



**MINUTES  
COMMITTEE OF THE WHOLE  
MAY 29, 2012**

MEMBERS PRESENT

Harriet D. Cornell, Chairwoman  
Alden H. Wolfe, Vice Chair  
Christopher J. Carey  
Edwin J. Day  
Toney L. Earl  
Michael M. Grant  
Jay Hood, Jr.  
Douglas J. Jobson  
Nancy Low-Hogan  
Joseph L. Meyers  
Patrick J. Moroney  
John A. Murphy  
Aney Paul  
Ilan S. Schoenberger  
Philip Soskin  
Frank P. Sparaco  
Aron B. Wieder

OTHERS PRESENT

Laurence O. Toole  
Mary Widmer  
Ricardo McKay  
Chris Seidel  
Betsy Saetre  
Elana Yeger  
Nicole Doliner  
Suzanne Barclay  
Paul Brennan  
Robert Maloney  
Sheriff Falco  
Sue Rutledge  
David Fried  
Michael Cappabianca  
Phyllis Tucker  
Anne Marie Kelly  
Susan Sherwood  
Robert Winzinger  
PT Thomas  
Sean Mathews  
Annmarie Curley  
Steve Grogan  
Ron Levine  
Stephen DeGroat  
Media

Chairwoman Harriet D. Cornell called for the Legislature to move into the Committee of the Whole at 7:28 p.m.

Legislator Ilan S. Schoenberger moved to convene as a Committee of the Whole, which was seconded by Legislators Michael M. Grant and Frank P. Sparaco and passed unanimously.

The Legislature now resolved itself into a Committee of the Whole, Chaired by Harriet D. Cornell to discuss the following resolutions.

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Chairwoman Cornell

Is the list of employees to be laid off still in progress?

Mr. DeGroat

Yes, they are still working on that.

Chairwoman Cornell

A list that came to my office came today at 5:30 p.m. far too late for Legislators to be considering it tonight. We have a meeting on Tuesday, June 5<sup>th</sup>, and we can consider it at that time.

Mr. DeGroat

My understanding is it is not complete as of yet.

Chairwoman Cornell

It is not complete and we noticed what appeared to be duplications. I think it really does need to be studied so we are not going to be dealing with the issue of layoffs tonight.

Mr. Meyers

The preliminary list that we saw does not approach the \$8,800,000 figure. In conversations before the meeting started I was told that the list that we got was the best that the County Executive's office could do and I am just concerned that the number won't come anywhere near these figures. The other place where it seems to be different is the number that was given to us for Residential Energy Tax is about a million dollars less than the number that you show here tonight. I am wondering how that happened?

Mr. DeGroat

I do not have a complete list and if that is a number they have to make then that is the number they have to make so that is going to have to be decided by the County Executive's office. The original number that was a million dollars less was that we originally put an estimate in on the Home Energy Tax of an average bill of \$250.00 and then we increased it to \$275.00. So when we increased it the revenue increased by another million dollars.

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Statement by the Honorable Harriet D. Cornell, Chairwoman

Before we start the agenda let me just say, in order to reassure our residents, the local contract agencies, the businesses, and the rating agencies, we are very serious about addressing the County's dire financial position. Because people deserve to know our intentions as soon as possible I wanted to make mention of some of the scheduling that is going to be in the next several weeks or so as we make decisions. We are actually awaiting very key financial analysis, which may affect our timetable. They are the 2011 Audit, 2011 Summit Park Hospital/Nursing Home/Mental Health Audit, and the mid-year update financial report from the County Executive as required by the County Law passed by the Legislature in 2011. We asked at the last meeting with the Toski Company for the information regarding financial impacts of many of their options. We will deal with the issues of the layoffs that come to us from the County Executive next Tuesday at our regular meeting. We have a number of questions with regard to that and I think the Legislature needs to understand what the list of positions is and an explanation of the loss of the positions to the departments and County government. We will need to know that by the end of this week.

The future of the Summit Park Hospital/Nursing Home and Mental Health, at this point all the Legislators have read and maybe reread the Toski report, we have heard two presentations and we will have further presentations where we are going to divide the presentations so that we will focus on the individual options. I will be sending out a schedule on that so that we can get sufficient information to allow us to make recommendations. We are moving ahead and intend to bring these things to conclusion as quickly as possible.

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**A. COMMITTEE OF THE WHOLE**

**1. Referral No. 7070**

- a. Reaffirming Resolution 28 Of 2012 Request For Home Rule Legislation Authorizing The County Of Rockland To Finance A Certain Deficit By The Issuance Of Bonds And Authorizing The Imposition Of An Additional Three-Eighths Of One Percent (3/8%) Of Sales And Compensating Use Taxes To Fund Such Bonds. (Sponsors: Hon. Ilan S. Schoenberger, Hon. Harriet D. Cornell)

**MOTION TO APPROVE**

**SCHOENBERGER/EARL, GRANT, HOOD, JR., JOBSON, LOW-HOGAN,  
MURPHY, SOSKIN, WIEDER: M.V.**

**AYES: 13**

**NAYS: 04 (CAREY, DAY, MEYERS, MORONEY)**

Mr. Schoenberger

This is a resolution, which reaffirms our belief that the Home Rule request that was passed by this Legislature on January 19<sup>th</sup>, and introduced by Assemblywoman Jaffee and Assemblywoman Rabbitt bipartisanly to the Assembly for which I expressed my appreciation to both of them for, was really the best resolution for Rockland County at this time. The reason for that is this Home Rule request was to take our deficit estimate of \$80,000,000, ask the State for a bond allowing us to bond that money over ten years and to raise the sales tax by 3/8<sup>th</sup> of 1%, which is roughly .3 ½ cents per hundred dollars by shoppers in Rockland County by both residents in the County who shop here and by residents from outside the County who come and shop here. To fund the deficit bond the money from the 3/8<sup>th</sup> of 1% would have been put into a lockbox, supervised by the State Comptroller's office and used to pay our deficit. It would have expired once the deficit bond was paid. The idea behind that was that the people, the taxpayers and homeowners of Rockland County should not be the only ones to suffer the burden of the deficit reduction especially in light of the real property tax increase that we felt was forced upon us in this calendar year. Unfortunately, that Home Rule request was not even introduced by our State Senator. I will discuss that more later. Apparently I believe is probably dead for this year. I think the State Legislature, from what I have been told, will be going out of session in three to four weeks. We felt that before we go into our second or different modified Home Rule request that it was important to reaffirm at least to the State Legislature and to the public that this body as a whole believes that the first Home Rule request we enacted in January was the one that was in the best interest of the County and now because it has not been enacted upon by our State Senator we are forced to take alternate means, which unfortunately for the most part will fall on the burden of the Rockland County taxpayers themselves. Thank you.

Mr. Wolfe

Under New York State law and our Constitution, we have multiple layers of government in New York State. For better or worse, this is the system that all of us live with. For many reasons, home rule is a good thing. Local municipalities and their elected officials are able to control those issues that are closer to the ground and matter most to their residents. The different municipalities are somewhat interdependent and in order to function properly, all layers must work together. This is particularly important as it relates to the relationship between New York State and its counties.

Counties are required by New York State to perform and provide many services Medicaid, Early Intervention, Temporary Assistance programs, among others. The Health Department enforces NYS laws and regulations on behalf of the State. Our entire Probation Department carries out a State function. Pension tiers and requirements are set by State, and we have no choice but, to follow.

Including pensions, the local share - that is, the net cost to taxpayers after reimbursements and revenues are taken out - is about \$150,000,000 in 2012, almost twice our entire property tax levy even after this year's increase. This is a tremendous burden that grows exponentially each and every year and we simply don't have the ability to keep up. We don't have the same flexibility to chart our own course as the State does.

Under New York State law, certain actions that we might want to take require permission from the State through home rule legislation. And this is where home rule might be a bad thing. By its very definition, politics are injected into the process. Again, for better or worse, this is the system we must live with.

After weeks of grappling with the 2012 budget and our accumulated deficit, we came up with a plan that most of us felt was targeted, limited, manageable and reasonable, but most importantly it would get the job done by eliminating our deficit and helping us address our short term operational needs as we decide the fate of Summit Park. Our plan would have increased sales tax by about 4 cents per \$10.00 spent. That \$1,000.00 TV you're buying? It'll cost you an extra \$3.75. And if you live in Orange County, or New York City or Bergen County and you're shopping at the Palisades Center on a Sunday, because, the malls are closed you're helping to take a portion of this burden away from Rockland taxpayers. To me, a sales tax increase is preferable to just about any other form of revenue, because it's not placed solely on the backs of Rockland residents.

This plan required us to work with our State representatives, and we sent our request to Albany in January, now more than four months ago. After many meetings and exchanging of information, I was very pleased that Assemblywomen Jaffee and Rabbitt joined us in supporting the plan and introduced the bill in the State Assembly. I spoke with Ellen Jaffee this weekend, and she gets it. She understands that our plan was much better than the horrific measures we've been presented with tonight, and they truly are horrific. Assemblyman Zebrowski, while choosing not to support our bill, has proposed an alternative plan. While I appreciate his efforts, in my opinion his plan is worse than ours, because, in essence, it has pretty much the same fiscal protections that our does, but it adds what I consider to be an intolerable dose of politics. New York State is one of the most dysfunctional governments in the country. Do we want the same three men in a room in Albany and their designees making decisions about what's best for Rockland County with Rockland taxpayers footing the bill for their salaries and staff? I certainly don't.

I'm particularly disappointed with Senator David Carlucci, who danced around this whole issue since it first hit his desk in January and ultimately announced months later, on May 5, 2012, when the legislative session was almost over, that he wasn't going to introduce our bill at all. Based on my involvement in this process and my own observations over the past four months, I don't think he ever intended to introduce the bill in the Senate. It would have been nice to have known this months ago so we would have had more time to seek solutions other than what we are facing tonight. His recent attacks on our County government show what I can only characterize as immaturity and lack of leadership, and I can't help but think that if Tom Morahan were alive today we wouldn't be in this position. Senator Carlucci has called our plan a "fantasy". Well if it's a fantasy today, then wasn't it a fantasy in January? Again, it would have been nice to have known how he really felt much earlier in the process. A few weeks ago he said in a press release that he would be offering his own suggestions to help Rockland County. The silence since has been deafening, and unfortunately, he's put us in a position of trading this so-called fantasy for some serious reality tonight.

For those of us who supported our deficit reduction plan, and several of my colleagues here didn't, nothing on the agenda tonight represents what we want for Rockland County. This is not our plan. For that matter, this isn't the County Executive's plan either. This is what others see as the alternative to 4 pennies per \$10.00 increase in the sales tax. Solely because of the lack of action in Albany, this is what we are being forced to consider to ensure the continuing operation of County government and all of the services that it provides for our residents. When I cast my vote in favor of the 2012 budget, I said that 2012 would be a stepping-stone to get us to 2013. As we move closer to a decision on what will become of Summit Park, I know that 2013 will be different. And 2014 different still. Leadership is making difficult and even unpopular decisions, not because you want to, but because you have to. I don't intend to dance around our problems I intend to deal with them. We will get through this. And whatever we ultimately do to address these extremely difficult challenges, it will be my immediate goal to find ways to undo it. Thank you.

Mr. Meyers

This resolution that we are voting on right now doesn't really have any force of law. It is just restating our views from January so I will restate my views from January. I opposed the deficit reduction plan in January, because I felt that the deficit reduction plan should be married with cuts and other revenue enhancements that would actually balance our budget for the future. The deficit reduction plan was not a panacea. In fact a responsible government would still have been here right now doing exactly what we are doing, because all the deficit bond and sales increase would have done was to balance our books for 2012 using the deficit reduction money to pay off our accumulative deficit of \$80,000,000 and our deficit for this year. Next year we would have had to pay on the bond we would have needed \$20,000,000 to \$40,000,000 more to keep County government running. We would have still been meeting now in May with this list, because we needed it. It was not a panacea. It was not a solution.

As Mr. Wolfe said, government is about doing what needs to be done, but what we are doing now needed to be done quite a long time ago and that is not Senator Carlucci's fault. That is the responsibility of the County government that we have here now, all of us. We saw this coming. Many of us on this Legislature have been pointing out for years that we needed to be cut bone to balance our budget. There was no clairvoyance involved, everyone knew that it was true. It is sort of like my college age children, they don't study for the midterm until the night before and hoping for some miracle or I don't know what. You need to cut expenses if you are going to balance your budget and that included cutting very unpleasantly people who have jobs and people who need to pay mortgages, etcetera.

All the money is in the human factor that is where all the money goes and that is an unpleasant task for people who did nothing wrong and do a job that needs to get done. Nevertheless, it had to be done to keep Rockland County afloat. I am pleased that we are starting the process of doing it now. I will have some comments about that, because I think there are still plenty of patronage jobs that are not on the proposed list. There are other ways to cut money that doesn't have to involve just the people on the ground doing the job, but I am glad that we are finally doing it. I think people were hoping for a miracle, hoping that sales tax revenues would pick up and that we would be out of the recession sooner.

The one thing that this has taught us, I think and I hope, is that you don't want to rely on sales tax revenue, because it is very economy driven. The property taxes were left to wither and die at the County level for the last eighteen years under the Rockland County miracle of no increases in property taxes. Now when people are hurting we are raising property taxes 30%. It sounds like a lot, it really isn't, but it is the wrong time to be doing it when you should have been increasing property taxes 3% per year over the last eighteen years. That is responsible government. Small modest increases year in and year out whether you need it or not to build up for a rainy day, that is what you should be doing. That is what every government at every level should be doing. We didn't do that.

We relied on the sales tax and the sales tax failed us. The solution of going back to the sales tax again and making us the County with the highest sales tax – that was a solution to keep doing what we did before that didn't work without any cuts to speak of. Now we are doing something. I think that we are on the right road a little late, but still time to save ourselves.

