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NASSAU COUNTY LEGISLATURE

2017 BUDGET HEARING

NORMA GONSALVES,
Presiding Officer

1550 Franklin Avenue
Mineola, New York

Wednesday, October 5, 2016
7:42 P.M.

1

2 A P P E A R A N C E S:

3 NORMA GONSALVES, Presiding Officer

4 RICHARD NICOLELLO,
5 Deputy Presiding Officer6 HOWARD KOPEL,
7 Alternate Deputy Presiding Officer

8 STEVEN RHOADS

9 DENISE FORD

10 LAURA CURRAN

11 C. WILLIAM GAYLOR III

12 VINCENT MUSCARELLA

13 ELLEN BIRNBAUM

14 LAURA SCHAEFER

15 DONALD MACKENZIE

16 KEVAN ABRAHAMS,
17 Minority Leader

18 ROSE MARIE WALKER

19 DENNIS DUNNE

20 JAMES KENNEDY

21 DELIA DERIGGI-WHITTON

22 CARRIE SOLAGES

23 SIELA BYNOE

24 MICHAEL PULITZER,
25 Clerk of the Legislature

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1 2017 Budget Hearing/10-5-16

2 CHAIRWOMAN GONSALVES: Tonight is
3 the first of three hearings on the 2017
4 proposed budget.

5 Each year we are tasked with
6 adopting a budget for our county that will
7 meet the needs of our residents in a cost
8 effective manner.

9 The County Executive has proposed
10 a budget for 2017 that will require much
11 study. Our hearings on the budget will give
12 us the opportunity to hear from various
13 agencies in the county and get much needed
14 information. This will better enable us to
15 adopt the budget that meets the
16 aforementioned goals.

17 This is not an easy task but
18 hopefully, with the input from the
19 department, we will achieve our goals which
20 will be a budget that meets the needs of our
21 residents and at the same time perform the
22 responsibilities of the county.

23 Without any further ado, I'm
24 going to begin with the presentation of Eric
25 Naughton, who is the Deputy County Executive

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2 for Finance for Nassau County.

3 It's yours. I know you have a
4 Power Point and hopefully it will be
5 readable because the last one we had we
6 couldn't read. Go ahead, Eric.

7 MR. NAUGHTON: Eric Naughton,
8 Deputy County Executive of Finance. To my
9 right is Roseann D'Alleva, the county's
10 budget director.

11 Thank you for the opportunity to
12 make this presentation to you. I believe
13 everyone has a copy in front of them.

14 I think before we get into the
15 details of the budget, we think it's
16 important to go back and take a look at
17 where we started, because I think what
18 you're going to hear from us tonight is that
19 this county provides excellent services. We
20 think that everyone is in agreement that we
21 need to continue those services.

22 We have, over the last seven
23 years, we have done many things to keep
24 expenses down. Right now we feel that we
25 are at a point where the only solution to

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2 maintain those services is to increase
3 revenues.

4 We will focus on what we've done
5 and how we see the county going in the
6 future.

7 So, if you just go back to when
8 this administration took over, the school
9 taxes represented 67 percent of the total
10 tax bill, the county's portion was only 19
11 percent.

12 Now, in 2016, the school portion
13 is 71 percent and the county portion is only
14 16 percent.

15 So how did we get there? The
16 administration cut \$330 million in wasteful
17 spending. That was the equivalent of
18 preventing a 34 percent property tax
19 increase. Clearly every one has recognized
20 that we have reduced the size of government
21 by over 1,700 full-time positions;

22 We have produced budgetary
23 surpluses through strong fiscal management
24 which has increased Nassau County's fund
25 balance from \$60 million to \$160 million;

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2 We have negotiated labor
3 agreements that saved hundreds of millions
4 of dollars compared to prior contracts by
5 implementing a new salary structure and by
6 requiring new employee contributions to
7 health care and pension costs while
8 reforming work rules;

9 Next year we will see the benefit
10 from establishing the disputed assessment
11 fund which will drastically reduce by
12 millions of dollars annually the taxes or
13 debt necessary to fund commercial property
14 assessment tax refunds.

15 We are now budgeting, actually it
16 started in 2016, we budgeted Pay Go for all
17 employee termination costs that used to be
18 bonded for. That was at least \$20 million
19 every year. Now we are funding that out of
20 the operating budget.

21 We developed a litigation fund to
22 set forth a path for Pay Go.

23 We are doing things that help to
24 make this county structurally balanced. We
25 have said to NIFA that we think we will get

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2 there by 2018. The steps that we've taken
3 so far lead us on that path.

4 You also have to look at the
5 county's infrastructure. Just look at the
6 parks, the improvements made there, the
7 Northwell Health Center at Eisenhower Park,
8 will host official New York Islanders
9 practices, youth hockey leagues, and we will
10 share in the profits.

11 There are new athletic fields
12 being constructed countywide. I think most
13 people have seen the new fields within
14 Eisenhower Park, we have dog runs, miniature
15 golf.

16 I think throughout, I think all
17 of you should be very proud of what is
18 happening in this county, and there is a
19 cost to that. Just keep that in mind.

20 The actions that we've taken have
21 lead to a strong Nassau economy. The
22 county's unemployment rate right now is 3.9
23 percent. Probably it's not the lowest, but
24 probably the second lowest in New York
25 State. Down 43 and a half percent since

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2 2009. Closed home sales are up. Home
3 values are increasing. 25,000 new jobs
4 created.

5 The County Executive has pointed
6 out often to every one, the new employees
7 who decided to relocate here, all that's
8 only possible because of the environment
9 that we create that make people want to work
10 here, have the business here, and live here.

11 We've created new housing
12 opportunities so that there is actually
13 people who can live here, young people, who
14 can then be the employees for these new
15 employers who are relocating here.

16 In the future, next spring we
17 will see the new Nassau Veterans Memorial
18 Coliseum. The county will no longer be
19 responsible for the expenses such as
20 utilities, repairs, and capital
21 improvements.

22 We're going to make \$334 million
23 in rental income over the next 49 years.
24 There will be a new Sloan Kettering Cancer
25 Care Center employing approximately 250

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2 clinical and administrative positions.

3 All this means is that the
4 policies of this administration are working.
5 Nassau is in a much better place than it was
6 seven years ago and we hope to continue
7 along that route.

8 One of the major challenges that
9 every one is aware that we face is the
10 county guaranty. With the establishment of
11 DAF starting in 2018, we will be no longer
12 borrowing for tax certs.

13 This is the largest structural
14 reform that the county has ever achieved.
15 It ends the need to borrow approximately \$60
16 million annually for future property tax
17 refunds.

18 It results in a more equitable
19 allocation of taxes between residential and
20 commercial property owners.

21 We estimate that over the next 20
22 years, this will save us \$950 million. I
23 think no one wants to borrow anymore, but we
24 had to come up with a way to fund it, and
25 now we have the mechanism to do that.

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2 Roseann is now going to discuss
3 some of the challenges that we faced coming
4 into the 2017 budget. Each year we provide
5 a multiyear plan, there is gaps in the out
6 years. Those gaps are real because our
7 expenses keep growing with our labor
8 contracts, health insurance costs, pension
9 expenses. The investments that we make here
10 that means additional debt service payments.

11 Our revenue, very limited growth.
12 Roseann will talk a little bit about how
13 sales tax has been, marginal growth there.

14 Property taxes, no one wants to
15 see property taxes increase. So, with that
16 combination, we had to be creative this year
17 and say, what can we do to address the needs
18 here? We think we've done that pretty well.

19 We discussed a lot of the fees
20 earlier and if there is a desire to have
21 more conversation, we are here to continue
22 that.

23 But now I will let Roseann
24 outline some of the challenges that we face.

25 MS. D'ALLEVA: Thank you, Eric.

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2 As you all know, we present the multiyear
3 plan every year and, as Eric said, those
4 multiyear plan GAAP adjustments are there
5 and they're there for a reason. It's just
6 to outlay where the future lies in the near
7 future.

8 In 2017 it's no different. The
9 GAAP that we face was \$127 million, similar
10 to what we outlined last year for the 2017
11 GAAP. Just in public safety, and the DA
12 alone, we faced a \$52.9 million shortfall as
13 well as we had some recovery shortfalls, as
14 you know, the 2016 budget included the items
15 such as FIT recovery that did not come into
16 fruition. We also had to back up proceeds
17 of 19 million. All in all \$31.5 million of
18 recovery shortfalls.

19 Now, salary and fringes of course
20 have increased overall for all the other
21 departments to the tune of \$17.6 million.
22 Health insurance goes up. Pension goes up.
23 That accommodates for all the other major
24 fund departments.

25 There was an opposition to VLTs.

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2 Basically the current 2016 budget
3 accommodated for approximately \$15 million
4 of VLT revenues. Currently we are
5 projecting three million for this year and
6 three million for 2017. Therefore, there is
7 a shortfall of \$12 million.

8 Other budgetary increases include
9 items such as debt service, OTPS increases,
10 for such things as Microsoft license
11 agreements. That alone was about a \$1.7
12 million increase that we had to face in the
13 current year.

14 So, all in all, other budgetary
15 increases were to the tune of \$13.4 million.

16 How did we close the GAAP?
17 Obviously, you all know, in the previous
18 hearing that we were engaged in, that we've
19 put forth a revenue plan of \$88 million.
20 It's extensive. We recognize that. But
21 there are very few options that we have. I
22 think we've covered those revenues but if
23 you all have questions, please feel free.

24 We've also included a modest
25 sales tax growth. Compared to 2016 budget,

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2 it's \$28.9 million. In all, it's a 1.4
3 percent growth over the current projection
4 that we have at \$7.9 million surplus for
5 this year. It is a very modest growth.
6 Moody's Analytics is saying that the county
7 could experience as much as 2.3 percent in
8 2016 and 2017.

9 Currently we are being
10 conservative. The estimated checks that we
11 were getting to this point were not showing
12 that growth rate, but according to the last
13 check we just received, it seems that it is
14 a conservative growth rate and we should be
15 able to achieve it.

16 Lower expenses and increases in
17 state and federal aid of about \$6.5 million
18 in terms of reimbursement and case load
19 changes. We're assuming a \$6.5 million
20 increase.

21 We also had changes to the tax
22 levy in terms of adjustments for value of
23 new construction as well as the LIPA pilot
24 adjustments that you're also familiar with
25 from last year in terms of how we had to

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2 accommodate a state statute in order to cap
3 LIPA at two percent.

4 MR. NAUGHTON: Earlier today we
5 were talking about public safety and I hope
6 every one recognizes that resources are
7 needed to safeguard the safety and security
8 of the county's residents and visitors.

9 We are happy to report that crime
10 is down in 2015; 24.46 percent. I'm sure
11 you'll all go into that with the police
12 commissioner next week.

13 But, even with that, we still
14 feel there is a need to increase the number
15 of sworn personnel from 2,350 to 2,500
16 officers. As the commissioner stated
17 earlier, the world has changed, we need to
18 react to that. We can't keep our head in
19 the sand. We're close to New York City. We
20 need to be prepared.

21 We are also adding 81 civilian
22 positions including police communication
23 operators, security officers, police service
24 aides and intelligence analysts.

25 We have also provided additional

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2 funding for the DA's office to improve their
3 ability to attract and retain ADAs.

4 If you look on the next slide,
5 workforce management, you'll see that this
6 year's budget was 7,395; next year's budget
7 is 7,625. The new head count, that's all
8 related to what I just spoke about in the
9 police department.

10 I will turn it back over to
11 Roseann.

12 MS. D'ALLEVA: As we discussed in
13 terms of how the county basically, year
14 after year, has to accommodate for increases
15 that we really have very limited control
16 over. One of the major increases that we
17 don't have much control over is health care
18 costs.

19 The health care costs this year
20 are \$304 million. I know that OLBR stated
21 that we were possibly a little too
22 aggressive in terms of our health care
23 budgeting this year.

24 We feel that the budget can
25 accommodate the impending increase. We

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2 don't know what that is yet. The state has
3 given us an estimate, but we feel we can
4 accommodate it.

5 State mandated pension bill. Our
6 pension bill is \$172 million. As you can
7 see, last year it was 158. Yes, we are
8 amortizing. We are amortizing to the tune
9 of \$29 million. It's something that we have
10 elected to do and at this point have decided
11 to do so for 2017.

12 MR. NAUGHTON: I just want to
13 add, you have to look at, going back to
14 2014, we amortized \$71 million. 2015 it was
15 \$60 million. Last year we reduced it to 41,
16 and next year it will be slightly under \$30
17 million.

18 So we are amortizing less each
19 year. Fortunately the rates aren't that
20 high. Next year I think it's about 2.75.
21 Would we like to pay the whole bill? Yes,
22 we would love to have that ability but what
23 is the trade-off? Do we cut programs? Do
24 we raise other revenues? We felt that it
25 was best to keep amortizing right now.

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2 MS. D'ALLEVA: Just alone in
3 pension costs, if we didn't amortize, it
4 would be close to a three percent tax
5 increase.

6 The line on the graph actually
7 depicts that we are amortizing less and
8 less.

9 In terms of the 2017 budget, as
10 you know, it's a \$3 billion budget.
11 Obviously, the largest portion of the budget
12 is salaries and wages at \$902 million for
13 the major funds. As well as fringe
14 benefits, a little over \$500 million. That
15 alone, fringe benefits alone is 19 percent
16 of your budget.

17 We also have other related
18 expenses such as debt service expense is a
19 very large component of our budget. It's
20 12.6 percent at \$380 million.

21 OTPS is 6.8 percent of our
22 budget, and we also have direct expenditures
23 at 18.4 percent all related to social
24 service programs, things that are mandated
25 and that we really can't control.

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2 On the revenue side, obviously
3 the largest component of our revenue is
4 sales tax. Again, we discussed that we
5 conservatively estimated sales tax growth
6 for next year in 2017 at a 1.4 percent
7 growth rate. That is 38 percent of our
8 budget.

9 Property taxes is the second
10 largest component of our revenue budget at
11 27.2 percent at \$816 million or close to
12 \$817 million. Other revenue such as permits
13 and licenses, fines and forfeits and
14 investment income, we are estimating at 15.5
15 percent of our total revenue budget.

16 We are also expecting
17 departmental revenues at \$234 million, which
18 is 7.8 percent of our budget.

19 Therefore, those are the largest
20 components of our revenue budget.

21 On the next slide, this slide is
22 we're just depicting the largest component
23 of our revenue budget which is sales tax.
24 The blue line basically depicts CPI growth.
25 The red line on the graph depicts the

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2 county's sales tax performance since 2005.

3 As you can see, in some respects
4 in a few years, we did not perform relative
5 to CPI. We actually under performed.
6 Therefore, being aggressive on sales tax is
7 not a good idea because you don't know
8 what's happening in terms of the economy.

9 MR. NAUGHTON: I just think in
10 conclusion, County Executive Mangano has
11 made expense reduction a priority, but the
12 county needs additional revenue to continue
13 delivering all quality of life services and
14 complying with all state and federal
15 mandates.

16 The county continues to invest in
17 public safety, health and quality of life
18 initiatives to insure a path that continues
19 to provide for financial stability.

20 The administration has resolved
21 the tax certiorari debt problem for both
22 residential and commercial properties.

23 We feel that the administration,
24 together with the County Legislature, will
25 continue to provide an affordable government

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2 for taxpayers, while maintaining safety and
3 working tirelessly to make Nassau County the
4 best place to live, work and raise a family.

5 We understand that the choices
6 before you are difficult, but I think if we
7 all agree that the services that we provide
8 are important, that we don't want to reduce
9 them. We need to raise the revenues.

10 With that, I will take any
11 questions you may have.

12 CHAIRWOMAN GONSALVES: Any
13 questions of Mr. Naughton? Legislator
14 Gaylor.

15 LEGISLATOR GAYLOR: I have a
16 question. I notice in the slide packet
17 presentation that you just gave, you're
18 projecting DA shortfall. We heard the
19 police commissioner addressing the police
20 shortfall.

21 What is specifically the District
22 Attorney shortfall? You lumped them
23 together in the presentation and I'm just
24 trying to figure it out.

