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NASSAU COUNTY LEGISLATURE

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RICHARD NICOLELLO

7

PRESIDING OFFICER

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LEGISLATIVE SESSION

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County Executive and Legislative Building

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1550 Franklin Avenue

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Mineola, New York

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Wednesday, September 29, 2021

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1:30 P.M.

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2 LEGISLATOR NICOLELLO: I'm going
3 to call this budget hearing to order and ask
4 Legislator Debra Mule to lead us in the Pledge
5 of Allegiance.

6 Thank you for joining us today. We
7 have a number of departments as well as our
8 OMB and county comptroller will be giving
9 presentations today. Just noting that a
10 number of our legislators are participating
11 remotely. When it comes to the question and
12 answer segments, some legislators obviously
13 who want to ask a question can do so. When
14 you do so however it might be better at the
15 start of your question to mention your name so
16 that the reporter can get that down on the
17 transcript and it's clear to everyone
18 involved.

19 I have no prepared statement.
20 Let's get started. Bring up our county
21 comptroller, Jack Schnirman and his staff.

22 MR. SCHNIRMAN: Good afternoon
23 Presiding Officer, Mr. Minority Leader,
24 Mr. Pulitzer, the entire legislative body.
25 Thank you for having us. Today with me I have

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2 Kim Brandeau deputy controller for
3 administration and operation. And Lisa
4 Tsikouras, county director of accounting.

5 LEGISLATOR NICOLELLO: Those who
6 are remote can you hear us? All right.

7 MR. SCHNIRMAN: Before we start I
8 want to say I hope everyone here in person,
9 those watching and participating online
10 everybody's families are in good health.
11 Can't think of a better way to spend my
12 birthday this afternoon than being here with
13 you. Don't tell my wife.

14 But in all seriousness, before we
15 get into numbers, I just want to mention on
16 behalf of our team and our office that we are
17 deeply saddened by the passing of Howard
18 Weitzman, dedicated public servant who served
19 with distinction obviously as Nassau County's
20 comptroller, as mayor of the Village of Great
21 Neck Estate and on the board of the Nassau
22 Interim Finance Authority. Comptroller
23 Weitzman was truly loved and respected in our
24 office for his financial acumen, his insight
25 and so much more. So many of us have had an

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2 opportunity over the last day or so to share
3 some fond memories and some wonderful stories
4 about Howard. He is most certainly missed.

5 With that, we'll get into the
6 numbers and our report. Starting off
7 modernization has been a key focus here in the
8 comptroller's office. As we discussed in
9 prior years, the county's Legacy financial
10 system has not been able to efficiently
11 produce GAP compliant financial statements.
12 This inability has been previously classified
13 as a material weakness. Thankfully, with your
14 help, we are doing something about it. So,
15 begin with a thank you to the legislature on
16 that.

17 As the Government Accounting
18 Standards Board, GASB, continues to issue new
19 governmental accounting standards to
20 standardize and improve the reporting of
21 government financial statements, I know GASB
22 is a page turner for everybody, over the past
23 few years the complexity and the effort
24 required for the county to continue to comply
25 with GAP reporting has certainly increased.

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2 Despite these limitations, we have not only
3 regularly completed our reports on time but
4 for the first time ever Nassau County I'm
5 proud to be report received a special triple
6 crown medallion from the GFOA. A designation
7 that signifies that the government has
8 received all three GFOA awards. The
9 certificate of achievement for excellence in
10 financial reporting, the distinguished budget
11 presentation award and the popular financial
12 reporting award and that is the new one. None
13 of this will help the Jets win a game this
14 year it seems.

15 But the county, in all seriousness,
16 must prioritize the effort to upgrade this
17 Legacy financial system. I know I mention it
18 every time I come but I can't waste the
19 opportunity to bring it up again to keep up
20 with the ever increasing reporting
21 requirements, upgrading the county's financial
22 system and modernizing the comptroller's
23 office capabilities has really been a priority
24 for us to ensure continued compliance with
25 government accounting standards, timely

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2 financial statements and enhanced public
3 transparency. In addition, upgrading and
4 modernizing the financial system which is
5 currently being done with your support, and we
6 thank you, will increase operational and
7 reporting efficiencies that ultimately will
8 save taxpayer dollars.

9 Secondly, I want to mention how the
10 comptroller's office in collaboration with the
11 county executive has taken steps towards a
12 project to upgrade the county's outdated
13 financial system. It's a project along these
14 lines that will take years to fully complete.
15 In 2019 the county legislature, as you
16 probably remember, passed a capital plan which
17 included initial funding to solicit proposals
18 from qualified entities to provide for
19 preimplementation services as well as project
20 management and quality assurance services to
21 ensure that there's proper oversight and
22 ongoing monitoring with financial-based
23 enterprise resource planning, migration, ERP,
24 as the county seeks to replace the Legacy
25 financial system NIFS. And if you have looked

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2 at NIFS you remember the old game Pong.

3 I want to thank and acknowledge the
4 members of this legislature for supporting
5 that initiative that is so critical to the
6 county's financial efforts going forward.

7 With the recent RFP selections for
8 ERP preimplementation services and project
9 management the county anticipates beginning
10 the initial phase of the ERP in the fourth
11 quarter of this year.

12 And in addition to supporting
13 modernizations to our financial system, our
14 critical priorities have focused on
15 modernizing the county's finances using
16 data-driven processes. Over the past three
17 years we have created a way for residents to
18 transparently see the county's finances. So
19 you can follow along with our budget process
20 online just like residents can with their own
21 personal finances. That's the launch of the
22 Open Nassau transparency portal which we spoke
23 about before.

24 As part of the transparency portal
25 I want to highlight today the comptroller's

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2 scorecard which is available on Open Nassau.
3 Displays 12 key indicators used to measure the
4 county's fiscal health so that our financial
5 data is accessible to all in an easy to
6 understand way. Each year we have made
7 updates after the comprehensive report, more
8 after the midyear report and again as we
9 present the risks and opportunities for the
10 budget and as information becomes available.

11 Additional measures in the
12 scorecard include fund balance, sales tax,
13 structural gap, tax certs, serial bonds, state
14 comptroller's fiscal stress score, which we
15 will drill down on in just a moment.

16 As you can see, the scorecard went
17 from six items being off track, two caution,
18 one on track in 2018. To two off track, three
19 caution, four now on track in 2021.

20 Altogether these platforms comprise really
21 holistic transparency and financial data
22 sharing initiatives that the county
23 executive's office and our office are
24 undertaking together visualizing expenditures
25 through open checkbook and payroll showing

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2 revenues coming in and their sources through
3 cash receipts.

4 The fiscal stress score. As we
5 briefly mentioned earlier, the county's fiscal
6 stress score, which comes from the office of
7 the state comptroller, has improved since 2016
8 when it was in the moderate fiscal stress
9 category with a score of 56.3. For '17 and
10 '18 the score rose to significant fiscal
11 stress level with scores of 68.8 and 72.1.
12 For '19 the score improved to susceptible to
13 fiscal stress with a score of 54.6. And the
14 most recent scoring released by the state
15 comptroller just released this year, county
16 score dropped to 45 points, which remains in
17 the susceptible to fiscal stress category but
18 just barely. It is only one tenth of one
19 point away from the no designation of fiscal
20 stress score.

21 The most recent fiscal stress score
22 shows the county's finances are continuing to
23 move in the right direction. Though I will
24 again point out, as we have said before, we
25 must continue on a path to sustainability. It

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2 is no time to spike the football and do the
3 touchdown dance quite yet. None of our
4 football teams are scoring anyway so there's
5 no dances to do. We're just not there yet but
6 we're making progress.

7 Moving forward, consistent
8 financial reporting is a key component in the
9 effort to lift the county out of previous
10 fiscal crisis. Leaders can't be expected to
11 fix problems if they can't be properly
12 diagnosed in the first place. So, as we
13 recently highlighted in the county's annual
14 comprehensive financial report for fiscal year
15 2020 the onset of COVID upended the county's
16 positive financial trajectory with some
17 negative impacts last year to sales tax, to
18 fines, to fees, to other economically
19 sensitive revenues. But for COVID-19 these
20 negative financial impacts would not have
21 likely come to pass.

22 Yet we also see corresponding
23 positive impacts such as positive spikes to
24 our local housing market resulting in
25 increases to other revenue such as mortgage

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2 recordings fees and other related revenue. As
3 we wrap 2020 year-end county surplus was
4 \$128.1 million for the primary three operating
5 funds demonstrating that the county weathered
6 the unprecedented fiscal storm through the
7 effective use of federal monies, debt
8 management and the restructuring, higher than
9 revised sales tax receipts, as well as lower
10 expenditures resulting from salary and fringe
11 savings.

12 The 2020 financial results show the
13 county again moving in the right direction.
14 This is good crisis management. Because of
15 this, we are able to continue on the path to
16 sustainability. But, as I said, we're not
17 there yet. We have not yet exited the control
18 period. That's got to be amongst the short
19 term goals. There's certainly some more work
20 to do. Not to mix my metaphors with my
21 football and my baseball, but for those of us
22 following at home, the Mets had a good team
23 this year, we were off to a good start.
24 Things didn't pan out. So it doesn't always
25 work out the way we want. So we got to keep

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2 ahead moving in the right direction.

3 As we head into the end of 2021
4 COVID-19 and emerging variants of the virus
5 may continue to affect the economy and
6 economically sensitive revenues resulting in
7 negative impacts to county finances.
8 Regardless, federal revenue relief, support
9 for local business and smart governance
10 continue to be critical for the county to
11 maintain liquidity and take steps to close
12 long-term structural gaps in our budget, as
13 well as equity gaps in our communities.

14 Looking at the county's financial
15 outlook in '22. We see that we have seen some
16 major progress, right? We improved from that
17 negative 122.4 year end in 2017. Negative
18 27.5 year end 2018. 145.3 GAP surplus in
19 '19. 128.1 GAP surplus in '20. Again,
20 significant progress on the path to fiscal
21 sustainability. Especially considering the
22 financial impacts of the pandemic in 2020
23 which presented at that time an unprecedented
24 fiscal crisis.

25 Our 2021 midyear report, the most

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2 recent one, just the end of this past July,
3 estimated a \$79.8 million GAP surplus in the
4 three primary operating funds. Positive
5 results certainly given the impacts of the
6 pandemic. And that does not include the money
7 that gets taken out potentially with sales tax
8 overage for special revenue fund.

9 Sales tax has also rebounded
10 certainly from the major decreases in 2020.
11 The lowest level of sales tax revenues the
12 county has received in a decade to amounts
13 which exceed now prepandemic levels.

14 The restructuring of outstanding
15 debt to alleviate debt service costs completed
16 in 2020 produced debt service costs savings of
17 \$207.7 million in '21 and \$177.8 million going
18 into the '22 budget setting the stage for the
19 discussion that we have today. This is a
20 major driver of the fact that this year we see
21 some relief in the operating budget that
22 created the potential to have this
23 conversation about reducing taxes for this
24 year.

25 Our review of risks and

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2 opportunities in the 2022 proposed budget
3 indicates more opportunity than risk.
4 Although our review only included major
5 revenue and expenditure lines this is
6 positive.

7 Looking big picture, the passage of
8 the American Rescue Plan Act at the federal
9 level, ARPA, infused trillions of dollars into
10 state and local governments around the country
11 to combat the lingering effects economically
12 of COVID-19.

13 Our office released a report
14 entitled Guiding Principals Making Smart
15 Investments with Stimulus Funding. It is one
16 of our better reports. I get the sense that
17 it's a well kept secret. So please take a
18 look if you haven't already. It recommended
19 smart, innovative options for Nassau County to
20 use ARPA funding. County is receiving \$385
21 million over two years in ARPA funding.
22 Guiding principals reports highlights the need
23 for government to approach the moment
24 responsibly with an eye towards strategic
25 sustainability and avoid pitfalls that can

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2 exacerbate long-term operating deficits.
3 We've been down that road. Let's not go
4 back.

5 The report also highlights smart
6 tips that will ensure that the county can
7 seize this moment with transformative
8 investments including investing money to
9 reduce operating costs, making overdue
10 investments in technology infrastructure and
11 making investments in our residents in our
12 communities.

13 The report also highlights best
14 practices around the country to embrace
15 opportunity and risk including things like
16 providing accountability by sharing data on
17 the use and impact of federal funds.
18 Something that I look forward to our office
19 doing. Investing in workforce development.
20 Closing equity gaps and supporting temporary
21 and targeted efforts to address hardships of
22 the pandemic and focus on areas not supported
23 by federal and state programs. In short, an
24 economic recovery that helps people will lead
25 to a more sustainable recovery for our

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2 government finances because of our importance
3 of sales tax to our revenues.

4 So, with that, I urge us all to not
5 approach this moment with a short term
6 outlook. This influx of funds, if used
7 responsibly for maximum impact, can really pay
8 dividends for years to come. This money can
9 positively shape the future of our county in a
10 way that makes it an attractive place to live
11 for future generations and we really want to
12 approach this moment thoughtfully if we're
13 going to continue to progress towards and
14 ultimately achieve long-term fiscal
15 sustainability.

16 The 2022 proposed budget, along
17 those lines, includes some prudent fiscal
18 steps. Pays off the majority of the amortized
19 pension liability which has accumulated over a
20 decade. That's helpful. Earmarks funding for
21 collective bargaining. That's helpful. And
22 it benefits from the recent debt restructuring
23 as I mentioned earlier. Again helpful.

24 At the same time the proposed
25 budget also reduces recurring revenues with a

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2 multiyear property tax reduction that reduces
3 general fund property taxes by 95 percent from
4 the 2021 levels in the general fund in the
5 years '22 to '25. As a result, the proposed
6 budget further shifts the percentage of
7 overall county revenues away from the burden
8 on property tax owners, which is certainly
9 something that is welcome news to property tax
10 owners and more obviously towards sales tax,
11 which is our biggest revenue source.

12 So, to be fair, as I've pointed out
13 in many years, that can create some financial
14 risk to county finances going forward. While
15 sales tax has certainly been strong it remains
16 an extraordinary, economically sensitive
17 revenue stream. Business economists have
18 warned that a slower economic growth this year
19 is possible due to COVID-19 variants among
20 other factors. Just this morning I read about
21 consumer confidence dropping for the third
22 month in a row. We need people to buy stuff
23 if we're going to have good sales tax.

24 Thus, it would be best if shifting
25 the budget's reliance in this fashion is also

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2 coupled with a healthy reserve fund, as we've
3 talked about before, that creates options and
4 flexibility for the county in case there is
5 another downturn. And looking at using that
6 special revenue fund as a fund with the
7 ability to stabilize taxes going forward to
8 prevent potential future increased fiscal
9 stress resulting from any economic downturns
10 that come our way. The county need to
11 approach those fiscal choices ahead carefully,
12 right? We don't have a crystal ball to see
13 what will happen with the economy. We don't
14 know if additional dangerous variants of COVID
15 may arise or whatever the next crisis may be.

16 That said, we've got to seek to
17 maintain flexibility, maximize opportunities
18 to achieve sustainability so that should sales
19 tax dip at some point, and ultimately at some
20 point it will, that is the nature of the
21 business cycle as we all know, then we don't
22 have to again contemplate unpleasant and
23 avoidable choices like large tax increases or
24 fees to increase revenue or employee layoffs
25 or painful service reductions. The path to

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2 sustainability and to ending the NIFA control
3 period really lies in the choices that get
4 made in the near term.

5 So, next I will take you through
6 some of the more detailed findings of the
7 report. The 2022 proposed budget reduces
8 property taxes in the primary operating funds
9 by almost \$70 million, as I mentioned, as
10 compared to the '21 adopted budget. The
11 primary operating fund property tax budget
12 lines for 2021 and 2022 as proposed are shown
13 below. Overall there's an 8.5 percent
14 reduction in property taxes across all these
15 funds in 2022 as compared to '21. The
16 administration has stated that property taxes
17 in the out years in the financial plan are
18 planned to gradually return to previous
19 levels. Just as we did in our midyear report,
20 this report gets into the state of our economy
21 quite extensively. I won't go into all those
22 numbers today.

23 During the COVID pandemic the US
24 economy shrunk by 3.5 percent overall, a
25 number unforeseen in decades. Numerous

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2 economic indicators are available to monitor
3 the health and the well being of our economy.
4 GDP, unemployment rates, CPI, the real estate
5 market, which are highlighted within this
6 report, are several indicators that
7 demonstrate the post-COVID conditions
8 affecting the county economy.

9 The Conference Board, a nonprofit
10 business membership and research organization,
11 reported Tuesday, as I mentioned just a moment
12 ago, that its consumer confidence index fell
13 to a reading of 109.3 in September down from
14 115.2 in August. September's reading is its
15 lowest level for the index since it sank to
16 95.2 in February. So, there's a little bit of
17 cause for caution here. All of this and more
18 can be found in our state of the economy
19 section in our report. I just want to hand it
20 to the team. They really put together some
21 great information along these lines.

22 So, sales tax is the major revenue
23 source for the county accounting for over \$1
24 billion and over 40 percent and arising of all
25 revenue included in the 2022 proposed budget.

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2 Other major sources of revenue. Property tax
3 obviously. 22 percent of all of the revenue.
4 State and federal aid. Departmental revenue.
5 And while these categories have remained
6 relatively constant in recent years there has
7 been a shift somewhat in this proposed budget
8 as compared to the '21 proposed budget.
9 Property tax being reduced by 70 million in
10 '22, sales tax being increasing by 351 in '22
11 shifts those percentages a bit.

12 The increase in the amount of sales
13 tax proposed in '22 is due in part to a lower
14 amount included in the 2021 proposed budget
15 due to the impacts of COVID-19 on the pandemic
16 and the economy.

17 So sales tax revenues had shown an
18 upward trend originally, right, between 2014
19 and 2019. Remember I came every year, I said
20 we're making progress, but it's not also yet
21 sustainable. The progress was predicated upon
22 sales tax and a low head count. Sick of
23 hearing me say that I'm sure.

24 2020 put those assumptions really
25 to the test. Actually county sales tax

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2 revenues were 8.26 percent less in 2020 or
3 \$105.5 million less than the adopted budget.
4 This was the largest single year decline in
5 sales tax revenue. For at least the last ten
6 years I should say. But not as drastic a
7 decline as could have materialized. It's not
8 as bad as was feared at one point.

9 The 2021 adopted operating budget
10 included a very conservative estimate for
11 sales tax which was based on the trajectory of
12 sales tax seen in the third and the start of
13 the fourth quarter of 2020 when the budget was
14 adopted. 2021 actual sales tax revenues have
15 been coming in higher than in previous years.
16 This is great news. The strength of the sales
17 tax results in the second quarter of '21 may
18 be the result of pent up consumer demand and
19 purchases related to recent spikes in home
20 sales.

21 The improvements seen in sales tax
22 revenue collections have also been fueled by
23 recent changes that required many out of state
24 vendors to collect and remit state and local
25 sales taxes. Recently, New York State data

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2 shows that for the 2020-2021 sales tax year
3 5.2 percent of Nassau County's sales tax
4 revenues were generated from new internet
5 sales tax policies in order to level the
6 playing field for local businesses here in the
7 county. We worked together with the Nassau
8 County Council of Chambers to fight and
9 advocate for this. Congratulations to them.
10 We are seeing some results.

11 Nassau County's August 2021 sales
12 tax collections were 19.3 percent higher than
13 August of 2020. 9.3 percent higher than
14 August of 2019. For the first eight months of
15 '21 Nassau County's sale tax revenues were
16 26.4 percent higher than the same months of
17 2020 and 13.3 percent more than 2019. On a
18 statewide level local sales tax collections
19 grew more than 15 percent of August of '21.
20 This is the fifth consecutive month of
21 collections exceeding 2020 collections and
22 were higher than prepandemic, 2019, sales tax
23 revenue. This trend is certainly
24 encouraging.

25 However, our fiscal leaders must

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2 approach this increased revenue carefully.
3 Sales taxes are economically sensitive, as I
4 mentioned, changes in the local and national
5 economy and is not always easily to predict
6 going forward. State Comptroller DiNapoli
7 recently noted it remains uncertain how recent
8 increases in statewide infection rates will
9 impact the economy. Local governments must
10 continue to monitor changing economic
11 conditions, maintain vigilance when it comes
12 to their finances.

13 Our midyear year report on the
14 county's financial condition provided three
15 updated sales tax forecasts for 2021. Based
16 on year-to-date receipts and our sales tax
17 modeling tool which takes into account updated
18 industry modifiers data, seasonality and 13
19 years of actual trend data analysis.

20 The scenarios generated by the
21 model various assumptions to reflect higher
22 and lower levels of consumer activity across a
23 myriad of industry subsectors. Our 2021
24 projection for the county's sales tax revenues
25 has been increased based on strong actual

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2 year-to-date collections over both 2020 and
3 2019.

4 Of note, as of the last sales tax
5 check on September 10th the county's
6 year-to-date collections are 29.7 percent and
7 13.1 percent higher than the same period in
8 2020 and '19 respectively. Even after
9 withholdings, which we have to remember, for
10 aid and incentives for municipalities, aid
11 money and distress provider assistance.

12 However, the trend in the
13 collections has now begun to slow and our
14 projections for the remainder of '21 use a
15 conservative 3.9 percent growth rate taking
16 into consideration the discontinuing of
17 stimulus unemployment checks, the uncertainty
18 of the effect of COVID-19 variants on consumer
19 spending and an uptick in inflation.

20 Overall, we project 2021 countywide
21 and part county sales tax revenues, excluding
22 part county deferred, to reach \$1.3 billion.
23 An increase of 38.8 million from our
24 projection in the 2021 midyear report. For
25 the purposes of our report we are projecting

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2 2022 sales tax revenue using the mid range
3 model.

4 So now to get into some of the more
5 granular risks and opportunities that we see
6 in this budget I'm going to turn it over to
7 Lisa Tsikouras to discuss those risks and
8 opportunities. Go ahead Lisa.

9 MS. TSIKOURAS: Good afternoon.
10 So, some of the positive opportunities that we
11 identified in the 2022 budget are listed in
12 the report under our key drivers. The largest
13 of those is in payroll and fringe benefit
14 savings. When we perform our analysis we
15 excluded what the administration had put in
16 for potential collective bargaining agreement
17 as we don't have the details. We don't know
18 the timing. The variables at this point in
19 time are unknown. So, we've taken that out
20 and net of other small pluses and minuses
21 within that category, including some small
22 risks within overtime and termination pay for
23 the police department, we are projecting a \$65
24 million savings. Again, that is primarily the
25 result of the exclusion of the projected, I'm

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2 sorry, the proposed budget's assumption for
3 the collective bargaining agreements.

4 Then we also have an additional
5 \$17.5 million positive in sales tax revenues.
6 The difference between this number and the 38
7 that the comptroller mentioned has to do with
8 the shortage in 2020 related to the part
9 county. So this number includes the part
10 county deferred.

11 We're also projecting an
12 opportunity in interest penalty on taxes
13 because there has been a delay in the tax lien
14 sales. That's the majority of the \$8.1
15 million that we're projected for interest
16 penalties on taxes.

17 We also see a potential opportunity
18 in debt service of \$5.6 million just based on
19 what our projections are with the current debt
20 and what we think the amortization of that
21 debt will be going forward.

22 We have a \$5.4 million judgement
23 settlement opportunity that relates to the
24 sewer and storm water district. It was
25 budgeted in 2021. It's not going to happen in

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2 2021. We don't have enough information or
3 settlement information. So we've picked that
4 up as an opportunity. And then approximately
5 3.1 million in various social services
6 opportunities as well.

7 As far as the key risk drivers, we
8 see some risk in rents and recoveries
9 primarily due to capital close out money
10 that's budgeted that we don't have any further
11 information of which projects that
12 represents. So we risked that. Prior year
13 appropriations that represent disencumbrances
14 of contracts are not revenue streams. So
15 those have been risked. As well as potential
16 sale of county property as we don't have a
17 list of what particular properties or whether
18 they will settle and close out in 2022.

19 We've also risked the use of fund
20 balance in the sewer fund. The sewer fund may
21 not have much fund balance projected at the
22 end of 2020. So we've risked that in 2022.
23 And we've also risked some additional revenues
24 in departmental revenues, particularly the
25 income and expense law which is still in the

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2 courts. And some fines and forfeitures
3 related to TIPVA fees and red light cameras.

4 And we also see a potential risk in
5 early intervention of \$3 million, which we
6 anticipate, just based on the department
7 requesting a higher amount, which is slightly
8 offset by an increase in state aid. Does
9 anyone have any questions on that?

10 MR. SCHNIRMAN: We're almost
11 done. So, in conclusion, we must seek to
12 maintain liquidity, flexibility, maximize
13 opportunities for sustainability so that
14 should sales tax dip we do not have to again
15 contemplate unpleasant choices like large tax
16 increases, fees to increase revenue or
17 employee layoffs or painful service
18 reductions. Those choices are all avoidable
19 if we make good choices continually going
20 forward. The path to sustainability and to
21 ending the NIFA control period lies in the
22 choices that are made in the near term.

23 So, with that, I want to thank the
24 legislature again for your partnership. Look
25 forward to taking your questions about the

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2 risks and opportunities that we see in this
3 budget. Thank you.

4 LEGISLATOR NICOLELLO: Thank you
5 for the presentation. I have some questions
6 and I will turn it over to the other
7 legislators. You spent some time on sales
8 taxes. What's the projection, what's your
9 projection at this point for the end of the
10 year?

11 MR. SCHNIRMAN: Lisa you want to
12 give the specific numbers?

13 MS. TSIKOURAS: We've increased
14 our projection for 2021. We anticipate sales
15 taxes to come in at approximately, and this is
16 the net revenue including any prior year
17 deferred, of \$1.368.7, which represents \$344.8
18 million over the 2021 budget. It's also an
19 increase of approximately \$49 million over our
20 midyear report.

21 LEGISLATOR NICOLELLO: \$344
22 million over the administration's projected
23 budget for 2021?

24 MS. TSIKOURAS: Yes.

25 LEGISLATOR NICOLELLO: The

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2 administration had projected a 20 percent
3 decrease in sale tax for 2021; is that
4 correct?

