



## Results from WCA Membership Survey Input used for March 12<sup>th</sup> NYS Legislators Breakfast

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**Question 1: The Governor has proposed a 2010-2011 Executive Budget of \$131 billion. This represents less than 1% increase over 2009-2010 and a 12% increase from 2008-2009. What is your opinion of the proposed budget?**

**Results:      Too High 74%      Too Low 2%      Appropriate 24%**

***Member Comments:***

Overall dollars may be appropriate. Would like to see county focus on areas like Senior Housing (waiting list in most of Westchester is 1.5 to 2 years), home care, Medicaid, and last but not least controlling taxes. I am a big fan of Rob Astorino's proposal to have employees pay a portion of cost (premium) for healthcare.

If the budget is full of excesses and the governor simply chooses to request less of it, he is still not addressing the underlying problem. No meaningful approach to the budget can be made without the political will to upset a lot of people. Obviously, Governor Christie is doing it.

The state is broke. The budget needs to be cut not held where it is.

It is time to REDUCE spending NOT to just slow down the rate of the increase.

Every company I know of has cut spending in 2008, 2009, and is planning 2010 cuts. Interpreting a recent Forbes study, which reported that cuts have happened in 80%+ of businesses today, owners feel their businesses are now stronger and more prepared for the long haul.

Time for Albany and Westchester to prepare government for the long haul by doing the same.

Why not zero-based budgeting? I see no reason to base the budget on a prior year. That simply makes it appear that the prior year's budget was justified.

Funding for health care and education is too low.

We need to start making real cuts.

Professionally and personally I've had to cut back on spending...I expect the federal and state governments to LEAD the way on this.

It is time for government to make the hard choices and cuts that we in the business community have made for the past 2 years. That means eliminating some jobs, closing facilities and cutting SPENDING.

Need to revisit budgets of 2004 or before. Let's get back to a trim government!

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Note that proposed cuts to higher education only put more burden on students to meet increased tuition costs, which deters their seeking higher education and limits the skilled workforce.

Any increase is unacceptable, They don't understand that a minimal increase is NOT a reduction

In the private sector costs have and are being cut. The same must be done in the public sector. There should be no increase at, there should be a decrease.

Every one else has had to change their spending habits in this economy, and so should the state. Govt. spending needs to be cut.

Albany needs to make the difficult decisions necessary to reduce the budget, not increase it. Albany are driving businesses and residents out of the State because of unsustainable taxes.

There should be no increases, we should be discussing the budget cuts.

We need to cut programs

I appreciate the attempt at fiscal constraint the 1% increase shows. However, I abhor the methods the Governor has employed to achieve it.

The tax base is shrinking - so should the state government.

We need to cut, not increase!

Families across this state have had to reduce their budgets in the face of the economic recession- the state should moderately do that as well by having no increase in the state budget.

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**Question 2: In 2008, the "Suozzi Commission" on Property Tax Relief and the "Lundine Commission" on Local Government Efficiency came out with specific recommendations to reduce NYS property taxes. Few were implemented. Which of the following recommendations included in their reports do you support? (Check all that apply)**

**Results:**

- Prop Tax Cap 51%
- Circuit Breaker 37%
- Eliminate Unfunded Mandates 76%
- Centralize Services 76%
- Consolidate School Districts 59%
- Change Public Sector Compensation 81%

**Member Comments:**

Most of us, including myself, are making less money now than 2 years ago. My employees have not had a raise in over a year, which is true for many people. Costs simply must be cut, which means that our fellow citizens who happen to be NYS employees must agree to at least a wage freeze or there must be layoffs, but one way or another spending must be cut.

Southern states have one school district per county and operate on a substantially less expensive model than we do. Tough times call for tough, but fair decisions

I think the growth of the public sector payrolls (as compared to private sector) is one of the biggest areas of concern.

Too many levels of special districts and tax collectors. Get rid of sewer and garbage districts. Get rid of villages.

