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NASSAU COUNTY LEGISLATURE

FULL LEGISLATIVE COMMITTEE

RICHARD NICOLELLO,
Presiding Officer

1550 Franklin Avenue
Mineola, New York

Monday, January 29, 2018
1:37 P.M.

1

2 A P P E A R A N C E S:3 RICHARD NICOLELLO,
4 Presiding Officer5 HOWARD KOPEL,
6 Alternate Deputy Presiding Officer

7 DENISE FORD, Alt. Deputy Presiding Officer

8 STEVEN RHOADS

9 DEBRA MULE

10 C. WILLIAM GAYLOR III

11 VINCENT MUSCARELLA

12 ELLEN BIRNBAUM

13 LAURA SCHAEFER

14 THOMAS MCKEVITT

15 KEVAN ABRAHAMS,
16 Minority Leader

17 ROSE MARIE WALKER

18 JOHN FERRETTI, JR.

19 JOSHUA LAFAZAN

20 ARNOLD DRUCKER

21 JAMES KENNEDY

22 DELIA DERIGGI-WHITTON

23 CARRIE SOLAGES

24 SIELA BYNOE

25 MICHAEL PULITZER,
 Clerk of the Legislature

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2 CHAIRMAN NICOLELLO: I'd like to
3 call the legislative meeting to order.
4 Please all rise and I ask Legislator Gaylor
5 please lead us in the Pledge.

6 (Whereupon, the Pledge of
7 Allegiance was recited.)

8 CHAIRMAN NICOLELLO: I ask Mr.
9 Pulitzer to call the roll.

10 CLERK PULITZER: Deputy Presiding
11 Officer Howard Kopel?

12 LEGISLATOR KOPEL: Here.

13 CLERK PULITZER: Alternate Deputy
14 Presiding Officer Denise Ford?

15 LEGISLATOR FORD: Here.

16 CLERK PULITZER: Legislator Siela
17 Bynoe?

18 LEGISLATOR BYNOE: Here.

19 CLERK PULITZER: Legislator
20 Carrie Solages?

21 LEGISLATOR SOLAGES: Here.

22 CLERK PULITZER: Legislator Debra
23 Mule?

24 LEGISLATOR MULE: Here.

25 CLERK PULITZER: Legislator C.

1 Full Legislature/1-29-18
2 William Gaylor III?
3 LEGISLATOR GAYLOR: Present.
4 CLERK PULITZER: Legislator
5 Vincent Muscarella?
6 LEGISLATOR MUSCARELLA: Here.
7 CLERK PULITZER: I am here.
8 Legislator Ellen Birnbaum?
9 LEGISLATOR BIRNBAUM: Here.
10 CLERK PULITZER: Legislator Delia
11 DeRiggi-Whitton?
12 LEGISLATOR DERIGGI-WHITTON:
13 Here.
14 CLERK PULITZER: Legislator James
15 Kennedy?
16 LEGISLATOR KENNEDY: Here.
17 CLERK PULITZER: Legislator
18 Thomas McKeivitt?
19 LEGISLATOR MCKEVITT: Here.
20 CLERK PULITZER: Legislator Laura
21 Schaefer?
22 LEGISLATOR SCHAEFER: Here.
23 CLERK PULITZER: Legislator John
24 Ferretti, Jr.?
25 LEGISLATOR FERRETTI: Here.

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2 CLERK PULITZER: Legislator

3 Arnold Drucker?

4 LEGISLATOR DRUCKER: Here.

5 CLERK PULITZER: Legislator

6 Rosemarie Walker?

7 LEGISLATOR WALKER: Here.

8 CLERK PULITZER: Legislator Josh

9 Lafazan?

10 LEGISLATOR LAFAZAN: Here.

11 CLERK PULITZER: Legislator

12 Steven Rhoads?

13 LEGISLATOR RHOADS: Present.

14 CLERK PULITZER: Minority Leader

15 Kevan Abrahams?

16 LEGISLATOR ABRAHAMS: Here.

17 CLERK PULITZER: Presiding

18 Officer Richard Nicoletello?

19 CHAIRMAN NICOLELLO: Here.

20 CLERK PULITZER: We have a

21 quorum, sir.

22 CHAIRMAN NICOLELLO: I would like

23 to start the meeting by apologizing.

24 We're a little bit late today,

25 but we had been called over to the Coliseum

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2 actually for a very good event, some good
3 news. The Governor was here to announce
4 that the Islanders will be playing parts of
5 the next three seasons at Nassau Coliseum.
6 So the Islanders are coming home.

7 So obviously it was a nice reason
8 to go over there but it delayed our
9 preparing for the meeting so I apologize for
10 us being late today.

11 One other item of business before
12 we proceed, I would like to wish Happy
13 Birthdays to Legislator Josh Lafazan and
14 Legislator Arnie Drucker. Apparently they
15 the same birthdays, a couple of years apart.

16 What we are going to proceed to
17 do is this: We have recognition of Nassau
18 County's top cops, both from the PBA and DAI
19 detectives and the police officers.

20 We will have a point of personal
21 privilege and then we will go into public
22 comment and followed by the official
23 business of the county.

24 So, to start things off at this
25 time, I would invite PBA President Jimmy

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2 McDermott, as well as our Commissioner, Mr.
3 Pat Ryder, to approach the mike, as well as
4 whoever else you want to bring with you, the
5 top cops, et cetera.

6 MR. MCDERMOTT: Good afternoon
7 everyone. I'm James McDermott, President of
8 the Nassau PBA.

9 We have a video to go along with
10 the top cops from last month, December 4th
11 of 2017. Can we roll the tape? I want to
12 show the tape first. That's Officer Vergano
13 up there, the PBA delegate from the Third
14 Precinct representing the union. This
15 gentleman here is threatening to jump off
16 the side of the building. He's despondent.
17 It happens during the holiday season.
18 Officer Vergano is keeping him distracted.

19 Officer Liguori, you don't see
20 him in the picture, is approaching. The
21 gentleman that is attempting to jump, or
22 threatening to jump, he is a 250 plus pound
23 individual as you can see Officer Liguori
24 next to me is not. You see him, he sneaks
25 up. He's a sneaky little guy. Where are

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2 you?

3 Meanwhile Officer Hoctor and --
4 there you go. They grabbed him and pulled
5 him to safety. I got a big smile. I saw
6 that about 400 times. I keep playing it.
7 It's on You Tube. If you see it, it's 450
8 hits, 400 of them are mine.

9 I don't know what else to say the
10 tape didn't say. The holidays come and
11 people get despondent, depressed, and in
12 this case you had this gentleman who
13 threatened to kill himself.

14 Officers Hoctor and O'Brien, who
15 I was just going to comment on, they were
16 down on the street and they were clearing
17 the street of cars and pedestrians so, God
18 forbid, he jumped. They were keeping him
19 pretty occupied also; all along as Officer
20 Liguori over here, sneaky guy, came up and
21 grabbed him.

22 Let me tell you, that is -- that
23 was a big man. He could have went over the
24 side very easily if Officer Vergano wasn't
25 there with him. But they brought him to

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2 safety. These guys did a remarkable job.
3 That's why they're top cops for December
4 2017.

5 I just want to thank you guys.
6 You did a fantastic job. It's a little
7 different with the video.

8 Here we have the new commissioner
9 -- I jumped the gun, if I had anything to do
10 with it, the new commissioner. Acting
11 Commissioner Ryder, here you go.

12 ACTING COMMISSIONER RYDER: Good
13 afternoon and thank you for taking the time
14 out of your busy schedule today.

15 I want to first commend these
16 police officers for a job well done. Every
17 day when we deal with our community, our
18 community has a lot of different issues that
19 we handle. This is just one of them.
20 People have become very despondent during
21 the holiday season. That's a 30 foot drop
22 and Officer Liguori, along with the rest of
23 the officers, did an outstanding job. I
24 can't thank them and commend them enough.

25 Again, that goes back to that

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2 training they receive in the academy. And
3 how they can talk to an individual and keep
4 him calm while the other officer came up
5 behind and pulled him off. And the other
6 two down below, very courageous, that if
7 that individual did jump, they were there to
8 break his fall and obviously would have
9 injured themselves. So they put themselves
10 in harm's way.

11 Again, a great job, and I thank
12 you again for all the support you give us
13 with the police department. Thank you.

14 CHAIRMAN NICOLELLO: Thank you.
15 I just wanted to say the professionalism,
16 the courage, as Commissioner Ryder said, the
17 willingness to put yourselves in harm's way
18 is truly something that is awe inspiring on
19 us. So you really represent every man and
20 woman in blue very well. So congratulations
21 gentlemen.

22 Would anyone like to say a few
23 words? Before we get to you, Legislator
24 Gaylor.

25 LEGISLATOR GAYLOR: I want to say

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2 congratulation to men and women in blue,
3 specifically Officer Liguori, a Lynbrook
4 residents, outstanding job.

5 But he's no stranger to danger.
6 He's a prior military service guy, injured
7 in combat. Came back home. He represented
8 his country well. He represented his county
9 well, represents the men in blue extremely
10 well. We're very proud of you in Lynbrook.

11 LEGISLATOR WALKER: Obviously we
12 get to see is this video and we know there
13 was a positive outcome certainly for that
14 gentleman who was ready to jump and for our
15 officers, but that's all I kept thinking
16 was, Oh, my God. You're going to try to
17 grab that guy. And he's ready to go and God
18 forbid you went with him.

19 I can't thank you enough for this
20 act of courage and certainly what you do for
21 us day in and day out. God bless you all
22 and thank God you're safe.

23 CHAIRMAN NICOLELLO: Thank you.

24 OFFICER LIGUORI: Chairman
25 Nicolello and members of the Legislature, I

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2 would like to thank you for this honor and
3 this recognition. This is the work that the
4 men and women of the Nassau County Police
5 Department do every day.

6 It often goes unrecognized as we
7 go from call to call but this is why we are
8 here, to serve the public and protect the
9 public. This fortunately for us was caught
10 on video and the public was able to catch a
11 glimpse into what we do every day.

12 This is the kind of great things,
13 the sort of great thing that goes on in
14 communities across the United States each
15 and every day.

16 Again, I would like to thank you
17 for this recognition and this honor and we
18 appreciate you having us here today.

19 CHAIRMAN NICOLELLO: Anyone else?
20 Pat.

21 MR. MCDERMOTT: One last thing.
22 I was remiss. I didn't announce all the
23 officers' names. They were Police Officer
24 Michael Vergano, Michael O'Brien, Steven
25 Liguori, and Edward Hocter. Thank you,

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2 guys. You are the best.

3 CHAIRMAN NICOLELLO: I would like
4 to invite the officers up for a presentation
5 from the entire Legislature.

6 We also have a presentation today
7 for the detective top cop of January 2018.

8 I would like to invite up John
9 Wighaus, DAI and maybe ask Commissioner
10 Ryder to stand around.

11 MR. WIGHAUS: I'm John Wighaus,
12 President of the Nassau County Detective's
13 Association.

14 I would like to thank Presiding
15 Officer Nicolello, Minority Leader Abrahams
16 and the Full Leg for honoring our detectives
17 today.

18 Today we have Detective Gary
19 Ferrucci and Detective James Malone from the
20 homicide squad.

21 On November 9, 2017, a 21 year
22 old dental student was driving eastbound on
23 Hempstead Turnpike in Levittown and was
24 turning into a Stop and Shop parking lot.

25 A red truck was exiting the

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2 parking lot and a minor collision occurred
3 between the two vehicles.

4 The female contacted her mother
5 by cell phone and approached the male driver
6 of the red truck. The male in the red truck
7 preceded to leave the scene of the accident
8 without exchanging information. The female
9 victim was next to the truck, fell to the
10 ground and received debilitating head
11 injuries and later died at a local hospital.

12 Detective Gary Ferrucci and
13 Detective James Malone conducted and
14 extensive investigation to ascertain the
15 identity of the subject responsibility for
16 the fatal collision. Using all the
17 investigative tools available to them, the
18 detectives successfully identified and
19 arrested the subject.

20 It is with great pride that we
21 are here to honor Detectives Ferrucci and
22 Malone.

23 I, again, would like to thank the
24 Full Leg for your continued support of the
25 Nassau County Police Department. Thank you.

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2 ACTING COMMISSIONER RYDER: The
3 night of that tragic accident, I happened to
4 be up at the hospital with the father and
5 the family and he extended his thanks and
6 again when we met him a couple of weeks
7 later, again, thanks to the police
8 department for the great work they did.

9 It's tough when you have these
10 types of situations you don't know which way
11 to address somebody but this gentleman
12 couldn't have been more supportive of law
13 enforcement as all of you are.

14 That night we received more crime
15 stopper tips in the history of Crime
16 Stoppers.

17 So the public came out and did
18 the right thing. We used the signage that
19 was provided by this committee here that we
20 were able to put forward and purchase and it
21 just shows you how engaged we are with our
22 community and, again, getting them involved
23 to help us.

24 One thing on a lighter note, I
25 know, Jeff, it's your birthday, and

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2 Detective Ferrucci, who has 48 years in the
3 police department, doubles your age. So
4 happy birthday and congratulations to all of
5 them. Thank you.

6 CHAIRMAN NICOLELLO: Thank you,
7 Commissioner, and we are very happy to have
8 extended the top cops to the detectives.

9 I think doing this every month
10 just shows, and I'm sure actually there were
11 many many other incidents and activities
12 that you could choose from, but the fact
13 that we are doing this every month and the
14 fact that we have men and women that come
15 before us shows us the work that our Nassau
16 County Police Department is doing.

17 Great work in apprehending the
18 suspect as well as bringing some closure to
19 the family of the victim.

20 Gentlemen, do you want to say a
21 few words?

22 DETECTIVE FERRUCCI: First off,
23 thank you for having us today and we
24 appreciate the opportunity to let you know
25 exactly what transpired in this case.

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2 A very young girl, a student was
3 on her way home and was involved in a very
4 minor traffic accident. We see her trying
5 to exchange information and we see her on
6 the video trying to speak to the driver.
7 And then she goes out the picture. And
8 unfortunately out the picture for good.

9 We, and our commanding officer
10 Lieutenant Fitzpatrick, and many many
11 members of the homicide squad, and the
12 vehicular crimes of the Nassau County
13 homicide squad, and of course all the
14 detectives put their heads together to bring
15 this to a complete and utter conclusion with
16 the arrest of Mr. Coppola.

17 We thank you for the resources.
18 We thank you for the opportunity to do what
19 we do, and we thank you for the new
20 commissioner. Thank you much

21 CHAIRMAN NICOLELLO: Legislator
22 Ferretti.

23 LEGISLATOR FERRETTI: Thank you,
24 Presiding Officer. Just a quick extra thank
25 you to Detective Ferrucci and Malone. This

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2 incident happened right around Thanksgiving
3 in Levittown and it really rattled the
4 Levittown community.

5 With the resources at hand, the
6 detectives did a phenomenal job with so
7 little. I saw on the Internet the small
8 amount of video that they were privy to and
9 to be able to successfully apprehend this
10 person who allegedly committed this heinous
11 crime, I really want to commend both of
12 these detectives for the great work they've
13 done for the Levittown community. Thank
14 you.

15 CHAIRMAN NICOLELLO: We have a
16 point of personal privilege from our
17 Minority Leader.

18 LEGISLATOR ABRAHAMS: Thank you,
19 Presiding Officer Nicolello. Some of you
20 may have heard me talk about our efforts
21 over the last seven or eight years in
22 regards to providing a great holiday season
23 for residents in Nassau County that are not
24 able to achieve it for financial means.

25 This year we had our biggest and

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2 largest and most successful because of the
3 people I want to bring up and recognize
4 today. I'm going to ask them to come up,
5 Alexandra and the group of folks, please
6 come up now to the podium.

7 These group of people, for the
8 last seven or eight years, we have always
9 hosted an annual day of giving.

10 Many thanks to -- I don't know if
11 Jimmy McDermott is still here but the PBA,
12 the DAI, the SOA have been great partners in
13 getting us thousands and thousands of toys
14 over the years so we can brighten the
15 holidays for many families.

16 What these toys have done is
17 generate more events for us. We were able
18 to host a toy parade. Obviously with the
19 help of the PBA, we are able to do a
20 shopping spree extravaganza. It's been
21 tremendous with their efforts. I just
22 wanted to recognize them today and obviously
23 Alexandra, I think you're going to say some
24 words on behalf of the group.

25 I want to recognize them today as

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2 a point of personal privilege so that they
3 can be recognized for their work.

4 They do this obviously just by
5 the kindness of their hearts, it's
6 tremendous, given so many opportunities for
7 so many families to be able to enjoy the
8 holiday season that wouldn't be able to
9 achieve it already.

10 And literally, throughout our
11 office, thanks to my office staff we have
12 been able to administer hundreds and
13 hundreds of toys just in this holiday season
14 to so many unfortunate families.

15 Thank you again so much from the
16 bottom of our hearts and Nassau County
17 residents' hearts as well. Thank you again.

18 MS. NIGOLIAN: This year the
19 police foundation partnered with Toys and
20 Hope Foundation and the police department to
21 give away over a thousand toys on December
22 2nd for a toy parade and also to the
23 generosity of our board member Neil Friedman
24 and his company Alex Branz that donated
25 hundreds of toys.

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2 We gave toys away in Freeport,
3 Uniondale, Hempstead and Roosevelt, and a
4 great day when the police were able to
5 interact with the community and in addition
6 we also did our partnership with the PBA,
7 DAI, SOA for a holiday toy giveaway at
8 Maddy's Toy store right before the holidays.
9 I want to thank them for all their support
10 and for helping us to make many of the
11 families in Nassau have a much better
12 holiday season.

13 LEGISLATOR ABRAHAMS: Anyone
14 else? Please.

15 SPEAKER FOR MADDY'S TOY STORE: I
16 just want to make a comment because I have
17 been doing toys for about 40 something
18 years, not quite 48 but close, and one thing
19 we always do as an industry is we always
20 give back to the communities because where
21 we make our money is obviously selling toys
22 but giving back to the communities and
23 putting smiles on the faces on those that
24 are under privileged are way too important.

25 We really thank you for

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2 recognizing us but it's really the right
3 thing for us to do and that's why we do it.
4 Thank you.

5 LEGISLATOR ABRAHAMS: If anyone
6 else?

7 MS. DOKTOFSKY: Hi. I'm Melissa
8 from Toys For Hope. I would just like to
9 thank all of you, especially the police
10 department and the police explorers, all the
11 legislative people involved from the County
12 Executive to the Commissioner to every one.
13 It's a team effort to distribute the amount
14 of toys we distributed on that one
15 particular day, a parade about 3,000 toys.

16 I saw Legislator Abrahams at
17 Turtle Hook another time where we gave
18 another thousand toys there. It's a
19 community that really cares and it's great
20 we all come together like this. We did it
21 together and we will keep doing it.

22 The police department, police
23 foundation, all of the participating
24 sponsors, Tella and Pacific Link and all of
25 them just -- it's a collaborative effort so

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2 we all need to be applauded for doing this.
3 Thank you so much for this opportunity.

4 LEGISLATOR ABRAHAMS: Thank you,
5 Melissa. I just want to summarize by
6 saying, so you have an idea of the massive
7 amount of toys that we had. We had eight
8 pallets and it weighed over 3,000 pounds.
9 That's from Alex Branz.

10 I just want to continue to thank
11 them. I have some tokens of our
12 appreciation on behalf of Nassau County,
13 some citations that we will present in the
14 back so we do not belabor the meeting
15 anymore.

16 But thank you Presiding Officer
17 Nicolello and thank you to the entire
18 legislature and the public for indulging us.
19 Thank you again.

20 CHAIRMAN NICOLELLO: We will do a
21 number of appointments which I will be
22 calling right after public comment. Except
23 one, I will be calling now, and she is the
24 supervisor of the Town of Hempstead to
25 continue her duties, but I would like to

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2 call Item Number 9 which is a resolution to
3 confirm the County Executive's appointment
4 of Laura Gillon to the Long Island Regional
5 Planning Council.

6 LEGISLATOR KOPEL: So moved.

7 LEGISLATOR ABRAHAMS: Second.

8 CHAIRMAN NICOLELLO: Moved by
9 Legislator Kopel, seconded by Legislator
10 Abrahams. Supervisor Gillon, would you like
11 to say a few words?

12 SUPERVISOR GILLON: Good
13 afternoon. I'm honored and excited about
14 this appointment. I hope you will support
15 it. I look forward to working with my
16 colleagues on the town board and you my
17 colleagues in the legislature on the county
18 level to really bring new economic
19 development to this region that is needed
20 and bring great things to keep our tax base
21 expanded and to keep our millennials and our
22 retirees here in Nassau County and on Long
23 Island.

24 CHAIRMAN NICOLELLO: Thank you,
25 supervisor, and we look forward to working

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2 with you as well and all the other things
3 that you mentioned are certainly a priority
4 of ours as well.

5 CHAIRMAN NICOLELLO: Do we have
6 any questions for the supervisor?

7 (No verbal response.)

8 All those in favor signify by
9 saying aye.

10 (Aye.)

11 Those opposed?

12 (No verbal response.)

13 Carries unanimously.
14 Congratulations.

15 We have a number of slips for the
16 public comment period, just, again, ask that
17 you keep your remarks within three minutes.
18 When you approach we will ask you to sum up.
19 If you do it assists in terms of making sure
20 every one gets a chance to speak today.

21 Our first speaker is Valerie
22 Anderson Campbell of the Long Island
23 African-American Chamber of Commerce.

24 MS. CAMPBELL: Good afternoon.
25 My name is Valerie Anderson Campbell, the

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2 Nassau County director for the Long Island
3 African American Chamber of Commerce.

4 To my right is our deputy
5 director Elizabeth Wellington and to my left
6 is our Nassau County training coordinator
7 for Nassau County.

8 Our chamber has been together for
9 seven years. We are working with the
10 chamber to be an advocate for the small
11 businesses in our community. We are working
12 with Legislator Bynoe on her bond security
13 program.

14 We are also working on working
15 with the comptroller. We meet six times a
16 year to work with to bring procurement
17 opportunities to our small business owners,
18 minority as well as the minority service
19 veterans.

20 So we would like to extend a
21 working relationship with the Legislature to
22 do the same to work on these programs and
23 bring opportunities, procurement
24 opportunities to our communities. That's
25 it.

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2 LEGISLATOR FORD: Thank you very
3 much for taking the time to come and speak
4 with us in regard to your chamber. I look
5 forward to meeting with I'm sure with
6 Legislator Bynoe, with her leadership in
7 this area too, perhaps we can even help you
8 to expand your presence here throughout
9 Nassau County because you provide
10 opportunities then for people to know how to
11 own businesses, how to grow with them, how
12 to make the right decisions to form a type
13 of business to make sure they stay
14 financially viable.

15 This is something that we are
16 looking forward to. I'm glad to hear you
17 even mention our veterans. This is
18 something that we been seemed to have had a
19 problem with in trying to bring it more to
20 the forefront.

21 I'm hoping that we can truly
22 establish a great working partnership with
23 all of you so we can move this forward and
24 have great success. Thank you.

25 LEGISLATOR BYNOE: Thank you,

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2 Presiding Officer. I would like to say
3 thank you for taking your time out to speak
4 with us today and to continue to dialogue
5 which is of utmost importance to the
6 minority business enterprise and also our
7 service disabled veterans.

8 I would like to implore my
9 colleagues that the Office of Minority
10 Affairs needs to be properly resourced in
11 order to do the work.

12 As we make appointments and deal
13 with the budgets and things of that nature
14 we have to make sure we are resourcing for
15 the future and for future our success.
16 Thank you.

17 CHAIRMAN NICOLELLO: Thank you.
18 Next speaker is Meta Mereday.

19 MS. MEREDAY: Meta J. Mereday,
20 Baldwin resident and advocate for service
21 disabled veteran owned and veteran owned
22 businesses.

23 I am very intrigued and quite
24 familiar with the chamber and I look forward
25 to working with them as well because we

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2 still have a number of challenges that need
3 to be addressed but I'm trying to be, as I
4 said before, optimistic in 2018.

5 Unfortunately we still have not
6 addressed the infrastructure in terms of the
7 numbers.

8 When we talk about procurement
9 and opportunities and things of that nature,
10 just like when you build a house, you still
11 have to have the infrastructure in place.

12 So we need the numbers. We need
13 to know exactly where do we stand to
14 determine where we can go.

15 As I had stated in previous
16 meetings that we are still looking at a
17 number that says Nassau County has 11,000
18 veteran owned businesses, but who are they,
19 where are they, and what is their capacity?

20 As I said, I have cards I will
21 exchange with that, and we, too, look
22 forward to seeing what is going to happen
23 with the minority affairs division,
24 department, committee, we don't know what
25 the configuration is but we hope it is a

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2 little better than what it was.

3 Parking parking parking for
4 visitors. This is a very app-pro-po because
5 we do have more people who are attending the
6 meetings. Now we encourage more residents
7 to come on a regular basis because it's
8 important to find out what is going on first
9 hand from those of you who are the stewards
10 of our tax dollars as opposed to waiting for
11 the news to break on in News 12 or in
12 Newsday.

13 Let's try to be more proactive
14 versus reactive. It can save us a lot of
15 money in the long run.

16 But parking is still an issue
17 here. Public safety is doing the best they
18 can but many residents like myself who have
19 health challenges and who have to chase all
20 around the neighborhood to make sure we are
21 not parking in restricted or county
22 designated areas when you see all the nicely
23 colored stickers in the visitors parking
24 that belong to county employees who have
25 other places that they can park.

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2 I have put this request out there
3 and once again I'm putting it out there for
4 notation.

5 Lastly, I would like to -- I
6 would hope that you all are looking at this
7 whole situation with regard to the borrowing
8 practices of the county, and you would look
9 at that a little bit more creatively because
10 we unfortunately have a number of
11 settlements that are coming up during the
12 course of this year. So I am hoping again
13 that you will be the proper stewards of our
14 funds and that we can look at other ways to
15 generate revenue as opposed to continuing to
16 be spenders. Thank you.

17 CHAIRMAN NICOLELLO: Just one
18 response. Public safety has actually come
19 to me and mentioned the issue with employees
20 parking in the visitors parking lot.

21 They are going to be taking
22 enforcement steps in the near future but
23 with the new administration coming in people
24 are just trying to figure out where they're
25 supposed to be, et cetera, it's more or less

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2 just a grace period, but public safety is
3 going to be taking more enforcement --
4 there's still going to be limited parking
5 but those spots designated as visitors we
6 anticipate those to be kept open in the
7 future.

8 MS. MEREDAY: Thank you. I
9 appreciate that.

10 CHAIRMAN NICOLELLO: Next speaker
11 is, one of our former colleagues, a good
12 friend, Legislator Fran Becker.

13 MR. BECKER: Good afternoon, Mr.
14 Chairman, Minority Leader and Legislators.
15 Back in October 19th there was an article in
16 Newsday entitled "unequal justice".

17 The article, I have not heard
18 anything about this article or any
19 discussion about it since that time and I
20 wanted to bring this to your attention.

21 The article speaks about policing
22 in Nassau County in particular the racial
23 disparity of people arrested, but I'm not
24 here to talk about that necessarily because
25 I think aggressive policing is very, very

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2 important and I think it benefits all
3 communities especially those who may be
4 problematic.

5 But one particular paragraph in
6 the article was concerning to me and it
7 reads: "A racial disparity on who goes to
8 jail despite guidelines for sentencing
9 consistency, non whites on Long Island wound
10 up behind bars far more than whites. In
11 Nassau, for example, 70 percent of felony
12 stop and frisk convictions involving non
13 whites receive jail time compared to 42
14 percent of whites.

15 Critics say that white drug
16 offenders especially those with private
17 attorneys benefit from certain courts in
18 sentencing methods that favor rehabilitation
19 instead of incarceration:

20 This struck me as wrong and there
21 is -- I feel that this body has the ability
22 and the authority and perhaps even the moral
23 obligation to look more deeply into this
24 issue, perhaps team up with the District
25 Attorney's Office because obviously, if

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2 somebody goes to jail, and they don't have
3 to, and it's for a felony conviction, that
4 can destroy their careers and obviously lost
5 job opportunities, the family being
6 destroyed because of it. I think this body
7 should investigate it and look into it
8 further. Thank you so much for your time
9 and have a great day.

10 CHAIRMAN NICOLELLO: Legislator
11 Bynoe.

12 LEGISLATOR BYNOE: Thank you,
13 Presiding Officer. Good afternoon, former
14 Legislator Honorable Fran Becker.

15 Your comments are timely in so
16 much that I have been working on that issue.
17 I have actually reached out to the District
18 Attorney's Office and we have conferred on
19 some dates to meet to discuss this further.

20 Not only for the reasons and my
21 heart is in it for the reasons you have
22 spoke so eloquently to at the microphone,
23 but I think there is a benefit to the county
24 at large if we were to look at how these
25 issues are dealt with is financial

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2 implications for people going to jail for
3 situations that really could be dealt with
4 alternatively.

5 So, I'm definitely on this issue.
6 We have done a considerable amount of
7 research and partnering with Madeline
8 Singas' Office to move it forward so thank
9 you for bringing it up.

10 CHAIRMAN NICOLELLO: Any other
11 legislators?

12 (No verbal response.)

13 Linda Leonard.

14 MS. LEONARD: Good afternoon. I
15 see there are some new members here and I
16 would like to say welcome and
17 congratulations, I guess.