Chairwoman Cornell

I guess I have a little bit of a different perspective with regard to our last budget, because we pretty quickly found out that there was no way we could close a hospital or nursing home in eight months, which was all that was budgeted in the County Executive's budget that came to us. We weren't going to have enough money to have medicine or food for the patients or the nursing care that they needed. Those were the things we did, because we understand the importance of County government.

I appreciated what Legislator Wolfe said about the mandates, because I had a chance to speak to the Governor's Mandate Commission some months ago and it was run that day by Lieutenant Governor Duffy. I am very proud of the role that Rockland County plays as an agent of the State. I believe strongly in the goals of many of the mandates, but the problem is that in recent years the State's financial support has diminished creating an increased burden on local dollars. We are required to provide certain social services without being fully reimbursed and we are also told how to provide those services and to whom. So we have very little chance to be flexible or innovative. When we are innovative the State often changes its protocols the following year. So in Rockland our share for Medicaid requires more local revenue than all of the other mandates combined. Last year 100% of our property taxes and more went to pay for just one single mandate on Medicaid. The second highest mandated costs are for pensions, which are over \$25,000,000 – five times higher than ten years ago.

There is one area I really want to talk about, because I am a long time advocate for children and I strongly believe in Early Intervention and Pre-School Special Education. I can tell you from experience that the reimbursement mode for paying Early Intervention providers needs vast improvement. Under State laws the County Health Department coordinates all Early Intervention services and payments. Counties are responsible for paying upfront 100% of those services. By State statute these costs cannot be claimed until nine months into the school year and as a result counties like ours often wait for more than a year for 49% reimbursement. If the County is having cash flow problems and checks do not go out timely we are flooded with calls from providers who themselves need to be paying for therapists.

These mandated programs are very complex with a vast scope and require an enormous investment from local taxpayers. Changes to these programs really need to be implemented after extensive research and analysis. I think it is important for people to understand this, because the County of Rockland is an agent of the State and we deliver these services. We also deliver unmandated services, some of which you don't know exist, but you would know if they weren't there if you went to buy food or ate in a restaurant that had not been inspected by the Department of Health or you went to a local store to buy a pound of meat and you got a half pound, because Consumer Protection didn't have enough staff to go and check on the scales. Those are just a few of the things and then of course all the law enforcement issues are non-mandated. There are things the Sheriff oversees like the Intelligence Unit, the Narcotics Task Force and other things.

So we can always look back at all kinds of things. One of the things I wanted to raise is the enormous amount of money that the County of Rockland pays, because we make the towns and villages whole. Most people do not know what that means. What it means is that when there are delinquent taxpayers in the towns and school districts the County of Rockland picks that up and pays for them. The towns don't have to go out and seek that particular revenue anticipation funds; it is what the County does. We are always in the hole. We are always fronting money. For example, in 2012 the County had to put upfront \$47,800,000 to pay the towns and the school districts. In some cases we may never get repaid and in other cases it takes one to two years to collect.

So, there are a lot of reasons why we are where we are today. I don't think anyone should think that it is because any one thing or anything that any one person did wrong. We are all trying our best. We, in County government, have been in public service, because we believe in what we do. We are going to make some very difficult decisions, because we have to and because we understand that. Do not think for a moment that those costs aren't going to come down hard on all of us.

Mr. Day

There was broad support back in January for a deficit bond and also for a funding mechanism. The time constraints we had as a body left us with a decision to use additional 3/8% sales tax for that revenue, and that was the judgment of the legislative Majority. Would some of us preferred a blend of different sources of revenue to fund it? Yes, I think so, it would have been a better way to go, but that is what we had. The issue then was the difference on the amount, which was truly the difference that we spoke of back in January.

As it relates to the sales tax and how it keeps being presented as this minor issue not affecting our own citizens, let's not forget the sales tax affects clothing, fuel, phones, energy, and so on. The sales tax in and of itself is not an innocuous item, but rather combines with other things to hit the average person; many who can least afford it the most. That is truly the effect of a sales tax, not to mention it is driving business out of our County. So we have to seriously look at the issue of sales tax and not minimize the impact upon our community, our ratables, and other budgets that serve the people of this County at town and village levels.

During this debate back in January we were assured, as we are again today, that every penny of the money collected would be going to a lockbox and going to reduce the deficit. Subsequently, we found out that fully one-third of that money was going to be given to the towns as revenue sharing. Four of the five towns had an operating surplus at the time and this notion was nothing more than a play for political support to get the job done in Albany, which obviously didn't work. Let's be fair here, every penny was not going to be going to the stated purpose. A full one-third of that money after the first or second year was going to be going to the towns operating budgets. It is transference of monies so essentially the monies that we were going to collect and pay for by virtue of a bond one-third of it was going to town governments for their budgets. So we were going to ostensibly borrow money to pay down a deficit and then the money to the towns for their operating expenses. That does not add up and it was wrong. We could still do the right thing by a lot of people without doing something like that. That is what happened subsequent to that vote, which is the primary reason why I am not going to support this tonight.

I happen to think Assemblyman Zebrowski's idea has merit. He brought that number down to a more moderate amount. In point of fact, that was similar to what a couple of us here had originally proposed. Couple that with a quasi-control board, which frankly something I don't fear and can provide the starting point to solve this mess. We should not be rejecting this out of hand. I think we need it here in this County and I think where we are now shows that we need one. And it is not going to be three men in a room. It would include local appointments, such as by the Chair of the Legislature and the County Executive. So it wasn't going to be just people from Albany being here. It seems to me that there is a need for that kind of restraint upon our County government, but time will tell.

I wanted to speak to these issues, because there was an alternate way of getting through this. We are going to differ here on opinions and in positions, which is fine. We have no animus amongst ourselves here for that, but I think that clarification needed to be said tonight. I am not going to support this resolution that reaffirms what I didn't vote for in January.

Mr. Moroney

I am little confused by this particular resolution, because we have several other resolutions on the agenda that I think we should have addressed before we moved this one forward. We all know the reason we don't have this additional sales tax is because Mr. Carlucci didn't carry it. What makes us believe that if Mr. Carlucci is a Senator next year he is going to carry it then? I think we are putting the cart before the horse, so to speak or it is wishful thinking. I don't know who his opponent is going to be and I don't know what kind of support he is going to have. There are a lot of people out there that may support him, because he did not carry it. I am a little taken aback by the fact that we are addressing this resolution prior to the other resolutions we have on the agenda.

I agree with Mr. Wolfe, if Mr. Carlucci didn't decide to carry this he should have told us a lot sooner, but that is water under the bridge, so to speak. When we first started noticing we were having trouble in County government was going back to last year when we borrowed \$20,000,000 and that was part of our 2012 budget. The plan here was all related to the 3/8<sup>th</sup> of 1% sales tax that we didn't get approved by Home Rule.

When you look at last years budget that was passed proposed by the County Executive was for 500 layoffs and we haven't laid off any people so far and I don't think we are going to do it tonight going by the remarks by the Chair. We certainly have to address the future and Rockland County's economy. A property tax increase of 30% is a lot of money and a lot of people were annoyed at that. Life has to go on. As far as I know there is not a government in the State in New York that has a rainy day fund. Counties are in serious trouble, because of the mandates. So what do we do sitting here as Legislators? We get a budget and we pass our budget. We passed our Legislative budget, which I didn't vote for and that is okay and I am not taking any credit for that. I thought that we had to have a better plan and as it turned out I was probably right, because of not getting the additional sales tax. There were other issues at that time.

Labor negotiations were involved and I don't know how far along they are. I was delighted to hear from the County Executive that they are making progress, but that was part of our financial plan going forward. Here it is six months later and we still don't have a plan and they are still negotiating with CSEA and other unions and I don't know why that is. I know there are givebacks and talks about self-insurance. As a matter of fact a couple of us here made some requests in the last years budget for some cuts that wouldn't have affected anybody and those cuts were not addressed. We just can't go on and on and on taxing the people of Rockland County. We are in dire needs here.

I think that the Legislature and the County Executive have our work cut out for us. I am going to do the best I can moving forward. Mr. Schoenberger, can you tell me why we are asking the State Legislature to give us another 3/8<sup>th</sup> of 1% on sales tax in January of next year when we are up to our ears in it right now. We can't wait until January of next year. We have to do something now. I honestly believe that we should have been addressing the other issues on here before we addressed this. I don't know if there was a reason for that I am not aware of and I would like to be enlightened. I don't think this is a great idea moving forward. Thank you.

Mr. Schoenberger

This is a resolution that reaffirms the Legislature's belief that the previous deficit bond request that we passed in January was in the best interest of the people of Rockland County. I think it was placed first on the agenda, and I don't make the agenda, probably because it is more in the nature of older business just reaffirming our position. The next resolution is a new Home Rule request to deal with the issue of the deficit bond. It was probably felt we should reaffirm our position on the first one before we did the second one. It is just a statement of position. It is not another Home Rule request. Thank you.

- b. Requesting That The New York State Legislature Introduce Home Rule Legislation Authorizing The County Of Rockland To Finance A Certain Deficit By The Issuance Of Bonds.

**MOTION TO APPROVE  
SCHOENBERGER/SOSKIN: UNAN.**

Mr. Schoenberger

This is a Home Rule request asking the State to allow us to have and introduce for us a law that allows us to have a deficit bond. It is very similar to the one we passed in January with certain changes. The one we passed in January was for \$85,000,000 anticipated deficit and this one is for anticipated deficit of \$95,000,000. The original \$85,000,000 deficit bond was for ten years and this one is for twenty years. The original deficit bond in January had a request to increase the sales tax and this has no request to increase taxes from the State whatsoever. We are asking the State to allow us to have a deficit bond, which we will find the methodology of funding it and paying for it on our own without asking the State to increase taxes. I will speak about this I am sure some more, but that basically summarizes this Home Rule request.

This Home Rule request doesn't have a lockbox, which the first one did, because there was nothing to lock up if we are not getting sales tax revenue from the State. Otherwise all the other provisions of the Home Rule request requiring that the State Comptroller review our budgets submitted by the County Executive, that we have quarterly financial reports, that we have semi-annual financial statements provided by the County Executive and all of those also remain in this Home Rule request.

Mr. Carey

What is the anticipated way to pay for this?

Mr. Schoenberger

The next item, repealing an exemption of residential energy sources and services from sales and compensating use taxes, is one of the ways. There are also other revenue enhancement items on the agenda or taxes and there are proposed cuts that are going to be with this. It is a package.

Mr. Day

Just a follow-up to Legislator Carey's question. From a layperson's perspective, my first reaction to deficit bonding was not very positive. But in listening to professional offer testimony it seems to be an effective way to go in order to deal with the debt that we have incurred. I just want to be very clear that the funding mechanism for this particular request is yet to be determined. There are no presumptions or assumptions that go along with what I am seeing in front of me, and specifically I am asking that there is no nexus between the proposed energy tax and using that to fund the deficit bond. There may be some thought down the road, some other some other consideration, but right now I don't want to see this being tied verbally into other issue that we are talking about, other than the fact that we are agreeing that a deficit bond is a strategic way to go in order to deal with the deficit this County incurred. I would like to get clarification on that.

Chairwoman Cornell

I think that is clear.

Mr. Schoenberger

I think you are right Legislator Day and I think you are realistic and practical enough to agree with me that this County has a deficit and one way or another it must be addressed. It will, in all likelihood, be addressed by the two ways that Legislator Carey asked and I responded, which is through an increase in revenues and a reduction in expenditures. Thank you.

Mr. Moroney

Does that mean we have to go back to the State with the same process.

Chairwoman Cornell

Yes, that is what Home Rule request means. We have to ask them to enable us to authorize deficit bonds.

Mr. Moroney

What happens if the same individual, without mentioning his name, if he is there again next year how are we going to convince him to carry this?

Mr. Schoenberger

We passed a Home Rule request on January 19<sup>th</sup>. We had a number of meetings with our State representatives. We said to our State representatives that if you don't think that this is the way to go or can't get this passed please come back to us, tell us what you think we can do and what we should do. Senator Carlucci repeatedly told us that this was heavy lifting. It was heavy lifting, because he didn't think the Senate and the Governor's office would want to raise taxes. He never once told us that he himself was personally opposed to it. As a matter of fact, Senator Carlucci in support of our Home Rule request, and he had a press release to this affect, set up a meeting with the Senate Finance Committee membership. We went to Albany together. I went, Chair Cornell went and I believe Legislator Wieder went, and Deputy County Executive Sean Mathews went. Supervisor St. Lawrence went with us to meet with the Senate Finance Committee. Then we met with the Governor's office.

All along we believed that Senator Carlucci was working with us and trying to help us deal with this issue. We went through a period of months until I read in the Journal News, on Saturday May 5<sup>th</sup> an article by Laura Incalcaterra, that Senator Carlucci said that he didn't support the deficit bond and he wouldn't support the raising of taxes. That was the first time I, or any of us ever, learned that he had taken the position he was not going to support it. That was in an article in the Journal News on Saturday May 5<sup>th</sup>. I remember it very well and I am going to tell you why. He called me at home on Friday May 4<sup>th</sup>, the day before, at 8:15 am. He started the conversation by saying to me, "I have good news for you and I have bad news for you." Bear in mind that is three and a half months after our Home Rule request was passed. He said, "The good news is I am putting in your bill today into the Senate. The bad news is that I don't know if it is going to pass." We had a lengthy conversation, about forty minutes, and I told him that I thought he was doing the right thing, because he was moving the process forward, it would open up discussion and it would generate more interest and if there were issues we would deal with them. I told him that he is a new Senator and there is a difference between putting a bill in and trying to move it forward, being a new Senator and actually getting it passed. Everybody knows that there are forces higher, stronger and above him that have been there many years in the Senate that will make decisions that affect this County. But by putting the bill in he is advocating for the County. We had a very nice conversation until 3:30 p.m. when he called me up and said, "I am not putting the bill in." Even at that point he didn't tell me he wasn't supporting it he just said that he wasn't putting it in.

