



NASSAU COUNTY LEGISLATURE

Office of Legislative Budget Review

Review of the Fiscal Year 2011 Budget & Multi-Year Plan

Departmental Analysis

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Table of Contents ii

Assessment..... 1

Assessment Review Commission3

Civil Service7

Constituent Affairs.....9

Consumer Affairs, Office of.....12

Coordinating Agency for Spanish Americans (CASA).....15

Correctional Center, Nassau County17

County Attorney22

County Clerk.....25

County Comptroller29

County Executive.....31

Courts.....32

Debt Service.....33

District Attorney38

Elections, Board of41

Emergency Management43

Fire Commission.....45

Health, Department of.....50

Housing and Inter-Governmental Affairs, Office of.....59

Human Resources62

Human Rights, Commission of.....64

Information Technology66

Investigations69

Labor Relations.....70

Legislature71

Management and Budgets, Office of74

Medical Examiner.....77

Mental Health, Chemical Dependency and Developmental Disabilities Services79

Minority Affairs83

Miscellaneous84

Nassau Community College90

Nassau County Public Utility Authority (NCPUA).....102

Nassau Health Care Corporation104

Parks, Recreation and Museums.....111

Physically Challenged.....117

Planning119

Police Department.....124

Probation.....137

Public Administrator.....142

Public Works Department (General Fund)143

Purchasing.....149

Real Estate152

Records Management.....157

Reserves159

Senior Citizen Affairs160

Sewer and Storm Water Resource District165

Social Services174

Traffic and Parking Violations Agency185

Treasurer190

Unallocated Revenues, General Fund.....193

Veteran Services196

Youth Board.....198

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	249	225	232	214	215	(17)	-7.3%	1	0.5%
Part-Time and Seasonal	16	1	2	1	1	(1)	-50.0%	0	0.0%
Salaries	\$13,409,639	\$12,487,911	\$13,546,152	\$12,164,494	\$13,027,860	(\$518,292)	-3.8%	\$863,366	7.1%
Equipment	66,159	9,360	5,000	4,040	5,000	0	0.0%	960	23.8%
General Expenses	616,186	567,392	681,383	567,392	567,392	(113,991)	-16.7%	0	0.0%
Contractual Services	717,487	361,220	195,000	195,000	185,250	(9,750)	-5.0%	(9,750)	-5.0%
Total	\$14,809,472	\$13,425,883	\$14,427,535	\$12,930,926	\$13,785,502	(\$642,033)	-4.5%	\$854,576	6.6%

Expenses

- The proposed expense budget is decreasing by 4.5%, or \$642,033, compared to the FY 10 adopted. Budgeted headcount and every expense category have been reduced or kept flat.
- Budgeted headcount will decrease by 17 full-time and 1 part-time positions. This reduction has been achieved through the elimination of vacant positions, bringing budgeted 2011 staffing to approximately the current on-board level. So far the department had seven employees opt into either of the two separation incentive programs. The salaries line has been reduced by an adjustment of \$302,063, representing the savings anticipated from labor concessions.
- Compared to the FY 10 budget, the proposed OTPS allocation has been reduced by \$123,741, to approximately the current year's projected spending level.
 - The contractual services line provides funding for temporary employees (\$100,000), maintenance for the voice response telephone system (\$15,000), various legal expenses related to the County Attorney's defense of assessment challenges, such as appraisals and transcribing services (\$50,250), and a consultant with expertise in utilities appraisal (\$20,000).
 - The general expenses line has been reduced from the FY 10 budget by 16.7%. The largest components in this category are for postage for the mailings of notices (\$218,400), copying (\$129,390), and office supplies (decreasing from \$161,722 to \$47,731).
 - The equipment line will remain at its FY 10 amount of \$5,000.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$964,233	\$29,181	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	167,371	162,612	150,000	150,000	150,000	0	0.0%	0	0.0%
Cap Backcharges	0	9,557	52,690	52,690	0	(52,690)	-100.0%	(52,690)	-100.0%
State Aid-Reimb Of Exp	761,388	428,750	490,000	428,750	500,000	10,000	2.0%	71,250	16.6%
Total	\$1,892,993	\$630,100	\$692,690	\$631,440	\$650,000	(\$42,690)	-6.2%	\$18,560	2.9%

Revenues

- The proposed FY 11 revenue budget is increasing slightly from the FY 10 OLBR projection.
- State aid is projected to fall short of budget in FY 10 due to a reduction by New York State. The proposed FY 11 budget of \$500,000 assumes a restoration of the funds that were cut. See box at right.
- The department collects fees for such services as the sale of tax maps, property record cards, and various reports. These are booked as departmental revenues. Also included on this line are the penalties collected for non-compliance in submitting the Annual Survey of Income and Expense form (ASIE) The proposed budget is unchanged from its current level.
- Capital backcharges in the amount of \$52,690 has been removed from the revenue budget. It had been used to offset the expense of employee hours spent working on the ADAPT capital project.
- The historical rents and recoveries revenue in 2008 is derived from the disencumbrance of prior year contracts related to the defense of small claims assessments.

State Aid

Under the rules established by the NY State Office of Real Property Services, to qualify for annual aid an assessing unit must annually maintain assessments at a uniform percentage of value; annually conduct a systematic analysis of all locally assessed properties, revising assessments as necessary; and physically inspect and reappraise each parcel at least once every six years. The law allows for up to \$5 per parcel annually. Although Nassau has over 400,000 parcels, the State caps its aid at \$500,000. The FY 10 budget anticipated a 2% cut to annual aid due to the State's fiscal issues, but an additional 12.5% reduction has been implemented. The proposed FY 11 budget assumes that the County will receive the full amount of aid it is eligible for.

No reduction in state aid is anticipated as a result of the County transitioning to a quadrennial assessment schedule. Nassau will continue to receive \$5 per parcel every fourth year when a new roll is prepared. In the three years between each new roll, the County will receive \$2 per parcel. Even at the lower rate Nassau will be eligible for the maximum \$500,000.

Tax Certiorari Payments Figures in Millions							
	2008 Actual	2009 Actual	2010 Projection	2011 Plan	2012 Plan	2013 Plan	2014 Plan
Expenses							
Commercial Refunds	\$57.4	\$110.6	\$71.2	Information by expense type is not included in the Multi-Year Financial Plan			
Residential Refunds	19.6	10.8	5.6				
Cancellations & Reductions	10.13	13.2	12.8				
Petitions	1.5	2.0	0.8				
Less Voided Payments	0.0	0.0	0.0				
Total	\$88.6	\$136.6	\$90.3	\$95.0	\$70.0	\$45.0	\$20.0

Tax Refund Liability

- The Assessment Review Commission (ARC) is a quasi-judicial arm of the County which reviews assessment claims in order to provide residents with timely and appropriate relief from excessive valuations. Reducing over-assessments on the tentative roll before the actual tax bills are sent out results in a decrease to the County's tax refund liability.
- The chart above details the historical, projected and budgeted tax certiorari expense and revenue payments for 2011 through 2014. Over the past five years, 2005 to 2009, Nassau County on average has paid out \$121.9 million a year in tax refund payments.
- The majority of these payments have been made with capital funds. However, from 2005 to 2010 \$50 million in operating funds have been used to cover these liabilities.
- Currently, the County is in a precarious position in that if current trends continue, the County will pay out \$90.3 million in refunds. However, no additional bonding authority remains and the combination of remaining operating and capital funds only allows the County to spend \$70 million on tax refunds.
- The Administration is cognizant of this and has introduced an ordinance 593-10 to authorize the County to borrow up to \$364 million to finance the payment of property tax refunds. The \$364 million figure would enable the County to settle the current backlog estimated at \$164 million and the estimated \$100 million liability associated with the 2010 and 2011 assessment rolls.

Tax Refund Liability Cont'd.

- The Administration intends to make four debt issuances between 2011 and 2014 in the following amounts, \$100 million, \$100 million, \$100 million and \$64 million. No operating funds have been earmarked for the payment of property tax refunds from 2011 through 2014.
- The Administration's strategy appears high risk.
 - First, to obtain additional bonding authority a super-majority is necessary. It is unclear if this is achievable.
 - Second, prior attempts to eliminate the County guarantee were unsuccessful.
 - Third, it is hard to gauge the impact of quadrennial assessment on the tax grievance process.
 - Fourth, assuming all initiatives are successful and produce the savings included in the MYP, it is unclear how these initiatives would then produce the additional savings included below the line as gap closing items.

Assessment Reform Measures

The Administration has introduced a local law to remove the County Guarantee which would take effect on assessment rolls finalized in April 2012 and thereafter. If successful, removing the guarantee would drop the County's annual tax refund liability to roughly \$18 million.

The Administration has created a four year assessment cycle, the goal of which is to dramatically cut down on the number of grievances filed.

The County Legislature adopted a local law to encourage commercial settlements prior to the roll going final.

The projected savings from these initiatives are included in the out-years of the 2011 – 2014 Multi-Year Financial Plan, MYP. Compared to estimated amounts included in Ordinance 593-10, the MYP includes savings of \$5 million in 2011, \$30 million in 2012, \$55 million in 2013, and \$44 million in 2014.

The Administration has included additional Assessment Reform savings as gap closers in the out-years of the MYP. There is \$2 million in 2012, \$8 million in 2013 and \$14 million in 2014.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	46	47	42	42	43	1	2.4%	1	2.4%
Part-Time and Seasonal	6	6	13	3	4	(9)	-69.2%	1	33.3%
Salaries	\$3,366,384	\$3,133,712	\$3,718,277	\$3,218,722	\$3,228,127	(\$490,150)	-13.2%	\$9,405	0.3%
Equipment	11,785	0	0	0	0	0	*****	0	*****
General Expenses	86,714	78,817	108,400	93,817	93,817	(14,583)	-13.5%	0	0.0%
Contractual Services	581,750	1,402,028	1,479,000	1,479,000	405,050	(1,073,950)	-72.6%	(1,073,950)	-72.6%
Total	\$4,046,632	\$4,614,557	\$5,305,677	\$4,791,539	\$3,726,994	(\$1,578,683)	-29.8%	(\$1,064,545)	-22.2%

Expenses

- The FY 11 ARC expense budget is decreasing 29.8% from the adopted 2010 level. Compared to the 2010 adopted budget, all expense lines are being reduced.
- Compared to the 2010 adopted headcount, the FY 2011 proposed budget includes funding for one additional full-time position. Part-time headcount is declining by nine.
- A review of the 2010 projection reveals that the part-time head count decrease just eliminates funding for vacancies. Compared to the 2010 projection, the FY 11 proposed budget includes funding for one additional part-time employee.
- A detail of the titles included in the FY 11 payroll, reveals that the Commission will be hiring up for one full-time Commercial Real Estate Appraiser I. The salaries line has been reduced by an adjustment of \$51,501 representing the savings anticipated from labor concessions
- The decrease in FY 11 contractual services funding reflects a transfer. This funding is used to cover the cost of outside appraisal services required for litigation. This litigation has always been handled by the County Attorney's office and in the proposed budget these costs are reflected in the County Attorney's budget.
- The general expenses line is recording a 13.5% budget to budget decrease and is unchanged from the 2010 projection. The Department states that it can get by with the current general expense budgeted amount.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$269,067	\$128,179	\$0	\$0	\$0	\$0	*****	\$0	*****
Cap Backcharges	0	42,411	79,113	79,113	0	(79,113)	-100.0%	(79,113)	-100.0%
Total	\$269,067	\$170,590	\$79,113	\$79,113	\$0	(\$79,113)	-100.0%	(\$79,113)	-100.0%

Revenues

- No capital backcharge revenues are included in the FY 11 proposed budget. These charges represent the salary and fringe costs associated with the ADAPT project. The ADAPT project facilitates the implementation of an information technology system that integrates the various systems currently used by the Assessment Review Commission, the Department of Assessment, the County Attorney’s Office, and the County Treasurer’s Office.
- As the ADAPT project advances, fewer labor hours are being charged back. The project is in its final stage of development. It is believed that the project will be completed by 2011 and no capital back charges will be necessary.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	61	58	57	55	55	(2)	-3.5%	0	0.0%
Part-Time and Seasonal	36	37	43	36	43	0	0.0%	7	19.4%
Salaries	\$4,518,379	\$4,133,679	\$4,848,678	\$4,184,535	\$4,760,368	(\$88,310)	-1.8%	\$575,833	13.8%
Equipment	175	0	4,000	0	0	(4,000)	-100.0%	0	*****
General Expenses	150,961	140,035	238,161	238,161	238,161	0	0.0%	0	0.0%
Contractual Services	0	25,000	21,000	21,000	19,950	(1,050)	-5.0%	(1,050)	-5.0%
Interfund Charges	10,000	0	50,000	50,000	10,000	(40,000)	-80.0%	(40,000)	-80.0%
Total	\$4,679,515	\$4,298,713	\$5,161,839	\$4,493,696	\$5,028,479	(\$133,360)	-2.6%	\$534,783	11.9%

Expenses

- The total FY 11 proposed expense budget is decreasing by \$133,360 or 2.6% compared to the FY 10 Adopted Budget. All expense lines are receiving a budget to budget decrease.
- Civil Services’ full-time budgeted headcount for FY 11 is two less than the FY 10 Adopted Budget due to the special separation incentive. The part-time headcount remained the same.
- The salaries line has been reduced by an adjustment of \$129,985 representing the savings anticipated from labor concessions
- General expenses have been eliminated from the 2011 budget.
- The FY 11 \$19,950 contractual services budget is for a Forensic Audiologist to determine the qualification of law enforcement candidates that have failed the hearing component of their medical exam.
- FY 11 Inter-fund charges decreased by \$40,000. These charges are associated with the Medical Center.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$4,029	\$3,042	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	360,219	316,632	280,550	300,000	335,000	54,450	19.4%	35,000	11.7%
Total	\$364,248	\$319,674	\$280,550	\$300,000	\$335,000	\$54,450	19.4%	\$35,000	11.7%

Revenues

- The Proposed Budget includes \$335,000 in the Department Revenues line and is made up of rules book sales, exam fees, medicals, and various other fees for potential employees.
- The departmental revenues line is receiving a 19.4% budget to budget increase. The increase is a result of more people applying for civil service positions.

The Office of Constituent Affairs is responsible for the County Executive’s press and constituent affairs operations, as well as providing printing, graphics, photo and mail services for departments County-wide.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	50	47	47	45	44	(3)	-6.4%	(1)	-2.2%
Part-Time and Seasonal	4	4	4	3	3	(1)	-25.0%	0	0.0%
Salaries	\$2,713,438	\$2,507,671	\$2,617,508	\$2,441,993	\$2,646,654	\$29,146	1.1%	\$204,661	8.4%
Equipment	40	1,000	1,350	1,000	1,000	(350)	-25.9%	0	0.0%
General Expenses	1,814,968	1,810,555	1,770,506	1,970,506	2,020,506	250,000	14.1%	50,000	2.5%
Contractual Services	3,000	0	3,000	3,000	2,850	(150)	-5.0%	(150)	-5.0%
Inter-Dept. Charges	261,635	356,350	816,560	816,560	0	(816,560)	-100.0%	(816,560)	-100.0%
Total	\$4,793,082	\$4,675,576	\$5,208,924	\$5,233,059	\$4,671,010	(\$537,914)	-10.3%	(\$562,049)	-10.7%

Expenses

- Constituent Affairs expenditures are declining by 10.3%, or \$537,914 when comparing budget to budget, and are decreasing by about the same from FY 10 projections.
- The FY 10 budget provided funding for 47 full-time employees and the FY 11 budget accommodates 44 full-timers, a decrease of 3. As a result of one employee retiring in September 2010, later than September 1st actuals, the proposed budget will be more in line with OLBR projected.
- The salaries line has been reduced by an adjustment of \$75,000 representing the savings anticipated from labor concessions.
- The decline in full-time headcount includes the elimination of certain positions, five in Printing & graphics and one in Constituent Affairs. The eliminated Printing & Graphics positions are the following: Laborer I, Laborer II, Photo Machine Operator II, Duplicating Machine Supervisor II and Messenger. The Constituent Affairs control center lost a Special Assistant for Community and County Affairs position. Offsetting these losses is the addition of a Director of Printing & Graphics in Printing & Graphics and two Special Assistants in Constituent Affairs.
- General expenses is increasing by 14.1%, or \$250,000, due to rising postal delivery rates, which is offset by a decline of \$50,000 in equipment maintenance and rental.

- The elimination of interdepartmental charges is related to a policy that OMB will implement in FY 11 whereby only those charges that are reimbursable will be included in this line. Constituent Affairs has no reimbursable expenses.

Staffing Analysis						
	<u>FY 10</u> <u>Adopted</u>	<u>Sept 10</u> <u>Actual</u>	<u>FY 11</u> <u>Request</u>	<u>FY 11</u> <u>Executive</u>	<u>Exec. vs</u> <u>10 Adopt</u>	<u>Exec. vs</u> <u>Actual</u>
CC Full-time Staffing						
Office of Constiuent Affairs	13	14	14	14	1	0
Printing & Graphics	34	31	30	30	(4)	(1)
Total Full-time	<u>47</u>	<u>45</u>	<u>44</u>	<u>44</u>	<u>(3)</u>	<u>(1)</u>
CC Part-time and Seasonal						
Office of Constiuent Affairs	4	3	0	0	(4)	(3)
Printing & Graphics	0	0	3	3	3	3
Total Part-time and Seasonal	<u>4</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>(1)</u>	<u>0</u>

- The above staffing chart shows the breakout by control center of the Office of Constituent Affairs.
 - The decline in both control centers reflects the elimination of the five positions previously mentioned.

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Office Of Constituent Affairs	\$0.9	\$0.8	\$0.8	\$0.8	-\$0.1	-8.0%
Printing And Graphics	3.9	3.9	4.4	3.9	-0.5	-10.8%
Total	4.8	4.7	5.2	4.7	-0.5	-10.3%

- The chart above illustrates the break out of expenses by control center within the Constituent Affairs department.
 - The Printing & Graphics OTPS decrease is related to the elimination of interdepartmental charges.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$14,727	\$398	\$0	\$6,510	\$0	\$0	*****	(\$6,510)	-100.0%
Interdept Revenues	1,308,225	810,179	1,390,989	1,390,989	1,309,089	(81,900)	-5.9%	(81,900)	-5.9%
Total	\$1,322,952	\$810,577	\$1,390,989	\$1,397,499	\$1,309,089	(\$81,900)	-5.9%	(\$88,410)	-6.3%

Revenue

- Constituent Affairs revenue will be declining by \$81,900, or 5.9%, as a result of fewer interdepartmental revenues. This is a direct result of the Administration’s efforts to centralize certain functions utilized by many departments within the County. In Constituent Affairs, printing and mailing services are charged to other departments and the revenue derived from these functions is allocated as inter-departmental revenues.

The Office of Consumer Affairs (OCA) provides consumer protection, advocacy and information to guard consumers from fraud, deceit, and misrepresentation involving the sale of goods and services. Authorized by Local Law 9-1967, Local Law 2-1970 and the New York State General Business Law, the department ensures the welfare of Nassau County consumers by fostering high standards of honesty and fair business practices.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	\$2,867,275	\$3,647,659	\$3,810,000	\$2,970,000	\$3,500,000	(\$310,000)	-8.1%	\$530,000	17.8%
Fines & Forfeits	997,736	719,506	950,000	750,000	750,000	(200,000)	-21.1%	0	0.0%
Dept Revenues	0	6,000	510,200	200	200	(510,000)	-100.0%	0	0.0%
State Aid-Reimb Of Exp	54,859	19,434	45,900	45,900	45,900	0	0.0%	0	0.0%
Total	\$3,919,870	\$4,392,599	\$5,316,100	\$3,766,100	\$4,296,100	(\$1,020,000)	-19.2%	\$530,000	14.1%

Revenues

- The Executive 2011 revenue budget for OCA has decreased by \$1.0 million or 19.2% when compared to the FY 10 Adopted Budget
- The departmental revenue budget has been reduced by \$510,000. This revenue represented the Web Advertisement service that OCA offered to contractors who are in good standing with their office at an annual fee of \$500. Unfortunately the initiative was eliminated due to revenue being at risk which is consistent with OLBR’s 2010 projection.
- The Office of Consumer Affairs continues to collect permits & licenses revenues from home improvement contractors, taxi & limousine drivers and ATM vendors. The Weights & Measures division receives reimbursement for expenses related to measuring gasoline quality. These dollars are reimbursable and capped by the State.
 - Historically, the department receives the largest portion of its revenues from permits and licensing, followed by fines and forfeitures.
 - The proposed budget for permits and licenses reflects a decrease of \$310,000 or 8.1% for FY 11, but compared to OLBR’s projection there is a growth of \$530,000 or 17.8%. The budgeted growth is attributed to the alternate year renewal for home improvement license fees.

Revenues, Cont.

Permits & Licenses	Actual 2009	OLBR 2010 Projection	Proposed 2011
Home Improvement License Fees	\$2,263,820	\$1,750,000	\$2,250,000
Weights and Measures Fees	937,290	875,000	950,000
Taxi and Limo Registration Fee	390,089	290,000	250,000
ATM Registration Fee	56,460	55,000	50,000
Total	\$3,647,659	\$2,970,000	\$3,500,000



- Fines and forfeits are budgeted at \$750,000 in FY 11, which is a reduction of \$200,000 from the FY 10 budget and consistent with OLBR’s projection.
- The state aid revenues represent monies paid to the Weights & Measures division for State mandated functions. The proposed FY 11 budget will remain constant with the Adopted 2010 Budget and the OLBR projection at \$45,900.

Expenses

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	41	36	36	32	33	(3)	-8.3%	1	3.1%
Part-Time and Seasonal	5	6	11	1	4	(7)	-63.6%	3	300.0%
Salaries	\$2,501,387	\$2,148,451	\$2,418,999	\$1,872,270	\$2,119,399	(\$299,600)	-12.4%	\$247,129	13.2%
Equipment	2,637	2,521	3,487	2,521	2,521	(966)	-27.7%	0	0.0%
General Expenses	7,522	13,729	20,199	13,729	16,515	(3,684)	-18.2%	2,786	20.3%
Contractual Services	0	6,933	0	0	0	0	*****	0	*****
Inter-Dept. Charges	0	0	701,707	701,707	0	(701,707)	-100.0%	(701,707)	-100.0%
Total	\$2,511,546	\$2,171,633	\$3,144,392	\$2,590,227	\$2,138,435	(\$1,005,957)	-32.0%	(\$451,792)	-17.4%

- The FY 11 expense budget for Consumer Affairs is decreasing by \$1.0 million or 32.0% from the 2010 Adopted Budget and \$451,792 or 17.4% in comparison to the OLBR projection.
- The proposed FY 11 headcount is budgeted at 33, which is a decrease of three heads from the 2010 Adopted Budget and an increase of one head compared to the September actual.
 - The vacancies that were eliminated consist of a Commissioner of Consumer Affairs, 2 Deputy Commissioners and a Clerk IV offset by an anticipated hire of a Consumer Affairs Enforcement Investigator I, equates to a total savings of \$305,659. The new title was created to enable OCA to continue enforcing the 18 local laws that they are empowered to do on a daily basis.
- The salary increase of \$247,129 in the FY 11 budget compared to the FY 10 projections is attributed to current vacancies that are budgeted to be filled in FY 11. The salaries line has been reduced by an adjustment of \$34,171 representing the savings anticipated from labor concessions.
- The part-time and seasonal staffing has been reduced to four positions for the proposed 2011 budget. The reduction in heads is attributed to the elimination of eight seasonal positions offset by an increase of one part-time Investigator I position. This equates to an overall savings of \$28,405.
- The equipment expense for the proposed budget has decreased marginally and remains constant when compared to the OLBR projection.
- General expenses have been reduced by \$3,684 or 18.2 % but increased by 20.3% in comparison to OLBR’s September 1 projection.
- The department’s interdepartmental charge of \$701,707 remains unchanged for FY 11.

Created in 1971, the Coordinating Agency for Spanish Americans (CASA) has been under the auspices of the County Executive Office since 1977 and serves as advisor on policy issues involving this constituency. Hispanic Americans represent a growing portion of the County population totaling about 13 percent. CASA works closely with other government agencies including the US Census Bureau, the Dept of Labor and the US Citizenship and Immigration Service agency under the Dept. of Homeland Security. CASA serves between 11,000 to 13,000 clients each year through its direct service, policy training and forums and expanded outreach via contractual services of satellite programs. The agency also serves as the default agency for Haitian, Afro-Caribbean, Asian and all immigrant newcomers in Nassau needing English instruction, citizenship preparation and acculturation programs.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	8	7	8	4	4	(4)	-50.0%	0	0.0%
Part-Time and Seasonal	1	1	1	0	0	(1)	-100.0%	0	*****
Salaries	\$442,433	\$411,776	\$457,659	\$234,448	\$212,800	(\$244,859)	-53.5%	(\$21,648)	-9.2%
General Expenses	2,122	1,738	4,892	1,738	1,738	(3,154)	-64.5%	0	0.0%
Contractual Services	39,000	13,000	30,600	30,600	29,070	(1,530)	-5.0%	(1,530)	-5.0%
Total	\$483,555	\$426,514	\$493,151	\$266,786	\$243,608	(\$249,543)	-50.6%	(\$23,178)	-8.7%

Expenses

- The Executive 2011 proposed expense budget is decreasing by \$0.2 million or 50.6% from the FY 10 Adopted Budget and also decreasing by \$23,178 or 8.7% from the FY 10 OLBR projections.
- Salaries are decreasing by \$244,859 or 53.5%.
 - The headcount for FY 11 is decreasing by four full-time employees and one part-timer. Five positions are being eliminated in FY 11 including the Assistant Director, one Community Service Outreach Worker, two Community Service Specialist, Secretary Support Services and a part-time Program Coordinator.
- General expenses are decreasing by \$3,154 or 64.5% in comparison to Adopted 2010. This is attributed to the elimination of travel expenses, reductions of \$1,854 in supplies and \$400 in educational training and supplies. The FY 11 budget and OLBR projection are consistent with the historical trends for general expenses.
- The OLBR projection is lower than the department’s FY 10 Adopted Budget, reflecting current funded vacancies. The Executive 2011 Budget allocates \$29,070 for contractual services, a marginal decrease of \$1,530, or 5%.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$396	\$14	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	5,760	12,321	15,000	15,000	18,000	3,000	20.0%	3,000	20.0%
Total	\$6,156	\$12,335	\$15,000	\$15,000	\$18,000	\$3,000	20.0%	\$3,000	20.0%

Revenues

- Department revenue for FY 11 is 20% or \$3,000 higher than Adopted 2010 due to an increase in services provided, including fees for ESL classes, personalized letters, court petitions and citizenship applications. The department is on track to meet FY 10 Adopted and Projected Budget as its year to date revenue total is \$12,259.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	1,263	1,231	1,281	1,215	1,235	(46)	-3.6%	20	1.6%
Part-Time and Seasonal	15	14	11	13	10	(1)	-9.1%	(3)	-23.1%
Salaries	\$108,714,757	\$125,773,000	\$124,914,066	\$123,563,750	\$123,608,029	(\$1,306,037)	-1.0%	\$44,279	0.0%
Fringe Benefits	0	(269)	0	0	0	0	*****	0	*****
Workers Compensation	3,925,304	4,159,903	3,850,107	4,550,107	5,131,089	1,280,982	33.3%	580,982	12.8%
Equipment	33,987	15,707	16,632	15,707	15,707	(925)	-5.6%	0	0.0%
General Expenses	3,734,308	3,223,415	3,549,536	3,223,415	3,699,536	150,000	4.2%	476,121	14.8%
Contractual Services	25,065,700	25,908,548	23,562,957	23,562,957	18,853,053	(4,709,904)	-20.0%	(4,709,904)	-20.0%
Utility Costs	559,762	402,108	535,000	535,000	545,420	10,420	1.9%	10,420	1.9%
Inter-Dept. Charges	0	11,040	8,845,585	8,845,585	177,017	(8,668,568)	-98.0%	(8,668,568)	-98.0%
Total	\$142,033,818	\$159,493,453	\$165,273,883	\$164,296,521	\$152,029,851	(\$13,244,032)	-8.0%	(\$12,266,670)	-7.5%

Expenses

- The proposed 2011 expense budget for the Correctional Center is decreasing by \$13.2 million or 8.0% from the adopted 2010 budget, and decreasing by \$12.3 million or 7.5% from OLBR's projected actual.
- Salaries are decreasing by \$1.3 million or 1.0% attributable to the elimination of 46 full-time positions, of which 40 are Correction Officers. Additionally, the salaries line has been reduced by an adjustment of \$7.0 million representing the savings anticipated from labor concessions.
 - The proposed 2011 budget assumes \$20.2 million in overtime expense which is a \$4.9 million or a 32.0% increase from the Adopted 2010 Budget, but consistent with OLBR's current year projection. The overtime target will be challenging but may be achievable if sufficient hiring occurs in time to offset attrition.
- The budget allocates \$5.1 million for workers compensation, an increase of \$1.3 million or 33.3% for FY 11. This growth is attributed to a 20.0% state mandated indemnity increase, which was incorporated in OLBR's projections.
- The equipment expenses for the proposed FY 11 budget are \$15,707 a minimal decrease of \$925 from FY 10. General expenses for the proposed 2011 budget has grown by \$150,000 which are based on increases in miscellaneous expenses, building supplies and maintenance, educational and training expenses and motor vehicle expenses.
- The Correctional Center has allocated \$18.9 million in contractual services, which is a decline of \$4.7 million or 20.0% from the Adopted FY 10 Budget and OLBR's September 1 actual.

Expenses, Cont.

- This reduction of \$4.8 million is primarily associated with the department bidding to privatize inmate healthcare. The department believes that they can achieve a savings while providing the same healthcare benefits to inmates, which in the past has been contracted to Nassau Community Medical Center (NUMC).
 - The Correctional Center is in the final stages of the Request for Personnel (RFP) process and has chosen a vendor. They anticipate the new contract to be effective the first quarter of 2011; in the interim the inmates will continue to be served at NUMC until negotiations are finalized with the new vendor.
- The utility expenses are budgeted at \$545,420, an increase of \$10,420 or 1.9% for the FY 11. The department has removed interdepartmental charges of \$8.7 million due to OMB budgeting only for revenue maximization; consequently all other charges were eliminated from the proposed 2011 budget. The \$177,027 remaining is for County Attorney legal counsel.

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Correctional Center	\$136.4	\$153.9	\$159.0	\$145.8	-\$13.2	-8.3%
Office Of The Sheriff	5.6	5.6	6.3	6.3	0.0	0.0%
Total	142.0	159.5	165.3	152.0	-13.2	-8.0%

- The FY 11 budget for the Correctional Center control center is \$145.8 million, which is a reduction of \$13.2 million or 8.3% while the Sheriff's office is constant at \$6.3 million in comparison to the Adopted 2010 Budget.
- Full-time staffing in the Correctional Center is budgeted to increase from the September 1, 2010 actual by 20 positions. The vacancies are attributed to 36 employees taking advantage of the early retirement incentive, which the department plans to backfill.
- The department has stated that their goal is to achieve and maintain headcount at the budgeted levels for 2011. They also anticipate a class of 25 to begin in November or December of 2010 and are currently in the process of working with the Police Department on a civil service list.

Staffing Analysis						
	FY 10 <u>Adopted</u>	Sept-10 <u>Actual</u>	FY 11 <u>Request</u>	FY 11 <u>Executive</u>	Exec. vs <u>10 Adopt</u>	Exec. vs <u>Actual</u>
CC Full-time Staffing						
10 Correctional Center					0	0
Uniform	1,096	1,056	1,056	1,056	(40)	0
Civilian	121	102	121	121	0	19
Sub-total Full-Time	1,217	1,158	1,177	1,177	(40)	19
20 Sheriff					0	0
Uniform	49	44	44	44	(5)	0
Civilian	15	13	14	14	(1)	1
Sub-total Full-time	64	57	58	58	(6)	1
Total Full-time	<u>1,281</u>	<u>1,215</u>	<u>1,235</u>	<u>1,235</u>	<u>(46)</u>	<u>20</u>
CC Part-time and Seasonal						
10 Correctional Center	6	5	5	5	(1)	0
20 Sheriff	5	5	5	5	0	0
Total Part-time and Seasonal	<u>11</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>(1)</u>	<u>0</u>

- Even with an expected new class at year end, the department may not be up to the proposed budget headcount due to normal attrition of 25-32 employees. This could have a significant impact on overtime as previously discussed, especially if the inmate population increases to 2010 levels.
- The part-time and seasonal positions are budgeted to decrease from the 2010 budget by one position and remain constant with the September 1, 2010 actual.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$36,699	\$16,988	\$30,000	\$20,000	\$20,000	(\$10,000)	-33.3%	\$0	0.0%
Rents & Recoveries	4,695,338	1,164,151	893,000	893,000	893,000	0	0.0%	0	0.0%
Rev Offset To Expense	109,043	526,730	500,000	500,000	500,000	0	0.0%	0	0.0%
Dept Revenues	2,593,539	2,504,096	2,725,000	2,765,000	6,187,500	3,462,500	127.1%	3,422,500	123.8%
Interdept Revenues	242,415	210,691	290,000	290,000	290,000	0	0.0%	0	0.0%
Fed Aid-Reimb Of Exp	12,298,038	13,172,983	14,671,675	14,053,125	14,069,425	(602,250)	-4.1%	16,300	0.1%
State Aid-Reimb Of Exp	695,670	364,653	433,000	406,000	372,000	(61,000)	-14.1%	(34,000)	-8.4%
Total	\$20,670,743	\$17,960,293	\$19,542,675	\$18,927,125	\$22,331,925	\$2,789,250	14.3%	\$3,404,800	18.0%

Revenues

- The Executive 2011 Correctional Center revenue budget is increasing by \$2.8 million or 14.3% from the adopted 2010 budget and \$3.4 million or 18.0% from OLBR's projection. The growth is mainly related to the department revenues increase which is partially offset by a reduction in federal aid.
- The 2011 Executive Budget has \$14.1 million allocated for federal aid, a reduction of \$602,250 from the adopted 2010 budget primarily due to the decrease in federal inmate headcount, which is captured in OLBR's projections. The components that generate the revenue for federal aid include the following:
 - The 2011 budget assumes 125 federal inmates, which equates to \$7.5 million in revenue. The fluctuation throughout the years is attributed to the number of federal inmates housed at the jail, for which the department receives \$165 per day per inmate, (refer to activity indicators chart).
 - The department budgeted \$3.5 million for State Criminal Alien Assistance Program (SCAAP) in FY 11, which is unchanged from 2010. \$2.0 million is allocated for Diagnosis Related Group. This revenue is received for providing mental health services to inmates who are Medicaid recipients. The department assigned \$1.0 million for Title IV D (aid to dependent children) for FY 11.
- Department revenue has a growth of \$3.5 million or 127.1% for FY 11. The largest component of this amount will come from housing 100 Suffolk County inmates at \$125 per day targeted to commence April 1, 2011. The department has started the implementation process by receiving Legislative approval to rehabilitate cell blocks at the jail.
- In addition department revenue is increased due to a higher rate of commissions received for inmate phone usage which is reflected in OLBR's projections.

Revenues, Cont.

- The department budgeted \$500,000 for revenue to offset expense for FY 11, which is steady with FY 10 Adopted Budget. This revenue represents commissary profits of \$500,000 to the Correctional Center for the salary expense of staff who maintain the commissary for the benefit of the inmates. This transfer of funds is authorized by the New York State Commission of Corrections.
- Interdepartmental revenues for 2011 remains stable at \$290,000 for food services provided to the Juvenile Detention Center.
- The Proposed 2011 state aid budget is decreasing by a marginal \$61,000 or 14.1 % from the FY 10 Adopted Budget and \$34,000 from the projected actual because of a decrease in Title IV D activities.

<u>ACTIVITY INDICATORS</u>				
<u>INDICATOR</u>	<u>ACTUAL</u> 2008	<u>ACTUAL</u> 2009	<u>ESTIMATED</u> 2010	<u>PROJECTED</u> 2011
Average Daily Inmate Population	1,606	1,579	1,571	1,646
Total Admissions	11,038	11,038	11,788	12,000
<u>Revenue Generating Indicators</u>				
Federal Inmates	136	136	129	125
State Ready Inmates	12	12	10	10
Parole Violators	20	20	21	21
<i>Source: Correctional Center</i>				

- The average inmate population decreased by 1.7% in 2009 and it is projected to decrease by 0.5% in 2010. In the proposed 2011 budget the population is anticipated to increase by 75 inmates or 4.8%.
- The department's FY 10 estimate for federal inmates is 129; however, the department anticipates a decrease of 3.1% of federal inmates in 2011 based on recent trends.
- As of April 1, 2009, the Correctional Center no longer receives any reimbursement from the State for housing state ready inmates or parole violators. Although the funding has been revoked, the jail continues to house these inmates.

The Office of the County Attorney is comprised of 10 legal bureaus, the claims and investigation bureaus and the administration unit. The legal bureaus are as follows: Appeals, Family Court, General Litigation, Labor, Legal Counsel, Municipal Finance, Municipal Transactions, Tax Certiorari and Condemnation, Torts and Vehicle Forfeiture.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	155	155	157	125	135	(22)	-14.0%	10	8.0%
Part-Time and Seasonal	1	1	1	2	2	1	100.0%	0	0.0%
Salaries	\$11,926,732	\$11,477,029	\$12,462,567	\$9,735,342	\$11,116,061	(\$1,346,506)	-10.8%	\$1,380,719	14.2%
Fringe Benefits	(208)	0	0	0	0	0	*****	0	*****
Equipment	22,077	1,602	16,920	1,602	15,000	(1,920)	-11.3%	13,398	836.3%
General Expenses	693,513	751,954	742,279	742,279	742,279	0	0.0%	0	0.0%
Contractual Services	2,167,407	1,068,699	2,135,917	2,135,917	4,000,000	1,864,083	87.3%	1,864,083	87.3%
Total	\$14,809,520	\$13,299,284	\$15,357,683	\$12,615,140	\$15,873,340	\$515,657	3.4%	\$3,258,200	25.8%

Expenses

- Expenses in FY 11 for County Attorney are growing 3.4%, or \$515,657, when comparing budget to budget, and increasing 25.8%, or \$3.3 million, from the FY 10 projection.
- The salary surplus of \$2.7 million in FY 10 is due to the reduction of full-time headcount by 32, a majority of which were County Attorney positions. The proposed salaries line has been reduced by an adjustment of \$141,000 representing the savings anticipated from labor concessions.
- The proposed budget includes \$1.3 million less in salaries but an increase of \$1.9 million in contractual services. This reflects the County’s expected use of outside law firms to handle anticipated complex litigation in FY 11.
- Equipment is decreasing marginally budget to budget and the general services line is remaining flat with that in FY 10.
- The rise in contractual services of \$1.9 million, or 87.3%, reflects the transfer from the Assessment Review Commission cases to outside counsel as well as the County’s increased reliance on outside law firms to handle complex litigation.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$126,117	\$332,539	\$90,000	\$173,637	\$90,000	\$0	0.0%	(\$83,637)	-48.2%
Rents & Recoveries	953,533	1,027,055	750,000	750,000	625,000	(125,000)	-16.7%	(125,000)	-16.7%
Dept Revenues	132,339	118,116	185,000	154,225	95,000	(90,000)	-48.6%	(59,225)	-38.4%
Interdept Revenues	1,886,019	1,647,737	2,613,416	2,613,416	1,598,072	(1,015,344)	-38.9%	(1,015,344)	-38.9%
Fed Aid-Reimb Of Exp	328,966	270,281	300,000	300,000	300,000	0	0.0%	0	0.0%
State Aid-Reimb Of Exp	84,628	69,530	75,000	75,000	75,000	0	0.0%	0	0.0%
Total	\$3,511,602	\$3,465,258	\$4,013,416	\$4,066,278	\$2,783,072	(\$1,230,344)	-30.7%	(\$1,283,206)	-31.6%

Revenue

- The overall revenue budget for FY 10 is declining by \$1.2 million, or 30.7%, compared to the FY 10 budget and also decreasing by \$1.2 million when compared to OLBR projected.
- Most of the decrease is the result of a decline in interdepartmental revenues for \$1.0 million. In FY 11 fewer Deputy County Attorneys will be assigned to other County agencies. Additionally, the Office expects reductions in condemnation matters and/or an increase in inter-municipal agreements transferring acquisitions of property to other localities.
- Rents & recoveries are declining by \$125,000, or 16.7%.
- Departmental revenues are declining 48.6%, or \$90,000, as a result of overestimating the FY 10 budget since much of this funding will be posted to the grant fund.
- Interdepartmental revenues are declining by \$1.0 million in FY 11 as the County focuses on interdepartmental charges only for departments that apply for State and Federal reimbursements.

Departmental Revenues				
Revenue Source	FY 09 Actual	FY 10 Budget	FY 10 Projected	FY 11 Proposed
R0801 -Miscellaneous Receipts	\$3,805	\$100,000	\$15,000	\$10,000
R0808 - Fees	49,328	25,000	75,000	25,000
R0813 - Contractual Services	35,569	25,000	35,000	25,000
R9847 - Restitution Surcharge	0	10,000	10,000	10,000
R984A - Criminal Restitution	29,415	25,000	35,000	25,000
Total	\$118,117	\$185,000	\$170,000	\$95,000

➤ The above chart illustrates how departmental revenue is generated. FY 10 projections for miscellaneous receipts are down \$75,000 from budget due to overestimating the FY 10 budget.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$294,029	\$168,606	\$200,000	\$200,000	\$200,000	\$0	0.0%	\$0	0.0%
Rents & Recoveries	61,274	15,757	0	0	0	0	*****	0	*****
Dept Revenues	10,228,472	15,154,319	15,661,600	15,096,501	23,932,250	8,270,650	52.8%	8,835,749	58.5%
Total	\$10,583,776	\$15,338,682	\$15,861,600	\$15,296,501	\$24,132,250	\$8,270,650	52.1%	\$8,835,749	57.8%

Revenues

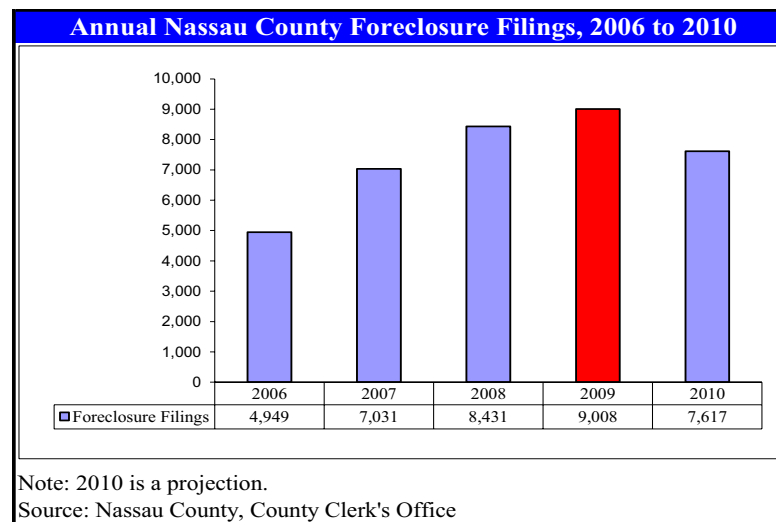
- The Nassau County Clerk is the County Registrar and Clerk of the Supreme and County Courts. The office records all real estate transactions and maintains all court records in civil and matrimonial proceedings.
- County Clerk revenues are budgeted on two separate lines, fines & forfeits and departmental revenues.
- Compared to the 2010 OLBR projection, FY 11 total County Clerk revenues are budgeted to increase by \$8.8 million or 57.8%.
 - On a budget to budget basis, the 2011 County Clerk revenues are expected to increase by 52.1%. According to the 2011 Budget Summary book, the increase was included in anticipation of increased mortgage recording fees.
 - The Administration plans to double all mortgage recording fees and deed recording fees. However, it is unclear if all of these fees may be changed at the local level. These additional revenues may be seen as a risk if State approval is required.
 - A final risk is the fact that a sizeable percentage of the historic fee collections were attributable to mortgage refinancings which are expected to decline steeply.
 - Given the current economic forecast for the Nassau County housing market, depicted below, the FY 11 County Clerk departmental revenue budget appears optimistic.

2010 to 2012 Nassau County Economic Forecast			
Forecast Annual Growth Rates			
	2010	2011	2012
New Mortgages	6.9%	10.3%	12.9%
Mrt Refinances	-13.8%	-31.8%	5.5%
Median Home Sale Price	-2.5%	-7.6%	5.4%

Source: Moody's Economy.com

Revenues, Cont.

- Historical County Clerk data reveals that from 2002 to 2009, mortgage refinancings represented 68.5% of all mortgage filed on average. It is the forecast decline in refinancings which is projected to place downward pressure on County Clerk fee revenue since new mortgage originations are expected to grow in 2011.
 - In Nassau County a 31.8% forecast decline in mortgage refinancings will make it very difficult to achieve the proposed budgeted amount.
 - Moreover, according to the Mortgage Bankers Association’s September 2010 forecast, throughout the nation overall mortgages originations are expected to fall by 26.8%. An 18.9% increase in new originations is expected to be overshadowed by a 53.8% decline in refinancings.
- Relatively high foreclosures and unemployment are expected to keep sale prices down making it more difficult to have the equity requisite to refinance. Relatively high unemployment will make it more challenging for individuals to meet the requisite credit score.
- Additionally, the Mortgage Bankers Association’s September 2010 Mortgage Finance Forecast, expects the interest rate charged on 30 year fixed rate mortgages to rise 0.2% in 2011 compared to 2011. This will reduce the incentive for households to refinance.
- Foreclosure actions are positively correlated with County Clerk Fees. They are included in the Court Fees line. Currently, 2010 foreclose filings are down from the 2009 level. The chart below details both historical and forecast Nassau County foreclosure filings. If current trends continue, the anticipated decline in foreclosure filings will place more downward pressure on County Clerk fee revenue.



Revenues, Cont.

- The chart below provides a detail of the departmental revenues category.
- The non-real estate related categories of the departmental revenues have been more consistent and the budgeted amounts for these revenue streams seems realistic.

Departmental Revenues					
Revenue Source	FY 08 Actual	FY 09 Actual	FY 10 Projection	FY 11 Exec.	10 Proj. vs. 11 Exec.
Fees	\$43,292	\$13,790	\$17,426	\$12,250	(\$5,176)
Court Fees	1,165,940	1,236,175	1,300,671	1,300,000	(\$671)
Mortgage Recording Fees	4,675,048	8,966,589	8,572,806	17,000,000	\$8,427,194
Deed Recording Fees	876,870	1,196,918	1,244,540	2,000,000	\$755,460
Real Estate Transfer Fees	22,187	19,092	21,077	16,000	(\$5,077)
Records Management	172,349	183,362	179,632	170,000	(\$9,632)
Mortgage Exp Reimbursement	1,366,454	1,359,198	1,359,199	1,359,000	(\$199)
Business Name Fee	224,853	203,097	228,132	225,000	(\$3,132)
Miscellaneous Fees	1,681,476	1,976,095	2,173,018	1,850,000	(\$323,018)
	\$10,228,469	\$15,154,316	\$15,096,501	\$23,932,250	\$8,835,749

- OLBR believes that the 2011 departmental revenues budget of \$23.9 million is optimistic. Given the current precarious economic situation, the proposed fee increase may not be enough to enable the County to attain the 2011 budgeted amount.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	99	96	106	100	103	(3)	-2.8%	3	3.0%
Part-Time and Seasonal	45	45	100	48	100	0	0.0%	52	108.3%
Salaries	\$5,191,585	\$5,204,292	\$6,164,787	\$5,522,531	\$6,139,024	(\$25,763)	-0.4%	\$616,493	11.2%
Equipment	26,406	98,149	154,000	98,149	98,150	(55,850)	-36.3%	1	0.0%
General Expenses	284,158	344,398	371,750	344,398	344,398	(27,352)	-7.4%	0	0.0%
Contractual Services	253,953	277,654	325,000	325,000	325,000	0	0.0%	0	0.0%
Total	\$5,756,102	\$5,924,493	\$7,015,537	\$6,290,078	\$6,906,572	(\$108,965)	-1.6%	\$616,494	9.8%

Expenses

- Total expenses for the office are increasing 9.8% from the projected 2010 amount and decreasing 1.6% from the adopted 2010 level.
- Excluding contractual services, when compared to the FY 10 budget all expense items are receiving a cut. However, the FY 11 proposed amounts are consistent with their projected 2010 amount.
- Compared to the current headcount and projected 2010 salary cost, the FY 11 budget contains \$616,493 to cover the cost of 3 additional full-time employees and 52 additional part-time employees.
- The salaries line has been reduced by an adjustment of \$158,119 representing the savings anticipated from labor concessions

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	90	79	92	74	80	(12)	-13.0%	6	8.1%
Part-Time and Seasonal	3	3	6	5	16	10	166.7%	11	220.0%
Salaries	\$6,697,197	\$6,083,680	\$7,321,450	\$5,900,992	\$6,356,294	(\$965,156)	-13.2%	\$455,302	7.7%
Fringe Benefits	0	0	0	0	0	0	*****	0	*****
Equipment	66,702	60,395	100,000	60,395	65,000	(35,000)	-35.0%	4,605	7.6%
General Expenses	75,817	67,447	150,000	67,447	100,000	(50,000)	-33.3%	32,553	48.3%
Contractual Services	592,700	376,463	564,000	564,000	385,800	(178,200)	-31.6%	(178,200)	-31.6%
Total	\$7,432,416	\$6,587,985	\$8,135,450	\$6,592,834	\$6,907,094	(\$1,228,356)	-15.1%	\$314,260	4.8%

Expenses

- The 2011 total expense budget of the Comptroller’s Office is set to decrease by 15.1% from the FY 10 budget and increase 4.8% from the FY 10 OLBR projection.
- The salaries line represents the largest expense item for the Comptroller’s Office. This expense is increasing by 7.7% versus the FY 10 OLBR projection but is decreasing by 13.2% versus the FY 10 budget.
- The office’s part-time and seasonal headcount is increasing by 10 compared to the adopted 2010 level. The increase is a function of 10 Clerk I seasonal workers. The work performed by these new titles was previously done by unpaid interns.
- The department will be decreasing their full-time employees by 12 various management, accounting and auditing positions as compared to the FY 10 budget.
- The salaries line has been reduced by an adjustment of \$168,455 representing the savings anticipated from labor concessions.
- The FY 11 contractual services budget funds the mandated reporting requirements by independent auditors. Reports include the Comprehensive Annual Financial Report (CAFR) and the Central Services Cost Allocation Plan. In addition, the office contracts for payroll records storage, which totaled \$0.4 million in 2009.
- The FY 11 contractual services line is decreasing by 31.6% from the FY 10 budget. With a reduction of this magnitude it is unclear how the office will meet its financial reporting obligations.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$197,172	\$38,522	\$500,000	\$250,000	\$250,000	(\$250,000)	-50.0%	\$0	0.0%
Dept Revenues	12,966	12,811	16,300	16,300	16,300	0	0.0%	0	0.0%
Cap Backcharges	0	46,172	0	0	0	0	*****	0	*****
Total	\$210,138	\$97,505	\$516,300	\$266,300	\$266,300	(\$250,000)	-48.4%	\$0	0.0%

Revenues

- The total FY 11 revenue budget is decreasing by \$250,000 from the FY 10 budget but will remain flat compared to the FY 10 OLBR projection. The decrease is a function of lower than anticipated recoveries.
- The rents and recoveries revenue is comprised of two components. The first is audit recovery and the second is recovery for prior year appropriation.
- The audit recovery line represents recoveries of FICA refunds. These monies represent reimbursements of FICA tax overpayments collected from the County, its employees and retirees on disability leave.
- The recovery for prior year appropriation line represents disencumbrances for prior year encumbrances. This revenue is not budgeted for in FY 11 as there are no prior year recoveries anticipated.
- The departmental revenue line includes both fee and COBRA administrative fee revenues.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	34	30	35	20	26	(9)	-25.7%	6	30.0%
Part-Time and Seasonal	2	0	1	7	1	0	0.0%	(6)	-85.7%
Salaries	\$3,252,221	\$2,662,433	\$3,683,907	\$1,766,952	\$2,564,265	(\$1,119,642)	-30.4%	\$797,313	45.1%
General Expenses	24,057	18,087	32,400	82,400	55,000	22,600	69.8%	(27,400)	-33.3%
Contractual Services	61,218	100,141	100,361	100,361	225,000	124,639	124.2%	124,639	124.2%
Total	\$3,337,496	\$2,780,661	\$3,816,668	\$1,949,713	\$2,844,265	(\$972,403)	-25.5%	\$894,552	45.9%

Expenses

- The FY 11 Executive Budget reflects savings of approximately \$1.0 million or 25.5% as compared to the FY 10 budget.
- The salary expense is the catalyst for the \$1.0 million savings which includes the elimination of nine budgeted positions.
- The proposed 2011 general expense and contractual services budget increases by \$147,239 as compared to the FY 10 Budget.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$53,770	\$124,218	\$0	\$0	\$0	\$0	*****	\$0	*****

Revenues

- The chart above details historical rents and recoveries allocated to the County Executive’s budget.

