer that question.

MR. SPERO:

I would have to count them up.

LEG. CARPENTER:

I was roughly doing that and I came up with around 58 or 60; does that sound about right?

MR. POLLERT:

Well, two of the areas can be restored without any budgetary impact, specifically in the court area with the recommendation to restore both the Custodial as well as the Maintenance Mechanics, those will be covered with a hundred percent State aid. Likewise those individuals in the Sanitation group charged back to a variety of other sewer funds and there won't be a direct budgetary impact because of the status of the Assessment Stabilization Reserve Fund.

Just as a quick digression at this point on the Assessment Stabilization Reserve Fund, if you look at the budget it looks like there will be a larger fund balance than will actually be there because for 2003 it needs to be brought down for the amount of transfers as a Capital contribution that was adopted in the Capital Program. So nevertheless, those spots can be restored without a budgetary impact. Jim, have you got a bottom line number?

MR. SPERO:

(Inaudible).

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COMMISSIONER BARTHA:

I might be able to provide a little bit of light here. In the budget, the total change is 47 positions have been abolished, 40 new positions have been added; approximately 32 of the positions that have been abolished relate to the early retirement.

CHAIRMAN CARACAPPA:

When you say --

COMMISSIONER BARTHA:

We have a net of seven positions lost in the department. The initial reaction is, well, that's not that many positions considering there's 900 people in the department, but 20 of those new positions alone are in the Sanitation Division. So Sanitation, while we've lost experience, we do have positions to fill, so I think position wise we're in good shape in Sanitation. I would suggest that we more focus to the Highway area and the Buildings area as far as restoring positions.

CHAIRMAN CARACAPPA:

When you say you lost but you gained, they're basically the same departments but at a lesser grade; correct?

COMMISSIONER BARTHA:

Lesser grade --

CHAIRMAN CARACAPPA:

They're a reclassification.

COMMISSIONER BARTHA:

Correct.

CHAIRMAN CARACAPPA:

Okay.

LEG. CARPENTER:

Well, I just want to be sure that as we go through the process that we are, in fact, putting in the positions that they need to have and that clearly Budget Review is recommending that we do. And just going through this, it got a lot little confusing so I want to be sure that we have a clear listing of those positions.

MR. POLLERT:

This is the one department that we didn't do a summary and overview on, but in the -- on page 299 of the report under Bridges and Structures, what the recommendation is is that the Senior Civil Engineer be added back and that a Laboratory and Engineering Aide, Traffic Junior Civil and in the Traffic and Engineering Aide 12.

So what we can do is I'll be happy to put together a list and I can touch base with the Department of Public Works and I'll be happy to send out a revised comprehensive list to all the committee members.

LEG. CARPENTER:

Great, that will be helpful.

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CHAIRMAN CARACAPPA:

Commissioner, with relation to the positions, what was taken out in the proposed budget, what rational was given to you as the department head by the County Executive staff with relation to what went and what stayed; were they your recommendations to the Executive staff or did they bring that down upon you; and if they did, did they give you a clear indication as to why?

COMMISSIONER BARTHA:

I believe -- I would really defer to the Exec's Budget Office to respond to that. But it happened pretty much at the last minute, I believe when all the information became available to them with respect to the revenue that was anticipated, adjustments were made and there was not time to review it with the department.

CHAIRMAN CARACAPPA:

Mr. Bortzfield, will you be able to give us a little information regarding how you came to the conclusion that you did?

LEG. FOLEY:

You can sit among your former allies here, Mr. Bortzfield.

MR. BORTZFIELD:

They're still current allies. The early retirement program adjustments that were required of DPW and most of the departments was a result of the Legislative understanding with the adoption of the Early Retirement Program that there be an 80% savings in 2003. Based on those guidelines, that was given to all the departments to come up with a plan for reducing positions in the budget to approach that 80% savings, so that basically left them 20% of the dollars, you know, from the Early Retirement Program to be able to distribute among their existing programs as they best saw fit and to come up with the savings.

As a result of coming up with a savings plan, we also abolished a number of positions across the line to ensure the savings in the future and, you know, try to make sure that we came up with the expected savings to help reduce some of the deficit, the gaps that we were projecting in the 2002-2003 Budget.

CHAIRMAN CARACAPPA:

Legislator Foley.

(\*Legislator Crecca entered the meeting at 10:28 A.M.\*)

LEG. FOLEY:

Thank you, Mr. Chairman. Some of the savings through the abolition of positions was really the abolished positions but you reclassified a number of them, correct, and that's part of how --

MR. BORTZFIELD:

Reclassified at lower grades, lower steps and the savings --

LEG. FOLEY:

And that's how you saved quite a bit of money that way.

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MR. BORTZFIELD:

Right.

LEG. FOLEY:

Now, in the field of Sanitation, just to go to Sanitation, you said there are 20 new positions created or is it 20 positions were reclassified?

MR. BORTZFIELD:

There may have been some new creates, there may have been some reclassifications. In the Sanitation area there was a little bit more flexibility in that area because of the additional funding available through the Assessment Stabilization Funds, so there wasn't as much impact of the early retirement as in all the General Fund areas.

LEG. FOLEY:

Okay, just to focus on that for a moment. So in other words, what was the net gain -- Commissioner, what was the net gain in Sanitation of not just reclassified but positions that could be filled, bodies that could be -- just forgive the generalist, but the number of employees that could be filled, could be utilized in that area?