25 MR. NAUGHTON: The DA came to us

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2 with a request for \$4 million to add
3 additional ADAs, increase the salary
4 structure for the ADAs. They're having a
5 difficult time recruiting and retaining
6 ADAs. They gave us a very thorough analysis
7 comparing them to the other counties from
8 Westchester, Suffolk, New York, and it was a
9 very compelling argument.

10 We feel that, as we are investing
11 in police officers, the other side of that
12 is the District Attorney's Office.

13 We met with them, they agreed
14 with us. They understood that providing \$4
15 million in one year was going to be
16 difficult, so they agreed to I think we gave
17 them about \$2.6 million extra in the 2017
18 budget, and then they will get another \$2
19 million in 2018.

20 LEGISLATOR GAYLOR: So this is
21 not for new positions, it's for bumping up
22 the salaries of the existing positions to be
23 comparable to neighboring counties?

24 MR. NAUGHTON: It's a
25 combination.

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2 LEGISLATOR GAYLOR: So this
3 creates new Assistant District Attorney
4 positions?

5 MR. NAUGHTON: Yes.

6 LEGISLATOR GAYLOR: Thank you.

7 CHAIRWOMAN GONSALVES: Legislator
8 Curran.

9 LEGISLATOR CURRAN: Thank you.
10 So, about the amortization, you mentioned
11 that it's lower this year but it's still at
12 the maximum allowable by the state, right,
13 the 29?

14 MR. NAUGHTON: That is accurate.

15 LEGISLATOR CURRAN: It just seems
16 like it's borrowing money to pay back
17 borrowed money and pushing the costs out to
18 the out years. And it seems like, do you
19 think that's sound fiscal policy?

20 MR. NAUGHTON: If you go back to
21 the slide, the intent of the program was to
22 smooth out the cost, so that you could
23 weather the storm.

24 As you can see, if you go back to
25 2010, compared to 2014, the cost doubled.

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2 There was no way the county could have
3 afforded that. We needed to amortize. It
4 was a smart decision to make and, yes, we
5 are admitting that, you are stretching the
6 costs over the next 12 years, but I think if
7 you look at -- you have to prioritize
8 things. Do you raise taxes so you can pay
9 the bill? I don't think there was an
10 appetite here to do that.

11 Could you cut programs, eliminate
12 services? There was wasn't an appetite to
13 do that either. So, when you're faced with
14 those choices, this was a smart decision to
15 make.

16 LEGISLATOR CURRAN: Right. And I
17 think starting to do that had to do with the
18 recession, and it gave municipalities a way
19 to deal with that.

20 But it seems that other
21 municipalities are doing it, fewer and fewer
22 are doing it and the trend is now going the
23 other way.

24 MR. NAUGHTON: It depends. The
25 tell us can't borrow for term pay anymore.

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2 So that's \$20 million that I have to find.
3 They tell us we now have to include tax
4 certs in our operating budget. Next year's
5 budget has \$15 million of operating funds in
6 there. So if you're trying to slowly weed
7 yourself away from some of those bills, you
8 can't take over more at one time.

9 LEGISLATOR CURRAN: Right.

10 Speaking of tax certs, I know last year we
11 approved \$60 million in bonding for tax
12 certs. It's emerged that most of that
13 hasn't been used yet and, in fact, the
14 amount owed on residences is even more than
15 it was five years, six years ago.

16 I think that could be risky
17 putting that \$60 million in this year when
18 you haven't spent the first 60 yet is risky.

19 MR. NAUGHTON: Just remember two
20 things. We came to this body wanting to do
21 the bonding early in the year. We were told
22 we had to wait. We were told you had to
23 pull out the residential piece first, that
24 was not efficient. That takes time.

25 We could not go to market until

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2 the end of June. So, to say to us, okay,
3 it's now the beginning of October, you
4 haven't spent it, realistically we just
5 couldn't get it done. My staff in the
6 treasurer's office, the Assessment Review
7 Commission, OMB spent most of summer working
8 on setting up the disputed assessment fund.

9 Our purpose would have been able
10 to work on tax certs in the spring but that
11 didn't happen. So we had to wait. We had
12 to wait for the commitment from this body to
13 do that. We will spend the money within the
14 next year. It's not just going to sit
15 there. The estimated liability is there.

16 LEGISLATOR CURRAN: You will
17 spend it on tax certs?

18 MR. NAUGHTON: The money is
19 bonded for tax certs. That is the purpose
20 of it. That is where it will go.

21 Earlier the minority leader made
22 a statement saying that he thought that
23 perhaps we were slowing it down. The pace
24 is slower but that the treasurer's office
25 sent out \$4 million last week. I estimate

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2 that they will send out about \$10 million
3 this week. We're working on it. We'll get
4 it done.

5 LEGISLATOR CURRAN: So you're
6 saying within the next year, the one that we
7 passed last year, will be spent?

8 MR. NAUGHTON: Yes. Definitely.
9 And if you approve another 60 for next year,
10 we will get it done again.

11 LEGISLATOR CURRAN: I want to
12 talk about the bus briefly, that part of the
13 budget.

14 I remember we worked to get \$3
15 million from the surplus put back in to
16 restore some of the eliminated routes. We
17 were told it was going to stay in that \$3
18 million, that we're going to have another \$3
19 million this year for next year. I see now
20 that it's not there.

21 MR. NAUGHTON: I actually
22 remember it just the opposite.

23 LEGISLATOR CURRAN: Do you?

24 MR. NAUGHTON: Yes, I believe the
25 statement that was made was that it was \$3

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2 million for this year. We could not commit
3 to next year.

4 LEGISLATOR CURRAN: It was not an
5 official on the record conversation that was
6 had. So maybe nobody told you.

7 MR. NAUGHTON: I was at the press
8 conference and I thought it was made clear
9 that we were honoring it for this year and
10 this body, if they wanted to maintain it,
11 find \$3 million.

12 LEGISLATOR CURRAN: There was a
13 subsequent conversation that said it would
14 be in the budget for 2017. That appears to
15 not be the case.

16 MS. D'ALLEVA: It was funded in
17 2016 with fund balance.

18 LEGISLATOR CURRAN: And then also
19 I see in the budget it's the \$2 million for
20 the fare box, but then I read in the paper
21 that that is not happening; is that correct?

22 MR. NAUGHTON: That's correct.
23 We will be pulling that out. We will be
24 looking through our technical amendment
25 process to suggest some other fees to make

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2 up the \$2 million.

3 LEGISLATOR CURRAN: Okay.

4 CHAIRWOMAN GONSALVES: Any other
5 questions?

6 LEGISLATOR CURRAN: Yes. One
7 more quick question. This might be more for
8 the police department about the fees for the
9 \$105 fee. Can I ask you about that?

10 MR. NAUGHTON: Of course.

11 LEGISLATOR CURRAN: So that is,
12 if I'm not mistaken, \$64 million, that's
13 revenue for \$64 million. It's for more
14 police.

15 MR. NAUGHTON: It's helping to
16 fund all the police costs.

17 LEGISLATOR CURRAN: So if we're
18 talking about 150 new police officers,
19 that's about \$9 million. A little more than
20 an eighth. So the rest is going towards all
21 police stuff?

22 As it is now, we heard in
23 testimony earlier, police costs are 87
24 percent as you said of our property tax bill
25 and yet we still need \$64 million more?

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2 MR. NAUGHTON: The legislative
3 body approved labor agreements that called
4 for salary increases. We have to fund
5 those.

6 Pension costs go up for them,
7 health insurance goes up for them.

8 LEGISLATOR CURRAN: I understand
9 that.

10 MS. D'ALLEVA: But pension and
11 fringe bill alone for the police district
12 fund, headquarters and district, went up a
13 little over \$20 million.

14 MR. NAUGHTON: And you look at
15 the public safety fee, it represents only
16 about seven percent of the total revenue for
17 the police department.

18 LEGISLATOR CURRAN: Say that one
19 more time.

20 MR. NAUGHTON: The public safety
21 fee will represent about seven percent of
22 the revenue for the police department.

23 LEGISLATOR CURRAN: Okay.

24 MS. D'ALLEVA: To support the
25 police district and police headquarter

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2 funds, you need \$833 million. To support
3 police district and headquarters, we need a
4 revenue source of \$833 million.

5 LEGISLATOR CURRAN: So this is
6 not a huge part of that?

7 MS. D'ALLEVA: Right. 64.

8 LEGISLATOR CURRAN: Now just back
9 to tax certs and then I'll stop because I'm
10 sure other people have questions.

11 So the backlog has grown and
12 continues to grow. That's very concerning.
13 I think I understood what you said about why
14 the \$60 million wasn't spent more quickly
15 and I'm happy to hear that it will be spent
16 within the next year.

17 But if these numbers are correct,
18 around 207 percent in five years, fiscal
19 year ten to 15, that's a big backlog.

20 MR. NAUGHTON: I would just say
21 that the backlog is an estimated number.
22 Whether or not the original number was
23 accurate or not, I can't say. This is the
24 best information right now. When ARC looks
25 at it, they take a look at the recent

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2 trends, what the settlements are, revalue
3 what those estimates are. They take a look
4 at what is dropped off, what's been added,
5 and right now we think that \$300 million is
6 the best number that we have.

7 LEGISLATOR CURRAN: Why is it
8 that -- this might be a dumb question but
9 I'm going to ask it anyway.

10 The amount is bigger than it was.
11 It's class one in 2010, was \$24.8 million
12 and last year it was almost \$40 million.
13 It's a big jump.

14 MR. NAUGHTON: What happened is
15 ARC has taken a look at a lot of the large
16 estates, the condos, considered Class I,
17 those properties that are three stories or
18 less are considered Class I. They have not
19 actually done much with those before, so the
20 estimate before was actually wrong.

21 LEGISLATOR CURRAN: So you think
22 that the earlier number was --

23 MR. NAUGHTON: Was understated.

24 LEGISLATOR CURRAN: Okay. Thank
25 you. That's all I have for now.

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2 CHAIRWOMAN GONSALVES: Any other
3 legislator? Minority Leader.

4 LEGISLATOR ABRAHAMS: Thank you.
5 Eric, a couple of points. I think I heard
6 in the Q and A between yourself and
7 Legislator Curran that you plan to spend
8 down the remaining of the tax cert bonding
9 over the next year?

10 MR. NAUGHTON: That's correct.

11 LEGISLATOR ABRAHAMS: In keeping
12 with our agreement, the County Executive was
13 seeking the bonding in the beginning of each
14 year, between January, first quarter of the
15 year so, if my math is correct, then you
16 won't be seeking that bonding until that
17 money is paid down which is going to happen
18 over the next year, so this time next year
19 we will be looking to that?

20 MR. NAUGHTON: No. We should
21 have -- I think clearly we understand that
22 we have to demonstrate that we are spending
23 the money before we come to you.

24 I think by some time early next
25 year we should be able to demonstrate that

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2 and come to you, assuming that, depending on
3 what NIFA considers the deficit to be,
4 whether or not they think \$60 million of
5 borrowing next year is okay, then we will
6 come to you.

7 LEGISLATOR ABRAHAMS: It will be
8 within the next six months, not the next
9 year?

10 MR. NAUGHTON: I will hedge to
11 say some time between the next six months --
12 before the June borrowing that it will be to
13 you.

14 LEGISLATOR ABRAHAMS: I think I
15 got into a lot of fee questions. I don't
16 think I have anything else at this time.

17 CHAIRWOMAN GONSALVES: Legislator
18 DeRiggi-Whitton.

19 LEGISLATOR DERIGGI-WHITTON: Just
20 getting back to the money we bonded for for
21 the tax certs, are you saying that by the
22 end of this year that that money will be
23 depleted?

24 MR. NAUGHTON: No. My statement
25 is within a year.

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2 LEGISLATOR DERIGGI-WHITTON: By
3 the beginning of next year?

4 MR. NAUGHTON: Within a year.

5 LEGISLATOR DERIGGI-WHITTON:
6 Within a year. Is it possible that that
7 funding is going to be for closing the GAAP
8 deficit?

9 MR. NAUGHTON: No, it would
10 actually increase the deficit.

11 LEGISLATOR DERIGGI-WHITTON:
12 Right. But if we have it in our accounts
13 receivable as money we received --

14 MR. NAUGHTON: We haven't
15 received it. It doesn't count -- for tax
16 cert borrowing, it only counts as revenue as
17 you spend it.

18 LEGISLATOR DERIGGI-WHITTON: So
19 are we slowing that down to stop --

20 MR. NAUGHTON: No.

21 LEGISLATOR DERIGGI-WHITTON: Let
22 me finish the question. See, that's what I
23 think we're doing. I think we're using this
24 money temporarily to help with our deficit.

25 MR. NAUGHTON: Not at all.

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2 LEGISLATOR DERIGGI-WHITTON: Is
3 NIFA currently counting it towards our GAAP
4 deficit?

5 MR. NAUGHTON: They are assuming
6 we will spend the entire \$60 million.

7 LEGISLATOR DERIGGI-WHITTON: So
8 it does close the GAAP if we don't spend it
9 by the end of the year, it reduces the debt.

10 MS. D'ALLEVA: And we've
11 addressed an action plan on August 1st to
12 facilitate that GAAP deficit.

13 LEGISLATOR DERIGGI-WHITTON: So,
14 did the action plan include anything about
15 paying off the tax certs or no? Or not
16 paying off the tax certs, rather?

17 MR. NAUGHTON: The action plan
18 assumed that we will pay the \$60 million
19 this year.

20 LEGISLATOR DERIGGI-WHITTON: If
21 you don't, then that would help with any
22 deficit, GAAP deficit. I got it.

23 Can I ask you a question going
24 back to your proposed budget expenses. The
25 debt service which is 12.6 percent now, do

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2 you know what it was last year?

3 MS. D'ALLEVA: Approximately the
4 same.

5 LEGISLATOR DERIGGI-WHITTON:
6 Okay. Hasn't changed much. And just for
7 your projection for the sales tax.

8 So right now we're saying 38
9 percent for 2017 from sales tax. Do you
10 know what we actually got for 2016?

11 MS. D'ALLEVA: Year to date we
12 are at, with the last check we just
13 received, which was yesterday, we are at a
14 3.6 percent growth.

15 LEGISLATOR DERIGGI-WHITTON: So
16 are we right around the 38 percent, do you
17 know? Or where were you for 2016?

18 MS. D'ALLEVA: It's approximately
19 the same percentage.

20 LEGISLATOR DERIGGI-WHITTON: Is
21 there another reconciliation check coming?

22 MR. NAUGHTON: Yes, there will be
23 checks coming up through February.

24 LEGISLATOR DERIGGI-WHITTON: Do
25 you expect the same growth for those?

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2 MR. NAUGHTON: We have
3 conservatively assumed that we will finish
4 the year with two percent growth. As
5 Roseann stated, currently you are at 3.6
6 percent growth. So if there is a slow down,
7 we feel that we are still covered.

8 LEGISLATOR DERIGGI-WHITTON: For
9 next year, we are putting in how much?

10 MR. NAUGHTON: 1.4 percent.

11 LEGISLATOR DERIGGI-WHITTON: So
12 we are at about two percent this year?

13 MR. NAUGHTON: That's what we're
14 assuming.

15 LEGISLATOR DERIGGI-WHITTON: Next
16 year we're supposed to get a number of
17 police officers retiring. Do you know about
18 that? That's like the final raise or
19 something?

20 MS. D'ALLEVA: We are expecting
21 135 officers to retire.

22 LEGISLATOR DERIGGI-WHITTON: Yet
23 we are hiring additional police officers now
24 for this security effort that we're talking
25 about?

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2 MS. D'ALLEVA: We're assuming a
3 small fall class and a class next year as
4 well.

5 LEGISLATOR DERIGGI-WHITTON: So
6 if we are going to be losing you said 134
7 police officers with this whole project, how
8 many do you think we are going to be hiring
9 to replace them?