When the State took over the operation of the Court the workers requested to remain in the County’s health plan. The State agreed with this request and reimburses the County for these costs. The department represents fringe benefits for those court workers, most of whom are now retirees.

Expenses

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fringe Benefits	\$1,923,786	\$1,793,734	\$1,925,236	\$1,928,532	\$2,117,499	\$192,263	10.0%	\$188,967	9.8%
Total	\$1,923,786	\$1,793,734	\$1,925,236	\$1,928,532	\$2,117,499	\$192,263	10.0%	\$188,967	9.8%

- Historically expenses have remained fairly steady, ranging from \$1.9 million in FY 08 to \$2.1 million in the proposed Executive Budget.
 - The increases in health insurance rates over the previous year contributes to increase costs, however, this is offset by a reduction in the number of retirees receiving the benefit.
 - The FY 11 budget for health insurance includes a growth rate of 13.4% for active and retired health insurance. In FY 10 health insurance rates were finalized at an increase of 2.2% for individual and 3.8% for family.

Revenues

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rev Offset To Expense	\$0	\$0	\$103,667	\$103,667	\$284,573	\$180,906	174.5%	\$180,906	174.5%
State Aid-Reimb Of Exp	1,848,317	1,880,654	1,805,192	1,805,192	1,832,926	27,734	1.5%	27,734	1.5%
Total	\$1,848,317	\$1,880,654	\$1,908,859	\$1,908,859	\$2,117,499	\$208,640	10.9%	\$208,640	10.9%

- The FY 11 revenue budget is increasing by \$208,640, or 10.9%, to \$2.1 million.
- State aid is increasing minimally by \$27,734 or 1.5%. State aid represents the reimbursement from the State for health insurance costs. The County does not receive reimbursement for the administrative health insurance fee charged per employee.
- Revenue offset to expense includes the reimbursement for Medicare Part D. As a result of the Medicare prescription drug benefit, the County receives a subsidy from NYSHIP to reimburse a portion of Medicare retiree health benefits.

The Debt Service Fund (DSV Fund) is considered one of the County’s Major Operating Funds. The DSV Fund maintains the resources necessary to make required payments on debt retirement and long-term principal and interest on general obligation bonds. The monies are used to fund projects identified in the 4-year capital plan.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Interest	\$26,161,315	\$30,761,407	\$50,659,669	\$50,659,669	\$73,009,884	\$22,350,215	44.1%	\$22,350,215	44.1%
Principal	80,600,000	78,715,000	82,476,797	82,476,797	77,086,511	(5,390,286)	-6.5%	(5,390,286)	-6.5%
NIFA Set Asides/Loans	185,245,588	194,456,613	194,179,211	194,179,211	205,365,029	11,185,818	5.8%	11,185,818	5.8%
Total	\$292,006,903	\$303,933,020	\$327,315,677	\$327,315,677	\$355,461,424	\$28,145,747	8.6%	\$28,145,747	8.6%

Debt Service Fund Expense

- Total debt payments, including NIFA set-asides and loan expenses, are expected to increase by 8.6% or \$28.1 million from the 2010 adopted budget. The increase is a function of greater interest and NIFA set asides.
- Interest costs for County-issued debt are budgeted to increase 44.1% or \$22.4 million from their adopted FY 10 level. This is due to the fact that most of the debt service costs for the new issues are interest.
- Now that the County is issuing debt on its own, all interest costs on that borrowing will be reflected on the interest line. The NIFA Set Asides/Loans line will reflect the sales tax that is set aside to cover debt service for previously issued NIFA bonds as well as the expenses incurred in issuing bonds.
- County principal costs are budgeted on two lines, the principal line and the NIFA set-asides line. The principal costs included on the principal line are those owed on pre-NIFA, County-issued debt as well as the current principal owed on County-issued debt.
- FY 11 principal payments are decreasing \$5.4 million from the 2010 adopted level. The decrease is a result of old County debt being paid off at a rate quicker than new debt is being issued.
- According to the Multi-Year Plan, the County plans on going to market with \$635 million in new issues in 2011.
- Of the total new borrowings, \$245 million will be used to fund Capital Projects and Judgments & Settlements. An additional \$390 million will be issued for short-term cash flow purposes.

Expenses Cont.

- According to the NIFA preliminary review of the proposed MYP, the Administration included \$8 million in 2011 in savings from the anticipated restructuring of NIFA issued debt, which “is not attainable at this time”. The Administration intends to move forward with the initiative.
- The chart below itemizes the actual 2009 bond issuances, the actual and planned issuances for 2010 and the projected 2011 to 2014 bond issuances. New borrowings are expected to decline dramatically in 2011 and the out-years since the County is not expected to borrow again for termination costs and the Environmental Bond Act.

New Debt Issuance FY 09 & 10						
2010 includes actual and planned						
	FY 09 Actual	FY 10 Actual &	FY 11 Planned	2012 Planned	2013 Planned	2014 Planned
	Issues	Planned Issues	Issues	Issues	Issues	Issues
Capital Borrowings						
Capital - General	\$177,600,000	\$111,800,000	\$106,000,000	\$137,000,000	\$128,000,000	\$114,000,000
Capital - SSWRD	50,300,000	31,700,000	44,000,000	60,000,000	50,000,000	39,000,000
Environmental Bond Act	51,500,000	57,413,000	0	0	0	0
Judgments & Settlements	104,800,000	102,100,000	95,000,000	70,000,000	45,000,000	20,000,000
Termination Costs	80,000,000	92,000,000	0	0	0	0
Total Bond Borrowings	\$464,200,000	\$395,013,000	\$245,000,000	\$267,000,000	\$223,000,000	\$173,000,000
Cash Flow Borrowings	Amount	Amount	Amount	Amount	Amount	Amount
RANs	\$190,000,000	\$210,000,000	\$240,000,000	\$240,000,000	\$240,000,000	\$240,000,000
TANs	150,000,000	225,000,000	150,000,000	150,000,000	150,000,000	150,000,000
Total Bond Borrowings	\$340,000,000	\$435,000,000	\$390,000,000	\$390,000,000	\$390,000,000	\$390,000,000

- The coupon rate for cash flow borrowings is estimated at 2.5% for 2010, 3.0% for 2011, 4.0% for 2012, and 4.5% for 2013 and 2014. Cash flow borrowings are expected to remain constant at the \$390 million level from 2011 to 2014.
- The capital – general borrowings are shown on two lines, those issued for general purpose and those issued for the Sewer and Storm Water District. Projects with estimated lifespans of 20 years are grouped together and projects with a estimated lifespans of 10 years are grouped together to minimize interest rate costs.
- The plan currently assumes that an additional \$290 million will be borrowed for the remainder of 2010 through 2014 to cover the cost of property tax refunds. This may be viewed as a best case scenario. It assumes that all the initiatives currently being pursued with regards to assessment reform are implemented and have the forecast impact.
- These initiatives are detailed in the Assessment Review Commission section.

Expenses Cont.

- However, if some of the initiatives do not materialize or do not have the expected impact, the Administration has introduced ordinance 593-10 asking for \$364 million of bonding authority to cover the potential liability associated with property tax refunds.
- Out of the \$364 million figure, \$164 million would be used to cover the cost of the current backlog. The additional \$200 million would be used to cover the cost of the new liabilities incurred until the initiatives are implemented. The initiatives are expected to impact the assessment rolls effective from 2012 and thereafter.
- Under Ordinance 593-10, the County would borrow \$100 million in 2011 to 2013 and \$64 million in 2014. This level of borrowing is greater than what is included in the MYP. The additional borrowing is approximated to cost the County additional principal payments of \$134 million from 2011 to 2014.
- Year-to-date the County has issued \$210 million in short term, cash flow borrowings. The MYP includes one additional TAN issuance for \$225 million. The MYP includes \$390 million in short term borrowings in all years.
- The increase in 2010 cash flow borrowings is attributed to delays in State and Federal Aid payments.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Debt Svc From Capital	\$23,145,277	\$29,446,179	\$18,021,722	\$18,049,044	\$6,000,000	(\$12,021,722)	-66.7%	(\$12,049,044)	-66.8%
Debt Svc Chrgback Rev	259,707,346	260,614,359	290,606,946	290,606,946	319,239,087	28,632,141	9.9%	28,632,141	9.9%
Interfund Charges Rev	9,154,281	13,872,481	18,687,009	18,192,084	26,842,471	8,155,462	43.6%	8,650,387	47.6%
Fed Aid-Reimb Of Exp	0	0	0	1,600,361	3,379,866	3,379,866	****	1,779,505	111.2%
Total	\$292,006,903	\$303,933,020	\$327,315,677	\$328,448,435	\$355,461,424	\$28,145,747	8.6%	\$27,012,989	8.2%

Debt Service Fund Revenue

- The expense of debt service is allocated to the fund in which the capital project is associated. The fund receiving the benefit receives the expense and the Debt Service Fund collects a chargeback revenue.
- These chargeback revenues are included in the Police Headquarters Fund, the Police District Fund, the General Fund and the Fire Commission Fund, along with revenues from non-major operating funds, including the Sewer and Storm Water Resources District Fund and the Environmental Bond fund.
- Compared to the current FY 10 Adopted Budget, aggregate total revenues for the debt service fund are increasing by \$28.1 million in the proposed FY 11 budget. The increase corresponds to the previously detailed expense changes.

- The \$3.38 million included as Federal Aid Reimbursement of Expense, will be derived from credit subsidy payments received on the issuance of Build America Bonds, BABs.

Debt Service Fund Chargeback Revenues		
	Adopted FY 10	Executive FY 11
General Fund	\$283,819,693	\$308,788,949
Fire Commission	435,513	375,352
Police District	152,497	1,822,015
Police Headquarters	6,199,243	8,252,771
Grand Total	\$290,606,946	\$319,239,087

- The chart above shows that 97% of the debt service chargebacks are related to the General Fund. Each fund has a corresponding expense line for debt service charges.
- Excepting the Fire Commission, all funds are budgeted to experience an increase in debt service chargeback expense.
- The debt service chargeback in both the Police District and Headquarters are increasing as a result of the bonding of the FY 10 separation incentive.

Debt Service Fund DS from Capital		
	Adopted FY 10	Executive FY 11
Bond Premium	\$5,650,000	\$6,000,000
Bond Surplus	3,600,000	0
Rev. for Retirement of Debt	8,771,722	0
Grand Total	\$18,021,722	\$6,000,000

- The FY 11 Debt Service from Capital line consists of four revenue items: bond premium, bond surplus, and revenue for retirement of debt. This year only \$6.0 million is included for bond premium.
- Bond surplus revenues are grant recoveries from either the Federal or State government. They are capital project specific. Those projects where recoveries were previously

made have been closed. Thus, these revenues are not included in the FY 11 proposed budget.

- The revenue for retirement of debt is derived from proceeds raised from the sale of County owned real estate. The revenues were designed to pay the debt service related to the building consolidation capital project.
- Currently, the County has netted \$87,000 in 2010 from the sale of County owned real estate.

Debt Service Fund Interfund Charges		
	Adopted FY 10	Executive FY 11
Revenue from SSW	\$9,560,273	\$14,802,139
Environmental Bond Act Rev.	9,126,736	12,040,332
Interfund Revenues Other	0	0
Grand Total	\$18,687,009	\$26,842,471

- The debt service costs charged to the Sewer and Storm Water Authority (\$14.8 million) and the Environmental Bond Fund (\$12.0 million) are booked as interfund charges.
- The interfund charges other line represented a transfer of the remaining cash in the Bonded Indebtedness Fund. This fund was expected to be depleted in 2010.

Debt Service Fund Multi-Year Plan

2011 -2014 Multi-Year Financial Plan				
Expense				
	2011 Proposed	2012 Plan	2013 Plan	2014 Plan
Interest	\$73,009,884	\$86,770,316	\$102,309,053	\$112,752,331
Principal	77,086,511	71,117,220	80,962,368	87,103,771
NIFA Set-Asides/Loan Exp.	205,365,029	222,255,946	220,818,891	211,784,978
Total	\$355,461,424	\$380,143,482	\$404,090,312	\$411,641,080

- Looking forward, total debt service fund expenses and revenues are projected to increase in the out-years of the plan. The chart above provides a detail of the debt service expense lines included in the multi-year plan.
- NIFA Set Asides are projected to peak in 2012 and then decline. Principal and interest payments are expected to increase from 2012 to 2014.

2011 -2014 Multi-Year Financial Plan				
Revenue				
	2011 Proposed	2012 Plan	2013 Plan	2014 Plan
DS from Capital	\$6,000,000	\$4,000,000	\$4,000,000	\$4,000,000
DS Chargeback Revenue	319,239,087	342,286,112	362,341,820	365,908,876
Federal Stimulus Revenue	3,379,866	3,350,861	3,350,861	3,350,861
Interfund Charges Revenue	26,842,471	30,506,509	34,397,631	38,381,343
Total	\$355,461,424	\$380,143,482	\$404,090,312	\$411,641,080

- The chart above details debt service fund revenues as recorded in the multi-year plan. Total debt service chargeback revenues are projected to increase through the out-years of the plan. These reflect the debt service costs to be charged to the various major funds.
- Debt service from capital revenues and interfund charges revenues are expected to increase from 2012 to 2014. Debt service from capital and federal stimulus revenues are remaining constant from 2012 to 2014.
- The multi-year plan includes \$5 million in debt restructuring savings on long-term debt as a gap closer in 2012, 2013 and 2014. It is possible to achieve savings in a rising short-term interest rate environment if the long-term rates decline. However, OLBR considers this a risk since it is dependent on market conditions.
- Additionally, the restructuring will only involve changing the interest rate. State law prohibits changing the term on issuances.

The primary mission of the District Attorney’s Office is to provide for the safety and security of the residents of Nassau County by investigating and prosecuting crime. The Office was established pursuant to the provisions of Section 700, County Government Law and consists of trial bureaus, investigative bureaus and an administrative bureau.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	375	362	371	361	363	(8)	-2.2%	2	0.6%
Part-Time and Seasonal	1	1	14	3	16	2	14.3%	13	433.3%
Salaries	\$29,140,831	\$27,247,201	\$29,452,783	\$27,525,768	\$28,571,992	(\$880,791)	-3.0%	\$1,046,224	3.8%
Equipment	47,518	36,012	30,500	30,500	25,800	(4,700)	-15.4%	(4,700)	-15.4%
General Expenses	880,931	753,969	807,347	753,969	1,067,470	260,123	32.2%	313,501	41.6%
Contractual Services	916,995	991,141	1,069,040	1,069,040	1,177,500	108,460	10.1%	108,460	10.1%
Inter-Dept. Charges	0	0	3,676,393	3,676,393	0	(3,676,393)	-100.0%	(3,676,393)	-100.0%
Total	\$30,986,275	\$29,028,324	\$35,036,063	\$33,055,670	\$30,842,762	(\$4,193,301)	-12.0%	(\$2,212,908)	-6.7%

Expenses

- Not including inter-departmental charges, the FY 11 Proposed Budget for the District Attorney is decreasing by \$516,908. or 1.6%.
- Salaries are decreasing \$880,791 in FY 11 partially due to the reduced headcount from higher paid senior staff who took the separation incentive and termination expenses.
- In addition, the salaries line has been reduced by an adjustment of \$334,268 representing the savings anticipated from labor concessions. The salary line is fully funded for FY 11 except for the salary adjustment.
 - Overtime is increasing in the proposed budget by \$404,421 to \$700,000. The budget was underfunded in FY 10 with only \$295,579 allocated for this expense. YTD actuals have already exceeded the budget by \$295,785. The office spent \$676,997 in FY 09, \$542,433 in FY 08, \$461,000 in FY 07 and \$566,000 in FY 06.
 - Terminal leave is decreasing by \$113,705 from \$731,375 in FY 10 to \$617,670 in FY 11 due to a reduction in the liability for termination pay.

Expenses, Cont.

- The 16 budgeted part-time and seasonal positions are temporary District Attorney Law Assistants, who are considered to be full-time by the department. The current staffing level of 361 full-time employees is 10 less than the FY 10 budget (when including the temporary DA Law Assistants).
 - From April to August, the department hires recent law school graduates for a month of training. In the past, after the training period expired, the new attorneys would leave County service until a position opened within the department. In FY 06 the policy changed to retain the new attorneys after their training.
- The department lost the following 15 full-time employees as a result of the County's and the State's early retirement incentives. The department plans to backfill all the positions that were lost to the incentive.
 - 2 Attorney Assistants,
 - 3 Assistant District Attorneys,
 - 1 Investigative Accountant,
 - 1 Multi-Keyboard Operator,
 - 2 Financial Investigators
 - 6 Legal Secretaries
- General expenses are increasing by \$260,123 to \$1.1 million in FY 11 due primarily to increased investigative expenses including witness protection, surveillance, and expert witnesses among others. This expense is to cover costs of protecting witnesses from threats or retaliation. Examples of these costs include temporary lodging, food, relocation expenses and transportation.
 - The general expense budget also includes office, educational and training supplies and investigative costs.
- The FY 11 budget of \$1.2 million for contractual services includes the cost for state-mandated court reporters, expert witnesses, Westlaw (a legal subscription service), security and equipment maintenance service expenditures. The equipment maintenance contracts are needed to service office repairs that are not repairable by the County.

Revenues

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$0	\$1,500	\$0	\$0	\$0	\$0	*****	\$0	*****
Invest Income	619	0	200	200	100	(100)	-50.0%	(100)	-50.0%
Rents & Recoveries	161,682	73,607	30,000	30,000	1,424,045	1,394,045	4646.8%	1,394,045	4646.8%
Dept Revenues	7,169	37,054	25,000	25,000	25,000	0	0.0%	0	0.0%
Interdept Revenues	358,427	622,779	546,322	546,322	262,220	(284,102)	-52.0%	(284,102)	-52.0%
Interfund Charges Rev	1,934,164	1,732,040	2,013,749	2,013,749	0	(2,013,749)	-100.0%	(2,013,749)	-100.0%
Fed Aid-Reimb Of Exp	50,653	22,877	233,806	233,806	34,405	(199,401)	-85.3%	(199,401)	-85.3%
State Aid-Reimb Of Exp	41,731	45,980	51,262	51,262	41,678	(9,584)	-18.7%	(9,584)	-18.7%
Total	\$2,554,445	\$2,535,838	\$2,900,339	\$2,900,339	\$1,787,448	(\$1,112,891)	-38.4%	(\$1,112,891)	-38.4%

- The District Attorney’s FY 10 Proposed Revenue budget is declining by \$1.1 million, or 38.4% from \$2.9 million in FY 10 to \$1.8 million in FY 11.
- Inter-departmental revenue is decreasing by \$284,102 from \$546,322 in FY 10 to \$262,220 in FY 11.
- Interfund charges budgeted at \$2.0 million in FY 10 include various grants, such as Aid to Prosecution, Motor Vehicle Theft, Insurance Fraud, Medicaid Fraud, DWI Prosecution, Crimes Against Revenue and STOP DWI. In FY 11 this revenue will be posted in the grant fund.
- Federal aid, budgeted at \$34,405, is a reduction of \$199,401 from the FY 10 budget. The decline reflects the elimination of stimulus funds received from the Nassau County Police Department for the Project Safe Neighborhoods Grant in FY 10.
 - This revenue also includes reimbursement from the Federal Drug Enforcement Agency (DEA). The District Attorney’s Office submits claims for the amount of overtime worked with the DEA State and Local Task Force to the State of New York.
- State aid budgeted at \$41,678 in FY 11 represents reimbursement a portion of the District Attorney’s salary under the District Attorney Salary Support Program. This is a grant program administered by the New York State Division of Criminal Justice Services.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	115	118	126	127	129	3	2.4%	2	1.6%
Part-Time and Seasonal	72	109	70	111	72	2	2.9%	(39)	-35.1%
Salaries	\$10,165,344	\$9,247,243	\$11,660,157	\$11,575,967	\$12,370,492	\$710,335	6.1%	\$794,525	6.9%
Equipment	47,413	58,184	64,985	0	58,184	(6,801)	-10.5%	58,184	*****
General Expenses	721,842	794,605	823,970	794,605	823,970	0	0.0%	29,365	3.7%
Contractual Services	488,195	354,914	549,000	549,000	549,000	0	0.0%	0	0.0%
Total	\$11,422,795	\$10,454,946	\$13,098,112	\$12,919,572	\$13,801,646	\$703,534	5.4%	\$882,074	6.8%

Expenses

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Administration	\$3.2	\$3.0	\$3.4	\$3.3	-\$0.1	-3.7%
Primary Elections	1.2	0.3	1.3	1.5	0.2	17.0%
General Elections	7.0	7.2	8.4	9.0	0.6	7.3%
Total	11.4	10.5	13.1	13.8	0.7	5.4%

- The total proposed FY 11 budget has increased by \$.7 million or 5.4% to \$13.8 million from the FY 10 adopted budget.
- 2011 salary costs are increasing by \$0.7 million. The increase is a function of several things. The 2010 projection includes savings due to the bonding for terminal leave payments.

- 2011 salary expenses are also increasing to enable the department to fill its vacant full time positions offset by a salary adjustment of \$145,910 representing the savings anticipated from labor concessions.
- OTPS is decreasing by 0.47% from the FY 10 Adopted Budget due to reduction in equipment expenses.
- Within the equipment budget, office furniture/ furnishings and information technology spending is decreasing.
- In 2011, general expenses and contractual services are unchanged at their 2010 level.
- Contractual services remains at \$0.5 million. The Department contracts with outside vendors to secure maintenance and transportation service for the voting machines and for data services.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$221,339	\$208,582	\$120,000	\$120,000	\$120,000	\$0	0.0%	\$0	0.0%
Dept Revenues	33,816	46,157	35,000	35,000	35,000	0	0.0%	0	0.0%
Total	\$255,156	\$254,739	\$155,000	\$155,000	\$155,000	\$0	0.0%	\$0	0.0%

Revenues

- The total FY 11 proposed budget is \$155,000. It remains flat when compared to FY 10 adopted budget.
- The Board of Elections’ major source of income is from the rental of voting machines budgeted in 2010 to generate \$120,000. Departmental revenues remain flat at \$35,000.
 - The Board of Elections collects fees for the sale of a variety of data, such as forms, and report maps.
 - According to State law, the Board cannot generate a profit for this service but can only charge for the cost of producing such data.

The mission of the Nassau County Emergency Management Office (OEM) is to maintain a high level of preparedness, to reduce the vulnerability of the populace and property of the County resulting from natural, technological or civil disasters, to provide prompt and efficient services to persons victimized by disaster, provide for rapid and orderly restoration and recovery following disasters, and to effectively educate the public regarding their responsibilities in responding to disasters affecting the County.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	6	5	7	7	7	0	0.0%	0	0.0%
Salaries	\$516,297	\$439,972	\$530,587	\$429,123	\$556,199	\$25,612	4.8%	\$127,076	29.6%
Equipment	12,895	0	18,768	0	0	(18,768)	-100.0%	0	*****
General Expenses	13,584	20,691	20,000	20,000	20,000	0	0.0%	0	0.0%
Contractual Services	0	900,000	0	0	10,000	10,000	*****	10,000	*****
Inter-Dept. Charges	0	0	105,018	105,018	0	(105,018)	-100.0%	(105,018)	-100.0%
Total	\$542,776	\$1,360,663	\$674,373	\$554,141	\$586,199	(\$88,174)	-13.1%	\$32,058	5.8%

Expenses

- The proposed FY 11 budget of \$586,199 has decreased by \$88,174 or 13.1% from the Adopted 2010 Budget and increased by \$32,048 or 5.8% from OLBR’s projections.
- Salaries for the proposed 2011 budget are increasing by \$25,612 or 4.8% from the FY 10 adopted budget and \$127,076 or 29.6% from the OLBR projection, which is attributed to 2010 vacancies for the first part of the year.
- The full-time headcount remains at seven for the proposed 2011 budget.
- The equipment budget has been eliminated for FY 11 which is consistent with the OLBR projection and FY 09 actuals.
- The general expense budget remains unchanged at \$20,000, which is in line with OLBR projections.
- The Administration allocated \$10,000 for contractual services in the FY 11 budget. These funds will be used for telephone expenses during emergency notifications
- The \$105,018 that was allocated for interdepartmental charges for the Adopted FY 10 Budget has been removed from the proposed 2011 budget. These expenses reflect an appropriation of indirect administration charges incurred by one department on behalf of another department. These charges included payroll costs, purchasing, building operations and security.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$1,200	\$115	\$0	\$0	\$0	\$0	*****	\$0	*****
Interfund Charges Rev	0	0	185,188	185,188	0	(185,188)	-100.0%	(185,188)	-100.0%
Fed Aid-Reimb Of Exp	380,350	126,529	420,000	420,000	519,000	99,000	23.6%	99,000	23.6%
Total	\$381,550	\$126,644	\$605,188	\$605,188	\$519,000	(\$86,188)	-14.2%	(\$86,188)	-14.2%

Revenues

- The department allocated \$185,188 in interfund charges for the first time in the 2010 Adopted Budget; however the funds were removed from general fund and will be reflected in the grant fund for the proposed 2011 budget.
- OEM received two grants to create a countywide interoperable communications plan. They received \$125,000 to hire a vendor to write the plan and they received \$500,000 to conduct training and to perform an exercise of the plan. The \$185,188 was reimbursement for County employees that participated in the training and exercises.
- The FY 11 proposed budget allocates \$519,000 for Federal Aid, which is an increase of \$99,000 from the FY 10 Adopted Budget. This revenue primarily reflects the Local Emergency Management Planning Grant (LEMPG) from the federal government which partially reimburses the salaries of the Office of Emergency Management.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	110	101	110	86	107	(3)	-2.7%	21	24.4%
Part-Time and Seasonal	23	24	27	28	30	3	11.1%	2	7.1%
Salaries	\$10,517,885	\$10,099,805	\$10,648,083	\$9,908,222	\$10,424,014	(\$224,069)	-2.1%	\$515,792	5.2%
Fringe Benefits	4,490,947	3,547,407	3,512,885	3,591,455	4,158,734	645,849	18.4%	567,279	15.8%
Equipment	5,810	20,847	34,380	20,847	27,580	(6,800)	-19.8%	6,733	32.3%
General Expenses	130,048	73,550	191,253	73,550	124,330	(66,923)	-35.0%	50,780	69.0%
Contractual Services	4,168,821	4,037,841	4,349,109	4,349,109	4,340,643	(8,466)	-0.2%	(8,466)	-0.2%
Debt Svc. Chargebacks	491,258	473,162	435,513	435,513	375,352	(60,161)	-13.8%	(60,161)	-13.8%
Inter-Dept. Charges	2,030,219	2,341,833	2,447,046	2,447,046	2,667,339	220,293	9.0%	220,293	9.0%
Trans To General Fund	247,131	630,601	0	0	0	0	*****	0	*****
Total	\$22,082,119	\$21,225,046	\$21,618,269	\$20,825,742	\$22,117,992	\$499,723	2.3%	\$1,292,250	6.2%

Expenses

- The FY 11 proposed budget is increasing from the Adopted FY 10 Budget by \$499,723 or 2.3% to \$22.1 million due increases in fringe benefits and interdepartmental charges.
 - Compared to the FY 10 projection, expenses are increasing by \$1.3 million due to increases in all subobject categories except for contractual services and debt service chargebacks.
- Salaries are decreasing compared to the FY 10 Adopted Budget by \$224,069 or 2.1% due to a reduction of three full-time positions. In addition, the salaries line has been reduced by an adjustment of \$680,017 representing the savings anticipated from labor concessions.

Fire Commission Move
 In FY 11 the Fire Commission will relocate their premises to 1194 Prospect Avenue in Westbury. The Commission currently resides on the grounds of A. Holly Patterson which is owned by the Nassau Health Care Corporation (NHCC).

- The overtime budget is increasing \$257,371 to \$1.7 million which is more in line with historic spending. In FY 10, OLBR projects overtime expenses at \$1.7 million.
- In FY 10, OLBR projects a salary surplus of roughly \$740,000 due to 24 full-time vacant positions and the bonding of termination expenses.
 - This surplus would have been greater if not for a \$223,458 deficit projected in overtime for FY 10.

Expenses, Cont.

- Budgeted headcount is decreasing by three full-time positions and increasing by three part-time positions. Compared to the September 1, 2010 staffing level, headcount is increasing by 21 full-time positions and two part-time positions.
 - The three full-time positions eliminated from the budget include an Assistant Chief Fire Marshal and two clerical positions.
 - The three part-time positions include a Fire Marshal III, a Clerk Typist and a Fire Communications Technician III.
- The department lost 15 full-time positions to the recent Early Retirement Incentives. The positions are:
 - three Assistant Chief Fire Marshal,
 - three clerical positions,
 - four Fire Communication Technicians, and
 - five Fire Marshals.
- Fringe benefits are increasing by \$645,849 or 18.4% to \$4.2 million in the FY 11 Adopted Budget. Compared to the FY 10 projection, fringe benefits are increasing by \$567,279 million or 15.8%.
 - Health insurance costs for active and retired employees are increasing by roughly \$286,000 compared to the FY 10 budget.
 - In FY 10, health insurance rates were finalized at an increase of 2.2% for individual and 3.8% for family, due to an application of a larger than normal dividend.

Staffing

The Fire Commission has received Personnel Request Forms (PRF) to hire the following:

- three Supervisor III's (two of the three will be promoted).
- three Supervisor II's (all promotions).
- nine Fire Marshall Trainees (six new hires and three promotions).
- six Fire communication Technician I's (five out of six are vacant and one is due to promotion).
- one Fire Communication Technician II (a promotion).

The Commission has stressed the need for clerical positions and is behind in clerical duties such as processing and issuing permits and licenses. The Administration did not approve the PRF requests for the clerical positions but instead has agreed to transfer three Clerks from another County department. However this has not yet occurred and the Commission continues to fall behind in clerical processing. Another problem with the shortage of clerks is that Fire Marshals are spending their time working on clerical tasks leaving them less time in the field.

- The FY 11 budget for health insurance includes a growth rate of 13.4% for active and retired health insurance. The growth rate is realistic based on New York State's Second Quarter Experience Report which estimates health insurance rates to increase by roughly 12.5% in 2011.
- Social security costs are increasing by \$49,172 due to an under-funded FY 10 social security budget.
- Pension costs are increasing by \$306,320 due to a higher pension contribution rate in FY 11.

Expenses, Cont.

- In FY 08 there was a spike in the fringe benefit cost resulting from \$832,000 in past service costs paid in the County’s 2008 pension bill to provide an optional twenty-five year retirement plan for Nassau County Fire Marshals.

	2010 Adopted Budget	2011 Adopted Budget	Prop. Vs. Adopted	Percent
State Ret Systems	\$743,416	\$1,049,736	\$306,320	41.2%
Social Security Cont	705,804	754,976	49,172	7.0%
Health Insurance	1,405,708	1,551,684	145,976	10.4%
Optical Plan	12,646	11,133	(1,513)	-12.0%
Dental Insurance	61,713	54,313	(7,400)	-12.0%
Medicare Reimbursement	58,997	65,938	6,941	11.8%
MTA Mobility Tax	31,549	34,782	3,233	10.2%
CSEA Legal Plan	12,750	13,375	625	4.9%
Disability Insurance	14	14	0	0.0%
Health Insurance For Retirees	477,529	617,216	139,687	29.3%
Employees Optical - Retirees	2,759	5,567	2,808	101.8%
Grand Total	\$3,512,885	\$4,158,734	\$645,849	18.4%

- The equipment budget has been reduced by 19.8% from \$34,380 in FY 10 to \$27,580 in FY 11. The department plans to manage the reduction by purchasing less hazmat equipment and materials.
 - The equipment budget includes communication equipment, educational and training equipment, radios and sirens for new vehicles and hazmat

safety equipment and materials and plan review inspection equipment.

- General expenses have been reduced to \$124,330 in FY 11 from \$191,253 in FY 10 due to the Administration’s directive to reduce OTPS charges.
- Contractual services remain unchanged at \$4.3 million. The biggest contract is \$4,073,490 for the Vocational Education and Extension Board (VEEB) contract.
 - In addition to the VEEB contract, contractual services also includes the following contracts:
 - \$1,195 for veterinarian care for the department’s canine.
 - \$59,000 for Nassau University Medical Center to provide medical examinations for Fire Marshal personnel who respond to fire or hazardous emergencies.
 - \$46,500 for a new computer system for fee collections. The department plans to discontinue this contract since the vendor has not been successful in adapting the fee collection system to the needs of the Fire Commission.
 - \$159,600 for Eastern Communications for the Fire Communications Emergency Dispatch.
- Inter-departmental charges are increasing by \$220,293 or 9.0% due primarily to information technology, building occupancy and telecommunication charges.

Revenues

The Proposed FY 10 Revenue Budget is increasing by \$499,723 or 2.3% from \$21.6 million in the FY 10 Adopted Budget to \$22.1 million for FY 11 due to increases in department revenues and property tax.

- Property taxes are increasing by \$240,664 or 1.6% compared to the FY 10 budget. This is not a property tax increase, but a reallocation of the tax levy between the major funds.
- Department revenue is increasing by \$250,000 to \$6.1 million due to proposed increases in the Nassau County Fire Prevention Ordinance fee schedule for sprinkler plan reviews, automatic extinguishing system plan reviews and fire alarm system plan reviews. The test and plan reviews are anticipated to increase from \$415 to \$450. The permits for sprinklers and fire alarms will remain unchanged.
 - The additional \$250,000 in department revenue is a risk until the fee increases are approved by the Legislature.
- State aid remains unchanged at \$190,000 and appears to be achievable.
 - State aid is made up of tuition reimbursements from New York State for teaching emergency medical courses for emergency service providers who serve the communities within Nassau County.
- The FY 08 actual of \$832,000 for inter-fund transfers represent funds to pay the past service credit costs to provide an optional twenty-five year retirement plan for Nassau County Fire Marshals.

- The revenue budgeted at \$28,622 to offset expenses includes reimbursement for the Medicare Part-D drug prescription program.

Accelerated Plan Reviews, Tests and Inspections

In addition to the increase in the Fire Prevention Ordinance fee schedule, the Fire Commission has decided to increase the accelerated plan reviews and accelerated tests and inspections from \$180 to \$300 fee per test. Fire Marshals must perform the tests on overtime and return the plans to the contractor within ten days. Contractors pay the fee for the plan review plus the overtime rate. The over time rate is based on a minimum of four hours of a Fire Marshal’s top salary step. Due to the shortage in staffing, the department currently has more plans to review than they can handle. The revenue is booked in the Fire Commission’s departmental revenue.

Fees

The Fire Commission collects fees generated from mandatory compliance testing under a variety of state and local public safety laws and from educational fees associated with Emergency Medical Training courses that are offered to the public. Examples of article fees collected include fire alarms, smoke alarms, sprinkler system, bulk storage, and emergency light testing fees.

Revenues, Cont.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Invest Income	4,636	1,480	2,500	2,500	6,155	3,655	146.2%	3,655	146.2%
Rents & Recoveries	50,299	6,230	0	0	0	0	*****	0	*****
Rev Offset To Expense	0	0	27,788	27,788	28,622	834	3.0%	834	3.0%
Dept Revenues	5,396,689	5,602,452	5,897,186	5,800,000	6,147,186	250,000	4.2%	347,186	6.0%
Interfund Charges Rev	48,826	984	100,000	100,000	104,570	4,570	4.6%	4,570	4.6%
Interfund Transfers	832,000	0	0	0	0	0	*****	0	*****
State Aid-Reimb Of Exp	194,845	148,365	190,000	190,000	190,000	0	0.0%	0	0.0%
Property Tax	15,554,824	15,465,535	15,400,795	15,400,795	15,641,459	240,664	1.6%	240,664	1.6%
Total	\$22,082,119	\$21,225,046	\$21,618,269	\$21,521,083	\$22,117,992	\$499,723	2.3%	\$596,909	2.8%

Grants

➤ The following schedule details the Grant Funding for FY 10. The department anticipates receiving the same amount in FY 11.

GRANTS	AMOUNT
State Homeland Security Program	\$175,000
Safety and Protection	\$50,000
Total	225,000

The State Homeland Security Program is a non-competitive federal grant passed through the New York State Office of Homeland Security. The program provides funding to the Fire Commission to support planning, communications equipment, training and exercise needs associated with the preparedness and preventative activities for acts of terrorism using weapons of mass destruction including chemical, biological, radiological, nuclear and explosive materials. The funds are used for overtime and fringe benefits incurred during training and exercise sessions and for communication equipment used during the detection and mitigation of terrorist attacks.

The Urban Area Security Initiative Grant is a non competitive federal grant passed through the New York Office of Homeland Security. The grant also provides funding to support planning, training, and exercise needs associated with the preparedness and prevention activities for acts of terrorism using weapons of mass destruction.

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 members of the Board of Health oversee all activities and staff.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	230	210	220	195	210	(10)	-4.5%	15	7.7%
Part-Time and Seasonal	26	30	36	32	35	(1)	-2.8%	3	9.4%
Salaries	\$16,579,815	\$15,394,761	\$16,836,835	\$15,540,204	\$15,958,839	(\$877,996)	-5.2%	\$418,635	2.7%
Equipment	67,024	10,085	17,570	10,086	27,560	9,990	56.9%	17,474	173.3%
General Expenses	1,761,649	1,621,414	1,792,099	1,621,745	1,792,746	647	0.0%	171,001	10.5%
Contractual Services	7,426,056	6,009,897	1,699,532	1,076,532	1,153,632	(545,900)	-32.1%	77,100	7.2%
Var Direct Expenses	0	0	5,000,000	5,000,000	5,000,000	0	0.0%	0	0.0%
Inter-Dept. Charges	5,644,311	6,658,666	6,642,424	6,642,424	7,573,131	930,707	14.0%	930,707	14.0%
Early Int./Special Ed	160,649,527	166,171,963	173,600,000	167,900,000	171,304,000	(2,296,000)	-1.3%	3,404,000	2.0%
Total	\$192,128,383	\$195,866,786	\$205,588,460	\$197,790,991	\$202,809,908	(\$2,778,552)	-1.4%	\$5,018,917	2.5%

Expenses

- Total expenditures are decreasing by \$2.8 million or 1.4% compared to the FY 10 budget, however compared to the FY 10 projection expenses are increasing by \$5.0 million or 2.5%. The decrease compared to the FY10 budget is due to reduced salaries, contractual services and Children's Early Intervention services. The increase compared to the FY 10 projection is due to increases in all object codes.
- Salaries are decreasing by 5.2% or \$877,996 compared to the FY 10 budget due to the reduction in headcount and terminal leave. In addition, the salaries line has been reduced by \$603,975 representing the savings anticipated from labor concessions. The salary cut has not been offset by a corresponding reduction of state aid reimbursement.
 - Compared to the FY 10 projection salaries are increasing by \$418,635 due to the inclusion of 15 vacant positions.

Expenses, Cont.

Staffing Analysis						
	<u>FY 10</u>	<u>Sept-10</u>	<u>FY 11</u>	<u>FY 11</u>	<u>Exec. vs</u>	<u>Exec. vs</u>
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>10 Adopt</u>	<u>Actual</u>
CC Full-time Staffing						
10 Administration	29	26	26	26	(3)	0
20 Environmental Health	86	79	83	83	(3)	4
30 Public Health Laboratories	21	15	22	22	1	7
40 Public Health	21	17	18	18	(3)	1
51 Child Early Intervention	57	52	55	55	(2)	3
54 Pre-School Education	6	6	6	6	0	0
Total Full-Time	<u>220</u>	<u>195</u>	<u>210</u>	<u>210</u>	<u>(10)</u>	<u>15</u>
CC Part-time and Seasonal						
10 Administration	12	11	11	11	(1)	0
20 Environmental Health	22	16	19	19	(3)	3
30 Public Health Laboratories	1	3	3	3	2	0
40 Public Health	1	2	2	2	1	0
Total Part-time and Seasonal	<u>36</u>	<u>32</u>	<u>35</u>	<u>35</u>	<u>(1)</u>	<u>3</u>

- Budgeted headcount is decreasing by 10 full-time positions and 1 part-time position. Compared to the September 1, 2010 staffing level, headcount is increasing by 15 full-time positions and 3 part-time positions.
- The department has lost 18 (plus 8 from grants) full-time positions to the early retirement incentive programs. These positions are:
 - Director of Programs for Children with Special Needs,
 - Management Analyst,
 - Public Health Educator,
 - Public Health Nurse,
 - Epidemiologist,
 - Public Health Engineer,
 - 2 Medical Social Workers,
 - 2 Organic Chemists,
 - 3 Sanitarians, and,
 - 5 clerical positions.

Expenses, Cont.

- The 15 vacant full-time positions in FY 11 include: an Early Intervention Service Coordinator, 2 Physicians, 1 Public Health Engineer, 2 Medical Technicians, 3 Sanitarian Trainees, 3 Sewage Treatment Chemist, and 3 Public Health Nurses.
- The FY 11 budget includes 4 full-time Sewage Treatment Chemists I's that will be transferred from the Department of Public Works. A board transfer will be required to move the positions into the Department of Health.
- The FY 10 projection for salaries is currently showing a surplus of \$1.3 million due to 25 vacant positions.
- Contractual expenses are decreasing by \$545,900 or 32.1% to \$1.2 million. The decrease is due primarily to the elimination of the Common Sense for the Common Good initiative.
- Compared to the FY 10 projection the FY 11 budget is increasing by \$77,100 or 7.2%. The 2010 projection takes account of a cut in funding of \$480,000 for the Common Sense for the Common Good initiative, \$108,000 for Cornell Cooperative and \$35,000 for the Nassau Healthcare Corporation for the flu vaccination.
- Other contractual services included in the Public Health control center include:
 - \$300,928 for Aids Consortium which includes two contracts with LIAC (Long Island Association Aids Care) and LIMAC (Long Island Minority Aids Coalition) to provide outreach and HIV counseling in the community.
 - \$108,000 for Cornell Cooperative which is half the budgeted amount compared to FY 10 Adopted Budget. In FY 09 and FY 10, the funding was reduced to half the budgeted amount of \$216,000.
 - \$185,000 for security at the WIC (Woman Infant and Children) sites.
 - \$88,594 for Cost Management Services.
 - \$73,109 for Economic Opportunity Commission to fund the Minority Health Disparities initiative.
 - \$50,000 for Rotocare to fund the Minority Health Disparities initiative.
- An additional \$150,000 has been added to contractual services in the Public Health Lab from the Department of Public Works transfer of the Sewage Treatment Lab.
- Various Direct Expenses is made up of the \$5.0 million mission payment paid to the Nassau Health Care Corporation.
- Inter-departmental charges are increasing by \$930,707 or 14.0% compared to FY 10 due to an increase in building occupancy and indirect charges.

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Administration	7.5	8.1	8.6	8.8	0.2	2.2%
Public Health	9.3	7.5	8.6	7.7	-0.9	-10.7%
Public Health Laboratories	2.6	2.4	2.5	2.8	0.3	13.5%
Environmental Health	7.1	6.8	7.2	7.1	-0.1	-1.1%
Childrn Early Inter. Services	48.4	52.0	55.6	51.6	-4.0	-7.2%
Pre-School Education	117.2	119.2	123.1	124.8	1.7	1.4%
Total	192.1	195.9	205.6	202.8	-2.8	-1.4%

- The FY 11 budget decrease of \$2.8 million is due to decreases in Public Health, Environmental Health and Children’s Early Intervention Services.
- The decrease in Public Health is mostly attributed to the reduction in contractual services due to the elimination of the Common Sense for the Common Good initiative.
- The decrease in Environmental Health is due to a reduction in general expenses for medical supplies and miscellaneous expenses.
- The decrease in Children’s Early Intervention Services is due to lower than budgeted revised provider rates.
- The Administration control center is increasing due to a rise in indirect charges under interdepartmental charges. This increase has been offset by a reduction in salaries.
- Preschool education is increasing due to an increase in provider rates that are dictated by New York State.

- The Public Health Lab is increasing due to increased general expense for medical supplies and equipment maintenance and due to the inclusion of \$150,000 for contractual services.

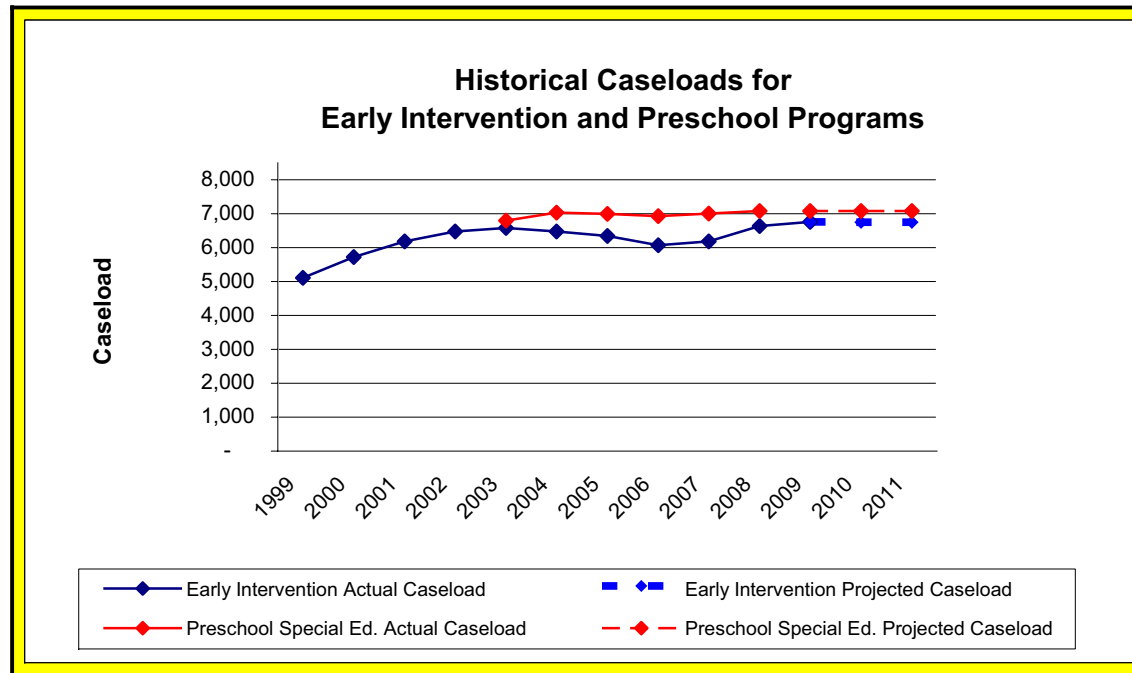
The Health Department has been working with the Department of Information Technology (DoIT) to streamline and create efficiencies with new technology. The department has identified the following initiatives and is optimistic that some will be implemented in the near future:

- Centralize computer systems that report to the State from multiple points of entry to one point of entry.
- Obtain laptops for Early Intervention staff so that employees can work offsite.
- Provide hand held devices for Environmental Health so that Sanitarians do not have to report back to the office after inspections.
- Create a computerized schedule system for lifeguard testing and food managerial classes (which are currently hand written schedules).
- Implement an intercom system in the lobby.
- Implement a tracking system for inventory.
- Implement a tracking system for lab supplies.
- Receive scanning technology for mandated record keeping for diseases.
- Obtain new computers and/ or increase memory for outdated computers in the department.
- Computerized data entry for employee mileage reimbursement.