Would like to see county focus on areas like Senior Housing (waiting list in most of Westchester is 1.5 to 2 years), home care, medicaid, and last but not least controlling taxes. I am a big fan of Rob Astorino's proposal to have employees pay a portion of cost (premium) for healthcare.

All of the above are essential.

Benefit structure must be changed now.

EVERYTHING should be open for discussion.

The unions and politicians don't get it, and we have to do something about that. My clients report that it's getting harder and harder to find working class, middle income talent - they are leaving town because they can't afford to stay. Lack of entry level and low-mid income staff will kill business.

The law enacted this past year to change the benefits for new hires did not go far enough for teachers, allowing them to retire at age 57 instead of 55. It should have been 62, the same as for other new public employees. Furthermore, all public employees should pay a substantial part of the health insurance.

Revise pension plans to claw-back and eliminate ability to "pad" compensation basis averaging with any & all overtime pay.

Over time, reduction of pensions

Public employees were given great benefits in the past to make up for the fact that they earned less money than those who worked in the private sector. They now make more money and still have ridiculous benefits.

I support centralizing services and school district consolidation - if, and only if - doing so actually saves money.

School expenses need to be kept in line.

I do not know enough about these to know which I could support

My blood pressure is too high to respond at this time.

Overtaxing must stop

Politicians in Albany don't have the Guts to implement these changes must be enacted legislatively

**Questions 3: Do you believe the structure of public sector compensation and benefits should be changed in any of the following areas? (Check all that apply)**

**Results:**

**Salary 45%**

**Healthcare Benefits 88%**

**Pension Benefits 89%**

**Retirement Eligibility Age 72%**

**Member Comments:**

My nephew works for the state and is only looking forward to retirement. He's 55. That's nuts! Perhaps I'm jealous, but that's gouging. Go get fat.

Most employers removed defined benefit plans. I am Ok with keeping but modifying. Defined benefit plans should be a five year average salary not 12 months, so that you do not have overloading of hours (OT) in the last year to get an accelerated increase in benefits. I am a big fan of Rob Astorino's proposal to have employees pay a portion of cost (premium) for healthcare, but employees should pay at least 10% of cost and plans need to be less rich to encourage more prudent use of benefits.

If tax payers and private employees are not insulated from the effects of economic conditions, then public employees should not be insulated from those conditions either.

The entire structure is built on an out-of-control and utterly out-of-date model. And if that isn't bad enough, it's routinely abused on top of that with overtime padding during the final pre-retirement year, etc. It's lunacy.

Don't care about make-up of pay and benefits, only that total compensation is competitive with private sector total compensation for comparable work so as to attract and retain a quality workforce.

Again, it all needs to change.

Don't know enough about retirement eligibility as an issue - can you please educate me

Why are public employees compensated to the extent that public employment provides higher income and benefits than private employment?

We should get rid of the yearly increments in pay that are in addition to pay increases.

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I would argue though this question is an example of the WCA constantly trying to equate all public sector government operations with one broad stroke. Many governments, local governments in particular have already made changes relative to healthcare benefits. And a recent study conducted by the Center for Government Research in Rochester indicated that public sector salaries in Westchester County are lower than private sector salaries. School Districts need to be looked at.

all above with new incoming employees

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I'm not sure that there's a one-size fits all answer. If the salary is below the profit sector range, then it's probably appropriate to have better compensation in areas of healthcare, pension &/or

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retirement eligibility.

Include changing formula for calculating pension. Eliminate consideration for any income other than average of last three years salary.

Teacher compensation needs to be re-worked. Step increases and tenure needs to go.

Sustainability needs to be factored into the equation of these salaries and benefits.

Overtime costs

Public sector employees are willing to contribute to their health benefits, BUT WITHIN REASON (i.e. phased in over time rather than mandating what amounts to a large pay cut)

These must be enacted legislatively, Albany politicians are afraid of the Unions when the private sector workforce and businesses just as many and are scared to death of not being able to survive in NY

None

We are being crushed by the current system, which must be reformed.