10 MS. D'ALLEVA: We are going to
11 accommodate a staffing level of 2,500.

12 LEGISLATOR DERIGGI-WHITTON: So
13 losing 135, we're going to be hiring right
14 around 135?

15 MS. D'ALLEVA: More.

16 MR. NAUGHTON: More.

17 LEGISLATOR DERIGGI-WHITTON: 150?

18 MR. NAUGHTON: The plan is to
19 beef up the department too so they'll be at
20 a level of 2,500. I think we're about 2,400
21 now.

22 CHAIRWOMAN GONSALVES: Yes, we're
23 around 2,400.

24 LEGISLATOR DERIGGI-WHITTON: So
25 after the police officers retire next year,

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2 how many more police officers do we have
3 after we hire this year and the next year?

4 MR. NAUGHTON: At some point in
5 next year you should be at 2,500.

6 LEGISLATOR DERIGGI-WHITTON: And
7 right now we are at?

8 MR. NAUGHTON: Roughly 2,400.

9 LEGISLATOR DERIGGI-WHITTON: So
10 we will have about a hundred more police
11 officers than we have now?

12 MR. NAUGHTON: Correct.

13 LEGISLATOR DERIGGI-WHITTON: I
14 think that's all I have for now.

15 CHAIRWOMAN GONSALVES: Any other
16 legislators? Legislator Bynoe.

17 LEGISLATOR BYNOE: Thank you. I
18 just have a question about the VLT income
19 projected at \$3 million.

20 I know at some point early on I
21 asked some questions regarding if there was
22 an agreement or anything that we could have
23 that would document whatever the agreement
24 was between the county and OTB. Have we
25 received anything or have we formalized an

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2 actual agreement?

3 MR. NAUGHTON: It's my
4 understanding that the agreement with
5 Genting was approved either yesterday or
6 today. I have not received a copy of it
7 yet. My understanding is OTB has finally
8 been approved for that.

9 LEGISLATOR BYNOE: So this body
10 will receive something regarding that, I
11 guess, first thing tomorrow or soon after?

12 MR. NAUGHTON: I can't comment on
13 that because I don't have it and I don't
14 control that.

15 CHAIRWOMAN GONSALVES: Mr.
16 Naughton, when you're able to do it, you're
17 going to share it with this body, right?

18 MR. NAUGHTON: Yes.

19 CHAIRWOMAN GONSALVES: Thank you.

20 LEGISLATOR BYNOE: Will it also
21 address the proposed income for VLTs in the
22 out years, because from what I can see for
23 2018, '19 and '20, there is considerable
24 projected income, goes from 3 million up to
25 19 million for 2018, \$25 million for the

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2 subsequent two years '19 and '20.

3 MR. NAUGHTON: Yes.

4 LEGISLATOR BYNOE: So I'm really
5 interested to see how that plays out.

6 MR. NAUGHTON: Essentially what's
7 happening is OTB is getting up front money
8 for this, so that's how they are going to
9 pay us the three million.

10 As the facility gains the 1,000
11 machines and opens, obviously their income
12 goes up, our income goes up.

13 LEGISLATOR BYNOE: This agreement
14 is supposed to be speak to all of that? I
15 guess I'll have to wait until tomorrow.

16 MR. NAUGHTON: Or when we get it.

17 LEGISLATOR BYNOE: Or the next
18 day. Okay. Thank you.

19 CHAIRWOMAN GONSALVES: Any other
20 questions for Mr. Naughton or Roseann?
21 Legislator Rhoads.

22 LEGISLATOR RHOADS: Thank you,
23 Madam Presiding Officer. Mr. Naughton, I
24 just wanted to follow-up with respect to a
25 point, a point that you were making with

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2 respect to certiorari payments and
3 assessments.

4 Is it your testimony that the
5 reason that there is a backlog in payment of
6 money that's owed to taxpayers partially due
7 to the delays in our being able to secure
8 bonding approval, money to pay those?

9 MR. NAUGHTON: Yes.

10 LEGISLATOR RHOADS: So the reason
11 that we've been slow in paying those \$60
12 million is the fact that you weren't able to
13 borrow the \$60 million while there was a
14 three to four month delay since we couldn't
15 get approval from some of our colleagues?

16 MR. NAUGHTON: That is correct.

17 LEGISLATOR RHOADS: Thank you.

18 CHAIRWOMAN GONSALVES: Go ahead
19 and respond.

20 LEGISLATOR ABRAHAMS: I need to
21 respond, make sure I understand what I just
22 heard. We gave the authorization to bond in
23 what, March, February?

24 MR. NAUGHTON: No, it was later
25 than that.

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2 LEGISLATOR ABRAHAMS: April. And
3 the reason we weren't able to -- you're
4 saying, if I understand you correctly, the
5 reason that we weren't able to pay off the
6 tax certioraris was because we didn't bond
7 earlier?

8 MR. NAUGHTON: Essentially it's a
9 two part problem. I need funding and I also
10 need personnel to handle the situation.

11 Our time to do work load wise was
12 the spring. That was the time for the
13 treasurer's office to be able to get that
14 out. So if we had a commitment from this
15 legislative body earlier, we would advance
16 the money, paid the refunds then.

17 However, because we had to wait
18 until June, remember, we get approval from
19 this body in April, approval from NIFA in
20 May. So now you issue the bonds in June.
21 Now I have the money.

22 Unfortunately, I have now
23 dedicated my staff to work on disputed
24 assessment fund, and collection of taxes.

25 LEGISLATOR ABRAHAMS: It made it

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2 sound like in the Q and A with Legislator
3 Rhoads, that because of the Legislature's
4 inaction, it was completely that.

5 MR. NAUGHTON: Yes, because if I
6 had the approval earlier, I could have done
7 it in the spring.

8 LEGISLATOR ABRAHAMS: Well, you
9 had to approve earlier, but you also made
10 decisions with different parts of your
11 staff.

12 MR. NAUGHTON: There's one set of
13 a group of people that can handle this.

14 LEGISLATOR ABRAHAMS: No. What
15 I'm saying is, how do we not know you would
16 have made those decisions then if you had
17 the bonding set in February.

18 MR. NAUGHTON: The treasurer's
19 office has cyclical work.

20 MS. D'ALLEVA: As does the budget
21 office.

22 LEGISLATOR ABRAHAMS: If I
23 remember correctly, maybe I'm wrong, but if
24 I remember correctly, I remember that when
25 we were going back to January, you had

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2 specified, or the County Executive
3 specified, that you needed this money
4 immediately to start to pay out.

5 MR. NAUGHTON: Yes, because I
6 would have had staff available in March to
7 make the payments.

8 LEGISLATOR ABRAHAMS: But we are
9 in October of 2016, almost six months after
10 we gave the authorization to bond, and only
11 12 million has been paid.

12 MR. NAUGHTON: No, roughly I
13 believe the number is probably up to -- we
14 probably paid about \$30 million so far this
15 year.

16 LEGISLATOR ABRAHAMS: We've paid
17 30 of the 60 that we bonded?

18 MR. NAUGHTON: About 20 of the
19 60.

20 LEGISLATOR ABRAHAMS: 20 or 30?

21 MR. NAUGHTON: 20 of the 60; 30
22 in total, including 10 million operating.

23 LEGISLATOR ABRAHAMS: So 20 of
24 the 60 has been paid.

25 MR. NAUGHTON: Yes. And,

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2 remember, this body required us to take out
3 of order residential claims, that slows down
4 the process.

5 LEGISLATOR ABRAHAMS: I'm just
6 flabbergasted to a degree. I don't
7 understand where is the urgency?

8 You made it sound like the place
9 was burning down in January through March,
10 and I understand you had to divert staff and
11 put folks on different funds, but the bottom
12 line is that that urgency doesn't seem to be
13 real because it's October. We thought that
14 money would be gone by now.

15 MR. NAUGHTON: Had you given us
16 the approval earlier, it would have been
17 gone.

18 LEGISLATOR ABRAHAMS: Eric, I
19 understand the had, but obviously there's
20 people, the same people that was making this
21 situation to you guys dire and urgent in
22 January, February, March, did they go to
23 wayside, did they disappear?

24 It doesn't make any sense. Still
25 there and they still need the money, the

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2 same position you painted, a very grim you
3 painted in March is still there.

4 MR. NAUGHTON: Legislator, if we
5 go back two years when we got approval for
6 \$125 million, the treasurer's office paid
7 out \$80 million in one month in the month of
8 December. Why? Because that was the time
9 that they could get that type of work done.

10 LEGISLATOR ABRAHAMS: Maybe I'm
11 asking this question, and I will wrap this
12 up after this. The situation that you
13 painted in the early part of this year
14 accurate and fair, and it was it truly grim
15 and dark in terms of us being able to get
16 this money to pay off these tax certs as
17 quickly as possible?

18 MR. NAUGHTON: Had I had approval
19 back in February, we would have paid out the
20 money in the spring.

21 LEGISLATOR ABRAHAMS: That's not
22 my question. My question was, was the
23 situation as grim and dark as the
24 administration painted it when they
25 specified that we needed to do this back in

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2 the first quarter of this year?

3 MR. NAUGHTON: You're using
4 adjectives that --

5 LEGISLATOR ABRAHAMS: They're not
6 my adjectives. They're the County
7 Executive's.

8 MR. NAUGHTON: I don't know if he
9 used word grim or dark to you, so I'm not
10 going to comment on that.

11 LEGISLATOR ABRAHAMS: Words to
12 that effect.

13 MR. NAUGHTON: I think people can
14 misinterpret things, so I'm not going to
15 comment on that.

16 LEGISLATOR ABRAHAMS: If I
17 remember correctly, and we can look up the
18 record, I remember something to the effect
19 that accounts were going to start to be
20 frozen. It was a very -- judgments were
21 going to come, and how come we're not doing
22 this, and catastrophic might have been an
23 adjective that was used. We will look up
24 the record because I remember it vividly.

25 MR. NAUGHTON: And we were able

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2 to avoid that by having the County
3 Attorney's Office, ARC meet with the tax
4 cert bar explaining to them that we were
5 working with your caucus to get something
6 done. They decided to hold off on coming to
7 us with judgments. Fortunately we did good
8 negotiations because we had to manage the
9 situation as far as our contingency plan.

10 LEGISLATOR ABRAHAMS: I
11 understand, but maybe the majority was told
12 but we weren't told of the talks with the
13 tax cert bar so we would have liked to have
14 heard them because then maybe the situation
15 wasn't as dark. We thought the world was
16 coming to an end. So from our standpoint,
17 we're glad to hear that it didn't. Thank
18 you.

19 LEGISLATOR NICOLELLO: Legislator
20 Rhoads and then Legislator Solages.

21 LEGISLATOR RHOADS: Whether or
22 not a dire situation was painted, that
23 dire situation certainly didn't force us
24 to -- didn't result in us moving any quicker
25 to get this approved.

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2 But, Mr. Naughton, when does the
3 administration anticipate, if there is a
4 borrowing for tax certs for 2017, when do we
5 anticipate receiving the bond request?

6 MR. NAUGHTON: Again, the
7 question was asked earlier, I would say it
8 would say it would be some time to get us
9 approved so we can go to market by June, so
10 the latest it would probably be is either
11 March or April of next year.

12 LEGISLATOR RHOADS: I appreciate
13 that so I'm hoping that now that we know
14 there is an issue we won't have the same
15 delay.

16 MR. NAUGHTON: I said that will
17 be the latest.

18 CHAIRWOMAN GONSALVES: Legislator
19 Solages.

20 LEGISLATOR SOLAGES: Good
21 evening. Thank you very much for being here
22 this late.

23 You pointed to in your
24 presentation on page 13 of the booklet to
25 workforce management and how there has been

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2 allegedly a 16.9 decrease from 2009. I
3 would like to know if there is any study by
4 the administration or by any department
5 where you look at the reduction in your
6 workforce and where it has been; for
7 example, an outside vendor that has taken on
8 some of these services, such as an example,
9 the County Attorney's Office, how you have
10 reduced many positions for attorneys there
11 and now the work is being handle by an
12 outside counsel as a vendor.

13 How do you re-quantify those
14 savings?

15 MR. NAUGHTON: I think especially
16 in that issue we provided information before
17 that has shown that the costs are probably
18 less now for the County Attorney's Office
19 than it was then.

20 LEGISLATOR SOLAGES: But what
21 true savings is it if we don't have these
22 positions anymore and now with these outside
23 counsel we are losing some of these cases
24 and we have to go into executive session.

25 How much of a true savings is

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2 there?

3 MS. D'ALLEVA: We can definitely
4 provide you an analysis in terms of --
5 between staffing and fringe benefit costs,
6 related back to 2009 verse their DE
7 contractual services cost which would be for
8 outside counsel within the department of the
9 County Attorney's Office, we can definitely
10 show you there has been savings in that
11 department alone.

12 LEGISLATOR SOLAGES: I understand
13 that you can point to the lack of positions
14 and what you save in terms of pension costs,
15 but there has to be some analysis. Take for
16 example other P3 contracts, NICE Bus, or
17 with Armor and our correctional facility.

18 How do you quantify savings when
19 in essence another problems arises; decrease
20 profits, fare box with our buses, or at the
21 correctional facility, new litigation
22 against the provider and the county?

23 How can you really quantify these
24 savings of other problems arise from these?

25 MS. D'ALLEVA: Well, at the

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2 correctional facility, I'm sorry, but,
3 really, we were paying NHCC to provide
4 health care for the inmates versus the Armor
5 contract, which we currently have now, which
6 that alone was a savings of \$7 million.
7 Granted there are issues and we are
8 re-RFPing the contract, but we anticipate
9 similar savings.

10 LEGISLATOR SOLAGES: I thank you
11 very much for being here at this late hour.
12 Mr. Naughton, do you want to add anything?

13 MR. NAUGHTON: No. Nothing.

14 LEGISLATOR SOLAGES: Thank you.

15 CHAIRWOMAN GONSALVES: Very nice,
16 Legislator Solages.

17 Other questions for Eric or
18 Roseann?

19 (No verbal response.)

20 MR. NAUGHTON: Thank you for your
21 time.

22 CHAIRWOMAN GONSALVES: Thank you
23 for yours. And hopefully we will resolve
24 this to the best we can do.

25 Now, Department of Social

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2 Services, Dr. Imhof.

3 DR. IMHOF: Good evening,
4 Majority Leader, John Imhof, Commissioner of
5 Social Services. On my left is Paul
6 Broderick, our deputy commissioner and CFO,
7 and on my right is Brendan Roche, our
8 account executive for Social Services.

9 Before I proceed, I wanted to ask
10 you, we had also prepared a Power Point for
11 your information. This morning we had
12 copies delivered to each of your offices. I
13 don't know if you had an opportunity to
14 review them, but I just wanted to suggest in
15 the interest of time, you wanted to get
16 right to the questions or if you wanted us
17 to go through the entire presentation.

18 LEGISLATOR NICOLELLO: Questions.

19 CHAIRWOMAN GONSALVES: In the
20 interest of saving time, that would be the
21 best way to go. Who wants to ask a
22 question? Legislator Bynoe.

23 LEGISLATOR BYNOE: Thank you.

24 Good evening. I have a couple of
25 different questions. I know there has been

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2 a reduction in SNAP and also TANF. But
3 we're actually experiencing an increase in
4 childcare services.

5 So that would support I guess an
6 assumption that people are less reliant on
7 the services provided through those programs
8 because they're actually going to work?

9 DR. IMHOF: Well, in terms of
10 SNAP, the numbers are still very high. But
11 because the federal government has now
12 expanded the ability for more people to
13 apply for SNAP. So it's still a very high
14 volume with SNAP.

15 With Safety Net and TANF, the
16 numbers are beginning to decrease. And the
17 childcare numbers are going up and
18 continuing to rise because more people are
19 able to be employed, the economy has
20 improved, more people are working. The more
21 people that can get back to work need more
22 childcare.

23 So, as a result of the increased
24 employment, many of our residents in Suffolk
25 County, we're getting more requests for

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2 chide care. That number is going up.

