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NASSAU COUNTY LEGISLATURE

NORMA GONSALVES,
Presiding Officer

FINANCE COMMITTEE

RICHARD NICOLELLO, Chairman

1550 Franklin Avenue
Mineola, New York

Monday, June 3, 2013
3:06 P.M

1

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

3

4 RICHARD NICOLELLO,
 Chairman5 VINCENT MUSCARELLA (Substituted by
 Vice Chairman Howard Kopel)

6

ROSE MARIE WALKER

7

MICHAEL VENDITTO

8

9 DAVID DENENBERG,
 Ranking

10 JUDI BOSWORTH

11 DELIA DeRIGGI-WHITTON

12 WILLIAM J. MULLER, III
 Clerk of the Legislature

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LIST OF SPEAKERS

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Real Estate Services.....8

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INSERTS

By reference:
Planning Committee minutes,
Page 7, line 19 to page 20, line 10
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By reference:
Public Works minutes,
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Page 119, Line 3
Pertaining to Clerk Item 234

1 Finance Committee/6-3-13

2 CHAIRMAN NICOLELLO: Calling the

3 Finance Committee to order. I would ask the

4 clerk to read the roll, please.

5 CLERK MULLER: Legislator

6 DeRiggi-Whitton?

7 LEGISLATOR DeRIGGI-WHITTON:

8 Here.

9 CLERK MULLER: Legislator

10 Bosworth?

11 LEGISLATOR BOSWORTH: Here.

12 CLERK MULLER: Ranking Member

13 Denenberg? I believe he's here. Legislator

14 Venditto?

15 LEGISLATOR VENDITTO: Here.

16 CLERK MULLER: Legislator Walker?

17 LEGISLATOR WALKER: Here.

18 CLERK MULLER: Legislator Kopel

19 substituting for Vice-Chairman Muscarella?

20 LEGISLATOR KOPEL: Here.

21 CLERK MULLER: And Chairman

22 Nicolello?

23 CHAIRMAN NICOLELLO: Here.

24 CLERK MULLER: We have a quorum.

25 CHAIRMAN NICOLELLO: Thank you.

1 Finance Committee/6-3-13
2 Items 210, 211, 212, 213, 214 and 215 are
3 ordinances supplemental to the annual
4 appropriation ordinance in connection with
5 the Department of Probation, Planning
6 Department and Social Services.

7 LEGISLATOR KOPEL: So moved.

8 LEGISLATOR VENDITTO: Second.

9 CHAIRMAN NICOLELLO: Moved by
10 Legislator Kopel, seconded by Legislator
11 Venditto. These items went through
12 committee a few moments ago and there was
13 discussion at that time.

14 LEGISLATOR DENENBERG: This is
15 210 through which one?

16 CHAIRMAN NICOLELLO: 215.

17 LEGISLATOR DENENBERG: No
18 questions.

19 CHAIRMAN NICOLELLO: Is there any
20 public comment?

21 (No verbal response.)

22 All those in favor of passing
23 this, signify by saying aye.

24 (Aye.)

25 Any opposed?

1 Finance Committee/6-3-13

2 (No verbal response.)

3 Those items carry unanimously.

4 Item 218 of 2013, an ordinance
5 making certain determinations pursuant to
6 the State Environmental Quality Review Act
7 and authorizing the county executive of the
8 County of Nassau to accept on behalf of the
9 County of Nassau an offer of purchase from
10 Apple Farm Realty, LLC of a certain premises
11 located in Franklin Square.

12 LEGISLATOR WALKER: So moved.

13 LEGISLATOR KOPEL: Second.

14 CHAIRMAN NICOLELLO: Moved by
15 Legislator Walker, seconded by Legislator
16 Kopel. This item is before us. This item
17 was just in Planning a few moments ago. I
18 would ask that those minutes of that
19 committee be incorporated by reference.

20 (Whereupon, the following minutes
21 are referenced in the Planning Committee at
22 page 7, line 19 to page 20, line 10,
23 6-3-13.)

24 MR. MAY: We have Mr. Charles
25 Theofan to speak on this item.

1 Finance Committee/6-3-13

2 CHAIRMAN NICOLELLO: It's
3 incorporated by reference the minutes of
4 planning so maybe just touch on just briefly
5 the financial aspects.

6 MR. THEOFAN: Yes. This was an
7 RFP that was issued back in 2011 and there
8 were three proposals that were received.
9 This was far and above the highest amount
10 offered of \$3,200,049 and the appraised
11 price of this property was \$2 million so, as
12 you can see, we're getting approximately 1.5
13 million more than the appraised value.

14 This is a surplus piece of
15 property, the old DPW yard located in
16 Franklin Square on Franklin Avenue. The
17 proposal that was accepted and the
18 perspective purchaser, Apple Farm Realty,
19 LLC, all of the proposals were for
20 commercial retail development, and we're
21 told that this, in all likelihood, will be a
22 bank and a freestanding restaurant.

23 CHAIRMAN NICOLELLO: The proceeds
24 of the sale will go to the open space --

25 MR. THEOFAN: Yes. The rest to

1 Finance Committee/6-3-13
2 the general fund and, of course, this
3 particular property, when developed will
4 generate a substantial amount of real estate
5 tax and also sales tax.

6 CHAIRMAN NICOLELLO: And that's
7 particularly for I guess the Sewanhaka
8 Central High School District in Franklin
9 Square?

10 MR. THEOFAN: That's correct.

11 CHAIRMAN NICOLELLO: Do we have
12 any further questions for Mr. Theofan?

13 (No verbal response.)

14 Is there any public comment?

15 (No verbal response.)

16 All those in favor of passing
17 this, signify by saying aye.

18 (Aye.)

19 Any opposed?

20 (No verbal response.)

21 The item passes unanimously. I'm
22 going to take the next three items together,
23 219, 220 and 221 of '13. 219 is a
24 resolution to adopt a four year plan for the
25 County of Nassau to commence on January 1st,

1 Finance Committee/6-3-13
2 2013 pursuant to the provisions of Section
3 310 of the County Government Law.

4 Item 220 is a bond ordinance
5 providing for a capital expenditure to
6 finance the capital projects specified
7 herein with the County of Nassau authorizing
8 \$1,100,013,618 of bonds of the County of
9 Nassau to finance that expenditure.

10 And 221 is an ordinance to adopt
11 the capital budget for the County of Nassau
12 for the first year of the four year capital
13 plan to commence on January 1st, 2013. May
14 I have a motion, please?

15 LEGISLATOR WALKER: So moved.

16 LEGISLATOR KOPEL: Second.

17 CHAIRMAN NICOLELLO: Moved by
18 Legislator Walker, seconded by Legislator
19 Kopel. This item went to Public Works a few
20 moments ago and I would, again, ask that the
21 minutes of Public Works be incorporated by
22 reference here in this committee. I
23 understand that there's been discussion of a
24 separate day for a hearing before a voting
25 date, so we will have to work all that out.

1 Finance Committee/6-3-13
2 (Whereupon, the following minutes
3 are referenced in the Public Works Committee
4 at page 8, line 17 to page 18, line 17,
5 6-3-13.)

6 LEGISLATOR DENENBERG: I would
7 just repeat then that the minority certainly
8 wants a full hearing on this so that the
9 hearing would have meaning and the hearing
10 would be substantive. It should be on a
11 separate day of the actual vote so that any
12 public comment and any possible amendments
13 are given due consideration.

14 So we would certainly expect the
15 hearing to be on a separate date than the
16 vote. That's number one.

17 Number two, we would also, I had
18 asked Deputy County Executive Rob Walker to
19 consider making the sewer and storm water
20 items which are about \$700 million separate
21 from the county capital plan items which are
22 about \$300 million which is something that's
23 been done in the past, but I think that now,
24 particularly with the exigencies of the
25 sewage treatment plants and the separate

1 Finance Committee/6-3-13
2 request for FEMA funding would inure to the
3 county's benefit. Thank you.

4 CHAIRMAN NICOLELLO: Thank you.
5 I would just also point out we now have the
6 item before us and we will have the item for
7 the next few weeks so our staffs and
8 ourselves will be prepared for the hearing.
9 There's nothing that says we have to wait
10 till the hearing to make proposed changes,
11 let's put it that way.

12 Legislator DeRiggi-Whitton.

13 LEGISLATOR DERIGGI-WHITTON: I
14 also want to have what David said as far as
15 separating out the funds for the sewer, and
16 it is at \$676 million.

17 I have a general request that I
18 talked to the members on the minority in the
19 Finance Committee. I feel that especially
20 when we're talking about Sandy related
21 items, initially the funding comes through
22 finance and we do vote on it, but then we
23 really don't have an opportunity to discuss
24 many of the contracts and things that are
25 related to Sandy. And especially when we

1 Finance Committee/6-3-13
2 are talking about this amount of money, like
3 \$676 million, I would really appreciate the
4 opportunity to have these contracts not only
5 go through Rules but also come through
6 Finance. I think maybe under the exception
7 with the sense that it's so much money that
8 we're dealing with.

9 We have had a few issues so far,
10 that this will be like another set of eyes
11 looking at everything, whether or not we get
12 FEMA reimbursed or not, I just think that it
13 would be a good idea for us to have an
14 opportunity, like, for instance, today there
15 was a contract on truck companies and that's
16 coming out of -- you know, anything that's
17 related to Sandy I would really like to see
18 come before Finance, and, even if it doesn't
19 exactly comply with how we did things in the
20 past, it might avoid some of the issues that
21 we had. So, again, I request that that be
22 made.

23 CHAIRMAN NICOLELLO: I don't
24 think it's simply a matter of putting them
25 before the committees. The charter requires

1 Finance Committee/6-3-13
2 them to go to the Rules Committee, so I
3 think that anything else you do is just
4 building redundancy into the system. The
5 charter says they have to be approved by the
6 Rules Committee, and it goes to Finance and
7 we don't approve something, where does that
8 leave it?

9 LEGISLATOR DENENBERG: Actually,
10 to the chair? Many many contracts,
11 Legislator DeRiggi-Whitton's point is that
12 many contracts, intermunicipal agreements,
13 other contracts are not treated as personal
14 service contracts and go to Rules only.

15 Her suggestion is that when we're
16 talking about multi millions of dollars
17 worth of contracts, to go to Rules only as
18 opposed to the Finance Committee which is
19 the committee that is really supposed to be
20 looking at the financial impact and
21 financial affect, and treating every Sandy
22 related contract as a personal service
23 contract maybe is not -- we're requesting
24 that it not be treated as such and that this
25 committee deal with contracts of that

1 Finance Committee/6-3-13

2 magnitude.

3 CHAIRMAN NICOLELLO: Again, we
4 are following what the charter requires us
5 to do which is pass by referendum by the
6 people of Nassau County. This is the system
7 that exists. If you want to have a proposed
8 change for the charter, by all means, you
9 can start the process of doing that, number
10 one.

11 Number two, this is not a large
12 legislature. There is seven members of the
13 Rules Committee. There's no reason for you
14 to discuss with the Rules Committee members
15 items that are specifically to go to that
16 committee and/or request that the minority
17 leader in this case appoints you in the
18 future to the Rules Committee.

19 LEGISLATOR DERIGGI-WHITTON: I'm
20 going to put my request in writing. I don't
21 see any reason why -- again, it would only
22 be the contracts that are specifically
23 related to FEMA reimbursement such as Sandy
24 and, again, I just think that what's
25 happened in the last couple of months with,

1 Finance Committee/6-3-13

2 I think it's a sixth of what this amount is
3 that deems it necessary. I really think
4 that it would be worth doing whatever we
5 have to do just to do that.

6 And, of course the Rules
7 Committee definitely does a great job on
8 their aspect of it, but the Finance
9 Committee is really, specifically, we are
10 here because we are the ones that are
11 supposed to be the watchdog for our
12 constituents under Finance and we're talking
13 about record numbers. I think that it's
14 really something worth considering before
15 you make your decision today. I'm just
16 asking you to really look into it and think
17 about it and I will serve my request in
18 writing.

19 CHAIRMAN NICOLELLO: Any other
20 comments?

21 (No verbal response.)

22 Is there any public discussion?
23 Legislator Denenberg.

24 LEGISLATOR DENENBERG: I'm sorry.
25 Just on the personal service contract, what

1 Finance Committee/6-3-13
2 would make something a personal service
3 contract is that it would be that it's
4 personal to the county executive or to some
5 department so that it doesn't need to be bid
6 because those contractors are doing
7 something that no one else could do, but
8 requests for -- you know, when you talk
9 about something like Looks Great, the come
10 back is always that that went out to bid and
11 Looks Great was one of four contractors
12 going back to 2009. Just the fact that it
13 could be bid out alone and then you're
14 selecting amongst bidders, sort of
15 undermines the claim that it's simply a
16 personal service contract and certainly
17 there are other contractors capable of doing
18 the work. So that's another reason to
19 request that Finance look at it as well.

20 CHAIRMAN NICOLELLO: Again, it's
21 a charter, it's what the people that
22 actually drafted the charter decided was the
23 more expeditious way to do this. If you
24 have a suggested change to the charter, by
25 all means, make it.

1 Finance Committee/6-3-13

2 LEGISLATOR DENENBERG: No. I'm
3 just suggesting that --

4 CHAIRMAN NICOLELLO: Would you
5 let me finish? Thank you. Secondly, I
6 understand the point you are making with
7 respect to Finance because these items will
8 have financial implications but they will
9 also have other implications, for example, a
10 contract involving the personal -- a
11 personal service contract involves the
12 police department, so does that then go to
13 public safety also? And the contract
14 involving public works.

15 So, again, this is the framework
16 that was set up. This is what we're doing.
17 It's in accordance with the law. If you
18 want to make a change to the charter, then,
19 again, by all means, you have the right to
20 do that.

