Newsday
"Where there is no vision, the people perish."
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EDITORIAL

Counties ride strong economy

But their spending plans remain shaky

Nassau and Suffolk's county executives released their proposed 2019 budgets last week, and each document provides reason for relative optimism. Neither county faces the acute budgetary danger it has over the past decade. But both counties still have significant financial problems, and both budgets include financial risks that could turn into large deficits.

This month marks 10 years since the United States economy melted down and real estate values evaporated. In September 2008, financial giant Lehman Brothers suffered the largest bankruptcy in the nation's history, collapsing under $618 billion in debt. The U.S. government had to take over insurer AIG and pump $80 billion into it. Mega-mortgage holders Fannie Mae and Freddie Mac were taken over by the feds because 30 percent of their loans were underwater. The 2008 recession devastated the pocketbooks of many Long Island taxpayers and the budgets of the counties they fund. And in many ways, those budgets are still shaped by that bust a decade ago.

Nassau leaves out some expenses

Executive Laura Curran's $3.075 billion budget for 2019 includes no property tax increase. It adds 171 employees, which will still leave the county with 1,400 fewer workers than at its fattest in 2011. There is a plan in place to keep the county from having to pay newly generated tax refunds on money the county collected for school districts and municipalities. And Nassau's projected 2.5 percent increase in sales-tax collections is reasonable.

But the plan includes $8 million from collecting more past-due tickets for traffic violations, money that might not materialize. And it omits cost-of-living pay increases for members of the county's unionized workers if new contracts are signed. Curran has said the county will look to fund that from new sources like legalized sports betting and increased collection of internet sales taxes; however, neither is a sure bet. The budget also includes various fee increases the county legislature might block on everything from beach cabana rentals to sewer fees, and $20 million from the Nassau Regional Off-Track Betting video-lottery-terminal income that did not pan out as promised in 2018.

Suffolk must repay hundreds of millions in loans

Executive Steve Bellone's $3.11 billion budget for 2019 includes no increase in the county's tiny general-fund property taxes, which raise $50 million a year compared with Nassau's $1 billion, but a hike of 3.5 percent in the police district property taxes paid by residents of Suffolk's five western towns. The budget also counts on a 3.5 percent increase in sales-tax collections that could be too optimistic after a 5 percent increase this year. And it includes only 31 new positions for a total of 8,972 employees. That's a reduction of 1,300 from the county's 2012 high.

There are two big pieces of positive news in Bellone's proposed budget: Borrowing for annual pension expenses is not slated to continue, nor is borrowing from the county's sewer assessment stabilization fund. The bad news is that the $430 million Suffolk borrowed over the past several years via these two moves is now being repaid, which is among the budgetary pressures that caused Moody's Investor Service to drop the county's bond rating by a notch last week.