3 Fortunately we don't have a
4 waiting list, so we've been able to
5 accommodate all the applications.

6 LEGISLATOR BYNOE: All of the
7 applications on the childcare?

8 DR. IMHOF: Absolutely, yes. I
9 have an additional question about the
10 childcare services. Did you want to say
11 something?

12 MR. BRODERICK: Yes. The county,
13 while it has gone up just to expand on what
14 the commissioner just said, you do have the
15 working poor, where people are under
16 employed. So whether they're seeking
17 employment or are marginally employed,
18 they're still coming in seeking subsidies
19 for daycare benefits.

20 LEGISLATOR BYNOE: Okay. Good.
21 What I've understood, and I have had some
22 exposure to some of the residents my
23 constituents who are attempting to access
24 the childcare services. I'm understanding
25 that there is a delay in the approval of

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2 those services. It could be up to 30 to 40
3 days to be approved for the childcare
4 services.

5 I would think that if one is
6 offered employment and would be in need of
7 the services, that we would need that to
8 turn around in a fast pace in order for
9 people to be able to accept the employment
10 and be able to go to work.

11 So I know that even as late as
12 today, I received a call from a constituent
13 and they had been waiting 30 days and we in
14 turn reached out, Susan Saxon is awesome,
15 she was able to go back and pull the
16 record. But we could confirm that it had
17 been a long time in the process.

18 So, my concern is that if people
19 are applying for child care services and if
20 we're not prepared to expedite and turn
21 those requests around, I would think that
22 most people would accept employment within
23 seven to ten days or 14 days, probably
24 maximum, they're not waiting a month to
25 start a job.

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2 DR. IMHOF: What you're saying is
3 very unusual for me to hear. In my review
4 of the childcare section, the employment
5 section, we've been very rapid in turning
6 around applications.

7 There are requirements to be
8 eligible childcare, and there may be, and
9 I'm not saying this happened in the case you
10 presented, but there may be instances where
11 certain documents have not yet been provided
12 yet to the department.

13 But if you or any many of the
14 Legislature has a constituent, you get a
15 call that they feel they are not being taken
16 care of immediately, we do want to hear
17 about it, and we will address it.

18 What you're saying is very
19 unusual for me to hear.

20 LEGISLATOR BYNOE: Well, I can
21 give you the name and I have the timeline
22 right here on this document.

23 But what is the goal for turning
24 something around for childcare given the
25 fact that we know that it's probably

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2 contingent -- taking the job is contingent
3 upon having proper care for their children.
4 What is the goal?

5 MR. BRODERICK: I'll clarify that
6 a little bit. There's one misnomer here
7 because, as I explained earlier, if you have
8 a situation, if someone is looking to be, if
9 they're "employable" and they are seeking
10 work, we give day care. So they're not
11 actually working yet, but they are seeking
12 going out doing job interviews, job
13 readiness, prepare for resume preparation,
14 and then they get a phone call for a job
15 interview or an opportunity, so one
16 situation would segue into the next.

17 LEGISLATOR BYNOE: One second.
18 It's just not my understanding that that's
19 how it always works. In this particular
20 case, this person was offered a job.

21 MR. BRODERICK: She didn't have
22 day care prior to getting that job?

23 LEGISLATOR BYNOE: No, she did
24 not. She got the job and she submitted a
25 request for childcare. When she submitted

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2 the application, there was a form letter
3 that was then sent to the childcare provider
4 that said, we have received an application
5 for childcare and, based on that, the
6 childcare provider I believe took the child
7 in and started providing services, but said,
8 listen, if we don't get the approval by the
9 end of this week, meaning Friday, that they
10 were going to rescind the offer to provide
11 the service on consignment, so to speak, and
12 as a result, the person was concerned about
13 being able to continue employment.

14 I don't want to get totally into
15 the specifics of this particular person.
16 I'm asking now in a more general sense, what
17 is the goal of your department in being able
18 to turn around childcare services' request
19 by application to your department for
20 service?

21 DR. IMHOF: First, thank you for
22 bringing that case to my attention. I would
23 like to look into it. If you can provide
24 the information to me later because this in
25 fact if there was a delay on the part of

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2 social services I want to know about it and
3 address it right away.

4 In my experience with our staff,
5 two to three weeks is the longest time
6 people have to wait to get their child into
7 day care. Sometimes they have to go through
8 the Nassau County Childcare Council. Some
9 day care centers in their areas are filled
10 and they may have to go to another day care
11 center.

12 But, generally, two to three
13 weeks assuming all the documents,
14 verification, according to the state regs
15 have been provided. We can't grant it until
16 we get everything cleared.

17 LEGISLATOR BYNOE: What I'm
18 trying to help you see or what I can clearly
19 see is that two to three weeks could
20 potentially remove the opportunity from
21 employment for someone who has been offered
22 a job. They may not be able to accept the job.
23 Employers typically aren't waiting two to
24 three weeks for someone to line up
25 childcare. Especially in, I would say, a

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2 first line job opportunity maybe in a fast
3 food opportunity or retail store. Usually
4 the employer's need is immediate and they
5 want someone to come in and start working
6 within seven to ten days.

7 Is there an opportunity to try to
8 shorten the time frame to which you are
9 evaluating those applications?

10 DR. IMHOF: We try to do it as
11 quickly as possible.

12 LEGISLATOR BYNOE: I think two to
13 three weeks is too long.

14 DR. IMHOF: Again, I don't know
15 the specifics of this case. As I said, this
16 is the first time I'm hearing this, I
17 believe, it's been any delay in a person
18 getting employment because they couldn't get
19 childcare on time. So I will to look into
20 it and see what happened.

21 We've never had a problem with
22 the two weeks, two and half weeks. If we
23 can do it faster, we can. If people get
24 their documents in -- there is a problem
25 sometimes with documentation and

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2 verification of income, living arrangements,
3 and things like that. But I do want to know
4 about it.

5 LEGISLATOR BYNOE: There was a
6 comment from your department that says it
7 takes typically 30 days. I think that's way
8 too long.

9 DR. IMHOF: I don't know who said
10 that.

11 LEGISLATOR BYNOE: I will give
12 you the handwritten note.

13 DR. IMHOF: Sure, of course.

14 LEGISLATOR BYNOE: I have another
15 question regarding child protective
16 services.

17 Can you tell me what was your
18 request for staffing for that particular
19 department?

20 DR. IMHOF: Sure. We have a
21 request in to ten case workers. It's been
22 approved. We are waiting for the list from
23 civil service department. We do not yet
24 have the scoring list so we cannot yet
25 proceed with the hiring.

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2 The problem with -- and this is a
3 problem in every county in the state, we can
4 select a lot of new case workers but there
5 is a very high drop out rate from the very
6 beginning. So out of every 15 caseworkers,
7 we end up losing perhaps five, six or seven
8 case workers. They find out once they begin
9 their work as a case worker they are not
10 able to do it. They are not satisfied with
11 the job or basically it's too difficult for
12 them.

13 So we need to maintain a current
14 case load of our workers and make sure we
15 have sufficient staff to address the
16 emergencies.

17 LEGISLATOR BYNOE: Can you give,
18 me the exact number of what you requested
19 for staffing? Not just for additional
20 employment, additional staffing.

21 MR. BRODERICK: Right now we have
22 a head count in there of 197.

23 LEGISLATOR BYNOE: In CPS?

24 MR. BRODERICK: No. That's all
25 across service. I don't have the breakout

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2 right in front of me.

3 DR. IMHOF: CPS, foster care,
4 adoption.

5 LEGISLATOR BYNOE: Right now,
6 from what I'm seeing in the budget book I
7 reviewed, it shows there were 109 actual in
8 your CPS department, that there was a
9 request for 134, and it looks like it was an
10 adoption of 125.

11 So I'm seeing that there was a
12 difference between what you actually
13 requested and what has been approved for
14 allocation or for appropriation for your
15 department; specifically in your child
16 protective services.

17 DR. IMHOF: There is a turn over
18 problem that we. We have a turnover of new
19 case workers. We also have the fact that
20 caseworkers, after two years, are eligible
21 to become probation officers. We just lost
22 four of our case workers to the probation
23 department.

24 In the last five years, I would
25 say close to 20 case workers that have taken

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2 a probation position which does pay a little
3 higher salary.

4 So we are constantly attuned to
5 the changeover in staffing, asking for new
6 staff, giving promotions as well to staff
7 that are there currently.

8 MR. BRODERICK: Specifically I
9 believe your answer is, 30 additional heads
10 were requested. We receive 23. Right now
11 we're not -- we are below budget because
12 we're waiting -- we have fully approved, we
13 received full approval from the
14 administration to hire additional case
15 workers.

16 As the commissioner had
17 mentioned, we do hire plenty of case workers
18 but the attrition rate is very high, it's
19 extremely high. The time horizon to train
20 these individuals, it's not just coming in
21 and six months you hit the road. You have
22 to go through state mandated training, and a
23 lot of people don't cut it, essentially.

24 So, right now we did receive
25 approval to increase the head count. We

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2 have approval to fill the heads. We are
3 waiting for appropriate candidates from the
4 civil service commission.

5 LEGISLATOR BYNOE: I just need to
6 go back over this question, I'm sorry. I
7 don't feel like you are actually hearing me.

8 So, the request was for 134 and
9 you got approved for 135?

10 MR. BRODERICK: Correct.

11 LEGISLATOR BYNOE: So that is
12 less than what you requested?

13 MR. BRODERICK: That's correct.

14 LEGISLATOR BYNOE: So that was
15 the first question. And now I want to lead
16 into the next part of the question.

17 Since you were not provided the
18 level of staffing that you requested, do you
19 still feel that you can provide the level of
20 service that this department warrants in
21 order to keep young people safe?

22 MR. BRODERICK: Yes. Absolutely.

23 LEGISLATOR BYNOE: Do feel that
24 the safety and well being of young people
25 who might be in compromising situations are

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2 actually in jeopardy because you are not
3 being staffed as requested?

4 DR. IMHOF: No. I don't believe
5 that at all. Also, in the last three years
6 we have expanded a number of other types of
7 children's services to provide protective
8 barriers for children and their families.
9 We have reduced a number of children
10 referred to foster care from about 500 three
11 years ago to about 250 currently.

12 We added a new prevention unit
13 that wraps itself around families that have
14 been reported for CPS difficulties. We are
15 doing what we call blind removals now where
16 we evaluate cases without any reference to
17 cultural, ethnic situations that would, in
18 the past, end up in a referral to foster
19 care. Close to percent reduction in
20 referrals to foster care of minority
21 population report to have CPS cases.

22 I think that we are staffed very
23 well. I think we can always use more staff
24 but we have been able to do the job. We
25 have protective programs. We have a very

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2 skilled and effective and efficient staff
3 and I think they're doing just an incredible
4 job.

5 LEGISLATOR BYNOE: So although
6 you asked for 134 and you're going to end up
7 with 125, you are getting less than what you
8 requested, you feel that your department
9 will be well equipped and resourced to
10 handle the needs of individuals who are in
11 need of child protective services?

12 DR. IMHOF: Yes, I do.

13 LEGISLATOR BYNOE: Thank you.

14 CHAIRWOMAN GONSALVES: Legislator
15 Solages.

16 LEGISLATOR SOLAGES: Thank you
17 for being here. My district includes Inwood
18 which has the fastest growing Latino
19 population in Nassau County, and also
20 includes Elmont which has a sizeable
21 Haitian, Haitian American population as well
22 as a growing Pakistan population.

23 Thank you very much for
24 presenting your presentation. On page 20
25 you point to your various goals in hiring

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2 more individuals that can speak multiple
3 languages.

4 Where are you along those goals?

5 DR. IMHOF: On hiring?

6 LEGISLATOR SOLAGES: Bilingual
7 employees.

8 DR. IMHOF: We have a very high
9 percentage of employees that are bilingual.
10 I don't know the exact number but I believe
11 our total workforce speaks about 30
12 different languages. We have done a very
13 high percentage of promotions as well for
14 minority individuals. So I think we're well
15 staffed in all areas of cultural and ethnic
16 staff.

17 LEGISLATOR SOLAGES: And
18 specifically how many speak Farsi or Haitian
19 Creole?

20 DR. IMHOF: I don't have the
21 number with me but I'll get that to you.

22 MR. BRODERICK: Legislator, just
23 to expand on the answer, you had asked, we
24 depend on civil service lists, and what they
25 call like a case worker or social welfare

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2 examiner, the initial people coming in the
3 door, they might be social welfare examiner
4 or you have a social welfare examiner
5 bilingual. So civil service establishes
6 what bilingual is.

7 Traditionally it is Spanish.
8 That's where they establish the civil
9 service list and the criteria.

10 CHAIRWOMAN GONSALVES: Any other
11 questions for Dr. Imhof? Legislator Curran.

12 LEGISLATOR CURRAN: Very quickly.
13 I see something called human services,
14 transportation services.

15 What is that and why has it gone
16 down so dramatically and is it going to
17 impact what it is that it is?

18 MR. BRODERICK: Good question.
19 Thank you for the question. Medicaid
20 redesign, you must have heard that before
21 coming from the state, as part of the
22 state's initiative to assume some
23 responsibilities from the counties, Nassau
24 County, up until I believe it was July, was
25 responsible for a Medicaid transportation

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2 coordination.

3 So, for example, if you're an
4 individual living at home and you're on
5 Medicaid and needed to go to a doctor's
6 appointment, you would call up our Nassau
7 County DSS contractor who would arrange for
8 your transportation to and from your visits.

9 So they had coordinate between
10 the recipient, the doctor, and the patient
11 to take them to and from. The state assumes
12 the responsibility so we shed that contract.

13 We did, however, maintain a piece
14 the funding there, and that was, if you
15 recall last year, Governor Cuomo initiated
16 Executive Order 151 in times of emergency or
17 drastic temperature changes, freezing
18 temperatures, that we would supply
19 transportation to the indigent, whoever
20 called our emergency night service.

21 So, we are currently RFPing for a
22 contract for a provider to provide those
23 kinds of services as well as for our adult
24 protective service population. If we have
25 to transport an elderly individual from

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2 their home to court which happens quite
3 frequently for guardianship, or any of or
4 service divisions, if we need transportation
5 component, we have that readily available.

6 LEGISLATOR CURRAN: And the rest
7 was shed to the state?

8 MR. BRODERICK: Yes, that was for
9 Medicaid Transportation.

10 LEGISLATOR CURRAN: Thank you.

11 CHAIRWOMAN GONSALVES: Any other
12 legislators?

13 (No verbal response.)

14 Is there any public comment?

15 (No verbal response.)

16 Thank you very much, Dr. Imhof,
17 Mr. Broderick. I know the lateness of the
18 hour.

19 LEGISLATOR DUNNE: I just want to
20 say thank you for all your help you did with
21 my constituents. Your office has been
22 phenomenal.

23 DR. IMHOF: Thank you.

24 MR. BRODERICK: Thank you.

25 CHAIRWOMAN GONSALVES: Human

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2 Services, Mr. Dolan.

3 ACTING COMMISSIONER DOLAN: James
4 Dolan, acting commissioner, Department of
5 Human Services. This is my director of
6 fiscal services Brian Hall. I would be
7 delighted to provide a little introduction
8 or we can just jump into questions if you
9 like.

10 CHAIRWOMAN GONSALVES: In the
11 interest of saving time, and at the same
12 time, the questions should give us a good
13 idea of what your department is all about.
14 Questions first. Who is going to answer,
15 how many bilingual employees?

16 ACTING COMMISSIONER DOLAN: Well,
17 we contract out for the preponderance of our
18 operation. We contract with 124 different
19 agencies for the delivery of services. We
20 require those agencies to have culturally
21 competent services which require they hire a
22 range of different type of individuals based
23 on their cultural identity or ability to
24 speak foreign languages.

25 CHAIRWOMAN GONSALVES: There are

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2 several segments of population that human
3 services deals with, that's youth services,
4 services for the aging, mental health
5 services, and of course the project meals on
6 wheels.

7 I'm going to begin with youth
8 services do you feel that the level of
9 funding for youth services in the proposed
10 2017 budget is consistent with 2016?