During those three and a half months and during that time a lot of things could have been done. He should have been honest, direct, upfront and not misleading to the people of this County and to this Legislature. He could have said to us that he doesn't support the bill and he is not supporting the tax increase and "I won't put the bill in." You know what? We went on our way down the road operating this government, we incurred day-to-day expenses, we were relying on his support for this bill and if he didn't support it he owed us an obligation to tell us from the beginning so that we could modify the bill, change the bill and try to make it acceptable. We could have met with the Governor's office and others instead of saying here is our bill, what do you propose instead, how can we work together. We are not alone in this situation. There is literally a dozen other counties and cities in Albany, right now, with problems worse than others. We were the only County or city to come up with a plan. If he would have told us from the beginning he wasn't going to support this plan there would have been a whole different situation. He waited until the very last minute of the session when there was three to four weeks left to the session to tell us that he is not supporting it.

What we have done is we put in a Home Rule request that eliminates the need or request from the State for any kind of sales tax or other tax increase. Now, Mr. Carlucci, your excuse is gone. You can't turn around and say there is a tax increase so I am not going to support it. Now you have to fish or cut bait. Now you have to stand up like a man or be the child that you behaved as in the past and support this County and support our deficit bond and support the people of this County.

I don't believe what a Legislator said earlier, that a property tax each year would have been beneficial or good for the County "whether you need it or not." I certainly don't believe that. When I chaired the Budget and Finance Committee in 1998 or 1999 the County had a surplus and we cut property taxes by 17% that year, because we had a surplus and we didn't need it.

Yes, there is a human element in this. There is a human element of hundreds of people in the County who live and work here who have dedicated their lives to service here who want to make this County a better place to live who have families, who have children, who have mortgages, and who have obligations that unless there is no other choice none of us want to put them out on the street. If a major corporation tomorrow were closing their businesses and locking its doors and laying off 300 people the County Executive, the Legislature and the Supervisor of that town would scream and yell that we have to do something to keep them here and give them a tax break and a Payment in lieu of Taxes Agreement and a reduction in their Orange & Rockland bills and other benefits, because we can't afford to lose 300 jobs. Yet for the 2012 budget we are faced with a cut of 568 people.

This alternative that I just moved requesting the State to introduce Home Rule Legislation raised the deficit bond from \$80,000,000 to \$95,000,000 and I tracked that directly to Carlucci's failure to be honest with us back in January or February. That is my opinion. We do it for twenty years instead of ten year. Why? Because we have to break out those payments, they have to be smaller and string the deficit out longer. The ultimate people who are going to pay for this are not people who just shop in this County, as well as residents, but the taxpayers and the homeowners. We have to stretch it out to enable them to be able to afford it.

All of this, all of this could possibly been avoided if Carlucci had been honest and forthright with us in the beginning, but he wasn't. I hope I answered your question Pat.

Mr. Moroney

Yes, you did. Thank you very much.

- c. Resolution No. 251 Of 2012 Of The Legislature Of The County Of Rockland, Amending Resolution No. 850 Of 1983, As Last Amended By Resolution No. 394 Of 2011, Repealing An Exemption Of Residential Energy Sources And Services From Sales And Compensating Use Taxes, Pursuant To The Authority Of Article 29 Of The Tax Law Of The State Of New York.

**MOTION TO APPROVE AS AMENDED  
SCHOENBERGER/EARL, JOBSON: M.V.**

**AYES: 14**

**NAYS: 03 (CAREY, DAY, SPARACO)**

Mr. Schoenberger

This is a resolution, which is going to take our 4% local sales tax and apply it towards your utility bills. Right now the State of New York taxes your utility bills. MTA taxes your utility bills, but the County of Rockland doesn't. This is estimated to raise just shy of around \$12,000,000 gross per year. Because we did not receive the 3/8<sup>th</sup> of 1% sales tax increase, which is about 3 ½ cents per \$100.00, because Senator Carlucci wouldn't sponsor or introduce it, we have no choice, but to now take 4%, which is our sales tax and apply it against our utility bills to raise the same kind of money or close to it that we would have had otherwise.

I am going to call this today and forever the Carlucci Residential Energy Tax.

Mr. Wieder

Many of the items proposed tonight are not beneficial for any politician. It certainly won't personally enhance my political career, but Madam Chair when I took the oath of office it was not to serve and protect myself and my family it was an oath to serve and protect the people of Rockland County. This is a bitter pill to swallow, but the alternative is to wilt and die. I choose the former.

With that let me conclude, may God help and protect the good people of Rockland County. They certainly need it now more than ever. Thank you.

I would also like to amend this resolution to place a Sunset on the exemption of residential energy sources and services from sales tax to the length of the proposed deficit bond. In other words, this renewal of the exemption shall automatically expire twenty years from its enactment.

Chairwoman Cornell

I will ask the person who moved if you would accept that?

Mr. Schoenberger

I will accept that amendment, yes, because I want to tie this directly into the deficit bond as was the sales tax directly tied to the deficit bond. Thank you.

Mr. Hood, Jr.

This is a horrible tax. It is going to hit everybody whether you have money or not, whether you are a renter or a homeowner, on a fixed income or elderly. It is one of the worst taxes I have ever seen come across my desk and there have been a few. It is in place of a sales tax that would have hit people from outside the County and the people of the County also. We have been boxed into this position and it is going to affect the people of the poorer areas, such as mine, much harder. So it is a very difficult pill to swallow, like you said, but we have been boxed into a corner and I don't know what else we can do. We have to enhance revenues somehow without asking the State for anything, because they are obviously not going to carry what we need them to carry.

So we do lie that at the feet of Senator Carlucci. I would be remiss if I didn't mention Assemblyman Zebrowski, because at least he came up with a plan that I would support if it can go forward. I thank him for at least trying and giving us a suggestion that may work. A small tax increase on the sales tax is much better than this. This is what we are stuck with today.

Mr. Meyers

First, a word on Senator Carlucci, I realize that Mr. Carlucci is not the most popular man in this room, but I just want to reiterate again that our problems in Rockland County did not begin with Mr. Carlucci deciding not to carry this bill. I happen to think that he was fairly courageous whether you agree with him or not. It would have been very easy to throw the bill in knowing that it will go nowhere and if anybody ever asked him why he did he would say that the County Legislature wanted it so I was really just doing the bidding of the local government. All four of our local politicians knew that they would be blamed for all of Rockland County's fiscal problems if they didn't support it. I spoke to Mr. Carlucci and it was clear that he was not a fan, but he was trying to keep on open-mind for meeting purposes. Ellen Jaffee was not really a fan either. For five months none of them put the bill in. Ellen Jaffee put the bill in on the very last day that you could.

This is not a tremendous show of support by our State representatives for the plan that the County put forth. I just don't think that we should be vilifying. If we are going to vilify there is a lot of blame to go around and most of it would not be set at David Carlucci's doorstep. That is how I feel and I think that the time tonight for attacking Mr. Carlucci and his manhood is really nauseating. I really have to say that.

Secondly, I had said before that I think modest increases in property taxes, although not popular, are the way every government should operate. So you have two plans, modest increases every year, whether you need it or not, or the plan that was followed. Which one would work out better? We know which one will work out better; the one that we followed obviously did not work out. I remember so well when Gore was running against Bush for President in the year 2000 and there was all that money that we had in the surplus from the Clinton years. Whether to put it in a lockbox and all that sort of rod and George Bush kept saying that this is not the governments money this is the people's money. How much of that money do we have left now? You have to have money. Some years are going to be good some years are not going to be good just like in your home budgets governments the same way and you don't know what is going to happen. You have to have money. 3% a year is a modest amount.

As with respect to this, I think that we need this money. I think that we are married to the cost savings that are promised by this chart. I am ready to support this modest 4% increase in energy bills, not that our energy bills aren't five times the national average in Rockland County, because they are, but we need money and it is going to have to come from more pain as taxpayers and rate holders. And more pain for us in terms of layoffs. There is going to be pain on both sides. So it is unpleasant, but necessary. I will be supporting this. Thank you.

Mr. Day

Mr. DeGroat, please tell us the projected cost to the homeowners.

Mr. DeGroat

The numbers we came up with that you have presented in front of you is based on an approximate number of little bit over a hundred households currently in Rockland County. We used the average monthly homeowner bill, which we figured was conservative, of \$275.00 per month. That comes out to about \$11.00 a month or \$132.00 a year per taxpayer.

Mr. Day

I recognize you have to fund any deficit bond we do. I clearly understand that, but I did not want to tie anything we are doing tonight into that specific issue at this point. I think we have a lot of work to do across the board to get this County back where it should be. I would be thinking of more of a Sunset clause of a couple of years that is specifically tied into addressing this years fiscal shortfall as presented, not towards a 20-year stretch out or to a yet to be acquired bond. I find that notion insulting, but that is another issue.

Let's look at an average bill ranging between \$300.00 to \$500.00 per month. I do my own budget and put aside a certain amount per month and I think \$300.00 to \$500.00 for many people would not be an unusual number to see. Again this 4% number does not seem to be a big deal. At the rate of \$4 per \$100.00, on a \$300.00 to \$500.00 bill, that is \$12.00 to \$20.00 per month. So the yearly cost using those numbers would range from \$144.00 to \$240.00 additional per year. I would simply offer this thought and observation. That the 30% property tax increase that was levied for this year by the Legislature was supposed to be of a cost to the average homeowner of about \$165.00.

So what we are talking about here tonight is levying upon a home the equivalent of that large tax increase, or maybe more, of what that property tax increase was going into this year. I think that is important as a prospective to offer this evening so folks really get that this is not just an innocuous little tax. It is equivalent to roughly 25% to 35% increase on your County property tax bill and it is unconscionable. Thank you.

Mr. Earl

Legislator Day answered my first question, which equates to \$11.00 per month per household. I remember when we first started with our bond I asked Senator Carlucci many months ago if he was going to help us with this. Right away he said, and all along he said, that he was going to help us with this. It is not that we are angry with him for voting no, but it is the part of stringing us along and waiting until the last final hour to tell us, that is the main concern, Legislator Meyers. I don't think it is an attack on Senator Carlucci. It is just the way he went about doing what he did. Thank you.

Mr. Grant

If I had the good fortune of sitting in the audience and not up here tonight I think I would have first applauded Legislator Wolfe for his very clear and concise summary of events that brought us here tonight and for breaking it down to its essential elements. I think I would have applauded Legislator Schoenberger second for his clear concise indictment of Senator Carlucci. The foot dragging is killing us. It is absolutely killing us. The decisions we make tonight here are going to be felt for years. I next would have applauded Legislator Wieder who clearly pointed out that we come here to do what is in the best interest of Rockland County and sometimes that is not going to be in our best personal interest and not in our best political interest. In this particular item tonight, which I will vote for, it is in neither of my best interest.

It is one of those things that we need to do, unfortunately because we are at mid-year. Our ability to raise revenue at this point in the game can't happen from property tax. It won't happen from the sales tax that would have been broader based and paid for by people who come to Rockland County and visit Rockland County. The Director of Tourism regularly tells us that 7,000,000 people come here to visit our parks each year and the sales that they contribute would go towards that. The tens of thousands of people that come to the Palisades Center Mall and shop here from outside of the County would have contributed to that.

Let's understand that this is the removal of exemption on a sales tax that was previously granted by this Legislature. It is probably the most repugnant and onerous of all the taxes that we could levy, but it is probably the only tax that we could levy at this stage of the game that would generate enough revenue to get us through the end of the year. Getting us through to the end of the year was always one of the most important parts of the deficit reduction plan that the County Legislature offered in the Fall for 2012. The State Legislators who supported us in that effort, Assemblywoman Ellen Jaffee and Assemblywoman Annie Rabbitt, should be applauded, because it took political courage to do what they did.

Assemblyman Zebrowski's attempt, I don't know that it is sufficient, but it is better than nothing and I appreciate that. The quarter percent at this stage of the game will not generate what we need. Some of the so-called auditing and oversight provisions are not something that this Legislature could have or should have ever asked for. It would be in direct violation of our Charter. Our Charter puts certain powers in the administration's hands and certain powers in the Legislature's hands and requires us to go to a public vote to change those things. Some of those provisions that he is including may be appropriate in Albany, but they are not appropriate here.

Again, back to the residential energy sales tax on electric and gas and oil that you use in your home. Legislator Day pointed out just how much that is going to equate to. A property tax in the same amount, you would be able to get back .30 cents on the dollar when you file your income tax, so it is even more onerous in that respect. There has been some back and forth here tonight, some rhetoric we heard before, some of it sighting a budget analysis done on a proposed budget that looks nothing like the budget we adopted or the economic and financial provisions that we will have in the future, that we adopted a multi-year financial plan that hopefully will help us get out of the problems that we are in right now and to a much healthier future, because it has become apparent to everyone where the holes are.

I don't want to go on too long. I would like to remind my colleagues that we are still in the Committee of the Whole and if you have questions you would like to ask of the professional staff of the administration we still have that opportunity. Thank you.

Mr. Schoenberger

Just a few minutes ago I was handed an email with a copy of a bill attached that was just introduced by Assemblyman Zebrowski in the Assembly. It is the one discussed earlier. I certainly have not had a chance to read it. I am not going to have a discussion on it this evening. If we feel it is appropriate we will put it back in for discussion in the future.

**ACTION:**

**LEGISLATOR WIEDER MADE A MOTION TO AMEND THE RESOLUTION TO INCLUDE A 20-YEAR SUNSET CLAUSE, WHICH WAS ACCEPTED BY LEGISLATOR SCHOENBERGER**

**2. Referral No. 9473**

**a. Revenue Anticipation Note 252 of 2012**

A Resolution Delegating To The Commissioner Of Finance Of The County Of Rockland, New York, The Power To Authorize, From Time To Time During Fiscal Year 2012, The Sale And Issuance Of Not To Exceed \$35,000,000 Revenue Anticipation Notes Of Said County In Anticipation Of The Receipt Of County Sales And Compensating Use Tax Revenues, Mortgage Recording Tax Revenues, And Revenues To Be Received From The State Of New York And From The United States Of America.