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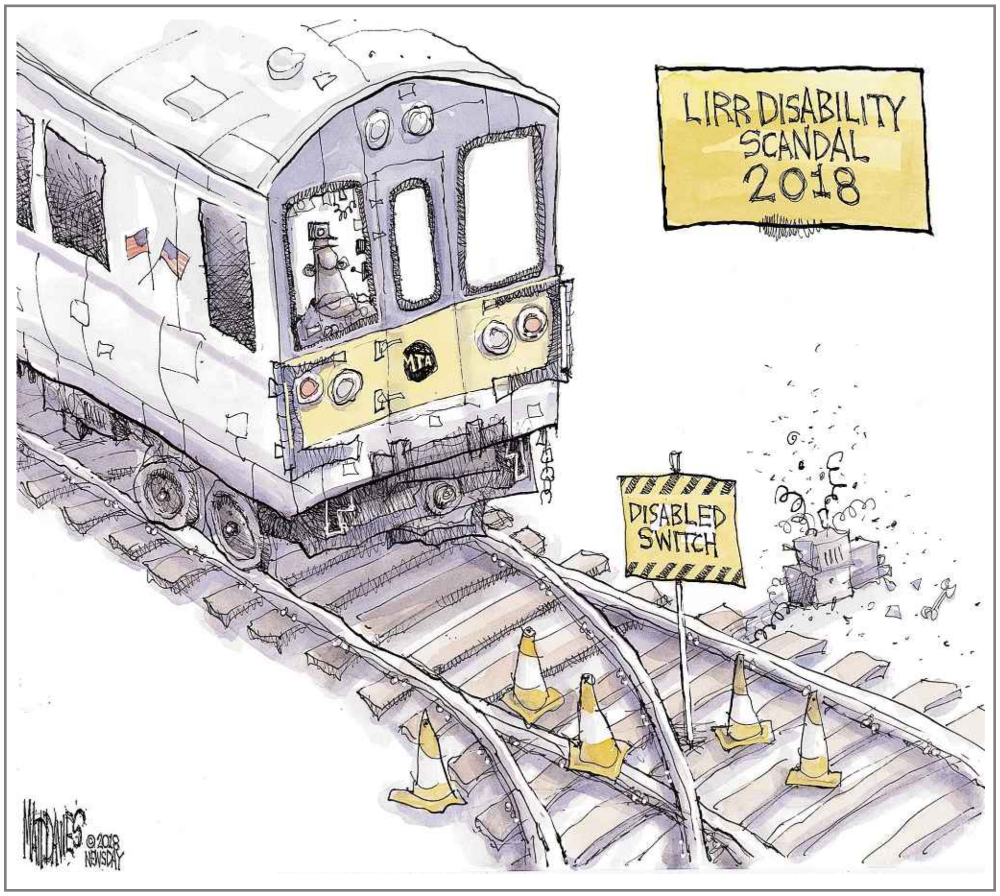
The two proposed budgets show neither county is in great shape, but neither is doing as poorly as it once was. Current economic boom times are making that possible, but they won't continue forever, and both counties need to accelerate the pace of improved balance sheets.

Sooner or later, another recession always comes along.

— The editorial board

MATT DAVIES



NEWSDAY/MATT DAVIES

■ **See more Matt Davies cartoons: newsday.com/matt**

LETTERS

State should take over in Hempstead

As a member of the Hempstead High School Class of 1957, I felt compelled to comment on that once wonderful district after reading college professor Alan J. Singer's op-ed, "Hempstead's students can't wait" [Opinion, Sept. 13].

I received a wonderful education in Hempstead and went on to spend 35 years as an elementary-school teacher.

What happened? Political infighting and administrative incompetence are partly due to the ignorant residents who voted in incompetent board members who waste their time on unimportant, controversial matters, such as efforts to oust a superintendent who has improved other troubled school districts, rather than working on educational issues. Yes, we cannot wait for the state to take over the Hempstead school district.

Stuart Koenig,
East Northport

LI has a rare chance to capitalize on wind

Your Sept. 16 editorial, "Wind power could blow LI away," was a balanced and well-reasoned account of offshore wind development off Long Island.

As New York State seeks bids for 800 megawatts of electricity from wind turbines, it is essential that residents learn more about the industry bound to dramatically transform Long Island — for the better, if the development is done right.

Residents— some still hurting six years later from superstorm Sandy and learning how climate change can upset any neighborhood — must call on our towns and villages to ensure that offshore wind development is, indeed, done right. Yet, we can't stop there. We also have the power to call on elected officials to commit to 100 percent emission-free energy.

Long Island has a once-in-a-century chance to seize a powerful economic position in the inevitable clean-energy economy. We must lead for our "ratepayers, fishers, workers, and the environment," but also for Long Island's future as a thriving place. The first step is offshore wind, 100 percent emissions-free energy, and our voices shaping their development.

Bridget Foley,
Blue Point

Editor's note: The writer is a volunteer with the Sierra Club environmental organization.