

TOWN BOARD  
TOWN OF OYSTER BAY  
REGULAR MEETING  
October 22, 2019  
7:10 p.m.

**HEARING - BUDGET**

To consider the Preliminary Budget for the Town of Oyster Bay for the Year 2020. (M.D. 9/10/19 #16).

**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 MICHELE M. JOHNSON  
COUNCILMAN LOUIS B. IMBROTO  
COUNCILMAN THOMAS HAND  
COUNCILMAN STEVEN L. LABRIOLA

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:

DANIEL JOSEPH  
Reporter/Notary Public

1 SUPERVISOR SALADINO: Ladies and  
2 gentlemen, welcome to the Town of Oyster Bay Town  
3 Board meeting for Tuesday, October 22, 2019.

4 This our evening, second half, the  
5 7:00 p.m. meeting, which is a continuation of our  
6 Budget hearing.

7 We started the Budget hearing this  
8 morning, along with our Town Board meeting and now  
9 we have a continuation of that.

10 COUNCILMAN MUSCARELLA: Supervisor, I  
11 just want to make a motion to open up the public  
12 hearing again from this morning.

13 COUNCILMAN MACAGNONE: Second.

14 SUPERVISOR SALADINO: All in favor,  
15 please signify by saying "Aye."

16 COUNCILMAN MUSCARELLA: "Aye."

17 COUNCILMAN MACAGNONE: "Aye."

18 COUNCILMAN HAND: "Aye."

19 COUNCILMAN LABRIOLA: "Aye."

20 SUPERVISOR SALADINO: Those opposed,  
21 "Nay."

22 (No verbal response given.)

23 SUPERVISOR SALADINO: The "Ayes" have  
24 it.

25 Good evening, ladies and gentlemen.

1 Welcome to Town Hall.

2 To lead us in prayer this evening,  
3 please welcome our good friend, Father Kent  
4 Edmonston, Pastor of Mount Olive Baptist Church in  
5 Oyster Bay.

6 Father, if you would like to step up  
7 and lead us, we are very appreciative of your  
8 presence.

9 (Whereupon, Pastor Edmonston recited a  
10 prayer.)

11 SUPERVISOR SALADINO: Thank you, Pastor  
12 Kent Edmonston. We appreciate all you do for us,  
13 for the community, for your congregation, and quite  
14 frankly, you keep us quite blessed here in Oyster  
15 Bay.

16 Now, to lead us in the Pledge of  
17 Allegiance, please welcome two distinguished  
18 veterans and our friends from the AmVets North  
19 Shore Veterans Memorial Post 21 in Oyster Bay,  
20 Commander Richard DeJesus, who served in the United  
21 States Navy from 1958 to 1961 and Vietnam Veteran  
22 Army Specialist 4th Class Bob Selby, who served in  
23 Vietnam from 1968 to 1969 with the First Infantry  
24 Division.

25 Rich, we saw you at the Oyster Fest

1 doing so much in the way of volunteer work, both of  
2 you. We greatly appreciate what you do on a daily  
3 basis for us and we appreciate you leading us in  
4 the Pledge of Allegiance.

5 (Whereupon, the Pledge of Allegiance  
6 was lead by Commander Richard DeJesus and Army  
7 Specialist 4th Class Bob Selby and was recited by  
8 all.)

9 SUPERVISOR SALADINO: Thank you.

10 And thank you both for your dedication  
11 to our nation.

12 Please join us in a moment of silence  
13 for our men and women in the United States Armed  
14 Forces who are serving here in the Homeland and  
15 abroad, and in recognition of the men and women in  
16 law enforcement for their sacrifice and the  
17 sacrifices of all their loved ones, as well as the  
18 sacrifices of our First Responders.

19 (Whereupon, a moment of silence was  
20 taken at this time.)

21 SUPERVISOR SALADINO: Thank you.

22 Please be seated.

23 I would like to take a moment this  
24 evening to point out that October is Breast Cancer  
25 Awareness Month. This annual international health

1 campaign is organized by major breast cancer  
2 charities, and every October, they work to increase  
3 awareness of this disease, to raise funds for  
4 research, for prevention, diagnosis, treatment and  
5 the cure.

6 The campaign also offers information to  
7 support those affected by breast cancer. We are a  
8 family in the Town of Oyster Bay, and so many of  
9 us, if not virtually all of us have a loved one who  
10 has suffered, is suffering or has passed from this  
11 terrible disease. And it's a tremendous loss to us  
12 when we lose a loved one for any reason, but  
13 especially this disease.

14 Last year we lost a dear member of our  
15 Town family, Mary Diglio, a long-time assistant to  
16 Councilman Tony Macagnone. She will long be  
17 remembered for all that she has done for others,  
18 her tremendous faith, her bravery and her dedicated  
19 service to our Town and its residents.

20 Quite frankly, everyone loved Mary and  
21 she's greatly missed by all of us.

22 Tonight we remember Mary and all of  
23 those we have lost to this disease and acknowledge  
24 the impact that it has on everyone in our  
25 community, as well as our Town. Our thoughts are

1 with all of the survivors as well. And we're proud  
2 to thank everyone, and our medical community has  
3 done so much. They are very dedicated people, the  
4 specialists, the experts and all of those providers  
5 that care of our loved ones.

6 I know you said something earlier this  
7 morning, Councilman Macagnone, and I would like to  
8 give you the floor to help us to continue to  
9 remember Mary.

10 COUNCILMAN MACAGNONE: Thank you,  
11 Supervisor, once again.

12 For those who knew Mary, she was full  
13 of life, even in sickness, she had a will and a  
14 faith that I have seen before. She was an amazing  
15 person, a great assistant and a great friend, and  
16 she is truly missed.

17 But as I said earlier, take the time,  
18 get checked out, go to the doctor, get your  
19 physical exam; if not for yourself, for your  
20 family, for your loved ones.

21 And God, you know, Mary's birthday was  
22 last week, and I would rather remember her on that  
23 day instead of on the time of her passing. But,  
24 please, take the time to get checked out. Like I  
25 said, if not for yourself, for your family, for the

1 people that love you and care about you.

2 Supervisor, thank you very much for  
3 remembering Mary again tonight.

4 SUPERVISOR SALADINO: Thank you.

5 And, again, we remember Mary, a dear  
6 friend. We remember all of the members of our Town  
7 family and all of those people and your families  
8 and your loved ones who are suffering from or who  
9 have passed from this terrible disease and again  
10 the legacy is that we will continue to encourage  
11 everyone to get a mammography, and, of course, all  
12 the efforts for all the great programs we have here  
13 in the Town and I think we should step up our  
14 assistance with that by providing more  
15 mammographies here in our Town facilities.

16 Thank you.

17 Will the Clerk now poll the Board?

18 MR. ALTADONNA: Supervisor?

19 SUPERVISOR SALADINO: Present.

20 MR. ALTADONNA: Councilman Muscarella?

21 COUNCILMAN MUSCARELLA: Here.

22 MR. ALTADONNA: Councilman Macagnone?

23 COUNCILMAN MACAGNONE: I am present

24 tonight.

25 MR. ALTADONNA: Councilwoman Johnson?

1 COUNCILWOMAN JOHNSON: I am present.

2 COUNCILMAN HAND: Here.

3 MR. ALTADONNA: Councilman Labriola?

4 COUNCILMAN LABRIOLA: Here.

5 SUPERVISOR SALADINO: Ladies and  
6 gentleman, today is a continuation of this  
7 morning's Town Board Budget Hearing. We hold a  
8 hearing during the morning hours. We hold a  
9 hearing in the evening hours on the same day to  
10 provide as much opportunity to get input from the  
11 community.

12 On October 3rd, I presented my  
13 tentative Budget to the Town Board. It was  
14 accepted by a vote of the Town Board and that's  
15 when it became the Preliminary Budget and now we're  
16 holding the hearings, but we will not vote on that  
17 tonight, so should anyone want to get us more  
18 information, that's available as well, in terms of  
19 their views on our Budget.

20 COUNCILMAN MACAGNONE: Supervisor, if  
21 I'm not mistaken, we're voting next Tuesday at  
22 10 o'clock, correct?

23 SUPERVISOR SALADINO: That's correct.

24 So, tonight's comments, in terms of  
25 this hearing, are focused on the Town Budget, but I

1 am assuming from the sheets that we have, folks  
2 that would like to speak about issues other than  
3 the Town Budget, who is here? Is there anyone here  
4 to speak about the Town Budget? Please raise your  
5 hand.

6 (Whereupon, audience members raise  
7 their hands.