**MOTION TO APPROVE  
SCHOENBERGER/GRANT, JOBSON, MURPHY: UNAN.**

Mr. Schoenberger

With your permission, I would like to ask Mr. DeGroat how much money is owed to us by the State today. How much money have we incurred for State mandated programs that we have billed for and are entitled to be paid for that the State has not paid us for as of today?

Mr. DeGroat

We billed about \$30,000,000 right now that they owe us

Mr. Schoenberger

What about additional bills that are accruing?

Mr. DeGroat

We bill on a sixty-day period so there is probably another \$10,000,000 to \$12,000,000. The State also adopted a new payment plan this year, which slowed up our reimbursements. They adopted a new software system so the system was shutdown for some time, but apparently it is supposed to make it easier for us to track payments in the future.

Mr. Schoenberger

But, we are still \$30,000,000 to \$40,000,000 in the whole

Mr. DeGroat

Yes.

Mr. Grant

The County of Rockland runs on cash flow. Where does that cash flow come from? In this instance it is going to come from a Revenue Anticipation Note. Why do we need it? Because we are waiting for \$40,000,000 for reimbursements from the Federal and State governments and other providers. Why are the very drastic actions that we are taking tonight important? A couple of weeks ago Moody downgraded us. What does that mean? We will pay three times as much interest on the money we borrow, because we have been downgraded. We were downgraded on the mere mention that "I am not supporting something in the New York State Senate." Not that the session was over. Not that any bills had been finalized or voted against. He wasn't introducing it. We weren't going to be eligible for it and we were downgraded. In addition to this there are some other resolutions tonight that may or may not be sufficient to get us through the end of the year.

The notion that we could cut our way out of this is absurd. It can't happen. We run a 24/7 operation at the jail. Currently the State of New York is mandating that we hire fourteen additional Correctional Officers, because our census there is too high. They are not providing any money for it, but they are telling us that we have to do it. We have a nursing home and hospital where we have some of the most fragile people in our community and that is a 24/7-365 days a year operation. It is a \$100,000,000 a year operation between the hospital and Mental Health, which is \$100,000,000 coming into our community each and every year from reimbursement, insurance, Medicaid and Medicare and that goes right back into the economy.

This cash flow is absolutely critical to us. If we don't take some of these actions tonight, and those actions include raising revenues, Moody's will downgrade us again and that triple that we pay in interest will go up again if we can find someone who will lend us the money. What is the likelihood, Mr. DeGroat of finding someone to lend us the money at that stage of the game?

Mr. DeGroat

It is going to be very difficult. It is going to be probably triple of what we are looking at today, again.

Mr. Grant

In January, we will have to borrow \$45,000,000 to run our operations. We will have to borrow \$55,000,000 so that we can make the towns, villages and school districts whole again. We are going to pay triple the amount of interest on that if we can borrow the money. The actions that we are taking here tonight are very impalpable and horrible. My head is ready to explode every time I walk out of this building and I walk out of this building almost every night during the week. We need to do this tonight. I urge my colleagues to unanimously support this Revenue Anticipation Note. If you can't support the things that are being done here tonight then you have an absolute obligation to make up the difference, not to just vote not, but to find out where the other \$8,000,000 is going to come from. If you think that we won't raise \$8,000,000 in revenue show me the \$8,000,000 in cuts you are going to make. I guarantee you cannot find them. A no vote without an alternative is absolute nonsense and no one in the audience should be applauding those people. Thank you.

- b. Action To Reduce County Personnel Expenses.

**MOTION TO APPROVE  
SCHOENBERGER/WOLFE: UNAN.**

Chairwoman Cornell

We are not going to deal with the several pages of the schedule of layoffs. We will however deal with one page of positions that are called Vacancy Release Positions, which apparently have not been filled, but were in the 2012 budget.

Mr. Schoenberger

These are positions that are currently budgeted, but vacant. It will result in a savings of approximately \$2,500,000, which will be used against the operating expenses of the County for 2012. This schedule along with the schedule attached to it, which is essentially a layoff schedule I am only moving the top part, which is the vacant positions. I am not moving the layoff schedule, because that was given to us at approximately 5:30 p.m. today. I saw it, but I didn't have a chance to study it. I know the other Legislators sitting here have not had a chance to study and evaluate it. I am moving the first page only. I will not move the layoff schedule at this time, because I think it needs to be studied and evaluated by the Legislators to make sure that it is complete and to see if there are others that we could add to it so that it doesn't fall squarely on the backs of the lower level working people, but that it is broader and across the top.

If anyone thinks that this County government has not been cutting expenses let me tell you that before this list of cuts we are 400 employees less in County government than we were in 1983, almost thirty years ago. Now there are these cuts of vacant positions and there is a proposal by the County Executive to layoff approximately 150 people. We have been cutting and cutting and cutting. If anyone doesn't think so call any County employee, ask them about the amount of work they are doing today compared to what they were doing years ago. People that have remained are taking on extra work, extra burdens, and extra responsibilities and for you folks who are worried they are not getting paid any more. Their contract has not been settled and negotiated since the end of 2010.

There will be further cuts. There will be further layoffs. There has to be, but it can only be on that portion of County government that is not mandated. About 75% of County government is mandated by the State. The cuts that we have to face are the remaining 25%. Sitting in the front row is our Sheriff. Our Sheriff knows that the impact of this can be a horrible and terrible thing for law enforcement in Rockland County, because part of his budget is mandated, namely the jail and the Civil Division. Even the Civil Division is not mandated to get eviction every three weeks, but it could be evictions every six or eight weeks. The Sheriff's Patrol, the Mounted Patrol and the River Patrol, the BCI, Narcotics Task Force and the Intelligence Unit are not mandated. It is a question of the quality of life you want to have in this County.

I am only moving the first Schedule A for the vacancy positions. The schedule regarding the layoffs will be coming back. I asked the Chair, I don't know if a discussion has been made, as to when that will be coming back. I am very disturbed that despite having cut the number of employees to below levels that existed thirty years ago there are still State representatives or finance rating agencies that feel there is too much fat in this government and there are places to cut. There may be and we are going to be looking at those and trying to reduce them. Thank you.

Mr. Wolfe

The Schedule A that has been moved has a tabulation that may or may not be accurate. I just want to confirm that it is just the budgeted salary and it doesn't include any benefits that may have been built into the budget. The savings, by cutting these positions in the budget, would exceed the \$2,500,000.

Mr. DeGroat

Yes, that is correct.

Mr. Wolfe

I am disappointed that we didn't get this information until just before this meeting. The numbers on the schedule are based on the 2012 adopted budget for the salary. When we get an updated schedule with the positions that are proposed to be abolished you should instead break it out and give us the numbers that would be really up to date not the annual figure, because the annual figure is misleading. The number at the bottom of the page is not what we could expect to save. Also, there are some unit closures that were referenced in the schedules. If you could give us some details about that and break that out and tell us specifically what that means.

This is awful stuff. We are not talking about lines on a page and position numbers. We are talking about people. I do recognize that we are at the point of making some absolutely awful decisions. I will say in advance that I am really sorry that we are here. Thank you.

Chairwoman Cornell

We are only dealing tonight with that top page on vacancy release positions. I think Mr. Schoenberger indicated that there might be some difference in the final total. I don't want to ask you about that. I just want to be absolutely certain and hear from you that you are sure that all of these positions that are listed here have no people in them at the present time.

Mr. DeGroat

Yes. It was all reviewed by the Personnel Department. There is nobody in those positions.

Chairwoman Cornell

Okay, I just wanted to be certain about that. Thank you.

Mr. Meyers

The \$17,500,000 in savings that was built into the budget that the County Executive was going to try to achieve, which hasn't really been addressed yet, my recollection was that a little part of the way that he was going to achieve it was through these vacancies by perhaps not filling them. Now we are using these as part of our "\$8,800,000" and taking them away from the possibility of contributing to the \$17,500,000 that was built into the budget. Is that correct?

Mr. DeGroat

My understanding is this list was not included in that calculation.

Mr. Meyers

I beg to differ, and I am not saying we can't have a difference of opinion, but I asked a lot of questions at the time and part of the way that salary savings was going to be achieved was perhaps by not filling vacant positions that were budgeted for. This trick, if you will, in the budget, the low hanging fruit is going to be gone and we still have the \$17,500,000. Are you going to hit the \$8,800,000 figure? We did not meet it in the preliminary list. Excluding the reduction in the Sheriff's budget, because Sheriff Falco has met his \$585,000 goal. I could see it here, but it should not be included at part of the \$8,800,000, because it is clearly a separate line item.

Mr. DeGroat

Right. That is the current goal.

Mr. Meyers

So the goal will be met. We are getting a augmented list. I am supporting the revenue enhancements tonight on the promise that we are going to see the cuts on the other side of the ledger.

Mr. DeGroat

We estimate the revenue projections in a very conservative way. That is why Legislator Day mentioned about the average utility bill. When we put these numbers in here we were trying to be very conservative so if we have some excess revenues then those cuts would not have to be at that level.

Mr. Meyers

Most of these positions appear to be union positions. Not to sound negative, but are we going to the patronage jobs or the non-union people?

Mr. DeGroat

All those items are being determined by the County Executive's office.

Mr. Meyers

I am expecting to see some balance there.

Mr. Carey

One of the things that I think would be helpful is to see what percentage per department these cuts are. Having gone through two rounds of voluntary retirements plus this, I just can't see how these organizations are functioning and I believe that they might be too top heavy if we have lost that many workers. I want to make sure that we look very closely at that. The other request I would like a commitment leaving here tonight that we don't get it at 5:30 p.m. next Tuesday. We must have enough time to dig in and do the homework that is needed to make an informed decision.

Chairwoman Cornell

I think we really need to have this information by Friday.

Mr. Grant

Some of the proposals on the other sheets include possible elimination or closure of units. I would like a memo from each department head where that situation may occur, summarizing what the impacts are to the department, what services won't be delivered and whether or not there are any other savings to be had through equipment or other expenses for supplies and contracted services that will be achieved in addition to that. Legislator Carey's request for an organizational chart is always very helpful in having us understand what the department is doing and how they are staffed and whether or not they will be able to accomplish their jobs.

Mr. Hood, Jr.

As I look at the list I see that there are about seven jobs that are over \$100,000 out of almost eighty. As stated before, I would like to see if the administration could examine the top end jobs to see if there is any savings that could be had, because if you can find five that would be \$1,000,000, which would be a huge savings to us. When you cutting jobs at \$38,000 and \$17,000 that just doesn't add up as fast.

Are any of the positions in Social Services local share dollars? I know they are subsidized quite a bit in Social Services and maybe some other areas.

Mrs. Sherwood

They are local share

Mr. Hood, Jr.

So these people on the list save us zero dollars or say 10%. Then these numbers mean nothing in that section of the list. We need this list updated to include the actual savings of local dollars. It also has to be net of any employment charges. So the \$8,800,000 savings is going to be a tough number to reach as far as what I am looking at here. There is a lot more work to be done. I am hopeful that the union leadership can get together with the County Executive and think of other ways around this, because layoffs are always the last resort. We have been doing what we have been doing for three years to avoid that and that is why we are in the hole that we are in now. At this point there is no other way to go about it.

I want to go back to something that Legislator Grant was talking about in his passionate speech just a little while ago. We have certain Legislators that voted no on the tax increase on the heating bill. I ask those Legislators for a plan if we can't increase taxes. Show us where these cuts are going to come from. Show us how you are going to make this work. There is not enough to cut to balance this budget without increases. I am asking you, without berating anything that you have said, for a plan. What is your idea? How are you going to get us out of this besides let us do the heavy lifting? Please let me know, because I will listen, I will. I hope I get something from one of you to show me what other options we have. Thank you.

Chairwoman Cornell

We absolutely need to know what the real savings would be and maybe also the loss of revenues that may be coming to us through any of these positions. We will have to have that in order to make good decision.

Mr. Wolfe

Commissioner Sherwood expressed that there are positions in the department that are proposed tentatively to be cut that have a very small local share. What that means is that they are mostly funded by a source other than the County taxpayers. It seems that it would be silly of course to cut a position that is 100% funded, because you are basically just cutting the service that the person provided with zero savings. The positions that are going to be on the list we are to receive are these positions that were recommended by the department heads?

Mr. DeGroat

Yes, the departments recommended everyone here.

Mr. Wolfe

Are there any differences between this list and what the department heads proposed? I am not just referring to Social Services I am referring countywide. Are there positions that were proposed to be eliminated that were not included in the list provided by the County Executive or where there positions that were added?

Mr. DeGroat

My understanding was that the County Executive requested from each department a list of proposed cuts and that is this list.

Mrs. Rutledge

I have been jotting down your comments and we will provide all this information. In going through the list the goal was to come up with 150 positions that could be removed from the line items in each of the department budgets. We worked with all the department heads to identify those positions they felt could be removed so that critical care services could continue to be made in the County. Again, looking at what would be the impact of removing those positions on length of time of responding to needs in the community was addressed by each of the department heads. The list has gone through several renditions, but the goal was to come out with 150 positions. We were looking at what was critical and could we remove vacancies at this time in order to save county jobs that were filled by hard working people. So that is why you are getting a list of the vacancies that were put in today. The dollar amount will change as we go forward and that has to be made very clear. Depending on when this is enacted and when the layoffs occur that will impact the amount of money that is saved by the County.

It will also be impacted, because many of these positions have bumping so final dollar amounts will be adjusted depending on who the person is who is actually impacted by these cuts. This is going to be a process. I do have all your information and we will make sure you get this by Friday.

Mr. Wolfe

I just want to confirm that the positions that appear on the proposed list are those positions that were proposed to be eliminated based on the recommendations of the department heads?