COMMISSIONER BARTHA:

Okay. If you just give me a minute, I'll give you --

LEG. FOLEY:

And that's basic -- as you're looking at it, the reason that that area was not let's say impacted as much as others is because of the sales tax monies that could be utilized for Sanitation; is that correct, Mr. Bortzfield?

MR. BORTZFIELD:

That's correct, specific funds in the Assessment Stabilization Fund.

LEG. FOLEY:

As the Commissioner is looking, if we could hear from the Budget Director.

MR. POLLERT:

Just by way of clarification --

LEG. FOLEY:

Budget Review.

MR. POLLERT:

Through the Early Retirement Incentive Program, even if the County Executive proposes a title and if the Legislature adopts the title, it's ultimately under the purview of the Department of Civil Service to review what the functions and duties of the title are going to be. So part of the intention could be to create lower level titles. If, in fact, based upon a Civil Service review, the Department wants those individuals working at a higher level, they will be reclassified by the Department of Civil Service to the appropriate title. So the first year right after an Early Retirement Incentive Program, irrespective of what the County Executive proposes and what the Legislature adopts in the budget, there's going to be quite a few

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changes through both the earmarking process and through the reclassification process so that the appropriate titles are actually added back by the Department of Civil Service. So --

LEG. FOLEY:

Is there any way of identifying the potential number of those kinds of positions that a year from now could be reclassified, rather could be earmarked or reclassified through a desk audit?

MR. POLLERT:

Just normally the amount of reclassifications that take place even without an early retirement incentive number in the hundreds. So I would imagine that that number will probably increase probably by 100 or so --

LEG. FOLEY:

And that's for doing work outside of the duties described?

MR. POLLERT:

Right. So what will happen is the County Executive's Office could recommend the restoration of a lower level title, but when the department actually goes to fill the title and actually does the duty statement of what is required in the job specifications, it's up to the Department of Civil Service to say that's not a Junior Engineering

title, that's a full-fledged engineering title. So this could be --

LEG. FOLEY:

Well, then how could -- I don't mean to interrupt, but how could the department -- just on that point because, Mr. Chairman, this could have a budgetary impact obviously a year from now. Is there a way for the Commissioner's office to speak directly with the Civil Service office or the Division Director of Sanitation speak with the Civil Service Office to make sure that that scenario doesn't happen? To make sure that the duty statement within the reclassified position reflects, let's say, the original intent which was to have a dollar savings and have a salary structure that's slightly less in order to have less of an impact on the budget. I mean, can't the department speak in a proactive way --

MR. POLLERT:

Yes.

LEG. FOLEY:

-- to make sure that a year from now --

MR. POLLERT:

They can and there can be dialogue back and forth, but even using the Budget Review Office as an experience, we had wanted to hire a Clerk Typist and by the time we got done with the duty statement they said it was something like a Senior Legislative Analyst. So clearly, you know, what we wanted to accomplish with a Clerk Typist was not what the Department of Civil Service said was appropriate to accomplish with a Clerk Typist. So yes, both the County Executive's Office and the department can have a dialogue but it's ultimately the responsibility of the Department of Civil Service to do the classification.

LEG. FOLEY:

Understood. Just on that point, Mr. Chairman, it's a very good one, it's one we haven't delved into in the past when I was Chair. Commissioner, is there a way of, hearing Mr. Pollert's thoughts on this, of reaching out to Civil Service to try -- while you can never have a hundred percent of a guarantee, but a way of the department working with Civil Service in order to at least mitigate the number of reclassifications so that a year from now -- I mean, if the person is working out of title then by rights they should have the reclassification, but structuring -- since we're all trying to save money here and you've reclassified them in a downward manner, so to speak for lack of a better description, how can you ensure that a year from now most of those positions, wherever it may be, that those folks will be working within the duty statement and within the current structure of your proposed budget? How can you work with Civil

Service to make sure that that stays a year from now where it is now?

COMMISSIONER BARTHA:

I think I understand what you're saying. It's a management prerogative as to what duties are assigned to individuals; we strive to assign duties consistent with someone's title.

LEG. FOLEY:

Right.

COMMISSIONER BARTHA:

We also have a job that we have to get done.

LEG. FOLEY:

Right.

COMMISSIONER BARTHA:

So it's part of a normal process, whether there's a retirement incentive or not, people progress, take on more responsibilities that they're assigned. And typically when people retire we down grade the positions, I think everyone would agree that that's absolutely what happens in the department. In the meantime, persons have the right, whether we agree with what they're --

LEG. FOLEY:

Right, no one is denying that right. But I'm saying to try to structure the duty statement of that reclassified position so that a year from now we don't find ourselves in a position where, you know, there's so many earmarkings, reclassifications, desk audits because of their working out of the title that we have to increase it by X amount of dollars. I mean, is there a management -- speaking as a Legislator, I don't know whether there is, I'm speaking the management side, is there a management technique if you will, a management way of doing things that we can mitigate that potential?

COMMISSIONER BARTHA:

Yes. Yes, and that's been made clear at the last several staff meetings we have had at the department. The Executive's Office made it clear to us and I've made it clear to the department heads that we strive to only assign duties to people and to structure things consistent with the titles that we have.

