

TOWN BOARD
TOWN OF OYSTER BAY
REGULAR MEETING
OCTOBER 16, 2018
7:09 P.M.

HEARING - BUDGET

To consider the Preliminary Budget for the Town of Oyster Bay for the Year 2019. (M.D. 9/18/17 #24).

JOSEPH SALADINO
SUPERVISOR

JAMES ALTADONNA JR.
TOWN CLERK

P R E S E N T:

SUPERVISOR JOSEPH S. SALADINO
COUNCILMAN JOSEPH D. MUSCARELLA
COUNCILMAN ANTHONY D. MACAGNONE
COUNCILWOMAN REBECCA M. ALESIA
COUNCILWOMAN MICHELE M. JOHNSON
COUNCILMAN LOUIS B. IMBROTO
COUNCILMAN THOMAS HAND

A L S O P R E S E N T:

JAMES ALTADONNA JR., TOWN CLERK
JAMES STEFANICH, RECEIVER OF TAXES

Minutes of the meeting
taken by:

KRISTINA TRNKA
Reporter/Notary Public

1 SUPERVISOR SALADINO: Good evening,
2 ladies and gentlemen. Welcome to the Oyster Bay
3 Town Board meeting of Tuesday, October 16, 2018.

4 This is our second meeting today, our
5 7:00 p.m. meeting here in Oyster Bay Town Hall.

6 To lead us in prayer, I'm going to ask
7 our Receiver, James Stefanich -- oh, very good.
8 Wonderful. I didn't see you back there. I
9 apologize.

10 So we are going to be led in prayer by
11 Deacon Lynne Waldeck of the Trinity Lutheran Church
12 in Hicksville.

13 Deacon, the podium is yours.

14 (Whereupon, a prayer was recited by
15 Deacon Lynne Waldeck.)

16 SUPERVISOR SALADINO: Thank you, Deacon
17 Waldeck. Always a pleasure to see you.

18 While we are still standing, I'm
19 going -- we are going to welcome Robert Gecino, a
20 Personal Specialist and expeditionary Warfare
21 Specialist in the United States Navy, to lead us in
22 the Pledge of Allegiance.

23 Looking for Robert Gecino. Okay.
24 Maybe he's running a little bit behind.

25 So, Councilman, would you lead us in

1 the Pledge of Allegiance?

2 (Whereupon, the Pledge of Allegiance
3 was recited by Councilman Macagnone.)

4 SUPERVISOR SALADINO: I'd like to take
5 this moment to ask for a moment of silence for our
6 men and women in the United States Armed Services
7 serving us here in the homeland and abroad, and in
8 recognition of the men and women in law enforcement
9 and all of our first responders who are always in
10 our prayers.

11 (Whereupon, a moment of silence was
12 observed.)

13 SUPERVISOR SALADINO: Thank you.

14 Today we are welcoming residents in
15 both the daytime and evening sessions to -- as we
16 host two Town Board meetings on the same day
17 designed to discuss the 2019 proposed Town budget,
18 which I recently submitted to the Town Board for
19 consideration.

20 Then the next step is this hearing so
21 that the public may hear and the Town Board members
22 may ask questions in regard to our budget and where
23 our Town is headed financially. The budget
24 reflects the successes we've achieved over the past
25 twenty months.

1 And I'm going to give a much more
2 condensed version than I gave this morning as an
3 overview, but we have reduced, at this point thus
4 far, we have -- being 2017 and up to this point in
5 2018 -- we've reduced the Town debt by a record
6 \$135 million while cutting property taxes
7 1.3 million in 2018. It's the first Town of Oyster
8 Bay property tax reduction in more than two decades
9 and the \$134 million reflects the largest decrease
10 in Town debt throughout the Town's history.

11 Our overall success was recognized by
12 the Wall Street firm Standard and Poor's global
13 ratings earlier this year when the Town received an
14 upgrade in its bond rating to investment grade.