5 MS. TSIKOURAS: I don't have that
6 information handy.

7 LEGISLATOR NICOLELLO: What was
8 the comptroller's office projection for 2021?

9 MS. TSIKOURAS: The sales tax?
10 That's the number. That was the number I gave
11 you.

12 LEGISLATOR NICOLELLO: As of now
13 but what was your projection going into the
14 budget consideration process? What were you
15 projecting sales taxes in 2021 to be as
16 compared to 2020?

17 MR. SCHNIRMAN: What was our
18 budget projection for '21 he's asking.

19 MS. TSIKOURAS: I don't have it.
20 Do you have it? Do you have it for the 2021
21 budget.

22 MR. SCHNIRMAN: It was more
23 conservative if that's what you're asking.

24 LEGISLATOR NICOLELLO: Roughly 16
25 percent decrease.

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2 MR. SCHNIRMAN: It was more
3 conservative, yes. Based on the information
4 we had at the time it was certainly a
5 conservative projection.

6 LEGISLATOR NICOLELLO: So, the
7 fact that, let's take the administration's
8 number, the fact that the administration was
9 \$344 million, is \$344 million over budget what
10 does that tell you about the administration's
11 ability to prognosticate sales taxes?

12 MR. SCHNIRMAN: Tells me it was a
13 conservative projection. I'll just say that
14 in an unprecedented financial crisis if
15 ultimately what you what to see is
16 conservative budgeting, is liquidity being
17 maintained to stave off those ugly choices
18 that we talked about before that we all
19 contemplated during 2020, from our perspective
20 if you combined those conservative projections
21 with the other measures that were taken that
22 ultimately ended up in effective crisis
23 management. If the harshest criticism that we
24 can have in the rearview mirror is that those
25 projections were too conservative I think that

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2 is certainly better than the alternative.

3 That's my personal opinion.

4 LEGISLATOR NICOLELLO: That's a
5 point that you can make but the point we can
6 make is how reliable are your estimates going
7 forward and the estimates of the
8 administration? You mentioned before that
9 those conservative estimates were based on the
10 third and fourth quarter trends in 2020. In
11 fact, the trends were going very well. We had
12 made up a substantial amount of the sales
13 taxes that we had lost at the heart of the
14 pandemic.

15 But more to the point, you sent us
16 a letter on November 5, 2020. We had
17 projected sales taxes to come in better than
18 what you were projecting, what the
19 administration was projecting based on those
20 trends and what we were observing and what the
21 entire country was observing based on the
22 economy rebounding. This is what you told
23 us. And again, because our numbers we were
24 projecting more in sales taxes than you this
25 is what you wrote to us.

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2 These sales tax predictions by the
3 legislature -- our sales tax numbers -- were
4 arbitrarily and haphazardly justified by a
5 last minute report with cherry-picked data
6 that misleadingly conflates economic recovery
7 with growth.

8 Now, that was your criticism of
9 us. Then you continue.

10 The Majority should avoid damaging
11 the county's financing by recklessly adding
12 \$63 million in questionable revenue at this
13 uncertain moment.

14 In fact, we are over \$340 million
15 above the projections. So when you were
16 calling us reckless because we had called your
17 office out and the administration out on its
18 ludicrously low numbers for sales tax
19 projections I think, you call yourself an
20 umpire, I think at that moment you had stepped
21 out of the umpire role and you were being a
22 partisan. So as we go forward and we look at
23 your sales tax projections for this year why
24 shouldn't we keep that history in mind?

25 MR. SCHNIRMAN: I disagree with

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2 your characterization of our projections.
3 I'll again say that we made conservative
4 projections based on the information available
5 to us at that time. I am happy that obviously
6 sales tax overperformed significantly over
7 those expectations. I'm happy that that money
8 will sit in a special revenue fund and hopeful
9 that that money will be used wisely as we
10 spoke about.

11 I won't repeat ad nauseum the
12 variety of factors and subsectors and
13 indicators that we use in making these
14 predictions. And I will tell you that they
15 are done without favoritism and we're giving
16 you our mid line projection. And again, we
17 can agree to disagree but I'll just say from
18 our perspective if in that uncertain
19 environment and unprecedented crisis if the
20 worst thing that happened is that we were too
21 conservative that is a much better problem to
22 have than the alternative.

23 LEGISLATOR NICOLELLO: Right.
24 There's a preference to be more conservative
25 than less. But again, the budget is \$344

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2 million over the projection and you stepped in
3 to advocate against our budget amendments that
4 modestly increased projections calling it
5 reckless, arbitrary and haphazard. So, again,
6 our question is what credence can we give to
7 your budget projections given that history?

8 MR. SCHNIRMAN: I've answered
9 your question as best as I am prepared to.

10 LEGISLATOR NICOLELLO: Just a
11 couple of other areas. About how many audits
12 does the comptroller's office do each year?

13 MR. SCHNIRMAN: It varies year to
14 year.

15 LEGISLATOR NICOLELLO: About how
16 many ongoing audits does the comptroller's
17 office do?

18 MR. SCHNIRMAN: We have quite a
19 few going on currently and always.

20 LEGISLATOR NICOLELLO: Can you
21 tell me some of the major audits of this
22 administration's operations that are ongoing
23 at the moment?

24 MR. SCHNIRMAN: Sure. We're
25 looking at ARC right now for example. We

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2 recently completed the IDA. We have a full
3 list that we can make available at any given
4 moment, which I'm sure Kim is probably
5 scribbling on a piece of paper right now. We
6 don't have an audit list in front of us. We
7 have plenty of open audits.

8 LEGISLATOR NICOLELLO: I didn't
9 expect you to have it on you. But I would
10 appreciate that list and specifically I want
11 to know what audits are being done of this
12 administration. Because it seems to us that
13 the vast majority of audits we have seen were
14 of the prior administration's. So that this
15 administration has not been looked into. And
16 there's areas that we're going to go into
17 today where we think audits would be fully
18 justified.

19 MR. SCHNIRMAN: Without getting
20 into it too deeply as we are here to talk
21 about the 2022 risks and opportunities in the
22 budget, there's an audit look-back period. If
23 you start an audit today you're going back
24 several years. It's hard to do audits looking
25 forward. You're looking back. But we're are

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2 happy to provide you with any information you
3 need. Again, today though we're here to talk
4 2022 budget.

5 LEGISLATOR NICOLELLO: The only
6 point I make in response to that is that
7 you've been here for three and a half years.
8 While there is a value to looking back and
9 getting audits of prior activities in terms of
10 going forward or at present the greater value
11 would be to see how we're operating now.

12 MR. SCHNIRMAN: I'll just mention
13 that in addition to look-backs we are also
14 doing looking forwards in the sense that we
15 have been doing follow-up audits of how are we
16 doing six months, a year later on whatever
17 issues that we found. How many of them have
18 been addressed. Let's say just to make up a
19 number, let's say there were 50
20 recommendations on something, some time later
21 of those 50 how many are being addressed
22 fully? How many are being addressed
23 partially? How many have not yet been
24 addressed? In that sense we are continuing to
25 do things in real time. So at this point once

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2 we audit a thing it's a more of an ongoing
3 relationship to actually ensure that change
4 happens.

5 LEGISLATOR NICOLELLO: You will
6 get me a list as requested?

7 MR. SCHNIRMAN: Sure.

8 LEGISLATOR NICOLELLO: Just want
9 to touch on the assigned fund balance.
10 Obviously we've had surpluses in the county
11 last couple of years and do you have the
12 amount that's in the assigned fund balance
13 bucket? I don't want to obviously delve too
14 deeply in this.

15 MR. SCHNIRMAN: Yes. Normally I
16 bore you with this. I shouldn't say bore,
17 it's not boring, it is critical. I insert
18 everything I've ever said about the importance
19 of rebuilding a reserve fund that I know you
20 understand and certainly agree with.

21 But as of, I'll grab our fact sheet
22 for you, and our assigned fund balance as of
23 the end of 2020, right, in our comprehensive
24 annual financial report is -- sorry. I
25 thought I had that fact sheet. I do have that

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2 fact sheet. Lisa is carrying the one for you.

3 MS. TSIKOURAS: And I can't do
4 this.

5 MR. SCHNIRMAN: She's going to
6 check it three times. Just a little over \$200
7 million.

8 LEGISLATOR NICOLELLO: Do you
9 have, I don't know if you have it now or can
10 provide it to us a description of what that
11 assigned fund balance is assigned to? The
12 basis why it's in an assigned fund balance.

13 MR. SCHNIRMAN: We'll send that
14 to you after the fact. I apologize but we're
15 here to talk budget. We didn't bring all of
16 our fund CAFR material. I apologize. Just
17 for the record. The phrase CAFR has been
18 ended as it points to some legacy issues in
19 South Africa. So it's Comprehensive Annual
20 Financial Report. The acronym, just for
21 knowledge, by GFOA, has been discontinued.

22 LEGISLATOR NICOLELLO: So
23 basically, I'm completing my questions, but
24 basically you'll provide us the designation of
25 what the assigned fund balance --

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2 MR. SCHNIRMAN: Sure. We'll give
3 you the details on the assigned.

4 LEGISLATOR NICOLELLO: As well as
5 the ongoing audits. Anyone else have any
6 questions? Legislator Birnbaum.

7 LEGISLATOR BIRNBAUM: I just want
8 to follow-up with what you said about the
9 sales revenue increase from the projections.
10 What you're saying is that \$38.8 million might
11 be the increase at the end of this year from
12 your projection, right?

13 MR. SCHNIRMAN: Correct.

14 LEGISLATOR BIRNBAUM: What
15 percentage would that be over the projection?
16 Like what percent error was that when you do
17 the math?

18 MR. SCHNIRMAN: Including the 38
19 she's asking.

20 LEGISLATOR BIRNBAUM: The budget
21 for sales tax was what one point?

22 MR. SCHNIRMAN: While she does
23 that, August '21 was 19.3 percent higher than
24 August of 2020 in real numbers. Not over
25 budget. 9.3 percent higher than August of

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2 '19.

3 LEGISLATOR BIRNBAUM: Right. The
4 year end because taking into account that
5 the --

6 MR. SCHNIRMAN: Yeah. The
7 percent over the projected budget you're
8 asking?

9 LEGISLATOR BIRNBAUM: The year.
10 Then I think we can understand what we're
11 talking about. Like how much did it vary from
12 what your projection was to see if that was
13 within the range of what was expected without
14 having --

15 MR. SCHNIRMAN: It is certainly
16 significant. As presiding officer pointed
17 out, it's a big number. When you're talking
18 about \$300 million that's a big number.
19 Again, I'll leave the arguments over the
20 projections aside and talk about what we
21 consider something that is critical going
22 forward. In that you're going to have a
23 significant amount of money moving into that
24 special revenue fund.

25 In addition to the menu of options

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2 that you created legislatively with it, we
3 would urge you to consider adding additionally
4 tax stabilization as one of those. I think
5 it's probably within the spirit of what you
6 had authored regardless. I think it
7 behooves -- it's potentially a once in a
8 generation opportunity to have the ability to
9 use that kind of money. When you combine that
10 with the federal money coming in it's a very
11 special moment financially for the county to
12 hopefully to continue to make progress toward
13 sustainability.

14 LEGISLATOR BIRNBAUM: Did you say
15 that it was because approximately 5.2 percent
16 of the tax we collected last year was because
17 of the money we're now getting from the sales
18 tax --

19 MR. SCHNIRMAN: From internet
20 sales tax, yeah. I want to say it was in June
21 of '19 that the state added internet sale tax
22 collection. It's something that small
23 businesses had lobbied very aggressively for.
24 I'm sure a lot of folks heard from them in
25 that regard. The Nassau Council of Chambers

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2 was extremely active there. And we saw an
3 uptick in sales tax after that. But it was
4 impossible for the majority of time between
5 June of '19 and now to separate out what were
6 internet sales tax collections that we're
7 adding to overall sale tax versus what was the
8 economy.

9 But now, for the first time, we see
10 some of those numbers. And to your point, 5.2
11 percent was the increase from internet sales
12 tax. So that's obviously significant and the
13 timing even more so as during the course of
14 the last year and a half with the COVID
15 shutdown, to oversimplify for a second, a lot
16 of people were home ordering stuff online.
17 That obviously had a significant impact in
18 capturing that internet sales tax. Just like
19 if you go to a mom and pop store and you're
20 downtown you have to pay sales tax there.

21 LEGISLATOR BIRNBAUM: How are you
22 building it into the 2022 budget, the internet
23 sale tax revenue?

24 MR. SCHNIRMAN: That's now part
25 of our sales tax modeling.

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2 LEGISLATOR BIRNBAUM: At what
3 percent are you saying would be attributable?

4 MS. TSIKOURAS: The way the model
5 works is the model looks at the trends. As
6 the comptroller said, there's quite a lot of
7 historical trend in there. So as those sales
8 are coming -- now those sales are part of our
9 trend. It's picking up seasonality. It picks
10 up the trends and then it factors into it
11 based on different growth scenarios. That's
12 why there's an optimistic mid range and a
13 conservative range.

14 LEGISLATOR BIRNBAUM: Is it
15 possible to give a percentage number to what
16 percent of our sales tax are from internet
17 sales?

18 MS. TSIKOURAS: No.

19 LEGISLATOR NICOLELLO: Legislator
20 Rhoads.

21 LEGISLATOR RHOADS: Thank you
22 Mr. Presiding Officer. Comptroller Schnirman,
23 I believe you stated that the forecast that
24 you gave us with respect to 2021's projected
25 sales tax revenue was based upon your view of

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2 the third and fourth quarter sales tax revenue
3 change in 2020; is that correct?

4 MR. SCHNIRMAN: It was based on a
5 variety of factors including the third and the
6 fourth quarters. It was based on previous
7 year-to-date receipts, our sales tax modeling
8 tool which takes into account updated industry
9 modifiers data, seasonality as Lisa just said,
10 13 years of trend analysis and it generates
11 scenarios by the model and those various
12 assumptions reflect higher and lower levels of
13 consumer activity across all the various
14 industry subsectors. So, it looks at the
15 entirety of the economy, all the different
16 things, whether it be gasoline or restaurants
17 and breaks them down by the industry modifiers
18 and works from there.

19 LEGISLATOR RHOADS: At the end of
20 the second quarter, as I recall, of 2020 our
21 sales tax revenue was off by approximately 40
22 percent. That was the height of the shutdown.

23 MR. SCHNIRMAN: Last year you're
24 saying?

25 LEGISLATOR RHOADS: Last year,

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2 2020.

3 MR. SCHNIRMAN: What was the
4 number you said off.

5 LEGISLATOR RHOADS: Off by 40
6 percent.

7 MR. SCHNIRMAN: That we were
8 dropping by 40 percent.

9 LEGISLATOR RHOADS: We were
10 dropping by 40 percent.

11 MR. SCHNIRMAN: I don't think
12 thing we were ever down quite that much. I'm
13 sorry to interrupt. When we look at this, we
14 just don't look at where we are today. Let's
15 say we're in August you said. Oh, my
16 goodness, we're done 40 percent because of the
17 seasonality we look at. So what does this
18 mean? Where ever we are today, what does this
19 mean for where we think we may end the year?
20 Because that's obviously the central question.

21 LEGISLATOR RHOADS: Understood.
22 Let's look at this globally. The forecast was
23 that we would be down, based on the numbers at
24 the end of the second quarter of 2020, we were
25 off by approximately 40 percent. May have

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2 been 39 and change as I recall. For some
3 reason the number 39.6 sticks in my head. The
4 third and fourth quarter last year, once the
5 economy reopened, there was a dramatic
6 increase in the amount of sales tax revenue in
7 the third and fourth quarter to the point
8 where we ended the year from a deficit of 40
9 percent, being down by 40 percent, to being
10 down by just over eight percent, right?

11 MR. SCHNIRMAN: 8.26 I believe.

12 LEGISLATOR RHOADS: So based upon
13 that, you're talking about a swing of
14 approximately 32 percent. We made up ground
15 to the point where being down 40 percent we
16 were down 8.6 at the end of the year. If one
17 of the items of analysis in your forecasting
18 for 2021 was the performance of sales tax
19 revenue in the third and fourth quarter, which
20 showed such a dramatic increase in the amount
21 of revenue coming into the county, how is it
22 that your office justified, your office
23 justified saying that in 2021 there would be a
24 16.6 percent decrease over 2020 in sales tax
25 revenue?

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2 MR. SCHNIRMAN: So, before we
3 sort of wrap up the sales tax piece because I
4 think we've said for the most part what we're
5 going to say, I just want to correct one thing
6 that you just said. When we were having the
7 discussion last fall, right, in October, we
8 certainly didn't know where the fourth quarter
9 of 2020 was going to go because it hadn't
10 happened yet.

11 Also, my recollection, and I'll let
12 Lisa speak to the specifics, but when we did
13 our worst case to our I wouldn't say best case
14 because the best case was still bad. Dropping
15 8.2 percent in a year was quite a bad
16 scenario, our worst case to our least worst
17 case let's call it, I want to say our worst
18 case projection was somewhere in the 20s in
19 terms of a percentage if memory serves. I
20 don't think that we were ever projecting a 40
21 percent drop on that in sales tax last year.

22 LEGISLATOR RHOADS: We're going
23 to have to go back and check the numbers and
24 it's clearly academic for the purposes of our
25 discussion here today. My concern is that

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2 despite the fact that sales tax revenue had a
3 dramatic increase we were still off as a
4 result of the projections made by your office,
5 as a result of the projections made by the
6 Office of Management and Budget, which
7 actually was off by even more than your office
8 was off. We now have \$345 million more in
9 sales tax revenue that we received over what
10 was forecasted. So I know that Legislator
11 Birnbaum I believe mentioned the term \$34
12 million. We're actually talking about \$345
13 million that you were off. Is that not
14 accurate?

15 MR. SCHNIRMAN: I don't know what
16 the specific number it is that 2021 has varied
17 from our projection. But I've already given
18 you both the numbers, our analysis and our
19 opinion and response to your concern. I'm not
20 sure what it is additionally that you would
21 look for me to say. I think I've said what
22 I'm here to say about that.

23 LEGISLATOR RHOADS: What I'm
24 looking for is an explanation or why it is
25 that your numbers that were provided to us

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2 were so wildly inaccurate and why you felt
3 justified in telling the legislature that our
4 forecast of being down by eight percent
5 according to our own independent analysis was
6 reckless?

7 MR. SCHNIRMAN: At that time with
8 the information we had that's the way we saw
9 it. I've answered your question. If you
10 would like to continue to speak about it that
11 is certainly your right but I've answered your
12 question.

13 LEGISLATOR RHOADS: I'm satisfied
14 with the fact that I'm not going to get an
15 answer, so I'm just going to make a
16 statement. I think that what the issue was is
17 that we have the comptroller's office, we have
18 the administration through its Office of
19 Management and Budget and we have NIFA that
20 wanted to achieve a desired result.

21 The numbers that were actually
22 given to us as forecast for sales tax
23 projections with respect to the 2021 budget
24 were widely inaccurate because the
25 administration wanted to justify refinancing

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2 \$1.4 billion in debt so that it would be able
3 to achieve a substantial surplus in 2021.
4 They did so with the assistance of the
5 comptroller's office and with the assistance
6 of NIFA. Giving them the opportunity now to
7 be able to talk about tax cuts and now be able
8 to talk about, as we are, fee reductions.

9 The issue that I have, Comptroller
10 Schnirman, is that I don't want conservative
11 or liberal budget estimates. When we're
12 relying upon your office and relying upon the
13 Office of Management and Budget to forecast
14 what our revenues are going to be I'm looking
15 for accurate numbers. Not conservative or
16 liberal. Because we're using those to make a
17 determination as to how we're going to proceed
18 with respect to the budget.

19 The bottom line is, if we're
20 showing massive deficits or in this case
21 massive surpluses in my view both of those are
22 equally problematic because our responsibility
23 as legislators, our responsibility as county
24 comptroller, and as county executive is not to
25 take out of the pockets of taxpayers one more

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2 dollar in revenue than is necessary to be able
3 to fund the legitimate operations of
4 government.

5 Now, I know from a budgetary
6 standpoint it's always nice to have a little
7 bit of a cushion. But a \$354 million
8 difference in revenue is simply unacceptable.
9 And I don't think it was because the
10 comptroller's office or OMB was bad at their
11 job. I think that those forecast numbers were
12 so wildly inaccurate because they were
13 designed to be widely inaccurate. Based upon
14 where we were in 2020 with a full shutdown we
15 were down only eight percent, 8.6 percent in
16 sales tax revenue.

17 Looking at 2021, where there were
18 no anticipation of any further shutdown, how
19 we can turn around and say that sales tax
20 revenues were going to be 20 percent below
21 2020 made no sense then, it makes no sense now
22 and we know that those numbers are simply
23 wrong.

24 That same basis was used as a
25 justification for the administration to argue

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2 why they should have been able to use \$98
3 million in CARES Act funds that were supposed
4 to go to businesses, that was supposed to go
5 to residents who were struggling to recover
6 from the pandemic and could have been used for
7 that purpose, why the administration chose to
8 come to us and why NIFA backed them up on it
9 saying that we have to use 98 out of that \$103
10 million to go towards salaries and benefits
11 that were already included as part of the
12 county budget because we had a \$245 million
13 projected budget deficit.

14 So, as I'm sitting here today and
15 debating whether or not I was going to ask
16 questions, I was tempted not to ask questions
17 because I don't believe the answers. And
18 that's unfortunate. Because we're kind of
19 flying blind through this process. If I can't
20 rely that the numbers that are being given to
21 me by the county comptroller are based in
22 reality, which last year demonstrated it is
23 not, if I can't rely on the Office of
24 Management and Budget and I can't rely upon
25 our purported fiscal watchdogs in NIFA, well,

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2 who are we supposed to rely upon?

3 Why is it that the legislature has
4 to go out and get its own independent analysis
5 with respect to the budget? It shouldn't be
6 necessary. But it sure was necessary last
7 year and thank goodness we did.
8 Unfortunately, the changes that we sort to
9 make in the budget were vetoed by the county
10 executive and were backed up by the Minority
11 here in the legislature. Otherwise, we would
12 be looking at something very different today.
13 Even more money. Having less debt.

14 We borrowed \$1.4 million that we
15 didn't need at rates higher than we had to pay
16 because that's what the county executive
17 wanted to do, you backed her up on it, NIFA
18 backed her up on it to create a substantial
19 budget surplus for this year when she's
20 running. That's wrong. Wrong for the
21 taxpayers. Wrong for government.

22 And that's the reason why, as we're
23 having these hearings today, I really don't
24 have any questions for the comptroller's
25 office because I don't have confidence in the

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2 information we're being provided is actually
3 accurate information. I know you disagree
4 with that and I'm sure that exception will be
5 noted for record. But I felt as though I had
6 to state my piece and I appreciate the
7 opportunity to do that. Thank you.

8 MR. SCHNIRMAN: I do disagree
9 with the assessment. I will not spend more
10 time debating it. I believe your
11 characterization is inaccurate. I do believe
12 that the restructuring was ultimately
13 helpful. Just as many homeowners has
14 refinanced. I'm sure many on the dais have
15 refinanced at record low rates. So to was the
16 county able to do so. I'll fall back on
17 the -- you don't need to hear me say it
18 again -- my previous statement about the
19 unprecedented fiscal crisis and ultimately it
20 is great news that we are sitting here a year
21 later fiscally, because overall the crisis
22 continues, and things are better than we
23 expected. And beyond that I'll just agree to
24 disagree.

25 LEGISLATOR BIRNBAUM: I just want

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2 to elaborate on what you said. The number I
3 was quoting, that 38.8, was from the midyear
4 report from this year.

5 LEGISLATOR RHOADS: Thank you.

6 LEGISLATOR NICOLELLO: Any other
7 legislators either here or remote have any
8 questions for the comptroller? All right.
9 You can go enjoy your birthday.

10 MR. SCHNIRMAN: Thank you.
11 Appreciate it. All due respect, happy to
12 enjoy the birthday.

13 LEGISLATOR NICOLELLO: The
14 administration is up next.

15 MR. PERSICH: Good afternoon
16 everybody. Andy Persich from Office of
17 Management and Budget. I'm joined here by my
18 team, Chris Nolan, Irfan Qureshi and Irina
19 Sedighi.

20 On behalf of the county executive
21 I'm here to present the 2022 budget, and I do
22 have to owe a debt of gratitude out to the
23 staff who work for me during these countless
24 times to get this budget prepared even in the
25 past years. There were some challenges this

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2 year with the building being shutdown during
3 the middle of the budget process that we had
4 to relocate over to 240, which we managed to
5 overcome and keep the process moving.

6 Again, with every other budget
7 there are many challenges and I'm sure we're
8 going to go through some of the things that
9 are in this budget. A little bit of a
10 different budget than I've had in the past.
11 So I'm here to discuss it. I have a short
12 presentation and we can answer your questions
13 as we see fit.

14 So, this budget is composed of a
15 few different things. One, the big thing in
16 the room is the \$70 million property tax cut
17 that the administration carefully put in to
18 the budget to get taxpayer relief to some of
19 the people as needed as a result of the
20 pandemic.

21 In addition to that, we're getting
22 rid of our pension liability which is roughly
23 around 195 million in two tranches. 150 of it
24 is this year. I'm going to do the other half
25 hopefully next year to lower our liabilities

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2 because this county does still owe a lot of
3 people money.

4 In addition to what's in the
5 budget, we also funded collective bargaining
6 consistent with the patterns that we had with
7 the other previous unions, DAI and SOA. We've
8 increased funding in the Office of Minority
9 Affairs, Asian Affairs and Hispanic Affairs.
10 We funded the new body cam program, including
11 the expenses associated with that. There were
12 some living wage issues that were found in
13 2021 that we have to fund for certain seasonal
14 employees. We have funded two police classes,
15 two correction classes and we've restored the
16 busing to the levels prepandemic. We've also
17 increased the sworn head count by six. Those
18 are for the new body cam officers that will be
19 working over in the police department.

20 On page two it kind of gives you a
21 breakdown of what the largest components of
22 the budget are. As you can see, almost \$1.7
23 billion relates to salary and fringes. Of
24 that, \$150 million is for the pension
25 repayment and the fringe benefit line.

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2 Additionally, local government
3 assistance, which is a function of sales tax,
4 accounts for about 85 million. Transportation
5 is roughly around \$183 million. Our other
6 than personal services is approximately \$250
7 million. Our debt service, which has declined
8 a little bit, is \$180 million. Direct
9 assistance, which is a lot of the social
10 service programs, Medicaid, TANIFF, SNAP, all
11 that good stuff, is approximately 563
12 million. Then we have the category of the
13 others which is utilities and a couple of
14 other things that are approximately get to
15 \$500 million.