18 As you've heard, not yet today,
19 but you have heard from several individuals
20 on our coalition, as a Christmas present,
21 youth service agencies were delivered a year
22 end Christmas present of a 25 percent cut.

23 Our contracts which had already
24 been processed were pulled back and we had
25 to do new contracts for nine months thus

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2 delaying the whole system of advances and
3 seeing money.

4 My point is to tell you that
5 cutting youth services simply does not make
6 sense. Bottom line is it's just stupid.

7 Across the state, youth services
8 have had the reputation of being bats and
9 balls, but that's far from the case in
10 Nassau County.

11 In Nassau County, the youth
12 services really live up to the funding
13 stream that it's funded under which is the
14 youth development delinquency prevention;
15 YDDP.

16 Youth services in Nassau County
17 provide critical services to kids to keep
18 them out of trouble such as mental health
19 counseling, crisis intervention, suicide
20 prevention. Substance abuse counseling,
21 employment counseling, after school
22 programing and I could go on and on.

23 The cost of incarcerating a young
24 person is well over \$200,000 compared to the
25 cost of youth services which is a pittance

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2 in Nassau County.

3 My agency, Long Island Crisis
4 Center, provides Nassau County residents
5 with the critical service of 24/7 free,
6 anonymous, confidential crisis intervention
7 and suicide prevention, any problem, any
8 time, anyone.

9 In addition we answer Nassau
10 County's substance abuse hotline. We
11 provide intake for the county's mobile
12 crisis unit, and we are the entry level for
13 Nassau County's runaway homeless system
14 among other services.

15 The counseling is provided by
16 highly trained volunteers who go through
17 nine months of training.

18 That service alone saves the
19 county half a million dollars. So that's
20 half the cut right there; half a million
21 dollars.

22 Long Island Crisis Center also
23 saves millions of dollars each year in
24 preventing unnecessary trips to ER and to
25 911. The afternoon started off with a clip

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2 of a man that was valiantly rescued by the
3 police.

4 It's not unlikely that Long
5 Island Crisis Center might have been the
6 agency that first got that call and notified
7 the police to do the intervention.

8 Quite simply it comes down to pay
9 now or pay later. The old adage is right,
10 in many ways, no matter how you look at it,
11 an ounce of prevention is worth a pound of
12 cure.

13 Cutting youth services does not
14 make any sense or C-E-N-T-S. Thank you.

15 CHAIRMAN NICOLELLO: Thank you,
16 Linda. Legislator Drucker.

17 LEGISLATOR DRUCKER: Thank you
18 very much for that, by the way. I had the
19 pleasure this morning of meeting with Tom
20 Bruno the executive director. Maybe I will
21 let him speak first.

22 CHAIRMAN NICOLELLO: Fair enough.
23 Tom Bruno, Hicksville Boys Girls Club,
24 Coalition of Youth Services.

25 MR. BRUNO: Good afternoon

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2 everyone. I'm back again. I hate to say it
3 but as Linda had mentioned, we were given a
4 very early Christmas present that we were
5 very unhappy to receive.

6 The 25 percent cut that we are
7 going to be receiving in funding is going to
8 be very disruptive to our system.

9 In the past, we always got a one
10 year contract and we were given the 25
11 percent cut or whatever kind of a cut was
12 given to us.

13 This year we got a nine month
14 contract. Not only that, also our advance
15 is going to be 25 percent less than what it
16 normally would be because of this budget
17 cut.

18 What's happening now is employees
19 of the agencies have been told by their
20 executives that they may not have a job in
21 September.

22 So what's happening is, we are
23 losing people who have dedicated their lives
24 to this profession of youth services because
25 they need to work.

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2 So now we're put in this position
3 of trying to hire people who may be leaving
4 and hiring folks with the assumption that in
5 September they may not have a job to go to.

6 This is critical for us. We have
7 been here many times and this is the first
8 time we ever faced this situation like this.
9 Because our contract started so late, we may
10 not see our advances until maybe if we're
11 lucky April maybe May.

12 So that means that we will be
13 getting no money from the county -- well,
14 shouldn't say no money whatever we haven't
15 spent or gotten back from last years
16 contract, we may not get money for this new
17 advance it's, like I said, maybe April,
18 maybe May.

19 This is devastating. We're
20 trying to run a business. We're trying to
21 support the county. We are trying to
22 provide services to the most needy people in
23 our communities. We need your help to make
24 sure that this money gets restored as soon
25 as possible.

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2 We're losing people. My agency
3 runs an after school program that services
4 anywhere from 40 to 70 kids every afternoon.

5 During the summer we probably
6 have 50 to 80 kids coming in every day from
7 12 o'clock to 8 o'clock every evening.

8 Now, in September, when school
9 starts up again and parents are going to be
10 looking for the after school programs
11 because they're working, we're going to have
12 to tell them that there may not be an after
13 school program this year because we only
14 have a nine month contract.

15 So what happens to these kids,
16 where do they go, do they go to the streets?
17 So we really need your help more than ever
18 before to restore this much needed funding
19 to us. Thank you for listening.

20 CHAIRMAN NICOLELLO: Thank you,
21 Tom. Legislator Drucker.

22 LEGISLATOR DRUCKER: Thank you,
23 Presiding Officer. Tom, it was great
24 meeting with you this morning. By the way,
25 I was also meeting with you on behalf of

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2 Legislator Schaefer and Legislator Walker
3 who couldn't be there who also share in my
4 district in Hicksville. You do tremendous
5 things.

6 I have a secretary who, thank God
7 for your programs, has been able to work for
8 me full time for 18 years because she sends
9 her boys, three boys, to your programs over
10 the years and they have been fantastic.
11 It's true.

12 And as your colleague has
13 outlined, your programs actually have a
14 measurable preventative active. Not only in
15 society but also economically for this
16 county and we need recognize that going
17 forward and, as I told you, we will do our
18 best to see what we can do.

19 We have challenging times but you
20 know your programs are what you provide for
21 the community and for Nassau County overall
22 is something that needs to be protected and
23 secured. I know I'm shared on both sides of
24 the aisle by this so we're going to do what
25 we can for you.

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2 MR. BRUNO: Thank you.

3 CHAIRMAN NICOLELLO: Legislator
4 Rhoads.

5 LEGISLATOR RHOADS: Thank you,
6 Mr. Presiding Officer. Tom, I just wanted
7 to say again, I know we had the opportunity
8 to speak I believe last week.

9 I want you to understand that in
10 last year's budget the County Legislature
11 fully funded youth services and,
12 unfortunately, as a result of NIFA's
13 mandatory imposed cuts, it created an issue
14 for youth services across the board as well
15 as many other agencies.

16 It's unfortunate. I think the
17 very first thing we can do to protect youth
18 services is to make sure we can get out from
19 under NIFA's control. I think that would be
20 the first thing.

21 I want you to know that when the
22 majority caucus had the opportunity to meet
23 with county executive Curran two weeks ago,
24 I believe the discussion about restoring the
25 cusp of youth services was the second item

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2 on agenda.

3 So I want you to know that it's
4 in the forefront of our thoughts and I know
5 that from our side of the aisle and I'm sure
6 from the other side of the aisle its an
7 absolute priority.

8 I think you are, when you talk
9 about proactive and reactive in terms of law
10 enforcement, really, our youth services are
11 the proactive portion of law enforcement as
12 well as providing so many other vital
13 services.

14 So I want you to understand that
15 we are very concerned about what is
16 happening to youth services. Not only about
17 the length of your contract but also about
18 fully funding to make sure you can fulfill
19 your important mission.

20 So I want to thank you for being
21 here, I want to thank you and Linda Leonard
22 for coming and speaking and making sure this
23 issue remains in the forefront and I think
24 we'll be working diligently to make sure
25 that we have a solution that's palatable to

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2 all sides. So thank you very much.

3 MR. BRUNO: Thank you

4 LEGISLATOR WALKER: Tom, before
5 you go away, I just too want to thank you
6 for certainly meeting with Legislator
7 Drucker and for understanding why we weren't
8 there this morning. We definitely will set
9 up another meeting even if it's right in the
10 Boys and Girls Club.

11 I have the privilege of living
12 not so far from the Boys and Girls Club and
13 working with Tom for many many years before
14 I was ever elected official, I was always
15 involved in our youth activities in the
16 community which I still am very, very
17 involved in.

18 And, one thing Tom didn't
19 mention, was that I know that Tom has people
20 on his staff that were once our kids in
21 Hicksville Boys and Girls Club.

22 So they made sure that they came
23 and gave back to our communities. And I
24 know it's just not the Hicksville Boys and
25 Girls Club, it's in all our youth centers

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2 and all our youth groups that the kids do
3 the same thing.

4 So I just want to thank you for
5 being here and I know it's been said over
6 and over but I truly believe we are
7 certainly all on the same page and we just
8 have to make it happen. Thanks, Tom.

9 MR. BRUNO: Thank you.

10 CHAIRMAN NICOLELLO: Legislator
11 Bynoe and that'll be it.

12 LEGISLATOR BYNOE: Thank you. So
13 I see that George Sibberone is here amongst
14 the other youth organizations that are
15 present as well.

16 I would just say that having sat
17 in on a briefing with the state for the
18 Raise the Age, the single most important
19 component of that whole legislative endeavor
20 is to make sure that the young people have a
21 chance, that they get that second chance and
22 so the community service, the community
23 organizations that provide those services
24 for funding is essential.

25 It's my understanding that the

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2 state is going to be putting in some of that
3 funding. So I'm hoping that we don't just
4 restore the cuts that over time we're
5 actually able to elevate the funding that
6 comes to you so you can continue your
7 important work. Thank you.

8 CHAIRMAN NICOLELLO: Thank you.
9 Pete Gaffney.

10 MR. GAFFNEY: Good afternoon. My
11 name is Pete Gaffney and I reside in
12 Westbury, Long Island.

13 First I would just like to say to
14 the Legislative body here just good luck in
15 all your undertakings and, hopefully, one of
16 the primary goals is to get rid of NIFA.

17 The other thing I'd like to say
18 is kudos to the police commissioner for his
19 idea of developing the community council
20 which is going to be designed to develop and
21 reinforce trust between the police and the
22 community. I just hope that that doesn't
23 turn into another political group. What I
24 would like to see is more community
25 policing.

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2 Just one other thing, just back
3 to NIFA now is one way is, we already have
4 laws on the books where we can actually
5 generate revenues that would help Nassau
6 County get out of financial distress.

7 I mean, drivers today they are
8 ignoring all the rules of the road.
9 Excessive speeding 10, 20 miles an hour, I'm
10 sure everybody in this room, this chamber,
11 they've all seen it. They're not stopping
12 at stop signs, they're making illegal
13 U-turns on roadways, they cut through corner
14 stores to beat red lights ahead, not to
15 mention the talking and texting on all the
16 cell phones while driving et cetera.

17 Drivers today, they are just out
18 of control. It's all shapes and all sizes.
19 I mean young, old, men, women, it just seems
20 like they've got this Speed Racer, me first,
21 mentality. We need to stop that.

22 The other issue is, all of a
23 sudden it just seems to me that there seems
24 to be an inordinate amount of out-of-state
25 plates that are here in the county. It's

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2 creating lost revenue for not only the
3 county but for the state as well. I think
4 it would be very easy to turn around and
5 check these people that are actually not
6 paying taxes, not having proper insurance,
7 and, for example, right now there's only 17
8 states in the entire country that have no
9 fault insurance.

10 As a matter of fact, in New
11 Hampshire, they don't even have to have
12 insurance to register a car.

13 So the point is, by not enforcing
14 some of these laws, and, by the way, in New
15 York State the law is within 30 days, a
16 person working here must get a New York
17 State license.

18 By not enforcing these laws we
19 are doing a disservice to the people here
20 making our insurance rates go up, our taxes
21 go up, so on and so forth.

22 So, anyway, just thank you and
23 good luck in the future to this chamber.
24 All right. Thank you.

25 CHAIRMAN NICOLELLO: Thank you.

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2 Richard Clolery.

3 MR. CLOLERY: It's Clolery. Am I
4 on? Good. To the members of the
5 Legislature, another year has arrived with
6 the hopes that maybe we can find a way to
7 help restore funding for the buses and
8 restore the routes that were lost because of
9 the bus cuts.

10 I am well aware of the situation
11 between you, the legislature and NIFA, and I
12 know that you guys need money to correct
13 this problem.

14 Now, there is talk, if it's still
15 true, about using funds collected from
16 traffic tickets. That is a good start, but
17 I might have something decisively better,
18 seasonal item for the short term.

19 Collecting tickets from people
20 and businesses who do not believe in
21 properly shoveling their walks. You may be
22 wondering, why this insane request?

23 Well, for as long as I have been
24 here on Long Island, there has been a
25 decided problem. You see, where I used to

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2 come from, after the snowstorms, not unlike
3 the one we had recently, out came the
4 shovels and the salt and we shoveled our
5 walks.

6 Here, on the island, it seems to
7 me that very few people care about this sort
8 of thing because after a major snowstorm it
9 is almost impossible to find a safe path
10 without having to walk in the street.

11 This is especially true around
12 Hempstead Turnpike. Do you know what my
13 favorite nickname for Hempstead Turnpike
14 after a major snowstorm is? White reaper
15 way. Do you know why that is? Because
16 hardly anyone believes in shovelling the
17 sidewalks on Hempstead.

18 Do you know what happens when
19 this occurs? That's right, people will have
20 to walk in the streets and those sections of
21 Hempstead Turnpike where sidewalks have not
22 been properly shovelled, especially in the
23 areas where there seems to be no ownership.

24 I pity those people who have to
25 do this because there is no shoulder to

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2 safely walk on unlike the roads like
3 Newbridge Road. I pity them because one
4 mistake on the part of the driver could kill
5 these people.

6 It's not just for those people
7 who can walk but for people who are in
8 wheelchairs or people who use walkers or
9 other implements are especially vulnerable
10 because they have an almost impossible task
11 of getting to and from places without
12 serious help because of the snow.

13 I'm sorry. I know a go a little
14 bit fast. So, I am wondering, who is
15 responsible for enforcing the clearing of
16 snow on sidewalk rules in this county and
17 especially who is in charge of shovelling
18 the walks where the county has ownership
19 over?

20 Because from where I'm standing,
21 it seems like no one is doing their job and
22 the fact is it must be changed; whether it
23 is the town, the county, or both.

24 So what I am saying in my own way
25 is that you don't just serve drivers, you

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2 serve every one. So please try to find a
3 way to restore the bus lines and keep our
4 sidewalks safe for everyone. Thanks.

5 CHAIRMAN NICOLELLO: Joann
6 Borden.

7 MS. BORDEN: Good afternoon.
8 Happy New Year and congratulations on your
9 reelection and election. And especially
10 Mr. Nicolello in his new position.

11 I'm here once again to ask you to
12 add transgender people to the Human Rights
13 Commission Law.

14 Some people feel that the word
15 gender in our law implies our rights but
16 legal dictionaries define gender as the
17 state of being a man or a woman.
18 Unfortunately no mention of transgenderism.

19 The experience of New York,
20 Suffolk County and elsewhere proved laws
21 like ours leaves us totally vulnerable to
22 harmful discrimination.

23 Our proposed law simply defines
24 the word gender to include us and would
25 provide us with the protection like every

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2 one else in Nassau County.

3 In spite of the emotional burden
4 of keeping me, keeping my true self a secret
5 because of the shame and guilt cast on me, I
6 have adopted a male persona for 84 years and
7 was a good citizen who served in World War
8 II and voted in every election.

9 Then, eight years ago, I lost my
10 protection from harmful discrimination.

11 Suddenly, unexpectedly, all I did
12 was publicly declare who I always was.

13 Scientists explain that as soon as a child
14 recognizes boys and girls are different,
15 they don't pick a gender. Every child knows
16 it's gender intuitively, the same way that
17 every mammal knows its gender. No one
18 chooses a gender, it's built in and
19 automatic.

20 People who oppose transgender
21 equal rights fabricate excuses that given
22 rights we all harm women in rest rooms and
23 locker rooms. We will harm young girls and
24 invade their privacy. That is false.

25 All our neighbors, 23 million

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2 people and half the country, over 180
3 million people live with transgender rights
4 laws and we don't hear of a bad incident.
5 None.

6 If I had more time to speak, I
7 could present police reports to verify this.

8 There are to reasons to refuse my
9 request for a vote, only excuses.

10 Pass the Gender Human Rights Law.
11 There is no downside.

12 Thank you for listening.

13 CHAIRMAN NICOLELLO: Thank you.
14 Corrine Richardson.

15 MS. RICHARDSON: I'm Corrine
16 Richardson from Uniondale.

17 I am here to speak about the
18 buses that serve us. They don't run on
19 time.

20 Last Thursday I was on my way
21 going to take care of my sister who is sick
22 in Brooklyn. I leave my house at 12
23 o'clock. I stood outside until 20 minutes
24 to 2:00 and I am a tax paying person.

25 I feel like we should be served

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2 better and than we are getting now. I'm
3 asking the Legislature to look into our
4 transportation because it's bad. And I am a
5 senior citizen taking care of a senior
6 citizen.

7 So I was very upset because I
8 shouldn't have to stand out there that long
9 to wait for a bus to go to Brooklyn.

10 Now, when I'm coming back from
11 Brooklyn I get better served over there than
12 I do over here.

13 And we pay too much taxes. We
14 are not being taken care of properly. You
15 need to train your bus drivers. Some of
16 them. Not all of them because I been riding
17 a bus ever since 1963.

18 The ones that we now is very rude
19 to the passengers. They do not talk to you
20 right.

21 I got on the bus that same
22 afternoon to go to where I was going and the
23 bus driver was yelling at me, you didn't put
24 the proper change. Sometimes the fare box
25 does not read properly.

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2 I realize the bus driver have
3 jobs to do, but the thing about it is they
4 shouldn't blame us for things that not
5 working right.

6 I said to him, I said I put the
7 right change in. He said, you sure? I
8 said, yes, I did.

9 We get this all the time when we
10 are riding the bus. Argument, this can
11 create a lot of problems for the driver. It
12 can create a lot of problems for the
13 passengers. It's time for someone to really
14 start looking at our fair box on the bus
15 because it don't work properly and I take
16 the bus a lot. Thank you.

17 LEGISLATOR ABRAHAMS: Ms.
18 Richardson. Hold on one second. If you can
19 come back real quick. First and foremost,
20 we will look into the matter in regards to
21 the fare box and we will contact the
22 appropriate officials over at NICE bus.

23 I did want to ask you too, I
24 don't want to assume, what was the bus
25 actually 20 minutes late?

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2 MS. RICHARDSON: That's on the
3 55.

4 LEGISLATOR ABRAHAMS: So the
5 Jerusalem one. Okay. So you were trying to
6 connect from there and then go to Hempstead
7 terminal and then from there connect?

8 MS. RICHARDSON: Yes.

9 LEGISLATOR ABRAHAMS: To your
10 connection from the terminal to where you
11 were going into the city, that bus was there
12 on time?

13 MS. RICHARDSON: Yes. That was.
14 The N6 runs properly. But we have a lot of
15 problems with that 55 and 54

16 LEGISLATOR ABRAHAMS: I just
17 wanted to make sure. I had a feeling it was
18 the 55 and 54. I didn't want to assume.

19 MS. RICHARDSON: You know I
20 always complain about those buses.

21 LEGISLATOR ABRAHAMS: You have
22 been around for a long time.

23 MS. RICHARDSON: Yes, I lived on
24 that line for the last 43 years. And we get
25 less and less service and I think it's

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2 wrong.

3 LEGISLATOR ABRAHAMS: You can say
4 it, I'm 43 now, and I can tell that you that
5 that service I've used as a kid getting to
6 and from jobs as a teenager and used it for
7 college as well, so I can tell you it's been
8 around for a long, long time.

9 MS. RICHARDSON: My grandson lost
10 his job because he was trying to get to
11 work. What he did, he said, I'm tired of
12 Nassau County. Now he moved to New York
13 City. He's working there. He say it cost
14 me too much money and then we don't have the
15 transportation to get where we going. A lot
16 of people are taking cabs now in order to
17 get to work on time.

18 LEGISLATOR ABRAHAMS: That's
19 unfortunate. What I will do is, Presiding
20 Officer, we will reach out to NICE bus and
21 then I have all your information filled out?

22 MS. RICHARDSON: And we need
23 brand new buses also while we at it. Thank
24 you very much.

25 LEGISLATOR ABRAHAMS: You're

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2 welcome.

3 CHAIRMAN NICOLELLO: Joan

4 Franklin.

5 MS. FRANKLIN: My name is Joan
6 Franklin, a resident of Uniondale. I also
7 belong to We Are Concerned, that's the
8 organization in Uniondale.

9 That woman that left was one of
10 my colleagues who is a member. I'm very
11 concerned about the senior citizens. I'm a
12 senior citizen. Okay?

13 We're trying to help the senior
14 citizens in our district.

15 Why should the senior citizens
16 have to pay another senior citizen to get
17 transportation? Okay? They call me up all
18 the time and tell me their problems. I'm a
19 senior citizen so I know what is going on.

20 It's hard for them. If they have
21 a cane to get on the bus. This is Nassau
22 County. I'm quite sure you can afford to
23 get some vans in our district for senior
24 citizens. I get calls up to 11 o'clock but
25 that's okay. That's okay with me because

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2 I'm going to try to help the best way I know
3 how. And here they are, Joan, I don't have
4 this, I don't have that. I have to call
5 another senior citizen who has a car and he
6 will get paid by that senior citizen. Does
7 that make sense? Because they did a lot for
8 this country. They built a lot with their
9 bare hands. This is not fair.

10 This is my neighborhood. I want
11 better things in my neighborhood even for my
12 children. The children.

13 It doesn't make sense that they
14 got to go around paying other seniors to
15 take them to shopping and everything. What
16 has this country come to?

17 Now, we wonder if we can get some
18 kind of help like vans to pick them up so
19 they can go shopping. Bellmore has it.
20 They got the vans. You should see them
21 they're nice vans. They take them around
22 Roosevelt Field. They go to the rack and
23 stuff.

24 Here we are, we have nothing.
25 The people get on the bus, they got the

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2 canes and the bus, like she says, is not
3 that great. So is there anyway that we can
4 get some kind of grant or something to get
5 vans and stuff for our district?

6 LEGISLATOR ABRAHAMS: Thank you,
7 Presiding Officer. How are you,
8 Ms. Franklin? Yes, we can definitely look
9 into it. The vans that you are talking
10 about that are in Bellmore, those are not
11 NICE vans, you're talking about?

12 MS. FRANKLIN: Regular vans. I
13 already called them up. They told me call
14 and ask for legislators or whatever.

15 LEGISLATOR ABRAHAMS: But they're
16 not sponsored or operated by NICE?

17 MS. FRANKLIN: No.

18 LEGISLATOR ABRAHAMS: So it could
19 be a county initiative; could be a town
20 initiative. I was talking to Legislator
21 Bynoe. I know up in North Hempstead they
22 have a Project Independence which gives
23 seniors some independence not to rely on
24 their friends.

25 We can take a look into that

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2 operation. We can reach out to the folks in
3 the county to see if there are any types of
4 resources or what it would take to be able
5 get a program up and running.

6 MS. FRANKLIN: We really need it.

7 LEGISLATOR ABRAHAMS: Absolutely.

8 MS. FRANKLIN: Thank you.

9 LEGISLATOR ABRAHAMS: Thank you,
10 Ms. Franklin.

11 CHAIRMAN NICOLELLO: Thank you,
12 Ms. Franklin. That concludes our public
13 comment portion of our meeting. Thank you,
14 ma'am.

15 We are going to jump into our
16 business part of our calendar.

17 What I'm going to do is call the
18 appointments first since they are here. We
19 expect that Mr. Kasschau will probably
20 generate the most questions so we will leave
21 you to last and do the other ones first.

22 So let's start with number ten,
23 resolution number five of 2018, a resolution
24 to confirm the County Executive's
25 appointment of Robert Kennedy to the Long

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2 Island Regional Planning Council.

3 LEGISLATOR RHOADS: So moved.

4 LEGISLATOR KENNEDY: Second.

5 CHAIRMAN NICOLELLO: Moved by
6 Legislator Rhoads, seconded by Legislator
7 Kennedy. I know that Mayor Kennedy could
8 not be here with us today. But does anyone
9 have anything to say or a comment? Sure, go
10 ahead.

11 LEGISLATOR ABRAHAMS: Thank you,
12 Presiding Officer Nicolello. I know Mayor
13 Robert Kennedy could not be here today.

14 I actually spoke to him some time
15 last week he had a previous engagement. As
16 we considered with Supervisor Gillon, I
17 think the mayor would be a great addition to
18 the board and I look forward to voting for
19 his appointment to the board as well. He
20 provides a wealth of experience being also a
21 resident of Freeport which I share with
22 Legislator Rhoads and Legislator Mule.

23 I can tell you that the mayor has
24 a broad vision for economic development.
25 Some of the businesses he's been working to

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2 attract and some of the corridors he's
3 looking to focus on, I think his input would
4 be extremely valuable to this process and to
5 this board as well.

6 CHAIRMAN NICOLELLO: Legislator
7 Mule

8 LEGISLATOR MULE: Yes, thank you.
9 I would just like to concur with what
10 Minority Leader Abrahams said. I believe
11 that Mayor Kennedy will bring a wealth of
12 knowledge and experience that will be very
13 valuable to this committee and I look
14 forward to voting yes.

15 CHAIRMAN NICOLELLO: Any other
16 legislators?

17 LEGISLATOR RHOADS: I certainly
18 concur with my colleagues. Mayor Kennedy
19 has dedicated himself to an outstanding
20 working relationship with both sides of the
21 aisle.

22 His experience and input is
23 certainly invaluable on a variety of our
24 topics that have come across our respective
25 desks over the years. I certainly think he

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2 is going to be a benefit to the community.

3 CHAIRMAN NICOLELLO: Any further
4 comments?

5 (No verbal response.)

6 Is there any public comment?

7 (No verbal response.)

8 All those in favor signify by
9 saying aye.

10 (Aye.)

11 Those opposed?

12 (No verbal response.)

13 Carries unanimously.

14 Congratulate Mayor Kennedy for us.

15 Item 11, Resolution Number 6 of
16 2018, a resolution to confirm the County
17 Executive's Appointment of Gabriella
18 Castillo to serve as executive director of
19 the coordinating agency for Spanish
20 Americans.

21 LEGISLATOR WALKER: So moved.

22 LEGISLATOR ABRAHAMS: Second.

23 CHAIRMAN NICOLELLO: Moved by
24 Legislator Walker, seconded by Legislator
25 Abrahams. The item is before the committee.

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2 Ms. Castillo.

3 MS. CASTILLO: Good afternoon to
4 all. Thank you for allowing me this space.
5 I would like to just let you all know that
6 CASA is absolutely a critical resource for
7 our county in particular for a rapidly
8 growing demographic that I'm sure are part
9 of many, if not all of your respective
10 districts.

11 I come from 10 years of the
12 nonprofit sector working with this
13 population, the immigrant population, in
14 general, and I hope I can be a resource to
15 you all in order to meet the needs of all
16 your constituents.

17 CHAIRMAN NICOLELLO: Thank you
18 very much. Any questions?

19 (No verbal response.)

20 Is there any public comment?

21 (No verbal response.)

22 All those in favor signify by
23 saying aye.

24 (Aye.)

25 Those opposed?

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2 (No verbal response.)

3 The appointment carries
4 unanimously. Congratulations.

5 Item 12, Resolution 7 of 8, a
6 resolution to confirm the County Executive's
7 reappointment of Kenneth Arnold to the
8 position of Commissioner of Department of
9 Public Works.

10 LEGISLATOR MUSCARELLA: So moved.

11 LEGISLATOR DRUCKER: Second.

12 CHAIRMAN NICOLELLO: Moved by
13 Legislator Muscarella, seconded by
14 Legislator Drucker. Item is before the
15 committee.

16 MR. ARNOLD: Good afternoon.
17 It's a great honor to be considered for this
18 position and I look forward to putting my 30
19 years experience in the department to good
20 use, to maximize resources for the
21 constituents of the county. Thank you.

22 CHAIRMAN NICOLELLO: Thank you,
23 Mr. Arnold. I can speak for myself and I
24 think my caucus that we wholeheartedly
25 support your nomination.

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2 You've been a dedicated
3 responsive public servant. You have a very
4 difficult job to fulfill I believe, with the
5 loss to attrition of many employees and
6 resources, but I think you are a good man
7 for the job and good luck. Legislator
8 McKeivitt.

9 LEGISLATOR MCKEVITT: Yes,
10 Commissioner, I just want to thank you for
11 the time when you sat down with me and we
12 were able to speak about some of the issues
13 of your department, particularly with the
14 239F process, when a person has an
15 altercation on a county road.

16 Again, I want to thank you for
17 your time and consideration. I look forward
18 to working with you in the future to
19 streamline that process so we can get some
20 developments for this project from the
21 county to fruition. Thank you.

22 CHAIRMAN NICOLELLO: Legislator
23 Walker

24 LEGISLATOR WALKER: I too just
25 want to say, I look forward to continuing to

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2 work with you. You've always been a
3 pleasure and you've always been there for
4 any questions or any help I have needed in
5 my past eight years here on the Legislature.
6 I know that that will continue.