15 This proposed budget reflects our
16 successes and the fact that we are holding the line
17 on property taxes, no new taxes in the Town of
18 Oyster Bay in 2019, after coming off of a year,
19 2018, where we were able to cut taxes.

20 In the 2019 Budget, we have reduced
21 spending and we have a continuance of the
22 substantial debt reduction. We have improved our
23 Town services, and we are continuing to pave our
24 roads and maintain our facilities. So we're
25 exceptionally proud of the 2019 proposed budget and

1 the combination of the 2018 Budget and the 2019
2 Budget.

3 By the end of 2019, if passed as is, we
4 will have reduced the Town's debt by a net of
5 \$150 million.

6 When we came here to the Town of Oyster
7 Bay, the structural deficit in the ongoing --
8 continued ongoing budget on the operating side, the
9 Town had a \$44 million deficit. Through the 2019
10 Budget, we are planning to do away with that
11 deficit entirely. So we're working very hard
12 toward that.

13 We're focused very carefully on the way
14 the Town spends its money and we're on very solid
15 financial footing, but we'll hear more about that.

16 Again, the 2019 Budget freezes property
17 taxes, provides for tax relief, and gets our
18 finances under control.

19 So that's the condensed version. We'll
20 be hearing from our Director of Operations and some
21 of our other Town personnel, and you'll get to hear
22 a bit about the budget. And then after that, we'll
23 go to Public Comment where there are a number of
24 people who would like to be heard in the Public
25 Comment section.

1 So without anymore hesitation, I'll ask
2 the Town Clerk to please poll the Board.

3 MR. ALTADONNA: Supervisor Saladino?

4 SUPERVISOR SALADINO: Present.

5 MR. ALTADONNA: Councilman Muscarella?

6 COUNCILMAN MUSCARELLA: Here.

7 MR. ALTADONNA: Councilman Macagnone?

8 COUNCILMAN MACAGNONE: Here, Clerk

9 Altadonna.

10 MR. ALTADONNA: Councilwoman Alesia?

11 COUNCILWOMAN ALESIA: Still here.

12 Good evening, Jim.

13 Councilwoman Johnson?

14 COUNCILWOMAN JOHNSON: Here.

15 MR. ALTADONNA: Councilman Imbroto?

16 COUNCILMAN IMBROTO: I'm present.

17 MR. ALTADONNA: Councilman Hand?

18 COUNCILMAN HAND: Here.

19 SUPERVISOR SALADINO: Okay. So we are
20 going to call our one and only hearing this
21 evening, and that's on our proposed budget, and I'd
22 like to ask our Director of Finance, Robert
23 Darienzo, to please step forward for this
24 presentation.

25 MR. DARIENZO: Good evening, Supervisor

1 and Town Board members.

2 Rob Darienzo. I'm the Director of
3 Finance here at the Town of Oyster Bay.

4 You gave your condensed version of the
5 budget overview, but I'm going to condense your
6 condensed version.

7 I have sat in your office for several
8 hours over several meetings where you laid out your
9 blueprint for how you wanted the 2019 Budget to
10 take form, and you had a couple of major points.

11 Chiefly among them was to ensure that
12 we would not raise taxes in 2019, that we would
13 maintain the tax cut that was put into place in
14 2018. That was done.

15 You asked us to ensure that we would be
16 able to reduce total expenses in the 2019 Budget,
17 and we're happy to say that the 2019 Budget
18 contains total expenses of \$299.8 million, which is
19 down from over \$300 million in 2018.

20 And separate, but related, you wanted
21 to make sure that we continue to reduce debt in a
22 responsible fashion. And right now, we plan to
23 reduce the debt in 2019 by just over \$15 million,
24 taking our three-year total to just over \$150
25 million of debt reduction.

1 Those are the three key points that you
2 want you wanted us to hit on. We carried out your
3 vision. It's in this book today. Apologies to
4 those of you heard this already, I'm ready to take
5 any questions if anybody has any.