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LEG. FOLEY:

Taken nothing away from the worker who has the right to a desk audit but just -- notwithstanding -- because of what was said by Fred, it's an important point to raise. Okay, thank you, Mr. Chairman.

CHAIRMAN CARACAPPA:

Okay, I have a few questions, just basically with relation to some of the recommendations you made, Fred, in the report with relation to revenues and expenditures.

First, fuel oil. Every year it's a tough one to calculate with relation to where it's going and what we need. On one page you say to reduce it not only in the current fiscal year but for next year as well, but on the transportation side of things you say that we could use the increase in revenue that we would receive with relation to the State revenue and others for increase in fuel costs. So I'm kind of confused. What's the projection for fuel and are we underestimating here?

MR. POLLERT:

There are two specific subobjects. The one subobject where we make a recommendation to reduce the expenses are the fuel for heating. What we did there is we looked at the year-to-date expenditures and Robert Lipp does a lot of work with respect to forecasting the cost of fuel oil because of the Residential Energy Tax. So based upon both year-to-date expenditures we brought down the base and then what we did is we forecast what the increase would be from that reduced base. With respect to the Transportation Omnibus Program, they're not using fuel oil but they're using diesel fuel and there's a projected higher cost increase in that area. Likewise with respect to the revenues in that area, last year we received a large increase in aid. It's unknown at this point in time, it's not included in the budget but there's a possibility that some of that aid may be reoccurring next year as well. So if the aid comes in that could also be spent to cover any motor oil increases.

CHAIRMAN CARACAPPA:

Fund 203, is that half a million dollar or \$450,000 discrepancy, you blame that on an input error, is that it; could you explain?

MR. POLLERT:

The best that we can line up is that a number was left off. So when we looked at what the year-to-date was, it's our recommendation based upon the year-to-date that the number be changed in the budget. That again is not directly a taxing fund.

CHAIRMAN CARACAPPA:

Yeah. Just when we're looking at every penny here, just for the record the Commissioner has concurred with that.

COMMISSIONER BARTHA:

Right, the department agrees.

CHAIRMAN CARACAPPA:

Briefly I want to talk about Fund 405, Fred, which is Southwest Assessment Stabilization Fund.

MR. POLLERT:

Yes.

CHAIRMAN CARACAPPA:

We have been doing some transfers, I guess Interfund loans over the last couple of months with relation to other sewer districts, correct?

MR. POLLERT:

Yes.

CHAIRMAN CARACAPPA:

In the report I see that in 2001 the fund balance was 18.8 million; is that correct?

MS. VIZZINI:

I think you're on page 313 of the report.

CHAIRMAN CARACAPPA:

Yes.

MS. VIZZINI:

The '99 fund balance was roughly that amount, 19 million, and that was from the bridge financing that we did specifically for the Southwest Sewer District bonds.

CHAIRMAN CARACAPPA:

It says an '03 year end we should expect to have a fund balance of only \$277,000.

MS. VIZZINI:

Yes, the --

CHAIRMAN CARACAPPA:

Do you find that troubling or is that number going to be replenished?

MR. POLLERT:

The forecast was that by this point in time there would have been no fund balance. The only reason that we had such a large fund balance was because of the bridge financing, as Gail had explained.

CHAIRMAN CARACAPPA:

Right.

MR. POLLERT:

When those funds are exhausted as they will be in 2004, that's when there will a transfer from the Assessment Stabilization Reserve Fund to help the Southwest Sewer District. So the forecast was that the funds would be exhausted by this time, so we're right on track.

CHAIRMAN CARACAPPA:

We're right on track, perfect, that's what I wanted to know. Any other questions?

LEG. CARPENTER:

Yes, I do.

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CHAIRMAN CARACAPPA:

Legislator Carpenter.

LEG. CARPENTER:

On page 301 under Buildings, Operations and Maintenance, you make reference to security guards. And I know that we had passed that resolution two meetings ago for the Security Guards at Dennison and Riverhead Complex and I see here the addition of two at Cohalan Court; could someone explain why we're having to provide security guards at the courts? I thought they had security there.

COMMISSIONER BARTHA:

They provide -- the Court Officers provide security for the building -- not for the building, for the occupants of the building during the course of the day. During the non business hours we provide security that patrols the outside of the complex and assures that there's no break-ins, problems with the building. We had been using a contract security firm to provide that and we were not satisfied with the prices that we received and that a savings of approximately \$100,000 we have converted -- reclassified two Custodial Worker positions that we had vacant and we're going to fill them as Security Guards.

LEG. CARPENTER:

Okay. And it seems then that there is --

MR. POLLERT:

Excuse me, Legislator Carpenter?

LEG. CARPENTER:

Oh, go ahead.

MS. VIZZINI:

Along those lines, I would just like to point out that two of those custodial workers that are intended to be earmarked for the security Guard were abolished and so they would also be two positions we would recommend be restored --

LEG. CARPENTER:

Okay.

MS. VIZZINI:

-- to accomplish the intent of the resolution.

LEG. CARPENTER:

Okay. All right, so I think this really reinforces what I said earlier, I think it's going to be very important that you guys work with the department and look at each of these areas so that we're not missing anything when we finally do adopt the budget. But I agree with that initiative, it sounds like it makes infinite sense. Thank you.

CHAIRMAN CARACAPPA:

Legislator Foley.