11 ACTING COMMISSIONER DOLAN: Yes,
12 it's a stand still budget and we're glad
13 that that's the case and there should be no
14 diminution of services for the youth.

15 CHAIRWOMAN GONSALVES: As far as
16 the services for the aging, can we say the
17 same thing, that the funding for the
18 services in the proposed 2017 budget is
19 consistent with 2016?

20 ACTING COMMISSIONER DOLAN:
21 Correct. There will be no diminution of
22 services for the aging as well. That's the
23 end of my questioning. Anybody else?
24 Legislator Dunne.

25 LEGISLATOR DUNNE: Jim, you do

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2 drug and alcohol, used to be?

3 ACTING COMMISSIONER DOLAN: Well,
4 as Legislator Gonsalves said, the Department
5 of Human Services is made up of the
6 Department of Mental Health. It has four
7 divisions; Mental Health, Chemical
8 Dependency, and Development Disabilities,
9 Office of the Aging, Office For the
10 Physically Challenged and the Office For
11 Youth Services.

12 My background is in mental
13 health, chemical dependency, and
14 developmental disability services.

15 LEGISLATOR DUNNE: You helped
16 fund for Saint Bernards?

17 ACTING COMMISSIONER DOLAN:
18 That's right. You and I were at Saint
19 Bernards.

20 LEGISLATOR DUNNE: Excellent job.
21 Every Tuesday they have a wonderful thing.
22 Thank you for all your help.

23 ACTING COMMISSIONER DOLAN: Thank
24 you.

25 CHAIRWOMAN GONSALVES: Minority

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2 Leader.

3 LEGISLATOR ABRAHAMS: How are
4 you, gentlemen? I just have a quick
5 question. I'm not too sure how familiar you
6 are with this. But there were some budget
7 allocation money that was in the Roosevelt
8 community for quite some time, then the
9 money was -- one of the agencies that
10 represented Roosevelt, I support Roosevelt,
11 they are located at 55 Mansfield in
12 Roosevelt, their money was pulled out. They
13 were defunded because of ability to voucher
14 or claim -- they always left money on the
15 county. The county deemed them as not a
16 well run fiscal program.

17 Long story short, the county then
18 chose to enter into a contract which is a
19 choice for all which I'm in complete support
20 of. My understanding is that choice for all
21 gets less money than what I support
22 Roosevelt received. So I'm trying to figure
23 out what that difference is. Would you
24 gentlemen have that number?

25 MR. HALL: Well, I know we have

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2 Lidick House, a community center in
3 Roosevelt.

4 LEGISLATOR ABRAHAMS: Lidick
5 House, that's the parent to Choice For All?

6 MR. HALL: Right. They're in
7 there now. We had done an RFP and we had
8 picked them -- I think it was last year or
9 the year before. I'm not sure what the
10 funding was, the prior one that was in
11 there.

12 LEGISLATOR ABRAHAMS: Could you
13 find out for me?

14 MR. HALL: Sure. I can find out
15 for you. I think that was back in 2014 or
16 '15 when you had that. I would have to go
17 back. I don't have it in front of me.

18 LEGISLATOR ABRAHAMS: No. That's
19 quite all right. If you can get back to
20 Rob, he's the executive director in my
21 office, I would appreciate it.

22 MR. HALL: No problem.

23 LEGISLATOR ABRAHAMS: Nothing
24 else, Presiding Officer.

25 CHAIRWOMAN GONSALVES: Legislator

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2 DeRiggi-Whitton.

3 LEGISLATOR DERIGGI-WHITTON:

4 Thank you. Regarding the mental health and
5 chemical dependency, I understand that you
6 have you added some programs to help combat
7 the opiate situation that we're all very
8 much aware of.

9 Can you just explain what new
10 programs you have?

11 MR. HALL: We have a number of
12 new initiatives and I meant to thank
13 publicly Legislator Bynoe for her
14 collaboration and actually a critical role
15 that she has played in helping to bring to
16 Nassau County the mental health first aid
17 training which enables people in the general
18 population to be better able to identify
19 when one is struggling with a mental illness
20 and help them understand what steps they can
21 take to help remediate that situation.

22 We have been also able to, with a
23 close collaboration with the Nassau County
24 PD, bring that training of seven times to
25 the different classes held for the new

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2 Cadettes. So we are in an excellent
3 situation where more and more police
4 officers are better able to respond in a way
5 that enables them to assess whether or not
6 there is a mental illness that's a
7 significant contributing factor as to why
8 the police were called to the scene.

9 I should add that we are now
10 entering into a contract with one of our
11 contract agencies that is going to be able
12 to provide an increased amount of respite
13 and crisis housing and psychiatric
14 stabilization services to that clientele in
15 a community setting.

16 So we're offering the police this
17 third option of not only a rest bring to the
18 hospital, perhaps, but also a community
19 based option.

20 So when you marry those two ideas
21 together that the police are better able to
22 identify for mental illness, know about the
23 sources of referral that can provide the
24 follow-up services in the community and to
25 be able to come through with that service in

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2 the community, that's one issue that I would
3 like to always bring up because sometimes we
4 look at chemical dependency issues, and
5 don't recognize that it's a co-occurring
6 condition.

7 So, with regard to more specific
8 to your question about other initiatives
9 with regard to chemical dependency
10 treatment, we have -- I should point out
11 that we have -- what is going on for some
12 time now, we have the Narcan training which
13 is more available, even though that
14 medication is over the counter, could be
15 purchased over the counter, the fact that we
16 provide that medication for free, there is
17 still about 150 people coming to each of our
18 training and we're rolling out those
19 trainings a few times a month.

20 We've established a Vivitrol
21 treatment track in our opoid treatment
22 program so that the patient can either be
23 treated with Methadone, Suboxone, or with
24 Vivitrol in our opoid treatment program.

25 We've made it more known to our

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2 provider community about the availability of
3 Vivitrol as a treatment option. It is
4 really only just an option but a very
5 option.

6 LEGISLATOR DERIGGI-WHITTON: One
7 quick question about that. As far as, if
8 someone doesn't have insurance and if
9 insurance doesn't cover, I hear it's an
10 expensive drug, the Vivitrol. Do we
11 subsidize that?

12 MR. HALL: Yes. No one is ever
13 denied services based on an inability to
14 pay. Our opioid treatment program is funded
15 also through deficit funding. So no one is
16 ever denied services based on an inability
17 to pay.

18 LEGISLATOR DERIGGI-WHITTON: So
19 you would do what, once a month
20 administration of that drug?

21 ACTING COMMISSIONER DOLAN: It's
22 not only that, yes, obviously that's a
23 critical component of the treatment plan.
24 But what we know is that the people who are
25 most successful on that course of treatment

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2 are individuals who are actively involved in
3 counseling.

4 Otherwise, if you lose that
5 therapeutic alliance or if that's weakened,
6 then the person tends to lose their interest
7 in remaining involved in care.

8 I would like to mention about the
9 single point of entry services that we have
10 in our county that sometimes we refer to
11 them SPOEs or SPOAs, single point of access
12 or single point of entry, services.

13 What we put a great deal of
14 emphasis is on making access to services
15 simplified so that referral sources, family
16 members or people struggling with the
17 condition only have to know to call one
18 number. Instead of having to navigate a
19 maze of the social service system, or mental
20 health system, they only need to call the
21 227 talk number. It is available 24/7.

22 We have licensed mental health
23 practitioners answering that call 24/7 and,
24 what happens in that situation is that the
25 person calling that number gets objective

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2 input. There is no bias as to where the
3 person is get referred to for services.
4 That 227 talk number works very closely with
5 our mobile crisis team. It's through that
6 227 talk number that not only can you get
7 information referral, coaching on how to
8 navigate the service system or even crisis
9 counseling over the phone, but you can get
10 immediate access to mobile crisis services
11 if you need someone to come to your house as
12 well.

13 We have a very close working
14 relationship with the health homes in Nassau
15 County as well. Health homes in essence is
16 about care management. Making sure that the
17 persons who are high users of medical
18 services, people who are frequent attendees
19 at emergency rooms or long stay patients in
20 hospitals, that they have care management
21 services made easily accessible to them so
22 that they more so take advantages of the
23 services in the community as opposed to
24 always showing up in the emergency room.

25 Again, what we've done is

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2 simplified for the community that you only
3 need to go to one place in order to access
4 care management.

5 In New York City there is nine
6 locations a person would have to go to or a
7 referral source would have to go to.
8 Suffolk County there are four points of
9 entry into that case management system. So
10 if one wanted to find out if their client
11 had a case manager, it's very difficult to
12 ascertain.

13 In Nassau County, you only have
14 to go to one point to get crisis services.
15 You only have to go to one point for
16 information referral. One point to get a
17 case manager. The same applies to mental
18 health housing. We're very proud of that
19 effort and how it has again helped with
20 mental health and chemical dependency.

21 LEGISLATOR DERIGGI-WHITTON:

22 Thank you very much. And I'm not surprised
23 about the impetus behind that other great
24 achievement. So thank you.

25 MR. HALL: I should also mention,

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2 and I know I'm babbling away more than
3 anyone wants me to, but we are increasingly
4 also expanding our presence in the specialty
5 courts. These provide diversionary services
6 for those who are involved with the criminal
7 justice system due to untreated or
8 undiagnosed behavioral health issues so
9 we're increasingly expanding our presence in
10 the mental health courts and the felony
11 treatment court, misdemeanor drug court, and
12 the DWI jail diversion program and we also
13 have a presence in the veterans treatment
14 court.

15 LEGISLATOR DERIGGI-WHITTON: I
16 appreciate your passion with this and Nassau
17 County really needs it at this time and I'm
18 really grateful to have you there.

19 CHAIRWOMAN GONSALVES: Mr. Dolan,
20 I know there is another service that is
21 provide by Human Services and that's the
22 Meals on Wheels program.

23 Would you say that that program
24 is being fully funded in 2017?

25 ACTING COMMISSIONER DOLAN: Yes,

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2 we serve over 4,000 people per year with the
3 Meals on Wheels, meals brought to people's
4 homes. And we also have the Congregate
5 Meals Program where we bring meals to the
6 senior centers as well.

7 CHAIRWOMAN GONSALVES: God bless
8 you. Legislator Birnbaum.

9 LEGISLATOR BIRNBAUM: I know part
10 of your agency is the Office for the
11 Physically Challenged, right? You give out
12 the handicap parking permits.

13 ACTING COMMISSIONER DOLAN:
14 Correct.

15 LEGISLATOR BIRNBAUM: Is there
16 also a program to monitor parking in
17 handicap parking spaces?

18 ACTING COMMISSIONER DOLAN: Yes.
19 Thank you for asking that. We have just
20 recently hired, so to speak, ten volunteers
21 that we have just recently trained, and,
22 again, it's another coordinated effort that
23 we're doing with the police department, that
24 we are working in tandem with them to
25 implement methodologies for when people are

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2 violating the law in that regard. We just
3 hired those volunteers within the past
4 month.

5 LEGISLATOR BIRNBAUM: And they
6 have ticketing capacity?

7 ACTING COMMISSIONER DOLAN:
8 Actually, they take pictures of it, photos
9 of it, and then they turn it into the police
10 and the police ticket the vendors.

11 LEGISLATOR BIRNBAUM: Got it.
12 Thank you.

13 CHAIRWOMAN GONSALVES: Mr. Dolan,
14 the volunteer program regarding the
15 violators of the parking in handicapped
16 parking, that has been going on for a while.
17 Would you say it's been successful?

18 ACTING COMMISSIONER DOLAN: It's
19 been a great success and we're kind of
20 rejuvenating it very recently.

21 CHAIRWOMAN GONSALVES: I have no
22 other questions. Any other questions from
23 the legislators?

24 (No verbal response.)

25 Is there any public comment?

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2 (No verbal response.)

3 There being none, thank you, Mr.
4 Dolan, Mr. Hall. Never expected it to be
5 this late, so thank you again.

6 TLC, before I call TLC up, I
7 would like to note for the record that
8 Traffic and Parking Violations Agency TPVA
9 was here earlier and many of the legislators
10 had an opportunity to speak directly to
11 Judge Marks and hopefully the questions that
12 they had were answered satisfactorily. So
13 they will not be presenting tonight.

14 I trust your discretion,
15 Presiding Officer, but we have a sitting
16 elected official, Comptroller Maragos,
17 waiting.

18 COMMISSIONER MAY: I have a brief
19 36 slide presentation to go through. That's
20 clearly not true. I closed this down.
21 Everyone is laughing. Got to break the ice
22 somehow.

23 CHAIRWOMAN GONSALVES: Beginning
24 with questions like the past two presenters,
25 we will carry on in that tradition and go

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2 ahead and ask Mr. May and whomever is with
3 you.

4 COMMISSIONER MAY: This is Mr.
5 Robert Bedford, the Deputy County Attorney
6 assigned to my office.

7 CHAIRWOMAN GONSALVES: All right.
8 You may want to ask him questions. I
9 believe Legislator Nicoletto wanted to
10 start.

11 LEGISLATOR NICOLELLO: Can you
12 just briefly give us an idea as to the
13 amount of fines you are collecting, the
14 status of that?

15 COMMISSIONER MAY: We have
16 collected about \$450,000 in fines to date
17 this year.

18 The Taxi and Limousine
19 Commission, when it was under the office of
20 Consumer Affairs, and I just want to briefly
21 thank Commissioner Farley and her staff, we
22 built our department based on the structure
23 that they had in their department.

24 Obviously my department was
25 broken off of theirs back in the end of 2014

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2 at this point. I would be remiss in not
3 thanking them.

4 They averaged about 300, 330
5 violations a year. This year we have seven
6 CSEA staff members, investigators working
7 for us. We have been able to increase that
8 number of violations to over 3,100 since
9 really May. And we have collected about
10 \$450,000 in fines.

11 LEGISLATOR NICOLELLO: Good job.

12 COMMISSIONER MAY: It's \$450,000
13 in fines so far. Over 3,100 violations
14 issued since the beginning of the year but
15 the investigators hadn't been on full time
16 until April and even then it was still in a
17 training period so the bulk of the
18 violations issued really started in May of
19 this year.

20 So for the last five months or so
21 we have been able to pull in about 3,100
22 violations and the money that we've pulled
23 in so far is not representative of that
24 total. If anybody who is issued a violation
25 wants to settle or if they've settled, we

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2 tend to give them some period of time to
3 pay.

4 So there's somewhat of a lag for
5 some of the violations. So it's probably
6 more than \$450,000 in the pipe.

7 CHAIRWOMAN GONSALVES: Legislator
8 DeRiggi-Whitton.

9 LEGISLATOR DERIGGI-WHITTON: Can
10 you just tell me where we are in Nassau
11 County with Uber; is it legal or not?

12 COMMISSIONER MAY: Uber is not
13 currently operating legally in Nassau
14 County. Typically if we see a Uber vehicle
15 it is operating utilizing its New York city
16 license and registration which is obviously
17 not valid in Nassau County for point to
18 point operation.

19 Under state law with reciprocity,
20 they can do a one point pick up or drop off
21 in Nassau County with their New York City
22 registration. In other words, they can pick
23 up in Nassau County and leave typically to
24 go back to New York City or, if for some
25 reason, you wanted to spend a lot of money,

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2 you can take an Uber from Times Square, to
3 your house in Nassau County.

4 They would not then be able to
5 operate point to point within the county on
6 their New York City license and
7 registration.

8 LEGISLATOR DERIGGI-WHITTON: Have
9 you had many instances where you have had to
10 fine Uber drivers, like do you find that
11 they're operating here?

12 COMMISSIONER MAY: They're
13 absolutely operating here. Yes.

14 LEGISLATOR DERIGGI-WHITTON:
15 That's what I wanted to know.

16 LEGISLATOR GAYLOR: A question,
17 if I may, Madam Presiding Officer.

18 CHAIRWOMAN GONSALVES: Legislator
19 Gaylor.

20 LEGISLATOR GAYLOR: So let's
21 focus on Uber because there's a large
22 increase in the number of Uber operators in
23 my district, either point to point because
24 we're close to the Queens border and they're
25 coming over, what specific actions are your

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2 investigators taking to combat this until
3 such time when Uber may become legal in the
4 future?