21 LEGISLATOR DENENBERG: I guess,
22 just to respond, I think you misunderstand.
23 I'm saying a number of these contracts are
24 not really personal service contracts
25 because they're not work that's being

1 Finance Committee/6-3-13
2 performed that's unique to those particular
3 contractors where there are not other
4 contractors that can remove trees. There's
5 not other contractors that can do some of
6 the debris removal or trucks. They're not
7 personal service contracts because it's not
8 a personal service. It's a service that a
9 number of other contractors could do.

10 So I'm not asking to change the
11 charter. I'm asking that these contracts
12 not be considered personal service contracts
13 particularly when you're talking about tens
14 upon tens of millions of dollars. There is
15 plenty of contracts that are not considered
16 personal service contracts that go through
17 other committees, not just Rules.

18 CHAIRMAN NICOLELLO: I'm being
19 told that these contracts by charter have to
20 go to the Rules Committee. You can make
21 whatever arguments you want. Again, if it
22 requires a change in the charter then you
23 can propose a change in the charter. We're
24 arguing in circles here.

25 LEGISLATOR DERIGGI-WHITTON:

1 Finance Committee/6-3-13

2 Rich, we're not asking you to make a
3 decision right now.

4 CHAIRMAN NICOLELLO: But if it's
5 in the charter, I can't make a decision.

6 LEGISLATOR DERIGGI-WHITTON:
7 We'll follow it up with correspondence. We
8 also submitted legislation lately just
9 requesting that things be handled a bit
10 differently. Again, I would love for you to
11 look at that too. I'm sure you got a copy
12 of that. But no decision right now, but we
13 will send you everything.

14 CHAIRMAN NICOLELLO: All right.

15 LEGISLATOR DENENBERG: Chris,
16 since I can hear you, we're not saying that
17 not every contract has to go to Rules, we
18 are saying that contracts can go to
19 committees in addition to Rules, and, in
20 fact, a number of contracts do go to
21 committees in addition to Rules.

22 Personal service contracts are
23 the only contracts that are Rules only. And
24 we're saying that these are really not
25 personal service contracts. Not just

1 Finance Committee/6-3-13
2 because of the magnitude of the money but
3 also because of the service being provided
4 and, in one case, a contractor that's drawn
5 a lot of attention originally came in as a
6 result of an RFP which would never be Rules
7 only.

8 CHAIRMAN NICOLELLO: I don't
9 think I took a motion on this.

10 LEGISLATOR WALKER: So moved.

11 LEGISLATOR KOPEL: Second.

12 CHAIRMAN NICOLELLO: Moved by
13 Legislator Walker, seconded by Legislator
14 Kopel. Do we have any further questions?

15 (No verbal response.)

16 Is there any public comment?

17 (No verbal response.)

18 All those in favor of these items
19 please signify by saying aye.

20 (Aye.)

21 Opposed?

22 LEGISLATOR DENENBERG: Let the
23 record reflect that Legislators
24 DeRiggi-Whitton, and Bosworth voted no, and
25 Legislator Denenberg voted yes.

1 Finance Committee/6-3-13

2 CHAIRMAN NICOLELLO: Carries by a
3 vote of five to two. Items 222, 223, 224,
4 225, 226 of 2013 are all ordinances
5 supplemental to the annual appropriation
6 ordinance in connection with the Department
7 of Probation, Department of Health, Traffic
8 Safety Board and the Police Department.

9 LEGISLATOR WALKER: So moved.

10 LEGISLATOR KOPEL: Second.

11 CHAIRMAN NICOLELLO: Moved by
12 Legislator Walker, seconded by Legislator
13 Kopel. Do we have any questions?

14 (No verbal response.)

15 Is there any public comment?

16 (No verbal response.)

17 All those in favor signify by
18 saying aye.

19 (Aye.)

20 Any opposed?

21 (No verbal response.)

22 Carries unanimously. Item 227 of
23 2013 is a resolution to authorize the
24 transfer of appropriations heretofore made
25 within the budget for the year 2013.

1 Finance Committee/6-3-13

2 LEGISLATOR WALKER: So moved.

3 LEGISLATOR VENDITTO: Second.

4 CHAIRMAN NICOLELLO: Moved by
5 Legislator Walker, seconded by Legislator
6 Venditto. Mr. May, do you have a speaker
7 for this one?

8 MR. MAY: Ms. MaryEllen Lorraine.

9 MS. LORRAINE: MaryEllen
10 Lorraine, Department of Health. This is a
11 transfer in the amount of \$107,130. These
12 are all grant funded items. We are looking
13 just to close out the grant cycle.

14 CHAIRMAN NICOLELLO: Do we have
15 any further questions?

16 (No verbal response.)

17 Is there any public comment?

18 (No verbal response.)

19 Thank you, Ms. Lorraine. All
20 those in favor signify by saying aye.

21 (Aye.)

22 Any opposed?

23 (No verbal response.)

24 Carries unanimously. Item 230 of
25 2013 is a resolution to authorize the county

1 Finance Committee/6-3-13
2 executive to execute a grant agreement
3 between the County of Nassau acting on
4 behalf of the Department of Parks,
5 Recreation and Museum and the Incorporated
6 Village of Sands Point.

7 LEGISLATOR WALKER: So moved.

8 LEGISLATOR VENDITTO: Second.

9 CHAIRMAN NICOLELLO: Moved by
10 Legislator Walker, seconded by Legislator
11 Venditto. Any questions?

12 (No verbal response.)

13 Is there any public comment?

14 (No verbal response.)

15 All those in favor signify by
16 saying aye.

17 (Aye.)

18 Those opposed?

19 (No verbal response.)

20 It carries unanimously. Items
21 231 and 232 of 2013. Item 231 is a
22 resolution to authorize the transfer of
23 appropriations heretofore made within the
24 budget for the year 2013.

25 And Item 232 of 2013 is an

1 Finance Committee/6-3-13
2 ordinance making certain determinations
3 pursuant to the State Environmental Quality
4 Review Act and authorizing the county
5 executive of the County of Nassau to accept
6 on behalf of the County of Nassau an offer
7 of purchase from Felicia Lebow of certain
8 property located in the Incorporated Village
9 of Sea Cliff.

10 LEGISLATOR WALKER: So moved.

11 LEGISLATOR KOPEL: Second.

12 CHAIRMAN NICOLELLO: Moved by
13 Legislator Walker, seconded by Legislator
14 Kopel. This went through planning a few
15 moments ago. Do we have any questions for
16 Mr. Theofan at this time?

17 (No verbal response.)

18 Is there any public comment?

19 (No verbal response.)

20 All those in favor signify by
21 saying aye.

22 (Aye.)

23 Any opposed?

24 (No verbal response.)

25 That item carries unanimously.

1 Finance Committee/6-3-13
2 Item 233 of 2013 is a resolution to
3 authorize the transfer of appropriations
4 heretofore made within the budget for the
5 year 2012.

6 LEGISLATOR WALKER: So moved.

7 LEGISLATOR VENDITTO: Second.

8 CHAIRMAN NICOLELLO: Moved by
9 Legislator Walker, seconded by Legislator
10 Venditto. Do we have a speaker for this
11 item?

12 MR. MAY: Ms. Roseanne D'Alleva
13 from the Office of Management and Budget.

14 MS. D'ALLEVA: Good afternoon.
15 This is a board transfer to move an
16 appropriation from respective funds to
17 segregate it to a line item that will be
18 transferred to the FEMA fund eventually.

19 CHAIRMAN NICOLELLO: The reason I
20 brought you up is just the magnitude of the
21 transfer, it's close to \$10 million?

22 MS. D'ALLEVA: Yes. This is the
23 county's match for the FEMA reimbursement.

24 CHAIRMAN NICOLELLO: And you are
25 putting it into position where it can be

1 Finance Committee/6-3-13

2 used for that purpose?

3 MS. D'ALLEVA: Yes. Absolutely.
4 It's a ten percent match for all the FEMA
5 eligible expenses that we've expended in
6 2012.

7 CHAIRMAN NICOLELLO: Any other
8 questions? Legislator Denenberg.

9 LEGISLATOR DENENBERG: So if this
10 is about \$10 million, are you -- are we
11 assuming that we are going to get 90 percent
12 reimbursement or this under the 75 percent
13 reimbursement?

14 MS. D'ALLEVA: This is reflecting
15 that we are getting the 90 percent
16 reimbursement as declared by President Obama
17 on May 23.

18 LEGISLATOR DENENBERG: So we
19 spent about \$100 million in 2012 on FEMA
20 reimbursable, Sandy related expenses?

21 MS. D'ALLEVA: To our accounting,
22 we've actually expended about \$117 million
23 and this only encompasses -- we already have
24 the appropriation in the correction position
25 for the sewer and storm water fund. There

1 Finance Committee/6-3-13
2 is an additional \$2 million that's set aside
3 for that match.

4 LEGISLATOR DENENBERG: So this is
5 for non sewer and storm water related Sandy
6 work?

7 MS. D'ALLEVA: That's correct.

8 LEGISLATOR DENENBERG: So where
9 is the almost \$10 million coming from?

10 MS. D'ALLEVA: Well, as you can
11 see here, most of it -- all of it is
12 actually coming from the fringe surplus that
13 we had in 2012.

14 LEGISLATOR DENENBERG: The fringe
15 surplus?

16 MS. D'ALLEVA: Yes, in the
17 respective funds.

18 LEGISLATOR DENENBERG: Thank you.

19 CHAIRMAN NICOLELLO: Legislator
20 DeRiggi-Whitton.

21 LEGISLATOR DERIGGI-WHITTON: So
22 far how much have we been reimbursed?

23 MS. D'ALLEVA: Approximately 38,
24 \$39 million in total.

25 LEGISLATOR DERIGGI-WHITTON: What

1 Finance Committee/6-3-13
2 percentage is that for, like, reimbursement,
3 is that 75 percent or 90 percent?

4 MS. D'ALLEVA: Well, originally
5 they basically gave us reimbursement
6 predicated on the 75, 25 split. But they
7 actually updated all our project worksheets
8 to a 90 percent reimbursement but we haven't
9 received any cash in the door, so to speak,
10 for the county but we have received the \$38
11 million.

12 LEGISLATOR DERIGGI-WHITTON: So
13 the \$38 million is based on 75 percent to
14 date?

15 MS. D'ALLEVA: Regardless of the
16 reimbursement, the cash in the door was \$38
17 million out of 117 we've spent. So that's
18 about roughly 30 percent, 28 percent,
19 something in that range.

20 LEGISLATOR DERIGGI-WHITTON: What
21 we have been reimbursed is based on a
22 certain amount, correct?

23 MS. D'ALLEVA: It will change.
24 It will work -- it's to 90 percent.

25 LEGISLATOR DERIGGI-WHITTON:

1 Finance Committee/6-3-13

2 Let's step back a little bit. How much have
3 we requested in reimbursement to date from
4 FEMA?

5 MS. D'ALLEVA: We have had \$117
6 million worth of expenditures and we are
7 requesting 90 percent reimbursement because
8 it's mandated by law.

9 LEGISLATOR DERIGGI-WHITTON: How
10 much has actually been submitted to FEMA?

11 MS. D'ALLEVA: We've submitted
12 approximately \$95 million of project
13 worksheets.

14 LEGISLATOR DERIGGI-WHITTON: Now,
15 when we were reimbursed, it was \$32 million
16 so far?

17 MS. D'ALLEVA: We have been
18 reimbursed cash. The county has basically
19 seen \$38 million worth of cash.

20 LEGISLATOR DERIGGI-WHITTON: And
21 that's out of -- what is the ratio to get
22 that \$30 million? They give you an
23 explanation of benefits basically.

24 MS. D'ALLEVA: The explanation of
25 benefits is 90/10. We will receive 90/10.

1 Finance Committee/6-3-13

2 LEGISLATOR DERIGGI-WHITTON: But
3 the 38 million -- it's just not adding up
4 yet. The 38 million is based on what exact
5 amount that we submitted?

6 MS. D'ALLEVA: The 38 million,
7 per se, was in direct relationship to debris
8 removal and I believe that PD/PW --

9 LEGISLATOR DERIGGI-WHITTON: How
10 much did we submit to get \$38 million back?

11 MS. D'ALLEVA: We spent
12 approximately \$48 million plus another 15 I
13 believe.

14 LEGISLATOR DERIGGI-WHITTON: So
15 you're talking about roughly like 53 million
16 and we've gotten \$38 million back?

17 MS. D'ALLEVA: Something like
18 that, yes.

19 LEGISLATOR DERIGGI-WHITTON:
20 That's not 90 percent yet.

21 MS. D'ALLEVA: We will get to --

22 LEGISLATOR DERIGGI-WHITTON: With
23 all due respect to President Obama, so far
24 we're getting about 75 percent back on our
25 submission.

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2 MS. D'ALLEVA: Just for an
3 example, for Hurricane Irene, it took us
4 about 19 to 20 months to actually get fully
5 reimbursed for Hurricane Irene. We actually
6 saw the last check for that reimbursement
7 process which we were reimbursed 100
8 percent. The last check came to the county
9 probably sometime in January or February of
10 this year.

11 LEGISLATOR DERIGGI-WHITTON: So
12 we are going to probably assume that we
13 won't have full reimbursement by the close
14 of this year then, is that what you're
15 saying?

16 MS. D'ALLEVA: I'm projecting
17 that we will because this storm has been
18 fast tracked and we have been guaranteed
19 that we should be.