8 SUPERVISOR SALADINO: Okay. So, we're  
9 going to do our Budget presentation and then we'll  
10 ask you to come up.

11 Again, normally, we don't listen to  
12 this, but is this a situation where everyone wants  
13 to speak on individual issues or are most of you  
14 here on one issue?

15 MS. SANTOS: I would say that most of  
16 us are here on the one issue and the one issue that  
17 I would like to speak on regarding the Budget is  
18 the request for allocation of resources on the  
19 issue.

20 SUPERVISOR SALADINO: Okay, okay.  
21 Good.

22 So, we are going to begin by our  
23 re-presentation that we did this morning and I'm  
24 going to ask our Director of Finance, Rob Darienzo,  
25 to please step forward.

1 MR. DARIENZO: Good evening,  
2 Supervisor, Town Board Members.

3 Rob Darienzo. I'm the Town's Director  
4 of Finance.

5 If you see me sweating, it's not due to  
6 nerves. It's about 1,000 degrees in here.

7 We did a comprehensive Budget overview  
8 this morning. I'm not going to bore you by  
9 repeating that whole thing, so we're going to try  
10 to hit on some highlights.

11 The 2020 Budget includes a spending  
12 plan that totals \$306.5 million. This figure is up  
13 1.9 percent when compared to the \$300 million shown  
14 in the 2019 amended Budget. The majority of the  
15 increases can be attributed to mandated and  
16 contractual expenses in various funds. Despite  
17 these expense increases, this Budget does not raise  
18 taxes.

19 Once again, we made every effort to be  
20 conservative in our figures by underestimating  
21 revenues and overestimating expenses to ensure that  
22 this Budget will continue its structural surplus.

23 Here are some highlights: We've  
24 included projected increases of total workforce  
25 costs. The majority of the increases are due to

1 contractual union salary adjustments for full-time  
2 employees. Part-time and seasonal salaries will  
3 see a modest increase, as the Town must account for  
4 the New York State Law, which mandates a \$1 hourly  
5 increase to the minimum wage. These salary  
6 increases will result in increased cost for Social  
7 Security, MTA payroll tax, and the New York State  
8 employee retirement system's pension payments to  
9 the State, as those charges are based on a  
10 percentage of our total salaries.

11 These mandated charges are out of the  
12 Town's control. The Town, itself, ensured we are  
13 subject to paying awards granted by the New York  
14 State Workers' Compensation Board in the event that  
15 an employee is injured on the job. We project  
16 these costs to arise by \$700,000 in 2020.

17 As has been well documented, the  
18 world-wide recycling industry was affected by  
19 China's recycling ban. China is no longer  
20 accepting most of our nation's recyclables, which  
21 they accepted in the past.

22 Prior to this, the Town was receiving  
23 \$25 per ton of single-stream recycling. The Town  
24 now pays \$65 per ton to have our recycling carted  
25 away, which has resulted in an additional yearly

1 expense of roughly \$1.2 million. This is a dilemma  
2 affecting every recyclable collecting municipality  
3 in the United States.

4 Budgeted amounts for professional  
5 services, sometimes referred to as outside  
6 consultants, continues to drop. This expense has  
7 been reduced by more than 50 percent since 2017 and  
8 is set to drop by another \$200k in 2020. Expenses  
9 for a rental of land and buildings is projected to  
10 decrease by \$100,000 in 2020. The rest of the  
11 expenses in the Budget roughly hold the line when  
12 compared to 2019.

13 On the revenue side, our primary  
14 achievement is the fact that we are maintaining a  
15 \$1.3 million tax cut that was put into place in the  
16 2018 Budget. This will make it three years in a  
17 row that the Town will leave money in the pockets  
18 of our taxpayers. We project a 2019 surplus of \$5  
19 to 10 million, which will bring our cumulative  
20 surplus that we talk about up to approximately  
21 \$15 million.

22 While we're talking about the  
23 cumulative surplus, I want to clarify something for  
24 our residents: You may have read in the paper that  
25 the Town still has a deficit and is in significant

1 financial stress. It's just not true.

2 Let me try to explain to everyone here:  
3 When I say that we have an \$8 million cumulative  
4 surplus, I arrived at that figure by adding up the  
5 fund balances of the thirteen Town funds shown in  
6 our audit that comprise our Budget. If you add up  
7 the surplus or deficit in those thirteen funds, you  
8 will arrive at an \$8.2 million surplus.

9 For some reason, the State Comptroller  
10 chooses only to look at our general fund in their  
11 scoring system. If you count for all thirteen  
12 funds that make up our Budget, anyone will see that  
13 the Town of Oyster Bay is not under any fiscal  
14 stress.

15 Now, listen to this fact: In the two  
16 audits that have been released under Supervisor  
17 Saladino's management, the general fund deficit has  
18 been reduced from \$40 million to \$10 million.  
19 That's a \$30 million improvement in the general  
20 fund alone.

21 Here is the kicker, though: On the  
22 State Comptroller's stress test scoring, that  
23 \$30 million improvement means nothing. Their  
24 criteria doesn't care if your General Fund deficit  
25 is \$100 million or \$1. As long as you have a

1 deficit in that one single fund, the General Fund,  
2 you will make their stress list.

3 It took 363 years of Oyster Bay history  
4 to get that General Fund deficit to be at  
5 \$40 million by the end of 2016. That's what we  
6 mean when we talk about cumulative.

7 Every year, every fund generates a  
8 surplus or a deficit based on a result of  
9 operations. The cumulative figures are simply a  
10 running total throughout the history of the Town.

11 If the scoring system only reflected  
12 the General Fund results for the two audits  
13 released during Supervisor Saladino's time here, it  
14 would show a \$30 million surplus in the General  
15 Fund, which would remove us from any stress list  
16 issued by the State Comptroller.

17 It should also be noted that our most  
18 recent Moody's Investor Services report states that  
19 as of 12/31/2018, we have a \$5 million deficit.  
20 Again, we say we have an \$8.2 million surplus.

21 The same principle applies here as  
22 Moody only considers six of our thirteen funds.

23 With all due respect to the New York  
24 State Comptroller's office and Moody's, the most  
25 accurate reflection of our cumulative fund balance

1 is simply derived by adding up the thirteen  
2 surpluses and deficits in our funds.

3 A proposal of the capital Budget is  
4 shown in the back of the preliminary Budget for  
5 informational purposes only. The vote you take  
6 next week, next Tuesday I think was mentioned, at  
7 10:00 a.m., will be on the operating Budget only.  
8 We include the capital program in the operating  
9 Budget book to provide transparency and insight  
10 into what our capital plans might be for the  
11 following year.

12 As of today, October 22, 2019, we have  
13 reduced outstanding debt by over \$150 million since  
14 Supervisor Saladino took office. By the end of  
15 this year, that reduction will reach a net of  
16 \$160 million. We project the total debt to drop  
17 off by another \$30 million in 2020. That would  
18 bring the total debt reduction from 2017 to 2020 to  
19 \$190 million. Our debt will have gone from \$763  
20 million to \$573 million. We do this while still  
21 apportioning over \$20 million in 2020 for Highway  
22 improvements. The vast majority of which goes  
23 towards road repaving.

24 The 2020 Budget continues a pattern of  
25 reduced taxes, reduced debt, projected surpluses

1 and, most importantly, no cash flow borrowing, all  
2 while repaving more roads than ever, improving and  
3 maintaining our parks and improving the excellent  
4 services that our taxpaying residents deserve.

5 Supervisor, on January 31, 2017, the  
6 day you took office, we spent hours together and  
7 you grilled me on --

8 SUPERVISOR SALADINO: 2017.

9 MR. DARIENZO: 2017? What I did I say?

10 SUPERVISOR SALADINO: 2013.

11 MR. DARIENZO: 2013? That was not as  
12 good a year. Excuse me.

13 MS. JOHNSON: I heard 2017.

14 MR. DARIENZO: Thank you, Councilwoman  
15 Johnson.

16 On January 31, 2017, you sat here, were  
17 sworn into office, you went upstairs. I was called  
18 in immediately. We spent hours together. You  
19 grilled me on the finances, you and a trusted group  
20 of your associates, and you laid out your vision  
21 for how you wanted the finances to start turning  
22 around.

23 That meeting was followed by countless  
24 other meetings over the following two and a half  
25 years leading up to today.

1           You wanted to make sure your vision was  
2           being carried out effectively and efficiently. The  
3           2020 Budget as proposed is just another example of  
4           how the Town is rebuilding financial strength under  
5           your stewardship and that of the rest of this Town  
6           Board.