6 SUPERVISOR SALADINO: That's one
7 condensed version, especially as compared to this
8 morning.

9 Who would like to start first?

10 COUNCILMAN MACAGNONE: To be quite
11 honest, I think the Director of Finance was very
12 thorough this morning. Answered all my questions
13 and, once again, you did a good job on this budget.

14 MR. DARIENZO: I appreciate you saying
15 that.

16 Good job or great job?

17 COUNCILMAN MACAGNONE: Come on.

18 MR. DARIENZO: Excellent job?

19 COUNCILMAN MACAGNONE: We've come a
20 long way, Rob.

21 MR. DARIENZO: I'll take good.

22 COUNCILMAN IMBROTO: Fine job.

23 MR. DARIENZO: Any other synonyms?

24 COUNCILWOMAN ALESIA: Any other
25 synonyms, did you say?

1 MR. DARIENZO: Yeah, better than good
2 or fine?

3 COUNCILWOMAN JOHNSON: Terrific.

4 COUNCILWOMAN ALESIA: Humble.

5 SUPERVISOR SALADINO: We thought you
6 were just a math guy.

7 Yes, Councilwoman?

8 COUNCILWOMAN ALESIA: Thank you,
9 Supervisor.

10 Rob, I did get a question from a
11 resident in between the two sessions, and I think
12 you actually spoke to this. I think Lou asked a
13 question along these lines, but I just want to
14 clarify for the viewers at home.

15 We had an issue with the single stream
16 recycling contract this year due to situations
17 regarding the market in China, and I just wanted to
18 find out, for a second time, how the budget
19 addresses that in terms of if we're not able to
20 continue the contract that we currently have,
21 what's going happen, how is that going to impact
22 this budget.

23 MR. DARIENZO: The budget plans -- the
24 2019 Budget plans for the worse case scenario with
25 regards to single stream versus dual stream, if, in

1 fact, we go back to dual stream and we no longer
2 get paid for our recyclables, we've included a line
3 item expense in this budget, I think for \$400,000.

4 We've included no revenues at all for
5 the sale of our recyclables. So if, in fact, we go
6 back to the way it was, we have it covered. If we
7 do anything better than that, if single stream
8 stays in place, if we get a better price than we
9 had two years ago, then we will have a lower
10 expense and possibly a higher revenue than zero.

11 So we've planned for the worst and we
12 hope for the best.

13 COUNCILWOMAN ALESIA: What about the
14 trucks? I think we sold our fleet so if we had to
15 go back --

16 COUNCILMAN IMBROTO: In other words, if
17 we went back to dual stream, we'd have to --

18 SUPERVISOR SALADINO: But we can bring
19 the Commissioner back up if you'd like.

20 You're asking about the finances of the
21 process?

22 COUNCILWOMAN ALESIA: Yes, exactly. If
23 we had to go back to dual stream recycling and we
24 had to purchase new trucks, I guess that --

25 MR. DARIENZO: We wouldn't need to

1 purchase new trucks. The plan -- there is a plan
2 that is being contemplated which will allow us to
3 use packers for both the pickup of municipal solid
4 waste as well as our recyclables.

5 COUNCILWOMAN ALESIA: So either way,
6 it's covered within the confines of this budget?

7 MR. DARIENZO: Absolutely.

8 COUNCILWOMAN ALESIA: This spectacular
9 budget?

10 MR. DARIENZO: Spectacular, my new
11 favorite.

12 COUNCILWOMAN ALESIA: Thank you.

13 MR. DARIENZO: Thank you.

14 SUPERVISOR SALADINO: Who else has
15 questions on this budget?

16 For residents who were not here this
17 morning, I'm assuming it's most of you, we had a
18 very thorough budget presentation this morning.
19 Many, many questions, they were all answered. With
20 a show of hands so we can gauge how much time to
21 spend on this, we're happy to answer your
22 questions, would residents raise their hands if
23 they're here for the budget hearing?

24 (No verbal response given.)

25 SUPERVISOR SALADINO: Okay. Let the

1 record reflect that no resident raised their hand.

