

# Astorino Proposes 0% Tax Increase... Again



County Executive Rob Astorino

**"There is  
no such thing  
as an essential  
service if  
you can't  
afford it."  
County Executive  
Rob Astorino**

Westchester County Executive Rob Astorino presented his budget plan for 2012 last week.

The proposed budget cuts \$100 million in spending and gives the homeowners and taxpayers of the highest taxed county in the country relief in the form of a zero percent property tax increase. Astorino's \$1.6 billion spending plan is the second year that he has proposed a budget with no new taxes and a fulfillment of his campaign pledge, which won him election two years ago.

"My budget is responsible and follows my principles of providing tax relief, preserving essential services and promoting economic growth," said Astorino. "I was elected on a promise that I would control county government taxes and, with this budget, we have done so for the second year in a row. This was particularly difficult because our revenues are basically flat, but the automatic increase in costs of health care and pensions for our employees continue to soar and are rising beyond our ability to pay."

Painful cuts are a part of Astorino's spending plan, and will become the norm for local governments and school districts now having to live under a two percent property tax cap and are still not getting any help for state mandates.

Cuts to spending include 210 layoffs. To present a balanced operating budget, which is required by law, Astorino had to address a projected shortfall of \$114 million for next year. He had hoped to close \$19 million of the shortfall by having unions contribute to the cost of their health benefits, whose \$100 million-a-year bill is currently paid entirely by taxpayers.

Under his "jobs for savings" plan, Astorino had asked Westchester's unions to make the same health care contributions as those recently accepted by state unions. Without the concession, balancing the budget required 210 layoffs.

"Tough choices had to be made, and I regret that layoffs are necessary to balance this budget," Astorino said. "I had asked our employee unions to pay for part of the cost of their health care — just like everyone else does these days — as a way to save these jobs, but to date they have refused."

The 2012 budget proposes 210 layoffs and 157 net position eliminations. That leaves the county with a workforce of 4,504 employees, down from 4,871. The layoffs are proposed in departments across the board.

For example, Social Services, the county's largest department in terms of budget and personnel, has 71 layoffs, representing a six percent cut.

Probation has 15 layoffs, or seven percent of the department; Public Works has 30 layoffs, or 12 percent of the department; and Parks has 26 layoffs, or nine percent of the department.

The 210 layoffs will save the county approximately \$14 million. The average current salary of a county worker is \$71,324; when fringe benefits are added to salary, the average compensation of a county worker rises to almost \$110,000.

#### Additional Cuts and Savings

Astorino's plan to balance the 2012 budget calls for eliminating the \$114 million shortfall with:

\$83 million to come from across-the-board cuts in county departments;

\$14.5 million to come from bond restructurings; and

\$16.5 million in one-time savings.

"It is not enough to simply balance the budget; how you do it is critical," said Astorino. "This budget is structurally sound because most of the actions will produce recurring savings for years to come. The ratings agencies like at least two thirds of budget actions to be recurring in nature. This budget has 73 percent recurring actions, which should be viewed very favorably by ratings agencies."

Last week, one of the three ratings agencies reaffirmed the county's AAA ratings.

#### Revenues Remain Flat

The key obstacle to balancing the budget was that revenues could not keep pace with costs. On the revenue side, for example, there is little to no growth expected in 2012.

The county property tax levy, which accounts for 32 percent of all revenue, is being held flat at \$548 million. Sales tax, which accounts for 28 percent of revenue, is projected to rise by only 3.25 percent to \$364 million. Mortgage and hotel taxes are both expected to come in basically flat at \$13.5 million and \$5 million, respectively. Together, the two taxes account for about one percent of revenues.

Federal and state aid is a mixed bag; federal aid expected to decline by \$10 million, to \$200 million, and state aid expected to rise by \$3 million, to \$245 million. State and federal aid make up about 26 percent of the county's revenues with the remainder coming from fees, investments, rents and other income.

#### Expenses on the Rise

Expenses, on the other hand, continue to soar with automatic escalators built into many

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## Astorino Proposes

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contracts.

Materials and supplies were projected to increase by \$3 million, to \$441 million. Even with low inflation, the costs of gasoline, electricity and heat continue to rise. Medicaid expenses, despite a three percent cap, will increase by \$4.5 million next year to \$216 million.

Salaries, even with a 10 percent reduction in the workforce this year, were projected to go up \$9 million in 2012. The CSEA, the county's largest union, is just finishing a six year contract in which the union received an eight percent salary increase over the last two years. In addition to the salary increase, the contract calls for lucrative step increases, which are additional payments for the first five years in a job, and longevity payments for those in a job more than five years.

Pension costs will increase by between \$10 and \$13 million, depending on the final size of the workforce next year.