7 You have done a great job and you
8 will continue to do a great job being at the
9 top of the pack now. So thank you.

10 CHAIRMAN NICOLELLO: Minority
11 Leader Abrahams.

12 LEGISLATOR ABRAHAMS: Thank you.
13 Ken, I just want to echo the responses of my
14 colleagues that spoke before me.

15 We look forward to voting for
16 your confirmation today.

17 I just ask as you step into this
18 role obviously with new eyes and fresh
19 vision, that you consider better ways that
20 we can inform the public of projects that
21 are going on in their areas, especially the
22 road projects. Maybe we can publicize it on
23 our website, update people a little bit more
24 frequently so they don't wake up one morning
25 and they see their road is grazed or getting

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2 ready to be repaved.

3 Obviously I would love to open up
4 a mechanism where residents in addition to
5 the legislators have an opportunity to share
6 their concerns and maybe even have a way
7 where if a pothole or a road repair or
8 something that was minor was addressed, some
9 way where they can get the feedback.

10 If they report it and give their
11 number and email maybe this way they can get
12 the information in a more responsive way so
13 they can see that the work has gotten done.

14 Just different ways that we can
15 show that we are a little bit more forward
16 thinking. I think you are up for the task.
17 I have known you now for quite some time.

18 As I said before, we look forward
19 to your confirmation and we look forward to
20 a breath of fresh air in the department as
21 well.

22 CHAIRMAN NICOLELLO: First
23 Legislator Drucker and then Legislator
24 DeRiggi-Whitton.

25 LEGISLATOR DRUCKER: Thank you,

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2 Presiding Officer. I echo every one else's
3 sentiment as well.

4 Do you anticipate implementing
5 any changes though as we go forward? From
6 our side of the aisle and the caucus, there
7 seems to be always something we need to get
8 involved with your office about, so
9 obviously communication is paramount, and
10 getting the word to us via constant
11 communication, a streak of emails, et
12 cetera, and what we can relate to our
13 constituents is so helpful.

14 So I'm just curious, are you
15 planning on implementing any changes in your
16 office, what are your biggest challenges
17 going forward?

18 MR. ARNOLD: Well, one change
19 we've already talked about on my staff is
20 I've assigned my secretary to focus on
21 legislative give and take and keeping track
22 of what your needs are. That was one thing.
23 I like to be proactive not reactive.

24 So in that case we are looking to
25 catalog all your concerns and complaints and

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2 needs and try to stay on top of them with
3 the resources I have, understanding that
4 resources is an issue on occasion.

5 In addition, I'm looking, and
6 I've talked to Sean Salley who will be my
7 deputy for planning how we can look to look
8 at roadways and plan the big picture and not
9 react to each individual problem the roadway
10 has.

11 So we go into a roadway, look at
12 all the needs of the roadway whether it's
13 traffic, pedestrians, the roadway, do a
14 complete look at the roadway and not going
15 back to the same project.

16 LEGISLATOR DRUCKER: Well, we
17 look forward to that type of improvement
18 certainly.

19 CHAIRMAN NICOLELLO: Legislator
20 DeRiggi-Whitton

21 LEGISLATOR DERIGGI-WHITTON:
22 Thank you. It's quite obvious that every
23 one loves Ken Arnold.

24 I have to say, if you look back
25 at the last few years, the majority of

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2 problems that the county has had, that ended
3 up making us all look terrible, really did
4 come through DPW sometimes, different
5 contracts and things like that.

6 I have faith in you, Ken. I just
7 need you, as you know, just to just look at
8 everything and hopefully with the
9 procurement process being changed to really
10 make sure these contracts are truly vetted
11 and, if you ever have any questions or help
12 you on this end, we are there 100 percent,
13 but are looking forward to feeling proud of
14 everything and I hope you're a big part of
15 that. So thank you.

16 CHAIRMAN NICOLELLO: Legislator
17 Walker.

18 LEGISLATOR WALKER: Quick
19 question. I don't even remember what it was
20 called, we had some kind of program
21 regarding the pot holes. We had that
22 horrible horrible winter. And anybody could
23 put information about a pothole, kind of
24 joint with the other municipalities too, it
25 might not have been a county road, but the

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2 county would know, the town or the state.

3 MR. ARNOLD: There was an
4 application for that, for people to enter
5 their issues. I will find out the current
6 status of that application, but, yes, people
7 can submit pothole complaints and they go
8 straight to our maintenance office and they
9 will dispatch within 24 hours a crew to
10 address. I will double check to see if
11 that's the way it still operates.

12 CHAIRMAN NICOLELLO: Legislator
13 Gaylor

14 LEGISLATOR GAYLOR: So, in
15 relation to the pothole repair app, I
16 believe you do have a phone number, 571-6900
17 which is the pothole repair line that's
18 manned. It's the number I call when there
19 is a pothole that has to be repaired. In
20 addition the emails are going to go to you
21 as well.

22 I think there are some systems
23 out there you can fine tune or tweak to
24 improve communications with our residents so
25 that they feel there's a responsiveness from

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2 the county for these kind of issues. Thank
3 you.

4 CHAIRMAN NICOLELLO: Hearing no
5 other questions, any public comment?

6 (No verbal response.)

7 All those in favor signify by
8 saying aye.

9 (Aye.)

10 Those opposed?

11 (No verbal response.)

12 Passes unanimously.

13 Congratulations, Mr. Arnold.

14 Item 13, resolution number 8 of
15 2018 is a resolution to confirm the County
16 Executive's appointment of Eileen Krieb to
17 the position of County Parks, Recreation,
18 and Museum Commissioner.

19 LEGISLATOR DERIGGI-WHITTON: So
20 moved.

21 LEGISLATOR WALKER: Second.

22 CHAIRMAN NICOLELLO: Moved by
23 Legislator DeRiggi-Whitton, seconded by
24 Legislator Walker. The item is before the
25 committee.

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2 MS. KRIEB: I want to thank you
3 for taking the time to consider this
4 position for me as commissioner of Nassau
5 County Parks.

6 I had the pleasure of working
7 with many of you over the past few years and
8 I look forward to working with you on future
9 projects that you have in your areas as well
10 as working with the new members of the
11 Legislature.

12 CHAIRMAN NICOLELLO: Ms. Krieb,
13 we've also had the pleasure of working with
14 you over the last few years, answering our
15 questions, very responsive, and always here.
16 We appreciate that.

17 I have a couple of questions or
18 just areas which of course starts off with
19 the contracts and the number of late
20 contracts that we have particularly out of
21 parks.

22 So I would ask your assurance
23 that that will be a high priority in your
24 administration or of the parks system to get
25 those contracts up to speed as much as

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2 possible.

3 MS. KRIEB: That will make life
4 are much easier for us also, as you can
5 imagine, but we are already streamlining
6 that process and most likely working with
7 the County Attorney's Office to get some
8 additional language into four contracts to
9 expedite the process so that the entertainer
10 feels compelled to respond to us.

11 CHAIRMAN NICOLELLO: Secondly, I
12 was at an Irish American Center yesterday
13 and they were waiting to hear word of
14 whether we were going to continue the
15 concert series that we have in Eisenhower
16 Park. Is it your contention to continue
17 what has been a very successful and popular
18 series of concerts that we do?

19 MS. KRIEB: The concert series as
20 well as Lakeside and some of the smaller
21 parks that and we've done, some at Chelsea
22 Mansion, they are well accepted by all of
23 our constituents so definitely we are going
24 to continue with those.

25 We just met last week in trying

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2 to see within the budget restraints what we
3 can continue with and last Friday we were
4 given the go ahead to move forward with
5 considering bids for different types of
6 entertainment.

7 But there are many concerts that
8 there seems to be a real demand for that we
9 have the same large audience all the time so
10 of course we will be bringing those back and
11 giving everybody a different taste this year
12 also so we are in that process.

13 CHAIRMAN NICOLELLO: Any other
14 questions for Ms. Krieb? Legislator
15 Schaefer.

16 LEGISLATOR SCHAEFER: Since we
17 are on the topic of the theater, is there
18 any talk about any upgrades or is that not
19 within the budget? I'm just curious, the
20 Lakeside Theatre specifically.

21 MS. KRIEB: All the parks are
22 being assessed by the inspectors from DPW
23 and then I have been visiting those parks to
24 see what we can do to improvements for all
25 of our facilities. But Lakeside is a little

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2 outdated so we are looking for possible
3 revenue and sponsorships, naming rights,
4 something to that effect that could help us
5 get more funding into the facility itself
6 and help us bring in better shows and better
7 sound system and lighting and that type of
8 thing.

9 LEGISLATOR SCHAEFER: I, for one,
10 vote for Tony Orlando.

11 MS. KRIEB: He's a favorite.

12 CHAIRMAN NICOLELLO: Legislator
13 Bynoe and then Legislator Birnbaum.

14 LEGISLATOR BYNOE: Thank you,
15 Presiding Officer. Good afternoon. One of
16 the areas that I have been outspoken about
17 in terms of being developed upon in order
18 for us to maximize our opportunities has
19 been around the -- I'll speak specifically
20 to the African-American Museum where I
21 believe we could have, and I have spoken to
22 you about it over the years, I believe we
23 could invest in that infrastructure into
24 that building there, make small investments
25 that would allow for higher level of

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2 exhibitions to come there that would bring
3 people to Long Island and bring people to
4 that museum.

5 They are not able to do that now
6 because of climate control issues and other
7 things.

8 So I would seriously not just
9 focus on the African-American museum but all
10 of the buildings where we have the
11 opportunity to develop, put a little
12 investment in it a little bit so we can
13 maximize.

14 I know for a fact that the
15 African-American museum is struggling to
16 keep their budget afloat and be able to
17 provide services to the county at large and
18 I know if we made that small investment,
19 they would be in a much better position to
20 do that so I would like to see that occur
21 during the reign at the helm of the Parks
22 Commission. Good luck to you.

23 LEGISLATOR BIRNBAUM: I
24 understood what you said before that a lot
25 of residents like to hear the same concerts

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2 year after year but I am concerned about a
3 lot of the sole sourcing RFPs that we've
4 seen when we go to approve the different
5 artists each summer. Is there a way to
6 perhaps expand the selection process?

7 MS. KRIEB: We will be getting
8 new entertainment groups through receiving
9 videos, cost proposals, perhaps even going
10 to listen to them. So we are broadening our
11 reigns by doing that.

12 LEGISLATOR BIRNBAUM: Because on
13 Long Island we have so many talented people
14 that would love to perform in our parks. I
15 would like to see more home grown talent
16 perform.

17 And, secondly, on a personal note
18 in my district we have a beautiful county
19 museum that has been shuttered for years,
20 the Saddlerock Gristmill. Residents are
21 very concerned about seeing this
22 rehabilitated. I hope you can see this as a
23 priority.

24 MS. KRIEB: Yes, I believe it
25 will be. As we develop the capital plan

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2 going forward, I will be a real advocate in
3 trying to get a line for historic
4 preservation of our properties, not just for
5 the historic houses and the mills that we
6 have, but also our museum programs.

7 There's been very little funding
8 available for us to put into those buildings
9 so a lot of things like the African-American
10 or Bethpage Village, the list is endless why
11 we haven't been given enough funding to get
12 the infrastructure stabilized so we can
13 bring the programming in.

14 LEGISLATOR BIRNBAUM: Thank you.
15 I think we would all appreciate that. We
16 have gems in our midst that people can take
17 advantage of.

18 MS. KRIEB: They are important to
19 preserve as stewards.

20 LEGISLATOR BIRNBAUM: Thank you.

21 CHAIRMAN NICOLELLO: Legislator
22 Ferretti

23 LEGISLATOR FERRETTI: Thank you,
24 Presiding Officer. Ms. Krieb, I want to
25 take the time to thank you.

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2 In my short time as a legislator
3 and your short time as the acting
4 commissioner, we already had the opportunity
5 to work together on alleviating some
6 constituent's concerns at the Eisenhower
7 Park dog park.

8 I want to thank you and I'm going
9 to ask that you continue to keep the lines
10 of communication open.

11 I appreciate you emailing me over
12 the weekend with some information. Thank
13 you for that. I look very much forward to
14 working together. Thank you.

15 CHAIRMAN NICOLELLO: Legislator
16 DeRiggi-Whitton.

17 LEGISLATOR DERIGGI-WHITTON:
18 Thank you and congratulations, Eileen. I
19 had a question. What role do you play as
20 far as distributing the Hotel Motel funds?

21 MS. KRIEB: To date, previous to
22 me becoming commissioner today, the role has
23 always been that the letters of request went
24 to the County Executive's Office and they
25 were approved and the commissioner

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2 implemented the grant. So those are the
3 grants that had gone forward.

4 Something else is going to be
5 considered possibly as bringing back the
6 Hotel Motel board which was a group of
7 museum professionals that evaluated the
8 proposals that came in and decided the
9 funding that was available.

10 LEGISLATOR DERIGGI-WHITTON: As a
11 legislator, I believe that we really need to
12 revamp that whole program.

13 I know some requests are put in
14 and we never hear anything back. I'm happy
15 to vote for them for other districts but
16 then at times I'm wondering, I'm not getting
17 any of them and I feel especially like what
18 we were just speaking of with Legislator
19 Bynoe, that's a situation where Hotel Motel
20 could really come into play.

21 MS. KRIEB: Well, in many cases
22 we give African American a small amount of
23 funding, but it's nowhere the amount of
24 money they need to keep their -- not just
25 their programs going but have their

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2 infrastructure safe for the people to visit.
3 It's a real balance.

4 LEGISLATOR DERIGGI-WHITTON: And
5 just, I have the Roslyn Gristmill, which I
6 know the money is available, I would love to
7 see whatever issue we had with the
8 contractor --

9 MS. KRIEB: That contract is
10 being redrafted today to accommodate the
11 village and the Roslyn Landmark Society and
12 hopefully will come before your committee
13 soon.

14 LEGISLATOR DERIGGI-WHITTON:
15 Thank you. Can I have a quick general --
16 it's very nice to have all the department
17 heads here today.

18 When I was first a legislator,
19 they used to show up to our leg meetings and
20 I know people can watch it on their
21 computer, but to have you here and see you
22 and know that you're hearing what we're
23 saying and being able to talk to you in
24 person is a huge benefit that I saw kind of
25 dwindle and pretty much disappear toward the

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2 end of last year.

3 If there's any way I can
4 encourage the department heads to come to
5 the meetings, I truly would love to see
6 that. And, congratulations again, Eileen.

7 CHAIRMAN NICOLELLO: Hearing no
8 other comments. Any public comment?

9 MS. MEREDAY: Meta J. Mereday,
10 Baldwin resident.

11 I definitely support the
12 appointment and I appreciate the discussion
13 particularly from Legislator Bynoe with
14 regard to the African-American museum and
15 I'm hopeful there are ways to increase that
16 funding there.

17 Another personal item as it
18 pertains to being a Baldwin resident and as
19 it pertains to veterans, there is a
20 property, the Kellogg house on Merrick that
21 many of the residents fought, in addition to
22 fighting to get the First Precinct rebuilt,
23 and we're definitely very happy with that
24 building and that was a long hard fight to
25 get that done, but we have this property,

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2 the Kellogg House that has historic landmark
3 status, and it was the home of a civil war
4 veteran that we are hoping that we can
5 incentivize our elected officials to look at
6 kindly in terms of putting some real teeth
7 into developing that into what we feel can
8 be an educational model and cultural model
9 for the South Shore because we have so few
10 things there in the South Shore.

11 I agree that the Hotel Motel
12 distribution process should be revisited
13 and, as we are looking at grants and things
14 of that nature, getting to Eisenhower Park
15 is very challenging for many of our
16 residents.

17 I'm so glad that the young, the
18 seasoned ladies who spoke earlier about
19 their transportation issues, I'm hoping that
20 all of you sitting there take heed to that
21 because if we can look at grants and provide
22 supports and resources to get people to
23 these concerts and events at the parks, we
24 should also definitely be looking at
25 resources to get our seniors and our young

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2 people to their jobs and appointments and
3 things of that nature.

4 Again, in 2018, I hope we can do
5 more collaborations, think outside the box,
6 and generate other revenue sources as
7 opposed to increasing taxes and cutting
8 services. Thank you.

9 But I do support the appointments
10 to date and I'm hoping that we can increase
11 the inclusion and diversity in some of these
12 appointments moving forward. Thank you.

13 CHAIRMAN NICOLELLO: Any other
14 public comment?

15 (No verbal response.)

16 All those in favor signify by
17 saying aye.

18 (Aye.)

19 Those opposed?

20 (No verbal response.)

21 The item carries unanimously.

22 19 votes from the Legislature and
23 one from Ms. Mereday.

24 Item Number 15, Resolution Number
25 10, a resolution to confirm the County

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2 Executive's reappointment of Richard Kessel
3 to the Nassau County Industrial Development
4 Agency.

5 LEGISLATOR FORD: So moved.

6 LEGISLATOR LAFAZAN: Second.

7 CHAIRMAN NICOLELLO: Moved by
8 Legislator Ford, seconded by Legislator
9 Lafazan. Item is before the committee.

10 MR. KESSEL: Good afternoon
11 everyone. How are you all? Good to see
12 you. You want me to speak?

13 CHAIRMAN NICOLELLO: You want to
14 say a few words?

15 MR. KESSEL: It's great to be
16 here with so many people that I know and
17 people that I worked with over the years.

18 I can't help but just notice that
19 I started my career in public service and in
20 government over on One West Street at the
21 Board of Supervisors hearing room.

22 You listen to a lot of the issues
23 that people bring up and they weren't that
24 different 30 years ago. I was one of them
25 that made a lot of those comments.

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2 I, in a funny way, I'm looking at
3 this three minute clock, which is
4 fascinating. When we used to go to the
5 Board of Supervisors to speak, it was an egg
6 timer. Very old fashioned.

7 I remember my good friend,
8 departed, what a wonderful guy, Fran
9 Purcell, once told me if I spoke one more
10 time at a meeting he was going to start
11 timing people three minutes.

12 So here I am today and it's a
13 great honor, I look forward to working with
14 the County Executive, Laura is going to do a
15 terrific job.

16 I know a lot of you well on both
17 sides of the aisle and I look forward to
18 working with you to make the IDA strong and
19 a tool to attract businesses because the
20 more businesses we get here, the firmer the
21 tax base is going to be, and I think that's
22 critically important.

23 Let me say one other thing, in
24 addition to tax breaks, we should look at
25 energy breaks as well.

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2 We've got three companies out
3 here, one of which I headed, the Long Island
4 Power Authority but also National Grid and
5 PSEG Long Island. They have some of the
6 strongest energy conservation and energy
7 efficiency programs in the country.

8 I think if we can bring them in
9 and utilize them to help attract the
10 business, if I were a business and someone
11 told me they would make my building more
12 energy efficient and lower my electric bill
13 and make it sounder for the environment,
14 that's a home run.

15 I hope to be able to use some of
16 my energy experience to bring that to IDA
17 and I look forward to working with every
18 legislator here to see that that's
19 accomplished. Thank you.

20 CHAIRMAN NICOLELLO: So we should
21 call this the Richard Kessel three-minute
22 clock?

23 MR. KESSEL: Yes. But I do
24 remember, I must say that I wasn't
25 universally liked by some of the members of

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2 the Board of Supervisors at that time, and,
3 having said that, some of them today are
4 some of my best friends because one of the
5 things I learned in public service is that
6 you never burn a bridge and you try to work
7 with anyone whether you're a Democrat or a
8 Republican and that's what's important about
9 government.

10 I enjoy working with a lot of
11 you. I see a lot of you. I see my former
12 assemblyman Tom up there. Of course I have
13 worked with Rich and Carrie and a lot of
14 other people, Kevan and I get together once
15 in a while, and I hope that you will call on
16 me.

17 You guys have terrific ideas and
18 I think that we need a lot of ideas because
19 I think the IDA can do a great job for
20 Nassau County. I really do.

21 Denise, you and I, I remember
22 meeting you upstate once and we've all
23 worked together.

24 I just think there is an
25 opportunity here. We have a budget and a

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2 financial challenge in the county and I
3 think the IDA can be one of the keys to the
4 solution. Thank you.

5 LEGISLATOR FORD: Richard, thank
6 you very much, and I look forward to your
7 becoming part of the IDA.

8 We realized these past couple of
9 years how important the IDA actually is to
10 our communities and to economic development.

11 Before I touch on one thing, I
12 want to support you with our partners with
13 energy, whether it's PSEG or National Grid.

14 I have to say that National Grid,
15 after Sandy, ended up providing a lot of
16 incentives, and they gave money to many of
17 our small businesses so they were able to
18 reopen much faster and they were able to
19 bring in resources and revenue into the
20 county and to allow stores and put lights
21 back on main streets after sandy hit and
22 devastated our communities.

23 Even the IDA was very
24 instrumental in helping to bring a lot of
25 our businesses back faster which was very

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2 key in rebounding after Sandy.

3 Also, I look forward to even
4 meeting with you in regard because you know
5 how important the IDA is in bringing
6 businesses here through tax incentives and
7 we do have some concerns about some of the
8 businesses.

9 For me, I'm hoping that you will
10 join us where they bring in bring jobs,
11 permanent jobs as well as temporary
12 construction jobs, and also to keep an idea
13 on the type of pilots that are given.

14 That is something that -- I
15 support economic development but I want to
16 make sure it's not to the detriment and will
17 hurt the communities where these projects go
18 into.

19 But I look forward to working
20 with because I know you will do a great job.
21 Thank you.

22 MR. KESSEL: Thank you very much
23 and I appreciate it. I look forward to
24 working with all the legislators and I do
25 agree with you; attracting jobs is critical.

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2 I know that the County Executive
3 is very dedicated and committed to that and
4 using the IDA as a tool to do that.

5 Just saying one thing, you just
6 refreshed my memory, when I was at New York
7 Power Authority we brought Yahoo to western
8 New York. It's not an easy thing to do, but
9 in the end it was the energy incentives that
10 we gave Yahoo.

11 I had the great fortune to meet
12 with one of the founders of Yahoo and we
13 were able to open their first East Coast
14 facility in western New York. It's not an
15 easy place to go to.

16 But the energy incentives we gave
17 them were critical. The more you can do to
18 give energy incentives, for instance,
19 renewable energy, solar energy. You put a
20 roof top on a company that is dedicated to
21 the environment, again, it lowers their
22 electric bill at the same time, and it's
23 environmentally friendly, you are going to
24 attract a lot of companies to Long Island.

25 I think we've ignored using

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2 energy as a tool to get business to come
3 here and move to Nassau County. I agree
4 with you 100 percent.

5 CHAIRMAN NICOLELLO: There are a
6 number of legislators who would like to
7 speak. Legislator Schaefer.

8 LEGISLATOR SCHAEFER: Thank you.
9 Hi, Mr. Kessel. I haven't had the pleasure
10 of meeting you before today, but you do know
11 Legislator McKeivitt very well. And I'm the
12 chair of Planning Development and
13 Environment Committee.

14 We also have Legislator McKeivitt
15 on that committee as well and I would be
16 happy to sit down with you and talk about
17 some energy saving ideas. In fact, we have
18 been tossing some of them around already. I
19 know that our County Executive also is also
20 in favor of renewable energy, saving energy,
21 solar, all of that. So I'm very happy to
22 have you as part of the team now.

23 MR. KESSEL: Thank you.

24 CHAIRMAN NICOLELLO: Legislator
25 Ferretti.

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2 LEGISLATOR FERRETTI: Thank you,
3 Presiding Officer. Mr. Kessel, nice to meet
4 you. You may know, may not know, I recently
5 resigned from the Hempstead IDA when I was
6 elected to the county legislature, you can't
7 serve on both, so I resigned from the IDA.

8 You know in the Town of Hempstead
9 things were done a little bit different than
10 in the county. And I'm not totally familiar
11 with the county's procedure.

12 But one of the eye opening things
13 that I discovered when first joining the
14 Hempstead IDA was the lack of public
15 involvement throughout the process really.

16 But there were public hearings
17 held most of which we would have no
18 attendees from the public.

19 So we looked into ways to correct
20 that and to get the word out there. And one
21 of the things we did in the town was we
22 increased the notice requirements for the
23 applicant to extend to the elected officials
24 in the county, the state and the town within
25 the area where the project was being

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2 proposed, including the County Legislature.
3 Now, there actually is currently
4 a pilot that was approved in Levittown in
5 the 15th Legislative District, I don't know
6 if you're familiar with it, Old North
7 Levittown Lanes Bowling Alley, being made
8 into a senior facility. Sounds like a great
9 project.

10 I was not a legislator at the
11 time it was passed, but I do not believe
12 there was any notice given to the
13 legislators or anyone at the town level.

14 But my question to you is, would
15 you be in favor of expanding the notice
16 requirements for the applicant in the county
17 IDA to include the elected officials where
18 the project is being proposed?

19 MR. KESSEL: I think it's a
20 terrific idea.

21 CHAIRMAN NICOLELLO: Legislator
22 DeRiggi-Whitton.

23 LEGISLATOR DERIGGI-WHITTON: Hi,
24 how are you? I don't know you personally
25 but I guess you also served with my father

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2 when he was a supervisor under Don DeRiggi.
3 Hope he didn't give you a hard time?

4 MR. KESSEL: He did a little bit.

5 LEGISLATOR DERIGGI-WHITTON:

6 Let's forget that part.

7 MR. KESSEL: But he was behind
8 the scenes a very warm guy and very friendly
9 to him. Those meetings at the board of
10 supervisors were a little bit ruckus.
11 Different than this. But it was a pleasure
12 working with him.

13 LEGISLATOR DERIGGI-WHITTON:

14 Thank you. Well he spends his time playing
15 tennis and kayaking now. So --

16 MR. KESSEL: Tell him I said
17 hello.

18 LEGISLATOR DERIGGI-WHITTON: I
19 will. Thank you for that.

20 I just want to agree with what
21 Legislator Ford mentioned. If you could
22 really look at these applications for
23 pilots. I know there is something going on
24 in Glen Cove where there's 500 permanent
25 jobs for a condo, I just can't see how we

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2 could have 500 permanent jobs for a luxury
3 condo building. So if you could spend that
4 extra time in validating how many jobs are
5 put down on the application to make sure
6 there is some logical reason to justify it.

7 I also agree that we would love
8 to be notified when you're considering a
9 pilot. The last thing I want to mention, it
10 has been brought to me, I understand
11 sometimes there are conflicts or whatever,
12 but if we can just meet with some of the
13 unions, sometimes they feel left out of
14 certain situations.

15 I think especially if they're
16 local the more we can do with them, the
17 better. Thank you. Congratulations.

18 MR. KESSEL: Thank you.

19 CHAIRMAN NICOLELLO: Legislator
20 Gaylor.

21 LEGISLATOR GAYLOR: Thank you,
22 Presiding Officer.

23 I'm the Sixth District, Lynbrook,
24 Massapequa, Valley Stream. We're taking a
25 beating on the Town of Hempstead's errors,

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2 we'll call it, in that pilot program with
3 Green Acres.

4 Pilots that are less than
5 existing taxes that are being paid by
6 commercial businesses should be something
7 that is closely scrutinized by the county
8 IDA. I wouldn't expect that there would
9 ever be a time where a pilot would be given
10 at a lower rate than what the current taxes
11 are being paid. It creates a
12 re-distribution of the taxing requirement on
13 the other residents, residential or
14 commercial. A huge impact to our tax paying
15 citizens.

16 So, as you go forward, please
17 consider that. Maybe relook the lessons at
18 the town of Hempstead IDA, the good and the
19 bad there, and glean what you can.

20 Notification of elected officials
21 on IDA projects, keeping us informed is
22 something I recommend. As well as insuring
23 the public is notified.

24 Again, part of the problem in the
25 Valley Stream pilot IDAs was that there was

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2 some meetings and not one resident showed up
3 to voice concern. Not one constituent from
4 the community, not one elected official from
5 the village was at the meetings. That
6 should be a sign something is not right. We
7 have to do better.

8 I wish you all the best in your
9 appointment.

10 MR. KESSEL: Thank you. And just
11 so you know, I agree with you 100 percent.
12 When I was at LIPA, we opened up our
13 meetings to the public just like you do at
14 the Legislature. I commend you for that.

15 As someone who is sometimes
16 shuffled out and shut out of meetings years
17 ago, I get it.

18 So, I think that's critically
19 important. I did follow the whole saga
20 which is continuing with the Valley Stream
21 School District and the Town of Hempstead
22 IDA. I think it's unique that you have a
23 county IDA but then you have a Town of
24 Hempstead IDA. I don't think there's a Town
25 of North Hempstead IDA. Just as an example.

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2 I know in Suffolk you have an IDA
3 and I think you have a Babylon IDA, but we
4 ought to take a look at that. Again, maybe
5 it's duplication and there may be ways to
6 make things more efficient. I think that's
7 another thing to look at.

8 What I'm excited about is that a
9 new County Executive and I've known her for
10 a number of years, told me early on that one
11 of her goals was to utilize the IDA for
12 economic developments. It's a key thing.

13 I know that a number of the
14 legislators that have spoken to me before
15 today said the same thing. It's a tool.
16 It's critically important to use it.

17 But transparency is everything.
18 I agree with you.

19 LEGISLATOR GAYLOR: Thank you,
20 sir.

21 CHAIRMAN NICOLELLO: Legislator
22 Bynoe, then Legislator Solages and then
23 Legislator Drucker.

24 LEGISLATOR BYNOE: Thank you,
25 Presiding Officer. Hi. Good afternoon.

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2 So to Legislator Ferretti's point
3 about making sure that each legislator is
4 advised and all the electeds in the area; I
5 sent a letter over a year and a half ago
6 requesting that exact courtesy, because
7 there was a pilot issued within district,
8 and I was not aware of it.