7           That concludes my presentation.

8           SUPERVISOR SALADINO: Thank you.

9           Questions?

10          COUNCILMAN MACAGNONE: No, I asked all  
11          my questions this morning.

12          Thank you, Rob.

13          MR. DARIENZO: Thank you.

14          SUPERVISOR SALADINO: Just to review,  
15          we went from as high as a \$44 million cumulative  
16          deficit, meaning moneys that were building up that  
17          we owed more than we were spending and we turned  
18          that around in a little over -- in just about two  
19          years up to an \$8 million surplus. On that capital  
20          side -- that's the operating Budget. On the  
21          capital side, when I first got here, there was -- I  
22          believe it was about \$753 million in capital debt.

23          MR. DARIENZO: \$763 million in debt for  
24          Town purposes.

25          SUPERVISOR SALADINO: Okay. We paid

1 that down of a net -- because we still borrowed to  
2 pave the roads and protect the infrastructure of  
3 the Town -- but we have paid off way more than we  
4 have borrowed.

5 So, at this point, we're up to a net  
6 debt reduction of \$150 million; it will be \$160 by  
7 the end of the year.

8 MR. DARIENZO: That's accurate.

9 SUPERVISOR SALADINO: We got two  
10 increases from Standard and Poor's and Moody's  
11 telling us that we're doing much better than before  
12 and we're continuing to move forward with tax  
13 savings.

14 This is a Budget that does not raise  
15 taxes, correct?

16 MR. DARIENZO: That's correct.

17 It maintains a tax cut put into place  
18 in 2018.

19 SUPERVISOR SALADINO: 2018, we cut  
20 taxes from \$1.3 million.

21 In 2019's Budget, we froze it, and then  
22 in the 2020 Budget, we're freezing taxes again.

23 MR. DARIENZO: We're cutting taxes by  
24 \$4,000.

25 SUPERVISOR SALADINO: Cutting taxes by

1       \$4,000.

2                   Thank you.

3                   COUNCILMAN MACAGNONE: Per household?

4                   MR. DARIENZO: No, out of \$233 million.

5       I was just having a little fun.

6                   Out of \$233 million, we're reducing it  
7       by \$4,000. Effectively, we're maintaining the tax  
8       base.

9                   SUPERVISOR SALADINO: All while the  
10       costs mandated from Albany on healthcare costs  
11       continue to increase. The cost of the pension  
12       credit service that we have to pay for every  
13       employee continues to increase. Some of the line  
14       items are going up, some are going down, and that's  
15       been going on forever, but this business that some  
16       have read in the paper that we have a financial  
17       insecurity is just not the case, because the State  
18       Comptroller looked at only one of our thirteen  
19       funds, correct?

20                   MR. DARIENZO: That is accurate.

21                   SUPERVISOR SALADINO: We want to keep  
22       making our Budgets better. We want to keep making  
23       the Town more efficient. We want to continue to  
24       pave our roads at a very high rate.

25                   This year, we committed over

1 \$20 million for road paving projects. We have an  
2 outside consultant who is paving our roads and we  
3 have bought equipment and we're doing road paving  
4 by our inhouse employees, correct?

5 MR. DARIENZO: Correct. They are  
6 working in conjunction, outside vendors and our own  
7 employees.

8 SUPERVISOR SALADINO: In an effort to  
9 get more roads paved in less time?

10 MR. DARIENZO: Absolutely.

11 SUPERVISOR SALADINO: Okay.

12 For the 2020 Budget, how much are we  
13 committing -- for the purposes of educating the  
14 public -- how much are we committing to road  
15 repaving projects?

16 MR. DARIENZO: As a point of fact, the  
17 2020 operating Budget is what's up for discussion.

18 SUPERVISOR SALADINO: Yes.

19 MR. DARIENZO: The 2020 capital program  
20 is subject to capital bond resolutions to be voted  
21 on by this Board either later this year or in the  
22 first quarter of 2020.

23 In this book, it shows \$20 million in  
24 improvements for Highway in 2020, which does not  
25 include an additional \$1.5 to 2 million in grant

1 funding that we get every year for Highway  
2 improvements, so, effectively, it's between \$21.5  
3 and \$22 million in 2020.

4 SUPERVISOR SALADINO: So, in short,  
5 I'll quote Councilman Macagnone from this morning,  
6 this is a very good Budget. We appreciate the work  
7 of your team and all of our department heads, as we  
8 asked you to reign it in and you did, to find more  
9 efficiencies and you did, produce more revenue;  
10 Parks, we spoke about that for quite some time this  
11 morning and you did, and we appreciate all of the  
12 increases in services.

13 And I'll make this clear again: That  
14 we must continue to upgrade our services. Our  
15 residents pay a lot in taxes across the board and  
16 they deserve to have services that are ever better  
17 in our Town.

18 Any questions anyone? Okay. Thank  
19 you.

20 If you would stay nearby, we're going  
21 to ask some residents to come up who would like to  
22 speak on our Budget.

23 Maryann Santos.

24 The clock will run. You have five  
25 minutes to speak to us and please keep it to

1 Budget-related issues.

2 MS. SANTOS: Yes, I will.

3 SUPERVISOR SALADINO: Thank you very  
4 much.

5 MS. SANTOS: Maryann Santos, 24-year  
6 resident of the Town of Oyster Bay. I have served  
7 for six years on the Board of Education. I'm here  
8 tonight --

9 COUNCILMAN MACAGNONE: Excuse me,  
10 Ms. Santos, which Board of Education?

11 MS. SANTOS: The Board of Education of  
12 the Oyster Bay, East Norwich.

13 COUNCILMAN MACAGNONE: Okay.  
14 Thank you.

15 MS. SANTOS: I live in the Hamlet of  
16 Oyster Bay and I'm here tonight to ask the Board  
17 for consideration of an allocation of resources  
18 that in the long-term should actually save on the  
19 expenditure side of the Budget, but we're asking  
20 now for you to spend upfront on the revenue side of  
21 the Budget and that would be to address the severe  
22 issue of overcrowding in the Hamlet of Oyster Bay.

23 Homes are being subdivided increasingly  
24 into tiny units, which have haphazard electrical  
25 and plumbing conditions raising very serious safety

1 concerns. This is also a strain on the resources  
2 of Oyster Bay, the essential services. It's a  
3 strain on the school system, it's a strain on the  
4 fire department and it's a strain on your Budget,  
5 which you're talking about this evening.

6 Now, much has been written about how  
7 towns and cities can get a good picture of the  
8 homes and buildings that are overcrowded and that  
9 is data collection. Your residents, many of them  
10 here tonight, have information, which we need to  
11 encourage to be shared.

12 Right now, the only way we can share  
13 information is by completing a form for a request  
14 to investigation. This form has many impediments  
15 associated with it. Residents have to give their  
16 driver's license, they have to get the form  
17 notarized, they have to give their identifications,  
18 and that form subjects that complainant to the  
19 investigator having access to their property. Many  
20 residents are fearful of retribution and,  
21 therefore, do not report.

22 I have today with me the Town of North  
23 Hempstead's *Guide to Fighting Illegal Housing* and I  
24 ask you today to allocate Budget dollars to also  
25 put forth a Guide to help your residents report.

1                   What I ask you to do is immediately  
2                   implement a similar 311 phone system where  
3                   residents can call up and leave an anonymous  
4                   complaint and immediately get a case number to  
5                   follow the investigation.

6                   Secondly, I ask the Town to implement a  
7                   permit process for rentals in the Town of Oyster  
8                   Bay.

9                   The Town of North Hempstead, the Town  
10                  of Hempstead, and most of the towns in Suffolk  
11                  County have a permit process in place. The purpose  
12                  of the permit process is to assist law enforcement,  
13                  because right now, we don't have the information on  
14                  the rentals. And what it does, it puts the onus on  
15                  the property owner to self-report.

16                  If you take a look at the Town of North  
17                  Hempstead's forms, they require the owner to state  
18                  the number of rooms in the residence, the number of  
19                  occupants they plan to rent to, the number of  
20                  occupants under the age of 12 and then the Town  
21                  goes out and investigates and confirms the accuracy  
22                  of this information.

23                  Right now, the Oyster Bay Town Code  
24                  Enforcement lacks information to enforce code. The  
25                  only way that they can enforce code now is to

1 investigate a complaint. This is an extremely  
2 lengthy process and a rental permit would expedite  
3 this process by providing the Town information in  
4 which they could confirm the complaint information  
5 and also, it will increase Code Enforcement.