Expenses, Cont.

- The control center for preschool education, devoted to providing special needs to preschool children, is the largest component of the Health Budget.
 - This control center is budgeted for \$124.8 million in FY 11, which is a \$1.7 million increase compared to FY 10. The increase is due to an increase in provider rates that are dictated by New York State.
 - The FY 11 caseload is projected to remain close to the FY 2009 actual level at approximately 7,075 children. It is difficult for the department to project caseload figures since the State allows the school districts up to four years to claim reimbursement from the County.
 - Special education one to one itinerant teaching (SEIT) services are decreasing by \$300,000, which is in line with the department's projection in FY10.
 - Summer school is increasing by \$500,000 to \$2.4 million due to an understated FY 10 budget.
 - Evaluations for preschool are decreasing by \$400,000 due to increased coordination and collaboration with school districts. Staff is working diligently to manage the program within the State Education Department guidelines.
 - Transportation is increasing by \$600,000 due to increases in the current negotiated transportation contracts. The transportation contracts are scheduled for a Request For Proposal (RFP) in FY 11.
 - Committee on Preschool Special Education (CPSE) administration costs are decreasing by \$404,000 compared to FY 10 at \$3.8 million. The Preschool Special Education Program is administrated by individual school districts' committees on preschool education. The State bills the county based on cost reports that are submitted by the school districts.
 - The \$300,000 for the CPSE consultants cost is to pay for consultants to attend the school districts' committee meetings to ensure quality assurance. This amount remains unchanged compared to this year.
- The second largest budget is the Early Intervention program carrying \$51.6 million in expenses, a \$4.0 million decrease compared to the current year's budget. This decrease is due to lower than budgeted revised early intervention rates that are paid by the County to New York State. The FY 11 budget is more in line with the FY 10 projection.
 - The following chart provides historical caseload data from FY 99 to budgeted FY 11 for the Early Intervention Program and data from FY 03 to budgeted FY 11 for the Preschool Program.

Expenses, Cont.



- Under the Preschool Education Program the caseload data from 2007-2010 are subject to revision since the years have not been closed. The data collected from the Health Department was not available from 1999 through 2003. As reflected in the chart, early intervention and preschool caseload is anticipated to remain unchanged in FY 11 compared to the FY 09 actual.

Revenue

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	\$4,441,278	\$4,376,100	\$4,286,900	\$4,100,000	\$4,285,135	(\$1,765)	0.0%	\$185,135	4.5%
Fines & Forfeits	215,416	277,815	230,000	230,000	277,815	47,815	20.8%	47,815	20.8%
Rents & Recoveries	2,890,461	1,108,041	300,000	300,000	807,250	507,250	169.1%	507,250	169.1%
Dept Revenues	10,141,873	11,916,755	11,217,400	10,892,400	11,653,732	436,332	3.9%	761,332	7.0%
Interdept Revenues	60,000	(60,000)	0	0	0	0	*****	0	*****
Interfund Charges Rev	154,753	98,933	102,059	102,059	579,266	477,207	467.6%	477,207	467.6%
State Aid-Reimb Of Exp	93,406,256	93,699,107	102,564,695	97,600,000	99,111,000	(3,453,695)	-3.4%	1,511,000	1.5%
Total	\$111,310,037	\$111,416,751	\$118,701,054	\$113,224,459	\$116,714,198	(\$1,986,856)	-1.7%	\$3,489,739	3.1%

The Department of Health has implemented a new program in Environmental Health to expedite food permits. The program is similar to the accelerated plan review in the Fire Commission. If a restaurant wants to expedite a food permit, the Health Department will accelerate the process on overtime for an increased permit fee equal to the cost of the overtime. This initiative is to help boost revenue and expedite the process for obtaining food permits.

- The proposed FY 11 revenue budget is decreasing from the FY 10 budget by \$2.0 million to \$116.7 million due to a decrease in state aid reimbursement for children's early intervention services. The state aid budget appears achievable.
 - This decrease in state aid correlates with the decrease in expenditures for children's early intervention services.

- There is a mixture of different reimbursement rates for state aid depending on the service provided.
 - The department receives 59.5% reimbursement for preschool related services.
 - The department receives 49.0% reimbursement for early intervention services for education, related services, evaluations and transportation costs.
 - The department receives 36.0% reimbursement for Public Health Article 6 funding.

Revenues, Cont.

- Permits and licenses revenue, at \$4.3 million, remains unchanged compared to the FY 10 Adopted Budget. Compared to the FY 10 projection, revenue is increasing by 4.5% or \$185,135. Permits and licenses include fees charged for the food establishment inspection program, hazardous materials registration fees under Article XI Program, day camp permits, realty subdivision filings, x-ray surveys and inspections, swimming pool and beach inspections, temporary residence inspections, cross connection control program, water supply plan review, and tattoo parlor and lifeguard certifications.
 - The largest revenue source in Environmental Health is from food establishments which are budgeted at \$2.5 million. The Health Department is required under the New York State Sanitary Code to regulate food service establishments within its jurisdiction by conducting field inspections and investigations and permitting the establishments.
 - Fees collected from the Hazardous Materials Article XI program are budgeted at \$987,000, which is a decrease of \$113,000 or 10.2% from FY 10.
- Fines and forfeitures budgeted at \$277,815 is increasing by 20.8% compared to the FY 10 Adopted Budget.
 - 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 increasing by \$507,250 to \$807,250 in the FY 11 Adopted Budget due to prior year contract disencumbrances. The County receives refunds from preschool providers as a result of retroactive rate adjustments. The FY 11 budget is in line with historical revenue collections. In 2009, \$1.1 million was collected and in 2008, \$2.9 million was collected.
 - A large percentage of vendor recoveries are for preschool education, where the state adjusts a provider period rate retroactively. If the final rate is less than the prospective rate that is paid, the department will seek recovery of the excess payments.

Revenues, Cont.

- Department revenues are increasing by \$436,332 or 3.9% compared to the FY 10 budget due primarily to Medicaid fees from Early Intervention and the Preschool Program.

Departmental Revenues				
Revenue Source	FY 09 Actual	FY 10 Budget	FY 10 Projected	FY 11 Proposed
Miscellaneous Receipts	\$1,834,301	\$2,104,000	\$1,804,000	\$1,816,919
Fees	10,181	9,000	9,000	10,181
PHCP Receipts	1,826	400	400	1,826
Charges to Grants	244,843	0	0	0
Medicaid Receipts	83,600	0	0	0
Pre-School Medicaid	2,025,688	1,500,000	1,500,000	2,025,600
Medicaid Fees, for E.I.	7,714,110	7,600,000	7,300,000	7,797,000
Disease Control	2,206	4,000	4,000	2,206
Grand Total	\$11,916,755	\$11,217,400	\$10,617,400	\$11,653,732

- The bulk of department revenues at \$7.8 million is generated from Medicaid fees for Early Intervention.
 - Medicaid is billed for Early Intervention services that are provided to children enrolled in Medicaid. The FY 11 budget is increasing by \$197,000 compared to FY 10 budget.
- The second largest revenue at \$1.8 million is miscellaneous receipts which is reimbursement from insurance companies when the County bills for Early Intervention services that were provided to children. Services include screening and evaluations, home visits, office visits and family support groups.

- Preschool Medicaid reimbursement is increasing by \$526,000 to \$2.0 million due to an increase in the reimbursement rate for Medicaid.
- Fees under the Public Health Laboratory are charged for laboratory tests that are performed for outside providers.
 - The lab performs environmental testing for several water districts and some clinical testing.

Medicaid revenue collections can be unpredictable, since revenue is collected through a variety of insurers. To collect reimbursement for Early Intervention services the County first bills third party insurance carriers, then secondly Medicaid. If the County is unsuccessful with third party carriers and Medicaid insurers, the next step is to apply for state aid reimbursement. State aid reimbursement represents 49% of the costs which is a lower reimbursement rate than Medicaid. The reverse process is used to collect Medicaid revenue for pre-school services. The Health department will first try to collect state aid reimbursement, then secondly Medicaid. The department does not go after third party insurers for preschool services.

The Nassau County Office of Housing and Intergovernmental Affairs (OHIA) is the overall administrative agent for the Federal Community Development Block Grant Program (CDBG), HOME Investment Partnership Program, the Emergency Shelter Grant Program (ESG) and the American Dream Down payment Initiative (ADDI) which are all funded through the U.S. Department of Housing and Urban Development (HUD). It is this department that upgrades, promotes and assists neighborhood developments established by the County. These funds are dedicated to eliminating blight and slums and helping social services programs such as youth counseling, senior citizen services, handicapped access and infrastructure improvements such as drainage projects and affordable housing. HOME funds are federal funds used for the construction or major rehabilitation of residential buildings for single or multiple dwelling units. Emergency Shelter Grant funds are directed to the rehabilitation of homeless shelters. The American Dream Down payment Initiative was signed into law in December 2003 and is aimed to increase the home ownership rate, especially among lower income and minority households and to revitalize and stabilize communities. In 2009, OHIA received a total of approximately \$4.2 million in additional funding from the federal and New York State governments (under the American Recovery and Reinvestment Act of 2009 and the Housing and Economic recovery Act of 2008) to supplement the current CDBG program.

The budget for OHIA in the General Fund consists of three responsibility centers: the Business Development Unit (BDU), Brownfields Redevelopment Unit (BRU) and Economic Development Vertical Administration. The BDU works to make Nassau County a destination for businesses wanting to operate in or expand on Long Island. As such, BDU staff meets to directly with small, mid-size and large businesses to assess their expansion and growth needs. The BDU is also responsible for oversight and administration of the Nassau County Empire Zones Program, an economic development program developed and administered state-wide by the NY Empire State Development Corporation.

The primary objective of the BRU is to facilitate redevelopment of sites that are unused due to known or suspected environmental contamination. Brownfields redevelopment provides potential sites for open space, affordable housing and business development

In FY 09 the Department of Housing and Urban Development (HUD) under Title XII of the American Recovery and Reinvestment Act of 2009 awarded Nassau County \$6.5 million for the Homelessness Prevention and Rapid Re-Housing Program (HPRP). The Office of Housing and Homeless Services (OHHS), the County’s designated homeless provider for all of Nassau County, provides direct services to homeless clients and directly administers these funds. The goal of the program is to help people obtain long-term sustainable housing.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$7,633	\$0	\$0	\$0	\$0	\$0	*****	\$0	*****
Interfund Charges Rev	560,454	381,440	483,602	483,602	0	(483,602)	-100.0%	(483,602)	-100.0%
Fed Aid-Reimb Of Exp	0	15,820	1,000,000	1,000,000	0	(1,000,000)	-100.0%	(1,000,000)	-100.0%
State Aid-Reimb Of Exp	30,003	0	23,729	23,779	0	(23,729)	-100.0%	(23,779)	-100.0%
Total	\$598,091	\$397,260	\$1,507,331	\$1,507,381	\$0	(\$1,507,331)	-100.0%	(\$1,507,381)	-100.0%

Revenues

- In FY 11 the department's revenue has been eliminated, the majority of which is associated with the discontinuance of federal and state aid reimbursements. The reimbursements were for Brownsfields redevelopment projects that have been delayed due to holdups in site selection.
- FY 10 projections are in line with the FY 10 adopted budget.
- The inter-fund charges are reimbursements from the Grant Fund for administrative costs. In FY 11, the Administration has decided to post all these costs in the Grant Fund.

Expenses

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	6	7	7	3	3	(4)	-57.1%	0	0.0%
Salaries	\$657,197	\$624,789	\$709,729	\$369,075	\$316,137	(\$393,592)	-55.5%	(\$52,938)	-14.3%
Equipment	(91)	0	1,000	0	0	(1,000)	-100.0%	0	*****
General Expenses	21,771	11,701	109,909	11,701	7,225	(102,684)	-93.4%	(4,476)	-38.3%
Contractual Services	4,662	0	1,000,000	1,000,000	0	(1,000,000)	-100.0%	(1,000,000)	-100.0%
Inter-Dept. Charges	639,561	759,774	727,372	727,372	1,092,384	365,012	50.2%	365,012	50.2%
Total	\$1,323,100	\$1,396,264	\$2,548,010	\$2,108,148	\$1,415,746	(\$1,132,264)	-44.4%	(\$692,402)	-32.8%

- The \$21.6 million in HUD funding for the CDBG, HOME, ESG and ADDI programs for the FY 11, 36th program year is reflected in the Grant Fund, not the General Fund operating budget.
- The FY 11 expenditure budget is declining by \$1.1 million when compared to the adopted FY 10 budget and \$692,402 compared to OLBR's FY 10 projections.
- Although, historically, staffing levels have increased or have remained flat, they are being reduced by four in the FY 10 projections and the FY 11 proposed budget. The FY 11 budget accommodates funding for three positions which are currently on board. The other four positions were reassigned to the Grant Fund because their duties are 100% reimbursable. The four positions are Administrative Assistant, Deputy Director of Operations, Deputy Director and Housing Inspector.

- The \$1.0 million elimination of the contractual services line is related to the corresponding \$1.0 million elimination in revenue for federal aid reimbursement. This funding was for a Brownsfield Redevelopment site, which has yet to be selected.
- Interdepartmental charges are increasing due, in large part, to a \$267,941 rise in building occupancy charges. In FY 11, a significant portion of the first floor at 40 Main Street, which had been previously allocated to Housing County offices, will now be charged to the department in rental charges.

Human Resources was established by ordinance No. 302A-1971 to act as the liaison between the Civil Service Commission and all County departments, managing all aspects of Human Resources for the County's workforce.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	17	16	16	9	9	(7)	-43.8%	0	0.0%
Part-Time and Seasonal	2	1	1	2	3	2	200.0%	1	50.0%
Salaries	\$1,040,548	\$975,391	\$1,015,084	\$691,015	\$780,940	(\$234,144)	-23.1%	\$89,925	13.0%
General Expenses	32,206	9,400	26,280	14,210	38,280	12,000	45.7%	24,070	169.4%
Contractual Services	23,000	15,000	60,000	30,000	28,500	(31,500)	-52.5%	(1,500)	-5.0%
Total	\$1,095,755	\$999,791	\$1,101,364	\$735,225	\$847,720	(\$253,644)	-23.0%	\$112,495	15.3%

Expenses

- The proposed 2011 expense budget decreased by \$253,644 or -23.0% compared to the 2010 Adopted Budget. This is primarily due to the decrease in headcount and contractual services.
- The budget to budget headcount reduction is an elimination of vacancies. The FY 11 full-time headcount is equal to the current on board headcount.
- The FY 11 general expenses are increasing by \$12,000 from the FY 10 budget. The increase is the result of a need for additional miscellaneous supplies related to the implementation of the Shared Services concept.
- The 2011 contractual services line is decreasing by \$31,500 or -52.5% from the 2010 adopted as a result of in-house training.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$4,879	\$1,611	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	15	0	0	0	0	0	*****	0	*****
Cap Backcharges	215,352	189,060	495,744	95,744	0	(495,744)	-100.0%	(95,744)	-100.0%
Total	\$220,247	\$190,671	\$495,744	\$95,744	\$0	(\$495,744)	-100.0%	(\$95,744)	-100.0%

Revenues

- No revenues are included in the FY 11 Human Resources budget.
- The Department had previously received capital chargeback revenues related to the Automated Time and Leave project.
- Since the project is now complete, these revenues are no longer included in the budget.

The Commission on Human Rights was established April 8, 1963, by Local Law Number 5. The Commission is mandated to investigate and mediate cases of discrimination based on race, creed, color, sex, age or handicap. The Job Development Center provides job and training referrals, guidance and testing services to persons seeking employment or to upgrade their skills.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	9	7	9	9	9	0	0.0%	0	0.0%
Part-Time and Seasonal	2	15	55	38	51	(4)	-7.3%	13	34.2%
Salaries	\$670,148	\$761,467	\$700,456	\$645,840	\$612,555	(\$87,901)	-12.5%	(\$33,285)	-5.2%
General Expenses	15,028	6,314	15,670	6,414	4,700	(10,970)	-70.0%	(1,714)	-26.7%
Contractual Services	0	4,900	15,000	15,000	14,250	(750)	-5.0%	(750)	-5.0%
Total	\$685,175	\$772,681	\$731,126	\$667,254	\$631,505	(\$99,621)	-13.6%	(\$35,749)	-5.4%

Expenses

- The total proposed expense budget is \$99,621 or 13.6% lower than the Adopted 2010 budget and 5.4% lower than OLBR projection for 2010.
- The salary line which historically makes up over 95% of the department’s budget is decreasing by \$87,901 or 12.5% from the FY 10 Adopted Budget. Budget to budget full-time headcount is remaining flat at nine employees.
- In the salaries line there is \$50,000 allocable to a grant credit offsetting the salaries expense. Historically this amount has been presented as revenue. (Look at Revenue)
- OLBR projects a lower salary expense compared to 2010 Adopted Budget, largely due to a reduction in summer aides. Compared to FY 10 seasonal headcount will decrease by four summer aides. Although headcount for FY 11 is increasing by thirteen compared to the OLBR projection, it is uncertain if the commission will be able to fund these positions.
- The actual expense for seasonal aids was \$128,591 in 2008, \$267,145 in 2009, \$115,169 as of August 2010. The proposed 2011 budget is \$75,000.
- The Director, Job Development Center remains a funded vacancy. If the position is not filled in FY 11 a salary savings of \$69,048 could be realized.
- The general expense line will be used to host an annual community breakfast in the month of October for creating awareness of the Commission and the services it provides. The FY 11 budget is \$1,714 less than FY 10 projected. This falls short of the department’s projected cost of \$5,124 for the breakfast.
 - General expenses are projected to remain at similar levels to FY 09 in FY 10. However with new hires, it is unclear if the elimination of educational and training supplies, miscellaneous supplies and expense, will have an impact on training for FY 11.

Expenses, Cont.

- Contractual services decreased \$750 in FY 11 compared to FY10 adopted and projected.
- This line is utilized for outside council when cases are brought against the County. The department does not anticipate any higher legal fees than budget.
- The salaries line has been reduced by an adjustment of \$7,162 representing the savings anticipated from labor concessions.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$1,570	\$29	\$0	\$0	\$0	\$0	*****	\$0	*****
Interfund Charges Rev	50,000	140,000	50,000	50,000	0	(50,000)	-100.0%	(50,000)	-100.0%
Total	\$51,570	\$140,029	\$50,000	\$50,000	\$0	(\$50,000)	-100.0%	(\$50,000)	-100.0%

Revenue

- Historically, the Commission’s largest revenue source of \$50,000 interfund charges represent Community Development Block Grant (CDBG) funding for the summer aid program provided via the Office of Housing and Intergovernmental Affairs.
- As previously mentioned, in the 2011 budget the \$50,000 appears as a credit to expense under salaries allocable to grants; the amount is paid from the general fund and upon close of the seasonal employment program, the amount is reimbursed by the CDBG.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	139	135	133	113	121	(12)	-9.0%	8	7.1%
Part-Time and Seasonal	7	7	6	5	5	(1)	-16.7%	0	0.0%
Salaries	\$10,300,103	\$11,044,953	\$11,316,448	\$9,101,926	\$10,218,932	(\$1,097,516)	-9.7%	\$1,117,006	12.3%
Equipment	2,037	0	22,250	22,250	0	(22,250)	-100.0%	(22,250)	-100.0%
General Expenses	438,317	327,620	477,150	261,129	371,525	(105,625)	-22.1%	110,396	42.3%
Contractual Services	5,804,979	8,105,560	9,473,706	9,473,706	9,751,369	277,663	2.9%	277,663	2.9%
Utility Costs	4,473,127	5,044,297	5,043,820	5,043,820	4,959,820	(84,000)	-1.7%	(84,000)	-1.7%
Inter-Dept. Charges	674,702	980,723	1,042,252	1,042,252	1,108,298	66,046	6.3%	66,046	6.3%
Total	\$21,693,265	\$25,503,152	\$27,375,626	\$24,945,083	\$26,409,944	(\$965,682)	-3.5%	\$1,464,861	5.9%

Expenses

- Salaries are decreasing by \$1.1 million to \$10.2 million in FY 11 due to the reduction in staff as the result of the incentive for early retirement. This is a reduction of 9.7% from the FY 10 Adopted Budget. This includes a salary adjustment of \$430,555 representing the savings anticipated from labor concessions.
- OTPS expenses, less interdepartmental charges, have been increased by \$65,787 due mostly to contractual services.
 - Equipment has been eliminated in FY 11.
 - General expenses have gone down by \$105,625 but reclassified and removed from general expenses and added to the contract line as part of the blanket order.
 - Contractual services are increasing by \$277,663 due to additional support for new application support. Please refer to the chart on the next page.
- Contractual services, budgeted at \$9.8 million, are obtained for maintenance of software, systems and licensing.
- Additional maintenance contracts are utilized to support the use of supplemental staffing, as IT management analyzes what staffing and skill level is appropriate to serve the County’s technology needs.
- Utilities have gone down by \$84,000 due to the move of IT into 240 Old County Road, from a rental office.
- Interdepartmental charges are increasing \$66,046 due to greater indirect charges.

Department of Information Technology 2010 & 2011 Contractual Services				
Contract	2010	2011	Executive vs Adopted	
	Adopted Budget	Executive Budget	Variance	Percentage
Support	\$617,280	\$617,500	\$220	0.0%
Application Support	349,963	384,432	34,469	9.8%
Telecommunications	500,000	685,000	185,000	37.0%
Client Relationship	93,033	19,000	(74,033)	-79.6%
Data Center Operations	567,842	2,067,124	1,499,282	264.0%
Data Center Tech Serv.	1,946,124	0	(1,946,124)	-100.0%
Data Center Storage	78,795	2,189,220	2,110,425	2678.4%
Electronic Doc Mng Sys	90,000	0	(90,000)	-100.0%
License Support	0	57,260	57,260	NA
Desktop Support	1,382,922	126,000	(1,256,922)	-90.9%
E-Mail/Server	796,072	676,900	(119,172)	-15.0%
Network	1,479,500	402,000	(1,077,500)	-72.8%
GIS	470,000	1,209,500	739,500	157.3%
Police Consolidation	0	367,000	367,000	
Web Services	780,275	277,961	(502,314)	-64.4%
HHS - Consolidation	321,900	672,472	350,572	108.9%
Total	\$9,473,706	\$9,751,369	\$277,663	2.9%

Enterprise Resource Planning System

A major initiative that DoIT has undertaken is the **Enterprise Resource Planning System (ERP)** for an estimated capital expense of over \$30 million through FY 13. This ERP will replace the County's current Financial System (FAMIS), and current Human Resource Management and Payroll System.

Revenues

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$290,823	\$299,375	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	4,198	102,693	27,000	27,000	27,000	0	0.0%	0	0.0%
Cap Backcharges	2,211,867	3,070,659	3,101,990	3,101,990	3,210,560	108,570	3.5%	108,570	3.5%
Interdept Revenues	5,397,532	7,022,035	8,428,706	8,428,706	8,585,784	157,078	1.9%	157,078	1.9%
Interfund Charges Rev	0	0	424,837	424,837	424,837	0	0.0%	0	0.0%
State Aid-Reimb Of Exp	411,111	412,313	366,420	366,420	408,420	42,000	11.5%	42,000	11.5%
Total	\$8,315,532	\$10,907,076	\$12,348,953	\$12,348,953	\$12,656,601	\$307,648	2.5%	\$307,648	2.5%

- Capital backcharges are increasing by \$108,570 or 3.5%, as a result of new projects. The Enterprise Resource Planning (ERP) capital project makes up \$3.2 million of the charges.
 - The inter-fund charge revenues of \$424,827 are from nine departments supported by IT: Police Headquarters, Fire Commission Mental Health & Chemical Dependency, Planning, Senior Citizen, Minority Affairs, Youth Board, Housing & Intergovernmental Affairs, and Police District.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	2	1	1	0	0	(1)	-100.0%	0	*****
Salaries	\$185,605	\$131,409	\$141,120	\$0	\$6,770	(\$134,350)	-95.2%	\$6,770	*****
Equipment	0	0	4,040	0	0	(4,040)	-100.0%	0	*****
General Expenses	803	1,090	4,696	2,515	0	(4,696)	-100.0%	(2,515)	-100.0%
Contractual Services	16,800	18,684	29,400	18,684	18,000	(11,400)	-38.8%	(684)	-3.7%
Total	\$203,208	\$151,182	\$179,256	\$21,199	\$24,770	(\$154,486)	-86.2%	\$3,571	16.8%

Expenses

- The total proposed expense budget for the department is decreasing by \$154,486 or 86.2% as compared to the FY 10 budget.
- No full-time or part-time employees are assigned to Investigations. The salary budget represents terminal leave payments for a former employee.
- Total proposed FY 11 OTPS is decreasing by \$20,136, or 52.8% as compared to the FY 10 adopted budget.
- The FY 11 budget includes funding to cover expenses for surveillance equipment and car rental contracts. Due to the nature of investigations, non-County cars are needed for covert operations.

Full-Time Headcount and Salaries

The Director of Human Resources will serve as Commissioner of Investigations.

The agency will continue utilizing the investigators from the County Attorney’s office to fulfill its charter mandate to identify, investigate and remediate fraudulent activities.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	7	4	5	5	5	0	0.0%	0	0.0%
Salaries	\$555,083	\$348,380	\$444,817	\$324,015	\$395,842	(\$48,975)	-11.0%	\$71,827	22.2%
General Expenses	7,332	8,631	8,106	8,106	8,106	0	0.0%	0	0.0%
Contractual Services	674,078	341,770	503,294	503,294	551,854	48,560	9.6%	48,560	9.6%
Total	\$1,236,492	\$698,781	\$956,217	\$835,415	\$955,802	(\$415)	0.0%	\$120,387	14.4%

Expenses

- The total FY 11 proposed expense budget for the Office of Labor Relations is basically remaining flat as compared to the FY 10 adopted.
- In FY 11, the salary expense is decreasing by \$48,975 or 11.0% from the 2010 adopted due to the elimination of the Director position.
- Contractual services expenses are increasing by \$48,560 or 9.6% from FY 10. The department plans to increase use of outside counsel. In addition, the department expects to have increase need for arbitration hearings.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	92	88	95	87	95	0	0.0%	8	9.2%
Part-Time and Seasonal	64	35	20	30	19	(1)	-5.0%	(11)	-36.7%
Salaries	\$5,785,173	\$5,363,857	\$6,398,110	\$5,458,661	\$6,278,015	(\$120,095)	-1.9%	\$819,355	15.0%
Equipment	0	3,635	31,580	31,580	32,533	953	3.0%	953	3.0%
General Expenses	1,401,686	1,944,028	1,574,957	1,574,957	1,676,959	102,002	6.5%	102,002	6.5%
Contractual Services	944,400	847,898	983,453	983,453	1,067,774	84,321	8.6%	84,321	8.6%
Total	\$8,131,259	\$8,159,418	\$8,988,100	\$8,048,651	\$9,055,282	\$67,181	0.7%	\$1,006,631	12.5%

Expenses

- Total expenditures are increasing by \$67,181 or 0.7% from the FY 10 Adopted Budget mostly due to the increase of general expenses and contractual services.
 - Salaries are decreasing by \$120,095 from the 2010 Adopted Budget.
 - 2011 general expenses are increasing by \$67,181 or 0.7% from FY 10 Adopted Budget primarily as the result of an increase in postage costs.
 - In 2011, contractual services are increasing by \$84,321 from the FY 10 Adopted Budget. The contracted services include mailings, stenographic recording, and the production of the Legislature's journal of proceedings.

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Legislators-Minority	\$2.6	\$2.3	\$2.7	\$2.2	-\$0.5	-19.0%
Legislative Budget Review	0.9	0.8	0.9	0.9	0.0	-5.0%
Legislative Central Staff	2.9	3.2	3.0	3.1	0.1	2.9%
Legislators-Majority	1.8	1.8	2.4	2.9	0.5	22.2%
Total	8.1	8.2	9.0	9.1	0.1	0.7%

Expenses by Control Center

- The FY 11 proposed budget for the Legislature Majority is increasing 22.2% from the FY 10 adopted level. All expense lines are budgeted to receive an increase.
- The Office of Legislative Budget Review’s 2011 expenses declined 5.0% from the FY 10 Adopted Budget, the decrease is a function reduced headcount, lower equipment, and reduced general expense spending.
- The FY 11 proposed budget for the Legislature Minority is decreasing 19.0% from the FY 10 adopted level. The decline is the result of lower salary and contractual services spending.
- The Legislative Clerk’s Office expenses are increasing by 2.9%.

Staffing Analysis							
	FY 10 <u>Adopted</u>	Sept 10 <u>Actual</u>	FY 11 <u>Request</u>	FY 11 <u>Executive</u>	Exec. vs 10 <u>Adopt</u>	Exec. vs <u>Actual</u>	
CC Full-time Staffing							
10 Legislators - Minority	40	33	33	33	(7)	0	
15 Legislators - Majority	35	35	42	42	7	7	
20 Legislative - Central Staff	9	10	10	10	1	0	
30 Legislative Budget Review	11	9	10	10	(1)	1	
Total Full-time	<u>95</u>	<u>87</u>	<u>95</u>	<u>95</u>	<u>0</u>	<u>8</u>	
CC Part-time and Seasonal							
10 Legislators - Minority	6	12	5	5	(1)	(7)	
15 Legislators - Majority	13	18	14	15	2	(3)	
20 Legislative - Central Staff	1	0	0	0	(1)	0	
30 Legislative Budget Review	0	0	0	0	0	0	
Total Part-time and Seasonal	<u>20</u>	<u>30</u>	<u>19</u>	<u>20</u>	<u>0</u>	<u>(10)</u>	

➤ Budgeted full-time and part-time headcount for FY 11 remain the same as the FY 10 adopted budget.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$378,589	\$353,046	\$0	\$323,266	\$0	\$0	*****	(\$323,266)	-100.0%

➤ The revenues shown above represent recoveries made from the disencumbrance of prior year contracts.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	41	33	34	25	27	(7)	-20.6%	2	8.0%
Part-Time and Seasonal	4	4	6	3	3	(3)	-50.0%	0	0.0%
Salaries	\$3,541,553	\$2,960,725	\$3,126,794	\$2,448,096	\$2,696,391	(\$430,403)	-13.8%	\$248,295	10.1%
Workers Compensation	8,087,479	7,985,458	9,912,222	9,868,785	11,511,662	1,599,440	16.1%	1,642,877	16.6%
Equipment	0	0	8,400	3,000	10,000	1,600	19.0%	7,000	233.3%
General Expenses	48,395	32,277	44,270	44,270	50,320	6,050	13.7%	6,050	13.7%
Contractual Services	1,264,867	2,103,577	1,590,932	1,590,932	2,330,000	739,068	46.5%	739,068	46.5%
Other Expense	0	0	0	0	0	0	*****	0	*****
Insurance On Bldngs	57,366	45,481	525,000	525,000	532,041	7,041	1.3%	7,041	1.3%
Total	\$12,999,659	\$13,127,517	\$15,207,618	\$14,480,083	\$17,130,414	\$1,922,796	12.6%	\$2,650,331	18.3%

Expenses

Expenses by Responsibility Center						
(\$'s in millions)						
Responsibility Center	Historical		2010	2011	Adopted	
	2008	2009	Adopted Budget	Executive Budget	Variance	Percent
Budget Development	\$1.4	\$0.9	\$1.1	\$1.2	0.1	\$0.1
Fiscal Analysis	0.7	0.5	0.5	0.4	(0.1)	-29%
Fleet Management	0.1	0.1	0.1	0.1	0.0	0%
Management And Budget	0.3	1.1	0.4	1.4	0.9	230%
Performance Measurement	0.8	0.8	0.7	0.3	(0.4)	-60%
Revenue And Grants Mgmt.	0.4	0.3	0.3	0.2	(0.1)	-35%
Risk Management	9.3	9.4	12.1	13.7	1.6	12.8%
Total	\$13.0	\$13.1	\$15.2	\$17.1	\$1.9	12.6%

➤ The total FY 11 proposed expense budget is increasing by 12.6% or \$1.9 million over the FY 10 Adopted Budget.

- Salaries are decreasing by \$0.4 million or 13.8% as a result of headcount reducing by 10 compared to the FY 10 Adopted Budget.
 - Full-time positions eliminated include a Director, Economist, two Mgr. Budget Analysis, Performance Measurement Coordinator, and two Senior Operations Analysts.
 - Part-time positions eliminated include three Clerk I seasonal and an Operations Analyst.
- Compared to FY 10 projections, the Executive Budget salaries are increasing by \$0.2 million or 10.1%.
 - There are two funded vacancies, a Risk Management Analyst and a Budget Examiner, which the department will be filling in FY 11.
- Contractual services is increasing by \$0.7 million or 46.5% from the FY 10 adopted budget. This line includes funding for contracts with Triad for \$1.2 million, Consulting Services for \$0.8 million, and Public Financial Management for \$0.3 million.

Expenses, Cont.

- Other expenses represents insurance on buildings which includes various county buildings and other programs such as summer recreation to minimize loses to the county.

Nassau County Workers' Compensation (All Departments)			
Expenses	FY 09 Actual	FY 10 Budget	FY 11 Proposed
AC15D - Workers' Compensation Triad - Dpay	\$ 9,008,609	\$ 7,904,442	\$ 11,376,571
AC15I - Workers' Compensation Triad - Indemnity	4,119,773	4,072,374	4,982,942
AC15M - Workers' Compensation Triad - Medical	7,098,075	8,907,567	8,980,477
AC18F - General State Comp Admin Assessment	1,756,315	2,900,000	3,480,000
Total	\$21,982,773	\$23,784,383	\$28,819,990

- The chart above captures the FY11 workers' compensation County-wide budget. The Police Department, Corrections and Public Works maintain their own portion of workers' compensation within their respective budgets. All other workers' compensation costs are accounted for in Management and Budget.
- The FY11 workers' compensation budget is increasing by \$5.0 million, or 21.2% versus the FY10 adopted budget. The largest increase occurred within the dpay category which represents the long term indemnity payment made by the County.
 - The indemnity rate has increased by 23% in 2010 versus 2009 due to an increase by the New York State Workers Compensation Board. The average weekly wage was increased to \$740 from \$600. This increase impacts both dpay and indemnity expense codes.
- The medical expense was increased due to the fact that the NYS Workers Compensation Board has modified its Medical Treatment Guidelines to allow medical practitioners to provide a certain number of treatments without insurance carrier approval.
- The NYS Workers Compensation Board has also proposed an increase in medical provider fees. The medical is increasing only marginally. However a decrease in claims is expected to mitigate the cost increase.
- The assessment expense is increasing due to financial needs of the state and specific funds due to lack of funds in the NYS account.

Workers Compensation Programs

The Risk Management unit has initiated several programs in order to reduce the risk of County liability. Amongst them are inspections of parks, workplace, equipment and general safety inspections. In addition the unit administers a workplace violence program, investigates fraud and takes part in the NYS medical treatment reform program. The NYS Workers Compensation Board sets indemnity rates on March 31st of every year. These new rates must be incorporated by Nassau County on July 1st of the same year.

Risk Management continues to work with the departments to streamline the reporting process. The further Risk Management can streamline the process the greater the chance of reducing the claim cost. Lag time is the difference from the loss date to the date reported to the insurance carrier. Risk Management has made strides in the last years and reduced this number. In 2008, the lag time was an average of 15 days, in 2009, the average was reduced to 11 days. Through September 2010, the average lag time is 8 days.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$1,475,008	\$1,209,567	\$900,000	\$900,000	\$850,000	(\$50,000)	-5.6%	(\$50,000)	-5.6%
Rev Offset To Expense	0	0	0	0	198,058	198,058	*****	198,058	*****
Capital Backcharges	0	13,256	25,513	25,513	0	(25,513)	-100.0%	(25,513)	-100.0%
Interdept Revenues	556,843	667,711	552,731	552,731	783,120	230,389	41.7%	230,389	41.7%
Total	\$2,031,851	\$1,890,534	\$1,478,244	\$1,478,244	\$1,831,178	\$352,934	23.9%	\$352,934	23.9%

Revenues

- The FY 11 Executive revenue budget is increasing by \$.4 million or 23.9% over the FY 10 budget.
- Rents and recoveries records subrogation recoveries attained by the Risk Management unit in conjunction with Triad, the County’s Third Party Administrator (TPA). The FY 11 revenue is decreasing by \$50,000 or 5.6% compared to FY 10. As this process continues the pool of eligible reimbursable claims is shrinking, which results in the possibility of less recoveries being achieved.
- Historically OMB has received capital backcharges for employees working on capital projects such as Automation of Fuel Sites & FM Life Cycle Vehicle Replacement. The department does not anticipate receiving this revenue in FY 11.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	52	48	46	47	53	7	15.2%	6	12.8%
Part-Time and Seasonal	6	6	8	9	8	0	0.0%	(1)	-11.1%
Salaries	\$4,925,415	\$4,473,516	\$4,915,216	\$4,891,917	\$5,415,064	\$499,848	10.2%	\$523,147	10.7%
Fringe Benefits	0	(7,200)	0	0	0	0	*****	0	*****
Equipment	13,073	6,712	17,320	6,712	6,712	(10,608)	-61.2%	0	0.0%
General Expenses	458,689	438,605	385,270	385,270	385,270	0	0.0%	0	0.0%
Contractual Services	82,141	57,175	58,805	58,805	58,766	(39)	-0.1%	(39)	-0.1%
Inter-Dept. Charges	1,020,801	4,941,593	4,982,367	4,982,367	1,115,660	(3,866,707)	-77.6%	(3,866,707)	-77.6%
Total	\$6,500,119	\$9,910,401	\$10,358,978	\$10,325,071	\$6,981,472	(\$3,377,506)	-32.6%	(\$3,343,599)	-32.4%

Expenses

- FY 11 expenditures for the Medical Examiner are declining by \$3.4 million, or 32.6%, compared to the FY 10 adopted budget. This is primarily due to the \$3.9 million reduction in interdepartmental charges.
 - These are costs for records management, fleet maintenance and indirect charges; charges that are not eligible for state aid reimbursement. Beginning in FY 11, only the expense that will be reimbursed will be included in interdepartmental charges. These include gasoline for the ME’s fleet of cars, TB testing that is performed twice a year by the Police Department and building rent.
- Headcount will be growing by 7 to 53 full-time employees in FY 11 while part-time headcount will remain flat. This, along with CSEA raise and steps, accounts for the \$500,000, or 10.2 %, increase in salary expense. The salaries line has been reduced by an adjustment of \$111,212 representing the savings anticipated from labor concessions
- The \$3.9 million reduction in interdepartmental charges represents the amount of charges not eligible for state aid reimbursement.
- The proposed budget for OTPS expense is \$10,647 less than the FY 10 adopted, which is approximately the level of the projected FY 10 spending.

Expenses, Cont.

The majority of the Medical Examiner’s OTPS expenses are in the DNA Lab which is funded by grants from the Department of Criminal Justice. The Medical Examiner’s Office receives several thousand dollars in grants, which is reflected in the County’s Grant Fund. However, the funding is insufficient to cover all medical supplies and expenses so the General Fund expense varies slightly by year based on the amount of the grants. In FY 11 the funding is remains flat with that of FY 2010.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$11,999	\$10,133	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	16,433	21,065	20,000	20,000	20,000	0	0.0%	0	0.0%
Interfund Charges Rev	0	0	0	0	166,130	166,130	*****	166,130	*****
State Aid-Reimb Of Exp	1,897,787	1,825,914	2,295,000	2,295,000	2,149,746	(145,254)	-6.3%	(145,254)	-6.3%
Total	\$1,926,220	\$1,857,112	\$2,315,000	\$2,315,000	\$2,335,876	\$20,876	0.9%	\$20,876	0.9%

Revenue

- The FY 11 revenue budget derives the majority of its revenue from state aid reimbursement. According to the Administrative Rules and Regulations of New York State Health Department Section 40-10(F) Title 10 this revenue has been based upon 30% of the department’s expense budget. In FY 11, state aid is budgeted to be about 30.8% of the FY 11 expense budget.
- Interfund charges revenue which has been non-existent in the Medical Examiner’s budget for the past few years is budgeted for \$166,130 in FY 11. These charges represent recovery of prior year indirect charges.

MENTAL HEALTH AND CHEMICAL DEPENDENCY & DEVELOPMENTAL DISABILITIES SERVICES

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	82	71	74	64	62	(12)	-16.2%	(2)	-3.1%
Part-Time and Seasonal	2	2	1	1	1	0	0.0%	0	0.0%
Salaries	\$6,234,326	\$5,549,163	\$5,912,551	\$5,301,579	\$5,087,307	(\$825,244)	-14.0%	(\$214,272)	-4.0%
Equipment	2,790	0	0	0	0	0	*****	0	*****
General Expenses	335,931	291,102	604,388	361,011	433,102	(171,286)	-28.3%	72,091	20.0%
Contractual Services	10,725,131	11,344,879	12,028,158	11,528,158	10,951,750	(1,076,408)	-8.9%	(576,408)	-5.0%
Inter-Dept. Charges	2,180,299	2,362,537	2,133,568	2,133,568	1,436,191	(697,377)	-32.7%	(697,377)	-32.7%
Total	\$19,478,476	\$19,547,681	\$20,678,665	\$19,324,316	\$17,908,350	(\$2,770,315)	-13.4%	(\$1,415,966)	-7.3%

Expenses

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Administration	\$5.1	\$4.9	\$4.9	\$4.0	-\$1.0	-19.5%
Contractual Services	9.9	10.1	10.3	9.3	-1.1	-10.3%
Direct Services	4.5	4.5	5.4	4.7	-0.7	-13.8%
Total	19.5	19.5	20.7	17.9	-2.8	-13.4%

➤ The proposed 2011 expense budget is decreasing by \$2.8 million or 13.4%, due to reductions of \$1.0 million in Administration, \$1.1 million in Contractual Services and \$747,483 in Direct Services. Compared to the OLBR projection, the FY 11 budget reflects a decline of \$1.4 million or 7.3%.

- Salaries are decreasing by \$825,244 or 14.0% in FY 11 through the elimination of various vacant positions, which are reflected in OLBR's September 1 projection.
 - The salaries line has been reduced by an adjustment of \$232,367 representing the savings anticipated from labor concessions.
- The full-time headcount for the proposed 2011 budget is 12 less positions than the FY 10 budget and the part-time headcount is consistent with FY 10 (refer to the staffing analysis chart).
- The department has allocated \$433,102 in general expenses for FY 11, a decrease of \$171,286 from the FY 10 budget and an increase of \$72,091 in comparison to the FY 10 OLBR projection.
 - The decrease is attributed to a reduction in court remands due to individuals being evaluated at the court by a staff clinical psychologist versus going to NUMC to be evaluated (see Court Remands box on next page).

Expenses, Cont.

Court Remands

The Department's annual budget for court remands consists of two budget lines as follows:

Court remands to NUMC mandates individuals to receive a psychiatric evaluation as ordered by the Family Court. The Department bills NYS Office of Mental Health (OMH) and receives 50% state aid reimbursement. The court order allows for a maximum of thirty days stay at the hospital. The Family Court will remand individuals to NUMC for inpatient psychiatric evaluations in instances when the court believes that the individual is a danger to themselves or others.

The criminal courts and occasionally family court will remand an individual to NYS psychiatric facilities. OMH bills the department at 50% of the net cost. Most court orders are for a minimum of ninety days although some are for a maximum of one year.

- Contractual services are decreasing by \$1.1 million or 8.9% primarily attributed to:
 - A reduction of \$529,161 for Mental Health Services.
 - The transfer of \$153,566 to the Grant Fund.
 - The discontinuation of Agency funding of \$152,715 for various programs.
 - The termination of \$114,701 for a one year pilot program that handled co-occurring disabilities such as chemical dependency and mental health issues.
 - The transfer of \$111,430 of expenses to the Department of Social Services due to reimbursement at a higher rate.
- The department allocated 697,377 less for interdepartmental charges for the proposed 2011 budget.

MENTAL HEALTH AND CHEMICAL DEPENDENCY & DEVELOPMENTAL DISABILITIES SERVICES

Staffing Analysis						
	<u>FY 10</u> <u>Adopted</u>	<u>Sept-10</u> <u>Actual</u>	<u>FY 11</u> <u>Request</u>	<u>FY 11</u> <u>Executive</u>	<u>Exec. vs</u> <u>10 Adopt</u>	<u>Exec. vs</u> <u>Actual</u>
RC Full-time Staffing						
Administration						
Comissioners Office	7	7	7	7	0	0
Div. of MH, MR & DD Services	2	1	1	1	(1)	0
Div. of Chemical Dependency	11	11	11	11	0	0
Financial Management	11	9	10	10	(1)	1
Direct Services						
Court Remands	0	0	0	0	0	0
Chemical Dependence Services	27	23	23	23	(4)	0
Comprehensive Drug & Alcohol	10	8	8	8	(2)	0
Mental Hygiene Court	1	1	1	1	0	0
HHS Collaborative Staff	5	4	1	1	(4)	(3)
Total Full-time	<u>74</u>	<u>64</u>	<u>62</u>	<u>62</u>	(12)	(2)
RC Part-time and Seasonal						
Chemical Dependence Services	1	1	1	1	0	0
HHS Collaborative Staff	0	0	0	0	0	0
Total Part-time and Seasonal	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>

The full-time headcount proposed for FY 11 is 12 less than the FY 10 Adopted Budget and two less than the September 1, 2010 staffing levels. The primary reduction of headcount is in the Direct Services Division of the department and entails the following breakdown: Six of the positions were eliminated due to an Executive order transfer to the Department of Social Services (DSS). These positions include two Psychiatric Social Worker III's, a Psychiatric Social Worker I, an Alcoholism Rehabilitation Counselor, a Drug Abuse Technician and a Clerical Assistant. The total salary savings associated with these positions is \$354,422. This transfer was implemented so that DSS would receive the full benefit of reimbursement for assessment services that they provide. The other six positions that were removed from the department in the proposed 2011 budget were vacant as a result of employees that took advantage of the early retirement incentive or were transferred to a grant fund or the housing department. In addition, a Deputy Commissioner position that has been filled has been eliminated. These positions had a total salary savings of \$419,572. The FY 11 proposed budget includes one part-time position, which is consistent with the September 2010 staffing level.

MENTAL HEALTH AND CHEMICAL DEPENDENCY & DEVELOPMENTAL DISABILITIES SERVICES

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$663,096	\$437,321	\$55,357	\$55,357	\$55,357	\$0	0.0%	\$0	0.0%
Dept Revenues	227,366	337,480	275,250	200,000	200,000	(75,250)	-27.3%	0	0.0%
Interdept Revenues	637,415	694,295	883,579	883,579	0	(883,579)	-100.0%	(883,579)	-100.0%
Interfund Charges Rev	141,329	333,643	394,000	340,000	565,000	171,000	43.4%	225,000	66.2%
State Aid-Reimb Of Exp	7,857,792	8,228,373	7,779,206	7,379,206	7,075,000	(704,206)	-9.1%	(304,206)	-4.1%
Total	\$9,526,998	\$10,031,111	\$9,387,392	\$8,858,142	\$7,895,357	(\$1,492,035)	-15.9%	(\$962,785)	-10.9%

Revenues

- The Executive 2011 revenue budget has decreased by \$1.5 million compared to the FY 10 Budget due to reductions in most revenue sources except for rents and recoveries which remains constant for FY 11 and interfund charges revenue which is increasing by \$171,000.
- Department revenues have decreased for the Proposed Budget by \$75,250 based on federal salary sharing for Medicaid programs in relation to the reduction of staff.
- The FY 11 budget eliminates the interdepartmental revenues of \$883,579 which came from an Interdepartmental Service Agreement (ISA) with the Department of Social Services (DSS). The ISA provided a chargeback for Case Management Screeners, who were working with new applicants for Public Assistance and with recertification candidates that are assigned back in DSS. This year OMB is budgeting only for revenue maximization all other charges were eliminated.
- Budget to budget interfund charges have increased by \$171,000 for 2011, however when compared to OLBR September 1 actuals the growth is \$225,000. The indirect grant expenses include rent, telephone, utilities, IT, etc. costs that are charged back to various grants.
- The proposed 2011 budget estimates \$704,206 less for state aid reimbursements or \$304,206 when compared to OLBR's FY 10 projection. The reduction to state aid is attributed to the Office of Mental Retardation and Developmental Disabilities clinic being funded by Medicaid.

The Office of Minority Affairs (OMA) was established by County Executive directive pursuant to Section 2112 of the Nassau County Charter. Local Law 40 in FY 01 merged with The Office of Affirmative Action with Minority Affairs. OMA aides in developing and furthering Nassau County’s Minority Women Business Enterprise program (M/WBE). The office is expected to monitor the effectiveness of its policies and to provide the County Executive and County Legislature with assessments and recommendations on budgetary actions, policies, and growing concerns in the minority community.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	8	6	6	6	6	0	0.0%	0	0.0%
Part-Time and Seasonal	0	0	0	2	0	0	*****	(2)	-100.0%
Salaries	\$593,693	\$491,908	\$496,059	\$426,589	\$408,742	(\$87,317)	-17.6%	(\$17,847)	-4.2%
Equipment	0	0	600	0	725	125	20.8%	725	*****
General Expenses	9,176	12,923	21,900	12,923	12,923	(8,977)	-41.0%	0	0.0%
Contractual Services	69,338	37,935	62,500	62,500	61,975	(525)	-0.8%	(525)	-0.8%
Total	\$672,207	\$542,765	\$581,059	\$502,012	\$484,365	(\$96,694)	-16.6%	(\$17,647)	-3.5%

Expenses

- Total expenses are decreasing from the FY 10 adopted by \$96,694 and from the FY 10 projected by \$17,647.
- The largest component of expense is salaries which decreased by \$87,317 from FY 10 adopted.
 - Headcount remains the same for full-time and part-time compared to the FY 10 adopted.
 - Two part-time program coordinator positions are onboard; however they are not budgeted for in FY 11. The OLBR projection for salaries is \$17,847 higher than FY 11 due to these additions in FY 10.
- General expenses are decreasing from the FY 10 adopted by \$8,977.
 - A total reduction of \$9,564 on travel expenses and \$1,000 cut from office supplies are offset by a \$1,587 increase in miscellaneous supplies and expense.