5 I'm not seeing investigators
6 anywhere around in my area checking
7 vehicles.

8 COMMISSIONER MAY: I hate to
9 discuss the strategies we have for
10 enforcement in a public setting like this.
11 I don't want to give away the store, as it
12 were.

13 However, I do know there has been
14 some issues with the south shore and I'm
15 happy to adjust my resources accordingly to
16 deal with the issues down in your district.

17 LEGISLATOR GAYLOR: Let me maybe
18 rephrase the question. How much in the
19 revenue from fines has the TLC captured
20 directly attributable to Uber?

21 COMMISSIONER MAY: We don't break
22 it out based on whether or not someone is an
23 Uber operator. I can take a look at the
24 data that we have and see if I can give you
25 a more accurate number.

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2 But it's not like we are keeping
3 a score sheet or that I have a list up on my
4 wall of the number of Uber drivers that we
5 hit. It's just anybody who is operating in
6 an illegal for hire vehicle in Nassau County
7 is the target of our investigation and our
8 violations.

9 LEGISLATOR GAYLOR: So Uber might
10 not be a problem at all then?

11 COMMISSIONER MAY: No. We know
12 that they are. But we also know that there
13 are -- depending on where you are, we have
14 had issues in the Massapequa around Sunrise
15 Mall where we see vandi-cabs operating out
16 of Suffolk County.

17 When we started doing this last
18 year we had stopped one car. It was a stray
19 plate which is -- you know, the license
20 plates that you have on your car, sort of
21 the term of the industry is stray plate.
22 The vehicle was a Toyota Prius. The driver
23 told us he was operating rides from Suffolk
24 County to Sunrise Mall for about \$5 and the
25 company that owned the car did have some

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2 registered cars with us, but they were
3 acting as the gentleman's loan officer and
4 he was paying off his car at \$5 a clip.

5 So, you know, it just depends on
6 where we are and what kind of for hire
7 vehicle or illegal for hire vehicle
8 operations we see going on.

9 I certainly understand what
10 you're saying, and we have heard some
11 complaints in your neck of the woods and I'd
12 be happy to address my resources.

13 LEGISLATOR GAYLOR: One last
14 question. Has the number of investigators
15 increased in the 2017 budget from '16?

16 COMMISSIONER MAY: No. The
17 number of investigators in the budget was
18 eight. We have seven currently. The head
19 count remains the same and certainly be
20 looking forward to fill that.

21 LEGISLATOR GAYLOR: Thank you.

22 CHAIRWOMAN GONSALVES: Legislator
23 Bynoe.

24 LEGISLATOR BYNOE: So the
25 transportation network companies like Uber,

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2 Lift and the like, I know there is a fee
3 that is proposed that will possibly grow, I
4 guess the revenue for your department?

5 COMMISSIONER MAY: Possibly.

6 LEGISLATOR BYNOE: If we were to
7 engage -- let me back up. How long is that
8 actual law been under review with the County
9 Attorney's Office?

10 COMMISSIONER MAY: It was only
11 recently submitted to the County Attorney's
12 Office for review.

13 LEGISLATOR BYNOE: Is there any
14 estimation as to when you might receive
15 word?

16 COMMISSIONER MAY: I would not
17 presume to say when the County Attorney
18 would be able to give me a response on the
19 request.

20 It is certainly a complicated
21 issue. It involves state law and local
22 regulations, not just at the Nassau County
23 level but at the town, city, and village
24 level. It is a very complicated issue that
25 we are looking to work through.

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2 LEGISLATOR BYNOE: If this law
3 were to pass muster with the County
4 Attorney's Office, this law would actually
5 allow for them to do the inter-county?

6 COMMISSIONER MAY: It's possible.
7 It would depend on what we are actually
8 allowed to do. Assuming the County Attorney
9 said we could do it and that is a big
10 assumption at this point, we would still
11 have to analyze how they would operate
12 vis-à-vis the rules and regulations of the
13 towns, cities, and villages.

14 Even if we were given authority
15 to regulate the T and Cs through any office,
16 we would still have to promulgate rules and
17 regulations that would go to the Taxi and
18 Limousine Board which, as you know, is
19 composed of members of the riding public,
20 industry stake holders, village
21 representatives.

22 So, anything that we do, if we
23 were able to do it, and, again, that is a
24 big if, is still a way off.

25 LEGISLATOR BYNOE: Thank you.

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2 LEGISLATOR SOLAGES: Just one
3 last question. Assuming that big if, how
4 much revenue can we possibly gain if Uber
5 were allowed to do business?

6 COMMISSIONER MAY: I would not
7 speculate. I would not speculate at all,
8 legislator. If I wanted to speculate about
9 revenue, I would like to speculate about the
10 revenue that my investigators have been
11 bringing in based on year to day totals.

12 Like I said, they really got
13 going in May. We had 200 and something
14 violations issued in April. Honestly a
15 handful were issued in March, February and
16 January. We still have all of October,
17 November, December to go if my investigators
18 doubled the number of violations that have
19 been issued year to date which I think is
20 entirely possible, we can increase the
21 number that I mentioned to Legislator
22 Nicolello, \$450,000, I would like to
23 speculate that could hit a million dollars
24 by next year.

25 LEGISLATOR SOLAGES: Mr. May, I

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2 would like to thank you for your hard work
3 as commissioner of the TLC. Thank you.

4 COMMISSIONER MAY: Thank you,
5 legislator, I appreciate that.

6 LEGISLATOR CURRAN: Just very
7 briefly. Commissioner May and Bob Bedford
8 came to Baldwin High School. They reached
9 out -- I don't know if they reached out to
10 all the legislators around prom season, so I
11 invited them to come to a meeting at Baldwin
12 High School with all the parents. All the
13 parents and kids had to go if they wanted to
14 go to the prom they had to go to this
15 meeting.

16 Anyway, they were really
17 entertaining and funny and gave a lot of
18 really good information that people could
19 use. So I would encourage everyone to avail
20 them themselves of this opportunity come
21 prom season.

22 COMMISSIONER MAY: Thank you,
23 legislator, I appreciate that.

24 CHAIRWOMAN GONSALVES: There
25 being no other questions, thank you, Mr.

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2 May, thank you, Bob.

3 COMMISSIONER MAY: Thank you very
4 much. I appreciate the opportunity to
5 address the body.

6 CHAIRWOMAN GONSALVES: Enjoy the
7 rest of the evening, whatever is left.
8 Thank you again.

9 I have to indicate that
10 Comptroller Maragos was here earlier but he
11 had to leave and, under the circumstances,
12 we felt that we should move the process
13 along and so unfortunately we've saved you
14 for the last of the presenters tonight, only
15 because there was a change in your schedule,
16 and then of course we changed ours to
17 accommodate.

18 So, thank you, Mr. Maragos, for
19 coming back to us and presenting the
20 Comptroller's report on the budget.

21 COMPTROLLER MARAGOS: Good
22 evening.

23 CHAIRWOMAN GONSALVES: Good
24 evening, Comptroller Maragos. You're with
25 who?

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2 COMPTROLLER MARAGOS: To my
3 immediate right is Lisa Tsikouras, director
4 of accounting in the comptroller's office.
5 To her right is Mayor Jim Garner, my chief
6 deputy comptroller.

7 CHAIRWOMAN GONSALVES: Again, are
8 we going to do this, follow what we've done
9 earlier and just ask questions?

10 I think we should unless you want
11 to give us an overview of what you see as
12 the budget.

13 COMPTROLLER MARAGOS: I would
14 like to do that. It would be about two or
15 three minutes.

16 CHAIRWOMAN GONSALVES: It's your
17 call.

18 COMPTROLLER MARAGOS: Thank you.
19 First of all, let me apologize for having to
20 step out. I had a prior commitment.

21 Thank you for accommodating me.
22 I feel that my short absence was worth while
23 in helping this budget because I feel like,
24 I think I probably got a red light ticket
25 coming back.

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2 This is our analysis of the
3 proposed 2017 budget. The administration
4 has proposed a nearly \$3 billion budget for
5 2017. The budget increases spending by 3.2
6 percent primarily due to a 4.4 percent
7 increase in budgeted employee salaries and
8 benefits, an increase in debt service costs
9 of 25.6 million.

10 In order to offset these higher
11 costs and achieve budgetary balance, the
12 administration proposing raising
13 approximately \$88 million in revenues from
14 new fees, increasing existing fees, and
15 utilizing \$15 million from prior year fund
16 balance.

17 Due to the risks associated with
18 Legislative approval and the proposed
19 increases in fees, fines and borrowing, the
20 Comptroller's Office estimates that the
21 proposed 2017 budget contains a budgetary
22 risk of \$114 million.

23 A potential \$134 million deficit
24 on a GAAP basis, and a possible \$194 million
25 deficit using presentations described by

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2 NIFA.

3 Even if 100 percent of all new
4 fees and fines are legislative and
5 collected, the NIFA presentation deficit
6 would still be projected at \$143.8 million
7 well above its mandate of no more than \$60
8 million.

9 This result would be due to other
10 revenues and expense risks such as those of
11 sales tax, Income Tax Expense Law, OTB
12 profits, unfunded judgements and
13 settlements, used fund balance, and used up
14 borrowing to pay for property tax refunds.

15 The long term debt of the county
16 is projected to edge higher by \$50 million,
17 approaching \$3.7 billion.

18 The deferred pension liability is
19 projected to grow to \$236 million. The
20 property tax refund liability is estimated
21 to increase to \$341 million and the utility
22 and liability could be as high as \$345
23 million.

24 Should the budgetary deficit
25 materialize, the county unreserved fund

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2 balance would be nearly eliminated.

3 The county's ending fund balance
4 is projected to decline to \$16.3 million and
5 the unreserved fund balance as per county
6 policy of at least four percent of prior
7 year expenditures including the PDD may
8 decline to nearly zero, at one point \$6
9 million at the end of 2017.

10 Finally, the county sewer system
11 continues to be under funded. The 2017
12 proposed budget includes \$23 million of
13 appropriated fund balance, thereby depleting
14 the remaining fund balance in the fund.

15 We expect that the county will
16 face difficult choices in 2017 and beyond,
17 as structural costs continue to climb and
18 new revenue sources prove more challenging
19 to find.

20 We urge our re-thinking of
21 government to put the county back on a
22 stronger financial footing.

23 I'm happy to take your questions.

24 CHAIRWOMAN GONSALVES: Who wants
25 to be first up? Any questions? Legislator

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2 Curran.

3 LEGISLATOR CURRAN: Hi. I'm
4 looking at your report on page three
5 Exhibit-1. Under revenues I see a risk, we
6 were talking about this before, the \$60
7 million for tax certs, but then it's also an
8 opportunity under expenses. That seems
9 contradictory.

10 MS. TSIKOURAS: It's purely
11 presentation. Normally when the borrowing
12 comes in, it's in the capital funds not in
13 the operating funds. So we chose to show
14 that this would be risk. You wouldn't bring
15 \$60 million into the operating funds, and
16 you wouldn't be paying \$60 million out of
17 tax certs out of the operating fund. You
18 would be paying them out of the capital
19 fund, if the borrowing is achieved.

20 We did show \$60 million as an
21 adjustment to the NIFA presentation so that
22 it's in there assuming that the borrowing is
23 paid out. The \$60 million.

24 LEGISLATOR CURRAN: I didn't
25 quite get that. Could you explain that

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2 again?

3 MS. TSIKOURAS: Sure.

4 COMPTROLLER MARAGOS: Let me try
5 in simpler language. It's basically the
6 risk that's taken us as a debit and a credit
7 but at the end it's zeroed out, given the
8 risk just to -- for accounting purposes to
9 show that we have not overlooked that
10 potential expenditure.

11 LEGISLATOR CURRAN: That makes
12 sense. Thank you.

13 CHAIRWOMAN GONSALVES: I'm going
14 to ask a question. It's not related to your
15 comments before. But you said that we
16 received a copy of your budget report.

17 COMPTROLLER MARAGOS: Yes, it was
18 mailed to all the legislators late this
19 morning.

20 CHAIRWOMAN GONSALVES: I'm
21 looking. If it was emailed I would have
22 been able to get it and I don't have a copy
23 of it.

24 COMPTROLLER MARAGOS: Did anybody
25 get it?

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2 LEGISLATOR GAYLOR: I received a
3 copy around 1 o'clock today while in the
4 Legislature.

5 CHAIRWOMAN GONSALVES: Okay, 1
6 o'clock today.

7 LEGISLATOR GAYLOR: Came by
8 email. But if you have a hard copy can you
9 provide it to us right now?

10 COMPTROLLER MARAGOS: I'm happy
11 to give you my copy, yes.

12 CHAIRWOMAN GONSALVES: That's
13 okay. I will reproduce it. But the idea is
14 that at 1 o'clock this afternoon, we were
15 sitting here doing the committee reports.
16 So we had no opportunity to bring the
17 document up. So I guess we'll have to do it
18 when we leave here tonight.

19 COMPTROLLER MARAGOS: Okay. I
20 apologize about that.

21 CHAIRWOMAN GONSALVES: Legislator
22 Curran, go ahead.

23 LEGISLATOR CURRAN: So also
24 Exhibit-1, under fines and forfeitures,
25 public safety fee. You have \$48.3 million,

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2 but according to the administration it's
3 \$64.4 million. I'm wondering where you got
4 your number from?

5 COMPTROLLER MARAGOS: We did not
6 risk the full amount. Actually we assumed
7 that all the fee increases, we were kind of
8 generous would be approved. Only 25 percent
9 of the new fees of the public safety fees
10 would be approved.

11 I understand that the legislative
12 budget office and NIFA has risked those
13 total amounts.

14 LEGISLATOR CURRAN: Right. They
15 put it at 64. Yours is maybe --

16 COMPTROLLER MARAGOS: We gave
17 them the fee increases but risked 75
18 percent.

19 LEGISLATOR CURRAN: Is there a
20 particular kind of fee that you took out of
21 that?

22 COMPTROLLER MARAGOS: The public
23 safety fees, we assumed that at least 25
24 percent would be legislated and/or
25 collected.

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2 LEGISLATOR CURRAN: Okay.

3 CHAIRWOMAN GONSALVES: Minority
4 Leader.

5 LEGISLATOR ABRAHAMS: Thank you,
6 Madam Presiding Officer. How are you,
7 Comptroller Maragos. I don't know if you
8 were here or maybe you heard or Mayor Garner
9 had a chance to hear, there was some back
10 and forth about the paying of tax
11 certioraris and the back log and what we
12 were able to gather today, it looks like
13 according to the NIF system, the county has
14 paid approximately \$20 million of the \$60
15 million that was borrowed earlier this year.

16 COMPTROLLER MARAGOS: We show 15
17 paid out.

18 LEGISLATOR ABRAHAMS: I guess
19 what I'm driving at is, by your estimations,
20 are those calculations correct, and when do
21 you envision the county spending down the
22 entire \$60 million?

23 COMPTROLLER MARAGOS: We were
24 told and we expect that the full \$60 million
25 will be paid out by the end of the year.

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2 LEGISLATOR ABRAHAMS: By the end
3 of this year?

4 COMPTROLLER MARAGOS: Yes.

5 LEGISLATOR ABRAHAMS: I guess,
6 and I'm listening to counsel, we're going to
7 have to pick up the pace to pay down the
8 rest of the 40.

9 Have they given you some time of
10 projection monthly? Are they going to spend
11 like \$15 million a month?

12 MS. TSIKOURAS: It was our
13 understanding prior to tonight that the \$60
14 million was going to be paid this year.

15 However, we do an analysis at the
16 end of the year as part of our year end
17 review where we will look at what is
18 actually due and payable and what resides in
19 the treasurer's office.

20 So, even if it is not paid out,
21 if it is accruable, then we would record an
22 expenditure at the end of the year and that
23 expense would appear as a payment, in other
24 words, it becomes an expense of the year,
25 but we won't know that until the end of the

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2 year.

