

Overview of the Fiscal 2006 Executive Budget

NASSAU COUNTY OFFICE OF LEGISLATIVE BUDGET REVIEW

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October 6, 2005

*Health & Social
Services Committee*

*Agencies Scheduled to
Testify:*

*Department of
Social Services*

Department of Health

*Drug & Alcohol
Department*

*Department of Mental
Health*

*Senior Citizens
Department*

Youth Board Department

**NASSAU COUNTY
LEGISLATURE**

Hon. Judith A. Jacobs,
Presiding Officer

Hon. Peter J. Schmitt,
Minority Leader

Hon. Jeff Toback,
*Chairman, Health and Social
Services Committee*



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Inter-Departmental Memo

To: Hon. Judith A. Jacobs, Presiding Officer
Hon. Peter J. Schmitt, Minority Leader
Hon. Jeff Toback, Chairman of Health & Social Services Committee
All Members of the Health & Social Services Committee

From: Eric C. Naughton, Director
Office of Legislative Budget Review

Date: October 4, 2005

Re: FY 06 Budget Hearing – October 6, 2005

Enclosed please find preliminary reviews of the FY 06 budget for the specific agencies scheduled to appear before the Health and Social Services Committee on October 6th. In order to better evaluate the proposed budget, in our analyses we have included OLBR's FY 05 projections. In addition, in looking at staffing needs we also compare the proposed FY 06 budget to actual staffing levels as of September 1, 2005, as well as the FY 05 budget.

There were two structural changes made to this year's Executive Budget by the Office of Management & Budget. The expense category for materials and supplies (CC) has been eliminated and merged with general expense (DD). For comparison purposes, in our charts we have similarly combined the two codes for both the FY 05 budget numbers and the OLBR projection. The other change has to do with inter-departmental charges, which are utilized to identify and allocate the costs incurred by between County departments. In FY 06, the Office of Management and Budget has scheduled interdepartmental charges only for those departments that are routinely eligible for federal and state reimbursement of expenses, or are a shared services department that sells services. For this reason, a number of agencies have had their inter-departmental charges zeroed out in the proposed budget.

Among the highlights of the FY 06 Executive Budget are the following:

- DSS expense budget \$53.1 million less in FY 06 Medicaid cap implemented at 3.5% of FY 05 level.
- \$1.5 million included in DSS to assimilate community based not-for –profits into the County’s “No Wrong Door: initiative.
- Salaries in Drug & Alcohol are declining \$800,000 due to transfer of eight people into the Grant Fund.
- The Pre-School Special Education program has been transferred to the Department of Health. The program has gross expenses of \$98.5 million and revenues of \$58.5 million. Eight full-time employees will also be transferred.
- \$1 million funding included in Health Department budget “to help prevent unintended pregnancies and to support women who face unintended pregnancies.”
- The FY 06 budget for the Early Intervention program is \$50.5 million. The caseload is projected at 1.5% growth for 2006. This is a slower rate than seen in previous years when growth reached double-digit increases.
- The allocation for the Youth Board’s program agencies will increase by \$210,429 from FY 05 levels.

My staff and I remain ready to provide any additional assistance the Legislature may require in consideration of the proposed budget and Financial Plan.

HEALTH & SOCIAL SERVICES COMMITTEE

TABLE OF CONTENTS

(1) Department of Social Services 1

(2) Senior Citizens 13

(3) Youth Board 18

(4) Department of Health 22

(5) Department of Drug & Alcohol 28

(6) Department of Mental Health 32

DEPARTMENT OF SOCIAL SERVICES

The mission of the Department of Social Services (DSS) is to provide supportive services and financial assistance to eligible individuals and families in Nassau County, consistent with federal and state laws.

The department has the responsibility for the implementation and monitoring of the following Multi-Year Financial Plan initiatives which have been incorporated into the FY 06 budget and baseline:

HHS Administrative Consolidation - \$1,721,456

This initiative will reorganize and consolidate the administrative functions of the Health and Human Services vertical, such as IT, human resources, accounting, and finance, with the goal of increasing revenue and reducing costs. The relocation of HHS employees to 60 Charles Lindbergh Blvd., and the ongoing document imaging project allow for the integration of staff, and as time goes on, savings through attrition. DSS has entered into inter-departmental service agreements with the following departments as a purchaser of Information & Referral (I & R) services: Senior Citizens, Drug & Alcohol, Veteran's Affairs, and the Office for the Physically Challenged. This will allow DSS to receive reimbursement for those costs. This amount is net of any available reimbursement.

Persons in Need of Supervision (PINS) - \$1,457,072

The PINS initiative is related to a statewide effort to reduce the placement of persons in need of supervision in detention facilities. A PINS candidate is defined by the New York State Division of Probation and Correctional Alternatives as:

A person less than eighteen years of age who does not attend school in accordance with the education law or who is incorrigible, ungovernable, or habitually disobedient and beyond the lawful control of a parent or other person legally responsible for such child's care, or who possesses or uses illegal or controlled substances.

The State budget "included \$5.2 million for counties and New York City to provide enhanced PINS diversion services."¹ Nassau will receive approximately \$100,000 of that funding. Diversion services include respite centers and cooling off locations. These alternatives are less costly than residential placement, and are more appropriate for the less serious cases. DSS has increased contractual funding to provide PINS services, and the Probation Department will hire 20 more officers specifically for this initiative. The salaries of these officers will be picked up by DSS by way of an inter-departmental service agreement. Savings will show up as reduced expenses in the emergency vendor payments line of DSS, and were estimated based on the assumption that the current diversion rate would be increased as greater resources are dedicated towards that end. Depending on the seriousness of the case, residential placement can cost from \$75,000 to \$100,000 annually.

As can be seen in the chart on the next page, the proposed expense allocation for the Department of Social Services would be a decrease of \$53.1 million, or 9.8%, compared to the FY 05 budget. If the IGT payment and the inter-departmental charges are backed out, the decrease becomes \$60.6 million, or 12.3%. This significant variance is the result of the passage of State legislation earlier this year which capped the local share of Medicaid expenditures for FY 06 at the 2005 level plus 3.5%. The change in the law also altered the way that payments will be made to the State. In FY 05 the County budgeted

¹ NYSAC News, Volume 26, Number 1, Summer 2005

\$63.5 million for Medicaid related revenues, which partially offset expenditures. In FY 06 the County will not receive those revenues; instead they will be deducted from the local share of expenditures. Of the remaining direct assistance programs, recipient grants and purchased services are remaining flat, while the line for emergency vendor payments is increasing by \$2.2 million. Although the Medicaid - IGT is being reduced by \$1.4 million, the County will not realize any budgetary savings because the expense in both years is balanced by an equal amount of revenue (see discussion of IGT below).

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$48,488,480	\$47,600,064	\$51,356,266	\$50,036,797	\$1,548,317	\$2,436,733
BB	Equipment	126,532	126,532	377,570	127,570	1,038	1,038
DD	General Expenses	1,151,795	1,151,795	1,161,243	1,161,243	9,448	9,448
DE	Contractual Services	11,811,461	11,811,461	13,324,796	14,398,321	2,586,860	2,586,860
DF	Utility Costs	400	400	400	400	0	0
	Total OTPS	13,090,188	13,090,188	14,864,009	15,687,534	2,597,346	2,597,346
SS	Recipient Grants	51,604,600	48,276,600	53,152,600	51,652,600	48,000	3,376,000
TT	Purchased Services	45,886,814	44,174,942	46,312,951	46,012,951	126,137	1,838,009
WW	Emerg Vendor Pymnts	50,824,000	51,513,200	53,060,200	53,060,200	2,236,200	1,547,000
XX	Medicaid - Local Share	281,748,167	237,693,033	217,259,516	214,609,343	(67,138,824)	(23,083,690)
XY	Medicaid - IGT	40,973,706	40,973,706	39,573,706	39,573,706	(1,400,000)	(1,400,000)
	Total Direct Assistanc	471,037,287	422,631,481	409,358,973	404,908,800	(66,128,487)	(17,722,681)
HF	Inter-Depart Charges	10,663,208	10,663,208	0	19,541,024	8,877,816	8,877,816
	Grand Total	\$543,279,163	\$493,984,941	\$475,579,248	\$490,174,155	(\$53,105,008)	(\$3,810,786)

The \$1.5 million, or 3.2%, payroll increase will accommodate a CSEA contractual salary adjustment of 2.5% as of January 1, 2006, plus steps. Budgeted headcount will grow by 21 full-time employees, while part-time positions will be reduced by 40. The department receives an average 75% reimbursement for its personnel costs up to the state aid cap, and 50% for expenditures over the cap.

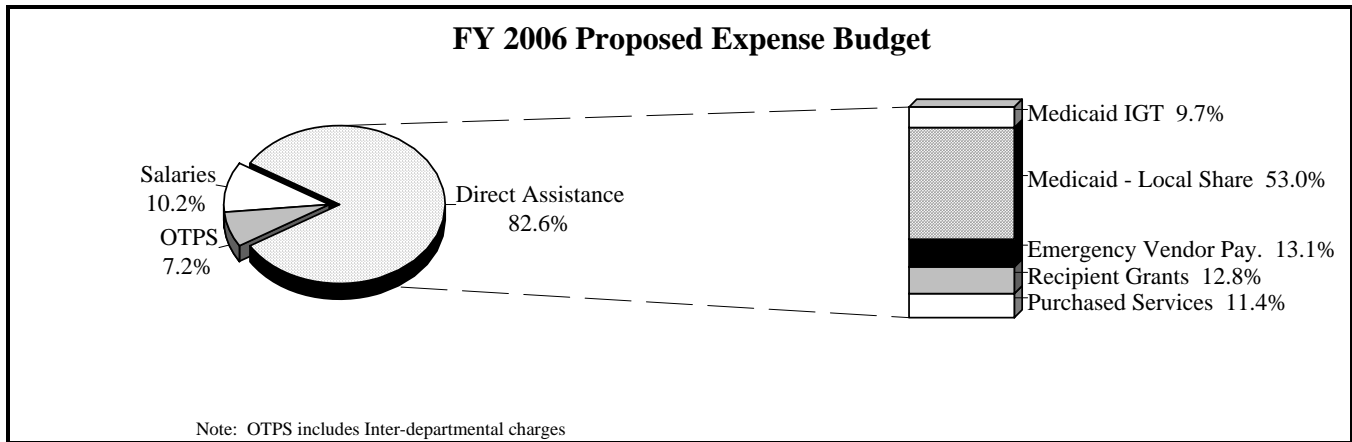
The proposed budget for other than personal services, less interdepartmental charges, is increasing by \$2.6 million, or 19.8%, all of which represents additional funding for contractual services. Of this amount, \$1.5 million is related to the County Executive's outreach initiative to the community-based not-for-profit agencies. Also added was funding of \$500,000 for a new contract for automated case management related to long term home health care, and \$220,000 for the PINS program to hire two contract social workers. In addition, the department contracts for IT services, software licensing,

process serving and employment assessment. The lines for general expenses and equipment are remaining relatively flat.

Inter-departmental charges are increasing by \$8.9 million, or 83.3%, to \$19.5 million. These charges are intended to identify and allocate the costs incurred by other departments on behalf of the Department of Social Services. A corresponding revenue gets booked to the department providing the service as an inter-departmental revenue (BJ). A large part of the FY 06 increase is attributable to the addition of a line for indirect charges in the amount of \$5.4 million. This expense represents the department's portion of the costs for such centralized governmental operations as payroll, human resources, and legal services.