9 So I would hope that that would
10 become a part of best practices but even
11 beyond that a policy within the IDA.

12 Also, I share the concerns of
13 Legislator Ford as well as Legislator
14 DeRiggi-Whitton regarding the cost benefit
15 analysis that's undertaken for these pilots.

16 So, yes, I believe that we most
17 certainly should have a better tool or
18 process in place for analyzing the
19 information provided by the entity
20 requesting the pilot, but I also think in
21 terms of enforcement we need to be doing a
22 better evaluation of those pilots in the
23 after, in the post.

24 In the event they fail to yield
25 the number of jobs or bring the level of

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2 benefit to our communities to which they
3 have said they would, we should be clawing
4 back those pilots.

5 Enforcement goes a long way.
6 Nothing beats enforcement but enforcement.
7 Just the threat of saying we're going to
8 enforce and not doing anything and not
9 having any teeth enacted to do it, I think
10 is a failure of the IDAs.

11 One of the other things I would
12 be remiss if I didn't say it is I would like
13 to see IDA start to pay attention to the
14 surrounding areas.

15 I would like to see almost like a
16 mapping so that we can determine what areas
17 are getting these pilots.

18 We should start paying attention
19 to areas that are being oversaturated by
20 these pilots. It is a negative impact to
21 not only the taxpayers but the school
22 districts and other special districts.

23 I would like to see -- I don't
24 know what the term is, geomapping or
25 whatever it's called, so we can start to

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2 look at not over saturating any particular
3 area with these pilots. I think it's a
4 disservice to those residents and the
5 community at large.

6 MR. KESSEL: Thank you. I agree
7 and I think those are excellent ideas and I
8 will follow up on them.

9 CHAIRMAN NICOLELLO: Legislator
10 Solages.

11 LEGISLATOR SOLAGES: Thank you,
12 Presiding Officer. Good afternoon. I join
13 in the statements made by Legislator Bynoe
14 and also Legislator Gaylor and Legislator
15 Ferretti.

16 As you may know we had the Valley
17 Stream IDA issue with Green Acres Mall,
18 Masers Corporation. In addition to a lack
19 of notice, there were other issues at play.

20 Going back to the statement made
21 by Legislator Bynoe, there has to be a
22 totality of the circumstances analysis done
23 where at least the possible effect upon the
24 school district and surrounding tax base,
25 any change from class one to class four tax

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2 burden changes has to be considered.

3 In Valley Stream we had a central
4 high school district and we have one in
5 Bellmore and Elmont and a pilot may have a
6 different effect on the school district's
7 tax obligation compared to a district where
8 you don't have a central high school
9 district.

10 So I'm asking that, in addition
11 to notice and that consideration, there be
12 consideration upon that specific issue and
13 to avoid what we saw in the Valley Stream
14 Green Acres IDA issue. Once we know about
15 it, we can do better.

16 During that issue, many people
17 asked me do you want to call for a
18 moratorium on all IDAs? And I said, no,
19 there are good IDAs and bad IDAs. Just as
20 with anything else. Just the way it is
21 done, the procedure. There was no, in that
22 example, community impact study.

23 So just asking that there is more
24 diligence done in granting and considering
25 these IDA projects but I know you at the

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2 helm, everything will be done with quite a
3 level of professionalism and dignity, so I
4 thank you and look forward to working with
5 you.

6 MR. KESSEL: I look forward to
7 working with you too and the other members
8 of the Legislature. They're all excellent
9 ideas. Excellent ideas. I will carry
10 through with them and look forward to
11 meeting with some of you on them.

12 CHAIRMAN NICOLELLO: Legislator
13 Drucker. Thank you, Mr. Kessel. Any public
14 comment?

15 (No verbal response.)

16 All in favor signify by saying
17 aye.

18 (Aye.)

19 Those opposed?

20 (No verbal response.)

21 Carries unanimously.

22 Congratulations, Mr. Kessel.

23 MR. KESSEL: Thank you everyone
24 and I look forward to working with you.

25 CHAIRMAN NICOLELLO: Item 8,

1 Full Legislature/1-29-18
2 Resolution Number 3 of 2018, a resolution to
3 confirm the County Executive's appointment
4 of Jared Kasschau to the position of county
5 attorney.

6 LEGISLATOR DRUCKER: So moved.

7 LEGISLATOR BIRNBAUM: Second.

8 CHAIRMAN NICOLELLO: Moved by
9 Legislator Drucker, seconded by Legislator
10 Birnbaum. The appointment is before the
11 committee.

12 MR. KASSCHAU: Good afternoon,
13 Honorable Legislators.

14 I'm pleased to appear before you
15 in support of my appointment as county
16 attorney for Nassau County.

17 I would like to share with you a
18 little bit about my background and answer
19 any questions that you may have in relation
20 to my confirmation.

21 My family has lived in Nassau
22 County for generations. My parents Eileen
23 and Jim, my father who is here today met at
24 Wantagh High School. They moved to
25 Rockville Centre in 1979 when I was one year

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2 old and have lived there since.

3 I'm a proud product of Rockville
4 Centre Public Schools and graduated South
5 Side High School in 1996, the same year this
6 fine Legislature was established.

7 I graduated LeHigh University
8 with a Bachelor of Arts degree in 2001 and
9 Brooklyn Law School in 2005.

10 After graduating law school I
11 served as an assistant district attorney in
12 the domestic violence bureau of the Bronx
13 County District Attorney's Office.

14 There, I prosecuted cases ranging
15 were arson to attempted murder and gained
16 significant trial experience.

17 I left the Bronx County District
18 Attorney's Office in December of 2008,
19 shortly after my wife Deidre, who is also
20 here today, and I purchased our first home
21 in Rockville Centre.

22 Together we have three wonderful
23 children, two sons, Henry age 9, Oliver age
24 7, and our daughter Tess age five.

25 After leaving the Bronx County

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2 District Attorney's Office, and for
3 approximately the last ten years or so, I
4 have worked as an attorney in several areas
5 of law all of which will help inform my role
6 as County Attorney.

7 Initially in tort defense. There
8 I obtained significant experience defending
9 against tort claims ranging from premises
10 liability to professional malpractice.

11 I then moved onto tackling
12 complex commercial litigation where I gained
13 significant managerial experience leading
14 teams of attorneys, vendors, associates and
15 experts in preparing multi million dollar
16 cases for trial.

17 My experience handling government
18 compliance and regulatory work is also
19 notable.

20 Reviewing and responding to both
21 criminal and investigatory subpoenas and
22 administrative demands requires clear and
23 effective client communication in order to
24 mitigate exposure and insure compliance.

25 Finally and most equally

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2 important is my experience representing
3 municipalities and elected officials.

4 I have worked defending
5 municipalities and have handled all facets
6 of municipal law ranging from labor and
7 employment matters to defending against tax
8 payer lawsuits.

9 In short, my legal career has
10 been broad in scope and deep in complexity.

11 Since my appointment as acting
12 county attorney at the beginning of this
13 month, I have already implemented several
14 initiatives.

15 First, I've assembled a hiring
16 committee comprised of three senior staff to
17 review resumes and interview candidates for
18 the position of deputy county attorney.

19 I've charged that hiring
20 committee with identifying the first group
21 of high quality attorneys with a strong
22 desire for public service.

23 I'm in the process of identifying
24 and appointing top notch bureau chiefs and
25 deputy bureau chiefs responsible for

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2 supervising, training and maintaining an
3 efficient and productive staff of attorneys.

4 I've instituted a regimen of
5 monthly bureau chief meetings to foster and
6 develop intraoffice communication about best
7 practices and proper case management and
8 staffing models.

9 I'm also conducting department
10 budgetary review with a goal towards
11 achieving optimal staffing levels, striking
12 the right balance between using outside
13 counsel and inhouse resources.

14 My goals as county attorney are
15 to first and foremost remain responsive to
16 both the administration and this
17 legislature.

18 To reduce the county's litigation
19 costs by bringing more of the legal work
20 that can appropriately be handled by deputy
21 county attorneys in house, and by carefully
22 monitoring any matters that must be handled
23 by outside counsel.

24 Also, I would like to create both
25 inhouse and county-wide training programs

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2 that will reduce liability through effective
3 risk management protocols and prevention
4 strategies on a county basis.

5 I can pledge to you that the
6 County Attorney's Office under my tenure
7 will be guided by the following principles:

8 First, again, responsiveness to
9 the needs of both administrative, the
10 administration and this Legislature.

11 Second, the integrity of the
12 County Attorney staff.

13 Third, new levels of confidence
14 through recruitment and training.

15 Fourth, appropriate efficiency
16 and effectiveness and the use of County
17 Attorney resources.

18 It is my honor and privilege to
19 stand before you today to seek your
20 confirmation as county attorney.

21 The County Attorney's Office is a
22 venerable institution with a long history of
23 representing Nassau County and I am honored
24 to be County Executive's Laura Curran's
25 choice for the office.

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2 As I pledged to you, I will also
3 pledge to you that I will support and uphold
4 the highest standards of the office.

5 I thank you for your
6 consideration and look forward to your
7 support.

8 CHAIRMAN NICOLELLO: Thank you,
9 Mr. Kasschau for that statement.

10 We've been hearing, some of us
11 have been hearing, that the County
12 Attorney's Office, as a result of people
13 being let go before the end of the year, is
14 so understaffed at this point that the
15 lawyers are going into court and adjourning
16 almost everything because they don't have
17 people to try cases.

18 My initial question to you is,
19 were you involved in the decision making in
20 terms of letting people go in the County
21 Attorney's Office?

22 MR. KASSCHAU: No, Mr. Presiding
23 Officer. I didn't have any role in that
24 decision making process and I'm in the midst
25 of insuring that our skeleton crew of

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2 attorneys are established as soon as
3 possible.

4 We are looking to push the hiring
5 process as quickly as we can and we're
6 reviewing all the resumes and transcripts
7 that were both submitted to the transition
8 committee as well as to the office
9 subsequent to my appointment.

10 CHAIRMAN NICOLELLO: So the
11 County Attorney is going to have to staff
12 up. You're obviously acknowledging that in
13 your response; is that correct?

14 MR. KASSCHAU: That's correct.

15 CHAIRMAN NICOLELLO: Anyone else
16 have questions? Legislator Rhoads.

17 LEGISLATOR RHOADS: Mr. Kasschau,
18 good afternoon.

19 MR. KASSCHAU: How are you, sir?

20 LEGISLATOR RHOADS: I'm doing
21 well, thank you for asking.

22 I know that you weren't involved
23 in the personnel decisions based on your
24 testimony just now. Who exactly was
25 involved in the decisions who was let go

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2 from the County Attorney's Office?

3 MR. KASSCHAU: That I'm not sure
4 of.

5 LEGISLATOR RHOADS: Do you have
6 any idea what criteria were used?

7 MR. KASSCHAU: I do not.

8 LEGISLATOR RHOADS: Were those
9 decisions made by the transition team?

10 MR. KASSCHAU: I suspect.

11 LEGISLATOR RHOADS: One of the
12 concerns that I think some of the
13 legislators have is with respect to the
14 involvement of your former employer in
15 issues in Oyster Bay which have been the
16 subject of a couple of articles in Newsday.

17 Can you describe for me what your
18 role as a partner in Harris Beach was?

19 MR. KASSCHAU: In reviewing the
20 Newspaper article I believe was on Sunday.
21 I didn't start at Harris Beach until
22 September 2016 which is well after the
23 alleged incidents that were at that point.

24 Also, I would like to point out
25 that Harris Beach is a very large law firm,

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2 approximately 225 attorneys spread over 12
3 offices throughout the state.

4 I must say that I'm proud of my
5 association with the firm and the work that
6 I did there during my tenure.

7 LEGISLATOR RHOADS: Have you
8 personally represented or performed legal
9 work on behalf of any political candidates,
10 political parties, elected officials in the
11 past?

12 MR. KASSCHAU: Not in my personal
13 capacity, Mr. Legislator I have worked on
14 Election Law matters in the past and I would
15 like to think I litigated those matters with
16 the same level of zeal and professionalism
17 as I do with the vast majority of my work
18 which is complex commercial litigation and
19 municipal practice.

20 LEGISLATOR RHOADS: And, as part
21 of your practice with the firm in election
22 matters; which firm was that by the way?

23 MR. KASSCHAU: Both in Harris
24 Beach and also at Jaspan Schlesinger prior
25 to that.

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2 LEGISLATOR RHOADS: Which clients
3 did you represent?

4 MR. KASSCHAU: Political clients,
5 candidates for public office. The chairman
6 of the democratic committee in Nassau
7 County.

8 LEGISLATOR RHOADS: You
9 represented Jay Jacobs?

10 MR. KASSCHAU: That's correct.

11 LEGISLATOR RHOADS: Did you
12 represent Madeline Singas?

13 MR. KASSCHAU: I do not recall, I
14 apologize.

15 LEGISLATOR RHOADS: Did you have
16 the Long Beach democrats as a client?

17 MR. KASSCHAU: Yes, that was a
18 case handled over the summer.

19 LEGISLATOR RHOADS: Did you in
20 fact represent the County Executive?

21 MR. KASSCHAU: I'm not sure of
22 that, legislator, I apologize. I have
23 handled a lot of election cases over time
24 and it's hard to remember because often
25 times there are multiple parties in the

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2 lawsuit, both have citizen objectors as well
3 as the candidates aggrieved. So forgive me
4 for not knowing exactly who I've represented
5 and when.

6 LEGISLATOR RHOADS: Fair enough.
7 When did you actually resign from Harris
8 Beach?

9 MR. KASSCHAU: At the conclusion
10 of this past year.

11 LEGISLATOR RHOADS: In December
12 of 2017

13 MR. KASSCHAU: December of 2017.

14 LEGISLATOR RHOADS: While you
15 were a member of Harris Beach, did Harris
16 Beach play any role in the transition?

17 MR. KASSCHAU: No, I think every
18 one is well aware that the managing partner
19 Tom Gary was the chairman of the transition
20 committee and that the transition committee
21 did use Harris Beach offices during the
22 transition period.

23 LEGISLATOR RHOADS: Did Harris
24 Beach itself have any other, other than
25 Oyster Bay, did it have any other municipal

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2 clients?

3 MR. KASSCHAU: Again, this is a
4 large law firm spread over 12 offices
5 throughout the state. Harris Beach does
6 represent many municipalities in various
7 sundry issues.

8 LEGISLATOR RHOADS: Jumping back
9 on a topic for a second, how many county
10 attorneys were lost?

11 MR. KASSCHAU: I believe 14
12 deputy county attorneys were lost and I made
13 mention in the past for any of those people
14 who were lost are welcome to resubmit their
15 resume and go through the hiring process
16 using the hiring committee that I have set
17 up.

18 LEGISLATOR RHOADS: Does that
19 include bureau chiefs that were also
20 removed?

21 MR. KASSCHAU: Certainly.
22 Anybody is welcome to interview for the
23 position.

24 LEGISLATOR RHOADS: What bureaus
25 did you lose the chiefs from?

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2 MR. KASSCHAU: Off the top of my
3 head, tax cert was one as well as family
4 court and litigation as well.

5 LEGISLATOR RHOADS: Was there
6 anything to your knowledge, was there
7 anything about their performance that led to
8 their dismissal?

9 MR. KASSCHAU: Again,
10 Mr. Legislator, I wasn't involved in the
11 decision making of who was let go.

12 LEGISLATOR RHOADS: Well, if you
13 are considering -- if anyone who was
14 dismissed is able to resubmit their
15 application and participate as part of the
16 hiring process for the new hires that you
17 are bringing into the county attorney's
18 office, did anyone from the County
19 Executive's Office or anyone from the
20 transition team let you know what some of
21 the reasons were that these people were
22 dismissed and let you know that they
23 wouldn't be able to participate in that
24 process?

25 MR. KASSCHAU: No. But with

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2 respect to the bureau chiefs and deputy
3 bureau chiefs, I think it's important that
4 they have my trust and it's someone that I
5 have a level of trust in and I believe in
6 and have confidence in their experience,
7 both as lawyers and as managers of staff.

8 So I welcome those individuals to
9 again interview and will be happy to look at
10 their credentials.

11 LEGISLATOR RHOADS: Do you plan
12 on asking the administration and transition
13 team as to what some of the reasons that
14 those individuals if they do submit new
15 applications were that they were initially
16 terminated in the first place?

17 MR. KASSCHAU: I do not only
18 because I think the ultimate decision lies
19 with me.

20 I will have the say as to who
21 will be the bureau chief or deputy bureau
22 chief. I certainly welcome, again, for them
23 to interview with the hiring committee and I
24 will meet with them myself to the extent the
25 hiring committee passes them along.

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2 I have identified certain bureau
3 chiefs that we're in the process of on
4 boarding in tax cert.

5 I have candidates that I'm
6 thinking about for litigation. I have just
7 designated a former -- excuse me, a member
8 of the long time member of the family court
9 bureau, Sherry Bertovitz who's had multiple,
10 I think over 20 years experience in the
11 family court. She's handled both abuse,
12 neglect and support cases as well as
13 juvenile delinquency cases which is
14 extremely important given the raise the age
15 law that's going to be coming. We're going
16 to be seeing an increase of approximately
17 seven to 800 additional cases.

18 Also, I've elevated Julia
19 D'Agostino to the position of deputy bureau
20 chief. Ms. D'Agostino has experience both
21 as a prosecutor prior to coming to family
22 court and significant experience in juvenile
23 delinquency matters.

24 So we are looking to put the
25 right people into the right places. I hope

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2 you will trust my ability to select people
3 who I believe are good leaders and help
4 navigate the County Attorney's Office and
5 make sure we deliver the services that we
6 need.

7 LEGISLATOR RHOADS: Understood.
8 With respect to particularly to the three
9 bureau chief positions that you mentioned,
10 tax cert, family court, and of course
11 litigation, especially in light of the fact
12 that they're on today's calendar we are
13 going to be considering a bonding request
14 over \$45 million judgement that the county
15 received against it as a result of 1983
16 litigation.

17 What's the time frame within
18 which you are going to have bureau chiefs in
19 those positions? Only because litigation
20 obviously is critically important, I
21 actually served towards the civil rights
22 litigation when I first started my legal
23 career back when dinosaurs roamed the earth.

24 How quickly do you think you will
25 be able to come up with qualified candidates

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2 to fill those positions?

3 MR. KASSCHAU: Certainly by mid
4 February we do have a wonderful acting
5 deputy county attorney, Layorabin Sorge who
6 is a long time prosecutor -- deputy county
7 attorney. She's been doing a fine job
8 keeping the bureau on track with scheduling.

9 I want to point out that every
10 single one of the deputy county attorneys
11 that I've had the opportunity to work with
12 thus far has really picked up the slack and
13 I can't thank them enough for working as
14 hard as they have been while we are looking
15 to hire on board additional DCAs so they can
16 help pick up the pace.

17 LEGISLATOR RHOADS: Okay. Moving
18 back to Harris Beach for a second.

19 To boil it down, one of the
20 concerns is that, even though you had no
21 direct relationship with what went on in the
22 Town of Oyster Bay with respect to the town
23 of Oyster Bay, Harris Beach is clearly a
24 politically connected firm, wouldn't you
25 agree?

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2 MR. KASSCHAU: Well, one of the
3 attorneys there is politically active. I
4 think there are a lot of politically active
5 attorneys, some of whom may be on the
6 Legislature. So, yes, I would agree it is a
7 politically active firm.

8 LEGISLATOR RHOADS: The concern
9 is that if we have a firm that's politically
10 active and you having been a former partner,
11 member of that firm, will there be any undue
12 influence? Will vendors, for example, use
13 Harris Beach knowing it's close relationship
14 both the administration and yourself as
15 county attorney entering into contracts that
16 you as county attorney will review.

17 How would you as county attorney
18 protect against that danger?

19 MR. KASSCHAU: Well, in the first
20 instance, it's important to have a
21 transparent and regular RFQs to ensure that
22 the panels of attorneys that the county
23 attorney may assign cases to are done on a
24 regular basis, and that those firms are
25 properly vetted by a committee, independent

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2 of myself who will select those attorneys.

3 I think it's on record that
4 Harris Beach has indicated that it will not
5 seek and has not sought I believe for
6 history any work through the County
7 Attorney's Office.

8 So I hope that would allay any
9 fears that you have. I certainly hope that
10 you understand that I intend to run this
11 office with the utmost integrity and you all
12 see everything that is done over at the
13 County Attorney's Office is done completely
14 transparently with a high level of
15 confidence in the work product.

16 LEGISLATOR RHOADS: Would it be
17 your intention to recuse yourself if there
18 are any contracts that come across your desk
19 for consideration from vendors that are
20 represented by Harris Beach?

21 MR. KASSCHAU: No. At this
22 juncture I don't believe so. Legislator
23 Rhoads, I'm telling you that I will not be
24 swayed by any of my past relationships.

25 My duty and dedication is to the

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2 residents of this county. I will uphold, as
3 I have sworn to, the Constitution of the
4 State of the United States, and the laws of
5 the State of New York and I will not be
6 swayed in any way, shape or form by my prior
7 affiliations with other law firms.

8 We do, the county does have a
9 substantial procurement policy and process
10 which I intend to abide by, and I hope you
11 will have the trust in me to do it
12 correctly.

13 LEGISLATOR RHOADS: I appreciate
14 that. Thank you, Mr. Kasschau.

15 CHAIRMAN NICOLELLO: Legislator
16 Abrahams, Minority Leader Abrahams has a
17 question and then Legislator Ferretti.

18 LEGISLATOR ABRAHAMS: Hi,
19 Mr. Kasschau, how are you? Two areas really
20 quick that I wanted to put on your radar.

21 One, obviously serving the
22 Legislature now for quite some time. We all
23 realized and I think there is agreement on
24 both sides of the aisle with some of the
25 inconsistencies that exist in our County

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2 Charter and there have been many attempts to
3 put together a Charter revision committee to
4 try to address these same inconsistencies.

5 I want to put that on radar. I
6 know our counsel as well as majority's
7 counsel will be looking forward. If you do
8 endeavor in trying to make some of these
9 attempts to put together a Charter revision
10 committee, we would be a willing and
11 accepting partner in that.

12 I wanted to get your thoughts on
13 maybe some of that and maybe get some
14 insight you may have in regards to revamping
15 the Charter.

16 MR. KASSCHAU: Thank you,
17 Minority Leader. The Charter is in need of
18 some work. There are inconsistent
19 provisions in the Charter. It is a
20 monumental undertaking to rewrite the
21 Charter in whole.

22 It may make sense to analyze
23 certain portions of the Charter and review
24 those and expand that process as we can over
25 time ensure that the Charter is complete and

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2 consistent more importantly.

3 LEGISLATOR ABRAHAMS: Sounds
4 good. The next area is, obviously as we
5 look forward to adding more transparency and
6 oversight to the process, one of our bones
7 of contention over the last few years was
8 obviously moving in the direction of an
9 Inspector General which I'm happy to say is
10 now in place.

11 We will be continuing to reach
12 out to your office to figure out other ways
13 to implement some of our legislation,
14 encouraged to have hearings on our
15 legislation we have put forward in the past,
16 but, again, these are all endeavors that we
17 look forward to working with your office.

18 I don't know if you have any
19 insight or ideas in terms of any of the
20 bills we have put forward in terms of
21 ethical and oversight change in the county
22 but, again, we look forward to working with
23 your office; if those measures are not
24 adopted, some form of them will be
25 considered.

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2 MR. KASSCHAU: I think the office
3 of the Inspector General bill that was
4 passed by at Legislature is a great first
5 start.

6 I'm absolutely ready, willing and
7 able to assist any one of you or groups of
8 you to help develop any kind of legislation
9 that you would like the county attorney to
10 research or work on.

11 CHAIRMAN NICOLELLO: Legislator
12 Ferretti.

13 LEGISLATOR FERRETTI: Thank you,
14 Presiding Officer. Mr. Kasschau, nice to
15 meet you.

16 LEGISLATOR FERRETTI: How are
17 you?

18 MR. KASSCHAU: I'm doing well.
19 Just to clarify, I think you testified that
20 you started at Harris Beach in 2016; is that
21 correct?

22 MR. KASSCHAU: September of 2016.

23 LEGISLATOR FERRETTI: It wasn't
24 2014?

25 MR. KASSCHAU: Am I forgetting my

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2 resume? It may be. Forgive me if it is.
3 September of 2014, forgive me.

4 LEGISLATOR FERRETTI: That's
5 okay. Thank you. What was your role as
6 partner in that firm generally?

7 MR. KASSCHAU: I handled
8 everything from complex commercial
9 litigation involving disputes between
10 closely held partners in multi million
11 dollar companies to representing a special
12 district here on Long Island.

13 I also handled government
14 compliance and regulatory work responding to
15 subpoenas on behalf of clients.

16 Also administrative document
17 demands issued by for example the city
18 comptroller. It was really sundry.

19 I would like to think of myself
20 as a Jack of all trades when it comes to
21 litigation and my practice of law.

22 LEGISLATOR FERRETTI: Was there a
23 managerial component, an administrative
24 component to your role there?

25 MR. KASSCHAU: Yes. Handling a

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2 multi million dollar complex litigation
3 requires you to assemble teams of attorneys
4 to review documents, prepare trial
5 preparation materials, deposition digests,
6 designations.

7 Handling document review with
8 outside vendors to ensure that the documents
9 were properly redacted and coded correctly.
10 For example, electronically stored
11 information. And ultimately working with
12 co-counsel in trying the case.

13 So, in the sense you are handling
14 a team of attorneys on litigation that can
15 run in excess of a million dollars. I would
16 like to think of that as management
17 experience.

18 LEGISLATOR FERRETTI: Safe to
19 assume you attended partner meetings?

20 MR. KASSCHAU: Yes.

21 LEGISLATOR FERRETTI: Just
22 bringing the discussion back to the Oyster
23 Bay situation, specifically Oyster Bay's
24 lawsuit against Harris Beach regarding their
25 role in the guarantees.

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2 I understand that -- first of
3 all, when did you first become aware of that
4 situation?

5 MR. KASSCHAU: I don't know when
6 I first became aware of that situation.
7 Please understand that I'm no longer a
8 member of that law firm. So I'm loath to
9 making any comments in connection with
10 pending litigation and I hope you can
11 understand that.

12 LEGISLATOR FERRETTI: I can
13 understand that but I hope you can
14 understand that in a time where we have
15 candidates running on eliminating a culture
16 of corruption that we are obliged to ask
17 certain questions to ensure that we are not
18 engaging in that.

19 MR. KASSCHAU: Right. I believe
20 Harris Beach is not the candidate for county
21 attorney it is me. I was not at Harris
22 Beach when these issues arose.

23 So, I hope based on what I have
24 explained to you today in my reputation
25 among the bar and bench and my resume and

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2 any other questions you have, you will have
3 the faith and confidence in me to be county
4 attorney.

5 LEGISLATOR FERRETTI: Did you
6 participate in any way in Harris Beach's
7 representation of Oyster Bay?

8 MR. KASSCHAU: No.

9 LEGISLATOR FERRETTI: Have you
10 ever met Fred May?

11 MR. KASSCHAU: No.

12 LEGISLATOR FERRETTI: Have you
13 ever met Heringer Sing?

14 MR. KASSCHAU: No.

15 LEGISLATOR FERRETTI: Are you
16 aware of the Newsday article that came out a
17 couple of days ago?

18 MR. KASSCHAU: Yes, I read it
19 Sunday.

20 LEGISLATOR FERRETTI: Do you have
21 any comment on the letters written, the
22 correspondence between Fred May and William
23 Gary with regard to, number one, Harris
24 Beach being retained improperly?

25 MR. KASSCHAU: Again, Legislator

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2 Ferretti, I was not involved in that. I do
3 not have any comments regarding that case.

4 LEGISLATOR FERRETTI: Okay. Have
5 you ever been questioned by any Federal
6 investigators?

7 MR. KASSCHAU: No.

8 LEGISLATOR FERRETTI: Okay.
9 Thank you.

10 CHAIRMAN NICOLELLO: Follow-up
11 question and a couple of questions.

12 I understand the loan guarantee
13 and the involvement of Harris Beach in terms
14 of whatever the correct term is with respect
15 to the loan guarantees in Oyster Bay
16 occurred before you were at Harris Beach?

17 MR. KASSCHAU: Yes.

18 CHAIRMAN NICOLELLO: Did you have
19 any responsibility when you were there to
20 manage the law firm, not talking about
21 managing the cases, that is very impressive
22 that you had that other experience, but were
23 you in the management of the law firm?

24 MR. KASSCHAU: I was not on the
25 management committee, Mr. Presiding Officer.

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2 I did manage the associates on cases they
3 were working with me on, and helping them as
4 a mentor in terms of motion practice and
5 preparing for trials and depositions and
6 whatnot.

7 CHAIRMAN NICOLELLO: Were you
8 involved -- they are, obviously every one
9 knows investigations and a civil suit by
10 Oyster Bay related to those loan guarantees,
11 while you were at Harris Beach, were you
12 involved in any way in Harris Beach's
13 reaction to either investigations or the
14 civil suit?

15 MR. KASSCHAU: No.

16 CHAIRMAN NICOLELLO: Mr. Drucker.

17 LEGISLATOR DRUCKER: Thank you.
18 Mr. Kasschau, how are you doing? We met a
19 couple of weeks ago. We haven't had a
20 chance to meet one on one, but I just wanted
21 to confirm -- and I'm also very impressed
22 with the breadth of your experience.