### No Pension Amortization

The pension costs for 2011 are \$68.5 million. While the county could initially pay a lower amount by opting into the state's pension amortization program, Astorino said he was rejecting the move because of the long-term borrowing costs associated with program. The interest rate charged by the state is currently five percent; that will drop to 3.75 percent in 2012.

"By paying our pension bill in full this year, the county will save \$3 million," Astorino said. "We have the funds available, so it makes no sense to pay the high interest rates. It would be like paying for the groceries with a high interest credit card. If we need to go into the state amortization plan at some point, we should at least wait until the interest rate drops. I can't say it strongly enough — the county should not go into the state's amortization program this year."

Despite the expense and revenue challenges, the proposed budget preserves essential services, especially for the county's neediest. Following are summaries of budget actions in key departments.

Business Council of Westchester (BCW) President Dr. Marsha Gordon said, "We applaud the County Executive for developing a fiscally responsible budget and look forward to working with key stakeholders in the coming weeks to review the intricacies in preparation for participation in the public hearings."

Democrats on the County Board of Legislators, who still hold a 10-7 majority, renewed their call for a zero percent tax increase, but with changes. "We welcome the County Executive's budget," said Board Majority Leader Peter Harckham, "and now is the time to work with the people of Westchester to craft a final budget that protects critical services at a reasonable cost to taxpayers."

"Last year, we greatly improved on the proposed budget by further reducing the tax levy and reinstating vital services, thanks to the open dialogue we had with the people of Westchester during this process. The Westchester County Board of Legislators remains committed to no county tax increase this year and we will scrutinize every line of the County Executive's spending plan to make sure that we continue to make prudent investments in the Westchester's future prosperity."

These budgets now go to the Board of Legislators, which has until December 27 to approve a final spending plan for next year.

The proposed budgets are available on line at [www.westchestergov.com/budget](http://www.westchestergov.com/budget).

CSEA Westchester President Karen Pecora issued a rebuttal to Astorino's budget plan in the form of a letter to her members: see "CSEA Letter to Members" on Page 5.

## CSEA Letter to Members

The following letter was sent by CSEA Unit 9200 President Karen Pecora to November 16 to all of the union's members:

To all CSEA Unit 9200 members:

On November 15, Westchester County Executive Rob Astorino released the 2012 budget. He cut out many programs and proposed 210 layoffs of workers, most of them CSEA members.

Mr. Astorino stated that the layoffs are a direct result of the unions, specifically CSEA, not agreeing to a small contribution to our health benefits, as all private sector employees and other state and municipal CSEA members are already doing. He is using this tactic to divide and conquer the workforce. He has Commissioners and other bosses gathering up the employees who are targeted for job cuts, and telling them that their jobs are being cut because "the union" is not negotiating. He also demeans county employees by implying that we do not deserve our current pay as he recites statistics regarding private sector salaries in Westchester.

The fact is that we have been in negotiations with the county for the past few months; as we have witnessed in the past, negotiations take a very long time, as there are other issues to negotiate in addition to our health benefits. We have historically not been able to ratify a contract within two years of expiration. He is using tactics to scare and cause panic among ourselves. He forgets that the last agreement took almost three years and that we endured the period of highest costs due to the world record price of crude oil that pushed up food, gasoline and other prices in 2006, 2007 and 2008.

One thing we do agree on is that county taxes compose 15 to 20 percent of the total Westchester property owner's tax bill. Westchester County workers *did not* cause the economic crises; we are middle class taxpayers. On the contrary, *our* taxes were used to bail out the millionaires in Wall Street firms.

We have never refused to meet with the county and, in fact, have two sessions scheduled for this month.

CSEA represents all of the lowest paid salaried workers in Westchester County. His health care contribution demands will cost approximately \$7,000 for a family plan. That would be a \$7,000 cut in pay. The present work rules, benefits and other benefits we have are the result of 64 years of other CSEA 9200 Negotiating Teams working for the membership. He wishes to remove many contract items and undo 64 years of progress. We have been working hard since 2010 to do the work of more than 500 real workers who retired; he is hiring exempt cronies who do not have to take civil service exams as well as hiring friends of the appointed Commissioners.

Of the 210 targeted positions, some are CSEA officers, mine being one of them. I have been a county employee for more than 21 years; many of the targeted positions belong to long term employees (what ever happened to last in, first out)? We believe this action, as well as Mr. Astorino's statements, are a direct intent to bust the union. Please don't let this happen!

One could say that placing the President of the union on the lay off list is coercion and blackmail. If the President caves on other issues to save her job, they will also win by badly tarnishing the image of CSEA after they leak out that our President caved on issues to save her job. Blackmail, as I said.