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LEG. FOLEY:

Thanks, Mr. Chairman. A few different areas I'd like to delve into, transportation in a moment, highway maintenance, grass cutting and the like which really is the area that many of our County residents see when they're driving along our roadways. But before we get to those, to go back to engineers for a moment. There's been a perennial issue of recruitment and the attempts of recruitment by the department to get Junior Civils and how, because of the environment that's out and about in the field of engineering, we have been told in the past that it's a very competitive field, it's very difficult to hire entry-level engineers. This committee, both in the past and presently, has agreed with the notion of increasing the starting salary for Junior Civils in order to have a better recruitment tool for attracting qualified students.

Commissioner, can you tell us with this new budget coming up and over the past year what new approaches have been taken by the department to try and recruit engineers? And I think it's important that we hear this, Mr. Chairman, because we're trying to put positions back in the budget, particularly engineering positions which are one of the more let's say expensive positions, but we're doing it because we want to see these projects move ahead. But if we put these positions in the budget we have to have some assurance, and we need to hear it on the record and have some explanation, if we put these positions back in the budget, how will the department aggressively recruit and creatively recruit qualified candidates to come to our shop, so to speak, as opposed to going somewhere else? So if we could just have at least an overview of that, I think it would be important.

Because I know in the past, just to set up the question, that we've gone the usual routes of going to the local engineering schools in the metropolitan area, but that wasn't enough and you went over the Internet and there were some good finds over the Internet. But tell us what strategies you have in order to fill these positions.

COMMISSIONER BARTHA:

Okay. In addition to the two avenues you mentioned which do get results at times, we also have people attending career days that different universities are presenting in the metropolitan area. We -- Richard LaValle and myself have attended events at colleges to try to promote interest long-term, and we have also -- recently we were very successful in recruiting a Structural Engineer, it's a Senior Civil Engineer title with a structural engineer speciality which I've mentioned gentlemen has not started with us yet but he is committed and we're bringing him in above entry level salary for that type of position the Executive's office have has also been cooperative whatever we have recommended as far as salary.

LEG. FOLEY:

Let me ask you this way. I know that you have a lot on your plate and you probably could use a recruiter for your department such as something that the Health Department is doing. What about internship programs? There's a way to -- internship programs, let's say the Stony Brook School of Engineering or even if it's the -- again, the metropolitan area, colleges, universities have engineering programs whose students live in Suffolk County or even in Nassau where if

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there's -- particularly a summer internship program or some other kind of creative internship program that will give that perspective employee or certainly that student, you know, an idea of what it's like to work with Suffolk County and then you may have a leg up with that person when he or she graduates from college. So have you given any thought to that approach?

COMMISSIONER BARTHA:

We haven't actually done that, we do have the ability to do that.

LEG. FOLEY:

Right. Well, I would --

COMMISSIONER BARTHA:

I think we'll take you up on that suggestion.

LEG. FOLEY:

I think so, yeah. It would be very -- it's been helpful in other areas, I know at the John J. Foley Skilled Nursing Facility they do that to a limited extent, and we're going to talk about that in the Health Committee about exploring it more thoroughly, of the nursing program where they take interns. So at least they have -- they see what Suffolk County is somewhat about and it gives you I think -- gives us a leg up in getting some quality students.

COMMISSIONER BARTHA:

You mentioned the Health Department, we've also recruited people from the Health Department.

LEG. FOLEY:

All right. We don't want to raid each other's department, we want to go outside and do those kinds of things. Okay, that's one area.

If we can go for a moment with highway maintenance. You know, that's an area, it's one of the more mundane areas of County government. The fact of the matter is when many of our constituents ride our roadways and they see either a constantly flooded area because the catch basins are not being cleaned on a regular basis, see a lot of litter on the side of the roads or an unkempt looking County road or unkempt County buildings or grass which in recent years I've seen a market improvement, Mr. Chairman, and that's due to the great work of the department and Lou Calderone and others have done a wonderful job in that particular area. But can you tell us how this budget impacts that particular area?

COMMISSIONER BARTHA:

Well, first I certainly want to give Lorraine credit.

LEG. FOLEY:

And Lorraine Hickey, absolutely, who's been very responsive as well. Thank you.

COMMISSIONER BARTHA:

The number of positions -- we do have a fair number, I don't have the vacant position list with me.

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LEG. FOLEY:

So even though positions have been cut, there are vacancies in these other areas where those vacancies have been filled; is that not correct?

COMMISSIONER BARTHA:

That's correct.

LEG. FOLEY:

Okay. Now, is that an issue of turnover savings, that they're remaining vacant, or is this simply that you haven't been able to hire people for those positions?

COMMISSIONER BARTHA:

More an issue of turnover savings.

LEG. FOLEY:

But those two areas in particular are not impacted?

COMMISSIONER BARTHA:

Not severely. I believe we will be able to continue the level of service that we have now. We didn't lose a lot of people in those areas.

LEG. FOLEY:

Okay, very good. Turn to page 309 which is Transportation. And it's an area, as we know, if we look at the fact that back five years ago the amount of money was 16.3 and 203 is 26.7, so a 63% growth in the size of the budget of transportation and there have been a number of working with the Division Director and this Legislature has on a bipartisan basis also approved the expansion of bus routes in a number of areas. Now, if you look at the evaluation by BRO, a number of the recommendations aren't so much creating new positions, Fred, but it's the filling of vacant positions, or Gail.