20 LEGISLATOR DERIGGI-WHITTON:
21 Well, if it's fast tracked, then it's what,
22 seven months now, and --

23 MS. D'ALLEVA: Out of 117, we
24 have received \$38 million.

25 LEGISLATOR DERIGGI-WHITTON:

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2 Which is less than 30 percent so far. All
3 I'm saying is, I'm thinking -- I see you're
4 doing the \$9 million right now, but I don't
5 know if that's going to be anywhere close to
6 what we need to close this gap because this
7 is not money that's bonded. This is money
8 that's in the general fund that we're using
9 for Sandy right now.

10 MS. D'ALLEVA: Well, this is to
11 fund the appropriation because this is a
12 need for the cafffa (phonetic) so DeLoit
13 (phonetic) has requested that we actually
14 reserve the appropriation so that we have --

15 LEGISLATOR DERIGGI-WHITTON: But
16 my point is, so far, right now, to date
17 we're talking about, we've seen about 30
18 percent reimbursement on our expenditures?

19 MS. D'ALLEVA: I would say that,
20 cash in the door.

21 CHAIRMAN NICOLELLO: Any other
22 questions? Legislator Denenberg.

23 LEGISLATOR DENENBERG: Just on
24 follow-up. When the money -- right now we
25 got \$38 million according to your testimony

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2 from FEMA reimbursement, correct?

3 MS. D'ALLEVA: \$38 million in
4 cash, yes.

5 LEGISLATOR DENENBERG: Where do
6 we apply the money that we get? It was my
7 assumption that hopefully when the
8 government says we are up to 90 percent,
9 we'll get 90 percent back. It sounds like
10 we are far beyond right now but you're going
11 to tell me that there's no reason not to
12 expect that the money will come and, if
13 there's an order, that it's 90 percent, it
14 should be 90 percent.

15 MS. D'ALLEVA: Right.

16 LEGISLATOR DENENBERG: But my
17 question is a little different than
18 Legislator DeRiggi-Whitton's who was
19 questioning the accounting on it in terms of
20 whether we are getting the money, when we're
21 getting it.

22 When we do get the money though,
23 the 38 million, where does it go? I always
24 felt we would retire debt when we authorize
25 bonding to do this FEMA work that we retire

1 Finance Committee/6-3-13

2 the debt.

3 MS. D'ALLEVA: We actually have
4 spent out the door \$90 million. So
5 currently we've liquidated about \$90 million
6 worth of expenditures. So as the cash comes
7 in, and we've segregated everything in the
8 FEMA fund, so when the cash comes in, we
9 basically reconcile the accounts there.

10 LEGISLATOR DENENBERG: We've
11 authorized over 200 at this point but you're
12 saying right now \$90 million of the 200 has
13 been spent?

14 MS. D'ALLEVA: We anticipate by
15 all accountings that \$117 million worth of
16 all expenditures are for 2012. In terms of
17 outstanding encumbrances that we actually --
18 you know, bills are at the comptroller's
19 office, they haven't been paid, so on and so
20 forth, they are in the process of getting
21 paid. So far what's been spent out the door
22 is \$90 million.

23 LEGISLATOR DENENBERG: That out
24 the door money, is that cash? Was that from
25 our cash accounts or was that from our

1 Finance Committee/6-3-13

2 bonded money? Because we approved bonding.

3 MS. D'ALLEVA: Yes, you approved

4 a little bit of transitional financing of

5 that \$20 million, yes.

6 CHAIRMAN NICOLELLO: Did you want

7 to clarify, Mr. Sullivan?

8 MR. SULLIVAN: The expenses we're

9 talking about here are 100 percent

10 operational dollars. There are no capital

11 dollars involved.

12 LEGISLATOR DENENBERG: Okay. So

13 this was money that we had to spend before

14 we even got to bond anything?

15 MR. SULLIVAN: Correct. The

16 bonding was done in February and that was

17 related to the sewer. That's not the number

18 we're talking about here.

19 LEGISLATOR DENENBERG: That's

20 what I thought because it's 2012. So this

21 was out of our cash account?

22 MR. SULLIVAN: That's correct.

23 LEGISLATOR DENENBERG: So it's

24 going to replenish our 2012 cash accounts,

25 the \$38 million that we got?

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2 MR. SULLIVAN: Obviously it's
3 cash out the door and then when money comes
4 in it's cash back in the door, it's a
5 receivable.

6 LEGISLATOR DENENBERG: And it
7 would be applied to 2012, correct?

8 MR. SULLIVAN: You don't apply it
9 to cash. You apply it, budget
10 appropriations. On a cash basis, the cash
11 is the cash, it sits in your account, no
12 matter the timing.

13 LEGISLATOR DENENBERG: So when we
14 get that cash, we don't vote on how it's
15 appropriated because it goes right into --

16 MR. SULLIVAN: No. You vote on
17 all the proceedings. That's what you did
18 when you did the \$213 million, you voted on
19 that. That's the appropriation.

20 LEGISLATOR DENENBERG: No. The
21 38 that we received. The 38 --

22 MR. SULLIVAN: That's part of the
23 reimbursement on the 90 percent.

24 LEGISLATOR DENENBERG: But we
25 don't vote on where that 38 million is

1 Finance Committee/6-3-13

2 allocated.

3 MR. SULLIVAN: You vote on the
4 appropriation as the expense -- you vote on
5 the expense appropriation which determines
6 where it's spent.

7 LEGISLATOR DENENBERG: So, right
8 now, the 38 million that we have right now
9 is based --

10 MS. D'ALLEVA: It's like any
11 grant receivable.

12 LEGISLATOR DENENBERG: So, right
13 now, has anything we submitted been turned
14 down by FEMA?

15 MR. SULLIVAN: Not to my
16 knowledge, nothing.

17 LEGISLATOR DENENBERG: So right
18 now they've only paid \$38 million on a 75
19 percent basis so that would have been on,
20 like, 50 --

21 MR. SULLIVAN: The basis is 90
22 percent, as Ms. D'Alleva stated, based on
23 the presidential declaration May 23rd.

24 LEGISLATOR DENENBERG: So now
25 they have to reconsider that first 38

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2 million and give us more?

3 MR. SULLIVAN: It's mandated. I
4 mean, that's the law that they passed. He
5 signed it into law and they have been paying
6 off that.

7 LEGISLATOR DENENBERG: Legislator
8 DeRiggi asked this and I didn't really hear
9 the answer. Right now, how much has been
10 submitted to FEMA?

11 MR. SULLIVAN: We are in the
12 process of submitting \$117 million. \$91
13 million has already been obligated where
14 FEMA has agreed to reimburse us \$91 million
15 and cash in the door is \$38 million.

16 LEGISLATOR DENENBERG: Thank you.

17 CHAIRMAN NICOLELLO: Mr.
18 Sullivan, the questions with respect to how
19 much the difference between what's been
20 submitted and what's been paid at this
21 point, you can't really --

22 MR. SULLIVAN: It's simple
23 timing.

24 CHAIRMAN NICOLELLO: But you
25 can't take a snapshot of any one particular

1 Finance Committee/6-3-13

2 time, it's --

3 MR. SULLIVAN: No. I mean, by
4 definition, if it's \$117 million, we're
5 going to get everything back except for
6 \$11.7 million. And my anticipation will be
7 that New York State may step in and pick up
8 a portion, if not all of that \$11.7 million.

9 CHAIRMAN NICOLELLO: And once the
10 process has reached its final stages --

11 MR. SULLIVAN: That's correct.
12 And as Ms. D'Alleva stated, Irene took 19
13 months. It's a long process and this is
14 bigger dollars.

15 CHAIRMAN NICOLELLO: At that
16 point we will have 90 percent federal
17 reimbursement?

18 MR. SULLIVAN: Yes. Definitely
19 90 percent.

20 LEGISLATOR DERIGGI-WHITTON: Can
21 I just ask one follow-up?

22 CHAIRMAN NICOLELLO: Legislator
23 DeRiggi Whitton.

24 LEGISLATOR DERIGGI-WHITTON:
25 Would it be possible to get a copy of what

1 Finance Committee/6-3-13

2 you receive from FEMA, like their
3 explanation and everything to date?

4 MR. SULLIVAN: Yes, it's on the
5 website. We'll send you a copy.

6 LEGISLATOR DERIGGI-WHITTON: And,
7 again, my main concern is, I know timing and
8 I know it might take a while, but I just
9 want to make sure we are allocating enough
10 to get through this year because otherwise
11 we are going to be stuck with a pretty big
12 gap.

13 MS. D'ALLEVA: Right. And,
14 actually, it's all available in the FEMA
15 fund. You can actually see the actual
16 receivables in the FEMA fund.

17 LEGISLATOR DERIGGI-WHITTON: Yes.
18 I would like to see that for all of us. I
19 would like to see what their response is how
20 they're paying these claims.

21 MS. D'ALLEVA: I would be more
22 than happy to get that for you.

23 LEGISLATOR DERIGGI-WHITTON:
24 Thank you. And, David, I think we all would
25 like that. Thanks very much.

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2 CHAIRMAN NICOLELLO: All right.

3 Any other questions?

4 (No verbal response.)

5 Thank you, Roseanne. Is there
6 any public comment?

7 (No verbal response.)

8 All those in favor signify by
9 saying aye.

10 (Aye.)

11 Any opposed?

12 (No verbal response.)

13 The item carries unanimously.
14 Motion to suspend the rules.

15 LEGISLATOR WALKER: So moved.

16 LEGISLATOR KOPEL: Second.

17 CHAIRMAN NICOLELLO: Moved by
18 Legislator Walker, seconded by Legislator
19 Kopel. All those in favor of suspending the
20 rules signify by saying aye.

21 (Aye.)

22 Any opposed?

23 (No verbal response.)

24 The rules are suspended. Items
25 234 and 235, first two items in the

1 Finance Committee/6-3-13
2 addendum. A bond ordinance making certain
3 determinations pursuant to the State
4 Environmental Quality Review Act providing
5 for a capital expenditure to finance the
6 payment of certain judgments, compromise or
7 settle claims resulting from court orders on
8 proceedings brought pursuant to Article 7 of
9 the Real Property Tax Law and the County of
10 Nassau and authorizing bonds of the County
11 of Nassau to finance that expenditure and
12 not to exceed \$78 million.

13 I'm going to call the first item
14 and call the second item later. For the
15 moment, 234 is before the committee.

16 LEGISLATOR WALKER: So moved.

17 LEGISLATOR VENDITTO: Second.

18 CHAIRMAN NICOLELLO: Moved by
19 Legislator Walker, seconded by Legislator
20 Venditto. Mr. May.

21 MR. MAY: We have Chief Deputy
22 County Executive Rob Walker will answer any
23 questions on this item.

24 MR. WALKER: Mr. May, do the
25 legislators have these books?

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2 Let me thank you first obviously
3 for allowing for a new construction of a
4 temporary wall at the legislative building
5 but, just going -- I will be talking
6 briefly, and, obviously, thank the
7 legislature, this has been a long process
8 dealing with tax certioraris. At the last
9 meeting of the legislative body, I believe
10 both Legislator Wink and Legislator
11 Denenberg did ask some very important
12 questions and, obviously, the first thing we
13 want to do is make sure that all the
14 questions are answered and you have all the
15 documents that you, in fact, have requested.

16 Behind me are all those documents
17 related to tax certs. Roughly, right now,
18 we have the two items before you, the one we
19 are talking about right now, and the second
20 total about \$183 million, roughly 16,000
21 residents of Nassau County, residents of
22 every legislative district totaling about
23 \$16 million, 16, \$17 million have been owed
24 their property refunds.

25 Understanding that this is a time

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2 to get those people the money to keep the
3 economy going, especially in light of the
4 post-Sandy Nassau, we look forward to
5 working with the legislative body in a
6 bipartisan fashion to see to it that the
7 residents can get the dollars that they so
8 rightfully deserve.

9 Commercial businesses -- and you
10 are getting a book going around. I do want
11 to apologize as well for the lateness of
12 Friday in terms of getting the information
13 to all the legislators, but we know that the
14 final -- or the Full Legislature does not
15 meet until the 24th which over the next
16 three weeks we, again, look forward to
17 working with everyone to move the process
18 forward.

19 Commercial businesses, obviously
20 many of them are at the point where they are
21 risking closing due to the lack of ability
22 for payment and those property owners are
23 crying. I'm sure every one of you receive a
24 tremendous amount of phone calls asking
25 where those dollars have been.

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2 In the past, roughly \$101 million
3 per year has been bonded for the payment of
4 tax certs and we look forward to moving the
5 process forward.

6 You are about to be getting three
7 books which detail, which should be
8 providing all the backup to each individual
9 item. These files behind me, obviously we
10 want to make item available to all the
11 members, to work with both the assessor, to
12 work with the county attorney, and the
13 assessment review commission to, in fact, go
14 through any specific items that you may
15 have, any questions that you may have
16 related to each individual item, again, over
17 the course of the next three weeks that we
18 can see to it that the residents get the
19 money that they so desperately need and,
20 more importantly, are entitled to. With
21 that, I will take any questions.

22 CHAIRMAN NICOLELLO: Mr. Walker,
23 Item 234, related to the -- calling for the
24 bonding of up to \$78 million, this item in
25 particular relates to the residential

1 Finance Committee/6-3-13

2 refunds?

3 MR. WALKER: Yes. It's 16,220
4 residential residents of Nassau County.

5 CHAIRMAN NICOLELLO: For how long
6 have we owed residents these refunds?

7 MR. WALKER: Anywhere between one
8 and a half to two years. Depending on I
9 think there is 2011-2012 -- or '10 and '11,
10 but, as you know, over the last two years we
11 have been very successful with the
12 residential settlement program. We have had
13 no new residential refunds. These are the
14 prior two years.

15 CHAIRMAN NICOLELLO: So these are
16 monies that these residents laid out in
17 their taxes and it was determined that the
18 assessment was incorrect and they are
19 entitled to these monies?