23 I did want to confirm that you
24 did share in something that is very
25 prominent in my mind, the need for us to

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2 reduce our reliance on outside counsel for
3 all of those cases that come before us.

4 What's your take on that? Do you
5 think you are going to be able to implement
6 things that save the taxpayers money on our
7 continued reliance on outside counsel for
8 cases as you beef up your office?

9 MR. KASSCHAU: I do, Legislator
10 Drucker. Only certain types of cases in my
11 estimation should be referred to outside
12 counsel. I think this position is
13 consistent with the prior administrations.

14 That is, cases where there's
15 obviously a conflict of interest that would
16 prevent the County Attorney's Office from
17 representing one of the parties.

18 Another is instances where
19 specialized knowledge where expertise is
20 required, for example, the county currently
21 has cases involving asbestos litigation or
22 labor litigation.

23 And the final area is where the
24 magnitude of the case is so large that it
25 would be inefficient for in-house DCAs to

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2 handle those cases.

3 LEGISLATOR DRUCKER: But do you
4 overall expect to reduce the number of
5 outside counsel cases?

6 MR. KASSCHAU: Yes, I do. I
7 believe there are several areas that
8 involve -- I hate to use the expression run
9 the mill type tort cases 1983 claims labor
10 grievances, where we can, by hiring strong
11 candidates as in-house DCAs be able to
12 further reduce our reliance on outside
13 counsel.

14 Another policy that I'm looking
15 to implement is to ensure, to create what I
16 would like to call an early assessment
17 bureau that will have a couple of functions;
18 one of which is to review cases as they come
19 in to see in these are cases that can
20 resolve quickly by settlement; and the
21 second function that I see that early case
22 assessment bureau handling is being a single
23 point of contact to monitor and audit all of
24 the invoices that come in from outside
25 counsel.

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2 As it stands now, they have what
3 they call links, which are DCAs who have, in
4 addition to their own caseload, they're
5 charged also with reviewing the bills from
6 these outside counsel.

7 If I were a deputy county
8 attorney and managing my case load and
9 making sure I'm working up my cases as hard
10 as I can would really take away from the
11 time that's really needed to comb through
12 those bills to make sure that there aren't
13 charges where you have partners appearing --
14 multiple partners appearing at court
15 conferences, or where there's instances of
16 50-H hearings being held when there's really
17 no need for it and other cost savings
18 measures.

19 Another way to help reduce the
20 cost is to potentially develop, and this is
21 something I have been talking with Suffolk
22 County attorney Dennis Brown about,
23 establishing flat rates for certain types of
24 the regular cases that we handle.

25 I'm looking in every way possible

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2 to save the county money, but also cognizant
3 of the fact that the county can't handle
4 everything by itself. We need to find that
5 reasonable balance to ensure that the
6 county's taxpayers are getting the best for
7 their dollar.

8 LEGISLATOR DRUCKER: Thank you
9 very much.

10 CHAIRMAN NICOLELLO: Legislator
11 Birnbaum.

12 LEGISLATOR BIRNBAUM: To
13 follow-up with that, the hiring of outside
14 counsel, would it be possible to perhaps go
15 through the last five to ten years and get
16 an accounting of what kind of specialty
17 outside firms we had to hire because it
18 seems like the answer was always that they
19 were very complicated cases that needed
20 special counsel.

21 So I would suggest maybe just
22 doing -- since I don't think I've ever
23 received to my satisfaction how much we've
24 been spending on outside counsel each year,
25 so many contracts that have come before us,

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2 so if you could perhaps go through them all
3 and see what areas we've been doing the
4 majority of our hiring.

5 MR. KASSCHAU: Legislator
6 Birnbaum, it think that's a fine idea. I
7 would like to implement it on a going
8 forward basis.

9 Looking back it's going to be
10 time intensive and costly insofar as we are
11 going to have a DCA, this point person look
12 back.

13 I think we have a substantial
14 amount of volume coming in that I would like
15 to be in a position on a going forward basis
16 to represent to members of the Legislature
17 that this in fact is a complex case and the
18 reasons why it's a complex case are X, Y and
19 Z, so that all of you are comfortable that's
20 the reason why the county attorney's office
21 is wheeling it out to outside counsel.

22 LEGISLATOR BIRNBAUM: So you will
23 be centralizing it, you won't be allowing
24 each of the DCAs doing the hiring? How will
25 it work?

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2 MR. KASSCHAU: The hiring will be
3 done as it is now. We have a panel of
4 outside counsel qualified in certain areas.
5 I believe the last RFQ had gone out in 2016,
6 so I think it's past due to put out a new
7 RFQ for outside counsel.

8 In terms of monitoring the
9 invoices as they come in, I think it's
10 better for one person to do that; number
11 one, because they can be charged with that
12 as one or their sole responsibility; and,
13 two, because I think if a single person is
14 looking over those bills, they will be able
15 to see over time how one firm may do things
16 better or more efficient than another firm
17 and then reach out to that other firm and
18 say, these guys are doing it this way. Have
19 you tried doing it that way? And help save
20 the county some money.

21 LEGISLATOR BIRNBAUM: Thank you.
22 I would like to see that.

23 CHAIRMAN NICOLELLO: There are a
24 number of legislators who have questions as
25 well; Legislators Schaefer, Walker,

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2 McKevitt, Mule, and Rhoads again.

3 LEGISLATOR SCHAEFER: You're not
4 sitting down any time soon. Hi, Mr.
5 Kasschau.

6 MR. KASSCHAU: Hi. Good
7 afternoon.

8 LEGISLATOR SCHAEFER: I'm curious
9 as to your background. How did you come to
10 work at Harris Beach? You were at Jaspan
11 for how long?

12 MR. KASSCHAU: Four years or
13 thereabouts. While there, I had the
14 opportunity to work with Tom Gary and others
15 who moved to Harris Beach and I saw an
16 opportunity to make the jump from Jaspan
17 Schlesinger which is a fine law firm in and
18 of itself to Harris Beach principally on the
19 fact that Harris Beach is a larger platform.
20 It offers a fine business development
21 office.

22 It's far bigger than Jaspan so I
23 thought it a great opportunity to launch my
24 career or at least progress my career.

25 LEGISLATOR SCHAEFER: So you

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2 ultimately ended up going to Harris Beach as
3 a result of people you knew such as Tom Gary
4 when they went over there?

5 MR. KASSCHAU: I think he saw the
6 quality of my work and dedication and work
7 ethic. I think that's why I rose through
8 the ranks as quickly as I have both at
9 Jaspan and at Harris Beach.

10 I'm someone who gives 110 percent
11 all the time. I'm here on weekends. I hope
12 to have the opportunity to show you how hard
13 I work on any matter you'd ask me to work
14 on. I really enjoy working that hard.

15 LEGISLATOR SCHAEFER: I think
16 most attorneys know that they can't get away
17 with not working that hard if you're going
18 to practice law; is that right?

19 MR. KASSCHAU: Very true.

20 LEGISLATOR SCHAEFER: I'm also
21 curious how you first learned about the
22 opportunity or who you spoke with first
23 about the opportunity to possibly become
24 county attorney?

25 MR. KASSCHAU: It was something

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2 that was mentioned as an opportunity. I
3 forget who mentioned it to me initially.
4 It's something that I been thinking about
5 for a long while. A good friend of mine had
6 once said, have you ever thought of that as
7 a potential career path if it would ever
8 present itself, years before the County
9 Executive Laura Curran won the election.

10 When the opportunity presented it
11 self, I mean, I've talked with a number of
12 former county attorneys and I'm so booyeed
13 by the fact that they have, all of them
14 essentially, said it was the pinnacle of
15 their career.

16 I talked with Lorna Goodman, John
17 Ciampoli. I've also talked with a former
18 partner of mine at Harris Beach who I think
19 was the youngest county attorney in Monroe
20 county at the age of 32 who looked back on
21 their time in this role really wonderfully.

22 So when the opportunity presented
23 itself, I stepped up.

24 LEGISLATOR SCHAEFER: So when you
25 say the opportunity presented itself, what

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2 do you mean by that exactly?

3 MR. KASSCHAU: Well, I understood
4 there was going to be a position open. I
5 submitted my resume and I had an interview
6 with the County Executive.

7 LEGISLATOR SCHAEFER: Who did you
8 submit your resume to?

9 MR. KASSCHAU: I believe I gave
10 it to the County Executive and the
11 transition committee.

12 LEGISLATOR SCHAEFER: No one had
13 had conversations or come to you before
14 about that, about, maybe you should submit
15 your resume or was it solely on your own
16 volition?

17 MR. KASSCHAU: Well, no, my
18 friends and colleagues had suggested you
19 should try for it. This is something that
20 you would do very well in and it's a
21 position that you ought to apply for, which
22 I did.

23 LEGISLATOR SCHAEFER: That's all
24 I have for now.

25 LEGISLATOR WALKER: Hello Mr.

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2 Kasschau. How are you?

3 MR. KASSCHAU: I'm good. Thank
4 you.

5 LEGISLATOR WALKER: I want to go
6 back to -- and I know you have been grilled
7 on it, grilled on it, but obviously you said
8 you were not there but your firm's
9 involvement with the Town of Oyster Bay
10 issue.

11 Have you discussed that case with
12 your firm, you being a partner? I'm not an
13 attorney so I understand from what I gather
14 there are partners of all different levels
15 but is that a case you have discussed with
16 your firm?

17 MR. KASSCHAU: Respectfully,
18 Legislator Walker, I will not -- I can't
19 comment on my conversations with attorneys
20 within my firm especially since it involves
21 pending litigation. I hope you can
22 understand that

23 LEGISLATOR WALKER: Okay.
24 Obviously your firm being involved with the
25 municipalities and knowing municipal law,

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2 they were representing the town without a
3 town board resolution, obviously there were
4 issues there, but obviously you can't
5 discuss with us what you might know about
6 that?

7 MR. KASSCHAU: That's correct
8 Legislator Walker. I cannot.

9 LEGISLATOR WALKER: All right.
10 Thank you.

11 MR. KASSCHAU: Your welcome.

12 CHAIRMAN NICOLELLO: Legislator
13 McKevitt and then Legislator Mule.

14 LEGISLATOR MCKEVITT: If the goal
15 is going to be trying to move away from
16 outside counsel and move it in-house, I'm
17 just wondering about your competency, being
18 able to attract new attorneys into the
19 office with required experience, make that
20 happen, being that I was once a municipal
21 tort attorney once myself, and can't
22 necessarily have the great high salary to
23 attract people in so I'm just wondering how
24 you will be able to accomplish that goal.

25 MR. KASSCHAU: Thank you for that

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2 question. When I was deciding on where I
3 was going to land after graduating law
4 school, one of the reasons I decided to
5 become an assistant district attorney is
6 because of the training, the on-the-job
7 training and experience you get straight out
8 the gate.

9 When you are thrown in the fire
10 you are trying cases immediately. You have
11 a case load you are responsible for.

12 I would like to think that the
13 County Attorney's Office can have that same
14 kind of draw.

15 One of the issues that I had
16 mentioned earlier in the brief talk was
17 creating this training program.

18 There was a training coordinator
19 at the Bronx County District Attorney's
20 Office that had regular misdemeanor trial
21 training classes or CLEs and felony trial
22 training CLEs.

23 I think if we establish that
24 office or that role and develop a pipeline
25 with the local and regional law schools, we

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2 can ensure a steady stream of young eager
3 attorneys who want to work in public
4 service.

5 The difficulty though, as you
6 pointed out, is making sure that they stay
7 there. One of the ways to do that I think
8 is to develop a normalized pay scale which
9 is something that I'm working with the staff
10 accountant to try to find tranches to see if
11 we can develop over time a regular promotion
12 pathway so that people who really want to
13 work in public service, know that through
14 transitions that there may be an opportunity
15 to progress through an up to the bureau
16 chief and deputy chief positions.

17 LEGISLATOR MCKEVITT: I think
18 that's an excellent situation we can move on
19 to that you do have young students coming
20 out of school. Obviously they don't have
21 the experience that you need to throw them
22 in a courtroom right away, so you have to be
23 very careful -- again, I was a municipal
24 attorney way back myself when I first began,
25 and actually full disclosure for training,

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2 my writing instructor was Martha Krisel who
3 is sitting right to the right of you right
4 at this moment. She is a trial prodigy.
5 She's about the same age as me, but she was
6 teaching law school at a very young age.

7 What it comes down to is I had
8 excellent mentors around me. I was trying
9 cases within two weeks of being in the town
10 attorney's office, but within three years I
11 was bringing cases before the New York court
12 of appeals.

13 The way you do that is you have
14 very experienced attorneys looking over them
15 and if you work with them you can cultivate
16 a good culture of young attorneys and create
17 a really great office which I want to see
18 there but it's going to require a lot of
19 magic on your side to make sure that that
20 occurs.

21 MR. KASSCHAU: That's true and I
22 believe the staff at the County Attorney's
23 Office now is a wonderful hard working
24 group. A lot of them are fantastic mentors
25 and managers and I look forward to

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2 continuing to work with them and ensuring
3 that we always have a steady crop, if you
4 will, of young eager attorneys who want to
5 work in the office.

6 LEGISLATOR MCKEVITT: Thank you.

7 CHAIRMAN NICOLELLO: Legislator
8 Mule and Legislator Lafazan.

9 LEGISLATOR MULE: Thank you.
10 Hello Mr. Kashchau.

11 MR. KASSCHAU: Hi. How are you?

12 LEGISLATOR MULE: I'm good. As a
13 new legislator and you as a new county
14 attorney, we've had the opportunity to work
15 together on two separate issues having to do
16 with constituents in my district and I just
17 want to share with my colleagues you have
18 been extremely responsive. You've gotten
19 back to me immediately taken the issues very
20 seriously.

21 I think you will be a tremendous
22 asset to the county and I look forward to
23 working with you in the future.

24 MR. KASSCHAU: Thank you very
25 much, Legislator Mule. I would like to open

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2 that opportunity to all of you. I'm
3 delighted to help you in any way I can. My
4 office is always open and I'm happy to
5 provide you all with my cell phone number
6 although that may be -- probably not a good
7 idea?

8 CHAIRMAN NICOLELLO: Legislator
9 Lafazan.

10 LEGISLATOR LAFAZAN: Thank you,
11 Mr. Presiding Officer. Good afternoon.

12 MR. KASSCHAU: How are you, sir?

13 LEGISLATOR LAFAZAN: I'm doing
14 well.

15 MR. KASSCHAU: My 24th birthday
16 and I'm excited to spend it with all my new
17 best friends up here on dais.

18 MR. KASSCHAU: Happy Birthday,
19 Legislator.

20 LEGISLATOR LAFAZAN: Thank you
21 very much. One comment and then two
22 questions if you would indulge me.

23 I believe actions speak far
24 louder than words, and while I was
25 thoroughly impressed with your testimony

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2 under some pretty high pressure from some
3 formidable legislators, I believe in this
4 past month alone, you've handled yourself
5 with integrity and respect that I hope
6 becomes contagious in your office.

7 MR. KASSCHAU: Thank you very
8 much.

9 LEGISLATOR LAFAZAN: I will tell
10 you as the resident millennial up here, if
11 you consult pupils, young people have a
12 record low of trust in the legal system.

13 As the attorney for 1.3 million
14 residents here in Nassau County, I hope that
15 you will continue to uphold yourself with
16 integrity and deference and respect that my
17 interns in the audience today can grow up to
18 emulate when they become lawyers.

19 MR. KASSCHAU: I pledge to you I
20 will make every effort to do so.

21 LEGISLATOR LAFAZAN: Thank you.
22 So that one comment. That's on the record.

23 Two questions for you. Opioids
24 is a passion of mine. It's a scourge that's
25 claimed the lives of 62,000 Americans, as

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2 the Presiding Officer mentioned in his
3 inaugural speech and Nassau County is one of
4 the highest hit regions.

5 In New York City, we saw that
6 they sued opioid manufacturers for their
7 role in perpetuating this scourge.

8 What do you see the County
9 Attorney's Office or your role as your
10 attorney in helping to combat this epidemic?

11 MR. KASSCHAU: I believe the
12 county has already joined in one of the
13 class actions, but I'm happy to sit down
14 with you and Presiding Officer or whoever
15 else that would like to discuss the issue
16 and help develop whatever kind of local law
17 and Legislation we can to assist all the
18 villages and municipalities and towns within
19 the county in combatting this scourge.

20 It really is. I'm sure it's hit
21 every one of our communities at some level.
22 It's a very sad development.

23 I'm happy and would be delighted
24 to lend my assistance if any way I can.

25 LEGISLATOR LAFAZAN: I'm glad to

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2 hear it. Because, as I said numerous times,
3 this could be the bipartisan issue of the
4 21st Century and I hope 2018 and obviously
5 your position to help all 19 of us develop
6 policy to combat the scourge and hopefully
7 follow our neighbors in Suffolk as they have
8 been incredibly progressive on the issue and
9 I hope that you would be able to assist me
10 in crafting legislation that I can put forth
11 to this body.

12 MR. KASSCHAU: Sure.

13 LEGISLATOR LAFAZAN: Secondly,
14 summer internships are really important.
15 And, again, as the resident millennial of
16 this body, it was frustrating when I polled
17 Syosett graduates who were in law school and
18 they said for years they had difficulty
19 getting summer internships here.

20 We know that keeping young people
21 on Long Island is the most important thing
22 we will do here. Young people statistically
23 will go to a city where they've gotten an
24 internship because we know internships turn
25 to jobs and jobs turn into security.

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2 How do you plan on opening the
3 doors of the County Attorney's Office to
4 help young interns get a job, get an
5 internship here?

6 Again, we spoke about staffing
7 levels, perhaps a job as a young attorney.

8 MR. KASSCHAU: We have a
9 wonderful internship program, actually
10 headed up by DCA Mary Nori, and I believe
11 DCA Krisel who's standing here to my right
12 has also played a large part in that in the
13 past.

14 I don't know the details about
15 the internship program but I know that we
16 have always welcomed new young attorneys or
17 prospective attorneys who want to see what
18 it's like to work in the office.

19 I'm very pleased to report to all
20 of you that many of these attorneys decide
21 to stay on, in some cases, years, helping
22 out at the County Attorney's Office.

23 I would like to say there is a
24 pathway from being an intern to eventually
25 obtaining a position as deputy county

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2 attorney.

3 We do have a number of current
4 interns who have submitted their resume for
5 slots in the departments they have been
6 working at and we're of course reviewing
7 them in the same way we're reviewing all the
8 other resumes that have been provided to the
9 office.

10 LEGISLATOR LAFAZAN: I appreciate
11 your testimony and I plan to vote yes and
12 like Legislator Walker I'm an avid
13 basketball fan, and you can't do it in the
14 game if you haven't done it in practice.

15 If this month was practice, I
16 think you're going to be pretty good in the
17 game. I appreciate all you've done for us.

18 MR. KASSCHAU: I appreciate that.

19 CHAIRMAN NICOLELLO: Legislator
20 Bynoe and then Legislator Kopel.

21 LEGISLATOR BYNOE: Thank you.
22 Good evening at this point.

23 I want to share a little bit of
24 what my experience has been as a part of the
25 Finance Committee and now the Rules

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2 Committee.

3 Often times we go into executive
4 session to deal with matters of litigation
5 and some of them -- some of the issues have
6 revolved around county employees and their
7 actions as employees of the county. We've
8 had to settle some of these cases.

9 Often times when we ask what has
10 been the corrective measure that has been
11 put in place to address these issues moving
12 forward to mitigate any risk, often times
13 we're not getting any feedback. Blank
14 stares often times when we ask that
15 question.

16 I would like to make sure that
17 you're going to be an active participant in
18 the performance and evaluation of policies
19 and procedures by way of feedback from
20 litigation to ensure we are in fact properly
21 training and resourcing our employees for
22 better outcomes that would not require us to
23 keep seeing ourselves in litigation around
24 issues that could be prevented.

25 Do you see your role as such?

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2 MR. KASSCHAU: I would be
3 delighted to appear before all of you if
4 this is the way its going to go in every
5 instance.

6 I intend to be here more often
7 than not. I understand that certain of
8 these discussions involving grievances,
9 involving employees, and personnel ought to
10 be discussed in executive session and I'm
11 happy to present that information if you
12 think it's helpful.

13 LEGISLATOR BYNOE: Actually,
14 probably not all that helpful to me. My
15 role is in the legislative not in the
16 administrative branch.

17 So what I'm asking is that that
18 information then be provided to the proper
19 departments, heads, and the administration
20 so that corrective actions, whether it's a
21 modification to policies, procedures, so
22 that we could in fact mitigate risk in the
23 future.

24 Many times when we have asked
25 about those types of measures being employed

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2 after we have been confronted with
3 litigation and settled, we are hearing from
4 the attorneys -- I'm not hearing that they
5 were active participants in making sure the
6 administration made those modifications.

7 So I'm asking if you see that as
8 your role.

9 MR. KASSCHAU: Yes. And this
10 goes back to something that I had mentioned
11 earlier on during my initial presentation.

12 I think it's important to create
13 and develop policies and risk management
14 procedures that need to be not only
15 discussed with the deputy county attorneys
16 but also where the deputy county attorneys
17 or whoever is responsible for training will
18 go out to each of the departments and
19 continuously train them on how to address
20 issues so that these issues do not become
21 recurring issues; and thereby stem any kind
22 of liability that may arise as a result.

23 LEGISLATOR BYNOE: And I totally
24 agree with that. I totally found it not to
25 be the case prior when it came to

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2 litigation.

3 We just never saw any kind of
4 counseling memo to the department, anything
5 that evidenced that there was communication
6 based on a specific litigation back to the
7 departments that should address it.

8 So I'm happy to hear that and
9 good luck to you.

10 MR. KASSCHAU: Thank you very
11 much.

12 CHAIRMAN NICOLELLO: Legislator
13 DeRiggi-Whitton.

14 LEGISLATOR DERIGGI-WHITTON: I
15 know we met also about a week ago with the
16 caucus, we discussed the possibility of
17 doing a fee schedule for the outside
18 counsel.

19 MR. KASSCHAU: Yes. I believe
20 there is an existing, a fee schedule.
21 That's part of our RFQ process where
22 responding outside counsel have to provide
23 to us what their fee range is.

24 Of course we would like to see
25 those numbers go down to the extent

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2 possible. I believe the municipal rate as
3 it stands now is around \$225 for most cases.

4 That number is in the realm of
5 reasonable in my estimation based on
6 municipal rates I have seen.

7 However, there may be other ways
8 to save money in addition to reducing fees;
9 one of which that I mentioned earlier on and
10 that's establishing a blended rate or a flat
11 rate for certain of the regular cases that
12 we see and I'm open to all ideas and I'm
13 going to explore all ideas to ensure we are
14 providing or receiving, in this case, the
15 services at the best rate possible.

16 LEGISLATOR DERIGGI-WHITTON: I
17 would love if you would ever like to work
18 with us, I would love to be part of that
19 because I used to in my prior life worked
20 for an insurance company and when it came to
21 sending cases out, we had a fee schedule not
22 only for the hourly rate but as you said a
23 flat schedule for depositions or whatever it
24 is that needs to be done in a typical
25 lawsuit with the caveat that should this

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2 need further attention there is always a
3 possibility of increasing it.

4 I would love to see something a
5 little more detailed than just what these
6 attorneys are being paid hourly or
7 paralegals because unfortunately we don't
8 get the bills for outside counsel, we don't
9 see the actual bill. I understand you're
10 going to have one person in your office
11 hopefully monitoring that.

12 MR. KASSCHAU: One person or a
13 small group of people.

14 LEGISLATOR DERIGGI-WHITTON: And,
15 you know, just because we're ones that pay
16 the bills, if we had more information than
17 just, here it is, \$300,000 and we already
18 spent it so you got to pay it, which is
19 really the position we're in, I can't tell
20 you how many times I've been in that
21 position.

22 If we had further back up and I
23 understand you're getting the back up and
24 it's nothing -- no offense to the County
25 Attorney's Office, but as a Legislature I

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2 think it would be better for us to see where
3 that money went rather than just, here it
4 is, it's late, pay it because we are going
5 to lose the case if we don't. We are really
6 are in that situation so many times.

7 MR. KASSCHAU: Perhaps we can
8 provide the Legislature with more detail
9 regarding what the numbers equate to.

10 LEGISLATOR DERIGGI-WHITTON: I
11 guess, basically, that's what I'm asking
12 for.

13 Again, we take it from the
14 private sector, because it's not as if we
15 are reinventing the wheel, it's there.
16 There is standard costs for different things
17 just to get an idea.

18 I just wanted to put on the
19 record to hire attorneys strictly on the
20 merits?

21 MR. KASSCHAU: Yes, absolutely,
22 that's the only way to judge an attorney is
23 by how hard they work and their merit.

24 LEGISLATOR DERIGGI-WHITTON:
25 Okay. I have been very impressed with you

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2 and I feel it's going to be run the way that
3 Nassau County residents deserve so thank you
4 for everything.

5 MR. KASSCHAU: Thank you very
6 much.

7 LEGISLATOR KOPEL: Good
8 afternoon, Mr. Kasschau.

9 MR. KASSCHAU: How are you?

10 LEGISLATOR KOPEL: I'm well,
11 thank you. Thank you for a very cool and
12 straightforward presentation. But let me
13 ask you, having endured the last hour and
14 change, are you still convinced that this is
15 the culmination of your career, everything
16 from here is down hill?

17 MR. KASSCHAU: With a resounding
18 yes, sir.

19 LEGISLATOR KOPEL: Well, good
20 luck. I look forward to working with you.

21 Let me just ask you real quickly
22 about budgeting; and specifically with
23 respect to budgeting for anticipated
24 judgements. We have lots of experience in
25 the county here as to what happens -- let's

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2 use the word loosely on average from year to
3 year to year.

4 I'd love to see it that we have a
5 realistic budget going in and that we don't
6 have surprises at the end of the year that
7 we just not budgeted enough and so forth.
8 Do you have any views on that?

9 MR. KASSCHAU: I think that you
10 all as legislators are only as good as the
11 information that you have.

12 To the extent that I can be as
13 open and transparent with you as I can
14 that's my goal. I have opportunity to work
15 with counsel for both of your caucuses.

16 I made it a mission of mine to
17 keep them apprised of any activities or big
18 ticket items such as the settlement of
19 lawsuits. That hasn't happened yet just so
20 everybody knows except for the Restivo which
21 happened a long time ago.

22 But I intend on a going forward
23 basis to absolutely keep both sets of
24 counsel advised and apprised and I would be
25 delighted to the extent your caucuses would

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2 like to invite me into executive session to
3 talk about litigation, and the potential
4 damages that may arise from that litigation,
5 I would be delighted and welcome the
6 opportunity.

7 LEGISLATOR KOPEL: I'm talking
8 about budgeting from year to year.

9 MR. KASSCHAU: Yes. I mean, I'm
10 working with the DCE for budget and finance
11 Mark Paige. He's put together -- we do have
12 numbers as, Legislator Kopel, I know when
13 the county puts out bonding prospectuses it
14 does often times list the major litigation
15 and the estimated potential damages for
16 those litigations.

17 It's critical that that
18 information is accurate and it's critical
19 for me to talk with the deputy county
20 attorneys and the outside counsel that are
21 handling those cases so that should that
22 number change over time I impart that
23 information to you that. That's something
24 that I will do.

25 LEGISLATOR KOPEL: So, in other

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2 words, you're just going to -- will you look
3 at the '18 budget and give us your
4 impression as to how realistic those numbers
5 currently are?

6 MR. KASSCHAU: I will.

7 LEGISLATOR KOPEL: Thank you
8 appreciate it.

9 CHAIRMAN NICOLELLO: Legislator
10 Rhoads and Ferretti have additional
11 questions. Legislator Ferretti asked first.
12 Go ahead, Legislator Ferretti.

13 LEGISLATOR FERRETTI:
14 Mr. Kasschau, hello again.

15 I can understand and respect your
16 position just bringing us back to the Oyster
17 Bay situation how you can't really comment
18 as it's pending litigation. So I'm just
19 going to make one quick comment where you
20 don't have to respond it and then ask a
21 hypothetical question which I hope you can
22 give me an answer to.

23 As you know, it's been reported
24 that Harris Beach gave an opinion that a
25 loan guarantee backed by taxpayer money was

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2 valid.

3 My question to you is, as county
4 attorney, hypothetically speaking, if that
5 question was presented to you for a county
6 attorney opinion, the issue being, can the
7 county guarantee a private loan with
8 government guaranteed money, what would your
9 response be? Thank you.

10 MR. KASSCHAU: Legislator
11 Ferretti, I'm sorry I will not answer that
12 hypothetical.

13 I think it's -- please respect my
14 decision not to answer that. It involves
15 pending litigation or a hypothetical based
16 on pending litigation regarding my former
17 firm which I am no longer a part of and I
18 cannot comment on it.

19 LEGISLATOR FERRETTI: Okay.
20 Thank you.

21 CHAIRMAN NICOLELLO: Any other
22 questions? Legislator Rhoads you have the
23 last question.

24 LEGISLATOR RHOADS: Thank you. I
25 appreciate that. Mr. Kasschau, I understand

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2 that there's litigation involving your
3 former firm.

4 I understand that you were not
5 involved in the Oyster Bay matters.
6 However, I don't understand why you wouldn't
7 be able to answer that hypothetical question
8 especially since you weren't involved in the
9 underlying Oyster Bay decision.