16 So on the expense side the budget
17 accounts for about \$3.5 billion. Now in order
18 to pay for these things we have to generate
19 revenue in order to cover this. Our sales tax
20 projection is one million 375. Our property
21 taxes went from 825 down to 755. Our state
22 aid is being restored to the levels of
23 prepandemic, maybe a little higher, to \$225
24 million. Federal aid is approximately 157.
25 Our department revenues are \$245 million.

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2 Then we have a bunch of other revenues that we
3 collect that account for about \$750 million.
4 That gets us to balanced.

5 Every year it's a challenge but
6 this is how the revenues and expenses always
7 have to match up and this is how we got to the
8 zero number.

9 On slide three, this is a fan
10 favorite, but it kind of shows you where the
11 spending goes to. The largest two components
12 as you can see are salaries and fringe
13 benefits, which are about almost 52 percent of
14 what we pay for. We have approximately 7,000
15 employees. 7,200 employees I think is the
16 exact number. And we're increasing the head
17 count by almost 95 in 2022 by adding selected
18 positions in public safety and a bunch of
19 different arenas to help deliver better
20 services.

21 On slide six, as you can see, it
22 shows the revenue. If you would have looked
23 at this slide last year compared to this year
24 you would see that the sales tax and the
25 property tax, the sales tax section last year

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2 was roughly around 34 percent. We're
3 projecting -- because at that point in time
4 where we were, remember, it was different time
5 in September this year to last year. But we
6 can talk about that later. But I will say
7 that we're in a different place right now,
8 which is a good place, and I think the
9 county's finances are on the road to
10 recovery. But a part of the equation is the
11 revenue side of this in order to fund things.

12 On slide five, I know we don't pay
13 a lot of attention here to this because we
14 only worry about the operating budget, but we
15 do do quarterly multiyear plans. I think if
16 you look at what this is showing is we've been
17 able to reduce the out year gaps because all
18 the decisions we made leading up to this,
19 which popular or unpopular or not, our goal
20 with this slide, I think everybody in this
21 chamber, including the administration, is to
22 get the control of the county back into our
23 hands versus NIFA. I'm the one who has to
24 deal with them on a regular basis. I will
25 tell it's not always a fun thing. Let's keep

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2 that in mind.

3 If you look at this, I think the
4 guide slope to where we want to get to is kind
5 of built right here. Painful to get there but
6 I think we're on the verge of getting there.
7 But this just shows you what the out year gaps
8 were previously and what we predicted them to
9 be in this year.

10 On slide six, again, I covered
11 what's mostly in the highlights which is our
12 sworn staff is at the 2606. It was 2500 for
13 years that I can remember but we've increased
14 it by six for the body cam program. We've
15 added additional fire commission officers and
16 operators over there. We have two classes of
17 correction officers. We've added some
18 staffing in the probation and JVC for
19 electronic monitoring.

20 Again, we'll discuss the minority
21 departments. We increased the head counts and
22 the budgets there. Human services we've added
23 new efforts for the new police reform which
24 include some of the mental health things. And
25 the Department of Social Services we've added

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2 case workers and social examiners to help fund
3 the needs that are over there. We don't know
4 what the outcome of this is going to be and we
5 haven't seen that yet, the uptick in case
6 loads, but it's still probably a looming thing
7 based on what's out there.

8 That's about all I have to say
9 about that. I don't have a lot. I'm sure
10 there's going to be a lot of questions so I
11 left my presentation brief and to the point
12 for you guys so we can have a discussion about
13 things.

14 LEGISLATOR NICOLELLO: We
15 appreciate that. Just walk me through how you
16 got to your sales tax projections for 2022?
17 In terms of did you base it off initially the
18 2019 budget and move forward? Just walk me
19 through that.

20 MR. PERSICH: Because the past
21 two years have been I would say '20 and '21
22 have been anomalies, we kind of go back to
23 2019 when we thought the economy was at its
24 norm, pre-COVID. I'll drift back just a
25 little bit. From September of last year to

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2 like October, December of last year there were
3 a lot of things going on whether it be in
4 Washington, here. We didn't have a vaccine.
5 Opening and closing. Shutting things down.
6 So when we did the budget we weren't at a good
7 point in September last year. That's what I
8 can tell you.

9 But how we got to our sales tax
10 number was we took the '19 number and we took
11 what the average growth rate was and then we
12 took out the '20 and '21 numbers and just made
13 believe if they grew at the annual rate of
14 three percent that this is where the 2022
15 number would be. So we grew it at three
16 percent in '20, three percent in '21 and then
17 three percent in '22. So it's theoretically
18 almost a nine percent increase from 2019 to
19 now.

20 LEGISLATOR NICOLELLO: If you
21 look at the actuals for '20 and '21 would it
22 come up to -- would it be the equivalent, in
23 terms of the actuals, would it be equivalent
24 of the six percent that you're attributing the
25 growth would be? I don't know if I phrased

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2 that correctly. But I understand you were
3 assigning numbers to each year as if the
4 pandemic didn't happen. Three percent in '20,
5 three percent in '21. If you look at the
6 actuals is that six percent an accurate
7 assessment?

8 MR. PERSICH: No, I don't
9 think -- remember 2021, if we're going to go
10 there because 2020 was the only actual year
11 that we had, we were down eight percent. We
12 discounted that I would call it it's an
13 inflection point in the number. It's like
14 when the Dow goes up and down. That was a
15 point in time that we tried to normalize out.
16 We said let's make believe that didn't
17 happen. In '21, although we're seeing
18 collections moving all around, we still get
19 collections through February of next year.
20 There's still some, I would say, a lot of game
21 left to be played with that number. I don't
22 know where it's going to land and I'm not
23 being the grim reaper. I think we're on the
24 road to economic recovery right now but there
25 are some hurdles ahead of us. But in order to

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2 get to that number we took out '20 and '21 to
3 get us to what the '22 number was.

4 LEGISLATOR NICOLELLO: I
5 understood that, how you described it. I
6 guess my question is, so, you were putting
7 aside the actual history of '20 and '21 and
8 you were projecting off of 2019 it would
9 increase three percent in '20 and three
10 percent in '21, which would bring you a
11 certain number, a six percent increase over
12 2019 and where you would expect to be at the
13 end of this year. What about actually? Are
14 we going to be at that number, below that
15 number or over that number?

16 MR. PERSICH: For 2021?

17 LEGISLATOR NICOLELLO: 2021. We
18 want to know as opposed to your projection a
19 six percent increase as opposed to where we
20 are is accurate.

21 MR. PERSICH: Two things I will
22 say. One is that the projections right now
23 where we have it, which we're not projecting
24 because it's not my money. You know what I
25 mean? I can't use it to spend on operating

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2 budgets. We've already defined that any
3 excess sale tax will go into your special
4 revenue fund and we'll deal with it.

5 There's still a lot of things out
6 there looming that I don't know where that
7 number is going to land. It's going to be
8 north of last year I can tell you that much.
9 That much I do know. Exactly where it's going
10 to land, it's going to be close to I think the
11 three percent range that we may have this
12 year. So I think somewhere in that range.

13 To pin it down, Legislator
14 Nicolello, while I understand and I heard the
15 comments and I know why this concerns about
16 our projecting the sales tax number, it's not
17 the easiest number in the world to project. I
18 have to sit here and make sure that barring
19 anything else, that we balance the budget and
20 keep it balanced and that means we have to
21 make tough decisions. I also have to make
22 sure that we have enough money in the bank to
23 make sure that all our hard workers and our
24 services that we deliver to other people we
25 can afford to pay them.

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2 We are on the conservative side
3 which is where we land. Having dealt with
4 NIFA they don't like us putting high numbers
5 in for sales tax and we try and work around
6 some of the parameters that we have with
7 them. Which is the one and one and a half
8 gross that they like to see.

9 LEGISLATOR NICOLELLO: I'm going
10 to move on. Pension liability. How much do
11 we currently owe?

12 MR. PERSICH: We owe \$195
13 million. We're paying off 150 of it with this
14 budget.

15 LEGISLATOR NICOLELLO: Is there
16 an interest cost to that money?

17 MR. PERSICH: Yes, there is.
18 It's about a 3.3 percent rate we pay upon
19 that. The number is 195 in totality of which
20 156 we are paying back. This was born out
21 of -- historically this deferral came out of
22 if you remember it was in 2010, which was
23 right after the 2007 market collapse which is
24 when -- that was the liquidity crunch that the
25 country hit. We, who were all here, that's

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2 what we all fear when we hear about the next
3 economic downturn. But that's where this was
4 bred out of we've been carrying that liability
5 out. It pays future expenses which helps us
6 in the out years, which helps us again get out
7 of the control period.

8 LEGISLATOR NICOLELLO: Just one
9 other area I want to cover. The out years,
10 you indicated that we're making up the
11 revenues from the tax cut in this proposed
12 budget. How are those revenues being made up
13 in the out years?

14 MR. PERSICH: Some of the things
15 that we're using to fund them, I mean, part of
16 it is that the property taxes we're restoring
17 it slowly over time. That's what we're
18 doing. We took 70 out this year. It drops by
19 40, 25, 15. That's the plan that we've set
20 out. That we'll have to increase that side of
21 the equation.

22 Part of it is funded through some
23 of the sales tax growth that we might see in
24 the out years, which is risky. There are some
25 fees and other things that make that side of

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2 that equation. But we also have savings on
3 the other side in certain areas that we might
4 have on the expense side. It's a bunch of
5 moving parts. When it's a multyear plan if
6 you look at, while on a piece of paper it's a
7 small, thin book, there's so many data points
8 in there that we have to go through that they
9 vary it. They're variables. We're trying to
10 hit a target four years from now which is it's
11 our best guess. If you look where we were and
12 where we're at it definitely is an
13 accomplishment by the administration, this
14 legislative body to get us to this point that
15 I think at some point that we can get out of
16 the control period, and I can happily say that
17 after 20 some odd years that NIFA is no longer
18 over my shoulder right now because I sit in
19 the chair.

20 LEGISLATOR NICOLELLO: They'll
21 still be around for another 20 years or so in
22 a control period or not. Let's take 2023 for
23 example. The tax revenue drops by \$40
24 million. So what does that equate as an
25 increase?

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2 MR. PERSICH: It's a \$30 million
3 increase is what it is.

4 LEGISLATOR NICOLELLO: Then for
5 2024?

6 MR. PERSICH: It goes from 40
7 down to 25, so it will be a \$15 million
8 increase.

9 LEGISLATOR NICOLELLO: And the
10 last year?

11 MR. PERSICH: It's 15. So it
12 goes up by ten. I have a chart I will give to
13 body which shows the actual taxes. They
14 gradually we go down and start ramping back
15 up.

16 LEGISLATOR NICOLELLO: Appreciate
17 it. That's all the questions I have. I'm
18 sure other legislators will have questions.
19 Legislator Rhoads.

20 LEGISLATOR RHOADS: How you doing
21 Mr. Persich? Can you do me a favor and just
22 explain to me you're saying that the revenues
23 are going to dip as a result of the tax cuts
24 but then it's going to be restored over four
25 years?

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2 MR. PERSICH: Yes.

3 LEGISLATOR RHOADS: Can you dumb
4 that down for me?

5 MR. PERSICH: Sure. I'll do the
6 best I can. When you do it on a piece of
7 paper and I've had this problem, I think it's
8 best that I can show you it and I will get it
9 to the body. We are dipping it this year in
10 2022 and in 2023 we're going back up from 70
11 to 40. So we will be increasing the levy by
12 30.

13 LEGISLATOR RHOADS: How? Through
14 a tax increase?

15 MR. PERSICH: Through a tax
16 increase, correct.

17 LEGISLATOR RHOADS: So the
18 proposal from the administration is to provide
19 to provide a \$70 million tax cut and then
20 raise taxes the next three years?

21 MR. PERSICH: It's 150 over the
22 period of a four-year period. I'm not going
23 above the 825 number.

24 LEGISLATOR RHOADS: So the tax
25 cut is not designed to be a permanent tax cut,

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2 it's designed to be a temporary tax cut over
3 four years?

4 MR. PERSICH: That is correct.
5 Relief to the people during what we consider
6 these tough economic times that we are handing
7 it down to them. So, yes, because our bills
8 in the out years go up.

9 LEGISLATOR RHOADS: Well, the
10 bills go up in the out years for a number of
11 factors but one of the factors is the fact
12 that we refinanced \$1.4 billion in debt and we
13 put additional debt service in the out years
14 in order to do that to achieve short term
15 savings. Let's be honest. That's exactly
16 what happened here, right?

17 MR. PERSICH: I would disagree
18 with that because there were additional
19 savings because the rate was much lower than
20 what we anticipated. The net MPV on this deal
21 was much more positive than we originally
22 thought. So even in the out years we did have
23 this benefit. While maybe I would say an
24 unpopular thing, if you asked me to do this
25 ten times over having been here, I would have

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2 done that deal at the point and time we were
3 at and I'd probably do it today because it
4 gives you additional flexibility in the budget
5 to fund other things.

6 LEGISLATOR RHOADS: I guess my
7 criticism, Andy, is that you and the
8 administration had the opportunity to make
9 that decision. To be perfectly honest, we
10 didn't have the opportunity to make that
11 decision. And the reason that I say that is
12 for much the reason that we spoke about with
13 the comptroller, is that the numbers that we
14 were presented with the projection in sales
15 tax revenue put us in a box where we had
16 numbers that we believed were wildly
17 inaccurate from you, from the comptroller. We
18 had NIFA telling us that if we didn't borrow
19 \$1.4 billion in debt -- by the way, it's the
20 same NIFA that wouldn't allow us to bond \$30
21 million in unexpected termination pay during
22 the previous administration that is now
23 telling us that we should borrow \$1.4
24 billion. Put that to the side.

25 Where we had really no choice but

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2 to do it. NIFA's telling us if they don't do
3 it all sorts of draconian things are going to
4 happen. That's the sort of Damocles that they
5 wield over us every single budget year because
6 if we change the budget projections, if we
7 change the sales tax projections, they were
8 going to claim that it was going to blow a
9 hole in the budget. They were going to
10 disallow that.

11 It turns out that the
12 administration's projection of being 20
13 percent down 2020 or 2021 over '20 in sales
14 tax revenue wasn't just bad, I mean, the
15 comptroller testified we're actually 29.7
16 percent over 2020. Not 20 down. Almost 30
17 percent over what our numbers in 2020 were.
18 That's historically bad. So, we're 13 percent
19 over 2019 prepandemic. And now in this year's
20 numbers we're forecasting that we're only
21 going to be only 3.3 percent over what we were
22 in 2019.

23 MR. PERSICH: That's correct.

24 LEGISLATOR RHOADS: We expect
25 that sales tax revenue are -- we're again now

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2 talking about a decline in sales tax revenue.

3 MR. PERSICH: No. I think what
4 we're saying is -- well --

5 LEGISLATOR RHOADS: Right now
6 we're 13 percent over, right? We're now
7 saying that we're only going to be three
8 percent over 2019 in 2022. In effect, we're
9 going to be doing worse in sales tax revenue
10 in 2022 than we are in 2021.

11 MR. PERSICH: Let me just
12 elaborate a little further. What you have to
13 realize is that we still have a lot more
14 checks to collect and 13 may not hold. That's
15 what I can tell you. I don't think the trend
16 will continue. I don't know what the fourth
17 quarter will bring because there's a lot of
18 checks that are still coming. What I'm not
19 saying is -- it went up from the 2021 budget,
20 it went up from the 2019 budget. The sales
21 tax number in this budget went up. But if you
22 look back in time where we were and I hate to
23 go back on an historical perspective but --

24 LEGISLATOR RHOADS: You're
25 talking about the budget now. When we were

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2 talking about the \$98 million in CARES Act
3 money that was in December and we got the same
4 forecast that we were going to be \$245 million
5 in the hole which is how it was justified that
6 we were using \$98 million and then 30 days
7 later the administration is announcing a \$140
8 million surplus.

9 I find it hard to believe that
10 being that far off wasn't by design to box us
11 into making certain decisions that we wouldn't
12 have made otherwise. The end result is the
13 amount of money that you see in the special
14 revenue fund. And thank God we created the
15 special revenue fund because if we didn't
16 create the special revenue fund that money
17 would just be poring into the general fund to
18 be used for whatever. At least now we have
19 some control.

20 And the amount in the special
21 revenue fund, just so you know,
22 scorecard-wise, is the difference between what
23 we said the projections were going to be for
24 the budget and what you said the projections
25 were going to be in the budget. That's how

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2 much different -- that's how much you were
3 wrong. There's no other way to say it. So,
4 we can actually quantify the amount.

5 So when we're looking at the
6 projections now what exactly goes into this?
7 Because it just seems as though, I'm sure
8 there's some sort of analysis, but I mean it
9 kind of seems as though we're just kind of
10 throwing a dart at the board and that's what
11 we think is going to happen.

12 MR. PERSICH: I do have a dart
13 board in my office. No, legislator, we take a
14 long hard --

15 LEGISLATOR RHOADS: Are you using
16 the same things this year that you were using
17 last year?

18 MR. PERSICH: That's what we
19 tried to normalize. I think maybe one of the
20 points that I'm not conveying to you is that
21 you can't look at '20 and '21 as normal
22 years. I would have to think that this pent
23 up demand can't last as long as it is. But if
24 it does and I'm off so be it. The county owes
25 a lot of money on the liability side of this.

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2 It's not like we don't have a ton of
3 outstanding liabilities. I mean, historically
4 I walked through the door here 2018 Restive
5 hit us right in the head and we didn't have
6 the money to pay for it. To your point, NIFA
7 wouldn't let me borrow for it. I didn't have
8 the funds to do that. So we were running
9 around trying to figure out how to make that
10 payment. One of the factors that helped us
11 was that the revenue side of the equation came
12 in a little bit better. We managed our
13 expenses to bring it down and we ended up
14 finishing that year with a small surplus.

15 So, there is no exact science. We
16 do modeling like everybody else does. We try
17 and share information between a lot of offices
18 to see if we can come up to a number.

19 This year I think what we did was
20 strategically look at how we could take out
21 the anomalies in the number. Because if you
22 look back even back I think it was 2012 or
23 right before that the sales tax took a
24 nosedive there which it does happen. But last
25 year was significantly the largest we've ever

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2 seen. It could have turned into ten, ten
3 could have turned into 15. I'm not painting a
4 picture that -- remember, in September of last
5 year we were just coming out of reopening. We
6 were opening and shutting down. The federal
7 government -- and we didn't know what was
8 happening in Washington. Everybody was
9 talking about new additional CARES funding,
10 ARP funding. That didn't come until after
11 January. We couldn't even bank on that. I
12 couldn't do that.

13 To get back to what happened in
14 '20, there were a couple of transactions.
15 That CARES money did help us. It helped us
16 offset a few things. Even though we did
17 finish with a surplus, the kicking out the
18 NIFA debt was one thing that saved last year.
19 There was a \$75 million transaction that
20 actually saved us from going down the path of
21 going into a deficit position which not only
22 do I have to worry about from a budgetary
23 basis but I also have to worry about rating
24 agencies too. So we have to manage that
25 budget.

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2 LEGISLATOR RHOADS: If you had
3 \$140 million surplus you didn't need the \$98
4 million in CARES Act, right?

5 MR. PERSICH: I would disagree
6 with that. I don't think the 198 million -- I
7 think you still needed to do that. We
8 finished with a surplus but you have to go
9 across all the different funds and the buckets
10 of money that these funds line up into some
11 are spendable, some are nonspendable. I would
12 defer to the comptroller on that. What my
13 ability to spend because they're restricted
14 assigned that number. I have very limited
15 money I can spend out of fund balance on an
16 accounting basis. That's not GAP good, which
17 puts me in a control period because that's
18 what happens. If I take money out of fund
19 balance NIFA uses that against me as a revenue
20 source and I stay in the control period.
21 That's the functioning of how the NIFA
22 transaction works.

23 In order to get to where I think
24 this body wants to get to, in order to do that
25 having that fund balance is a nice cushion to

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2 have there because that's something when I
3 walk through the door, and I've had a previous
4 life in a small township that I had healthy
5 fund balance which makes it a little bit more
6 flexible in your budgets to do that. But you
7 need that as a cushion in case something
8 catastrophic happens again.

9 And last year the fact that we were
10 able to finish the year with a surplus because
11 of a few good things is accolades to everybody
12 who's in this organization that we're not
13 sitting here.

14 Then the fact that we were able to
15 come out of this and looking at the numbers of
16 where we're heading I think it's a good story
17 for everybody here. That's just me. I get
18 people off my back by not having NIFA on my
19 back.

20 LEGISLATOR RHOADS: Those few
21 good things came at a cost, right? One of the
22 good things, the CARES Act money, which you're
23 terming as a good thing. One in six small
24 businesses shut their doors as a result of the
25 pandemic. We had \$98 million in the bank that

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2 we could have used to help some of those small
3 businesses pay rent. We could have used them
4 to help them pay overhead expenses while they
5 were closed. We could have used it to pay
6 people who were behind on their rent. People
7 who were behind on their mortgage and lost
8 jobs. We're having an argument over \$375
9 checks right now. Meanwhile there was \$98
10 million that could have been used all
11 throughout the year last year that could have
12 gone to provide the same relief and everybody
13 is just ignoring that. It came at a
14 consequence.

15 Even the debt restructuring came at
16 a consequence in later years. Somebody's got
17 to pay this \$1.4 billion back. We may have
18 achieved some sort of short-term benefit in
19 years one through five but that comes at a
20 price in those outer years that a different
21 legislature and maybe a different county
22 executive and a different budget director are
23 going to have to figure out how to pay the
24 debt service on that.

25 Yeah, there are good things that

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2 happened from a budget standpoint but it
3 created bad things that happened at other
4 times and to other people. What's good for
5 the government is not necessarily good for the
6 taxpayer.

7 When we look at these budget
8 surpluses, sort of like I said before, when I
9 see a budget deficit or I see a big budget
10 surplus that means to me that we did something
11 wrong. From a financial standpoint I
12 understand the benefit of having a cushion.
13 But when you're looking at a difference in
14 revenue of \$350 million, when you're looking
15 at a \$140 million budget surplus that to me
16 says I took \$140 million out of the pockets of
17 taxpayers that I didn't need to take. A
18 deficit that means that we failed in managing
19 to our budget, right? There's got to be a
20 balance between the two.

21 And when we talk about forecasting
22 and we talk about the accuracy the point that
23 I wanted to make to you is the same that I
24 wanted to make to the comptroller, is that we
25 are relying upon the accuracy of the

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2 information that we're providing, the
3 forecasting that you give us and we are making
4 decisions based upon that forecasting.

5 And because of the poor
6 forecasting, and I'm not talking about
7 September, right? What I resent is at the end
8 of November being told that we are 200,
9 whatever the number was, million dollars in
10 the hole for fiscal year 2020 and having to
11 make decisions based upon that, we're told
12 that sales tax revenue in late November, a
13 month before the end of the quarter, in late
14 November we're being told that sales tax
15 revenue for the year is expected to be down 20
16 percent when we all saw the numbers that were
17 coming in and that it was trending towards
18 being down by only eight and having to base
19 numbers off of that because you and the
20 administration and NIFA and the comptroller
21 agreed on a set of numbers that common sense
22 simply told us didn't make sense but we had no
23 choice. I resent that.

24 So, when I'm looking at these
25 numbers now I kind of have to question

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2 everything and question the accuracy of
3 everything, and I don't mean to insinuate that
4 you're bad at your job, I don't think you
5 are.

6 MR. PERSICH: Nothing personal
7 noted here.

8 LEGISLATOR RHOADS: I think that
9 the numbers that we were given at the end of
10 last year were given to us and kind of forced
11 down our throat to achieve a desired result
12 and that's with the administration and NIFA
13 and the comptroller.

14 In that context, I find it very
15 difficult to place a lot of credence in the
16 numbers that we're being given today. Fool me
17 once shame on you, fool me twice shame on me.
18 That's kind of what I'm dealing with.

19 I just have one other question and
20 that's with respect to suits and damages. I
21 saw that there was an increase in the suits
22 and damages account of \$8 million. I saw
23 there was an increase of outside counsel of \$7
24 million if I'm not mistaken.

25 MR. PERSICH: The increase in

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2 outside counsel fees I'm not aware of. Maybe
3 in the line item. It's in the suits and
4 damage line it was a \$15 million increase. It
5 was 30 in 2021, it's now 45 next year, and
6 it's to pay some claims that we anticipate
7 coming up in 2021 and 2022. That's what that
8 money is used for. I don't think it's in the
9 outside counsel line for that. But they are
10 coverable as claims if we had to pay them.

11 LEGISLATOR RHOADS: It's based
12 upon the fact that we anticipate there being
13 some cases that are on the trial calendar that
14 need to be resolved?

15 MR. PERSICH: I don't want to
16 rehash the whole point but to get back to the
17 lot of what ifs that could have occurred from
18 this year to last year there were a lot of
19 unknowns and uncertainties and I'll establish
20 that.

21 But that said, there's one thing
22 that we don't pay attention to which is the
23 liability side that this county has -- there's
24 cases out there since 1997 that are very
25 costly that are still out there looming. That

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2 we are trying now to actively get rid of so
3 that we can limit that suits and damages
4 number down to a manageable number. I'll take
5 you back to 2018.

6 LEGISLATOR RHOADS: But we've
7 only used year to date \$5 million out of \$30
8 million in suits and damages fund?

9 MR. PERSICH: We have structured
10 settlements that the timing of when we make
11 the payments are coming through. You'll be
12 hitting 30 maybe close to 45 this year.

13 LEGISLATOR RHOADS: You think
14 that the other 25 in suits and damages will be
15 exhausted by the end of the year.

16 MR. PERSICH: We will be
17 exhausting that number, yes. I work very
18 closely with the county attorney's office on
19 these numbers. I'm telling you we owe a lot
20 of people a lot of money.

21 To the point of that we need -- if
22 we can eliminate those liabilities for future
23 years, which has been hanging around forever
24 and ever and ever, these cases that we're
25 talking about, cleaning up the tax cert

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2 backlog which we're making headway in that,
3 you're putting yourself in a position that I
4 think it's painful in the front and while it's
5 unpopular as it may seem in the beginning, the
6 end result is where you're going to want to be
7 and that I can tell you.