20 MR. WALKER: Correct.

21 CHAIRMAN NICOLELLO: Does
22 interest accrue while we wait?

23 MR. WALKER: Unfortunately, yes,
24 at a high rate. It's a great savings
25 account if you are owed money, if any of you

1 Finance Committee/6-3-13

2 are, except we haven't paid.

3 CHAIRMAN NICOLELLO: Do you know
4 what the interest is?

5 MR. WALKER: Anywhere between 9
6 and 12 percent.

7 CHAIRMAN NICOLELLO: Aside from
8 the hardship on these residents, and, of
9 course, many of whom have been affected by
10 Sandy, not all of them, of course, it's the
11 entire county, but many of whom are
12 undergoing hardships and could use this
13 money, there is a financial implication for
14 the county as this continues to sit and not
15 get paid?

16 MR. WALKER: Yes.

17 CHAIRMAN NICOLELLO: And we're
18 paying 9 to 12 percent interest on this.

19 Now, aside from the residential
20 items, the rest of the items, the refunds
21 that are due in this, are they commercial
22 judgments?

23 MR. WALKER: They are commercial
24 court orders, for lack of a better word,
25 judgments. We have been in court and, in

1 Finance Committee/6-3-13

2 fact, have been now obligated to pay. It's
3 roughly about 827 of them, I believe.

4 CHAIRMAN NICOLELLO: So these are
5 not settlements, there is no discretion on
6 our part?

7 MR. WALKER: There is no
8 settlement in any of these two packages,
9 specifically the one before us now.

10 CHAIRMAN NICOLELLO: So there is
11 no discretion on our part, we have to pay
12 these refunds?

13 MR. WALKER: Correct.

14 CHAIRMAN NICOLELLO: With respect
15 to the commercial, are they also accruing
16 interest?

17 MR. WALKER: Yes.

18 CHAIRMAN NICOLELLO: What is the
19 interest rate?

20 MR. WALKER: Same.

21 CHAIRMAN NICOLELLO: 9 to 12
22 percent?

23 MR. WALKER: Depending where they
24 are in the process.

25 CHAIRMAN NICOLELLO: These

1 Finance Committee/6-3-13
2 commercial judgments, do they represent
3 refunds for years dating back some time?

4 MR. WALKER: Some of them as far
5 back as 1999, 2000, 2001, '02. Several of
6 them have gone back years upon years. You
7 will find that in this document,
8 unfortunately it's -- we tried to make it as
9 easy as possible to read, but you can see
10 the years going back, some of them six
11 years, seven years, eight years, nine years,
12 and, in fact, which is important, when you
13 try to settle cases now, very difficult
14 because they don't want to settle existing
15 years without getting paid for the previous
16 years which only does make sense.

17 CHAIRMAN NICOLELLO: Just to sum
18 up, to make sure this point is understood,
19 these are monies that we owe that we have no
20 discretion over, they are court ordered
21 judgments, they have to be paid at some
22 point, and, while we sit and not resolve
23 this the county, the county taxpayers are
24 paying 9 to 12 percent interest?

25 MR. WALKER: It's only costing us

1 Finance Committee/6-3-13

2 more money.

3 CHAIRMAN NICOLELLO: Right. Any
4 questions?

5 LEGISLATOR DERIGGI-WHITTON: Can
6 I just ask a quick question? We just got
7 this book --

8 CHAIRMAN NICOLELLO: Hold on a
9 minute. Is borrowing consistent with NIFA?

10 MR. WALKER: Yes, it actually
11 complies with the NIFA approved financial
12 plan for tax certs so it was approved
13 previously.

14 CHAIRMAN NICOLELLO: Legislator
15 DeRiggi-Whitton.

16 LEGISLATOR DERIGGI-WHITTON: So
17 234-13 is residential?

18 CHAIRMAN NICOLELLO: Residential
19 and commercial.

20 MR. WALKER: And commercial court
21 orders.

22 LEGISLATOR DERIGGI-WHITTON:
23 Because before you just said it was
24 residential.

25 MR. WALKER: No. Residential as

1 Finance Committee/6-3-13

2 well.

3 LEGISLATOR DERIGGI-WHITTON: But
4 it's also commercial? Because I just got
5 the book right now. But the first page I
6 opened up to was Home Depot and -- this is
7 not primarily, or only residential, the way
8 it was introduced?

9 MR. WALKER: No. We never said
10 it was that. That was not said. I said it
11 was residential and court ordered
12 commercial.

13 LEGISLATOR DERIGGI-WHITTON: When
14 you just mentioned 234-13 you said these are
15 for residential. It was in discussion. I
16 just heard that.

17 MR. WALKER: You obviously didn't
18 hear the rest.

19 LEGISLATOR DERIGGI-WHITTON: So
20 it's not just residential. This is a mix,
21 the 78 million?

22 MR. WALKER: I will say it again,
23 yes.

24 CHAIRMAN NICOLELLO: It's a mix,
25 but they're all -- they are all judgments

1 Finance Committee/6-3-13
2 and there's no discretion here. We have to
3 pay these at some point.

4 LEGISLATOR DERIGGI-WHITTON: I'm
5 not even going to touch on that right now.
6 I just wanted to clarify that point.

7 CHAIRMAN NICOLELLO: Any others?
8 Legislator Denenberg.

9 MR. WALKER: Those were emailed
10 to you on Friday, you should have received
11 them Friday.

12 LEGISLATOR DENENBERG: Okay. I
13 just got these three books now. I didn't
14 get an email.

15 LEGISLATOR DERIGGI-WHITTON: I
16 didn't get an email.

17 MR. WALKER: It's was emailed on
18 Friday.

19 LEGISLATOR DENENBERG: Is this
20 the backup for just the \$78 million request
21 or for the \$105 million request as well?

22 MR. WALKER: They're two of the
23 items. That's why you look at the 235-13
24 and 234-13.

25 LEGISLATOR DENENBERG: So it's

1 Finance Committee/6-3-13

2 \$183 million?

3 MR. WALKER: Here is the total
4 for 234 and here it is for 235. The total,
5 one is 78 and one is 105.

6 LEGISLATOR DENENBERG: In the
7 weekend when I didn't have the e-mail and in
8 the few minutes here, I haven't had a chance
9 to go through this entirely. I have been
10 trying to go through it while I'm sitting
11 here but, before I go through it, I have
12 heard conflicting statements. I just want
13 to be sure that I'm right.

14 The \$78 million request, how much
15 of that is residential and how much of that
16 is commercial?

17 MR. WALKER: It's \$16 million for
18 residential, 16 and change, and roughly
19 about 61 and change for the commercial.

20 LEGISLATOR DENENBERG: So it's
21 \$61 million for residential and --

22 MR. WALKER: No. 16 and change
23 for residential, and \$61 million for
24 commercial.

25 LEGISLATOR DENENBERG: Now, of

1 Finance Committee/6-3-13
2 The 16 million for residential, that's all
3 orders or are those all settlements?

4 MR. WALKER: Those are all SCAR
5 settlements, I believe. ARC determinations.

6 LEGISLATOR DENENBERG: The 61
7 million, is that settlements or orders?

8 MR. WALKER: Those are court
9 orders. No settlements.

10 LEGISLATOR DENENBERG: Just a
11 question then. \$75 million was put in the
12 budget to Pay As You Go. We transferred
13 that out last week.

14 MR. WALKER: No. \$75 million was
15 put into the budget and we were going to
16 receive the funding via bonding. There was
17 never any bonding. There was not cash in
18 that \$75 million. I know Deputy County
19 Executive Sullivan has said that repeatedly
20 to you. There was no cash put it. It was
21 75 million appropriation that was going to
22 be bonded. It was not bonded so the dollars
23 did not get received.

24 LEGISLATOR DENENBERG: Well, it
25 seems to me that we just made a huge

1 Finance Committee/6-3-13
2 transfer last week and there was sales tax
3 revenue weigh in over. So if we wanted to
4 pay \$16 million Pay As You Go for SCAR and
5 keep \$75 million Pay As You Go or even go
6 back to 2010, 09, 08, \$50 million Pay As You
7 Go, the residential would have been fine.

8 But, as I look through all of
9 this, I'm going to ask, where are the court
10 orders?

11 MR. WALKER: The court orders are
12 part of 234-13. You have all the backup of
13 this.

14 LEGISLATOR DENENBERG: I don't
15 see a single court order in this.

16 MR. WALKER: If you want to see
17 the additional backup, we have every file
18 behind me. Any files you want to go
19 through, you have three weeks to go through
20 it.

21 LEGISLATOR DENENBERG: Aside from
22 the theater behind you -- let me. Aside
23 from the theater, all I'm asking is what
24 prior administrations always gave to us.

25 The three things that I've always

1 Finance Committee/6-3-13
2 asked for and I've never voted yes on a tax
3 cert settlement without three things.

4 MR. WALKER: Those are
5 settlements.

6 LEGISLATOR DENENBERG: Or an
7 order. I have never voted on a settlement
8 without seeing the settlement and without
9 seeing the confidential appraisal to make
10 sure that we are not giving taxpayer money
11 beyond what the appraiser said the value
12 should be. That's number one, and I don't
13 see those.

14 Number two -- let me finish. I
15 never vote without seeing the settlement
16 and, for the life of me, I don't why we
17 would enter into a settlement that would
18 allow us to keep paying interest. That's
19 just ridiculous.

20 MR. WALKER: Those aren't
21 settlements. As I said, again, those are
22 court orders.

23 LEGISLATOR DENENBERG: So then
24 how much of this is representing
25 settlements?

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2 MR. WALKER: None.

3 LEGISLATOR DENENBERG: So what
4 about the 105?

5 MR. WALKER: None.

6 LEGISLATOR DENENBERG: Those are
7 court orders too?

8 MR. WALKER: Either ARC
9 determinations or court determinations.

10 LEGISLATOR DENENBERG: Well, it
11 seems to me you have one sheet order or one
12 sheet determination should it come to us
13 without us having to look through what I
14 count to be five or 600 boxes.

15 MR. WALKER: It's actually 767.

16 LEGISLATOR DENENBERG: I was
17 pretty good considering I was doing it by
18 eye.

19 MR. WALKER: That's good. But to
20 ask me to go through 700 boxes instead of
21 giving me the appraisal forms that we've
22 always gotten, the court order and/or the
23 settlement agreement is ridiculous. It just
24 is.

25 MR. WALKER: I would ask you to

1 Finance Committee/6-3-13
2 go through the documents that were provided
3 to you. If there is something that you
4 still do not have, please let us know.

5 LEGISLATOR DENENBERG: But, you
6 know what, the resolution itself belies what
7 was just said to us. The resolution itself
8 says it's \$78 million consisting of the
9 total amount for judgments, compromised or
10 settled claims, it doesn't even say SCAR
11 proceedings, but I assume that could be a
12 compromised or settled claims. So to say
13 that none of this is settlements, I don't
14 even think the resolution is correct.

15 Let me just say this, to come
16 before us for a staggering \$183 million,
17 \$183 million of taxpayer money, saying that
18 homeowners would be waiting for their tax
19 certs unless we bond, when the homeowners
20 total \$16 million and should have been paid
21 out of operating expenses, and this list, I
22 still haven't found any homeowners in the
23 list, but I know Legislator DeRiggi-Whitton
24 is making the same point.

25 But, to come before us with

1 Finance Committee/6-3-13
2 backup that we just got right now and a
3 theater of asking legislators to go through
4 700 some odd boxes when you should just give
5 us the orders, the settlements, and the
6 actual appraised values to make sure that we
7 are -- that we are not giving away taxpayer
8 money, to me, seems ridiculous.

9 To me, I still not do understand
10 why not one cent as Pay As You Go was kept
11 in the budget so we can simply at least pay
12 a portion of this Pay As You Go.

13 You know what, if the presiding
14 officer and the majority are okay with this
15 level of borrowing that my grandchildren
16 will still be having to pay off, maybe
17 that's okay, but it's a real concern to us.

18 MR. WALKER: They already pay off
19 yours, \$101 million per year. So let's not
20 play games.

21 LEGISLATOR DENENBERG: Rob, there
22 was \$50 million a year Pay As You Go for
23 five straight years.

24 MR. WALKER: The last thing I
25 want to do is get in an argument because

1 Finance Committee/6-3-13
2 that's what this should not be about. We
3 have three weeks that we should all be
4 working together so we can get the people
5 their money.

6 This should not be about arguing
7 back and forth. Bottom line is, we live in
8 a very different world, and obviously you
9 went through the whole FEMA fund and dollars
10 and cents that's being paid for with Sandy.
11 If you want to look at the budget and make
12 additional cuts to the budget so that you
13 can make sure that we get paid as Pay Go,
14 there is \$18 million that was put into the
15 budget this year.

16 I personally believe it's better
17 off to bond at the interest rates that we
18 are getting now which are the lowest
19 interest rates possible, to bond, to get
20 these things off the backs of the taxpayer
21 because now we will not be continuing to
22 draw interest. Get people their money back
23 so they can put money into the economy and,
24 more importantly, make sure that we have the
25 dollars and cents in our budget to pay Sandy

1 Finance Committee/6-3-13
2 claims that are continually coming in that
3 we are not only getting reimbursed 90
4 percent, so there's still ten percent that
5 have to be paid for. You have -- do you
6 have a question? Ask me a question.

7 LEGISLATOR DENENBERG: I'm
8 thinking who pays off the bonds, if that's
9 not putting it on the backs of the
10 taxpayers, then who else --

11 MR. WALKER: Because they are
12 paying it now on their backs by -- the
13 interest rates decline, and the --

14 LEGISLATOR DENENBERG: I don't
15 know that because I don't have a settlement
16 agreement in all this backup, not one
17 settlement agreement.