MS. VIZZINI:

Yes.

LEG. FOLEY:

So those vacancies, those positions are still in the proposed budget and it's just a question of filling those vacancies?

MS. VIZZINI:

Correct.

LEG. FOLEY:

Okay. If you look at the last bullet at the bottom, last item at the bottom, it says, "There are sufficient funds in the Transportation recommended budget to keep all existing staff filled as well as to fill two vacant or new positions." When we look at the recommendations above, the five or six points above it, one of which -- and I completely agree with the need for the Division Director to have a Clerk Typist so that he can spend less time on clerical, more time on things within his purview, I wouldn't want to see his position reclassified downward because he's working out of title. But how can we fill these different positions more than the

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two -- how can we fill more than two positions when you state here that the funding is sufficient to only fill two of the vacancies; how can we fill more than two?

MS. VIZZINI:

Well, when you fill positions in the beginning of the year, in January of 2003, even accomplishing that is very optimistic in light of the Civil Service requirements to request the list, canvass the list, set up the interviews, etcetera, etcetera. So there is some flexibility in

permanent salaries in terms of what portion of the year, when, how many and what have you. So depending on your methodology to calculate how much you need, therein lies your flexibility.

LEG. FOLEY:

Given the increased attention to this particular division within your department, Commissioner, do you see a way that we can fill some positions within that particular division?

COMMISSIONER BARTHA:

Well, we really see as a priority to fill a Senior Clerk Typist position to serve as a secretary to Bob Shinnick.

LEG. FOLEY:

Right.

COMMISSIONER BARTHA:

As well as a Clerk position to handle answering the phones.

LEG. FOLEY:

Thank. You that was the answer I was looking. Both of those are important and as we've heard in the past and with the adoption of a resolution to create the Transportation Advisory Board, we can anticipate that one of the first issues is the fact or the need to get a live person on the other end of the phone when a call is made, so that would be very important. So I thank you for your answers. Thank you, Mr. Chairman.

CHAIRMAN CARACAPPA:

Vector Control. Fred, you, say we should cut -- oh, Fred's not here, Jim or Gail -- \$10,000 for aerial spraying for '03.

MR. SPERO:

That's this year's estimate.

CHAIRMAN CARACAPPA:

Oh, that's this year's estimate. What about next year? With relation to the large increase in West Nile activity in the County this year, and the nation for that matter, are we planned properly with relation to --

MR. SPERO:

We didn't make any recommended funding changes. And I believe the impact statement concerning spraying and the use of insecticides is going to be done for the vector control function. So just how much spraying and how much use of insecticides will be determined based on that plan when it's completed.

**CHAIRMAN CARACAPPA:**

Commissioner, with relation to that, when -- I don't know if this is working. Can you hear me?

**COMMISSIONER BARTHA:**

Yes.

**CHAIRMAN CARACAPPA:**

How is your plan -- how is vector planning now for next year and for the fall and again the spring and the early summer of next year and late winter to combat what I guess would be a larger problem next year? Do you feel that there's adequate positions within Vector? Now and do we have a proper amount of money set aside for what probably will be a stepped up assault on mosquitoes?

**COMMISSIONER BARTHA:**

We feel we have adequate staff to handle what we anticipate. We have developed our Vector Control Work Plan and we've submitted it to CEQ, it's been tabled for two meetings over there, we're anxious to get it before the Legislature and expect to have it before you in December which would allow us -- put us in a better position than we've been in the last couple of years if we can get that plan approved in December with respect to the water management work that we do and to be prepared better for the vector season.

Our big emphasis will continue to be on surveillance and monitoring and to combat the mosquito problem at the larval stage. And we worked very closely with the Health Department on the surveillance and monitoring in particular, as well as determining the level of response that's warranted.

**CHAIRMAN CARACAPPA:**

Very good. Just as a committee, I'm sure we all want to be fully prepared for what could be a more dangerous situation next year. Any other questions at this point in time?

Commissioner, any further comments with relation to the Budget Review Report or what direction you would like to see the Legislature go with relation to any amendments?

**COMMISSIONER BARTHA:**

I would be very anxious to work with BRO in any position changes that they suggest, as you and Legislator Foley and Legislator Carpenter had said. So I think that's important.

And the one thing I would add with respect to Vector Control is we did seek a position, it was an Assistant Vector Control Superintendent I believe was the title, if you give me a minute.

**MS. VIZZINI:**

Yeah.

COMMISSIONER BARTHA:

Yes, that was the title, that was not included. That is something that I think is important for the division, it would help Dominick concentrate more on programmatic things and the assistant would focus

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more on the implementation.

CHAIRMAN CARACAPPA:

Okay. Mr. Bortzfield.

MR. BORTZFIELD:

I just want to make a couple of statements, not directly related to Public Works but just on the budget process in total and the issues that will be coming up at this and all the rest of the committee meetings looking into the adoption of the budget.

LEG. FOLEY:

You look very comfortable there, though.