8 LEGISLATOR RHOADS: Where are we
9 in terms of paying back tax certiorari debt?

10 MR. PERSICH: The last number I
11 saw for this year we punched out about \$100
12 million out the door.

13 LEGISLATOR RHOADS: And we still
14 have about how much remaining?

15 MR. PERSICH: I don't know what
16 the liability number was last year. I think
17 we're whittling it down slowly but surely. I
18 think the reval and maybe the assessment
19 fixing the roll a little bit I think we'll
20 limit the number of what the new liability
21 is. But we've taken a big hit out at it and I
22 think we will continue to manage that number
23 down.

24 LEGISLATOR RHOADS: But, I mean,
25 I believe that we're still in the hundreds of

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2 millions outstanding.

3 MR. PERSICH: Chris just pointed
4 it out to me. As of right now it's around a
5 \$360 million liability. Of that we just took
6 down a hundred of that. We're making progress
7 is all I can tell you. This is a slow process
8 but we are making definite headway in cleaning
9 up the backlog in cert liability. We have the
10 funds to do it. The DAF. We have \$30 million
11 in operating budgets to pay back there. So
12 it's 70 there. And anything we can use from
13 the special revenue we might be able to fund
14 out of that and anything else.

15 LEGISLATOR RHOADS: What's in the
16 DAF.

17 MR. PERSICH: It's \$40 million
18 annually. And that's a self-revolving fund
19 which actually is working out rather well.

20 LEGISLATOR RHOADS: Thank you.

21 LEGISLATOR NICOLELLO: Just one
22 follow-up on the backlog. Did you indicate
23 that you're taking it down by \$100 million
24 this year?

25 MR. PERSICH: We paid out \$100

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2 million.

3 LEGISLATOR NICOLELLO: Where did
4 that come from?

5 MR. PERSICH: There are many
6 resources that we use. Old DAF, new DAF.
7 Operating funds and everything else. There's
8 a whole different bunch of funding resources
9 that we did.

10 LEGISLATOR NICOLELLO: By the end
11 of the year you'll have paid all of the
12 operating budget for --

13 MR. PERSICH: We'll probably
14 exhaust the \$30 million in the operating
15 budget.

16 LEGISLATOR NICOLELLO: Do you
17 know when the special fund will be usable, the
18 funds in there will be usable for those
19 purposes?

20 MR. PERSICH: I would think that
21 we'll be visiting this in November. I think
22 it's November 30th. I think that's when we'll
23 be probably having a different dialogue about
24 that.

25 LEGISLATOR NICOLELLO: When those

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2 funds become fully usable and projections hold
3 you're going to have a substantial number.

4 There are other purposes in there but I think
5 primarily it's for paying down our refund
6 liability. So we will be able to make
7 substantial progress in there.

8 MR. PERSICH: I would think that
9 that would be a good use of these funds.

10 LEGISLATOR NICOLELLO: Any other
11 legislators have questions? Legislator Walker
12 then Legislator Birnbaum.

13 LEGISLATOR WALKER: Just a quick
14 question. Did we contemplate increasing that
15 \$30 million to anything higher in the budget?

16 MR. PERSICH: For tax certs?

17 LEGISLATOR WALKER: Yes.

18 MR. PERSICH: No, we did not. I
19 think based on some of the resources we have
20 out there, Legislator Walker, I think we have
21 enough resources to take care of it.

22 LEGISLATOR WALKER: Because you
23 hope the sooner we can get rid of them because
24 the interest rate on them is outrageous.

25 MR. PERSICH: It's the three and

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2 nine percent rule with those and I am aware of
3 that. That's one of the things when you look
4 at some of these claims --

5 LEGISLATOR WALKER: And everyone
6 is owed this money should have it.

7 MR. PERSICH: We are actively
8 working on getting the money out the door.
9 \$100 million is almost record pace for Nassau
10 County. I'm just saying. And in the time
11 frame we did do it in it's pretty good.

12 LEGISLATOR WALKER: Thank you.
13 My other questions were already answered.

14 LEGISLATOR NICOLELLO: Legislator
15 Birnbaum and then Legislator Ferretti.

16 LEGISLATOR BIRNBAUM: The \$70
17 million property tax cut for 2022 is just
18 really the first of four years? Altogether it
19 will be 150?

20 MR. PERSICH: Exactly.

21 LEGISLATOR BIRNBAUM: And this
22 will have an effect on every homeowner in
23 Nassau County and any property owner?

24 MR. PERSICH: Every class of
25 property will be receiving -- over the classes

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2 of property \$70 million will be disseminated
3 to those different four classes of property.
4 So everybody gets the benefit to answer your
5 question, yes.

6 LEGISLATOR BIRNBAUM: Thank you.
7 That's what I wanted to know.

8 LEGISLATOR NICOLELLO: Legislator
9 Ferretti.

10 LEGISLATOR FERRETTI: Hi. Can
11 you hear me okay Andy? How are you doing?

12 MR. PERSICH: Good afternoon.

13 LEGISLATOR FERRETTI: The four
14 year property tax cut, after the four years
15 what happens? Does it go back up or does it
16 stay where it is after the \$150 million
17 reduction?

18 MR. PERSICH: It goes up back to
19 the 825 level in 2025 I think it is. 2026 it
20 goes back up.

21 LEGISLATOR FERRETTI: But when
22 you say it goes back up it goes back up to
23 what?

24 MR. PERSICH: Where we're at this
25 year in 2021.

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2 LEGISLATOR FERRETTI: So, this is
3 really only a recurring cut for four years.
4 After that it's kind of wiped off the table
5 and the taxes get increased, correct, under
6 this plan?

7 MR. PERSICH: Currently, yes.

8 LEGISLATOR FERRETTI: Thank you.

9 LEGISLATOR NICOLELLO: Anyone
10 else either here or remote? No? I think
11 we're all set. Thank you Andy. Appreciate
12 it.

13 MR. PERSICH: Legislators thank
14 you very much.

15 LEGISLATOR NICOLELLO: We'll be
16 starting next departments and the first one up
17 the Department of Consumer Affairs. I think
18 we're ready to go.

19 MR. MAY: Good afternoon
20 legislators. I'm Greg May, Nassau County
21 Consumer Affairs commissioner. I'm here to
22 speak on the budget. Are there any
23 questions? Just start with questions.

24 LEGISLATOR NICOLELLO: In terms
25 of staffing, you recommend 27 staffers and the

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2 proposed budget gives you 26; is that right?

3 MR. MAY: That is correct.

4 LEGISLATOR NICOLELLO: How many
5 do you have on board now?

6 MR. MAY: 22.

7 LEGISLATOR NICOLELLO: So there's
8 what four vacancies currently?

9 MR. MAY: I believe there are
10 four or five vacancies, yes.

11 LEGISLATOR NICOLELLO: Where are
12 those vacancies? What activities of your
13 department?

14 MR. MAY: Primarily in licensing
15 and there's an open vacancy in weights and
16 measures.

17 LEGISLATOR NICOLELLO: We, the
18 legislators, have been receiving complaints
19 about new applications and renewal
20 applications that have been submitted and
21 there's been no action for months with the
22 result that these contractors are not able to
23 do work. They are expending resources by
24 getting insurance. Homeowners are not getting
25 projects done. Tell me about the backlog in

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2 your office. Give us both categories,
3 renewals and new applications.

4 MR. MAY: There is a significant
5 backlog in both renewals and new
6 applications. We are working with the
7 administration to address both backlogs. For
8 registrations it's a little bit easier. We
9 have the authority under the admin code to
10 issue temporary licenses. What we are doing
11 now is for any renewal application where we
12 have satisfactory documentation we are turning
13 over their license from renewal and progress
14 to a temporary license that has the same
15 authorities and benefits of the full license
16 while we complete review.

17 And as far as the new licenses go,
18 we are working to get more staff on board to
19 get through the backlog.

20 LEGISLATOR NICOLELLO: My
21 understanding is that the some of the
22 municipalities don't recognize the temporary
23 licenses.

24 MR. MAY: That is not my
25 understanding. If you would like to put me in

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2 touch with those municipalities I'd be happy
3 to speak with them. Particularly with the
4 temporary license that is authorized under the
5 administrative code. So that should not be an
6 issue.

7 LEGISLATOR NICOLELLO: How did
8 you get so far behind?

9 MR. MAY: There have been
10 staffing challenges in the department and
11 again we're working with the administration to
12 build staff back up and address the backlog in
13 both renewal and new license applications.

14 LEGISLATOR NICOLELLO: You're
15 working with the administration but do you
16 have any applicants for civil servants for
17 these positions or not?

18 MR. MAY: We do. We are
19 canvassing a list for an administrative
20 assistant bilingual now. The plan is to have
21 two added. We are looking for a senior
22 staffer and somebody to replace a retirement
23 in weights and measures.

24 LEGISLATOR NICOLELLO: I mean,
25 the frustration is, I understand there's a

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2 difficulty but how did we get to the level
3 where contractors are waiting months to get
4 their renewals? I understand you have
5 difficulties in staffing but how did you get
6 to this point?

7 MR. MAY: Unfortunately there was
8 unexpected staff shortages in the licensing
9 department that fortunately were not COVID
10 related, but did take some people out who are
11 critical to the operation for a greater than
12 expected time.

13 LEGISLATOR NICOLELLO: When can
14 we expect you to become current or relatively
15 current in terms of issuing these renewals and
16 new approvals?

17 MR. MAY: I would certainly love
18 to by the end of the year.

19 LEGISLATOR NICOLELLO: I mean,
20 there's a ton of questions that we have over
21 this but I'm going to turn it over. Any of
22 the legislators have questions on consumer
23 affairs?

24 LEGISLATOR RHOADS: You gave an
25 estimate, Commissioner May, of being current

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2 by the end of the year. How exactly do you
3 plan on achieving that?

4 MR. MAY: Again, we are working
5 with the administration to increase staff at
6 the department both on a permanent basis and
7 temporary basis to get through the backlog. I
8 think the issuance of the temporary license is
9 going to greatly speed -- getting contractors
10 back to work and homeowners to get projects
11 done at their home. It is one of my top
12 priorities. I know all of you are getting
13 complaints from both residents and
14 contractors. I'm not happy about it. I want
15 to get this resolved. This is one of the top
16 priorities for me.

17 LEGISLATOR RHOADS: The issue
18 that I have is that these are not complaints
19 that we just start receiving. These are
20 complaints that we have been receiving for
21 months. And I'm not talking about an
22 occasional complaint. I'm talking about every
23 day getting phone calls from contractors and
24 from residents that are left twisting in the
25 wind. I know you're talking with the

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2 administration now about staffing up to be
3 able to address this problem short term and
4 long term. Where were these conversations six
5 months ago? These aren't problems that just
6 happened, right?

7 MR. MAY: Conversations are
8 always ongoing with the administration.

9 LEGISLATOR RHOADS: Is anybody
10 listening on the other end?

11 MR. MAY: Yes.

12 LEGISLATOR RHOADS: How long have
13 these conversations been going on and why has
14 it been so difficult to staff up six months
15 ago? Five months ago? Four months ago? Why
16 is it that we're looking to do it now trying
17 to somehow get a resolution for this by the
18 end of the year?

19 MR. MAY: I don't know that I can
20 fully answer that question. Some of that
21 would have to be directed to other people. We
22 have been working with the administration.
23 There are different challenges appeared at
24 different times over the last 18 months. I
25 think we're at a point where it's very clear

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2 what the primary challenges are and we've
3 identified ways to address those challenges.
4 And, as I said, my goal is to have this done
5 as quickly as possible and I would hope by the
6 end of the year that I can accomplished that.

7 LEGISLATOR RHOADS: I have
8 several contractors that have contacted me
9 that have repeatedly been told that there is
10 information that they still need to provide.
11 You and I actually spoke about two particular
12 cases I would say probably about two months
13 ago at this point, where you told me that we
14 were still waiting on information to be
15 provided by a contractor. I went back to the
16 contractor. I got copy of emails that were
17 sent to consumer affairs, long before our
18 conversation, where the information was
19 actually provided. Yet that contractor still
20 doesn't have their license and now we're two
21 months later after having had that information
22 for a full two months before we even spoke.

23 Why is there such a -- I can
24 understand if there's not enough people to
25 process the applications. But the

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2 applications we have and information that
3 comes why is there a complete breakdown of
4 communication within the department because it
5 seems as though one hand doesn't even know
6 what the other hand is doing. What
7 information you have. What information you
8 don't have. And is there any appreciation on
9 the part of consumer affairs that while we're
10 trying to get our stuff together there are
11 businesses out there that are declining
12 contracts because they don't have a license to
13 be able to operate. They're losing business
14 while they're trying to recover from a
15 pandemic because we can't get our act
16 together.

17 MR. MAY: So, I would say that
18 nothing is lost on me in terms of how this has
19 impacted both residents and contractors. I
20 speak to residents fairly frequently who are
21 having issues. I speak to the contractors who
22 are having issues. I don't remember off the
23 top of my head the two particular contractors
24 that you are referencing. I know that we did
25 speak of course.

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2 Often times when we're saying
3 there's missing information now there's
4 certainly two categories there. There's
5 missing information that had been submitted
6 and did not make it to where it needed to go.
7 There are other instances where the
8 information is requested and incorrect
9 information is sent back to us.

10 The goal is to reduce the time lag
11 between both of those things. We have an
12 online case management system. There really
13 should not be instances where information
14 submitted to us is not matched up with the
15 electronic file. I will certainly go back to
16 staff and find out why that might be
17 happening.

18 LEGISLATOR RHOADS: So, last year
19 we actually tried to add five people to your
20 department as part of our budget amendments.
21 In last year's budget we tried to add five
22 people to your department. That budget
23 amendment, like all of our budget amendments,
24 most of our budget amendments, was actually
25 vetoed by the administration. Do you have any

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2 idea why it was vetoed? Was there any
3 discussion with you as to the needs of your
4 department?

5 MR. MAY: I could not speculate
6 as to why the veto occurred.

7 LEGISLATOR RHOADS: Would those
8 five additional people have assisted you in
9 resolving some of these backlogs that you have
10 since now we're scrambling to add additional
11 people after the fact?

12 MR. MAY: As I mentioned before,
13 the staffing needs are different at different
14 times. If you're asking me could I use
15 additional staff the answer is always --

16 LEGISLATOR RHOADS: You had 18
17 months. You had these problems before October
18 of 2020, right?

19 MR. MAY: The backlog was not
20 what it is. It was a relatively, I don't want
21 to say normal, but I believe the backlog was
22 more in the neighborhood of about two months
23 to get something done back in I guess 18
24 months ago.

25 LEGISLATOR RHOADS: In October of

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2 2020 the backlog was two months? What's the
3 backlog today?

4 MR. MAY: No, no. I'm sorry.
5 Before the pandemic the backlog was about two
6 months.

7 LEGISLATOR RHOADS: In October of
8 2020 what was that?

9 MR. MAY: In October of 2020 it
10 was probably four months.

11 LEGISLATOR RHOADS: So we saw as
12 of October 2020 that the backlog had doubled.
13 You were offered the opportunity to have
14 additional staff through our budget
15 amendments. The administration vetoed it.
16 You have no idea as to why.

17 MR. MAY: I'm confused on the
18 timeline here. If I recall the additional
19 staff was for the 2020 budget. So we were
20 having that conversation I think in 2019. Am
21 I misremembering that?

22 LEGISLATOR RHOADS: It was for
23 the 2020 budget. So it would have been
24 October of 2019.

25 MR. MAY: Correct. In October of

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2 '19 I believe the backlog was about two
3 months, which is not great but was more
4 manageable.

5 LEGISLATOR RHOADS: But certainly
6 additional staff would have helped you reduce
7 that backlog from two months and allow
8 businesses to be able to operate more
9 quickly. Allow residents to get the permits
10 they need more quickly, right?

11 MR. MAY: If you're asking me
12 would more staff be helpful the answer I think
13 is always going to be yes.

14 LEGISLATOR RHOADS: It certainly
15 would have helped in the circumstances that
16 you're in today to have an additional five
17 bodies?

18 MR. MAY: It would.

19 LEGISLATOR RHOADS: These
20 conversations that are taking place who are
21 these conversations taking place with?

22 MR. MAY: I'm speaking to my
23 counterparts in the administration.

24 LEGISLATOR RHOADS: Who would
25 they be?

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2 MR. MAY: The individuals in my
3 vertical I think is the terminology we use.

4 LEGISLATOR RHOADS: Who
5 ultimately makes the decision as to whether or
6 not you can hire additional people? How many
7 you can hire?

8 MR. MAY: I believe that goes to
9 budget.

10 LEGISLATOR RHOADS: It goes to
11 budget but somebody ultimately has to
12 authorize it, right?

13 MR. MAY: Has to authorize the?

14 LEGISLATOR RHOADS: Authorize the
15 hiring of personnel.

16 MR. MAY: Yes.

17 LEGISLATOR RHOADS: Who?

18 MR. MAY: As far as I know, the
19 requests go to budget.

20 LEGISLATOR RHOADS: Do you know
21 who in budget you've been speaking with?

22 MR. MAY: The PRFs are submitted
23 to budget and I don't know the process in
24 budget for handling the PRFs.

25 LEGISLATOR RHOADS: You're saying

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2 you've been having conversations, right?

3 MR. MAY: Correct.

4 LEGISLATOR RHOADS: Who is on the
5 other end of the conversation?

6 MR. MAY: My direct reports in my
7 vertical.

8 LEGISLATOR RHOADS: Go to who?

9 MR. MAY: The deputy county
10 executive for public safety and the special
11 assistant.

12 LEGISLATOR RHOADS: That would be
13 Tatum Fox?

14 MR. MAY: Correct.

15 LEGISLATOR RHOADS: So Tatum Fox
16 is the one ultimately that is responsible for
17 getting you additional personnel?

18 MR. MAY: I don't know that I
19 would characterize it that way.

20 LEGISLATOR RHOADS: She's the
21 deputy county executive.

22 MR. MAY: I'm not on her side of
23 the conversation.

24 LEGISLATOR RHOADS: The one
25 person ahead of her would be the county

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2 executive. Theoretically Helena Williams,
3 right? Chief deputy then county executive?

4 MR. MAY: Yes.

5 LEGISLATOR RHOADS: Because the
6 one point that I want to emphasize is, I know
7 you're having conversations. You've been
8 having conversations apparently for the last
9 six months or so. This needs to get fixed
10 now. People are waiting now. Businesses are
11 being lost now. Businesses are suffering
12 now. Residents are suffering now. While
13 we're dallying around it shouldn't be up to us
14 turn around and try to add additional
15 personnel in your budget. This is something
16 that they had the flexibility to be able to
17 add. They could have come back to us for
18 additional authorization if they didn't have a
19 big enough budget to be able to add
20 personnel. You were dealing with a crisis and
21 businesses and residents are suffering as a
22 result.

23 I know that you can only manage the
24 people that you have and you have to deal with
25 what you're provided in terms of tools to be

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2 able to do your job. But you and I both
3 recognize that right now your department's not
4 doing its job very well at all and it's
5 because you haven't been put in a position to
6 be able to succeed by the people up the food
7 chain in your department.

8 So, while it's great that these
9 conversations are taking place, the time for
10 conversation is finished. It's now time for
11 action and perhaps we can get some answers
12 from somebody up the food chain as to why this
13 isn't being addressed right now since you,
14 Commissioner May, apparently don't have the
15 answer to that question, right? You don't
16 know. It's not your decision. You've
17 requested and right now you don't have an
18 answer.

19 MR. MAY: I have requested and we
20 are in the process of hiring staff.

21 LEGISLATOR RHOADS: So now you
22 have authorization to hire staff and now
23 you're in the process of hiring? Because
24 that's different from what you told me five
25 minutes ago.

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2 MR. MAY: What I said before is I
3 have a PRF approved for an administrative
4 assistant bilingual and we are in the process
5 of the second administrative assistant
6 bilingual, another supervisory staffer and a
7 weights and measure inspector. The
8 administrative assistant one bilingual is
9 being canvassed.

10 LEGISLATOR RHOADS: Does that
11 help with the licensing in any way?

12 MR. MAY: Yes, it does.

13 LEGISLATOR RHOADS: How?

14 MR. MAY: That person is going to
15 be assigned to licensing.

16 LEGISLATOR RHOADS: So the
17 administrative assistant will be assigned to
18 licensing?

19 MR. MAY: Correct.

20 LEGISLATOR RHOADS: The weights
21 and measures individual obviously is doing
22 inspections in the field I assume.

23 MR. MAY: Correct. And the third
24 staffer I mentioned, the supervisory staffer,
25 would be for licensing as well.

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2 LEGISLATOR RHOADS: How many
3 people do you have on staff right now that are
4 assigned to licensing?

5 MR. MAY: Four.

6 LEGISLATOR RHOADS: This will
7 effectively increase your staff by just under
8 double?

9 MR. MAY: Correct.

10 LEGISLATOR RHOADS: With those
11 additional three personnel, when do you
12 anticipate or how do you anticipate them
13 impacting the backlog? Which right now I know
14 you said in October 2020 was four months.
15 Right now the backlog is how much?

16 MR. MAY: It's probably about six
17 months.

18 LEGISLATOR RHOADS: Only six
19 months? Because I know I've got people that
20 are waiting longer than that.

21 MR. MAY: There are certainly
22 individuals who are waiting longer than that.
23 I would say that that is case dependent. I
24 have spoken to contractors who were contacted
25 by the department several months ago and never

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2 responded. That's certainly not a broad brush
3 to paint all contractors, but typically if
4 there's a longer wait period there's some
5 other issue going on.

6 LEGISLATOR RHOADS: Okay. And
7 this case management system which may be one
8 of the issues that are going on, right,
9 information that's been received into the
10 office that for some reason nobody knows it
11 it's been received into the office. It didn't
12 get to where it's supposed to be. That's the
13 explanation on some of it. How is that case
14 management system -- is that operational now?

15 MR. MAY: No, no, the case
16 management system is operational now. It is
17 dependent on the user's inputting the
18 information. So if something goes to one
19 email address or one staffer's email address
20 and if they're not available for some reason
21 there might be a disconnect there. But in
22 terms of the management of the applications I
23 can log in and see all of the communications
24 that have occurred, I can see what documents
25 have been uploaded. It's a fairly robust

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2 system that we have been able to leverage
3 during the pandemic pretty well.

4 LEGISLATOR RHOADS: Is it
5 different people that are responsible for
6 processing applications and responsible for
7 inputting information or is it the same?

8 MR. MAY: It's the same. One of
9 the issues that we would have is contractors
10 don't upload all of the documents we requested
11 by email. They email an individual. We had
12 an individual leave in October. They were
13 hired back. We had an individual who was
14 communicating with contractors. They retired
15 in June. So, there are some of those issues
16 that are still being ironed where there's
17 cross communication going on. Contractors are
18 trying to get people who don't work here
19 anymore. That gets filtered up to me. I see
20 what the problem is. I reassign it to the
21 individual that can assist and unfortunately
22 those do account for some of the delays.

23 LEGISLATOR RHOADS: Might it not
24 be a better idea, certainly not to sort of
25 micromanage what's going on here, might it not

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2 be a better idea to have one designated
3 individual or a team of individuals that are
4 responsible solely for intaking and processing
5 information that's provided so that the people
6 who are dealing with individual residents and
7 individual contractors can simply see what
8 information's been uploaded into the portal
9 and make decisions based on that?

10 MR. MAY: Yes, legislator, that
11 would be actually the case here. We had one
12 individual who has left and in fact came back,
13 was a point of contact for applications that
14 were brought into the office or mailed in. We
15 had another who was responsible for the online
16 applications. That individual retired. I
17 take your point.

18 LEGISLATOR RHOADS: Of the three
19 people that you're hiring, I know you said
20 they're going to be working on licensing?

21 MR. MAY: Yes.

22 LEGISLATOR RHOADS: Are they
23 replacing individuals who are inputting
24 information? Are they replacing individuals
25 who are actually dealing with the applicant

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2 themselves and making decisions as to whether
3 or not they're qualified to be licensed? It
4 sounds like you need more than three.

5 MR. MAY: I think three would be
6 the number. When we have them on board and
7 I'm able to fully restructure the licensing
8 division the issues that you are addressing,
9 the points you are making are very likely
10 going to be implemented exactly how you are
11 describing them.

12 LEGISLATOR RHOADS: Do you also
13 have the ability to bring on temporary
14 personnel?

15 MR. MAY: That is part of the
16 discussions with the administration.

17 LEGISLATOR RHOADS: Where are you
18 in those discussions?

19 MR. MAY: We are working through
20 the details.

21 LEGISLATOR RHOADS: What does
22 that mean?

23 MR. MAY: That means we're not
24 prepared to say that they're coming on board
25 in two days but I would expect in the next few

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2 weeks that the temporary personnel will be
3 available.

4 LEGISLATOR RHOADS: Do you have
5 authorization for temporary personnel at this
6 point?

7 MR. MAY: That is part of the
8 conversations with the administration.

9 LEGISLATOR RHOADS: It's kind of
10 a yes or no or thing. As you sit here today,
11 do you have authorization to bring in
12 temporary personnel or has a decision not even
13 been made as to whether or not you are going
14 to able to hire temporary personnel?

15 MR. MAY: I know you're looking
16 for a binary answer here. I think the answer
17 is yes in concept. We just need to iron out
18 the details to get people into the space.
19 We're talking about adding a fairly large
20 number of people. We have to have the space
21 available, computers available. It's not
22 simply a matter of saying here's ten people
23 tomorrow. We have to sort out the logistics
24 of getting them on board.

25 LEGISLATOR RHOADS: Again,

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2 everybody that's waiting, every day that
3 they're waiting, business is being lost. Time
4 and inconvenience. They're constituents that
5 we're supposed to be serving here. This isn't
6 a new problem. It strikes me that there seems
7 to be no urgency on the part of the
8 administration to address this issue until now
9 that it's gotten so wildly out of control that
10 you almost have no choice. Can you please try
11 to, and I don't know that we have an
12 opportunity, I guess we might when public
13 safety comes down and we can speak with Tatum
14 Fox, but I would have some questions for that
15 level in the administration specifically with
16 respect to consumer affairs. But I will leave
17 it at that. Thank you presiding officer.