6 I appreciate your time this evening in  
7 considering the Budget allocation for these two  
8 initiatives because the residents here want to help  
9 you. We want you to encourage the free flow of  
10 information, but we must eliminate these  
11 impediments that are in place right now that  
12 prevent your residents from reporting.

13 And we also ask you to put a Guide out  
14 to help residents understand what illegal housing  
15 is, and also consider an amendment to the code  
16 similar to the Town of North Hempstead, which holds  
17 property owners accountable for the knowledge of  
18 who is renting their properties and the use of  
19 their properties. And it's a violation of their  
20 code if somebody allows overcrowding at their  
21 residence.

22 I thank you for your time this evening  
23 and if it's okay, I have a copy of all the Guides  
24 and the Codes that I am referencing this evening.

25 SUPERVISOR SALADINO: I'd love to see

1 that.

2 Thank you.

3 COUNCILMAN MACAGNONE: Thank you.

4 COUNCILMAN IMBROTO: Thank you.

5 SUPERVISOR SALADINO: Commissioner  
6 Maccarone, would you please step forward?

7 Commissioner, would you state your  
8 presence, please?

9 COMMISSIONER MACCARONE: Elizabeth  
10 Maccarone, Commissioner of Planning and  
11 Development.

12 SUPERVISOR SALADINO: Commissioner, we  
13 have been working on this issue and we recently  
14 took action, and we have been working on a more  
15 aggressive plan to deal with this issue since it's  
16 been brought to our attention.

17 I met recently with the School  
18 Superintendent and Darren came here at our last  
19 Board meeting to help us with this issue.

20 So, would you take this opportunity to  
21 report to our residents what we've done thus far  
22 and what we're planning on to stem the tide on this  
23 problem?

24 COMMISSIONER MACCARONE: Right. Well,  
25 over the past few months, we have been working on

1 new initiatives within the department to  
2 investigate these types of issues that have come  
3 up; specifically, here in the Oyster Bay School  
4 District.

5 We've had several residents, as well as  
6 some of the Board members, meet with us earlier  
7 this Summer to discuss the issues that they're  
8 having in terms of overcrowding and residency and  
9 registration of children into the School District  
10 with multiple families living at individual homes.

11 I do want to say Ms. Santos brought up  
12 a lot of good points. I do want the residents to  
13 understand that any multi-family unit of three  
14 units or more in the whole Town of Oyster Bay, not  
15 only the Hamlet of Oyster Bay, we do have a rental  
16 permit process for that; and it's a multiple  
17 residents license that is renewed annually, like  
18 the other towns do, and we do inspections and so  
19 forth.

20 So, the issue of a two-family, legal  
21 two-family house, we do not have a rental program  
22 as of this date. The issue is, obviously, of  
23 illegal two-family homes. Those are the ones that  
24 when we've received complaints, we investigate  
25 them, we take the proper action.

1                   We have recently -- 49-51 Hamilton  
2 Avenue, we received a complaint on that and based  
3 upon our investigation, inspectors went in about  
4 two weeks ago and we did close that house down  
5 based upon the number of people living in the  
6 house, but more importantly, the State code  
7 violations that were evident at the property.

8                   We are continuing to work on a few  
9 other cases in the Hamlet, which I will not go into  
10 detail, because there are ongoing investigations.

11                   Mr. Gervosi (phonetic) had asked at the  
12 prior meeting for the Town to facilitate a meeting  
13 between the School District, the Fire Department,  
14 the Police Department, Public Safety and I have  
15 done so. We're waiting on one last confirmation,  
16 but everybody I've spoken with, Superintendent from  
17 the School District, and we've had several  
18 conversations, so I believe some Board members will  
19 be invited to that meeting from the School  
20 Superintendent. Our Town Attorney's office will be  
21 present as well, so that will be taking place in  
22 the beginning of November.

23                   COUNCILMAN IMBROTO: And I certainly  
24 intend to be there.

25                   COMMISSIONER MACCARONE: Yes.

1 COUNCILMAN IMBROTO: Commissioner, why  
2 don't we have a rental permit for two-family  
3 residences and even non-owner occupied  
4 single-family residences? Because it seems like a  
5 lot of the issue is sometimes, a landlord who is  
6 not in possession of the premises will rent to  
7 somebody who then will re-rent to multiple --

8 COMMISSIONER MACCARONE: Sublet to  
9 somebody else.

10 COUNCILMAN IMBROTO: Right.

11 COMMISSIONER MACCARONE: I'm not  
12 familiar with the North Hempstead ordinance, which  
13 I will read, and I will also reach out to the  
14 Commissioner over there.

15 A lot of times - and this is what we'll  
16 have to look into -- a lot of townships allow for  
17 accessory apartments within a single-family home,  
18 senior apartments and that's a rental program.

19 COUNCILMAN IMBROTO: No, I understand  
20 that.

21 I'm more asking about just if you're  
22 going to rent your property and you're not going to  
23 live in that property at all --

24 COMMISSIONER MACCARONE: We want to  
25 know who is living there, right, absolutely.

1 COUNCILMAN IMBROTO: Maybe there should  
2 be some sort of check on that --

3 COMMISSIONER MACCARONE: Right,  
4 absolutely. Monitor, absolutely, and I think we  
5 should look into that.

6 COUNCILMAN IMBROTO: We don't want to  
7 legalize something that's illegal now and,  
8 obviously, people that are intent on breaking the  
9 law are still going to, you know, circumvent our  
10 procedures, but if we could put some checks in  
11 place --

12 COMMISSIONER MACCARONE: Right, for the  
13 two-family homes as well, because there are two  
14 different types of two-family homes.

15 Most of the two-family homes that were  
16 created prior to the early 1950s ordinance, they  
17 did not have to be owner-occupied, so they're  
18 non-conforming.

19 So, if they're sold throughout the  
20 years, they're considered a two-family non-owner  
21 occupied. If somebody comes in since the late '50s  
22 through today and they want to either build or  
23 convert to a two-family home, they need to go to  
24 the Zoning Board of Appeals and it has to be an  
25 owner-occupied house, unless they get relief from

1 that, so there are different --

2 COUNCILMAN IMBROTO: If they're  
3 grandfathered in, would we have the ability to  
4 require them to get some sort of permit?

5 COMMISSIONER MACCARONE: I believe so.  
6 I think we can do that.

7 I mean, I would have to check with the  
8 Town attorney's office and craft the legislation  
9 accordingly.

10 COUNCILWOMAN JOHNSON: How much is a  
11 permit for a three-family home?

12 COMMISSIONER MACCARONE: I would have  
13 to get that information to you.

14 COUNCILWOMAN JOHNSON: Because it seems  
15 very high.

16 COMMISSIONER MACCARONE: I'm sorry.  
17 What.

18 COUNCILWOMAN JOHNSON: The North  
19 Hempstead seems high to me.

20 COUNCILMAN MACAGNONE: Commissioner,  
21 can we work with the School District? Because they  
22 probably have more access to likelihood of  
23 multi-families being in the homes by different  
24 surnames with the same address.

25 COMMISSIONER MACCARONE: Yes, we have

1       been and I have to say that the School District and  
2       their registration office has been very  
3       cooperative --

4                   COUNCILMAN MACAGNONE:   Excellent.

5                   COMMISSIONER MACCARONE:  -- based upon  
6       some of the cases that we're working on, so they do  
7       have -- but, again, it's up to the School District,  
8       and like I've said, they've been cooperative to  
9       provide us with information that would we've  
10      requested, and it has gone a long way in helping us  
11      with our investigations.

12                   COUNCILMAN MACAGNONE:  Thank you.

13                   COUNCILMAN LABRIOLA:  Commissioner,  
14      it's my understanding that the code -- and correct  
15      me if I'm wrong if it's changed since I'm aware --  
16      the code allows a single-family homeowner to keep  
17      up to five unrelated persons as borders and that's  
18      the extent of our code as far as I know.

19                   Has that changed?

20                   COMMISSIONER MACCARONE:  No.  I believe  
21      that has changed.  What we're doing now is handling  
22      it through the State code, because there's been  
23      case law that has been struck down regarding what  
24      constitutes a family.

25                   COUNCILMAN LABRIOLA:  Well, that's

1 where I was getting at.

2 COMMISSIONER MACCARONE: Right.

3 COUNCILMAN LABRIOLA: I wanted the  
4 residents to understand that; that your difficulty  
5 in enforcing the single-family codes in our Town  
6 comes down to court decisions that have defined  
7 family and it's no longer defined by blood or  
8 marriage --

9 COMMISSIONER MACCARONE: That's  
10 correct.

11 COUNCILMAN LABRIOLA: -- according to  
12 the decisions that I have read.

13 COMMISSIONER MACCARONE: A group the  
14 five or six college students living together in a  
15 single-family home with one kitchen constitutes a  
16 family.