Inter-Departmental Charges	Adopted 2005	Executive 2006	+/-
Probation Charges	\$835,375	\$0	(835,375)
Mental Health Charges	173,915	0	(173,915)
Drug & Alcohol Charges	547,096	0	(547,096)
Printing Graphics & Mail Services	221,838	150,816	(71,022)
Postage Charges	1,265	0	(1,265)
Information Technology Charges	505,561	290,352	(215,209)
Purchasing Charges	87,397	79,317	(8,080)
Fleet Maintenance Charges	16,696	16,696	0
Building Occupancy Charges	5,390,707	4,512,473	(878,234)
Workers Compensation Exp	524,050	625,500	101,450
Gis Charges	106,678	0	(106,678)
Gasoline Charges	8,671	8,671	0
Telecommunication Charges	854,952	651,652	(203,300)
HHS Charges	0	6,939,412	6,939,412
County Attorney Charges	378,604	0	(378,604)
PDH Charges (ISA)	761,367	807,987	46,620
PDH Charges	129,036	41,520	(87,516)
Correctional Center Charges	120,000	0	(120,000)
Indirect Charges	0	5,416,628	5,416,628
	<u>\$10,663,208</u>	<u>\$19,541,024</u>	<u>\$8,877,816</u>

In 2005, DSS, along with the other HHS departments, re-located to leased space at 60 Charles Lindbergh Boulevard, creating a new Health and Human Services Facility. The building occupancy charges represent the department's portion of the expenses related to the new location. Other inter-departmental charges which appeared in the FY 05 budget have been zeroed out as a separate line in FY 06, and been consolidated under HHS charges (for example charges for Probation, Mental Health, Drug and Alcohol, County Attorney, and the correctional Center). The Probation charges represent the cost of additional officers dedicated to the PINS initiative. The PDH charges represent the costs to the Police Department for providing security. DSS has entered into inter-departmental service agreements with the Office for the Physically Challenged, the Department of Drug & Alcohol Addiction, Senior Citizens Affairs, and the Veterans Services Agency in connection with the Information & Referral (I & R) functions provided by those agencies as part of the "No Wrong Door" consolidated services policy. DSS, mandated under Title XX to refer clients to available programs, will purchase the I & R services provided by the other HHS agencies. The selling agencies will receive inter-departmental revenue from DSS to cover their costs, and DSS will be eligible to obtain 60% reimbursement.



As can be seen in the chart above, direct assistance is the largest expense category for Social Services, making up 82.6% of the budget. Medicaid – local share comprises 53.0% of direct assistance.

Medicaid is a jointly-funded, federal-state health insurance program for certain low-income and needy people, including children, the aged, blind, and/or disabled, and people who are eligible to receive federally assisted income maintenance payments. Medicaid payments are used to pay for nursing homes, hospital bills, prescription medicine, doctors, dentists, medical transportation, etc. Although states are required to pay for a core set of benefits, they can choose to offer such optional benefits as prescription drugs and dental care. The amount that is the responsibility of the County varies depending on the type of expenditure. On average, the County pays for approximately 18% of the total Medicaid expense (the State pays the bill and the County reimburses the State for the local share). It should be noted that although nursing homes account for the largest portion of gross Medicaid dollars spent in Nassau, the largest expense for the County is hospital care, which requires a much greater local share percentage than nursing homes.

As part of the enacted State budget for 2005-2006, the governor and the State Legislature put in place a cap on the growth of the local share of Medicaid. Ken Crannell, the Intergovernmental Director of the New York State Association of Counties (NYSAC) wrote that the cap “represents the most significant change to New York’s fiscal policy since Medicaid’s inception, and will provide an unprecedented level of budget stability at the local level.”² The legislation establishes calendar year 2005 as the base year for determining the annual local expenditure ceiling. An inflationary factor, starting at 3.5% in FY 06, 3.25% in FY 07, and 3.0% in years 2008 and thereafter, will be applied to the FY 05 base amount. The County will pay the lesser of either the capped amount or its actual expenditures. In 2008, counties will have a choice about how the local share payment to the State will be made. It can be either an annual payment at the capped amount or:

- a fixed percentage of local sales tax revenue to be intercepted from county sales tax payments on a monthly basis.

To help counties determine whether to adopt the sales tax swap option, the Department of Taxation and Finance is required to provide counties no later than April 13, 2007 with the

² Crannell, Ken, “Understanding The Medicaid Cap”, NYSAC News, Summer 2005, p.8

percentage of sales tax that would be intercepted. If a county selects the sales tax intercept option, it must adopt a resolution no later than September 30, 2007.³

The 2006 – 2009 Multi-Year Plan states that, “The County would choose the [sales tax swap] only if it reached the conclusion that future sales tax revenues are likely to grow an average of less than 3% per year, which at this point appears to be a very remote possibility.”

The impact of the cap is clearly seen by glancing back at the 2005-2008 Multi-Year Plan, submitted September 15, 2004. That plan projected outyear Medicaid growth of 13.5% in FY 06, and 12.5% in FY 07 and FY 08. Compare that to the numbers in the 2006-2009 plan:

MYP 2006-2008				
Medicaid Local Share				
Projected 2005	2006	2007	2008	2009
209,912,576	214,609,343	221,348,284	227,568,845	234,395,910
% change	2.2%	3.1%	2.8%	3.0%

If the pre-cap estimates of Medicaid’s rate of growth in the 2005-2008 MYP were still operative, the County would have had to plan for additional expenses of \$23.7 million in FY 06, \$46.7 million in FY 07, and \$73.9 million in FY 08.

Another advantage of the cap is that it will moderate the effect of increasing health care costs and the continued rising trend in Medicaid caseload:

Total Medical Assistance Caseload		
Month	Cases	Annual % Change
Sep-95	38,797	4.8%
Sep-96	39,709	2.4%
Sep-97	40,054	0.9%
Sep-98	40,853	2.0%
Sep-99	41,422	1.4%
Sep-00	42,698	3.1%
Sep-01	43,595	2.1%
Sep-02	47,389	8.7%
Sep-03	55,570	17.3%
Sep-04	69,109	24.4%
Aug-05	73,943	7.0%

The proposed budget for the local share of Medicaid is decreasing by \$67.1 million, or 23.8%, to \$214.6 million. As previously mentioned, this is the net amount of County share. As a result of the method in which the cap will be implemented, the County will no longer receive Medicaid related revenue. The calculation to determine the cap base, utilizing the State formula, applied estimated revenues of \$64.3 million as an offset against the estimated 2005 expenses. The 2005 Medicaid cap base as calculated by

³ Ibid, p. 8

OMB using the state formula is \$207.4 million. Applying the FY 06 inflator of 3.5% yields the budgeted amount of \$214.6 million. This past summer, the State Division of the Budget sent each county a preliminary estimate, based on 2004 data, of its base year and one-time accrual savings (see below). According to the State Comptroller's Medicaid Cap Legislation Advisory July 2005, "These estimates will be updated in November 2005 when the base year calculation is established, with a final reconciliation of the 2005 base year calculation on June 30, 2006."

The department will recognize additional Medicaid savings in FY 05 as a result of an accounting change, from an accrual basis to a cash basis, related to the implementation of the cap. As described in the State Comptroller's Advisory, this one-time, year end accrual benefit will occur:

because the State will be relieving counties of the year end local accrued liabilities associated with various Medicaid expenditures where cash reimbursement is lagged, offset by accrued revenue receivables which would typically be paid to the counties after year end. While not every county will have a net benefit from this accrual closeout process, most should realize a benefit for 2005.

DSS estimates that it will save \$13.5 million in FY 05 as a result of that change.

The Department of Social Services will continue to administer the Medicaid program on behalf of Nassau County residents, based on guidelines established by the New York State Department of Health. As described by NYSAC:

Under this plan, a Medicaid specific administrative cap will be implemented during 2005-06 and in subsequent years, counties will be reimbursed for their administrative expenses over the Medicaid cap...[T]he state will examine all issues related to this change in Medicaid payment responsibility, including options for the future administration of the program.⁴

In conjunction with the State's assumption of a greater share of local Medicaid expenses, a number of cost containment measures were put in place such as an assessment on general hospital gross receipts, a preferred drug program, new co-payment requirements for Family Health Plus, increased co-payment requirements for Medicaid fee for service and managed care drug purchases, and the freeze on Medicaid managed care premiums. A smart government initiative has been implemented around these measures, as discussed below.

The County will benefit from another initiative related to Medicaid. New York State has just completed a phased-in takeover of the local share of the Family Health Plus program. The original schedule called for the State to assume 50% of the costs in FY 05 and all costs as of January 1, 2006, but that date was moved up to October 1, 2005. The County had planned to pre-pay the projected FY 05 program costs of \$14.3 million (one half of projected total annual costs of \$28.6 million) in FY 04 utilizing tobacco securitization funds. Therefore that expense was not included in the FY 05 Medicaid budget. For some reason the prepayment was not made.

Starting in October 2001, Family Health Plus has been available to single adults, couples without children, and parents with limited income who are residents of New York State and are United States citizens or fall under one of many immigration categories. Health care is provided through participating

⁴ Ibid, p. 8

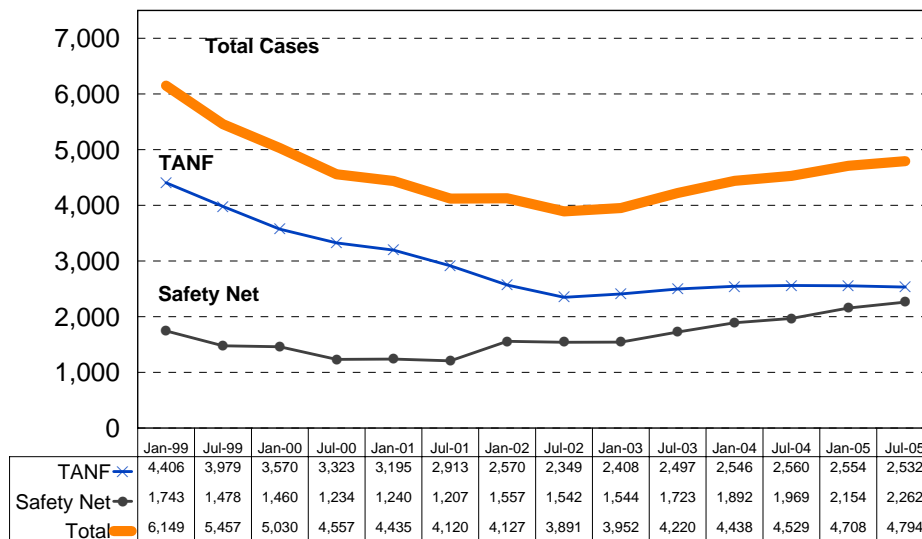
managed care plans. The explosive growth of the program can be seen in the chart below, which shows the monthly caseload for Family Health Plus enrollees in Nassau County since the program's inception (a case can represent up to two individuals):

Month	Cases	% Change
Sep-01	0	
Mar-02	321	
Sep-02	1,230	283.2%
Mar-03	3,740	204.1%
Sep-03	6,416	71.6%
Mar-04	9,060	41.2%
Sep-04	11,569	27.7%
Mar-05	12,752	10.2%
Aug-05	14,078	10.4%

Since October 1, 2001, with the implementation of its Medicaid Managed Care program, Nassau has been authorized to enroll Medicaid applicants into one of the HMO's that have contracted with the County to provide health services. Capitated managed care costs for Medicaid-eligible individuals cost the County less than paying on a fee for service basis. Through August of this year 77% of those eligible have been enrolled.