Expense and revenue allocations in the Miscellaneous Budget are divided among the following cost centers: 1) Contractual Agencies, 2) Resident Tuition, 3) Other, 4) Miscellaneous Fringe Benefits, 5) Local Government Assistance, 6) Nassau Health Care Corp. (NHCC), 7) Nassau County Interim Finance Authority (NCIFA) Expenditures and 8) Unallocated Initiatives.

Expenses by Control Center

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Resident Tuition	\$8.5	\$9.8	\$7.8	\$10.6	\$2.8	36.0%
Contractual Agencies	26.7	29.2	26.4	29.2	2.8	10.4%
Nassau Health Care Corporation	35.6	35.4	36.0	37.9	1.9	5.3%
Other	6.2	4.3	5.9	7.8	1.9	32.9%
Misc Fringe Benefits	2.2	2.3	2.9	2.8	-0.1	-1.8%
Local Govmnt Asst Program	60.3	56.0	57.9	61.5	3.7	6.4%
NIFA Expenditures	1.4	1.0	1.4	1.4	0.0	0.0%
Unallocated Initiatives	0.0	0.0	11.5	10.0	-1.5	-13.3%
Interfund Transfers	14.4	0.0	0.0	0.0	0.0	*****
Total	155.3	138.0	149.7	161.2	11.5	7.7%

- The FY 11 proposed Miscellaneous expense budget of \$161.2 million represents an increase of \$11.5 million or 7.7% from the 2010 Adopted Budget. The increase is attributable to higher resident tuition, contractual agencies, Nassau Health Care Corp, Other, and Local Government Assistance Program expenses.
- **The Contractual Agencies control center** reflects the subsidies the County provides to the various agencies in order to offset costs to the general public.
 - In the FY 11 proposed expense budget, these costs are increasing by \$2.8 million or 10.4%. This is due to increases in the funding of the Legal Aid Society, the Bar Association, and the Public Defenders’ Office which provide indigent defense services.

Expenses by Control Center, Cont.

- This control center also contains both the revenue and expense for the County debt support agreements. Nassau County borrows money for OTB at a beneficial rate. OTB then reimburses the County for 100% of its costs. The Nassau Health Care Corp. agreement works in the same fashion. FY 11 OTB debt service cost is \$1.98 million and NHCC guaranteed debt is \$15.14 million.
- **The Resident Tuition control center** is where the County budgets for its obligation to pay tuition costs for Nassau residents who attend New York State community colleges outside of Nassau County, including the Fashion Institute of Technology (FIT).
 - The FY 11 Proposed Expense Budget is increasing by \$2.8 million or 36.0% from the FY 10 Adopted Budget. The increase is a result of a low 2010 adopted budget. The FY 11 budgeted amount correlates with the 2009 and projected 2010 level.
 - Nassau County receives 100% reimbursement of this expense from the local town or city where the resident resides. In FY 11, the revenue offset to expense is 100% equivalent to the anticipated expense.
 - Starting in the current year, though not included in the FY 10 adopted budget, the County has begun collecting reimbursement related to residents attending FIT. Previously the County had not charged the three Nassau County towns and two cities the FIT cost.
 - The County is now also recouping its cost incurred for FIT, estimated at \$6.8 million in FY 11.
- **The Other control center** expenses are increasing by \$1.9 million. This is primarily due to changes in the salary, wage and fee expenses.
 - The 2010 proposed budget included \$2.5 million of salary, wage and fee savings expected from the consolidation of the accounts receivable and accounts payable functions in the Purchasing Department and the consolidations in the Treasurer's Office. These savings are not included in the FY 11 proposed budget.
 - Some of the expenditures in this control center are payments to various governmental organizations, such as the NYS Association of Counties (NYSAC) and the National Association of Counties (NACO).
 - Also included in this center are payments to the City of Long Beach, the Lido-Pt. Lookout Fire District and HIPAA payments. The \$25,000 allocated for HIPAA payments represents the anticipated cost of expert opinions on the HIPAA law.
 - Approximately 80.0% of the total control center budget is inter-departmental charges. These charges include costs associated with County Attorney and Police Headquarters.
- **The Miscellaneous Fringe Benefits control center** is where the expenses and offsetting revenues for both the Flex Benefit and Transit Chek Program are booked.

Expenses by Control Center, Cont.

- The Flex Benefit program, which allows employees to spend pre-tax dollars for health and dependent care costs, is increasing by \$150,000 or 5.7% from 2010 Adopted Budget.
 - The Transit Chek program was originally created in 2005 to encourage mass transit by allowing employees to use pretax dollars to pay for a portion of their commuting costs. The County has ceased participation in the Transit Chek program.
 - The budgeted expense and revenue to offset expense match since the County diverts a portion of enrollees’ payroll into the pretax account to cover the payments.
- **The Local Government Assistance Program control center** represents the local share of the sales tax revenue allocated to the County’s three towns, two cities and incorporated villages.
- Of the County’s 4.25% sales tax, the towns and cities receive one quarter of one percent, or 1/17th. These percentages are set by law.
 - In FY 11 this control center is budgeted to receive an increase of 6.4% overall. The three towns and two cities are budgeted to receive a 6.5% increase compared to the adopted 2010 level. The incorporated villages are budgeted to receive their 2010 allotment.
 - The chart below shows the proposed FY 11, the adopted FY 10 and the FY 09 actual Local Government Assistance Payments made the Nassau County towns, cities and villages.

Local Government Assistance Program (\$ in millions)				
	2009 Actual	2010 Adopted	2011 Proposed	2011 vs. 2010
Town of Hempstead	\$30.9	\$31.9	\$34.0	6.5%
Town of Oyster Bay	12.5	12.8	13.7	6.5%
Town of North Hempstead	9.0	9.3	9.9	6.5%
City of Long Beach	1.4	1.5	1.6	6.5%
City of Glen Cove	1.0	1.1	1.1	6.5%
Incorporated Villages	1.2	1.3	1.3	0.0%
Total	\$56.1	\$57.9	\$61.5	6.4%

Expenses by Control Center, Cont.

- **The Nassau Health Care Corporation control center** details the mandated payments made by the County to the Health Care Corporation, pursuant to the transfer agreement and the subsequent successor agreement.
 - The FY 11 Expense Budget is increasing by \$1.9 million or 5.3%. The increase is primarily due to greater health insurance for retiree costs.
 - The salary expense, which is made up entirely of termination payments to employees of the corporation for the percentage of their time under County employment, is decreasing \$374,000 from the FY 10 Adopted Budget of \$2.1 million.
- **The Nassau County Interim Finance Authority (NIFA) Expenditures control center** is used to budget for NIFA operating expenses.
 - The proposed 2011 NIFA expenses are \$1.4 million. This is equivalent to their Adopted 2010 Budget.
 - The County is also responsible for NIFA's debt service charges. These expenses, known as NIFA set-asides, are paid out of the Debt Service Fund.
- **Unallocated Initiatives control center** is decreasing by \$1.5 million or 13.3%. This is due to a decrease in the contingency reserve line.
 - In 2011, \$10.0 million of operating funds are included in the budget for any unforeseen expenses or shortfalls in revenue.

The chart on the following page details the miscellaneous expense budget for FY 11 by object class.

- Local Government Assistance charges of \$61.5 million account for 38% of the total \$161.2 million FY 11 proposed budget. Fringe benefits and inter-fund charges constitute 16.1% and 10.6%, respectively.
- The majority of the fringe benefits costs are for Nassau County Health Care Corporation employees.
- In inter-fund charges, 88.4% represents NHCC guaranteed debt and 11.6% represents OTB supported debt.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Climate Communities Membership	\$0	\$9,000	\$9,000	\$9,000	9,000	\$0	0.0%	\$0	0.0%
Long Island Association	0	0	900	900	900	0	0.0%	0	0.0%
Local Govts For Sustainability	0	5,750	5,750	5,750	5,750	0	0.0%	0	0.0%
Healthy Nassau & Green Nassau Initiatives	0	2,698	16,000	16,000	16,000	0	0.0%	0	0.0%
HIPPA Payments	0	0	25,000	25,000	25,000	0	0.0%	0	0.0%
Salaries	2,070,369	177,000	(378,141)	2,100,000	1,726,000	2,104,141	-556.4%	(374,000)	-17.8%
Fringe Benefits	22,738,710	22,240,797	23,719,623	23,719,623	25,947,755	2,228,132	9.4%	2,228,132	9.4%
Local Govt Asst Prog.	60,474,022	56,091,788	57,855,586	57,433,126	61,531,155	3,675,569	6.4%	4,098,029	7.1%
Indirect Care and Subsidy	13,000,000	15,255,748	13,000,000	13,000,000	13,000,000	0	0.0%	0	0.0%
Inter-Dept. Charges	5,646,116	2,917,661	6,842,331	6,842,331	6,269,751	(572,580)	-8.4%	(572,580)	-8.4%
Interfund Charges	15,695,621	17,725,004	14,714,624	14,714,624	17,118,125	2,403,501	16.3%	2,403,501	16.3%
Trans To FCF Fund	832,000	0	0	0	0	0	*****	0	*****
Trans To PDH Fund	13,536,055	0	0	0	0	0	*****	0	*****
NCIFA Expenditures	1,354,500	1,000,000	1,400,000	1,400,000	1,400,000	0	0.0%	0	0.0%
Legal Aid Society NC	5,204,769	5,350,912	5,538,194	5,538,194	5,704,340	166,146	3.0%	166,146	3.0%
Bar Assn NC Pub Def	5,819,480	6,075,562	6,167,681	6,167,681	6,351,970	184,289	3.0%	184,289	3.0%
Resident Tuition	8,549,826	9,839,025	7,795,832	9,839,025	10,600,000	2,804,168	36.0%	760,975	7.7%
Long Beach Payment	106,231	106,231	106,233	106,233	106,233	0	0.0%	0	0.0%
Lido/Pt Lookout Fd	5,775	5,775	5,775	5,775	5,775	0	0.0%	0	0.0%
NYS Assn Counties	52,382	53,706	55,317	55,317	57,070	1,753	3.2%	1,753	3.2%
NYS County Exec Assn	22,761	16,386	20,000	20,000	21,000	1,000	5.0%	1,000	5.0%
Natl Assn Counties	28,058	29,908	32,100	32,100	32,100	0	0.0%	0	0.0%
Other Suits & Damages	317,018	1,153,662	1,254,047	1,254,047	1,285,398	31,351	2.5%	31,351	2.5%
Contingencies Reserve	(153,903)	(103,179)	11,527,790	1,527,790	10,000,000	(1,527,790)	-13.3%	8,472,210	554.5%
Total	\$155,299,790	\$137,953,434	\$149,713,642	\$143,812,516	\$161,213,322	\$11,499,680	7.7%	\$17,400,806	12.1%

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	\$0	\$69,105,699	\$0	\$0	\$0	\$0	*****	\$0	*****
Rents & Recoveries	27,101,262	15,531,684	50,000	20,000	20,000	(30,000)	-60.0%	0	0.0%
Rev Offset To Expense	5,488,341	5,734,881	6,051,462	12,944,655	14,332,799	8,281,337	136.8%	1,388,144	10.7%
Interfund Charges Rev	15,701,859	17,725,004	14,714,624	14,714,624	17,118,125	2,403,501	16.3%	2,403,501	16.3%
Fed Aid-Reimb Of Exp	119,391	37,756	136,600	147,980	136,600	0	0.0%	(11,380)	-7.7%
State Aid-Reimb Of Exp	2,981,175	2,748,857	2,656,084	2,509,187	2,480,934	(175,150)	-6.6%	(28,253)	-1.1%
Total	\$51,392,029	\$110,883,881	\$23,608,770	\$30,336,446	\$34,088,458	\$10,479,688	44.4%	\$3,752,012	12.4%

Revenues

- The proposed FY 11 revenue budget for Miscellaneous is increasing by \$3.7 million or 12.4% from the adopted 2010 budget. The increase is due to greater revenues to offset expenses and interfund chargeback revenues. In 2011, all resident tuition payments will be charged back to the local municipality. Historically, Nassau County was not charging back for FIT payments.

EXPENSES

	Historical		2010		2011	2011 vs. 2010		2011 vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Adopted Budget	Variance	Percent	Variance	Percent
Full-time Headcount	1,198	1,229	1,243	1,251	1,222	(21)	-1.7%	(29)	-2.3%
Salaries	\$117,039,432	\$125,235,530	\$131,307,833	\$129,242,110	\$129,410,450	(\$1,897,383)	-1.4%	\$168,340	0.1%
Fringe Benefits	40,825,247	41,891,246	44,761,932	44,759,462	47,481,621	2,719,689	6.1%	2,722,159	6.1%
Equipment	2,844,914	2,266,633	1,797,542	2,200,000	1,600,000	(197,542)	-11.0%	(600,000)	-27.3%
General Expenses	7,628,989	9,101,325	9,498,706	9,400,000	8,775,000	(723,706)	-7.6%	(625,000)	-6.6%
Contractual Services	10,179,374	7,388,838	6,794,515	7,039,970	6,650,000	(144,515)	-2.1%	(389,970)	-5.5%
Utility Cost (Tel. & Other)	1,362,175	1,428,713	1,582,500	1,582,500	1,575,156	(7,344)	-0.5%	(7,344)	-0.5%
Utility Cost (LIPA)	4,181,708	4,154,043	4,810,000	4,100,000	4,200,000	(610,000)	-12.7%	100,000	2.4%
Interfund Charges	3,511,730	3,037,258	3,534,000	3,100,000	3,200,000	(334,000)	-9.5%	100,000	3.2%
County Scholarships	54,400	55,000	55,000	55,000	55,000	0	0.0%	0	0.0%
Total	\$187,627,969	\$194,558,586	\$204,142,028	\$201,479,042	\$202,947,227	(\$1,194,801)	-0.6%	\$1,468,185	0.7%

- The 2011 adopted expense budget is decreasing by \$1.2 million, or less than 1.0%, from the adopted 2010 budget.
- Historical and OLBR (Office of Legislative Budget Review) projected headcounts are based on June 1 data. The variance between the 2010 projected and the adopted 2010 budget reflects a group of first time instructors hired as full-time but who do not teach a full complement of courses. These instructors teach on an as-needed basis.
- Salaries expense in the adopted budget is remaining relatively flat when compared to the OLBR’s FY 2009-10 salary projection, but is declining by 1.4%, or \$1.9 million when comparing budget to budget.
- The majority of the reduction is related to anticipated salary savings from early retirement incentives offered by the County and New York State, elimination of vacancies, and instructional savings.
- The Adjunct Faculty Association’s (AFA) contract expires on September 30, 2010.
- OTPS spending (equipment, general expenses, and contractual services) budgeted at \$17.0 million is below the 2009 actual of \$18.8 million and the 2010 projection of \$18.6 million.

Expenses, Cont.

Nassau Community College Fringe Benefit Expenses							
	2010 Budget	OLBR Projection	2011 Budget	2011 Vs. 2010	Percent	Prop. Vs. Projected	Percent
State Retirement	\$1,363,641	\$2,260,174	\$1,057,993	(\$305,648)	-22.4%	(\$1,202,181)	-53.2%
Teachers Retirement	1,653,853	1,653,853	1,779,783	125,930	7.6%	125,930	7.6%
Social Security	9,073,393	9,592,737	9,516,339	442,946	4.9%	(76,398)	-0.8%
Health Insurance	15,111,713	14,932,527	15,855,282	743,569	4.9%	922,755	6.2%
TIAA CREFF	6,813,647	6,765,284	7,345,043	531,396	7.8%	579,759	8.6%
Optical Plan	131,554	135,787	135,000	3,446	2.6%	(787)	-0.6%
Unemployment	137,000	137,000	95,000	(42,000)	-30.7%	(42,000)	-30.7%
Dental Insurance	659,633	682,979	680,000	20,367	3.1%	(2,979)	-0.4%
Medicare Reimbursement	1,178,061	1,056,319	1,298,820	120,759	10.3%	242,501	23.0%
Health Insurance Retirees	6,347,999	5,979,921	6,306,458	(41,541)	-0.7%	326,537	5.5%
Retirees Optical	13,052	13,173	14,500	1,448	11.1%	1,327	10.1%
Medicare Part D	(470,321)	(446,835)	(425,000)	45,321	-9.6%	21,835	-4.9%
MTA Tax	0	0	402,714	402,714	*****	402,714	*****
CSEA Legal Fund	0	0	75,000	75,000	*****	75,000	*****
Total	\$42,013,225	\$42,762,919	\$44,136,932	\$2,123,707	5.1%	\$1,374,013	3.2%

- The health insurance budget, for active employees and retirees, assumes a 13% rate increase for health insurance costs effective January 1, 2011. That rate is consistent with the data provided in New York State’s 2009 Fourth Quarter Experience Report, which projects the 2011 health insurance premium rate to increase 12.9% for individual coverage and 12.8% for family coverage.
- The Social Security budget is decreasing by \$232,000 or 2.4% to \$9.3 million, due to lowered total salaries from the reduced headcount in the proposed budget
- The FY 2010-11 Fringe Benefits budget includes a federal subsidy of \$425,000 for Medicare Part-D reimbursement of the prescription drug coverage provided by the College.

Expenses, Cont.

- The FY 2010-11 allocation for the optical and dental plans is equal to the FY 10 projected expense. The rates are anticipated to remain the same.
- The \$6.6 million budgeted for TIAA CREFF includes \$1.0 million for the 3% Optional Retirement Plan contribution.

State Retirement Expense
 The FY 2010-11 budget of \$3.5 million for State Retirement is an increase of \$2.5 million compared to the FY 2009-10 budget. Pension contribution rates are rising due to the market collapse in 2008 and 2009 when the New York State Retirement System lost 26% of its value. The financial impact is being recognized in 2011 due to an investment smoothing technique that calculates the average of the investment experience over a five year period.

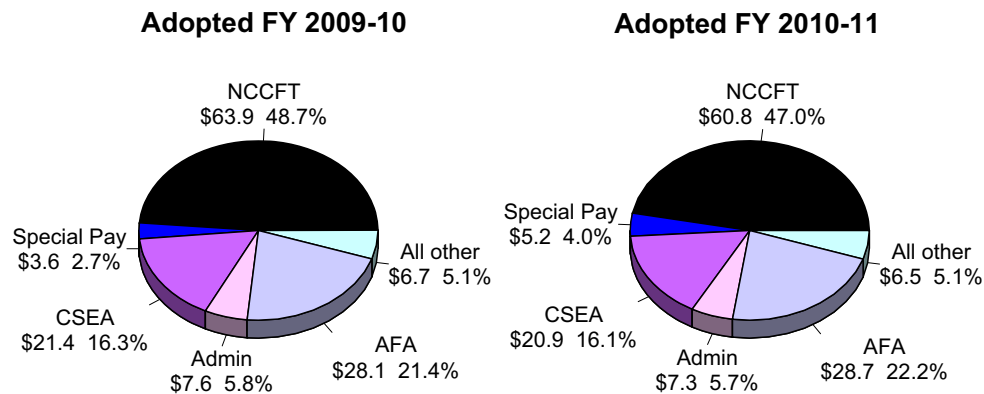
FULL-TIME HEADCOUNT										
Function	Adopted 09 - 10		Adopted 10 - 11		Difference			Jun 10	Difference	
	F/T	Pers. Svcs	F/T	Pers. Svcs	F/T	Pers. Svcs	% Chg	Act. F/T	F/T	% Chg
General Administration	100	\$6,975,640	111	7,474,533	11	\$498,893	7.2%	128	(17)	-13.3%
VP of Institutional Advancement	28	1,852,022	19	1,203,903	(9)	(648,119)	***	9	10	111.1%
Instruction	716	57,812,317	713	55,541,458	(3)	(2,270,859)	-3.9%	712	1	0.1%
Extension & Public Service	15	1,052,317	15	1,039,491	0	(12,826)	-1.2%	15	0	0.0%
Ctr for Academic Success/LINCC	13	609,695	15	655,845	2	46,150	7.6%	13	2	15.4%
Library	39	2,637,047	38	2,633,719	(1)	(3,328)	-0.1%	39	(1)	-2.6%
Student Services	216	14,578,421	196	13,286,602	(20)	(1,291,819)	-8.9%	173	23	13.3%
Maint & Op. of Plants	115	6,184,991	117	6,245,087	2	60,096	1.0%	140	(23)	-16.4%
Grand Total	1,242	\$91,702,450	1,224	\$88,080,638	(18)	(\$3,621,812)	-3.9%	1,229	(5)	-0.4%

- Fulltime headcount in the adopted FY 2010-11 budget declines by 18 compared to that of FY 2009-10.
- The College is projecting the retirement of four faculty members and replacing them with adjunct instructors for a savings of \$320,000. Additionally, reducing 12 to 14 temporary instructor positions and replacing them with adjunct instructors will generate savings of approximately \$62,000.
- Additional savings in FY 2010-11 will be generated by the elimination of vacant positions in Administration for approximately \$600,000. These include three vice-president positions and an Affirmative Action officer.

Expenses, Cont.

- Savings of approximately \$4.0 million are due to retirements and elimination of vacant positions. Some retirements in FY 2009-10 are a result of the early retirement incentive offered by the County to CSEA employees and an incentive offered by the College to Ordinance employees in Administration. New York State is also offering an early retirement incentive that may induce additional workers to retire.
- As of September 2010, 14 CSEA employees have opted into the County offered incentive with a possible 40 additional employees taking advantage of the incentive offered by New York State. The College is projecting termination payouts of \$2.0 million. Since the State does not require employees to decide about the incentive until the latter part of 2010, that number is just an estimate.
- The FY 2010-11 proposed budget includes a new full-time position, Director of Institutional Effectiveness, which will be a manager for data gathering and decision making.
- The graph below compares the allocation of the salary budget in FY 2009-10 and in the adopted budget.

Salary Budget (in millions)



Expenses, Cont.

- Part-time headcount is declining by 117 in the adopted budget.
- Much of the reduction is a result of the elimination of part-time ordinance positions and student aides.

OTHER THAN PERSONAL SERVICES

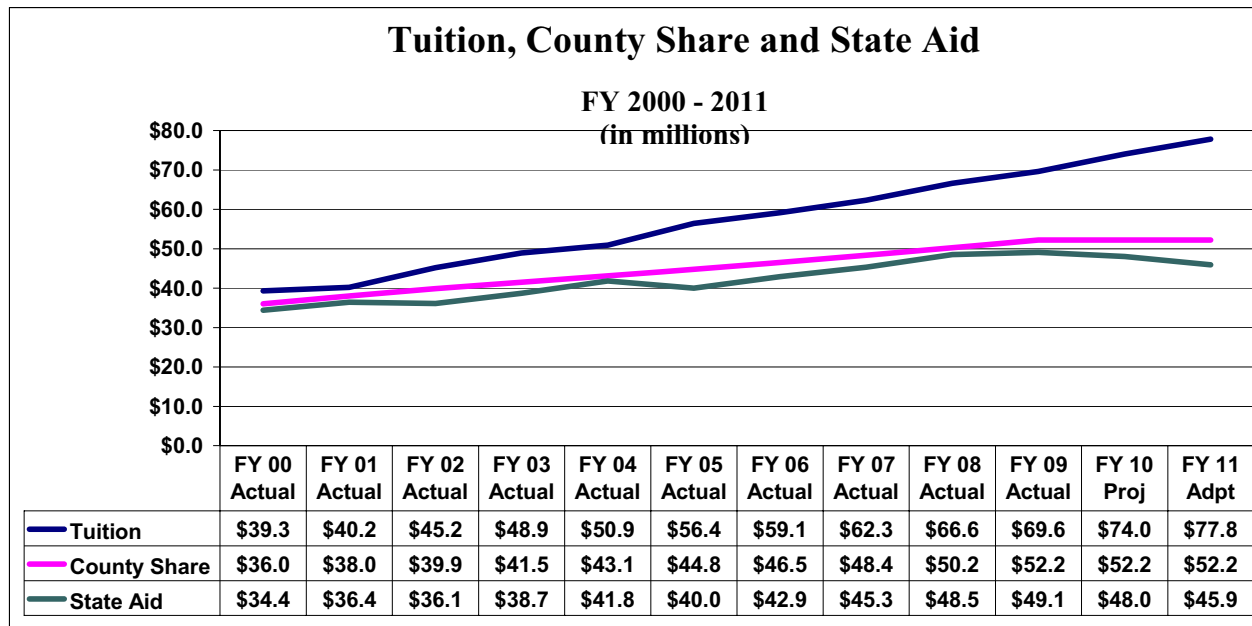
- Adopted OTPS spending in FY 2010-11 will be about \$2.0 million less than budgeted in FY 2009-10.
- Equipment and general expenses will decline approximately \$900,000, primarily through reductions of about \$600,000 in the marketing plan. Across the board decreases make up the balance of reductions.
- The College has recently acquired the adjacent Navy property and the costs associated with that transaction will be approximately \$100,000. Since negotiations for this property are still ongoing, it is unclear when this transaction will be finalized or for what purpose it will be utilized.

REVENUES

	Historical		2010		2011	2011 vs. 2010		2011 vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Adopted Budget	Variance	Percent	Variance	Percent
Tuition	\$66,630,888	\$69,614,702	\$72,931,586	\$74,550,028	\$77,826,901	\$4,895,315	6.7%	\$3,276,873	4.4%
Property Tax	50,247,241	52,206,883	52,206,883	52,206,883	\$52,206,883	0	0.0%	0	0.0%
State Aid	48,547,799	49,134,478	50,325,018	48,017,587	45,867,685	(4,457,333)	-8.9%	(\$2,149,902)	-4.5%
Rev. Lieu Spons. Share	14,816,830	13,683,943	14,885,000	13,129,426	14,133,758	(751,242)	-5.0%	1,004,332	7.6%
Rev. Offset To Expense	4,180,264	3,708,223	3,921,000	3,900,000	4,000,000	79,000	2.0%	100,000	2.6%
Service Fees	4,970,216	5,989,142	5,634,000	5,700,000	5,324,000	(310,000)	-5.5%	(376,000)	-6.6%
Rents & Recoveries	152,639	962,370	950,000	580,000	950,000	0	0.0%	370,000	63.8%
Investment Income	687,133	328,369	550,000	180,000	200,000	(350,000)	-63.6%	20,000	11.1%
Federal Aid	278,010	370,638	250,000	309,116	250,000	0	0.0%	(59,116)	-19.1%
Suppl Approp/Fund Balance	0	0	0	834,000	0	0	0.0%	(834,000)	-100.0%
Fund Balance Appropriated	0	0	2,488,541	2,448,541	2,188,000	(300,541)	0.0%	(260,541)	0.0%
Total	\$190,511,020	\$195,998,748	\$204,142,028	\$201,855,581	\$202,947,227	(\$1,194,801)	-0.6%	\$1,091,646	0.5%

Revenues, Cont.

- The Adopted FY 2010-11 revenue budget is increasing by \$1.1 million or 0.5% over the current academic year projections.
- Excluding the \$2.2 million appropriation of fund balance in 2011 and the \$2.4 million in 2010, revenues are increasing by \$1.4 million or 0.7% compared to OLBR projected. This is largely driven by an increase in tuition necessary to offset State Aid cuts.
- Tuition is budgeted to increase by \$3.3 million over projected actual.
- The Property Tax levy supporting the College will remain at \$52.2 million.
- State Aid is decreasing by \$2.1 million from FY 2011 adopted to FY 2010 projections to \$45.9 million. The College absorbed a mid-year cut of \$130 per FTE in 2010; also included in the 2011 budget is a decrease of \$185 per FTE. However the State subsequently adopted their budget which included a cut of \$285 per FTE. The additional \$100 cut will impact the budget negatively by \$1.7 million.
- A \$2.2 million appropriation of unreserved Fund Balance is included in the adopted budget.



- Of the three primary funding sources for the College, the amount contributed by student revenues has been increasing at a greater rate than property tax (County Share) and state aid.

Revenues, Cont.

Tuition (\$77,826,901)

- The FY 2010-11 budgeted escalation in tuition by \$3.3 million to \$77.8 million is a function of two factors, tuition rate and enrollment projections.
 - Tuition is being increased by \$55 per semester or 3.0% to \$1,866 per semester. This is expected to generate \$2.3 million in additional revenue. Suffolk and Westchester have both adopted a \$100 per semester increase.
 - The 2011 budget anticipated a 2% increase in enrollment from the midyear trend; however the College has revised the year end projections to reflect slightly better revenues necessitating only an increase in enrollment of 1.3% to achieve the budget.

Yearly Tuition Comparison				
	Current	2011 Adopted	Increase	From Nassau
Westchester	3,650	3,850	200	118
Suffolk	3,576	3,776	200	44
Nassau	3,622	3,732	110	

Property Taxes (\$52,206,883)

- There is no Property Tax increase in the adopted budget.
- Nassau County’s share of \$52.2 million represents 25.7% of the adopted budget.
- The average household currently pays approximately \$100 per year to fund the College.

State Aid (\$45,867,685)

- FY 2009-10 had a midyear cut by the State of \$130 per Full Time Equivalent (FTE) student. This is expected to impact 2011 by \$1.8 million.
-

Revenues, Cont.

- The Governor’s FY 2010-11 Budget, adopted after the College budget, included a cut of \$285 per FTE. The College only anticipated the cut to be \$185 per FTE, the additional cut will negatively impact the budget by \$1.7 million. However given the enrollment trends, the College hopes to mitigate that impact.
- Based on the State adopted budget, the College budgeted an additional \$169,231 in rental aid.

Cumulative State Aid Cuts Illustration (in millions)

	2010	2011
2010 FTE Reduction (\$130)	1.8	2.40
2011 FTE Reduction (\$285)	-	5.49
Net impact		7.89

State Aid

Due to the current economic realities, the College continues to face the threat of decreased State Aid. In 2010, they absorbed \$1.8 million in cuts which carries into this year's budget. The additional State cuts in 2011 have a compounding impact of \$7.9 million.

Revenue Lieu Sponsor Share – Charges Other Counties (\$11,511,337) and Non-Residents (\$2,622,421)

- The chargeback rate is an assortment of collections from non-residents, out of state residents, international students and residents of other NYS counties without a certificate of residency.
- The FY 2010-11 chargeback rate per non-resident FTE is \$3,640.

Revenue Offset to Expenses (\$4,000,000)

- This area consists of commissions, contract education for various subjects and special course fees that are charged to pay for the costs associated with some courses and programs, such as classes in adult education, corporate training, and English as a second language.
- A very modest increase of \$79,000 is expected in the adopted FY 2010-11 Budget.

Revenues, Cont.

Service Fees (\$5,324,000)

Service Fees Proposed FY 2011 vs. Adopted FY 2010						
Service Fee: Source	Fee	FY 09-10		FY 10-11		Variance Fee Revenue
		Adopted Budget	Fee	Proposed Budget	Fee	
Technology Fee	\$40	\$1,600,000	\$40	\$1,500,000	\$0	(100,000)
Student Lab Fees Day	100	1,700,000	100	1,650,000	0	(50,000)
Application	40	586,000	40	700,000	0	114,000
NG Check Fee	20	18,000	20	20,000	0	2,000
Transcript Fees	5	235,000	5	225,000	0	(10,000)
Late Registration	25	570,000	25	200,000	0	(370,000)
Nursing Evaluation	75	2,000	75	1,000	0	(1,000)
Tuition Pay Plan	25	400,000	25	440,000	0	40,000.00
Change of Program	25	3,000	25	3,000	0	0.00
Int'l Student Insurance	1,000	0	1,000	0	0	0.00
Convenience Fee	18	170,000	18	235,000	0	65,000.00
Vehicle Registration	45	350,000	45	350,000	0	0.00
Totals		\$5,634,000		\$5,324,000		#####

Investment Income (\$200,000)

Managed by the County Treasurer this revenue source is directly affected by market interest rates. Due to the recession, rates have trended downward. This drift implies lower total investment income. OLBR is projecting investment income to fall below budget by \$370,000 in the current year. As the economy rebounds, FY 2010-11 Budget reflects a very modest \$20,000 increase.

- The Adopted Budget for service fees is decreasing by 5.5% or (\$310,000).
 - The largest change in fees stems from the decrease in late registration as students utilize technology to accomplish this task.
 - Other areas will be affected as illustrated in the table above.

Revenue, Cont.

Community College Fund Balance Comparison As of Fiscal Year Ending August 31, 2009			
Community College	Unreserved Fund Balance	Total Expenditures	Percent of Fund Balance to Expenditures
Adirondack	\$1,603,438	\$22,379,585	7.16%
Broome	6,619,205	42,907,362	15.43%
Cayuga County	2,637,999	26,364,494	10.01%
Clinton	2,554,421	12,581,413	20.30%
Columbia-Greene	2,685,686	13,809,365	19.45%
Corning	6,051,646	29,676,752	20.39%
Dutchess	5,698,431	51,046,194	11.16%
Erie	10,892,609	92,785,792	11.74%
Fashion Institute	37,926,909	152,124,905	24.93%
Finger Lakes	4,342,249	31,975,896	13.58%
Fulton-Montgomery	1,596,337	15,231,020	10.48%
Genesee	7,591,140	30,519,131	24.87%
Herkimer County	1,463,731	21,032,613	6.96%
Hudson Valley	8,968,527	80,882,966	11.09%
Jamestown	2,106,328	28,138,208	7.49%
Jefferson	1,156,871	20,604,085	5.61%
Mohawk Valley	7,110,061	40,677,863	17.48%
Monroe	18,084,161	109,490,466	16.52%
NCC	12,291,561	194,558,586	6.32%
Niagara County	3,900,563	44,239,467	8.82%
North Country	12,554	11,774,927	0.11%
Onondaga	3,133,286	61,358,156	5.11%
Orange County	2,605,075	46,937,505	5.55%
Rockland	(1,051,544)	56,781,695	-1.85%
Schenectady County	1,779,869	21,462,402	8.29%
Suffolk County	12,503,765	164,085,381	7.62%
Sullivan County	294,421	14,615,665	2.01%
Tompkins-Cortland	1,087,167	32,280,102	3.37%
Ulster County	(794,598)	23,363,756	-3.40%
Westchester	3,896,768	102,679,805	3.80%

Fund Balance

- NCC’s opening fund balance in FY 2009-10 was \$12.3 million.
- The College included the use of \$2.2 million of fund balance in the adopted FY 2010-11 Budget.
- On average New York State Community Colleges held 10.60% of expenditures in fund balance.
- With the 2011 fund balance usage, the College will be exactly at the minimum 4% required by the fund balance policy.
- The College is ranked 21st amongst Community Colleges in terms of fund balance percentage. This is slightly lower than Suffolk but greater than Westchester.

Other (\$1,200,000)

- Rents & Recoveries revenue in the amount of \$950,000 is expected due to the disencumbering of financial obligations from prior years.
- Federal aid in the amount of \$250,000 is received annually for expenses associated with the College’s work-study program, 75% of which is reimbursed by this revenue.

Multi-Year Plan

Nassau Community College Multi-Year Plan FY 11 - FY 14				
EXPENSES	FY 2011 Adopted Budget	FY 2012 Plan	FY 2013 Plan	FY 2014 Plan
Salaries	\$129,410,450	\$135,492,741	\$141,860,900	\$148,953,945
Fringe Benefits	47,481,621	50,330,518	53,350,349	56,551,370
Sub-total	176,892,071	185,823,259	195,211,249	205,505,315
Equipment	1,600,000	1,648,000	1,697,440	1,748,363
General Expenses	8,775,000	9,038,250	9,309,398	9,588,679
Contractual Services	6,650,000	6,849,500	7,054,985	7,266,635
Utility Costs (Telephone & Other)	1,575,156	1,622,411	1,671,083	1,721,215
Utility Costs (LIPA)	4,200,000	4,410,000	4,630,500	4,862,025
Interfund Charges	3,200,000	3,360,000	3,528,000	3,704,400
Other Expenses	55,000	55,000	55,000	55,000
ENDO Bldg Lease - Rent & Other	0	0	0	0
Banner Maintenance	0	0	0	0
Sub-total	26,055,156	26,983,161	27,946,406	28,946,318
Total	\$202,947,227	\$212,806,420	\$223,157,655	\$234,451,633
REVENUES				
Investment Income	200,000	275,000	350,000	400,000
Rents & Recoveries	950,000	950,000	950,000	950,000
Revenue Offset To Expense	4,000,000	3,700,000	3,775,000	4,250,000
Service Fees	5,324,000	5,750,000	5,800,000	5,850,000
Student Revenues	77,826,901	78,350,392	78,350,392	78,350,392
Rev Lieu Sponsor Share	14,133,758	14,382,000	14,450,000	14,550,000
Federal Aid	250,000	250,000	250,000	250,000
State Aid	45,461,560	43,835,068	43,835,068	43,835,068
State Rental Aid	406,125	443,375	443,375	443,375
Property Taxes	52,206,883	52,206,883	52,206,883	52,206,883
Use of Fund Balance	2,188,000	0	0	0
Total	202,947,227	200,142,718	200,410,718	201,085,718
Gain (Loss) From Operations	\$0	(\$12,663,702)	(\$22,746,937)	(\$33,365,915)

- The College faces increasing deficits in the out-years as expenses grow by 5.0% on average and revenues remain flat. In 2011 student revenues is based on a 2% enrollment growth, but remains flat from 2012 through 2014.
- State aid in 2011 is \$2,260 per FTE. No rate increase is assumed for years 2012 through 2014.
- The property tax levy remains flat throughout the four years of the MYP.
- Salary growth reflects collective bargaining commitments and savings throughout the period for all unions except the AFA, whose agreement will expire September 30, 2010. AFA salaries have been projected at rates consistent with current contract.
- Fringe benefits increase based on latest estimates.
- Funding for other than personal services (OTPS) is based on ongoing operational costs, with minimal appropriations to address strategic plan initiatives. Any additional strategic plan funding will come from re-allocations of budgetary surplus, if available.

Gap Closing Measures
 The assumptions in this Plan result in a budgetary deficit of \$12.7 million in FY 2012, \$22.7 million in FY 2013, and \$33.4 million in FY 2014. Gap closing measures under consideration include personnel reductions, use of fund balance, and additional increases in the state aid rate, tuition, and as a last resort a possible property tax increase.

The Nassau County Public Utility Agency (NCPUA) was established as a County agency by local law in 1984 and approved by a referendum of voters. It is run by a nine-member, uncompensated board. As a public utility service it can purchase power from various sources and then sell that power to eligible consumers of electricity in Nassau County. The rate it is allowed to charge is intended to be sufficient to cover “all of its costs in furnishing such electric service and that accordingly, the operation of this public utility service will be at no net cost to the agency.” In practice a 4% administrative fee is charged to NCPUA’s customers. At this time, 3,850 kilowatts of the 5,000 kilowatts allotment are being used by the four customers. In FY 2010, an additional 1,000 kilowatts of discounted power was reallocated to Cold Spring Harbor Laboratories in exchange for commitment to increase job creation. The discounted power came from Fortunoff, a former customer, who dropped out of the program because the company is no longer in business

NCPUA’s role in the County’s economic development strategy is to provide energy to businesses at a lower rate than would otherwise be available. To be eligible a business must commit to create or retain jobs in New York State. It currently provides five megawatts of electricity, obtained from the New York Power Authority (NYPA), to four customers. The four current customers are Ametek Hughes Treitler, Cold Spring Harbor, Administrators for the Professions and Oceanside Laundry. Businesses are selected based upon their potential for employment growth and capital expansion. The NYPA program will accept no new customers to participate in the discount program. Plans are currently underway to find a longer-term, sustainable discount power program that will allow NCPUA to offer low cost power to additional businesses that commit to job creation and retention in Nassau County.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	\$144,729	\$150,900	\$0	\$0	\$0	\$0	*****	\$0	*****
Invest Income	3,237	459	0	0	0	0	*****	0	*****
Rents & Recoveries	4,616	0	0	0	0	0	*****	0	*****
Dept Revenues	1,783,909	1,373,804	2,489,170	1,700,000	1,664,000	(825,170)	-33.2%	(36,000)	-2.1%
Total	\$1,936,491	\$1,525,163	\$2,489,170	\$1,700,000	\$1,664,000	(\$825,170)	-33.2%	(\$36,000)	-2.1%

Revenues

- The New York Power Authority (NYPA) bills NCPUA monthly for the electrical usage of its customers. NCPUA passes on the cost of the energy plus an additional 4% administrative fee. In FY 11 the electric service provided is estimated to be \$1,600,400 and the administrative fee is \$64,000.
 - The reduction reflects prior years’ over budgeting.

- The administrative fee charged by NCPUA is used to reimburse the County’s General Fund for the salary and expenses of the County’s Office of Housing and Intergovernmental Affairs (OHIA) workers and resources used to run NCPUA’s daily operations, since NCPUA has no employees of its own.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
General Expenses	\$1,731,707	\$2,562,882	\$2,393,933	\$2,393,933	\$1,600,400	(\$793,533)	-33.1%	(\$793,533)	-33.1%
Contractual Services	0	0	31,873	31,873	53,600	21,727	68.2%	21,727	68.2%
Interfund Charges	44,651	52,008	63,364	15,000	10,000	(53,364)	-84.2%	(5,000)	-33.3%
Total	\$1,776,358	\$2,614,890	\$2,489,170	\$2,440,806	\$1,664,000	(\$825,170)	-33.2%	(\$776,806)	-31.8%

Expenses

- The line for general expenses includes the estimated cost for the electrical power purchased by NCPUA, plus \$400 for miscellaneous supplies and expenses.
- The allocation for inter-fund charges, \$10,000 is an estimated cost for the salary and fringe benefits expense of any NCPUA-related work that is performed by employees of OHIA. The amount that will be charged to NCPUA will be based on the actual tracked time of any OHIA employees. The decline of \$53,364 reflects an overestimation for that line in FY 10.
- The contractual services funding of \$53,600 will be used for anticipated contractual obligations.

- With expenses of \$567.33 million and revenues of \$558.50 million, 2011 is budgeted for a net loss of \$8.8 million for the Corporation. This would be a decrease in loss of \$300,000 over the projected 2010 loss of \$8.9 million.
 - NHCC is budgeted to produce a consolidated net loss of \$46.9 million before revenue and expense initiatives. The budgeted \$8.8 million deficit results after the implementation of these initiatives, detailed on the next page.
- The line for other operating items includes the change in the value of derivative instruments, post employment benefits, grants for capital asset acquisition and the amortization of refunding loss which have no impact on the operations of the Corporation.
- Salaries and fringe are projected to be under budget in 2010 by \$4.3 million and budgeted to increase by \$8.5 million in 2010.

Consolidated Statement
2011 Budget
(\$ in millions)

	Actual 2009	Projected 2010	\$ Inc.(Dec.) 2010 Proj. vs. 2009 Actual	Budget 2011	\$ Inc.(Dec.) 2010 Proj. vs. 2011 Budget
Operating Revenue	\$561.71	\$546.19	(\$15.51)	\$558.50	\$12.31
Total Operating Expense	560.88	555.05	(5.83)	567.33	12.28
Salaries & Fringe	347.12	342.85	(4.26)	351.34	8.49
Non-Personnel Expenses	213.76	212.20	(1.56)	215.99	3.79
Net Income (Loss) Before Other	\$0.83	(\$8.86)	(\$9.69)	(\$8.83)	\$0.03
Other operating Items	7.42	(66.53)	(73.95)	0.00	66.53
Net Income (Loss)	\$8.25	(\$75.38)	(\$83.63)	(\$8.83)	\$66.55

Note: Totals may vary due to rounding.

- In 2009, NHCC produced its first ever operating surplus of \$804,000. This surplus was achieved through an extensive list of revenue cycle initiatives, supply chain initiatives, staffing efficiencies, information technology upgrades, faculty practice and various program enhancements.
- The projected ending unrestricted cash balance is budgeted in 2011 at \$9.0 million. Cash continues to be a concern at the Corporation. Due to a change in the IGT payment date, the hospital had to issue a Revenue Anticipation Note for \$50.0 million in 2010.
 - The Hospital anticipates receiving \$48.0 million from the IGT payment on October 19, 2010. In prior years this payment was received in the spring.

- The 2011 Budget assumes borrowing \$50.0 million in March to cover operating funds.

**Consolidated Statement
2011 Budget
(in millions)**

	NHCC	NUMC	AHPGC	CHC's	PPP	NHCC, LTD
Operating Revenue	\$558.50	\$454.29	\$62.65	\$17.24	\$14.06	\$10.26
Operating Expense	567.33	464.18	63.01	16.69	14.06	9.40
Net Income (Loss) Before Other	(\$8.83)	(\$9.89)	(\$0.36)	\$0.55	\$0.00	\$0.86

Note: Totals may vary due to rounding.

- The 2011 budgeted net loss for Nassau University Medical Center (NUMC) is \$9.89 million, the net loss for A. Holly Patterson Geriatric Center (AHP) is \$0.4 million, and the net income for the Community Health Centers (CHC's) is \$0.6 million. The Physician Practice Plans (PPP) is budgeted to break even and the Nassau Health Care Corp, LTD (NHCC, LTD) is budgeted to increase the malpractice fund by \$0.9 million.
- The FY 11 budget includes several initiatives intended to bring in more revenue in 2011. These are \$7.1 million for Medicare Health IT investment funding, \$7.8 million for the Hospitalist Program, \$4.8 million for Neurosurgery, \$1.0 million for plastics, burn and wound care, \$2.2 million for cardiology, \$1.2 million from an agreement with North American Partners in Anesthesia (NAPA), \$3.0 million in charge master improvements, \$2.0 million in reimbursement appeals, \$3.0 for denial management and \$2.0 million from dialysis expansion.

**Nassau University Medical Center
2011 Budget
(\$ in millions)**

	Actual 2009	Projected 2010	\$ Inc.(Dec.) 2010 Proj. vs. 2009 Actual	Budget 2011	\$ Inc.(Dec.) 2010 Proj. vs. 2011 Budget
Operating Revenue	\$453.90	\$434.02	(\$19.88)	\$454.29	\$20.27
Total Operating Expense	454.24	454.09	(0.15)	464.18	10.09
Salaries & Fringe	278.17	277.59	(0.57)	285.25	7.66
Non-Personnel Expenses	176.08	176.50	0.42	178.93	2.43
Net Income (Loss) Before Other	(\$0.35)	(\$20.07)	(\$19.72)	(\$9.89)	\$10.18
Other operating Items	28.05	(51.62)	(79.67)	0.00	51.62
Net Income (Loss)	\$27.71	(\$71.69)	(\$99.40)	(\$9.89)	\$61.80
Full-Time Equivalent Employees	2,936	2,942	6	2,973	31

- The Medical Center’s projected net loss before other operating items in 2010 is \$20.1 million. The variance between the 2010 projected deficit and the 2009 actual results from a reduction in Nassau County billings in 2010.
- In the 2011 budget, as compared to 2010 projection, operating revenues are increasing by \$20.3 million while expenses grow by \$10.1 million.
 - Revenue is increasing by \$14.6 million from net patient service revenue, which is partially offset by a decrease of \$10.9 million in Intergovernmental Transfer (IGT) payments.
 - The increase in net patient service revenue is related to increased reimbursement from appeals, revenue cycle improvements and expansion of existing services.
 - The net patient service revenue is based on a 0% Medicaid trend factor and a (1.10)% Medicare trend factor.
- Full-time equivalents (FTEs) increased by 6 in 2010 and are budgeted to increase by 31 in 2011.

**A. Holly Patterson
2011 Budget
(\$ in millions)**

	Actual 2009	Projected 2010 2010	\$ Inc.(Dec.) 2010 Proj. vs. 2009 Actual	Budget 2011	\$ Inc.(Dec.) 2011 Proj. vs. 2011 Budget
Operating Revenue	\$70.33	\$71.54	\$1.22	\$62.65	(\$8.89)
Total Operating Expense	65.66	59.54	(6.12)	63.01	3.47
Salaries & Fringe	46.90	41.74	(5.16)	44.46	2.72
Non-Personnel Exp.	18.76	17.80	(0.96)	18.55	0.75
Net Income (Loss) Before Other	\$4.67	\$12.01	\$7.34	(\$0.36)	(\$12.36)
Other operating Items	(19.99)	(12.85)	7.13	0.00	12.85
Net Income (Loss)	(\$15.32)	(\$0.85)	\$14.47	(\$0.36)	\$0.49
Full-Time Equivalent Employees	595	596	2	598	2

- A. Holly Patterson is budgeted a net loss of \$0.4 million in 2011, an increase of \$0.5 million compared to the 2010 projection.
- Revenue is budgeted to decrease by \$8.9 million and expenses are budgeted to increase \$3.5 million.
 - The decrease in revenue is due to a decrease in the IGT payment. The IGT payment in 2010 is overstated since the 2010 amount includes a portion of the 2009 payment.
- Headcount is budgeted to increase by two FTEs from the FY 10 projected actual.
- The \$105.0 million replacement project is in place to rebuild the nursing home.
 - In 2008 the Corporation received the Certificate of Need (CON) approval to rebuild the nursing home.
 - Management continues to work on financing vehicles to fund the project and anticipates receiving 90% of the financing by the end of 2010. The remaining 10% has been allocated and internally restricted from the tobacco proceeds secured in the 2007 Successor Agreement with Nassau County.