Mrs. Rutledge

Yes, department heads proposed the positions that are on here. I will tell you that there were some positions that were removed from the list, because after going back through the departments the department heads came back and said that after further evaluation of my programs to my services I cannot afford to lose those positions at this time.

Mr. Wolfe

Were there any positions that were removed by the County Executive that the removal was not requested by the department head?

Mrs. Rutledge

That I am not sure of.

Mr. Wolfe

If you could add as an action item, I would like to know what adjustments occurred from the department heads proposal. Essentially, what positions were removed by the County Executive before presentation to us and what positions were added, if any, by the County Executive before presentation to us.

Mrs. Low-Hogan

I would like to reinforce what Legislator Wolfe said about the savings that is represented on these sheets. It really would have to be cut by half, because there are the actual salaries and the savings would only be half of what is listed here.

Mrs. Rutledge

Actually the savings will depend on when the person actually leaves employment. We were actually looking at the number of positions at this point. The actual dollar amount is going to fluctuate depending on the timeframes and the actual person who leaves County employment if it ends up being the action taken.

Mrs. Low-Hogan

That just brings me back to how realistic that \$8,800,000 figure is.

Mrs. Rutledge

Again, we will get you all that information by Friday.

Mr. Day

I want to say one thing in response to a comment that Legislator Grant made earlier. I have the world of respect for Mike. We sit here next to each other and we rarely yell at each other, but I am going to agree 100% with him. I find people clapping distasteful. I know it happened a couple of times when I spoke and I want to be very clear about that. This is a very tough evening for everybody. We have different perspectives. There is nothing to cheer about. This is a terrible evening tonight. I just wanted to be very straightforward about that.

I want to acknowledge Legislator Hood, Jr. for his questions about the positions. It is pretty clear that the dollar value of the positions is not just going to match up. I frankly resent getting this information at 5:30 p.m. today. There was no way I was going to vote for anything under those circumstances. The frustrations up here are across the board. For this body to be asked to make decisions based upon information being dumped on us an hour before a meeting I think is horrendous. This is no way to treat our employees and I hope the administration can do better.

I am going to reiterate and echo some of the comments of Legislator Carey. I also agree with Legislator Schoenberger. We have done a lot more with less with our workers in this County. There is bipartisan agreement that we have fewer people in our employment, and that is factual, then in many years. The fact of the matter is the information I received from a variety of workers shows that we have a fair amount of waste in this County. We have waste around our relief positions. We have waste around a failure to bill services. There are a lot of things that can be done better here in this County and to assert otherwise is disingenuous. We are not doing what we can do operationally in government, and if we did we would be treating our workers better, because again we would all get more bang for our buck. Those things need to change.

When I was trying to traverse some of our roads the other day during that flash storm that made some impassable, we had our highway workers out there, the same highway workers who are wondering if they'll have a job next week. That is not the way to treat your people. There is just too much of this going on right now. When these positions come back I fully expect to see a broader approach towards potentially addressing these concerns. There are too many positions here that are hands on, people doing the day-to-day jobs of this County, and it should not be so.

Again, I acknowledge Sheriff Falco. I had a conversation with Lou at the Memorial Day Parade. We chatted about this entire matter. We had the Sheriff in here not long ago going over his budget and he is consistently coming in below budget, yet they are asking him to cut more. There is something wrong with this equation when a department in County government is coming in under budget and more is not being asked and other departments. That is what I am looking to see. Thank you.

Mr. Soskin

I would like to be provided an accounting of each position being eliminated, including the amount of tax dollars involved or the amount that is being granted to us by Medicare or Medicaid so we have a better idea as to what's what and there will be no need for any of us to ever doubt anything. Thank you.

Mr. Moroney

I am delighted that the County Executive mentioned tonight the ongoing negotiations that are coming to fruition and maybe they may have some resolution soon. If you are going to ask me to vote next Tuesday night on a resolution for more layoffs I want to make sure that these negotiations are completed. I don't think it is fair for us, as Legislators, to be making decisions about who is going to lose a job if there are ongoing negotiations between the County Executive and the labor unions. What if we find out a week later we could have saved this or that or whatever? I am delighted that the County Executive is very positive about the negotiations. I would hope that the negotiators are just as serious, because I don't want to come back in a month to find out we could have saved some of these jobs that are very important. It will enhance my vote on the layoffs if I don't have some kind of prospective on what is going to happen with the negotiations. I know this Legislature is not part of it. I always said that the Charter should be changed for us to be part of the negotiations so we can see what is going on. It is not fair for us to sit here and hope that something constructive happens with the negotiations and we have no idea what is going on. For me to vote on layoffs I will have to have something more concrete.

Chairwoman Cornell

Thank you Legislator Moroney, you raised an important point. I have always felt in the days before we had a County Executive we had in-house negotiators, one person from the Personnel Department and one Deputy County Attorney. They were very familiar with County government and it seemed as if the negotiations moved in a much smoother way and were expedited in a better fashion. That is something that many of us in the Legislature have felt. The Legislature knew what was going on as well and was often part of the negotiating team.

Mr. Schoenberger

Since we are all asking for clarifying material let me call your attention to the three-page schedule, which I did not move tonight. It says 2012 Positions To Be Abolished. On page 3, third position from the bottom says EH-HSP-E928-HOSPITAL SPNCC - HEAD NURSE RELIEF POSITION 2975z CLOSING UNITS \$1,065,960. If that is all relief that is one thing, but if it isn't it doesn't explain to us in a chart that cuts \$7,600,000 how over a million of it is being cut. It should be clarified.

Mrs. Rutledge

It is all relief. It came from the Commissioner himself from the Hospital.

Mr. Schoenberger

We were told the positions that took the early retirement incentives were being covered by relief workers and relief workers cost the County less. I know the union objected to that and they thought they should be filled by employees. This has been an ongoing source of contention for a few years. One of the ways we were saving money was by providing relief rather than employees. Now it looks as if you are proposing to abolish well over a million relief positions. I guess the question I won't ask today, but I am advising you I will ask later is, how will the services be provided if we don't have staff people and we don't have relief people? That is not for today, I will ask that later.

**ACTIONS:**

**LEGISLATOR WOLFE:**

- ✓ PROVIDE EXACT SALARY SAVINGS FOR 2012, INCLUDING BENEFITS ON ALL POSITIONS TO BE ABOLISHED ON THE VACANCY LIST
- ✓ WHAT POSITIONS WERE ADDED AND/OR REMOVED BY THE COUNTY EXECUTIVE FROM THE ORIGINAL LIST OF POSITIONS TO BE ABOLISHED PROVIDED BY DEPARTMENT HEADS

**LEGISLATOR CAREY:**

- ✓ WHAT PERCENT PER DEPARTMENT ARE THE CUTS FOR POSITIONS TO BE ABOLISHED

**CHAIRWOMAN CORNELL:**

- ✓ ALL ACTION REQUESTS SHOULD BE RESPONDED TO BY FRIDAY, JUNE 1<sup>st</sup>
- ✓ PROVIDE REAL SAVINGS AND LOSS OF REVENUES WITH THE VACANCY LIST AND THE POSITIONS TO BE ABOLISHED

**LEGISLATOR GRANT:**

- ✓ PROVIDE MEMO FROM EACH DEPARTMENT HEAD SUMMARIZING IMPACTS TO DEPARTMENTS, WHAT SERVICES WILL NOT BE DELIVERED, CONTRACTED SERVICES AFFECTED, OTHER SAVINGS REALIZED AND HOW EMPLOYEES WILL ACCOMPLISH THEIR JOBS IF POSITIONS ARE ABOLISHED
- ✓ ORGANIZATIONAL CHART FOR EACH DEPARTMENT AFFECTED BY LAY OFFS

**LEGISLATOR HOOD, JR.:**

- ✓ THE POSITIONS TO BE ABOLISHED LIST SHOULD BE REVIEWED TO INCLUDE HIGHER PAYING/TOP-END JOBS
- ✓ PROVIDE ACCOUNTING, INCLUDING ACTUAL SAVINGS OF LOCAL DOLLARS, INCLUDING UNEMPLOYMENT CHARGES OF ALL POSITIONS BEING ABOLISHED

**LEGISLATOR SOSKIN:**

- ✓ PROVIDE ACCOUNTING OF EACH POSITION BEING ELIMINATED, INCLUDING AMOUNT OF TAX DOLLARS INVOLVED

**LEGISLATOR SCHOENBERGER:**

- ✓ CLARIFY HOW WILL SERVICES BE PROVIDED WITHOUT RELIEF STAFF PEOPLE AT SUMMIT PARK NURSING CARE CENTER IN REFERENCE TO EH-HSP-E928-HOSPITAL SPNCC - HEAD NURSE RELIEF POSITION 2975z CLOSING UNITS \$1,065,960

c. Amendment To The 2012 Budget Regarding Contract Agencies.

**DISCUSSED/DEFERRED**

Mr. Schoenberger

I am not prepared, with your permission, to move this. Once again late today we received a proposed list of cuts to the contract agencies in the amount of \$300,000. We received that again very late this afternoon and I certainly did not see it until about 5:00 p.m. I have a problem in that I looked at the list and I do not believe it is complete. I am aware of contract agencies that receive County funding that are not on this list. I am concerned why some are off the list. I received an explanation that there were two categories. There was the group that had fulfilled all the compliance requirements and submitted all the information and signed contracts. There is a second group that has not submitted the proper paperwork yet or has not signed a contract or both. The two groups were being cut differently. I am not sure why. There are others that were left off the list that apparently aren't cut at all. I want to make sure that whatever cuts we make are being done in an equitable manner. I am not prepared to move this. If somebody else wants to move this it is certainly their prerogative. I would request that this be treated the same as the layoff list and be dealt with expeditiously and that we have questions answered. Perhaps we should put it on next Tuesday's meeting under Committee of the Whole for whatever action we choose to take. I am concerned what is being given to us and whether it is complete and accurate at this point in time.

Mr. Grant

I would like to move the item. We are in the Committee of the Whole. We don't have to take action tonight. We can discuss it and perhaps come to a different conclusion when we reconvene as a Full Legislature. I would like someone from the administration to explain to us just how they compiled that list, who is on it, who is not and what their thinking was so we don't have to wait another week. I move it.

Mr. Wolfe

I second it.

Mr. DeGroat

We have two classifications of contract providers in Rockland County. There are Service Providers that we contract with to provide services to the County of Rockland like Meals on Wheels. There are contract agencies, which provide services to Rockland County that we do not contract with them, but we provide them a contribution. This list that you see in front of you are the agencies that we provide a contribution to for what they do on their own in Rockland County. They are required to provide their audited financial information and various other things that Phyllis Tucker reviews for us and once that information is in we make the payment. You will see that some of them have larger amounts than in the budget, because some of them have not been paid going back to 2011 since they did not provide the required insurance and audited information. The County Executive selected the amount of \$300,000 that they would cut and they took the percentage of that revenue of that individual group to the total of all the revenues generated. Say one was 5% of the total of all that is paid to them then we took 5% of \$300,000. It is their percentage as it is apportioned to the whole. It is based on their size and total revenue.

Chairwoman Cornell

I have never heard that we were making contributions to agencies. That is not legal.

Mr. DeGroat

I am not saying it is not legal. For example, Veteran's Administration – we don't have contracts with them and they don't provide services, but we give a contribution to them.

Chairwoman Cornell

All of these agencies file plans with the County Finance Department, which have to be approved and they are providing services to the residents of Rockland and that is why we call them contract agencies. Even though they may not be providing services directly through one of our County departments they are providing services to the blind, elderly and disabled. It is very puzzling to hear it described in that way. The other issue was why some of what appear to be some major contract agencies are not on this list at all. We are very aware that the services provided by these agencies are very important and are delivered. The reason we contract with them is because they deliver services that we can't deliver or we can't deliver them at such a really inexpensive cost and they can do it cheaper. They also have specialized people. I just wanted to raise that issue. I know that we cannot contribute and give gifts to people.

Mrs. Low-Hogan

Service providers that we contract with, are they going to be cut?

Mr. DeGroat

No, they are not on this list. Most of those service providers are mandated.

Mrs. Low-Hogan

The percentages and ratios you described, do they have anything to do with whether these agencies have or have not been paid yet by the County?

Mr. DeGroat

No.

Mrs. Low-Hogan

They have nothing to do with that.

Mr. DeGroat

No.

Mrs. Low Hogan

So an agency that did or did not get its check is not reflected in these percentages.

Mr. Carey

When you do come back please denote anybody who was treated differently than anybody else. You said nobody has, but I just want to know specifically if in fact someone was treated differently.

Mr. Soskin

Every agency on this list I was told was a contract agency. They sign a contract and are not a beneficiary of any special grants or anything. They are basically all equal. I am a little surprised that some people got paid and some people didn't get paid.

Mr. DeGroat

No one got paid on this list. Not one was paid on this list, because it would be discrimination as far as I was concerned.

Mr. Soskin

You have some of these contract agencies appear on different departments. How do you differentiate between which ones within a department are being paid and which ones aren't being paid.

Mr. DeGroat

If they have a service contract that is mandated by the State we have to pay them under whatever our guidelines are, 60 or 90 days, but we have to pay them. It is a pass-through. Other than that we haven't paid anyone.

Mr. Soskin

Am I to understand that Meals on Wheels has no County dollars involved?

Mr. DeGroat

There are some County dollars involved, but it is small. Most of it is covered by grants.

Mr. Grogan

This is the traditional contract agency listing that you see in the County's budget. If you open it up to Contract Agency section these are those contract agencies. Meals on Wheels, Small Steps and things of that nature are considered program expenses and not reflected in the Contract Agency budget. That doesn't mean you can or cannot cut them. We have not included them on our work sheet. We have stayed with the traditional contract agencies, as we know them in our Contract Agency budget. If it is an agency that is listed on the contract agency worksheet such as Department of Social Services, Office of the Ageing or the Department of Health, which we have considered contract agencies are on this schedule that you will see on the last page. Those are the only groups we have included. You may include more or exclude less and that is up to you. The criteria were the traditional contract agencies that are included in the County's budget.