10 MR. KASSCHAU: Because I'm not
11 going to adopt the characterizations that
12 were included in the hypothetical. Please
13 forgive me. I cannot in good conscious I
14 cannot answer that hypothetical.

15 If it involved your firm and I
16 was a member of your firm, I would not
17 answer that question.

18 LEGISLATOR RHOADS: But as the
19 county attorney you may be called upon to
20 answer that very question.

21 CHAIRMAN NICOLELLO: I think
22 Mr. Kasschau has responded.

23 LEGISLATOR RHOADS: Okay. With
24 respect to assistant county attorneys, is
25 there any intention for you to continue

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2 their use?

3 MR. KASSCHAU: There are
4 assistant county attorneys already on staff.
5 I will probably revisit that as time goes
6 on.

7 LEGISLATOR RHOADS: I want to
8 say, the County Executive recently
9 apparently said that she sees no reason to
10 retain the assistant county attorney
11 position.

12 I didn't know if there was any
13 discussion that you had with the county
14 executive with respect to that and if it is
15 your intention to continue the use of
16 assistant county attorneys, what will be
17 their role as opposed to deputy county
18 attorneys?

19 MR. KASSCHAU: I think the only
20 restriction would be their ability to
21 litigate matters involving the union which
22 they are members of by virtue of their being
23 a potential conflict of interest, besides
24 that there is no restriction in my opinion.

25 LEGISLATOR RHOADS: With respect

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2 to the budget and the interplay, it always
3 seems like -- and this happens in the
4 private sector too, there's always sort of
5 an interplay between the attempt to handle
6 cases in-house using house counsel versus
7 sending them to outside counsel, and the
8 pendulum will swing.

9 We will take a look and see that
10 the cost of hiring and paying benefits for
11 additional in-house counsel versus the cost
12 of actually paying another firm to handle
13 it.

14 I completely understand your
15 evaluation with respect to there are some
16 cases that are so complex that it doesn't
17 make sense to devote a single deputy county
18 attorney who would have to spend the
19 entirety of their time when they could be
20 working on 75 other cases.

21 It doesn't, from a management
22 standpoint, seem to make very much sense.

23 In terms of the county attorney's
24 budget as it exists today, do you intend to
25 operate the County Attorney's Office within

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2 the constraints of that budget and, if so,
3 how?

4 MR. KASSCHAU: I do and in fact
5 I've been tasked with actually coming in
6 under budget given the financial constraints
7 that the county is facing and I will make
8 every effort to do so.

9 It's going to be require some
10 creative approaches which we'll develop over
11 time.

12 I've sat down with my department
13 accountant, Shawn Berman, and we're going
14 through the numbers and we're looking at
15 what our hiring needs are, what we can do
16 best with.

17 This is all really a study and
18 what is the tipping point in terms of
19 outside counsel and inhouse counsel.

20 But I'm certainly cognizant of
21 the fact that hiring a deputy county
22 attorney does not only involve that
23 attorney's salary but it involves all the
24 benefits tied to that position as well.

25 LEGISLATOR RHOADS: How many

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2 cases, if you know, is tort and civil rights
3 dealing with at this point?

4 MR. KASSCHAU: Forgive me,
5 legislator, I do not know that number off
6 the top of my head.

7 LEGISLATOR RHOADS: Well, in an
8 ideal world, what do you believe to be the
9 maximum case load that one attorney would be
10 able to handle in terms of litigation?

11 MR. KASSCHAU: Well, I think a
12 number of factors go into it. I don't want
13 anybody to feel like they're not able to
14 dedicate the required amount of time and
15 attention to any cases.

16 I think it also hinges upon the
17 experience of each of the county attorneys.
18 More senior county attorneys I think are
19 able to multitask better than others.

20 It's going to be a case by case
21 analysis. I can't give you a number off the
22 top of my head of what a deputy county
23 attorney's comfort level is because I think
24 it's dependent upon the attorney themselves.

25 LEGISLATOR RHOADS: I appreciate

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2 it. Thank you.

3 CHAIRMAN NICOLELLO: Thank you,
4 Mr. Kasschau. We are going to take just a
5 brief recess and I do mean brief. We'll be
6 back in a couple of minutes.

7 (Whereupon, the Full Legislative
8 Committee recessed at 4:45 p.m. and
9 reconvened at 4:57 p.m.)

10 CHAIRMAN NICOLELLO: We are back
11 from our recess. Did you have anything else
12 that you wanted to add before we proceed?

13 MR. KASSCHAU: No, sir. Thank
14 you.

15 CHAIRMAN NICOLELLO: On behalf of
16 the majority we will be supporting your
17 nomination as county attorney.

18 The County Executive deserves the
19 ability to select the person of her
20 choosing. I personally was very impressed
21 by your background, resume, at a young age in
22 the practice of law, and you showed a great
23 composure in answering the questions here.

24 We do have concerns that the
25 connection to Harris Beach, we're concerned

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2 about an out-sized influence over county
3 government by that firm.

4 Nevertheless, as I said, the
5 County Executive should be given some
6 deference in choosing the person she believe
7 is correct.

8 You have had a very good
9 relationship working with our counsel. We
10 ask that you continue that and look forward
11 to continuing that going forward and we want
12 to remind you that you are also, as county
13 attorney, going to be the attorney for the
14 Legislature. So we are your clients as
15 well.

16 MR. KASSCHAU: Thank you.

17 CHAIRMAN NICOLELLO: Anyone else
18 have anything to say before we proceed?

19 (No verbal response.)

20 Any public comment?

21 MS. MEREDAY: And there was a
22 speech about that. How long not long. Meta
23 J. Mereday, Baldwin resident.

24 I'm so glad when you returned you
25 made that statement, Presiding Officer

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2 Nicolello, because I too and those who were
3 able to remain in the room were very
4 impressed by the appointee for the county
5 attorney's position, with his presentation
6 and his ability to answer the tough
7 questions and to provide those of us who are
8 on this side of the aisle some comfort with
9 regard to some of the things and initiatives
10 have been, I know I personally with regard
11 to reducing the outside counsel.

12 I am on the record requesting
13 that issue and also providing timely and
14 needed training within our departments.

15 We still seem to have a problem
16 or condition where we bridge the gaps, we're
17 bringing in individuals from other
18 municipalities, whether they lose an
19 election or an appointment, they seem to
20 come into the county and there is that need
21 for that type of vetting process.

22 But we need training. We need
23 training within these departments to ward
24 off any potential or additional litigations
25 in those areas of workforce sexual

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2 harassment and things of that nature.

3 I applaud the County Executive's
4 appointee and I'm hoping that I hear the 19
5 unanimous in support of his appointment and
6 that we can all work together to address the
7 needs of bringing down the budgetary costs
8 in this department as well as others and
9 that he is able to get the resources and
10 support that he needs to bring in the
11 training and the programs that he has listed
12 to bring down our costs to reduce the
13 litigation to increase the level of
14 diversity and to really be the spokesperson
15 internally for representing our interests.
16 Thank you.

17 CHAIRMAN NICOLELLO: Thank you.
18 Legislator Schaefer.

19 LEGISLATOR SCHAEFER:

20 Mr. Kasschau, I just wanted to say I also do
21 appreciate and respect your presentation
22 here today. I'm glad that Presiding Officer
23 said something about our County Executive
24 having you as her appointment.

25 I believe she has the best

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2 intentions for this county so I believe if
3 you are her pick, then you would have the
4 same, and I certainly am willing to give you
5 a chance because you seem like somebody that
6 wants to do the right thing and I hope that
7 that's correct. We look forward to working
8 with you.

9 MR. KASSCHAU: Absolutely correct
10 and I really look forward to working with
11 all of you.

12 LEGISLATOR SCHAEFER: And any of
13 the questions you thought were really hard
14 were nothing compared to what has been
15 experienced when the shoe is on the other
16 foot, just so you know that.

17 CHAIRMAN NICOLELLO: All right.
18 Mr. Budnick would like to say a word.

19 MR. BUDNICK: John Budnick, I
20 would like to thank and commend learned
21 counsel, I wish him well. He will have two
22 incoming potential train wrecks very soon.
23 One is the family court building.

24 Soon there are going to be large
25 transfers of cases from criminal court to

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2 the family court.

3 There are insufficient space and
4 other facilities there for that. There are
5 also insufficient members of his office to
6 deal with that. Those need to be dealt
7 with.

8 There also needs to be -- giving
9 him input into the construction that's going
10 on of the new Supreme Court Family Court
11 Complex so that there are adequate
12 facilities and adequate resources for his
13 department to be able to handle the issues
14 that will exist there which is probably
15 going to be a large large number of people
16 who are prisoners there who the court will
17 have to deal with, and his office will have
18 to deal with. Thank you. God bless you one
19 and all.

20 CHAIRMAN NICOLELLO: Thank you,
21 Mr. Budnick. There being no further
22 comment, all in favor of the nominations
23 signify by saying aye.

24 (Aye.)

25 Those opposed?

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2 (No verbal response.)

3 Congratulations, Mr. Kasschau.

4 MR. KASSCHAU: Thank you all.

5 CHAIRMAN NICOLELLO: Now we will
6 go through the consent calendar now.

7 There's a number of items that have gone
8 through committees and both minority and
9 majority agree should be passed.

10 These include Item 2, Ordinance
11 Number 2; Item 3, Ordinance Number 3; Item
12 4, Ordinance Number 4; Item 16, Resolution
13 Number 11; Item 17, Resolution Number 12;
14 Item 18, Resolution Number 13; Item 19,
15 Resolution Number 14; Item 20, Resolution
16 Number 15; Item 21, Resolution Number 16.

17 LEGISLATOR FORD: So moved.

18 LEGISLATOR DRUCKER: Second.

19 CHAIRMAN NICOLELLO: Moved by
20 Legislator Ford, seconded by Legislator
21 Drucker. Those items are before the
22 committee. Do we have any questions or
23 discussion?

24 (No verbal response.)

25 Is there any public comment?

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2 (No verbal response.)

3 All those in favor signify by
4 saying aye.

5 (Aye.)

6 Those opposed?

7 (No verbal response.)

8 They carry unanimously. Thank
9 you to all the members of the administration
10 who were here for those items today.

11 I'm going to save the first item
12 for last because I think the other two items
13 will go fairly quickly.

14 Item 6, Resolution Number 1, a
15 resolution authorizing the County Executive
16 to execute a consulting services funding
17 agreement between the County of Nassau
18 acting on behalf of the Department of Public
19 Works and the Long Island Railroad company.

20 LEGISLATOR BYNOE: So moved.

21 LEGISLATOR SCHAEFER: Second.

22 CHAIRMAN NICOLELLO: Moved by
23 Legislator Bynoe, seconded by Legislator
24 Schaefer. The item is before the committee.
25 Anyone have a question? The agreement with

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2 the Long Island Rail Road.

3 MR. MAY: Mr. Presiding Officer,
4 if there are no questions we do have an
5 added bit of information from I believe the
6 LIRR Mr. Salley wants to give to the board.

7 MR. SALLEY: Sean Salley, Nassau
8 County Department of Public Works.

9 Legislators, I just wanted to
10 brief you and update you on the conversation
11 and an email between myself and the railroad
12 from earlier today.

13 The railroad has confirmed that
14 additional funding is set aside is available
15 to add to the initial \$500,000 for the
16 reimbursement.

17 That additional funding is in a
18 contingency fund that will cover the full
19 design build review process through
20 completion.

21 That was in an email and we will
22 make sure that we work seamlessly with the
23 railroad and MTA to see that the project
24 runs as smoothly as possible.

25 CHAIRMAN NICOLELLO: Legislator

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2 DeRiggi-Whitton.

3 LEGISLATOR DERIGGI-WHITTON: Is
4 the county going to be doing their own RFP
5 for this or how does that work?

6 MR. SALLEY: Yes, the county did
7 release an RFP at the end of 2017 and the
8 responses were due this past Monday, a week
9 prior to today, and so the county is
10 currently with -- DPW is currently reviewing
11 those proposals.

12 LEGISLATOR DERIGGI-WHITTON: So
13 it's already been released and you're just
14 waiting for the responses, okay.

15 MR. SALLEY: The responses were
16 received this past Monday.

17 LEGISLATOR DERIGGI-WHITTON:
18 Okay, thank you.

19 CHAIRMAN NICOLELLO: Thank you,
20 Mr. Salley. Any other questions?

21 (No verbal response.)

22 Any public comment?

23 (No verbal response.)

24 All those in favor signify by
25 saying aye.

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2 (Aye.)

3 Carries unanimously.

4 Item 7 is Resolution Number 2, a
5 resolution authorizing the county to execute
6 an intermunicipal agreement with the City of
7 Long Beach.

8 LEGISLATOR FORD: So moved.

9 LEGISLATOR MULE: Second.

10 CHAIRMAN NICOLELLO: Moved by
11 Legislator Ford, seconded by Legislator
12 Mule.

13 MR. MAY: Do we have any
14 questions on this item? We have Mr. Ken
15 Arnold here. If there are no questions,
16 we'd be happy to move along.

17 LEGISLATOR DERIGGI-WHITTON: Just
18 basically the fact that it seems to have
19 from January 1st of '15 to December 31st of
20 2017; is that correct?

21 MR. MAY: I believe that's the
22 term, yes.

23 LEGISLATOR DERIGGI-WHITTON:
24 Okay. So, in other words, we are doing a
25 new term or is this two years late?

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2 MR. ARNOLD: Ken Arnold, Public
3 Works. It's two years late. We need to
4 work on the new agreement for '18.

5 LEGISLATOR DERIGGI-WHITTON: So
6 we should have that shortly?

7 MR. ARNOLD: Our people are
8 totally working on that, yes.

9 LEGISLATOR DERIGGI-WHITTON:
10 Thank you, Ken.

11 LEGISLATOR FORD: Commissioner
12 Arnold, I will be brief as well. Has the
13 city requested any increase in funding on
14 this at all or are they just settling with
15 the \$75,000?

16 MR. ARNOLD: Not to my knowledge.
17 I need to talk to my people on that.

18 LEGISLATOR FORD: And you said in
19 your previous testimony you are going I
20 guess try to ensure that we get timely
21 responses to these requests considering we
22 were trying to give them the money and the
23 city never responded?

24 MR. ARNOLD: We broke the ice jam
25 with this contract. We should be much

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2 better off. The same people there that we
3 are working with.

4 LEGISLATOR FORD: Well, hopefully
5 with the new city administration they'll
6 respond in a more timely fashion for the
7 betterment of their residents. Thank you.

8 CHAIRMAN NICOLELLO: Any other
9 questions or discussion? Legislator Rhoads.

10 LEGISLATOR RHOADS: Commissioner
11 Arnold, was there any explanation given by
12 the old city administration as to how this
13 possibly fell through the cracks for three
14 years?

15 MR. ARNOLD: I believe there was
16 a changeover of the people involved with it
17 at the city. That's what my people are
18 telling me, the people they dealt with left
19 so there's new people and it took a while
20 for the new people to understand they had to
21 fill out all the disclosures which took
22 additional time to get it completed and
23 there was a period of time they did not
24 request of the department for reimbursement
25 and my people did not follow up which I've

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2 talked to them since then.

3 LEGISLATOR RHOADS: They didn't
4 miss \$225,000 in their budget?

5 MR. ARNOLD: I can't speak for --
6 I know I wouldn't.

7 CHAIRMAN NICOLELLO: Any other
8 discussion or questions?

9 (No verbal response.)

10 Is there any public comment?

11 (No verbal response.)

12 All those in favor signify by
13 saying aye.

14 (Aye.)

15 Those opposed?

16 (No verbal response.)

17 Item carries unanimously.

18 Now let's go back to the first
19 item, Ordinance Number 1. It's an ordinance
20 providing for a capital expenditure to
21 finance the payment of certain judgments or
22 compromise or settle claims against the
23 County of Nassau and authorizing \$45 million
24 of bonds of the County of Nassau to finance
25 said expenditure and making certain

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2 determinations pursuant to the local Finance
3 Law of New York and the County Government
4 Law of Nassau County.

5 LEGISLATOR MUSCARELLA: So moved.

6 LEGISLATOR BYNOE: Second.

7 CHAIRMAN NICOLELLO: Moved by
8 Legislator Muscarella, seconded by
9 Legislator Bynoe. The item is before the
10 committee. I keep saying that. The item is
11 before the Legislature. Mr. May.

12 MR. MAY: The committee of the
13 Full. We have Mr. Andy Persich from the
14 Office of Management and Budget to answer
15 any questions on this item.

16 MR. PERSICH: Good afternoon.
17 Andy Persich, Office of Management and
18 Budget. You received my memo regarding the
19 Restivo matter and the budgetary impacts it
20 would have. I'm here to answer any
21 questions.

22 CHAIRMAN NICOLELLO: We did not
23 receive a memo.

24 MR. PERSICH: I apologize. I
25 sent it on Friday, I believe, to both

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2 counsels. I'll check. I will give it to
3 you.

4 CHAIRMAN NICOLELLO: In the
5 meantime, do you have an oral presentation
6 to make based on what you -- we're
7 listening.

8 MR. PERSICH: This is an
9 extraordinary item to the county. This is
10 one large settlement that if we don't use
11 bond proceeds, we'll have to do some actions
12 in the operating budget to take necessary
13 actions.

14 I know there's some questions
15 about fund balance, restricted,
16 unrestricted, undesignated. It gets a
17 little complex from the accounting world
18 when you start to look at what you can spend
19 and can't spend, when you talk about numbers
20 of \$170, \$200 million, but there are
21 restrictions on some of that money that
22 can't be spent.

23 So, as I'm aware of now, as of
24 2016, there was only \$46 million left
25 unassigned at our disposal to spend. If we

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2 were to use this for this one settlement it
3 would decimate our fund balance.

4 CHAIRMAN NICOLELLO: One of the
5 things we're interested in knowing is what
6 were these restrictions, what were these
7 funds assigned to? We would like a list of
8 that to understand why all this money was
9 tied up.

10 MR. PERSICH: And I will prepare
11 it for you. But there are certain things on
12 an accounting basis, that I don't want to
13 speak for the Comptroller here, that has to
14 be moved into -- because whenever the GASB
15 was passed you had to put fund balance into
16 different buckets. I want to say it's GASB
17 54 but I don't know that.

18 But it was moved. And you had to
19 classify your fund balances into different
20 buckets. Which means it was restricted in
21 certain matters which a majority of the
22 funds are.

23 LEGISLATOR KOPEL: What's GASB?

24 MR. PERSICH: Government
25 Accounting Standards Board. I'm sorry,

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2 that's the term. They passed the GASB that
3 says you had to classify things in certain
4 matters on the fund balance which then put
5 it into buckets where you could spend and
6 not spend. That's the presentation that I
7 can give you on it. I prefer if the
8 comptroller would talk to that because it's
9 in the CAFR as how it's presented.

10 We know at the end of the year
11 what we have in fund balance that we can
12 use. We only have \$46.8 million that we can
13 use.

14 Some of the things it's
15 restricted for is prepayments. Prepayments
16 of expenses, open space, debt service.

17 I can give you a crosswalk into
18 how we get to the 174 and what's available
19 for spending but there are dedicated --
20 they're put into like reserve accounts for
21 lack of a better thing that are not meant to
22 be spent.

23 CHAIRMAN NICOLELLO: But you
24 jumped from the end of 2016 in which you had
25 these numbers with respect to the fund

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2 balance until now. You'll have to take us
3 through then.

4 Even if your position is that
5 \$170 something million was restricted as of
6 the end of 2016, you'll have to tell us or
7 show us how those restrictions continued.

8 MR. PERSICH: And we're in the
9 process of closing out the year which
10 becomes a little -- I want to say it's a
11 little difficult because there's a lot of
12 moving parts up until we actually finally
13 close the books.

14 We're projecting a small surplus
15 in our November book, which is about \$8
16 million. But how that flows into fund
17 balance is more of a question at the year
18 end process of when we're doing the closing
19 of the books and everything else. The
20 Comptroller's Office dictates how some of
21 this stuff has to be journalized and
22 classified on the financial statements.

23 We're in the process of closing
24 it out. I can tell you as of where we're
25 going to be at when I give you the

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2 presentation between what's restricted and
3 not restricted but that number is going to
4 be a moving target until we close out all
5 these bills, the revenue streams and all
6 these other entries that have to flow
7 through.

8 CHAIRMAN NICOLELLO: I'm going to
9 hand it over to Legislator Kopel in a moment
10 but one of the documents we received is
11 something that was put out by the county in
12 connection with the latest TAN. With cash
13 flow projections for 2018, looking at
14 balances each month ranging from \$72 million
15 which was the low, projected low in July, to
16 a month like September where it's \$404
17 million in cash flow.

18 So the question we have is, why
19 is there -- why would the settlement or the
20 payment out of this designated account
21 create a cash flow problem if there's
22 varying amounts in our cash flow?

23 MR. PERSICH: Well, don't mix
24 budgets with cash flow. Two different
25 worlds is what I will say because you

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2 collect taxes and then don't pay out bills
3 till later on in the year.

4 That's kind of the premise of how
5 we operate here. We collect it up front and
6 we pay it out over time.

7 As far as where we're at as far
8 as cash flow, I would defer to the treasurer
9 on to the positions we're at. There might
10 be certain reasons it fluctuates and I'm
11 going to assume that it's tax collections,
12 payments of certain bills and how the time
13 of these bills come out.

14 But do understand that this
15 becomes a budgetary matter no matter what.
16 We have to appropriate this money out to be
17 paid.

18 CHAIRMAN NICOLELLO: I thought
19 the issue that was being presented to us was
20 a cash flow issue, taking the \$45 million
21 out of this designated account creates a
22 cash flow --

23 MR. PERSICH: He set aside money
24 in his pool of cash for this one item. So
25 he's going to have a \$45 million hole that

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2 needs to be filled somehow or another which
3 is a significant amount. It's an anomaly.

4 CHAIRMAN NICOLELLO: So you
5 shifted completed away from a cash flow
6 issue to a budgetary issue?

7 MR. PERSICH: Well, I'm here on a
8 budgetary matter. But the cash flow I will
9 say, you know, my point is, cash flow is not
10 an indicator of how the budget is managed.
11 We need an appropriation to pay this out.
12 That's how it has to be done. It's a
13 two-fold issue.

14 If we don't have the
15 appropriation it creates a hole in the next
16 year's operating budget. That's the issue.

17 CHAIRMAN NICOLELLO: One more
18 question before Legislator Kopel. Basically
19 my question is whether we pay this out of
20 the account, the cash that's available or
21 whether we bond for this, either way it's
22 NIFA deficit, correct, \$45 million?

23 MR. PERSICH: It depends what
24 year it's classified in.

25 CHAIRMAN NICOLELLO: Well, it's

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2 going to be a deficit in some year.

3 MR. PERSICH: In '17. Either
4 way, the account treatment of it is still to
5 be determined but it's treated as a '17,
6 it's different then it's an '18.

7 CHAIRMAN NICOLELLO: Regardless
8 of the year, it will still be NIFA deficit.

9 MR. PERSICH: It's a deficit
10 item, correct, with no funding source.
11 Remember, we have an expense with no funding
12 source.

13 CHAIRMAN NICOLELLO: The cash
14 that was put aside -- I understand what
15 you're saying. Legislator Kopel.

16 LEGISLATOR KOPEL: Thank you,
17 Presiding Officer. I've been going through
18 the testimony that we had a week ago. With
19 your indulgence, what I think I'm going to
20 do is just go through some things and let
21 you stop me where I'm wrong. How's that?

22 MR. PERSICH: Okay.

23 LEGISLATOR KOPEL: Let's define
24 fund balance first of all. That would be I
25 guess the cash that's available less,

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2 amounts that have already been allocated?

3 MR. PERSICH: That would be the
4 unassigned fund balance.

5 LEGISLATOR KOPEL: Unassigned
6 fund balance. That, if I understand
7 correctly from last week, that is different
8 on a budgetary basis versus a GAAP basis?

9 MR. PERSICH: That is correct.

10 LEGISLATOR KOPEL: So the next
11 question, I have a question. Is there a
12 disagreement between the figures provided by
13 the previous administration as to what that
14 number is with the numbers that are being
15 provided now by the current administration
16 and the current comptroller?

17 MR. PERSICH: Not that I'm aware
18 of. I would have to go back and check. The
19 CAFR does a reconciliation from a GAAP to a
20 budgetary basis. But GAAP is the cash that
21 we physically have on hand.

22 LEGISLATOR KOPEL: Understood.
23 But on a budgetary basis you got something
24 like over \$200 million?

25 MR. PERSICH: Correct.

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2 LEGISLATOR KOPEL: Right. So
3 everyone agrees on that and it's just on a
4 GAAP basis -- so we're going back now to the
5 Presiding Officer's question of when these
6 -- the allocations that have been made, I'm
7 going to conflate again, the cash flow with
8 the GAAP concept, but it does kind of make a
9 difference, a big difference as to when
10 these allocated funds have to be paid, in
11 other words, you may have allocated funds
12 that may not be paid for four or five years,
13 would that be fair?

14 MR. PERSICH: If you have a
15 capital item, yes. We do projects where we
16 get funding in, where we bond for it, but we
17 may not pay that funding out until
18 subsequent years, which creates a
19 theoretical fund balance but it's dedicated
20 for a specific resource.

21 LEGISLATOR KOPEL: So we agree
22 this is not really going to create a cash
23 flow issue, it shouldn't, because there is
24 cash there? There should be cash there.

25 MR. PERSICH: There is cash in

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2 the bank accounts of the county, yes.

3 LEGISLATOR KOPEL: And things
4 haven't changed dramatically since this \$45
5 million was set aside, have they?

6 MR. PERSICH: Other than the fact
7 that we got a judgment from the Supreme
8 Court that requires us to pay, yes.

9 LEGISLATOR KOPEL: What I meant
10 was, on a financial basis, actually, what
11 I'm hearing is, we're going to experience
12 some sort of surplus. We don't know how
13 much but some sort of surplus for the last
14 year.

15 MR. PERSICH: And some of the
16 fund balance may be earmarked for other
17 things that we had out there.

18 LEGISLATOR KOPEL: The fund
19 balance is always a moving target.

20 MR. PERSICH: And it will be till
21 we close out the year, so --

22 LEGISLATOR KOPEL: So, basically,
23 when we did the TAN, it was maybe not
24 technically but anacritically it was really
25 just to replenish the fund balance to

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2 provide a larger cushion, it was not really
3 a --

4 MR. PERSICH: I wouldn't say
5 that. I think it was just used for cash
6 flow reasons. When we do a TAN it's because
7 we need cash in hand for our bills that
8 we're paying.

9 LEGISLATOR KOPEL: In other
10 words, when this TAN comes due in September,
11 right?

12 MR. PERSICH: Yes.

13 LEGISLATOR KOPEL: So when this
14 comes due in September, the money would come
15 from -- if we don't do this, it would simply
16 reduce the fund balance down to one million
17 is what you're saying on a GAAP basis?

18 MR. PERSICH: I don't think the
19 TAN borrowing will have an impact on fund
20 balance. It's not going to have an impact
21 because the TAN borrowing is temporary cash
22 flow is what it is.

23 LEGISLATOR KOPEL: So this has
24 nothing to do with paying back that TAN,
25 this proposed bond?

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2 MR. PERSICH: I will refer to
3 Beaumont on this one. I just want to make
4 sure.

5 MR. JEFFERSON: Hi. Beaumont
6 Jefferson, County Treasurer. I think these
7 are two different concepts that you're
8 discussing. You're discussing fund balance.
9 You have to separate that from the cash or
10 the TAN borrowing.

11 The fund balance is a separate
12 issue. The TAN borrowing, the \$380 million
13 that we borrowed is due in September of
14 2018. So we have to repay the TAN in
15 September.

16 LEGISLATOR KOPEL: But that is
17 all coming from actually from tax
18 anticipation?

19 MR. JEFFERSON: Yes, coming from
20 tax anticipation notes, it's coming from
21 collections.

22 LEGISLATOR KOPEL: So we can put
23 that whole issue aside we don't have to
24 worry about the TAN in this context at all.

25 MR. JEFFERSON: Yes. I don't

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2 think that -- right now we are discussing
3 the fund balance, not discussing the cash.

4 When I had to set aside the \$45
5 million, what I did in essence, since that
6 cash was set aside, I needed to have cash to
7 meet the county's cash needs. That has to
8 be paid back by September.

9 LEGISLATOR KOPEL: Which it will
10 be paid back but you anticipate that you
11 will have the cash necessary to pay that
12 back because of the taxes?

13 MR. JEFFERSON: Exactly. The tax
14 collection in February and March, and also
15 the collection in August and September, will
16 give us the cash needed to repay the TANs.
17 So we will take it from the tax collections
18 that are done for the first half and second
19 half of 2018.

20 LEGISLATOR KOPEL: So it's fair
21 to say then that basically if we don't do
22 this bond now, if we don't, the effect would
23 be reducing the fund balance? To one
24 million plus whatever surplus comes up from
25 last year?

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2 MR. JEFFERSON: I think that's
3 the question.

4 MR. PERSICH: Well, I mean, we're
5 trying to do a couple of things. One is,
6 we're just trying to get the bond
7 authorization because if we send the payment
8 out without having the bond authorization,
9 it puts us in a bad position.