18 LEGISLATOR NICOLELLO: I think
19 what we're going to do is have a stand alone
20 hearing with respect to the Department of
21 Assessment to answer the questions. I mean
22 Department of Consumer Affairs. But
23 Legislator Ford has a questions and then
24 Legislator Schaefer.

25 LEGISLATOR FORD: Thank you very

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2 much Presiding Officer. Can you hear me?

3 Thank you Commissioner May on your

4 presentation. I do have some follow-up

5 questions. I guess following up on what

6 Legislator Rhoads was touching upon. But the

7 employees that you're anticipating hiring, how

8 long is the process in order -- do they get

9 hired off of the civil service list or are

10 these people that are just appointed?

11 MR. MAY: No. These would be

12 civil service appointees.

13 LEGISLATOR FORD: When the test

14 was given are they currently people on the

15 list that you're able to select from?

16 MR. MAY: Yes. The answer is

17 yes. We are canvassing from the

18 administrative assistant bilingual list. I

19 understand there are several individuals on

20 that list, and I don't anticipate too much of

21 a time lag of getting them on board.

22 LEGISLATOR FORD: But how long

23 does it take to hire somebody? If somebody

24 takes a test, I mean, I'm sure you have to do

25 certain investigations. If you know, like, if

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2 we knew we were getting these backlogs for
3 these licenses that it was going from last
4 year from two months to four months to six
5 months, and I agree with Steve, I have
6 somebody who's 15 months waiting. So, how
7 long does it take to bring somebody on?

8 MR. MAY: I don't know the full
9 timing of the on boarding process. That's
10 more of a question for human resources. It's
11 a few weeks. Canvass letters have to go out
12 to the list to see who's interested. You have
13 to get returns on the canvass list. So
14 there's a little bit of a time lag there. But
15 the larger time sink I think is developing the
16 list and having the test go out and that's all
17 done already.

18 LEGISLATOR FORD: So you gave the
19 test and we already have a list that has been
20 established. So say you have 20 people that
21 may be eligible to take these jobs. Once
22 human resources gives the okay who then gives
23 the next permission to be able to hire
24 somebody? Is it Office of Management and
25 Budget? Is it somebody in the administration

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2 that works under Laura Curran? Is it Tatum
3 Fox?

4 MR. MAY: I don't know the full
5 PRF process. I can tell you that for the
6 administrative assistant bilingual that we are
7 in the process of canvassing all of that is
8 down and we're at the part where the letters
9 of interest are going out to the individuals
10 on the list and we have to wait to see who
11 responds to that list and then we can
12 interview and once the interviews are
13 completed we can hire.

14 LEGISLATOR FORD: When you said
15 that people did retire or leave the
16 employment, thankfully not because of
17 COVID-19, when did they leave their jobs?
18 When did they leave employment in the county?

19 MR. MAY: We've had a handful of
20 retirees each year for the last three years.

21 LEGISLATOR FORD: Once we knew
22 those retirees were leaving did we make any
23 effort to start backfilling for them so that
24 there would not be -- I mean, I would like
25 overlaps between people leaving and new hires

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2 but if that can't be accomplished, you know,
3 to have to like minimize the amount of time,
4 considering that how important your work is
5 that we not have where we have gaps of like
6 maybe two months, three months, six months
7 where this work is not being accomplished in a
8 timely fashion. Did we make any plans to hire
9 these people knowing that -- hiring new
10 people -- when we knew that people were going
11 to retire?

12 MR. MAY: So, I think,
13 unfortunately, and I don't like blaming the
14 pandemic but the timing of a lot of the
15 retirees occurred -- not a lot of the
16 retirees, I want to be careful here. We had a
17 few retirees in 2018. We had backfilled
18 those. They were in the weights and measure
19 division. We had, I believe, two or three
20 retirees in middle and to late 2019 and then
21 we slide into the pandemic and that sort of
22 upends everyone's planning. Now that we're I
23 think hopefully, primarily through the
24 pandemic we will be able to on board people as
25 quickly as possible.

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2 LEGISLATOR FORD: But the county,
3 and I'm sure like for you you would like to
4 have people. And I just have -- because
5 everywhere, no matter which department it
6 seems that we're talking about and we're just
7 right now discussing this with you, is that
8 there is a shortage of employees and we have
9 these vacant, funded positions and there just
10 doesn't seem to be any energy on the part of
11 anyone in the administration to start bringing
12 people in that we desperately need.

13 As a result of this, we're looking
14 at businesses, contractors that would like to
15 get their licenses that are out of work right
16 now. They're not collecting a salary.
17 They're possibly maybe if they have any
18 savings living on their savings. They're not
19 eligible for unemployment because they're
20 self-employed. So, it's taking them months if
21 not in some cases almost a year and we're
22 hurting them. Which I think is counter then
23 to the whole message of when we're putting all
24 these energies and we're getting all this
25 federal aid for Boost Nassau so that we can

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2 help these businesses stay in businesses. We
3 can help energize our downtowns. But if
4 downtown businesses can't have a contractor
5 come down and get them ready to open it just
6 seems to me that we're sort of defeating a lot
7 of the purposes.

8 I'm not blaming this on you. I
9 think I'm just following Steve sometimes
10 making some sort of a statement.

11 Aside from the licensing, providing
12 licensing and I'm interested in the fact that
13 you said there are four people in licensing
14 who can sign licenses. But I spoke to a
15 contractor who said that the person who signs
16 for the licenses is off for four days and will
17 not be back until tomorrow. So, like if
18 there's three other people that can sign for a
19 license --

20 MR. MAY: I don't know who that
21 is.

22 LEGISLATOR FORD: -- I mean that
23 to me is -- what I'm saying is it's not your
24 fault but this is what's being told to our
25 people. Which is obviously contrary to what

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2 you're testifying to today.

3 MR. MAY: I don't mean to
4 interrupt Legislator Ford. I would certainly
5 like to find out who told you or who told the
6 contractor that somebody was out today? When
7 I left the office I saw I believe all four
8 individuals in the licensing division in the
9 office. So the idea that somebody's out four
10 days this week.

11 LEGISLATOR FORD: That's what I'm
12 saying. When you testified I was like wait a
13 minute, I wrote that down. I'm saying that is
14 not what this contractor was told and it's
15 just really disingenuous then in that sense.

16 When we talk other than the
17 licensing, I know that consumer affairs is
18 tasked with a lot of like with the fines and,
19 forfeitures and everything. I mean, you're
20 supposed to go around and certify all the
21 ATMs. Whether or not there's new ATM machine
22 that is put into Nassau that I think you have
23 to do an investigation or whatever you do.
24 Inspection. And then every ATM, from what I
25 remember, that is in any premises in Nassau

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2 County must have a Nassau County sticker on
3 it, correct?

4 MR. MAY: Any premises other than
5 a bank and it is a registration sticker, yes.

6 LEGISLATOR FORD: So I go around
7 and sometimes I don't see any of the Nassau
8 County stickers on ATMs. Are we up to date
9 with all those inspections?

10 MR. MAY: We don't inspect the
11 ATMs. They have to be registered with us. If
12 you see an ATM that does not have a sticker on
13 it if you let us know we will be happy to go
14 out and investigate and see what the story
15 is.

16 LEGISLATOR FORD: Then I have a
17 few more things. Just bear with me. Are we
18 up to date, like I know that we're tasked with
19 issuing violations and collecting fines,
20 correct?

21 MR. MAY: That is correct.

22 LEGISLATOR FORD: Are we up to
23 date in all our collections of fines or is
24 there a backlog as well?

25 MR. MAY: There is a backlog in

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2 adjudicating violations.

3 LEGISLATOR FORD: How big of a
4 backlog is that for that?

5 MR. MAY: The backlog on that is
6 about a year.

7 LEGISLATOR FORD: Do you know
8 offhand how much in fines we expect to
9 collect?

10 MR. MAY: We report the total
11 value of the violations. We often settle the
12 violations for less. What we are doing is we
13 are increasing the budget line in the budget
14 for contracts. We're going to hire an
15 additional judicial hearing officer, which
16 will significantly cut down the backlog in
17 terms of adjudicating the fines. We have one
18 judicial hearing officer and one assigned
19 attorney and there was an increased volume in
20 violations issued last year due to the
21 pandemic and the price gouging.

22 LEGISLATOR FORD: But do we know
23 the dollar amount? Because I know when we
24 issue the violations you would have like say
25 basically it's a 1,000 for each violation and

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2 you have ten violations then you know it's
3 \$10,000. Do we know offhand how much in
4 arrears the amounts of what those violations
5 would total?

6 MR. MAY: I don't want to say
7 that they're in arrears but for 2020 the total
8 amount of violations issued in terms of dollar
9 value is about \$3.9 million and that is
10 typically reduced either at the prehearing
11 settlement phase or at the administrative
12 hearing phase.

13 LEGISLATOR FORD: Right because
14 you may say but if they pay it -- so we might
15 end up like say getting \$2.5 million,
16 correct?

17 MR. MAY: Correct.

18 LEGISLATOR FORD: You have in the
19 schedule with some of the employees, I guess
20 the salaries, and you're adding, from what I
21 understand, deputy something commissioner,
22 deputy commissioner of consumer affairs, I'm
23 sorry, for a salary of \$115,000. Who is
24 this? Is this somebody that we have on board
25 this year or are you planning on hiring this

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2 person?

3 MR. MAY: I don't know that that
4 can be addressed right now. I believe the
5 issue of the deputy commissioner spot is a
6 subject of litigation.

7 LEGISLATOR FORD: That I didn't
8 know. I'm sorry about that. Didn't mean to
9 bring up something. Thank you very much
10 commissioner. I really appreciate your help.

11 LEGISLATOR SCHAEFER: Hi
12 commissioner. I believe I'm next. You
13 mentioned something about possibly hiring
14 temporary workers?

15 MR. MAY: Yes.

16 LEGISLATOR SCHAEFER: Is there an
17 issue with regard to the union in doing that?

18 MR. MAY: I don't know. I think
19 that's part of the discussion to get everybody
20 on board here.

21 LEGISLATOR SCHAEFER: I think
22 Legislator Ford was asking about the process
23 for hiring and how long it would take and you
24 said you didn't know. This went for HR. If
25 this is your priority shouldn't you know about

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2 how long it's going to take to get people on
3 board because you need them so badly?

4 MR. MAY: Once the PRF is
5 approved, as I had mentioned before
6 legislator, we have to canvass the list. We
7 have to mail it to everybody who's on the list
8 if they're interested in the position. We
9 give them a deadline obviously to get back to
10 us. Typically it's two weeks to, two weeks
11 back. So, once we have the list it's about a
12 month. And as far as that, we interview as
13 quickly as possible and get people on board.

14 LEGISLATOR SCHAEFER: I know and
15 you probably already know this, I have had
16 people reach out to me I'd say over the last
17 year and a half to two years, even before
18 COVID, not to say the backlog was the same
19 then, I hope it wasn't, people that just could
20 not -- they'd say they sent their paperwork
21 and they're being told they don't have what
22 they need and you make the phone call and
23 eventually it gets resolved. But, as you well
24 know, it shouldn't really even have to go to
25 us. It's great for us to be able to help in

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2 that instance but hearing about the backlog is
3 really disappointing to me because I feel like
4 there was so much push out during COVID by the
5 administration and pro-small business and out
6 there and giving money to businesses and at
7 the same time people couldn't even get their
8 license renewed and it's just wrong. It
9 really is just wrong and it's just, as I said,
10 very disappointing to me.

11 I hope you do get the people hired
12 that you need. As I know I think Legislator
13 Rhoads said, we had that in the budget and
14 supposedly wasn't needed the last time and it
15 clearly is needed. There shouldn't be this
16 backlog at all. Especially during such
17 difficult time. And to be going out certainly
18 and fining businesses for price gouging, which
19 is it? Your pro-business or you're hurting --
20 I'm not saying that nobody's doing anything
21 wrong. I'm sure there were people that were.
22 But was everybody? I just wonder if there's
23 so many cases are not adjudicating what's with
24 that as well? Is that just a timing thing or
25 is it that a lot of them weren't really in the

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2 wrong in that instance?

3 MR. MAY: No. That's a volume
4 issue. Like I said, we had issued a lot of
5 violations last year during the pandemic. We
6 have an attorney assigned to the department.
7 We have a judicial hearing officer on board.
8 We've maxed out the schedules for both of
9 those individuals and that is just a volume
10 issue and we're addressing that by hiring an
11 additional judicial hearing officer so we can
12 do more hearings.

13 LEGISLATOR SCHAEFER: I think
14 Legislator Birnbaum has questions.

15 LEGISLATOR BIRNBAUM: So, I'm
16 looking at the revenue end of what comes in as
17 result of permits and licenses and you
18 budgeted the same amount for next year as this
19 year for home improvement, correct?

20 MR. MAY: Yes.

21 LEGISLATOR BIRNBAUM: But we're
22 talking about a lot of backlog for general
23 contractors getting licenses. Do they fall
24 into that category home improvement license?

25 MR. MAY: Yes.

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2 LEGISLATOR BIRNBAUM: Would you
3 say there are more applications than ever
4 before? It just seems listening to this
5 conversation maybe your office is getting so
6 many more applications. Is that the case?

7 MR. MAY: It's not necessarily
8 the case of so many more applications. We
9 have seen an uptick in new applications. We
10 have a two-year cycle, odd year even year.
11 2021 matches up with 2019. We're at this
12 point running about 50 licenses lower this
13 year than in 2019. But again, I don't want to
14 blame the pandemic but the realities of
15 operating during the pandemic with reduced
16 staffing just during the pandemic obviously
17 contributed to the backlog. As I had said,
18 there were unanticipated staffing issues that
19 are resolving themselves. It was a
20 significant contributing factor.

21 LEGISLATOR BIRNBAUM: I
22 understand what you're saying about the
23 employee end and having less people to process
24 the applications. But just from my informal
25 conversations with people who are applying for

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2 licenses it seems like they're switching
3 careers. Like they may have been doing
4 something different. They could have been
5 doing commercial real estate in New York and
6 that's dried up and now they're living in
7 Nassau and they want to do local general
8 contracting residential. I was just wondering
9 if you were seeing more of that.

10 MR. MAY: I've looked at the
11 numbers. It's remarkably steady. I was
12 surprised. I think when we spoke last year at
13 this time I was concerned that we weren't
14 going to see a whole lot of people getting
15 licenses. This was before the vaccines came
16 out. This was like the height of pandemic and
17 no one's really sure of what's happening.
18 Looking at the numbers this year there was
19 maybe a dip in March 2020, April 2020 and
20 everything has been rolling since.

21 LEGISLATOR BIRNBAUM: You believe
22 the numbers are generally constant?

23 MR. MAY: The numbers seem
24 remarkably constant across the two year
25 renewal cycle. I'm surprised. I was very

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2 concerned last year that we were going to have
3 a much more significant issue than we're
4 having. It certainly appears that most of if
5 not all of the businesses that we licensed
6 have successfully weathered the pandemic and
7 we're seeing new applications come in every
8 month.

9 LEGISLATOR BIRNBAUM: So it would
10 be to our benefit to have more people working
11 on these so we can process them faster and
12 help these people get employed and bring in
13 the revenue to Nassau. Thank you.

14 LEGISLATOR NICOLELLO: Legislator
15 Bynoe.

16 LEGISLATOR BYNOE: Good afternoon
17 Commissioner May. Good evening. Quick
18 question. You're talking about hiring so we
19 can push these applications through the
20 process. Have we been able to utilize
21 overtime at all?

22 MR. MAY: Yes.

23 LEGISLATOR BYNOE: How much
24 overtime have we granted these individuals?

25 MR. MAY: I would have to go back

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2 and get you the numbers. There's only so much
3 that overtime can do. Two hours here, two
4 hours there with the same relatively small
5 group of people. Overtime has been offered.
6 We're looking at overtime again. Again, it's
7 being addressed. We're looking at hiring
8 temporary staffers, hiring permanent staffers,
9 overtime. Everything is in the mix to get
10 this fixed.

11 LEGISLATOR BYNOE: You're hiring
12 those folks. There's a delay in having them
13 really be able to do the work. They're not
14 going to hit the ground running. There's
15 going to be a training period, right?

16 MR. MAY: There is going to be a
17 training period. We're working on all of the
18 training materials. I plan on hitting the
19 ground running.

20 LEGISLATOR BYNOE: How much
21 training do you think an individual needs to
22 be able to get up to speed to be effective?

23 MR. MAY: The answer is not
24 much. That isn't to diminish the work that
25 anybody's doing. We have a checklist of items

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2 that need to be reviewed. We have senior
3 staff that has been doing this for 20 years.
4 I anticipate the process being relatively
5 quick to get everybody up to speed and get
6 everything cranked out.

7 LEGISLATOR BYNOE: And the
8 overtime that we're offering is it only after
9 work? Or are we offering folks to come in
10 full days on Saturdays and Sundays?

11 MR. MAY: Typically it is after
12 work and on Saturdays.

13 LEGISLATOR BYNOE: We've been
14 offering overtime consistently?

15 MR. MAY: The overtime's been
16 offered usually between four to eight weeks at
17 a clip. Then we evaluate and go back. Like I
18 said, the unanticipated staffing issues that
19 we've had are unfortunately or fortunately
20 resolving themselves at this point and will be
21 a lot smoother moving forward.

22 LEGISLATOR BYNOE: What is the
23 title of the individuals that do this work?

24 MR. MAY: We have clerk, clerk
25 typist, consumer affairs investigator. And

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2 when we have the administrative assistants on
3 board, the administrative assistants and then
4 we're looking to on board an accountant to
5 assist.

6 LEGISLATOR BYNOE: And the
7 consumer affairs investigators are those the
8 ones that are really scrutinizing the
9 application?

10 MR. MAY: We have one consumer
11 affairs investigator assigned to the new
12 applications and they do a rather thorough
13 review of the documents that we receive.

14 LEGISLATOR BYNOE: Do we have
15 consumer affairs investigators that work on
16 other aspects of the operation within --

17 MR. MAY: The majority of the
18 other consumer affairs investigators are
19 working on consumer complaint caseload. The
20 consumer complaints have not actually slowed
21 down during the pandemic. I have one other
22 consumer affairs investigator, excuse me,
23 consumer protection investigator two splitting
24 her time between her consumer complaint
25 caseload and application review.

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2 LEGISLATOR BYNOE: It sounds like
3 you're really stretched over there with your
4 resources. So this year's budget you're
5 looking to increase your staffing. But I
6 think that only takes care of some of the
7 issues that you're currently facing, correct?
8 This doesn't really put you in a face where --

9 MR. MAY: With the implementation
10 of the temporary license I think that that's
11 going to relieve a lot of the pressure.
12 Anybody whose receiving a temporary license
13 has already been vetted for the license. This
14 is somebody who's coming back that we're aware
15 of and that process it is new to the office
16 but it is relatively quick and we've been able
17 to turn over a lot of the applications that
18 have come in to temporary status so that there
19 is no issue with them continuing they're
20 work. With the temporary license and the
21 additional staff I think we will be able to
22 focus more on the new licenses, get those
23 caught up, and I think with both of those
24 things in place there really should not be
25 much of a backlog going forward.

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2 LEGISLATOR BYNOE: What is the
3 effective period for the temporary license?

4 MR. MAY: The temporary license
5 is effective essentially as soon as the
6 applicant pays for the renewal fees, submits
7 the paper application or the online
8 application, proof of general liability
9 insurance and proof of worker's comp. And
10 that runs until we complete review of the
11 application. Once the application is approved
12 presumably, that just turns over to the full
13 license at that point. And if the application
14 is denied then they have to have a fitness
15 hearing. We go into that whole process.

16 LEGISLATOR BYNOE: So, it's not
17 like a 30-day window? It's a temporary
18 license and open ended until they get the full
19 license?

20 MR. MAY: It is open ended. The
21 goal is to never have to need the temporary
22 license. It's to get ahead of the renewal
23 applications as they come in and only issue a
24 temporary license on essentially an as-needed
25 basis. Unfortunately, it's as-needed right

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2 now. But no, it's not like the temporary
3 license is going to expire in 30 days and the
4 contractor is in the same spot.

5 LEGISLATOR BYNOE: Thank you.

6 LEGISLATOR NICOLELLO: I don't
7 know if we have other legislators. We have an
8 individual who is here for public comment. I
9 will bring him up now. Mr. Wei Loon Chan.

10 MR. CHAN: Good afternoon
11 everyone. Thank you for having me. I would
12 like to state to Commissioner May. You were
13 told that there was four licensing departments
14 currently; is that correct?

15 LEGISLATOR NICOLELLO: Mr. Chan,
16 actually it's not an opportunity to question
17 the commissioner. Basically tell us what the
18 issue is. What your perspective is. It's
19 public comment.

20 MR. CHAN: I have been waiting
21 for my license to be issued over a year. I
22 gave every document they need and I personally
23 went to the office with a buddy of mine,
24 physically handed in all my stuff. They can't
25 deny that they never got it. And, in fact,

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2 the minute she has it and she says to me I
3 have bad news for you. And I say what it is
4 now? She said the person in licenses has a
5 death in the family. Will take a three week
6 leave. I says oh, my bad luck.

7 Seven weeks pass. I call after
8 three weeks. Every week I called in. No
9 response. Seven weeks pass and I have asked
10 more people to help me out with this because I
11 have friends and people need their work done.
12 I have employees to employ and I can't get
13 nothing moving.

14 Truthfully, all the statements that
15 you're saying that you have four people, they
16 literally told me in their plain sight words
17 there's a death in the family that it takes
18 three week leave. Seven weeks I have no
19 response.

20 Now, I just went in again. They
21 said the person in licensing injure her arms.
22 How much more excuse can I keep taking? This
23 is ridiculous. In a pandemic I have my
24 Southampton license issued in three months. I
25 don't know what kind of excuse this department

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2 keeps giving you. I'm getting fed up. I'm
3 getting very sick of this. It needs to be
4 answered. It's ridiculous. I'm wasting my
5 time today to come here to let everybody
6 understand this is what I've been going
7 through in my life. It's not fair. You took
8 the money then why isn't the license issued?
9 I have ten years record in Suffolk County and
10 you've been given and it's still not good
11 enough? That's all I have to say.

12 LEGISLATOR NICOLELLO: What kind
13 of a contractor are you?

14 MR. CHAN: Home improvement
15 license. I have a clean record for ten years
16 in Suffolk County. And I do work commercially
17 because I move myself to commercial and I did
18 a lot of work for Kiss Corporation. Which all
19 of you know who Kiss Corporation is.

20 LEGISLATOR NICOLELLO: You
21 submitted an application. Was it a new
22 license or renewal?

23 MR. CHAN: It's a new license for
24 home improvement.

25 LEGISLATOR NICOLELLO: You said

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2 you gave them a check?

3 MR. CHAN: Yes. They took the
4 check.

5 LEGISLATOR NICOLELLO: They took
6 the check and it's been over a year since
7 there was no response. Did they cash the
8 check?

9 MR. CHAN: Yes, they did.

10 LEGISLATOR NICOLELLO: Do you
11 have employees to pay?

12 MR. CHIN: Yes.

13 LEGISLATOR NICOLELLO: And you
14 have people who are waiting for work to be
15 done?

16 MR. CHAN: Yes. Apparently three
17 right now.

18 LEGISLATOR NICOLELLO: This is an
19 embarrassment for our entire county and it's
20 disgraceful to treat individuals such as
21 yourself that way. Nothing short of that.

22 MR. CHAN: Thank you. I actually
23 felt that there is a hint of discrimination in
24 Nassau County.

25 LEGISLATOR NICOLELLO: I don't

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2 think it's discrimination. I think they're
3 treating everybody this poorly.

4 You had a question Legislator
5 Walker.

6 LEGISLATOR WALKER: I guess kind
7 of in reference to what you were saying.
8 Those are the phone calls I get and I've
9 reached out to the commissioner. Often times
10 it's I've sent my paperwork in three times.
11 They can't find it. Something's lost or I'm
12 missing something. Did they tell you
13 something was missing? No. Not until I
14 called back. This is the third time I've sent
15 it in. So many times frustration on the parts
16 of those applying for licenses or whatever.
17 After a while you don't know what to say or
18 what to tell them.

19 I do believe that there's a problem
20 with your staffing. I think that you don't
21 have the staff to really take care of
22 everything that needs to be taken care of.
23 Unfortunately, I feel like with many of the
24 departments they kind of imply that okay this
25 is what I need. But then when we call because

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2 residents are calling about an issue, not just
3 with just consumer affairs but other
4 departments, the answer is well, you know,
5 with our staffing we don't have the staff. We
6 all need to know that information upfront
7 beforehand.

8 And, you know, maybe you're caught
9 between a rock and a hard place for your
10 departments but it affects all our residents
11 and that's what very, very sad.

12 Here is a gentleman here can't get
13 his license. Can't get his business going
14 because it's taking so long. It isn't the
15 only place you hear that person is not in
16 today or they're not in tomorrow or not in the
17 next day or they're going to be gone for this
18 many weeks.

19 And it is an embarrassment I
20 think. It's an embarrassment to each and
21 every one of us and of course the county as a
22 whole. When residents can say that I've
23 gotten my license in Suffolk County, I've
24 gotten it in Brookhaven, I've gotten it in
25 Babylon. I've gotten this, this and this but

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2 I can't get the county's. What's wrong? It's
3 very frustrating because what do we say? It
4 ends up that it falls on the legislators to
5 answer those question that we kind of don't
6 have the answers to and kind of can't get the
7 answers. I don't know if the gentleman was
8 finished speaking but I did have another
9 question for Mr. May.

10 LEGISLATOR NICOLELLO: Does
11 anyone have any questions for Mr. Chin? Mr.
12 Kennedy.

13 MR. MAY: I'm sorry, Mr.
14 Presiding Officer, not to take your time
15 Legislator Kennedy, he didn't mention the name
16 of his business. I'd like look into the
17 situation.

18 LEGISLATOR NICOLELLO: What's the
19 name of your business Mr. Chan?

20 MR. CHAN: PHICON, Inc.

21 LEGISLATOR NICOLELLO: Thank
22 you. Go ahead.

23 LEGISLATOR KENNEDY: All the
24 stories I've been hearing from everyone is
25 basically what I am hearing in my office.