Also included in the Medicaid control center is the allocation for the County's contribution to New York State for the Intergovernmental Transfer (IGT). The IGT is a funding mechanism to provide increased federal aid to public hospitals (and formerly, nursing homes). The County will be reimbursed 100% by the Nassau Health Care Corporation (NHCC) for its IGT payment, which is budgeted at \$39.6 million. An equal amount is reflected in the department's revenue budget. It appears that there may be a positive change in the way in which the IGT funds are disbursed, and that more of the aid will end up with the Nassau University Medical Center. The County would still be made whole for its contribution.

**Nassau County TANF & Safety Net Caseload
January 1999 - July 2005**



The proposed FY06 funding for recipient grants is essentially remaining flat, with a slight \$48,000 increase to \$51.7 million. Compared, however, to the current year's projected actuals of \$48.3 million, the FY 06 budget would be a \$3.4 million, or 7.0% increase. Almost half of the proposed budget for recipient grants will be used to fund Temporary Assistance to Needy Families, or TANF (formerly referred to as Aid to Families with Dependent Children), which is decreasing by \$1.2 million, or 4.7%, to \$24.6 million. States receive a block grant allocation and are required to maintain a historical level of spending known as maintenance of effort. States may use TANF funding "to provide assistance to needy families so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families."⁵ The other half is divided between Safety Net Assistance (formerly referred to as Home Relief), increasing from \$16.2 million to \$17.0 million, and various other programs, such as Subsidized Adoptions, Children in Foster Homes, and Low Income Home Energy Assistance (LIHEAP), which will receive the remaining \$10.1 million. In December of 2001, the first TANF recipients began to reach the 5-year maximum term that a family would be allowed to participate in this program. Those individuals who cannot find other means of support have to apply for the Safety Net program (Home Relief). The chart on the previous page shows TANF caseloads decreasing by 1.5% since January 2002, while Safety Net cases have risen almost 45.3% in that same period. This trend is significant because the County contributes 50% for the Safety Net program, but only 25% for TANF.

Earlier this year Governor Pataki proposed the creation of a Flexible Fund For Family Services (FFFS), the goal of which was to allow for greater local discretion in the expenditure of TANF funding. Each county would be apportioned its share of the billion dollars in the fund as a lump sum amount to be utilized for any federally allowable TANF purpose. The State Legislature had a different vision of what FFFS should be, and NYSAC described what emerged from Albany as follows:

The final TANF agreement resembles the approach favored by the legislature, which reduces the FFFS to \$600 million and directs specific TANF allocations for child care funding and other specific legislative initiatives. Given the overall reduction provided in the original block grant proposal and the new funding restrictions, the final approach will create challenges for counties as they implement this new TANF framework.⁶

LIHEAP is a Federally-funded program that assists low-income households in paying their bills, energy crisis management, weatherization and energy-related home repairs. The budget for the program is increasing from \$1.9 million to \$2.4 million. With the predictions of high fuel oil costs for this coming winter, there may be more than the usual number of households who will require some form of assistance during the cold weather months.

The costs associated with day care are recorded as purchased services. Child care is provided not only for individuals on temporary assistance, but also to those working families who meet income guidelines for subsidies. This allocation will slightly increase by \$126,000, from \$45.9 million to \$46.0 million. Compared to the projected actuals for the current year, the budgeted amount for FY 06 would be an increase of \$1.8 million or 4.2%. Caseload peaked at 5,000 at the end of 1999, and has averaged

⁵ "Welfare Fact Sheet", U.S. Department of Health and Human Services: Administration for Children and Families, September, 2000.

⁶ Ken Crannell, "Eleventh Hour Agreement Finalizes State Budget, Enacts Medicaid Relief", NYSAC Weekly Wire, April 19, 2005

approximately 3,230 cases per month since then. The trend has been a steady reduction since July 2004. The monthly average for the first eight months of the current year is 2,842.

The funding for emergency vendor payments is increasing approximately \$2.2 million, or 4.4%, over the FY 05 budget of \$50.8 million, and \$1.5 million, or 3.0%, over this year’s projected actuals. These costs are related to various programs, including training schools, education of handicapped children, juvenile delinquents (CC65), Children in Institutions (CC62), and Persons in Need of Supervision (PINS). Expenses cover such items as room and board, education, and childcare.

The chart below shows the expense amount allocated to each of the department’s control centers, which correspond to the various programmatic areas. The large year to year variance in Administration is mostly related to the substantial increase in inter-departmental charges.

EXPENSE BUDGET BY CONTROL CENTER						
Control Center	Adopted FY 05 Budget	Departmental Request FY 06	Executive FY 06	Variance Exec. vs. FY 05	Variance Exec. vs. Request	
10 Administration	\$17,010,289	\$8,546,265	\$26,717,619	\$9,707,330	\$18,171,354	
20 Public Financial Assistance	34,195,261	34,120,030	34,813,441	618,180	693,411	
30 Services	17,180,048	19,743,554	19,605,704	2,425,656	(137,850)	
51 Juvenile Detention Center	3,853,278	3,809,426	4,127,591	274,313	318,165	
52 Real Estate Expense	3,000	1,000	1,000	(2,000)	0	
53 Educ. Handicapped Children	11,000,000	13,000,000	13,000,000	2,000,000	0	
55 Food Stamp Program	1,600	1,000	1,000	(600)	0	
60 Family Assistance	30,028,600	30,060,000	29,060,000	(968,600)	(1,000,000)	
61 Safety Net Assistance	17,454,000	19,034,000	18,534,000	1,080,000	(500,000)	
62 Children in Institutions	20,000,000	20,000,000	20,000,000	0	0	
63 Children in Foster Homes	1,780,000	1,776,000	1,776,000	(4,000)	0	
65 Juvenile Delinquents	8,560,800	8,560,800	8,560,800	0	0	
66 Training Schools	2,550,000	2,250,000	2,250,000	(300,000)	0	
68 Children in Institutions - 4E	2,200,000	2,200,000	2,200,000	0	0	
69 Children in Foster Homes - 4E	1,983,600	1,815,400	1,815,400	(168,200)	0	
70 Subsidized Adoptions	4,675,000	4,816,600	4,816,600	141,600	0	
72 Burials	300,000	300,000	300,000	0	0	
73 Medicaid MMIS	322,721,873	256,833,222	254,183,049	(68,538,824)	(2,650,173)	
75 HEAP	1,900,000	2,400,000	2,400,000	500,000	0	
76 Title XX	45,881,814	46,311,951	46,011,951	130,137	(300,000)	
Total	\$543,279,163	\$475,579,248	\$490,174,155	(\$53,105,008)	\$14,594,907	

The proposed budget has added 21 full-time positions and eliminated 40 part-time positions. In addition to the General Fund positions, the department has 54 fully grant-funded employees. Three of the new full-time positions will be utilized in the creation of a scanning unit, which will take over the ongoing digitizing all incoming documents when the contract with Unisys expires. The department requested the same number of part-time staff as are in the current budget, but received instead an additional nine full-

time personnel. The goal, according to the department’s budget summary, is to obtain “greater levels of experience, stability and productivity.” Four top-level administrative positions have also been added.

Department of Social Services Staffing Analysis						
	FY 05 <u>Adopted</u>	Sept-05 <u>Actual</u>	FY 06 <u>Request</u>	FY 06 <u>Executive</u>	Exec. vs <u>05 Adopt</u>	Exec. vs <u>Actual</u>
CC Full-time Staffing						
10 Administration	82	86	97	95	13	9
20 Public Financial Assistance	466	424	432	440	(26)	16
30 Services	262	289	292	295	33	6
51 Juvenile Detention Center	42	43	43	43	1	0
Total Full-time	<u>852</u>	<u>842</u>	<u>864</u>	<u>873</u>	<u>21</u>	<u>31</u>
CC Part-time and Seasonal						
10 Administration	26	24	26	24	(2)	0
20 Public Financial Assistance	81	56	81	46	(35)	(10)
30 Services	55	54	55	53	(2)	(1)
51 Juvenile Detention Center	33	33	33	32	(1)	(1)
Total Part-time and Seasonal	<u>195</u>	<u>167</u>	<u>195</u>	<u>155</u>	<u>(40)</u>	<u>(12)</u>

In providing social services to the citizens of Nassau, the County receives substantial assistance from the federal government (projected at \$94.3 million for FY 05) and New York State (projected at \$106.3 million). The chart below illustrates the relationship of federal/state aid to each control center. Please note that most of the expenditures for the Medicaid control center reflect payments to the State for the County portion only, therefore reimbursement is not necessary. In addition, the Medicaid related revenue that the County had been receiving until this year will be netted against the FY 06 expenditures. If Medicaid is excluded, 65.1% of the department’s budget is federal/state funded. Similarly, expenditures in the Food Stamp (Food Assistance Program - aid to legal immigrants not paid for by the federal government) and Training Schools control centers reflect the county share, therefore no reimbursement is required.

**FY 05 FEDERAL AND STATE AID
BY CONTROL CENTER**

Control Center	Expenses	\$			%
		Federal Aid	State Aid	Federal/ State Funded	Federal/ State Funded
Administration	\$26,717,619	\$6,168,359	\$10,391,993	\$16,560,352	62.0%
Public Financial Assistance	34,813,441	22,132,384	7,425,919	29,558,303	84.9%
Division of Services	19,605,704	9,111,915	6,048,192	15,160,107	77.3%
Juvenile Detention Center	4,127,591	0	2,900,358	2,900,358	70.3%
Real Estate Expense	1,000	0	0	0	0.0%
Educ. Handicapped Children	13,000,000	0	5,200,000	5,200,000	40.0%
Food Stamp Program	1,000	0	0	0	0.0%
Family Assistance	29,060,000	8,625,000	8,050,000	16,675,000	57.4%
Safety Net Assistance	18,534,000	0	7,554,150	7,554,150	40.8%
Children in Institutions	20,000,000	12,000,000	1,400,000	13,400,000	67.0%
Children in Foster Homes	1,776,000	890,000	493,950	1,383,950	77.9%
Juvenile Delinquents	8,560,800	3,518,289	1,369,728	4,888,017	57.1%
Training Schools	2,250,000	0	0	0	0.0%
Children in Institutions - 4E	2,200,000	0	1,100,000	1,100,000	50.0%
Children in Foster Homes - 4E	1,815,400	830,363	453,750	1,284,113	70.7%
Subsidized Adoptions	4,816,600	1,829,795	2,287,244	4,117,039	85.5%
Burials	300,000	0	6,000	6,000	2.0%
HEAP	2,400,000	2,400,000	0	2,400,000	100.0%
Title XX	46,011,951	26,901,452	4,505,683	31,407,135	68.3%
Sub-Total	235,991,106	94,407,557	59,186,967	153,594,524	65.1%
Medicaid MMIS	254,183,049	0	0	0	0.0%
Total	\$490,174,155	\$94,407,557	\$59,186,967	\$153,594,524	31.3%

The chart on the following page displays the department’s revenue budget. A line has been added in FY 06 for fund balance. This \$1.5 million will be utilized for the County Executive’s proposal “to entice community based not-for-profits to join our ‘No Wrong Door’ initiative to deliver better, more cost efficient Social Services.” A corresponding \$1.5 million has been added to contractual services in the expense budget. The large reduction in state aid is associated with the Medicaid cap’s application of Medicaid revenues as an offset against expenses. The expenses will be lowered by the amount of revenue the County would have received (\$61.0 million was budgeted in FY 05). Most of that revenue was received as overburden aid related to the formerly institutionalized mentally ill. Federal aid for Medicaid has also been removed (\$2.5 million budgeted in FY 05). DSS will receive approximately \$1.4 million in state aid as reimbursement for its Information & Referral services on behalf of other agencies in the HHS vertical. Departmental revenues is made up of recoveries and liens.