18 CHAIRMAN NICOLELLO: There are no
19 settlements. There are no settlements.
20 There are no settlements.

21 LEGISLATOR DENENBERG: And not
22 one order. They said there was settlements.

23 MR. WALKER: No. I said there
24 were no settlements. I keep saying it and
25 you don't listen.

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2 LEGISLATOR DENENBERG: The
3 resolution says there's settlements.

4 MR. WALKER: Right. That's the
5 resolution. It's done every single time the
6 same way and I will check to see if --

7 LEGISLATOR DENENBERG: Judgments
8 comprised or settled claims. Sorry for
9 reading the backup.

10 CHAIRMAN NICOLELLO: In any
11 event, what the Deputy County Executive is
12 representing to you is that you have these
13 commercial orders, judgments against the
14 county, you have the residential, which are
15 SCAR settlements, which have the effect of
16 an order which have to be paid, and you have
17 these ARC related judgments, again, that
18 have to be paid.

19 We are not talking about
20 settlements here.

21 MR. WALKER: Absolutely not.

22 CHAIRMAN NICOLELLO: So you can
23 look at appraisals until you are blue in the
24 face, it's not going to affect it one bit.
25 We are required by law to pay these refunds

1 Finance Committee/6-3-13

2 in the amounts that are set forth.

3 The only thing that's changing
4 here is that every day that goes by, while
5 this continues, the interest continues to
6 accumulate. So that interest is added on to
7 your grandchildren, as well as the \$1
8 billion in borrowing for refunds that took
9 place over ten years.

10 LEGISLATOR DENENBERG: You just
11 made a statement that you don't have a
12 single order or settlement --

13 CHAIRMAN NICOLELLO: So it's a
14 little too late to start worrying about your
15 grandchildren. I think you are worrying
16 about your great grandchildren at this
17 point. After borrowing a billion dollars
18 over ten years, it's a little bit too late.

19 LEGISLATOR DENENBERG: A billion
20 dollars over ten years?

21 CHAIRMAN NICOLELLO: That's
22 right. \$100 million a year.

23 LEGISLATOR DENENBERG: Most of
24 which when Suozzi came in it was a \$650
25 million backlog from Gulotta. This

1 Finance Committee/6-3-13
2 administration came in with \$125 million
3 backlog. Now it's up to 400 and I'm simply
4 saying, let's at least continue the 50
5 million Pay As You Go and don't ever ask me
6 to vote yes on a settlement without showing
7 me the settlement agreement, or yes on a
8 judgement without showing me the judgement.
9 You just --

10 CHAIRMAN NICOLELLO: You voted on
11 them in the past.

12 LEGISLATOR DENENBERG: You just
13 made statements on judgements without even
14 having them. Because in the past I got the
15 three things I asked for, the order, the
16 settlement agreement, and the appraisal
17 sheet that showed me why we're paying that
18 amount of money. Those are the three things
19 I have asked for and now I'm told to go find
20 them in 700 boxes.

21 CHAIRMAN NICOLELLO: You
22 consistently authorized settlements without
23 any of those documents.

24 LEGISLATOR DENENBERG: Not true.
25 I always ask for those documents.

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2 CHAIRMAN NICOLELLO: Let me
3 finish. Maybe you'll understand something.

4 LEGISLATOR DENENBERG: I
5 understand you are trying to make something
6 up, that's what I understand.

7 CHAIRMAN NICOLELLO: You
8 consistently voted for over all those years
9 settlements without a scrap of paper because
10 you authorized the borrowing. We only got
11 settlements over \$100,000. So every one of
12 those settlements under a \$100,000 you
13 approved without a piece of paper.

14 LEGISLATOR DENENBERG: You know,
15 you're here 18 to 20 years and you don't
16 remember --

17 CHAIRMAN NICOLELLO: I guess
18 you're moving on from that point.

19 LEGISLATOR DENENBERG: I'm not
20 moving off. Every single time a tax
21 settlement or order or judgement came to us
22 before the county executive asked for
23 borrowing, we had settlements we had to
24 approve that always showed an appraisal
25 sheet, and I always asked questions on it to

1 Finance Committee/6-3-13
2 make sure we weren't giving more -- you're
3 telling me these are under \$100,000? You're
4 telling me these are under \$100,000.

5 MR. WALKER: Yes, they're under
6 \$100,000.

7 LEGISLATOR DENENBERG: Some of
8 them are. We're giving over \$10 million to
9 one person, I don't even see that here.

10 CHAIRMAN NICOLELLO: All right.
11 Then if we can segregate out the ones over
12 \$100,000 then you'll vote for it, because
13 you've done that in the past?

14 LEGISLATOR DENENBERG: Why don't
15 I have the backup? How come you don't want
16 the backup? Suddenly you don't want the
17 backup.

18 CHAIRMAN NICOLELLO: What's going
19 on here is they will find any excuse not to
20 vote for this, and we can give them
21 everything they could possibly want and
22 there will be another reason.

23 LEGISLATOR DENENBERG: That's not
24 true. I asked for the same thing now two
25 years in a row and I still can't get it. I

1 Finance Committee/6-3-13
2 asked for it from County Executive Suozzi
3 and I asked for it from County Executive
4 Gulotta and you guys at times used to join
5 me in the request.

6 Suddenly, now, we're going to do
7 \$183 million of borrowing with backup that
8 you got two seconds -- well, even after this
9 meeting started. You might want to do it.
10 I don't.

11 CHAIRMAN NICOLELLO: Not only did
12 you vote for settlements under \$100,000
13 without any paper, but you --

14 LEGISLATOR DENENBERG: The whole
15 point of \$100,000 is you don't vote on it.

16 CHAIRMAN NICOLELLO: I think the
17 reason you interrupt people is because you
18 don't want to be heard. You don't want to
19 be contradicted. You don't want to listen
20 to anybody else.

21 But, in any event, not only did
22 you vote for settlements under \$100,000
23 without a scrap of paper, which we all did
24 and which is the way the county is operated,
25 but you voted for a bill that allowed us to

1 Finance Committee/6-3-13
2 do that in 2001 which was passed by 19 to
3 nothing.

4 In other words, it gave the
5 legislature, gave the county the ability to
6 settle these cases so that each one that's
7 under \$100,000 didn't have to come to us.
8 So you have been doing it all along and now
9 it's become the point of contention.

10 LEGISLATOR DENENBERG: You have
11 got to be kidding me. Just about all of
12 these you're talking huge amounts of money
13 and the big fight has been, I have asked for
14 the backup we've gotten in the past, an
15 appraisal that would show that our appraiser
16 said that the house should be valued at a
17 certain amount, which justifies the
18 settlement or the order, and I asked for the
19 settlement agreement.

20 Under County Executive Suozzi, I
21 wouldn't even vote yes on a settlement
22 agreement unless we had a moratorium for
23 three years.

24 CHAIRMAN NICOLELLO: Mr. Walker,
25 let's say I got all the appraisals on all

1 Finance Committee/6-3-13
2 these judgments, and I don't agree with
3 them. Can I go back to the court as a
4 legislator or as a legislature and say, I
5 don't agree with these settlements here. I
6 don't agree with the judgements. I saw the
7 appraisals. They're not right. What can
8 you do? What's our recourse?

9 LEGISLATOR DENENBERG: You can't
10 settle the case if we said --

11 MR. WALKER: They're judgements.

12 CHAIRMAN NICOLELLO: They're
13 judgements. Every one of them. They have
14 to be paid. You can look at whatever
15 documents. You can go through all those
16 boxes and find stuff you don't like --

17 LEGISLATOR DENENBERG: The backup
18 says it's settlements and you say it's
19 judgements, and because you must have the
20 backup, Rich, show me the backup because
21 you're making a statement that these are all
22 judgements. You must have all the
23 judgements that equal \$183 million to make
24 that statement. None of us do.

25 CHAIRMAN NICOLELLO: I'm making

1 Finance Committee/6-3-13
2 that based on the Deputy County Executive's
3 statements that, number one, that this
4 involves --

5 LEGISLATOR DENENBERG: You're
6 interrupting again because obviously you
7 don't want to listen, but, okay. Number
8 one, these involve residential settlements
9 that go before SCAR and become in effect
10 judgements, court orders.

11 Number two, they are commercial
12 court orders that have to be paid.

13 Number three, they are ARC
14 related orders that have the effect of being
15 judgments, every one of these is an order.
16 We don't have discretion. You can look at
17 whatever documents you want. You're an
18 attorney. You know as well as I, if you
19 have an order, you have to comply with it.

20 At some point, Nassau County is
21 going to pay these judgments. It can be
22 now, it can be two years from now, or five
23 years from now. In the interim, every year
24 nine percent interest, nine to 12 percent
25 interest.

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2 LEGISLATOR DENENBERG: This is
3 the first time, Rich, in all honesty, I ever
4 recall us just accepting that these are all
5 judgements. We don't need to look at them.
6 We don't need to consider them. We're just
7 going to take it on word so why meet?

8 MR. WALKER: We will have -- the
9 county attorney will scan in every judgement
10 with the attached number and you will have
11 them. We have three weeks, I would like to
12 get every bit of data that you are asking
13 for and we want to get it to you.

14 CHAIRMAN NICOLELLO: Legislator
15 Bosworth has been waiting.

16 LEGISLATOR BOSWORTH: It just
17 strikes me that in all the years that I've
18 been here I have never seen anyone come to
19 us with these huge amounts, all at once,
20 whether it's a billion dollars for this, and
21 bonding items before us today calls for a
22 staggering \$183 million of county borrowing
23 that NIFA would never approve.

24 So, irrespective of the merits of
25 any individual case, I'd say we are going to

1 Finance Committee/6-3-13
2 be voting no based upon the enormous amount
3 of borrowing that is sought in these 700
4 boxes.

5 MR. WALKER: Well, NIFA has said
6 yes to the amount, so I very much differ
7 with you.

8 LEGISLATOR BOSWORTH: We can
9 agree to disagree.

10 CHAIRMAN NICOLELLO: I can tell
11 you this, in 2005, we passed two
12 authorizations, a bonding for refunds, first
13 was for 65 million, the second one was for
14 131 million.

15 So, in 2005, we passed about \$186
16 million in refunds. To do that, the
17 Democrats in the majority, they needed votes
18 of the minority.

19 The Republicans, although we
20 don't like this practice as much as you do,
21 gave you the votes because it was the right
22 thing to do to keep government running.

23 Mr. Walker, let's say we decide
24 we are not going to pay these judgements.
25 What resource do the attorneys and the

1 Finance Committee/6-3-13

2 clients have?

3 MR. WALKER: They basically will
4 go to the court and have a county account
5 attached to it and they will get paid.

6 CHAIRMAN NICOLELLO: So, on a
7 regular basis, we hear how we should be
8 spending more money for this program and
9 that program and we all agree that we'd like
10 to spend more for very worthy programs, but
11 when our accounts get attached, what happens
12 to our funds, what happens to these
13 discretionary programs?

14 MR. WALKER: Potentially could
15 get cut. Just going back to NIFA. Here is
16 the statement from the NIFA board of
17 directors in the approval of the county's
18 multi-year plan: A transitional borrowing
19 to help close the gap is reasonably
20 necessary to avoid a shutdown of county
21 government services and can commit a
22 potentially unreasonable burden on the
23 county citizens and workforce. The NIFA Act
24 allows such borrowing during a control
25 period with NIFA's approval pursuant to a

1 Finance Committee/6-3-13
2 plan achieving fiscal balance by its final
3 year and that included over \$240 million of
4 tax cert borrowing.

5 LEGISLATOR BOSWORTH: So I think
6 that part of that also is that perhaps when
7 that was issued, things were a bit different
8 because there was the assumption that the
9 county guaranty was no longer going to be in
10 affect. This is something that we're now in
11 litigation about because of the fact it was
12 said that you couldn't just get rid of the
13 county guaranty.

14 So we're talking about a lot of
15 different issues that are going on at the
16 same time.

17 MR. WALKER: As I said, we look
18 forward, we have three weeks before the 24th
19 meeting. We look forward to working,
20 providing all of the detail, not to try to
21 make this political because it shouldn't be
22 political, it's all about our residents and
23 commercial business owners that deserve to
24 have this money and if it's not 181 or 51,
25 61 or 71, whatever we believe that we should

1 Finance Committee/6-3-13

2 do together, that's what we want to do.

3 If it provides some assistance,
4 it does. To bleed that dry, the rainy day
5 fund, or our fund balance at a time when
6 it's really unknown costs, and I say that
7 related to Sandy costs, there's things that
8 continually pop up throughout this county
9 that are related to Sandy that no one
10 anticipated would occur that we have to
11 provide dollars for. Some it could be
12 bonded, some of it can't.

13 So you have to make sure you
14 continually provide yourself with the
15 dollars and flexibility to end up to provide
16 for the residents that every one of yours
17 has been impacted by it.

18 And I understand about spending
19 operating dollars. I don't think that many
20 people want to see us cut any programs or do
21 any harm to our workforce, so you have to
22 come up and think outside the box. And I
23 hope we all can do that over the course of
24 the next three weeks.

25 CHAIRMAN NICOLELLO: Legislator

1 Finance Committee/6-3-13

2 DeRiggi-Whitton.

3 LEGISLATOR DERIGGI-WHITTON:

4 Thank you. You know, as a new-be here, who
5 has never heard it on this type of situation
6 before, I can just say that, number one,
7 this is a mess, and, number two, I think
8 it's a fire hazard honestly, because I know
9 we'd never, that's in the center there, so
10 I'm sure the fire marshall is going to say
11 something, but I really think that what
12 we're showing here is that nothing has been
13 fixed.

14 We know that next year we're
15 going to be in the same situation and the
16 year after that we're going to be in the
17 same situation, and probably the year after
18 that we're going to be in the same
19 situation.