2 COUNCILMAN MUSCARELLA: One in the
3 back.

4 SUPERVISOR SALADINO: One of our
5 employees.

6 Yes, and I'd be happy to answer your
7 questions if you have them this evening or if you'd
8 like to ask those questions on another day, we'll
9 make sure we get those answered.

10 Just real quickly because I think
11 everybody has heard me speak more than enough
12 today. Very quickly, we have a multiple-year plan
13 and we have saved at -- over \$10 million alone on
14 the fact that we have reduced our capital debt, so
15 we're saving a lot of money on interest. We had a
16 tax cut last year. We're holding the line on
17 taxes. We're continuing to consolidate.

18 Councilman Macagnone and the other
19 members had asked for some specifics about moving
20 toward consolidations. We're doing that as well.
21 We've already instituted a number of
22 consolidations. We brought the workforce number
23 down. We've brought our payroll down. We have
24 continued to just make sure that we've done
25 everything properly.

1 The Budget doesn't rely on any
2 one-shots. We have underestimated revenues and
3 overestimated expenses to do this in a very proper
4 conservative, and quite frankly, a very detailed
5 way. We have a multi-year plan on our Budget as
6 well as the one-year plan.

7 We're continuing to work toward more
8 increases in our bond rating. We have been meeting
9 all of the parameters that Wall Street asked for,
10 the parameters and the suggestions made by the
11 State Controller and their audit. We have multiple
12 audits going on, both internally and an external
13 audit.

14 I mentioned earlier when I came here,
15 there was over \$700 million in debt in the Town and
16 a \$44 million deficit, ongoing deficit on the
17 operating side. We are working very closely on
18 this to eradicate that deficit all together on the
19 operating side and continue to greatly reduce the
20 capital budget, while still doing some borrowing
21 because we realize we have to continue to pave our
22 streets that have -- were left neglected for quite
23 a few years, and we're working on that.

24 We're continuing to make changes that
25 reduce expenses, changing out to environmentally

1 sensitive LED lighting, saving a lot of money in
2 protecting the environment and reducing our carbon
3 blueprint. We are talking to a number of companies
4 about solar installations that, again, will reduce
5 our carbon footprint as well as save the Town a
6 substantial amount of money on our electric costs.

7 We are making savings throughout. We
8 continue to make the environment one of our highest
9 priorities, whether it's here up in Oyster Bay,
10 whether it's working with the State to remediate
11 the Grumman Navy plume and all of the underground
12 remediations that must take place. We have much
13 more oversight on that, which we've pushed for with
14 our Town Attorney's Office, with our Environmental
15 Department. And we continue to move the Town in a
16 way that financially recovers.

17 Have I covered most of the highlights?

18 MR. DARIENZO: That was an excellent
19 synopsis of the budget.

20 SUPERVISOR SALADINO: All right then.
21 Enough from me on this.

22 Does anyone on the Board -- any of the
23 Council members have any questions?

24 COUNCILMAN HAND: No. I would just
25 like to make reference to the fact that we have

1 special districts represented here tonight, and I
2 would be remiss if I didn't acknowledge the
3 presence of representatives from the local water
4 districts.

5 Thank you for coming.

6 MR. DARIENZO: Thank you.

7 SUPERVISOR SALADINO: We would like to
8 thank them. They have continued to be our partners
9 in so many ways. Those who have been around for
10 many years and those who are new, but also bringing
11 a lot of financial experience to their Boards on
12 our water districts.

13 The water districts, by State law, do
14 their bonding through the Town, as do some of the
15 fire districts, so we have a lot of
16 responsibilities, but we have great relationships
17 with our water districts, our fire districts, and
18 our special districts, and those relationships only
19 get better, so it's a pleasure to see you all here.

