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NASSAU COUNTY LEGISLATURE

NORMA GONSALVES,  
Presiding Officer

FINANCE COMMITTEE

RICHARD NICOLELLO, Chairman

1550 Franklin Avenue  
Mineola, New York

Monday, January 7, 2013  
2:03 P.M

REGAL REPORTING SERVICE  
(516) 747-7353

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

RICHARD NICOLELLO ,  
Chairman

VINCENT MUSCARELLA  
Vice-Chairman

ROSE MARIE WALKER

MICHAEL VENDITTO

DAVID DENENBERG ,  
Ranking

JUDI BOSWORTH (Substituted by  
Robert Troiano)

DELIA DeRIGGI-WHITTON

WILLIAM J. MULLER, III  
Clerk of the Legislature

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1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: Calling the  
3 Finance Committee to order. I will call the  
4 roll. Legislator DeRiggi-Whitton?

5 LEGISLATOR DeRIGGI-WHITTON:  
6 Here.

7 CHAIRMAN NICOLELLO: Legislator  
8 Troiano substituting for Legislator  
9 Bosworth?

10 LEGISLATOR TROIANO: Here.

11 CHAIRMAN NICOLELLO: Legislator  
12 Denenberg who is out in the audience.

13 Legislator Venditto?

14 LEGISLATOR VENDITTO: Here.

15 CHAIRMAN NICOLELLO: Legislator  
16 Walker?

17 LEGISLATOR WALKER: Here.

18 CHAIRMAN NICOLELLO: Legislator  
19 Muscarella?

20 LEGISLATOR MUSCARELLA: Here.

21 CHAIRMAN NICOLELLO: And I'm  
22 here. We have a quorum.

23 The first item is an ordinance  
24 making certain determinations pursuant to  
25 SEQRA and authorizing the county executive

1 Finance Committee/1-7-13  
2 on behalf of the County of Nassau to execute  
3 a license agreement between the county and  
4 the Incorporated Village of Hempstead in  
5 connection with the use of parking spaces.

6 LEGISLATOR WALKER: So moved.

7 LEGISLATOR MUSCARELLA: Second.

8 CHAIRMAN NICOLELLO: Moved by  
9 Legislator Walker, seconded by Legislator  
10 Muscarella. Mr. May.

11 MR. MAY: Mr. Mike Kelly.

12 MR. KELLY: Good afternoon.

13 Michael Kelly, acting director, Nassau  
14 County Department of Public Works, Division  
15 of Real Estate Services. Item 718-12 is to  
16 authorize the county executive to sign a  
17 license agreement with the Village of  
18 Hempstead with regard to parking for county  
19 employees, agencies, and other agencies.

20 Currently the county has a  
21 license agreement which expired December 31,  
22 2012 for 731 parking spaces. After looking  
23 at the situation, we determined that 76  
24 spaces were unneeded which brought down the  
25 cost of this new license agreement, however,

1 Finance Committee/1-7-13  
2 the cost has gone up by 25 cents per space  
3 per day for a total savings for the county  
4 of \$12,000 a year. This agreement is for a  
5 period of three years and we recommend that  
6 this -- we are recommending that this be  
7 considered a type two action under SEQRA.

8 CHAIRMAN NICOLELLO: Are these  
9 spaces needed?

10 MR. KELLY: Yes. These are for  
11 county employees and other county related  
12 agencies.

13 CHAIRMAN NICOLELLO: I mean, is  
14 there a charge for these spaces or are these  
15 for county employees?

16 MR. KELLY: Regularly, there  
17 would be a charge if I was just going to one  
18 of these spaces depending on where I was  
19 parking, I would be paying anywhere between  
20 four and \$8 a day. This is \$3 a day.

21 CHAIRMAN NICOLELLO: Any of these  
22 spaces allocated for the public?

23 MR. KELLY: No. These are for  
24 county employees, court officers, and other  
25 agencies in our buildings.

1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: Any other  
3 questions? Legislator Denenberg.

4 LEGISLATOR DENENBERG: This is  
5 for the parking near the traffic violations  
6 bureau?

7 MR. KELLY: It's for several  
8 places. It's for the garage by the traffic  
9 violations agency, and 40 Main Street also  
10 uses parking in that facility and it's also  
11 at various lots surrounding the district  
12 court and village hall.

13 LEGISLATOR DENENBERG: We do this  
14 every three years, is this routine?

15 MR. KELLY: The last time this  
16 was done was five years ago and that  
17 agreement expired on December 31st.

18 LEGISLATOR DENENBERG: How much  
19 did it go up?

20 MR. KELLY: Well, the per space  
21 cost went up by 25 cents per space per day  
22 but, because we eliminated 76 spaces, the  
23 total cost per year has gone down by  
24 \$12,000.

25 LEGISLATOR DENENBERG: This is

1 Finance Committee/1-7-13  
2 only for county employees, or at 40 Main, is  
3 that also for town employees?

4 MR. KELLY: No town employees.  
5 This is for county employees, for court  
6 officers at the district court, for Legal  
7 Aid Society and Heaven.

8 LEGISLATOR DENENBERG: Thank you.

9 MR. KELLY: You're welcome.

10 CHAIRMAN NICOLELLO: Legislator  
11 Troiano.

12 LEGISLATOR TROIANO: Thank you.

13 Do any of the employees reimburse  
14 the county for the money that the county is  
15 spending for their parking?

16 MR. KELLY: No. These are I  
17 believe spaces provided for county  
18 employees.

19 LEGISLATOR TROIANO: Is this the  
20 practice of the county to pay for employee's  
21 parking costs?

22 MR. KELLY: This is because the  
23 spaces that they are parking on are owned by  
24 the Village of Hempstead and they would  
25 usually charge for these spaces. Like, for



1 Finance Committee/1-7-13  
2 instance, if you're working at 1550 or  
3 working in One West Street, you park in a  
4 county parking lot, it's owned by the  
5 county, the county maintains the parking  
6 lot, so there is no fee to be paid.

7 This is basically using somebody  
8 else's lot that they maintain, that they pay  
9 for and we pay a fee to use it.

10 LEGISLATOR TROIANO: I understand  
11 why the village charges a fee, I'm not sure  
12 I understand why the county doesn't require  
13 reimbursement from the employees. When I  
14 was working in the city, if I drove to work,  
15 I had to pay for parking myself. My  
16 employer didn't pay for the parking.

17 MR. KELLY: Well, the county, in  
18 effect, as I was trying to explain, pays for  
19 the parking for all county employees because  
20 it's on county property. The property is  
21 maintained by the county. You have to  
22 replace the light bulbs, the lights, pave  
23 it, put lines on it, whatever, remove the  
24 snow.

25 In this case, that's a village

1 Finance Committee/1-7-13  
2 responsibility on village property. So  
3 whatever way you look at it --

4 LEGISLATOR TROIANO: So in a  
5 sense we're making them whole to where I  
6 stand, as a county legislator, I get to park  
7 outside for free?

8 MR. KELLY: Right.

9 LEGISLATOR TROIANO: So there is  
10 no other locations in the county where an  
11 employee is using a municipal lot or private  
12 lot where the county also pays for them, for  
13 their parking expense?

14 MR. KELLY: Not that I'm aware  
15 of.

16 LEGISLATOR TROIANO: If they are,  
17 they will be letting you know shortly.  
18 Thank you.

19 CHAIRMAN NICOLELLO: Any other  
20 discussion?

21 LEGISLATOR DERIGGI-WHITTON: Can  
22 I ask one really quick question?

23 CHAIRMAN NICOLELLO: Legislator  
24 DeRiggi-Whitton.

25 LEGISLATOR DERIGGI-WHITTON: Does

1 Finance Committee/1-7-13  
2 this cover the cost of any insurance or --  
3 in other words, who pays for the insurance  
4 for these parking lots, does the county or  
5 the village?

6 MR. KELLY: Well, we don't pay  
7 separately for insurance for these parking  
8 lots and I doubt that the village does  
9 either because, as a municipal agency, you  
10 usually self insure as the county does.

11 CHAIRMAN NICOLELLO: Any public  
12 comment?

13 (No verbal response.)

14 All those in favor signify by  
15 saying aye.

16 (Aye.)

17 Any opposed?

18 (No verbal response.)

19 Carries unanimously. Thank you,  
20 Mr. Kelly.

21 MR. KELLY: You're welcome.

22 CHAIRMAN NICOLELLO: Items 2, 3,  
23 4 and 5 of 2013, actually item 2 is a  
24 resolution to authorize the transfer of  
25 appropriations heretofore made within the

1 Finance Committee/1-7-13  
2 budget for the year 2012. 3 and 4 are  
3 ordinances supplemental to the annual  
4 appropriation ordinance in connection with  
5 Nassau Community College. 5 is another  
6 resolution to authorize the transfer of  
7 appropriations heretofore made within the  
8 budget for year 2012.

9 LEGISLATOR MUSCARELLA: So moved.

10 LEGISLATOR WALKER: Second.

11 CHAIRMAN NICOLELLO: Moved by  
12 Legislator Muscarella, seconded by  
13 Legislator Walker.

14 MR. MAY: Are there any questions  
15 on these items? I have staff members here  
16 to answer them, otherwise --

17 CHAIRMAN NICOLELLO: Any  
18 discussion? Legislator Denenberg.

19 LEGISLATOR DENENBERG: What  
20 numbers?

21 CHAIRMAN NICOLELLO: 2, 3, 4, 5.

22 LEGISLATOR DENENBERG: I'm sorry.  
23 I thought you said more. I don't have  
24 questions.

25 CHAIRMAN NICOLELLO: Any public

1 Finance Committee/1-7-13  
2 comment? Legislator Troiano.  
3 LEGISLATOR TROIANO: 2 is 2-13?  
4 CHAIRMAN NICOLELLO: Yes.  
5 LEGISLATOR TROIANO: And 3-13?  
6 CHAIRMAN NICOLELLO: Yes.  
7 LEGISLATOR TROIANO: And 4-13?  
8 CHAIRMAN NICOLELLO: Yes. And 5.  
9 LEGISLATOR TROIANO: Okay.  
10 CHAIRMAN NICOLELLO: No  
11 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 Any opposed?  
19 (No verbal response.)  
20 Those items carry unanimously.  
21 Items 6, 7, 8, 9 of 2013 are resolutions to  
22 authorize the county assessor and/or the  
23 county treasurer and/or the receiver of  
24 taxes of the towns of Hempstead and Oyster  
25 Bay to partially exempt real property

1 Finance Committee/1-7-13  
2 taxation of certain properties and to  
3 authorize the county assessor and/or  
4 treasurer and/or receiver of taxes of the  
5 towns of Hempstead, Oyster Bay to correct  
6 erroneous assessments.

7 LEGISLATOR VENDITTO: So moved.

8 LEGISLATOR WALKER: Second.

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

13 LEGISLATOR DENENBERG: Mr. May, I  
14 don't know if Mr. Volk is here on this one,  
15 a few months ago, back in September, and  
16 then it took two months for it to come down,  
17 I think it was some time in November, I had  
18 asked questions, and I think the chair --  
19 several of us did regarding the correction  
20 of the erroneous assessments at that time,  
21 and it had to do with something -- it had to  
22 do in part with STAR exemptions and, what  
23 are these, and why are we getting more?

24 MR. MAY: Well, these items are  
25 from the Department of Assessment. I have

1 Finance Committee/1-7-13

2 Mr. Dan Valentino here to answer any  
3 questions that you may have on those items.

4 LEGISLATOR DENENBERG: All right.

5 MR. MAY: As far as the questions  
6 that you referenced, I believe that the  
7 county attorney opinion was delivered to you  
8 for the last meeting of the Full Legislature  
9 in December.

10 LEGISLATOR DENENBERG: And at the  
11 time one of my concerns was, you know, why  
12 we were getting so many at what the cost to  
13 the county was if the exemptions weren't  
14 correctly put in and then we had to correct  
15 an erroneous exemption and then had to lay  
16 out the money for something I thought was  
17 state cost. The opinion was that under the  
18 law we would have to.

19 My question I guess to  
20 Mr. Valentino is, now at the beginning of  
21 the year, we're getting more of these. I  
22 have never seen this many corrections being  
23 required, and now, the first meetings of the  
24 year, we're doing it again.

25 MR. VALENTINO: It has to do with

1 Finance Committee/1-7-13  
2 the recently enacted law that affected the  
3 '11-'12 year going forward. The state  
4 enacted a cap on who can receive the basic  
5 STAR exemption. So if your combined income  
6 is over a half a million dollars, you are no  
7 longer entitled to receive the exemption.

8 In the first instance, the state  
9 makes that determination. They send us a  
10 list of properties that are ineligible to  
11 receive the exemption. That determination  
12 can be overturned if the taxpayers, the  
13 homeowners, come in and show us on their tax  
14 returns that their income is under a half a  
15 million dollars. So that's why we do a  
16 correction of error petition to fix it, and,  
17 as we noted before, we pay out and then the  
18 school districts have to reimburse us.

19 LEGISLATOR DENENBERG: So we're  
20 going to pay out and then go to the schools  
21 to reimburse, correct?

22 MR. VALENTINO: Correct.

23 LEGISLATOR DENENBERG: What about  
24 the state?

25 MR. VALENTINO: The school then



1 Finance Committee/1-7-13  
2 seeks reimbursement from the state. It's  
3 all in the opinion I submitted to you last  
4 month.

5 LEGISLATOR DENENBERG: Okay. So  
6 last year we got it at the end of the year.  
7 This year we're doing it now, not because it  
8 all has to do with the same year, we are  
9 just coming up with these resolutions as  
10 corrections need to be made, is that why  
11 we're getting it like this?

12 MR. VALENTINO: It's whenever the  
13 taxpayer contacts us. They have three years  
14 from the annex of a warrant to seek a  
15 correction of error. So some of them notice  
16 later than others. Most people notice when  
17 they get their tax bill. Others notice  
18 after the escrow and they then conduct an  
19 inquiry and they say why did I lose my basic  
20 STAR exemption and we say, the state told us  
21 that you were ineligible to receive it, your  
22 income was over. They say my income is not  
23 anywhere near that. They submit us their  
24 federal and state tax returns and show us  
25 that their income is under. ORPS, which is

1 Finance Committee/1-7-13  
2 the lead administrative body responsible for  
3 administering the STAR exemption for aiding  
4 municipalities, tells us that we can  
5 overturn the determination if we have these  
6 tax returns and if they demonstrate that  
7 they're under a half a million.

8 LEGISLATOR DENENBERG: So to get  
9 it right, we're approving paying back the  
10 taxpayer and charging the school to pay the  
11 taxpayer back or us back?

12 MR. VALENTINO: To pay us back.

13 LEGISLATOR DENENBERG: "Us"  
14 meaning the county?

15 MR. VALENTINO: Yes.

16 LEGISLATOR DENENBERG: So the  
17 county is going to pay -- now this  
18 authorizes charging the school to pay the  
19 county back and then the school will have to  
20 go back to the state to get paid back?

21 MR. VALENTINO: Correct.

22 LEGISLATOR DENENBERG: We can't  
23 just go straight to the state?

24 MR. VALENTINO: No. That's not  
25 the way it's drafted. I submitted the

1 Finance Committee/1-7-13  
2 reimbursement form that was included with  
3 the opinion. That's just the process the  
4 state has.

5 CHAIRMAN NICOLELLO: Legislator  
6 DeRiggi-Whitton.

7 LEGISLATOR DERIGGI-WHITTON: Do  
8 you know about approximately what percentage  
9 this represents as far as the errors? Like,  
10 is it five percent that we're dealing with  
11 or is it a larger amount?

12 MR. VALENTINO: When you consider  
13 400,000 parcels, it's really less than one  
14 percent I would say.

15 LEGISLATOR DERIGGI-WHITTON: So  
16 less than one percent is affected by an  
17 error?

18 MR. VALENTINO: Yes.

19 LEGISLATOR DERIGGI-WHITTON: And  
20 do you have any idea how much money that is,  
21 or no idea?

22 MR. VALENTINO: How much money?  
23 It depends on the error. There is a lot of  
24 different factors and circumstances. I can  
25 give you the average estimate of correction

1 Finance Committee/1-7-13  
2 of errors but it's not just going to touch  
3 on the STAR exemption, it will touch on all  
4 other errors.

5 LEGISLATOR DERIGGI-WHITTON: But  
6 just for this, you're saying it's less than  
7 one percent?

8 MR. VALENTINO: Yes. It's really  
9 a small percentage.

10 LEGISLATOR MUSCARELLA: Mr.  
11 Valentino, I just want to get this straight.  
12 We didn't make the error. The state told us  
13 that these people didn't qualify and we went  
14 by the state's ruling. We overturned the  
15 state's ruling. So the error was by the  
16 state and we correct it?

17 MR. VALENTINO: That's correct.

18 LEGISLATOR MUSCARELLA: This is  
19 not that we made the error and now we're  
20 correcting it?

21 MR. VALENTINO: That's correct.

22 LEGISLATOR MUSCARELLA: Thank  
23 you.

24 CHAIRMAN NICOLELLO: Any other  
25 questions?

1 Finance Committee/1-7-13

2 LEGISLATOR DENENBERG: Actually,  
3 Mr. Valentino, last time it was described to  
4 us -- well, I guess it depended on whether  
5 it was STAR enhanced or some of the other  
6 exemptions, but maybe I'm getting confused  
7 between some the other exemptions, but last  
8 time when this was held up for two months,  
9 the way it was explained to us, some of the  
10 errors were made by the county, and others  
11 were made by the state.

12 I'm looking back at the record  
13 now, it said some were made by the county,  
14 some were made by the state, and it depended  
15 on what the issue was. Where it was STAR,  
16 there's \$500,000 a year cap, you said it was  
17 the state.

18 Where it was either enhanced STAR  
19 or some of the other exemptions that are  
20 available to people that we were paying back  
21 a mistake, we were told that some of the  
22 errors were created by the county.

23 MR. VALENTINO: That's correct.  
24 Predominantly it's the income over though.

25 LEGISLATOR DENENBERG: I guess my

1 Finance Committee/1-7-13  
2 issue ultimately is the people do have to be  
3 paid back and, certainly, if it's STAR, the  
4 state should end up paying it. But I think  
5 we can go straight to the state instead of  
6 to the schools first, but you're telling me  
7 we can't?

8 MR. VALENTINO: We can't. The  
9 county has no authority for that.

10 LEGISLATOR DENENBERG: It's just  
11 seems that --

12 MR. VALENTINO: It's convoluted,  
13 I agree.

14 CHAIRMAN NICOLELLO: Thank you,  
15 Mr. Valentino.

16 LEGISLATOR DENENBERG: To say the  
17 least.

18 CHAIRMAN NICOLELLO: Do we have  
19 any further questions or discussion from  
20 legislators?

21 (No verbal response.)

22 Is there any public comment?

23 (No verbal response.)

24 All those in favor signify by  
25 saying aye.

1 Finance Committee/1-7-13

2 (Aye.)

3 Those opposed?

4 (No verbal response.)

5 Carries unanimously.

6 LEGISLATOR DENENBERG: Actually  
7 myself and Legislator DeRiggi-Whitton are  
8 opposed.

9 CHAIRMAN NICOLELLO: Then it  
10 carries 4-3 or 5-2. Carries by a vote of 5  
11 to 2.

12 Item 13 of 2013 is a bond  
13 ordinance providing for a capital  
14 expenditure to finance the capital project  
15 specify herein within the County of Nassau  
16 and authorizing \$7,875,000 of bonds of the  
17 County of Nassau to finance the expenditure.

18 LEGISLATOR WALKER: So moved.

19 LEGISLATOR VENDITTO: Second.

20 CHAIRMAN NICOLELLO: Moved by  
21 Legislator Walker, seconded by Legislator  
22 Venditto. Mr. May, this is the college,  
23 correct?