3 LEGISLATOR ABRAHAMS: Just to
4 remind folks, maybe you haven't had a chance
5 to, when we were going through the back and
6 forth, what we're talking about is, when we
7 thought the liability was going to be paid
8 out.

9 I don't know if you remember
10 earlier this year, it was at least presented
11 to us that we had to bond for the tax
12 certiorari as we quickly as possible or the
13 county was facing very grim dark practices,
14 accounts were going to get frozen.

15 So I just want to make sure. And
16 that was our understanding that was
17 presented to us. But I just want to make
18 sure from your standpoint, when do we
19 envision the pay down to be complete? Just
20 for the bonding.

21 COMPTROLLER MARAGOS: Right. We
22 have not been given an indication, a clear
23 indication of when that would happen.

24 Again, we would expect that it
25 will be paid, but as the director indicated,

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2 even if it's not paid, if it's a judgement
3 it will be accrued as a liability, as a
4 paydown, whether it's actually paid or not.

5 I think some of the legislators
6 here were at a recent meeting with NIFA
7 where it was further expressed by the County
8 Executive that because of this other NIFA
9 mandate to come at least than \$80 million
10 deficit on a NIFA presentation basis, there
11 may be some consideration as to the payment
12 schedule for the property tax refund
13 liabilities.

14 LEGISLATOR ABRAHAMS: That's what
15 we're thinking, that they're just not being
16 paid.

17 COMPTROLLER MARAGOS: But it
18 really doesn't matter whether it's actually
19 paid or not. If it's a liability we will
20 accrue it and essentially show it as
21 payment.

22 LEGISLATOR ABRAHAMS: How does
23 that apply to the GAAP deficit?

24 COMPTROLLER MARAGOS: It doesn't.
25 It has no effect.

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2 LEGISLATOR ABRAHAMS: It doesn't
3 effect it even if it's not paid?

4 COMPTROLLER MARAGOS: If it's due
5 and payable, then we will accrue it as if
6 it's paid.

7 LEGISLATOR ABRAHAMS: The thing
8 is, our finance people are saying, if we
9 don't pay it, does it count towards the GAAP
10 deficit?

11 COMPTROLLER MARAGOS: If it's due
12 and payable then it has to be accrued and it
13 counts, whether the check is written or not.

14 LEGISLATOR ABRAHAMS: I think,
15 Mr. Maragos, what we are talking about up
16 here is that based off the NIFA meeting that
17 we all attended a couple of weeks ago, if
18 you pay it with capital funds, it goes
19 against your GAAP deficit.

20 MS. TSIKOURAS: You are talking
21 about the NIFA presentation, the NIFA GAAP?

22 LEGISLATOR ABRAHAMS: Yes.

23 MS. TSIKOURAS: Okay. If the
24 money is borrowed but not spent, it would
25 not be an adjustment to get to NIFA

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2 presentation. If the money is spent, then
3 it will be.

4 However, again, if we accrue that
5 expenditure because based on our analysis of
6 the settlements, the judgments and
7 settlements that are in the treasurer's
8 office at the year end, if we determine that
9 those are due and payable, then we will
10 accrue an expense which will affect the NIFA
11 GAAP. But we won't know that until the end
12 of the year.

13 LEGISLATOR ABRAHAMS: We were told
14 in November 2015 that 85.3 was ready to be
15 up. Did they ever accrue that expense?

16 MS. TSIKOURAS: What we did was,
17 at the end of the year, 2015, I'm not sure,
18 I think I brought 2015 with me, we did
19 accrue an additional \$12 million of expense
20 for items that were due and payable, but in
21 the capital fund, for items that were due
22 and payable that had not yet been paid as of
23 year end. I don't think I have the 15
24 numbers with me.

25 LEGISLATOR ABRAHAMS: I just want

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2 to quickly dive into, Comptroller Maragos,
3 if you are prepared to do it tonight, some
4 of the P3s. Are you able to that?

5 COMPTROLLER MARAGOS: That would
6 be the outside the scope of the budget
7 presentation tonight.

8 LEGISLATOR ABRAHAMS: To me, it's
9 all budget because it's tied to numbers and
10 savings and everything along those lines.
11 Obviously one of the more interesting P3s is
12 the one, correctional health care, that I
13 wanted to discuss with you.

14 When we initially engaged in this
15 P3, it was embarking on trying to incur
16 millions of dollars in savings. The County
17 Executive touted it as being able to
18 generate millions of dollars in savings.
19 However, over this period of time, other
20 than the savings from the contracts, I
21 haven't seen any type of fiscal analysis in
22 regards to what it generates in savings. Or
23 what it has generated in savings.

24 Has your office been able to put
25 anything like that together?

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2 COMPTROLLER MARAGOS: Yes,
3 actually we are very close to releasing a
4 rather extensive audit of the jail
5 healthcare system, that has been I think
6 maybe 18 months, two years in the making to
7 get the information we needed.

8 There is various findings. One
9 of the findings is that there were savings
10 of 6 to \$8 million per year versus the prior
11 provider.

12 LEGISLATOR ABRAHAMS: You mean
13 the medical center?

14 COMPTROLLER MARAGOS: The medical
15 center, correct.

16 LEGISLATOR ABRAHAMS: Your report
17 obviously would compare apples to apples.
18 So will we be comparing what the services
19 that NUMC provided if they were higher
20 standard or lower in standard in comparison
21 to what --

22 COMPTROLLER MARAGOS: No. We are
23 not qualified to assess the medical care
24 other than to point out some of the -- a
25 number of the deficiencies that we have all

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2 been reading about and there will be more
3 quantified and analyzed in the audit report
4 that we will be issuing.

5 And of course we couldn't
6 estimate or offset any potential liability
7 that may accrue.

8 LEGISLATOR ABRAHAMS: I guess the
9 next P3 I want to talk to you is the one
10 with United Water/Suez.

11 There has also been \$10 million
12 in annual savings that have been touted.
13 The County Executive has indicated, or paid
14 approximately \$60 million a year for this
15 contract.

16 We just want to get a general
17 sense from you in terms of the savings.

18 COMPTROLLER MARAGOS: I think the
19 legislative Budget Office if I recall had
20 its review recently a few months back and
21 issued a report that basically indicated
22 those savings have not materialized.

23 LEGISLATOR ABRAHAMS: Does your
24 office concur with that report?

25 COMPTROLLER MARAGOS: We have not

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2 done an independent analysis. We have on
3 our schedule to go back and, now that we
4 will have two years experience with United
5 Water to see how well they are performing
6 and what are the benefits and efficiencies
7 that have been derived.

8 LEGISLATOR ABRAHAMS: My finance
9 person is telling me you had some type of
10 year report that reflected no savings as
11 well.

12 COMPTROLLER MARAGOS: I don't
13 recall it. We've been commenting with
14 regard to the sewer fund and its depleted
15 fund balance. And we have done in this
16 report as well that the fund balance, given
17 the deficit that its been running, will be
18 depleted by the end of 2017 and we will
19 present additional challenges to this body.

20 LEGISLATOR ABRAHAMS: I have
21 nothing further. Thank you.

22 CHAIRWOMAN GONSALVES: Legislator
23 DeRiggi-Whitton.

24 LEGISLATOR DERIGGI-WHITTON: In
25 your opening statement you mentioned how

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2 much the deficit was growing from last year
3 to next year. What were those numbers
4 again, do you have them?

5 COMPTROLLER MARAGOS: What I said
6 is that we project a budgetary risk of 114
7 million, on a GAAP basis 134.1 million and a
8 possible 194 million deficit using NIFA's
9 presentation.

10 LEGISLATOR DERIGGI-WHITTON: As
11 far as our borrowing, do you have an idea of
12 how much that's gone up?

13 COMPTROLLER MARAGOS: I have
14 indicated that it will probably go up by 50
15 million which is a relatively small amount
16 to 3.7 billion.

17 LEGISLATOR DERIGGI-WHITTON: You
18 know what I was just looking at, the
19 proposed budget that was just presented by
20 the administration and your discussion of
21 expenses both regarding expenses.

22 They have the debt services at
23 12.6 percent, and you have the debt service
24 at 7.1 percent --

25 COMPTROLLER MARAGOS: Where are

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2 you referring to?

3 LEGISLATOR DERIGGI-WHITTON: Debt
4 service of our full budget which is about
5 seven percent. It's just a big difference.
6 It's almost a six percent difference.

7 COMPTROLLER MARAGOS: I would
8 need to see how they calculated theirs.

9 LEGISLATOR DERIGGI-WHITTON:
10 Yours is on page 10 and their presentation,
11 theirs is on 16.

12 MS. TSIKOURAS: Our numbers are
13 based off of what we have -- what was
14 presented in the budget.

15 We also include expensive loans
16 in our numbers, so it's possible that their
17 presentation is a little different. I can't
18 answer what they're showing versus what we
19 have.

20 LEGISLATOR DERIGGI-WHITTON: It
21 almost sounds like seven percent for that
22 much debt doesn't almost sound right for our
23 budget. Debt service is more along the
24 lines --

25 MS. TSIKOURAS: We also exclude

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2 interfunds. It could be that they are not
3 excluding any interfunds in that as well.
4 That could be part of the difference.

5 COMPTROLLER MARAGOS: We can try
6 to clarify that at least with the numbers we
7 have.

8 LEGISLATOR DERIGGI-WHITTON:
9 Maybe if you can just compare the two and
10 see what --

11 COMPTROLLER MARAGOS: Okay.

12 MS. TSIKOURAS: Sure. We can ask
13 the budget office.

14 CHAIRWOMAN GONSALVES: Earlier we
15 discussed we have companies that are put on
16 the emergency list for storms and there's
17 still a good amount of money outstanding
18 from 2013 with our FEMA claims with Sandy.

19 I've heard all different numbers
20 including up to \$30 million we are still
21 waiting for. Have you tracked that at all
22 as far as what claims we have not been
23 reimbursed for and why?

24 MS. TSIKOURAS: We do do an
25 analysis. I think the last time we did the

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2 analysis was probably for the mid-year
3 report. It has not yet been updated.
4 Periodically during the year we will do that
5 and, at the end of the year, because we need
6 to access if there are any receivables that
7 need to be adjusted, et cetera. But at the
8 moment we don't have that.

9 We get the information basically
10 from the budget office and then put that
11 together against the information that we
12 have. They're our primary source.

13 LEGISLATOR DERIGGI-WHITTON: I
14 think there is still a substantial amount
15 that's outstanding and I would just like to
16 know if we're not getting it, and if we are
17 getting it. It would be good to know.

18 COMPTROLLER MARAGOS: Let me say
19 to that, we are getting a lot of requests
20 from FEMA with regards to invoices that have
21 been paid.

22 So I think they are looking to
23 scrutinize the expenditures. So far we have
24 been given no indication that any are in
25 dispute. So, unlike what we have heard in

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2 North Hempstead.

3 LEGISLATOR DERIGGI-WHITTON:

4 Right. I think that's what's on everybody's
5 minds.

6 MS. TSIKOURAS: In order to be
7 reimbursed, they have got to provide that
8 the payments were actually made. So it been
9 has significant requests for information of
10 late so, as the comptroller said, we have to
11 assume that's what's happening at this
12 point.

13 LEGISLATOR DERIGGI-WHITTON: Just
14 to piggyback on what our leader said about
15 the tax certs, my one concern is just that
16 us borrowing that money specifically for tax
17 certs was used to cover the operational
18 deficit that we were faced for this year.
19 You said that couldn't be the case, it
20 couldn't happen?

21 MS. TSIKOURAS: The borrowed
22 funds are in the capital funds; they are
23 not in the budgetary results.

24 However, as part of the NIFA
25 presentation, if the money is not spent, and

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2 it's not accruable, then it will have an
3 impact on the NIFA presentation. That part
4 is correct. However, the money is not
5 brought into the operating funds.

6 LEGISLATOR DERIGGI-WHITTON: But
7 it's used to offset a deficit in the
8 operating funds, the GAAP.

9 MS. TSIKOURAS: Well, the NIFA
10 presentation. The NIFA --

11 LEGISLATOR DERIGGI-WHITTON:
12 That's what we're just trying to figure out.
13 We kind of feel that's what happened.

14 Hi Mayor, it's good to see. I
15 haven't seen our mayor.

16 CHAIRWOMAN GONSALVES: Legislator
17 Schaefer.

18 LEGISLATOR SCHAEFER: Thank you.
19 Hi Mr. Maragos.

20 COMPTROLLER MARAGOS: Hello.

21 LEGISLATOR SCHAEFER: You said at
22 the end of your presentation you stated that
23 you suggest a rethinking of county
24 government. Can you explain what you meant
25 by that? Expand on that? Any ideas?

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2 COMPTROLLER MARAGOS: Well, now
3 you're basically moving into the side of
4 policy. I would like to think there is
5 significant room for improvement and how we
6 run a number of the operations, the
7 departments.

8 As you are very well aware, as an
9 example, we issued a rather extensive audit
10 of the police department and a number of
11 deficiencies. I think there is a lot of
12 opportunity there to find savings without
13 sacrificing public safety.

14 I think you will probably find
15 similar type of opportunities in many of our
16 departments.

17 LEGISLATOR SCHAEFER: Right now
18 you are talking about the audit you're doing
19 with the police department, and did you say
20 something else; another area or no?

21 COMPTROLLER MARAGOS: What I'm
22 talking about looking at government from a
23 kind of management consulting point of view
24 and streamlining the way we provide
25 services, make sure they are provided as

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2 effectively as possible, without any waste.

3 LEGISLATOR MACKENZIE: I'm sorry.

4 It's very easy to say you want to streamline

5 and not find waste, can you give us some

6 specific examples and, when you say you

7 don't want to get into policy, you

8 specifically said in your presentation to us

9 here today, that you want to rethink

10 government.

11 Can you please give us specific

12 examples rather than just platitudes?

13 COMPTROLLER MARAGOS: No. This

14 is not platitudes. And specific examples

15 come -- like any sizeable organization needs

16 to be subjective to scrutiny every three to

17 five years. And management consultants

18 brought in -- and I was in the role in some

19 of my past lives to look at restructuring,

20 improving operations, deploying the latest

21 tools, best practices, and to ensure that

22 the organization is operating efficiency,

23 meeting its mission as effectively as

24 possible to provide high quality service to

25 its residents in this case.

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2 Those are principles from the
3 mental management principles that I don't
4 believe this county has ever been subjected
5 to that scrutiny unlike private
6 organizations.

7 LEGISLATOR MACKENZIE: You are
8 unable to give us any specific examples?

9 COMPTROLLER MARAGOS: I have.

10 LEGISLATOR MACKENZIE: I don't
11 think you have. You gave us management
12 principles that are very nice and every one
13 would agree, but then can you give us
14 specific examples.

15 COMPTROLLER MARAGOS: Sure. Take
16 a look at the police department audit and
17 you will find many.

18 LEGISLATOR MACKENZIE: Other than
19 the police department, do you have any other
20 examples?

21 COMPTROLLER MARAGOS: Housing.

22 LEGISLATOR MACKENZIE: What in
23 housing?

24 COMPTROLLER MARAGOS: Take a look
25 at the audits that we have. I'm happy to

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2 come back and discuss those in details with
3 you.

4 LEGISLATOR MACKENZIE: Anything
5 else besides looking at the audits you've
6 performed?

7 COMPTROLLER MARAGOS: DSS.

8 LEGISLATOR MACKENZIE: What
9 specifically with DSS?

10 COMPTROLLER MARAGOS: Same thing,
11 I'm happy to -- please read the audit and we
12 are happy to come back and discuss the
13 specifics with you.

14 CHAIRWOMAN GONSALVES: Legislator
15 Solages.

16 LEGISLATOR SOLAGES: Thank you
17 very much. Good evening, comptroller.

18 COMPTROLLER MARAGOS: Good
19 evening.

20 LEGISLATOR SOLAGES: The
21 administration painted an overly optimistic
22 portrayal of the revenue that they seek to
23 get, specifically sales tax. They painted a
24 picture where there was a 1.9 percent growth
25 in sales tax.