REVENUE BUDGET						
Revenue Class	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. Vs FY 05 Proj.
AA Fund Balance	\$0	\$0	\$0	\$1,500,000	\$1,500,000	\$1,500,000
BH Departmental Revenues	10,878,900	11,888,900	9,467,000	9,467,000	(1,411,900)	(2,421,900)
BX Medicaid IGT Reimb.	40,973,706	40,973,706	37,193,706	39,573,706	(1,400,000)	(1,400,000)
FA Federal Aid - Reimb Exp	99,777,642	94,277,642	92,763,201	94,407,557	(5,370,085)	129,915
SA State Aid - Reimb Exp	106,876,231	106,327,281	51,409,296	59,186,967	(47,689,264)	(47,140,314)
Grand Total	\$258,506,479	\$253,467,529	\$190,833,203	\$204,135,230	(\$54,371,249)	(\$49,332,299)

Out-Year Initiatives

The following out-year initiatives have been included in the FY 06 – 09 Multi-Year Financial Plan:

NAME	FY 2007	FY 2008	FY 2009
Medicaid Cost Containment	\$2,600,000	\$2,600,000	\$2,600,000
Persons in Need of Supervision	\$1,006,873	\$1,057,217	\$1,110,077
HHS Administrative Consolidation	\$1,778,544	\$3,278,544	\$3,278,544
Program Reductions	\$1,000,000	\$1,000,000	\$1,000,000

The initiative for **Medicaid cost containment** is expected to provide savings of \$2.6 million annually against the out-year baseline. The cost containment measures referred to are the ones enacted earlier this year by the State in association with the Medicaid cap. They include changes to assessments, rates, inflationary factors, co-payments and reimbursement methodologies. The State estimated that Nassau County would realize cost containment savings of \$10.9 million. The MYP will recognize only \$2.6 million of that amount beginning in FY 07, “given that this is not under county control, and in the interest of conservative budgeting.”

The **Persons in Need of Supervision (PINS)** initiative was discussed earlier. In addition to the savings of \$1.5 million that has been incorporated into the FY 06 budget and baseline, this initiative will also provide additional out-year budgetary relief. Savings of \$1 million in FY 07, and \$1.1 million in FY 08 and FY 09, have been included in the MYP.

The **HHS administrative consolidation** was discussed earlier. In addition to the savings of \$1.7 million that has been incorporated into the FY 06 budget and baseline, this initiative will also provide additional out-year budgetary relief. The anticipated savings of \$1.8 million in FY 07 and \$3.3 million in the following two years are based on the experience of similar initiatives in other counties. These amounts are net of any available reimbursement.

The **program reductions** initiative, beginning in 2007, will be made up of cuts in contractual costs for non-mandated programs in Health and Human Services departments. The bulk of the savings, \$890,000 annually in years 2007-2009 would come from Social Services. The exact distribution of the cuts has not yet been determined. It is not known at this time what the impact will be on the programs’ providers and clients.

SENIOR CITIZEN AFFAIRS

The Department of Senior Citizen Affairs is the designated Area Agency on Aging in Nassau County, and is the principal agency designated to carry out the provisions of the Older Americans Act of 1965 as amended. The department receives funding from Federal and State agencies for program planning, administration and operations. The agency is comprised of the following three responsibility centers: 1) Administration, 2) Programs, and 3) Fiscal/Human Resources.

Currently residing at 60 Charles Lindbergh Blvd., the department serves as a funding agency for programs offered by other voluntary and government agencies. In addition to serving as an advocate for approximately 260,000 elderly citizens residing in Nassau County, or approximately 19% of the County’s population, the department provides more than 90 programs in the areas of health, employment, legal services, volunteerism, home care, transportation, nutrition, etc., as well as information on housing, to improve the quality of life for older persons

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$2,257,727	\$2,243,299	\$2,461,951	\$2,404,769	\$147,042	\$161,470
BB	Equipment	6,140	6,140	6,000	6,000	(140)	(140)
DD	General Expenses	38,225	38,225	60,036	60,036	21,811	21,811
DE	Contractual Services	10,875,154	10,875,154	12,279,912	12,279,912	1,404,758	1,404,758
	Total OTPS	10,919,519	10,919,519	12,345,948	12,345,948	1,426,429	1,426,429
HF	Inter-Depart Charges	995,277	995,277	0	1,407,862	412,585	412,585
	Grand Total	\$14,172,523	\$14,158,095	\$14,807,899	\$16,158,579	\$1,986,056	\$2,000,484

The department aggregate expense budget will increase by nearly \$2.0 million in FY 06, of which \$1.4 million is attributable to an increase in contractual services. Excluding inter-departmental charges, the total OTPS expense budget, which comprises 76.4% of the overall budget, will also increase from FY 05 by the same \$1.4 million, suggesting the significance of contractual services in the department’s overall budget for FY 2006. The 13% growth in contractual services points toward additional reimbursable funds the department will receive in FY 06, which includes a greater allocation from the State in Extended In-Home Services for the Elderly (EISEP).

Salaries in the Senior Citizens budget will increase by \$147,042 or approximately 6.5% in 2006. Compared to FY 05 projections, the growth approximates 7.2%. This escalation is the result of several expenditure sources including: 1) two full-time and one part-time employee hired for the second half of the year; 2) the cost of CSEA COLA contractual increases; and 3) an additional \$12,195 of termination pay.

SENIOR CITIZEN AFFAIRS

A detailed list of the Department of Senior Citizen Affairs's FY 06 proposed contracts and associated funding follows. The \$12.3 million variance from FY 05 represents an increase of approximately 12.8%.

CONTRACT LIST: SENIOR CITIZENS AFFAIRS			
Contractor/Program	2006 Amount	Contractor/Program	2006 Amount
EISEP Blanket	2,344,970	To be determined-2006 audit	30,000
Catholic Charities-IIIC	1,261,344	Helen Keller-IIIB	18,380
Catholic Charities-SNAP	155,585	Helen Keller-IIIC	30,855
Catholic Charities-CSE/TR	519,131	Herricks-CSE/CSI	121,743
Catholic Charities-EISEP	612,149	Herricks-IIIC	59,732
Catholic Charities-IIIE	73,985	Herricks-IIIE	11,716
Coral House-FGP luncheon	2,345	Hispanic Brotherhood-IIIC	28,255
Cornell Cooperative Ext-IIID	25,000	JASA-IIIB	107,968
Doubleday-IIIB/Trans/Bus	71,611	JASA-IIIC	356,638
Doubleday-IIIC	97,124	JASA-SNAP	107,466
EAC-IIIC (Hemp) ¹	229,725	JASA-EISEP	195,945
EAC-IIIC (Pt. Wash)	76,010	Leonards-RSVP lunch	12,800
EAC-IIIB (Hemp)	133,757	LI Alzheimers Assn-IIIE	50,000
EAC-IIIB (Pt Wash)	89,369	Marriott-May Conference	15,456
EAC-IIID	37,000	Nassau Health Care-drug test	300
EAC-SNAP	150,495	Nassau Health Care-flu prog	1
EAC-CSI	40,000	N/S Law Services-IIIB	180,909
FCA-IIIB/Ombuds ²	82,389	PCC-CSE	288,122
FCA-IIIB/SFC	97,541	Port Washington Sr Cits-IIIC	14,130
FCA-IIIB/Comm Support	447,217	Professional Health-IIIE	50,000
FCA-IIIB/MAP	269,138	Salvation Army-IIIB	85,007
FCA - IIIE	102,512	Salvation Army-IIIC	207,825
FCA-EISEP	592,147	Salvation Army-SNAP	61,282
FCA-IIIB SAFE	25,000	Salvation Army-IIIE	11,918
FCA-IIIC	461,122	Sid Jacobson - IIIE	75,550
FISH-CSE	7,747	Urban League-CSE HOPE	40,526
Five Towns Inwood - IIIB	52,703	Information & Referral Services (*)	390,562
Five Towns Inwood - IIIC	81,984	VNA-IIIC	520,318
Glen Cove-IIIB	86,682	VNA-SNAP	251,168
Glen Cove-IIIC	133,222	Westbury SC-IIIC	18,504
Glen Cove-IIIE	47,571	YOM-CSE	90,161
Great Neck-IIIB	130,171	YOM-IIIC	97,503
Great Neck-IIIC	121,223	Title IIIE funds to be allocated	91,203
		Total	\$12,279,912

(*) SS SC exchange allocated to Title IIIE Contracts

¹Education & Assistance Corp.

²Family & Child Association

To accommodate mass mailings in FY 06, the newly budgeted \$24,000 for postage and postage delivery contributes to the upward shift in general expenses from FY 05.

Inter-departmental costs of \$1.4 million have been charged to the Department of Senior Citizen Affairs, demonstrating an upward change of 41% from FY 05. Included in these costs are \$533,843 of building occupancy charges, \$516,873 of indirect charges and \$147,401 of IT charges.

EXPENSE BUDGET BY CONTROL CENTER						
Control Center	Adopted FY 05 Budget	Departmental Request FY 06	Executive FY 06	Variance Exec. vs Adopted 05	Variance Exec. vs Request	
10 Senior Citizens Affairs	\$3,304,636	\$2,571,934	\$3,922,614	\$617,978	\$1,350,680	
20 Com. Svcs for Elderly	1,371,643	1,527,294	1,527,294	155,651	0	
30 Nutrition Program	3,731,608	3,660,719	3,660,719	(70,889)	0	
35 Sr. Citizens Comm. Ctr.	93,421	93,421	93,421	0	0	
40 Area Agency Title III - B	1,772,181	1,877,842	1,877,842	105,661	0	
50 Foster Grandparents	25,868	3,465	3,465	(22,403)	0	
60 Extend. In-Home Svcs.	2,662,795	3,340,211	3,340,211	677,416	0	
65 SNAP (Nutrition Program)	690,119	725,996	725,996	35,877	0	
66 Title IIID/Health Promotion	97,000	102,000	102,000	5,000	0	
67 Title IIIE/(Care Givers)	423,252	905,017	905,017	481,765	0	
Total	\$14,172,523	\$14,807,899	\$16,158,579	\$1,986,056	\$1,350,680	

The Department of Senior Citizen Affairs contains nine cost centers that are related to state and federally funded programs as well as Senior Citizen Affairs (CC 10). The FY 06 total expense budget for the department of Senior Citizen Affairs is 14% more than the FY 05 budget. Senior Citizen Affairs (CC 10) increased by 19%, or \$617,978, accounting for inter-departmental charges. Community Services for Elderly (CC 20) increased by 11%. The 87% variance in the Foster Grandparents program (CC 50) from FY 05 represents the transfer of a program worker to be charged via a contract with the Family and Children Association (FCA) in FY 06. The Foster Grandparents program places low-income, eligible senior citizens in day care centers, schools, hospitals, etc., to work 20 hours per week, one-on-one with children under the age of 17 with special needs. This transfer will not affect the level of services provided by the program.