Mr. Soskin

Who determined, which is a contract agency per your definition?

Mr. Grogan

Our definition has been based on historical. We have not deviated in terms of contract agencies. If they are listed with the account number 501, meaning 501C, that is the account number we are using to designate a contract agency. It is also the account number that the State of New York uses.

Chairwoman Cornell

I think an earlier Legislator requested that we also see that list of what you call service providers. I think there are some contract agencies on this list that are also program providers within a department.

Mr. Schoenberger

When I talked about contract agencies that I viewed as programmatic or I viewed as pass-through. I thought about agencies that we fund either in whole or in part. I was under the impression that Meals on Wheels, a wonderful agency that feeds the elderly and homebound, receive \$1,800,000 in County funds. But they have not been put on a list to be cut.

Mr. DeGroat

Yes, they do. No they have not been cut. \$1,700,000 of County funds goes to Meals on Wheels.

Mr. Schoenberger

They are a wonderful organization, but I am looking at a list of pages of wonderful organizations. They are a wonderful agency, I think they are great and deserve every penny they are getting, but if everybody is being cut then the pain has to be shared by everybody. I don't understand why they are exempt. I don't understand why others, who may be agencies we call programmatic, are exempt. If everybody is going to be cut across the board then let everybody share the pain. The taxpayers are going to be hit with more taxes and they are going to share the pain. Meals on Wheels is a wonderful organization, but I was always under the impression that the major source of their funding was not State aid, not Federal aid and not even fundraising – it was us.

Mr. DeGroat

That is correct.

Mr. Schoenberger

I am not satisfied with this list. I respect what you said Legislator Grant. I really do. I said to myself that if Legislator Grant wants to pass it in committee, but hold it for the Full Legislature so we could add on to it seemed reasonable enough, but not with what I am hearing. I only know about that one and I don't know about the rest and I am not prepared to go along with a list that hurts some and doesn't hurt others when everybody else is suffering. I am not doing it.

Point of Personal Privilege – Mr. Grant

I understand your passion, but I wasn't saying to pass it tonight I said let's interview these people, answer our questions and do exactly what you just did so we have a better understanding and we don't lose any time. If when we were all done we thought it was a good idea to pass it then we do if not we just defer it to the next meeting.

Mr. Schoenberger

I apologize. I thank you for the clarification. I need to know every agency, which receives in whole or in part County funding. I need to know what is going to happen with those agencies. If everybody is taking a 10% cut let everybody take a 10% cut. If some people are getting a 10% cut and some people are getting a free ride I don't go for that. That is just my personal point of view.

Chairwoman Cornell

I just want to make a statement based upon a question that I asked the County Executive about ten days ago. I want to be sure that every agency that was budgeted in our budget that has already expended money based upon that will get their payments as soon as the RAN comes through. It is very important that they know they will get the money that they are owed.

Mr. DeGroat

Yes, we will do.

Mr. Wolfe

I opened up the budget book and looked up the contract agencies. The first one on the list, Legal Aid Society \$66,300 and their available budget on the list is \$66,300, which means they have not received any money. They don't yet have an entitlement to the funds.

Mr. DeGroat

Yes.

Mr. Wolfe

The Association for the Visually Impaired in the budget is \$170,700 and on the list is half of that. Which means they have earned half of their 2012 allocation. Are you only proposing to cut what they haven't earned yet?

Mr. DeGroat

They have not been paid the half, but they earned the half.

Mr. Wolfe

I understand the distinction between the checks that are cut and sitting in a draw and checks that have yet to be cut. I share the sentiment of my colleagues that we should not have this limited concept. We do need to spread it amongst everybody, because when we are making painful decisions I think that there is an importance in doing things in a fair and equitable manner. I think that is something this Legislature has always tried to do whether it is salary increases and now we are talking about layoffs and things like that. So I think we need to be equitable. Is \$300,000 a target to be spread amongst everybody? Is roughly 10% the number found to be equitable? I see 10%, as painful and difficult, as it is, as equitable. If we are going to be extending that 10% beyond this list then we can certainly achieve greater savings, which are a good thing and a goal to have. I understand we are going to be making some very difficult discussions next week. If we, as a Legislature, are looking at 10% as a target for the contract agencies then there is really no harm in moving forward on this, because next week we can simply have a new resolution with a new list extending it to the other contract agencies that were not included on this list. I am just throwing it out there. In one way or another we are going to do this, but I am thinking it is important that we make some sort of a statement tonight and move forward where we can. I think that this might be an opportunity if we are not tied into the \$300,000 number, but we are thinking 10% is equitable maybe move on this tonight and simply have an additional resolution to vote on next week. I am just throwing this out there for discussion.

Mr. Earl

You said there are no program providers on this list.

Mr. DeGroat

No providers here that really have a contract with a department or has been contracted with one of our departments to provide a service directly.

Mr. Earl

West Street Daycare Center. Is that a contract agency?

Mr. DeGroat

Yes.

Mr. Earl

The Director told me that they had received some money from the County. Is that true?

Mr. DeGroat

It could have been a letter informing them or money they got from last year, but they didn't get anything this year from us.

Chairwoman Cornell

I think there are some agencies on this list, which also have contracts as service providers. I think we need to know that before we vote.

Mr. DeGroat

There will be some that have mandated contracts with departments that are mandated. They don't provide exactly the same service, but it is the same contract agency.

Mr. Schoenberger

I received an email from the concerned Executive Director of CANDLE, which is a contract agency again at the risk of being cut or eliminated in the 2012 budget. She writes to me that it is rumored that the proposed \$300,000 in nearly 10% in additional cuts to contract agencies may be implemented selectively rather than across the board, as was the case when the Legislature approved the budget last winter. I am skipping to the bottom where she says that "In the interest of fairness I respectfully ask that the Budget and Finance Committee propose an across the board reduction in County contracts rather than complete elimination of funding of some agency that have good reasons to expect funding this year. This would give us a little more time to bring agencies together to develop a strategic approach to reducing costs. This relatively simple action on the part of the Legislature will have enormous impact on those who are juggling their budgets and programs to adjust to cuts in funding."

I agree with this and I want to see across the board cuts and I want to get all the information before I vote on it. Thank you.

Chairwoman Cornell

Let me ask the mover of the motion if you feel we can deal with this next Tuesday when we will have a regular meeting preceded by a Committee of the Whole.

Mr. Grant

I have no problem deferring it to another meeting. My intent wasn't to rush this through or to take a specific position on it. Sooner or later we are going to have to come to grips with funding these agencies. I would like to add an additional action item. Some in the public and some in public office are being pressured that this is a give away and that we haven't cut these agencies substantially. Please provide history of cuts to contract agencies over the last five years. Also provide list of all contract agencies that have not signed contract for 2012.

Many of these agencies are human service agency's that provide essential services to the community at a cheaper cost than the County probably could itself. Once they are gone, they are gone and no one will fill that void. They are human care providers, they feed people, and they feed people's souls and feed animals too. Personally, I think we are going to have to make reductions here. I think the list that we were provided today is insufficient. We need to add to the list an indication as to whether or not there is a fully executed contract for that agency. If not, someone is going to need to explain to us why they are not done, because it is June now. Perhaps those people should be treated differently. We can take that up next time.

Chairwoman Cornell

Another thing we might like to have, Mr. DeGroat, is to know what share each agency's budget is County funded. I will hold this item over until next Tuesday night. We will get this information by Friday.

**ACTIONS:**

**LEGISLATOR LOW-HOGAN:**

- ✓ **PROVIDE LIST OF MANDATED SERVICE PROVIDERS**

**LEGISLATOR CAREY:**

- ✓ **WERE THERE ANY CONTRACT AGENCIES TAKEN OFF THE LIST OR TREATED WITH A DIFFERENT PERCENT FORMULA FOR REDUCTION OF FUNDING**

**CHAIRWOMAN CORNELL:**

- ✓ **WHICH AGENCY ON THE LIST PROVIDED ARE "PROGRAM PROVIDERS"**

**LEGISLATOR SCHOENBERGER:**

- ✓ **PROVIDE LIST OF ALL SERVICE PROVIDERS/CONTRACT AGENCIES THAT RECEIVES IN WHOLE OR PART COUNTY FUNDING**

**LEGISLATOR GRANT:**

- ✓ **PROVIDE HISTORY OF CUTS TO CONTRACT AGENCIES OVER THE LAST FIVE YEARS**
- ✓ **PROVIDE LIST OF ALL CONTRACT AGENCIES THAT HAVE NOT SIGNED CONTRACT FOR 2012**

**CHAIRWOMAN CORNELL:**

- ✓ **WHAT SHARE OF EACH AGENCIES BUDGET IS COUNTY FUNDED**

3. **Referral No. 7537** – Setting A Date For A Public Hearing With Respect To Adoption Of A Local Law To Impose A Motor Vehicle Use Tax In The County Of Rockland Pursuant To The Provisions Of Section 1202(a) And (c) Of The New York State Tax Law.

**Public Hearing: June 19, 2012 at 7:05 p.m.**

**MOTION TO APPROVE  
WOLFE/JOBSON: UNAN.**

Mrs. Low-Hogan

I thought you said that the per vehicle tax on a commonly used car would be \$10.00. It says it is \$5.00.

Mr. DeGroat

The registration is a two-year period. It is \$5.00 per year.

Mr. Day

Tonight's a special meeting being held to address our current financial crisis. Point of fact, when I look at the County Executive's press release he speaks of announcing a comprehensive package of proposed budget cuts and new revenues to close a \$21,000,000 gap in the 2012 budget, which includes the energy surcharge. I am going to suggest something, because the energy tax was supposed to deal with current issues, but it has morphed into something quite different extending for twenty years. I think we should have a Sunset Clause in that for a much shorter period of time if we are, in fact, going to be doing what the County Executive proposed to do. I am going to offer a Sunset Clause as a motion on this particular resolution to expire December 31, 2013 so we stay consistent to deal with the crisis in front of us and to narrow the need to collect these funds to what appears to be the specific purpose of both the County Executive's proposals and our meeting this evening. I will yield to Counsel to specifics. Since we are here to deal with the issues that have been foisted upon us by a number of things that have occurred out of our own control, let's consider limiting the tax increases to a specified time consistent with the goal that I is supposedly in front of us. Two years would be fine, but in perpetuity is not. I would say a two-year Sunset Clause.

Mr. Jobson

I just renewed my license recently so this would not apply to me then for another two years.

Chairwoman Cornell

This is registration of the vehicle not your driver's license.

Point of Order – Mr. Wolfe

There is a motion to amend that has been made and it has not been seconded. We should not debate until or if it is seconded.

Chairwoman Cornell

Is there anyone who wished to second the amendment motion? The sponsor did not accept the amendment. Is that correct?

Mr. Wolfe

It wasn't offered for me to accept, but I wouldn't. We are setting a date for a public hearing so this is not the underlying meat of it. It is simply setting a date for a public hearing. The issue that you raised can be addressed between now and the time we have a public hearing. Again, we are not voting on the underlying local law. We are talking about setting a date of a public hearing where these and other issues can be discussed. That is why I am not accepting your amendment. Why don't we vote to set the date and we can have discussions as we move along.

Mr. Day

Accepted or not I will withdraw it. I will support the public hearing, however I believe we should have a Sunset Clause on this tax increase.

4. **Referral No. 9209** – Authorizing The County Of Rockland To Apportion Certain Election Expenses Incurred By The Board Of Elections Starting With The Calendar Year 2012 To Towns Within The County Of Rockland As Allowed By New York State Election Law [Board Of Elections].

**MOTION TO APPROVE**

**SCHOENBERGER/WOLFE: M.V.**

**AYES: 11**

**NAYS: 06 (CAREY, DAY, HOOD, JR., JOBSON, MURPHY,  
SPARACO)**

Mr. Schoenberger

As per discussions I will move that and then I would suggest it be amended. Let me move it as originally proposed. I believe that we had a discussion and we discussed the aspect of instead of charging back the towns with the Board of Election costs in full for 2012 that we will charge them back one half in 2012, which was earlier agreed upon by the towns. Also, we put an additional Resolved Clause in there putting them on notice that beginning in January of 2013 they should be aware that the County of Rockland may charge them back for the full amount so they can then budget it appropriately for 2013. I make the amendment and I accept the amendment unless someone else wants to make it and then I will accept it.

Mr. Sparaco

I would like to make a suggestion to the amendment, because I was not privy to the conversation to this amendment. If we were to charge them half and then work it back 10% per year over the next five years I think that would be a sign of good faith towards the towns.

Mr. Schoenberger

I do not accept the amendment; because by the time we receive that money we will all be old and grey. I understand the election chargeback costs to be about \$1,400,000. That is what the County Executive said when he proposed the budget to us. If we charge \$700,000 this year and then an additional \$700,000 next year it is not earth shattering numbers to be divided among five towns. You have to bear in mind that up until five or six years ago all the election costs were borne by the five towns and zero was borne by the County of Rockland. What happened is you had that famous election between Gore and Bush and after that the Federal government passed a law called, "Help America Vote Act" (HAVA), which required the states to develop a uniform policy for elections. The State of New York passed a law mandated the elections, instead of being run by the 970 towns, more or less, it will be run by the 57 counties (outside the City of New York).

We took on the responsibility by the State to run the elections and pay the cost of the elections. The State in doing so put a clause in that law that said that the County could pass a resolution and chargeback the towns who would bear the cost of the elections just like they always did. For the last five or six years this County didn't do that. We bore the cost of the elections and the towns didn't. We are in a financial crisis right now. Many of the towns have surpluses. We probably should have done this five or six years ago, but because we were nice guys now they say we are imposing upon them and charging them.