MR. BORTZFIELD:

Not too comfortable. One is the sales tax issue. As you are all aware, the BRO report came out and also with an interim report prior to that stating that the October sales tax numbers had come in substantially higher and made additional projections based on those numbers. We feel based on our projections those numbers are rather optimistic and we have been notified from the State that we should be expecting substantial reductions in our November payments, that a lot of this is one-time adjustments that are reflected in here. Our economist has done another analysis of this with the State and with all their data and we feel at best the projections for the 2002-2003 period may be approximately \$13 million higher than what we originally had put in the recommended budget which is 16 million less than what BRO is projecting at this point in time. And they said even with making that projection, that that really is being rather optimistic, they feel it probably is lower and are really recommending that we stick with the numbers in the recommended budget at this point in time until we see, you know, what the fourth quarter has come in to look like. So that I just wanted you all to be aware of that, you know, during this budget process.

CHAIRMAN CARACAPPA:

So you're saying -- is your concern more so for '03's projections as opposed to --

MR. BORTZFIELD:

More '02 projections, '03 they were not off by that much money between

the projections of BRO.

CHAIRMAN CARACAPPA:

Five point -- what was it, five point something million dollars?

MR. BORTZFIELD:

Our economist is coming up with approximately \$3 million over what we had projected originally.

CHAIRMAN CARACAPPA:

Legislator Crecca.

MR. BORTZFIELD:

But that's including the sales tax on clothing, that's over and above the sales tax on clothing.

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LEG. FOLEY:

Mr. Chairman?

CHAIRMAN CARACAPPA:

Legislator Crecca is first.

LEG. CRECCA:

Yeah, I guess I'm curious, in what way did they over -- specifically did Budget Review, in your opinion, over estimate the impact of the third quarter numbers?

MR. BORTZFIELD:

Well --

LEG. CRECCA:

Because it's a big difference, you're talking about a difference of probably fourteen --

MR. BORTZFIELD:

It's about \$16 million. Well, for this period -- 16 million, right, for 2002 and 2003 which takes the difference between just the current year, 2002 numbers, it's probably a difference of about \$13 million difference and they feel a lot of it has to do with adjustments that were made by the State last period as related to 9/11 adjustments as well as various sorts of adjustments for changes in relation to the change in the EFT requirement from \$1 million to \$500,000. So we're getting a lot more money up front on --

LEG. CRECCA:

The money is actually there, though.

MR. BORTZFIELD:

The money is there, but it's going to reduce payments in the future that show in the budget as higher numbers.

LEG. CRECCA:

How much additional money over what -- for 2002, in actual dollars now, forgetting about -- you know, are we at right now in actual dollars based on the third quarter payments?

MR. BORTZFIELD:

Over the estimate?

LEG. CRECCA:

How much over the estimate.

MR. BORTZFIELD:

Right now it's approximately \$30 million.

LEG. CRECCA:

Over the estimate of what's contained in the budget you presented.

MR. BORTZFIELD:

Right.

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LEG. FOLEY:

For this year.

MR. BORTZFIELD:

And that changes from payment to payment.

LEG. CRECCA:

Correct, but it's there, it's real money.

MR. BORTZFIELD:

It's real money but you're also expecting five more months of payments to come in, November, December -- well, four more months of payments coming in that could effect that.

LEG. CRECCA:

September, October, November and December.

MR. BORTZFIELD:

Right. Well, January and February payments that you'll bring in for those periods of time, too, so it's going to go through the first two payments in February that will reflect your total amounts that you receive for 2002.

LEG. CRECCA:

Okay.

MR. BORTZFIELD:

And some of those adjustment payments that have been substantial in the past may be much lower in this current year.

LEG. CRECCA:

So you don't agree with the fact that it will be 2% over what we received in --

MR. BORTZFIELD:

Well, you can't throw percentages because, you're know, you're throwing different bases each time as to who's using what number as a base. But looking at the overall numbers, we feel that BRO's projections are rather optimistic at this point in time, that there will be in excess of \$23 million over what was included in the recommended budget.

LEG. CRECCA:

Okay, but let me ask you this. So in other words you think the fourth quarter is going to come in much, much lower than everybody originally estimated.

MR. BORTZFIELD:

Yes.

LEG. CRECCA:

You think it's how much lower?

MR. BORTZFIELD:

We're projecting it's going to come in at this point in time -- well, we feel our projections at best will be at least \$13 million lower

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than what BRO is showing in their projections.

LEG. FOLEY:

Revised projections.

MR. BORTZFIELD:

In their revised projections.

LEG. CRECCA:

And how much -- what's the difference between the original amount in your projections? Do you think you're still going to get the same number that you projected for 2002 for the fourth quarter?

MR. BORTZFIELD:

No.

LEG. CRECCA:

You think it's going to be less.

MR. BORTZFIELD:  
Right.

LEG. CRECCA:  
How much less?

MR. BORTZFIELD:  
Well, we said, actually it's going to be -- well, in our projections about \$23 million less.

LEG. CRECCA:  
In your original projections that you submitted for 2002?

MR. BORTZFIELD:  
Right.

LEG. CRECCA:  
No, it's not -- I'm talking about just for the fourth quarter.

MR. BORTZFIELD:  
For the fourth quarter.

LEG. CRECCA:  
Twenty-three million less.

MR. BORTZFIELD:  
Right. For substantial adjustments as a result of all the adjustments for last year for the 9/11, payments that weren't made in the third quarter rolled to the fourth quarter, in effect, the base for the fourth quarter for this current period. We feel there's substantial room for problems in this area. And the state has indicated -- we can't get anything in writing from the State, but they have indicated that definitely November's going to be substantially less than what actually was paid even last year. The Treasurer's Office has reduced in their cash flow, in the daily cash flow that they do, they have reduced that by \$21 million for the payments reflected for November payments based on just their estimates of what the impact might be.