The Department of Senior Citizen Affairs receives its State funding from the New York State Office for the Aging based on several criteria, specific to program functions. A greater allocation by the New York State Office for the Aging accounts for the increased expenditures in Extended In-Home Services for the Elderly (EISEP; CC 60). The services provided for under EISEP include provisions to those elderly in the community who need community based long-term care but who are not eligible for medical assistance (i.e. Medicaid and Title XX). Budgeted expenses for the Supplemental Nutrition Assistance Program (S.N.A.P.; CC 65), which is an in-home nutrition State program, the Nutrition Program (CC 30), a federal in-home nutrition program, Title IIIE Care Givers Program (CC 67) and Title IIID Health Promotion Program (CC 67) are based on receiving the same funding from the New

York State Office for the Aging as in FY 05. S.N.A.P and the Nutrition Program provide hot nutritious meals to the elderly either at home or at a community-based senior center. Title IIID, under the purview of the Health, Promotion, Education & Recreation Program promotes health and well-being among elderly Nassau residents. The Caregiver Program offers respite, day care counseling, information and referrals, and support groups to adult caregivers who provide informal care to persons aged 60 years and up.

Department of Senior Citizen Affairs Staffing Analysis						
	FY 05 <u>Adopted</u>	Sept-05 <u>Actual</u>	FY 06 <u>Request</u>	FY 06 <u>Executive</u>	Exec. vs <u>05 Adopt</u>	Exec. vs <u>Actual</u>
Full-time Staffing	35	36	38	37	2	1
Part-time Staffing	3	6	8	8	5	2

The additional two full-time and five part-time employees for FY 06, as compared to FY 05 will be used to administer the additional monies provided by State aid to the department. Compared to Sept.05 actual, head count will increase by one full-time Senior Citizen Program Development Specialist, and two part-time positions, one custodian and one food service worker.

REVENUE BUDGET							
Revenue Class	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.	
BH Department Revenues	\$15,000	\$15,000	\$15,450	\$15,450	\$450	\$450	
BJ Inter-departmental Revenues	72,277	72,277	0	390,562	318,285	318,285	
FA Federal Aid - Reimbursable	5,148,501	5,148,501	5,034,374	5,034,374	(114,127)	(114,127)	
SA State Aid - Reimbursable	4,024,770	4,024,770	4,688,045	4,688,045	663,275	663,275	
Grand Total	\$9,260,548	\$9,260,548	\$9,737,869	\$10,128,431	\$867,883	\$867,883	

Departmental revenues will remain relatively stable from the prior three years with a forecast of \$15,000. An annual luncheon/conference sponsored by the department every May is the source of these funds, which consists of a series of workshops directed toward senior citizen concerns. Although the event does generate revenue from attendees who pay for the tickets, the proceeds offset 100% of the costs incurred by holding the event. The Senior Citizen of the Year award is presented at this conference.

The department will receive approximately \$9.7 million, or approximately 96% of its total budgeted revenue of \$10.1 million from Federal and State agencies for program planning, administration and operations. The aggregate revenue budget for the department in FY 06 is increasing by \$867,883, or 9% from FY 05. An increase of 16% State aid from the FY 05 budget, and an additional revenue source

totaling \$390,562 from Information & Referral Services, budgeted as inter-departmental revenue explains the growth in budgeted revenues.

The \$390,562 in additional inter-departmental revenue from FY 05 is the direct result of an inter-departmental service agreement with the Department of Social Services (DSS), in which DSS purchases the Information & Referral Services provided by Senior Citizens Affairs as part of the County’s “No Wrong Door” policy. DSS then claims reimbursement for these services. By expensing Information & Referral services through DSS, rather than through Senior Citizens Affairs which has reached its reimbursable administrative cap, the County has been able to tap otherwise unavailable sources of revenue. Information & Referral services refers specifically to the advocacy, outreach, education and information offered to County residents regarding the health, human and social service programs offered.

Approximately 48% of the department’s funding is a State pass-thru of federal funds. In FY 05, an annual supplemental grant appropriation of \$240,000 from the New York State Office for the Aging (SOFA) was credited to the Foster Grandparents program to cover stipends and travel expenses for foster grandparents. In addition, the County is partially reimbursed for costs of operating the Foster Grandparent Program in Nassau County. No County match was required of this revenue source. Therefore, there was no net effect on the actual FY 05 budget since an equal amount of revenue and expenditure was recognized.

Out Year Initiatives:

The department has the responsibility for the implementation and monitoring of a portion of the **program reduction** initiative. This is part of a Countywide out-year initiative to save funds by reducing the contract expenses for non-mandated programs in Health and Human Services departments by \$1,000,000 as part of the Multi-year plan, beginning in 2007. Although the bulk of the savings will come from Social Services, (\$890,000 annually in years 2007-2009), the **program reductions** initiative will reduce the contract expenses of Senior Citizen Affairs by \$60,000 in years 2007-2009. This amount represents 0.49% of the total contract amount budgeted for FY 06. The exact distribution of contract expense reductions has not yet been determined, nor is it known at this time what the impact will be on the programs’ providers and clients.

NAME	FY 2007	FY 2008	FY 2009
Program Reductions	\$60,000	\$60,000	\$60,000

NASSAU COUNTY YOUTH BOARD

The Youth Board, presently residing at 60 Charles Lindbergh Blvd., was established in 1965 to coordinate, sponsor and evaluate Nassau County’s youth development services. The Youth Board is comprised of a twenty-member policy-making board defined by state and local law acting as fiscal and monetary agent for a variety of youth and family development programs through a network of 36 community-based organizations. In FY 06, the Youth Board will continue funding the Youth Violence and Gang Prevention/Intervention Initiative in the department’s ongoing efforts to serve Nassau County’s young people and their families.

**EXPENSE BUDGET
BY OBJECT CLASS**

Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$554,486	\$538,372	\$523,239	\$519,239	(\$35,247)	(\$19,133)
DD	General Expenses	1,725	1,725	11,800	11,800	10,075	10,075
DE	Contractual Services	7,366,394	7,466,394	7,576,823	7,576,823	210,429	110,429
	Total OTPS	7,368,119	7,468,119	7,588,623	7,588,623	220,504	120,504
HF	Inter-Depart Charges	593,777	593,777	0	599,952	6,175	6,175
	Grand Total	\$8,516,382	\$8,600,268	\$8,111,862	\$8,707,814	\$191,432	\$107,546

The FY 06 Executive budget for the Youth Board is \$8.7 million, which is 2.2% above the FY 05 adopted budget. The increase is due primarily to \$220,000 in OTPS charges, representing \$10,000 in general expenses and \$200,000 in contractual services, offset by approximately \$50,300 in FY 05 termination pay. Overall, it appears that the Youth Board will remain relatively stable when compared to the adopted FY 05 budget.

The salaries expense for the Youth Board in FY 06 is \$519,239, or a decrease of 6.4%, which is the direct effect of termination pay from FY 05. The FY 05 budget included \$50,316 of termination pay, which represented the third and final payment owed to employees who left in 2002. CSEA contractual raises will partially offset the savings in termination pay.

General expenses are budgeted for \$11,800; an increase of approximately \$10,000 from expenses adopted in FY 05. The majority of the expenses are attributable to \$5,600 for postage and postage delivery, and \$2,500 for office supplies and copy paper, formerly assigned as interdepartmental charges. The department utilized projected FY 05 costs as the baseline for the FY 06 request for postage expenses. The \$2,500 increase in office supplies is the result of the department’s underestimate of FY 05 supply costs.

Contractual services represents 87% of the total FY 06 proposed budget. The allocation for program agencies, which is related to community-based not-for-profit youth service agencies, will increase by \$210,429 from FY 05 levels. The 2.9% increase represents the continued funding for the Youth Violence and Gang Prevention/Initiative and a request for \$100,000 to cover programs partially funded in the 2005 budget. .

The following page details list of the Youth Board’s FY 06 proposed contracts and associated funding. This list represents only contracts funded through the General Fund. It should be noted that the \$63,827 difference from the budgeted contractual expenses represents monies that have not yet been allocated by the Youth Board.

As can be seen from the following, in FY 05 the department received \$1,190,399, which was distributed through grants and not part of the operating budget. Although the exact FY 06 grant amounts are not determined until later in the year, the department is anticipating funding at approximately the same level.

NASSAU COUNTY YOUTH BOARD	
2005 GRANTS	
<u>SPECIAL DELINQUENCY PREVENTION PROGRAM (S.D.P.P.)</u>	
F.C.A. of Nassau County / Beyond the Violence	\$15,000
F.C.A. of Nassau County / Contract Management	\$60,737
F.C.A. of Nassau County / PROJECT PRIDE	\$30,600
F.C.A. of Nassau County, Inc. / P.I.P.	\$90,300
Farmingdale Youth Board / FYB Changing Directions	\$12,552
Five Towns Community Center, Inc.	\$45,289
Freeport Pride, Inc.	\$39,511
Freeport Pride, Inc. / Job Preparedness	\$46,210
Glen Cove Boys / Girls Club at Lincoln House - Youth Employment and Development	\$89,357
Long Beach Reach, Inc.	\$39,182
Long Beach Reach, Inc. / Sharing & Caring	\$46,206
Long Island Advocacy, Inc.	\$32,500
Y.E.S. Community Counseling Center	\$16,055
2005 Health and Human Services - RUNAWAY PROGRAM	
Family and Children's Association, Inc.	\$100,000
U.S. Department of Agriculture/New York State Dept. of Education	
Food Vendor and Family and Children's Association, Inc.	\$350,000
New York State Department of Criminal Justice Services	
Freeport Pride, Inc.	<u>\$176,900</u>
<u>TOTAL GRANTS</u>	<u>\$1,190,399</u>

The aggregate revenue budget for the department will decrease by \$75,977 or 4.8% in FY 06 due to a decline in reimbursable State Aid. Funding from the State is based on per youth population allowance or a per capita rate for youths between the ages of 0-20, or \$4.52 in 2005. The per capita rate for youths between the ages of 0-20 was reduced by New York State from \$4.72 in 2004 to \$4.52 in 2005. Rates are based on 50% of eligible expenses up to a maximum set each year by New York State. The Youth Board is required to match State aid.

REVENUE BUDGET						
Revenue Class	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
SA State Aid - Reimbursable	\$1,599,310	\$1,523,333	\$1,523,333	\$1,523,333	(\$75,977)	\$0

The proposed budgeted staffing level of the Youth Board will remain flat at seven employees for the fifth consecutive year.