20 So the fact that -- I think we
21 only have like \$2 million, if I remember
22 correctly, allocating for next year for tax
23 certs. That's totally irresponsible unless
24 we're going to, every year to expect to bond
25 a tremendous amount of money for our kids'

1 Finance Committee/6-3-13

2 futures.

3 So, again, what's standing behind
4 you is a big problem, and I think going
5 forward we've got to eliminate this problem,
6 and we've got to find some way to find money
7 to put into this budget.

8 This is not a surprise. We know
9 what's coming next year. There's got to be
10 Pay Go in this. I can't sit here and say
11 for the next ten years, we'll borrow every
12 year. It's a disaster. You see it. It's
13 like a wave behind you and it's coming again
14 next year.

15 So we fixed nothing. We need to
16 budget for tax certs. Even if we clear this
17 up, we need to have this in our budget
18 because this is, it's a no-brainer, we know
19 it's coming. I'm done.

20 MR. WALKER: I look forward to
21 your recommendations on what to cut and
22 budget recommendations --

23 LEGISLATOR DERIGGI-WHITTON:
24 Well, you're going to have to figure
25 something out. There was \$50 million that

1 Finance Committee/6-3-13
2 was there before. We've got to figure it
3 out.

4 MR. WALKER: That's why we work
5 together because you're actually part of
6 this.

7 LEGISLATOR DERIGGI-WHITTON: You
8 know what, I'm happy with that, because
9 there's no way I'm going to stand here next
10 year and say, oh, what a surprise. We have
11 another 50 million we have to bond. I'm not
12 going to bond it again because I really
13 would not like to go that route every year.
14 It's credit card money for our kids and I
15 don't like doing that.

16 MR. WALKER: The fire marshall,
17 by the way, was here and approved where they
18 were, but that's beside the point.

19 CHAIRMAN NICOLELLO: Any other
20 questions?

21 LEGISLATOR DERIGGI-WHITTON: I'm
22 going to verify that.

23 (No verbal response.)

24 Is there any public comment?

25 (No verbal response.)

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2 Thank you, Mr. Walker. All those
3 in favor of Item 234-13 signify by saying
4 aye.

5 (Aye.)

6 Those opposed?

7 (Nay.)

8 The item passes four to three.

9 Item 235 of 2013 is a bond
10 ordinance making certain determinations
11 pursuant to the State Environmental Quality
12 Review Act providing for a capital
13 expenditure to finance the payment of
14 certain judgements, compromise or settle
15 claims resulting from determinations of the
16 Nassau County Assessment Review Commission,
17 pursuant to Section 523B of Article 5 of the
18 Real Property Tax Law.

19 LEGISLATOR VENDITTO: So moved.

20 LEGISLATOR WALKER: Second.

21 CHAIRMAN NICOLELLO: Moved by
22 Legislator Venditto, seconded by Legislator
23 Walker. We obviously discussed this enough.
24 Legislator Bosworth.

25 LEGISLATOR BOSWORTH: I would

1 Finance Committee/6-3-13
2 just like to ask that the statements from
3 the previous item be incorporated into the
4 minutes of this.

5 (Whereupon, the following are the
6 minutes of the Finance Committee pertaining
7 to Clerk Item 234 of 2013.)

8 CHAIRMAN NICOLELLO: Motion to
9 suspend the rules.

10 LEGISLATOR WALKER: So moved.

11 LEGISLATOR KOPEL: Second.

12 CHAIRMAN NICOLELLO: Moved by
13 Legislator Walker, seconded by Legislator
14 Kopel. All those in favor of suspending the
15 rules signify by saying aye.

16 (Aye.)

17 Any opposed?

18 (No verbal response.)

19 The rules are suspended. Items
20 234 and 235, first two items in the
21 addendum. A bond ordinance making certain
22 determinations pursuant to the State
23 Environmental Quality Review Act providing
24 for a capital expenditure to finance the
25 payment of certain judgments, compromise or

1 Finance Committee/6-3-13
2 settle claims resulting from court orders on
3 proceedings brought pursuant to Article 7 of
4 the Real Property Tax Law and the County of
5 Nassau and authorizing bonds of the County
6 of Nassau to finance that expenditure and
7 not to exceed \$78 million.

8 I'm going to call the first item
9 and call the second item later. For the
10 moment, 234 is before the committee.

11 LEGISLATOR WALKER: So moved.

12 LEGISLATOR VENDITTO: Second.

13 CHAIRMAN NICOLELLO: Moved by
14 Legislator Walker, seconded by Legislator
15 Venditto. Mr. May.

16 MR. MAY: We have Chief Deputy
17 County Executive Rob Walker will answer any
18 questions on this item.

19 MR. WALKER: Mr. May, do the
20 legislators have these books?

21 Let me thank you first obviously
22 for allowing for a new construction of a
23 temporary wall at the legislative building
24 but, just going -- I will be talking
25 briefly, and, obviously, thank the

1 Finance Committee/6-3-13
2 legislature, this has been a long process
3 dealing with tax certioraris. At the last
4 meeting of the legislative body, I believe
5 both Legislator Wink and Legislator
6 Denenberg did ask some very important
7 questions and, obviously, the first thing we
8 want to do is make sure that all the
9 questions are answered and you have all the
10 documents that you, in fact, have requested.

11 Behind me are all those documents
12 related to tax certs. Roughly, right now,
13 we have the two items before you, the one we
14 are talking about right now, and the second
15 total about \$183 million, roughly 16,000
16 residents of Nassau County, residents of
17 every legislative district totaling about
18 \$16 million, 16, \$17 million have been owed
19 their property refunds.

20 Understanding that this is a time
21 to get those people the money to keep the
22 economy going, especially in light of the
23 post-Sandy Nassau, we look forward to
24 working with the legislative body in a
25 bipartisan fashion to see to it that the

1 Finance Committee/6-3-13
2 residents can get the dollars that they so
3 rightfully deserve.

4 Commercial businesses -- and you
5 are getting a book going around. I do want
6 to apologize as well for the lateness of
7 Friday in terms of getting the information
8 to all the legislators, but we know that the
9 final -- or the Full Legislature does not
10 meet until the 24th which over the next
11 three weeks we, again, look forward to
12 working with everyone to move the process
13 forward.

14 Commercial businesses, obviously
15 many of them are at the point where they are
16 risking closing due to the lack of ability
17 for payment and those property owners are
18 crying. I'm sure every one of you receive a
19 tremendous amount of phone calls asking
20 where those dollars have been.

21 In the past, roughly \$101 million
22 per year has been bonded for the payment of
23 tax certs and we look forward to moving the
24 process forward.

25 You are about to be getting three

1 Finance Committee/6-3-13
2 books which detail, which should be
3 providing all the backup to each individual
4 item. These files behind me, obviously we
5 want to make item available to all the
6 members, to work with both the assessor, to
7 work with the county attorney, and the
8 assessment review commission to, in fact, go
9 through any specific items that you may
10 have, any questions that you may have
11 related to each individual item, again, over
12 the course of the next three weeks that we
13 can see to it that the residents get the
14 money that they so desperately need and,
15 more importantly, are entitled to. With
16 that, I will take any questions.

17 CHAIRMAN NICOLELLO: Mr. Walker,
18 Item 234, related to the -- calling for the
19 bonding of up to \$78 million, this item in
20 particular relates to the residential
21 refunds?

22 MR. WALKER: Yes. It's 16,220
23 residential residents of Nassau County.

24 CHAIRMAN NICOLELLO: For how long
25 have we owed residents these refunds?

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2 MR. WALKER: Anywhere between one
3 and a half to two years. Depending on I
4 think there is 2011-2012 -- or '10 and '11,
5 but, as you know, over the last two years we
6 have been very successful with the
7 residential settlement program. We have had
8 no new residential refunds. These are the
9 prior two years.

10 CHAIRMAN NICOLELLO: So these are
11 monies that these residents laid out in
12 their taxes and it was determined that the
13 assessment was incorrect and they are
14 entitled to these monies?

15 MR. WALKER: Correct.

16 CHAIRMAN NICOLELLO: Does
17 interest accrue while we wait?

18 MR. WALKER: Unfortunately, yes,
19 at a high rate. It's a great savings
20 account if you are owed money, if any of you
21 are, except we haven't paid.

22 CHAIRMAN NICOLELLO: Do you know
23 what the interest is?

24 MR. WALKER: Anywhere between 9
25 and 12 percent.

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2 CHAIRMAN NICOLELLO: Aside from
3 the hardship on these residents, and, of
4 course, many of whom have been affected by
5 Sandy, not all of them, of course, it's the
6 entire county, but many of whom are
7 undergoing hardships and could use this
8 money, there is a financial implication for
9 the county as this continues to sit and not
10 get paid?

11 MR. WALKER: Yes.

12 CHAIRMAN NICOLELLO: And we're
13 paying 9 to 12 percent interest on this.

14 Now, aside from the residential
15 items, the rest of the items, the refunds
16 that are due in this, are they commercial
17 judgments?

18 MR. WALKER: They are commercial
19 court orders, for lack of a better word,
20 judgments. We have been in court and, in
21 fact, have been now obligated to pay. It's
22 roughly about 827 of them, I believe.

23 CHAIRMAN NICOLELLO: So these are
24 not settlements, there is no discretion on
25 our part?

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2 MR. WALKER: There is no
3 settlement in any of these two packages,
4 specifically the one before us now.

5 CHAIRMAN NICOLELLO: So there is
6 no discretion on our part, we have to pay
7 these refunds?

8 MR. WALKER: Correct.

9 CHAIRMAN NICOLELLO: With respect
10 to the commercial, are they also accruing
11 interest?

12 MR. WALKER: Yes.

13 CHAIRMAN NICOLELLO: What is the
14 interest rate?

15 MR. WALKER: Same.

16 CHAIRMAN NICOLELLO: 9 to 12
17 percent?

18 MR. WALKER: Depending where they
19 are in the process.

20 CHAIRMAN NICOLELLO: These
21 commercial judgments, do they represent
22 refunds for years dating back some time?

23 MR. WALKER: Some of them as far
24 back as 1999, 2000, 2001, '02. Several of
25 them have gone back years upon years. You

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2 will find that in this document,
3 unfortunately it's -- we tried to make it as
4 easy as possible to read, but you can see
5 the years going back, some of them six
6 years, seven years, eight years, nine years,
7 and, in fact, which is important, when you
8 try to settle cases now, very difficult
9 because they don't want to settle existing
10 years without getting paid for the previous
11 years which only does make sense.

12 CHAIRMAN NICOLELLO: Just to sum
13 up, to make sure this point is understood,
14 these are monies that we owe that we have no
15 discretion over, they are court ordered
16 judgments, they have to be paid at some
17 point, and, while we sit and not resolve
18 this the county, the county taxpayers are
19 paying 9 to 12 percent interest?

20 MR. WALKER: It's only costing us
21 more money.

22 CHAIRMAN NICOLELLO: Right. Any
23 questions?

24 LEGISLATOR DERIGGI-WHITTON: Can
25 I just ask a quick question? We just got

1 Finance Committee/6-3-13

2 this book --

3 CHAIRMAN NICOLELLO: Hold on a
4 minute. Is borrowing consistent with NIFA?

5 MR. WALKER: Yes, it actually
6 complies with the NIFA approved financial
7 plan for tax certs so it was approved
8 previously.

9 CHAIRMAN NICOLELLO: Legislator
10 DeRiggi-Whitton.

11 LEGISLATOR DERIGGI-WHITTON: So
12 234-13 is residential?

13 CHAIRMAN NICOLELLO: Residential
14 and commercial.

15 MR. WALKER: And commercial court
16 orders.

17 LEGISLATOR DERIGGI-WHITTON:
18 Because before you just said it was
19 residential.

20 MR. WALKER: No. Residential as
21 well.

22 LEGISLATOR DERIGGI-WHITTON: But
23 it's also commercial? Because I just got
24 the book right now. But the first page I
25 opened up to was Home Depot and -- this is

1 Finance Committee/6-3-13
2 not primarily, or only residential, the way
3 it was introduced?

4 MR. WALKER: No. We never said
5 it was that. That was not said. I said it
6 was residential and court ordered
7 commercial.

8 LEGISLATOR DERIGGI-WHITTON: When
9 you just mentioned 234-13 you said these are
10 for residential. It was in discussion. I
11 just heard that.

12 MR. WALKER: You obviously didn't
13 hear the rest.

14 LEGISLATOR DERIGGI-WHITTON: So
15 it's not just residential. This is a mix,
16 the 78 million?

17 MR. WALKER: I will say it again,
18 yes.

19 CHAIRMAN NICOLELLO: It's a mix,
20 but they're all -- they are all judgments
21 and there's no discretion here. We have to
22 pay these at some point.

23 LEGISLATOR DERIGGI-WHITTON: I'm
24 not even going to touch on that right now.
25 I just wanted to clarify that point.

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2 CHAIRMAN NICOLELLO: Any others?
3 Legislator Denenberg.

4 MR. WALKER: Those were emailed
5 to you on Friday, you should have received
6 them Friday.

7 LEGISLATOR DENENBERG: Okay. I
8 just got these three books now. I didn't
9 get an email.

10 LEGISLATOR DERIGGI-WHITTON: I
11 didn't get an email.

12 MR. WALKER: It's was emailed on
13 Friday.

14 LEGISLATOR DENENBERG: Is this
15 the backup for just the \$78 million request
16 or for the \$105 million request as well?