17 COUNCILMAN LABRIOLA: It call comes  
18 down to the kitchen, doesn't it?

19 COMMISSIONER MACCARONE: Well, the  
20 kitchen, but what we're seeing here in Oyster Bay  
21 is not the second kitchen.

22 Let me clarify that. In some  
23 instances, there are homes that have been converted  
24 with a second kitchen. What we've seen, for  
25 example, in 49-51 Hamilton, it was a two-family

1 house, legal two-family house, but in one side of  
2 the house, 51, it was only one kitchen and there  
3 were a lot of people.

4 COUNCILMAN IMBROTO: But it's still  
5 illegal because of the State code.

6 COMMISSIONER MACCARONE: Because of the  
7 State code in terms of habitable space of the  
8 bedrooms, so that's how we're now tackling this.

9 COUNCILMAN LABRIOLA: All right.  
10 So, it's not about the number anymore.  
11 It's not five unrelated.

12 COMMISSIONER MACCARONE: No.

13 COUNCILMAN LABRIOLA: It's now based  
14 upon square footage?

15 COMMISSIONER MACCARONE: Square footage  
16 of the bedrooms and how many people are dictated  
17 based upon that square footage.

18 COUNCILMAN IMBROTO: Additionally, I  
19 proposed legislation that would create a rebuttable  
20 presumption that if a certain number of unrelated  
21 people are living together, then that would require  
22 them to prove that they're living together as a  
23 family. I hope that we make some progress having  
24 that drafted. I know that it's been researched.  
25 It's been upheld in other jurisdictions and I think

1 that we can find a workable solution on that basis,  
2 too. That it might give us another tool that we  
3 could use to make the enforcement process easier.

4 The reason why it's sometimes very  
5 difficult is that the United States Constitution,  
6 the State Constitution, provides certain  
7 protections to people, homeowners, residents that  
8 we have to abide by and everybody is entitled to  
9 due process.

10 But it does make it a little  
11 frustrating sometimes and difficult to catch the  
12 wrongdoers, catch the people that we know or we  
13 have a hunch are breaking the law, but we always  
14 find a way to catch them eventually, and having  
15 additional information from the residents, from the  
16 School District definitely helps us with that, so  
17 we appreciate you all being here.

18 COUNCILMAN LABRIOLA: Commissioner,  
19 again, for the purposes of discussion, could you  
20 discuss maybe some of the difficulties you have in  
21 gaining access to make your case in our courts to  
22 prove that there is an illegal alteration to the  
23 home or in the dwelling?

24 COMMISSIONER MACCARONE: A  
25 constitutional right is that people do not have to

1 let us into the apartments or to a single-family  
2 home. However, we do have other resources and  
3 items that we look for within the property in terms  
4 of permits or expired permits and so forth.

5 I'll use the case of 49-51 Hamilton  
6 Avenue. We had that property in court since the  
7 beginning of the Summer. It's public notice or  
8 public information.

9 The homeowner lives in North Carolina.  
10 She did not show up the first day in court, so  
11 there's a lengthy -- it does turn into a lengthy  
12 process. Homeowner doesn't show up, the judge  
13 pushes it over for another adjournment. Second  
14 time, she doesn't show up again, her husband shows  
15 up. He doesn't have Power of Attorney to represent  
16 her. It gets pushed over again. This is a typical  
17 situation. He then comes back with Power of  
18 Attorney, but he asks for additional time. It gets  
19 adjourned for another month.

20 Back in the end of September, when he  
21 was coming back in for the court -- for some code  
22 violations based upon permits and so forth, I had  
23 requested from the Town attorney's office to have  
24 him give us permission to go into the house and  
25 that was facilitated and we went in that morning

1 and everything unrolled after that.

2 So, we did use the court process to  
3 have the Power of Attorney or the homeowner's  
4 representative to allow us into the property and  
5 that's when we saw the Code violations, State  
6 violations, but we also had information based upon  
7 the number of people living there.

8 So, yes, it can be a lengthy process,  
9 but the process works. The legal process works and  
10 we'll continue to enforce accordingly.

11 COUNCILMAN IMBROTO: In addition to  
12 getting voluntary access to the property, we've had  
13 situations where we've gotten search warrants to  
14 enter the property based on what we've observed at  
15 the scene.

16 I know that I had one right here in  
17 Oyster Bay a couple of years ago where we did that.  
18 So we do have other tools. It's not just the honor  
19 system. It's not just "oh, please let us in." We  
20 have other ways to get in against the property  
21 owner's will.

22 COMMISSIONER MACCARONE: I'm not going  
23 to give away all the tricks of trade.

24 COUNCILMAN IMBROTO: If it's  
25 justifiable.

1 COUNCILMAN LABRIOLA: I'm not asking  
2 you to, Commissioner.

3 COMMISSIONER MACCARONE: Yes.

4 COUNCILMAN LABRIOLA: But I know that  
5 there are situations that constituents have  
6 reported to me where there is illegal activity  
7 taking place in the home, drug dealing, et cetera,  
8 and that kind of thing, I know that you have to  
9 interact with the Police Department --

10 COMMISSIONER MACCARONE: Absolutely.

11 COUNCILMAN LABRIOLA: -- in order to  
12 gain access and, of course, for the health and  
13 safety of our residents, that tends to become more  
14 pressing and that becomes a situation where we need  
15 to become more creative to get into that home and  
16 to, you know, again, to assure the residents who  
17 are living next door to this activity that the  
18 police are on top of it.

19 COMMISSIONER MACCARONE: Absolutely.

20 We do work close in hand with the  
21 police in certain situations and, again, we have to  
22 handle everything by the books, legally, and  
23 sometimes it's -- you know, there could be a few  
24 roadblocks, but we'll stay at it and case in point,  
25 49-51, we were able to take the proper actions.

1 COUNCILMAN IMBROTO: And I just want to  
2 reassure the members of the public that any  
3 complaints that are shared with Code Enforcement or  
4 with any of our offices are strictly confidential.  
5 That information cannot be revealed. It will not  
6 ever be revealed, so you should never have to worry  
7 about putting in a complaint that, you know,  
8 somebody's going to find out that you did it. That  
9 will never happen. It has never happened.

10 We've had judges ask for the  
11 information in court and we do not share that  
12 information, so do not have any fear about putting  
13 in your complaint and, Councilman, if you get those  
14 sort of complaints, please forward that to the Code  
15 Enforcement as well.

16 COMMISSIONER MACCARONE: As well, yes.

17 COUNCILWOMAN JOHNSON: Commissioner,  
18 you're going to take under advisement the North  
19 Hempstead --

20 COMMISSIONER MACCARONE: Absolutely.

21 COUNCILWOMAN JOHNSON: -- as they  
22 continue to update the residents?

23 MS. MACCARONE: Absolutely.

24 SUPERVISOR SALADINO: So, we would like  
25 you to digest this if you would so you and I and

1 our team can have a conversation and figure out  
2 which of these initiatives we can implement to help  
3 us with the process.

4 COMMISSIONER MACCARONE: Absolutely.

5 SUPERVISOR SALADINO: Okay. Thank you.

6 Any other questions for the  
7 Commissioner?

8 COUNCILMAN IMBROTO: No. Thank you  
9 very much, Commissioner. You're doing a great job.

10 COMMISSIONER MACCARONE: Thank you.

11 SUPERVISOR SALADINO: Just before we  
12 close out with you, Maryann, you had started --  
13 obviously, this is our Budget hearing, but you had  
14 started out by asking for the allocation of more  
15 resources.

16 Do you have a number that you wanted to  
17 suggest to ask what you felt would be appropriate  
18 in terms of working on this issue? Is there a  
19 number you wanted to suggest to us?

20 MS. SANTOS: Can I approach?

21 SUPERVISOR SALADINO: Yes.

22 MS. SANTOS: So, I think the immediate  
23 ask of the 311 phone system is probably not that  
24 costly of a measure to take. I am not sure the  
25 number on it, because I don't know if you would

1 need to dedicate a person to that phone line or you  
2 have somebody available that can take these types  
3 of complaints.