24 MR. MAY: We have the vice  
25 president, Mr. Muscarella.

1 Finance Committee/1-7-13

2 DR. MUSCARELLA: Joe Muscarella,  
3 vice president of facilities management,  
4 Nassau Community College.

5 This ordinance follows up on the  
6 action of the legislature with respect to  
7 these college projects in December. The  
8 amount being asked to be bonded for these  
9 projects reflects the balance of funds  
10 needed to cover the anticipated spending for  
11 FY 2012 and 2013 on them which is the same  
12 process that was followed with respect to  
13 the county projects included in the capital  
14 improvement plan for 2012.

15 CHAIRMAN NICOLELLO: Thank you.  
16 Any questions? Seeing none, thank you, Dr.  
17 Muscarella. Is there any public comment?

18 (No verbal response.)

19 All those in favor signify by  
20 saying aye.

21 (Aye.)

22 Any opposed?

23 (No verbal response.)

24 That item carries unanimously.  
25 Item 14 of 2013 is an ordinance pursuant to



1 Finance Committee/1-7-13  
2 SEQRA authorizing the county executive of  
3 the County of Nassau to accept on behalf of  
4 the County of Nassau an offer of purchase.

5 LEGISLATOR WALKER: So moved.

6 LEGISLATOR MUSCARELLA: Second.

7 CHAIRMAN NICOLELLO: Moved by  
8 Legislator Walker, seconded by Legislator  
9 Muscarella. This item went through the  
10 Planning Committee a little while ago. Are  
11 there any questions about this item?

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 Any opposed?

19 (No verbal response.)

20 Carries unanimously. Items 15  
21 and 16 are resolutions authorizing the  
22 county executive to execute an amendment to  
23 a grant agreement between the County of  
24 Nassau acting on behalf of the Department of  
25 Parks and East Meadow United Methodist

1 Finance Committee/1-7-13  
2 Church, and a resolution authorizing the  
3 county executive to execute an amendment of  
4 a grant agreement between the county and the  
5 Long Island Film and TV Foundation.

6 LEGISLATOR WALKER: So moved.

7 LEGISLATOR MUSCARELLA: Second.

8 CHAIRMAN NICOLELLO: Moved by  
9 Legislator Walker, seconded by Legislator  
10 Muscarella. Is there any questions on these  
11 items?

12 (No verbal response.)

13 Is there any public comment?

14 Legislator Troiano.

15 LEGISLATOR TROIANO: What is 15  
16 for?

17 CHAIRMAN NICOLELLO: That's the  
18 number.

19 MR. MAY: I believe it is to  
20 extend an agreement to provide hotel/motel  
21 tax monies for the upkeep of the historic  
22 United Methodist Church Cemetery in East  
23 Meadow. Is there an additional question?

24 LEGISLATOR TROIANO: No, that was  
25 it. Thank you.

1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: Do we have  
3 any further questions?

4 (No verbal response.)

5 Is there any public comment?

6 (No verbal response.)

7 All those in favor signify by  
8 saying aye.

9 (Aye.)

10 Any opposed?

11 (No verbal response.)

12 Items 24, 25, 26, 27, ordinances  
13 supplemental to the annual appropriation  
14 ordinance in connection with the Department  
15 of Human Services, Housing and Community  
16 Development and the Police Department.

17 These items went through the  
18 Health Committee and Public Safety earlier.

19 LEGISLATOR VENDITTO: So moved.

20 LEGISLATOR WALKER: Second.

21 CHAIRMAN NICOLELLO: Moved by  
22 Legislator Venditto, seconded by Legislator  
23 Walker. Do we have any questions on these  
24 items?

25 (No verbal response.)

1 Finance Committee/1-7-13

2 Is there any public comment?

3 (No verbal response.)

4 All those in favor signify by  
5 saying aye.

6 (Aye.)

7 Any opposed?

8 (No verbal response.)

9 Carries unanimously. Item 28 of  
10 2013 is a resolution authorizing the release  
11 of a surety bond and cash escrow monies for  
12 the map of Chai Noon Subdivision. The item  
13 went through Public Works and Planning.

14 LEGISLATOR VENDITTO: So moved.

15 LEGISLATOR MUSCARELLA: Second.

16 CHAIRMAN NICOLELLO: Moved by  
17 Legislator Venditto, seconded by Legislator  
18 Muscarella. Do we have any questions,  
19 discussion?

20 (No verbal response.)

21 Is there any public comment?

22 (No verbal response.)

23 All those in favor signify by  
24 saying aye.

25 (Aye.)

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2 Any opposed?

3 (No verbal response.)

4 Carries unanimously. 31, 32, 33,  
5 34, 35, 36, and 37 of 2013. These are  
6 ordinances supplemental to the annual  
7 appropriation ordinance in connection with  
8 the Department of Human Services, Office of  
9 Mental Health, Chemical Dependency and  
10 Developmental Disability Services, Housing  
11 and Community Development, Department of  
12 Probation, and a resolution to authorize the  
13 transfer of appropriations heretofore made.

14 LEGISLATOR MUSCARELLA: So moved.

15 LEGISLATOR WALKER: Second.

16 CHAIRMAN NICOLELLO: Moved by  
17 Legislator Muscarella, seconded by  
18 Legislator Walker. Do we have any questions  
19 on Items 31 through 37?

20 LEGISLATOR DENENBERG: Yes.

21 CHAIRMAN NICOLELLO: Sure.

22 LEGISLATOR DENENBERG: Legislator  
23 Whitton, did you?

24 LEGISLATOR DERIGGI-WHITTON: Go  
25 ahead.

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2 LEGISLATOR DENENBERG: Okay. I  
3 don't know who is here on these items.  
4 Mr. May, I should ask you?

5 MR. MAY: Which item in  
6 particular, sir?

7 LEGISLATOR DENENBERG: In each  
8 case, the appropriation is either for mental  
9 health, chemical dependency and  
10 developmental disability, or some type of  
11 human service program.

12 Is this just routine requirements  
13 to appropriate funds that we received in  
14 grant money from the state?

15 MR. MAY: Correct. These are  
16 supplemental appropriations drawing down  
17 monies from the state for our various  
18 programs that we have in the county.

19 LEGISLATOR DENENBERG: And it's  
20 being done at year end just because the  
21 grants just came in, or just housekeeping,  
22 or --

23 MR. MAY: I believe that's when  
24 the money from the state became available?  
25 That's incorrect. I have Ms. Lisa Murphy

1 Finance Committee/1-7-13  
2 here to clarify.

3 LEGISLATOR DENENBERG: My only  
4 question is, it seems it's all an  
5 appropriation of New York State funds for  
6 either mental health, chemical dependency  
7 and developmental disabilities, or other  
8 human service programs, but mostly it was  
9 behavioral services.

10 So my question is, is it  
11 happening right now because we got the  
12 grants right now, or just to show the  
13 necessary supplemental appropriation or  
14 appropriation for budgetary purposes?

15 MS. MURPHY: No. It's the annual  
16 appropriation and, honestly, had it not been  
17 for Hurricane Sandy, we would have been  
18 before you in December for these 2013 funds.  
19 But this is just the annual supplement that  
20 every year that we do get from the state and  
21 that's this year's.

22 LEGISLATOR DENENBERG: So in each  
23 of these cases this appropriation is moving  
24 state funding to the appropriate lines?

25 MS. MURPHY: State and federal

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2 funding, yes.

3 LEGISLATOR DENENBERG: Okay.

4 Thank you, Ms. Murphy.

5 MS. MURPHY: Thank you.

6 CHAIRMAN NICOLELLO: Legislator  
7 DeRiggi-Whitton.

8 LEGISLATOR DERIGGI-WHITTON: Is  
9 this money guaranteed already, 100 percent,  
10 from the state?

11 MS. D'ALLEVA: Yes. We did  
12 receive our state letter on the mental  
13 health piece and OASIS did give us their  
14 preliminary letter of a grant award.

15 Of course you know that the state  
16 does, in fact, always have the opportunity  
17 because the state budget comes through in  
18 April to change things and that language is  
19 in all of our contracts to inform them  
20 should there be a reduction, but these are  
21 the funds that we have been receiving and I  
22 believe will continue to receive for the  
23 last few years so there hasn't really been  
24 any change in that regard.

25 LEGISLATOR DERIGGI-WHITTON: So



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2 what we are voting on today though is  
3 basically on the assumption that this will  
4 be 100 percent reimbursed by the state and,  
5 should that change, our appropriations would  
6 have to change as well; is that correct?

7 MS. D'ALLEVA: If that would  
8 change, then the appropriations would have  
9 to change as well, yes.

10 LEGISLATOR DERIGGI-WHITTON: So  
11 there is no chance of us basically putting  
12 in county money on these appropriations at  
13 this time by voting for it?

14 MS. D'ALLEVA: No. We would have  
15 to come back to the legislature and request  
16 additional funding if that were the case.

17 LEGISLATOR DERIGGI-WHITTON:  
18 Thank you.

19 CHAIRMAN NICOLELLO: Do we have  
20 any further questions?

21 (No verbal response.)

22 LEGISLATOR DERIGGI-WHITTON: Did  
23 you call 36-13?

24 CHAIRMAN NICOLELLO: Do you have  
25 a question about it?

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2 LEGISLATOR DERIGGI-WHITTON: Yes.  
3 How are you doing?

4 MR. MAY: Excellent. Thank you.

5 LEGISLATOR DERIGGI-WHITTON: I  
6 just wanted to ask a quick question about  
7 this. I know that we recently consolidated  
8 these two groups. Do you find the real  
9 estate being handled by DPW, has that shown  
10 any savings in your experience with this?  
11 It's been about a year since we did that.

12 MR. MAY: There is efficiencies  
13 of scale, as I understand it, some of the  
14 employees in real estate do work out of DPW  
15 and take up some of the functions in that  
16 department. I'm personally satisfied with  
17 the consolidation of the two departments. I  
18 think real estate and DPW are working  
19 excellently together, and pretty much just  
20 leave it at that, yes.

21 LEGISLATOR DERIGGI-WHITTON: Has  
22 there been a marked difference or you  
23 really, like you said, you just can't  
24 determine that at this point?

25 MR. MAY: A marked difference in

1 Finance Committee/1-7-13

2 the?

3 LEGISLATOR DERIGGI-WHITTON: Just  
4 the financial end of it as far as the  
5 savings, have we saved anything as far as  
6 rent or nothing?

7 MR. MAY: Well, not in rent.  
8 Real estate is -- was based out of One West  
9 and DPW is based out of 1194 Prospect. So  
10 it's not a rent issue.

11 LEGISLATOR DERIGGI-WHITTON: You  
12 think there's been a savings in overtime or  
13 anything like that?

14 MS. D'ALLEVA: Roseanne D'Alleva,  
15 budget office. There's been some  
16 retirements, I think in real estate, that  
17 have been absorbed into DPW because of the  
18 fiscal staff there. So, yes, there have  
19 been savings.

20 CHAIRMAN NICOLELLO: Are you  
21 done, Legislator DeRiggi-Whitton?

22 LEGISLATOR DERIGGI-WHITTON: I  
23 know there is no rent, but I know, for  
24 instance, One West Street, if they're not  
25 there anymore, do we do anything with that

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2 space or how it that being allocated now?

3 MR. MAY: The space is available  
4 if we wanted to put somebody else in there.  
5 I don't think we're going to put a  
6 concessionaire in there or anything, so  
7 should there be other employees we wanted to  
8 move, I guess we could use that office  
9 space. But it has nothing to do with rent  
10 or anything.

11 LEGISLATOR DERIGGI-WHITTON: So  
12 as far as we're concerned, the consolidation  
13 itself is working well, but we can't really  
14 see a marked savings, is that fair enough?

15 MR. MAY: I would say that that's  
16 not fair. Ms. D'Alleva just testified that  
17 the --

18 LEGISLATOR DERIGGI-WHITTON:  
19 Well, retirements, I don't know if we can  
20 really, you know --

21 MR. MAY: Sure, we can, because  
22 if somebody is retired and the workload that  
23 the individual was handling who retired is  
24 picked up by somebody in DPW, you are saving  
25 that money because you don't have to hire

1 Finance Committee/1-7-13

2 somebody else to replace that person.

3 LEGISLATOR DERIGGI-WHITTON: So  
4 by having people retire we are cutting down  
5 on the staff number, we are not replacing  
6 anyone in these departments?

7 MR. MAY: That's correct.

8 LEGISLATOR DERIGGI-WHITTON:  
9 Okay.

10 CHAIRMAN NICOLELLO: Legislator  
11 Denenberg.

12 LEGISLATOR DENENBERG: Ms.  
13 D'Alleva, when we transferred these two  
14 salary lines from real estate to public  
15 works, the total movement from real estate  
16 to public works equals -- I mean, the two  
17 lines together will be equivalent, about  
18 \$176,000, right?

19 MS. D'ALLEVA: Yes, I believe so.

20 LEGISLATOR DENENBERG: And that's  
21 just the realization that the money for  
22 those salaries needs to be in public works  
23 where before it was in real estate because  
24 the real estate department doesn't exist  
25 anymore, it's within public works?

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

3 LEGISLATOR DENENBERG: So in  
4 terms of savings this year for salaries and  
5 wages, that would not have been realized  
6 yet, but you're saying in retirements not  
7 having to be replaced, we will eventually  
8 realize savings?

9 MS. D'ALLEVA: Correct, because  
10 those functions are being absorbed by DPW.

11 LEGISLATOR DENENBERG: That  
12 assumes that they stayed in real estate that  
13 people retiring would have been replaced as  
14 opposed to a head count reduction because of  
15 attrition?

16 MS. D'ALLEVA: That's correct,  
17 because we have people in DPW performing  
18 those functions.

19 LEGISLATOR DENENBERG: What is an  
20 example?

21 MS. D'ALLEVA: So if we have a  
22 fiscal staff member who's doing all the  
23 fiscal work at DPW, and you have a fiscal  
24 staff member who retired in real estate, all  
25 the fiscal work in terms of budgeting,

1 Finance Committee/1-7-13  
2 procurements, contract procedures, that's  
3 all being done by DPW now, and that member's  
4 functions have expanded.

5 LEGISLATOR DENENBERG: Okay.

6 CHAIRMAN NICOLELLO: Do we have  
7 any further questions?

8 (No verbal response.)

9 Is there any public comment on  
10 these items?

11 (No verbal response.)

12 All those in favor signify by  
13 saying aye.

14 (Aye.)

15 Any opposed?

16 (No verbal response.)

17 Carries unanimously. I skipped  
18 over an item so we're going to go back to  
19 Item 30 of 2013, a resolution to authorize  
20 the transfer of appropriations heretofore  
21 made within the budget for the year 2012.

22 LEGISLATOR WALKER: So moved.

23 LEGISLATOR MUSCARELLA: Second.

24 CHAIRMAN NICOLELLO: Moved by  
25 Legislator Walker, seconded by Legislator

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2 Muscarella. Do we have any questions,  
3 discussion on this item?

4 (No verbal response.)

5 Is there any public comment?

6 (No verbal response.)

7 All those in favor signify by  
8 saying aye.

9 (Aye.)

10 Those opposed?

11 (No verbal response.)

12 The item carries unanimously.

13 Item 38 of 2013 is a bond ordinance making  
14 certain determinations pursuant to the State  
15 Environmental Quality Review Act providing  
16 for a capital expenditure to finance the  
17 payment of certain judgments, compromise and  
18 settle claims resulting from court orders  
19 and proceedings brought pursuant to Article  
20 7 of the Real Property Tax Law. Do we have  
21 any discussion on this item in this  
22 committee?

23 LEGISLATOR DENENBERG: I have a  
24 question.

25 CHAIRMAN NICOLELLO: Legislator



1 Finance Committee/1-7-13  
2 Denenberg.

3 LEGISLATOR DENENBERG: This is  
4 the same item that, near as I can tell, and  
5 I might be wrong, Mr. May, same item that  
6 was voted on last session, and the  
7 committees before that?

8 This is for tax certs, correct?

9 MR. MAY: Correct.

10 LEGISLATOR DENENBERG: I still  
11 don't have any backup regarding this 165.2  
12 million in terms of who we are settling  
13 with, for how much, what the appraised value  
14 was by the county's appraiser, what the  
15 petitioners put in as the appraised value.

16 So none of the indicia that I  
17 always look at in terms of a settlement have  
18 been provided. Is that backup going to be  
19 given to us?

20 MR. MAY: Well, conveniently  
21 enough, we have Mr. Martin Volk here with a  
22 shopping cart full of backup for you to  
23 peruse, and I believe he also has --

24 LEGISLATOR DENENBERG: He has a  
25 shopping cart full of backup?

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2 MR. MAY: I believe so. Marty,  
3 do you want to bring it over?

4 LEGISLATOR DENENBERG: Is that  
5 for all the legislators?

6 CHAIRMAN NICOLELLO: You don't  
7 have to bring it over, Mr. Volk. We can see  
8 it. Binders full of backup.

9 MR. MAY: I believe Mr. Volk also  
10 has, at the request of Legislator Kopel, an  
11 example of the tax cert backup provided in  
12 2009 under the previous administration to  
13 compare to the backup as provided by the  
14 current administration, and I believe that  
15 would be from year 2010.

16 You might also have on them a  
17 bond ordinance from I believe 2005 for  
18 \$150,000,000 to pay for tax certs, that, if  
19 I'm not mistaken, garner the full vote of  
20 the legislature. The unanimous support of  
21 the legislature I should say.

22 So any questions that you may  
23 have, I'm going to turn over to Mr. Volk at  
24 this time.

25 CHAIRMAN NICOLELLO: Before you

1 Finance Committee/1-7-13

2 do, Mr. Volk, I neglected to take a motion  
3 on that, so I'm taking a motion now.

4 LEGISLATOR WALKER: So moved.

5 LEGISLATOR MUSCARELLA: Second.

6 CHAIRMAN NICOLELLO: Moved by  
7 Legislator Walker, seconded by Legislator  
8 Muscarella. Go ahead.

9 MR. VOLK: Thank you, Legislator  
10 Nicolello. Legislator Denenberg, to answer  
11 your immediate question, last year, in or  
12 about April or so, my office inundated all  
13 of the legislator's offices with lots and  
14 lots of e-mails.

15 LEGISLATOR DENENBERG: And I went  
16 through what you had given, added it all  
17 together with Michelle Darcy, who is my  
18 counsel, and she and I went through each and  
19 every one of 87 items. We had several  
20 questions. The grand total didn't even  
21 equal 40 million. I think it equalled about  
22 -- it was far less than what was being  
23 requested in terms of bonding. I don't have  
24 the exact figures off.

25 Then we did have some questions

1 Finance Committee/1-7-13  
2 on it. Then the backup was pulled. So  
3 those settlements were pulled. There was  
4 never part of an item that was voted on.  
5 The bond request, as you well know,  
6 oscillated from I think at one point 305,  
7 and then down to 140, and then 100, then 40,  
8 then back up. Now it's at 165. I don't  
9 have any of the backup.

10 I don't know if any of the  
11 e-mails you sent to me back in last April or  
12 May or June, whichever it was, is the backup  
13 for the items that are trying to be settled  
14 for 165 million.

15 MR. VOLK: Some of it certainly  
16 is. And, legislator, thank you for  
17 admitting that we did send you something.  
18 You had used the word "any" of the backup.  
19 Thank you for admitting that we did send you  
20 approximately \$35 million of it.