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2 Everybody is calling with basically the same
3 stories. Just one particular gentleman who I
4 spoke with it's been over 90 days, it's
5 between three and four months. He paid his
6 \$2,000 for his annual policy. Over \$700 in
7 application fees. There's a lot of people
8 like this and they want to work very badly.
9 Which a lot of people don't. A lot of people
10 are calling my office and it sounds like
11 they're calling everyone's office.

12 My question is, 22 people is the
13 actually on board. 26 is what is being
14 requested. Do you think that's enough?

15 MR. MAY: I think the addition of
16 the administrative assistants and the
17 accountant in addition to the temporary
18 license, yes, I think that's enough.

19 LEGISLATOR KENNEDY: I don't. I
20 think those additional people could work on
21 the calls that I'm getting in my office. So I
22 do feel that there is more that's needed
23 there. Thank you.

24 LEGISLATOR NICOLELLO: Legislator
25 Rhoads.

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2 LEGISLATOR RHOADS: Thank you Mr.
3 Presiding Officer. Mr. Chan, just to close
4 the loop, can you estimate for me how many
5 jobs you've lost and how much business you've
6 lost, if any, as a result of the year delay
7 that you've experienced?

8 MR. CHAN: About four.

9 LEGISLATOR RHOADS: About four
10 jobs?

11 MR. CHAN: Yup.

12 LEGISLATOR RHOADS: With a total
13 value of what?

14 MR. CHAN: With a total value of
15 \$450,000.

16 LEGISLATOR RHOADS: That's pretty
17 shocking. Thank you Mr. Chan.

18 MR. CHAN: Thank you for having
19 me.

20 LEGISLATOR NICOLELLO: Thank you
21 for being here and thank you for your patience
22 for waiting. You can rest assure that this
23 body is going to follow up on this and we're
24 going to stay on top of this until this
25 situation is resolved. Yours in particular

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2 and in general.

3 MR. CHAN: Thank you very much.

4 You have a wonderful evening.

5 LEGISLATOR NICOLELLO: You too.

6 Thank you again. Legislator Walker.

7 LEGISLATOR WALKER: Can you just
8 tell me what the difference between a
9 temporary permit is and a permanent permit? I
10 kind of get the idea that you give it
11 temporarily and then the paperwork all has to
12 be gone through making sure every T is crossed
13 every I is dotted and they have all the
14 correct information?

15 MR. MAY: Yes. For all intents
16 and purposes the temporary license is the same
17 as the full license. It's just we haven't
18 done the complete review of the license. This
19 is not for new licensees. This is for
20 renewals. This is for people or companies
21 that have already been vetted by the
22 department and the process is we just need to
23 have the application fee on file, the paper or
24 the electronic application submitted and proof
25 of general liability and worker's comp and the

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2 temporary license is issued and they can
3 continue working as if they had the full
4 license.

5 LEGISLATOR WALKER: And you said
6 how long does it take about between the
7 temporary and permanent license?

8 MR. MAY: Whatever the time
9 period is to review the application.

10 LEGISLATOR WALKER: Like kind of
11 a ballpark figure is how long?

12 MR. MAY: It's not like it's 30
13 days, 90 days. The ideal is to never to have
14 the temporary license. It was to get ahead of
15 the renewal applications.

16 LEGISLATOR WALKER: Maybe someone
17 may have lapsed and they didn't get it in
18 time.

19 MR. MAY: Correct. Right now
20 it's going to cover the period of when they
21 submit their renewal application until the
22 application is reviewed.

23 LEGISLATOR WALKER: I know you
24 said it doesn't expired. But about how long
25 does it take you to do that?

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2 MR. MAY: It depends on the
3 application and it depends on the backlog.
4 Right now we're looking at a significant
5 backlog. The goal, one of the goals with
6 bringing the additional folks on board is to
7 clear out everything having to do with the
8 renewal application, get everybody turned over
9 to temporary license or completely reviewed.
10 When that's done it's easier to move forward
11 and address some of these.

12 LEGISLATOR WALKER: Do you have
13 any kind of idea like right now, today, what
14 is kind of the time frame?

15 MR. MAY: I think I can get all
16 of the temporary licenses issued by the end of
17 the year with the additional staff and
18 probably most of them converted to full
19 licenses.

20 LEGISLATOR WALKER: And you are
21 aware that some places will not accept a
22 temporary license. You're saying it's just as
23 good but some places won't --

24 MR. MAY: I have not heard
25 anybody who is not accepting the temporary

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2 license. The temporary license is provided
3 for under the admin code. I'd be happy to
4 speak to whoever and which ever municipality
5 to discuss any issues they might have with the
6 temporary license.

7 LEGISLATOR WALKER: I just said
8 the price gouging. I know that your office
9 was very good at the height of the pandemic.
10 We had people selling individual masks that
11 they took out of a package and selling them
12 for \$10 a piece and they weren't great with
13 going out there. Do you have any idea how
14 many businesses you had to deal with with
15 price gouging and how many were adjudicated
16 already and what did we benefit from them?
17 The amount of money, the fines we received
18 from them so far?

19 MR. MAY: I'll would have get
20 those numbers for you. It wasn't a lot of
21 businesses. There were a lot of repeat
22 offenders that we had to visit multiple times
23 who I guess felt the profit motive there
24 exceeded the value of the violations that they
25 were receiving.

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2 The goal wasn't really to slam any
3 businesses. But if in particular taking
4 advantage of people or putting people's health
5 at risk selling -- I mean, we had people
6 selling these individual N-95 masks that
7 they're wrapping in Saran Wrap. I don't know
8 if they're sneezing on them before they wrap
9 them up and selling them to somebody for a
10 couple of bucks.

11 LEGISLATOR WALKER: Those are the
12 ones I had reached out to you about. It was
13 outrageous. Aside from the fact that they
14 were now basically unsanitary masks you're
15 letting people purchase for an outrageous
16 amount of money.

17 MR. MAY: Yes. But I will get
18 back to you with the full set of numbers on
19 those, absolutely.

20 LEGISLATOR NICOLELLO: Any other
21 questions? Anyone on remote? Okay. Thank
22 you. We will be following up. Next
23 department is the Department of Human Services
24 with Commissioner Carolyn McCummings.
25 Commissioner we're ready to go when you are.

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2 MS. MCCUMMINGS: So, I'm pretty
3 happy with my budget. I'm just here for
4 questions if you have any.

5 LEGISLATOR NICOLELLO: I think
6 that basically answers it. We're obviously
7 all interested to make sure you're fully staff
8 and obviously you're satisfied your staffing
9 levels and you can operate the department and
10 provide the services you need to do with the
11 staffing?

12 MS. MCCUMMINGS: We have in the
13 budget for staffing. The problem actually is
14 that, and the state just put something out
15 today, there's a shortage in mental health
16 workers, social workers, folks that are in
17 those job descriptions. And so it's not our
18 fault. I have even gotten a waiver for the
19 starting salary to be bumped up. There's just
20 not a lot of takers out there.

21 LEGISLATOR SCHAEFER: Just
22 wondering if you know why? Did they say why
23 there was a shortage?

24 MS. MCCUMMINGS: I think even
25 with the bump up with the salary, the waiver,

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2 it's only still 52,000 starting salary.
3 That's not a lot. A lot of people are leaving
4 their nonprofit and going into private
5 practice and making more money because there's
6 such an explosion in the need for mental
7 health. They may be going elsewhere that are
8 paying more. We have slots available. We
9 have four psychiatric social worker slots
10 available. Nobody.

11 LEGISLATOR SCHAEFER: How long
12 have you been looking?

13 MS. MCCUMMINGS: It started with
14 the police reform. So, once that was put
15 through. So maybe six months ago. Maybe a
16 little bit longer. We're always looking. We
17 have people retiring as well. Even to
18 backfill, we're struggling right now.

19 LEGISLATOR SCHAEFER: I hope you
20 advertise or something.

21 LEGISLATOR NICOLELLO: Legislator
22 Walker.

23 LEGISLATOR WALKER: Do you think
24 if the salary was increased it would be any
25 better?

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2 MS. MCCUMMINGS: I think a fair
3 starting salary for someone who's gone through
4 all that schooling and coming out with all
5 these loans at least would be \$75,000. So
6 yes, the answer is yes. If the salary was
7 higher, yes.

8 LEGISLATOR WALKER: Perhaps, I
9 don't know where we take that from here, but
10 perhaps that's something we need to look at if
11 we cannot fill these positions. Do you also
12 think that anything to do with the vaccine as
13 an issue? Like being mandatory. We don't
14 mandate it but someone who may be in a
15 health-related field who might be able to look
16 into some of these jobs.

17 MS. MCCUMMINGS: I don't think
18 that's an issue.

19 LEGISLATOR WALKER: I don't know
20 if the mandates stay the same for them if they
21 went to a different --?

22 MS. MCCUMMINGS: I think we've
23 done a really good job in Nassau County with
24 vaccinating our people. I don't think that's
25 an issue. At least I haven't heard that that

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2 would be part of it.

3 LEGISLATOR WALKER: But you do
4 think if the salary was more that would help
5 the situation?

6 MS. MCCUMMINGS: I think it
7 might.

8 LEGISLATOR WALKER: Thank you.

9 LEGISLATOR NICOLELLO: Legislator
10 Bynoe, Birnbaum and Mule.

11 LEGISLATOR BYNOE: Hi
12 commissioner. What is the current salary
13 suggested for the psychiatric?

14 MS. MCCUMMINGS: It is I believe
15 \$43,000. But we asked for the waiver. So now
16 it's 52. It starts at step one instead of the
17 other lower steps. So it would be \$52,000.

18 LEGISLATOR BYNOE: That's a big
19 gap from 52 to 75 to really be able to
20 attract. Individuals in that roll do exactly
21 what?

22 MS. MCCUMMINGS: So right now we
23 need those individuals --

24 LEGISLATOR BYNOE: Or how are
25 they used?

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2 MS. MCCUMMINGS: Like the mobile
3 crisis team. People who are staffing our 24
4 hour hotline. People are in the courts who
5 are servicing some of the AOT clients.

6 LEGISLATOR BYNOE: Is this
7 something that -- we just went through a
8 lengthy hearing with consumer affairs where
9 they're looking at some alternative solutions
10 to staffing. Has there been consideration for
11 alternative solutions in terms of maybe
12 contracting some nurses to do the work? I
13 know that CSEA wouldn't like to hear that.

14 MS. MCCUMMINGS: We have a lot of
15 agencies that are contracted and do the work
16 for us. But even they're having issues
17 because we give them X amount of dollars for
18 the contract and so they have to build in
19 whatever it is for the salary. They have to,
20 in order to keep the contract, they have to
21 hire at a certain salary. Which is not that
22 much higher than us. It might be 55. It's
23 not that high. They're having problems too.

24 LEGISLATOR BYNOE: It's all
25 around.

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2 MS. MCCUMMINGS: It's not only
3 due to the salary. It's due to just people in
4 the industry for some reason are not trying to
5 work for government or the agencies,
6 nonprofits. They're doing private stuff.

7 LEGISLATOR BYNOE: I was just
8 speaking with a gentleman and he told me that
9 his daughter, who is working in the health
10 care field in a hospital setting, is now doing
11 work remotely, telemedicine, and making
12 extraordinarily more money than she was in the
13 hospital setting. So, I think with the shift
14 of this telemedicine and opportunities for
15 people to work at home, even if it was the
16 same money, people are probably opting in for
17 those types of situations.

18 All right. Keep us posted. And as
19 Legislator Schaefer said, if you have to the
20 posting we can start to distribute it and see
21 if we can help. Thanks.

22 LEGISLATOR BIRNBAUM: I
23 completely understand this problem because it
24 seems that people are shifting careers and
25 going towards jobs that pay more money and

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2 allow them more flexibility. But I was
3 wondering if you run any kind of internship
4 programs with local colleges?

5 MS. MCCUMMINGS: We do. I just
6 sent over an agreement for an internship
7 relationship with Molloy. Also with Adelphi.
8 We have a relationship with Hofstra all the
9 time. So, yes, we do.

10 LEGISLATOR BIRNBAUM: Do you find
11 that helps filter in good candidates?

12 MS. MCCUMMINGS: It does. They
13 learn from us of course. And it's good if we
14 then after we have them as an intern if they
15 come on board would be really helpful. But
16 that doesn't always happen. But yes, we do do
17 the internships.

18 LEGISLATOR BIRNBAUM: How is
19 Nassau's salaries competitive with Suffolk
20 County interns? Are you familiar with the
21 neighboring --

22 MS. MCCUMMINGS: I'm not sure.
23 It's probably similar. I've always heard that
24 Nassau pays more. But it's probably similar
25 for that industry.

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2 LEGISLATOR BIRNBAUM: Thank you.

3 LEGISLATOR MULE: Hello
4 commissioner. For the positions that you were
5 talking about, the psychiatric social workers,
6 that requires an MSW, correct?

7 MS. MCCUMMINGS: Correct.

8 LEGISLATOR MULE: Does it require
9 state licensing as well?

10 MS. MCCUMMINGS: For some jobs,
11 yes.

12 LEGISLATOR MULE: My second
13 question was going to be similar to Legislator
14 Birnbaum. I was wondering how the salary
15 compares to other localities, Suffolk, Queens,
16 Manhattan for instance. I'm wondering if it
17 would be helpful to do a comparison like that
18 and see how other localities are doing with
19 the same issues.

20 MS. MCCUMMINGS: The state is
21 also looking into ways to have retention,
22 trainings and talking to the counties about
23 raising the salaries. So, yeah. But I think
24 it's similar. But again, someone, the way
25 things are now have shifted, you can still

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2 come out and do private practice. Especially
3 if you have a license and you're just going to
4 exceed that amount. Even if you have to pay
5 for your insurance you're just going to make
6 more money.

7 LEGISLATOR MULE: Things have
8 changed since I got my degree. Thank you.

9 LEGISLATOR NICOLELLO: Any other
10 questions? Anyone on remote? Thank you very
11 much Dr. McCummings.

12 MS. MCCUMMINGS: I promised my
13 colleagues I would be quick. Thank you.

14 LEGISLATOR NICOLELLO: Next up is
15 social services. Commissioner Nunziata.

16 MS. NUNZIATA: Just to let you
17 know, in addition to myself I have my Deputy
18 Commissioner Lorraine Baum here as well as our
19 county director Brendan Roach.

20 So, our budget we actually are very
21 happy with the budget that's been submitted.
22 We've worked really closely with OMB and we
23 feel that everything we needed is put in
24 here. So we don't know if you have any
25 questions but that's where we're at right

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2 now.

3 LEGISLATOR NICOLELLO: Just one
4 question from me. In the hearing in February
5 you indicated that you were going to bring on
6 I think 11 more full time case workers. Did
7 you actually accomplish that?

8 MS. NUNZIATA: We did and we have
9 more coming on board.

10 LEGISLATOR NICOLELLO: Great.
11 Any questions? Legislator McKevitt.

12 LEGISLATOR MCKEVITT:
13 Commissioner, regarding services, I'm just
14 wondering what the average caseload is for
15 each of the case workers knowing we're working
16 very hard to bring those numbers down. I'm
17 just curious where we're at right now are.

18 MS. NUNZIATA: I knew somebody
19 was going to ask that. I'm ready. It's
20 absolutely fine. Actually, what we've done
21 over the past year is keep very close tabs.
22 We have a way now monthly where we're keeping
23 tabs on those numbers. Right as of today the
24 average caseload is 12 for our investigative
25 units. Which is a far cry from where it was

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2 over a year ago or so when it was 30 or 25.

3 So we're running an average caseload for the
4 CPS investigative units at 12. Which is
5 within the state regulations.

6 LEGISLATOR MCKEVITT: What is the
7 state regulation again regarding caseload?

8 MS. NUNZIATA: They want you to
9 have somewhere between 10 and 15. No more
10 than that per case worker.

11 LEGISLATOR MCKEVITT: Thank you.

12 LEGISLATOR NICOLELLO: Legislator
13 Walker.

14 LEGISLATOR WALKER: Just a quick
15 question. And I know your caseload has gone
16 down for each case worker which is wonderful.
17 Since now we're back to somewhat more normal
18 situation and our children are back in school,
19 there was a big worry to me and when I shared
20 this during the real difficult pandemic times
21 that I worried about those children who were
22 in situations where they were home and perhaps
23 in a bad situation but they're not in school
24 so no one is seeing -- because often it's our
25 schools, our teachers, those in our schools

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2 that are referring cases to you. Have you
3 seen an uptick and will that affect certainly
4 our caseloads?

5 MS. NUNZIATA: Since school has
6 been back we are beginning to see a slow
7 uptick in the numbers because of course it's
8 the schools that serve as a major source of
9 reporting. It hasn't affected our numbers
10 yet. But the good thing is that we are also
11 going to be bringing on 17 case workers in
12 services within the next couple of weeks.

13 LEGISLATOR WALKER: 17
14 additional?

15 MS. NUNZIATA: Yeah. We've been
16 working feverishly on a staffing plan that
17 helps us keep up with caseload as they
18 increase.

19 LEGISLATOR WALKER: That's
20 great. I wish we didn't have to have so
21 many. I wish the situation was different but
22 thank you.

23 LEGISLATOR NICOLELLO: Legislator
24 Schaefer.

25 LEGISLATOR SCHAEFER: Hi

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2 commissioner. How are you? I just had a
3 question. Have you seen any increase in the
4 homeless population?

5 MS. NUNZIATA: I can't say that
6 we've seen an increase. I'm going to pass
7 this over to Lorraine because she oversees all
8 of our homeless housing programs.

9 MS. BAUM: We had a dip
10 definitely during COVID especially in our
11 families. We had a little rise in our single
12 adults. Now we've had some families come back
13 but we're still lower than in 2019, 2020.
14 What we're concerned about is the moratorium.
15 It's been extended in New York until January
16 15th and we're going to see -- we're really
17 looking at next year to know the fallout and
18 how many people after ARP is gone, after all
19 the federal rental assistance is gone, who is
20 going to keep their housing and who is not.
21 That's what we're looking at.

22 LEGISLATOR SCHAEFER: Do you
23 think the dip was attributable to getting some
24 assistance from the federal government?

25 LEGISLATOR BIRNBAUM: No. The

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2 dip was fear of I think families opening their
3 doors and probably overcrowded. And people
4 might have left. A lot of people have family
5 connections outside of the state and that's
6 what we think happened.

7 LEGISLATOR SCHAEFER: Are you
8 still receiving the reimbursement that you
9 expect from the federal government? Has
10 everything been as it was in any respect in
11 any of the services that you provide?

12 MR. ROACH: The reimbursement for
13 TANIFF clients or family we receive 100
14 percent federal money back. The safety net,
15 the singles, is only 29 percent state
16 reimbursement.

17 LEGISLATOR SCHAEFER: That's all
18 I have.

19 LEGISLATOR NICOLELLO: Any other
20 questions? Thank you very much. Next up
21 Department of Public Works. Commissioner Ken
22 Arnold.

23 LEGISLATOR WALKER: Mr. Arnold do
24 you want to say anything first or do you want
25 to start with questions? Any of the

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2 legislators have any particular questions for
3 Mr. Arnold? Maybe I'll just start quick.

4 First, I just want to thank you.
5 Any time that we have reached out with a
6 problem that I can certainly say and I hope
7 that goes for everybody that you've been more
8 than responsive and tried to help with any of
9 the problems that we might have had.

10 But I do know that there are times
11 that, again, it's staffing, that we need more
12 staff, that you need more employees, need more
13 people out on the roads be it for road
14 repairs, snow plowing.

15 Obviously a big issue in my
16 district is the sumps. Constantly we hear
17 about that. Often times, not necessarily a
18 departmental issue because if the wind blows
19 and garbage goes in front of the street they
20 think that you or I should go make sure we go
21 clean it up right away. But the overall
22 cleaning up of the sumps, it seems that most
23 of the time that they're not addressed. I
24 know you said there's a schedule, that's what
25 we were told, but often times, especially

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2 certain times of the year they're so
3 overgrown, hanging over the fence and it
4 really becomes an issue.

5 So, is there any way we are trying
6 to address that staffing issue?

7 MR. ARNOLD: This budget under
8 the storm water and waste water budget there's
9 an increase of 10 EOs for that purpose.

10 LEGISLATOR WALKER: That's
11 great. Thank you. That was the big question
12 I had.

13 LEGISLATOR DRUCKER: I have a
14 question.

15 LEGISLATOR WALKER: Sure
16 Legislator Drucker. Go ahead.

17 LEGISLATOR DRUCKER: Commissioner
18 Arnold, how are you? So, I notice in your
19 budget you have a line item for the repair of
20 sidewalks and I know you and I have spoken
21 numerous times and there is an issue,
22 certainly in my district and I'm sure in other
23 districts, and I filed a bill over a year ago,
24 year and change, to really shift the
25 obligation to repair defective sidewalks from

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2 homeowners whose backyards face sidewalks that
3 are adjacent to county roads. And you have
4 met with us and met with other legislators on
5 both sides of the aisle and have indicated
6 that your office is prepared and poised to
7 deal with that but you need legislation passed
8 to legally shift that obligation. Is that
9 correct commissioner?

10 MR. ARNOLD: I believe this goes
11 a while back and I've looked at this a number
12 of times. I don't know off the top of my head
13 if the current head count could take on the
14 liability of all the sidewalks without
15 subcontracting out work. Sidewalks is a great
16 deal of work for the department. But if
17 required to do the work the department would
18 work on staffing to achieve that goal. But
19 right now without having that as an obligation
20 it's something we do not do. We look to the
21 adjacent property owner to do the work.

22 LEGISLATOR DRUCKER: Right now
23 the current budget by the administration
24 includes I believe a half million dollars to
25 your office, to your department, for

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2 sidewalks. You had also indicated before this
3 budget came out that you did have some money
4 in your budget to do sidewalks. Obviously not
5 to do every single sidewalk but you did have
6 some money. Correct me if I'm wrong, but your
7 office, because of this pending legislation,
8 you're not sending out notice of defects to
9 homeowners because you're hoping and
10 anticipating that perhaps the county can
11 undertake this task. Which is unfair to have
12 homeowners who have nothing to do with these
13 sidewalks to have to repair them when the
14 county goes through millions of dollars in
15 subcontracting and contracting work to repave
16 county roads and yet they don't touch the
17 sidewalks sometimes. And you have sidewalks
18 that are in immediate dangerous hazardous
19 conditions to pedestrians, to people on
20 bicycles to just people who are walking.

21 It's something we've talked about
22 and I know you indicated you don't disagree
23 with me but there, of course, has to be money
24 for it and that's where this legislation was
25 created and birthed and filed and it's been

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2 sitting in limbo now for a year and change.

3 Can you comment on that commissioner?

4 MR. ARNOLD: The replacement of
5 sidewalks is not an operational expense it's a
6 capital expense. So it would be coming out of
7 the capital budget. The maintenance part of
8 our sidewalks is probably for minor work and
9 not replacements. Again, I can't go ahead and
10 do work that I'm not obligated to do under the
11 and the county admin code or charter or
12 whatever dictates this replacement of a
13 sidewalk. Right now my office doing that work
14 would be public funds for a private benefit.

15 LEGISLATOR DRUCKER: But this
16 legislation would certainly clear up that
17 confusion, wouldn't it?

18 MR. ARNOLD: Yes.

19 LEGISLATOR DRUCKER: Thank you
20 commissioner. I have nothing further.

21 LEGISLATOR WALKER: Thank you
22 Legislator Drucker. Legislator Schaefer.

23 LEGISLATOR SCHAEFER: First, I
24 wanted to thank you because I know you are
25 very responsive as well. My office, as I'm

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2 sure most of us have many things going on with
3 regard to public works and even if it takes
4 some time you get back to us and I really
5 appreciate that.

6 MR. ARNOLD: We do our best to
7 try to answer every question that's posed not
8 just by the legislators, by mayors,
9 supervisors, whoever may be asking.

10 LEGISLATOR SCHAEFER: I realize
11 we should maybe all realize a little more that
12 all the time you have to spend answering
13 questions is time you're not doing other
14 things.

15 MR. ARNOLD: Good point.

16 LEGISLATOR SCHAEFER: I like to
17 tell constituents sometimes in a very nice
18 way.

19 MR. ARNOLD: But I do try to put
20 staff to it so we keep answers coming.

21 LEGISLATOR SCHAEFER: Thank you
22 very much. Other than that, I guess I just
23 wanted to ask you about staffing and if you
24 had any concerns with regard to that. I know
25 you had some difference in the numbers. The

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2 full time staff is about 18 people less than
3 the on board four year average for 2017
4 through 2020.

5 MR. ARNOLD: Our on board is
6 below our budget. Even with that said,
7 working with OMB we've increased our head
8 count in this budget by 14 in general and 12
9 in SSW. The challenge like every other
10 department head has mentioned is hiring
11 staff. Just today you look at the signs on
12 the expressway the state is advertising for
13 plow operators on their VMS signs. It's a
14 hard undertaking to find these people.

15 I've sat down with civil service
16 and we're working through a title change to
17 allow us to hire equipment operators without a
18 license and give them I think it's a year to
19 get their license. Otherwise they would be
20 terminated. And try to start an in-house
21 training program to do that. Because looking
22 for people with experience with today's market
23 is very problematic even with increased
24 steps. I think we went up to step four. We
25 went as high as step four which impacted even

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2 our existing staff to give them salaries so
3 they would stay.

4 Even with all that said, it's very
5 difficult, which is why we're looking to
6 change and bring people in, train them and
7 then keep them. In the past we would hire EO
8 ones without licenses but we need to give them
9 impetus to get the license, otherwise they
10 can't drive snow plows and I can't have 20 EO
11 ones that can't drive a plow on my head
12 count. So I got to make sure that they get
13 CDLs.

14 LEGISLATOR SCHAEFER: On that
15 same topic. Was the county over or under for
16 its snow removal budget for 2021?

17 MR. ARNOLD: I'm going to take a
18 little bit of guess because I don't have it in
19 front of me but I think we're pretty much
20 right at it. We had enough snow and I know we
21 had to refill our domes and spend some good
22 salt money this year. Maybe we were a touch
23 under but it was not too far off. OMB is
24 always is good in working with us if we do go
25 over our budget finding the appropriate board

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2 transfers to make sure that we're never in a
3 disadvantage of covering snow.