Nassau Health Care Corporation Statistics

	<u>2010 Budget</u>	<u>Projected 2010</u>	<u>% Increase (Decrease) From Budget</u>	<u>2011 Budget</u>	<u>% Increase (Decrease) From Projected 10</u>
NUMC Average Daily Census	430.1	411.4	-4.3%	423.5	2.9%
NUMC Patient Days	157,010	150,190	-4.3%	154,585	2.9%
NUMC Discharges	24,084	23,299	-3.3%	24,202	3.9%
NUMC Average Length of Stay	6.52	6.45	-1.1%	6.39	-0.9%
NUMC Case Mix Index	1.19	0.95	-20.2%	0.95	0.0%
NUMC FTE per Adjusted Occupied Bed	4.85	5.05	4.1%	4.96	-1.8%
NUMC % Occupancy	90.36	86.70	-4.1%	89.32	3.0%
NUMC Bad Debt as a % of Patient Revenue	12.74	12.05	-5.4%	11.06	-8.2%
AHPGC Avg. Daily Census	585	580	-0.9%	580	0.1%
AHPGC Resident Days	213,605	211,590	-0.9%	211,816	0.1%
Community Health Center Visits	85,885	72,073	-16.1%	72,300	0.3%

- The NUMC budget for 2011 increases the census by 3.2% and patient days by 2.9% compared to the 2010 projection.
- Discharges at NUMC are budgeted to increase by 3.9% or 903 compared to the 2010 projection. The 903 discharges relates to inpatient growth from the expansion of the renal dialysis unit from 13 to 29 chairs (154 discharges), the implementation of the Hospitalist Program (462 discharges) and changes to Neurosurgery, Plastics and Cardiology program (287 discharges).
- The average length of stay at NUMC is projected to decrease by 0.9%
- The case mix index at NUMC is expected to remain flat.
- The FTE per adjusted occupied bed at NUMC of 4.96 is decreasing by 1.8% compared to the 2010 projection.
- The NUMC Occupancy rate, projected at 86.70% in 2010, is budgeted in 2011 to increase by 3.0%.

- Bad debt as a percentage of patient revenue at NUMC is projected in 2010 to decrease by 5.4% and budgeted to be 11.06 in 2011.
- A. Holly Patterson’s average daily census is budgeted to remain flat in 2011.
- A. Holly Patterson’s resident days are budgeted to increase slightly by 226 days from the projected actual of 2010.
- Community Health Center visits are expected to be over budget in 2010 by 16.1% and are budgeted to be higher than 2010 by 0.3%.

Nassau Health Care Corporation				
Multi-Year Plan				
(in millions)				
	Projected 2011	Projected 2012	Projected 2013	Projected 2014
Operating Revenue	522.2	520.6	525.5	530.5
Total Operating Expense	570.3	584.9	585.4	598.0
Salaries	255.0	257.9	260.8	263.8
Fringe	99.4	104.9	96.1	99.4
Non-Personnel Expenses	216.0	222.2	228.5	234.8
Gain (Loss) from Operations	(48.1)	(64.3)	(59.9)	(67.5)
Other Operating Items*	1.2	1.2	1.2	1.2
Net Income (Loss)	(46.9)	(63.1)	(58.7)	(66.3)
Gap Closing Measures	38.1	60.6	57.5	59.3
Revised Net Income (Loss)	(8.9)	(2.5)	(1.2)	(7.0)

*Includes the change in value of derivative instruments and amortization of refunding loss.

- Without gap closing measures, NHCC expects a loss of \$46.9 million in 2011, \$63.1 million in 2012 and \$58.7 million in 2013 and \$66.3 million in 2014. With the success of the initiatives this projection is revised to a loss of \$8.9 million in 2011, \$2.5 million in 2012, \$1.2 million in 2013 and \$7.0 million in 2014.
- Salary costs include a 1.25% step increase and no COLA increase. This is because the CSEA union contract expired December 31, 2009 and the Administration has stated that they will not agree to any contract that is not budget neutral.
- The pension expense is projected at 14.3% for 2011, 15.3% for 2012, and 10% for 2013 and 2014.

- Annual growth in health insurance premiums is 12% for 2011 and 8.5% for 2012-2014.
- Health insurance includes a growth rate of 12.0% in 2011 and 8.5% in the out-years.
- In addition to the initiatives mentioned previously, the following initiatives have been added or increased in the out-years.
 - Dialysis Expansion (in-patient) - In-patient revenue is expected to increase \$2.0 million annually through 2014.
 - Clinical Integration with North Shore Long Island Jewish - the hospital estimates \$6.0 million in 2012, \$10.0 million in 2013 and \$15.0 million in 2014 from the integration.
 - NYSDOH Psychiatric Rate Increase Part 2 – the MYP includes \$2.0 million in increased reimbursement.
 - Program Restructuring - the hospital has identified initiatives to restructure neurosurgery, plastics, cardiology, and anesthesia programs.
 - There is a projected decrease in IGT funds resulting from the revenue initiatives; about \$8.5 million in 2013 and \$11.4 million in 2014.
 - Rate appeal approval at AHP - the MYP plan includes increased reimbursement of \$4.0 million from 2012 through 2014.
- On the expense side, the Corporation anticipates annual recurring savings of \$6.0 million for healthcare insurance restructuring and \$5.0 million for 340B Inpatient care from 2012 through 2014.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Invest Income	\$1	\$0	\$0	\$0	\$0	\$0	*****	\$0	*****
Rents & Recoveries	1,463,270	1,058,367	1,268,592	500,000	1,654,440	385,848	30.4%	1,154,440	230.9%
Dept Revenues	18,122,572	18,076,679	20,858,709	17,732,786	22,751,611	1,892,902	9.1%	5,018,825	28.3%
Special Taxes	675,000	611,069	675,000	615,415	675,000	0	0.0%	59,585	9.7%
Total	\$20,260,843	\$19,746,114	\$22,802,301	\$18,848,201	\$25,081,051	\$2,278,750	10.0%	\$6,232,850	33.1%

Revenues

- Total revenue is increasing by \$2.3 million or 10.0% in comparison to the FY 10 adopted budget. Compared to 2010 projections, an increase of \$6.2 million or 33.1% is expected.
- The FY 11 proposed departmental revenue is increasing by \$5.0 million or 28.3% when compared to FY 10 OLBR projections.

	Hotel/Motel Tax			
	2008 Actual	2009 Actual	2010 Projection	2011 Proposed
Treasurer	\$788,659	\$687,418	\$634,622	\$650,000
Parks/Gen	675,000	611,068	615,415	675,000
Parks/Grt	2,392,041	2,062,256	2,134,613	2,141,667
Total	\$3,855,700	\$3,360,742	\$3,384,649	\$3,466,667

Legislative Items

New revenue initiatives, non-residents fee increases and general fee increases were submitted for legislative approval and are reflected in the FY 11 departmental revenues proposed budget.

The FY 11 departmental revenues proposed budget includes revenues of \$1.3 million in Athletic Field Fees / Charges, \$1.0 million for Advertising Revenue, \$0.6 million for Summer Recreation Program Fees and \$0.1 million for Non-Resident Fees.

The additional revenues generated from these items are estimated at a net increase of \$2.3 million in the FY 11 budget.

- FY 11 hotel motel tax budget is basically remaining flat compared to the 2010 projection. Nassau’s hotel motel tax collections are primarily dependent upon corporate travel.



Eisenhower Park

Golf Operations Revenue

Golf Operations Revenue				
Revenue Source	FY 09 Actual	FY 10 Budget	FY 10 Projection	FY 11 Proposed
Greens Fees	\$ 1,662,665	\$ 1,665,000	\$ 1,477,281	\$ 1,880,000
Ike Greens Fees White Course	1,572,109	1,863,000	\$ 1,540,093	1,780,000
Ikr Greens Fees Blue Course	1,483,108	1,749,000	\$ 1,462,574	1,720,000
Ike Greens Fees Red Course	1,436,618	1,700,000	\$ 1,506,559	1,645,000
Golf Cart Fees	991,527	1,119,605	\$ 1,081,305	1,137,500
Driving Range Fees	1,022,593	1,144,300	\$ 923,834	1,120,000
Golf Reservation Fees	374,580	452,500	\$ 396,648	385,000
Leisure Pass Fee	159,550	152,750	\$ 152,050	195,600
Caddy Cart Fees	62,595	73,050	\$ 48,682	70,700
Redeemable Certificates	65,591	72,450	\$ 72,050	70,500
Miniature Golf	48,907	59,600	\$ 59,010	68,000
Concessions	25,001	25,008	\$ 24,850	27,926
Golf No Show Fee	18,507	6,000	\$ 6,000	20,000
	\$8,923,350	\$10,082,263	\$8,750,936	\$10,120,226

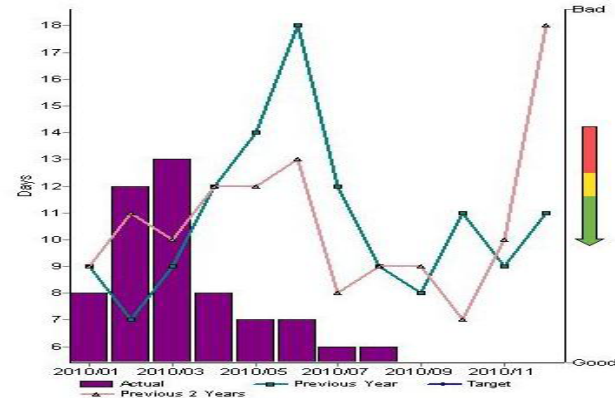
- The above chart has been updated to capture the golf operations revenues within control center 61.



Miniature Golf at Eisenhower Park

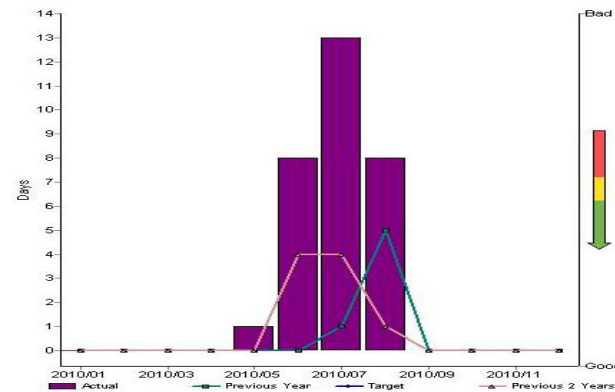
- The County’s golf operations are significantly impacted by weather conditions.

- Extreme heat or wet conditions will impede attendance.



- The chart above details the number of days with measurable precipitation in 2010 as compared to 2009 and 2008.

- There were 67 days of measurable precipitation thru 8 months in 2010 versus 90 thru 8 months in 2009.



- The chart above details the number of days with temperatures over 90 degrees in 2010 as compared to 2009 and 2008.

- The year to date days of temperature over 90 degrees in 2010 are 30 as compared to 2009 and 2008 were 6 and 9 respectively.

Revenue Source	Departmental Revenue			
	FY 09 Actual	FY 10 Budget	FY 10 Projected	FY 11 Proposed
Swimming Pools	\$1,834,752	\$2,314,000	\$2,079,368	\$1,881,000
Ike Greens Fees White Course	1,572,109	1,863,000	1,540,093	1,780,000
Ike Greens Fees Blue Course	1,483,108	1,749,000	1,462,574	1,720,000
Ike Greens Fees Red Course	1,436,618	1,700,000	1,506,559	1,645,000
Greens Fees	1,662,665	1,665,000	1,477,281	1,880,000
Concessions	1,189,096	1,200,593	1,143,994	1,237,926
Cabana Rentals	1,174,185	1,200,000	1,175,068	1,390,000
Driving Range Fees	1,022,593	1,144,300	923,834	1,120,000
Golf Cart Fees	991,527	1,119,605	1,081,305	1,137,500
Athletic Field Fees / Charges	627,442	825,400	444,143	1,343,500
Ice Rinks	466,618	702,000	397,511	552,000
Leisure Pass Fee	671,701	666,100	666,100	807,400
Old Bethage Hist Vil	414,492	618,000	367,452	455,000
Golf Reservation Fees	374,580	452,500	396,648	385,000
Camping Fees	487,311	443,360	443,360	637,360
Marina Wantagh	322,664	400,000	324,919	375,000
Beach Parking	315,588	342,000	354,763	370,000
Swimming Programs	275,176	327,000	286,477	292,500
Miniature Golf	256,735	323,100	297,394	376,500
Special Sports Prog	208,489	254,500	188,582	250,000
Summer Day Camps	202,348	242,340	31,638	23,800
Special Use Permits	245,535	217,425	243,527	314,000
Picnic Reservation Permits	141,130	208,125	141,511	182,600
Museum Of Nat Histry	87,735	103,000	80,962	99,500
Launching Ramps	51,270	98,550	53,678	70,500
Batting Cage Fees	43,611	88,500	68,851	125,000
Lifestyle Programs	55,489	80,000	58,163	50,000
Redeemable Certificates	69,971	76,600	76,600	75,500
Room Rentals	42,191	73,420	57,258	58,300

Revenue Source	Departmental Revenue			
	FY 09 Actual	FY 10 Budget	FY 10 Projected	FY 11 Proposed
Caddy Cart Fees	62,595	73,050	48,682	70,700
Tennis Courts	2,094	71,496	12,924	95,000
Ice Skate Rental	52,476	67,060	36,957	65,000
Film & Advert Activities	95,655	43,800	14,752	35,000
Alcohol Permits	30,395	42,185	30,595	38,000
Rental Of Equipment	22,600	33,000	15,462	25,000
Aerodrome Field Usage Fee	8,860	12,000	13,043	10,000
Museum Passport	0	7,000	7,000	0
Golf No Show Fee	18,507	6,000	6,000	20,000
Open Space Usage Fee	5,705	2,500	2,500	3,400
Roller Skate Admissn	360	2,000	1,054	400
Welwyn Revenue	1,000	1,000	1,000	1,000
Ice Skate Lockr Fees	937	200	200	425
Historical Museum	575	0	0	0
Sands Point Preserve	6,261	0	0	0
Commercial Parking	1,015	0	0	3,000
Misc Receipts	1,225	0	0	1,200
Summer Recreation Prog. Fees]	0	0	172,000	600,000
Ice Skate Sharpening	395	0	0	400
Ice Skate Lessons	36,255	0	0	48,000
Reimb Expenses IGT	1,000	0	0	0
Advertising Revenue	0	0	0	1,000,000
Service Fees	2,040	0	1,003	1,200
Non-Resident Fees	0	0	0	99,000
Total	\$18,076,679	\$20,858,709	\$17,732,786	\$22,751,611

- Above is a chart listing the FY 11 proposed departmental revenues in comparison to 2009 and 2010 data.
- Items highlighted in grey reflect proposed fees changes (new revenue initiatives, non-residents fee increases or general fee increases/decreases) estimated at a net \$2.3 million in the FY 11 budget.

Advertising Revenue
 The Parks Advertising and Marketing initiative did not materialize in 2009 because the selected vendor withdrew its bid due to the economic downturn. Historically \$4.0 million has been budgeted. The FY 11 budget incorporated \$1.0 million in advertising revenue which has been projected to remain flat in the out-years.

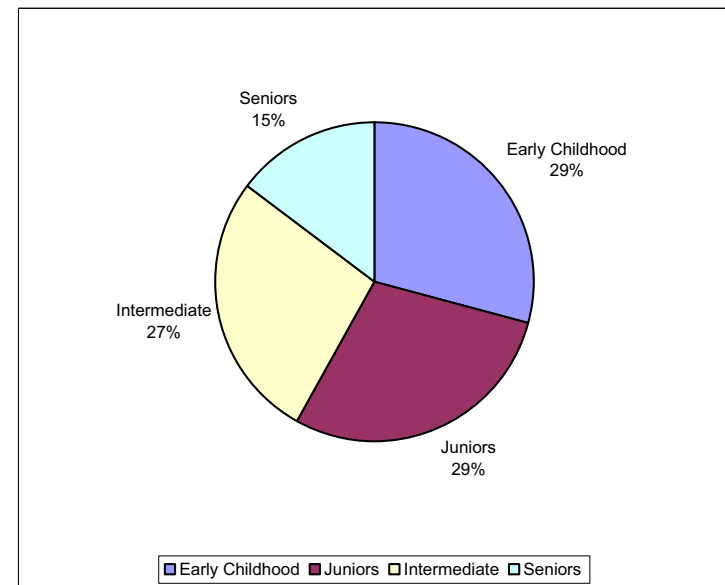
Summer Recreation Program



- The Summer Recreation Program was launched in 2010. This program hosted children at four Nassau County Parks. The Parks were Cantiague Park, Christopher Morley Park, Nickerson Beach Park and Wantagh Park.
- The Summer Recreation Program was operational from July 6 to August 12 2010. There were a total of 421 children who participated in the program.
- The fees consisted of \$450 for one child and \$400 for each additional child in the same family (maximum \$1,200 per family).
- The children ranging in age from the ages of 5 to 12 were separated in the following categories: early childhood (5 – 6); juniors (7 – 8); and intermediate (9 – 10) and seniors (11 – 12).
- This program generated revenue of \$172,000 in 2010 and has been budgeted at \$600,000 in the FY 11 proposed executive budget.
- The increased revenue plan is based on an expansion of the program. Including extended hours (after 3:00 pm) at the end of the day for an additional fee (not yet determined),

supervising children during their lunch break and additional recreational activities such as swimming.

- The 2011 Summer Recreation Program fee has not yet been finalized.
- The expenses for next year’s Summer Recreation Program are estimated at \$0.4 million for staff, OTPS and insurance.



Summer Recreation Program	
Age categories	
Early childhood (5 - 6)	123
Juniors (7 - 8)	121
Intermediate (9 - 10)	115
Seniors (11 - 12)	62
Total	421

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	257	148	151	145	148	(3)	-2.0%	3	2.1%
Part-Time and Seasonal	663	587	694	669	854	160	23.1%	185	27.7%
Salaries	\$20,475,189	\$13,601,961	\$13,681,652	\$13,073,394	\$13,883,431	\$201,779	1.5%	\$810,037	6.2%
Equipment	271,607	213,392	190,500	190,500	235,400	44,900	23.6%	44,900	23.6%
General Expenses	1,298,763	708,896	631,650	631,650	989,400	357,750	56.6%	357,750	56.6%
Contractual Services	3,845,534	2,234,761	2,960,600	2,960,600	2,676,071	(284,529)	-9.6%	(284,529)	-9.6%
Utility Costs	0	0	0	0	0	0	*****	0	*****
Inter-Dept. Charges	0	0	0	0	80,000	80,000	*****	80,000	*****
Total	\$25,891,093	\$16,759,010	\$17,464,402	\$16,856,144	\$17,864,302	\$399,900	2.3%	\$1,008,158	6.0%

Expenses

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Administration	\$3.1	\$2.9	\$3.6	\$3.1	-\$0.5	-14.3%
Museums	4.1	3.7	4.2	3.7	-0.5	-12.2%
Recreation Services	6.6	5.6	5.1	6.2	1.1	20.6%
Technical Service	7.5	0.0	0.0	0.0	0.0	*****
Golf Operations	4.7	4.6	4.5	4.9	0.4	8.5%
Total	25.9	16.8	17.5	17.9	0.4	2.3%

- FY 11 total expenses are increasing by \$0.4 million or 2.3% in comparison to the FY 10 adopted budget. Compared to 2010 projections, an increase of \$1.0 million or 6.0% is expected.
- The FY 11 budgeted salaries are increasing by \$0.2 million or 1.5% from the FY 10 adopted budget.
- OTPS is increasing slightly by \$0.1 million or 3.1% compared to FY 10 projections.
 - The contractual services line is decreasing by \$0.3 million versus the FY 10 adopted budget. The majority of this decrease is due to the Friends of Sands Point contract being paid for by grant funding instead of operating funds.
- The salaries line has been reduced by an adjustment of \$608,821 representing the savings anticipated from labor concessions.

Expenses, Cont.

Staffing Analysis						
	<u>FY 10 Adopted</u>	<u>Sept-10 Actual</u>	<u>FY 11 Request</u>	<u>FY 11 Executive</u>	<u>Exec. vs 10 Adopt</u>	<u>Exec. vs Actual</u>
CC Full-time Staffing						
Administration	35	33	36	36	1	3
Recreation Services	33	36	33	33	0	(3)
Museums	38	33	35	35	(3)	2
Golf Operations	45	43	44	44	(1)	1
Total Full-time	<u>151</u>	<u>145</u>	<u>148</u>	<u>148</u>	<u>(3)</u>	<u>3</u>
CC Part-time and Seasonal						
Administration	41	17	30	30	(11)	13
Recreation Services	483	486	648	648	165	162
Museums	63	64	70	70	7	6
Golf Operations	107	102	106	106	(1)	4
Total Part-time and Seasonal	<u>694</u>	<u>669</u>	<u>854</u>	<u>854</u>	<u>160</u>	<u>185</u>

- The FY 11 Executive Budget is increasing the part-time and seasonal staff by 160 individuals versus the FY 10 adopted budget. The increase is a direct result of the program initiatives that occurred in 2010. The staff is necessary for the operation of the Nassau County operated leagues and the Summer Recreation Program.
- The budgetary impact for the additional part-time and seasonal staff is \$0.9 million as compared to the FY 10 adopted budget. The largest component of the seasonal staff increase occurred within the Recreation Services Unit which will operate the new summer and fall programs.

The Office for the Physically Challenged advocates for the needs of all handicapped persons. It was established by County Executive Directive in 1983. This office administers the New York State Handicapped Parking Permit program and coordinates enforcement with the County Police Department. It also collaborates with the County’s “ABLE-RIDE” para transit service to provide transportation to some disabled residents.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	7	3	5	4	4	(1)	-20.0%	0	0.0%
Part-Time and Seasonal	1	0	0	0	0	0	*****	0	*****
Salaries	\$374,024	\$262,127	\$267,792	\$182,598	\$304,637	\$36,845	13.8%	\$122,039	66.8%
Equipment	98	199	3,360	199	1,000	(2,360)	-70.2%	801	402.5%
General Expenses	14,034	16,174	26,235	16,174	16,170	(10,065)	-38.4%	(4)	0.0%
Contractual Services	24,438	0	0	0	0	0	*****	0	*****
Inter-Dept. Charges	167,764	377,741	316,372	316,372	342,264	25,892	8.2%	25,892	8.2%
Total	\$580,358	\$656,241	\$613,759	\$515,343	\$664,071	\$50,312	8.2%	\$148,728	28.9%

Expenses

- The proposed FY 11 budget is increasing by \$50,312 or 8.2% from the FY 10 Adopted Budget and also increasing by \$148,289 or 28.9% from OLBR’s projections.
- Salaries for the proposed 2011 budget are increasing by \$122,039 when compared to OLBR’s 2010 projection due to OLBR capturing the vacancy savings in the current year offset by terminal leave in FY 11.
- The full-time head count was reduced by one position in FY 11 due to the elimination of the Director position.
- The equipment budget for FY 11 has decreased by \$2,360 and increased by \$801 in comparison to OLBR’s projection, which is based on the 2009 actual.
- The general expenses budget for 2011 has decreased by \$10,065 or 38.4% from the FY 10 budget but is consistent with OLBR projections.
- The inter-departmental charges budget allocates \$342,264, which is an increase of \$25,892 or 8.2% from the Adopted 2010 Budget.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$38,115	\$23,798	\$50,000	\$30,000	\$40,000	(\$10,000)	-20.0%	\$10,000	33.3%
Rents & Recoveries	6,375	2,876	0	0	0	0	*****	0	*****
Interdept Revenues	0	0	501,383	501,383	0	(501,383)	-100.0%	(501,383)	-100.0%
Total	\$44,490	\$26,674	\$551,383	\$531,383	\$40,000	(\$511,383)	-92.7%	(\$491,383)	-92.5%

Revenues

- The FY 11 revenue budget is \$40,000, which is a reduction of \$511,000 or 92.7% from the 2010 budget.
- The decrease is due to the elimination of \$501,383 allocated for inter-departmental revenues. The revenue reflected the services for information and referral resources to the Department of Social Services, in accordance with the County’s “No Wrong Door” policy.
- The department assumes \$40,000 for fines and forfeits for the proposed 2011 budget, which is a decrease of \$10,000 from the FY 10 adopted budget and an increase of \$10,000 compared to OLBR’s FY 10 projection, which is based on historical trends. This revenue represents the department’s handicapped parking fine surcharge.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	19	20	23	17	22	(1)	-4.3%	5	29.4%
Part-Time and Seasonal	11	9	10	11	10	0	0.0%	(1)	-9.1%
Bus Rte-Pt Lookout	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$0	0.0%	\$0	0.0%
Salaries	1,643,580	1,605,797	1,865,026	1,559,700	1,708,386	(156,640)	-8.4%	148,686	9.5%
General Expenses	13,219	20,307	49,875	20,307	20,307	(29,568)	-59.3%	0	0.0%
Contractual Services	768,159	127,018	75,150	75,150	81,493	6,343	8.4%	6,343	8.4%
Var Direct Expenses	0	225,000	225,000	225,000	200,000	(25,000)	-11.1%	(25,000)	-11.1%
Inter-Dept. Charges	0	0	1,286,001	1,286,001	1,007,320	(278,681)	-21.7%	(278,681)	-21.7%
Metro Subn Bus Auth	7,500,000	0	0	0	0	0	*****	0	*****
Lirr Station Maint.	25,497,695	0	0	0	0	0	*****	0	*****
Mta-Lirr Op Assist.	11,583,792	0	0	0	0	0	*****	0	*****
Handicp Trans System	3,000,000	0	0	0	0	0	*****	0	*****
Mass Transportation	0	47,818,616	46,819,670	46,819,670	47,873,726	1,054,056	2.3%	1,054,056	2.3%
Total	\$50,081,445	\$49,871,737	\$50,395,722	\$50,060,828	\$50,966,232	\$570,510	1.1%	\$905,404	1.8%

Expenses

- The Planning department is divided into two parts, the Comprehensive Planning division and the Transportation division. The Comprehensive Planning division is responsible for subdivision applications.
- The Transportation division is charged by the Federal Transit Administration to exercise oversight over MTA Long Island Bus. Approximately 94% of the total expense budget is allocated to subsidize mass transportation.
- Total FY 11 expenses for the Department are rising 1.1% from the adopted 2010 level, and 1.8% from OLBR’s 2010 projection.
- The department’s FY 11 salary line is increasing 9.5% compared to the 2010 projection to enable the department to fill five vacant full-time positions as well as fund CSEA step increases and contractual obligations. The salaries line has been reduced by an adjustment of \$49,746 representing the savings anticipated from labor concessions
- Compared to the 2010 adopted budget, the Department is losing one vacant full-time position.

Expenses, Cont.

- 2011 contractual service spending for the department is rising \$6,343 or 8.4% compared to both the budgeted and projected 2010 level.
 - The increase is a function of greater miscellaneous contractual services spending.
- The various direct expenses line funds the Long Island Regional Planning Board Council. Funding is being reduced from \$225,000 to \$200,000.
- Interdepartmental charges has been reduced by \$278,681 due to the elimination of County Attorney, printing and graphics and postage charges.
- The proposed 4.0% budget to budget increase in the LIRR Station Maintenance payment represents the estimate of the growth in the regional consumer price index.
 - The station maintenance payment is contractually set to increase each year by the percentage growth recorded in the regional consumer price index, CPI.

Mass Transportation Control Center 35			
	FY 10 Budget	Departmental Request	Executive FY 11
Mass Transportation (MM)			
630 Metropolitan Suburban Bus Authority	\$6,887,563	\$6,887,563	\$6,887,563
631 LIRR Station Maintenance	26,168,498	27,222,554	27,222,554
632 MTA-LIRR Operating Assistance	11,583,792	11,583,792	11,583,792
635 Handicapped Transportation System	2,179,817	2,179,817	2,179,817
Other Expenses (OO)			
6H Lido Beach Bus Route	75,000	75,000	75,000
Total Mass Transportation CC 35	\$46,894,670	\$47,948,726	\$47,948,726

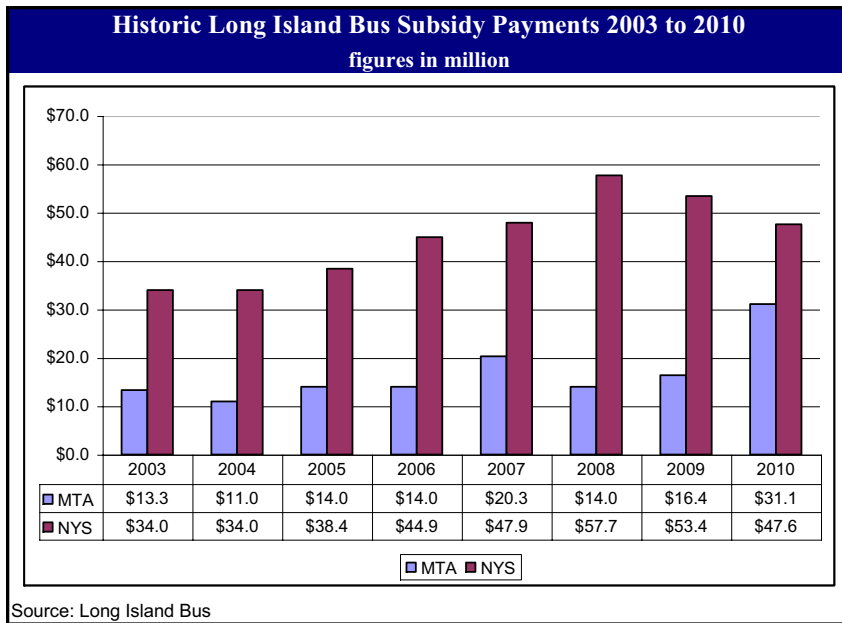
Long Island Bus

- Long Island Bus continues to operate with deficits.
- In 2010, LI Bus is forecasting a \$95.4 million baseline deficit. In 2011, this baseline deficit is expected to grow to \$99.4 million or 4.3%.

Revenues				
(Figures in Millions, Accrual Basis)				
Name	2009 Actual	Mid-Year 2010 Forecast	Preliminary Budget, July 2011	Percentage
				Change between 2011 and 2010
Farebox Revenue	\$42.0	\$43.1	\$43.5	0.8%
Other Operating Revenue	3.5	2.1	1.7	-16.5%
Capital and Other Reimbursements	6.6	7.2	7.4	2.3%
Total Receipts	52.1	52.4	52.5	0.3%
Expenses				
Name	2009 Actual	Mid-Year 2010 Forecast	Preliminary Budget, July 2011	Percentage
				Change between 2011 and 2010
Salaries (Payroll & Overtime)	\$73.2	\$73.7	\$75.2	2.0%
Fringe (Health & Welfare, Pensions & Other)	30.1	27.9	30.5	9.2%
Fuel for Buses and Trains	6.6	9.8	10.5	6.9%
Maintenance and Other Operating				
Contracts	9.1	10.3	10.6	2.2%
Other Non-Labor	10.8	15.3	14.6	-4.8%
Total Expenses	129.8	137.1	141.3	3.1%
Baseline Deficit (After Expense & GASB Adj.)	(85.8)	(95.4)	(99.5)	4.3%

- Farebox revenues on average cover 31.5% of total LI Bus expenditures. LI Bus is heavily dependent on subsidy payments to cover the cost of its operations.

- Since 2003, the MTA has provided LI Bus with subsidy payments totaling \$134.1 million. Over the same time period, NYS has provided LI Bus with \$357.9 million in subsidy payments. Without these payments, LI Bus could not sustain its operations.
- In 2010 NYS is expected to provide LI Bus with \$47.6 million in subsidy payments and the MTA is forecast to give LI Bus \$31.1 million in subsidy payments.
- The chart below details the annual NYS and MTA subsidy payments to LI Bus from 2003 to 2010.



- The FY 11 proposed budget freezes Nassau County subsidy payments to LI Bus at the 2010 adopted levels.
- Long Island Bus and Nassau County appear to be in a stalemate. It is unclear how the situation will be resolved.
- MTA budget documents reveal that the agency is in poor fiscal health. State budget cuts and deteriorating tax revenues have

forced the agency to reduce payroll, freeze salaries and reduce service levels.

Privatization RFP

Nassau County has sought to privatize its bus service and issued a request for proposals asking companies to submit bids for assuming the current bus service.

The RFP expects the privatization to occur by 2011. The winning company will not be able to raise fares more than 20%, will not receive any subsidy payments from Nassau County and will pay a percentage of its gross revenues to Nassau County.

The 2011 proposed budget for the Nassau County Planning Department includes \$9.1 million in funding for LI Bus.

The subsidy payment is broken into two parts: the fixed route, Metropolitan Suburban Bus Authority subsidy of \$6.9 million and the para-transit, Handicapped Transportation System subsidy of \$2.2 million.

It is unclear how the stalemate will be resolved. If the privatization goes through by 2011, then the budgeted \$9.1 million in subsidy payments may not be required and the County could start collecting gross revenues from the bus company.

However, if the privatization does not go through as anticipated, the MTA has stated that it will shut down all LI Bus operations if Nassau County does not increase its subsidy payments.

Under that scenario, since the FY 11 subsidy payments are unchanged, LI Bus operations would cease and the budgeted subsidy payments may not be required.

- As a result of this the MTA has stated that it would like Nassau County to step up its subsidy payments to LI Bus. According to the 1973 agreement between the MTA and Nassau County, the County is responsible for funding LI Bus’s operating deficit.
- The MTA states that with the exception of Nassau County, all other counties throughout the MTA region operate and fund their own local bus service. Generally this is accomplished by contracting with a private carrier.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$0	\$40	\$10,000	\$10,000	\$10,000	\$0	0.0%	\$0	0.0%
Rents & Recoveries	327,124	79,736	0	28,715	0	0	*****	(28,715)	-100.0%
Dept Revenues	1,203,336	1,242,953	1,386,750	958,150	993,000	(393,750)	-28.4%	34,850	3.6%
Cap Backcharges	0	2,984	237,297	237,297	303,000	65,703	27.7%	65,703	27.7%
Interfund Charges Rev	0	0	291,000	291,000	0	(291,000)	-100.0%	(291,000)	-100.0%
Fed Aid-Reimb Of Exp	45,641	113,408	25,000	25,000	25,000	0	0.0%	0	0.0%
Total	\$1,576,101	\$1,439,121	\$1,950,047	\$1,550,162	\$1,331,000	(\$619,047)	-31.7%	(\$219,162)	-14.1%

Revenues

- Total FY 11 revenues for the Planning Department are budgeted to decrease 31.7% from the 2010 budgeted level.
- The decrease is largely a function of the elimination of interfund charge revenues.
- The department had received interfund charges revenue from the Grant fund for reimbursable overhead costs. These revenues are not included in the FY 11 budget.
- The departmental revenues budget allocation is itemized below.

Revenue Source	2009 Actual Collections	2010 Adopted Budget	2011 Proposed Budget
Fees	\$287,183	\$300,000	\$150,000
Concessions	883,979	787,000	787,000
Subdivision Inspection Fees	35,370	288,600	36,000
Administration Fee Revenue	320	0	0
Film & Advertising Activities	36,100	11,150	20,000
Total	\$1,242,952	\$1,386,750	\$993,000

- Total Planning Departmental Revenues are decreasing 28.4% from the adopted 2010 level and increasing 3.6% from the 2010 projection.
- The subdivision inspection fee and film & advertising 2011 budgets are correlated with the 2009 actual.
- The average subdivision inspection fee is estimated to be \$780 per unit. The department anticipates collecting the fee on 370 units for \$288,600 in 2010.
- The \$303,000 capital back charge revenues are for SEQRA related Hub and Master Plan work.
- As the department’s employees are devoting more time to Hub and Master Plan work, their salaries are being charged back to the respective capital project.
- Federal Aid for the department is unchanged at the adopted 2010 level. The aid money is received as reimbursement from a Town of North Hempstead project. It is available from a federal drawdown.

2011 to 2014 Multi-Year Plan Gap Closing Plan

- The multi-year plan, MYP, includes two gap closing initiative which pertain to the Planning Department.
- The MYP includes \$9.6 million in 2012, 2013 and 2014 as a gap closing measure attributable to the privatization of Long Island Bus. These monies represent the savings from no longer making subsidy payments to Long Island Bus.
 - The figure is high since the FY 11 proposed budget only contains \$9.1 million in LI Bus subsidy payments.
- The MYP also includes \$20 million as a revenue initiative in 2013 and 2014 from Hub Revenues. It is unclear what these revenues accrue from and therefore how accurate the budgeted amount is.
 - According to the Administration, there are several development proposals currently being considered for the HUB. From all of the proposals, the County would accrue collections from various revenue streams.
 - The potential revenue streams include property taxes, sales tax, and video lottery terminal payments.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	3,516	3,266	3,420	3,326	3,306	(114)	-3.3%	(20)	-0.6%
Part-Time and Seasonal	478	433	552	488	493	(59)	-10.7%	5	1.0%
Salaries	\$437,236,310	\$386,421,656	\$426,784,384	\$420,142,537	\$396,835,674	(\$29,948,710)	-7.0%	(23,306,863)	-5.5%
Fringe Benefits	190,768,048	187,940,312	190,139,902	194,114,544	211,969,128	21,829,226	11.5%	17,854,584	9.2%
Workers Compensation	8,286,845	8,374,341	8,459,076	9,073,218	10,276,496	1,817,420	21.5%	1,203,278	13.3%
Equipment	546,705	329,743	1,324,709	1,000,000	635,185	(689,524)	-52.1%	(364,815)	-36.5%
General Expenses	7,259,797	4,473,389	6,701,656	7,700,000	7,909,070	1,207,414	18.0%	209,070	2.7%
Contractual Services	8,025,305	7,587,090	8,701,851	8,701,851	11,223,818	2,521,967	29.0%	2,521,967	29.0%
Utility Costs	3,860,987	3,429,110	4,158,767	3,666,968	3,828,571	(330,196)	-7.9%	161,603	4.4%
Debt Svc. Chargebacks	3,806,511	5,061,849	6,351,740	6,351,740	10,074,786	3,723,046	58.6%	3,723,046	58.6%
Inter-Dept. Charges	43,927,680	58,522,276	61,309,121	59,485,926	48,928,727	(12,380,394)	-20.2%	(10,557,199)	-17.7%
Trans To General Fund	0	27,118,299	0	0	0	0	*****	0	*****
Other Expense	0	716,321	775,407	775,407	794,792	19,385	2.5%	19,385	2.5%
Other Suits & Damages	624,011	0	0	0	0	0	*****	0	*****
Total	\$704,342,199	\$689,974,384	\$714,706,613	\$711,012,191	\$702,476,247	(\$12,230,366)	-1.7%	(\$8,535,944)	-1.2%

Expenses

- Total FY 11 Police Department expenses of \$702.5 million are declining by \$12.2 million, or 1.7%, from the FY 10 budget of \$714.7 million and \$8.5 million, or 1.2%, when compared to OLBR's FY 10 projection.
- Full-time headcount is declining by 114, or 3.3%, compared to the FY 10 budget. This is reflective of the County and New York State's early retirement incentive. A total of 123 sworn members, 113 of who opted into the voluntary retirement incentive program, and 64 members of the Civil Service Employees Association (CSEA) will separate from County service in FY 10.
- Salaries are decreasing by \$29.9 million, or 7.0% to \$396.8 million, when comparing budget to budget and \$23.3 million, or 5.5%, when compared to OLBR's FY 10 projection.
 - The projected FY 10 surplus of \$5.5 million in salaries is due primarily to bonding FY 10's budgeted termination expense of \$18.3 million and deferred salary increases of \$7.0 million from the recent settlements from the Police Benevolent Association (PBA), the Detectives Association, Inc. (DAI) and the Superior Officers Association (SOA) and Civil Service Employees Association (CSEA). These savings were offset by insufficient funding for police officers in the FY 10 budget.

Expenses, Cont.

- Although salaries and headcount in FY 11 are lower than those of FY 10, the funding allocation in FY 11 does not appear to be enough to cover all salary expenses. While the salary budget accounts for the COLAs, union steps and contractually deferred payments, the \$45.3 million in salary adjustments present a problem.
 - The Administration has not yet clarified how it plans to achieve such savings except to say that there are a various number of line items that, when modified, could generate salary savings, many of which would need union agreement. The Administration is confident that the \$45.3 million salary adjustments will be addressed. Given that the unions and the Administration are still in negotiations on how to achieve these savings OLBR considers the entire \$45.3 million labor savings a risk.
- Funding for FY 11 overtime is budgeted at \$39.0 million, which is \$7.0 million more than that of the FY 10 budget of \$32.0 million. OLBR is projecting FY 10 overtime to exceed budget by \$9.0 million at current staffing levels. With headcount declining and no plans for an immediate Academy class, the Department will be hard pressed to make the FY 11 overtime target.
- Lower sworn headcount and higher salaried police officers, whose overtime rate will be significantly more expensive, will require strict management of overtime hours with little margin for crisis situations. Even if the Department successfully limits overtime to the same number of hours as in FY 10, the higher rate will result in increased costs. Although the Administration has wisely increased the overtime budget, it is unclear how that goal will be achieved since current projections with a larger headcount will surpass 2011’s proposed target. If efforts to civilianize and redeploy police officers are not successful, then the risk to the FY 11 overtime budget could be higher

Full-time Police Department Headcount by Union						
Sworn	2010 Adopted	Sept. Actuals	2011 Executive	2011 vs 2010	2011 vs Actuals	
PBA	1,773	1,751	1,701	(72)	(50)	
DAI	394	397	366	(28)	(31)	
SOA	383	391	361	(22)	(30)	
ORD*	6	6	5	(1)	(1)	
Subtotal	<u>2,556</u>	<u>2,545</u>	<u>2,433</u>	<u>(123)</u>	<u>(112)</u>	
Civilian						
CSEA	860	776	874	14	98	
ORD	<u>4</u>	<u>5</u>	<u>3</u>	(1)	(2)	
Total	<u>3,420</u>	<u>3,326</u>	<u>3,310</u>	<u>(110)</u>	<u>(16)</u>	

* Includes former members of the SOA bargaining unit.

Fleet Services
 The increase of 14 full-time civilians reflects the transfer of 62 police automotive mechanics from the Public Works Department. In FY 2009, the Administration consolidated certain operations, one of which was fleet services, as cost savings measures. The initiative failed to generate the desired savings and efficiencies and sometimes caused a delay in the quick return of vehicles, specifically ambulances, to the street resulting in lost revenue.

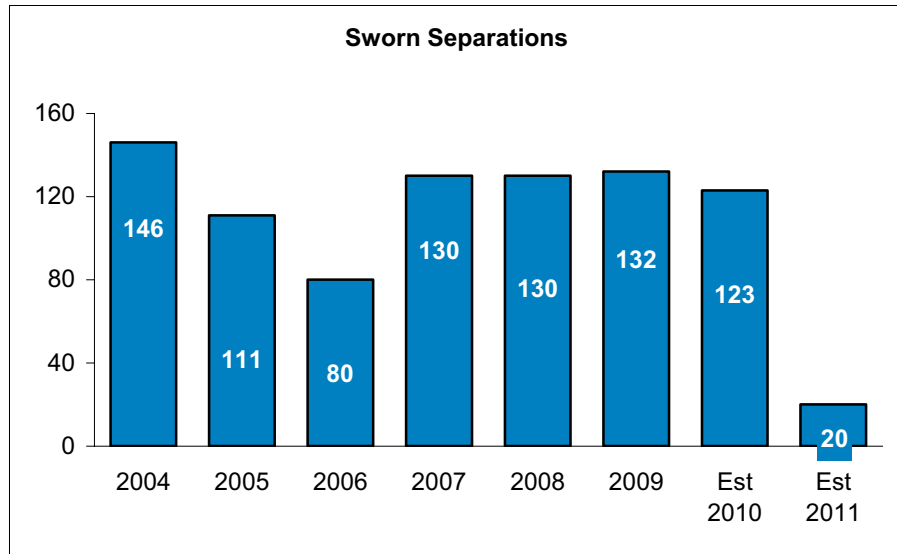
Expenses, Cont.

- Included in the FY 10 budget is funding for 2,433 (2,428 excluding Chiefs and Deputy Commissioners) sworn officers, down 123 compared to the budget of 2,556 in FY 09 and 112 below September actuals. September actuals do not reflect the total 113 future sworn separations in FY 10.
- The additional 58 police automotive mechanics are offset by the elimination of 26 forensic scientist positions. It should be noted that the FY 2010 budget allocated funding for 35 police forensic scientists, for which only 9 are funded in the proposed budget. The 35 forensic scientists' positions were intended to fulfill civilianization contractual obligations but due to the large number of separations in FY 10, the Administration has altered its plan and will follow a long-term civilianization schedule.
- An additional 13 Office of Information Technology personnel will also be transferred back into PD, from the County's IT department, reflecting the need for the Police Department to have its own IT unit. Like fleet services, this unit serves the specific needs unique to the Police Department and operates more efficiently within the Police Department.

PBA, DAI and SOA Extensions

By extending the police union contracts for three years until 2015 the Administration was able to delay contractually deferred COLAs for FY 07, FY 08 and FY 09 for two years. This deferment will exacerbate budgetary problems in FY 11 and FY 12 when the deferments will become payable, although the proposed budget does account for the \$3.9 million in deferments in FY 11. The plan to civilianize 50 positions currently held by uniform personnel to garner labor savings has been scaled back due to the FY 10 retirement incentive. The intended savings from civilianization will come from salary savings from higher paid sworn officers who have retired.

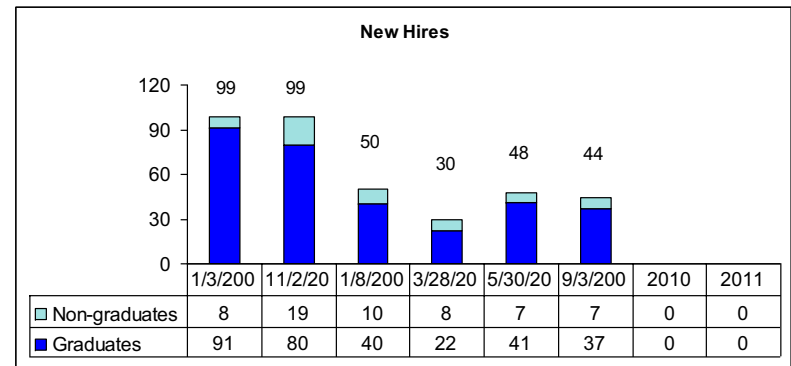
Expenses, Cont.



- Annual sworn separations for the period in the chart above have been 100 or greater every year with the exception of 2006 and the estimated 20 in FY 11.
- FY 10 termination expense in the Police Department, as well as throughout the County, will be bonded due to the considerable amount of employees that took advantage of the County’s and the State’s Early Retirement Incentive.
- A total of 123 sworn members will retire in FY 10, 113 of who will take advantage of the retirement incentive.
- Sworn retirements in FY 11 are projected to be significantly lower than in the past as a result of the recent retirement incentives.
- Those eligible members interested in leaving County service have taken the attractive packages offered by the County and the

State in FY 10 so it is not expected many will be persuaded to leave in FY 11.

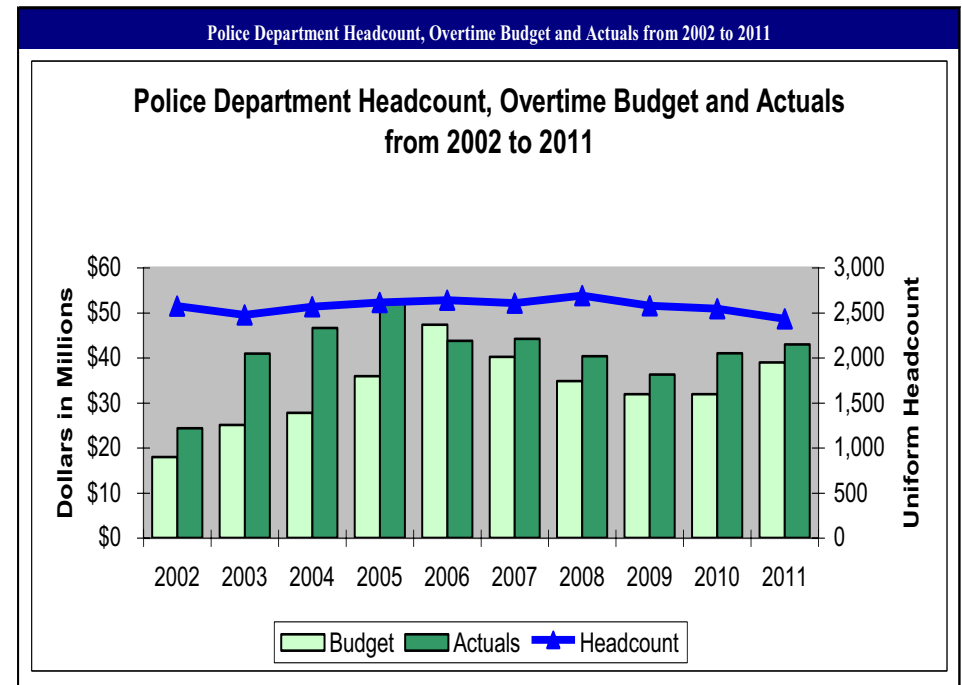
- FY 11 termination expense is \$4.0 million. Based on an average payout of \$207,000, the budget should be sufficient to fund the estimated 20 separations. Although the budgeted 20 retirements are fewer than most historical retirements, it is not unrealistic to assume such a low amount.
- In keeping with the Administration’s efforts to reduce headcount, the chart following illustrates how the Police Department is complying with County policy. It appears that there will be no recruit class for the remainder of FY 10. Plans for any new future classes in FY 11 are still unclear.
- For future recruit classes, the Department will implement an agility test to all prospective candidates before background checks have begun or classes started. The Department is hopeful that this screening process will ensure a more capable pool of prospects to successfully complete the Academy courses.