Nassau County Youth Board Staffing Analysis						
	<u>FY 05 Adopted</u>	<u>Sept-05 Actual</u>	<u>FY 06 Request</u>	<u>FY 06 Executive</u>	<u>Exec. vs 05 Adopt</u>	<u>Exec. vs Actual</u>
Full-time Staffing	7	7	7	7	0	0

Out Year Initiatives:

The department has the responsibility for the implementation and monitoring of a portion of the **Program Reduction** initiative. This is part of a Countywide out-year initiative to save funds by reducing the contract expenses for non-mandated programs in Health and Human Services departments by \$1,000,000 as part of the Multi-year plan, beginning in 2007. Although the bulk of the savings will come from Social services, (\$890,000 annually in years 2007-2009), the **program reductions** initiative will reduce the contract expenses of Youth Board \$50,000 annually. This amount represents 0.70% of the total contract amount budgeted for FY 06. The exact distribution of contract expense reductions has not yet been determined. The impact on the programs' providers and clients are not known at this time.

NAME	FY 2007	FY 2008	FY 2009
Program Reductions	\$50,000	\$50,000	\$50,000

NASSAU COUNTY YOUTH BOARD CONTRACTS

<u>AGENCY</u>	<u>2006</u> <u>CONTRACTS</u>	<u>AGENCY</u>	<u>2006</u> <u>CONTRACTS</u>
Advisory Council for the Youth of Mineola	189,500	I Support Roosevelt Committee	206,206
Big Brothers /Big Sisters of Long Island	46,000	La Fuerza Unida de Glen Cove	128,006
Circulo de la Hispanidad	164,810	Littig House Community Center	135,568
City of Glen Cove Youth Bureau	63,079	Littig House Community Center*	15,000
Comm. Wellness Council for the Bellmores/Merrick	25,000	Long Beach Martin Luther King Center	199,630
Concerned Citizens for Roslyn Youth	151,467	Long Beach REACH	248,496
COPAY, Inc	20,000	Long Island Advocacy	60,193
EAC-Mediation Alternative Project	39,969	LI Crisis Center - Runaway Homeless Youth	115,794
FCA/Nassau Haven	388,423	LI Crisis Center - Middle Earth Hotline	122,219
FCA/PACT (Parents and Children Together)	259,540	Manhasset/Great Neck E.O.C.	86,429
FCA/Walkabout for Young Men & Women	358,546	Nass. Cty. Coalition Against Domestic Violence	49,314
FCA/YAPP (Youth Adult/Participation Program)	119,523	North Shore Child & Family Guidance Assoc.	35,000
FCA/Youth and Community Development	716,872	North Shore Boys and Girls Club, Inc.	40,000
FCA/-Administration*	25,000	Operation Get Ahead, Inc.	134,000
Five Towns Community Center	313,821	Project Challenge of Long Island, New York	35,000
Floral Park Youth Council	15,000	Tempo Youth Services	35,000
Freeport Pride, Inc.	246,590	Time Out Club of Hempstead, Inc.	162,000
Gateway Youth Outreach	258,218	Uniondale Community Council	158,744
Gateway Youth Outreach*	20,000	Westbury Comm. Improvement Corp., Inc.	164,074
Hempstead Hispanic Civic Association	40,000	YES Community Counseling Center	205,508
Hicksville Teen-Age Council	151,712	Yours, Ours, Mine Community Center	223,649
Hispanic Brotherhood of Rockville Centre	80,086	Youth & Family Counseling of OB/EN	62,000
Hispanic Counseling Center	153,010		
		sub-total	<u>\$6,467,995</u>

GANG AWARE INITIATIVE

Advisory Council for the Youth of Mineola-Helping Youth Reach Their Potential	75,000
Five Towns Community Center-Youth Violence andGang Prevention Project	75,000
Freeport Pride, Inc.-Youth Direction Initiative	100,000
Gateway Youth Outreach-GIPP Gang Intervention Prevention Project	50,000
Operation Get Ahead, Inc.-Youth Violence and Gang Prevention	35,000
Uniondale Community Council-A Strong Uniondale Community Network	60,000
Long Island Crisis Center-True Colors	100,000
Long Beach Reach-Reach for Peace	100,000
YES Ciommunity Council-S.O.S.-Street Outreach and Support	50,000
E.O.C. - Youth Employment and Career Development	175,000
S.T.R.O.N.G. Youth Inc. - Building Strong Youth	125,000
HEVN, Inc.	50,000
EMPLOYMENT R.F.P.	50,000
	sub-total
	<u>\$1,045,000</u>
* denotes collaboration	Total Contracts
	<u>\$7,512,996</u>

DEPARTMENT OF HEALTH

The Department of Health was established in 1938 pursuant to Article IX of the County Government Law, and operates under the New York State Public Health Law and Title 10 of the Official Compilation of Codes, Rules and Regulations of the State of New York. The five member Board of Health oversees all activities and staff.

A major transformation to the FY 06 Health budget includes the transfer of Pre-School Education services from the Mental Health Department into the Health Department. Pre-School Education provides special services to children from the ages of 3-5 in need. The following chart breakdowns the FY 06 Budget for Preschool Education:

Pre-School 2006 Budget Breakdown:	
Expenses:	
Salaries	\$395,535
General Services	\$4,000
Contractual Services	\$25,000
Early Intervention:	
Itinerant Services	\$25,200,000
Pre-School (3-5 Years)	\$50,987,500
Summer School Program (5-21 Years)	\$1,500,000
Transportation Pre-School (3-5 Years)	\$15,803,600
Evaluations Pre-School	\$3,485,000
CPSE Administration Costs	\$810,000
CPSE Consultants	\$300,000
Subtotal Expenses:	\$98,510,635
Headcount:	
Clerk I	2
Clerk II	1
Accountant III	1
Accounting Assistant I	1
Accounting Assistant II	2
Community Service Representative	1
Subtotal Headcount:	8
Revenue:	
Vendor Recoveries	\$50,000
Department Revenues	\$1,500,000
State-Aid	\$56,972,730
Subtotal Revenue:	\$58,522,730

**EXPENSE BUDGET
BY OBJECT CLASS**

Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$16,328,485	\$16,065,095	\$17,315,252	\$17,167,418	\$838,933	\$1,102,323
BB	Equipment	30,000	30,000	30,000	30,000	0	0
DD	General Expenses	1,807,200	1,807,200	1,879,300	1,879,300	72,100	72,100
DE	Contractual Services	5,738,000	6,237,948	6,592,000	7,242,000	1,504,000	1,004,052
HH	Interfund Charges	25,000	25,000	25,000	25,000	0	0
PP	Early Int./Special Edu.	45,000,000	44,000,000	145,286,100	144,086,100	99,086,100	100,086,100
	Total OTPS	52,600,200	52,100,148	153,812,400	153,262,400	100,662,200	101,162,252
HF	Inter-Depart Charges	3,627,728	3,627,728	0	4,108,948	481,220	481,220
	Grand Total	\$72,556,413	\$71,792,971	\$171,127,652	\$174,538,766	\$101,982,353	\$102,745,795

Personal services or salaries are increasing from the FY 05 adopted budget by \$838,938 or 5.0%. Of this amount \$400,000 is from the transfer of Pre-School Education. The remainder of the salary increase is from the 2.5% CSEA contractual increase effective on January 1st, 2006. There is a small reduction in termination pay due to the drop off of the three-year termination payments for employees that participated in the 2002 early retirement incentive.

Other than personal services is increasing by \$101 million due to the transfer of pre-school education into the Health Department. The majority of the increase is in early intervention and special education expenses (PP). Approximately \$45.6 million is included for Children's Early Intervention and \$98.5 million is included for Pre-School Education. The portion for Early Intervention includes a \$1 million increase for transportation services. The \$1 million in transportation costs had previously been budgeted in Health's interdepartmental charges. In FY 05 Mental Health charged transportation costs under contractual services to transport children from both Early Intervention and Pre-School Education.

The \$98.5 million in Pre-School Education includes an increase of \$3.1 million from the FY 05 budget (in Mental Health). The increase is mostly attributed to pre-school and itinerant services. The student caseload is increasing from 6,237 in FY 05 to 6,420 budgeted in FY 06. The pre-school costs are increasing \$2.6 million and itinerant services are increasing \$1.9 million. Itinerant services are special one on one sessions for the students. Meanwhile, the summer school program and transportation costs are decreasing. The department is responsible for 10% of summer school program costs for children ages 3-5 years. This cost is decreasing in FY 06 by \$250,000. Finally, the department pays for transportation of children to the center based schools. Transportation costs are decreasing from \$17.2 million in FY 05 to \$15.8 million.

The FY 05 projection for Early Intervention is under budget due to the declining caseload growth. The caseload did not grow as strongly as the department had anticipated during the preparation of the FY 05 budget. The FY 05 projected caseload is currently 6,700, which is 100 under the budgeted 6,800

caseload but 226 greater than the FY 04 actual of 6,474. At 1.5% in 2006, the caseload figures are currently growing at a slower rate than they had been in previous years when growth reached double-digit increases.

The Office of Management and Budget has merged the categories materials and supplies (CC) and general expense (DD) under general expense (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, we have done the same for the 2005 Budget and OLBR Projection. General expenses are increasing by 4%, mostly due to medical supplies for Public Health. The FY 05 projection for general services is on target with the FY 05 budget.

Contractual services are increasing by \$1.5 million due to an increase in program agency funding. The FY 05 projection is \$500,000 over budget. This is due to a \$229,935 contract with Macro International to conduct a Behavioral Risk Factor Survey. The collected data from the survey will permit Nassau County to target smoking cessation programs to those populations most in need and to measure progress toward achieving state and national health objectives. A second contract was awarded to Health Research Institute for \$270,013 to provide tobacco education and cessation services to residents of Nassau County.

The majority of the expense in contractual services is a \$5.1 million payment made to the Nassau Health Care Corporation, as per the acquisition agreement. These payments are in consideration of the Corporation providing certain contractual services, the cost for which the County can receive state reimbursement of between 30%-36%, pursuant to Article 6 of the New York State Public Health Law. Services covered include tuberculosis clinical evaluation, family planning, and sexually transmitted disease testing and treatment.

Inter-departmental charges have been separated out of the OTPS budget for comparison purposes. These charges had been developed to more accurately identify and allocate the costs incurred by other departments on behalf of the Health Department. Interdepartmental charges are increasing 13% due to an increase in administration indirect charges. This increase has been partially offset by the elimination of the Mental Health early intervention program transportation costs. Interdepartmental charges are increasing due to \$1.8 million in indirect charges. Interdepartmental charges also include increases in workers compensation charges and printing charges.

Interfund charges remain flat at \$25,000. In the past these charges were paid to Nassau Community College for specialized training classes.

**EXPENSE BUDGET
BY CONTROL CENTER**

Control Center		Adopted FY 05 Budget	Departmental Request FY 06	Executive FY 06	Variance Exec. vs Adopted 05	Variance Exec. vs. Request
10	Administration	\$4,643,535	\$2,390,581	\$6,166,625	\$1,523,090	\$3,776,044
20	Environmental Health	6,738,880	7,089,179	7,033,307	294,427	(55,872)
30	Laboratory Research	2,752,392	2,575,598	2,663,375	(89,017)	87,777
40	Public Health	8,160,298	8,915,562	9,654,748	1,494,450	739,186
51	Children Early Interv Services	50,261,308	50,396,097	50,510,076	248,768	113,979
54	Pre-School Special Education	0	99,760,635	98,510,635	98,510,635	(1,250,000)
Total		\$72,556,413	\$171,127,652	\$174,538,766	\$101,982,353	\$3,411,114

The new control center for Pre-school education carries an addition \$98.5 million in expenditures and \$58.5 million in total revenue. Pre-School Special Education is devoted to providing special needs to pre-school children. Each school district sets up a committee to evaluate the children (ages 3-5) in need of special services such as speech, physical therapy, occupational therapy, etc. With expenditures of \$98.5 million Pre-School Special Education is the largest source of expenses for the Department.