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2 Can you please tell us about the
3 risks there?

4 COMPTROLLER MARAGOS: Our
5 projection is for one percent growth. Being
6 conservative, I think the trends in the past
7 three years, in sales tax growth has been
8 declining due to the perceived and verified
9 shift to online shopping.

10 We feel conservative at one
11 percent and we'd much rather be conservative
12 on the revenue side and kind of liberal on
13 the expense side to ensure that we have a
14 high degree of probability that we will be
15 ending in balance.

16 LEGISLATOR SOLAGES: So when it
17 comes to sales tax, you're saying that
18 online sales, internet sales take away from
19 possible revenue that we may gain?

20 COMPTROLLER MARAGOS: They have
21 historically in the past three years and we
22 expect that trend to continue.

23 LEGISLATOR SOLAGES: Understood.
24 As for the ticket surcharge, is there a risk
25 there, the administration is banking on --

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2 no money intended -- public safety fee. Can
3 you please talk about the risk there,
4 please?

5 COMPTROLLER MARAGOS: That's a
6 legislative risk. It's up to this body
7 whether to approve or not to approve and the
8 second risk, even if it is approved, certain
9 percent increase is approved, there will be
10 some falloff due to collection, some people
11 won't be able to pay.

12 LEGISLATOR SOLAGES: As for the
13 productive revenue from OTB, that \$3
14 million, and that's after they pay certain
15 debts, is that correct?

16 COMPTROLLER MARAGOS: After they
17 pay their expenditures.

18 LEGISLATOR SOLAGES: So if they
19 have expenditures, more than what --

20 COMPTROLLER MARAGOS: Right. We
21 haven't seen profits in a few years now, and
22 they continue to lose money, and unable to
23 pay their bills.

24 So we don't think that the
25 increased revenue, whatever revenue they get

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2 in the early years from the OTB settlement
3 will cause them to go to flip to profit for
4 them to be able to make that profit
5 contribution.

6 LEGISLATOR SOLAGES: Understood.
7 Just going back to what Legislator Abrahams
8 is talking about with you.

9 How can the county possibly
10 achieve a NIFA GAAP deficit less than \$80
11 million when tax certs alone are projected
12 to be \$60 million and litigation liability
13 could be over \$300 million?

14 COMPTROLLER MARAGOS: That's
15 going to be a real challenge. I hope the
16 budget director indicated that they feel
17 comfortable. They presented a plan to NIFA
18 to meet that goal this year. I think it
19 will be even more challenging next year.

20 LEGISLATOR SOLAGES: Thank you.

21 CHAIRWOMAN GONSALVES: Legislator
22 Kopel.

23 LEGISLATOR KOPEL: Long day. If
24 you'll forgive me, I may be going over some
25 ground. I didn't see it but a few moments

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2 ago, your presentation. I just didn't get
3 it.

4 If I understand correctly, you're
5 suggesting that the deficit, in truth, is
6 probably significantly larger than that
7 projected by the administration?

8 COMPTROLLER MARAGOS: What I'm
9 saying is, the risk of a deficit.

10 LEGISLATOR KOPEL: The risk is
11 significantly larger than projected?

12 COMPTROLLER MARAGOS: Correct.
13 Of course the administration is reasonably,
14 I guess reasonably feels that this body will
15 approve all --

16 LEGISLATOR KOPEL: I will grant
17 them good faith, why not? But you in good
18 faith believe that it's underestimated in
19 terms of the size of the GAAP?

20 COMPTROLLER MARAGOS: Some vary
21 like the OTB profit, the --

22 LEGISLATOR KOPEL: And you think
23 that the opportunities are not such that
24 they would offset the additional
25 opportunities.

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2 You mentioned opportunities and
3 I'm interested in that. I guess it would
4 come under the old heading of waste, fraud
5 and abuse. Cutting that out from various
6 departments. There's always sufficient --
7 I'm using those words. They weren't yours.

8 COMPTROLLER MARAGOS: Okay.

9 LEGISLATOR KOPEL: In a large
10 organization you will always find something,
11 which is true.

12 However, do you still really
13 think that there is a significant amount to
14 be found in this, after there's been eight
15 years and they've been cutting and cutting
16 and cutting? You believe there is enough
17 cutting to be done that we could
18 significantly reduce the risk with just
19 that?

20 COMPTROLLER MARAGOS: I just
21 don't know. I can't say at this point. But
22 it's usually not only cutting expenses.
23 It's about restructuring things and
24 introducing new tools, new management
25 practices, new technologies.

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2 LEGISLATOR KOPEL: And all of
3 that cost money too. Wouldn't you agree
4 that that's usually not a short term fix but
5 that's perhaps more of a medium term result
6 that one would expect?

7 COMPTROLLER MARAGOS: Well, you
8 have to start some time.

9 LEGISLATOR KOPEL: You've got to
10 start some time but that would -- might that
11 not exacerbate the short term results?

12 I'm not saying it's a bad idea
13 even if you do exacerbate the short term
14 result, but --

15 COMPTROLLER MARAGOS: Not exactly
16 because technology, as an example, has moved
17 very rapidly, very dynamically. I'm sure
18 you have all been hearing about these cloud
19 concepts that basically allow large
20 organizations to find solutions, ready made
21 solutions for various industry segments,
22 that you can essentially lease on an ongoing
23 basis.

24 So then you don't have the
25 development expense, you don't have the

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2 development risk. You don't have the
3 capital investment. You just use that
4 technology and in most cases it's much more
5 cost effective.

6 LEGISLATOR KOPEL: So the
7 application of technology you feel might be
8 insufficient?

9 COMPTROLLER MARAGOS: I think
10 there is probably significant opportunities
11 to be based on part of streamlining
12 operations.

13 LEGISLATOR KOPEL: Based upon
14 your observations, you think that there is
15 significant opportunity in the streamlining?

16 COMPTROLLER MARAGOS: We couldn't
17 count the number of individual systems that
18 we have that are all archaic in each of the
19 departments that are not centralized. It's
20 a big task for certainly the Comptroller's
21 Office and as I'm sure for the budget office
22 to try to gather us an example of the
23 accounting information, the transactions,
24 that go on in this county.

25 LEGISLATOR KOPEL: I'm sorry, you

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2 said what?

3 COMPTROLLER MARAGOS: There's a
4 lot of opportunity to introduce new tools,
5 concepts, management practices, best
6 practices and any -- those types of
7 investments are not very costly.

8 LEGISLATOR KOPEL: I will grant
9 you that, and you think that it would not
10 exacerbate the short term results.

11 But, even so, that type of
12 solution doesn't get done in a day or two or
13 month or three; that's usually a multiyear
14 program in my business experience, is it not
15 in yours?

16 COMPTROLLER MARAGOS: No. In my
17 business it's usually clearly defining the
18 opportunity, and --

19 LEGISLATOR KOPEL: Yes. But if
20 you got a large complex organization, it
21 takes time to define the issue and then
22 you've got to go through many many different
23 potential solutions, identify them, go
24 through them, bid them, once you have
25 identified which ones you like the best, I

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2 don't see that that ever happens in the
3 short time.

4 I think you're talking, with all
5 due respect, I think you're talking about
6 medium to long range, which again, I'm not
7 saying is a bad idea, probably it's always a
8 good idea to continue doing things like
9 that, but I don't see those as short term
10 opportunities for this year's budget.

11 COMPTROLLER MARAGOS: But would
12 one or two years be short term or long term?
13 I think it's short term.

14 LEGISLATOR KOPEL: Well, let's
15 just agree that it's not a 17 budget, it's
16 beyond that.

17 COMPTROLLER MARAGOS: That is
18 correct, yes. But it's not five years.

19 LEGISLATOR KOPEL: I understand
20 that, but just coming back to your point
21 that you believe there are opportunities to
22 restructure into all kinds of good things.

23 For this year's budget, would you
24 still say so after our little discussion
25 here?

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2 COMPTROLLER MARAGOS: I'm not
3 here to comment about those opportunities.
4 Those are policy choices that I think should
5 be analyzed and presented to the
6 Legislature.

7 At the end of the day it's going
8 to policy decisions and priorities.

9 LEGISLATOR KOPEL: Of course, and
10 what would you present, in your studies what
11 would you present to us as your suggested
12 revisions for this year?

13 In other words, we're sitting
14 here and you've looked at all these things
15 and we would love to hear your suggestions.
16 Do you have any suggestions for us for the
17 '17 year that would make sense and you would
18 recommend?

19 COMPTROLLER MARAGOS: I pointed
20 out to some audits that we've done in the
21 police department, in housing and DSS that I
22 think can go a long ways.

23 LEGISLATOR KOPEL: The police
24 department and DSS for '17, for this year's
25 budget?

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2 COMPTROLLER MARAGOS: Yes.

3 LEGISLATOR KOPEL: You think --
4 and what kind of savings would you hope, not
5 expect, I will say hope you would realize
6 from something like that for this year's
7 budget?

8 COMPTROLLER MARAGOS: Again, I
9 would refer you at this point to the audit.

10 LEGISLATOR KOPEL: Read the
11 audit. Thank you, Mr. Comptroller, I
12 appreciate your time.

13 CHAIRWOMAN GONSALVES: Legislator
14 Gaylor.

15 LEGISLATOR GAYLOR: For a point
16 of clarification, because I'm having a hard
17 time following the discussion between
18 Legislator Kopel and yourself, the audits
19 that you keep referencing were based on
20 actual numbers comparing 2016 or 2015 data.

21 We're looking at 2017, which
22 includes a budget that includes hiring new
23 and additional people for many departments,
24 increase in salaries across the board.

25 So I think what I would like to

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2 hear is, what specific recommendations
3 towards the 2017 budget which brings us here
4 tonight to discuss can you offer?

5 COMPTROLLER MARAGOS: I don't
6 have any specific recommendations for you.
7 Those are policy decisions. That's the
8 domain of the County Executive.

9 Our responsibility here, the
10 comptroller's responsibility, was to opine
11 on the risks in the budget and the
12 likelihood that that budget will end in
13 balance.

14 LEGISLATOR GAYLOR: Thank you,
15 Comptroller.

16 LEGISLATOR RHOADS: I'm a little
17 bit frustrated though because it's easy to
18 tell everybody what the potential problems
19 are, but the solutions are much harder.

20 So you are not able to offer us
21 any suggestions for 2017 whatsoever?

22 COMPTROLLER MARAGOS: No. I
23 would suggest that we bring in
24 professionals, management professionals to
25 look at the county, and how we can

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2 streamline operations, deploy best
3 practices, deploy the best technology
4 possible. That's what I would recommend
5 should be the professional approach.

6 LEGISLATOR RHOADS: Thank you.

7 CHAIRWOMAN GONSALVES: Anybody
8 else? Legislator Curran.

9 LEGISLATOR CURRAN: I just have a
10 few rapid fire questions.

11 Can you quantify how much can be
12 saved in 2017? Would you have a ballpark
13 number?

14 COMPTROLLER MARAGOS: No, I
15 can't, and that's not the purpose for
16 tonight.

17 LEGISLATOR CURRAN: What is your
18 position on the amortization of the pension
19 costs?

20 COMPTROLLER MARAGOS: I think
21 it's a reasonable approach given the various
22 significant pension contributions demanded
23 by the state comptroller.

24 LEGISLATOR CURRAN: So you think
25 it's reasonable?

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2 COMPTROLLER MARAGOS: Yes.

3 LEGISLATOR CURRAN: Also, do you
4 have a projection by the end of 2016 of what
5 the tax cert backlog will be?

6 COMPTROLLER MARAGOS: That's one
7 the tables.

8 LEGISLATOR CURRAN: Okay. I
9 didn't get a chance to see it so I will
10 look.

11 COMPTROLLER MARAGOS: It's page
12 16.

13 LEGISLATOR CURRAN: I've got it.
14 Thank you. And just back to the
15 amortization.

16 Do you see maybe now you think
17 it's a good idea, do you see where we will
18 soon come a time where we won't have to do
19 this to push off the cost and then have to
20 repay it plus interest?

21 COMPTROLLER MARAGOS: I hope that
22 would be the case, but I think that's going
23 to be a daunting challenge given the very
24 significant premiums that we are asked to
25 pay by the state comptroller's office, state

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2 fund remains fully funded.

3 I think we're paying at about 20,
4 25 percent of salary which is exorbitant
5 versus private industry which is probably
6 less than ten percent and usually closer to
7 five percent.

8 LEGISLATOR CURRAN: But those are
9 state mandated. So there's not much we can
10 do.

11 COMPTROLLER MARAGOS: Sure.
12 Understood. Exactly.

13 LEGISLATOR CURRAN: Okay.
14 Thanks.

15 CHAIRWOMAN GONSALVES: I'm going
16 to make one comment, Comptroller Maragos.

17 COMPTROLLER MARAGOS: Yes.

18 CHAIRWOMAN GONSALVES: We are
19 here all day long hoping to find some
20 solutions to the budget problems that we
21 have in this county. You, as comptroller,
22 with your staff has a good handle on the
23 budget of Nassau County.

24 Often times you comment on some
25 of the things that we do right, and most of

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2 the times on some of the things that we do
3 wrong.

4 I want to ask you, in all
5 sincerity, do you have immediate solutions
6 for the budget of 2017? That's what you're
7 here for. Not just to tell us what is
8 wrong, but how can we correct what is wrong?
9 That's what I'm looking to you for. I'm not
10 too happy. And don't give me the audit
11 business.

12 COMPTROLLER MARAGOS: No. I'm
13 not going to give you that.

14 CHAIRWOMAN GONSALVES: I want to
15 hear from you saying that there are
16 solutions. If there's no solutions, then
17 we're wasting our time. I'm really uptight
18 right now. I'm tired. We've been here all
19 day. We want help. That's why we have
20 budget hearings.

21 Often times, we look to the
22 department heads to give us some
23 recommendations. Some of them we may take
24 and some of them we may not take.

25 But you, as Comptroller, should

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2 be able to give us some idea of how we can
3 resolve some of the issues in the 2017
4 budget. It's not all gloom and doom, okay?
5 I hope it's not. That's how you're
6 projecting it to me.

7 COMPTROLLER MARAGOS: No, I'm
8 not. I'm expressing the risks that are
9 associated in this budget, and those risks
10 certainly, if the Legislature decides to
11 approve all the fee increases, that
12 certainly will substantially reduce the
13 risks to the tune of \$88 million.

14 CHAIRWOMAN GONSALVES: We will
15 review the budget in a very careful way, but
16 we do look to the department heads and
17 officials like yourself.

18 If there is anything out there
19 that you can voice your concerns about and
20 give us some kind of answer to those
21 concerns. It gets very frustrating to sit
22 up here and listen to all of the things that
23 are wrong and no solutions to resolving the
24 things that are wrong.

25 COMPTROLLER MARAGOS: The bottom

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2 line, whatever the options are, those will
3 result in policy decisions that the
4 administration in conjunction with the
5 Legislature will have to make.

6 I cannot make those policy
7 decisions for you. It's not the domain of
8 the Comptroller's Office.

9 CHAIRWOMAN GONSALVES: Okay.
10 That's it. Anyone else have a question?

11 (No verbal response.)

12 I told you I didn't want to open
13 my mouth but I did. Anyway, I think maybe
14 we should end this.

15 Thank you, Comptroller Maragos.
16 Thank you Mayor Garner. Thank you all. I
17 know the hour is late. I say to you safe
18 home and I thank my colleagues on both sides
19 of the aisle because this was a very long
20 day and very trying.

21 (Whereupon, the 2017 Budget
22 Committee Hearing adjourned at 10:14 p.m.)

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C E R T I F I C A T E

I, FRANK GRAY, a Shorthand Reporter and
Notary Public in and for the State of New
York, do hereby stated:

THAT I attended at the time and place
above mentioned and took stenographic record
of the proceedings in the above-entitled
matter;

THAT the foregoing transcript is a true
and accurate transcript of the same and the
whole thereof, according to the best of my
ability and belief.

IN WITNESS WHEREOF, I have hereunto set
my hand this 17th day of October, 2016.

FRANK GRAY