4 LEGISLATOR SCHAEFER: That's all
5 I have. Thank you.

6 LEGISLATOR NICOLELLO: Legislator
7 Ferretti.

8 LEGISLATOR FERRETTI: Hi Ken.
9 How are you? So, thank you for the job you're
10 doing. I join with Legislator Schaefer and a
11 lot of the colleagues who have commented. I
12 think you do a great job. And I know you are
13 very responsive and I appreciate that. So
14 thank you.

15 MR. ARNOLD: My pleasure.

16 LEGISLATOR FERRETTI: I know
17 Legislator Drucker was just speaking a little
18 bit before about the sidewalks and I haven't
19 had the opportunity to review his specific
20 legislation, so I'm not commenting
21 specifically on his legislation. But I agree
22 with him in terms of what he's saying. I
23 think we can all agree that it's kind of
24 ridiculous that we expect residents to walk
25 around the block and maintain their sidewalks

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2 that they don't even have any idea it's their
3 responsibility to maintain.

4 I understand right now the law
5 doesn't allow you to repair or replace those
6 sidewalks but let me ask you in terms of
7 staffing, do you think you have any ability
8 when it comes to snow removal, do you have any
9 ability to remove snow on those sidewalks
10 let's say in the areas where there are schools
11 on county roads?

12 MR. ARNOLD: Based on the
13 proposed ordinance we've been looking at that
14 and the answer would be no, not without
15 bringing significant staff on. We've done
16 some sampling and we're talking probably two
17 miles of sidewalk within 1,000 foot of the
18 school. And the amount of effort to do that
19 work, and I owe this report to legislative
20 budget review, we're finalizing now, we're
21 talking of a seasonal staff of about 200
22 people to address sidewalks within a 12 hour
23 of a storm assuming about a six to eight inch
24 snowfall event. The quick answer is no and
25 we're still working through the details on

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2 this.

3 LEGISLATOR FERRETTI: When you
4 did your analysis, how many schools are there
5 on county roadways?

6 MR. ARNOLD: What we did was we
7 did a GIS query on how many multifacing
8 properties are on county roads and then from
9 that we dug deeper how many of those
10 properties are within 1,000 feet of a school
11 and that's where we came up with our numbers.
12 It was quite a bit more than I anticipated and
13 we're still drilling down. But even if I take
14 a percentage of what we found we're talking a
15 significant number of seasonal employees to do
16 that type of operation. I'm trying to get my
17 hands around how do you manage that effort in
18 such a short period of time for an event
19 that's really not scheduled that much in
20 advance to prepare for.

21 LEGISLATOR FERRETTI: Maybe in
22 the future we can work through some of those
23 details. But I agree with the sentiments of
24 Legislator Drucker. We got to do something
25 about these sidewalks. They are in complete

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2 disrepair. They get overgrown. The snow
3 piles on top of them. We have kids walking in
4 the street on main roads to get to school.
5 And what's worst is, the very few people that
6 actually do remove the snow from those
7 sidewalks the county plows come and plow them
8 back in. So, we're going to have to figure
9 something out because we're asking for a
10 disaster here with these sidewalks.

11 Let me ask, you currently have 373
12 employees on board right now; is that
13 correct?

14 MR. ARNOLD: That sounds about
15 correct, yes.

16 LEGISLATOR FERRETTI: The budget
17 calls for 405, which if my notes here are
18 correct is the same exact amount that was
19 requested last year.

20 MR. ARNOLD: Yes. But also
21 recognize that we are adding ten equipment
22 operators in the SSW budget that will work for
23 road maintenance doing storm water type
24 activities.

25 LEGISLATOR FERRETTI: But the 405

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2 positions that are requested this year is the
3 same number as last year, correct?

4 MR. ARNOLD: Sounds correct.

5 LEGISLATOR FERRETTI: So what
6 positions right now are unfilled out of those
7 32 positions? What are the titles?

8 MR. ARNOLD: Equipment
9 operators. We continually work to fill
10 positions. People leave as quickly as we hire
11 them. We are currently working on our traffic
12 safety, Chris Miston's retirement, we're still
13 looking for the proper candidate for that. We
14 need people in our admin areas. We've lost a
15 number of clerks that we're working towards
16 replacing. We've done interviews. We're in
17 the process of getting that work completed.

18 We're always looking for project
19 managers and engineers and inspectors. Those
20 are more complicated to get because of the
21 qualifications of these people. It's a mixed
22 bag. My department, unlike a lot of
23 departments, I have probably 40 distinct types
24 of work activities. So it's very difficult to
25 manage the hiring of people that are so

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2 different. But we put a lot of effort into
3 keeping communications open with schools and
4 other such entities to look for possible
5 employment opportunities.

6 LEGISLATOR FERRETTI: But you
7 have 32 positions that are currently vacant,
8 correct?

9 MR. ARNOLD: Yes.

10 LEGISLATOR FERRETTI: Are those
11 specific titles? I know you just went through
12 a bunch of titles that you would like to have
13 filled. But is everything that you just
14 described part of the 32 that are currently
15 open just?

16 MR. ARNOLD: Yes. Just this past
17 month and a half we've hired, and I'm not
18 sure -- one of these I think still shows as
19 vacant, we hired two licensed engineers just
20 recently. We are in the process of bringing
21 on three facility maintenance mechanic type
22 staff members. Fleet. Every area has a
23 handful of needs and it adds up to the larger
24 number of the 30 something.

25 LEGISLATOR FERRETTI: I guess it

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2 seems like and I've only been here for I guess
3 this is my fourth budget and it seems like
4 this is a recurring project where essentially
5 the same amount of positions are requested
6 from not just DPW but a bunch of different
7 departments, and every year we're asking the
8 same questions about why 30 something
9 positions are still remaining open.
10 Meanwhile, you do a great job. When we call
11 if you and ask you if you could take care of
12 Loring Road, it's overgrown, you get people
13 there right away.

14 But meanwhile we're dealing with a
15 lot of roadways that we need to call in to get
16 addressed. So, it's a recurring problem that
17 every year we're having the same conversation
18 and it doesn't seem like we're able to fill
19 these positions for whatever reason.

20 So, what is the reason that we are
21 not able to get, for example, you said
22 equipment machine operator was the title?
23 What do they do? What do equipment machine
24 operators do?

25 MR. ARNOLD: Equipment

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2 operators -- I want to hire only staff that
3 has the commercial driver's license because I
4 need them ultimately to drive a plow. And the
5 equipment operator that can only push a lawn
6 mower is not something I'm looking to do
7 because I tie myself down. Then I don't have
8 plow operators.

9 So, our equipment operators have
10 CDLs that allow them to run any piece of
11 machinery from a plow, which requires a CDL,
12 to lawn mowers and excavators. Even our
13 pavement marking shop. These gentlemen and
14 ladies are very hard to find right now because
15 of the overall shortage of CDL drivers and the
16 great demand that's been put on in the private
17 industry from Amazon or UPS or whoever.
18 Everybody is looking for truck drivers.

19 That's why we've shifted and we've
20 had conversations just as early as last week
21 we just wrapped up conversations with civil
22 service to modify this series to add a trainee
23 position where I can get somebody out of high
24 school. As long as they have a driver's
25 license and 18, bring them into my program and

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2 work with them to get a CDL and become a
3 permanent member of the department.

4 COVID has not helped also. In some
5 cases, especially this year, we were not able
6 to get the seasonal employment that we wanted
7 because of the unemployment. Most people did
8 not want to come to work. We typically use
9 that over the summer to help us with the grass
10 cutting. Those people are not CDLs but they
11 help supplement our regular equipment operator
12 staff. So this past year that was very
13 difficult to find any employees who do that
14 type of work.

15 LEGISLATOR FERRETTI: So, the
16 people who, the employees that plow snow are
17 the same employees that maintain the lawns and
18 the landscaping on county roadways?

19 MR. ARNOLD: Yes.

20 LEGISLATOR FERRETTI: Isn't there
21 a title for people to do that landscaping work
22 that does not require them to have a CDL? You
23 don't need a CDL to push a lawn mower, right?

24 MR. ARNOLD: Whether it's an
25 equipment operator one that doesn't have a CDL

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2 or a laborer that is a true statement.
3 However, we're talking overall head count for
4 the department. So, when I look for overall
5 head count I need the flexibility of making
6 sure my most critical need is filled which is
7 making sure the roads are clear of snow.

8 LEGISLATOR FERRETTI: I
9 understand but I think you have some
10 flexibility. There's always 30 something
11 openings every year that go unfilled. So,
12 it's not like, like you said, it's hard to get
13 these CDL people right now. Maybe your
14 department can focus on getting laborers who
15 can do other tasks. It's not like you don't
16 have 32 positions open anyway. I'm throwing
17 that out there. Is that something you can
18 consider?

19 MR. ARNOLD: I'd like to run
20 through the trainee program that we're looking
21 to put in place for these ten positions that I
22 need to hire. If that still becomes
23 problematic I can look at your suggestion.

24 LEGISLATOR FERRETTI: Let's
25 assume for a second that 32 CDL licensed

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2 employees signed on tomorrow and you had a
3 full head count of 405 positions filled.
4 Would that be sufficient to have regular
5 maintenance of our county roadways routinely,
6 without us having to call and bug you, would
7 that be enough?

8 MR. ARNOLD: No.

9 LEGISLATOR FERRETTI: Then why
10 are you requesting 400 --

11 MR. ARNOLD: Because I've been
12 doing this job for 25 plus years in this area
13 and the department has never been able to keep
14 up with the sheer volume of grass areas we
15 need to cut. The department has always done
16 its best to address areas on a regular basis.
17 Which I think our frequency right now is four
18 to six weeks and that's what we look to strive
19 towards. But the county has miles and miles
20 of grass cutting obligations. We have a daily
21 attrition of people calling in of 20 to 25
22 percent. There's all kinds of challenges to
23 say we can stay on a regular schedule with all
24 the limitations of staffing coming in, weather
25 and other issues that come up.

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2 A good example is just recently
3 with tropical storm Ida I moved people to many
4 other different issues to address during the
5 last three week period to deal with washouts
6 and other issues and grass cutting has taken
7 the hit because of that.

8 LEGISLATOR FERRETTI: I
9 understand that there are natural disasters
10 and hurricanes and other things that can throw
11 off a regular schedule. But I just disagree
12 with the idea that we shouldn't strive to have
13 adequate staffing where the county maintains
14 its own property properly. I think that
15 that's an obligation we should have.

16 We have sumps that are overgrown.
17 And by the way, I want to stress that when my
18 office calls you get it done and I appreciate
19 that. You do a great job with the resources
20 you have. But it really isn't or shouldn't be
21 the responsibility of county lawmakers to
22 monitor sumps quite frankly. I'll happily do
23 it because if we don't we've got constituents
24 with rats running in their yards. But we
25 should do better.

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2 We should seek or try to have the
3 staffing required to maintain our property. I
4 think that's something that residents expect
5 and deserve. So maybe we can talk about this
6 off line in the future. I think that going
7 forward we should seek to have the staff that
8 we need. Not staff that we can plug holes but
9 staff that we can actually maintain our
10 property.

11 MR. ARNOLD: Understood.

12 LEGISLATOR FERRETTI: Thank you
13 commissioner and thank you for all your work
14 throughout the year.

15 MR. ARNOLD: Thank you.

16 LEGISLATOR NICOLELLO: Any other
17 questions? Legislator Rhoads.

18 LEGISLATOR RHOADS: Hey
19 commissioner. How are you? Sort of along the
20 same lines as Legislator Ferretti. I get
21 quite a few calls. Again, you're fantastic
22 when there's a direct complaint that comes in
23 and I make the complaint to you you're
24 fantastic in getting it taken care of.
25 Clearing of storm drains, street sweeping, we

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2 no longer have -- we kind of switched to an on
3 demand system.

4 MR. ARNOLD: No. This year we
5 changed.

6 LEGISLATOR RHOADS: You did go
7 back to a street sweeping schedule?

8 MR. ARNOLD: About mid-May,
9 working with the budget office, we increased
10 our program twofold. We hired ten operators
11 and we doubled our capacity for street
12 sweeping this past year.

13 LEGISLATOR RHOADS: But you're
14 still down in terms of overall head count?

15 MR. ARNOLD: My head count moves
16 so quickly over time. It's hard for me to say
17 what point -- but we made a commitment because
18 of what I was hearing in this chamber from the
19 residents and also from you all that we double
20 the number of street sweepers we put out on a
21 regular basis to sweep every road and try to
22 double the frequency. I don't know if we
23 achieved -- I haven't looked at numbers what
24 we actually achieved, it's on my to-do list
25 but typically what we were doing every five or

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2 six weeks I hope we got to three to four weeks
3 to get every road swept. That was a goal of
4 mine this year and the administration and OMB
5 both gave me the resources to do that both in
6 rental of sweepers and in personnel.

7 LEGISLATOR RHOADS: It does
8 establish that we do have the ability with
9 additional money and additional manpower and
10 additional equipment to be able to take what's
11 a routine and chronic constituent complaint
12 and address it on a regular and ongoing
13 basis.

14 I think to Legislator Ferretti's
15 point, there is an appetite certainly from
16 this legislature to try and do that in other
17 areas as well as far as maintenance of county
18 property. And I mentioned specifically storm
19 drains because I'll go on Bellmore Avenue for
20 example in response to a constituent's
21 complaint you'll see a storm drain that's
22 filled with litter or debris or it's got caked
23 on mud, grass clippings and stuff that
24 basically nothing can pass through and you'll
25 wind up with flooding. And I know that when

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2 we call people will go out and flush it and
3 try and clear the drains themselves. But
4 that's probably something that we should be
5 doing.

6 MR. ARNOLD: For Ida and Henry
7 when we had those notices for those storms
8 that was a three-day task to clean those storm
9 drains. Understand, a wind and a rain event
10 of that magnitude within 30 seconds the debris
11 is back. But we do do a full department
12 effort to clean all our catch basins prior to
13 any tropical event or major rain event that we
14 have notice that we have to do.

15 LEGISLATOR RHOADS: But on a
16 regular routine basis --

17 MR. ARNOLD: The street sweeper
18 will take care of that on a regular basis.

19 LEGISLATOR RHOADS: I guess what
20 we're trying to say is that we know that
21 you're down in terms of head count and it's
22 hard to maintain head count but it sounds as
23 though we could be doing a better job at
24 routine maintenance in a number of areas.
25 Even if you talk about street maintenance,

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2 roadway maintenance, roadway paving, perhaps
3 we wouldn't have to use outside contractors.
4 We can do a little more work in-house if we
5 had more staff, if we had bigger crews, if we
6 had more supplies.

7 MR. ARNOLD: I would disagree.
8 The department's never done paving in-house
9 other than a short couple of occasions.
10 Repaving has always been a contracted
11 function. I go back and forth with CSEA all
12 the time on this. Historically we spend \$100
13 million contracting and if I spend half a
14 million or a million dollars in-house that's
15 what you're comparing the two things to.

16 LEGISLATOR RHOADS: I know our
17 guys did Merrick Road for example. That
18 section in my district it was our people,
19 right?

20 MR. ARNOLD: No. That was
21 contracted. The concrete panels?

22 LEGISLATOR RHOADS: No, not the
23 concrete panels. I'm talking about the
24 asphalt from Newbridge to Meadowbrook Parkway
25 I thought that was ours.

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2 MR. ARNOLD: That was contracted.

3 LEGISLATOR RHOADS: So we were
4 just supervising that?

5 MR. ARNOLD: Yes.

6 LEGISLATOR RHOADS: All right.
7 But if there's additional personnel that you
8 need that you think will enable us to do more
9 routine --

10 MR. ARNOLD: I think where we
11 differ is how many people to get to you to a
12 routine schedule. There's so much work that
13 my people work very hard in achieving that the
14 routine schedule I don't want to give false
15 hope that if you gave me 50 people it's still
16 going to be challenge. There's just so much
17 work out there that needs to get done. We do
18 the best we can and we stay on a rotation
19 schedule where we try to keep everything in
20 order.

21 Even when the legislators, you guys
22 call, I don't pull people off projects because
23 that's not fair either to be bouncing crews
24 only because I'm getting phone calls. It's
25 the rotation of the work. Only if it's an

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2 emergency or a safety concern that I will pull
3 crews off of something and take care of it.
4 Like Legislator Ferretti calls and says
5 there's a sight line blocking then we will
6 take care of that off our regular rotation.
7 But typically we try to stay on rotation with
8 our work.

9 LEGISLATOR RHOADS: I know you do
10 the best you can with what you have
11 obviously. I would assume that if you had
12 more you would do more. It is what it is. If
13 you could prioritize where you could use, if
14 you were to receive additional personnel,
15 where they would be most needed, what would
16 you think?

17 MR. ARNOLD: I would probably go
18 to my operating units. Facilities, roads,
19 fleet. Engineering I have vacancies that I'm
20 working towards filling. That's just finding
21 the right people. It would be roads,
22 facilities and fleet.

23 LEGISLATOR RHOADS: What would
24 you think your head count would need to be for
25 you to be comfortable that you would be able

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2 to timely deliver the services that are
3 required from operating?

4 MR. ARNOLD: It's hard to put a
5 number on. The problem is I have not had the
6 chance to get to the head count I wanted to
7 because as I hire I lose continuously. For
8 road maintenance if -- I think we're at like
9 101 CDL drivers total, I think I'm trying to
10 get 110 and I'd like to see what I end up
11 doing at that level. But with attrition and
12 the delay in finding qualified candidates I
13 haven't gotten to that number.

14 You have to hire a candidate that
15 can get through probation. The way civil
16 service works, not civil service, the union
17 works, it's very hard to get rid of an
18 employee once he gets past the six months
19 probation. We spend a great deal of time to
20 get the right candidate. So even if we have
21 resumes and interviews, we're not going to
22 pick somebody that we know we can't keep. It
23 makes it that much more difficult because to
24 bring people on and not be able to achieve
25 what we need to achieve and then I get stuck

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2 with somebody for life that's not what I want
3 either.

4 LEGISLATOR RHOADS: Sure. I
5 understand that there are areas that have
6 specific requirements that make it more
7 difficult to fill and you're just trying to
8 catch up at this point as opposed to trying to
9 add additional head count.

10 MR. ARNOLD: And that's why
11 working with the civil service I'm hoping I
12 can get a direct connection to work with
13 people at a lot younger age, get them in the
14 system, let them appreciate the system, get
15 their CDL and stay. That's something that we
16 have not been able to do because when we
17 changed the spec under the last administration
18 we required the CDL for the equipment operator
19 and getting people to get that test. I mean,
20 drug testing is a big problem here too. A lot
21 of people will not get a CDL because of drug
22 testing. You have to pass a drug test.

23 LEGISLATOR RHOADS: Okay. So
24 we've kind of narrowed it down with respect to
25 issues with respect to equipment operator.

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2 Would you be able, I don't want you to do it
3 here because you may not actually have the
4 answer here, would you be able to get back to
5 us with an analysis of your department's, I
6 know what it says here on paper, but it really
7 does sound as though there are opportunities
8 there for us to be able to provide a better
9 service to taxpayers if you had additional
10 personnel. Would you be able to get us that
11 answer of where you can use additional people
12 and where there's an opportunity for you to
13 hire additional people?

14 MR. ARNOLD: We can look at
15 that. I can do what I did with the street
16 sweeping. We can look at the program we have
17 and what could change to modify the level of
18 service.

19 LEGISLATOR RHOADS: Like I said,
20 you do the best you can with what you have but
21 I think that we all want to try to do better.
22 I know you do to. We want to put you in a
23 position to succeed.

24 LEGISLATOR NICOLELLO: Don't you
25 have 32 new positions coming in?

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2 MR. ARNOLD: We have 32 vacant
3 positions. 14 are new on top of last year's
4 budget.

5 LEGISLATOR NICOLELLO: So you
6 have 32 --

7 MR. ARNOLD: Like I mentioned
8 earlier is unlike many departments my
9 department has 40 different specific types of
10 functions. That's across all these areas. Of
11 the 32 vacancies ten or 11 are slated for EOs,
12 CDL drivers.

13 LEGISLATOR NICOLELLO: With
14 what's budgeted can you operate the Department
15 of Public Works?

16 MR. ARNOLD: Yes.

17 LEGISLATOR NICOLELLO: We have
18 questions from Legislators Ford and Solages.
19 Jump in Denise and then Carrie you're next.

20 LEGISLATOR FORD: Thank you very
21 much. I really just have one question.
22 Commissioner Arnold, I too commend you for the
23 fine job that you are doing and very happy to
24 hear about your request to civil service in
25 regard to perhaps hiring younger people to

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2 come into DPW and then be able to work while
3 they take a class to get their CDL license
4 because I know those licenses tend to be
5 rather expensive. I think it would give
6 better opportunities for younger people to
7 find work.

8 But normally when you make changes,
9 like when you go to civil service and you
10 request to have a job title changed or
11 whatever or amended or maybe a new job title,
12 about how long -- is there like a normal
13 turnaround time you get from them or dependent
14 upon the position you're seeking?

15 MR. ARNOLD: It depends on how
16 complicated what I'm asking to do. They
17 themselves have a very large work load. We
18 talked about a number of things I wanted to
19 do. Knowing that the equipment operators is
20 essential to the department they have
21 committed to me they are going to deal with
22 that right away. I'm hopeful within a month
23 to have an answer on that. I think they need
24 a civil service commission meeting. I just
25 don't know that schedule to finalize what

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2 we're asking. But we've gone back and forth a
3 couple of times since last week on what we
4 want to modify. So I'm hopeful within a
5 month's time I can get an answer to act on
6 utilizing that title change.

7 LEGISLATOR FORD: Perfect. Then
8 once they're hired they would then -- I'm
9 following up on Legislators Drucker and
10 Ferretti -- in regard to the sidewalks that
11 perhaps we may be able to have an additional
12 workforce that may be able to at least help us
13 with sidewalks that like are on county roads
14 but that are close to schools. The sidewalk
15 square I'm thinking like Lido Boulevard near
16 me.

17 MR. ARNOLD: Unfortunately that
18 can't happen. Here's the rub on the sidewalk
19 snow plowing. We have a snow event. My guys
20 work continuously during that whole snow event
21 and then the snow event will keep them on the
22 road for 12 to 15 hours depending on how big
23 the storm is. I need a separate group of
24 people to deal with the sidewalks because the
25 equipment operators at that point have to go

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2 home.

3 Now, a day or two later they might
4 be ready to help with the sidewalks and that's
5 what we typically do with overpasses and
6 certain other areas that we have to clear.
7 But the way the law is written that I have
8 within 12 hours, within that 12 hours of that
9 storm ending or the emergency ending if that's
10 what the storm becomes, I don't believe it's
11 achievable using the same group of people that
12 are plowing the streets.

13 LEGISLATOR FORD: Thank you very
14 much sir.

15 LEGISLATOR NICOLELLO: Legislator
16 Solages.

17 LEGISLATOR SOLAGES: Also want to
18 thank the commissioner and the department for
19 their hard work and their dedication to our
20 county and services for our residents. You
21 have done a fine job on each and every
22 assignment in the Third District.

23 Just real quickly, any improvements
24 on the jail? I know Mr. Sullivan from the
25 sheriff's association reached out to us before

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2 and he would come here and talk about the
3 conditions of these buildings and how it put
4 in jeopardy the safety of his officers who
5 work very hard. Is there any update on that
6 please?

7 MR. ARNOLD: I plan on meeting
8 with my staff this week and next. Right now I
9 know we've done the temporary repairs to the
10 roof of the A-32 building. My understanding
11 is that the leakage has subsided from that
12 area. I know the master plan we have carved
13 out A-32 as a special entity like I've been
14 saying. We are not waiting to deal with a
15 master plan before we fix that building. We
16 have Liro that is designing those
17 improvements. I don't have the timing in
18 front of me today.

19 Then also B building is a carve
20 out. My staff is putting together that
21 contract package. I have my chief deputy
22 solely focused as one of our projects to watch
23 this on a daily basis. So we're doing all the
24 effort we can to keep this on track and not
25 have it languish any further than it already

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2 has. Because we know the importance to the
3 correction facility staff and sheriff to get
4 this thing addressed.

5 LEGISLATOR SOLAGES: Thank you.

6 LEGISLATOR NICOLELLO: Are there
7 any other questions? All set. Thank you
8 Ken. Next is Minority Affairs with Executive
9 Director Lionel Chitty.

10 Before you start thanks for your
11 patience. Every year I say to myself I'm
12 going to flip this script and have Minority
13 Affairs go first, Department of Health,
14 Department of Social Services and every year I
15 forget. Please call us on that and I'm sure
16 we all would be in favor of doing that because
17 your presentations tend to be shorter so it's
18 not really fair for you to have to sit here
19 this long. Next year you're number one,
20 Department of Health number two.

21 MR. CHITTY: Thank you very much
22 we appreciate the opportunity to sit before
23 you today. We too love our budget and we're
24 here to take any questions.

25 LEGISLATOR RHOADS: How are you?

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2 Good to see you Lionel. A quick question. I
3 know last year we spoke about and we've spoken
4 about it a couple of times there being a
5 pretty significant backlog in terms of MWB
6 analysis and certification. I know we added a
7 couple of individuals and I know that the
8 budget I believe here calls for three
9 additional?

10 MR. CHITTY: Yes.

11 LEGISLATOR RHOADS: Where are we
12 in terms of the backlog and how will the
13 additional staff be helping?

14 MR. CHITTY: We are definitely
15 moving through the ones that are constantly
16 out there. We do have Michelle Crossley, our
17 certification analysis, slash, program
18 coordinator. We're averaging about 150
19 certifications per year and that's why we're
20 looking for that additional staff to increase
21 that. We are expecting that that continue to
22 be a steady stream. So we're going to be
23 diligently working to continue that and do
24 some additional cross training.

25 LEGISLATOR RHOADS: Will the

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2 three be enough?

3 MR. CHITTY: Taking a look at
4 what we have in front of for the 2022 budget
5 we feel very comfortable that we will have
6 enough resources to meet the needs of our
7 constituents.

8 LEGISLATOR RHOADS: I know that
9 your department has taken on some additional
10 responsibilities and some personnel have been
11 taken away from you to help with the Boost
12 Nassau program.

13 MR. CHITTY: Yes. Dr. Regina
14 Williams is managing the Boost Nassau resource
15 center. She was our deputy director. But it
16 has actually worked out pretty good. We now
17 have one central location where all the
18 questions regarding any additional grant that
19 are out there, whether they're county funded,
20 state funded or federally funded we have one
21 central depository where she has a dedicated
22 team of individuals that can answer all those
23 questions and point people in the right
24 direction.