21 LEGISLATOR DENENBERG: I didn't  
22 admit anything. I admit that you gave  
23 backup for an item that didn't equal what  
24 you were asking for, but then it was all  
25 pulled. Every single item, every single bit

1 Finance Committee/1-7-13  
2 of backup was pulled from the clerk's  
3 office.

4 So I'm being asked to vote on 165  
5 million now. You said you had it in a  
6 shopping cart, the backup. I don't know if  
7 the backup equals 165. I have no idea what  
8 the backup is. I appreciate that Legislator  
9 Kopel asked for some backup. I'm not privy  
10 to what he asked for. All I know is that,  
11 speaking for myself, and I believe  
12 Legislator Troiano, and Legislator Whitton,  
13 we don't have anything right now.

14 And I'm not going to approve \$165  
15 million to be bonded without any backup at  
16 all. I've never once voted in favor of a  
17 tax cert settlement or bonding therefore  
18 without seeing the backup and each of the  
19 settlements. I have always asked about  
20 those. And often I was joined by Legislator  
21 Becker.

22 MR. VOLK: Legislator, are you  
23 suggesting, perhaps, that I had the power  
24 and authority to pull back e-mails from you?

25 LEGISLATOR DENENBERG: What are

1 Finance Committee/1-7-13  
2 you talking about?

3 MR. VOLK: You're saying that  
4 backup was pulled back from you. Are you  
5 suggesting that I have the power and the  
6 authority --

7 LEGISLATOR DENENBERG: Are you  
8 telling me that your e-mails were the backup  
9 for what was ended up requested in terms of  
10 bonding?

11 MR. VOLK: I am telling that you  
12 certainly what I sent you last year is  
13 certainly part of it. And I most certainly  
14 didn't pull it back.

15 LEGISLATOR DENENBERG: If it's  
16 part of it, it was never complete. And I'm  
17 no better than any of the legislators here.  
18 What ends up being filed by the  
19 administration as the backup with the  
20 clerk's office is what each and every  
21 legislator is entitled to look at.

22 E-mails between you and I,  
23 whereas that might help me understand, if  
24 that backup is not provided as the official,  
25 if you will, the filed in backup for that

1 Finance Committee/1-7-13  
2 item, or if it's pulled, then I'm being told  
3 that that doesn't support what's being  
4 requested.

5 MR. VOLK: Legislator, they were  
6 sent to your counsel, not to you.

7 LEGISLATOR DENENBERG: You just  
8 said the e-mails were sent to me. But,  
9 listen, I'm no better and our counsel is not  
10 better than their counsel, their counsel is  
11 not better than ours. Both sides of the  
12 aisle and every legislator is entitled to  
13 see the backup. We are all entitled to  
14 question that backup. I had a lot of  
15 questions about what was e-mailed over to  
16 Counsel Darcy. She had a lot of questions.  
17 We went through it together.

18 There never was a hearing that I  
19 can ask the questions, because by the time  
20 the matter was ultimately called, any backup  
21 that had been provided had been pulled.

22 MR. VOLK: What's your definition  
23 the word "pulled"? Maybe I just don't  
24 understand that. I certainly sent it to  
25 counsel, and my office sent it to counsel,

1 Finance Committee/1-7-13  
2 and certainly we don't have the authority to  
3 somehow make e-mails go away.

4 LEGISLATOR DENENBERG: Amended  
5 and not being filed in as the support for  
6 that particular item as filed. That's what  
7 backup typically is. It's when an item is  
8 requested and filed with our clerk's office  
9 for us to vote on it whichever committee it  
10 goes to, usually has the support for that  
11 item. If it's a contract, it's a contract.

12 If it's a settlement, it's  
13 usually the settlement. If it's a request  
14 for bonding in tax certs, what I'm used to  
15 seeing over 12 years, is each and every  
16 settlement, why we are being requested to  
17 approve the settlement in certain amounts,  
18 who we are giving money to, and why we are  
19 giving that money.

20 Then, at the end of the day, that  
21 settlement, or a group of settlements might  
22 accumulate to a certain amount of money  
23 being requested for bonding.

24 I've never seen backup that even  
25 comes close to \$165.2 million. The e-mails,



1 Finance Committee/1-7-13  
2 which did have I believe 87 settlements,  
3 didn't even come close to that amount. And  
4 I don't know that that's the only proof and  
5 the only settlements that we're talking  
6 about paying off.

7 MR. VOLK: Legislator,  
8 unfortunately my question was, I asked you  
9 your definition of the use of the word  
10 pulled that I didn't understand what that  
11 meant. Unfortunately I don't think your  
12 answer helped me.

13 LEGISLATOR DENENBERG: I'm sorry?

14 MR. VOLK: I said --

15 LEGISLATOR DENENBERG: You're  
16 actually supposed to be answering my  
17 questions, but I will try to be better at  
18 answering your questions. When I mean  
19 pulled, you never had backup that actually  
20 justified any of us saying that we should  
21 spend \$165 million worth of taxpayer money  
22 on these judgments where we know who's  
23 receiving the money, why we're giving them  
24 that amount of money, what appraisals it's  
25 based upon.

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2 But I will tell you this,  
3 speaking for myself, when I'm asked to bond  
4 \$165 million or to approve taxpayer money  
5 being paid out particularly to the tune of  
6 \$165 million or even amounts far less, I  
7 want to know who's it going to, why it's  
8 going, what proof they have, and what the  
9 backup is.

10 So, my question is, where is the  
11 support for this \$165 million? Because all  
12 I have right now is the piece of paper in my  
13 hand. And you're not getting my vote with  
14 this piece of paper.

15 MR. VOLK: Have you finished?

16 LEGISLATOR DENENBERG: Have you  
17 started? You haven't answered anything.  
18 You've asked me questions.

19 MR. VOLK: That's right, because  
20 I clearly, legislator, I did not understand  
21 your question so I was asking for  
22 clarification. I was asking for  
23 clarification on --

24 LEGISLATOR DENENBERG: You have a  
25 room full of people here who know you

1 Finance Committee/1-7-13  
2 haven't answered anything yet. Where is the  
3 backup for this?

4 MR. VOLK: Legislator, with all  
5 due respect, you and I went to the same law.  
6 I was taught in that law school, as were  
7 you, to wait for somebody to finish  
8 speaking. That's only the polite way, and  
9 we are colleagues.

10 LEGISLATOR DENENBERG: You still  
11 haven't answered my question.

12 MR. VOLK: I had asked you a very  
13 simple question, legislator. What does the  
14 word pulled, in your context, mean?

15 LEGISLATOR DENENBERG: It's not  
16 submitted with this item as the support for  
17 this item.

18 CHAIRMAN NICOLELLO: All right.  
19 We're going around in circles.

20 LEGISLATOR DENENBERG: Where is  
21 the backup for this? It was an easy  
22 question, to the chair.

23 Where is the backup for \$165  
24 million worth of bond requests?

25 MR. VOLK: We have submitted some

1 Finance Committee/1-7-13  
2 of it and I will look into what happened to  
3 the remainder of it.

4 LEGISLATOR DENENBERG: You know  
5 what, if you just said we haven't submitted  
6 it all, we've submitted some, you could have  
7 removed the dialogue about our law school.  
8 What's been submitted and what will be  
9 submitted? Because I don't have anything,  
10 zero.

11 MR. VOLK: What has been  
12 submitted was the backup for those 80 some  
13 odd resolutions that you keep referring to.

14 LEGISLATOR DENENBERG: But those  
15 settlements haven't been authorized by the  
16 legislature yet.

17 MR. VOLK: That's correct. And  
18 we haven't paid on them yet.

19 LEGISLATOR DENENBERG: So those  
20 87 that were sent by an email was what's  
21 filed with the clerk's office as the backup  
22 for this item?

23 MR. VOLK: I have no idea what is  
24 currently filed with the clerk's office. I  
25 have not been over there.

1 Finance Committee/1-7-13

2 LEGISLATOR DENENBERG: But if  
3 something isn't filed, then it's not the  
4 backup. If something is filed and then  
5 withdrawn from the file, from what is filed,  
6 that would be pulled. But if you're saying  
7 something is filed with the clerk's office,  
8 then at least my side of the aisle is going  
9 to have to speak to Mr. Muller as to why  
10 items were filed as part of this 38-13 item  
11 number and we don't have it.

12 But speaking for Mr. Muller, I'm  
13 not putting him on the spot, I don't ever  
14 know him not to give me and my caucus the  
15 backup for every filed item.

16 It's not even clear to me,  
17 Mr. Volk, so that you understand, it's not  
18 even clear to me that the 87 items that were  
19 e-mailed over to counsel, clients, and  
20 Darcy, were filed and, if they were filed, I  
21 believe that that file was withdrawn or, as  
22 I called it, pulled. I don't know what's on  
23 file with the clerk's office right now for  
24 this item. Can anyone help me with this?

25 CLERK MULLER: Everything, every

1 Finance Committee/1-7-13  
2 backup for that item has been submitted to  
3 you. I will have my staff go back right now  
4 though if you want me to.

5 LEGISLATOR DENENBERG: So,  
6 Legislator Nicoletto, we have everything  
7 that Mr. Muller provided to us, and it's  
8 very little, certainly not a shopping cart  
9 full.

10 CHAIRMAN NICOLELLO: Mr. Volk,  
11 you brought something up to the podium with  
12 you as a demonstration as to what was  
13 provided in the past?

14 MR. VOLK: Yes.

15 CHAIRMAN NICOLELLO: Can you show  
16 us that again?

17 MR. VOLK: Certainly. The first  
18 document is Resolution Number 397 of 2005  
19 which was a resolution for \$131 million  
20 worth of bonding, passed Nassau County  
21 Legislature October 26th, 2005.

22 CHAIRMAN NICOLELLO: How many  
23 pages was that, what are we talking about,  
24 for that 130 something million dollars of  
25 bonding, what was the item that you have in

1 Finance Committee/1-7-13

2 front of you, how many pages?

3 MR. VOLK: With the cover sheet,  
4 six pages.

5 CHAIRMAN NICOLELLO: Do you have  
6 other items from the past?

7 MR. VOLK: Yes, I do.

8 CHAIRMAN NICOLELLO: So let me  
9 make a point. In 2005, this legislature  
10 authorized the county executive to borrow up  
11 to \$135 million to give the county the  
12 capacity to borrow that amount --

13 LEGISLATOR DENENBERG: But --

14 CHAIRMAN NICOLELLO: Wait, wait.  
15 I let you speak for a good 20 minutes and  
16 the first time I ask the question you're  
17 interrupting me?

18 LEGISLATOR DENENBERG: You're  
19 saying that --

20 CHAIRMAN NICOLELLO: There is  
21 going to be some decorum in this committee.  
22 We're all going to get a chance to talk,  
23 every one is going to get a chance to talk  
24 without being interrupted. It's just the  
25 fact that you don't like the question

1 Finance Committee/1-7-13  
2 doesn't give you an opportunity to  
3 interrupt.

4 LEGISLATOR DENENBERG: Near as I  
5 can tell, you're going to need our votes on  
6 this bonding.

7 CHAIRMAN NICOLELLO: Near as I  
8 can tell, you want to create a fog and any  
9 time there's a concrete answer, you want to  
10 disturb that answer. So let Mr. Volk  
11 continue. Go ahead.

12 Again, the 130 something million  
13 dollars of capacity to borrow was passed by  
14 this legislature, Republicans and Democrats,  
15 to give the county \$135 million to settle  
16 tax assessment challenges; is that correct?  
17 Just on six pages of backup.

18 MR. VOLK: With one limited  
19 concern is that it was up to 131 million,  
20 not 135 million.

21 CHAIRMAN NICOLELLO: Six pages.

22 MR. VOLK: With my correction,  
23 you are correct.

24 CHAIRMAN NICOLELLO: What else do  
25 you have there?



1 Finance Committee/1-7-13

2 MR. VOLK: Moving on to 2009, I  
3 do not know which item it was, but this was  
4 after, from what I understand, there had  
5 been an agreement with Legislator Becker and  
6 Legislator Denenberg to give the legislature  
7 some more information, including the  
8 aforementioned famous chart, and we had  
9 begun to do that.

10 CHAIRMAN NICOLELLO: So what, in  
11 2009, how much capacity to borrow was  
12 provided?

13 MR. VOLK: I actually do not have  
14 that information in front of me.

15 CHAIRMAN NICOLELLO: And how many  
16 pages were you talking about then?

17 MR. VOLK: Ten pages.

18 CHAIRMAN NICOLELLO: Now, in  
19 terms of what's actually before us today,  
20 it's an authorization that gives us the  
21 capacity to borrow for assessment  
22 challenges, right?

23 MR. VOLK: Yes, sir.

24 CHAIRMAN NICOLELLO: And, in the  
25 past, as long as anyone can remember, this

1 Finance Committee/1-7-13  
2 legislature has gotten the challenges that  
3 would be a payout of over \$100,000 for  
4 approval; is that correct?

5 MR. VOLK: That's my  
6 understanding, sir.

7 CHAIRMAN NICOLELLO: Before we do  
8 that, you have to provide us the backup?

9 MR. VOLK: Yes, sir. Right.

10 CHAIRMAN NICOLELLO: With respect  
11 to this item, this isn't the specific  
12 approval of those \$100,000 challenges, is  
13 it?

14 MR. VOLK: I believe that it's  
15 just for bonding of up to 165,240.

16 CHAIRMAN NICOLELLO: No. The  
17 refunds of over \$100,000 have to come to us,  
18 correct?

19 MR. VOLK: Yes.

20 CHAIRMAN NICOLELLO: So even if  
21 we approve this item today, we still have to  
22 get for specific approval of those items  
23 with refunds of over \$100,000?

24 MR. VOLK: Right.

25 CHAIRMAN NICOLELLO: So those,

1 Finance Committee/1-7-13  
2 under \$100,000 traditionally, have not come  
3 to us?

4 MR. VOLK: And that's by  
5 resolution of this body.

6 CHAIRMAN NICOLELLO: And going  
7 back for years and years and years?

8 MR. VOLK: Yes, sir.

9 CHAIRMAN NICOLELLO: So all we're  
10 doing today is approving the capacity of  
11 this county to borrow?

12 MR. VOLK: I believe that's  
13 correct, sir.

14 CHAIRMAN NICOLELLO: All this  
15 bi-play about backup and not getting backup  
16 and where is it, and we didn't get what we  
17 got in the past, it's irrelevant because, up  
18 to \$100,000 is approved as it has been in  
19 the past. And we are not going to get the  
20 backup on those items, right?

21 MR. VOLK: Give me the last part  
22 again?

23 CHAIRMAN NICOLELLO: For refunds  
24 up to \$100,000, we are not going to get that  
25 backup because we never have.

1 Finance Committee/1-7-13

2 MR. VOLK: Traditionally, that's  
3 correct.

4 CHAIRMAN NICOLELLO: And for  
5 refunds over \$100,000, those items will be  
6 submitted to the county legislature for  
7 specific approval and we will get the backup  
8 for those items when they're approved,  
9 correct?

10 MR. VOLK: Or beforehand, and, of  
11 course, to the extent we haven't sent it  
12 already, if we need to send it again, we  
13 will send it again.

14 Any other questions?

15 LEGISLATOR DENENBERG: Yes.

16 CHAIRMAN NICOLELLO: Legislator  
17 DeRiggi-Whitton.

18 LEGISLATOR DENENBERG: You cut me  
19 off, Rich.

20 CHAIRMAN NICOLELLO: I didn't cut  
21 you off. I let you speak for 20 minutes.  
22 Listen, I'm the chair of the committee and I  
23 get to decide who speaks first.

24 LEGISLATOR DENENBERG: The real  
25 issue is --

1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: Legislator  
3 DeRiggi-Whitton has the floor. Legislator  
4 DeRiggi-Whitton.

5 LEGISLATOR DERIGGI-WHITTON:  
6 Michael Venditto, I'm going to ask you to  
7 join me in this, and I'm respectfully  
8 requesting that this be tabled. And I have  
9 a lot of respect for you, Mr. Nicolello.

10 CHAIRMAN NICOLELLO: We have a  
11 motion to table on the floor. It's not  
12 debatable motion --

13 LEGISLATOR DERIGGI-WHITTON:  
14 Please don't interrupt me either.

15 CHAIRMAN NICOLELLO: Thank you.  
16 Is there a second?

17 LEGISLATOR DERIGGI-WHITTON:  
18 You're trying to preach --

19 CHAIRMAN NICOLELLO: It's not  
20 debatable.

21 LEGISLATOR DERIGGI-WHITTON:  
22 Listen, I have the right to speak, just like  
23 you just told David.

24 CHAIRMAN NICOLELLO: Yes. But  
25 you made a motion and it's not debatable.

1 Finance Committee/1-7-13

2 LEGISLATOR DERIGGI-WHITTON: I  
3 haven't made the motion yet.

4 CHAIRMAN NICOLELLO: All right.  
5 You're withdrawing your motion.

6 LEGISLATOR DERIGGI-WHITTON: I'm  
7 presenting a statement to Michael Venditto.  
8 All right. Let's just look at what happened  
9 today. And I have to say, I'm totally  
10 embarrassed by our Nassau County government  
11 right now.

12 They cart in information that I  
13 assume you haven't looked at, that I haven't  
14 looked at, and unless we're all speed  
15 readers, we can't look at that right now and  
16 determine whether or not it's worth  
17 borrowing on our children's future, \$165  
18 million, without absolutely not even a  
19 minute to look at that.

20 Just by listening to this  
21 testimony, I'll tell you, if you call this,  
22 I'm going to lose a lot of respect, because  
23 we're saying, number one, we are not even  
24 sure what's been submitted, what's not been  
25 submitted. We did have times when maybe we

1 Finance Committee/1-7-13  
2 weren't as careful as we should have been  
3 with borrowing money, and that did get us in  
4 a bit of financial trouble throughout the  
5 last history of Nassau County.

6 I think we were elected today to  
7 be more responsible. I know that David  
8 Denenberg and Mr. Becker did come up with a  
9 chart and you were just mentioning that, and  
10 now you're saying, well, maybe that doesn't  
11 have to be included in the future. You  
12 don't even know what was backed up to back  
13 up that chart when you're talking about  
14 borrowing money, you're talking about six  
15 pages.

16 The bottom line, if we have not  
17 learned anything up to this point, it's that  
18 we have to be more respectful and more  
19 accountable to our taxpayer's money.

20 Michael, I have been here for  
21 only one year, but I have seen them come to  
22 us and they ask for X amount in bonding,  
23 whether it's for retirement or other things,  
24 and then we question it, and they come back  
25 for half as much as the original amount.

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2 It's on the record. You can look it up  
3 yourself.

4 I think we are sending a horrible  
5 message to our taxpayers, to our employees,  
6 to everyone that we represent by somehow  
7 passing this at this point with a shopping  
8 cart full of information that no one has  
9 looked at, with information that's been  
10 pulled and deleted.

11 I am respectfully requesting that  
12 we -- I will put in for the motion now and I  
13 know it will be voted down because it always  
14 is, but for this to be moved forward, Mr.  
15 Nicoletto, at this point, with this much  
16 confusion, and you sat through here like I  
17 did. This was awful. This is an  
18 abomination. There is no way that you can  
19 expect -- look, I know what you're saying,  
20 the item still has to come in front of us,  
21 but what we're doing is, we are saying,  
22 okay, you have our permission as the Finance  
23 Committee to go ahead and borrow \$165  
24 million. That's putting our reputation on  
25 the line.



1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: Are you  
3 making a motion?

4 LEGISLATOR DERIGGI-WHITTON: It's  
5 like giving someone a credit card and  
6 saying, here's \$165 million, money that we  
7 don't have, we are going to borrow it from  
8 our children's future, without even handing  
9 out the documents.

10 I mean, I would have felt a  
11 little better had you handed them to us,  
12 even if it was only five minutes before,  
13 which is what happened the last time they  
14 asked us to vote for it.