I would like our government to wake up to the fact that private industry changed their comp structure starting 25 years ago beginning with medical benefits, and the elimination of the defined benefit plan, and introduction of the 401-k as a matter of survival in recessionary times. These benefits are unsustainable!!! This is why corporate America changed their model. Why should the public sector keep going with the same programs as if we are in prosperous times.

Over time the private sector has received lower percentage raises and the amount of contribution to healthcare benefits has continued to rise. The public sector needs to grow up and bite the bullet and contribute like the rest of us.

Historically these benefits were "free" as the average salaries in the public domain were much lower. That is no longer the case. I cannot afford to pay for my healthcare benefits AND theirs.

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All 4 categories have excesses compared to the private sector.

Why should state employees have better benefits than the private sector? Only government employees can retire after 20 years - why? They should retire at 65 like the private sector.

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**Question 4: Economic Development: Do you feel New York State does a good job attracting and retaining business?**

**Results:            Yes 3%                            No 87%                            Don't Know 10%**

**Member Comments:**

There is no program. There hasn't been one since the Pataki years. But at this point, it's difficult to imagine what could be offered to attract a business to the state when other locales offer so much more and far lower costs.

Small business is the backbone of the future. I believe it's over 75% of small businesses have fewer than 5 employees. Economic Development has no programs to start, sustain or grow these businesses. Throwing massive incentives at large players is a risky game - if one goes down they may take the house down. Throw incentives at 10,000 businesses, and if some go down, there's coming along to take their place.

If I was starting my business today, rather than in 1970, New York would not be my choice.

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Difficult given costs

I am ready to bolt myself

Westchester has lost many corporations to Connecticut

The State is slow to act to keep businesses it has, much less attract new businesses.

Hard to separate the facts from the news media and political hype

The economic environment is so poor, govt resorts to giveaways to attract companies. That just lets companies play you to get the same giveaways from a state with better living conditions

Taxes are too high and getting higher. Businesses will not come if workers are not interested in living here.

Not with its reputation - high taxes (income and property) and cost of living and dysfunctional government which is unlikely to take pro-business action.

Ask Starwood Hotels.

Can always do better!

Hah!

The cost of doing business here is too high. Look what happened to the manufacturing base in NYS, we did not lose these jobs all at once, but rather gradually over time. This is what has been put in motion now with the tax increases put in place last year, over time people are changing their place of residence to avoid the excessive NYS income tax. The cost structure of NYS is not what would be labeled as "business friendly".

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The tax rates are simply too high, and while they are high in neighboring states, Businesses are looking to save all they can, and look for the most attractive long term solution for their company

Absolutely not. We are the state of handouts and big businesses who could contribute to the tax base for relief are kept at bay. New York has no interest in attracting business. We are the state of the entitled.

I practice law in the area of economic development. NYS is the worst State to deal with when it comes to responsiveness, benefits to offset high cost of taxes and other costs of doing business. Other states give meaningful benefits and remove roadblocks to getting development done. NYS creates issues and problems that make clients throw up their hands and go elsewhere. NYS is quickly becoming a "third world" state. Its tax base is shrinking increasing the burden on those that want to stay.

This is not even close, we have been losing business to CT for years now... I am sure the new addition of a soda tax will do wonders for the major employer in Purchase. Albany just doesn't get it

One of the highest taxed states in the USA.

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**Question 5: Do you feel the Governor should declare a state of fiscal emergency and freeze government worker salaries?**

**Results:      Yes 77%              No 12%              Don't know 11%**

***Member Comments:***

Almost all of private sector has done this.

He's got nothing to lose at this point. He's actually the ideal guy in the ideal position to do it. he doesn't have to worry about the next election!!

But only if total compensation is out of line with private sector compensation for comparable positions.

We are in a crisis.

A crisis, by definition, requires leadership.

This is his opportunity to redeem his short-lived time in office - by doing something heroic.

As long as the freeze is across the board and includes all state workers. The Governor should not get involved in salaries of other government workers.