4 When I called the Town of Hempstead, it  
5 was a five-minute process, so it didn't seem too  
6 onerous.

7 I would think a permit process may  
8 require a Budget allocation of additional  
9 inspectors at the beginning, so I'm not sure what  
10 you pay your inspectors, but I asked the Town of  
11 North Hempstead how many inspectors they have; they  
12 have nine. We have seven in the Town of Oyster  
13 Bay. I'm not sure how many more residences they  
14 have than we do, whether you could currently use  
15 your investigators, so --

16 COUNCILMAN IMBROTO: Which town has  
17 nine?

18 MS. SANTOS: Difficult for me to say.

19 COUNCILMAN MACAGNONE: North Hempstead.

20 MS. SANTOS: Town of North Hempstead.

21 COUNCILMAN IMBROTO: It's not always a  
22 question of Budgetary concerns, too. It's finding  
23 qualified inspectors. There's a rigorous civil  
24 service requirement and they have to come off a  
25 list. It's not so easy all the time.

1 MS. SANTOS: Thank you.

2 I think you would have to evaluate the  
3 time. You would have to evaluate whether you would  
4 need to employ additional inspectors or whether you  
5 would need someone in addition dedicated to a phone  
6 line, which I don't think you probably would need  
7 someone additional dedicated to the phone line.

8 COUNCILMAN IMBROTO: All right.

9 Thank you.

10 MS. SANTOS: So, I don't have a  
11 particular number in place. Thank you.

12 And just to let you know, the  
13 rebuttable presumptions that you had mentioned,  
14 there's about ten of them in that packet that I  
15 gave you.

16 COUNCILMAN IMBROTO: Oh, good.

17 Yeah, so this is something I researched  
18 myself and I found that was upholding of the  
19 jurisdictions. I think it's something that we can  
20 use here. And I have asked the Town Attorney to  
21 look into the legality, the constitutionality, and  
22 to draft something for us to consider. It's  
23 something we're already on.

24 MS. SANTOS: Thank you, very much.

25 COUNCILWOMAN JOHNSON: Thank you.

1 SUPERVISOR SALADINO: I'm getting some  
2 numbers, Maryann, just so you know, get a sense of  
3 what you're asking for. You're with the School  
4 District, so you understand the Budgetary  
5 ramifications.

6 I'm being told that there's a licensing  
7 fee for the 311 system that is the approximately  
8 \$188,000. They have an annual Budget on the  
9 implementation of this of \$750,000, and then  
10 there's a setup cost, office equipment, and so on  
11 and so forth of approximately \$200,000. So this  
12 ask is rather large.

13 COUNCILWOMAN JOHNSON: That's what  
14 North Hempstead said?

15 SUPERVISOR SALADINO: That's what I'm  
16 being told by a member of our staff who was able to  
17 find some basic information.

18 COUNCILWOMAN JOHNSON: Maybe we can get  
19 some desks for less than \$200,000.

20 SUPERVISOR SALADINO: I think this is  
21 more than just desks.

22 COUNCILWOMAN JOHNSON: Well, you said  
23 desks.

24 SUPERVISOR SALADINO: There are many  
25 ways to work on this issue, so we are going to work

1 with our commissioner to find more -- first, a more  
2 immediate approach in terms of reallocating our  
3 resources that we currently have, but I want you  
4 and everyone in the room to know that we're very  
5 serious about combatting this problem.

6 We would like more information from the  
7 School District and the person to contact with that  
8 is our Commissioner that you just heard from.

9 Okay?

10 MS. SANTOS: We appreciate that and my  
11 suggestion regarding the 311 would be that -- I  
12 mean, currently, residents could call a number that  
13 currently exists at the Town.

14 COUNCILMAN IMBROTO: We have Public  
15 Safety 24 hours a day, 7 days a week.

16 SUPERVISOR SALADINO: We do have that  
17 set up currently.

18 COUNCILMAN IMBROTO: A 24-hour number  
19 that you can call and we also made it easier to  
20 submit complaints. We used to require you to come  
21 in person to Town Hall to do that. We no longer  
22 require that, so we are making it easier in some  
23 ways, and if there's a pressing thing in the middle  
24 of the night, that you have a Public Safety issue,  
25 you can call them, they'll respond. The car will

1       come, but as far as submitting a complaint in the  
2       middle of the night, then I guess that's not going  
3       to be an instantaneous thing.

4                   MS. SANTOS:    Right.

5                   The anonymous complaint, I think, is  
6       key to the free flow of information.

7                   COUNCILMAN IMBROTO:  But everything is  
8       confidential, so whether it's anonymous or not,  
9       nobody will ever know whether you submitted a  
10      complaint.  The reason why it's traditionally not  
11      been anonymous is to prevent neighbors from  
12      harassing each other basically, so there's a reason  
13      for the policy that we have now, but it's all  
14      confidential.  It's never shared, so it's  
15      practically anonymous, even though you do have to  
16      identify yourself.

17                  SUPERVISOR SALADINO:  The other issue  
18      is:  If we have to go to court, we may have  
19      additional questions to ask of that resident, who  
20      may be a witness, who may have specific information  
21      to help with our case, so there should some means  
22      by which to contact that person in the case against  
23      that property owner.

24                  MS. SANTOS:  Well, then maybe you can  
25      consider eliminating the need to have access to

1 that person's property, because that is definitely  
2 spooking some residents from reporting, and also,  
3 maybe a driver's license and a notary, if you can  
4 eliminate that, and this just encourages the free  
5 flow of information.

6 COUNCILMAN IMBROTO: That's the goal.

7 SUPERVISOR SALADINO: Yeah, that's  
8 clearly that and again, if you haven't had a  
9 conversation with Elizabeth MacCarone yet --

10 MS. SANTOS: Yes, I have, we have, and  
11 she's been very, very approachable and we  
12 appreciate the partnership that we've developed  
13 with her.

14 SUPERVISOR SALADINO: And we would like  
15 you also to touch base with Commissioner Justin  
16 McCaffrey.

17 Justin, would you raise your hand?  
18 Commissioner? If you would touch base with him,  
19 this way, we can set up a flow of information so  
20 all of the residents will have the phone number of  
21 Public Safety, so they'll know how to contact  
22 someone.

23 COUNCILMAN IMBROTO: Could we give it  
24 right now, the phone number?

25 SUPERVISOR SALADINO: Yes.

1 COUNCILMAN IMBROTO: Commissioner,  
2 what's the phone number?

3 SUPERVISOR SALADINO: Which phone  
4 number would you prefer?

5 COMMISSIONER McCAFFREY: 677-5350.  
6 That's 24/7.

7 SUPERVISOR SALADINO: 677-5350.  
8 And the Building Department, 624-6200?

9 COMMISSIONER McCAFFREY: Yes.

10 COMMISSIONER MACCARONE: Yes.

11 SUPERVISOR SALADINO: So that's  
12 677-5350 for 24-hour response and during working  
13 hours, the Building Department is 624-6200.

14 All right. Thank you very, very much.

15 MS. SANTOS: Thank you.

16 SUPERVISOR SALADINO: So, I'm wondering  
17 if we have anyone else who wants to specifically  
18 speak on the Budget.

19 (Whereupon, a member of the audience  
20 raises their hand.)

21 SUPERVISOR SALADINO: You want to speak  
22 on the Budget? This will be very different than  
23 what you've spoken on before.

24 MR. MARGOLIS: Yes, I just have a quick  
25 question. It's on the Budget.

1 SUPERVISOR SALADINO: Mr. Margolis,  
2 come on up.

3 MR. MARGOLIS: Is that all right? I'm  
4 pretty good at math.

5 How are you, Supervisor and Council?

6 SUPERVISOR SALADINO: Okay.

7 MR. MARGOLIS: And what's your name,  
8 sir? I forgot. I'm sorry.

9 MR. DARIENZO: Rob.

10 MR. MARGOLIS: Mr. Rob was stating that  
11 since you've been the Supervisor the last two  
12 years, we're down \$160 million in debt and we're  
13 only reducing taxes by \$4,000 and everything is  
14 great on all these Budgets is what basically just  
15 got stated, but then he stated that for next year,  
16 we're only going to reduce the debt by \$30 million.

17 So, within two years, if we reduce the  
18 debt by \$160 million, that would be \$80 million a  
19 year.

20 SUPERVISOR SALADINO: Our first year in  
21 2017, we reduced the capital debt by \$84 million.

22 MR. DARIENZO: It wasn't two years. It  
23 was three years.

24 \$84 million, \$53 million and \$22  
25 million. \$160 million over three years, not two.

1 2017 to 2019.

2 MR. MARGOLIS: So \$160 million, if you  
3 want to divide that by 3 is \$50-something million a  
4 year average and then he said next year average --  
5 when we're doing great -- and he said next year,  
6 we're only going to reduce the debt by \$30 million.