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LEG. CRECCA:  
Fred, do you want to -- is that all right, Legislator Caracappa?

CHAIRMAN CARACAPPA:  
Yeah, it was just -- we were --

MR. POLLERT:  
Clearly, it would be useful if I could get a copy of what their

economist had done. This is the first I'm hearing that --

CHAIRMAN CARACAPPA:

Yes.

MR. POLLERT:

-- a report has been prepared. When the Budget Review Office did our report, we had included two pages of footnotes in all the detailed schedules showing all the adjustments. Included in there are the adjustments to the fourth quarter number because we had anticipated that the fourth quarter number would be, in fact, lower to a variety of different types of adjustments. So it would be useful if we could compare what their economist had done with what our schedule is, number one.

And number two, just with respect to the change in the early filers, it's a one-time pop but that pop continues on. It's not that there's going to be a decrease in the sense that you're always going to have the early filers filing earlier, so there's a one time pop. However, it does not necessarily mean that there will be a decrease in the next quarter just because everything has been accelerated, you know, with the lowering of the threshold on the electronic filers.

LEG. CRECCA:

Also, I think that it was acknowledged, too, in BRO's presentation that there was a reason and why there was a one-time increase that wouldn't be realized in the sense that a lot of it was because of the early filing. But in the same respect, too, I'm still having a hard time understanding. If these are real dollars and we're 30 million over in the third quarter than what we originally antic -- you know, forecasted for, it is real dollars, it's there. And I know what you're saying, but is it -- I guess you really could address this at Finance, it's Thursday. So you're right, I'll --

MR. BORTZFIELD:

If I might add, the economist is actually -- we're going we have the economist report available for all Legislators at tomorrow's committee meeting, at the combined Finance/Budget meeting, the economist himself will be here to go over his projections. Because it's just more than those issues, there's other issues involved with their projections for retail sales for the Christmas season that they're projecting to be way down just based on all the information that's been provided at this point in time. The car sales is a huge piece of the sales tax benefits that we're receiving now because of zero percent financing, that this is not going to continue on on this basis. So they're just taking, and we feel they should be taking, a more conservative approach to this whole thing, that this is not going to continue on this basis.

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LEG. CRECCA:

Can those reports, though, be given to BRO ahead of time?

MR. BORTZFIELD:

I'll give it to Fred beforehand and stuff like that, yes.

LEG. CRECCA:

Yeah, if we can get it to them today.

LEG. FOLEY:

That would be very helpful.

LEG. CRECCA:

Because we talked about this the other day, too, and it would be helpful so that -- you know, see if you guys can come a little closer to an agreement.

MR. BORTZFIELD:

Right. There's another issue, too. Just to bring up as a result of information that's been provided by the New York State Government Finance Officer's Association, that flyers went out to all members of that association regarding the pension costs for municipalities as a result of the increased pension liabilities that we have all been hit with for next year. Their statements have been, which was put in bold letters that are sent out to everybody that all the projections that were received to make up projections for next year, that are really underestimated, you know, from information from the State, that there could be potential of seven to eight times higher than the amounts that we were billed for 2002. In the case of real numbers, you know, we got billed 16 and a half million dollars for 2002, we budgeted \$52 million based on the projections that were given by the State Comptroller's Office regarding the retirement system. Again, they said in all their correspondence that this was on the low end and it was trying to base the projections of the stock market and what else happens. But if you take a number of seven, eight times higher than what we paid in 2002, that's 115 million to \$132 million.

Now, we haven't been able to corroborate this information yet and we won't be able to corroborate the information for months to come based on how the stock market does and what happens in the future.

LEG. FOLEY:

Is that coming from the Comptroller's Office or from the Governor's Budget Office?

MR. BORTZFIELD:

That came from the New York State GFOA.

LEG. FOLEY:

And who are they now?

MR. BORTZFIELD:  
Government Finance Officer's Association.

LEG. FOLEY:  
What are they basing their guesstimates on?

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MR. BORTZFIELD:  
They're basing their guesstimates of information that was provided by the Comptroller's Office along with the stock market conditions and the Russel 2000 Index which is used as a base for reviewing --

CHAIRMAN CARACAPPA:  
Legislator Carpenter had a recommendation that all Legislators receive a copy of that report, not just the Finance Committee.

LEG. FOLEY:  
Is this a report also -- I don't mean to interrupt. You spoke with the State, you said you can't get anything in writing; what about in the -- who did you speak to over the phone, was it -- you mentioned in November there will be a lower number and you said you can't get anything in writing.

MR. BORTZFIELD:  
Conversations with the Treasurer's Office, with the State Department of Taxation and Finance. Who they specifically spoke to --

LEG. FOLEY:  
Well, you mentioned that you spoke to --

MR. BORTZFIELD:  
Our people getting the information on a regular basis, the people that we deal with on a daily basis to get the sales tax information.

LEG. FOLEY:  
Because you mentioned that you can't get something in writing about the November estimated numbers.

MR. BORTZFIELD:  
No.

LEG. FOLEY:  
Now, is that from New York State? Verbally you spoke with somebody from Taxation and Finance about --

MR. BORTZFIELD:  
They say it would be less.