15 This is not the way to run a  
16 business. This is not our money. This is  
17 the taxpayer's money and we have to be more  
18 accountable.

19 I'm so respectfully requesting  
20 that you table this motion.

21 CHAIRMAN NICOLELLO: Motion to  
22 table is on the floor. Is there a second.

23 LEGISLATOR DENENBERG: Second.

24 CHAIRMAN NICOLELLO: Seconded by  
25 Legislator Denenberg.

1 Finance Committee/1-7-13

2 All those in favor of the motion  
3 to table signify by saying aye.

4 (Aye.)

5 Those opposed?

6 (Nay.)

7 Motion is defeated four to three.

8 I agree with --

9 LEGISLATOR DERIGGI-WHITTON: Can  
10 you -- some people did not vote. Neither I  
11 nor nay.

12 CHAIRMAN NICOLELLO: We're going  
13 to poll the committee at the request of  
14 Legislator DeRiggi-Whitton who apparently --  
15 never mind. Legislator DeRiggi-Whitton,  
16 motion to table?

17 LEGISLATOR DeRIGGI-WHITTON: Yes.

18 CHAIRMAN NICOLELLO: Legislator  
19 Troiano sitting in for Legislator Bosworth?

20 LEGISLATOR TROIANO: Aye.

21 CHAIRMAN NICOLELLO: Legislator  
22 Denenberg?

23 LEGISLATOR DENENBERG: Without  
24 backup, I certainly think we should vote to  
25 table, I vote yes.

1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: Legislator  
3 Venditto?

4 LEGISLATOR VENDITTO: Nay.

5 CHAIRMAN NICOLELLO: Legislator  
6 Walker?

7 LEGISLATOR WALKER: Nay.

8 CHAIRMAN NICOLELLO: Legislator  
9 Muscarella?

10 LEGISLATOR MUSCARELLA: No.

11 CHAIRMAN NICOLELLO: Legislator

12 Nicolello. Fails four to three. We will do  
13 one thing that you said, Legislator

14 DeRiggi-Whitton, and that is that this awful  
15 and it's an abomination. The fact that you  
16 are playing politics with this county's  
17 business is just a disgrace.

18 Legislator Denenberg.

19 LEGISLATOR DERIGGI-WHITTON: That  
20 doesn't even warrant an answer. I'm really  
21 disappointed. That's all I can tell you. I  
22 had a lot of respect for you.

23 CHAIRMAN NICOLELLO: I'm equally  
24 disappointed.

25 LEGISLATOR DENENBERG: If I can

1 Finance Committee/1-7-13

2 ask a question? Mr. Volk, you have six  
3 pages from 2005 for a \$130 million bond  
4 offering, correct?

5 MR. VOLK: Yes.

6 LEGISLATOR DENENBERG: And you're  
7 saying the only backup for that \$130 million  
8 were those six pages, correct?

9 MR. VOLK: It's not even backup.  
10 It's the cover sheet and it's the bond  
11 ordinance itself.

12 LEGISLATOR DENENBERG: And isn't  
13 it true that the entire amount was for tax  
14 cert settlements, correct?

15 MR. VOLK: That's what the cover  
16 sheet says, legislator.

17 LEGISLATOR DENENBERG: And if you  
18 look back, at that time, that \$130 million  
19 worth of tax certs, the settlements had  
20 already been approved by the legislature  
21 with items being called to the legislature  
22 prior to that date for us to approve the  
23 settlements before the bond offering came to  
24 us.

25 MR. VOLK: The staff summary does

1 Finance Committee/1-7-13  
2 not refer to that at all, legislator, I'm  
3 sorry.

4 LEGISLATOR DENENBERG: I would  
5 look back at the items in those years, and  
6 every tax cert settlement that was greater  
7 than \$100,000 came to this body for approval  
8 with backup showing why we were giving a  
9 certain taxpayer represented by counsel, the  
10 name of the counsel, the identity of the  
11 taxpayer or business, the amount being paid,  
12 and the chart that has gotten -- the famous  
13 chart that I asked for that says why.

14 And all of those settlements were  
15 approved by this legislature before request  
16 for bonding was given to us.

17 MR. VOLK: If you say so,  
18 legislator, but it's like I said, there is  
19 nothing referencing that in the cover sheet.

20 LEGISLATOR DENENBERG: Did you  
21 look at the calendar in that year?  
22 Historically, since I did, on average, 100  
23 separate tax cert settlements came to this  
24 legislature per year, per year, with backup  
25 for us to approve each individual

1 Finance Committee/1-7-13  
2 settlement.

3 The only year that we got zero  
4 was 2011 and 2012. The only year that we  
5 weren't presented with individual  
6 settlements that were over \$100,000 to  
7 approve the settlement was '11 and '12 and  
8 that's the year where we're being asked  
9 right now for \$165 million to approve the  
10 bonding before any settlements are approved.

11 MR. VOLK: Legislator, I disagree  
12 with that statement.

13 LEGISLATOR DENENBERG: I was  
14 here. \$131 million that you're talking  
15 about had already by and large been approved  
16 with individual settlements, and the average  
17 amount of settlements that this body voted  
18 on per year was about 100. We have zero in  
19 '12 and zero in '11.

20 MR. VOLK: Legislator, with all  
21 due respect, I was here in 2011 as well, and  
22 I know I was coming here on a regular basis  
23 with settlement proposals.

24 LEGISLATOR DENENBERG: Those  
25 settlement proposals haven't been voted on.

1 Finance Committee/1-7-13

2 They haven't been voted on.

3 MR. VOLK: Legislator, with all  
4 due respect, there were certainly votes  
5 taken.

6 LEGISLATOR DENENBERG: Not on  
7 what you submitted.

8 MR. VOLK: Perhaps not on what I  
9 submitted with respect to what is in the  
10 cart, but certainly other settlements.

11 LEGISLATOR DENENBERG: My only  
12 point is, you tried to say there was \$130  
13 million approved in 2005 based on six pages.  
14 If you went back, it was based on item after  
15 item, tens upon tens of items that had  
16 already been approved for settlement.

17 MR. VOLK: And what I said, quite  
18 honestly, is that's not referenced in the  
19 staff summary sheet.

20 LEGISLATOR DENENBERG: Why would  
21 it be?

22 CHAIRMAN NICOLELLO: Any other  
23 questions, discussions? Legislator Troiano,  
24 we haven't heard from you yet.

25 LEGISLATOR TROIANO: Good

1 Finance Committee/1-7-13  
2 afternoon.

3 MR. VOLK: Good afternoon.

4 LEGISLATOR TROIANO: There's been  
5 a great deal of interplay here about what's  
6 appropriate for backup, and we've even gone  
7 and looked in the past as far back as 2005  
8 about what the prior administration provided  
9 but I was not part of that. I don't feel in  
10 any sense wedded to, what I will call,  
11 mistakes in the past. Neither was  
12 Legislator DeRiggi-Whitton, nor was  
13 Legislator Venditto or Legislator Walker for  
14 that matter as well.

15 So whatever practiced was  
16 established in the past, I think may not be  
17 relevant at this time. Especially  
18 considering that, in those periods, we were  
19 not in a control period. We were being  
20 governed by NIFA to some extent. So times  
21 were different.

22 I think we all have an  
23 obligation, all of us sitting up here have  
24 an obligation to be even more thorough about  
25 what the county agrees to.



1 Finance Committee/1-7-13

2 So I would ask a simple, plain  
3 common sense logic question: What is the  
4 objection to providing all the backup we are  
5 looking for, whether or not it was ever  
6 provided before, by any previous  
7 administration? What possibly could you say  
8 is wrong in providing information that is  
9 basic to any sort of analysis and review?

10 MR. VOLK: Legislator, if I may,  
11 and that's a fair question. And let me  
12 start by saying I wasn't here either, I was  
13 in private practice.

14 Certainly we have provided backup  
15 in the past and that's going to continue to  
16 be my practice. The resolution that is  
17 before you as Legislator Nicoletto said, is  
18 merely for authorization for bonding. It's  
19 not authorization for payment. I still need  
20 to come before, or the administration still  
21 needs to come before this board, this body,  
22 for approval for settlement of over  
23 \$100,000.

24 LEGISLATOR TROIANO: This may  
25 have been asked already then, so excuse me

1 Finance Committee/1-7-13  
2 if I lost the answer in the exchange that  
3 was going on.

4 If that's the case, why do we  
5 need to do the bonding now?

6 MR. VOLK: I think that's a  
7 question better asked of somebody else.

8 CHAIRMAN NICOLELLO: I think I  
9 can answer that question. Based upon the  
10 posture of the minority of this legislature,  
11 for them to approve the settlements without  
12 the bonding in place would be crazy,  
13 essentially we've accomplished what, in  
14 part, politically what you want to do, to  
15 starve the county executive of any monies,  
16 but for us to approve the settlements  
17 without the bonding in place puts the county  
18 between a rock and a hard place.

19 LEGISLATOR TROIANO: I can see  
20 that, but I guess I'm a little lost  
21 procedurally as to what happens. How do we  
22 arrive at an amount, a very specific amount,  
23 that you're looking for, if you don't know  
24 what the settlement amount is going to be  
25 yet?

1 Finance Committee/1-7-13

2 MR. VOLK: Again, we are asking,  
3 let me just get the item in front of me, I  
4 apologize. Again, we are asking for a sum  
5 up to, and a very generalized delineation is  
6 included in paragraphs 2A and 2B. Again, we  
7 are asking simply for bonding authority, not  
8 payment authority, nor settlement authority.

9 LEGISLATOR TROIANO: I'm sorry, I  
10 don't have the benefit right now of the  
11 resolution. I apologize for that. So I'm  
12 not sure what's in 2A and 2B.

13 MR. VOLK: It's 38 of 13.

14 LEGISLATOR TROIANO: I know. I'm  
15 sorry, but I don't have that with me.  
16 That's my problem, I'm sorry.

17 But still, why \$164 million, \$165  
18 million, and not \$565 million?

19 MR. VOLK: I cannot answer as to  
20 the specific number chosen. I did not draft  
21 this document.

22 LEGISLATOR TROIANO: Then how can  
23 you expect us to vote on something that you  
24 can't even answer the questions?

25 MR. VOLK: Certainly if I need to

1 Finance Committee/1-7-13  
2 have the information by full session I will  
3 do so.

4 LEGISLATOR TROIANO: Well, I  
5 think that's what Legislator Denenberg has  
6 been asking for for weeks now.

7 MR. VOLK: As I said, if I need  
8 to have a better breakdown, or we need to  
9 have a better breakdown as to what comprises  
10 the number that's in this item, we will have  
11 it for general session.

12 LEGISLATOR TROIANO: So you  
13 expect us to vote today without having the  
14 backup, but you'll agree to provide it for  
15 the full meeting next week or whenever we  
16 have it?

17 MR. VOLK: Yes, sir.

18 LEGISLATOR TROIANO: That's  
19 nonsensical that you would ask this  
20 committee to vote on something without the  
21 information that you seem to be  
22 acknowledging, tacitly at least, that we  
23 ought to have by Full Legislature.

24 MR. VOLK: As I said, to the  
25 extent that we need to have it for Full

1 Finance Committee/1-7-13  
2 Session, we will have it for the Full  
3 Session.

4 LEGISLATOR TROIANO: Why not have  
5 it for the Finance Committee?

6 MR. VOLK: I have to find out  
7 why.

8 LEGISLATOR TROIANO: Who would  
9 you find that out from?

10 MR. VOLK: I would ask my  
11 supervisor, I would ask the county attorney.

12 LEGISLATOR TROIANO: Who is your  
13 supervisor?

14 MR. VOLK: The county attorney.

15 LEGISLATOR TROIANO: The county  
16 attorney. Well, if this needs the county  
17 attorney's input, why isn't he here today  
18 then?

19 MR. VOLK: I can't answer that.

20 LEGISLATOR TROIANO: Well, then  
21 can I move that we table this until we can  
22 get further input from the county attorney?

23 CHAIRMAN NICOLELLO: Motion to  
24 table by Legislator Troiano.

25 LEGISLATOR DENENBERG: Second.

1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: Seconded by  
3 Legislator Denenberg. All those in favor of  
4 the motion to table signify by saying aye.

5 (Aye.)

6 Those opposed?

7 (Nay.)

8 It's defeated by a vote of four  
9 to three. Four of the majority committee,  
10 three votes of the minority committee.

11 LEGISLATOR TROIANO: Can I ask  
12 then, how are we to know that there's  
13 nothing included in the backup that  
14 apparently exists but we can't see yet, how  
15 are we to know that there's nothing greater  
16 than \$100,000 in that?

17 CHAIRMAN NICOLELLO: No one is  
18 saying that there isn't.

19 LEGISLATOR TROIANO: Well, I  
20 didn't understand, Rich, because you were  
21 saying earlier that, I thought, that there's  
22 nothing here -- everything here is less than  
23 \$100,000.

24 CHAIRMAN NICOLELLO: No. I  
25 wasn't saying that. It's a mixture of both

1 Finance Committee/1-7-13  
2 but those items that are over \$100,000 will  
3 have to come back to us for approval of the  
4 settlement.

5 LEGISLATOR TROIANO: I understand  
6 that. So at any rate you are on the record  
7 and you commit to providing us with all the  
8 backup by the time the Full Leg meets?

9 MR. VOLK: I believe what I  
10 agreed to, legislator, and please correct me  
11 if I'm wrong, to provide information as to  
12 how the \$165 million was arrived at. I  
13 believe that was your question, sir.

14 LEGISLATOR TROIANO: What would  
15 that look like to you then?

16 MR. VOLK: It would be a chart as  
17 to how we get to \$165 million or whatever  
18 the number is.

19 LEGISLATOR TROIANO: What would  
20 be on the chart, I'm not sure I understand  
21 then. The chart would have how much detail  
22 then?

23 MR. VOLK: I suppose as much  
24 detail as I could find before the next  
25 meeting.

1 Finance Committee/1-7-13

2 LEGISLATOR TROIANO: Which might  
3 be a detail regarding all of the claimants  
4 that you are currently negotiating with?

5 MR. VOLK: I don't believe so.

6 LEGISLATOR TROIANO: Then what  
7 would you provide? I'm really at a loss as  
8 to what you would provide.

9 MR. VOLK: Again, first I would  
10 have to see what is out there. I don't know  
11 what information I could gather. I don't  
12 know what degree of information I can gather  
13 by the time the Full Legislature meets.

14 LEGISLATOR TROIANO: Well, I'm  
15 not sure what you are agreeing to provide us  
16 with, if you're not even sure.

17 MR. VOLK: It's my understanding  
18 that you asked me for information as to how  
19 the \$165 million figure, or the number  
20 that's in here 165,240, how we got to that.

21 LEGISLATOR TROIANO: That's  
22 correct. I'm asking what are you going to  
23 provide to us to make me feel comfortable?

24 MR. VOLK: I can't answer that  
25 until I see what's out there.



1 Finance Committee/1-7-13

2 MR. MAY: Legislator Troiano,  
3 maybe I can draw your attention to, I  
4 believe it's Clerk Items 33-12, 34-12, and  
5 probably Clerk Items 188, I believe through  
6 and including 280-12, which was all of the  
7 items that we submitted last year for the  
8 bonding that were not -- the votes necessary  
9 for that bonding were not provided to us.  
10 That includes the names of all the  
11 individuals, their addresses, parcel  
12 location, and a variety of other information  
13 that was provided last year.

14 So when we say that the backup  
15 was provided, this being the bond ordinance,  
16 and the authorization to bond, we have  
17 already submitted in substantial detail, I  
18 believe the Clerk Items 33-12 and 34-12, had  
19 to be emailed in four different PDFs which  
20 means they were probably about 10 megabytes  
21 each, which is quite a lot of information.  
22 So that's all available to you either  
23 directly at your offices or in the clerk's  
24 and legislature's office.

25 LEGISLATOR TROIANO: Including

1 Finance Committee/1-7-13  
2 the confidential memos that go with that?

3 MR. MAY: As you are aware,  
4 confidential memos are confidential county  
5 attorney work product and would not be filed  
6 for public examination. Those certainly can  
7 be provided but that's not going to be  
8 provided to the clerk of the legislature.

9 LEGISLATOR TROIANO: But that can  
10 be provided to counsel, can't it?

11 MR. MAY: Absolutely.

12 LEGISLATOR TROIANO: Has that  
13 been provided to counsel?

14 MR. MAY: I believe it was.

15 LEGISLATOR TROIANO: I don't  
16 think it was. In any event, can you provide  
17 that?

18 MR. MAY: I can certainly work  
19 with the county attorney's office to see  
20 what is available and to be able to provide  
21 that.

22 LEGISLATOR TROIANO: And prior to  
23 the vote of the Full Leg?

24 MR. MAY: That would be the ideal  
25 situation, yes.

1 Finance Committee/1-7-13

2 LEGISLATOR TROIANO: I think so.  
3 I think actually the ideal situation would  
4 be for us to have it before the Finance  
5 Committee met.

6 MR. MAY: I'm sorry?

7 LEGISLATOR TROIANO: I think the  
8 ideal situation would have been for the  
9 Finance Committee to have it before we were  
10 asked to vote.

11 MR. MAY: Well, then I guess it's  
12 a difference of opinion. We already filed  
13 most of the information. As far as the  
14 confidential memo, yes.

15 LEGISLATOR TROIANO: That's what  
16 I asked for. Thank you.

17 CHAIRMAN NICOLELLO: Any other  
18 comments or questions by legislators?

19 (No verbal response.)

20 Is there any public comment on  
21 this item?

22 (No verbal response.)

23 LEGISLATOR DERIGGI-WHITTON: Can  
24 you do a roll call, please?

25 CHAIRMAN NICOLELLO: We'll do a

1 Finance Committee/1-7-13

2 roll call. All those in favor signify by

3 saying aye. Legislator DeRiggi-Whitton?

4 LEGISLATOR DERIGGI-WHITTON: I

5 vote no. At least I didn't ask you to do

6 another motion. I could have done that.

7 Table it. Want to do one more, that would

8 make me happy. I vote no.

9 CHAIRMAN NICOLELLO: Legislator

10 Troiano?

11 LEGISLATOR TROIANO: No.

12 CHAIRMAN NICOLELLO: Legislator

13 Denenberg?

14 LEGISLATOR DENENBERG: Again, the

15 fact that we're authorizing \$165 million

16 without backup, without the settlements even

17 being approved, just authorizing it because

18 then the settlements can be railroaded

19 through 10-9 makes no sense at all. We've

20 never done it before. We've never borrowed

21 without having the settlements in place

22 before so I'm voting no.

23 CHAIRMAN NICOLELLO: Legislator

24 Venditto?

25 LEGISLATOR VENDITTO: Aye.

1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: Legislator  
3 Walker?

4 LEGISLATOR WALKER: Aye.

5 CHAIRMAN NICOLELLO: Legislator  
6 Muscarella?

7 LEGISLATOR MUSCARELLA: I would  
8 like to point out that we've have done it  
9 this way in the past and I vote aye.

10 CHAIRMAN NICOLELLO: I vote aye.  
11 The item passes and moves on to the Rules  
12 Committee.

13 Item 39 of 2013, an ordinance  
14 supplemental to the annual appropriation  
15 ordinance in connection with a variety of  
16 departments of the county.

17 LEGISLATOR WALKER: So moved.

18 LEGISLATOR VENDITTO: Second.

19 CHAIRMAN NICOLELLO: Moved by  
20 Legislator Walker, seconded by Legislator  
21 Venditto. There is an amendment that has  
22 been filed with the clerk's office of  
23 January 7th, 2013. Take a motion to amend.

24 LEGISLATOR WALKER: So moved.

25 LEGISLATOR MUSCARELLA: Second.

1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: Moved by  
3 Legislator Walker, seconded by Legislator  
4 Muscarella.