17 MR. WALKER: They're two of the
18 items. That's why you look at the 235-13
19 and 234-13.

20 LEGISLATOR DENENBERG: So it's
21 \$183 million?

22 MR. WALKER: Here is the total
23 for 234 and here it is for 235. The total,
24 one is 78 and one is 105.

25 LEGISLATOR DENENBERG: In the

1 Finance Committee/6-3-13
2 weekend when I didn't have the e-mail and in
3 the few minutes here, I haven't had a chance
4 to go through this entirely. I have been
5 trying to go through it while I'm sitting
6 here but, before I go through it, I have
7 heard conflicting statements. I just want
8 to be sure that I'm right.

9 The \$78 million request, how much
10 of that is residential and how much of that
11 is commercial?

12 MR. WALKER: It's \$16 million for
13 residential, 16 and change, and roughly
14 about 61 and change for the commercial.

15 LEGISLATOR DENENBERG: So it's
16 \$61 million for residential and --

17 MR. WALKER: No. 16 and change
18 for residential, and \$61 million for
19 commercial.

20 LEGISLATOR DENENBERG: Now, of
21 the 16 million for residential, that's all
22 orders or are those all settlements?

23 MR. WALKER: Those are all SCAR
24 settlements, I believe. ARC determinations.

25 LEGISLATOR DENENBERG: The 61

1 Finance Committee/6-3-13
2 million, is that settlements or orders?

3 MR. WALKER: Those are court
4 orders. No settlements.

5 LEGISLATOR DENENBERG: Just a
6 question then. \$75 million was put in the
7 budget to Pay As You Go. We transferred
8 that out last week.

9 MR. WALKER: No. \$75 million was
10 put into the budget and we were going to
11 receive the funding via bonding. There was
12 never any bonding. There was not cash in
13 that \$75 million. I know Deputy County
14 Executive Sullivan has said that repeatedly
15 to you. There was no cash put it. It was
16 75 million appropriation that was going to
17 be bonded. It was not bonded so the dollars
18 did not get received.

19 LEGISLATOR DENENBERG: Well, it
20 seems to me that we just made a huge
21 transfer last week and there was sales tax
22 revenue weigh in over. So if we wanted to
23 pay \$16 million Pay As You Go for SCAR and
24 keep \$75 million Pay As You Go or even go
25 back to 2010, 09, 08, \$50 million Pay As You

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2 Go, the residential would have been fine.

3 But, as I look through all of
4 this, I'm going to ask, where are the court
5 orders?

6 MR. WALKER: The court orders are
7 part of 234-13. You have all the backup of
8 this.

9 LEGISLATOR DENENBERG: I don't
10 see a single court order in this.

11 MR. WALKER: If you want to see
12 the additional backup, we have every file
13 behind me. Any files you want to go
14 through, you have three weeks to go through
15 it.

16 LEGISLATOR DENENBERG: Aside from
17 the theater behind you -- let me. Aside
18 from the theater, all I'm asking is what
19 prior administrations always gave to us.

20 The three things that I've always
21 asked for and I've never voted yes on a tax
22 cert settlement without three things.

23 MR. WALKER: Those are
24 settlements.

25 LEGISLATOR DENENBERG: Or an

1 Finance Committee/6-3-13
2 order. I have never voted on a settlement
3 without seeing the settlement and without
4 seeing the confidential appraisal to make
5 sure that we are not giving taxpayer money
6 beyond what the appraiser said the value
7 should be. That's number one, and I don't
8 see those.

9 Number two -- let me finish. I
10 never vote without seeing the settlement
11 and, for the life of me, I don't why we
12 would enter into a settlement that would
13 allow us to keep paying interest. That's
14 just ridiculous.

15 MR. WALKER: Those aren't
16 settlements. As I said, again, those are
17 court orders.

18 LEGISLATOR DENENBERG: So then
19 how much of this is representing
20 settlements?

21 MR. WALKER: None.

22 LEGISLATOR DENENBERG: So what
23 about the 105?

24 MR. WALKER: None.

25 LEGISLATOR DENENBERG: Those are

1 Finance Committee/6-3-13

2 court orders too?

3 MR. WALKER: Either ARC
4 determinations or court determinations.

5 LEGISLATOR DENENBERG: Well, it
6 seems to me you have one sheet order or one
7 sheet determination should it come to us
8 without us having to look through what I
9 count to be five or 600 boxes.

10 MR. WALKER: It's actually 767.

11 LEGISLATOR DENENBERG: I was
12 pretty good considering I was doing it by
13 eye.

14 MR. WALKER: That's good. But to
15 ask me to go through 700 boxes instead of
16 giving me the appraisal forms that we've
17 always gotten, the court order and/or the
18 settlement agreement is ridiculous. It just
19 is.

20 MR. WALKER: I would ask you to
21 go through the documents that were provided
22 to you. If there is something that you
23 still do not have, please let us know.

24 LEGISLATOR DENENBERG: But, you
25 know what, the resolution itself belies what

1 Finance Committee/6-3-13
2 was just said to us. The resolution itself
3 says it's \$78 million consisting of the
4 total amount for judgments, compromised or
5 settled claims, it doesn't even say SCAR
6 proceedings, but I assume that could be a
7 compromised or settled claims. So to say
8 that none of this is settlements, I don't
9 even think the resolution is correct.

10 Let me just say this, to come
11 before us for a staggering \$183 million,
12 \$183 million of taxpayer money, saying that
13 homeowners would be waiting for their tax
14 certs unless we bond, when the homeowners
15 total \$16 million and should have been paid
16 out of operating expenses, and this list, I
17 still haven't found any homeowners in the
18 list, but I know Legislator DeRiggi-Whitton
19 is making the same point.

20 But, to come before us with
21 backup that we just got right now and a
22 theater of asking legislators to go through
23 700 some odd boxes when you should just give
24 us the orders, the settlements, and the
25 actual appraised values to make sure that we

1 Finance Committee/6-3-13
2 are -- that we are not giving away taxpayer
3 money, to me, seems ridiculous.

4 To me, I still not do understand
5 why not one cent as Pay As You Go was kept
6 in the budget so we can simply at least pay
7 a portion of this Pay As You Go.

8 You know what, if the presiding
9 officer and the majority are okay with this
10 level of borrowing that my grandchildren
11 will still be having to pay off, maybe
12 that's okay, but it's a real concern to us.

13 MR. WALKER: They already pay off
14 yours, \$101 million per year. So let's not
15 play games.

16 LEGISLATOR DENENBERG: Rob, there
17 was \$50 million a year Pay As You Go for
18 five straight years.

19 MR. WALKER: The last thing I
20 want to do is get in an argument because
21 that's what this should not be about. We
22 have three weeks that we should all be
23 working together so we can get the people
24 their money.

25 This should not be about arguing

1 Finance Committee/6-3-13
2 back and forth. Bottom line is, we live in
3 a very different world, and obviously you
4 went through the whole FEMA fund and dollars
5 and cents that's being paid for with Sandy.
6 If you want to look at the budget and make
7 additional cuts to the budget so that you
8 can make sure that we get paid as Pay Go,
9 there is \$18 million that was put into the
10 budget this year.

11 I personally believe it's better
12 off to bond at the interest rates that we
13 are getting now which are the lowest
14 interest rates possible, to bond, to get
15 these things off the backs of the taxpayer
16 because now we will not be continuing to
17 draw interest. Get people their money back
18 so they can put money into the economy and,
19 more importantly, make sure that we have the
20 dollars and cents in our budget to pay Sandy
21 claims that are continually coming in that
22 we are not only getting reimbursed 90
23 percent, so there's still ten percent that
24 have to be paid for. You have -- do you
25 have a question? Ask me a question.

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2 LEGISLATOR DENENBERG: I'm
3 thinking who pays off the bonds, if that's
4 not putting it on the backs of the
5 taxpayers, then who else --

6 MR. WALKER: Because they are
7 paying it now on their backs by -- the
8 interest rates decline, and the --

9 LEGISLATOR DENENBERG: I don't
10 know that because I don't have a settlement
11 agreement in all this backup, not one
12 settlement agreement.

13 CHAIRMAN NICOLELLO: There are no
14 settlements. There are no settlements.
15 There are no settlements.

16 LEGISLATOR DENENBERG: And not
17 one order. They said there was settlements.

18 MR. WALKER: No. I said there
19 were no settlements. I keep saying it and
20 you don't listen.

21 LEGISLATOR DENENBERG: The
22 resolution says there's settlements.

23 MR. WALKER: Right. That's the
24 resolution. It's done every single time the
25 same way and I will check to see if --

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2 LEGISLATOR DENENBERG: Judgments
3 comprised or settled claims. Sorry for
4 reading the backup.

5 CHAIRMAN NICOLELLO: In any
6 event, what the Deputy County Executive is
7 representing to you is that you have these
8 commercial orders, judgments against the
9 county, you have the residential, which are
10 SCAR settlements, which have the effect of
11 an order which have to be paid, and you have
12 these ARC related judgments, again, that
13 have to be paid.

14 We are not talking about
15 settlements here.

16 MR. WALKER: Absolutely not.

17 CHAIRMAN NICOLELLO: So you can
18 look at appraisals until you are blue in the
19 face, it's not going to affect it one bit.
20 We are required by law to pay these refunds
21 in the amounts that are set forth.

22 The only thing that's changing
23 here is that every day that goes by, while
24 this continues, the interest continues to
25 accumulate. So that interest is added on to

1 Finance Committee/6-3-13
2 your grandchildren, as well as the \$1
3 billion in borrowing for refunds that took
4 place over ten years.

5 LEGISLATOR DENENBERG: You just
6 made a statement that you don't have a
7 single order or settlement --

8 CHAIRMAN NICOLELLO: So it's a
9 little too late to start worrying about your
10 grandchildren. I think you are worrying
11 about your great grandchildren at this
12 point. After borrowing a billion dollars
13 over ten years, it's a little bit too late.

14 LEGISLATOR DENENBERG: A billion
15 dollars over ten years?

16 CHAIRMAN NICOLELLO: That's
17 right. \$100 million a year.

18 LEGISLATOR DENENBERG: Most of
19 which when Suozzi came in it was a \$650
20 million backlog from Gulotta. This
21 administration came in with \$125 million
22 backlog. Now it's up to 400 and I'm simply
23 saying, let's at least continue the 50
24 million Pay As You Go and don't ever ask me
25 to vote yes on a settlement without showing

1 Finance Committee/6-3-13
2 me the settlement agreement, or yes on a
3 judgement without showing me the judgement.
4 You just --

5 CHAIRMAN NICOLELLO: You voted on
6 them in the past.

7 LEGISLATOR DENENBERG: You just
8 made statements on judgements without even
9 having them. Because in the past I got the
10 three things I asked for, the order, the
11 settlement agreement, and the appraisal
12 sheet that showed me why we're paying that
13 amount of money. Those are the three things
14 I have asked for and now I'm told to go find
15 them in 700 boxes.

16 CHAIRMAN NICOLELLO: You
17 consistently authorized settlements without
18 any of those documents.

19 LEGISLATOR DENENBERG: Not true.
20 I always ask for those documents.

21 CHAIRMAN NICOLELLO: Let me
22 finish. Maybe you'll understand something.

23 LEGISLATOR DENENBERG: I
24 understand you are trying to make something
25 up, that's what I understand.

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2 CHAIRMAN NICOLELLO: You
3 consistently voted for over all those years
4 settlements without a scrap of paper because
5 you authorized the borrowing. We only got
6 settlements over \$100,000. So every one of
7 those settlements under a \$100,000 you
8 approved without a piece of paper.

9 LEGISLATOR DENENBERG: You know,
10 you're here 18 to 20 years and you don't
11 remember --

12 CHAIRMAN NICOLELLO: I guess
13 you're moving on from that point.

14 LEGISLATOR DENENBERG: I'm not
15 moving off. Every single time a tax
16 settlement or order or judgement came to us
17 before the county executive asked for
18 borrowing, we had settlements we had to
19 approve that always showed an appraisal
20 sheet, and I always asked questions on it to
21 make sure we weren't giving more -- you're
22 telling me these are under \$100,000? You're
23 telling me these are under \$100,000.

24 MR. WALKER: Yes, they're under
25 \$100,000.

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2 LEGISLATOR DENENBERG: Some of
3 them are. We're giving over \$10 million to
4 one person, I don't even see that here.

5 CHAIRMAN NICOLELLO: All right.
6 Then if we can segregate out the ones over
7 \$100,000 then you'll vote for it, because
8 you've done that in the past?

9 LEGISLATOR DENENBERG: Why don't
10 I have the backup? How come you don't want
11 the backup? Suddenly you don't want the
12 backup.

13 CHAIRMAN NICOLELLO: What's going
14 on here is they will find any excuse not to
15 vote for this, and we can give them
16 everything they could possibly want and
17 there will be another reason.

18 LEGISLATOR DENENBERG: That's not
19 true. I asked for the same thing now two
20 years in a row and I still can't get it. I
21 asked for it from County Executive Suozzi
22 and I asked for it from County Executive
23 Gulotta and you guys at times used to join
24 me in the request.

25 Suddenly, now, we're going to do

1 Finance Committee/6-3-13
2 \$183 million of borrowing with backup that
3 you got two seconds -- well, even after this
4 meeting started. You might want to do it.
5 I don't.

6 CHAIRMAN NICOLELLO: Not only did
7 you vote for settlements under \$100,000
8 without any paper, but you --

9 LEGISLATOR DENENBERG: The whole
10 point of \$100,000 is you don't vote on it.

11 CHAIRMAN NICOLELLO: I think the
12 reason you interrupt people is because you
13 don't want to be heard. You don't want to
14 be contradicted. You don't want to listen
15 to anybody else.

16 But, in any event, not only did
17 you vote for settlements under \$100,000
18 without a scrap of paper, which we all did
19 and which is the way the county is operated,
20 but you voted for a bill that allowed us to
21 do that in 2001 which was passed by 19 to
22 nothing.