Administration includes all administrative support, fiscal billing, revenue receipt, and preparation of State and Federal Aid claims, human resources, community health assessment and public information functions. Administration is increasing \$1.5 million due to indirect interdepartmental charges.

Environmental Health protects the community from adverse health affects and diseases that may result from environmental pollution, unsanitary conditions, unsafe practices or infections of diseases. The 4% increase in Environmental Health is due to the addition of five Sanitarian positions.

Laboratory Research provides clinical and environmental laboratory services to access community health. The minimal decline in Laboratory Research results from the reduction of one Chemist and one Medical Technician I position.

Public Health includes all personal and public health services. Public Health is increasing due to contractual services.

Children Early Intervention coordinates programs for children with special health needs. The Early Intervention Program is an entitlement program under Part C of the Federal Individual with Disabilities Education Act (IDEA). The program provides specialized services to children under age three with developmental delays and disabilities as soon after birth as possible, to ensure these children have medical home where routine development surveillance and screenings are provided. Finally the Physically Handicapped Children's Program pays for all medical, surgical, rehabilitative orthodontic and other related services for children ages 0-21 years with eligible medical conditions who meet both medical and financial eligibility guidelines.

Health Department Staffing Analysis

	<u>FY 05 Adopted</u>	<u>Sept-05 Actual</u>	<u>FY 06 Request</u>	<u>FY 06 Executive</u>	<u>Exec. vs 05 Adopt</u>	<u>Exec. vs Actual</u>
CC Full-time Staffing						
10 Administration	36	31	33	33	(3)	2
20 Environmental Health	91	93	96	96	5	3
30 Public Health Laboratories	27	26	25	25	(2)	(1)
40 Public Health	29	28	28	28	(1)	0
51 Child Early Interven.	58	57	60	60	2	3
54 Pre-School Education	0	0	8	8	8	8
Total Full-time	<u>241</u>	<u>235</u>	<u>250</u>	<u>250</u>	<u>9</u>	<u>15</u>
CC Part-time and Seasonal						
10 Administration	9	5	9	9	0	4
20 Environmental Health	18	18	18	18	0	0
30 Public Health Laboratories	3	2	3	3	0	1
40 Public Health	2	1	2	2	0	1
51 Child Early Interven.	0	0	0	0	0	0
Total Part-time and Seasonal	<u>18</u>	<u>12</u>	<u>18</u>	<u>18</u>	<u>0</u>	<u>6</u>

The FY 06 budget is increasing by 9 full-time positions. Eight full-time positions have been added for Pre-School Education from the Mental Health Department. Administration has removed two Accounting Assistants and a Community Services Representative from the FY 05 budget. Environmental Health has added five Sanitarian positions. Part-time staffing remains unchanged at 18 positions.

REVENUE BUDGET

Revenue Class	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. Vs FY 05 Proj.
BC Permits & Licenses	\$3,603,296	\$3,603,296	\$3,603,580	\$3,603,580	\$284	\$284
BD Fines & Forfeits	225,000	225,000	225,000	225,000	0	0
BF Rents & Recoveries	175,000	17,000	50,000	50,000	(125,000)	33,000
BH Department Revenues	6,836,900	7,000,000	8,601,900	8,601,900	1,765,000	1,601,900
SA State Aid	27,671,288	27,671,288	86,021,730	85,081,730	57,410,442	57,410,442
Total	\$38,511,484	\$38,516,584	\$98,502,210	\$97,562,210	\$59,050,726	\$59,045,626

The FY 06 revenue budget is increasing from the FY 05 budget by \$59 million, \$58.5 million of which is due to Pre-School Education. The department receives 59.5% staid aid reimbursement for approved

services for education, related services, evaluations and transportation costs. State aid for Pre-School Education Intervention is \$1.8 million over Mental Health's FY 05 budget for state aid reimbursement. State aid reimbursement for Children's Early Intervention services is decreasing \$100,000 to \$21.6 million from the FY 05 budget.

Permits and licenses remain flat from the FY 05 budget at \$3.6 million. Environmental Health collects permits and licenses from a variety of sources. The largest revenue source is from food establishments which are budgeted at \$2.1 million. The Health Department is required under the New York State Sanitary Code to regulate food service establishments with its jurisdiction by conducting field inspections and investigations and permitting the establishment. There are approximately 5,600 establishments. Other permits include day camp permits, realty subdivision filings, x-ray surveys and inspections, swimming pools and beaches, hazardous material registration, temporary residence inspections, manufacturing frozen desserts, cross connection control program, water supply plan review, tattoo parlor and lifeguard certifications.

Fines and forfeitures are also remaining flat in FY 06 at \$225,000. Fines collected for Public Health violations include improper food handling, public swimming violations, improper storage of toxic and hazardous materials, the sale of tobacco products to minors, smoking in indoor facilities, sanitation violations, failure to maintain diagnostic x-ray equipment and records, day camp code violations, water quality violations and cross connection violations.

Rents and recoveries are decreasing \$125,000 to \$50,000 in FY 06 due to the elimination of tobacco education funds. All tobacco funds have been securitized into a separate fund. The FY 05 projection is 17,000.

Department revenue is increasing \$1.8 million in FY 06 due to Medicaid receipts for Pre-School Education. The department receives 50% of approved Medicaid billing for pre-school services.

DEPARTMENT OF DRUG AND ALCOHOL ADDICTION

Since the closing of the Plainview Rehabilitation Center and Topic House, County residents seek inpatient residential care outside of Nassau County, primarily in Suffolk or Queens County. A case management unit called TIPS (Treatment, Intake, Placement) was established to help ensure that Nassau County residents receive necessary treatment and rapid access to inpatient care. TIPS serves as the Central Intake Unit for all programs, agencies and individuals seeking assistance for inpatient residential care. The staff is responsible for identifying all available residential and related inpatient programs throughout the metropolitan area.

In order to track clients in need of inpatient services, the staff follows referrals and insures that clients do get admitted following the referral. In addition, TIPS receives data on all Nassau County inpatient and outpatient referrals through participation in the New York State Office of Alcoholism and Substance Abuse Services (OASIS) Client Tracking Data System.

Due to the shortage of inpatient beds in Nassau County, NUMC, in cooperation with the Department of Drug and Alcohol had prepared a CON (Certificate of Need) application, and received State approval, to open 30 inpatient chemical dependency beds for Nassau County. NUMC has begun recruiting for staff and construction should be complete in January 2006.

EXPENSE BUDGET BY CONTROL CENTER						
Control Center	Adopted FY 05 Budget	Departmental Request FY 06	Executive FY 06	Variance Exec. vs Adopted 05	Variance Exec. vs. Request	
10 Administration	\$2,464,608	\$1,697,742	\$3,004,418	\$539,810	\$1,306,676	
40 Chemical Dependency	11,192,972	10,536,431	10,114,099	(1,078,873)	(422,332)	
Total	\$13,657,580	\$12,234,173	\$13,118,517	(\$539,063)	\$884,344	

The FY 06 budgets for Administration is going up slightly by \$36,000 and declining in Chemical Dependency by \$1.1 million when compared to 2005's budget. The 2%, or \$37,000, increase in Administration is due to marginal hikes in general expenses. The 10%, or \$250,000, decline in Chemical Dependency is a result of a reduction in contractual services. The department is not reducing any chemical dependency program agencies but rather is budgeting according to the actual funding allocations as per the New York State Office of Alcohol Abuse Services. Based on State aid, the department is budgeting the corresponding local match required of the County.

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$6,096,999	\$5,880,354	\$6,260,160	\$5,297,919	(\$799,080)	(\$582,435)
BB	Equipment	1,519	1,519	1,531	1,531	12	12
DD	General Expenses	61,308	73,000	93,460	80,000	18,692	7,000
DE	Contractual Services	6,132,781	6,132,781	5,879,022	5,879,022	(253,759)	(253,759)
	Total OTPS	6,195,608	6,207,300	5,974,013	5,960,553	(235,055)	(246,747)
HF	Inter-Dept. Charges	1,364,973	1,364,973	0	1,860,045	495,072	495,072
	Grand Total	\$13,657,580	\$13,452,627	\$12,234,173	\$13,118,517	(\$539,063)	(\$334,110)

Salaries are declining by almost \$800,000 from \$6.1 million in FY 05 to \$5.3 million in FY 06. The reduction in salaries is a result of the transfer of eight employees from the General Fund into the Grant Fund since these employees are 100% grant funded. The remaining four positions are Deputy Commissioner, Director of Community Outreach Programs and two Psychiatric Social Worker I's.

The 2006 OTPS budget, excluding inter-departmental charges, is decreasing by \$235,000 due to the reduction in contractual services offset somewhat by marginal increases in equipment and general expenses. The Office of Management and Budget has merged the categories materials and supplies (CC) and general expense (DD) under general expense (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, we have done the same for the 2005 Budget and OLBR Projection. Contractual services are decreasing by 4% due to the actual funding allocations as per the New York State Office of Alcohol Abuse Services. Based on State aid, the department is budgeting the corresponding local match required of the County. The 2005 projection for general expenses exceeds the budget by approximately \$12,000 as a result of software and equipment purchases for the Health and Human Services scanning project not included in the 2005 budget. The increase in interdepartmental charges includes indirect costs related to Comptroller's Office, the County Attorney's and other departments.

DRUG AND ALCOHOL ADDICTION

Inter departmental charges are increasing 36%, or \$495,000, primarily due to indirect charges and building occupancy charges for rental at the Health and Social Services building.

Department of Drug and Alcohol Addiction Staffing Analysis						
	<u>FY 05 Adopted</u>	<u>Sept-05 Actual</u>	<u>FY 06 Request</u>	<u>FY 06 Executive</u>	<u>Exec. vs 05 Adopt</u>	<u>Exec. vs Actual</u>
CC Full-time Staffing						
10 Administration	23	24	25	23	0	(1)
40 Chemical Dependency Svcs.	67	62	65	55	(12)	(7)
Total Full-time	<u>90</u>	<u>86</u>	<u>90</u>	<u>78</u>	<u>(12)</u>	<u>(8)</u>
CC Part-time and Seasonal						
10 Administration	0	0	0	0	0	0
40 Chemical Dependency Svcs.	4	2	2	2	(2)	0
Total Part-time and Seasonal	<u>4</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>(2)</u>	<u>0</u>

The 2006 budget is eight positions less than the September actual of 86 positions. This reduction reflects the transfer into the Grant Fund those employees whose work is 100% reimbursable. Part-time and seasonal positions are declining by two.