- The following chart shows annual overtime costs in relation to budget and Sept. 1 headcount. With the exception of 2006, overtime actuals exceeded the budget. In FY 11, with sworn headcount declining to the lowest levels in decades, it remains to be seen whether overtime can be managed to stay within budget.

Expenses, Cont.

- As a result of the recent retirement incentives, the Police Department is in the process of reorganizing. Additionally, operational modifications are expected to achieve efficiencies, thereby reducing the need for overtime.
- Current (September 1, 2010) uniform strength is 2,545 and, according to the Police Department, will possibly decline by about another 53 as a result of the incentive since there are no plans for a class in FY 10. Officers opting into the incentive do not have to leave until November 1, 2010.
- The Police Department anticipates \$2.5 million in federal grant funding, a majority of which will pay for overtime costs. While it appears the department is aggressively pursuing keeping overtime expense within manageable limits, with some degree of success, it will become increasingly difficult if headcount continues to decline and no new Academy class has begun. Management tools that have been employed in the past, such as reducing short roll call and flying supervisors will become standard practice while contractual constraints (minimum manning) are still in place. It is unrealistic to expect that FY 11 overtime expense with lower headcount will be lower than projected FY 10 costs.



Police Headquarters, Expenses

Police Headquarters Expenses						
(\$'s in millions)						
	Historical		2010	2011	Adopted	
	2008	2009	Adopted Budget	Executive Budget	Var.	%
Full-Time Headcount	1,678	1,501	1,649	1,626	(23)	-1.4%
Part-Time and Seasonal	47	58	101	68	(33)	-32.7%
Salaries	211.9	180.5	\$201.1	\$191.3	(\$9.9)	-4.9%
Fringe Benefits	94.3	89.7	91.7	103.2	11.5	12.6%
Workers Compensation	2.5	2.6	2.9	3.3	0.4	14.4%
Equipment	0.3	0.2	0.7	0.4	(0.3)	-49.6%
General Expenses	3.0	1.9	3.4	4.2	0.8	22.9%
Contractual Services	7.0	6.8	7.4	10.2	2.8	37.1%
Utility Costs	2.6	2.4	2.5	2.4	(0.1)	-3.9%
Debt Svc. Chargebacks	3.7	4.9	6.2	8.3	2.1	33.1%
Inter-Dept. Charges	22.7	28.9	33.7	25.4	(8.3)	-24.6%
Trans To General Fund	0.0	27.1	0.0	0.0		
Other Expense	0.0	0.0	0.3	0.3	0.0	0.0
Total	\$348.1	\$345.3	\$349.9	\$348.9	(\$1.0)	-0.3%

- Headquarters expenses are decreasing by \$1.0 million, or 0.3% from the 2010 adopted budget. The largest reductions come in salaries and interdepartmental charges offset by an increase in fringe benefits.

- Salaries include COLAs for all four unions. Some of the police union wage increases for FY 07, FY 08 and FY 09 were deferred until FY 11, and are included in the salary line.
- Overall, salaries are declining by \$9.9 million, or 4.9%, in large part due to the reduction of 23 full-time headcount and an adjustment of \$21.7 million for anticipated labor savings.
- Fringe benefits in Police Headquarters are increasing by \$11.5 million from the FY 10 budget. The increase is attributed to the growth in all categories including, health insurance, pension and social security costs.
 - Health insurance costs for active and retired employees are increasing by \$6.0 million compared to the FY 10 budget. Compared to the FY 10 projection, health insurance costs are increasing by \$6.6 million.
 - The FY 11 budget for health insurance includes a growth rate of 13.4% for active and retired health insurance. The growth rate is realistic based on New York State's Second Quarter Experience Report which estimates health insurance rates to increase by roughly 12.5% in 2011.
 - In FY 10, health insurance rates were finalized at an increase of 2.2% for individual and 3.8% for family.
- Social security costs are increasing by roughly \$1.8 million compared to the FY 10 budget to \$12.7 million in FY 11. The increase is due to an under-funded social security budget in FY 10.
- Pension costs for the Employee Retirement System (ERS) and the Police and Fire Retirement System (PFRS) are increasing by \$3.4 million compared to FY 10, resulting from increased pension contribution rates in FY 11. The pension contribution rate for the retirement plan with the majority of uniform members is escalating from 15.3% in State Fiscal Year (SFY) 2010-11 to 18.4% in SFY2011-12.

Police Headquarters, Expenses, Cont.

- The FY 11 proposed budget for Worker's Compensation includes \$3.3 million for worker's compensation related costs, an increase of \$0.4 million from the FY 10 adopted budget. Some of this variance is due to a 23% increase in rates, although the Police Department has made significant efforts to lower claims.
 - The Third Party Administrator (TPA) and the Police Surgeons have been working together to expedite short term claims resulting in a faster return to work.
- Although the equipment expense line is decreasing by \$0.3 million, general expenses is increasing by \$0.8 million and the contractual services line is growing by \$2.8 million. This growth is associated with an increase of \$1.6 million for the vendor contracts for radio and communications. The radios will be up and operational by the end of FY 10. In FY 11 the Police Department will take over the radio maintenance contract that was once in the Office of Emergency Management budget.
- A \$783,000 increase in general expenses reflects the costs associated with the transfer of the fleet services unit and the need for motor vehicle supplies and parts, generating an increase of \$1.0 million compared to the FY 10 budget. The majority of all other general expenses are declining in FY 11.
- The debt service chargeback line of \$8.3 million, an increase of \$2.1 million over that of FY 10, accounts for the principal and interest payments on capital projects related to the Police Department. The increase is largely due to the planned bonding of the FY 10 separation incentive.

Police District Expenses

Police District Expenses						
<i>(S's in millions)</i>						
Control Center	Historical		2010	2011	Adopted	
	2008	2009	Adopted Budget	Executive Budget	Var.	%
Full-Time Headcount	1,838	1,765	1,771	1,680	(91)	-5.1%
Part-Time and Seasonal	431	375	451	425	(26)	-5.8%
Salaries	\$225.4	\$205.9	\$225.7	\$205.6	(\$20.1)	-8.9%
Fringe Benefits	96.4	98.3	98.5	108.8	10.3	10.5%
Workers Compensation	5.8	5.7	5.5	6.9	1.4	25.2%
Equipment	0.3	0.1	0.6	0.3	(0.3)	-54.8%
General Expenses	4.2	2.6	3.3	3.7	0.4	12.9%
Contractual Services	1.0	0.8	1.3	1.0	(0.2)	-18.1%
Utility Costs	1.2	1.0	1.6	1.4	(0.2)	-14.2%
Debt Svc. Chargebacks	0.1	0.2	0.2	1.8	1.7	1094.8%
Inter-Dept. Charges	21.2	29.6	27.6	23.5	(4.1)	-14.9%
Other Suits & Damages	0.5	0.0	0.0	0.0	0.0	*****
Other Expenses	0.0	0.5	0.5	0.5	0.0	0.0%
Total	\$356.2	\$344.7	\$364.8	\$353.6	(\$11.2)	-3.1%

- District expenses are decreasing by \$11.2 million when comparing budget to budget.
- The \$20.1 million reduction in salaries is related to the decline in full-time (91) and part-time (26) headcount. However, like the Headquarters Fund, the salary line is underfunded because the proposed budget includes a \$23.6 million salary adjustment for anticipated labor concessions.

- The decrease of 91 full-time positions reflects the department’s projected 123 sworn and 64 civilian separations FY 10.
- Fringe benefits in the Police District are increasing by \$10.3 million from the FY 10 budget consistent with the changes in Police Headquarters.
- Health insurance costs for active and retired employees are increasing by \$5.9 million compared to FY 10 budget. Compared to the FY 10 projection, health insurance costs are increasing by \$6.6 million.
 - Social security costs are increasing by \$1.7 million compared to the FY 10 budget to \$14.7 million in FY 11. This increase is due to an under-funded FY 10 social security budget.
 - Pension costs for the Employee Retirement System (ERS) and the Police and Fire Retirement System (PFRS) are increasing by \$2.7 million compared to FY 10, the result of a higher pension contribution rate in FY 11. The contribution rate for the retirement plan with the majority of uniform members is increasing from 15.3% in State Fiscal Year (SFY) 2009-10 to 18.4% in SFY2010-11.
 - Offsetting the overall increase in Police District fringe benefits is a decrease in dental and optical costs. The FY 11 budget for dental costs is decreasing by \$261,779 to \$971,860 in FY 11. The FY 11 budget for optical cost is decreasing by \$53,581 to \$199,216.
- The FY 11 proposed budget for Worker’s Compensation includes \$6.9 million for worker’s compensation related costs, an increase of \$1.4 million from the FY 10 adopted budget. Some of this variance is due to a 23% increase in rates, although the Police Department has made significant efforts to lower claims.

- The third Party Administrator (TPA) and the Police Surgeons have been working together to expedite short term claims resulting in a faster return to work.
- OTPS expenses are decreasing by \$382,789 in FY 11 mainly due to a decrease in utilities.
- The FY 10 budget included \$3.7 million in interdepartmental charges for fleet management charges which have been eliminated in FY 11 due to the transfer. Additionally, \$1.3 million in DPW custodial charges are being eliminated. The transfer of fleet service has also impacted the general expenses line with a \$925,000 increase for motor vehicle supplies and parts which is offset by a \$425,000 reduction in gasoline.
- Utility charges are going down by \$230,196 as a result of lower costs for fuel, light and telephone. Contractual services is decreasing by \$231,230 because the Department is renegotiating vendor contracts to secure lower rates.
- As in the Headquarters fund, the \$1.7 million rise in debt service charges reflects the bonding costs for the FT 10 retirement incentive.

Police Headquarters Revenue

Police Headquarters Revenues						
(\$'s in millions)						
Control Center	Historical		2010	2011	Adopted	
	2008	2009	Adopted Budget	Executive Budget	Var.	%
Permits & Licenses	\$0.9	\$0.4	\$0.9	\$0.9	\$0.0	0.0%
Invest Income	0.0	0.0	0.0	0.0	0.0	741.1%
Rents & Recoveries	1.1	0.4	0.4	0.4	0.0	0.0%
Rev Offset To Expense	0.0	0.0	1.9	2.0	0.1	3.0%
Dept Revenues	17.7	19.9	21.8	29.8	8.0	36.6%
Cap Backcharges	0.7	2.0	1.7	1.8	0.1	3.5%
Interdept Revenues	9.9	7.0	12.7	12.8	0.1	0.8%
Interfund Charges Rev	0.4	0.4	0.4	0.4	0.0	0.0%
Fed Aid-Reimb Of Exp	0.5	0.4	3.7	3.7	0.0	0.0%
Interfund Transfers	13.5	0.0	0.0	0.0	0.0	***
State Aid-Reimb Of Exp	1.5	2.2	2.6	2.6	0.0	0.0%
Property Tax	279.6	289.1	280.0	270.7	(9.3)	-3.3%
Special Taxes	21.9	23.6	23.9	23.9	0.0	0.0%
Total	\$347.7	\$345.3	\$349.9	\$348.9	(\$1.0)	-0.3%

Departmental Revenues (\$'s in thousands)				
Revenue Source	FY 09 Actual	FY 10 Budget	FY 10 Projected	FY 11 Proposed
Misc Receipts	\$100.0	\$174.3	\$95.0	\$174.3
Fees	270.4	300.0	270.0	300.0
Parking Meter-Fees	13.7	60.0	11.6	60.0
Ambulance Fees	19,263.3	21,100.0	21,100.0	29,100.0
Ambulance Fee Collections	51.5	50.0	48.1	50.0
Detective Div Fees	13.7	16.2	9.6	16.2
Games of Chance	1.7	2.0	2.0	2.0
Voluntary Fingerprint Card Fees	153.1	130.0	130.0	130.0
	\$19,867.4	\$21,832.5	\$21,666.3	\$29,832.5

- The Headquarters revenue budget is decreasing in FY 11 by \$1.0 million or 0.3%. Driving the change is an \$8.0 million growth in departmental revenue offset by a \$9.3 million reduction in property tax revenue.
- The \$8.0 million rise in departmental revenues represents the growth in ambulance fees. This estimate appears reasonable due to the anticipated rate hikes and the additional two ambulances. However, if the fee request is denied legislative approval, the increased revenue is at risk.

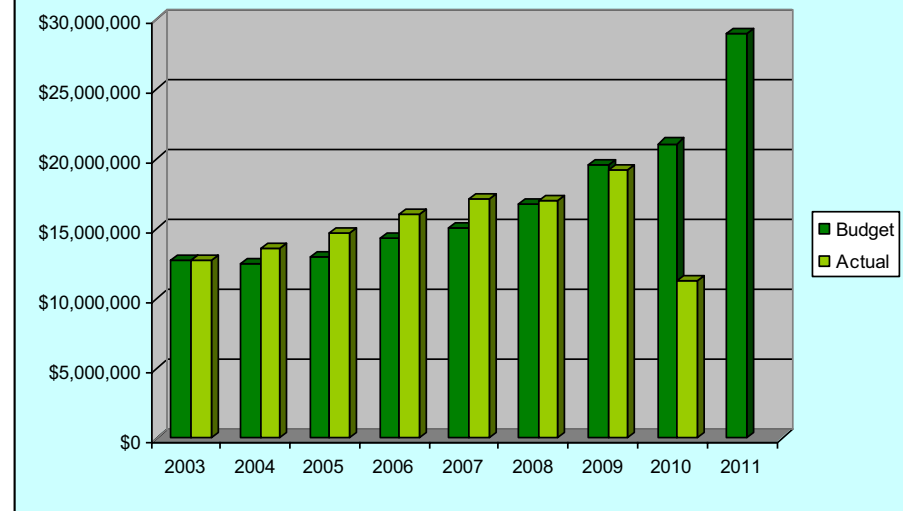
Police District Revenues



Ambulance Fees

In department revenues the proposed budget for ambulance fees is increasing by \$8.0 million over the FY 10 budget and the OLBR projection. The Administration has proposed raising fees for type of care and mileage over 100%. The Department has established a panel that will explore the purchase of new, smaller and less costly ambulances. Increasing rates, purchasing four new ambulances, along with an annual 2.8% CPI increase in billing rates and an additional two posts are the basis for the budgeted increase in FY 11. In FY 09 the vendor that manages the billing for the Department implemented new technology that greatly enhanced the transfer of patient information thereby expediting the billing process. Additionally, the Administration will be hiring a new collection vendor by late FY 10 to improve the collection process.

Ambulance Billing Fees



Police District Revenues

Police District Revenues						
(\$'s in millions)						
Control Center	Historical		2010	2011	Adopted	
	2008	2009	Adopted Budget	Executive Budget	Var.	%
Fund Balance	\$12.1	\$5.0	\$0.0	\$0.0	\$0.0	*****
Permits & Licenses	1.5	2.4	2.8	2.8	0.0	0.0%
Fines & Forfeits	0.1	1.1	1.8	1.8	0.0	0.0%
Invest Income	0.6	0.1	0.1	0.3	0.2	146.2%
Rents & Recoveries	0.4	0.2	0.4	0.4	0.0	0.0%
Rev Offset to Expense	0.0	0.0	1.4	1.5	0.0	3.0%
Dept Revenues	3.4	3.5	3.4	3.4	0.0	0.0%
Interdept Revenues	0.4	0.4	0.6	0.6	0.0	3.2%
Interfund Charges Rev	10.4	0.2	11.0	2.0	(9.0)	-81.8%
State Aid-Reimb Of Exp	0.0	0.0	0.0	0.0	0.0	*****
Property Tax	332.3	345.0	343.4	340.9	(2.4)	-0.7%
Total	\$361.2	\$358.0	\$364.8	\$353.6	(\$11.2)	-3.1%

- District revenues are declining by \$11.2 million, or 3.1%, from the adopted FY 10 budget.
- Most of the decrease is due to an 81.8%, or \$9.0 million reduction in interfund charges revenue. In FY 10, \$11.0 million from the Employee Accrued Liability Reserve was budgeted to fund termination payouts. In FY 11, \$2.0 million will be transferred from the reserve for the same purpose.
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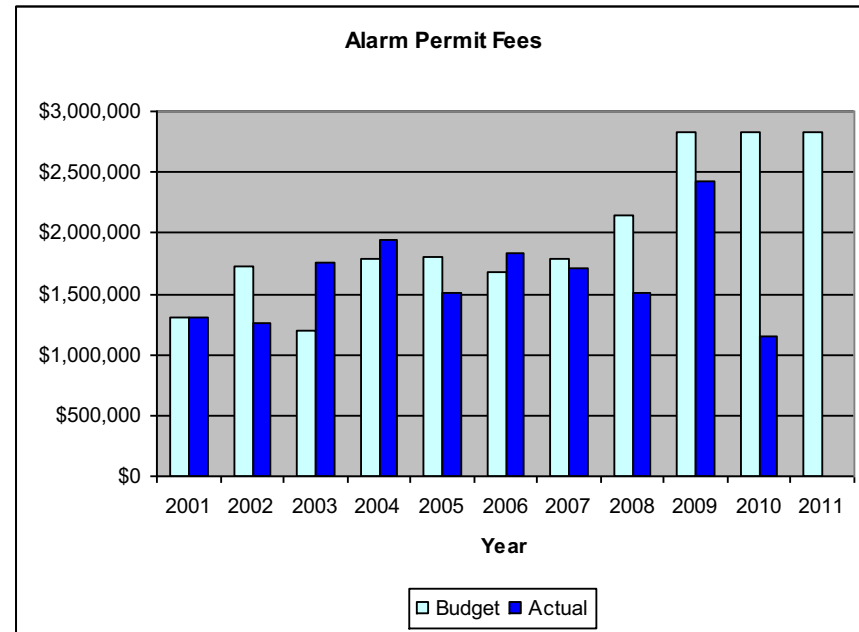
Departmental Revenues				
(\$'s in thousands)				
Revenue Source	FY 09 Actual	FY 10 Budget	FY 10 Projected	FY 11 Proposed
Fees	\$212.7	\$250.0	\$200.0	\$250.0
Tow Truck Franchise Fee	\$232.9	\$232.9	\$232.9	\$232.9
Village Fees	\$3,016.0	\$2,928.7	\$2,928.7	\$2,928.7
	\$3,461.6	\$3,411.6	\$3,361.6	\$3,411.6

- Fees are remaining flat budget to budget, although OLBR is projecting \$200,000 for FY 2010, a shortfall of \$50,000. Accident and aided fees are fees collected when an accident report has been generated by the Police Department upon request after an accident. Revenue collections since 2007 have been between \$200,000 and \$215,000.
- Alarm permit fees are remaining flat in FY 11 but the Administration is planning to implement new permit fees which will enhance revenue that has been falling below budgeted levels in recent years. (See chart below)
- The property tax levy dedicated to the Police District Fund is declining by \$2.4 million, or 0.7%.

Police District Revenues, Cont.

Interfund Charges

The FY 11 proposed budget includes \$2.0 million in interfund charges revenue. This money is from the Employee Accrued Liability Fund established to provide funding for unanticipated and unbudgeted termination expense. It was included in the FY 09 and FY 10 Adopted Budgets for \$11.0 million but was not used due to the County bonding all termination expense in FY 09 and FY 10. Although it is running contrary to the purpose of funding unanticipated terminations, it will be used for budgeted termination expense in FY 11.



Multi-Year Plan

- The significant growth in salaries in the out years relates to the COLAs awarded in the PBA, DAI, SOA and CSEA contracts. The salary line in FY 11 includes the deferred salary increases of \$7.0 million, for the years 2007 and 2008 for members of the PBA and DAI that were delayed until FY 11.
- The fringe benefits line is also rising in the out-years due higher health insurance rates plus a significant jump in pension rates beginning in FY 11. The pension plan with the majority of members will see rates climbing from 18.4% in FY 11 and 21.2% in FY 12. Long term rates will return to 18.8% in future years.
- OTPS expenditures are expected to increase only slightly over the next four years keeping with the Administration’s policy of purchasing none but essential items.

Multi-Year Plan, Cont.

- As the charts below illustrate, the Administration estimates revenue to remain fairly constant in the future.
- The charts indicate a steady climb in the gap between expenses and revenues in both funds into the out-years due to significant increases in personal services.
- With no planned increase in revenue for the out-years, funding for the dramatic salary increases is problematic. The 2011 2013 Multi-Year Plan (MYP) demonstrates the Administration’s baseline and gap for the outyears, prior to any gap-closing measures.

POLICE HEADQUARTERS FUND					
(\$'s in Millions)					
2011					
		<u>Budget</u>	<u>2012 Plan</u>	<u>2013 Plan</u>	<u>2014 Plan</u>
EXPENSE					
AA	Salaries	\$191.3	\$214.4	\$221.6	\$233.2
AB	Fringe Benefits	103.2	115.1	122.9	130.4
	Other Expense	54.3	55.3	54.3	53.7
Expense Total		\$348.9	\$383.0	\$397.6	\$416.8
Revenue					
TL	Property Tax	\$270.7	\$270.7	\$270.7	\$270.7
	Other Revenue	78.2	78.2	78.3	78.4
Revenue Total		\$348.9	\$349.0	\$349.0	\$349.1
Gap		\$0.0	(\$34.1)	(\$48.6)	(\$67.7)

POLICE DISTRICT FUND					
(\$'s in Millions)					
2011					
		<u>Budget</u>	<u>2012 Plan</u>	<u>2013 Plan</u>	<u>2014 Plan</u>
EXPENSE					
AA	Salaries	\$205.6	\$234.7	\$239.6	\$251.1
AB	Fringe Benefits	108.8	121.0	129.1	136.8
	Other Expense	39.2	39.6	39.7	40.0
Expense Total		\$353.6	\$395.3	\$408.4	\$427.9
Revenue					
TL	Property Tax	\$340.9	\$340.9	\$340.9	340.9
	Other Revenue	12.6	12.6	12.6	12.6
Revenue Total		\$353.6	\$353.6	\$353.6	\$353.6
Gap		\$0.0	(\$41.8)	(\$54.9)	(\$74.4)

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	235	200	215	199	216	1	0.5%	17	8.5%
Part-Time and Seasonal	16	16	20	11	11	(9)	-45.0%	0	0.0%
Salaries	\$17,771,315	\$15,593,835	\$17,569,406	\$15,495,485	\$17,554,733	(\$14,673)	-0.1%	\$2,059,248	13.3%
Equipment	15,531	21,915	17,712	17,712	17,712	0	0.0%	0	0.0%
General Expenses	157,965	130,996	195,444	130,996	145,996	(49,448)	-25.3%	15,000	11.5%
Contractual Services	204,066	295,655	394,500	254,000	318,775	(75,725)	-19.2%	64,775	25.5%
Inter-Dept. Charges	0	0	1,000	1,000	800	(200)	-20.0%	(200)	-20.0%
Total	\$18,148,878	\$16,042,400	\$18,178,062	\$15,899,193	\$18,038,016	(\$140,046)	-0.8%	\$2,138,823	13.5%

Expenses

- The total proposed 2011 expense budget is decreasing by \$140,046 compared to the FY 10 Adopted Budget and is increasing by \$2.1 million or 13.5% when compared to OLBR’s projection which is attributed primarily to salaries.
- The FY 11 salary budget is decreasing by a marginal \$14,673 from the FY 10 budget and increasing by \$2.1 million in relationship to OLBR September actual. Additionally, the FY 11 salary line has been reduced by an adjustment of \$450,879 representing the savings anticipated from labor concessions.
- The full-time budgeted headcount for FY 10 was 215 and the September 1, 2010 headcount is 199. The proposed FY 11 budget funds 216 full-time heads.
 - The current vacant positions are a result of 14 employees opting into the Voluntary Retirement Incentive Program; these include a Coordinator of Employment, a Probation Supervisor II’s, five Probation Supervisor I’s, five Probation Officer II’s and two Transcriber Machine Operators.
 - The department anticipates a class of eight Probation Officer Trainees (POT) to begin by the end of FY 10 or no later than the first quarter of 2011.
 - The Alcohol Interlock Monitoring Initiative (AIM) commenced in FY 10. The Probation Department receives \$150,000 in reimbursement from the Stop DWI Grant to offset the salary of the four employees who oversee the program.

➤ **Expenses, Cont.**

ALCOHOL INTERLOCK MONITORING (AIM)

On November 18, 2009 Governor Paterson signed the Child Passenger Protection Act, better known as Leandra's Law. Effective August 15, 2010 New York joined nine other states mandating ignition interlocks for all first-time DWI convictions. Given that about 30% of all first offender DWI's in New York will re-offend, and that Nassau Probation has historically led the state in utilizing existing interlock laws (with nearly 25% of every interlock in New York vs. 8% of all convicted drunk drivers), Probation developed the Alcohol Interlock Monitoring (AIM) program. The short-term objective is to use interlock technology to prevent offenders who have been drinking from starting their vehicles, and on the longer-term to identify the problem drinkers at greatest risk of re-offending and secure appropriate treatment or other necessary sanctions.

- The FY10 budget included 17 part-time and 3 seasonal positions.
- The Administration reduced the part-time head-count by six positions to a total of 11 heads for FY 11. The eliminated positions were a Probation Assistant and five Probation Officer I positions earning a total combined salary of \$68,060.
- The three seasonal positions have been removed from the proposed budget, for a total salary savings of \$19,845.
- In FY 11, general expenses have decreased by \$49,448 or 25.3% from the 2010 budget and increased by \$15,000 in relation to the OLBR projection.
- The contractual expenses budget has declined in FY 11 by \$75,725 or 19.2% and grown by \$64,775 based on OLBR's projection. The reductions are detailed below.
 - A decrease of \$115,000 for the maintenance contract for the department's case management system.
 - A reduction of \$30,600 for the electronic monitoring program for court ordered monitoring of the DWI and sex offenders.
 - An increase of 69,875 for miscellaneous contractual services.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$19,303	\$314,430	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	1,870,504	1,817,097	1,700,000	1,700,000	1,833,500	133,500	7.9%	133,500	7.9%
Interdept Revenues	213,553	0	0	0	0	0	*****	0	*****
Interfund Charges Rev	20,000	9,113	188,000	188,000	188,000	0	0.0%	0	0.0%
Fed Aid-Reimb Of Exp	16,000	12,000	0	14,000	0	0	*****	(14,000)	-100.0%
State Aid-Reimb Of Exp	3,875,602	3,260,543	3,171,000	3,000,000	2,850,000	(321,000)	-10.1%	(150,000)	-5.0%
Total	\$6,014,962	\$5,413,183	\$5,059,000	\$4,902,000	\$4,871,500	(\$187,500)	-3.7%	(\$30,500)	-0.6%

Revenues

- The total FY 11 proposed revenue budget is decreasing by \$187,500 or 3.7% from the FY 10 Adopted Budget. Compared to the FY 10 OLBR projection the revenue is decreasing by \$30,500 or 0.6%. This is primarily attributed to a decrease in State Aid.
- The Administration budgeted departmental revenue at \$1.8 million, which is an increase of \$133,500 for the proposed 2011 budget.
 - The increase represents a 1% fee on bail revenue in the budget for the first time. It signifies funds for a General Municipal law which states that Nassau County is entitled to collect 3% for bail bonds, 1% allocated for the Department of Probation and 2% for the County Treasurer.
- The 2011 Executive Budget remains at \$188,000 for interfund charges revenue. This represents the funding from the Rockefeller Drug Law Grant.
- State aid revenue for FY 11 is dropping by \$321,000 or 10.1% due to a 10% reduction in New York State’s reimbursement. OLBR has captured this reduction in the FY 10 projections. This cut began in 2010 and is continuing in FY 11.

ACTIVITY INDICATORS				
INDICATOR	ACTUAL 2008	ACTUAL 2009	ESTIMATED 2010	PROJECT 2011
Investigations- Criminal Division	5,711	5,631	5,610	5,700
Supervision - Criminal Division	8,030	8,377	8,600	8,900
Pre-Trial/Intake- Criminal Division	13,014	13,620	13,875	14,200
Juvenile Intake - PINS*	40	0	0	0
Juvenile Intake - Juvenile Delinquents	929	782	820	900
Juvenile Supervision - PINS*	33	30	30	35
Juvenile Supervision - Juvenile Delinquents	375	389	370	390
Investigations - Family Division	821	756	500	600
Total Caseloads	28,953	29,585	29,805	30,725
* Persons in need of Supervision Source: Probation Department				

- Probation caseload has been steadily increasing and is expected to continue to grow. As an alternative sentence, probation costs less than \$7 per day, versus the incarceration expense of \$241 per day. Probation also allows an offender to continue to work and care for their families while they rehabilitate.
- In the Criminal Division, Investigations, Supervision and Pre-Trial/Intake are projected to increase in FY 11 compared to 2010 by 1.6%, 3.5% and 2.3% respectively.
- PINS diversion, formerly handled by Juvenile Intake, became the responsibility of the Department of Social Services in 2009.
- Intake for Juvenile Delinquents has a growth of 9.8% compared to the FY 10 estimation.
- In FY 11 the growth for Juvenile Supervision for PINS is increasing by 16.7%.
- The number of juvenile delinquents that are supervised is projected to increase by 5.4% in 2011.
- The projected FY 10 Investigations for the Family Division have increased by 20.0% in comparison to the estimate for 2010.

Probation Department Initiatives**COMMUNITY WATCH**

In March 2010, Probation initiated Community Watch (CW). Casting a wider net than Night Watch, which targets probationers with significant new arrests and/or active cocaine or opiate abuse, Community Watch, also involving teams of probation and police officers, conducts fast-moving, off-hours home visits. The goal is to identify probationers at risk of or already engaging in antisocial behavior that may lead to new arrests and/or probation violations - to address small problems before they become big problems. In addition to being subject to searches as a condition of their probation, the offenders, and on consent their families, are debriefed by the police with respect to drugs and other criminal activity in their communities. As of August 7, 2010 the first five Community Watch operations targeted nearly 250 probationers throughout Nassau, many of them the subject of HALT referrals. CW 6 (Glen Cove) and CW 7 (Rockville Centre) are scheduled for October 2010.

**HEROIN ABUSE LOCATION AND TARGETING
(HALT)**

On February 11, 2010 County Executive Mangano initiated HALT in response to the growing toll of the heroin epidemic, then averaging one overdose death per week. Much of the heroin in Nassau and Suffolk originates in Queens and Brooklyn, and the intent of HALT is to identify and apprehend those individuals selling the drugs by surveilling known drug users. Nassau Probation is uniquely positioned to facilitate the identification of the surveillance targets. As of September 1, 2010, 164 probationers abusing heroin or cocaine were debriefed by probation officers and the intelligence shared with NCPD's Lead Development Center.

The Office of Public Administrator acts under and with the authorization of the New York State Surrogate’s Court Procedure Act (“SPCA”), Article 12, Sections 1201-1219. The office is entrusted with the management and disposition of property on behalf of Nassau County residents who die intestate or whose wills name persons who are either unqualified or unwilling to assume responsibilities as executors of wills.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	7	7	7	7	7	0	0.0%	0	0.0%
Salaries	\$490,332	\$462,903	\$493,697	\$488,496	\$501,638	\$7,941	1.6%	\$13,142	2.7%
General Expenses	3,165	1,635	7,690	3,390	5,690	(2,000)	-26.0%	2,300	67.8%
Contractual Services	7,200	7,200	13,642	13,642	13,643	1	0.0%	1	0.0%
Total	\$500,698	\$471,738	\$515,029	\$505,528	\$520,971	\$5,942	1.2%	\$15,442	3.1%

Expenses

- Expenditures in Public Administrator are increasing in FY 11 by \$5,942 or 1.2%, compared to the FY 10 budget and by \$15,442, or 3.1%, when compared to FY 10 OLBR projections.
- The salaries line has been reduced by an adjustment of \$8,244 representing the savings anticipated from labor concessions.
- The majority of the growth related to the \$7,941, or 1.6%, increase in salaries reflects the steps and COLAs for CSEA employees.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Dept Revenues	\$339,427	\$377,566	\$400,000	\$400,000	\$400,000	\$0	0.0%	\$0	0.0%

Revenue

- The office’s fees are based upon a percentage of the gross assets of the estates the Public Administrator administers. Revenue can vary on any given year based on the number of estates the County administers; therefore, revenue can be difficult to project. Historically though, revenue has remained fairly constant.

Expenses

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	490	610	634	504	526	(108)	-17.0%	22	4.4%
Part-Time and Seasonal	121	68	152	118	133	(19)	-12.5%	15	12.7%
Salaries	\$33,359,728	\$40,964,650	\$43,406,218	\$37,884,122	\$36,262,487	(\$7,143,731)	-16.5%	(\$1,621,635)	-4.3%
Workers Compensation	1,692,563	1,463,071	1,562,978	1,857,199	1,900,743	337,765	21.6%	43,544	2.3%
Equipment	55,030	404,342	483,930	169,930	166,324	(317,606)	-65.6%	(3,606)	-2.1%
General Expenses	3,890,438	6,702,462	7,013,816	6,816,663	4,605,498	(2,408,318)	-34.3%	(2,211,165)	-32.4%
Contractual Services	7,509,595	5,574,219	7,393,863	7,277,863	8,489,009	1,095,146	14.8%	1,211,146	16.6%
Utility Costs	30,728,948	27,754,899	28,837,999	26,837,999	27,401,896	(1,436,103)	-5.0%	563,897	2.1%
Inter-Dept. Charges	4,286,085	7,838,295	11,054,279	11,054,279	8,821,229	(2,233,050)	-20.2%	(2,233,050)	-20.2%
Capital Projects	(20,375)	0	0	0	0	0	*****	0	*****
Other Expense	0	0	0	0	0	0	*****	0	*****
Total	\$81,502,011	\$90,701,939	\$99,753,083	\$91,898,055	\$87,647,186	(\$12,105,897)	-12.1%	(\$4,250,869)	-4.6%

- The Department of Public Works (DPW) proposed FY 11 budget is decreasing by \$12.1 million or 12.1%, from the FY 10 adopted. Every expense category except for workers' compensation and contractual services has been reduced.
- The contractual services expense has increased by \$1.1 million or 14.8%, from the FY 10 adopted. The increase reflects the newly mandated custodial contract for Industries for the Disabled. DPW is contemplating bringing on more custodial staff to perform this function in house.
- The workers' compensation expense has increased by \$0.3 million or 21.6%, from the FY 10 adopted.
 - The New York State Workers Compensation Board has increased the indemnity rates by 23% from \$600.00 to \$739.83 per week.
 - The New York State Workers Compensation Board has also modified its medical treatment guidelines to allow medical practitioners to provide a certain number of treatments without insurance carrier pre-approval.
- The proposed budget contains 108 fewer full-time and 19 fewer part-time/seasonal positions than the FY 10 adopted. The salaries line has decreased by \$7.1 million or 16.5%.
- In addition, the salaries line has been reduced by an adjustment of \$1,742,454 representing the savings anticipated from labor concessions.
- The equipment expense has been reduced by \$0.3 million or 65.6% in conjunction with PD fleet moving back to the Police Department.

Expenses, Cont.

- The general expense has also been reduced due to PD fleet moving back to the Police Department. There is a decrease of \$2.4 million or 34.3%
- The utilities expense has been reduced by \$1.4 million or 5.0% due to anticipated energy saving initiatives.
 - The FY 11 programs include LED traffic lights, solar panels being installed on the County building located at 1194 Prospect Avenue in Westbury and savings from the newly awarded Hess Corporation contract for natural gas.



Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Administration	\$5.0	\$4.2	\$4.5	\$4.6	\$0.2	3.7%
Engineering	16.8	11.9	14.5	14.3	-0.2	-1.2%
Operations	54.6	61.8	67.5	62.5	-5.0	-7.5%
Fleet Management	5.1	12.8	13.2	6.2	-7.1	-53.4%
Total	81.5	90.7	99.8	87.6	-12.1	-12.1%

- The chart above shows DPW’s expenses by control center. The operations control center has been impacted by a reduction in staff, utility costs and inter-department charges as a result of the 2010 early retirement incentive.
- The fleet management control center has been impacted by a reduction in staff and general expenses as a result of Police fleet moving back to the Police Department.
 - The FY 11 DPW budget was decreased by \$7.0 million as a result of the movement. Salaries totaled \$5.0 million while OTPS was \$2.9 million. The decreases were offset by a \$0.9 million increase in interdepartmental charges.
- The largest across the board reductions have occurred in utility costs, inter-departmental charges and in the salary expense.

Expenses, Cont.

Staffing Analysis						
	<u>FY 10</u>	<u>Sept-10</u>	<u>FY 11</u>	<u>FY 11</u>	<u>Exec. vs</u>	<u>Exec. vs</u>
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>10 Adopt</u>	<u>Actual</u>
CC Full-time Staffing						
00 Administration	40	30	34	34	(6)	4
01 Engineering	120	99	106	106	(14)	7
02 Operations	378	345	356	356	(22)	11
03 Fleet Management	96	30	30	30	(66)	0
Total Full-time	<u>634</u>	<u>504</u>	<u>526</u>	<u>526</u>	<u>(108)</u>	<u>22</u>
CC Part-time and Seasonal						
00 Administration	7	7	9	9	2	2
01 Engineering	2	1	1	1	(1)	0
02 Operations	140	107	120	120	(20)	13
03 Fleet Management	3	3	3	3	0	0
Total Part-time and Seasonal	<u>152</u>	<u>118</u>	<u>133</u>	<u>133</u>	<u>(19)</u>	<u>15</u>

2010 Retirement Incentive

The department has lost 36 employees due to the early incentive program offered this year.

Operations

The department has reduced their part-time operations employees by 15 individuals within the snow operations unit.

Full-Time Headcount

The FY 11 budget reflects the movement of 62 employees out of the Department of Public Works and into the Police Department which occurred in April 2010. These employees are included in the FY 10 adopted budget. One person elected to take the early retirement incentive.

The specific positions are 49 Police Automotive Mechanics, 8 Police Automotive Shop Supervisor Is, 1 Police Automotive Shop Supervisor II, 2 Automotive Servicers and 2 Auto Parts Strkprs.

Full-Time Staffing Analysis						
	FY 10	Sept-10	FY 11	FY 11	Exec. vs	Exec. vs
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>10 Adopt</u>	<u>Actual</u>
00 Division of Administration						
Capital Management Office	0	2	0	0	0	(2)
Administration Unit	40	28	34	34	(6)	6
Total for Control Center	40	30	34	34	(6)	4
01 Division of Engineering						
Architect./Building Design	11	9	12	12	1	3
Water/Wastewater Engr. Unit	24	24	24	24	0	0
Groundwater Remed. Sect.	2	2	2	2	0	0
Civil/Site Engineering Unit	11	7	8	8	(3)	1
Traffic Engineering Unit	19	14	18	18	(1)	4
Traffic Safety Board	2	2	2	2	0	0
Construction Mgmt. Unit	51	41	40	40	(11)	(1)
Total for Control Center	120	99	106	106	(14)	7
02 Division of Operations						
Facil. Mgmt. Unit	167	151	144	144	(23)	(7)
Parks Maintenance	0	1	53	53	53	52
Road Maint. Unit	161	148	111	111	(50)	(37)
Bridge Operations Section	11	10	11	11	0	1
Drain Maint/Strm Wtr Maint.	22	21	22	22	0	1
Mosquito Control Section	5	4	4	4	(1)	0
Traffic Maintenance Section	12	10	11	11	(1)	1
Total for Control Center	378	345	356	356	(22)	11
03 Division of Fleet Management						
Fleet Management	33	30	30	30	(3)	0
Police Fleet Group (PDD)	63	0	0	0	(63)	0
	96	30	30	30	(66)	0
Total Full-time	<u>634</u>	<u>504</u>	<u>526</u>	<u>526</u>	<u>(108)</u>	<u>22</u>

Full-Time Headcount

The chart at the left details DPW’s full-time staffing. It also reflects the dissolution of the prior police fleet consolidation.

In total, DPW’s budgeted headcount is decreasing by 108 full-time positions. The separation incentive was opted into by 36 of the department’s employees, including 8 civil engineers, 2 highway supervisors, 3 equipment operators, 4 laborers, 1 motor vehicle dispatcher, 1 fleet supervisor, 3 maintenance supervisors, 2 clerks, 2 assistant Administration Commissioners, 1 Director of Office Services, 1 grounds-keeper, 1 florist, 1 park supervisor, 1 building construction estimator, 3 custodial workers, and 2 traffic signal workers.

The September 1, 2010 headcount of 504 full-time employees leaves 22 positions to be hired. DPW plans to target its most critical hiring needs. The positions range from architects, automotive workers, housekeepers, hydrographer, grounds-keepers, storm water basin superintendent, maintenance supervisor and assistant to DP Commissioner of PW for Administration.

Part-Time and Seasonal Staffing Analysis						
	<u>FY 10</u>	<u>Sept-10</u>	<u>FY 11</u>	<u>FY 11</u>	<u>Exec. vs</u>	<u>Exec. vs</u>
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>10 Adopt</u>	<u>Actual</u>
00 Division of Administration						
Administration Unit	7	7	9	9	2	2
01 Division of Engineering						
Civil/Site Engineering Unit	2	1	1	1	(1)	0
Total for Control Center	2	1	1	1	(1)	0
02 Division of Operations						
Facil. Mgmt. Unit	43	26	23	23	(20)	(3)
Police Custodial (PDD)					0	0
Facil. Mgmt. Unit-Pools & Rinks	0	1	0	0	0	(1)
Parks Maintenance	0	1	45	45	45	44
PD Building Mngment Unit (PDD)	0	0	0	0	0	0
Road Maint. Unit	82	79	52	52	(30)	(27)
Snow Operations	15	0	0	0	(15)	0
Total for Control Center	140	107	120	120	(20)	13
03 Division of Fleet Management						
Fleet Management	3	3	3	3	0	0
Total Part-time and Seasonal	<u>152</u>	<u>118</u>	<u>133</u>	<u>133</u>	<u>(19)</u>	<u>15</u>

Part-Time Headcount

The proposed part-time headcount is decreasing by 19 positions from the FY 10 budget, but increasing by 15 positions from the September 1 actual.

The seasonal positions are remaining unchanged in the FY 11 budget versus FY 10 adopted budget.

The part-time positions are decreasing in total by 19 to 133, with a budget decrease of \$0.2 million within the operations division. The two categories of part-time positions being impacted are laborers and snow removers.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	\$206,025	\$380,884	\$285,000	\$371,785	\$285,000	\$0	0.0%	(\$86,785)	-23.3%
Rents & Recoveries	2,441,810	741,291	72,000	255,349	0	(72,000)	-100.0%	(255,349)	-100.0%
Dept Revenues	731,538	958,189	920,000	820,000	920,000	0	0.0%	100,000	12.2%
Cap Backcharges	5,536,683	5,574,760	4,535,883	4,535,883	4,694,639	158,756	3.5%	158,756	3.5%
Interdept Revenues	5,271,452	18,518,659	23,200,086	23,200,086	8,386,192	(14,813,894)	-63.9%	(14,813,894)	-63.9%
Interfund Charges Rev	3,640,529	3,283,402	3,630,000	3,630,000	3,630,000	0	0.0%	0	0.0%
State Aid-Reimb Of Exp	149,393	59,537	55,000	80,029	55,000	0	0.0%	(25,029)	-31.3%
Total	\$17,977,431	\$29,516,722	\$32,697,969	\$32,893,132	\$17,970,831	(\$14,727,138)	-45.0%	(\$14,922,301)	-45.4%

Revenues

- DPW’s proposed FY 11 revenue budget is decreasing by \$14.7 million or 45.0%, from the FY 10 adopted amount. Most of this decrease results from the \$14.8 million reduction in interdepartmental revenues, which is received for work done by DPW on behalf of other departments.
- Capital back-charges are generated by those operating costs related to capital project planning carried out by DPW personnel, which are charged back to the appropriate capital project. The FY 11 increased minimally at 3.5% versus the FY 10 budget.
- The rents and recoveries revenue is not budgeted for in FY 11. There are no prior year recoveries anticipated.
- The interdepartmental revenues decrease of \$14.8 million or 63.9% is primarily due the movement of PD fleet back to the Police Department.

➤ The chart below details DPW’s departmental revenues.

Departmental Revenues				
	FY09 Actual	FY10 Budget	FY10 Projected	FY11 Proposed
239-K Review	\$44,618	\$58,000	\$58,000	\$58,000
Misc Receipts	737,239	610,000	610,000	610,000
Non-Stormwater Discharges	1,100	10,000	10,000	10,000
Plans	85,086	51,000	51,000	51,000
Reimb Expenses IGT	22,890	0	0	0
Reimb Expenses-General	0	25,000	25,000	25,000
Rule Book Sales	2,235	1,000	1,000	1,000
Subdivision Plan Review-080A	27,544	150,000	50,000	150,000
Subdivision Plan Review-9868	37,477	15,000	15,000	15,000
Grand Total	\$958,189	\$920,000	\$820,000	\$920,000

- The FY 11 departmental revenue budget is expected to remain constant with the FY 10 departmental revenue budget however, the actual subdivision plan review-080A revenue received has been decreasing since 2008 and onwards.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	23	20	21	16	17	(4)	-19.0%	1	6.3%
Salaries	\$1,540,588	\$1,465,132	\$2,503,923	\$1,000,698	\$1,260,698	(\$1,243,225)	-49.7%	\$260,000	26.0%
General Expenses	22,256	16,109	19,656	18,001	16,109	(3,547)	-18.0%	(1,892)	-10.5%
Contractual Services	1,360	1,450	1,500	1,500	1,425	(75)	-5.0%	(75)	-5.0%
Inter-Dept. Charges	75,082	169,928	301,715	301,715	0	(301,715)	-100.0%	(301,715)	-100.0%
Total	\$1,639,285	\$1,652,619	\$2,826,794	\$1,321,914	\$1,278,232	(\$1,548,562)	-54.8%	(\$43,682)	-3.3%

Expenses

- The total FY 11 proposed budget is decreasing by \$1.5 million or 54.8% as compared to the FY 10 Adopted Budget.
- Salaries are decreasing by \$1.2 million or 49.7% as compared to the FY 10 Adopted Budget. This is primarily due to the reduction in proposed FY 11 headcount and the shifting to the Shared Services Department.
 - Compared to the OLBR projection the Executive Budget accounts for the funded vacancy, Purchasing Supervisor I.
 - In comparison to the 2010 Adopted Budget the department’s full-time headcount is decreasing by four or 19.0%. The following funded vacancies are being removed: Clerk Typist I, Purchasing Supervisor, Director of Purchasing and DP CMR Gen Svcs P&S.
 - Additional salary savings are being achieved as the Department moves to the shared services model. In the 2011 budget six titles have been removed. These titles are detailed in the text box below.

2010 Purchasing Consolidation

The FY 10 budget included salaries funding of approximately \$1.0 million for a planned consolidation of purchasing functions throughout the County. Employees were to have been transferred to Purchasing from other departments. However there was no headcount attached to the funding. So while headcount is being reduced in FY 11 by four positions, the FY 10 budget actually included funding for an additional 16 full-time and 2 part-time employees. This funding has been removed in FY 11.

- The salaries line has been reduced by an adjustment of \$32,888 representing the savings anticipated from labor concessions.
- The FY 11 proposed general expenses line is posting a decline of \$3,547 or 18.0%, due to cuts made in office supplies.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$524,771	\$172,209	\$150,000	\$20,000	\$100,000	(\$50,000)	-33.3%	\$80,000	400.0%
Dept Revenues	25,303	23,665	20,500	48,759	20,500	0	0.0%	(28,259)	-58.0%
Cap Backcharges	0	26,870	0	30,730	0	0	*****	(30,730)	-100.0%
Interdept Revenues	766,963	814,670	547,566	0	0	(547,566)	-100.0%	0	*****
Total	\$1,317,037	\$1,037,415	\$718,066	\$99,489	\$120,500	(\$597,566)	-83.2%	\$21,011	21.1%

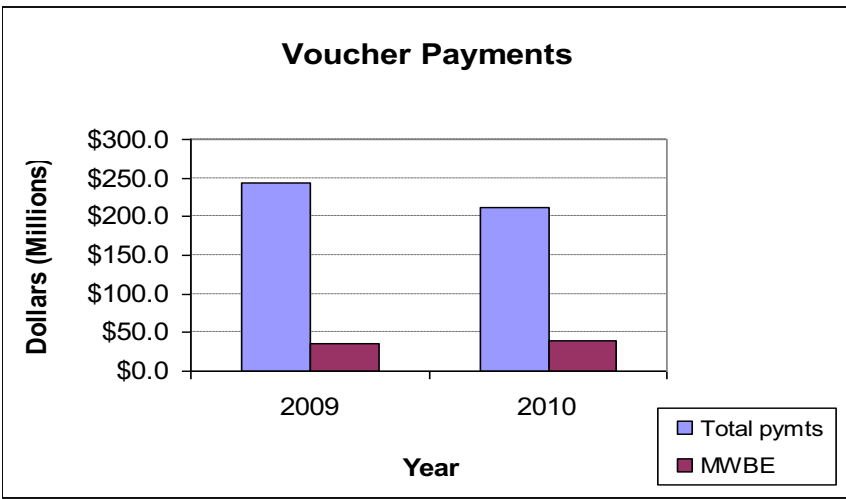
Revenues

- The FY 11 proposed revenue budget is decreasing by \$ 0.6 million or 83.2% from the FY 10 Adopted Budget.
- A majority of this variance is attributable to the interdepartmental revenues line being eliminated. The 2011 budget only includes interdepartmental revenues for charges that may be reimbursed.
- Rents and recoveries represent possible revenue from auctioning off county office property.
- Departmental revenues are primarily derived from the Online Premium Subscription Service. This web-based environment sends email alerts to vendors about Request for Proposals which match the vendors’ online profile. The FY 11 budget is expected to stay in line with FY 10 adopted. The OLBR projection expects departmental revenue to exceed the adopted by almost \$30,000.