23 In other words, it gave the
24 legislature, gave the county the ability to
25 settle these cases so that each one that's

1 Finance Committee/6-3-13
2 under \$100,000 didn't have to come to us.
3 So you have been doing it all along and now
4 it's become the point of contention.

5 LEGISLATOR DENENBERG: You have
6 got to be kidding me. Just about all of
7 these you're talking huge amounts of money
8 and the big fight has been, I have asked for
9 the backup we've gotten in the past, an
10 appraisal that would show that our appraiser
11 said that the house should be valued at a
12 certain amount, which justifies the
13 settlement or the order, and I asked for the
14 settlement agreement.

15 Under County Executive Suozzi, I
16 wouldn't even vote yes on a settlement
17 agreement unless we had a moratorium for
18 three years.

19 CHAIRMAN NICOLELLO: Mr. Walker,
20 let's say I got all the appraisals on all
21 these judgments, and I don't agree with
22 them. Can I go back to the court as a
23 legislator or as a legislature and say, I
24 don't agree with these settlements here. I
25 don't agree with the judgements. I saw the

1 Finance Committee/6-3-13
2 appraisals. They're not right. What can
3 you do? What's our recourse?

4 LEGISLATOR DENENBERG: You can't
5 settle the case if we said --

6 MR. WALKER: They're judgements.

7 CHAIRMAN NICOLELLO: They're
8 judgements. Every one of them. They have
9 to be paid. You can look at whatever
10 documents. You can go through all those
11 boxes and find stuff you don't like --

12 LEGISLATOR DENENBERG: The backup
13 says it's settlements and you say it's
14 judgements, and because you must have the
15 backup, Rich, show me the backup because
16 you're making a statement that these are all
17 judgements. You must have all the
18 judgements that equal \$183 million to make
19 that statement. None of us do.

20 CHAIRMAN NICOLELLO: I'm making
21 that based on the Deputy County Executive's
22 statements that, number one, that this
23 involves --

24 LEGISLATOR DENENBERG: You're
25 interrupting again because obviously you

1 Finance Committee/6-3-13
2 don't want to listen, but, okay. Number
3 one, these involve residential settlements
4 that go before SCAR and become in effect
5 judgements, court orders.

6 Number two, they are commercial
7 court orders that have to be paid.

8 Number three, they are ARC
9 related orders that have the effect of being
10 judgments, every one of these is an order.
11 We don't have discretion. You can look at
12 whatever documents you want. You're an
13 attorney. You know as well as I, if you
14 have an order, you have to comply with it.

15 At some point, Nassau County is
16 going to pay these judgments. It can be
17 now, it can be two years from now, or five
18 years from now. In the interim, every year
19 nine percent interest, nine to 12 percent
20 interest.

21 LEGISLATOR DENENBERG: This is
22 the first time, Rich, in all honesty, I ever
23 recall us just accepting that these are all
24 judgements. We don't need to look at them.
25 We don't need to consider them. We're just

1 Finance Committee/6-3-13
2 going to take it on word so why meet?

3 MR. WALKER: We will have -- the
4 county attorney will scan in every judgement
5 with the attached number and you will have
6 them. We have three weeks, I would like to
7 get every bit of data that you are asking
8 for and we want to get it to you.

9 CHAIRMAN NICOLELLO: Legislator
10 Bosworth has been waiting.

11 LEGISLATOR BOSWORTH: It just
12 strikes me that in all the years that I've
13 been here I have never seen anyone come to
14 us with these huge amounts, all at once,
15 whether it's a billion dollars for this, and
16 bonding items before us today calls for a
17 staggering \$183 million of county borrowing
18 that NIFA would never approve.

19 So, irrespective of the merits of
20 any individual case, I'd say we are going to
21 be voting no based upon the enormous amount
22 of borrowing that is sought in these 700
23 boxes.

24 MR. WALKER: Well, NIFA has said
25 yes to the amount, so I very much differ

1 Finance Committee/6-3-13

2 with you.

3 LEGISLATOR BOSWORTH: We can
4 agree to disagree.

5 CHAIRMAN NICOLELLO: I can tell
6 you this, in 2005, we passed two
7 authorizations, a bonding for refunds, first
8 was for 65 million, the second one was for
9 131 million.

10 So, in 2005, we passed about \$186
11 million in refunds. To do that, the
12 Democrats in the majority, they needed votes
13 of the minority.

14 The Republicans, although we
15 don't like this practice as much as you do,
16 gave you the votes because it was the right
17 thing to do to keep government running.

18 Mr. Walker, let's say we decide
19 we are not going to pay these judgements.
20 What resource do the attorneys and the
21 clients have?

22 MR. WALKER: They basically will
23 go to the court and have a county account
24 attached to it and they will get paid.

25 CHAIRMAN NICOLELLO: So, on a

1 Finance Committee/6-3-13
2 regular basis, we hear how we should be
3 spending more money for this program and
4 that program and we all agree that we'd like
5 to spend more for very worthy programs, but
6 when our accounts get attached, what happens
7 to our funds, what happens to these
8 discretionary programs?

9 MR. WALKER: Potentially could
10 get cut. Just going back to NIFA. Here is
11 the statement from the NIFA board of
12 directors in the approval of the county's
13 multi-year plan: A transitional borrowing
14 to help close the gap is reasonably
15 necessary to avoid a shutdown of county
16 government services and can commit a
17 potentially unreasonable burden on the
18 county citizens and workforce. The NIFA Act
19 allows such borrowing during a control
20 period with NIFA's approval pursuant to a
21 plan achieving fiscal balance by its final
22 year and that included over \$240 million of
23 tax cert borrowing.

24 LEGISLATOR BOSWORTH: So I think
25 that part of that also is that perhaps when

1 Finance Committee/6-3-13
2 that was issued, things were a bit different
3 because there was the assumption that the
4 county guaranty was no longer going to be in
5 affect. This is something that we're now in
6 litigation about because of the fact it was
7 said that you couldn't just get rid of the
8 county guaranty.

9 So we're talking about a lot of
10 different issues that are going on at the
11 same time.

12 MR. WALKER: As I said, we look
13 forward, we have three weeks before the 24th
14 meeting. We look forward to working,
15 providing all of the detail, not to try to
16 make this political because it shouldn't be
17 political, it's all about our residents and
18 commercial business owners that deserve to
19 have this money and if it's not 181 or 51,
20 61 or 71, whatever we believe that we should
21 do together, that's what we want to do.

22 If it provides some assistance,
23 it does. To bleed that dry, the rainy day
24 fund, or our fund balance at a time when
25 it's really unknown costs, and I say that

1 Finance Committee/6-3-13
2 related to Sandy costs, there's things that
3 continually pop up throughout this county
4 that are related to Sandy that no one
5 anticipated would occur that we have to
6 provide dollars for. Some it could be
7 bonded, some of it can't.

8 So you have to make sure you
9 continually provide yourself with the
10 dollars and flexibility to end up to provide
11 for the residents that every one of yours
12 has been impacted by it.

13 And I understand about spending
14 operating dollars. I don't think that many
15 people want to see us cut any programs or do
16 any harm to our workforce, so you have to
17 come up and think outside the box. And I
18 hope we all can do that over the course of
19 the next three weeks.

20 CHAIRMAN NICOLELLO: Legislator
21 DeRiggi-Whitton.

22 LEGISLATOR DERIGGI-WHITTON:
23 Thank you. You know, as a new-be here, who
24 has never heard it on this type of situation
25 before, I can just say that, number one,

1 Finance Committee/6-3-13
2 this is a mess, and, number two, I think
3 it's a fire hazard honestly, because I know
4 we'd never, that's in the center there, so
5 I'm sure the fire marshall is going to say
6 something, but I really think that what
7 we're showing here is that nothing has been
8 fixed.

9 We know that next year we're
10 going to be in the same situation and the
11 year after that we're going to be in the
12 same situation, and probably the year after
13 that we're going to be in the same
14 situation.

15 So the fact that -- I think we
16 only have like \$2 million, if I remember
17 correctly, allocating for next year for tax
18 certs. That's totally irresponsible unless
19 we're going to, every year to expect to bond
20 a tremendous amount of money for our kids'
21 futures.

22 So, again, what's standing behind
23 you is a big problem, and I think going
24 forward we've got to eliminate this problem,
25 and we've got to find some way to find money

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2 to put into this budget.

3 This is not a surprise. We know
4 what's coming next year. There's got to be
5 Pay Go in this. I can't sit here and say
6 for the next ten years, we'll borrow every
7 year. It's a disaster. You see it. It's
8 like a wave behind you and it's coming again
9 next year.

10 So we fixed nothing. We need to
11 budget for tax certs. Even if we clear this
12 up, we need to have this in our budget
13 because this is, it's a no-brainer, we know
14 it's coming. I'm done.

15 MR. WALKER: I look forward to
16 your recommendations on what to cut and
17 budget recommendations --

18 LEGISLATOR DERIGGI-WHITTON:
19 Well, you're going to have to figure
20 something out. There was \$50 million that
21 was there before. We've got to figure it
22 out.

23 MR. WALKER: That's why we work
24 together because you're actually part of
25 this.

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2 LEGISLATOR DERIGGI-WHITTON: You
3 know what, I'm happy with that, because
4 there's no way I'm going to stand here next
5 year and say, oh, what a surprise. We have
6 another 50 million we have to bond. I'm not
7 going to bond it again because I really
8 would not like to go that route every year.
9 It's credit card money for our kids and I
10 don't like doing that.

11 MR. WALKER: The fire marshall,
12 by the way, was here and approved where they
13 were, but that's beside the point.

14 CHAIRMAN NICOLELLO: Any other
15 questions?

16 LEGISLATOR DERIGGI-WHITTON: I'm
17 going to verify that.

18 (No verbal response.)

19 Is there any public comment?

20 (No verbal response.)

21 Thank you, Mr. Walker. All those
22 in favor of Item 234-13 signify by saying
23 aye.

24 (Aye.)

25 Those opposed?

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2 (Nay.)

3 The item passes four to three.

4 (Whereupon, the following is the
5 continuation of the minutes of the Finance
6 Committee, 6-3-13.)

7 CHAIRMAN NICOLELLO: I think that
8 sounds good.

9 LEGISLATOR DENENBERG: And
10 obviously we want the judgements or orders,
11 settlements and the appraisal sheets for
12 these as well.

13 CHAIRMAN NICOLELLO: Any other
14 discussion?

15 (No verbal response.)

16 Is there any public comment?

17 (No verbal response.)

18 All those in favor signify by
19 saying aye.

20 (Aye.)

21 Those opposed?

22 (Nay.)

23 Passes four to three. Last item
24 is 234 of 2013, a resolution authorizing the
25 County of Nassau to file an application for

1 Finance Committee/6-3-13
2 federal assistance with the Department of
3 Housing and Urban Development.

4 LEGISLATOR WALKER: So moved.

5 LEGISLATOR KOPEL: Second.

6 CHAIRMAN NICOLELLO: Moved by
7 Legislator Walker, seconded by Legislator
8 Kopel.

9 MR. SARCONE: Yes. John Sarcone,
10 Director of Housing for Nassau County. The
11 Office of Housing and Community Development
12 is the overall administrative agent for the
13 Federal Community Development Block Grant
14 also known as CDBG. Also incorporated into
15 this action plan is the Home Investment
16 Partnership Program as well as the Emergency
17 Solutions Program which are all funded
18 through Housing and Urban Development.

19 The goal and objective of these
20 programs are to assist low to moderate
21 income persons.

22 CHAIRMAN NICOLELLO: Legislator
23 Denenberg.

24 LEGISLATOR DENENBERG: For the
25 minority, the only request we have before

1 Finance Committee/6-3-13
2 this goes to Full is if we can see -- in
3 years past, we have seen a breakdown of
4 where the money has gone to in the past year
5 or where we project the CDBG to be
6 distributed this year.

7 MR. SARCONE: Yes. The detail
8 with the action plan is called the 2020. I
9 can get it to each legislator this week.

10 LEGISLATOR DENENBERG: I think we
11 all want to see the 2020 for last year and
12 what is projected for this year.

13 MR. SARCONE: That's not a
14 problem.

15 LEGISLATOR DENENBERG: Please
16 have that before Full so that if we have any
17 questions we can ask at Full.

18 MR. SARCONE: That is not a
19 problem.

20 LEGISLATOR DENENBERG: Thank you.

21 CHAIRMAN NICOLELLO: Obviously
22 all legislators request that. Just so the
23 record is clear, we have discussed that with
24 the minority and we agreed to basically tee
25 this up, pass it along so there will be a

1 Finance Committee/6-3-13

2 more thorough hearing at the Full
3 Legislature on June 23rd.

4 MR. SARCONE: You will all have
5 their specific projects in your various
6 districts.

7 CHAIRMAN NICOLELLO: Thank you.
8 Any other questions or comments?

9 (No verbal response.)

10 Is there any public comment?

11 (No verbal response.)

12 All those in favor signify by
13 saying aye.

14 (Aye.)

15 Those opposed?

16 (No verbal response.)

17 Carries unanimously. May I have
18 a motion to adjourn?

19 LEGISLATOR WALKER: So moved.

20 LEGISLATOR KOPEL: Second.

21 CHAIRMAN NICOLELLO: Moved by
22 Legislator Walker, seconded by Legislator
23 Kopel. All those in favor of adjourning
24 signify by saying aye.

25 (Aye.)

1 Finance Committee/6-3-13

2 Those opposed?

3 (No verbal response.)

4 The committee stands in

5 adjournment.

6 (Whereupon, the Finance Committee

7 adjourned at 4:14 p.m.)

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C E R T I F I C A T E

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

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of June, 2013.

FRANK GRAY