5 MR. MAY: We have Ms. Roseanne  
6 D'Alleva to answer any questions on this  
7 item. It's a supplemental appropriation for  
8 FEMA in the amount of \$109 million after the  
9 amendment.

10 LEGISLATOR DERIGGI-WHITTON: Can  
11 I ask a questions?

12 CHAIRMAN NICOLELLO: Why don't we  
13 have Ms. D'Alleva give us a little bit of a  
14 synopsis of what we're doing here?

15 MS. D'ALLEVA: This is the second  
16 round of supplemental appropriations  
17 requested by the departments in order to  
18 facilitate expending their funds, their  
19 claims for the FEMA storm.

20 CHAIRMAN NICOLELLO: What is the  
21 change in the amendment?

22 MS. D'ALLEVA: I guess the  
23 amendment you're talking about is from the  
24 98 million to 109?

25 CHAIRMAN NICOLELLO: Yes.

1 Finance Committee/1-7-13

2 MS. D'ALLEVA: There was a  
3 polling in between which is, I believe, if  
4 you want to call it, Item 40 as well. That  
5 was Item 40, what happened there, there was  
6 a failure of payroll if the PD. So we had  
7 to pull a \$9 million FEMA appropriation so  
8 that we can move FEMA expenses from the PDD  
9 and PDH fund to the FEMA fund so we can  
10 alleviate the PDH and PDD funds of expenses  
11 so payroll could pass at that time.

12 So the 98 was amended to less the  
13 \$9 million and then we had to add two other  
14 items to that supplemental.

15 So we went from 98, minus the  
16 nine, plus 15 for the STEP program, and 20  
17 for catch basins, debris removal cleanup.  
18 That's where we're at. Now we are at the  
19 109.

20 CHAIRMAN NICOLELLO: This  
21 appropriation is in addition to the --

22 MS. D'ALLEVA: Sorry to be so  
23 confusing.

24 CHAIRMAN NICOLELLO: This is in  
25 addition to the \$95 million that we passed

1 Finance Committee/1-7-13  
2 in December.

3 MS. D'ALLEVA: That's right. So  
4 originally we requested \$95 million. Now we  
5 are requesting an additional 109 plus, on  
6 Item 40, it's \$9 million. So I believe  
7 we're at 218 or something. We're at 95 plus  
8 118 in total.

9 CHAIRMAN NICOLELLO: Do you  
10 expect any additional supplemental  
11 appropriations related to Hurricane Sandy?

12 MS. D'ALLEVA: To be quite  
13 honest, it's a moving target, but at this  
14 time no.

15 CHAIRMAN NICOLELLO: Any other  
16 questions from the committee? Legislator  
17 DeRiggi-Whitton.

18 LEGISLATOR DERIGGI-WHITTON: Just  
19 before I forget, I just wanted to ask you,  
20 on the expenses, it was divided up by  
21 category and then we were given a list of  
22 different vendors. But one that is not  
23 provided is for the food supplier. Do you  
24 have the name of that company?

25 MS. D'ALLEVA: There were a few



1 Finance Committee/1-7-13  
2 different food suppliers depending on the  
3 department that used them.

4 LEGISLATOR DERIGGI-WHITTON:  
5 Well, it was for approximately a quarter of  
6 a million dollars, \$244,000. I need the  
7 name of those companies. They were not  
8 provided.

9 MS. D'ALLEVA: I think there was  
10 Top Flight Foods, which was a big one. That  
11 was about \$130,000.

12 LEGISLATOR DERIGGI-WHITTON: It's  
13 not on the breakdown, so if you can just let  
14 me know. There is nothing regarding food  
15 over here and I don't see Top Flight  
16 anything on here.

17 MS. D'ALLEVA: I'm not sure which  
18 list you are looking at. I know extensively  
19 we provided the DPW list.

20 LEGISLATOR DERIGGI-WHITTON:  
21 Well, it's called the Sandy supplemental  
22 appropriation project funding requirement  
23 list which does not mention which company is  
24 receiving those funds.

25 MS. D'ALLEVA: Well, I believe

1 Finance Committee/1-7-13  
2 129,000 -- \$130,000 we can round up is for  
3 Top Flight Foods.

4 LEGISLATOR DERIGGI-WHITTON:  
5 Okay. So if you can send me an e-mail as  
6 soon as possible with the full amount.

7 MS. D'ALLEVA: Absolutely. Not a  
8 problem.

9 LEGISLATOR DERIGGI-WHITTON: How  
10 much has been spent so far? I know you just  
11 said we've already bonded and how much is  
12 that?

13 MS. D'ALLEVA: We have  
14 approximately \$70 million encumbered at this  
15 time. There is also some encumbrances that  
16 have not been able to post because we don't  
17 have the appropriation there. So we are at  
18 about \$75 million really.

19 LEGISLATOR DERIGGI-WHITTON:  
20 That's been paid?

21 MS. D'ALLEVA: That's been  
22 encumbered.

23 LEGISLATOR DERIGGI-WHITTON: But  
24 how much has been actually paid so far?

25 MS. D'ALLEVA: I think we are in

1 Finance Committee/1-7-13

2 the range of 18 million.

3 LEGISLATOR DERIGGI-WHITTON:

4 That's what I heard. So we've only paid \$18  
5 million out of that original 90?

6 MS. D'ALLEVA: Yes. Because  
7 there's extensive -- when we're looking at  
8 the claims management of all the claims  
9 coming in, there's a lot of time allocation  
10 that goes to verifying those claims before  
11 they are sent to the controller's office.

12 LEGISLATOR DERIGGI-WHITTON: So  
13 even though you've only spent approximately  
14 \$12 million, you are coming to ask to borrow  
15 more --

16 MS. D'ALLEVA: \$17 million. And  
17 we are coming to borrow more because we do  
18 have the claims in-house and the bills  
19 in-house, mostly DPW obviously, but to  
20 verify those claims, and all those  
21 expenditures, it takes time before they go  
22 along to the comptroller's office.

23 In addition to that, the PD has  
24 thousands of time slips that they still have  
25 not gone through that they have to verify

1 Finance Committee/1-7-13

2 Sandy time versus regular overtime.

3 So we could be looking at --  
4 they're probably looking at 15 to 20,000  
5 over time slips in order to verify what was  
6 Sandy related and what was not.

7 LEGISLATOR DERIGGI-WHITTON: This  
8 kind of gets back to what we were just  
9 arguing with the bonding. I mean, before we  
10 go out and authorize the money -- and it's  
11 not that we don't trust whoever we're  
12 authorizing the money to, it's nothing  
13 personal, but for you to not quite yet know  
14 a lot of these numbers and to not spend the  
15 17 -- and the \$17 million is the only amount  
16 that's been spent out of all that's been  
17 allocated, to come to us now for bonding, I  
18 think, again, it's almost like we're handing  
19 you a blank check and it can say up to and  
20 all that --

21 CHAIRMAN NICOLELLO: This is not  
22 bonding.

23 MS. D'ALLEVA: It's not bonding.  
24 It's basically we are asking for --

25 LEGISLATOR DERIGGI-WHITTON: I'm

1 Finance Committee/1-7-13  
2 comparing it to the bonding.

3 MS. D'ALLEVA: Right. We're  
4 asking for authorization so that in order  
5 for us to expend against that appropriation.

6 LEGISLATOR DERIGGI-WHITTON:  
7 Right. I understand that. But I just think  
8 that if we've only spent like a little over  
9 20 percent of what's already been allocated,  
10 to come to us now, I believe it's premature,  
11 that's my opinion.

12 The thing I'm concerned about is  
13 this. This is a lot of money. We're  
14 talking close to \$200 million.

15 MS. D'ALLEVA: Absolutely.

16 LEGISLATOR DERIGGI-WHITTON:  
17 There are opportunities where this money, if  
18 it's not used for Sandy, could be  
19 transferred to some other department and I  
20 would have absolutely no idea.

21 MS. D'ALLEVA: There is no way  
22 this money can be transferred to any other  
23 department. This is an appropriation, an  
24 appropriation that is strictly funded by  
25 reimbursement.

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2 If we do not receive  
3 reimbursement, we will not use the funds.  
4 The fund has to balance. The FEMA fund at  
5 the end of the day has to balance. Expenses  
6 versus reimbursement.

7 So, therefore, if we do not  
8 expend the money, we will not get reimbursed  
9 the money. Therefore, the appropriation  
10 will no longer exist.

11 LEGISLATOR DERIGGI-WHITTON: How  
12 can you say that though, we don't know how  
13 much we're being reimbursed out of the \$95  
14 million that we've already bonded?

15 MS. D'ALLEVA: The FEMA fund is  
16 appropriated at a 75 percent reimbursement.

17 LEGISLATOR DERIGGI-WHITTON: If  
18 FEMA has that much money left over. There  
19 are a lot of questions --

20 MS. D'ALLEVA: No. FEMA is  
21 guaranteed. I'm sorry. FEMA is guaranteed  
22 75 percent. We are awaiting the federal  
23 government to make the ruling that occurs up  
24 to 90.

25 LEGISLATOR DERIGGI-WHITTON:

1 Finance Committee/1-7-13

2 Correct. But, again, now we're waiting for  
3 90 to be approved and you're coming and  
4 asking us for almost 200 to be approved.

5 MS. D'ALLEVA: Are we not  
6 supposed to do the debris removal?

7 LEGISLATOR DERIGGI-WHITTON: No,  
8 that is no problem.

9 MS. D'ALLEVA: According to Rich  
10 Millet, and I'm sure Ken Arnold, they can  
11 tell you that they've already done the work  
12 for at least \$50 million. They are going  
13 through the claims right now. If the funds  
14 do not get appropriated, then we can't  
15 expend them.

16 LEGISLATOR DERIGGI-WHITTON:  
17 Well, how come they haven't been paid if we  
18 already --

19 MS. D'ALLEVA: Because we haven't  
20 appropriated the remaining balance of the  
21 funds and they have to look through the  
22 invoices.

23 LEGISLATOR DERIGGI-WHITTON: The  
24 bottom line is, it seems to me -- that it's  
25 under the opinion of this committee, people

1 Finance Committee/1-7-13  
2 come to us and say, this is what we think is  
3 going to happen so we want you to approve  
4 it. We are supposed to approve it and then  
5 wait to see the proof later. I just don't  
6 think that's -- that's just my statement.

7 I have one other question. Looks  
8 Great Services, they were given \$20 million  
9 for the first --

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

11 LEGISLATOR DERIGGI-WHITTON: Am I  
12 to understand that they are up for another  
13 \$22 million with this?

14 MS. D'ALLEVA: That's absolutely  
15 correct. The original 20 million included  
16 the debris removal from the sites in terms  
17 of the streets, the neighborhoods, to the  
18 dumping site which was like Nickerson Beach.

19 It did not include the removal of  
20 the debris from Nickerson Beach to the  
21 dumps. That's what the additional \$20  
22 million is for.

23 LEGISLATOR DERIGGI-WHITTON: I'm  
24 going on record, the last time I voted no  
25 because I really have not been at all



1 Finance Committee/1-7-13  
2 impressed with the way Looks Great Services  
3 has handled a number of things. Not only  
4 what's happened in the preserves, but the  
5 accident was just absolutely horrible.  
6 That's really going to bring the county in  
7 for liability there.

8 I think that before we go ahead  
9 and reward them another \$20 million worth of  
10 contract, after we have been shown time and  
11 time again that if there's an issue --

12 MS. D'ALLEVA: If I'm not  
13 inaccurate -- I'm sorry, I believe they've  
14 already done the work.

15 LEGISLATOR DERIGGI-WHITTON:  
16 Well, you know what, I think that we really  
17 are -- the fact that you're doing this is a  
18 backwards way. Why have a Finance  
19 Committee? Why have us here?

20 MR. ARNOLD: Looks Great Services  
21 provided all the debris removal in the  
22 county, in addition, the removal of all the  
23 construction debris in the City of Long  
24 Beach.

25 The department has an obligation

1 Finance Committee/1-7-13  
2 to get this work done in an expeditious  
3 manner. These contracts came to the Rules  
4 Committee and were voted and approved. This  
5 is now the funding to make these contractors  
6 whole.

7 LEGISLATOR DERIGGI-WHITTON:  
8 Again, the reason why I have a problem with  
9 this company is because I have not -- I feel  
10 the accountability -- listen --

11 MR. ARNOLD: You're questioning  
12 the department's accountability in reviewing  
13 these claims, working this contractor, and  
14 that's very unfortunate that you find a  
15 political motive to beat this up.

16 LEGISLATOR DERIGGI-WHITTON: No,  
17 it's not at all political.

18 MR. ARNOLD: I beg to differ.

19 LEGISLATOR DERIGGI-WHITTON:  
20 There really isn't. It's a financial  
21 motive. I think giving a company \$40  
22 million with very little oversight over  
23 them, and honestly I think they are doing  
24 whatever they want to do, and they were  
25 reckless in different -- not only in the

1 Finance Committee/1-7-13  
2 preserves, they were reckless with  
3 overloading a truck and having a driver,  
4 with all those violations on those trucks,  
5 and --

6 MS. D'ALLEVA: Aside from Looks  
7 Great ---

8 LEGISLATOR DERIGGI-WHITTON: Can  
9 I just finish one thing, and then I'll let  
10 you go?

11 CHAIRMAN NICOLELLO: Just, by the  
12 way, Looks Great, the City of Long Beach has  
13 just hired them to remove the boardwalk,  
14 just so --

15 LEGISLATOR DERIGGI-WHITTON: I  
16 hope that they're careful. I think by  
17 giving them \$40 million and basically  
18 letting them go, we are giving them the  
19 opportunity of them being reckless. And, in  
20 my opinion, both instances, what happened in  
21 the preserve, and what happened with that  
22 car accident, are both examples of companies  
23 that are just doing whatever the heck they  
24 feel like they can do.

25 My last question -- my last

1 Finance Committee/1-7-13  
2 point, by you asking us -- nobody wants --  
3 listen, I represent Bayville, I saw a lot of  
4 damage. Nobody wants this to be done  
5 faster.

6 MS. D'ALLEVA: Honestly, it has  
7 been done. A lot of work has been done.  
8 These people need to get paid. They have  
9 payroll that they haven't made. They are on  
10 bridge loans from banks.

11 LEGISLATOR DERIGGI-WHITTON:  
12 Well, we have plenty of money to pay them.  
13 If you paid 17 so far, then let's pay them  
14 with the rest of the money.

15 MS. D'ALLEVA: But in many areas,  
16 they're not accurate appropriations that we  
17 have to increase the appropriations so that  
18 we can pay these vendors.

19 LEGISLATOR DERIGGI-WHITTON: I  
20 appreciate that and I appreciate that you  
21 still have work to do with it, but I  
22 appreciate also having the facts before we  
23 are asked to vote on something. And not  
24 having an amount and not seeing the  
25 breakdown, it's just very difficult for us

1 Finance Committee/1-7-13  
2 to vote on it. We're giving a blank check,  
3 like even to this company, by giving them,  
4 one company, \$40 million, in my opinion just  
5 gives them the right to do what they want to  
6 do. There's not enough oversight. That's  
7 my concern. That's why the violations on  
8 the trucks really should have been caught  
9 before these subcontractors were -- now  
10 we're on it.

11 That being said, I have the same  
12 thing with the allocating for additional  
13 funds. Look. I trust you. I think you're  
14 doing a good job. I think that you are  
15 going to be careful with what you allocate,  
16 but with us to hand over this much money  
17 without any documentation --

18 MS. D'ALLEVA: You have to  
19 remember --

20 LEGISLATOR DERIGGI-WHITTON: It's  
21 our responsibility in representing the  
22 taxpayers.

23 MS. D'ALLEVA: And I completely  
24 agree. In fact, you know, one of the  
25 reasons that a lot of claims have not been

1 Finance Committee/1-7-13  
2 processed is because there is a third level  
3 of scrutiny at the comptroller's office.

4 LEGISLATOR DERIGGI-WHITTON: And  
5 there should be.

6 MS. D'ALLEVA: Absolutely. And  
7 we're talking about \$213 million. That  
8 scrutiny is ongoing. They review every  
9 single claim to make sure that it's FEMA  
10 eligible. They will not process a claim or  
11 invoice the expense unless it is completely  
12 FEMA eligible.

13 You know, honestly, these  
14 vendors, and we have payroll failures all  
15 over the place because the payroll has hit  
16 the general fund. We need to move the  
17 expenses over to the FEMA fund. To be quite  
18 honest, if we can't show FEMA that we have  
19 these expenses in the FEMA fund segregated  
20 out because once it's in the general fund,  
21 it's kind of all mishmash, so that  
22 everything needs to be segregated in the  
23 FEMA fund so that we can sit down with these  
24 FEMA reps and write those project  
25 worksheets.

1 Finance Committee/1-7-13

2 LEGISLATOR DERIGGI-WHITTON: I  
3 understand that.

4 MS. D'ALLEVA: Currently we have  
5 over \$50 million worth of project worksheets  
6 already written with FEMA that they have  
7 already obligated \$42 million worth of  
8 reimbursement. So we are working diligently  
9 to make sure that this county receives the  
10 reimbursement that, you know, it basically  
11 expenses out.

12 LEGISLATOR DERIGGI-WHITTON: No.  
13 I would expect that. I know \$17 million has  
14 been paid out of almost 200 million that  
15 you're asking for. I appreciate the fact  
16 that you're doing it as fast as possible.

17 What I don't appreciate is that  
18 we don't have any facts. For me to okay  
19 borrowing money, we don't even know if FEMA  
20 is going to reimburse what they say.

21 MS. D'ALLEVA: We've given you,  
22 and you have approved, over \$155 million  
23 worth of contracts.

24 LEGISLATOR DERIGGI-WHITTON: I  
25 didn't approve that.

1 Finance Committee/1-7-13

2 MS. D'ALLEVA: Yes, you have.  
3 They all have come through the legislature.

4 LEGISLATOR DERIGGI-WHITTON:  
5 Right. But I didn't approve that.

6 MS. D'ALLEVA: They've all come  
7 through the legislature. We have to  
8 appropriate accordingly to that.

9 LEGISLATOR DERIGGI-WHITTON: It  
10 was Rules only, number one. Number two, I  
11 also had a problem with Looks Great Services  
12 at our last meeting if you want to just go  
13 back and look.

14 MS. D'ALLEVA: What would you  
15 tell these contractors?

16 LEGISLATOR DERIGGI-WHITTON:  
17 Well, what I would say is, listen, we have  
18 90 million.

19 MS. D'ALLEVA: What do you want  
20 to tell the PD?

21 LEGISLATOR DERIGGI-WHITTON: I  
22 would like you to pay them with the money we  
23 allocated.

24 MS. D'ALLEVA: Would you like to  
25 tell the comptroller's office to hold



1 Finance Committee/1-7-13

2 payroll?

3 LEGISLATOR DERIGGI-WHITTON: No.  
4 You have -- listen, you only paid out \$17  
5 million. I would respectfully request that  
6 -- listen, do your process the way you want.

7 MR. SULLIVAN: Just a couple of  
8 points.

9 LEGISLATOR DERIGGI-WHITTON: I'm  
10 not finished yet. When I'm done, I'll let  
11 you know.

12 The bottom line is this, you're  
13 asking us to go ahead and borrow. We're  
14 giving more money --

15 MR. SULLIVAN: This is not  
16 borrowing.

17 LEGISLATOR DERIGGI-WHITTON: I  
18 apologize, allocate.

19 MS. D'ALLEVA: You keep saying  
20 borrowing.

21 LEGISLATOR DERIGGI-WHITTON: At  
22 this point --

23 CHAIRMAN NICOLELLO: We're not  
24 allocating. It's a supplemental  
25 appropriation.

1 Finance Committee/1-7-13

2 LEGISLATOR DERIGGI-WHITTON: -- we  
3 don't have the money, so we're going to be  
4 switching it from other funds, and we're  
5 hoping that money FEMA reimburses us, and we  
6 don't even have the money for the small  
7 percentage that we had to pay. So maybe a  
8 bond a premature.