Local Law 10-2010 Shared Services

Local law 10-2010 created a Department of Shared Services that will replace the Office of Purchasing. The department will be empowered to provide a number of support services that are utilized by multiple agencies and departments of the County. The key areas identified for this consolidation are human resource representatives, accounts payable, and accounts receivable. The law is intended to provide savings through headcount reduction and efficiencies. The Department of Shared Services will utilize employees currently on staff in other departments, gradually integrating functions as employees throughout the County retire and consolidation opportunities arise. It is our understanding that the intention is not to eliminate existing departments but to remove common functions that can be more efficiently performed centrally.

Minority & Women Business Enterprise Payments				
Category	Sept. YTD 2009	% of Total Vendors	Sept. YTD 2010	% of Total Vendors
Minority & Women Business Enterprise (M/WBE)	\$36,464,416	15.0%	\$38,830,749	18.3%
Alaskan/Native American	0	0.0%	2,990	0.0%
Asian/Pacific Islander	2,583,864	1.1%	1,400,852	0.7%
Black	1,737,832	0.7%	2,560,193	1.2%
Hispanic	1,797,158	0.7%	2,597,787	1.2%



- Total year-to-date payments to Minority & Women Business Enterprise (M/WBE) increased by \$2.4 million or 6.5% as compared to September 2009.
- M/WBE's represent 18.3% of year-to-date voucher payments up from last year's figure of 15.0%.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$10,592,905	\$11,225,755	\$9,192,872	\$9,192,872	\$9,475,297	\$282,425	3.1%	\$282,425	3.1%
Dept Revenues	114,885	140,030	164,864	164,864	179,864	15,000	9.1%	15,000	9.1%
Cap Backcharges	3,158,503	0	0	0	0	0	*****	0	*****
Interdept Revenues	10,247,189	11,217,397	11,274,156	11,274,156	12,472,574	1,198,418	10.6%	1,198,418	10.6%
Interfund Charges Rev	0	437,786	720,350	720,350	720,350	0	0.0%	0	0.0%
Total	\$24,113,481	\$23,020,968	\$21,352,242	\$21,352,242	\$22,848,085	\$1,495,843	7.0%	\$1,495,843	7.0%

Revenues

- The Department of Real Estate Planning and Development provides real estate services to County government including strategic planning, property acquisition and disposition, and building project planning and development.
- Total FY 11 revenues for the Real Estate Department are rising 7.0% from both the adopted FY 10 level and from the FY 10 OLBR projection.
- In FY 11 all revenue lines are budgeted to increase from their 2010 level. The rents and recoveries line is used to budget for rents collected on County owned buildings and recoveries obtained from the Nassau County Veterans Memorial Coliseum utilities, rental and concessions.
- Within the rents & recoveries line, the rents collected from the Mitchell Field Properties are the office’s largest revenue source.
 - Chart A on the following page provides a detail of these properties.
 - Chart B provides a detail of the entire, BF, rents & recoveries lines. These include collections from the Nassau County Veterans Memorial Coliseum utilities, rental and concessions.
- Interdepartmental revenues are received for the allocated building occupancy charges of County departments.
- Departmental revenue, which consists of concessions revenues at County-owned buildings in Mineola, 60 Charles Lindbergh and copy concessions at the Clerk’s Office, is budgeted to increase \$15,000.
- The 2011- 2014 Multi-Year Plan, MYP, holds all revenue streams constant at their budgeted FY 11 level. The MYP also incorporates two gap closing initiatives for 2013 and 2014. These are surplus land sales and the securitization of Mitchel Field Leases. These initiatives are discussed at the end of this section.

Revenues, Cont.

Chart A, Rent Mitchell Field Properties		
Tenant	2010 Rent	2011 Rent
Aegon	\$0	\$99,743
Bergwall Productions, Inc.	24,183	25,090
BMS Realty	0	175,073
Bostwick Labs	0	67,967
CLK-HP 90 Merrick LLC	296,843	296,843
Concept 400 Realty	131,548	135,000
Fortunoff	99,743	0
Grub & Ellis Management	175,073	0
HPI Partners One, LLP	149,792	149,792
JP Morgan Chase Bank	134,215	134,215
Lighthouse Hotel Development	340,949	340,949
Lighthouse Hotel Development Parcel 1	105,987	108,712
Lighthouse Hotel Development Parcel 2	113,302	114,293
Lighthouse 1600, LLC	413,728	525,000
Nassau District Energy Group (TRIGEN)	816,710	842,913
Oak Realty	28,395	28,395
Office Center at Mitchel Field	159,276	159,276
Reckson Assoc (HMCC)	205,313	205,313
Reckson Assoc (OMNI)	611,120	611,120
Reckson Operating Partnership	183,562	191,822
Reckson Operating Partnership / Plaza	819,250	819,250
Robert Plan Corp	62,596	0
Rodolitz (Quentin Roosevelt)	400,825	433,976
Rolin Realty	74,385	74,385
Sunrise Senior Living Services	70,035	78,373
Treeline 990 Stewart LLC	97,496	97,496
United Parcel Services	299,001	299,001
Total	\$ 5,813,326	\$ 6,013,995

- The Lighthouse rents cover the hotel, its two parking lots, and the heating and cooling system.
- FY 11 budgeted Mitchell field rents are increasing 3.5% from the FY 10 budgeted level. These rental payments constitute 63.5% of the rents & recoveries budget.
- The Mitchell field rents are increasing according to preset lease provisions.



- The Mitchell Field properties all are currently operating under 99-year leases. These leases were signed between 1979 and 1984 and are scheduled to expire between 2078 and 2083.

- Chart B on the following page provides a detail of the rents & recoveries line.

Chart B, (BF), Rents & Recoveries			
	2010	2011	2011 vs.
	Adopted	Proposed	2010
Rent County Property	\$ 175,726	\$ 175,850	0.07%
Coliseum Utilities	2,331,615	2,506,615	7.51%
Coliseum Rental	95,751	219,804	129.56%
Coliseum Concessions	776,454	559,033	-28.00%
Rental Mitchell Field Properties	5,813,326	6,013,995	3.45%
Total	\$ 9,192,872	\$ 9,475,297	3.07%

Chart C, Rent From County Property		
Tenant Name	2010 Rent	2011 Rent
City of Glen Cove	\$12	\$12
Civil Service Employees Association	28,800	28,800
Concord Drive-In Cleaners	50	50
Keyspan- Real Estate Department	113,705	113,705
Lakeside Inn Inc.	5,924	6,061
LIRR - Real Estate Dept	100	100
Long Island Water	608	608
Massapequa Water District	7	7
New York Water Service Corp.	5,440	5,440
Rocco J. Cambareri	300	300
Science Museum of Long Island	1	1
Sham Chitkara	36	36
Sutton & Edwards Management, LLC	600	600
The Woods Knife Corp.	120	120
Town of Hempstead	12	12
Village of Valley Stream	1	1
Valley Stream Volunteer Fire Department	120	120
Wantagh Fire District	1,300	1,300
Wantagh Racquet Sport	18,458	18,458
Westbury Medical	120	120
Woodcrest Club	12	0
Total	\$ 175,726	\$ 175,850

- The rent county property line is increasing as a result of an increase in the Lakeside Inn Inc. rental payment. These rents are detailed in Chart C.
- The FY 11 Coliseum Utilities budget is 7.5% higher than the FY 10 budget.
- The FY 11 Coliseum Rental budget is 129.6% greater than the FY 10 budget and 36.5% lower than the 2009 actual.
- The FY 11 Coliseum Concession budget is conservative. The 2007 to 2009 average Coliseum Concession revenues was \$835,400.

- The FY 11 budget is based upon the County collecting rent on 21 properties. The majority of the annual rental payments on these properties are unchanged, remaining constant at the 2010 amount.
- Year to date, the County has collected \$87,000 on a net basis from seven real estate transactions.
- The County seeks to sell off excess properties to decrease maintenance and operating costs while increasing County revenues.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	9	9	9	7	7	(2)	-22.2%	0	0.0%
Part-Time and Seasonal	1	1	1	0	0	(1)	-100.0%	0	*****
Salaries	\$809,669	\$762,927	\$824,317	\$562,680	\$567,580	(\$256,737)	-31.1%	\$4,900	0.9%
General Expenses	18,206	95,786	108,224	95,786	95,786	(12,438)	-11.5%	0	0.0%
Contractual Services	128,500	96,200	106,232	106,232	100,920	(5,312)	-5.0%	(5,312)	-5.0%
Rents	13,303,311	13,757,389	14,533,845	14,533,845	14,226,930	(306,915)	-2.1%	(306,915)	-2.1%
Total	\$14,259,686	\$14,712,303	\$15,572,618	\$15,298,543	\$14,991,216	(\$581,402)	-3.7%	(\$307,327)	-2.0%

Expenses

Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Real Estate Services	\$13.9	\$14.4	\$15.2	\$15.0	-\$0.2	-1.5%
Real Estate Services-Ordinance	0.3	0.3	0.3	0.0	-0.3	-100.0%
Total	14.3	14.7	15.6	15.0	-0.6	-3.7%

- The charts above detail the historic, projected and budgeted expenditures for the Department.
- The expenses are detailed by object code and control center. As of FY 11 all Real Estate employees will be accounted for in one control center.
- Total FY 11 expenditures are budgeted to decrease 3.7% from the FY 10 level.

- The rents category is the largest expense line and in FY 11 it is recording a 2.1% decrease from the FY 10 budget. Chart D provides a detail of these expenses.
- The salary line is declining due to elimination of all vacant positions and terminal leave payments. The salaries line has been reduced by an adjustment of \$11,226 representing the savings anticipated from labor concessions
- The FY 11 general expenses line is declining 11.5% from the adopted 2010 budget and is equivalent to the 2010 projected amount.
- The general expense line is used to cover the cost of moving, software purchases and office supplies.
- The Department of Real Estate Planning and Development contracts with various firms for appraisal services required for real estate negotiations.
- The Office’s contractual services line is declining 2.1% from both the adopted and projected 2010 level.

Expenses, Cont.

Chart D, Nassau County Department of Real Estate Planning & Development- estimated rents for 2011			
Rental Locations- current locations			
RENTAL LOCATION	use of building	2010 Rents	2011 Rents
Village of Hempstead (parking)	courts, hempstead agencies	\$522,665	\$522,665
Plainview Properties	veterans	333,795	166,898
	Taxes	276,363	148,038
24-26 Main Street- Traffic Violations	traffic violations	362,259	374,938
	Taxes	177,220	177,026
Hawthorn School	police HQ	686,970	712,759
40 Main Street	civil service, casa	1,094,555	1,109,560
	Taxes	379,641	428,097
Bellmore-Merrick School- Sr. Cit	senior citizens	90,563	155,821
1 Helen Keller Way- Legal Aid	legal aid for indigent defendants	303,408	314,027
60 Charles Lindberg	HHS vertical	7,010,558	7,207,260
106 Charles Lindbergh	Health Dept	524,058	574,953
	Taxes	304,982	394,438
160 North Franklin Street	Hempstead WIC Office	101,365	121,400
	Taxes		5,000
LIRR MTA	right of way in Garden City	500	500
TOTAL CURRENT RE RENTS		12,168,900	12,413,379
Anticipated new leases in 2011			
Grand Avenue, Baldwin	First Precinct - land rent and taxes	287,098	0
460 N. Main St., Hempstead	Health Dept. - WIC Center	174,500	45,960
location to be determined	Drug & Alcohol Employee Assistance	0	60,000
TOTAL ANTICIPATED RE RENTS		461,598	105,960
NUMC Locations			
PD		82,136	84,095
Drug & Alcohol (Bldg K)		288,923	295,815
Medical Examiner		964,526	953,795
Fire Commission- EMS		106,781	109,328
TOTAL NUMC		1,442,365	1,443,034
A Holly Patterson Locations			
VEEB		190,863	195,416
Fire Commission- Arson Squad		270,119	69,141
TOTAL A HOLLY PATTERSON		460,982	264,557
TOTAL OO ACCOUNT:		\$14,533,845	\$14,226,930

- In 2011 County rental expenses are declining 2.1% as a result of lower lease payments for the Plainview Properties and the Fire Commission – Arson Squad.

- The elimination of the Grand Avenue, Baldwin lease is also contributing to the decline in County rental expenses. The plan is to keep the first precinct at its current location.
 - The two buildings adjacent to the precinct are being acquired with capital funds. An item seeking Legislative approval for the two acquisitions is expected to be submitted in the coming weeks.
 - The two acquired buildings will be demolished, a new precinct building will be constructed and then the old precinct building will be demolished.
 - Continuity of operations is expected throughout the entire process.
- All other lease payments are remaining the same or incurring an increase.
- The 2011- 2014 MYP includes \$20 million in 2013 and \$30 million in 2014 from surplus land sales.
 - The \$20 million is expected from land sales on the former Grumman property in Bethpage. The \$30 million is expected from the sale of County owned property on Ring Road in Garden City. Since the sales occur in the future the accuracy of the value can't be appraised at this time.
- The 2011 – 2014 MYP also includes \$40 million in 2014 from the securitization of some of the Mitchel Field leases.
- In 2010, Nassau County issued an RFP for this securitization. Since the monies from this initiative are not included in the budget until 2014, it is unclear if the current \$40 million estimate is realistic. To the extent that the forgone recurring revenues are not offset by either an equal amount of recurring expense cuts or additional recurring revenue, the securitization would have the effect of increasing the County operating budget's structural gap.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	13	12	13	12	12	(1)	-7.7%	0	0.0%
Part-Time and Seasonal	14	11	21	18	21	0	0.0%	3	16.7%
Salaries	\$692,317	\$747,800	\$957,850	\$794,604	\$862,697	(\$95,153)	-9.9%	\$68,093	8.6%
Equipment	884	0	40,000	1,000	1,000	(39,000)	-97.5%	0	0.0%
General Expenses	30,784	159,791	190,500	159,791	159,971	(30,529)	-16.0%	180	0.1%
Contractual Services	55,857	64,106	130,000	130,000	123,500	(6,500)	-5.0%	(6,500)	-5.0%
Inter-Dept. Charges	53,325	75,085	75,085	75,085	0	(75,085)	-100.0%	(75,085)	-100.0%
Total	\$833,167	\$1,046,782	\$1,393,435	\$1,160,480	\$1,147,168	(\$246,267)	-17.7%	(\$13,312)	-1.1%

Expenses

- The Office of Records Management, under the supervision of the County Clerk, administers and maintains the central records and documents storage facility for all agencies of County government.
- Documents on file comply with mandated retention schedules and are subject to retrieval by originating agencies. The office also provides production capability for microfilming services.
- The total FY 11 expense budget for the office is decreasing from both the 2010 OLBR projection and 2010 budget. Compared to the FY 10 budgeted amount, all expense lines are being reduced.
- The largest decline in percentage terms is the reduction in Inter-Departmental charges. These charges are now only being charged for reimbursable expenses.
- The 2011 salary line is decreasing 9.9% from the 2010 adopted budget. The decline is a function of one less full-time position. This reduction eliminates a vacancy as the FY 11 full-time head count is equivalent to the current on board full-time head count.
- The salaries line has been reduced by an adjustment of \$32,448 representing the savings anticipated from labor concessions
- The FY 11 part-time head count is increasing by three heads when compared to the current OLBR part-time projection. A budget to budget analysis reveals that although part-time headcount is unchanged from its current level, the funding of these positions is declining by \$54,000.

Expenses Cont.

- The \$6,500 reduction in contractual services will present challenges for the Office. The department had identified eight contracts totaling \$140,000 which it required for 2011. It is unclear how the department will be able to save \$16,500 from these contracts, which are detailed below.

2011 Projected Records Management Contractual Services		
Vendor	Description	Value
Hi-Lo Yale	Pallet Truck Maintenance	1,500
Imaging 411	Scanning & Filming Equip. Main.	9,500
Iron Mountain	Archival Document Storage	80,000
Konica Minolta	Copy Equipment Maintenance	1,300
Lason	Scanning & Filming Equip. Main.	9,700
Next Cut Shredding	Document Destruction Services	35,000
Waterboy	Water and Water Coolers	750
Misc. Requisitions	Misc. Requisitions not covered by BO's	2,250
	Total	140,000

- The Department said that it will look into renegotiating with the vendors as well as possible consolidations with other departments.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$184,808	\$4,227	\$0	\$0	\$0	\$0	*****	\$0	*****
Interdept Revenues	130,999	130,760	626,550	626,550	0	(626,550)	-100.0%	(626,550)	-100.0%
Total	\$315,807	\$134,987	\$626,550	\$626,550	\$0	(\$626,550)	-100.0%	(\$626,550)	-100.0%

Revenues

- The chart above shows revenues realized by the office from FY 08 to FY 09, a projection for FY 10 and the FY 11 budgeted amount. The interdepartmental revenues line is where the office charges back other County departments for records management services.
- FY 11 budgeted interdepartmental revenues are expected to decrease by 100.0%.
- As mentioned previously, these revenues are only being collected for reimbursable departmental expenses.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$180,848	\$256,911	\$19,000,000	\$9,000,000	\$10,500,000	(\$8,500,000)	-44.7%	\$1,500,000	16.7%

Revenues

- When a department disencumbers a prior year appropriation, the actual amount is credited to the individual department's rents and recoveries revenue which does not have a budget at that level. The budget for all of the General Fund departments' recoveries of prior year appropriations is consolidated in Reserves.
- Historical actuals shown in the chart above reflect only those revenues which have been booked to Reserves, and not to the individual departments.
- On an annual basis, OMB works with the departments to reduce or disencumber prior-year contracts for which no additional payments are anticipated.
- The FY 11 budget reduces the revenue to be more in line with historical results.
- The chart below details the amounts budgeted and collected for recoveries of prior year appropriations for Reserves and for all other departments in the General Fund for years 2006 through 2010, with the budget for 2011.

Department	2006		2007		2008		2009		2010		2011
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	YTD	Budget
Reserves	\$12,500,000	\$6,744,999	\$12,500,000	\$1,747,103	\$12,500,000	\$180,805	\$12,000,000	\$256,911	\$19,000,000	\$82,855	\$10,500,000
All Other GF Depts	4,939,164	21,750,484	727,262	11,844,238	784,402	25,813,754	485,000	8,955,364	1,496,000	8,619,796	687,000
Total	\$17,439,164	\$28,495,483	\$13,227,262	\$13,591,341	\$13,284,402	\$25,994,559	\$12,485,000	\$9,212,275	\$20,496,000	\$8,702,651	\$11,187,000

The Department of Senior Citizens Affairs serves the needs of approximately 257,000 older County residents and their caregivers through a variety of programs, activities, services and information. As the designated Area Agency on Aging for Nassau County under the federal Older Americans Act, with additional support from the New York State Office for the Aging and Nassau County (NYSOFA), the department supports senior citizens in their efforts to remain healthy, active and independent members of the community.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	37	31	31	29	34	3	9.7%	5	17.2%
Part-Time and Seasonal	8	6	6	6	8	2	33.3%	2	33.3%
Salaries	\$2,400,875	\$2,153,141	\$2,221,141	\$2,012,171	\$2,439,725	\$218,584	9.8%	\$427,554	21.2%
General Expenses	18,178	13,948	38,094	22,603	40,200	2,106	5.5%	17,597	77.9%
Contractual Services	15,356,104	15,615,480	15,681,803	15,681,803	15,412,300	(269,503)	-1.7%	(269,503)	-1.7%
Inter-Dept. Charges	1,242,854	1,289,351	1,381,875	1,381,875	1,448,812	66,937	4.8%	66,937	4.8%
Total	\$19,018,011	\$19,071,920	\$19,322,913	\$19,098,452	\$19,341,037	\$18,124	0.1%	\$242,585	1.3%

Expenses

- Total expenditures are increasing by \$18,124 or 0.1% compared to the FY 10 budget due to an increase in salaries offset by a reduction in contractual services. Compared to the FY 10 projection the budget is increasing by \$242,585 or 1.3%.
- Salaries are increasing by \$218,584 compared to the FY 10 Adopted Budget and by \$427,554 or 21.2% compared to the FY 10 projection due to increased headcount. The salary budget of \$2.4 million is should be sufficient to cover the budgeted headcount.
 - The salaries line has been reduced by an adjustment of \$68,057 representing the savings anticipated from labor concessions.
- The full-time headcount is increasing by five full-time positions and two part-time positions compared to the current staffing level. The department plans to hire a Grants Technician, two Field Representatives and two bus drivers. The two part-time positions include a Nutritionist and a Clerk.
 - Although the department would prefer to hire a full-time Nutritionist, the department has been informed that a full-time Nutritionist title does not exist within the Department of Senior Citizens. Therefore, the department is hoping to share a full-time Nutritionist with the Department of Health on a part-time basis. The department has budgeted a part-time salary for the Nutritionist.
- General expenses are increasing by \$17,597 compared to the FY 10 projection. The general expense budget includes office supplies, traveling expenses, clothing and uniform allowance for bus drivers and custodians, vehicle rental fees and public notice fees.

Expenses, Cont.

- Contractual expenses are decreasing by \$269,503 compared to the current year. The decrease is due to the following:
 - a decrease of \$52,000 for two Family and Children's Association (FCA) community support and monitoring contracts,
 - the removal of \$150,000 from this year's budget for an auditor,
 - the removal of \$158,000 for vehicles that were purchased in 2010.
 - These decreases have been offset by an additional \$86,000 for the Weatherization Referral and Packaging Program (WRAP) which has been transferred from the Grant to the General Fund.
- Inter-departmental charges is budgeted at \$1.4 million for services performed on behalf of the Department of Senior Citizen Affairs by other County departments. The charges include building occupancy, information technology, indirect charges, printing and graphics, purchasing, fleet maintenance, gasoline and telecommunication charges.

The department has two vacant bus driver positions as a result of employees opting into one of the recent Early Retirement Incentives. Until the positions can be filled the department has rented a bus and more recently has been able to share a driver from the Department of Public Works to handle the transporting of seniors. However the current driver is handling half the work load of the previous two bus drivers. As a result senior citizens that commuted to the centers everyday are now commuting less or every other day. In addition, the cost to rent the bus has been an additional expense to the department. The department plans to hire two bus drivers as soon as possible.

Expenses, Cont.

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Senior Citizens Affairs	\$3.8	\$4.4	\$4.2	\$4.8	\$0.6	13.5%
Area Agency Title III-B	2.1	1.9	1.9	1.9	0.0	-0.4%
Nutrition Program	4.4	3.7	3.9	3.9	0.0	0.4%
Community Services For El	1.5	2.0	2.0	1.5	-0.4	-20.8%
Foster Grandparents Prog.	0.0	0.0	0.0	0.0	0.0	0.0%
Extended In-Home Svcs	5.0	4.9	5.0	5.1	0.1	1.9%
Senior Citizens Comm. Ctrs	0.1	0.1	0.1	0.1	0.0	0.1%
Snap (Nutrition Program)	1.1	1.2	1.4	1.0	-0.3	-23.0%
Title IIID/ Health Promotio	0.1	0.1	0.1	0.1	0.0	-16.2%
Title IIIE/ Caregivers	1.0	0.7	0.8	0.8	0.1	10.5%
Total	19.0	19.1	19.3	19.3	0.0	0.1%

- **Senior Citizens Affairs** centralizes administrative duties and budgets contractual services for programs such as The Long Term Care Point of Entry Program, Home Energy Assistance Program (HEAP), the Weatherization Referral and Packaging Program (WRAP), and the Senior Community Service Employment Program (SCSEP).
- **Community Service for Elderly** New York State’s Community Services for the Elderly (CSE) supports a locally coordinated continuum of support services designed to assist the elderly, their families and informal caregivers.
- **Nutrition Program** Title III-C Nutrition Grants of the Older Americans Act includes congregate meals and the home

delivered meals. U.S. Department of Agriculture Nutrition Services Incentive Program (NSIP) is the federal program to provide funding for congregate and home delivered meals.

- **Senior Citizen Community Center** is a County operated congregate center in North Merrick that provides meals and coordinate services for Senior Citizens.
- **Area Agency Title III-B and NYS Transportation** Title III-B of the Older Americans Act provides support services (i.e. counseling, transportation and legal services) which are designed to help older persons remain living safely at home. Title III-B-Ombudsman Program, provides advocacy for residents of long term care facilities. NYS transportation funds are utilized to assist with the costs of transporting older persons to needed programs and services.
- **Foster Grandparents Program** Foster Grandparents is a program for low-income seniors (aged 60 and older) who wish to work with children in their community. Foster grandparents receive a stipend and assistance with transportation.
- **Expanded In Home Services (EISEP)** EISEP provides case management, home care and ancillary services to frail older persons. Case mangers assess needs, develop a care plan, and help coordinate and monitor needed services. Home care aides provide hands-on assistance (e.g. bathing, dressing, and walking) and/or assist with other activities (such as. shopping, and meal preparation) to help older persons remain safely at home.
- **SNAP Nutrition Program** The Supplemental Nutrition Assistance Program (SNAP) is New York’s home delivered meal program for seniors.

- **Title III-D/ Health Program** Title III-D, Health Promotion and Disease Prevention and Medication Management of the 2000 Amendments to the Older Americans Act authorizes programs to support disease prevention and health promotion at senior centers, congregate nutrition sites, through home delivered meals programs, or other appropriate settings. New York State Congregate Services Initiative (CSI) funds provide recreation and education programs at senior centers and other venues.
- **Title III-E, the National Family Caregiver Support Program** Title III-E offers social adult day, caregiver support services and in-home or overnight respite options. Other services include transportation, information and assistance, counseling, education and training, and support groups.

Revenues

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	266,973	484,058	0	0	0	0	*****	0	*****
Dept Revenues	13,148	11,122	16,724	16,724	16,724	0	0.0%	0	0.0%
Interdept Revenues	509,167	593,613	516,354	516,354	469,758	(46,596)	-9.0%	(46,596)	-9.0%
Interfund Charges Rev	56,954	5,220	38,076	37,500	0	(38,076)	-100.0%	(37,500)	-100.0%
Fed Aid-Reimb Of Exp	5,250,330	5,223,884	5,338,460	5,338,460	5,576,378	237,918	4.5%	237,918	4.5%
State Aid-Reimb Of Exp	7,382,159	6,418,267	7,156,323	6,900,000	6,853,442	(302,881)	-4.2%	(46,558)	-0.7%
Total	\$13,478,731	\$12,736,164	\$13,065,937	\$12,809,038	\$12,916,302	(\$149,635)	-1.1%	\$107,264	0.8%

- The proposed FY 10 revenue budget is decreasing minimally by 1.1% or \$149,635. The decrease is from reductions in interdepartmental revenue, interfund charges and state aid.
- Inter-departmental revenues budgeted at \$469,758 is decreasing by \$46,596 from FY 10. Inter-departmental revenue includes revenue that the department receives through an inter-departmental service agreement with the Department of Social Services (DSS) for for Title XX funding and home energy assistance program (HEAP) funding.
 - Title XX funds are used to provide information and assistance (I&A) services to identify and help senior citizens and their families access community based options for care that will help prevent institutionalization.
- Interfund charges revenue has been removed from the proposed FY 11 budget due to a change in accounting practices. In FY 10 grant funding was utilized to offset salary expenses for grant related activity. In FY 11 the reimbursement will be budgeted as a credit to the salary expense.

Revenues, Cont.

- Federal aid is increasing by \$237,918 to \$5.6 million in FY 11 due to an additional \$186,000 from the transfer of the Weatherization Referral and Packaging Program (WRAP) and an increase of \$76,000 in Title V which is an employment retraining program for 55 and older low income individuals.
- Department revenue remains unchanged at \$16,724 in FY 11. This includes funding to cover the annual luncheon conference that the department holds every May.

Funding Sources

Federal funding primarily comes from the Older American Act and much of the state funding comes from the New York State Community Services for the Elderly Program. The department receives its State funding from the New York State Office for the Aging (NYSOFA) based on several criteria specific to program functions.

Finance Authority and District

The Nassau County Sewer and Storm Finance Authority (the Authority) and a consolidated County-Wide Sewer & Storm Water District (the District) were established in 2003 to work collectively to carry out the County's sewer and storm water functions in a fiscally prudent and efficient manner. The Authority serves as a monetary instrument only, whose role is to refinance outstanding sewer and storm water resources debt issued by the County and to finance future County sewer and storm water resources projects within a \$350 million cap. In 2004, the County and the Authority entered into a Financing Agreement setting forth the financial relationships of the entities.

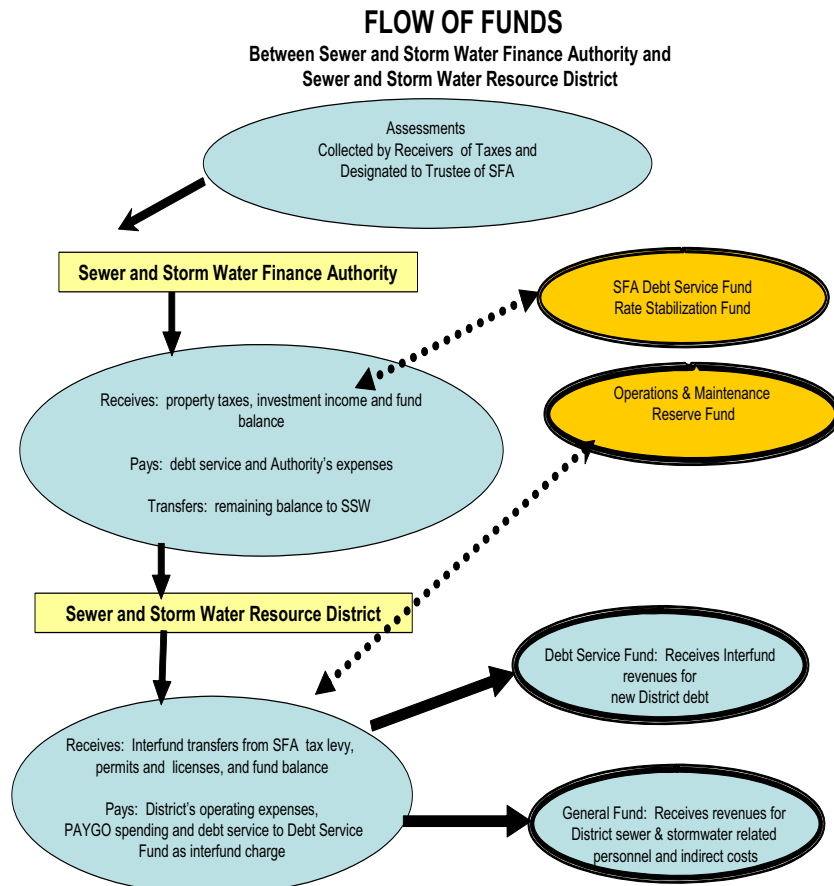
A single District replaced 27 collection and 3 disposal districts. All of the rights, privileges, duties, responsibilities, and obligations of these collection and disposal districts were placed solely under the purview of the newly formed District. In addition, at the time of enactment all funds remaining in the prior districts were transferred to the Authority for capital needs, debt service and reserves.

As part of the 2003 legislation, the County implemented a rate stabilization program with the following assessment/zone requirements:

1. No increase from the sewer tax levy set in 2003 until 2007.
2. The County would transition to three zones of assessment by 2014 as follows:
 - one County-wide assessment zone for storm water services,
 - one zone of assessment for sewage collection and sewage disposal, and
 - one sewage disposal only assessment zone.
3. No separate assessment for storm water resources during the rate stabilization transition period.
4. Taxes will be sent to the Town Receivers of Taxes and then directed to a trustee to ensure payment of Authority bonds.

The process of rate stabilization or harmonization has already begun County-wide.

Flow of Funds



- Sewer tax assessments are collected and designated to a trustee by the Receiver of Taxes. The taxes flow to the Authority to first settle all of its financing obligations for debt service and operating expenses. In addition to property taxes, the Authority also earns investment income on reserve balances.
- The Authority retains the amount needed to settle obligations and then transfers the balance to the District. The District appropriates the amounts needed to settle its operating expenses and capital pay as you go spending. These amounts are categorized as interfund transfers (IF) from the Authority's tax levy, permits and licenses, and fund balance. Related interfund revenues are booked to General Fund unallocated charges revenue (BW) for sewer and storm water districts.
- Reserve funds established under the Authority include the debt service fund and the Rate-Stabilization Reserve Fund. Both funds are held in trust by the Trustee until needed.
- The restriction that the Rate Stabilization Reserve Fund does not fall below \$7.0 million expired in 2006. The debt service fund includes a separate account for each series of bonds. There are no requirement limits set for the debt service reserve fund.
- The County established an Operations and Maintenance Reserve Fund (O&M Fund) for the District, funded in an amount equal to 25% of the District's operating expense budgeted for the year. The O&M Fund is not considered as available for operating expenses. However, according to the Financing Agreement, monies in the O&M Fund may be used to fund debt service.

FY 2011 Budget - Sewer and Storm Water Finance Authority

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
NIFA Set Aside	\$1,435,193	\$0	\$0	\$0	\$0	0	*****	0	*****
General Expenses	5,222,164	0	0	0	0	0	*****	0	*****
Contractual Services	566,095	511,782	1,000,000	1,000,000	950,000	(50,000)	-5.0%	(50,000)	-5.0%
Interest	4,868,294	8,279,246	8,281,840	8,281,840	7,992,356	(289,484)	-3.5%	(289,484)	-3.5%
Principal	3,295,000	6,545,000	7,269,191	7,269,191	7,360,000	90,809	1.2%	90,809	1.2%
Trans Out to SSW	77,413,160	62,144,424	0	0	0	0	*****	0	*****
Transfer To Bond Escrow	45,779,795	0	0	0	0	0	*****	0	*****
Trans To SSW	40,135,539	36,000,456	99,869,560	99,869,560	102,929,459	3,059,899	3.1%	3,059,899	3.1%
Total	\$178,715,240	\$113,480,908	\$116,420,591	\$116,420,591	\$119,231,815	\$2,811,224	2.4%	\$2,811,224	2.4%

Expenses

- FY 11 expenses for the Sewer & Storm Water Finance Authority are increasing by 2.4% or \$2.8 million, when compared to the FY 10 adopted budget.
- SFA retains sufficient funding to pay its operating expenses and debt service costs and transfers the remainder to the District.
- Contractual services will decrease slightly from the FY 10 levels. These costs represent fees for letters of credit, rating agency fees, audit fees and miscellaneous fees.
- The SFA debt service in FY 11 is \$15.3 million.
- The FY 11 transfer to the Sewer and Storm Water District is increasing by 3.1% or \$3.1 million.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Capital Proceeds	\$152,240,000	\$0	\$0	\$0	\$0	\$0	*****	\$0	*****
Invest Income	664,065	177,456	388,776	150,000	200,000	(188,776)	-48.6%	50,000	33.3%
D/S from Capital	1,081,295	0	0	0	0	0	*****	0	*****
Property Tax	103,940,157	110,036,805	116,031,815	116,031,815	119,031,815	3,000,000	2.6%	3,000,000	2.5%
Total	\$257,925,517	\$110,214,261	\$116,420,591	\$116,181,815	\$119,231,815	\$2,811,224	2.4%	\$3,050,000	2.6%

Revenue

- Revenue is rising in FY 11 by \$2.8 million or 2.4%, due to a property tax increase of \$3.0 million or 2.6% over that of FY 10 adopted budget.
- The hike in property tax is offset by a decline in investment income by \$188,776 or 48.6%, when compared to the adopted FY 10 budget.

Sewer and Storm Water Financing Authority					
Multi Year Plan					
EXPENSE		2011 Budget	2012 Plan	2013 Plan	2014 Plan
DE	Contractual Services	\$950,000	\$950,000	\$950,000	\$950,000
FF	Interest	7,992,356	7,678,894	7,309,831	6,956,531
GG	Principal	7,360,000	7,800,000	7,955,000	8,425,000
LZ	Trans Out To SSW	102,929,459	102,802,921	103,016,984	102,900,284
	Expense Total	119,231,815	119,231,815	119,231,815	119,231,815
REVENUE					
BE	Invest Income	200,000	200,000	200,000	200,000
TL	Property Tax	119,031,815	119,031,815	119,031,815	119,031,815
	Revenue Total	119,231,815	119,231,815	119,231,815	119,231,815

- The table above indicates the Administration’s MYP baseline for the Authority will remain at FY 11 levels.
 - The Sewer Finance Authority MYP does not show any property tax increases in the out-years.

Sewer and Storm Water Resource District

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	290	262	290	239	294	4	1.4%	55	23.0%
Part-Time and Seasonal	8	2	1	2	0	(1)	-100.0%	(2)	-100.0%
Salaries	\$19,073,436	\$18,002,854	\$19,905,330	\$17,897,719	\$19,124,472	(\$780,858)	-3.9%	\$1,226,753	6.9%
Fringe Benefits	9,308,233	9,017,196	9,545,432	8,267,438	9,684,548	139,116	1.5%	1,417,110	17.1%
Equipment	391,117	137,445	299,000	299,000	329,500	30,500	10.2%	30,500	10.2%
General Expenses	7,776,197	9,533,684	14,615,801	14,615,801	14,731,643	115,842	0.8%	115,842	0.8%
Contractual Services	19,115,105	18,536,449	21,867,272	21,867,272	22,150,297	283,025	1.3%	283,025	1.3%
Utility Costs	13,335,520	10,920,567	14,782,498	13,378,296	13,454,596	(1,327,902)	-9.0%	76,300	0.6%
Interest	8,723,100	8,178,398	11,351,775	11,351,775	10,037,190	(1,314,585)	-11.6%	(1,314,585)	-11.6%
Principal	29,465,689	25,300,500	22,045,500	22,045,500	17,771,989	(4,273,511)	-19.4%	(4,273,511)	-19.4%
Interfund Charges	25,876,355	27,869,632	27,426,600	27,426,600	35,122,475	7,695,875	28.1%	7,695,875	28.1%
Other Suits & Damages	0	0	24,863,174	24,863,174	21,082,379	(3,780,795)	-15.2%	(3,780,795)	-15.2%
Total	\$133,064,753	\$127,496,725	\$166,702,382	\$162,012,575	\$163,489,089	(\$3,213,293)	-1.9%	\$1,476,514	0.9%

Expenses

- FY 11 expenditures are declining by 1.9% or \$3.2 million as compared to the FY 10 adopted, as a result of reductions in salaries, utility costs, interest, principal and other suits & damages.
- When comparing the FY 11 budget to that of the current budget, salaries are decreasing by 3.9% but relative to the OLBR projection, salaries are increasing by 6.9% or \$1.2 million. These costs are for sewer related personnel and do not include salaries that are paid to the General Fund for Public Works employees who are assigned to storm water functions.
- The salaries line has been reduced by an adjustment of \$1,130,574 representing the savings anticipated from labor concessions.
- The FY 11 fringe benefits line is increasing by 1.5% or \$0.1 million due to a higher rate for health insurance.

Expenses, Cont.

- For the past several years, the Sewer and Storm Water District has been dealing with an ongoing staffing issue. Adding to the vacancies issue is that 19 employees opted into the separation incentive program. The positions that continue to be difficult to fill are Laborer I, Sewer Maintenance Workers I and II, Equipment Operators I, Sewage Treatment Operator Trainee, Sewage Treatment Plant Supervisors I and II, Power Plant Operator Trainee, Power Plant Operator II, Plant Maintenance Mechanic Trainee and Plant Maintenance Supervisor I and II.
- The FY 11 utility costs expense is decreasing by \$1.3 million or 9.0% as compared to the FY 10 adopted budget. The lower utility costs are due to a new contract being awarded to Hess Corporation for natural gas in 2010 which is on target with the OLBR projection.
- The FY 11 OTPS costs for equipment, general expenses, and contractual services are increasing by 1.2% or \$0.5 million versus the FY 10 budget.
- Principal and interest are decreasing by a combined total of \$5.6 million as compared to FY 10.
- The FY 11 interfund charges expense is increasing by \$7.6 million or 28.1% as compared to the FY 10 adopted. It consists of \$19.7 million for indirect cost chargeback, \$14.8 million for the capital debt service charges of NIFA issued bonds or General Obligation bonds for past capital projects, and \$0.6 million for County Attorney charges. The District reimburses the General Fund for storm water services.
- The operations and maintenance reserve fund must equal to 25% of the District's budgeted operating expenses. It is declining by \$3.7 million in FY 11 compared to FY 10 due to the lower operating expenses.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	\$53,203,056	\$59,495,437	\$52,784,573	52,784,573	\$36,016,347	(\$16,768,226)	-31.8%	(\$16,768,226)	-31.8%
Permits & Licenses	265,809	316,180	241,900	241,900	231,000	(10,900)	-4.5%	(10,900)	-4.5%
Invest Income	3,024,802	1,875,766	1,294,000	1,294,000	1,338,556	44,556	3.4%	44,556	3.4%
Rents & Recoveries	3,906,532	3,284,590	2,007,452	2,007,452	1,770,901	(236,551)	-11.8%	(236,551)	-11.8%
Rev Offset To Expense	0	0	160,005	160,005	164,805	4,800	3.0%	4,800	3.0%
Dept Revenues	1,935,452	1,566,370	9,726,212	1,744,259	20,604,110	10,877,898	111.8%	18,859,851	1081.3%
Cap Backcharges	835,707	592,922	618,680	618,680	433,912	(184,768)	-29.9%	(184,768)	-29.9%
Interfund Charges Rev	24,109	486	0	0	0	0	*****	0	*****
Interfund Transfers	90,148,699	98,144,880	99,869,560	99,869,560	102,929,459	3,059,899	3.1%	3,059,899	3.1%
Total	\$153,344,165	\$165,276,631	\$166,702,382	\$158,720,429	\$163,489,090	(\$3,213,292)	-1.9%	\$4,768,661	3.0%

Revenue

- FY 11 overall revenue for the District is declining \$3.2 million, or 1.9%. The largest component of the decrease is \$16.7 million in fund balance, as compared to the FY 10 adopted revenue. Offsetting these reductions are increases in departmental revenues (\$10.8 million) and the interfund transfer from the Sewer Finance Authority (\$3.1 million).
- The fund balance line in the chart above shows the amount appropriated in each year, which includes the funding for the O&M reserve (\$20.2 million in FY 08, \$26.4 million in FY 09, \$24.3 million in FY 10 and \$20.5 million in the FY 11 proposed budget).

Sewer and Storm Water Usage Fee

In FY 09 & FY 10 plans were made to implement a high water usage fee. Included in the budget were \$4.0 million for half year in 2009 and \$8.0 million for a full year in 2010. This charge was to have been applied to residents that the County deemed were using more water than would be covered in the sewer tax. This fee was never implemented and no revenue was ever received.

For fiscal FY 11 two fees are being proposed, the aforementioned high water usage fee as well as a sewer fee for not-for-profit organizations. The County will impose service charges upon exempt users and high water users for the use of services of sewage facilities maintained by the District at a rate not to exceed \$0.01 per gallon of water entering the County's sewage system.

The high water usage fee charge would apply to high volume users that the County deems using more water than would be covered in the sewer tax. The charge will be based upon water consumption, the rationale being that the majority of water supplied is returned to the sanitary sewer system. Those entities that use a large volume of water place a larger burden on the system.

The exempt users charge would be applied to water usage for not-for-profit organizations, with the exception of houses of worship. The rationale for charging this fee is that since the sewer system is currently funded via a tax levy, from which the not-for-profits are exempt, those organizations are not contributing to the system.

Houses of Worship are defined as any structure or site used primarily as a place of worship on a permanent basis by a recognized and established religious sect or denomination provided, however, that this definition shall not include any religious site or structure used as a school, college, hospital or other similar structure or site that is not used primarily for religious worship.

The amount of \$19 million included in the FY 11 budget assumes half a year's collections. The Multi-Year Plan projects revenue for this initiative to grow to \$38.0 million in years FY 12 through FY 14.

Sewer and Storm Water Resource District					
Multi Year Plan					
\$ in Millions					
		2011 Budget	2012 Plan	2013 Plan	2014 Plan
Expense					
AA	Salaries, Wages & Fees	\$ 19.1	\$ 20.3	\$ 21.3	\$ 22.9
AB	Fringe Benefits	9.7	10.8	11.5	12.3
BB	Equipment	0.3	0.3	0.3	0.3
DD	General Expenses	14.7	14.8	14.9	15.0
DE	Contractual Services	22.2	22.2	22.2	22.2
DF	Utility Costs	13.5	14.0	14.0	13.9
FF	Interest	10.0	9.1	8.3	7.6
GG	Principal	17.8	16.4	14.4	13.8
HH	Interfd Chgs Interfund Charges	35.1	38.5	42.3	46.1
OO	Other Expense	21.1	21.1	21.1	21.1
Expense Total		163.5	167.5	170.4	175.2
Revenue					
AA	Fund Balance	36.0	21.1	23.8	28.7
BC	Permits & Licenses	0.2	0.2	0.2	0.2
BE	Invest Income	1.3	1.3	1.3	1.3
BF	Rents & Recoveries	1.8	1.8	1.8	1.8
BG	Revenue Offset To Expense	0.2	0.2	0.2	0.2
BH	Dept Revenues	20.6	39.6	39.6	39.6
BI	Cap Backcharges	0.4	0.4	0.5	0.5
IF	Interfund	102.9	102.8	103.0	102.9
Revenue Total		163.5	167.5	170.4	175.2
Gap		(0.0)	0.0	(0.0)	(0.0)

- The table opposite illustrates the Administration’s baseline for the MYP for the Authority will be increasing in expenditures and revenues through FY 14.
- The salary and fringe benefits expenses are budgeted to increase in the out-years.
- The combined equipment, contractual services and other expenses are remaining flat through 2014.
- The general expenses line increases marginally in the out-years.
- Revenues are increasing throughout the plan and include growth in departmental revenues but remain flat in investment income and rents & recoveries.



Cedar Creek Water Pollution Control Plan

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.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	832	815	829	770	820	(9)	-1.1%	50	6.5%
Part-Time and Seasonal	106	100	110	100	109	(1)	-0.9%	9	9.0%
Salaries	\$51,553,319	\$48,482,972	\$52,358,518	\$50,137,253	\$53,373,665	\$1,015,147	1.9%	\$3,236,412	6.5%
Equipment	11,973	36,630	50,300	36,630	36,630	(13,670)	-27.2%	(0)	0.0%
General Expenses	1,332,201	1,086,783	1,127,700	1,086,783	1,201,783	74,083	6.6%	115,000	10.6%
Contractual Services	14,287,564	13,195,179	13,580,300	13,088,149	11,873,730	(1,706,570)	-12.6%	(1,214,419)	-9.3%
Utility Costs	200	289	400	400	400	0	0.0%	0	0.0%
Inter-Dept. Charges	15,202,704	19,279,450	23,538,929	23,538,929	22,676,961	(861,968)	-3.7%	(861,968)	-3.7%
Recipient Grants	49,140,740	59,101,808	61,750,000	67,577,232	73,050,000	11,300,000	18.3%	5,472,768	8.1%
Purchased Services	48,598,047	50,960,629	50,541,207	54,527,873	59,273,651	8,732,444	17.3%	4,745,778	8.7%
Emerg Vendor Payments	53,107,448	57,508,115	57,955,000	62,683,845	63,808,000	5,853,000	10.1%	1,124,155	1.8%
Medicaid	225,227,469	227,852,905	237,500,000	234,287,826	242,763,290	5,263,290	2.2%	8,475,464	3.6%
Total	\$458,461,664	\$477,504,760	\$498,402,354	\$506,964,920	\$528,058,110	\$29,655,756	6.0%	\$21,093,190	4.2%

Expenses

- The FY 11 Proposed Budget is \$528.1 million, which is \$29.7 million more than the FY 10 budget and \$21.1 million more than the FY 10 projected actual. The majority of year over year budget increase is due to Direct Assistance Programs increasing by \$31.1 million which include Recipient Grants, Purchased Services, Emergency Vendor Payments and Medicaid.
- Full-time headcount in September 2010 has decreased by 45 from the prior year mainly due to the separation of 34 General Fund and 2 Grant funded employees who took the Voluntary Retirement Incentive Program in addition to open funded vacancies.
 - Prior to the incentive the department maintained an average of 23 open funded positions and began the process of hiring new employees. The Voluntary Retirement Incentive Program has created more of a need to fill these positions so that they can continue to provide quality and timely services to residents. The department expects to be fully staffed by year end.

Expenses, Cont.

- The department is seeking to increase efficiencies; the following actions have been implemented:
 - Utilization of the State computer system instead of County employees to recoup vendor over payments.
 - Utilization of grant money to expand hand held computer usage.
 - Opening off-site stations to allow for form drop offs in various locations.
- The department’s budget includes funding for an additional 50 positions over the September 2010 actual. These positions are twelve clerks, twenty-two caseworkers and sixteen social welfare examiners and supervisors.

Voluntary Retirement Incentive Program Participants	
Control Centers	Head Count
Administration	4
Public Financial Assistance	22
Grant Funded	2
Services	6
Juvenile Detention Center	2
Grand Total	36

Expenses, Cont.