25 So instead of us plowing through

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2 different programs and trying to understand
3 them and wrapping our hands around them we
4 have four of those individuals right now over
5 at the Boost Nassau Center. That includes
6 Asian Affairs, Hispanic Affairs and our
7 department. So it's working out pretty good
8 for us.

9 LEGISLATOR RHOADS: What are we
10 doing specifically with respect to MWBEs in
11 terms of outreach to let them know about the
12 Boost Nassau program, the recovery grant
13 program, the loan program and other
14 opportunities that may be available to them?

15 MR. CHITTY: Before that we've
16 been doing a lot of emails. We've been
17 utilizing social media a lot. It's a great
18 thing that things started opening up again.
19 We've been out and about every weekend for
20 like the past six or eight weeks talking to
21 people, dropping off flyers, having tables.
22 Whether it's street fairs, community events.
23 We've been running around a lot. We've been
24 giving them out to a lot of the meetings with
25 the clergy and other organizations. Going to

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2 our chamber of commerce meetings and trying
3 our best to push that information out so that
4 people are aware of it.

5 LEGISLATOR RHOADS: I know we
6 just had the Bellmore street fair over the
7 weekend. We had probably they're estimating
8 somewhere between 130.

9 MR. CHITTY: I don't have that
10 many flyers.

11 LEGISLATOR RHOADS: When we
12 select the street fairs that we're attending,
13 the events we're attending, do you want input
14 from legislators?

15 MR. CHITTY: Absolutely. We are
16 here and we are here to service our
17 communities and we're looking for as much
18 input as we can get. The more input the
19 better because, again, we can't see
20 everything. We go where we can. Either that
21 we already know about it or we reach out. But
22 absolutely, we definitely seek input.

23 LEGISLATOR RHOADS: Are there
24 information packets that you are providing
25 because I would love to obtain a copy of that

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2 so I can do some outreach in my own area?

3 MR. CHITTY: What we have right
4 now is a basic flyer for that Boost Nassau
5 resource center. Everything is digital. You
6 go to the website. Any programs that are
7 currently available are listed there. If
8 something is in the works it will say coming
9 soon. If something is closed it will also
10 dictate that.

11 We are again happy that they're
12 there because even some of the I believe it's
13 the rental assistance programs are run by
14 individual towns. So they're able to keep up
15 on that. For example, one specific town only
16 ran their program for three weeks and then it
17 shut down, but then it kicked back up again
18 dependent on the nonprofit organization that
19 was helping them manage it. So, again,
20 they've got a firm grasp on what's been going
21 on. So, again, they're the central
22 depository. It works out very well for us to
23 send everybody to that Boost Nassau center
24 because they know exactly what's available,
25 what's going to be coming down the pike and be

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2 able to service our constituents.

3 LEGISLATOR RHOADS: Excellent.

4 As you know, last year we attempted to provide
5 additional staff to Minority Affairs which
6 wound up I believe being vetoed, if I'm not
7 mistaken. So I'm glad to see that we're
8 finally trying to catch up and the
9 administration is catching up on that. I
10 appreciate your answers.

11 LEGISLATOR NICOLELLO: I just a
12 quick question also. What's the status of the
13 disparity study?

14 MR. CHITTY: The disparity study,
15 our director of special projects, Rhonda Mako,
16 is currently managing that. We are very
17 thankful, working with the administration, the
18 comptroller's office, IT and procurement, they
19 were able to give them the required data that
20 they needed. And actually they've also gone
21 through the process of trying to reconstruct
22 some of that data. So they're still filtering
23 through that and also making recommendations
24 as far as policy changes. How we can do a
25 better job as far as best practices that are

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2 done out there nationally. But again, it's
3 going to be an ongoing process. Again, we're
4 doing it with Suffolk. It is definitely
5 underway but it's going to be a process and we
6 want to make sure it's done correctly.

7 LEGISLATOR NICOLELLO: Thank you
8 very much. Any other questions? Again, thank
9 you for your patience. Next year you're
10 number one.

11 LEGISLATOR SOLAGES: I have a
12 question. Thank you Presiding Officer and
13 thank you to Legislator Rhoads. You took the
14 questions I had but I thank you Executive
15 Director Chitty for all your hard work and I
16 thank also Regina Williams and your staff.
17 You've been out and about throughout the
18 pandemic. I thank you. Again, your mandate
19 is vast. Many obligations. Any update on the
20 affirmative action responsibilities of your
21 office?

22 MR. CHITTY: We have been working
23 collaboratively with the civil service
24 department to try our best to promote
25 opportunities within Nassau County for the

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2 minority community to participate and actually
3 seek and take advantage of opportunities with
4 county positions. We've had numerous events
5 with them. Also doing it in different
6 languages. We've done it in Spanish and also
7 with the Office of Asian American Affairs to
8 help promote those positions out there.

9 Those forms are virtual. We go
10 through the workings of their website, how to
11 navigate it. They talk about the positions
12 that are available. How to prepare yourself
13 for the test and also all the qualifications
14 that are needed.

15 LEGISLATOR SOLAGES: Just any
16 outside date for the disparity study?

17 MR. CHITTY: Did you say an
18 outside date for the disparity study?

19 LEGISLATOR SOLAGES: Yes.

20 MR. CHITTY: Contract date is
21 January 15, 2023.

22 LEGISLATOR SOLAGES: Lastly, I
23 know that we advocated for more resources,
24 specifically for an attorney to help with many
25 of the regulatory obligations of your office.

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2 Is there a backlog? Where are we now with
3 that sir?

4 MR. CHITTY: One of the hires we
5 had was Rhonda Mako, our director of special
6 projects. She is currently legal counsel for
7 our department. She is also working with the
8 county attorney's office for Title Six
9 compliance and also language access and other
10 items that are out there that need that direct
11 attention.

12 She's also working directly with
13 the chief procurement officer, slash,
14 compliance officer, their team, to also make
15 sure that we're moving in the right
16 direction. And again, she's also managing
17 that disparity study.

18 There are a lot of different
19 parts. She's more than qualified and we're
20 looking to slowly move forward. Again, doing
21 it right, not haphazardly, but we're
22 definitely moving in the right direction.

23 LEGISLATOR SOLAGES: Thank you
24 very much for your time. Thank you.

25 LEGISLATOR NICOLELLO: Anyone

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2 else? Last but not least the Department of
3 Health. Before you start I want to thank you
4 and your staff again for your outstanding
5 leadership during the pandemic. Your
6 levelheaded information based, reasonable,
7 rational response information as well as the
8 incredibly successful efforts in getting the
9 county vaccinated you really deserve
10 tremendous praise. We are very thankful for
11 all you've done and your staff.

12 DR. EISENSTEIN: Thank you so
13 much. I hope my wife was watching.

14 Presiding Officer, members of the
15 legislature, I've been the commissioner for
16 ten years. I believe this is the 11th year
17 I've presented the budget to you. And I've
18 known many of you over the years. But there
19 hasn't been a year where I've spent so much
20 time speaking with everybody over so many
21 different issues. I feel very comfortable and
22 at home and I'm glad that something good came
23 out of COVID which is we have a great line of
24 communication between the legislature and the
25 health department. It was always good but I

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2 think it's never been better than it is now.
3 I think everybody's comfortable speaking with
4 me and I feel the same. And there's a great
5 respect that our department receives from the
6 legislature. So I want to say thank you and
7 we feel it's mutual.

8 I've been very lucky. I have an
9 incredible staff. I came with a large group
10 today because I get to come up and all hear
11 the great praise but it's a lot of work being
12 done by a lot of people as to why our
13 department has been so successful. I have
14 Debbie Conigliaro, who is our deputy
15 commissioner of administration and takes care
16 of all the HR matters. That is not an easy
17 job. She's wonderful.

18 Next to her is Dr. Andrew Kineck,
19 our deputy commissioner, who's been a vital
20 hire during this time. And he came to us as a
21 navy veteran having served as a medical
22 officer on a ship full of marines. So he can
23 tell lots of fun stories.

24 Dineen Jacobs is our fiscal
25 director. And you all know Mary Ellen, who is

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2 a great representative here and every time I
3 see members of the legislature always tell me
4 how wonderful Mary Ellen is. Thank you.

5 So getting to the budget. We were
6 given what we asked for so I'm happy. We
7 asked for a head count we got that head
8 count. I absolutely, and I haven't always
9 come and said this to you, but I absolutely am
10 comfortable that I can operate the department
11 with the budget that we've been granted. So,
12 I'll just take whatever questions you have at
13 that point.

14 LEGISLATOR NICOLELLO: I know
15 that Legislator Walker has questions.
16 Legislator Bynoe, Birnbaum and Mule.

17 LEGISLATOR WALKER: First, I too
18 want to thank you all so much for everything
19 you did during the height of the pandemic and
20 continue to do because we're not through
21 things yet. Then for doing everything else
22 that you had to keep up with during that time,
23 which isn't easy and especially during the
24 summer months when you had to deal with beach
25 closings and this year camps that were opening

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2 up and all the things you had to do. From
3 restaurants and everything. Every aspect of
4 your job. And for always answering our
5 questions because often times residents would
6 reach out to us. When we really didn't know
7 we'd send a quick text to you and you were
8 always as quick with a response as you could
9 possibly be.

10 I just did get a message that the
11 governor hired a new head of the health
12 department in New York State. I'm certainly
13 glad that you're staying here with us but
14 obviously she missed the boat because I really
15 do think you are the best. And things would
16 have been a lot different in the state if you
17 were the one making a lot of the decisions.

18 DR. EISENSTEIN: Thank you but I
19 love it here. I have no need to leave.

20 LEGISLATOR WALKER: Thank you
21 very much. I know that -- you certainly made
22 due with all the staff you have. I do feel
23 your staff was put under tremendous stress.
24 They gave of themselves 24-7. Certainly if
25 you had had some additional staff that would

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2 have maybe lessened the burden on the staff
3 that you have. You do feel content with the
4 number of staff that's there? Or could you
5 use additional staff that possibly isn't in
6 your budget?

7 DR. EISENSTEIN: No. I'm very
8 comfortable with what we have and I really
9 feel that we're in a position where every
10 staff member is productive and that's what we
11 want. We want people who are contributing to
12 their max and with that we're able to achieve
13 the job. I think that's where we are.

14 Last year we asked for more bodies
15 and the administration granted more bodies and
16 we got all of them including Dr. Kineck. That
17 increase has helped us dramatically.

18 The health department staff was
19 remarkable in that as difficult as it was, and
20 I'm going back to spring of last year, where
21 people were working seven days a week and
22 around the clock and many people were pulled
23 out of their comfort zones and were given jobs
24 that were very difficult like answering the
25 COVID hotline. I had many people from across

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2 the health department whether they were
3 sanitarians, inspectors or engineers or early
4 intervention coordinators whatever taking
5 shifts on answering the COVID call center.
6 And the people that are calling the COVID call
7 center are scared or angry or unsure. It's
8 not an easy job to take those calls all day
9 around the clock. They were remarkable and I
10 really didn't hear complaining.

11 I think the health department
12 understood that while a pandemic is something
13 that we dread, we prepare for it, we train for
14 it. It's why you have a public health
15 department. If we couldn't stand up and be
16 excellent then you shouldn't have a public
17 health department.

18 I can't say enough about the staff
19 who came through it. Even as the
20 commissioner, you worry about the mental
21 health of your team and all of us and our
22 leadership, I mean, this is a very stressful
23 time. Everybody's done well. And I think
24 we're really tried to keep an atmosphere of if
25 people need help they should come get it. And

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2 the collegiality and the collaboration of the
3 staff was just incredible.

4 Some of you came and saw the pods.
5 The staff loved it. They almost miss it. I'm
6 glad we don't need to do it anymore but that's
7 life saving work and they had the opportunity
8 to participate in something that's historic.
9 And I really feel most of the staff, if you
10 ask them about it, as horrible as this has
11 been, all the deaths and all the suffering, as
12 public health employees this is why we're
13 here. I think there was a sense of
14 satisfaction that I felt across the whole
15 staff. I think we have the right number of
16 people.

17 LEGISLATOR WALKER: Excellent.
18 Again, your staff was all out there working.
19 When many of our workers could be at home, and
20 I'm not saying they weren't working, but be in
21 a much more relaxed atmosphere and yet you
22 were thrown into the thick and thin of things
23 and you were out there 24-7.

24 And we do certainly understand
25 those phone calls because we received many of

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2 those phone calls too. And then of course
3 what did we do? We turned them over to you
4 because we didn't have the answers to them.
5 Again, thank you very, very much. We're here
6 for you if you need us.

7 LEGISLATOR NICOLELLO: Legislator
8 Bynoe.

9 LEGISLATOR BYNOE: Thank you. I
10 think Legislator Walker said it best and so
11 I'll just say a heartfelt thank you for all
12 you did. All of you. And I was one of those
13 legislators who was able to visit the pods
14 somewhat frequently. And I think I had a
15 missed opportunity earlier because when I went
16 out to those pods, through your leadership, I
17 was able to see other departments actually be
18 a part of the pod and be employed in the
19 process. So, that speaks volumes of your
20 leadership that you were able to not only
21 manage your own team but incorporate others.

22 So, the commissioner of human
23 services, Carol McCummings, and her team were
24 on the front lines along with the office of
25 emergency management and I think that they

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2 also did a great job alongside all of you.

3 DR. EISENSTEIN: And if I can
4 also thank Homeland Security and the police
5 department. We were doing this in the coldest
6 days of the winter with lines and people were
7 desperate in the beginning. They were so
8 great in helping us stay safe and in order.
9 Thank you for that.

10 LEGISLATOR BYNOE: That and you
11 had people that were lining up hoping that
12 they could get extra vials, they could get
13 extra shots if there were extra vials and they
14 were able to manage all of the crowd control
15 without incident. It was really something to
16 witness. So thank you.

17 So, I want to talk a little bit --
18 you know I'm always calling the department for
19 a variety of different things. Mary Ellen is
20 awesome. I'm always able to get her.
21 Sometimes I bother you and I always feel bad
22 because it's usually on the weekends or early
23 morning.

24 Today I want to move away from the
25 maybe the discussion of COVID and talk about

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2 the early child intervention. And we've had a
3 really great meeting, again, collaboratively
4 with the Department of Social Services who sat
5 in and the administration, talking about a
6 public awareness campaign that we can kick off
7 around and making sure that from all facets,
8 all stakeholders are informed about the
9 programs that are available. Parents,
10 doctors, dentists. Found out they play a
11 significant roll in this. Care givers. And
12 really making sure that all of the parents
13 across Nassau County understand what we
14 provide here and how we might be able to
15 assist their young people.

16 So, I say all that to say two
17 things. One, I see that you requested \$3
18 million additional for that program but it was
19 removed. And given the fact that we already
20 know that there are some individuals, some
21 parents who really aren't aware of some of the
22 indicators that might evidence that their
23 children are delayed. And then you have
24 others that may know but are finding it hard
25 to navigate the process on their own. Given

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2 that we have confirmed that we believe that's
3 a reality, the reduction of \$3 million from
4 the budget I think is concerning to me. So,
5 can you speak a little bit to why this
6 reduction even occurred?

7 DR. EISENSTEIN: Sure. The
8 budget office and we had this discussion last
9 year with Andy from the budget office as
10 well. The budget office makes projections and
11 we come up with a projection. And the health
12 department has always come up with the
13 projection of what we think is the maximum
14 number of cases, because I'd rather not have
15 to come back later and ask for more money
16 later in the year or ask the budget office for
17 a transfer.

18 Even with this projection we
19 projected a higher number for the upcoming
20 year. Sometimes the projections are accurate,
21 sometimes they're off. But this is a very
22 expensive program. So even projecting 50 or
23 100 kids more puts you in the millions of
24 dollars.

25 So we projected a little bit higher

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2 than the budget office did. I think that's
3 where you get one of the differences. We tend
4 to project on the higher end to make sure
5 we're asking for enough money to cover
6 everything. This is an entitlement and they
7 know they have to cover it. If it's many more
8 it has to be covered and it always has been to
9 be fair.

10 But something changed in state law
11 recently that I think makes me not concerned
12 about this because we didn't really account
13 for it which is a state law was recently
14 passed by the state legislature called the
15 Covered Lives Assessment, which is going to
16 dramatically change the amount of money that
17 insurance companies have to reimburse for the
18 early intervention and preschool services.

19 I don't have final numbers. It was
20 just in the process of being passed recently.
21 But I anticipate that we take the burden of
22 monies in the early intervention and preschool
23 programs that are not picked up by insurance
24 companies. This is going to provide relief
25 for us that I'm comfortable with the

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2 difference in the three million. I think
3 actually we're probably in a very good
4 position because of that covered lives law.

5 When we get from the state kind of
6 a better -- because this is a state program,
7 the early intervention and preschool -- when
8 we get kind of a better how many millions it's
9 going to change I think it will dramatically
10 cover the \$3 million. And of the \$3 million
11 yes, we have to lay the money out, but 59
12 percent of the preschool program is
13 reimbursed. So the liability isn't three
14 million, it's a little under half of that.
15 But I think with the Covered Lives assessment
16 and our projections I think we're right on and
17 we'll be okay with it this year.

18 LEGISLATOR BYNOE: The covered
19 lives do you have an estimate on how much you
20 think that might bring in or is there a cap?

21 DR. EISENSTEIN: I don't think
22 there's a cap. I haven't seen the final
23 bill. But I think it's going to be more
24 impactful for us than on some other
25 jurisdictions because so much of our

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2 population is insured. Essentially what it's
3 doing is holding the insurance companies
4 accountable for money that they should be
5 paying towards this. It basically is
6 mandating them to participate in this
7 program.

8 So, I think we'll be in the
9 millions I'll say that. I don't know if it's
10 one or two or four million but I do think
11 we're looking at seven figures from that. And
12 that's just a projection based on having read
13 the legislation. So, we're going to get
14 formal numbers but I think we're going to be
15 fine with that number.

16 LEGISLATOR BYNOE: Have you been
17 able to determine the percentage of families
18 that are currently engaging in that program
19 that are insured versus being uninsured?

20 DR. EISENSTEIN: I can get you
21 that number. I don't have it with me now.
22 But we do know that information. And then
23 Medicaid is also an insurer. So we will get
24 you those numbers. We do have it we just
25 didn't bring it.

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2 LEGISLATOR BYNOE: Were you able
3 to build into your budget for some of this --
4 we talked about an extensive plan. A lot it
5 didn't seem like it would be very costly but
6 we did realize there would be some expense to
7 doing this public awareness campaign. Were
8 you able to build some of that money into your
9 budget?

10 DR. EISENSTEIN: We had submitted
11 the budget before we had our meeting. But we
12 have been able to do outreach of that kind.
13 For example, placing an early intervention
14 service coordinator at our WIC sites. And by
15 definition for somebody to be a WIC eligible
16 person they have to be at a certain low income
17 level. And that won a national award for us.
18 Our early intervention service coordinators,
19 the WIC, parents, moms, the babies are usually
20 not born yet, but very often they bring older
21 siblings along and they didn't even know that
22 was a service available.

23 So, we're using the resources we
24 have and the partnerships we have. For
25 example, we have a great relationship with our

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2 federally qualified health center partners,
3 etcetera. We are going to be able to
4 incorporate the work. So, the budget doesn't
5 reflect -- the meeting came after we put in
6 the budget. I think we will be able to
7 incorporate it within our work within a
8 reasonable enough amount of money that the
9 budget should cover it, yes.

10 LEGISLATOR BYNOE: What we talked
11 about was maybe utilizing social media a
12 little bit more, getting some sponsored ads,
13 putting out collateral in partnership with
14 some retailers and maybe doing some
15 informational meetings with some of the
16 doctors and dentist offices and making sure
17 that there was training at the child care
18 centers. Maybe utilizing Nassau County's
19 childcare counsel. So some of that does have
20 some expense that will go with it. I just
21 wanted to make sure that we will be able to
22 achieve many of the initiatives that we
23 discussed.

24 DR. EISENSTEIN: I haven't shared
25 this with them yet, so if they're watching

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2 this is breaking news but one of the ideas I
3 have to bring up as a result of COVID one of
4 the things that came out of it was a health
5 equity task force was created Long Island-wide
6 but during COVID it was Nassau based. That's
7 being housed at Northwell but all the
8 hospitals and a lot of social agencies were
9 invited to play.

10 We made the decision, and this
11 requires no financial effort on our part other
12 than participating in meetings and whatever
13 comes out, we decided to continue this beyond
14 COVID. We found a great success that there's
15 a need for a health equity task force. And
16 this is the exact kind of initiative that I
17 plan to bring to them and say look, just
18 getting the word out on the early intervention
19 for children with delays and preschool when
20 they're three to five years old, a lot of the
21 agencies that are in touch with moms who have
22 those kids that don't know about this
23 participate in this.

24 So, we're going to use our
25 partnerships which have worked great. We have

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2 great hospital partners. Health equity task
3 force did a great job reaching underserved
4 communities with COVID in setting up pods
5 where we asked and where we needed. That's an
6 example of how I'm thinking about doing the
7 work but also engaging our partners and
8 helping us with this.

9 LEGISLATOR BYNOE: It's going to
10 be great. I know we talked about it was your
11 idea to maybe create some level of a directory
12 of collecting information from the different
13 birthing hospitals so that then we can start
14 texting and saying your child is 16 months
15 old. If they're not doing this, that or this
16 you might need to see a provider. I think all
17 of that is key for making sure that new
18 parents have an understanding of those
19 benchmarks and are mindful of those
20 indicators. As long as the money is in the
21 budget to do some of that stuff I'm happy.

22 That's all that I have in the very
23 moment. Thank you. I appreciate you.

24 LEGISLATOR WALKER: Legislator
25 Birnbaum.

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2 LEGISLATOR BIRNBAUM: I do want
3 to thank you for everything you and your
4 department have done this year. It was crazy
5 but you did it with the pods, you did it with
6 communicating with everybody. Everybody in
7 the office was very professional. I've only
8 heard only good things from people who had
9 their vaccines.

10 But that's what I'm wondering about
11 now. Have you heard from the state whether
12 the county will again be providers for the
13 newly recommended booster shots of Pfizer?

14 DR. EISENSTEIN: So, right now
15 the answer is yes. The state has asked us for
16 our plan to participate in boosters. Right
17 now -- we've never been a Pfizer provider. As
18 you know, we've always done Moderna. Right
19 now the only vaccine that is approved is
20 Pfizer. We can be a Pfizer provider but
21 nobody who had the Pfizer first and second
22 doses has ever come to us before. So we are
23 waiting for Moderna.

24 But I want to be clear, I was
25 having coffee with a friend two nights ago, it

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2 was seven o'clock at night, he's a doctor and
3 said do you think I should get the booster? I
4 had the Pfizer doses nine months ago. I said
5 yes. You're an occupational health risk. Go
6 get the booster. He pulled out his phone,
7 pulled up the local pharmacy and got an
8 appointment in 15 minutes.

9 So when we did this back in the
10 spring we were the only show in town. We had
11 the only supply and the hospitals and there
12 was not enough vaccine. So they had to use
13 health department pods in order to maintain --
14 there was a triage process of who was
15 eligible. We turned a lot of people away and
16 there were a lot of angry people we turned
17 away but we were given specific instructions.

18 Right now there is no shortage of
19 access to vaccine. So we are going to
20 participate actively. We still have our pods
21 every Wednesday night for anybody. It's open
22 right now two blocks away. Anybody can walk
23 in and get a Moderna shot and a Johnson and
24 Johnson shot. We got another supply.

25 So we have people come in for first

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2 doses, second doses. We still get like a
3 dozen or two dozen people each week. We're
4 still in the business. When we get Moderna,
5 if, assuming Moderna's booster gets approved,
6 which is a different dose than the original
7 Moderna, Pfizer is the same, we absolutely
8 plan to have a presence doing booster pods.

9 But there's absolutely vaccine in
10 every doctor's office and pharmacy. So there
11 isn't the need for us to do the 1,000 person a
12 day every single day type of pod which took
13 the whole department's effort.

14 So, we will have a presence. We
15 will be able to help people get their doses.
16 But it's going to be in a different format.
17 And the places that we did it, like the gym at
18 Nassau Community college, the school is open
19 now. Yes, We Can was a wonderful host but
20 they are a vital community operation and we
21 took away a lot of their social space for a
22 long amount of time. So the setting will be
23 different, the appearance will be different,
24 the scope will be different because there
25 isn't the shortage that there was. But by all

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2 means we will be part of the booster process.

3 LEGISLATOR WALKER: Legislator
4 Mule.

5 LEGISLATOR MULE: Thank you. I
6 have no questions but I just would be remiss
7 if I didn't add on to what everyone else has
8 said about the wonderful job that your
9 department did during this whole crisis. I
10 know we all appreciated our weekly updates
11 when we were in the thick of things. Helped
12 us to get a handle on what was happening.

13 And the one thing that I wanted to
14 add is that I think it's given all of us a
15 greater appreciation of the importance of
16 public health. Certainly I can say I didn't
17 understand why it was so important. But as
18 legislators that's something that we, I hope
19 we all take that away about the importance and
20 that we will never ever let your department
21 not have what it needs because you have to be
22 ready to go at a moment's notice. So, we
23 can't allow that to ever not be possible.
24 It's too critically important. And we know
25 that your department has received national

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2 recognition and you deserve any and all
3 accolades.

4 DR. EISENSTEIN: Thank you. And
5 if that comes out of this, I know for public
6 health that's an important thought. Hey, now
7 you've seen how valuable all the employees in
8 public health are. Thank you for that.

9 LEGISLATOR WALKER: Anyone
10 remotely want to say anything? Any
11 questions? I guess all is quiet. I know you
12 are the finale and again apologize that you
13 had to wait so long. We will remember that
14 you're number two next year.

15 DR. EISENSTEIN: I will leave you
16 with this. Last week finally we had a nice
17 drop in the daily case count for the first
18 time in two months. So maybe we're heading in
19 the right direction. Thank you.

20 LEGISLATOR WALKER: Excellent.
21 Thank you so much and we're wrapped up
22 everyone.

23 (Hearing concluded at 5:50 p.m)

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CERTIFICATION

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

THAT the foregoing is a true and
accurate transcript of my stenographic
notes.

IN WITNESS WHEREOF, I have
hereunto set my hand this fifth day of
October 2021.

FRANK GRAY