REVENUE BUDGET						
Revenue Class	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. Vs FY 05 Proj.
BF Rents & Recoveries	\$10,000	\$10,000	\$15,000	\$15,000	\$5,000	\$5,000
BH Department Revenues	1,000	39,962	0	0	(1,000)	(39,962)
BJ Interdepartmental Revenues	547,096	547,096	0	749,975	202,879	202,879
SA State Aid - Reimb. Exp.	3,403,407	3,403,407	3,403,407	3,323,429	(79,978)	(79,978)
Total	\$3,961,503	\$4,000,465	\$3,418,407	\$4,088,404	\$126,901	\$87,939

The Executive 2006 revenue budget has been increased by \$126,901 or 3%, from the 2005 amount which is mostly due to interdepartmental revenue. The \$750,000 in interdepartmental revenue includes chargebacks for additional Drug and Alcohol employees working at the Department of Social Services. It also includes chargebacks for the department's Employee Assistance Program (EAP).

State Aid is declining by approximately \$80,000 or 2% to \$3.3 million in 2006. The department receives reimbursement from New York State's Office of Alcoholism and Substance Abuse Services for

support of chemical dependency prevention and treatment services. Each year the Governor and the New York State Assembly and Senate develop a budget which determines how New York State Aid tax dollars will be spent. The Department of Drug and Alcohol Addiction, as the State's local designated agency (LDA) for Nassau County, receives State Aid for the purpose of providing chemical dependency services to its residents and their families. As a result of the reassignment of staff from the General to the Grant fund, State aid in the General Fund will decline.

The department receives the following reimbursement: Courts Services receive 64% reimbursement; TIPS/Case management receives 29%; DWI receives 75%, WAGES receives 47% and STEP at 0%.

Rents and recoveries are increasing to \$15,000 in 2006 for displaced lost and abandoned property auctioned by the Police Department, such as lost bicycles, jewelry, etc. The department has no prior knowledge of what the proceeds from these sales will be from year to year. Based on the experience of the past years' experience, where revenue from these sales has been greater than budgeted, the department has increased their budget an additional \$5,000.

DEPARTMENT OF MENTAL HEALTH

The Department of Mental Health works in partnership with the communities to plan, promote and provide the quality of clinical, supportive and rehabilitative services that support recovery for individuals who have a mental illness and those who are mentally retarded or developmentally disabled. The department establishes and strives to maintain systems of accountability among community based service providers and local hospitals to insure the performance objectives are met, resources are properly allocated, services coordinated and access is available to all residents.

In OLBR's review of the proposed Mental Health budget the grant portion is not considered because these programs are fully funded by either the State, the Federal government or a combination both. In order to understand the total scope of mental health services provided by in Nassau County these funds should also be tallied. The aggregate amount of the grant programs proposed for FY 06 totals \$12.4 million. These funds will be spread across 11 programs which employ 13 full-time workers at an annualized cost of \$801,006.

The department's expense and revenue budgets for FY 06 will be considerably reduced due to the transfer of the Pre-School Special Education program. In FY 06 the operations of the program will be represented in the budget of the Health department.

EXPENSE BUDGET BY CONTROL CENTER					
Control Center	Adopted FY 05 Budget	Departmental Request FY 06	Executive FY 06	Variance Exec. vs Adopted 05	Variance Exec. vs Request
10 Administration	\$3,948,547	\$2,914,020	\$4,858,213	\$909,666	\$1,944,193
20 Contractual Services	4,625,027	5,035,498	5,035,498	410,471	0
30 Direct Services	257,737	258,506	258,188	451	(318)
54 Educ. Handicap Child.	94,959,400	0	0	(94,959,400)	0
Total	\$103,790,711	\$8,208,024	\$10,151,899	(\$93,638,812)	\$1,943,875

The proposed 2006 expense budget for the Department of Mental Health is approximately \$93.6 million or 90% less than the budget adopted in 2005. This dramatic decrease is directly due to the transfer of the Pre-School Special Education program. The remaining control centers in the department will be allocated \$10.2 million. This represents an increase of \$1.3 million compared to FY 05 adopted budget.

The Contractual Services control center will be budgeted \$5.0 million in FY 06. This represents an increase of 8.8% or \$410,471. The Contractual Services control center can be divided into three program areas: mental health programs (\$3.1 million), mental retardation programs (\$1.4 million), and Persons in Need of Supervision PINS (\$0.5 million). Included in the information that follows is greater detail of the control center funding and programs provided.

Direct Services represents the department’s cost of providing psychiatric services. Besides \$32,500 for a Clerk Typist and \$500 for offices supplies the remaining \$225,100 of the control center’s budget is allocated to contractual services.

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$1,291,278	\$1,065,293	\$825,587	\$817,947	(\$473,331)	(\$247,346)
DD	General Expenses	810,192	810,192	820,839	820,839	10,647	10,647
DE	Contractual Services	6,176,127	6,176,127	6,561,598	6,561,598	385,471	385,471
PP	Direct Assistance	94,959,400	100,459,400	0	0	(94,959,400)	(100,459,400)
	Total OTPS	101,945,719	107,445,719	7,382,437	7,382,437	(94,563,282)	(100,063,282)
HF	Inter-Depart Charges	553,714	553,714	0	1,951,515	1,397,801	1,397,801
	Grand Total	\$103,790,711	\$109,064,726	\$8,208,024	\$10,151,899	(\$93,638,812)	(\$98,912,827)

Salaries are decreasing by \$473,331, or 36.6%, compared to FY 05 Adopted budget. This decrease is directly related to the reduction of 10 full-time employees. Their positions will be transferred to the Health Department.

The Office of Management and Budget has merged the categories materials and supplies (CC) and general expense (DD) under general expense (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, we have done the same for the 2005 Budget and OLBR Projection.

The general expenses of the department are budgeted at \$820,839. Of this amount \$780,000 will be used to pay for court remands. Typically when a client is remanded to a State facility it is more costly, since the remands to State facilities require more lengthy stays than the remands of those clients being sent to NUMC. It has been advantageous having a clinical psychologist on site at Family Court for immediate evaluations which can divert hospitalizations. Overall the amount budgeted for remands is relatively flat compared to the current year’s budget as the department expects a similar case load in the coming year. The remainder of the general expenses allocation will be used to pay for miscellaneous office supplies, postage and traveling expenses.

The contractual services account of the budget is used to facilitate contracts to provide programs for the mentally ill and developmentally disabled. The programs and corresponding allocations of these funds for the current year and the proposed year are listed in the chart on the following page.

Nassau County Department of Mental Health		
<u>Contractual Services</u>		
<u>Control Center 10</u>	Fiscal Year	Proposed Fiscal Year
	<u>2005</u>	<u>2006</u>
<u>MHGEN1100 & 1200</u>		
James McGuinness - Software Support	25,000	-
Rent - NUMC	30,000	30,000
Ambulance Charges - NUMC	40,000	40,000
Court Remands NUMC	1,231,000	1,231,000
Total Control Center 10	<u>1,326,000</u>	<u>1,301,000</u>
<u>Control Center 20</u>		
<u>MHGEN2100 - Mental Health Local Assistance</u>		
Mental Health Association of Nassau County	357,000	357,000
Nassau Health Care Corporation	838,895	838,895
Nassau Health Care Corporation - NCCC	819,000	819,000
North Shore Child & Family Guidance Center	828,520	828,520
North Shore Child & Family Guidance Center	129,822	75,487
State Aid Funding Restoration	-	130,000
South Shore Child Guidance Center	4,875	4,875
The Rehabilitation Institute	100,000	100,000
Program Total MHGEN2100	<u>3,078,112</u>	<u>3,153,777</u>
<u>MHGEN2200 - M.R.D.D. Local Assistance</u>		
Assoc. for Children with Learning Disabilities	29,000	29,000
Assoc. for the Help of Retarded Children	619,000	619,000
Epilepsy Foundation of Nassau County	264,000	264,000
Kulanu	50,000	50,000
United Cerebral Palsy of Assoc. of N.C.	411,000	411,000
Program Total MHGEN2200	<u>1,373,000</u>	<u>1,373,000</u>
<u>MHGEN2300 PINS</u>		
<u>Juvenile Placement Program</u>		
Long Island Advocacy	10,000	10,000
Mental Health Association of Nassau County	14,675	14,675
North Shore Child & Family Guidance Center	149,240	170,302
Total JP3	<u>173,915</u>	<u>194,977</u>
<u>PIINS</u>		
North Shore Child & Family Guidance Center	-	199,644
Mental Health Association of Nassau County	-	79,100
Total PIINS	<u>-</u>	<u>278,744</u>
<u>JD Center Worker</u>		
North Shore Child & Family Guidance Center	-	35,000
Program Total MHGEN2300	<u>173,915</u>	<u>508,721</u>
Control Center 20 Total	<u>4,625,027</u>	<u>5,035,498</u>
<u>Control Center 30 Forensic Services</u>		
Allen Reichman, MD	115,800	115,800
Tracy Grossman, PhD	31,200	31,200
Anthony Santoro, PhD	49,140	49,140
TBA	28,960	28,960
Personal Service Contracts	225,100	225,100
Total Budget	<u>6,176,127</u>	<u>6,561,598</u>

Inter-departmental charges have been separated out of the OTPS budget for comparison purposes. These charges had been developed to more accurately identify and allocate the costs incurred by other departments on behalf of Mental Health. However, in FY 2006 budget the Office of Management and Budget has scheduled interdepartmental charges only for those departments that are routinely eligible for federal and state reimbursement of expenses, or are a shared services department that sells services.

Department of Mental Health Staffing Analysis						
	FY 05	Sept-05	FY 06	FY 06	Exec. vs	Exec. vs
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>05 Adopt</u>	<u>Actuals</u>
CC Full-time Staffing						
10 Administration	19	15	9	9	(10)	(6)
30 Direct Services	1	1	1	1	0	0
Total Full-time	<u>20</u>	<u>16</u>	<u>10</u>	<u>10</u>	<u>(10)</u>	<u>(6)</u>

The above chart illustrates that full-time headcount is decreasing by six when compared to September actuals and by ten when compared to the FY 05 adopted budget. The reduction in headcount is directly related to the transfer of the Pre-School Special Education program. Included in the transfer to the Health Department are four accounting positions, three clerk positions and one community services representative. The proposed budget also removes vacant positions from the budget of Mental Health.

REVENUE BUDGET						
Revenue Class	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 06	Variance Exec. vs FY 06 Proj.
BF Rents and Recoveries	\$50,000	\$50,000	\$0	\$0	(\$50,000)	(\$50,000)
BH Department Revenues	1,827,840	1,827,840	327,840	327,840	(1,500,000)	(1,500,000)
BJ Interdepart Revenues	1,373,915	1,373,915	0	508,721	(865,194)	(865,194)
SA State Aid - Reimb. Exp.	55,220,646	60,992,646	3,625,705	3,625,705	(51,594,941)	(57,366,941)
Total	\$58,472,401	\$64,244,401	\$3,953,545	\$4,462,266	(\$54,010,135)	(\$59,782,135)

The 2006 revenue budget is decreasing sharply. The bulk of the lost revenue is due to the transfer of the Pre-School Special Education program. The remaining Mental Health revenue budget will be funded with \$4.5 million. Of the allocated funds \$3.6 million is a reimbursement of expenses from state aid. The department will also receive Medicaid receipts which total \$327,840 and departmental revenue of \$508,721 related to the PINS program.