9 MS. D'ALLEVA: We know that FEMA  
10 will reimburse. We've already written a PW.  
11 We received close to \$16 million in  
12 reimbursement just on the debris removal PW  
13 that we issued.

14 LEGISLATOR DERIGGI-WHITTON: All  
15 right. My two points to you is this, number  
16 one, I have not been happy with Looks Great  
17 Services. My second point is that before  
18 we're asked to borrow -- not borrow, to  
19 allocate another \$100 million without having  
20 any more than \$17 million already paid from  
21 the money we already approved, I just think  
22 it's backwards --

23 MS. D'ALLEVA: The turnaround  
24 time for Irene was 14 months.

25 LEGISLATOR DERIGGI-WHITTON: I

1 Finance Committee/1-7-13

2 understand that.

3 MS. D'ALLEVA: We've sat down  
4 with FEMA. We've had several meetings with  
5 them. They are constantly meeting with  
6 every single department so that we can  
7 expedite that reimbursement process.

8 LEGISLATOR DERIGGI-WHITTON:  
9 Listen, nobody wants it more than I do.

10 MS. D'ALLEVA: But, to be quite  
11 honest, this will be reconciled through next  
12 year.

13 LEGISLATOR DERIGGI-WHITTON: I  
14 know. No one hopes more than I do that this  
15 money appears.

16 MS. D'ALLEVA: So are you telling  
17 these vendors they're going to have to wait  
18 through next year to get paid?

19 LEGISLATOR DERIGGI-WHITTON: No.  
20 I would tell them that I already okayed over  
21 \$90 million.

22 MS. D'ALLEVA: It's not enough.

23 LEGISLATOR DERIGGI-WHITTON: This  
24 is what I would like to end it with, okay?

25 There's a lot of money involved.

1 Finance Committee/1-7-13

2 I want to make sure there is good oversight.  
3 Yes, maybe you have this information, maybe  
4 you feel comfortable. Some vendors are  
5 listed on this list, some aren't.

6 For me, it's not enough  
7 information. Again, like I said, I do have  
8 a problem with Looks Great Services. I  
9 don't think there's been enough oversight  
10 with them.

11 CHAIRMAN NICOLELLO: Mr.  
12 Sullivan, is this an allocation what we're  
13 doing today?

14 MR. SULLIVAN: It's an  
15 allocation. And just a couple of points of  
16 clarification when we keep on referring to  
17 17 --

18 CHAIRMAN NICOLELLO: It's a  
19 supplemental appropriation?

20 MR. SULLIVAN: Correct. When we  
21 talk about \$17 million being spent, that's  
22 cash out the door. When Roseanne said that  
23 there was \$75 million, I think was the  
24 number, encumbered. Encumbered is the same.  
25 It's gone. It's encumbered, you can't spend

1 Finance Committee/1-7-13  
2 the encumbrance that's out the door that's  
3 reserved funding.

4 Then there is, when you enter  
5 into a contract, there is a requisition  
6 which is a pre-encumbrance, there is a  
7 purchase order, which is an encumbrance.

8 Then you eventually cut the  
9 check, but there are stages to purchasing.  
10 So that when you encumber something, the  
11 money in the system shows as spent.

12 What this is is an allocation.  
13 My biggest fear here, as Roseanne said  
14 before, if we don't allocate this money, you  
15 run the risk of not getting federal  
16 reimbursement. The clock is ticking here.

17 There is a 60 day window for us  
18 to make all our claims. And if we're going  
19 to keep on kicking this issue around -- you  
20 know, personally if it was \$400 million  
21 allocation, I wouldn't care. You're not  
22 spending the money. Spending the money is  
23 putting in the claims. They get audited by  
24 the comptroller's as Ms. D'Allewa said, and  
25 get excruciatingly audited by the feds.

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2 The money doesn't get spent until  
3 the feds say, yes, it's good. That's the  
4 whole ball game here. So if we said \$500  
5 million, it doesn't matter. What happens at  
6 the end, if we get \$200 million back in  
7 reimbursement, then that \$300 million comes  
8 down and all you get, the funds balance, the  
9 revenue and expenses balance.

10 The biggest fear here is, you  
11 know, we don't get this allocated, we don't  
12 get the project worksheets done, we don't  
13 get the federal reimbursement, this is -- we  
14 are creating a huge issue.

15 CHAIRMAN NICOLELLO: I'd imagine  
16 Nassau County wasn't the only locality  
17 affected by the storm, and I'd imagine the  
18 competition for FEMA funds is pretty  
19 intense.

20 MR. SULLIVAN: Yes. The MTA just  
21 went out with a borrowing for three and a  
22 half billion dollars.

23 CHAIRMAN NICOLELLO: You got the  
24 state of New Jersey and all the shore front  
25 communities, you have the County of Suffolk,

1 Finance Committee/1-7-13  
2 Long Beach, New York City.

3 MR. SULLIVAN: And as Ms.  
4 D'Alleva stated, yes, it's sort of  
5 allocating this in a FEMA fund is our  
6 supporting documentation to them. It  
7 strengthens our arguments. Not being able  
8 to show the money was spent on this,0 not  
9 being able to encumber it because the  
10 appropriations are not there creates issues  
11 for us with the federal government.

12 CHAIRMAN NICOLELLO: So what  
13 you're saying, to not appropriate could  
14 potentially jeopardize reimbursement for  
15 FEMA funds?

16 MR. SULLIVAN: Definitely.

17 CHAIRMAN NICOLELLO: And these  
18 are monies that were spent --

19 MR. SULLIVAN: Are spent, spent.

20 CHAIRMAN NICOLELLO: Are spent  
21 because the work was done.

22 MR. SULLIVAN: That is absolutely  
23 correct.

24 CHAIRMAN NICOLELLO: So to not  
25 appropriate, in effect, if FEMA funds get

1 Finance Committee/1-7-13  
2 jeopardized, that money has already been  
3 spent. The money doesn't come in from the  
4 feds, and guess who pays for it? Taxpayers  
5 of Nassau County.

6 MR. SULLIVAN: That's correct.

7 MS. D'ALLEVA: You have \$155  
8 million of approved contracts that went  
9 through this legislature.

10 CHAIRMAN NICOLELLO: Right. Any  
11 other discussion? Legislator Denenberg.

12 LEGISLATOR DENENBERG: Mr.  
13 Sullivan, I mean it could be anyone, a \$950  
14 million appropriation -- I'm sorry. A \$95  
15 million appropriation, supplemental  
16 appropriation was approved at the last full  
17 session and the committees before that, both  
18 in September, correct?

19 MR. SULLIVAN: That's correct.

20 MR. ARNOLD: Correct.

21 LEGISLATOR DENENBERG: Now, just  
22 if layman's terms, we've spent \$17 million  
23 of that --

24 MS. D'ALLEVA: But you've  
25 encumbered --



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2 LEGISLATOR DENENBERG: Let me  
3 finish, please.

4 MS. D'ALLEVA: Okay.

5 LEGISLATOR DENENBERG: Please let  
6 me finish. It must be a joke here. If  
7 Denenberg is talking, jump on it.

8 Of the \$95 million, whether it's  
9 Mr. Sullivan or Ms. D'Alleva, 75 million has  
10 been encumbered and 17 is out the door  
11 already?

12 MS. D'ALLEVA: 17 is out the door  
13 of the 75 encumbered.

14 LEGISLATOR DENENBERG: So in  
15 layman's terms, what does encumbering mean?  
16 That means that we have an obligation that  
17 we have to pay, correct?

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

19 LEGISLATOR DENENBERG: So if we  
20 have an obligation that we have to pay, and  
21 it's been encumbered, which means that we've  
22 identified the contractor and a contract  
23 that has to be paid off on, why haven't the  
24 vendors actually been paid that money yet?

25 MS. D'ALLEVA: Well, there are

1 Finance Committee/1-7-13  
2 several steps to the process. In one  
3 instance, there are issues with -- we need  
4 additional appropriation in some areas so,  
5 therefore, even though the contract passed  
6 through the legislature, in some instances  
7 we do not have the appropriation listed in  
8 the FEMA fund therefore it cannot be  
9 expensed. So we do have millions of dollars  
10 in that bucket.

11 The other bucket is, we have been  
12 invoiced I think through December, actually  
13 through November, we've been invoiced by the  
14 companies through November and DPW is  
15 diligently processing those invoices along  
16 with, once they're done, the comptroller's  
17 office. So it takes time to verify. I  
18 mean, they do do their due diligence to make  
19 sure that the invoices are correct.

20 LEGISLATOR DENENBERG: According  
21 to a January 4th interdepartmental memo from  
22 the Office of Legislative Budget Review, \$17  
23 million represented actual spending, and we  
24 all agree with that; is that correct?

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

1 Finance Committee/1-7-13

2 LEGISLATOR DENENBERG: In  
3 addition, they were at about 70 million of  
4 encumbrances if you include the 17. So it's  
5 a little higher than it was a couple of days  
6 ago?

7 MS. D'ALLEVA: No. I'm going to  
8 be quite honest. I have close to \$6 million  
9 in the general fund AA line that I have not  
10 been able to move to FEMA yet. That's  
11 included in my number. That's why I'm at  
12 like 75 million.

13 LEGISLATOR DENENBERG: Now you  
14 would argue that the reason why we're not  
15 just going to wait until that \$95 million  
16 which has already been supplementally  
17 appropriated, the reason why you want to get  
18 another 100 million in now is because that  
19 95 million will, A, be spent very soon,  
20 certainly be encumbered soon, so you need  
21 the ability to encumber more money, correct?

22 MS. D'ALLEVA: Absolutely.

23 LEGISLATOR DENENBERG: And,  
24 second, I'm looking at Mr. Sullivan because  
25 I think I want you to answer this, you said

1 Finance Committee/1-7-13  
2 that we need to get in the appropriation in  
3 order to make an application to FEMA within  
4 a 60 day period? I'm not sure I understood  
5 that. I have a few questions along that  
6 line.

7 MS. D'ALLEVA: The kick off  
8 meeting -- FEMA reimbursement has strict  
9 guidelines that we must follow. Once the  
10 kick off meeting from FEMA and the state  
11 along with the departments happens, you have  
12 60 days to get your Cat A and Cat B expenses  
13 in.

14 LEGISLATOR DENENBERG: Your what?

15 MS. D'ALLEVA: Category A, debris  
16 removal, and Category B, expenses. So,  
17 therefore, if the kick off meetings were  
18 December 11th, 60 days from that date.

19 LEGISLATOR DENENBERG: Is  
20 December 11th, was that the day that the  
21 kick off meeting was?

22 MS. D'ALLEVA: Yes. And 12th,  
23 depending on the department.

24 LEGISLATOR DENENBERG: Okay. So  
25 in December we had a \$95 million

1 Finance Committee/1-7-13  
2 supplemental appropriation, and this  
3 supplemental appropriation is about \$109  
4 million?

5 MS. D'ALLEVA: Yes.

6 LEGISLATOR DENENBERG: Now, are  
7 we going to have another supplemental  
8 appropriation request?

9 MS. D'ALLEVA: I'm hoping not to.  
10 I think we pretty much covered everything in  
11 these two supplementals, the three  
12 supplementals; the 109, the nine and the 95.

13 LEGISLATOR DENENBERG: If we have  
14 this 60 day period, then it's -- I don't  
15 want to -- it's incumbent upon us to -- we  
16 can't make an application to FEMA unless the  
17 money is appropriated?

18 MS. D'ALLEVA: To be quite  
19 honest, we are actually working on an  
20 extension date due to the holidays. But,  
21 theoretically, that's absolutely right.

22 LEGISLATOR DENENBERG: Why is  
23 that? Unless you have a supplemental  
24 appropriation, you can't make that amount of  
25 money part of the FEMA reimbursement

1 Finance Committee/1-7-13  
2 application?

3 MS. D'ALLEVA: No. The  
4 supplemental appropriation allows us to  
5 appropriate funds in a specific FEMA fund  
6 that we categorize all our expenses. We use  
7 that fund for verification when we sit down  
8 with FEMA to say what contracts are being  
9 encumbered against that fund.

10 So it allows us to sit with them  
11 and give them some type of verification in  
12 terms of what we would like to request to  
13 put on our PD for reimbursement.

14 LEGISLATOR DENENBERG: Now, once  
15 we encumber the money, that money has to be  
16 spent because it's encumbered for that  
17 purpose? So, in other words, the \$75  
18 million that's been encumbered already has  
19 to be spent for that purpose, correct?

20 MS. D'ALLEVA: Yes.

21 LEGISLATOR DENENBERG: How much  
22 of that 75 that's already encumbered and  
23 that first 95 in supplemental appropriation  
24 do we know that FEMA approved, in other  
25 words, that it's FEMA reimbursable?

1 Finance Committee/1-7-13

2 MS. D'ALLEVA: Well, first of  
3 all, it's a bear to try to get FEMA to sit  
4 down with the departments individually  
5 because in certain areas we're creating  
6 silos within the departments to sit down and  
7 write down PWs, these project worksheets.  
8 We have sat down several times with PD but  
9 they haven't physically -- they don't have  
10 an approved project worksheet. That's going  
11 to be done momentarily within this week.

12 Otherwise, we have about \$52  
13 million, \$55 million worth of PWs that were  
14 approved by FEMA. We have about 40 --

15 LEGISLATOR DENENBERG: A PW is a  
16 what, project worksheet?

17 MS. D'ALLEVA: Project worksheet.  
18 That basically is the opener, you can say,  
19 with FEMA, to start approving and giving you  
20 reimbursement.

21 LEGISLATOR DENENBERG: So how  
22 much reimbursement right now has FEMA  
23 approved for Nassau County? That's a fair  
24 question.

25 MS. D'ALLEVA: So we have \$55

1 Finance Committee/1-7-13  
2 million right now in terms of project  
3 worksheets that they have worked through  
4 with the county.

5 LEGISLATOR DENENBERG: Does that  
6 mean they have approved that 55 million?

7 MS. D'ALLEVA: They have  
8 obligated 41 million dollars and change.

9 LEGISLATOR DENENBERG: Is that  
10 their 75 percent for the 55?

11 MS. D'ALLEVA: Yes. That's  
12 exactly right.

13 LEGISLATOR DENENBERG: So right  
14 now, of the first 95 million supplemental  
15 appropriation, we know that 55 of that 95  
16 has qualified, if you will, for FEMA  
17 reimbursement?

18 MS. D'ALLEVA: That's exactly  
19 right.

20 LEGISLATOR DENENBERG: At the 75  
21 percent rate?

22 MS. D'ALLEVA: That's right.

23 LEGISLATOR DENENBERG: So the  
24 other \$40 million we're still applying for  
25 right now or we just haven't gotten further



1 Finance Committee/1-7-13  
2 along?

3 MS. D'ALLEVA: Well, \$30 million  
4 of it is PD alone. And that project  
5 workshop will be done, like I said,  
6 momentarily --

7 LEGISLATOR DENENBERG: PD meaning  
8 police department overtime?

9 MS. D'ALLEVA: Yes. Police  
10 department overtime and other expenditures  
11 in terms of DD, BB and all other lines.

12 LEGISLATOR DENENBERG: So right  
13 now that hasn't been approved yet?

14 MS. D'ALLEVA: No. Not as of  
15 yet. Momentarily. We've sat down with FEMA  
16 four times in order for them to write that  
17 project worksheet.

18 LEGISLATOR DENENBERG: Okay.  
19 What is the assumption, Ms. D'Alleva -- is  
20 the assumption is 87.5 percent of this is  
21 coming back to us?

22 MS. D'ALLEVA: Currently, yes,  
23 that's what the comptroller felt comfortable  
24 with and that's how we appropriated the  
25 funds.

1 Finance Committee/1-7-13

2 LEGISLATOR DENENBERG: So can I  
3 assume then if there is a \$95 million  
4 supplemental appropriation that's already  
5 been approved, and then there was a \$9  
6 million appropriation that was approved, so  
7 that's 104, and now there is 109 that's --

8 MS. D'ALLEVA: 213.

9 LEGISLATOR DENENBERG: 213  
10 million. That of that \$213 million  
11 appropriation, we are budgeting for the  
12 county to pay 12 and a half percent of that?

13 MR. SULLIVAN: We do expect, as  
14 you know, the governor has asked for 100  
15 percent from the federal government. I  
16 think a storm with this magnitude eventually  
17 will be clarified with the 90/10 split, and  
18 then it remains to be seen whether or not  
19 New York State picks up the ten, five, or  
20 zero. I think that's where this is going.  
21 But, as you know, you follow things on the  
22 hill and things like that. It's still up in  
23 the air at this point.

24 But this level of storm, and I  
25 think it's \$2.6 billion is kind of the

1 Finance Committee/1-7-13  
2 threshold for a state of this size and we're  
3 going to be way above that for New York  
4 State. The governor has asked for \$30  
5 billion.

6 LEGISLATOR DENENBERG: Thanks for  
7 the status update, but my question, Mr.  
8 Sullivan, ultimately is, how much of the 213  
9 are we for Nassau County budgetary purposes  
10 prepared to pay from county funds?

11 MR. SULLIVAN: We'll have to pay  
12 whatever it turns out to be. If it's 25  
13 percent, obviously that would be somewhere  
14 around \$27 million -- we would be talking  
15 \$27 million, if it's a 12 and a half split.

16 LEGISLATOR DENENBERG: If it was  
17 a 12 and a half split, we would have pay \$27  
18 million?

19 MR. SULLIVAN: Correct.

20 LEGISLATOR DENENBERG: Then my  
21 question has been, are we, for budgetary  
22 purposes, have we identified the 12 and a  
23 half percent share for the county? For  
24 budgetary purposes, let's assume we're not  
25 getting it back --

1 Finance Committee/1-7-13

2 MR. SULLIVAN: Obviously, when we  
3 adopted the budget, there was no storm.

4 LEGISLATOR DENENBERG: Correct.  
5 That's right. So where are we going to get  
6 the \$27 million, or are we assuming for  
7 budgetary purposes right now that we're  
8 getting 100 percent back and, if we don't,  
9 we'll figure out where we're going to get  
10 that \$27 million from?

11 MR. SULLIVAN: I think there's a  
12 potential for a surplus this year, and  
13 obviously we would have to look at it when  
14 the number becomes final. At this point in  
15 time, there are various scenarios. It could  
16 be zero, five, ten, 12 and a half, 25.  
17 Obviously there are a multitude of scenarios  
18 that we would have to prepare for.

19 LEGISLATOR DENENBERG: So right  
20 now, within the Nassau County budget right  
21 now, we haven't allocated -- I hate to use  
22 the word allocated because it was the  
23 supplemental appropriation, but for right  
24 now, we don't know where the money -- if it  
25 were 12 and a half percent or 25 percent, we

1 Finance Committee/1-7-13

2 do not know where we would get the money  
3 from --

4 MR. SULLIVAN: That's the only  
5 thing we would have to -- it would be like  
6 any new expense that popped up, we would  
7 have to do cost cutting at that point to  
8 find it.

9 LEGISLATOR DENENBERG: So right  
10 now, let's get in the application.

11 MR. SULLIVAN: We have to get the  
12 application in.

13 LEGISLATOR DENENBERG: You're  
14 asking us, appropriate the funds, we're  
15 going to do the best to get as much back as  
16 possible, and chances are -- right now, the  
17 way it is, 12 and a half percent, we should  
18 expect that we're going to find within the  
19 county coffers?