10 LEGISLATOR KOPEL: You can't do
11 it later, got it.

12 MR. PERSICH: We have to do it.

13 LEGISLATOR KOPEL: I understand
14 but that wasn't my question.

15 MR. PERSICH: To speculate on
16 2017 results as part of this item is risky,
17 you know what I mean, because there could be
18 something lurking out there that we don't
19 know with liability, even though we have our
20 fingers on the pulse and everything else,
21 but when we do all these journal entries at
22 the end of the year --

23 LEGISLATOR KOPEL: No, no, wait,
24 wait, wait, please stop right there. '17
25 results, that's a matter of accounting. It

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2 shouldn't be speculative. Any other big
3 liabilities should correct by now.

4 MR. PERSICH: But my point to you
5 is, when we're doing the journal entries at
6 the end of the year, we could be fluctuating
7 between the end of the year, what the
8 accountants do, and what we do on a
9 budgetary basis.

10 LEGISLATOR KOPEL: But it's
11 reasonable to anticipate that there's some
12 degree of surplus from '17?

13 MR. PERSICH: Correct.

14 LEGISLATOR KOPEL: And if we paid
15 this just out of the fund, so we would have
16 \$1 million plus whatever that number is,
17 whatever that number is, and that's how
18 we've been operating in essence since -- for
19 a long time, since the middle of '16, would
20 that be fair? We've been operating just
21 like that since '16?

22 In other words, in your
23 formulation with a \$1 million fund cushion?

24 MR. PERSICH: If we only had a
25 million dollars in '16, we would be before

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2 this body asking for the \$45 million.

3 LEGISLATOR KOPEL: You did. They
4 did come in '16 and ask for it.

5 MR. PERSICH: Right. Because it
6 was never to be used for fund balance, that
7 was the purpose.

8 LEGISLATOR KOPEL: But my thing
9 is, since that was then set aside, and
10 therefore unavailable, the county has been
11 operating with this \$1 million cushion in
12 essence since then?

13 MR. PERSICH: But that \$45
14 million was not part of that \$1 million
15 cushion. It was never put into, for lack of
16 a better thing, it was never put into a
17 restricted reserve when it was done. So it
18 was never allocated into that reserve.

19 LEGISLATOR KOPEL: Wait. When it
20 was set aside, there was a \$46 million give
21 or take fund, right?

22 MR. PERSICH: Fund balance in
23 '16, yes.

24 LEGISLATOR KOPEL: When you take
25 that 45 and you put it into a separate bank

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2 account, you took cash and put it into an
3 another bank account, right?

4 MR. PERSICH: You are correct,
5 but it was set aside on a cash basis not on
6 a budgetary basis is how it was done. I
7 know legislator this is really confusing,
8 but, the point is, you are looking at two
9 different issues. You are looking at cash
10 and looking at budgets. The worlds are
11 never going to meet. They're never going to
12 meet.

13 If I had it my way, he would
14 never do TANS and BANS but we have to for
15 cash flow purposes.

16 LEGISLATOR KOPEL: Okay. We had
17 a \$46 million thing then, right?

18 MR. PERSICH: Correct.

19 LEGISLATOR KOPEL: And now it's
20 going to hit the budget therefore it goes
21 down to \$1 million?

22 MR. PERSICH: Yes.

23 LEGISLATOR KOPEL: But in the
24 real world, let's talk about -- put aside
25 the arcane world of stat accounting versus

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2 GAAP accounting and all these different
3 things, and what was that other --

4 MR. PERSICH: GASB.

5 LEGISLATOR KOPEL: I love this
6 alphabet soup.

7 MR. PERSICH: Us accountants have
8 some weird acronyms.

9 LEGISLATOR KOPEL: But in the
10 real world there is \$1 million available in
11 a fund balance. Let's look at it from a non
12 accounting person's viewpoint because none
13 of us are up here I think.

14 MR. PERSICH: You're pretty swift
15 with finances, I'll give you that. But what
16 I think the best thing is, I give you the
17 crosswalk from the GAAP fund balance to what
18 we have as fund balance and what we plan on
19 doing and I think that will clear a few
20 things up because it will be linear as
21 opposed to the charts and everything else
22 that will show what we will have after this.

23 LEGISLATOR KOPEL: How are you
24 going to do that and when?

25 MR. PERSICH: I'm going to have

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2 it to you hopefully before the next session.

3 CHAIRMAN NICOLELLO: It has to be
4 before the next session.

5 LEGISLATOR KOPEL: When you say
6 before the next session, I hope you don't
7 mean the night before.

8 MR. PERSICH: No.

9 LEGISLATOR KOPEL: Because we
10 didn't get the email.

11 MR. PERSICH: I apologize. I
12 don't know what happened.

13 LEGISLATOR KOPEL: But dealing
14 with the \$1 million -- and I know this is --
15 and what I'm trying to get at is, how is
16 this more dangerous now since this money was
17 restricted and set aside and couldn't be
18 used, in the real world how is this more
19 dangerous than it was before the supreme
20 court rejected the cert?

21 MR. PERSICH: I think it was the
22 position that we were always going to seek
23 bonding for this item because it's an
24 extraordinary item.

25 LEGISLATOR KOPEL: That wasn't my

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2 question. My question is, how is it more
3 dangerous operating the county after the
4 supreme court rejected it than before?

5 MR. PERSICH: If, in the world of
6 what you're talking about, we will operate
7 with a \$1 million fund balance which is a
8 rainy day funds for a county of \$3 billion.

9 LEGISLATOR KOPEL: Which in
10 effect we have been doing for the last year
11 and a half.

12 MR. PERSICH: I wouldn't say it's
13 a good practice. It's a thing that we did
14 do but my point though is, if we had more of
15 a cushion we could do more things.

16 LEGISLATOR KOPEL: Such as?

17 MR. PERSICH: That's up to the
18 policymakers here. I'll look to see what we
19 can and can't do.

20 LEGISLATOR KOPEL: So this is
21 going to hit a budget for '17. Why is that
22 terrible at this point?

23 MR. PERSICH: Because we don't
24 have a funding source for it.

25 LEGISLATOR KOPEL: I understand.

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2 So we had a GAAP -- we had a deficit. Guess
3 what, we have a deficit, now what?
4 Structural till '17 because it's an
5 extraordinary item. If you borrow the
6 money it's still a structural deficit. It
7 doesn't really change anything.

8 MR. PERSICH: Well, I mean, the
9 outlook on the county is going to be
10 tougher.

11 LEGISLATOR KOPEL: But that's
12 going to happen either way.

13 MR. PERSICH: Going to happen
14 either way. We're going to have to make
15 tougher decisions then.

16 LEGISLATOR KOPEL: Either way.

17 MR. PERSICH: Either way. Either
18 way if we don't bond for it.

19 LEGISLATOR KOPEL: We are going
20 to have to make tougher decisions
21 essentially to replenish the rainy day fund?

22 MR. PERSICH: Correct.

23 LEGISLATOR KOPEL: That's what
24 this is all about?

25 MR. PERSICH: Well, if you

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2 deplete it and it's -- what if we have a
3 change in the '18 sales tax for argument's
4 sake, hypothetically, what do we do then?
5 We are going to have to go back and revisit
6 the budgets and have to make adjustments to
7 it. So having a cushion allows us --

8 LEGISLATOR KOPEL: The structural
9 situation, in that case, you're talking then
10 about a cash flow issue?

11 MR. PERSICH: I don't want to mix
12 cash flow with budgetary because that's
13 where the confusion is I think.

14 LEGISLATOR KOPEL: No, no. I'm
15 talking about where the issue would be in
16 fact at that point.

17 MR. PERSICH: There would be two
18 issues; you would have a budgetary issue and
19 cash flow issue.

20 LEGISLATOR KOPEL: Right. The
21 budgetary issue is not solved either way, I
22 think we all agree.

23 MR. PERSICH: You have a funding
24 source to fund the expense if you bond it.

25 LEGISLATOR KOPEL: So then you

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2 have a technical compliance with GAAP?

3 MR. PERSICH: Right. You're good
4 with GAAP. You're getting it. I see that.

5 LEGISLATOR KOPEL: No, no, no.
6 Don't get me wrong. I don't get it. I can
7 say the words and I understand those are the
8 rules. I'm not going to even make believe I
9 understand some of the accounting principles
10 where you can borrow money and that counts
11 as sufficient revenue to off set your
12 expenses under certain scenarios but not
13 under others.

14 I think that actually if public
15 corporations were run the way governments
16 were run a lot of people would be going to
17 jail frankly.

18 Give me a second, please. So
19 you're just going to get us this information
20 when? You can get us your email tonight.

21 MR. PERSICH: I don't know what
22 happened to it. I'll resend it. It was
23 sent out. I know that Friday but I will
24 resend it.

25 I will get you the information.

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2 I can't give you a drop-dead date but as
3 soon as I get it I'll disseminate that to
4 you.

5 LEGISLATOR KOPEL: Counsel tells
6 me that they did get it, just didn't
7 recognize who it was coming from.

8 MR. PERSICH: I apologize.

9 LEGISLATOR KOPEL: And they didn't
10 want to blow up their computer, right?
11 Anyway, he will forward it on to us.

12 CHAIRMAN NICOLELLO: I'm going to
13 pass things over to Minority Leader Abrahams
14 but I just wanted to note for the record we
15 did receive information as to the total cost
16 of the -- if we do bond this, the total cost
17 is in excess of \$55 million.

18 MR. PERSICH: That's from our
19 financial advisors that information.

20 CHAIRMAN NICOLELLO: Minority
21 Leader Abrahams.

22 LEGISLATOR ABRAHAMS: Thank you,
23 Presiding Officer Nicolello.

24 I actually have some questions.
25 I do believe we have folks from the

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2 Comptroller's Office that are here, or don't
3 we? We do.

4 MS. JAMES: Good afternoon. Good
5 evening at this point. Shari James, Chief
6 Deputy Comptroller.

7 Thank you for this opportunity to
8 discuss the county's financial condition.

9 We are handing out some
10 information that I will speak directly from
11 regarding the county's fund balance and some
12 other indicators regarding the matter at
13 hand.

14 LEGISLATOR ABRAHAMS: As the
15 documents go out, there has been a lot of
16 discussion with regard to the 2016 fund
17 balance and the closing out of 2017.

18 Can the Comptroller's Office shed
19 some light exactly on what that means and
20 how the numbers will change between from
21 year to year?

22 MS. JAMES: Sure. So those
23 numbers change based on whether we have a
24 surplus or a deficit for the year 2017.

25 We're in the process of closing

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2 out those books now. We won't have a really
3 clear understanding of where we stand until
4 probably late spring, early summer regarding
5 those numbers.

6 LEGISLATOR ABRAHAMS: So the
7 latest numbers we have for 2016 which have
8 been noted on the record.

9 MS. JAMES: Yes, the latest
10 audited financial numbers, yes.

11 LEGISLATOR ABRAHAMS: And those
12 numbers for fund balance is \$146 million?

13 MS. JAMES: Do you have the fact
14 sheet in front of you? I'm going to speak
15 directly.

16 LEGISLATOR ABRAHAMS: Is it
17 coming around? It's coming. I believe
18 Legislator Muscarella was slowing down the
19 process. I saw it stop at Legislator
20 Muscarella's area. Legislator Mule, do you
21 one? Great.

22 MS. JAMES: I just wanted all of
23 to operate from the same set of numbers as
24 we discuss this.

25 So, as you mentioned, just to go

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2 to the key financial indicator section of
3 this page, which is the middle of the first
4 page, it's just clear that we understand
5 that fund balance really is an indicator of
6 the county's fiscal health.

7 It is not entirely cash that can
8 be used at any time. It's really the
9 difference between the county's assets minus
10 its liabilities. Those assets do include
11 cash but it's not entirely cash. So I just
12 wanted to help you understand that point.

13 It's important that we have an
14 adequate amount of unassigned fund balance
15 to ensure that we have cash flow to meet
16 disbursements. We can guard against
17 unforeseen revenue losses and unexpected
18 liabilities and allow for planning in the
19 future.

20 So, what is the county's fund
21 balance as of 2016 ending? The total is
22 \$179 million and their total operating
23 funds; which are general funds and our
24 police district funds.

25 As you see on this chart here,

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2 the amounts are broken down by the
3 categories which include non spendable,
4 assigned, restricted and unassigned.

5 The non spendable portion are
6 inherently non spendable. It's in forms of
7 prepaid and inventories. In this case, a
8 lot of it is our pension payments so that
9 money is out the door.

10 The assigned portion is generally
11 made up of transfers that happened after
12 12-31, again, your balance sheet is a
13 snapshot on that date. So anything that
14 happens after the fact will have to be
15 captured. It's captured in different
16 accounting ways. I don't go through that
17 now. But that money is -- a lot of it was
18 for termination payments and other transfers
19 that happened after 12-31.

20 The restricted portion, the 46.5
21 million is for debt service, judgments and
22 settlements which I can also assure you that
23 that money is pretty much spent.

24 What we're left with is the
25 unassigned fund balance of \$46.8 million.

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2 Looking at the \$46.8 million, if the
3 judgement is paid using the cash, the source
4 of funding is the fund balance. It's not
5 the cash. Cash happens when you get a
6 source, just like working. You don't just
7 get cash, you have to do something to get
8 that cash.

9 So in this instance we are using
10 our savings account to pay for this.

11 LEGISLATOR ABRAHAMS: Just so I'm
12 clear, this \$46.8 million was created, or
13 the funds for this 46.8 have been created by
14 the TAN that Mr. Jefferson was talking
15 about?

16 MS. JAMES: No.

17 LEGISLATOR ABRAHAMS: So that had
18 nothing to do with the \$45 million?

19 MS. JAMES: No. The \$46.8
20 million is money that has accrued over time
21 from having surpluses in our budgets, in our
22 finances.

23 LEGISLATOR ABRAHAMS: Got you.
24 So if the county was to not do the borrowing
25 and basically go forward with paying the

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2 money out of this unassigned fund balance
3 which would reduce it to 1.8 million, what
4 is the negative impact of actually doing
5 that for the 2018 fiscal year?

6 MS. JAMES: You can flip to page
7 two. Before you I listed the key impacts
8 and effects.

9 Number one, you will have an
10 impaired finance condition as OMB stated,
11 you will have an insufficient amount of
12 unassigned fund balance supporting
13 approximately \$3 billion in expenditures.

14 You'll also have decreased
15 liquidity which is something that has
16 already happened by setting aside this cash.

17 By setting aside this cash, we've
18 experienced some strain on our cash flow.
19 That's what the unassigned fund balance
20 does, it helps with you the day-to-day
21 operations.

22 So the fact that the cash has
23 been restricted, if the cash is then gone
24 totally, it will result in cash flow,
25 decreased liquidity, and also probably

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2 increased cash flow borrowings.

3 Thirdly, you may have increased
4 future borrowing costs, I have cited it here
5 and I won't read it aloud, but this is
6 directly from the December 18th, 2017
7 Moody's report that cited that we had a weak
8 fund balance and a cash position.

9 In addition, they list the
10 factors that lead to an upgrade and down
11 grade. You can see here clearly that
12 significant decline in fund balance are cash
13 levels and increased cash flow borrowings
14 could lead to a downgrade.

15 In addition you will have
16 increased fiscal stress based on our 2016
17 numbers, the state Comptroller's Office
18 listed Nassau County in the second highest
19 category of moderate fiscal stress. The
20 next category is significant. It decreased
21 in the unassigned fund balance will impact
22 the county's ability to guard against
23 unforeseen issues or events that may come
24 up.

25 LEGISLATOR ABRAHAMS: So if I

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2 were to generalize your second page of the
3 spread sheet, or fact sheet, basically if
4 the county does not proceed in bonding it
5 will result in impaired fiscal condition,
6 decreased liquidity, obviously the potential
7 to lead to significant decline in fund
8 balance, cash levels, increased cash flow
9 borrowings, similar to what Mr. Jefferson
10 talked about earlier, all which can lead to
11 fiscal distress in the county which can lead
12 to larger -- higher rates to bond in the
13 future for general bonding purposes, but, at
14 the same time, can impact the county
15 negatively, financially, if I'm
16 understanding you correctly?

17 MS. JAMES: I would say that a
18 fund balance is used for this purpose. I
19 wouldn't say that for bonding because there
20 may be many options before that you can
21 decide.

22 But if you do choose to use fund
23 balance, these are the ramifications and the
24 key effects.

25 LEGISLATOR ABRAHAMS:

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2 Interesting. Is it the recommendation from
3 the Comptroller that we proceed with some
4 level of bonding on this?

5 MS. JAMES: I can't give you any
6 recommendations. I can only give you the
7 facts of where we stand financially, and I
8 will let you decide respectfully which
9 direction to go in.

10 I just wanted to make sure you
11 understand where we are as a fiscal year end
12 '16 financially so you can make that
13 decision whether to bond or not.

14 LEGISLATOR ABRAHAMS: Okay. And
15 the county will have its close-out
16 information in regards to 2017 in late
17 spring early summer?

18 MS. JAMES: Yes, usually the
19 financial statements are released somewhere
20 early summer.

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

23 CHAIRMAN NICOLELLO: I just want
24 to follow up a little on that.

25 I understand that it won't be

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2 finalized until late summer in 2018, but can
3 you track what happened to the fund balance
4 after the close out of 2016?

5 In other words, we have a whole
6 year you can look at whatever funds where in
7 the fund balance in terms of whatever
8 categories and see if something changed in
9 the material status?

10 MS. JAMES: Yes, as I stated
11 earlier, most of the funds that were set
12 aside in these different categories have
13 been used but I will go back to our
14 accounting division to get a more accurate
15 number for you on that.

16 CHAIRMAN NICOLELLO: Thank you.
17 Legislator Ford and Legislator Kopel has
18 questions.

19 LEGISLATOR FORD: Yes. Following
20 up on the Presiding Officer's questions.
21 When you look at the non spendable, you came
22 up with the amount of \$59.3 million assigned
23 \$26.6 million restricted by 46.5.

24 So obviously I know that you have
25 to wait until the summer to balance

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2 everything out from the 2017 budget expenses
3 and revenue and whatever, but you must have
4 an idea of what is in these items to be able
5 to assign a value to it.

6 MS. JAMES: Yes, I sort of went
7 through that earlier, the different
8 categories and the items that are in those
9 buckets and, as I stated, the non spendable
10 are pension payments. We've paid that.

11 LEGISLATOR FORD: But what we
12 would like to have is an actual break out so
13 that we can see what are the items and what
14 are the pensions, for how much, how much the
15 \$59.3 million is attributed to pensions. If
16 that's only \$46 million of that, what is the
17 other \$13 million? Do you know what I'm
18 saying?

19 MS. JAMES: The other \$13
20 million, of course.

21 LEGISLATOR FORD: This is what we
22 have been asking for in each of the buckets
23 so when you've assigned you must know the
24 26.6 million.

25 And just to go back to what

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2 Legislator Kopel was asking I guess from the
3 previous people, I would like to know then
4 in each of those items, when is that money
5 due?

6 If it's assigned to a project or
7 is that type of expense going to come here
8 in 2018 or a possibility that it's going to
9 have to be paid in 2019 or 2020? That would
10 be my request.

11 When you go back to the total
12 operating funds and we look at the
13 unassigned amounts, and we look at \$46.8
14 million, and you say that's unassigned so we
15 can use it, all right, and I understand
16 technically.

17 But let's go back to 2016 when we
18 wanted to borrow the money, you weren't
19 here, I'll give you that, I'm assuming you
20 weren't here. But at that point, that money
21 then, three months or four months later was
22 taken out of the unassigned amount of 46.8
23 and technically this county was operating on
24 just an unassigned balance of \$1.8 million
25 and obviously it did not contribute to any

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2 stress factors or basically we were able to
3 meet all our obligations, so --

4 MS. JAMES: Let me just clarify
5 that point. Until we make the payment, that
6 fund balance is still available.

7 LEGISLATOR FORD: No, it's not.

8 MS. JAMES: Until we make the
9 payment --

10 LEGISLATOR FORD: But it's
11 restricted.

12 MS. JAMES: As of the money, the
13 court required the county, and just looking
14 at the time line, from my understanding and,
15 you're right, I wasn't here in March to put
16 aside that \$45 million, putting aside that
17 \$45 million did have an impact on the
18 county's operation as we had to go out for
19 cash flow borrowing because the money was
20 restricted and we couldn't use it for
21 day-to-day operations.

22 And this is an analysis based on
23 our last audited financial statement of
24 2016. So that money that was put aside was
25 put aside in March of 2017.

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2 LEGISLATOR FORD: Correct. But
3 we knew we could not spend the \$45 million
4 even though it was unassigned from that
5 point from 2016 to March of 2017.

6 MS. JAMES: Correct.

7 LEGISLATOR FORD: We knew that
8 based on the fact that we didn't know
9 whether or not that judgement would come
10 down or not, the county at that time could
11 not spend any portion of that \$45 million?

12 MS. JAMES: Correct. As it was
13 put in a restricted account. Correct.

14 LEGISLATOR FORD: So it was
15 technically starting in July of 2016, the
16 county operated on the balance of 1.8 --

17 MS. JAMES: No. The money was
18 restricted in 2017, so how would you operate
19 in 2016 as a restriction?

20 LEGISLATOR FORD: Because we had
21 a judgement that we knew we had to pay. We
22 were not given the ability -- excuse me, I'm
23 just saying I know the bonding is one thing
24 but we were not allowed to bond, but we knew
25 that we had that judgement looming over us,

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2 so of course the county was not going to go
3 out and spend or assign \$46.8 million to
4 something knowing that maybe at any point,
5 maybe in December of 2016 --

6 MS. JAMES: I can't speak on what
7 the county would do. All I can say is the
8 court ordered it in 2017, not '16.

9 LEGISLATOR FORD: But we knew it
10 was coming and we knew at that time, and
11 that's why we needed to bond knowing this
12 was a judgement we were going to get hit
13 with regardless of whatever.

14 MS. JAMES: Okay.

15 LEGISLATOR FORD: But going back
16 then to all of this because I find it -- I'm
17 having problems going from the end of 2016
18 we had a fund balance of \$177 million, I
19 understand the budget, cash flow, and all
20 that other business, but I really want to
21 know because, when we look at this, we have
22 \$20 million still in litigation fund.

23 We may also moving forward with
24 the sales tax revenues, they were projected
25 and I know they were greater than what we

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2 had anticipated, moving forward my concern
3 then would be that -- because I know that
4 here you wrote here the A2 reflects ratings,
5 county's sizeable and diverse tax --

6 MS. JAMES: That's directly from
7 Moody's.

8 LEGISLATOR FORD: And above
9 average debt burden so I'm curious because I
10 know the concern had always been that if we
11 keep on borrowing, what is that going to do
12 to our bond rating so we are looking to
13 borrow \$45 million which may have a negative
14 impact on our ratings.

15 MS. JAMES: Again, that
16 information is directly from Moody's and
17 that's it. There is not much more.

18 And I will get you the individual
19 line items that are in those buckets for the
20 fund balance.

21 LEGISLATOR FORD: Thank you very
22 much.

23 MS. JAMES: Thank you, Legislator
24 Ford.

25 CHAIRMAN NICOLELLO: We have at

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2 least two other legislators that have
3 questions and I want to make sure we're
4 clear about this. You're going to get us
5 what specifically was in each of those
6 buckets?

7 MS. JAMES: Correct.

8 CHAIRMAN NICOLELLO: And to the
9 extent possible you will also get to us what
10 change happened, to the extent you can
11 determine it, during 2017?

12 MS. JAMES: I can get you what
13 was in those buckets as what was spent as
14 per our system, but getting you the
15 understanding of what has changed in the
16 fund balance from 2016 to 2017, that would
17 have to be done when the books are closed.
18 There are items that are still pending that
19 the Comptroller's Office still hasn't
20 received to pay claims. So it's really
21 difficult to predict where we end up in 2017
22 just given the financial systems.

23 CHAIRMAN NICOLELLO: I understand
24 what you're saying as far as a finalized
25 view, but we are looking more to see if a

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2 specific -- if monies were set aside for a
3 specific purpose or assigned, or whatever
4 the terminology was, and you can track them
5 and in fact that money was freed up in March
6 of 2017, that's the type of information that
7 we're looking for.

8 MS. JAMES: That's exactly -- I
9 will go back to our accounting department
10 and division and get you the buckets and
11 look in our system to see what was paid.

12 CHAIRMAN NICOLELLO: And also not
13 from you necessarily, from the
14 administration, from OMB, we need a written
15 explanation of the information that
16 Mr. Persich was talking about and we need
17 from Independent Budget Review an analysis
18 of this issue as well with all the questions
19 that we have.

20 We would just ask the
21 administration to answer whatever questions
22 that they have to communicate with the
23 Independent Budget Review Office if their
24 questions are directly from us to help us
25 make a determination. Who is next?

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2 Legislator Kopel. Then Legislator Rhoads
3 and then Legislator Ferretti.

4 LEGISLATOR KOPEL: Good evening.

5 MS. JAMES: Good evening.

6 LEGISLATOR KOPEL: So back when
7 the court order required us to segregate
8 that money, why was that still then
9 classified as unassigned? Or restriction or
10 something?

11 MS. JAMES: It happened in 2017.
12 These unless are based off our last audited
13 reports which ended 12-31-2016.

14 LEGISLATOR KOPEL: So perhaps it
15 should have been.

16 MS. JAMES: Perhaps it will be.
17 We're still closing out the books on 2017.

18 LEGISLATOR KOPEL: I understand.
19 But had it been looked at then it probably
20 would have been reclassified, is that what
21 you're --

22 MS. JAMES: If the court ordered
23 it in 2016, yes.

24 LEGISLATOR KOPEL: So that's
25 means, since the court order we have been

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2 operating on the 1.8 essentially?

3 MS. JAMES: Which is why you had
4 to go borrow funds because you didn't have
5 it available.

6 LEGISLATOR KOPEL: What is an
7 adequate number for -- in your Comptroller's
8 opinion for a county of this size? What is
9 a prudent number?

10 MS. JAMES: So best practices are
11 about two to three months of your and your
12 general fund expenditures.

13 LEGISLATOR KOPEL: So you're just
14 taking three billion and dividing it by six
15 or four?

16 MS. JAMES: Yes. Approximately.

17 LEGISLATOR KOPEL: Fine.

18 MS. JAMES: That's not 1.8.

19 LEGISLATOR KOPEL: And I know
20 you're going to come out with the components
21 of these various buckets but just in a
22 general sense, non spendable items, those
23 are items which inherently are not in
24 spendable forms?

25 MS. JAMES: Correct.

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2 LEGISLATOR KOPEL: Why is this
3 part of a fund if it's not spendable?

4 MS. JAMES: Because it's still a
5 resource that you have.

6 LEGISLATOR KOPEL: How? If you
7 can't use it, how is it a resource?

8 MS. JAMES: Because it could be
9 inventories or prepaids.

10 LEGISLATOR KOPEL: So,
11 theoretically you can go and sell it?

12 MS. JAMES: If you had inventory,
13 yes.

14 LEGISLATOR KOPEL: But it's not
15 money. It's an asset. It's our buildings.

16 MS. JAMES: Correct, but it may
17 not be liquid.

18 LEGISLATOR KOPEL: Those are not
19 liquid and the real estate is not liquid?

20 MS. JAMES: Correct.

21 LEGISLATOR KOPEL: So why is the
22 real estate not included as well?

23 MS. JAMES: The asset is at the
24 top of the balance sheet. So fund balance
25 is what you have after you have your assets

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2 minus your liabilities.

3 LEGISLATOR KOPEL: The restricted
4 bucket are items such as pensions I think
5 you said?

6 MS. JAMES: Externally
7 enforceable limitations on use.

8 LEGISLATOR KOPEL: Meaning?

9 MS. JAMES: Meaning debt service,
10 meaning judgements, settlements, those are
11 restricted by outside governing bodies.

12 LEGISLATOR KOPEL: Wait a minute.
13 You're saying these are items that are
14 already known?

15 MS. JAMES: In that bucket, yes.

16 LEGISLATOR KOPEL: Already known.
17 So that's not -- why is it part of the
18 balance then at that point, what is it not
19 part of --

20 MS. JAMES: Not sure I understand
21 the question.

22 LEGISLATOR KOPEL: Why is it part
23 of any kind of fund balance if it's already
24 allocated to be spent?

25 MS. JAMES: It's probably that

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2 you're going to -- and this judgement --

3 LEGISLATOR KOPEL: I'm talking
4 about the --

5 MS. JAMES: The restricted?

6 LEGISLATOR KOPEL: Yes.

7 MS. JAMES: The money is
8 restricted until the restriction is lifted.
9 The restriction could be for many different
10 reasons, for debt service, for litigation
11 that may be pending --

12 LEGISLATOR KOPEL: So these are
13 really allocated dollars essentially; this
14 violates the definition, the very working
15 definition that we came on before which is
16 obligated money -- I mean, cash plus
17 obligated money?

18 MS. JAMES: It's not cash as you
19 can see on the sheet before. Fund balance
20 is not cash, it's the assets minus your
21 liabilities.

22 LEGISLATOR KOPEL: But those are
23 part of your liabilities, the restricted
24 money really? Restricted money logically
25 should be part of your liabilities and

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2 should be deducted?