In the last two years, CSEA members have been challenged by the County Executive to submit ideas to contribute to the solution of the budget woes. Our members are well educated, intelligent individuals that have ideas and solutions that can save the county millions upon millions of dollars as soon as next year. The county wants nothing to do with our ideas and, in fact, has done everything to disregard any idea we might have for substantial savings, including disciplinary actions. The County Executive sees only one way to save money — *layoffs!*

We, the union, all of us, must stand together to protect our jobs and our livelihood. It may not be you this year, but it may be next year. Now is the time to stand together in solidarity. We must reach out to the legislators and ask them for help.

We are asking all CSEA members, all union members and their families to attend all public budget hearings. Write a short three minute speech explaining what you do for the public; explain you are a taxpayer and resident of Westchester County and no one benefits from one layoff, much less 210. Speak to the legislators and the public, explain to them what you do.

*This is your job now!* Speak on your behalf, or speak on behalf of coworkers, at the three public hearings to save your jobs. *You* are the union and now is the time to act and become active.

Your union officers/negotiating team heard from many members and we understand that you expect your officers to do whatever it takes to avoid layoffs. That is what we are doing; negotiating with the county *in good faith* to reach a contract that will save our jobs. Let's not forget we have the entire contract to negotiate, not just the one issue the county is focusing on, our health benefits. Forcing us to rush into a contract without addressing all of the important issues that affect our membership, for the sole reason of balancing a budget strictly on our backs with health care contributions, is *not* negotiating in good faith.

The County Executive and the department heads are trying to instigate the members to rally against the Negotiations Team. If there is fighting amongst the rank and file, it is easier for the county to get what they want.

We are asking you to stand with us in solidarity to fight these layoffs. It's an old cliché but it still works; *united* we stand, *divided* we fall!X

Our next step is to exercise our rights as employees *and* taxpayers by attending the Public Budget Hearings and addressing our representatives on the Board of Legislators. Tell them how important the work you do is to *all* the taxpayers

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## CSEA Letter

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in Westchester County and that we will not be coerced into taking the fall with what amounts to huge pay cuts to solve economic issues that we did not cause.

The Southern Westchester County Regional Public Hearing on the 2012 Budget will take place on Tuesday, November 22 at New Rochelle High School, located at 265 Clove Rd. in New Rochelle, at 7 p.m.

The Northern Westchester County Regional Public Hearing on the budget will take place on Wednesday, November 30 at Somers High School located at 120 Primrose St. in Lincolndale, at 7 p.m.

On Tuesday, December 6, the third and final Regional Public Hearing on the 2012 Budget will take place in the Board of Legislature Chamber on the 8th Floor of the Michaelian Office Building in White Plains at 7 p.m.

**Yours in solidarity,  
Karen Pecora, President  
CSEA Unit 9200**

# More layoffs hit counties

**M**aking good on his campaign promise to cut the size of the county work force, Westchester County Executive Rob Astorino introduced a proposed 2012 budget that calls for 210 layoffs in a number of county departments.

Astorino said layoffs are in the budget because unions have refused to meet to negotiate new contracts, a claim Westchester County Unit President Karen Pecora slammed.

“He’s had commissioners and department heads going around and telling workers they are losing their job because the union is refusing to negotiate, which is completely untrue,” Pecora said. “He is using scare tactics to create panic within the work force. We have been ready to come to the table, but Mr. Astorino doesn’t seem to understand that negotiations don’t just mean us sitting down to accept his long list of concession demands.”

Pecora said members are mobilized to pack several scheduled public hearings on the proposed budget.

## **Dutchess County**

Outgoing Dutchess County Executive William Steinhaus’ final budget includes one parting blow to the county work force with which he’s had a strained relationship over his tenure: the elimination of 22 mental health care providers in the Department of Mental Hygiene.

Dutchess County Local President Liz Piraino said CSEA has filed a grievance in response to the layoffs and is investigating

union contract.

“In addition to violating the contract, these proposed layoffs eliminate county mental health services at a time when we’re dealing with the closure of the Hudson River Psychiatric Center campus and the recent elimination of mental health services at another local hospital,” Piraino said.

“With the need for public health services at a historic high, it shows a serious lack of compassion on the county executive’s part to eliminate these services at this time.”

## **Ulster County**

Ulster County Executive Mike Hein’s proposed budget for 2012 includes sweeping cuts of mental health services, the closure of the Consumer Fraud bureau, cuts in the Department of Public Works, and the transfer of the county-owned Golden Hill Health Care Center to a to-be-formed local development corporation that would eventually privatize the facility.

Ulster County Local President Terry Gilbert said Hein’s proposed budget puts rank-and-file workers on the unemployment rolls while creating new management positions.

“The county executive is proposing eliminating vital services and putting middle class workers out of a job, but he’s apparently found places to stash his most loyal managers,” said Gilbert. “This budget hurts the elderly, residents struggling with addiction and mental illness, and the average taxpayers who depend on services in DPW and Consumer Fraud.”