7 So, I'm just asking, what is the short  
8 for the \$20 million if we're only reducing taxes by  
9 \$4,000? And I'm not a mathematician or anything  
10 like that, but I was just wondering if there's a  
11 reason.

12 Are we going to be investing --

13 SUPERVISOR SALADINO: One of the things  
14 is that we're continuing to build our surplus in  
15 the Town.

16 Do you have another question?

17 MR. MARGOLIS: No, no.

18 SUPERVISOR SALADINO: So, Rob, let's go  
19 through this again so Mr. Margolis and anyone else  
20 who is interested fully grasps what we're doing  
21 here, so we're fully transparent.

22 MR. DARIENZO: The resident was  
23 referring to our debt reduction, which applies to  
24 mostly our capital Budget and the reduction in  
25 taxes.

1           Again, I'm sorry I brought it up now,  
2           we're holding the line on taxes. \$233 million,  
3           that refers to our operating Budget.

4           So, in 2017, your first year here, we  
5           paid down \$84.5 million in debt, while issuing no  
6           new debt, cut debt by \$84.5 million.

7           In 2018, we cut debt -- I don't have it  
8           -- I have it in my folder actually -- it's roughly  
9           \$53 million that we net reduced debt in 2018. I  
10          believe we issued \$30 million in new money, paid  
11          down \$80-something million in Town debt, a net of a  
12          \$53 million reduction.

13          COUNCILMAN MACAGNONE: Is that because  
14          we had a rise in income?

15          MR. DARIENZO: We had a what?

16          COUNCILMAN MACAGNONE: A rise in income  
17          from taxes, with gross taxes.

18          SUPERVISOR SALADINO: Well, the revenue  
19          is different than what we did with each line.

20          MR. DARIENZO: This is capital. We're  
21          talking about capital now. An increase in taxes  
22          has nothing to do with our paydown in debt.

23          Again, debt goes up or down largely  
24          based on what you issue in debt. So, when you  
25          issue nothing and pay down a lot, it goes down a

1 lot. In just in words, rather than numbers.

2 So, 2017, down \$84.5 million.

3 2018, down \$53 million.

4 2019, still two months to go, we're not  
5 issuing any new debt this year. We have payments  
6 on November 1st and December 1st. At the end of  
7 the year, we'll be down another \$22 million.

8 Add the three years up, it's a total of  
9 \$160 million. We are scheduled right now for 2020  
10 to reduce debt by an additional \$30 million  
11 approximately. The resident mentioned -- he used  
12 the term "only." I think a \$30 million reduction  
13 in debt is significant. You can't reduce debt by  
14 \$85 million every year.

15 In your first -- again, in your first  
16 day here, you said, "Rob, how are we going to  
17 reduce debt? How are we going to turn this around?  
18 Let's issue no new money this year." It was an  
19 extreme measure. You can't issue no new debt every  
20 single year.

21 SUPERVISOR SALADINO: I believe I used  
22 the term, "We've got to stop the bleeding first."

23 MR. DARIENZO: Stop the bleeding, but  
24 now the bleeding is stopped. We've cut debt by  
25 \$160 million. We're going to cut it by another \$30

1 million next year, but you still got to spend money  
2 to pave the roads. You still got to spend money to  
3 improve and maintain the parks. If you spend no  
4 new money, the infrastructure will crumble.

5 Our largest complaint that I hear about  
6 is the roads. If you want to repave the roads, you  
7 have to pay for it.

8 Now, with that being said, we're doing  
9 it more efficiently than ever. We have our own  
10 employees doing some of it. We have Metro Paving  
11 doing it at a rate reduced to what we paid in the  
12 past. So, at the end of the day, some money needs  
13 to be spent, so I think a \$30 million reduction in  
14 debt in 2020 is nothing to sneeze at.

15 COUNCILMAN IMBROTO: Mike, the answer  
16 is that we are doing some capital borrowing to do  
17 improvements to our roads, get them repaved, but  
18 we're paying down more debt than we're borrowing.  
19 That's the \$30 million. We're paying off  
20 \$30 million more than we're borrowing.

21 MR. MARGOLIS: Noted.

22 SUPERVISOR SALADINO: And as we're  
23 doing that on the operating Budget, not only did we  
24 get rid of this ongoing deficit that was building  
25 and building, quite frankly, way out of control

1 before I got here, we've turned that around. We've  
2 paid off that deficit, so there is no more deficit.  
3 We have structurally balanced Budgets now and we're  
4 building a surplus. This is why there's no more  
5 short-term borrowing. There's that surplus or  
6 rainy day fund there. The New York State  
7 Comptroller recommends that we have 10 percent of  
8 our overall operating Budget as a surplus. We have  
9 approximately a \$300 million Budget, 10 percent  
10 would be \$30 million. We can't get to that all at  
11 once because we've inherited all these other big  
12 debts, so we're building that up over a few years.

13 At the end, if this Budget is passed as  
14 is, at the end of 2020, how much of a surplus do we  
15 anticipate?

16 MR. DARIENZO: Well, we haven't even  
17 finished 2019 yet.

18 SUPERVISOR SALADINO: I understand.

19 MR. DARIENZO: So I don't want to give  
20 you a solid speculation on 2020.

21 SUPERVISOR SALADINO: Let's take 2019  
22 for illustration.

23 MR. DARIENZO: Absolutely. Let's go  
24 through it. We went through it this morning. I'll  
25 do it very briefly.

1 We went from negative \$44.5 million.

2 In 2016, it went to negative \$24  
3 million, an improvement of \$20 million.

4 In 2017, it went from negative \$24  
5 million to negative \$9.5 million, an improvement  
6 of \$15.5 million.

7 In 2018, it went from negative \$9.5  
8 million to positive \$8.2 million, an improvement of  
9 \$17.7 million. We went from negative \$44 million  
10 to positive \$8 million in three calendar years.

11 At the end of 2019, as mentioned  
12 earlier, we project a surplus of \$5 to 10 million.  
13 We expect that our cumulative surplus will go from  
14 \$8 million to approximately \$15 million, let's say  
15 \$16 million, virtually doubling. From negative \$44  
16 million to negative \$24 million, negative \$9  
17 million, positive \$8 million, positive \$17 million  
18 on the way to positive \$30 million, our stated  
19 goal.

20 SUPERVISOR SALADINO: Okay.

21 Michael, is that clear enough?

22 MR. MARGOLIS: I understand it.

23 I know how a business is run, but what  
24 I'm saying is: If you're building a surplus,  
25 right, how much interest are you earning on your

1 surplus sitting in a bank account probably? How  
2 much are you paying on the debt side in interest?

3 SUPERVISOR SALADINO: Right.

4 MR. MARGOLIS: So it seems like why not  
5 pay off the debt?

6 SUPERVISOR SALADINO: We are paying off  
7 the debt.

8 MR. MARGOLIS: I understand.

9 SUPERVISOR SALADINO: To manage a Town,  
10 there has to be a surplus. This is the -- I'll say  
11 it kindly -- the very strong recommendation of the  
12 New York State Comptroller. We've already proven  
13 that we're out of the fiscal stress that the Town  
14 was in previously and we're on very solid footing.

15 It was explained why -- there was the  
16 article in the paper that quite frankly misled a  
17 lot of people. The Comptroller has to manage or  
18 look over so many Budgets across this state, so  
19 they -- I'm going to presume they used a very  
20 tailored down, easier, simplistic version where  
21 they look at one fund, the general fund, but if you  
22 look at all thirteen of our funds, you see the  
23 progress of the Town.

24 The State Comptroller says you have to  
25 have 10 percent surplus in your Budget to have a

1 healthy, strong position. And by the way, this is  
2 what brings up our bonds rating. The better bonds  
3 rating we have, the less we pay on interest, on the  
4 capital debt. As we have taken these  
5 opportunities, we have reassigned debt at a lower  
6 rate.

7 Approximately, how much?

8 MR. DARIENZO: How much?

9 SUPERVISOR SALADINO: How much did we  
10 reassign to save money on interest?

11 MR. DARIENZO: We do a bond refunding  
12 once every other year or so. Our most recent one  
13 only saved us \$125,000. The one we did last year  
14 saved us \$3 million, so it depends on the size of  
15 the refinancing.

16 SUPERVISOR SALADINO: So, we are  
17 refinancing at a lower rate. We're paying down the  
18 principle and we are getting the Town back to the  
19 strongest financial position to continue to get our  
20 bond rating up.

21 And by the way, just like with the  
22 Comptroller's office, with Wall Street, they look  
23 back a number of years cumulatively on that bond  
24 rating.