3 MS. JAMES: It's not -- it hasn't
4 happened yet. As we said, these are monies
5 that we may have to pay out to restricted
6 for a certain use. It didn't happen yet.
7 If it happened --

8 LEGISLATOR KOPEL: In other
9 words, these are still contingent?

10 MS. JAMES: If it happened it
11 would have appeared as an expense. It
12 hasn't happened.

13 LEGISLATOR KOPEL: So these are
14 still contingent liabilities?

15 MS. JAMES: Correct. Restricted
16 for a specific use.

17 LEGISLATOR KOPEL: Which means
18 that they may become available cash at some
19 point?

20 MS. JAMES: If the restriction is
21 lifted.

22 LEGISLATOR KOPEL: Right. Okay,
23 thank you.

24 CHAIRMAN NICOLELLO: Legislator
25 Rhoads.

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2 LEGISLATOR RHOADS: Thank you,
3 Mr. Presiding Officer. I've got to be
4 honest, there is a certain level of
5 frustration, at least on my part, and I
6 suspect I'm not alone.

7 First of all, I appreciate the
8 fact that the Comptroller's Office has now
9 provided us with at least something of a
10 fact sheet, even though we may have some
11 questions about the validity of some of the
12 facts.

13 I do want to say first of all
14 though, the Comptroller's Office put out a
15 press release on January 25th, which I guess
16 would have been Thursday, indicating that
17 they sent this fact sheet out to the
18 Legislature so we would be informed for
19 today's meeting, however, this fact sheet,
20 we didn't receive until today at 12:52 by
21 email eight minutes before the meeting was
22 supposed to start.

23 So, some of the questions you are
24 getting now might have been finer and may
25 been answered if we simply had this

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2 information.

3 MS. JAMES: I believe a version
4 of this information was sent out.

5 MR. SHOEN: Jeff Shoen, Chief
6 Counsel, Deputy Comptroller. There was a
7 version sent out last week and this is sort
8 of a reiteration of that.

9 LEGISLATOR RHOADS: Who was that
10 version sent to? Nobody here received it.

11 MR. SHOEN: I believe it was sent
12 to the Legislative counsel.

13 LEGISLATOR RHOADS: While we are
14 dealing with that, the next issue is,
15 everybody that we seem to talk to has a
16 different set of numbers.

17 I know that many of the comments
18 that you've made today are based upon the
19 last audited numbers that we had as of the
20 end of fiscal year 2016, correct?

21 MS. JAMES: Correct.

22 LEGISLATOR RHOADS: So the
23 restricted funds that you were attributed to
24 money set aside to pay the Restivo
25 settlement at the end of 2016, that's that

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2 \$46.5 million, well all but --

3 MS. JAMES: Money wasn't set
4 aside in 2016 to pay for the Restivo.

5 LEGISLATOR RHOADS: But the court
6 order itself was issued in 2016.

7 MS. JAMES: But the money wasn't
8 set aside until March 29, 2017.

9 LEGISLATOR RHOADS: Fine. So the
10 money was set aside in 2017. So
11 theoretically that would be reflected in
12 your year end 2017 numbers. So what was
13 restricted out of the \$46.5 million?

14 In other words, at the end of
15 2016, you are showing \$46.5 million of
16 restricted funds. What's that restricted
17 for?

18 MS. JAMES: Debt service and
19 judgments and settlements. That's in the
20 county's financial statements and they list
21 out what's in those categories.

22 LEGISLATOR RHOADS: So you have
23 no idea whether those judgments or
24 settlements were actually paid?

25 MS. JAMES: As of from the

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2 accounting division, they were, the majority
3 of that funding has been paid.

4 LEGISLATOR RHOADS: So out of the
5 restricted amount that's shown at the end of
6 fiscal year 2016, how much of that is left?

7 MS. JAMES: I have to get back to
8 you on exactly the number that's left.

9 LEGISLATOR RHOADS: Okay. Now,
10 the other issue I have is that last week,
11 when we had Mr. Dennison and we had our
12 treasurer Beaumont Jefferson providing
13 testimony, we were told that the county
14 engaged in TAN borrowing and that the TAN
15 borrowing that we engaged in was increased
16 by \$45 million to cover the Restivo
17 judgement so that it wouldn't impact cash
18 flow.

19 So, in theory, instead of having
20 \$179 million at the end of fiscal year 2016,
21 we should have \$224 million in reserve funds
22 at the end of 2017 factoring in the
23 additional \$45 million that we already
24 borrowed.

25 MS. JAMES: That is not my

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2 understanding that we borrowed, we set aside
3 \$45 million which then triggered the need to
4 go out to borrow money for the day-to-day
5 operations of the county. I will let
6 Beaumont speak to that.

7 LEGISLATOR RHOADS: I guess the
8 frustration is, how can we have two branches
9 of the executive branch of government giving
10 us two different answers on the same
11 question?

12 It shouldn't be that difficult to
13 answer whether or not we have \$45 million
14 set aside to pay this judgement. I would
15 like to think I'm reasonably intelligent.
16 I'm not the sharpest guy but I'd like to
17 think I'm pretty good.

18 I'm having a hard time making a
19 decision when the facts that we're being
20 given by the folks that are supposed to know
21 the answers are so wildly divergent on an
22 issue of such great importance of \$45
23 million. That's real money.

24 MS. JAMES: Again, the facts are
25 before you as per our financial statements.

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2 LEGISLATOR RHOADS: As per the
3 financial statements as of the end of 2016.

4 MS. JAMES: Correct.

5 LEGISLATOR RHOADS: I'm making a
6 decision in 2018.

7 MS. JAMES: I share your
8 frustration on this as well. I shouldn't --
9 the fact that I'm before you and the latest
10 numbers that I'm speaking from are from
11 2016. I share your frustration which is the
12 reason why we need to modernize our
13 financial systems.

14 LEGISLATOR RHOADS: Understood.
15 Let's assume for the moment that when the
16 county treasurer testified last week, that
17 they borrowed an additional \$45 million that
18 was placed into a restricted account for the
19 purpose of paying this settlement is
20 accurate, right? How would that change what
21 you're telling us today?

22 MS. JAMES: Again, that's not my
23 understanding that we did not borrow \$45
24 million. We set aside \$45 million which
25 then triggered a need to borrow for

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2 day-to-day cash needs.

3 LEGISLATOR RHOADS: What we were
4 told last week was that when we borrowed TAN
5 borrowing, when we borrowed for our cash
6 needs, we borrowed an additional \$45 million
7 knowing that this could potentially impact
8 the county's cash flow.

9 Mr. Jefferson, is that accurate?

10 MS. JAMES: I would let Beaumont
11 speak to that.

12 MR. JEFFERSON: Thank you.
13 Legislator Rhoads, on my testimony, I stated
14 that in March of 2017 I set aside \$45
15 million which was done because of the court
16 order that was served on the treasurer's
17 office.

18 LEGISLATOR RHOADS: So that
19 wouldn't be reflected in the fact sheet.
20 Have you seen the fact sheet from the
21 Comptroller's Officer?

22 MR. JEFFERSON: Yes, I have.

23 LEGISLATOR RHOADS: So that
24 wouldn't be reflected in the little chart
25 that we have in the lower left. That's not

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2 included in the restricted funds as of the
3 end of 2016 because you just did it in March
4 of 2017, right?

5 MR. JEFFERSON: Yes. And I never
6 stated those funds are in any restricted
7 fund. I'm communicating the cash flow needs
8 of the county. It's not related to the fund
9 balance and cannot be connected to the fund
10 balance.

11 In 2017, I set aside cash because
12 I was served with a court order. That court
13 order then triggered the need for additional
14 cash because now I've taken cash from my
15 general fund and I've taken it from the
16 general fund bank account, let's not even
17 use fund, I took it from a bank account and
18 I placed it in a restricted bank account
19 which now leaves me short on cash that's
20 available to pay the county's salaries and
21 other needs, other cash needs that the
22 county may have, debt service, and so on.

23 So it's \$45 million in cash that
24 was set aside in a separate bank account
25 because of court order, and it triggered the

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2 need to increase the TAN in order to cover
3 our liquidity needs.

4 LEGISLATOR RHOADS: Let me make
5 sure I understand this. In March of 2017
6 you took \$45 million in cash and put it to
7 the side to comply with the court order?

8 MR. JEFFERSON: That is correct.

9 LEGISLATOR RHOADS: And then in
10 December of 2017, we borrowed an additional
11 \$45 million to replenish the 45 that you set
12 aside in March so we wouldn't be impacted in
13 our operating ability?

14 MR. JEFFERSON: Because I have
15 this cash set aside, I now need cash --
16 additional cash to cover those needs.

17 LEGISLATOR RHOADS: Fair enough.

18 MR. JEFFERSON: I did not borrow
19 for Restivo.

20 LEGISLATOR RHOADS: I understand.
21 It would be fair to say though that the \$179
22 million year end balance as of 2016 does not
23 include the \$45 million that you set aside
24 already in compliance with the court order?

25 MR. JEFFERSON: Yes.

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2 LEGISLATOR RHOADS: So there is
3 \$45 million set aside to pay this that's not
4 reflected in the year end numbers that we
5 are being shown from the Comptroller's
6 Office that were as of the end of 2016?

7 MR. JEFFERSON: You can look at
8 it that way, yes, but I don't want to
9 connect the fund balance to my cash
10 borrowing.

11 LEGISLATOR RHOADS: Okay. So
12 where exactly, if it's not in the fund
13 balance, then where exactly is this \$45
14 million?

15 MR. JEFFERSON: It's \$45 million
16 in cash that is not part of this fund
17 balance, these numbers that you have here.
18 You have numbers at the end of 2016 and it's
19 not reflected -- this \$45 million in cash is
20 not reflected here.

21 LEGISLATOR RHOADS: So paying
22 that \$45 million then, if we were to write a
23 check tomorrow, doesn't impact the fund
24 balance at all?

25 MR. JEFFERSON: Well, it will.

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2 LEGISLATOR RHOADS: Why?

3 MS. JAMES: As I stated before,
4 putting the cash in the account the only
5 impact at that point was cash put aside in
6 an account.

7 The moment you pay for it you
8 need a funding source to pay for that. The
9 funding source is your fund balance.

10 LEGISLATOR RHOADS: The funding
11 source is the money. It's set aside in a
12 separate account. It's separate and apart
13 from the fund balance. That's just what the
14 treasurer said.

15 MS. JAMES: I'm explaining to you
16 the effect of the fund balance from the
17 Comptroller's Office and, as I stated, fund
18 balance is your source to pay for this.

19 Yes, cash, but your source would
20 be your savings account. If you had
21 something to pay and you had funds in an
22 account, you wouldn't say that the money is
23 going to come out of nowhere. It comes out
24 of your savings account. It's the same
25 thing here. The money comes out of your

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2 fund balance.

3 LEGISLATOR RHOADS: Okay. Except
4 the point that I'm missing, I must be
5 missing, is that if the fund balance shows
6 \$179 million at the end of 2016, and in
7 March of 2017 I deposit an extra \$45 million
8 into my savings account --

9 MS. JAMES: That's not what
10 happened.

11 LEGISLATOR RHOADS: All right.
12 Maybe the two of you need to speak and agree
13 on a set of facts.

14 MR. JEFFERSON: I think,
15 Legislator Rhoads, you keep -- you want to
16 add this cash to the fund balance and you
17 can't add the cash that was set aside into
18 that fund balance number.

19 LEGISLATOR RHOADS: Except the
20 question I have is --

21 MR. JEFFERSON: I think you are
22 trying to connect funds, and the county
23 funds and the fund balance to cash. What
24 I've done here is set aside just for the
25 cash needs. Then you have the accounting

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2 aspect of it which was not taken into
3 account yet because we haven't gotten to the
4 point where you can't take this \$45 million
5 and connect it to the \$46.1 million in fund
6 balance that we had at the end of 2016.

7 LEGISLATOR RHOADS: That's my
8 point. It's not connected.

9 MR. JEFFERSON: But it will be
10 connected this year.

11 MS. JAMES: It is now connected
12 the fact that we have to pay this judgement
13 on February 7th, it's now a connection. A
14 connection has been made. You now have to
15 appropriate from somewhere.

16 LEGISLATOR RHOADS: The \$45
17 million that was set aside in March of 2017,
18 is that now or is it not part of the
19 county's fund balance?

20 MR. JEFFERSON: It will impact
21 your fund balance. It will impact your fund
22 balance. I think that what we're trying to
23 do here is really separate the two because I
24 think you're telling us this fund balance of
25 \$46.1 million, when I took this cash and I

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2 moved the cash, at that point I didn't
3 affect the fund balance at that point.

4 But now it's connected after we
5 received a judgement, it's now connected
6 because once we -- you have to appropriate
7 these funds, so once we use this cash, it
8 will draw down on your fund balance.

9 LEGISLATOR RHOADS: But there is
10 still \$45 million more in the fund balance
11 then than there was at the end of 2016
12 because you put it there, right?

13 MR. JEFFERSON: No. I put cash.

14 MS. JAMES: No. I think the
15 sheet clearly lays out the points.

16 LEGISLATOR RHOADS: No, it
17 doesn't because it's a year end 2016 number.
18 This is something that happened in 2017.

19 MS. JAMES: Again, the chart
20 shows exactly what will happen now that this
21 judgement is a liability that we have to
22 recognize on February 7th.

23 So, again, paying for this has to
24 come from a source. The source would be
25 your unassigned fund balance.

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2 LEGISLATOR RHOADS: But the
3 unassigned fund balance should be \$45
4 million more than you're saying it is as of
5 year end of 2016.

6 MS. JAMES: No. That's just a
7 no. That's not accurate.

8 LEGISLATOR RHOADS: Then what
9 happened to the \$45 million that
10 Mr. Jefferson set aside in March of 2017?
11 How is that accounted for?

12 MS. JAMES: It's cash.

13 LEGISLATOR RHOADS: Then why
14 can't we pay cash?

15 MS. JAMES: Again -- I don't have
16 anything else.

17 MR. JEFFERSON: Legislator
18 Rhoads, regardless, we this judgement that's
19 due on February 7th and we will be paying
20 the judgement on the 7th with the cash that
21 I currently have.

22 As a result of having that cash,
23 it will not impact our cash flow needs and
24 the county will be able to function because
25 we have the available cash.

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2 However, you now have -- you have
3 no appropriation, budget appropriation, now
4 once we pay that out, now you have to deal
5 with the accounting issue and the accounting
6 issue will then impact the fund balance.

7 So we are segregating the two
8 issues, cash and now you have to deal with
9 the accounting aspect of it.

10 So you can't really put the two
11 issues together, you have to separate them.
12 Yes, we will be able to pay the judgement
13 because we have the cash and the cash was
14 set aside.

15 Now, once we take that action, it
16 will hit your fund balance and the fund
17 balance will be less \$45 million and
18 whatever the year end numbers are after the
19 comptroller does the close-out.

20 LEGISLATOR RHOADS: I guess the
21 issue that I'm having is that it sounds as
22 though this has nothing to do with cash flow
23 and this is purely how it's going to look to
24 the bond rating agencies if we have a \$45
25 million unanticipated expense that hits the

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2 books. And the question for us is, does
3 that justify us adding \$45 million to the
4 county's debt?

5 MR. PERSICH: Excuse me, I don't
6 think it's just ratings. I think the impact
7 it has on the budget. Okay? It's not just
8 the rating agencies.

9 LEGISLATOR RHOADS: But my
10 understanding is, there shouldn't be a
11 budgetary impact because you're getting \$45
12 million from outside the budget that was
13 saved from last year, and you're using it
14 to --

15 MR. PERSICH: It was never a
16 budgeted item.

17 LEGISLATOR RHOADS: No, no. The
18 \$45 million existed in revenue. Revenue
19 that we put aside in 2017.

20 MR. PERSICH: It's set aside in a
21 separate account that's not accounted for in
22 the budget anywhere. It's over here. It's
23 not in budget world. It's just a separate
24 bank account.

25 LEGISLATOR RHOADS: But it's

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2 still a real \$45 million.

3 MR. PERSICH: It's cash, yes. To
4 you it's cash. But it's not anywhere, when
5 you get the budget ordinance or anything
6 else when we pass the budget, it's not in
7 that number anywhere.

8 LEGISLATOR RHOADS: So the budget
9 will be \$45 million out of balance because
10 we would have spent \$45 million more than
11 our anticipated revenue that we budgeted
12 for?

13 MR. PERSICH: Correct. And I
14 don't want to go any further but yes that's
15 the summation I would make right there.

16 LEGISLATOR RHOADS: But we have
17 the \$45 million to pay?

18 MR. PERSICH: In cash. We have
19 the money set aside because the judge said
20 we needed to pay it. We put it aside into
21 this world over here, that is not in the
22 budget anywhere, that he has to pay out.

23 Now we have to figure out the
24 appropriations on how to do that to record
25 the expense.

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2 LEGISLATOR RHOADS: So from an
3 accounting standpoint, is there any
4 difference from what I earlier said that the
5 issue that's before us is not whether we
6 have the ability to pay, we do. It's not
7 going to impact our cash flow at all.

8 It's a question of whether we
9 want to show a \$45 million debt on the
10 books; a deficit on the books for fiscal
11 year 2017?

12 MR. PERSICH: Correct.

13 LEGISLATOR RHOADS: I think
14 that's it. So I don't know that this is
15 really a question, why are we concerned
16 about that in 2018? You may not be able to
17 answer this because really it's a political
18 question.

19 MR. PERSICH: I think you want
20 the flexibility if you do the bond
21 authorization. Before you expend the funds
22 you have the flexibility to bond for it.

23 LEGISLATOR RHOADS: I guess the
24 question I have is, why is the
25 administration -- and I understand you are

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2 not in a position to answer that, but why is
3 the administration less confident in its
4 ability over the next 11 months to manage to
5 this budget then it was in telling the head
6 of that administration was in 2016, telling
7 the previous County Executive that he had to
8 manage to his when those funds had to be set
9 aside?

10 MR. PERSICH: We are on a good
11 path but what I want to say is, that \$45
12 million was not in the 2018 budget. It was
13 not accounted for.

14 LEGISLATOR RHOADS: It wasn't in
15 the 2016 budget either which is why the
16 initial bond proposal came up.

17 MR. PERSICH: Exactly the point.
18 But I don't have the appropriation in '18 to
19 fund it or in '17.

20 LEGISLATOR RHOADS: Okay. I
21 appreciate it.

22 MR. PERSICH: But you are on the
23 right path. It's separate from fund balance
24 and cash.

25 LEGISLATOR RHOADS: I don't know

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2 about anybody else, I'm tired. But thank
3 you.

4 CHAIRMAN NICOLELLO: Legislator
5 John Ferretti.

6 LEGISLATOR FERRETTI: Thank you,
7 Presiding Officer. I forgot all my
8 questions now. Some of my questions might
9 be for many of the speakers we had today.

10 But let's start with this because
11 you're standing there, Mr. Persich, you had
12 said in your initial testimony that if this
13 money was paid out of the unassigned fund
14 balance, we would be left with approximately
15 \$1.8 million and that that would not be good
16 practice to maintain a fund balance of \$1.8
17 million, correct?

18 MR. PERSICH: Correct.

19 LEGISLATOR FERRETTI: Was that
20 good practice a year ago?

21 MR. PERSICH: I wouldn't say it's
22 the best practice, no.

23 LEGISLATOR FERRETTI: But what
24 has changed over the last two years if
25 anything?

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2 MR. PERSICH: Why you have fund
3 balance is the rainy day fund. So you can
4 normalize with -- because if we have
5 shortfalls in other areas of the budget,
6 then we have to modify the budgets, I have
7 to come to this body and say, cut the
8 expenses because our revenues are short.

9 So, if you have fund balance you
10 can theoretically appropriate to cover
11 those.

12 LEGISLATOR FERRETTI: Was that
13 the case two years ago?

14 MR. PERSICH: I don't think it
15 was, no, because NIFA restricted how we
16 could spend our fund balance.

17 LEGISLATOR FERRETTI: And
18 they're not restricting it now?

19 MR. PERSICH: I don't want to
20 speak for them, but it could have an impact
21 on it.

22 LEGISLATOR FERRETTI: Should we
23 not assume that they are going to act in the
24 same manner they did over the last two or
25 three years?

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2 MR. PERSICH: I don't want to
3 speak for them, Legislator.

4 LEGISLATOR FERRETTI: Okay. Now,
5 Ms. James, hello, nice to meet you.

6 MS. JAMES: And you as well.

7 LEGISLATOR FERRETTI: Just
8 looking over this fact sheet that we have
9 received this night, this evening, page two,
10 number one, impaired financial condition;
11 counties remaining insufficient unassigned
12 fund balance of 1.8 million. Insufficient
13 according to who?

14 MS. JAMES: Best practices set by
15 the county, the State Comptroller, and other
16 entities.

17 LEGISLATOR FERRETTI: So would
18 you agree that two years ago it was also
19 best practices not to leave the fund
20 balance at \$1.8 million?

21 MS. JAMES: It's never a good
22 thing.

23 LEGISLATOR FERRETTI: Okay. Now
24 you also said that if we were to go down to
25 the \$1.8 million and pay this out of the

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2 fund balance, that we would be forced to
3 borrow in the future.

4 MS. JAMES: I didn't say that.

5 LEGISLATOR FERRETTI: I thought
6 you did. What's the risk of going down to
7 \$1.8 million?

8 MS. JAMES: The risk is, all the
9 risks that are listed are on page two are
10 the risks of having a \$1.8 million
11 unassigned fund balance.

12 LEGISLATOR FERRETTI: Well,
13 that's the risks according to you as what
14 Moody's website says, but I'm asking you
15 what you believe the risks is going down to
16 \$1.8 million.

17 MS. JAMES: Impaired financial
18 condition, decreased liquidity as we
19 realized when we had to go out for TAN
20 borrowings by putting that money aside,
21 increased future borrowing costs based on
22 Moody's sighting, and increased fiscal
23 stress.

24 LEGISLATOR FERRETTI: So if we
25 were to spend this money out of the fund

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2 balance, we would increase the likelihood of
3 TAN borrowing going forward, correct?

4 MS. JAMES: It could. We saw
5 that in --

6 LEGISLATOR FERRETTI: But do you
7 think we would?

8 MS. JAMES: Based on historically
9 what we just saw in December, could.

10 LEGISLATOR FERRETTI: Okay. So
11 essentially what you're saying is, if we
12 were to pay out of this fund balance, we may
13 do exactly what we did two years which is
14 have to TAN borrow in order to pay the
15 bills, right?

16 MS. JAMES: That would be a
17 decision made by the administration.

18 LEGISLATOR FERRETTI: Right, but
19 it's possible? That's what you're saying
20 the likelihood would increase that that
21 happens, correct?

22 MS. JAMES: You'll have decreased
23 liquidity.

24 LEGISLATOR FERRETTI: Right. So,
25 the solution to that is a solution to avoid

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2 the short-term borrowing is to long-term
3 borrow?

4 MS. JAMES: That's not what I'm
5 saying.

6 LEGISLATOR FERRETTI: I'm asking.

7 MS. JAMES: The option is yours
8 to make on whether you decide to, what
9 option you do decide to take. I'm just
10 giving you the facts on where we stand as of
11 our last audited statements.

12 LEGISLATOR FERRETTI: And forgive
13 me because I don't know the answer to this
14 question, that's why I'm asking it. Your
15 fact sheet said that Moody's looks poorly
16 upon a small amount of cash flow, right?

17 MS. JAMES: No. It does not say
18 that.

19 LEGISLATOR FERRETTI: Okay.
20 Let's see what it says.

21 MS. JAMES: It's not me that did
22 this. This information is taken directly
23 from Moody's. This is not me saying
24 anything.

25 LEGISLATOR FERRETTI: Okay. So

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2 Moody's says that factors that could lead to
3 a downgrade include significant decline in
4 fund balance or cash levels. Correct?

5 MS. JAMES: That's what Moody's
6 has cited as December 18th, 2017. Yes.

7 LEGISLATOR FERRETTI: Okay. And
8 are you aware and, this is my question, how
9 does Moody's look upon increased long-term
10 debt?

11 MS. JAMES: That's not my
12 department, unfortunately.

13 LEGISLATOR FERRETTI: I'm sorry
14 that's what?

15 MS. JAMES: That's not my
16 department.

17 LEGISLATOR FERRETTI: Well, your
18 department is to provide us with information
19 on how Moody's looks, how Moody's look at
20 factors that could lead to a downgrade.

21 MS. JAMES: Directly from
22 Moody's.

23 LEGISLATOR FERRETTI: Okay, so
24 are you aware of how Moody's looks at
25 increased debt? Positively, negatively?

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2 MS. JAMES: I don't know.

3 LEGISLATOR FERRETTI: You don't
4 know. So you didn't see it on their website
5 at all?

6 MS. JAMES: I just picked what
7 was up on the last report and provided that
8 information to you.

9 LEGISLATOR FERRETTI: Did you
10 include everything?

11 MS. JAMES: Everything is
12 included.

13 LEGISLATOR FERRETTI: So every
14 factor on the Moody's website is included on
15 the fact sheet?

16 MS. JAMES: Excuse me?

17 LEGISLATOR FERRETTI: Is every
18 factor on the Moody's website included --
19 let me finish. Is every factor on the
20 Moody's website on this fact sheet? If you
21 don't know, that's okay.

22 MS. JAMES: The factors that they
23 cited on their December 18th report that can
24 lead to an upgrade and a down grade are
25 reported on this fact sheet.

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2 LEGISLATOR FERRETTI: Okay.

3 Thank you.

4 MS. JAMES: Specific to the
5 county as of December 18th, 2017.

6 LEGISLATOR FERRETTI: Okay.

7 Thank you. This may be a question for Mr.
8 Jefferson if he's still here.

9 MS. JAMES: Okay.

10 LEGISLATOR FERRETTI: Hi,
11 Mr. Jefferson, how are you?

12 MR. JEFFERSON: Hi. How are you?

13 LEGISLATOR FERRETTI: I'm doing
14 well, thanks. Mr. Jefferson, can you tell
15 us how much is currently in the litigation
16 fund?

17 MR. PERSICH: I think we have
18 exhausted all the funds. There is a minimal
19 amount left in the litigation fund.

20 LEGISLATOR FERRETTI: The 2018
21 litigation fund is down to almost zero?

22 MR. PERSICH: Yes.

23 LEGISLATOR FERRETTI: Can you
24 explain?

25 MR. JEFFERSON: We can get you

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2 that.

3 MR. PERSICH: I will get you an
4 analysis of what is in there, okay?

5 MR. JEFFERSON: We can get you
6 the number.

7 MR. PERSICH: There is a pending
8 settlement out there which I think there is
9 six million in the account.

10 We will get you the information,
11 we will get you the information. We will
12 give you a breakdown of what's in there.
13 But these are committed balances that are
14 going to be paid out in '18.

15 LEGISLATOR FERRETTI: Are you
16 saying that anything that's in the
17 litigation fund is already spoken for in
18 terms of --

19 MR. PERSICH: Yes, for the most
20 part, yes, that's what I am saying. Even
21 though we appropriated it and it hasn't been
22 spent yet, so we had appropriate it in the
23 '18 budget for spending.

24 LEGISLATOR FERRETTI: Okay. I
25 would definitely, and I think my colleagues

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2 would agree, we would absolutely appreciate
3 a report.

4 MR. PERSICH: I will get that to
5 you in addition to the other information
6 that you guys have requested.

7 LEGISLATOR FERRETTI: Okay.
8 Thank you.

9 CHAIRMAN NICOLELLO: Legislator
10 Rhoads for a quick question.

11 LEGISLATOR RHOADS: Thank you.
12 First a quick statement and then a quick
13 question.

14 I would appreciate the breakdown
15 on the litigation fund for 2018 only because
16 the county legislature hasn't approved a
17 single settlement in 2018, so I don't
18 understand how a \$20 million litigation fund
19 can be down to \$6 million in the span of 29
20 days. So if you can get us the breakdown
21 for next week I would appreciate that.

22 Last question for the
23 Comptroller's Office, the \$1.6 million that
24 we are saying that the fund balance would be
25 down to, \$1.8 million, that the fund balance

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2 would be down to, that is based upon year
3 end 2016 numbers correct?

4 MS. JAMES: Correct.

5 LEGISLATOR RHOADS: So we are not
6 entirely sure that that information is
7 accurate as of today?

8 MS. JAMES: This is as of fiscal
9 year end 2016, correct.

10 LEGISLATOR RHOADS: Okay. Thank
11 you.

12 MS. JAMES: You're welcome.

13 CHAIRMAN NICOLELLO: Thank you
14 very much, Ms. James.

15 MS. JAMES: Thank you.

16 MR. PERSICH: I just want to
17 clarify one thing. There is \$23 million in
18 judgements and settlements in the operating
19 budget, not in the litigation fund, okay?

20 Just for clarification purposes.
21 It's a segregated fund that we use bond
22 premiums to pay certain settlements out of
23 with the litigation fund, these are other
24 items that are in there for that, okay?

25 LEGISLATOR RHOADS: Okay.

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2 CHAIRMAN NICOLELLO: There are no
3 further questions.

4 LEGISLATOR RHOADS: So moved.

5 LEGISLATOR ABRAHAMS: Second.

6 CHAIRMAN NICOLELLO: There are no
7 further questions, so Legislator Rhoads
8 makes the motion to table, Minority Leader
9 Abrahams seconds that motion.

10 All those in favor of tabling
11 this item signify by saying aye.

12 (Aye.)

13 Those opposed?

14 (No verbal response.)

15 All opposed?

16 (No verbal response.)

17 Carries unanimously. I'm going
18 to put this meeting into recess and we will
19 be back next week on this item.

20 (Whereupon, the Full Legislative
21 Committee recessed at 6:32 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 12th day of February, 2018.

FRANK GRAY