LEG. FOLEY:

Who did you speak to in the State about the November numbers?

MR. BORTZFIELD:

People in the State Department of Taxation and Finance.

LEG. FOLEY:

All right. And does BRO have the same people that they can reach out to?

MR. BORTZFIELD:

I think they have the same contacts as far as I know, yes.

LEG. FOLEY:

Okay.

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CHAIRMAN CARACAPPA:

If I could, one more -- just take this thirty seconds longer, if you could, Robert. You're our sales tax guy, give us your take on what was just said.

MR. LIPP:

Yes. I can't comment about a report that I haven't seen, but I will say that we are aware that the sales tax take will be down in the fourth quarter, particularly the November check because of some adjustments that were made. We've also included an adjustment for that explicitly in our report where it can be seen, it's a little under \$6.6 million. And on top of that, that number was based on some objective analysis looking at the detailed data and I don't -- and everybody that I spoke to in the State or anyone could not specifically mention what a number would be. So I looked at the detailed data myself and came up with that number using an objective criteria. What will the actual number be? We won't know until after the fact.

On top of that, the growth rate that we assumed for the fourth quarter was only 2%. If you look at the way we did the adjustments, this year we had growth rates of 2.9 and 2.3% in the first and second quarters and an adjusted rate of 5% in the third quarter. Why was it higher in the third quarter? Because of the 0% financing and good summer season, that kind of stuff. What will it look like in the fourth quarter? Let's be conservative, let's not go 2.9, let's not go 2.3, let's say 2% even.

CHAIRMAN CARACAPPA:

Which you've done, which we've done.

MR. POLLERT:

Yes.

CHAIRMAN CARACAPPA:

Okay. I think you've made that clear in your memos to us, Robert, with relation to sales tax. I think it was in September. As we were moving forward with receiving the actual number and the check, basically you had forecasted through memos through Fred to us as Legislators everything that you just said; correct?

MR. LIPP:

Yes.

CHAIRMAN CARACAPPA:

And that we should be very prudent. And everything that Mr. Bortzfield said, how everything broke down based on 9/11 and the changes in the electronic filing, that was all forecasted and given to us as information; correct?

MR. LIPP:

Correct. I guess the only contestable thing is nobody really seems to know how to best adjust for the 9/11 issue. And I looked at the data or we looked at the data with all the detail and were able to make some objective adjustments that I haven't heard anybody making yet. So I think we did as good a job as anyone could. And with the

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conservative projections, unless we see something unusual in the report, I can't imagine that we're going to wind up with anything less than we're saying for 2002.

CHAIRMAN CARACAPPA:

Okay, we'll have to wait and see.

LEG. FOLEY:

Thank you.

CHAIRMAN CARACAPPA:

Is there anybody else that would like to come before the committee to discuss the '03 budget on Public Works & Transportation? I see a hand, Phyllis Garbarino, why don't you come on up. Good morning.

MS. GARBARINO:

Good morning. Thank you for the opportunity to address you, just briefly. And listening to the presentation by the department, I'm encouraged to hear of the proposals on how to handle the recruitment and the replacement of positions. Certainly AME supports permanent employees as opposed to independent one-time contract shots. It's -- Budget Review has historically pointed out, it is always a fiscally

more sound way to go, and also it makes sense on the dependency that you have on a permanent employee. So I applaud their efforts on that part.

When it comes to the downgrading of positions and replacements, the only thing that we do encourage, I understand what happens, that when a downgrading is done historically we do find sometimes that actually the actual duties haven't changed. So we have to keep an eye on that, that they are correctly doing it because then what we do is go in and say when somebody calls and says, "Wait a minute, this was an aide, it was an in-training position, it's an aide now, it's more than that," then we have to say to do a desk audit. And this is all -- it hurts the employee in the one-time, they're working out of title too long.

Plus we always watch and are mindful that Civil Service when it is provisional and when there are no tests or anything or when a position is created, that we encourage for several -- the department to request Civil Service to schedule, if it's a tested position to schedule the testing as soon as possible so that a person is not working out of title. But certainly, the positions, you've gone over it extensively, that have to be replaced, I am happy to see that the departments are letting you know what's happening. I think you are all aware that the County cannot operate without the positions that have all just left and the experience. Yes, the experience, there is a training, there is that curve, that learning curve and all, we understand that, but that it is focused on a permanent replacement in order for this County to run efficiently. And this is probably one of the first times I've seen that move and I'm very happy with what the department is proposing and handling that certainly on a positive mood -- mode I should say, a positive mode.

So I just want to make this committee aware, known of our position on replacing these positions is a primary importance and replacing them in an appropriate manner, that their duties do match their titles.

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And we will be watching that and we will keep the committees aware of it too, there. But I think it's going to go the right way and encourage you to do that, to take the recommendations and make those replacements. Thank you very much.

CHAIRMAN CARACAPPA:  
Thank you, Madam President. Any questions?

MS. GARBARINO:  
Thank you.

CHAIRMAN CARACAPPA:  
Thank you.

**Anybody else? Going once, going twice. We stand adjourned.**

**(\*The meeting was adjourned at 11:15 A.M.\*)**

**Legislator Joseph Caracappa, Chairman  
Public Works & Transportation Committee**

**{ } - Denotes spelled phonetically**