Not across the board, but perhaps at the higher salary ranges

VT did a 3% reduction. Why not here?

Some salaries freezes could cripple lower level employees. Reduce spending and unnecessary

positions as a better option

More importantly - cut back number of employees and freeze benefits (healthcare and pension) - if unable to do so due to union contracts, then simply let some people go - we have too many governmental employees anyhow, at all levels of government.

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What Governor?

I would say only as a last resort. I would hope our fellow New Yorkers who work for NYS would recognize that their help is needed and be grateful to have work.

Freeze salaries, and more importantly, eliminate overtime immediately as overtime pay is used to calculate pension benefits that will be with us for 30 additional years!!! ELIMINATE OVERTIME in all agencies of Government. That is what a reasonably smart company would do if faced with erosion of revenues. That's an easy fix

If I have to freeze the salaries of health care workers because of reimbursement cuts, the government can do the same!

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### Question 6: Do you feel New Yorkers leave the state as a result of the tax burden?

**Results:**      **Yes 88%**      **No 2%**      **Don't Know 10%**

#### **Comments:**

Many of my friends who have young families are moving to Connecticut!

Absolutely in Westchester. The tax burden for low income or fixed income people (e.g., retirees) is not manageable.

Absolutely. And they're leaving -- or planning to leave -- Westchester in droves.

Don't feel - know so. Has happened with my staff.

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Absolutely!

Not sure as while property taxes are high the state of NY is in the lower third of all state on income tax.

And to add insult to injury - our public employee retirees leave as soon as they retire.

The biggest burden is the school property tax. Until the State deals with that issue, the trends will continue.

I think the cost of living adds to this. Housing is less expensive in other areas of the country

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Some do, but in all fairness there are many benefits received by NYS residents

And, I know it's a fact due to actual stories of friends who have left.

Both of my brothers have for that very reason.

Only reason I stay is b/c of my family, Most of them have left.

Absolutely, without question. I personally know of several older citizens who have now changed their permanent residence out of NY (mostly to Florida) to avoid the new taxes.

I personally know of 4 NY residents with high net worth that have moved out of NY in the last several years. All left because of the tax structure.

Without question this is one of the primary reasons. Wake up New York...the Baby boomers will be leaving in droves

And lack of employment opportunities - thus the need to attract businesses to the state, both down state and upstate.

I am one of them

Yes, and I am thinking about doing just that

I have lost a number of staff to Tenn. & the Carolinas

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## 7. Do you plan on leaving New York State due to the tax burden?

**Results:**      **Within 1 Yr. 3%**      **Within 5 Yrs. 23%**      **No 37%**      **Undecided 37%**

### Comments:

I will probably leave upon retirement. Property & income taxes will make it too expensive to be near my children & grandchildren. It's a pathetic situation, only getting worse.

Will probably leave in 8 years, due to current commitments.

I still have a long working lifetime. Not sure in 20-25 years when in my mid to late 60's if I can afford to pay taxes. They are not manageable now. if it grows at CPI, then we are doomed.

It depends on whether things change for the better or not.

I don't want to but ultimately I may have no choice.

I love NYS, but there are better places to do business, and I am actively working to make my business portable.

I may do what to me was once unthinkable - namely, move my business. And if I retire, I cannot make a good case for subjecting myself to NYS taxes, much as I might want to remain.

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Not within five years but , eventually, 50-50 chance

Eventually I will probably move to Connecticut. I would be stupid not to.

I hope not but if we continue on this path I just may have to.

I wish I could.

Taxes continue to go up and services continue to decline. Corruption in NY State government is a disgrace. The leadership is an embarrassment.

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Don't want to but may have to, Def within 20 yrs , no way can retire here

Yes but not in 5 years, in about 7 years.

I have already purchased retirement property in another state and plan to build in 5-7 years

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I have already left NYS and moved to CT about 7 years ago in large part because of property taxes. I purchased a larger home that had taxes 1/3 of what a similar home would be in Rye (where I moved from).

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2 Years!