25 By next year, I believe we'll be past

1 the point and now, next year, they'll only be  
2 judging us by the years since I took over and we  
3 have new management and a new approach.

4 Without looking at those back years  
5 under the previous administration, we know we'll do  
6 much, much better and at this time next year, we'll  
7 all be sitting here, talking about a much healthier  
8 Town, even healthier than now, with a much better  
9 bond rating.

10 All right, Mike?

11 MR. MARGOLIS: Okay.

12 SUPERVISOR SALDADINO: Thank you, sir.

13 MR. DARIENZO: No problem.

14 SUPERVISOR SALADINO: Todd Cronin?

15 COUNCILMAN IMBROTO: Supervisor, should  
16 we close the Budget hearing?

17 SUPERVISOR SALADINO: There's only one  
18 other person to speak.

19 Are you speaking on the Budget, sir?

20 MR. CRONIN: I'll go along with what  
21 Ms. Santos has brought up: Town resources for the  
22 overcrowding issues.

23 COUNCILMAN MACAGNONE: Chief, as a  
24 firefighter, can you bring up some of the  
25 difficulties you see?

1 MR. CRONIN: Pretty much everything  
2 Ms. Santos has been saying about overcrowding in  
3 different occupancies, different ways the rooms  
4 have been divided, you know, the overcrowding,  
5 going inside.

6 COUNCILMAN IMBROTO: It clearly creates  
7 a fire safety issue, right?

8 MR. CRONIN: Definitely.

9 COUNCILMAN MACAGNONE: For your members  
10 and for the public?

11 MR. CRONIN: Definitely. It's more so  
12 for the public, too, so it's a definite hazard.  
13 It's a definite life hazard for many people.

14 COUNCILMAN MACAGNONE: Thank you,  
15 Chief.

16 MR. CRONIN: Thank you, Supervisor  
17 Saladino --

18 SUPERVISOR SALADINO: You're very  
19 welcome.

20 MR. CRONIN: -- and members of the Town  
21 of Oyster Bay Board.

22 My name is Todd Cronin. I live at 106  
23 Briarcliff Road, East Norwich. I am the School  
24 Board President of the Oyster Bay, East Norwich  
25 Central School District. I am here tonight to

1 inform the Town of Oyster Bay the concerns that the  
2 community has raised at the last two school board  
3 meetings. We've had many more community members  
4 than usual at the last two school board meetings to  
5 address concerns that landlords have allowed severe  
6 overcrowding at their properties.

7 Members of the community are concerned  
8 that the overcrowding has resulted in increased  
9 enrollment, which is a drain on school resources.  
10 Taxes are collected to educate one or two families  
11 in a school educating multiple families that reside  
12 in overcrowded residences.

13 The community would also like the Town  
14 of Oyster Bay to be proactive and address the  
15 overcrowding that they feel is draining funds from  
16 our School District.

17 The community and the School District  
18 are concerned about the safety of the children  
19 living in conditions such as the Hamilton Avenue  
20 home.

21 The community strongly believes there  
22 are many more overcrowded houses and apartments in  
23 the Town. The community believes property owners  
24 must be held accountable for this. The community  
25 members have identified the issue as a landlord

1 fraud and have asked the school board to work with  
2 the Town of Oyster Bay to combat illegal housing.

3 I would like to thank the Town Board  
4 for scheduling a meeting, I believe it's  
5 November 7th or there around, with the Town  
6 officials and the School District to work together  
7 on a solution to these concerns that the community  
8 has brought to the school board meetings -- to the  
9 members of the school board.

10 Once again, thank you for your time.  
11 The school board looks forward to working with the  
12 Town of Oyster Bay to find a solution to all these  
13 concerns.

14 COUNCILMAN IMBROTO: Thank you.

15 SUPERVISOR SALADINO: Thank you.

16 COUNCILMAN LABRIOLA: I just have some  
17 questions.

18 Mr. Cronin, you're the School Board  
19 President, so could you just enlighten me on the  
20 process by which the school, when they encounter  
21 these children that are coming into the district  
22 with their parents, you have a residency  
23 requirement, correct, so you would inquire as to  
24 their residency?

25 MR. CRONIN: Right, actually, I would

1 love to answer all your questions, but I was kind  
2 of informed by our counsel not to. We're going to  
3 have a meeting on the 7th, where we can all talk  
4 about our policy and procedure on how everything is  
5 done, if that's okay.

6 COUNCILMAN IMBROTO: I think that's  
7 wise.

8 COUNCILMAN MACAGNONE: Understood.

9 COUNCILMAN LABRIOLA: Sure, it just  
10 don't answer my question, but I think you know  
11 where I'm going with this --

12 MR. CRONIN: I understand that.

13 We do have a policy --

14 COUNCILMAN LABRIOLA: Where you would  
15 be able to work with us and help us.

16 MR. CRONIN: Yes, that's what we're  
17 looking to do.

18 We've already had a meeting once. I  
19 think it was in the Springtime. I know myself and  
20 Ms. Santos went to that meeting. We're looking to  
21 have another one to try to resolve these concerns  
22 and issues that the community members have. We do  
23 have a policy. We can talk about all that on the  
24 7th. We don't want to get into it.

25 COUNCILMAN MACAGNONE: And you will

1 have counsel present?

2 MR. CRONIN: Yes, we will.

3 That's what I was advised.

4 COUNCILMAN IMBROTO: Thank you very  
5 much.

6 SUPERVISOR SALADINO: Thank you.

7 Just because we're still finishing up  
8 our Budget hearing and not to put you on the spot,  
9 did you have an amount, an allocation you were  
10 looking for in terms of our Budget?

11 MR. CRONIN: I would go along with what  
12 Ms. Santos has brought up with the 311 system.  
13 Anything of that where it would help the community  
14 members, which is big right now, with the community  
15 members, because they're coming to us, asking for  
16 us to help them and now we need to come to you to  
17 help us.

18 SUPERVISOR SALADINO: Well, I'll make  
19 it clear to you and to all the residents: We take  
20 this very seriously. We want your help and your  
21 information and any way that we can get this  
22 problem solved by working together and working with  
23 the residents. We will operate within the law and  
24 you know that it doesn't make this situation easy,  
25 but we can come up with solutions with you and with

1 our residents, and Commissioner, I know we'll be  
2 meeting very soon to continue to brainstorm on this  
3 and to work out plans that include our  
4 representatives from the school board and all of  
5 the community.

6 MR. CRONIN: Thank you.

7 SUPERVISOR SALADINO: Thank you very,  
8 very much.

9 COUNCILMAN HAND: Supervisor, before we  
10 conclude, I would like to thank the representatives  
11 from the various water districts that showed up  
12 today, both a.m. and p.m., for coming out to lend  
13 yourself to the public, if there were any questions  
14 in that area.

15 So, thank you very much for coming.

16 SUPERVISOR SALADINO: Thank you to the  
17 water districts.

18 Thank you to the school board members  
19 and especially thank you to the residents.

20 You have come out on an issue that we  
21 know is very, very important to you and to us. We  
22 appreciate it. We hear you loud and clear and we  
23 will be working vigilantly, side-by-side with you  
24 to come to the solutions to this issue. We've  
25 already proven our commitment recently and you're

1 going to see us continue to work with you each and  
2 every day on this.

3 Thank you very much.

4 May I have motion?

5 COUNCILMAN MUSCARELLA: Any  
6 correspondence?

7 MR. ALTADONNA: 2020 Budget for the  
8 Town of Oyster Bay, we have affidavits of postings  
9 and publications.

10 There is no other correspondence.

11 COUNCILMAN MUSCARELLA: Supervisor, I  
12 make a motion that this public hearing be closed  
13 and the decision be voted on next Tuesday,  
14 October 29th, at the 10:00 a.m. meeting.

15 COUNCILMAN MACAGNONE: Second.

16 SUPERVISOR SALADINO: All in favor,  
17 please signify by saying "Aye."

18 COUNCILMAN MUSCARELLA: "Aye."

19 COUNCILWOMAN JOHNSON: "Aye."

20 COUNCILMAN HAND: "Aye."

21 COUNCILMAN IMBROTO: "Aye."

22 COUNCILMAN LABRIOLA: "Aye."

23 SUPERVISOR SALADINO: Those opposed,  
24 "Nay."

25 (No verbal response given.)

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SUPERVISOR SALADINO: The "Ayes" have  
it.

Thank you very much, everyone.  
Thank you, Mr. Darienzo and your team.  
(TIME NOTED: 8:10 P.M.)