20 MR. SULLIVAN: Potentially, more  
21 optimistic than not.

22 LEGISLATOR DENENBERG: Okay.  
23 What are we doing to insure that the  
24 expenses meet the standards for FEMA  
25 reimbursement right now?

1 Finance Committee/1-7-13

2 MR. SULLIVAN: We have hired a  
3 consultant, we're scrubbing these things.  
4 This has tied up an enormous amount of  
5 resources on the county side. You can  
6 imagine dealing with the federal government  
7 when you're in for 100's of million of  
8 dollars, the paperwork is voluminous.

9 We probably met with dozens of  
10 FEMA representatives. We're going back and  
11 forth and scrubbing everything, there's  
12 guidelines. We been at forums. It's been a  
13 pretty extensive process.

14 LEGISLATOR DENENBERG: So we have  
15 the invoices, for example, and the time  
16 sheets to substantiate these expenses as  
17 Sandy related?

18 MR. SULLIVAN: It's going to be a  
19 voluminous amount of backup and this is  
20 going to be a long process.

21 You know, this is stage one as  
22 you indicated, legislator. I'm expecting  
23 that that is going to go on at least for  
24 this year and I would envision into future  
25 years as well, especially with respect to

1 Finance Committee/1-7-13  
2 the sewer plant and things like that.

3 LEGISLATOR DENENBERG: But as our  
4 deputy county executive for management and  
5 budget, you believe that 2013 will all be  
6 FEMA reimbursable? That they will qualify  
7 whether we get only 75 percent or 90 percent  
8 back, or have to come up with 12 and a half  
9 percent, it's all going to qualify?

10 MR. SULLIVAN: Yes. As Budget  
11 Director D'Allewa stated, the first \$55  
12 million, we were able to get that through  
13 and get the 75 percent. But, again, it's a  
14 process back and forth with the federal  
15 government.

16 LEGISLATOR DENENBERG: I do have  
17 the concern that Legislator DeRiggi bought  
18 up but just for another reason. If it's 213  
19 million total, I want to thank Ms. D'Allewa  
20 for the sheet that shows \$155.8 million  
21 worth of expenditures and where it's going  
22 in terms of the contractors, but the way I  
23 count it up, 20 and then 26, and then 248  
24 million ended up going just to one  
25 contractor, Looks Great, which seems like a

1 Finance Committee/1-7-13  
2 lot of money, but why did so much go to just  
3 one contractor?

4 MR. SULLIVAN: My understanding,  
5 and obviously I think Rich Millet spoke  
6 about this the last meeting I was here,  
7 obviously they subbed out a bunch of their  
8 work, but for us it's because to contract  
9 with one vendor, I believe that was the  
10 testimony from the last hearing I was at.

11 LEGISLATOR DENENBERG: Okay.

12 MS. D'ALLEVA: And we have to  
13 ensure that all procurement procedures are  
14 followed to the T and they were in this  
15 instance because the number one disallowance  
16 reason is non-procurement, non-accurate  
17 procurement. So, therefore, if we don't  
18 procure accurately, we won't get reimbursed  
19 by FEMA, so this was procured accurately.

20 LEGISLATOR DENENBERG: Given the  
21 60 day period and the 95 million, the 9, and  
22 113, it could not all have been done at  
23 once?

24 MS. D'ALLEVA: To be quite honest  
25 with you, we were just kind of just, it was



1 Finance Committee/1-7-13  
2 all instantaneously. We were working as  
3 hard as we could to get the numbers through  
4 DPW. I mean, obviously, if we're looking at  
5 \$200 million worth of expense, this is a  
6 large -- a huge undertaking. I'm sure DPW  
7 did the best they could with the stuff that  
8 they had to basically verify these numbers.  
9 It's a huge endeavor.

10 LEGISLATOR DENENBERG: So you're  
11 confident that the total now of 213 is where  
12 we're going to be?

13 MR. SULLIVAN: Yes. We're  
14 reasonably confident. Again, what we need  
15 is the capacity to be able to put in the  
16 charges. What would really be very  
17 dangerous for the county would not be to  
18 have that capacity to be able to submit the  
19 charges to the federal government. That's  
20 the danger we face here.

21 LEGISLATOR DENENBERG: Just a few  
22 more questions. You mentioned a consultant.  
23 The word you used, scrub over the  
24 application or whatever, the contract we  
25 hired to make sure we complied with FEMA and

1 Finance Committee/1-7-13  
2 get full reimbursement to the extent  
3 practical is who, and when would we see that  
4 contract?

5 MS. D'ALLEVA: It's CDM and they  
6 basically have consultants that have worked  
7 with Katrina, Missouri, and other areas of  
8 the country in terms of disaster relief and  
9 recovery.

10 LEGISLATOR DENENBERG: Two  
11 questions on that. Number one, let me ask  
12 both so you can answer them.

13 When will we see that contract,  
14 and, number two, is that reimbursable in and  
15 of itself?

16 MR. ARNOLD: The CDM contract,  
17 you saw the first piece of it came to the  
18 leg, probably three weeks ago. The larger  
19 contract just helping the department through  
20 the recovery period, and also OMB is pending  
21 to get on the calendar, unfortunately  
22 there's not enough funding to encumber the  
23 contract which is why it has not gotten yet  
24 to your review.

25 LEGISLATOR DENENBERG: You said

1 Finance Committee/1-7-13  
2 there's not enough appropriation for our  
3 representative or contractor who is  
4 assisting in the FEMA --

5 MS. D'ALLEVA: Until the second  
6 round of supplemental gets appropriated.

7 LEGISLATOR DENENBERG: That  
8 wouldn't have been part of the first one?  
9 That I don't get.

10 MS. D'ALLEVA: Well, we actually  
11 didn't make the determination that we were  
12 going with a consultant until further into  
13 the process. Then it took us time to  
14 actually facilitate and do an RFP and select  
15 a vendor to do that, to select a consultant.

16 LEGISLATOR DENENBERG: The only  
17 part that doesn't make sense about is there  
18 was Rules Committee in December I believe  
19 that approved the CDM contract.

20 MS. D'ALLEVA: But, again, we  
21 went through the RFP process and it took a  
22 long time. So we did it within a week, but  
23 it --

24 LEGISLATOR DENENBERG: It didn't  
25 seem to me from that contract, I'm not

1 Finance Committee/1-7-13  
2 Rules, that it was for the entire process  
3 which may explain why you have to come back  
4 to us.

5 What's the total employee -- do  
6 we know the total -- I assume, since it's  
7 part of the 213, we know the amount of  
8 police overtime, total overtime, and total  
9 expenses incurred. Sandy related at this  
10 point?

11 MS. D'ALLEVA: In terms of AA we  
12 feel that the police department will come in  
13 at approximately \$26 million just in AA  
14 expense.

15 The remaining departments will  
16 probably be somewhere in the range of six to  
17 10 million.

18 LEGISLATOR DENENBERG: The total  
19 Sandy related expenses then will be?

20 MS. D'ALLEVA: I would say 35  
21 million, 30 to 35.

22 LEGISLATOR DENENBERG: That's  
23 everything else that comes up with the 213  
24 are on the outside contractors to do the  
25 cleanup?

1 Finance Committee/1-7-13

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

3 LEGISLATOR DENENBERG: That 35  
4 million for the expenses, that's exclusive  
5 of the 26 AA on police and six to ten on  
6 other employees?

7 MS. D'ALLEVA: No. The 35  
8 million would include the 26 for police.

9 LEGISLATOR DENENBERG: Okay. So  
10 then it's -- so 26 plus six to ten equals  
11 35?

12 MS. D'ALLEVA: I think so, yes.  
13 36 million. It's about 10 million for all  
14 of the departments.

15 LEGISLATOR DENENBERG: So any  
16 other expense would be on contracting out or  
17 things we had to buy?

18 MS. D'ALLEVA: That's correct.  
19 And it doesn't include, FEMA allows us to  
20 get reimbursed for fringe benefits.

21 LEGISLATOR DENENBERG: On tax  
22 anticipation notes, we had 20 million that  
23 we were using towards the first supplemental  
24 appropriation, what about now? Have we  
25 upped that at all, Tim?

1 Finance Committee/1-7-13

2 MS. D'ALLEVA: No, we did the  
3 first borrowing at 20 million. That's the  
4 cash flow that we received.

5 MR. SULLIVAN: We did 260 on the  
6 TAN which was an additional 20 million for  
7 cash flow purposes relating to Sandy. As  
8 Roseanne stated, we got some money back from  
9 the feds already and this is something that  
10 we're monitoring on an ongoing basis.

11 Obviously the timing of the  
12 federal reimbursement will be crucial to our  
13 cash flow as you pointed out.

14 LEGISLATOR DENENBERG: I just  
15 don't see how we're going to handle the cash  
16 flow without the reimbursement -- I mean --

17 MR. SULLIVAN: It could be if at  
18 that point if it became a real difficult  
19 situation, we would have to go out with  
20 another cash flow borrowing if it became  
21 that situation, but we were hoping not to.

22 LEGISLATOR DENENBERG: Thank you.

23 MR. SULLIVAN: Thank you.

24 CHAIRMAN NICOLELLO: Do we have  
25 any other questions? Legislator Troiano.

1 Finance Committee/1-7-13

2 LEGISLATOR TROIANO: Thank you.

3 I have a series of questions that came to me  
4 as you were giving testimony, so they may  
5 come across in a somewhat disjointed manner  
6 and I apologize for that.

7 Tim, you may want to come back  
8 up. In responding to one of Legislator  
9 Denenberg's questions about how you are  
10 going to manage the budget if we don't get  
11 full reimbursement, if we know we're not  
12 going to get, so maybe there's a \$27 million  
13 shortage, we don't really know, but based on  
14 a 90 percent reimbursement rate, it will be  
15 between 20, 25, and \$30 million.

16 You indicated that you expect to  
17 have some surpluses to cover that?

18 MR. SULLIVAN: Hopefully. We are  
19 just beginning the year end close process  
20 now with the comptroller's office and I'm  
21 hoping to have a small surplus this year but  
22 also we would have to look into 2013, I  
23 would look to maintain our fund balance, so  
24 we would have to look to see what other  
25 areas would be there to get funding in 2013.

1 Finance Committee/1-7-13

2 LEGISLATOR TROIANO: Well, to the  
3 extent that you think they have a surplus  
4 now, on December 21st, less than three weeks  
5 ago, your department issued a report that  
6 indicated that the county has a \$12 million  
7 budget deficit.

8 MR. SULLIVAN: No. They issued a  
9 report that said a \$12 million budget  
10 deficit, and I think there were corrective  
11 actions listed on page three or four of that  
12 report that got us to like plus eight.

13 LEGISLATOR TROIANO: Right.  
14 Because of corrective action.

15 MR. SULLIVAN: Correct. So those  
16 are going to be done.

17 LEGISLATOR TROIANO: Those are  
18 going to be done?

19 MR. SULLIVAN: Yes.

20 LEGISLATOR TROIANO: So then it's  
21 a \$9 million surplus?

22 MR. SULLIVAN: That's our current  
23 thought, yes.

24 LEGISLATOR TROIANO: So in the  
25 last 17 days, you have unearthed maybe



1 Finance Committee/1-7-13  
2 another \$10 million or \$15 million of  
3 surplus?

4 MR. SULLIVAN: No. I wouldn't  
5 say that. At this point in time, again, if  
6 it's a five percent -- if it's a 90/10 split  
7 between the fed and the local and the state  
8 picks up five, we'll be on the hook for  
9 about \$10 million and I'm not going to  
10 speculate at this point what the liability  
11 would be.

12 I would say the governor and the  
13 president have implied that this could be  
14 100 percent funded. So I take them at their  
15 word.

16 LEGISLATOR TROIANO: I thought I  
17 heard -- and I may not have heard this  
18 correctly, but I thought I heard that we  
19 couldn't make payment to vendors, maybe even  
20 employees, until we received money from  
21 FEMA?

22 MR. SULLIVAN: No. The big thing  
23 here is, we have to have -- the money has to  
24 go out first. The thing is, without the  
25 appropriation we can't make the payments.

1 Finance Committee/1-7-13  
2 So what's happened? We had to do all these  
3 machinations, move money around, that's why  
4 the \$9 million was -- we keep on getting hit  
5 with these crises and these rushes because  
6 the proper funding has not been set up  
7 because we haven't done this major  
8 allocation, and that's why we've been  
9 pushing for that, just to enable us.

10 Again, if you want to from a  
11 debate point of view, I would assume it's  
12 \$400 million out there. It doesn't matter.  
13 Because what we get reimbursed from the fed,  
14 the funds will balance the expense and the  
15 revenue of it, and you just need the  
16 capacity to be able flow through the  
17 expenses to the federal government. That's  
18 the biggest problem for us right now.

19 LEGISLATOR TROIANO: So the  
20 process is to establish the appropriation?

21 MR. SULLIVAN: Yes.

22 LEGISLATOR TROIANO: Then make  
23 payment?

24 MR. SULLIVAN: Yes.

25 LEGISLATOR TROIANO: And you

1 Finance Committee/1-7-13

2 can't do it reverse, right?

3 MR. SULLIVAN: No.

4 LEGISLATOR TROIANO: Not even to  
5 employees?

6 MR. SULLIVAN: No.

7 LEGISLATOR TROIANO: Not even for  
8 overtime?

9 MR. SULLIVAN: Correct.

10 LEGISLATOR TROIANO: So you have  
11 to make the appropriation, then you make the  
12 payment, then hopefully get reimbursed by  
13 FEMA, and somewhere in there you figure out  
14 the budgetary and the cash implications of  
15 how you finance all this?

16 MR. SULLIVAN: You are exactly  
17 right. And that's been the problem so far  
18 with some of the payrolls. If there's  
19 overtime there, and we haven't set up the  
20 appropriation, this hasn't passed, the  
21 comptroller's office calls and it becomes a  
22 fire drill which I think you've been going  
23 through some of them with respect to  
24 polling, moving some money over just to  
25 enable the payroll to clear.

1 Finance Committee/1-7-13

2 LEGISLATOR TROIANO: Right. How  
3 long does it normally take FEMA to  
4 reimburse?

5 MR. SULLIVAN: It's a good  
6 question. Irene it was probably in the 12  
7 to 14 month range, but I think this time  
8 around it's going to be different. You  
9 know, we got that initial 15.9 million back.  
10 They obligated another 25 million on top of  
11 that that Roseanne indicated.

12 I think this time the scale and  
13 the scope of it is going to be -- every  
14 government is facing the same crisis, New  
15 York City, Suffolk, the authorities, the  
16 Port Authority, the MTA certainly. With  
17 this amount of money going out the door, if  
18 there is not some sort of rapid  
19 reimbursement process, you're going to get  
20 strained and obviously governments will have  
21 to look to do cash flow borrowings and  
22 things like that to hold them over.  
23 Especially those expenses that are not  
24 capital eligible.

25 LEGISLATOR TROIANO: So I would

1 Finance Committee/1-7-13  
2 expect over the next 30 to 45 days you're  
3 going to have to pay out \$20 million, most  
4 of which you're going to finance, is that  
5 right?

6 MR. SULLIVAN: No, most of this  
7 is probably operating. The debris would be  
8 not be financeable, the overtime is not  
9 financeable. So a lot of these expenses are  
10 pure operating expenses.

11 LEGISLATOR TROIANO: So how much  
12 of that would you expect to have to pay out?  
13 You would have to finance -- sorry. Pay  
14 without being financed for?

15 MR. SULLIVAN: I'm sorry, sir.

16 LEGISLATOR TROIANO: Of the  
17 roughly \$200 million, some portion you can  
18 finance that payment?

19 MR. SULLIVAN: Not a heck of a  
20 lot. We're doing also a bonding for \$192  
21 million, I think you were aware that I  
22 believe that ordinance already passed the  
23 legislature for sewer and storm water  
24 related activities. That bond ordinance  
25 passed back in December, \$192 million.

1 Finance Committee/1-7-13

2 LEGISLATOR TROIANO: So you are  
3 going to be borrowing --

4 MR. SULLIVAN: In addition.

5 MS. D'ALLEVA: But that's for the  
6 capitally eligible projects where these are  
7 not capitally eligible.

8 LEGISLATOR TROIANO: They're not.  
9 So that means there's roughly \$20 million  
10 that you have to pay without being able to  
11 finance it?

12 MR. SULLIVAN: Yes.

13 LEGISLATOR TROIANO: So you have  
14 that much unallocated cash available for  
15 payments like this?

16 MR. SULLIVAN: No, we don't.  
17 That's why we've borrowed an additional 20,  
18 that's why we'll be using the 16 that just  
19 came back.

20 LEGISLATOR TROIANO: That's 36.

21 MR. SULLIVAN: Right. And then  
22 Roseanne referenced the 25 was obligated to  
23 come back, so it's drawing down from the  
24 state, you know, it's an arduous process.

25 LEGISLATOR TROIANO: That's 60

1 Finance Committee/1-7-13

2 million.

3 MR. SULLIVAN: Right.

4 LEGISLATOR TROIANO: Well, we  
5 have \$140 million gap.

6 MR. SULLIVAN: Well, the other  
7 project worksheets haven't been submitted.  
8 Again, we haven't submitted the project  
9 worksheets because we haven't had the  
10 appropriations to submit them.

11 The first step is to set up an  
12 appropriation. Once you set up the  
13 appropriation, then you can set up --

14 LEGISLATOR TROIANO: So we're  
15 going to set up a \$20 million appropriation?

16 MR. SULLIVAN: Right. Various  
17 appropriations. Round numbers. Then you  
18 set up encumbrances to pay out -- obviously  
19 some of that will be payroll, some of it  
20 will be contractual. Then the encumbrance  
21 is set up, the payments go out. You then  
22 seek federal reimbursement.

23 LEGISLATOR TROIANO: Which could  
24 take a year, 14 months. It might be quicker  
25 in this instances, but however long that

1 Finance Committee/1-7-13  
2 takes, from the date you make payment until  
3 that date, you've got a gap -- it sounds to  
4 me, you have a gap in how you can finance  
5 those payments.

6 MR. SULLIVAN: I can always do  
7 short-term borrowing.

8 LEGISLATOR TROIANO: You can?

9 MR. SULLIVAN: Yes.

10 LEGISLATOR TROIANO: So how will  
11 that affect the way the markets look at us  
12 coming in to borrow that much money? And  
13 how will it affect our interest rate --

14 MR. SULLIVAN: That's why I did  
15 the 20, kept it low, because you don't want  
16 to be going out to flood the market with too  
17 much paper, that's something you ought to be  
18 conservative on. So I'm in touch with the  
19 rating agencies, actually making a  
20 presentation to them next week on this. So  
21 it's something we're constantly in touch  
22 with them on.

23 You don't want to put it out  
24 there unless you really are needy of it. At  
25 this point in time, for as far as I can see,



1 Finance Committee/1-7-13

2 I thought we had enough to get us over to  
3 the next quarter and we'll have to revisit  
4 it at that point.

5 LEGISLATOR TROIANO: And just so  
6 we speak a common language, you're  
7 distinguishing between Tans and Rans and  
8 bonding?

9 MR. SULLIVAN: Yes, short term  
10 and the bonding would be 20 year type  
11 issuances.

12 LEGISLATOR TROIANO: I also  
13 thought I heard earlier that there is a  
14 competition for FEMA funds.

15 MR. SULLIVAN: Not from here.  
16 Municipalities. I think at some point in  
17 time, and you don't want to be last on line  
18 from FEMA.