I am not going to accept the amendment. I think we are being more than fair to stagger it in over two years. We could charge them 100% for 2012. I think we are being more than fair to stagger it in over two years. I think there are a number of Legislators here who would be very willing to charge them more in one year, but I think we are being more than fair. The amount of money is relatively small. It is \$1,400,000 spread out over five towns. We are demanding \$700,000 for 2012 and for 2013 the County of Rockland may impose 100% of the election costs on your town. We are doing it in a resolution. The Clerk will send a copy of that resolution to every town so no one can say that they didn't know or we didn't tell them. The Deputy County Executive, Sean Mathews, met with every Supervisor well before there budgets came over and told them they were going to be charge them back for election costs. They just thought they could get away without doing it. We are being nice by charging them half and we are letting them know in 2013 they will have to pick up the whole tab if this Legislature so inclined to vote that way.

Chairwoman Cornell

Legislator Schoenberger offered the resolution that was in your packet. Then he accepted his own amendment to that and that is what we are talking about now.

Mr. Wolfe

You, as the maker of the motion to adopt, have offered an amendment and accepted an amendment. So what we are debating at this moment is the resolution as you have amended.

Mr. Sparaco

Where is my amendment?

Mr. Wolfe

You had made an offer to amend that was not accepted. As soon as I am recognized I am prepared to offer another amendment and if not accepted I will make a motion to amend.

Chairwoman Cornell

Let me just say what the amendment is that was accepted, which is that the chargeback of election expenses should be for half the amount that was in the bill before us for 2012 and that as we move forward we would consider the full year cost, but there is no guarantee of that.

Mr. Wolfe

The resolution that I seconded was the original resolution. When we talk about the logic why on earth should we pay for town elections when historically we haven't and only through this new legislation were we required to. I am absolutely supportive of charging back the towns for the cost of the elections. I do not buy the argument that many Supervisors have said that it is a surprise for 2012. We all found out about it the same time that we typically do when we read about it in the newspaper after the County Executive proposed his budget and that was before any of the towns adopted their budgets. So I do not buy that argument. The towns had fair notice and I understand that Sean met with them. I don't buy that argument.

I think it is logical and I think it makes sense. I do however recognize that you know what rolls down hill. At the same time that we are feeling squeezed by the State the towns are going to feel squeezed as well. I agree with the concept of a phase in. As much as I really feel that 100% should be borne by the towns I don't have a problem with phasing it in with half this year and then 100% moving forward. The way the towns have approached everything that we have been dealt with this year, be it the Narcotics Task Force, our Home Rule request, this whole reinventing the history of information that they receive that they say they didn't receive, I don't think the towns have shown us one bit of good faith. So I don't feel an obligation to show them good faith in return.

My amendment that I am offering is that I do not agree at all that the resolution should say that in 2013 we "may" impose. It should say in 2013 and moving forward we "shall" impose. I do believe that this is an expense that should be borne by the towns. It is their fair share of the cost of elections in this County. It is something that goes back to the way it used to be. I am offering that as an amendment and if it is not accepted I will make a motion to amend the resolution to indicate that we "shall" impose in 2013.

Mr. Schoenberger

I accept.

Point of Order – Mr. Moroney

Somebody introduced a resolution and then he amended the resolution. I don't understand that. How can that happen?

Mr. Schoenberger

I moved the motion as I stated rather than amended.

Mr. Hood, Jr.

I am going to play devil's advocate here and disagree with some of my colleagues on my side of the table here. I just feel that promises have been made in certain regards whether it is the Intelligence Task Force or Narcotics and now this, charges we have been covering for years. Maybe they never should have been covered, but the fact of the matter is they have been. I am not willing to take back those costs that we have been paying for even though we are in financial straights. Basically I feel it is the same taxpayers we are hitting it just depends on which budget you are going to take it out of whether it be a town budget or our budget. I know that we have to raise the money otherwise. I understand that may very well include a tax increase this coming year to cover these costs instead of handing them down to the towns. I am willing to take that hit personally instead of shifting the cost, which I really get aggravated with when the State does it to us over and over again.

If you look at our relationship with the State – we can't raise the sales tax, we can't raise your taxes more than 2%, they owe us \$30,000,000 so we can't pay our bills on time, however we need to hire fifteen more Correction Officers. So more costs, but no way to raise money to pay for those costs. It is just dysfunctional and that is a big part of the reason we are where we are. I am going to be voting no on the next two resolutions. Thank you.

Mr. Grant

A half a loaf is better than no loaf at all, but I am little concerned with this one. I don't take the same position my colleague Jay Hood does. I have it on good authority from the County Executive that the Supervisor of the town that I live in had called him on more than one occasion to try to determine what would be included in his budget proposal. The County Executive told me that he told Mr. Phillips that this item specifically would. The notion at this point in time that we should reduce it to half I am not comfortable or happy with. If I vote no on this resolution and it fails then there will be nothing, that won't work either. One of the unintended consequences, at least for me, earlier this evening was on the residential energy tax had a direct benefit to the towns and villages by virtue of the local law that requires us to share one-eighth and one-eighth of two different components of the sales tax with the towns and villages. On the first 3% that would have been all ours, but the additional 1% we are obligated to share one-eighth with the towns and villages on a per capital basis and one-eighth with the towns and villages that provide policing services on a pro rated per capital basis.

It was not my intent, when I voted to impose this very onerous residential energy tax that the towns and villages would benefit in any way shape or form. Back in February the Journal Newspaper characterized it as a deal that was struck. It wasn't a deal that was struck it was a conversation that was had. The Supervisors wanted to share the sales tax and one of the items that they also introduced into the conversation was taking back this \$1,400,000. The reason they were still in a position to ask to take back the \$1,400,000, and part of that conversation was it would be halved, was that Multi-Services failed to move the \$1,400,000 resolution out of committee even though it had been included in the budget. I was upset and disturbed by that.

I will vote for the half a loaf if I have to, but my preference would be that the towns would benefit from this service and pay for this service. I believe the Town of Haverstraw at the very least budgeted for this expense. I know there is a Federal election this year. I know there are statewide offices this year. I know there are town and village offices this year. I don't believe there are any countywide offices that are the ballet this year. Is that true?

Chairwoman Cornell

I think that is true.

Mr. Grant

But the County should pay for this or pay half of it. I will hold my no's and vote for it again, because the risk of it going down and losing the \$700,000 that is attached to it would upset me. Is this at a minimum of \$700,000 or half of whatever is expended?

Mr. DeGroat

I would personally believe in going half. Just so you know, the election cost to the County of Rockland is \$3,400,000 not \$1,400,000. The \$1,400,000 is the actual local portion for the rental of whatever places you rent in your towns and for the polling people. We still pick up \$2,000,000 for our County election office, maintenance of the machines, for storing and all those kind of things. So the \$1,400,000 is only direct costs. We picked \$1,400,000 as an estimate. If you are going to do a partial you might be better off using 50%. I think our costs are going to be a little higher this year than anticipated, because there are State and Federal elections.

Mr. Grant

I don't know how we role this all back at this stage of the game, but I am open to suggestions.

Mr. Meyers

I agree wholeheartedly with Legislator Grant. I came in here expecting a package of things and this is on the list for \$1,400,000. I was expecting \$1,400,000. We can't afford to give up anything. I held my nose and voted for a bunch of things tonight and will vote for a few more that I didn't really want to vote for, because we are trying to cobble together something. I am not sure how \$1,400,000 just turned into \$700,000 and why we can now afford to give up \$700,000. At the beginning of the meeting we were broke and now we can give up \$700,000. I don't understand that. We need the \$1,400,000 and we should have the \$1,400,000. That is part of the pain that we are inflicting upon ourselves and every entity around us so I support any effort that Legislator Grant might wish to make to return this resolution back to where it was supposed to be, which is the \$1,400,000. We spent a lot of time arguing over \$300,000 in cuts to the contract agencies and this is more than twice that number. I don't know how we can afford to leave \$700,000 on the table and I don't know how that came about over the last hour.

Chairwoman Cornell

Is there a motion?

Mrs. Low-Hogan

I would like to make a motion that we go back to the full 100% charged to the towns for the elections especially given the history.

Chairwoman Cornell

Is there a second?

Mr. Moroney

I second the motion.

Chairwoman Cornell

There is a motion on the floor to return to the number that was in the packet, which was 100%.

Mr. Schoenberger

It is wiser to frame it in terms of percentages than it is in dollars, because the dollars have not yet been established. So let's talk percentages, either 100% or 50%.

Chairwoman Cornell

There is a motion on the floor now and I would like to call the vote.

Mr. Wolfe

I just want to mention that the language of the resolution calls for the certification of the actual expenses and things like that. We have to deal essentially with Actuals. We are not putting any dollar amount in there. It is either going to be either all of or a portion of the actual amounts.

Mr. DeGroat

We had all those actual costs in during every election, including the rentals, the cleaning charges, utilities, everything.

Mr. Wolfe

I wholeheartedly support this amendment.

Mr. Day

Initially the reasons I had in my mind for not supporting this was because in my view, and a comment was made earlier, in the beginning of the year it would be less of an issue, but mid-year is essentially transferring costs to the local town governments and increasing the costs to the Town taxpayer beside the County taxpayer. Of course, it is the same person, so there are no savings.

I can't help, but comment on a number of these arrangements outside of this body. I think one of the comments made about the reimbursements of our Narcotics Task Force and Intelligence Center were arrangements without this Legislature; the appropriating body of government, even being consulted and then we end up with the mess later. I find that quite intriguing.

I happen to like Legislator Schoenberger's approach, because even though this is in our budget this year and there seems to have been some knowledge about it I think it is more consistent with reality. We are in the mid-year. We are looking at bringing in monies that would be consistent with the timeframe we are in. Again, a mention was made about a half a loaf; I think it shows a good approach given where we are right now. I was inclined to support that and I am less inclined to support this as it just has been changed back and certainly I feel the same way about the chargeback's by the County to RCC. I am hopeful we can come up with a consensus here, because there seems to be varying thoughts. In the words of one of my colleagues, cobbling something together may be a good way to go tonight. Thank you.

Mrs. Paul

I don't want to chargeback to our town, but given this current financial situation I may not be able to do what I want to do. I have to do what is needed so I will support this current resolution on the floor.

Mr. Schoenberger

Let me make my position very clear. Originally there were discussions at the very beginning of the deficit bond about sharing some of the sales tax revenue with the towns. There were also discussions about the chargeback of election costs. All of those were discussions. They were codified by me in a memo distributed to all the Legislators, the Executive, the press – the whole world. And it said clearly in the memo that everything was subject to Legislative approval. So they were never done deals, they were discussions. In those discussions it was said that we would chargeback the towns half of the election costs for calendar 2012 and the towns were accepting that half. This proposal to chargeback the towns for the election costs in the full amount had been to the Multi-Services Committee and Legislator Soskin chairs that committee. There was a lengthy discussion at that committee at that time and Legislator Soskin, after a lengthy discussion, pulled the item and it looked as though the item itself would not pass that committee and then it would be dead. Realizing that half a loaf is better than none I proposed a half a loaf tonight.

However, I am mindful and very well aware that the towns weren't supportive of our deficit bond even though they promised they would be. They promised they would do resolutions to the State and they never did. They promised they would speak to our representatives and they would urge support of it. I don't believe they ever did. The end result is we never got that deficit bond and it sent our County's financial situation into a tailspin and resulted in a substantial downgrade of the County's financial rating.

When one Legislator said it is the same people that get charged anyway I could flip that back with the sales tax that we share with the towns and villages. We passed the resolution imposing the sales tax and then we share it with the towns and villages who don't even have to vote on it, it is just a gift. We take all the heat, politically and governmentally. We then given them the money so they don't have to raise property taxes we give it to them. It is the same taxpayers. If we didn't give it to them and we kept it for County government, about \$11,000,000 per year, they would have to raise taxes instead this year we gave it to them and we raised property taxes. So it is the same flip either way so that argument has to be applicable to both ways. If you are going to say don't chargeback, because they are the same taxpayers then be prepared to vote not to share the revenue, because it is the same taxpayers.

I would support charging back the towns and villages the full amount. If there are eight votes I will be the ninth. I offered the compromise, because I thought that was more amenable to building consensus and getting it passed. As we sit here tonight all of a sudden we are in the best of all worlds. Why? Because the resolution before us it to share half and the motion to amend is to do whole. If the motion to do the whole fails then we are back to the half. With that parliamentary procedure I will now await the vote.

Chairwoman Cornell

Thank you Legislator Schoenberger. I am glad you gave a little bit of the history of the sales tax sharing that the County Legislature has done with the towns and villages for many years. I would just like to go back a little to something I said at the very beginning, because I think that maybe it will make more sense now that we are talking about this issue. I don't think any of us enjoy having certain things pushed down on us from the State so we understand that we really don't enjoy putting additional burdens on the towns or villages. Nevertheless, the issue that I raised before about making the towns whole is so relevant, because in 2012 we made the Town of Clarkstown whole to the tune of \$7,600,000. We made the Town of Haverstraw whole for \$1,200,000. Orangetown for \$2,300,000, Ramapo for \$10,000,000 and Stony Point close to \$890,000, not including school districts. I think it is very important that everybody understand that when we do that the towns never have to worry about the fact that there were tax delinquencies in their town; we take charge. If we get paid, good. If we get paid in a year, well we have to take out Revenue Anticipation Notes, etcetera.

This also applies to the next one, which we will be dealing with in just a moment. I will now call the vote. We are voting now on the 100% chargeback to the towns for the Board of Election costs for 2012. This is the vote on the amendment for 100%.

Mrs. Low-Hogan moved to amend the resolution for 100% chargeback to the towns for the Board of Election costs for 2012, which was seconded by Mr. Moroney and passed.

The vote resulted as follows:\

Ayes: 11	(Legislators Earl, Grant, Low-Hogan, Meyers, Moroney, Paul, Schoenberger, Soskin, Wieder, Wolfe, Cornell)
Nays: 6	(Carey, Day, Hood, Jr., Jobson, Murphy, Sparaco)

Mr. McKay

I need clarification, because when this was first proposed it was half and maybe we will get in 2013 100%.