Staffing Analysis -Full-Time						
	<u>FY 10</u>	<u>Sept-10</u>	<u>FY 11</u>	<u>FY 11</u>	<u>Exec. vs</u>	<u>Exec. vs</u>
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>10 Adopt</u>	<u>Actual</u>
10 Administration						
Administration	11	10	12	12	1	2
Support Services	32	29	30	30	(2)	1
Legal	6	6	6	6	0	0
Systems Administration	5	5	5	5	0	0
Staff Development	5	4	5	5	0	1
Total for Control Center	59	54	58	58	(1)	4
20 Public Financial Assistance						
Public Assistance	125	118	130	130	5	12
Community Relations & Hsing	12	12	12	12	0	0
Medical Assistance	157	137	144	144	(13)	7
Medical Services	12	11	11	11	(1)	0
Support Services	17	17	17	17	0	0
Accounting	40	40	42	42	2	2
Employment Program	4	1	4	4	0	3
Food Stamps	4	4	4	4	0	0
Support Collection Unit	75	70	72	72	(3)	2
Total for Control Center	446	410	436	436	(10)	26
30 Services						
Provider Services	5	3	1	1	(4)	(2)
Information Resource Referral	3	4	4	4	1	0
Children's Services	83	80	91	91	8	11
Child Protective Services	133	121	132	132	(1)	11
Adult Protective Services	22	23	26	26	4	3
Day Care Services	30	28	29	29	(1)	1
Total for Control Center	276	259	283	283	7	24
51 Juvenile Detention Center						
NC Juvenile Detention Center	48	47	43	43	(5)	(4)
Total Full-time	<u>829</u>	<u>770</u>	<u>820</u>	<u>820</u>	<u>(9)</u>	<u>50</u>

- The total full-time staffing budget is decreasing from FY 10 by 9 positions and increasing from the September 1, 2010 actual by 50. The current staffing level reflects for the most part the Voluntary retirement Incentive Program participants illustrated in the prior page graph.
- Of the 36 employees lost from the 2010 incentive, 4 are from the Administration cost center, 22 are from the Public Financial Assistance, 6 are from Services, 2 are from the Juvenile Detention Center and the last 2 are grant funded.
- The areas with the largest variances in comparing the FY 10 Adopted Budget to the FY 11 budget decreases are the Medical Assistance headcount which decreased by 13, the Juvenile Detention Center which decreased by 5 and the Provider Services headcount decreasing by 4.
- All funded positions for 2011 are expected to be onboard early in the year.

Expenses, Cont.

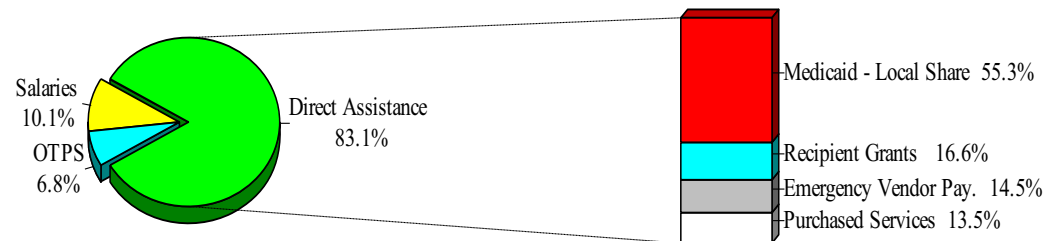
Staffing Analysis - Part-Time						
	FY 10 <u>Adopted</u>	Sept-10 <u>Actual</u>	FY 11 <u>Request</u>	FY 11 <u>Executive</u>	Exec. vs 10 <u>Adopt</u>	Exec. vs <u>Actual</u>
10 Administration						
Administration	1	1	1	1	0	0
Support Services	9	9	9	9	0	0
Systems Administration	1	1	1	1	0	0
Total for Control Center	11	11	11	11	0	0
20 Public Financial Assistance						
Public Assistance	11	10	10	10	(1)	0
Community Relations & Hsing	1	1	1	1	0	0
Medical Assistance	12	9	10	10	(2)	1
Medical Services	0	1	1	1	1	0
Support Services	0	1	1	1	1	0
Accounting	3	4	4	4	1	0
Employment Program	1	1	1	1	0	0
Food Stamps	2	2	2	2	0	0
Support Collection Unit	4	4	4	4	0	0
Total for Control Center	34	33	34	34	0	1
30 Services						
Provider Services	0	2	0	0	0	(2)
Children's Services	11	12	14	14	3	2
Child Protective Services	30	24	27	27	(3)	3
Total for Control Center	41	38	41	41	0	3
51 Juvenile Detention Center						
NC Juvenile Detention Center	24	18	23	23	(1)	5
Total Part-time and Seasonal	<u>110</u>	<u>100</u>	<u>109</u>	<u>109</u>	<u>(1)</u>	<u>9</u>

- The part-time budget has decreased by one position from the FY 10 budget and is increasing by nine positions from the current September 1, 2010 staffing
- The total part-time salary budget is increasing by \$56,514 or 3.3% from \$1.74 million in FY 10 to \$1.79 million in FY 11.

Expenses, Cont.

- Equipment is decreasing by \$13,670 from the 2010 budget and projected to remain flat compared to current projections.
- General expenses are increasing by \$74,083 mainly due to an increase in motor vehicle lease expenses of \$115,000 which is for a three year period. Per County policy, the total amount owed cannot be amortized over the term of the lease.
- Contractual services are decreasing by \$1.7 million or 12.6%; some existing non-mandated contracts have been reevaluated and were cut or adjusted; they include:
 - The EOC contract for \$500,000 which has been removed,
 - The Nassau / Suffolk Law Services and legislative enhancements funds were also cut for a combined saving of \$427,200
 - The EAC Project Support, Five Towns Community Center, North Shore Child Guidance and the Special investigations / Summit Security services have decreased by \$339,532.
- Recipient grants and emergency vendor payments are projected over budget in FY 10 because of caseload increases in the Temporary Assistance to Needy Families (TANF) and Safety Net programs as illustrated in the “Nassau County TANF and Safety Net Case Load” chart later in the report. As the economy recovers, the department budgeted a smaller percentage increase in FY 11.
 - Compared to the same time period in 2009, the average of the first seven months of 2010 has seen a 23.4% increase in TANF cases and a 25.5% increase in Safety Net cases. Caseloads began increasing significantly in the second half of 2008 in direct correlation with the recession.
- The purchased services budget for FY 11 is over the FY 10 budget by \$8.7 million and over the projected amount by \$4.7 million. The increase addresses the current projected shortage and makes the necessary provisions for continued growth in day care services.
- Medicaid is increasing compared to the FY 10 Adopted Budget by \$5.3 million. The County share of Medicaid expense is capped at 2010 expenses plus three percent. OLBR is currently projecting a \$3.2 million surplus for FY 10 based on the 2009 year end actuals. In addition there is \$1.4 million in health insurance premiums and transportation payments. The total cost comes to 2.2% over the FY 10 budget and 3.6% over the FY 10 projection.
- As can be seen in the chart on the next page, direct assistance is the largest expense category for DSS, making up 83.1% of the budget. Medicaid – local share comprises 55.3% of direct assistance.

FY 2011 Proposed DSS Expense Budget



Note: OTPS includes Inter-departmental charges

Program Descriptions

Recipient Grants - TANF and Safety Net

The largest components of the proposed budget for recipient grants will be used to fund Safety Net (\$34.0 million) and TANF (\$30.8 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.”

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 are not eligible for other assistance programs can apply for the Safety Net program if they are single adults, childless couples, children living apart from any adult relative, families of persons abusing drugs or alcohol, families of persons refusing drug/alcohol screening, assessment or treatment, persons who have exceeded the 60-month limit on assistance, or aliens who are eligible for temporary assistance, but who are not eligible for federal reimbursement. Benefits are provided as cash for 24 months. After 24 months benefits may continue as non-cash payment (vendor check or voucher).

Various other programs, such as Subsidized Adoptions, Children in Foster Homes, and Low Income Home Energy Assistance (LIHEAP), are budgeted to receive the remaining \$8.3 million.

Program Descriptions, Cont.**Emergency vendor payments**

Emergency vendor payments 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.

Medicaid

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. Until the implementation of the Medicaid cap, the amount that was the responsibility of the County varied depending on the type of expenditure. 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. Starting in 2009, the cost will be the prior year's cost plus three percent, with the indigent care payment and the \$1.4 million in health insurance premiums and transportation payments added on after inflation.

Purchased Services

Purchased Services include costs associated with day care and homemaking. Child care is provided not only for individuals on temporary assistance, but also to those working families who meet income guidelines for subsidies.

Title XX Homemaker Services provide cooking, shopping, and cleaning to income eligible individuals above the Medicaid level and with limited resources.

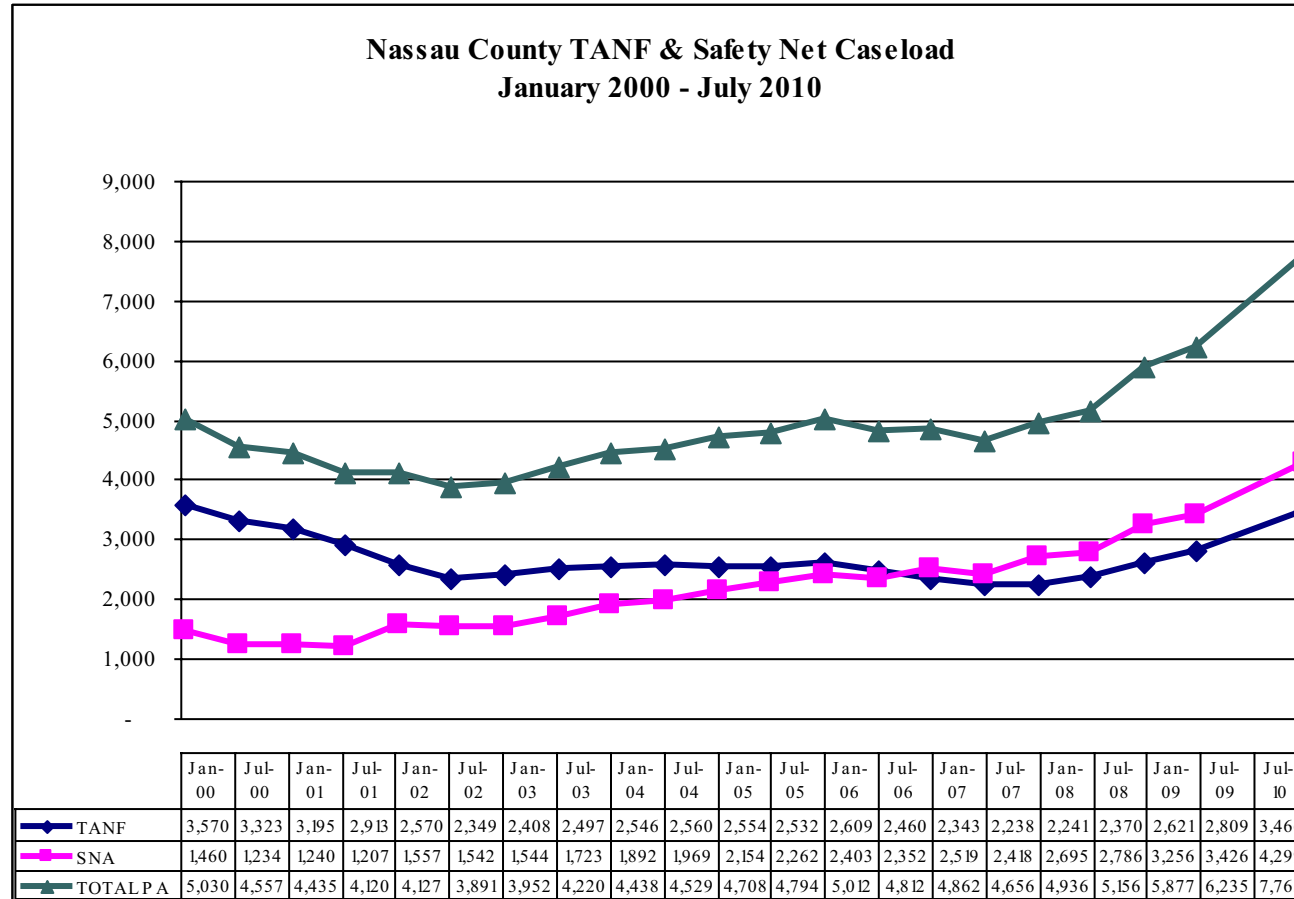
LIHEAP

LIHEAP is a Federally-funded program that assists low-income households in paying their bills, energy crisis management, weatherization and energy-related home repairs.

Expenses, Cont

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2010	2011	Exec. vs. Adopted	
	2008	2009	Adopted Budget	Exec. Budget	Var.	%
Administration	\$22.7	\$24.5	\$29.5	\$25.8	-\$3.7	-12.6%
Services	19.6	18.6	19.9	21.3	1.4	7.3%
Public Financial Assis.	35.2	34.2	36.1	37.0	0.9	2.4%
Juvenile Detention Ctr.	4.9	4.8	5.2	5.1	-0.1	-1.6%
Safety Net Assistance	24.0	30.7	32.5	41.0	8.5	26.2%
Family Assistance	26.7	33.6	32.3	40.8	8.5	26.4%
Subsidized Adoptions	5.3	5.3	5.4	5.3	-0.1	-1.9%
Juvenile Delinquents	7.9	7.6	8.0	8.0	0.0	0.0%
Training Schools	3.2	3.2	4.9	4.9	0.1	2.0%
Real Estate Expense	0.0	0.0	0.0	0.0	0.0	0.0%
Educ Handicapped Child	14.0	14.0	14.7	14.5	-0.2	-1.4%
Children in Institutions	16.3	17.0	16.8	16.8	0.0	0.0%
Children in Foster Homes	1.6	1.7	1.8	2.1	0.3	17.7%
Non Secure Detention	2.1	2.1	1.4	1.4	0.0	-2.1%
Child. Foster Homes - 4E	0.8	0.7	0.8	0.8	0.0	6.0%
Burials	0.2	0.2	0.3	0.3	0.0	2.0%
Medicaid MMIS	225.2	229.8	237.5	242.8	5.3	2.2%
HEAP	0.1	0.5	1.0	1.0	0.0	2.0%
Title XX	48.6	49.1	50.5	59.3	8.7	17.3%
100% Funded Positions	0.0	0.0	0.0	0.0	0.0	0.0%
Total	\$458.5	\$477.5	\$498.4	\$528.1	\$29.7	6.0%

- Administration is decreasing from the 2010 budget because of \$2.0 million anticipated labor savings, a \$1.0 million decrease in inter-departmental charges and \$873,975 decrease in contractual expense
- Family Assistance and Safety Net Assistance are rising for caseload increases that occurred in 2010 and are expected to also increase in 2011.
- Medicaid is increasing by 2.2% over the prior year as dictated in the cap on the local share of Medicaid.
- Title XX is increasing by \$8.7 million because of growth in family day care services and group day care services.



- The current total caseload of TANF and Safety Net is 7,765, which is the highest of any time since 1999.
- Combined the 2011 caseload is expected to increase to the FY 10 projected.
- The FY 11 budget for Safety Net Assistance is \$6.0 million over the FY 10 budget.
 - Safety Net caseload has increased by 25.5% over the past twelve months compared to the previous twelve months.
- Family Assistance (TANF) is increasing in 2009 by \$30.2 million over the FY 10 Adopted Budget.
 - TANF caseload has increased by 23.4% over the past twelve months compared to the previous twelve months.

Revenues

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	\$0	\$0	\$0	\$0	\$0	\$0	*****	\$0	*****
Rents & Recoveries	9,682,330	4,490,879	0	0	0	0	*****	0	*****
Dept Revenues	12,466,003	12,321,427	11,890,000	11,890,000	11,995,000	105,000	0.9%	105,000	0.9%
Interdept Revenues	105,554	97,393	110,000	110,000	110,000	0	0.0%	0	0.0%
Fed Aid-Reimb Of Exp	91,089,784	142,512,039	151,711,818	155,233,239	124,088,855	(27,622,963)	-18.2%	(31,144,384)	-20.1%
State Aid-Reimb Of Exp	77,936,032	81,239,567	82,248,066	85,204,066	88,705,159	6,457,093	7.9%	3,501,093	4.1%
Total	\$191,279,703	\$240,661,305	\$245,959,884	\$252,437,305	\$224,899,014	(\$21,060,870)	-8.6%	(\$27,538,291)	-10.9%

- The Proposed FY 11 revenue budget is decreasing by \$21.1 million compared to the FY 10 Adopted budget due to a decrease in federal aid.
- Federal aid is decreasing from the FY 10 budget by \$27.6 million. FMAP payments originally scheduled to end by year end 2010 were extended for a half year in 2011. The decrease translates to a revenue loss of \$28.2 million.
- State aid is projected to increase by \$6.5 million attributed primarily to expense increases anticipated in the TANF and Safety Net caseloads.

Federal Medical Assistance Percentages (FMAP)

The federal government's share of a state's expenditures for Medicaid is called the Federal Medical Assistance Percentage (FMAP). Determined annually, FMAP is designed so that the federal government pays a larger portion of Medicaid costs in states with lower per capita income relative to the national average. In March 2009, the State announced that the county governments and New York City would receive an estimated \$2.7 billion in fiscal relief through increased FMAP reimbursements over 27 months as part of the American Recovery and Reinvestment Act (ARRA). Nassau County received \$46.7 million in 2009, is projecting \$44 million for 2010 and \$16.3 million in 2011. No revenue was included for FY 12 through FY 14.

Revenues, Cont.

FY 11 FEDERAL AND STATE AID BUDGET BY CONTROL CENTER					
Control Center	Expenses	\$			%
		Federal Aid	State Aid	State Funded	Federal/ State Funded
Administration	\$25,818,318	\$10,857,739	\$6,981,262	\$17,839,001	69.1%
Public Financial Assistance	36,961,458	22,146,032	15,298,043	37,444,075	101.3%
Division of Services	21,306,309	10,191,734	9,690,911	19,882,645	93.3%
Juvenile Detention Center	5,076,084	0	4,178,056	4,178,056	82.3%
Real Estate Expense	1,000	0	0	0	0.0%
Educ. Handicapped Children	14,500,000	0	5,800,000	5,800,000	40.0%
TANF	40,750,000	12,862,500	11,025,000	23,887,500	58.6%
Safety Net Assistance	41,000,000	0	18,525,000	18,525,000	45.2%
Children in Institutions	16,750,000	11,725,000	4,103,750	15,828,750	94.5%
Children in Foster Homes	2,091,000	1,254,600	568,648	1,823,248	87.2%
Juvenile Delinquents	8,000,000	3,600,000	1,254,400	4,854,400	60.7%
Training Schools	4,947,000	0	0	0	0.0%
Non-Secure Detention	1,400,000	0	604,714	604,714	43.2%
Children in Foster Homes	795,000	386,250	270,375	656,625	82.6%
Subsidized Adoptions	5,300,000	2,385,000	2,650,000	5,035,000	95.0%
Burials	306,000	0	5,000	5,000	1.6%
HEAP	1,020,000	1,020,000	0	1,020,000	100.0%
Title XX	59,272,651	30,000,000	5,750,000	35,750,000	60.3%
Sub-Total	285,294,820	106,428,855	86,705,159	193,134,014	67.7%
Medicaid MMIS	242,763,290	17,660,000	2,000,000	19,660,000	8.1%
Total	\$528,058,110	\$124,088,855	\$88,705,159	\$212,794,014	40.3%

- In FY 11 the total non-Medicaid budgeted reimbursement averages 67.7% of expenses.
- Certain preventive services are reimbursed at 65%, but are not capped. Foster care placements and PINS are two such programs. With the implementation of the Medicaid cap, Medicaid administrative expenses, which have been built into the County's base rate, are reimbursed at 100%.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$17,479,292	\$19,117,629	\$46,750,000	\$33,550,725	\$66,266,000	\$19,516,000	41.7%	\$32,715,275	97.5%
Invest Income	841	322	0	0	0	0	*****	0	*****
Rents & Recoveries	42,153	139,555	0	0	0	0	*****	0	*****
Dept Revenues	0	3,306	0	0	0	0	*****	0	*****
Cap Backcharges	0	0	81,230	0	86,046	4,816	5.9%	86,046	*****
Total	\$17,522,287	\$19,260,812	\$46,831,230	\$33,550,725	\$66,352,046	\$19,520,816	41.7%	\$32,801,321	97.8%

Revenues

- The proposed revenue budget for FY 11 is \$66.4 million, an increase of \$19.5 million from the Adopted 2010 Budget and an increase of \$32.8 million or 97.8% from the OLBR projection. The two major drivers of TPVA’s revenue increases are the Red Light Camera (RLC) program and fines and forfeits.
- The OLBR 2010 revenue projection of \$33.6 million includes \$16.6 million in parking and traffic fines and \$17.0 million gross for the RLC program based on 92 functional cameras.
- The Administration is budgeting \$55.6 million for RLC revenue in the proposed FY 11 budget, \$38.3 million is allocated to TPVA, which is an increase of \$12.3 million from FY 10 Adopted Budget and an additional \$17.3 million is included in general fund unallocated revenue for FY 11.
- The \$38.3 million allocated to TPVA is based on a target of 150 cameras at 50 intersections. The department expects to have 150 cameras implemented and fully operational by January 1, 2011.



Revenues, Cont.



- The \$17.3 million designated in unallocated revenue is based on the installation of 100 additional cameras at 50 additional intersections on state roads. TPVA has identified 48 of the 50 intersections. This initiative requires state approval.
- Revenue and expenses related to the RLC program were intended by law to be accounted for in a special fund. These monies are to be used to provide funding for contract agencies utilized by the Youth Board, Department of Senior Citizens Affairs, Department of Veteran Services, Department of Mental Health, and Chemical Dependency and Developmental Disabilities Services. Although the fund has not been established to date, nor is it in the proposed budget, the Administration has stated that it will be added as a technical adjustment.

DATE	TIME	AMBER	SPEED	PHASE	RTIME	LANE	FRAME
08/16/2009	11:36:43.1 AM	4.1	033	R	000.9	2	A

NC04-WB MERRICK RD @ BELLMORE AVE



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08/16/2009	11:36:44.1 AM	4.1	033	R	002.0	2	B

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Revenues, Cont.

- Fines revenue is the other driver that has increased for the FY 11 proposed budget; which is a growth of \$7.3 million or 34.9% from the Adopted 2010 Budget. This portion of the revenue consists of three components.
 - The Agency has estimated that the baseline for parking and traffic fines would be \$18.0 million based on historical trends.
 - The department is estimating \$9.0 million for new administrative fees. The TPVA Court Cost Fees will impose a fee of \$15 for each ticket or notice of violation (see Fee Chart below) regardless of whether or not they are from a single incident or more than one incident.
 - TPVA has allocated \$1.0 million for a booting and towing initiative that would subject all vehicles with three or more outstanding red light camera violations to boot and tow.

Fee Name	Fees (in dollars)
Production-of-Proof Dismissal Fees	
Proof of Inspection Dismissal	15.00
Proof of Repair of Equipment Dismissal	15.00
Proof of License Dismissal	15.00
Proof of Insurance Dismissal	15.00
Proof of Registration Dismissal	15.00
Proof of Handicapped Parking Permit Dismissal	15.00
Payment of Fines by Installment Fee	15.00

TPVA has budgeted \$86,046 in capital back-charges for the FY 11 proposed budget, an increase of \$4,816 from the Adopted 2010 Budget. This chargeback represents 80% of the salary for an employee staffed at TPVA working on an IT project.

Revenues, Cont.

TPVA Tickets Issued YTD						
Issuing Agencies	August 2009 YTD		August 2010 YTD		% Difference	
	Parking	Traffic	Parking	Traffic	Parking	Traffic
Nassau County Police	60,761	89,625	54,468	88,052	-10.4%	-1.8%
All Other Agencies	18,082	21,247	20,935	26,259	15.8%	23.6%
Grand total	78,843	110,872	75,403	114,311	-4.4%	3.1%

- The chart above shows parking and traffic tickets issued for FY 10 in comparison to FY 09; parking tickets are down 4.4% and traffic tickets have increased by 3.1%.
- Through August, the Nassau County Police Department, which issues the largest number of tickets, has cited 10.4% fewer parking tickets and 1.8% fewer traffic tickets, than in the same period in 2009.

TRAFFIC & PARKING VIOLATIONS AGENCY

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	38	38	45	43	47	2	4.4%	4	9.3%
Part-Time and Seasonal	33	35	37	34	40	3	8.1%	6	17.6%
Salaries	\$2,682,481	\$2,517,612	\$3,210,070	\$2,768,090	\$3,442,006	\$231,936	7.2%	\$673,916	24.3%
Equipment	4,342	1,862	19,190	1,862	12,200	(6,990)	-36.4%	10,338	555.2%
General Expenses	220,140	219,272	289,230	219,272	339,288	50,058	17.3%	120,016	54.7%
Contractual Services	643,599	1,290,690	9,643,000	6,725,000	9,895,000	252,000	2.6%	3,170,000	47.1%
Total	\$3,550,562	\$4,029,435	\$13,161,490	\$9,714,224	\$13,688,494	\$527,004	4.0%	\$3,974,270	40.9%

Expenses

- The proposed FY 11 budget increases by \$527,004 compared to the adopted FY 10 budget; however when compared to OLBR’s projection, the budget has increased by \$4.0 million, which is primarily attributed to salaries and contractual services.
- The FY 11 proposed salary costs have grown by \$231,936 and \$673,916 when compared to the FY 10 Budget and the OLBR projection respectively. This is attributable to a combination of new hires and vacancies budgeted to be filled in 2011.
- TPVA’s full-time budgeted headcount for FY 11 is two more than the FY 10 Adopted Budget’s staffing level due to the Agency hiring additional RLC employees and four more heads in comparison to OLBR projected headcount, which includes two vacant positions. The new staff consists of one Clerk IV and a Clerk Laborer. The vacant positions that TPVA plans to backfill include a Clerk I and a Multi Keyboard Operator I.
- Part-time staffing has three additional positions when compared to the Adopted 2010 Budget and six additional positions in relation to OLBR’s September 1 actual. The projection variance includes TPVA hiring seven Clerk I’s offset by the elimination of a Traffic Prosecutor.
- The equipment budget is decreasing by \$6,990 and general expenses are increasing by \$50,058 for the proposed 2011 budget to accommodate the anticipated increase in credit card services attributed to the RLC revenue and the purchase of licenses for TPVA’s in-house database system.
- The contractual services budget is increasing by \$252,000 or 2.6% from the FY 10 Adopted Budget and \$3.2 million or 47.1% from the OLBR projection. TPVA allocated an additional \$571,000 for RLC expenses offset by the removal of \$319,000 for the maintenance contract for their integrated computer system, which has been targeted to go live in 2012. OLBR projects a \$3.2 million surplus for RLC expenses in FY 10 based on the delay in installation of 130 budgeted cameras.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Int Penalty On Tax	\$26,422,660	\$25,998,083	\$27,500,000	\$27,500,000	\$28,500,000	\$1,000,000	3.6%	\$1,000,000	3.6%
Fines & Forfeits	11,077	32,539	12,000	14,620	12,000	0	0.0%	(2,620)	-17.9%
Invest Income	13,345,940	3,469,747	8,000,000	3,000,000	7,127,915	(872,085)	-10.9%	4,127,915	137.6%
Rents & Recoveries	182,727	107,084	0	58,308	0	0	*****	(58,308)	-100.0%
Dept Revenues	739,353	740,221	750,000	705,643	750,000	0	0.0%	44,357	6.3%
Cap Backcharges	0	11,521	0	3,768	0	0	*****	(3,768)	-100.0%
Interdept Revenues	0	0	14,662	14,662	19,451	4,789	32.7%	4,789	32.7%
Special Taxes	3,231,554	3,080,422	3,200,000	3,200,000	3,200,000	0	0.0%	0	0.0%
Total	\$43,933,311	\$33,439,618	\$39,476,662	\$34,497,001	\$39,609,366	\$132,704	0.3%	\$5,112,365	14.8%

Revenues

- The FY 11 proposed revenue budget is increasing by \$5.2 million or 15.0% in comparison to 2010 projections due primarily to investment income.
- The FY 11 interest penalty on tax budget is increasing \$1 million from both its 2010 actual and projection. Given the state of the economy, the increase seems reasonable.
 - This revenue source includes interest on taxes, tax sale expense, penalty on delinquent taxes, differential lien interest, tax lien advertising fees and listing fees for tax delinquent properties.
- Investment income is generated as the County invests excess cash in certificate of deposits, money markets and time deposits and repurchase agreements.
- Compared to the FY 10 budget the FY 11 investment income budget is decreasing by \$0.87 million or 10.9% because the FY 10 budget was optimistic.

- The 2011 – 2014 Multi-Year Plan includes a \$7 million increase in investment income in all out years.
- Looking forward, the Mortgage Bankers Association expects interest rates to increase 325% on average from 2010 to 2011. An increase of 143% is forecast for the 2011 to 2012 time frame.

	2010	2011	2012	2011 v 2010	2012 v 2011
Fed Funds Rate	0.2	0.9	1.9	350%	111%
1 Yr Treasury Yield	0.2	0.8	2.2	300%	175%
Average Forecast	0.2	0.9	2.1	325%	143%

- If these increases occur, then 2011 investment income would be \$9.75 million and 2012 investment income would be \$13.9 million.

Revenues, Cont.

- All of the investment income increases included in 2013 and 2014 are considered a risk.
 - Given the current weak status of the economy, OLBR believes that a conservative approach should be taken on interest rate increases in the out years of the MYP.
- The departmental revenues line is where the County budgets for miscellaneous receipts, court and trust fees, cash bail, fees, and cash bail abandoned.
 - The largest revenue item in this category is cash bail. Cash bail is a sum of money exchanged for the release of an arrested person as a guarantee of that person's appearance for trial. This item is budgeted at \$0.3 million in the FY 11 Proposed Budget.
 - The Court and trust fees line represents a two percent charge on money in trust for an unsettled estate or foreclosure surplus. This line is unchanged at the adopted 2010 level.
- The special taxes budget is comprised of revenues generated by the hotel motel tax, the entertainment tax, and the Belmont tax.
- All special tax revenues in the FY 11 proposed budget are unchanged at the adopted FY 10 level. Refer to the Parks section for more information on the hotel motel tax.
- The entertainment tax, a surcharge for tickets sold at County venues with seating capacities over 2,500, is budgeted to remain constant at \$2.5 million.
- The Belmont tax is a tax collected upon admission to the park. The tax is equivalent to 3% of the admissions price.

- Nassau County retains 75% of the collections since 75% of the park is located within Nassau County.
- New York City collects the remaining 25% of the revenues.



Big Brown is ridden at Belmont Park - Elmont, NY - Jun 3, 2008 - Photo: Al Bello/Getty Images

2010 Consolidation

The FY 10 Treasurer's budget included salaries funding of approximately \$1.5 million for a planned consolidation of accounting functions throughout the County. Employees were to have been transferred to Treasurer from other departments. However, there was no headcount attached to the funding. So while full-time headcount is being reduced in FY 11 by four positions, the FY 10 budget actually included funding for an additional 25 employees. This funding has been removed in FY 11.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	42	40	41	35	37	(4)	-9.8%	2	5.7%
Part-Time and Seasonal	0	1	0	1	7	7	*****	6	600.0%
Salaries	\$2,436,310	\$2,446,437	\$4,165,971	\$2,494,427	\$2,683,259	(\$1,482,712)	-35.6%	\$188,832	7.6%
Equipment	5,888	7,586	9,650	7,586	7,586	(2,064)	-21.4%	0	0.0%
General Expenses	376,399	215,212	250,000	215,212	236,500	(13,500)	-5.4%	21,288	9.9%
Contractual Services	62,615	142,343	54,490	54,490	113,866	59,376	109.0%	59,376	109.0%
Other Suits & Damages	38,320,358	49,998,619	50,000,000	50,000,000	0	(50,000,000)	-100.0%	(50,000,000)	-100.0%
Total	\$41,201,571	\$52,810,197	\$54,480,111	\$52,771,715	\$3,041,211	(\$51,438,901)	-94.4%	(\$49,730,505)	-94.2%

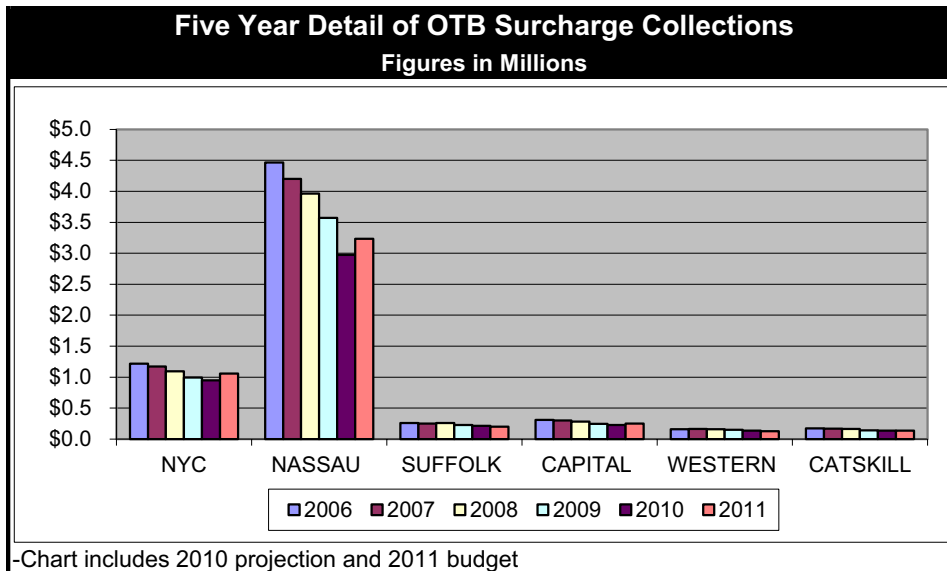
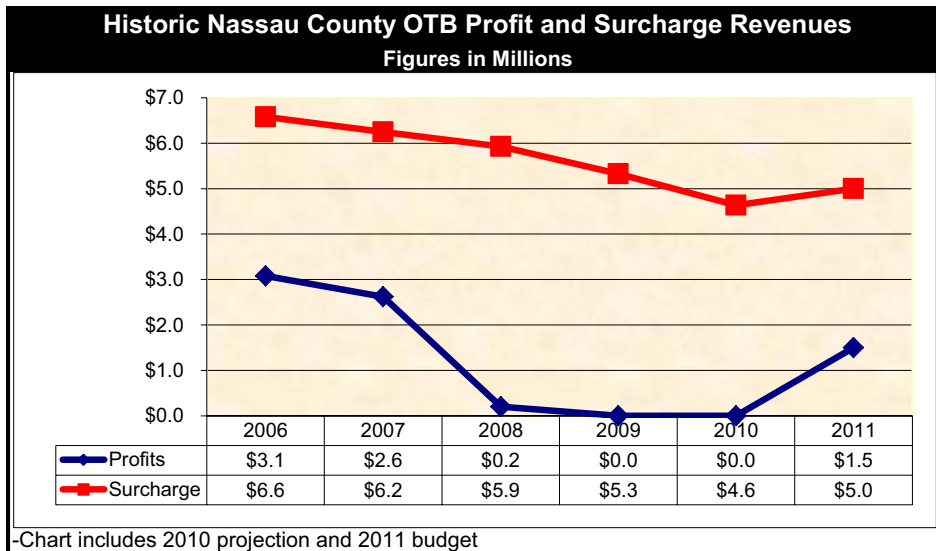
Expenses

- Total FY 11 proposed expense budget is decreasing by 94.4% from the 2010 budget and 94.2% from FY 10 projection.
- The decrease is primarily a function of eliminating PAYGO for tax certiorari payments. The FY 11 budget includes no operating funds for the payment of property tax refunds.
- Additionally, no operating funds are included in the MYP to cover the cost of property tax refunds. For additional information, see the Assessment Review Commission section of this document.
- This elimination is considered a risk, since no additional bonding authority has been approved and a super majority is required to obtain additional bonding authority.
- 2011 salaries are decreasing by \$1.5 or 35.6% from the FY 10 Adopted Budget. See text box on previous page. The salaries line has been reduced by an adjustment of \$77,283 representing the savings anticipated from labor concessions
- Additionally, the decrease is a function of eliminating vacant positions. Compared to the 2010 headcount projection, the department is budgeted to hire two additional full-time positions and six additional part-time positions.
- The FY 11 equipment budget is in line with the 2010 projection.
- The 2011 proposed general expense line is decreasing 5.4% from the 2010 adopted amount; but reflects a 9.9% increase from the 2010 projection.
 - The decrease is a function of lower miscellaneous supplies spending.
- The FY 11 contractual services line is increasing \$59,000 from the 2010 budget and projection.
 - The increase is a function of higher financial and miscellaneous contractual services.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	\$77,606,037	\$0	\$0	\$0	\$0	\$0	*****	\$0	*****
Fines & Forfeits	2,736,822	2,322,159	2,850,000	2,850,000	20,172,667	17,322,667	607.8%	17,322,667	607.8%
Rents & Recoveries	383,805	0	0	0	0	0	*****	0	*****
Dept Revenues	870,000	620,000	620,000	1,406,669	620,000	0	0.0%	(786,669)	-55.9%
Cap Backcharges	0	0	2,500,000	2,500,000	2,500,000	0	0.0%	0	0.0%
Interdept Revenues	45,757,269	59,285,867	73,501,105	73,501,105	57,181,618	(16,319,487)	-22.2%	(16,319,487)	-22.2%
Pymnt In Lieu Of Taxes	4,153,995	6,158,444	6,500,725	7,607,474	6,805,057	304,332	4.7%	(802,417)	-10.5%
OTB Profits	184,253	0	1,000,000	0	1,500,000	500,000	50.0%	1,500,000	*****
Interfund Charges Rev	19,041,644	18,543,996	17,866,327	17,866,327	20,320,336	2,454,009	13.7%	2,454,009	13.7%
Interfund Transfers	247,131	27,748,900	0	0	0	0	*****	0	*****
State Aid-Reimb Of Exp	0	0	16,000,000	0	5,000,000	(11,000,000)	-68.8%	5,000,000	*****
Sales Tax Countywide	936,303,543	887,529,614	941,251,715	934,378,726	951,471,623	10,219,908	1.1%	17,092,897	1.8%
Sales Tax Part County	64,384,246	63,623,274	61,831,308	61,831,308	71,864,510	10,033,202	16.2%	10,033,202	16.2%
Property Tax	148,736,158	153,747,355	162,838,578	164,838,578	173,019,722	10,181,144	6.3%	8,181,144	5.0%
OTB 5% Tax	5,924,766	5,324,392	5,300,000	5,000,000	5,000,000	(300,000)	-5.7%	0	0.0%
Gifts	0	23,864	0	0	0	0	*****	0	*****
Total	\$1,306,329,668	\$1,224,927,864	\$1,292,059,758	\$1,271,780,187	\$1,315,455,533	\$23,395,775	1.8%	\$43,675,346	3.4%

- Total FY 11 General Fund unallocated revenues are increasing by \$43.7 million, or 3.4% from the OLBR FY 10 projection. The increase is a function of a \$50 surcharge on moving violations, greater sales tax collections, heightened property tax allocation to the general fund and an increase in red light camera revenues.
- The fine and forfeits line is increasing by \$17.3 million due to the inclusion of \$17.3 million in State Aid revenues derived from the red light camera initiative. These monies represent fine revenues collected from red light cameras that the County is seeking to place on State roads.
- The proposed FY 11 Departmental Revenues line includes \$620,000 in collections, which represents the funding for the OTB debt support agreement with Nassau County. The amount is contractually set. The 2010 projection includes \$786,669 in recapture of taxes payments from entities that signed PILOT agreements with the County and failed to live to up their expectations. The department of assessment collected the revenue.

- The FY 11 interdepartmental revenues line is decreasing 22.2% from both the adopted and projected 2010 levels. These revenues represent an allocation of indirect administrative charges incurred by one department on behalf of another department, such as payroll costs, purchasing, building operations and security.
- 2011 payment in lieu of taxes revenues are increasing 3.4% from their 2010 budgeted amount and declining 10.5% from their 2010 projection.
- The State Aid reimbursement of expense line is falling from \$16 million to \$5 million. The \$16 million included in the adopted 2010 budget reflected funds collected from a cigarette tax. State approval was not obtained for the imposition of this tax and the revenues have been taken out of the FY 11 budget.
 - The \$5 million included in the FY 11 budget for State Aid reimbursement of expense represents surcharge revenues collected as a reimbursement from NYS for the costs which Nassau County incurs in patrolling the Long Island Expressway and portions of Sunrise Highway. Both of these are State roads and therefore the State is responsible for patrolling them.
 - Assembly Bill 07064C and Senate Bill 4909-E detail this surcharge revenue. The surcharge would be \$50 per ticket for certain traffic offenses and infraction convictions.
 - According to the sponsor's memo, Nassau County would collect approximately \$7.9 million per year. This would enable us to recoup 65.8% of our \$12 million annual estimated patrolling cost.
 - This is considered high risk, since such reimbursement has been sought since 2004. No reimbursement revenues have ever been collected.
- Total sales tax revenues in the proposed FY 11 budget are increasing by 2.0% from FY 10 Adopted Budget. For a more detailed analysis, see the Sales Tax and Economics sections in the Executive Summary.
- Inter-fund revenues are used to budget for reimbursement of Sewer and Storm Water Resource District OTPS, PS and workers compensation expenses.
 - The expense is recorded in the Sewer District Fund as an interfund charge. This funding reimburses the General Fund for personnel costs related to storm water operations.
 - The 2011 budgeted amount represents a 13.7% increase from the adopted 2010 level.
 - The inter-fund charges may be broken into three parts, \$7.95 million chargeback for sewer employees personal expenses, OTPS expenses of \$1.45 million, and \$10.9 million for indirect chargeback to SSW.
- The 2011 proposed budget includes 6.3% budget to budget property tax increase in the levy allocated to the general fund. This results from a reallocation of the levy between the major funds and not a tax increase. For more discussion of the FY 11 property tax changes on all funds see the Executive Summary.



- Nassau County derives two revenue streams from horseback racing. These revenue sources are entitled OTB Profits and OTB 5% Tax (Surcharge).
 - OTB Profit collections are composed of the net profits generated by the Nassau Regional OTB. The OTB 5% Surcharge revenue represents collections from the 5% surcharge placed on all winning bets made at any of the six New York State OTBs on races that occur at Belmont.
 - The FY 11 budget anticipates a resumption of growth with OTB profits rising to \$1.5 million.
 - Budget to budget surcharge revenues are expected to decline \$300,000.
 - However, both the FY 11 budget for OTB surcharge and profit revenues are ambitious. The County has received practically no profit revenues in the last three years. It is unclear if total handle will increase given the weak economy.
 - Moreover, the FY 11 surcharge budget is \$400 thousand higher than the 2010 projection.
 - All OTB revenues are held constant at the budgeted 2011 level in the multi-year plan. Given the state of the economy, assuming no new legislative items, these assumptions appear optimistic.
- According to OTB’s 2009 year end statement, total handle declined for the fourth year in a row in 2009. Many factors contributed to the decline, however the weak economy was viewed as the predominant factor behind the decrease in handle.

The Veterans Services Agency advocates for the benefits and needs of U.S. veterans. Its authority was established through Article 17, Section 359 of New York State law. The Agency files claims on behalf of veterans and dependents with the U.S. Veterans Administration and provides advice and guidance in connection with those claims. Such claims include service-connected compensation, widow’s benefits, educational benefits, hospitalization and dental care, along with mortgages and tax exemptions on real property.

Agency Goals

Improve process of claims and earned benefits administration to ensure receipt by the deserving and rightful individuals.

Improve outreach to the Community to have veterans file for benefits.

Coordinate agency staff visitation to Veterans Organizations in the community to explain benefits and assist with filing claims for benefits.

The department’s target for 2011 is to achieve 1,500 Veterans claims resulting in approximately \$1,500,000 in cash awards.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	8	8	8	7	8	0	0.0%	1	14.3%
Salaries	\$601,537	\$533,820	\$575,690	\$499,108	\$492,358	(\$83,332)	-14.5%	(\$6,750)	-1.4%
General Expenses	14,126	13,979	21,980	13,979	18,000	(3,980)	-18.1%	4,021	28.8%
Contractual Services	700	700	700	700	665	(35)	-5.0%	(35)	-5.0%
Inter-Dept. Charges	193,592	212,171	1,133,457	1,133,457	1,206,743	73,286	6.5%	73,286	6.5%
Total	\$809,956	\$760,669	\$1,731,827	\$1,647,244	\$1,717,766	(\$14,061)	-0.8%	\$70,522	4.3%

Expenses

- The overall FY 11 proposed budget is 0.8% lower than the FY 10 adopted budget.
- The decline is a function of reduced salary, general expenses and contractual services spending.
- It is unclear how the reduced FY 11 salary expense will suffice for the eight budgeted individuals when the agency is to gain a budgeted position relative to its current on board headcount.
- The salaries line has been reduced by an adjustment of \$11,216 representing the savings anticipated from labor concessions.

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$1,517	\$0	\$0	\$0	\$0	\$0	*****	\$0	*****
Interdept Revenues	0	0	1,698,927	1,698,927	1,764,727	65,800	3.9%	65,800	3.9%
State Aid-Reimb Of Exp	32,900	0	32,900	32,900	32,900	0	0.0%	0	0.0%
Total	\$34,417	\$0	\$1,731,827	\$1,731,827	\$1,797,627	\$65,800	3.8%	\$65,800	3.8%

Revenues

- The revenue in the FY 11 proposed budget has been increased by \$65,800 or 3.8% from FY 10 adopted budget and OLBR’s projections.
- The increase is the result of greater interdepartmental revenues.
 - Budgeted increases in building occupancy charges and indirect charges are responsible for the increase in interdepartmental revenues.



9/11 Memorial at Eisenhower Park

Re-location of Veteran Services

The Department of Veteran Services is scheduled move from their offices in Plainview to the Nassau University Medical Center during the first quarter of 2011.

Expense	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	6	5	5	4	5	0	0.0%	1	25.0%
Salaries	\$472,012	\$361,633	\$375,747	\$384,081	\$391,164	\$15,417	4.1%	\$7,083	1.8%
General Expenses	4,998	738	8,515	4,612	4,612	(3,903)	-45.8%	0	0.0%
Contractual Services	8,863,920	7,789,655	7,699,544	7,699,544	6,609,223	(1,090,321)	-14.2%	(1,090,321)	-14.2%
Inter-Dept. Charges	469,897	506,711	565,637	565,637	623,021	57,384	10.1%	57,384	10.1%
Total	\$9,810,827	\$8,658,738	\$8,649,443	\$8,653,874	\$7,628,020	(\$1,021,423)	-11.8%	(\$1,025,854)	-11.9%

Expenses

- Total expenditures are decreasing by \$1.0 million or 11.8% compared to the FY 10 budget due primarily to a reduction in contractual expenses.
- The full-time budgeted headcount remains unchanged at five full-time positions compared to the FY 10 Adopted Budget. This is one full time position greater than the current staffing level.
 - The department lost a Clerk Stenographer II to the County’s Volunteer Retirement Incentive Program.
- Salaries are increasing by \$15,417 or 4.1% compared to last year’s budget mainly due to an increase in terminal leave expense and some minor salary adjustments.
- General expenses are decreasing by \$3,900 or 45.8% due to a reduction in postage delivery. The FY 11 budget equals the FY 10 projected spending.
- Contractual services are decreasing b \$1.1 million from \$7.7 million in FY 10 to \$6.6 million in FY 11. The text box on the right explains this decrease in detail.
- Inter-departmental charges are increasing by \$57,384 to \$623,021 in FY 11 due to increases in information technology, building occupancy and indirect charges.

Contractual Services

The majority of the DE cut is from the elimination of the contract for Family and Children’s Association (FCA) Youth and Community Development for \$912,072. This contract funds 11 support specialists who handle the fiscal, auditing, policy planning, grant submission, oversight and community development of the Youth Board agencies. It is unclear how the loss of this support will impact the functioning of the Youth Board. The remaining reductions are related to contracts that were eliminated in FY 10, including the H.E.V.N. contract for \$30,000, Project Challenge of Long Island Inc. for \$20,000 and North Shore Child and Family Guidance Association Inc. for \$50,000.

Revenues

Revenue	Historical		2010		2011	Exec. vs. Adopted		Exec. vs. Projected	
	2008	2009	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$247,197	\$1,765,320	\$0	\$0	\$0	\$0	*****	\$0	*****
State Aid-Reimb Of Exp	1,560,741	1,402,565	1,335,164	1,335,164	1,168,602	(166,562)	-12.5%	(166,562)	-12.5%
Total	\$1,807,938	\$3,167,885	\$1,335,164	\$1,335,164	\$1,168,602	(\$166,562)	-12.5%	(\$166,562)	-12.5%

- The FY 11 revenue budget of \$1.2 million for the Youth Board consists entirely of state aid.
 - Funding is made up of two pieces for Youth Development and Delinquency Prevention (YDDDP) and Runaway and Homeless Youth Act (RHYA).
 - State aid funding to Nassau County from the Office of Children and Family Services (OCFS) is based on an approved County Comprehensive Plan for Youth Services and Runaway/Homeless Youth.
- The FY 09 collected revenue of \$1.8 million in rents and recoveries came from the Wal-Mart settlement. The Nassau County District Attorney’s investigation into the trampling death at a Valley Stream Wal-Mart resulted in a settlement with the retailer.

Youth Development and Delinquency Prevention (YDDDP)

YDDP is a State funding source allocated to local Youth Bureaus to meet locally identified needs and includes a small reimbursable amount for administrative salaries. A local match is required to ensure that YDDP leverages significant contributions from other sources. The current allocation is based on the Nassau County 0-18 year old population. For the County, the 2000 U.S. Census has a total of 372,777 youths; however the inclusion of a “not withstanding clause” gives the State the ability to change the rate of the allocation from year to year. In 2009, the per capita rate was \$3.75. The 2010 per capita rate is \$3.28. The Youth Board receives a portion of this allocation and the remaining funds are distributed to the local municipalities.

Runaway and Homeless Youth Act (RHYA)

RHYA is an aid to localities which provides 60% state aid reimbursement to Nassau County shelters and programs for runaway and homeless youth. Annual allocation is not formula driven, but instead a share of New York State’s total allocation. Nassau County receives approximately 9% of the Statewide allocation.

Grants

- The following schedule details the Grant Funding for FY 11. The grant includes \$405,972 for the NYS Office of Children and Family Services.

Nassau County Youth Board: Grant Schedule 2011

GRANTS	AMOUNT	DATE
S.D.P.P.	\$405,972	01/01/2011 - 12/31/2011

Special Delinquency Prevention Program (SDPP) funding is a special grant initiative targeted for youth with special needs. Services supported by these funds are aimed at keeping youth from becoming involved in the juvenile justice system or becoming chronically dependent on the human service system.