19 LEGISLATOR TROIANO: I think it  
20 was Legislator Nicoletto said that there was  
21 a competition for FEMA.

22 MR. SULLIVAN: Yes. Well, I  
23 wouldn't want to be last on line if I had --

24 LEGISLATOR TROIANO: I think  
25 maybe he had meant that there's a

1 Finance Committee/1-7-13  
2 competition in the market to do financing  
3 related to storm related expenses.

4 MR. SULLIVAN: Not necessarily,  
5 no. Again, you wouldn't want to saturated  
6 market. You'd rather be first than last.

7 LEGISLATOR TROIANO: How much  
8 longer will it take to verify the claims  
9 relating back to the December 17th  
10 authorization? I think it was some \$52  
11 million that we have not paid out yet  
12 because we haven't verified the claims.

13 MR. SULLIVAN: The claims went  
14 out I believe, 55 I believe was the number  
15 that was already verified. 55 that was  
16 obligated that the state has an obligation  
17 set up so that's been approved by the  
18 federal government. Then the money falls  
19 back through the state. Then we have to  
20 draw it down from the state.

21 LEGISLATOR TROIANO: I thought it  
22 was said earlier that \$17 million has been  
23 paid, and 52 million roughly is waiting  
24 verification before we are going to pay it  
25 out.

1 Finance Committee/1-7-13

2 MR. SULLIVAN: No.

3 MS. D'ALLEVA: No. 17 was paid  
4 out in terms of expense but we have about 75  
5 encumbered. That's waiting to be paid out.  
6 So 17 out of the 75 was already paid out.

7 LEGISLATOR TROIANO: I was fairly  
8 certain, maybe mistaken that you said we  
9 weren't paying out the rest yet because we  
10 hadn't finished verifying the claim.

11 MS. D'ALLEVA: Yes. On the \$75  
12 million. From the \$75 million, there are  
13 invoices sitting at DPW that they are  
14 churning through and making sure that the  
15 invoicing was done accurately.

16 LEGISLATOR TROIANO: So how much  
17 longer do we think that's going to take?

18 MS. D'ALLEVA: That would be a  
19 Ken Arnold question, actually.

20 MR. ARNOLD: DPW's internal  
21 review of invoices usually 10 days to two  
22 weeks, and the comptroller to be anywhere  
23 from a week or two, depending on how much  
24 backup material they ask for as they go  
25 through their claims.

1 Finance Committee/1-7-13

2 LEGISLATOR TROIANO: Just one  
3 last question. This actually relates back  
4 to the December authorization. I believe  
5 that gasoline expense was included in that  
6 authorization; is that correct, do you  
7 recall?

8 MS. D'ALLEVA: I think initially  
9 in the gasoline expense was included for PD,  
10 but there are other uses in DD that we can  
11 use those appropriations for from the PD. I  
12 think most of it was PD.

13 LEGISLATOR TROIANO: Is that a  
14 reimbursable expense from FEMA?

15 MS. D'ALLEVA: Gasoline is not,  
16 but I believe there is a machination of how  
17 we can approach that with FEMA. I'll have  
18 to get back to you on what that is. But  
19 they will allow some reimbursement. You can  
20 answer that?

21 MR. ARNOLD: Yes. For diesel and  
22 gasoline for the vehicles, any -- this is  
23 the gasoline used for the county vehicles,  
24 not directly reimbursable, it's reimbursable  
25 through the actual use of the vehicle. We

1 Finance Committee/1-7-13  
2 actually apply a rental rent to FEMA for the  
3 trucks that are used and that's where we get  
4 the fuel back, but any trucks that we filled  
5 up, like OEM trucks, or the state, or  
6 National Guard trucks, that is directly  
7 reimbursable as a DD expense.

8 LEGISLATOR TROIANO: Thank you.

9 CHAIRMAN NICOLELLO: Any other  
10 questions, discussion?

11 (No verbal response.)

12 Thank you for your presentation,  
13 by the way. I believe the minority  
14 requested a five-minute break. We'll just  
15 hold this in recess then.

16 (Whereupon, the Full Legislative  
17 Committee recessed at 4:04 p.m. and  
18 reconvened at 4:18 p.m.)

19 LEGISLATOR TROIANO: Through this  
20 vote we will be establishing an  
21 appropriation for the expense side and the  
22 revenue side as well?

23 MS. D'ALLEVA: Yes.

24 LEGISLATOR TROIANO: So it will  
25 be balanced?

1 Finance Committee/1-7-13

2 MS. D'ALLEVA: Yes, absolutely.

3 LEGISLATOR TROIANO: So on the  
4 revenue side, we're booking 87.5 percent  
5 reimbursement from FEMA; is that correct?

6 MS. D'ALLEVA: 75 from FEMA and  
7 12 and a half from state, and 12 and a half  
8 to be funded through the county.

9 LEGISLATOR TROIANO: For what?

10 MS. D'ALLEVA: Our end, county  
11 end.

12 LEGISLATOR TROIANO: So we're  
13 going to establish a revenue appropriation  
14 from the county as well?

15 MS. D'ALLEVA: Yes.

16 LEGISLATOR TROIANO: Thank you,  
17 Ms. D'Alleva.

18 CHAIRMAN NICOLELLO: Legislator  
19 Denenberg.

20 LEGISLATOR DENENBERG: Thanks.  
21 Ms. D'Alleva and I guess Mr. Sullivan, I  
22 want to say that I appreciate that you have  
23 been meeting with the minority. I'm sure  
24 you must have been meeting with the majority  
25 as well. But on our behalf, you met with

1 Finance Committee/1-7-13  
2 our finance director.

3 I would just ask that if you can  
4 make yourselves available for additional  
5 questions from our counsel and our finance  
6 director this week, between now and before  
7 this goes to Full, as they have a few more  
8 questions with respect to the FEMA  
9 reimbursement, a couple of budgetary items  
10 in terms of what's encumbered and why,  
11 having 75 million encumbered, I understood  
12 that you told me it's still going through  
13 the process, that's why only 17 million has  
14 been paid, but I believe counsel and our  
15 finance director do have some more  
16 questions, so if you could just make  
17 yourselves available for a meeting this  
18 week, that would be helpful. Thank you.

19 MS. D'ALLEVA: Absolutely.

20 CHAIRMAN NICOLELLO: Is there any  
21 public comment?

22 (No verbal response.)

23 We have an amendment so we have  
24 to vote on the amendment before we vote on  
25 the amended items. So all those in favor of

1 Finance Committee/1-7-13  
2 the amendment signify by saying aye.

3 (Aye.)

4 Those opposed?

5 LEGISLATOR DERIGGI-WHITTON: I'm  
6 going to abstain mainly because of the Looks  
7 Great Service contract. I really wish we  
8 chose one of the other four approved  
9 companies. I realized speaking to my  
10 colleagues that this will pass and that  
11 funding will be provided, but I think that  
12 more oversight has to be seen on this type  
13 of situation.

14 CHAIRMAN NICOLELLO: Okay, the  
15 item passes by a vote of six in favor and  
16 one abstention.

17 LEGISLATOR DENENBERG: The  
18 amendment passes.

19 CHAIRMAN NICOLELLO: You're  
20 right. The amendment passes by a vote of  
21 six in favor and one abstention. Now a vote  
22 on the amended item.

23 LEGISLATOR DENENBERG: I just  
24 want to, for Legislator DeRiggi's purposes,  
25 the statement she just made for the



1 Finance Committee/1-7-13  
2 amendment would also go on the Full Item.

3 CHAIRMAN NICOLELLO: All those in  
4 favor of the amended item, signify by saying  
5 aye.

6 (Aye.)

7 Those opposed?

8 (No verbal response.)

9 Those abstaining?

10 LEGISLATOR DERIGGI-WHITTON: I  
11 abstain.

12 That similarly passes by a vote  
13 of six-zero-one.

14 Item 40 of 2013 is an ordinance  
15 supplemental to the annual appropriations  
16 ordinance in connection with the Office of  
17 Constituent Affairs, District Attorney,  
18 Police Department and Department of Parks.

19 LEGISLATOR WALKER: So moved.

20 LEGISLATOR VENDITTO: Second.

21 CHAIRMAN NICOLELLO: Moved by  
22 Legislator Walker, seconded by Legislator  
23 Venditto.

24 MR. MAY: I'm sorry, I didn't  
25 hear what item we were calling.

1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: 40 of 2013,  
3 supplemental appropriation, an ordinance  
4 supplemental to the annual appropriation,  
5 sorry.

6 MS. D'ALLEVA: Sorry about that.

7 CHAIRMAN NICOLELLO: Just briefly  
8 explain what this is.

9 MS. D'ALLEVA: We had several  
10 payroll failures due to Sandy related  
11 expenses that were booked against the  
12 general fund therefore creating the payroll  
13 failures. So we had to appropriate the  
14 funding in the FEMA fund by an emergency  
15 basis, that's why this was requested at the  
16 time.

17 CHAIRMAN NICOLELLO: Why is this  
18 broken out separately if it's within the  
19 overall \$213 million?

20 MS. D'ALLEVA: Well, originally  
21 we had the previous item, we had requested a  
22 polling for the previous item because we had  
23 several payroll failures and the minority at  
24 that time wanted to ask us further  
25 questions.

1 Finance Committee/1-7-13

2 They gave us the authority, the  
3 extra three votes for the super majority so  
4 that we could go forward with just the AA  
5 appropriation.

6 CHAIRMAN NICOLELLO: Do we still  
7 need this then?

8 MS. D'ALLEVA: Yes, because the  
9 item that was just passed, number 39, took  
10 this into account.

11 CHAIRMAN NICOLELLO: Okay.  
12 Legislator Denenberg.

13 LEGISLATOR DENENBERG: Thanks.  
14 Ms. D'Alleva, when you speak of payroll  
15 failures, what are we talking about in real  
16 terms, people's automatic deposits didn't  
17 happen, checks bounced, what's a payroll  
18 failure?

19 MS. D'ALLEVA: Yes, exactly that.  
20 Basically the comptroller's office will hold  
21 paychecks if the appropriations are not  
22 sufficient. So if we do not have sufficient  
23 appropriations, they will hold the  
24 paychecks.

25 LEGISLATOR DENENBERG: So what

1 Finance Committee/1-7-13

2 happened was, we didn't have enough cash  
3 balance to cover payroll because of the  
4 added overtime?

5 MS. D'ALLEVA: Exactly. So we  
6 have a lot of PD overtime that's hitting and  
7 in several other departments, if the  
8 appropriation is not appropriated in the  
9 FEMA fund, and we don't have journal entries  
10 that substantiate the movement of expenses  
11 from the general fund or the PDD fund or the  
12 PDH fund to the FEMA fund, then the  
13 comptroller's office will fail that payroll.

14 LEGISLATOR DENENBERG: Did we  
15 have any payrolls fail yet?

16 MS. D'ALLEVA: Yes.

17 MR. SULLIVAN: Just one comment  
18 on that. You know, the timing for this at  
19 the end of the year also presents a problem.  
20 If this was last February, we would  
21 obviously have sufficient appropriations  
22 because you are funded for 12 months.

23 When you are running into the  
24 last week in December, you've tight anyway.  
25 You've just about eaten up all your budget

1 Finance Committee/1-7-13  
2 money for payroll, so any additional  
3 overages like that you don't have the  
4 appropriation. So the timing created an  
5 issue here.

6 LEGISLATOR DENENBERG: So from a  
7 practical standpoint, what happened, did we  
8 just not pay some overtime?

9 MS. D'ALLEVA: No. With the  
10 polling that ensued with this \$9 million,  
11 the comptroller's office was able to release  
12 payroll.

13 LEGISLATOR DENENBERG: Okay. So  
14 everyone is paid?

15 MS. D'ALLEVA: Yes. Everyone is  
16 paid.

17 LEGISLATOR DENENBERG: So then  
18 there weren't failures?

19 MS. D'ALLEVA: The comptroller's  
20 office was going to hold payroll if we did  
21 not substantiate an appropriation. Once  
22 that appropriation was substantiated, they  
23 released the payroll.

24 LEGISLATOR DENENBERG: But the  
25 bottom line is, there weren't people that

1 Finance Committee/1-7-13

2 didn't get paid that --

3 MS. D'ALLEVA: Exactly. In the  
4 end --

5 LEGISLATOR DENENBERG: We didn't  
6 have county checks bounce?

7 MS. D'ALLEVA: That's right. In  
8 the end we made payroll.

9 LEGISLATOR DENENBERG: Thank you.

10 CHAIRMAN NICOLELLO: Any other  
11 discussion?

12 (No verbal response.)

13 Is there any public comment?

14 (No verbal response.)

15 Thank you, Ms. D'Allewa. All  
16 those in favor signify by saying aye.

17 (Aye.)

18 Those opposed?

19 (No verbal response.)

20 Carries unanimously. Motion to  
21 suspend the rules.

22 LEGISLATOR MUSCARELLA: So moved.

23 LEGISLATOR WALKER: Second.

24 CHAIRMAN NICOLELLO: Moved by  
25 Legislator Muscarella, seconded by

1 Finance Committee/1-7-13

2 Legislator Walker. All those in favor of  
3 suspending the rules signify by saying aye.

4 (Aye.)

5 Those opposed?

6 (No verbal response.)

7 The rules are suspended. Item 29  
8 of 2013 is an ordinance supplemental to the  
9 annual appropriations ordinance in  
10 connection with the District Attorney, and  
11 this went through the Public Safety  
12 Committee earlier.

13 LEGISLATOR VENDITTO: So moved.

14 LEGISLATOR MUSCARELLA: Second.

15 CHAIRMAN NICOLELLO: Moved by  
16 Legislator Venditto, seconded by Legislator  
17 Muscarella. Any questions?

18 (No verbal response.)

19 Is there any public comment?

20 (No verbal response.)

21 Seeing none, all those in favor  
22 signify by saying aye.

23 (Aye.)

24 Those opposed?

25 (No verbal response.)

1 Finance Committee/1-7-13  
2 Carries unanimously. Item 42 of  
3 2013 is an ordinance providing a capital  
4 expenditure to finance the payment of  
5 certain payments by the County of Nassau to  
6 COBA employees upon separation from  
7 employment.

8 LEGISLATOR WALKER: So moved.

9 LEGISLATOR MUSCARELLA: Second.

10 CHAIRMAN NICOLELLO: Moved by  
11 Legislator Walker, seconded by Legislator  
12 Muscarella. The item is before our  
13 committee, Mr. May.

14 MR. MAY: Roseanne D'Alleva will  
15 be handling questions on this item.

16 MS. D'ALLEVA: Hi. This is a  
17 supplemental appropriation for the  
18 retirements in terms of VISA termination pay  
19 and disabilities for the COBA union.

20 CHAIRMAN NICOLELLO: Why do we  
21 have to borrow an additional amount, were  
22 there more employees that retired than  
23 expected?

24 MS. D'ALLEVA: Yes, unexpected  
25 increase.



1 Finance Committee/1-7-13

2 CHAIRMAN NICOLELLO: Okay. More  
3 that retired, are those positions going to  
4 be filled, the additional positions going to  
5 be filled?

6 MS. D'ALLEVA: I believe we do  
7 have budgeted classes in terms of trainees,  
8 yes.

9 CHAIRMAN NICOLELLO: Any other  
10 questions on this item?

11 LEGISLATOR DERIGGI-WHITTON: Just  
12 real quick.

13 CHAIRMAN NICOLELLO: Legislator  
14 DeRiggi-Whitton.

15 LEGISLATOR DERIGGI-WHITTON: Do  
16 you have the exact number, is it validated?

17 MS. D'ALLEVA: Yes. I believe my  
18 office has received that from the  
19 correctional center but I actually don't  
20 have it on me right now. I can get that for  
21 you or if Keith Sather is here, he can  
22 actually talk to it.

23 LEGISLATOR DERIGGI-WHITTON: As  
24 long as the numbers are validated, we are in  
25 favor of it.

1 Finance Committee/1-7-13

2 MS. D'ALLEVA: Yes.

3 LEGISLATOR DERIGGI-WHITTON: Do  
4 you have proof of that?

5 MS. D'ALLEVA: Yes.

6 Unfortunately I just don't have the listing  
7 here with me, but, yes, we did receive it.

8 CHAIRMAN NICOLELLO: In any  
9 event, if we approve the bonding for this  
10 purpose, it can't be spent for any other  
11 purpose.

12 MS. D'ALLEVA: No other purpose  
13 at all.

14 CHAIRMAN NICOLELLO: Right. Any  
15 other questions?

16 (No verbal response.)

17 Is there any public comment?

18 (No verbal response.)

19 All those in favor signify by  
20 saying aye.

21 (Aye.)

22 Those opposed?

23 (No verbal response.)

24 Carries unanimously. Item 43 of  
25 2013, a resolution to authorize the transfer

1 Finance Committee/1-7-13  
2 of appropriations heretofore made within the  
3 budget for the year 2012.

4 LEGISLATOR MUSCARELLA: So moved.

5 LEGISLATOR WALKER: Second.

6 CHAIRMAN NICOLELLO: Moved by  
7 Legislator Muscarella, seconded by  
8 Legislator Walker. There's an amendment  
9 that was filed with the clerk January 7,  
10 2013 at 12 p.m.

11 Do we have a motion to amend?

12 LEGISLATOR MUSCARELLA: So moved.

13 LEGISLATOR WALKER: Second.

14 CHAIRMAN NICOLELLO: By  
15 Legislator Muscarella, seconded by  
16 Legislator Walker. So the amendment is now  
17 before the committee.

18 MR. MAY: Sergeant Greg  
19 Stephanoff.

20 SERGEANT STEPHANOFF: Sergeant  
21 Greg Stephanoff. Good afternoon. This is  
22 an interbudget board transfer from other  
23 lines to our salary lines. It moves  
24 \$4,658,997 to headquarters and \$3 million  
25 dollars to district just to cover the

1 Finance Committee/1-7-13  
2 payroll until we are able to capture all the  
3 FEMA expenses from Super Storm Sandy.

4 CHAIRMAN NICOLELLO: So this is a  
5 FEMA overtime -- Sandy overtime related?

6 SERGEANT STEPHANOFF: Yes.

7 CHAIRMAN NICOLELLO: Any other  
8 questions?

9 (No verbal response.)

10 Is there any public comment?

11 (No verbal response.)

12 We have to vote on the amendment  
13 first. All those in favor of the amendment  
14 signify by saying aye.

15 (Aye.)

16 Those opposed?

17 (No verbal response.)

18 The item is amended. Now the  
19 vote on the item as amended.

20 All those in favor signify by  
21 saying aye.

22 (Aye.)

23 Those opposed?

24 (No verbal response.)

25 The amended item passes. The

1 Finance Committee/1-7-13  
2 last item is Item 44 of 2013, a resolution  
3 to authorize the transfer of appropriations  
4 heretofore made within the budget for the  
5 year 2013. This relates to the legislature.

6 LEGISLATOR WALKER: So moved.

7 LEGISLATOR VENDITTO: Second.

8 CHAIRMAN NICOLELLO: Moved by  
9 Legislator Walker, seconded by Legislator  
10 Venditto. Is there any discussion?

11 (No verbal response.)

12 Is there any public comment?

13 (No verbal response.)

14 All those in favor signify by  
15 saying aye.

16 (Aye.)

17 Those opposed?

18 (No verbal response.)

19 Carries unanimously.

20 LEGISLATOR VENDITTO: So moved.

21 LEGISLATOR MUSCARELLA: Second.

22 CHAIRMAN NICOLELLO: Motion by  
23 Legislator Venditto to close the hearing,  
24 seconded by Legislator Muscarella.

25 All those in favor signify by

1 Finance Committee/1-7-13

2 saying aye.

3 (Aye.)

4 The committee is adjourned and  
5 Rules is next.

6 (Whereupon, the Finance  
7 Committee adjourned at 4:29 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 11th day of January, 2013.

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FRANK GRAY