Mr. Schoenberger

I withdraw all the amendments. It is the resolution as presented. Now we have to vote on the main resolution.

Mr. Grant

I would like to say to all my colleagues who voted on this issue on the amendment that Moody's is watching. Vote no at the peril of the County of Rockland. Moody's is watching. We adopted a budget, whether you voted for it or not, that included \$1,400,000 in chargeback's to the towns. Moody's is watching. Do you have the stomach? Do you have the will to vote for this issue now and improve the financial condition of the County? Thank you.

Chairwoman Cornell

The financial condition of the County, although Moody regards the towns, may come in very close together.

Mr. Murphy

Old Marines have their stomach challenged and their back stiffens. I have the stomach to do everything that is right. I have the sand to stand up for it. I don't care if Moody's is watching. I care about what is happening to the towns. I am sitting here since dirt was invented and I am part of the whole thing that chose to follow sales tax in lieu of property tax. I am here as part of the group that was very generous in the golden years to our towns in sharing the sales tax and picking up the costs of the Intelligence Unit and Narcotics Task Force and so on and so forth.

I thought Ilan Schoenberger did an incredible job of working out half of our dilemma. I think he is brilliant. I am sitting here for many for years and I don't know of any Legislator who has been more financially innovative or creative and who has been more able to forge coalitions among this Legislature regarding our budget

I am a little reluctant to slap a big bill on the town in the middle of the budget year. Just like we don't like getting bushwhacked or blindsided by the State I don't think we should do the same thing to the towns. Having half a loaf I thought was a solemn like maneuver. I was prepared to vote for \$700,000. I am not prepared to vote for \$1,400,000.

The reason I even chose to speak up, which I normally don't do, is when someone says, "Do you have the courage?" My courage is unchallengeable in terms of integrity, in terms of voting my conscience, in terms of doing what is right for every person that lives in this County. People who don't understand why I have been a proponent of sales tax over property tax does not understand when we put taxes on your homes, the place where you live, you have to pay it or move out. When we give you a sales tax you have options and you have a certain amount of control over what you wind up paying in sales tax. Property tax robs you of all options. Sales tax lets you do things like shop in places where the sales tax is lower and share the tax burden with visitors to our County.

We have been better to the towns than the towns have indicated they appreciated. I know that. My feelings have been hurt by the coolness that our proposals to them to share our pain have been greeted with. I am frankly a little disappointed in when we hit this rough patch of road the Supervisors piled on and said very unfair things in the newspapers about the Legislature.

I rose in part, because I have courage. I don't think one Legislator should say to another that if you don't vote for this then you don't have the courage. I just don't like it. I respect everybody on here. I respect their integrity. I respect their motives. I respect all of those things and I have never in forty years have said to somebody that if you don't vote the way I am going to vote you lack the courage.

First of all, this Legislature has conducted itself financially for many years in a very brilliant way. For many years we had the second lowest property tax rate in the State. Things went bad, wind changed and everybody is going second-guess what we did yesterday, but I think everybody should pull together about tomorrow. By pulling together, I mean the towns should be appreciative for what we did for them during the good years and help us out in the bad years.

I am not voting for this, because I committed myself to Ilan's brilliant maneuver of the half loaf theory. Thank you for listening to me.

Mr. Schoenberger moved the main motion, which was seconded by Mr. Wolfe and passed.

The vote resulted as follows:

Ayes: 11 (Legislators Earl, Grant, Low-Hogan, Meyers, Moroney, Paul,  
Schoenberger, Soskin, Wieder, Wolfe, Cornell)  
Nays: 6 (Carey, Day, Hood, Jr., Jobson, Murphy, Sparaco)

Mr. Schoenberger

My last comment on the one that just passed is so much for something that couldn't get out of committee.

**ACTION:**

**LEGISLATOR SCHOENBERGER**

✓ **FINANCE DEPARTMENT TO PROVIDE ACTUAL COST BREAKDOWN OF ELECTION CHARGES TO EACH TOWN, INCLUDING WHAT THEY ARE FOR**

5. **Referral No. 4817** – Authorizing The Commissioner Of Finance To Charge Back To Towns Amounts Paid By The County For The Cost Of Educating County Residents At Community Colleges Outside Of Rockland County.

**MOTION TO APPROVE  
SCHOENBERGER/MORONEY: M.V.**

**AYES: 11**  
**NAYS: 06 (CAREY, DAY, HOOD, JR., JOBSON, MURPHY,  
SPARACO)**

Mr. Day

When I first saw this I looked at it with a simple mind looking at students who reside in one County going to another County and there was some difference in the tuition and somehow government was involved in the difference in the cost between the two schools. I made a telephone call to the college to get a better sense and I spoke to a financial person. I walked away more confused than before I first made the telephone call. I would like someone to explain specifically what this practical matter is all about. It is not clearly the simple issue that I thought it was. I would like to hear it from you. I did get some sense from the college and hopefully putting those comments and your comments together I will be able to make an intelligent vote tonight. I ask for an explanation as to exactly what this is all about.

Mr. DeGroat

Rockland County is pretty unique in this situation, and also Westchester and also Nassau. The reason for that is we get hit with fees larger than all of the other counties that have students that pass on to other community colleges that goes outside their County. You have a resident community fee and non-resident so the difference is the non-resident fee. Where we get hit, and I have had calls quite a bit from Nassau and Westchester, is that when they passed this law they included FIT. Now FIT, Fashion Institute of Technology in New York City is an extremely expensive college. It is a private college and it is included in the chargeback fees. If you go back and look at Westchester, Nassau and Rockland you will see the bulk of that chargeback is from FIT. Out of this \$1,800,000 it is about \$1,000,000 of the cost that we pay for those kids to go to FIT.

Chairwoman Cornell

Can you explain how this works? Where does the money go to and come from?

Mr. DeGroat

Basically what happens is the schools pretty much bill us directly for whatever the difference is in the charge. They bill the County for the differential charge as a non-resident student or as a student that is going to a private university and that fee gets billed directly back to the County. Some counties pull it back and some don't. My understanding is Orange County doesn't do this, but they do the elections, but Dutchess does the chargeback's and Nassau does the chargeback's. Orange is one of those counties that don't have a heavy reliance on FIT. I think Nassau, Westchester and Rockland are the ones really getting hit the most. It is very expensive.

Mr. Day

Frankly, my head is spinning on this. I spoke to the financial people at the college. They told me essentially that if it is an out of State student it could be charged double tuition. The costs between Orange Community College and RCC are virtually identical. Clearly the issue is FIT. A couple of things kind of got to me. When my youngest son was looking to go to UNC in North Carolina it was very clear that it was an out of State rate, simple concept. The cost was borne by the student. What I just don't understand is if we have a student who goes to FIT via RCC and RCC costs "X" and he or she chooses to FIT and pay "Y" – why is any taxpayer involved? It seems to me it is a choice by the student. The other issue, there is \$2,600,000 in revenue that goes to RCC through chargeback's. I heard the line about heavy lifting that we need to do in government to get things done. I think given the conversation with regards to the work done by one particular State representative I find this observation to be very interesting.

State Education Law, as I understand it, is supposed to fund 40% of the budgets. In 2012 they funded 24%. So the State is in violation of its own law and full funding only happened once, back in 1971. It would seem to me that if this is something that has been known by the administration for some time. This should have been an ongoing "heavy lift" to try to address this. I don't know if there has been. I know I have never heard about it. Maybe bringing the Legislature in to try to join with the administration to get this fixed, because what is happening here is a failure of the State to fund our college and somehow government, probably during the better times, decided that if a kid wanted to go to another college they would take care of it. I don't know if that is really good policy or not. I just think this is inherently unfair for those who don't have kids in college. It is inherently unfair, particularly to seniors who are already footing the bill through school taxes right now. I just think these two observations are really mind-boggling. To now take this inherent unfairness and merely transfer the cost to the town taxpayers is a supposed logic that is eluding me completely. I think the focus here should be on those tuitions and ensuring that we have the ability for an affordable community college. We have a jewel in RCC. If someone chooses to go to FIT, you know something that is great. Go get a second job, just like I did, and take care of your own tuition. This other issue with the State, I am actually blown away when I heard that the State is not funding the school to the level where it should be. This has been going on and by our Finance Director nodding his head shows obviously the administration was aware of it. It is like nobody gives a damn until now when a crisis hits, and we are scrambling to cobble things together to get this to work before we do bankrupt. That is ridiculous and a betrayal of our taxpayers. Thank you.

Chairwoman Cornell

As far as the one issue about the State's responsibility about the 40% believe me the Community College Board and President and faculty and administrators have known this for years. It is part of the lobbying that they do all the time. The other issue obviously as you know is part of State law. It is not something that we made up.

Mr. DeGroat

One thing I will tell you looking back several budgets that the County of Rockland has consistently provided the level of funding and that the State has continued to drop and drop and drop and most of those shortfalls have been picked up on the tuition side and the students. As far as the chargeback's are concerned I don't know when this was passed, but whoever was associated with FIT might have been the same guy who was from Westchester County that got these local municipalities to guarantee all their taxes. I don't know who this person was, but how they ever got FIT in community college chargeback's I will never know.

Mrs. Low-Hogan

FIT is actually not a private institution it is part of SUNY system and that is why it is involved.

Mr. DeGroat

Yes, it is part of SUNY.

Mrs. Low-Hogan

Let me make sure I understand this, if it costs \$5,000 a year to go to RCC and it costs \$5,000 a year to go to Westchester Community College, if a student from Rockland County goes to Westchester Community College the County of Rockland pays \$5,000 for that student?

Mr. DeGroat

It is \$5,000 to go to Rockland Community College if you are a resident. It is \$5,000 to go to Westchester Community College if you are a resident. It is \$7,500 to go to Westchester Community College if you are a non-resident. Rockland County pays the \$2,500.

Mrs. Low-Hogan

If it is \$15,000 to go to FIT then we pay the difference. I just want to make this point, and I don't know the answer, but somebody up here probably knows better than I do, this also works in reverse. Correct? So the County of Rockland gets money for students in other counties who are coming to RCC.

Mr. DeGroat

Correct. The County doesn't get the money the college gets the money.

Mrs. Low-Hogan

The college gets a lot of money through this. Correct?

Mr. Grogan

About \$3,000,000.

Mrs. Low-Hogan

That amount of money affects the RCC budget, which means the money that the County of Rockland has to give to RCC can be held relatively stable.

Mr. DeGroat

Right.

Mrs. Low-Hogan

So if they weren't getting that money we, as a County, would have to give more money to RCC. That is the only connection that I can see why we as a County Legislature and why the towns in our County might all have to share responsibility for this according to the law as it is currently written. We should lobby our State Legislators to change the law. That is something that a town person could at least understand. In fact, it would cost us all more if we didn't have that money coming in. I just wanted to make that point.

Mr. Schoenberger

I thank Legislator Low-Hogan, because she made one of the points I was going to make and she made it very eloquently so I thank you.

The other point I would like to make to Legislator Day and to other Legislators is there is breakfast that RCC does for County Legislators annually before the budget is submitted by the County Executive where they go over with us what the changes in the FTE, Full Time Equivalent's, that you are going to receive from the State. They go over what the tuition is and they go over the issues that you raised Legislator Day about the State of New York not living up to its share. Every year we have this breakfast and what happens is we learn how much the State is cutting its contribution, therefore reducing the obligation under State law instead of meeting it and then we discuss how the difference is going to be made up.

Whether it will be made up with a tuition increase or a contribution increase by the County and to what percentage. The tuition and the County contribution has been going up every year for the last several years as the State not only is below its contribution required by State law, but it keeps diminishing and diminishing year after year.

I think if you look back you will see that there are Memorializing resolutions from this Legislature opposing what the State has been doing over the last several years. I invite all the Legislators to make sure the next time we have this breakfast that you try to attend, because you will learn an awful lot from this kind of breakfast.

Mr. Wolfe

It is absolutely true the way the State approaches its obligation to fund RCC is really the reverse of how it should be. They decide how much they are going to give every year through the FTE figure. I have to say that our State delegation is generally very successful at fighting some of the cuts that have been proposed in the last couple of years. It is just backwards. Instead of fixing a contribution from the State and then having either the students through tuition increases or the County make up the difference it really should be the opposite. The State is obligated under the State Education law to pay a certain percentage of the cost. The way the whole system is set up is just contrary to what the law says and I have been involved in this issue. I am past Chairman of the RCC Foundation and I am still a board member and this is something that has been going on for years and years and years. I actually had a resolution in that has been on hold for about four years. We have been working with Mort Meyers at the college and it hadn't been the right time, because there is politics involved, of course. We haven't put it in, but we might be getting to the point where we are going to make a statement as a Legislature and we should.

Talking about the actual underlying resolution that we are debating now. You know I understand that charging it back to towns even though it is authorized in the law it is still perceived again as another surprise. And it is a surprise. I think the point needs to be made again that we have the ability to charge them back for 2011, because our books aren't closed yet and I don't think that is particularly fair and my colleagues don't think it is fair. One of the unintended consequences of what we have going on here is that the towns will get a piece of the revenue that will be coming in, assuming that the Full Legislature passes the energy tax. I think to my mind this is softened by that and one can even view it as somewhat of a tradeoff where we can recapture some of the revenue that we really don't want to give away in the first place, but the way the law is structured right now we are obligated to give away. I feel there is a tangible link there and I am supportive of this resolution.

Chairwoman Harriet D. Cornell called to adjourn the Committee of the Whole and report back to the full Legislature at 11:05 p.m., which was moved by Legislator Ilan S. Schoenberger and seconded by Legislators Toney L. Earl, Michael M. Grant and Douglas J. Jobson and passed unanimously.

Respectfully Submitted,

Darcy M. Greenberg, Proceedings Clerk