20 We thank you for your participation and
21 we thank you for your stewardship in your
22 individual districts.

23 COUNCILMAN IMBROTO: And I would be
24 remiss if I didn't acknowledge Councilwoman
25 Alesia's birthday two days ago.

1 Happy Birthday, Councilwoman.

2 SUPERVISOR SALADINO: Happy Birthday,
3 Councilwoman.

4 COUNCILMAN MUSCARELLA: Happy Birthday.

5 MR. DARIENZO: Happy Birthday.

6 COUNCILWOMAN ALESIA: Every year, Lou.
7 Thank you very much.

8 SUPERVISOR SALADINO: As a birthday
9 present, we'd like to present you with a balanced
10 budget.

11 COUNCILWOMAN ALESIA: That is one of
12 the best gifts I could possibly get.

13 SUPERVISOR SALADINO: There you go.

14 Is there anyone who would like to be
15 heard on this Town's 2019 Proposed Budget?

16 (No verbal response given.)

17 SUPERVISOR SALADINO: Please let the
18 record reflect that no one has indicated that
19 they'd like to be heard on this.

20 Well, that sums things up. I guess we
21 did a pretty good job this afternoon.

22 COUNCILMAN MACAGNONE: It was thorough.

23 SUPERVISOR SALADINO: Well, thank you.

24 Hopefully, it's one of the most
25 thorough we've been on this.

1 I believe, Mr. Darienzo, I thank you
2 very much. I thank all the staff members very
3 much. I see we have our Comptroller here, the
4 heads of our different departments, another
5 opportunity to say thank you. You've been asked by
6 this administration to cut back costs and you all
7 have been finding ways to cut back costs and bring
8 savings.

9 We recognize that's very important to
10 the forward -- to the future of this Town and
11 you've all been very helpful to protect improve
12 services while cutting the costs, and a big thanks
13 especially in some of our bigger departments, are
14 really doing -- you're all doing a great job, but
15 DPW, amazing job in saving money on our routes, on
16 our equipment purchases, to -- to bring uniformity.

17 Parks Department, without borrowing any
18 money in 2017, you were able to rebuild many of the
19 bathrooms and the facilities. You looked very
20 carefully into past budgets to find unspent money
21 so we didn't have to do any borrowing.

22 Our Building Department, revenues are
23 up and projected to be up even higher because of
24 same-day permits that we've instituted in this Town
25 and all the other great work on speeding up the

1 process and allowing more people to get through the
2 permit process more quickly.

3 And, of course, with that, comes
4 increased revenue, but I've been talking enough and
5 it seems as though there are no questions for you,
6 Mr. Darienzo.

7 MR. DARIENZO: I like that so, thank
8 you very much for your time. We did a good budget
9 this year, and it will be even better next year.

10 SUPERVISOR SALADINO: Thank you.

11 MR. DARIENZO: Thank you very much.

12 SUPERVISOR SALADINO: May I have a
13 motion?

14 COUNCILMAN MUSCARELLA: Any
15 correspondence, Jim?

16 MR. ALTADONNA: No correspondence.

17 COUNCILMAN MUSCARELLA: All right.

18 Supervisor, I'll make a motion that
19 this public hearing be closed and the decision be
20 on Tuesday, October 30, 2018.

21 COUNCILMAN MACAGNONE: Second.

22 SUPERVISOR SALADINO: All in favor,
23 signify by saying "Aye."

24 ALL: "Aye."

25 SUPERVISOR SALADINO: Those opposed,

1 "Nay."

2 (No verbal response given.)

3 SUPERVISOR SALADINO: The "Ayes" have
4 it.

5 Thank you very much. That was very
6 smooth.

7 And now on to Public Comment, so we'll
8 relieve you of your duties and thank you.

9 COUNCILMAN MUSCARELLA: Supervisor,
10 I'll make a motion to close the meeting.

11 COUNCILMAN MACAGNONE: Second.

12 SUPERVISOR SALADINO: All in favor,
13 signify by saying "Aye."

14 ALL: "Aye."

15 SUPERVISOR SALADINO: Those opposed,
16 "Nay."

17 (No verbal response given.)

18 SUPERVISOR SALADINO: The "Ayes" have
19 it.

20 (TIME NOTED: 7:28 P.M.)

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