

# *Overview of the Fiscal 2008 Executive Budget*

## **NASSAU COUNTY OFFICE OF LEGISLATIVE BUDGET REVIEW**

ERIC C. NAUGHTON, DIRECTOR  
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HELEN CARLSON, SENIOR BUDGET ANALYST

*October 09, 2007*

### *Public Safety Committee*

*Agencies Scheduled to  
Testify:*

*Consumer Affairs*

*Correctional Center/  
Sheriffs*

*District Attorney*

*Fire Marshall*

*Police Department*

*Probation*

*Traffic & Parking  
Violations*

## **NASSAU COUNTY LEGISLATURE**

**Judith A. Jacobs**  
*Presiding Officer*

**Peter J. Schmitt**  
*Minority Leader*

**Joseph Scannell**  
*Chairman,  
Public Safety Committee*




ERIC C. NAUGHTON  
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BUDGET REVIEW

**NASSAU COUNTY LEGISLATURE**  
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### **Inter-Departmental Memo**

To: Hon. Judith A. Jacobs, Presiding Officer  
Hon. Peter J. Schmitt, Minority Leader  
Hon. Joseph Scannell, Chairman of Public Safety Committee  
All members of the Public Safety Committee

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

Date: October 5, 2007

Re: FY 08 Budget Hearing – October 9, 2007

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Enclosed please find preliminary reviews of the FY 08 Executive Budget for the specific agencies scheduled to appear before the Public Safety Committee. In order to better evaluate the proposed budget, our analyses include tables of historical expenditures and revenue. In addition, looking at staffing needs we compare the proposed FY 08 budget to September 1, 2007 staffing levels for the last four years.

Last year the timing and magnitude of the labor savings were in question. With the cooperation of the union in terms of expediting the arbitration process, the County was able to receive some savings this year. The timing for DAI and SOA is not in question this year but the dollars are. In addition, ShOA continues to be without an agreement and the current CSEA agreement expires December 31, 2007. Through the encouragement of the Legislature, the Administration has shown a desire to increase uniform personnel for Corrections and Police. This is very important for the public safety of Nassau's citizens and efforts to reduce overtime. However, we must insure that the proper level of funding has been provided.

#### **Consumer Affairs**

The Executive 2008 Consumer Affairs expense budget is rising 6.7% from the Adopted 2007 Budget. The increase is solely a function of higher salary costs, as equipment and general

expense costs are declining. The full-time headcount budget is decreasing by five positions, but it is three more than the September 1, 2007 actual headcount.

The 2008 Consumer Affairs revenue budget does not include any revenues which require the passage of legislation. As such, it is possible that 2008 permits & licensing revenues will exceed budget if all pending legislation is passed. The Office of Consumer Affairs is still seeking the authority to license plumbers and electricians.

### **Corrections**

The FY 08 budget is \$4.5 million lower than the FY 07 projected actual and over the FY 07 adopted budget by \$8.5 million. This is because the 2007 projected actual is over the 2007 budget by \$13.0 million. Of this amount, \$9.8 million is attributable to the salaries, including overtime which is projected to be over budget by \$2.9 million in 2007 prior to the inclusion of any potential retroactive increases. The remaining \$3.4 million is the result of higher than budgeted medical expenses. The 2007 projection for salaries includes an accrual for the compounded COLA increases for ShOA salaries in 2005, 2006 and 2007. If a new agreement is reached prior to the closing of the books for 2007, then this number could be reduced. After a declaration of impasse and unsuccessful mediation sessions, the Public Employees Relations Board (“PERB”) has appointed Howard Edelman as fact finder to the negotiations. The parties are currently in the fact finding process.

OLBR projects the department will have a shortfall in the 2008 salary budget of approximately \$6.1 million. Included in the estimated salary expense are annual COLA increases for ShOA and CSEA employees. It does not include \$7.0 million budgeted for ShOA contract savings (\$5.3 in departmental salaries and \$1.7 in fringe) but it does include a net \$3.1 million in overtime savings from the hiring of 85 officers in the beginning of 2008. If an agreement that provides savings when compared to the accrued cost is passed in 2007 or early 2008, some of the savings could be realized in FY 08. However, as time goes on, savings becomes more difficult as many of the items that produce savings (i.e. overtime denominator) are unlikely to be retroactive while the costs like COLA increases can be retroactive.

Contractual services are increasing by \$3.2 million from the 2007 budget due to an increase in costs associated with medical/psychiatric services. The budget does not include a 21% subsidy charge for services provided to inmates. The Administration plans to enter into a new agreement (the Successor Agreement) with NUMC that would have eliminate the charge or find another funding source. Therefore, if the successor agreement does not eliminate the subsidy charge or create another funding source, there is a \$4.5 million risk.

### **District Attorney**

The total FY 07 expenditure budget is increasing by \$1.3 million, over 2007’s budget primarily due to a rise in salaries as well as increased overtime and termination pay. The \$29.6 million salary budget includes a cost of living adjustment (COLA) and step increase for CSEA union employees and \$600,000 salary adjustment to pay for merit increases for all exempt employees including Assistant District Attorneys. Overtime is increasing by \$150,000 due to the District Attorney’s aggressive approach to prosecuting criminal investigations in the Investigations

Bureau, to maintaining the Early Case Assessment Bureau which operates 24 days per day, and to increase activity at the Grand Jury Bureau.

The revenue budget for the District Attorney is rising by 48.7% over the adopted 2007 budget primarily due to a \$750,000 award from New York State to fight Medicaid fraud.

### **Fire Commission**

The FY 08 expenditure budget is projected to increase by \$158,000 from FY 07 to \$21.3 million. Salaries are increasing by \$455,000 from \$10.0 million in FY 07 to \$10.4 million in FY 08. The salary budget includes a cost of living adjustment (COLA) and step increases for CSEA union employees and increased overtime. The overtime allotment is increasing by \$263,000, which is in line with prior years' and current year expenditures. The fringe budget for the Fire Commission is increasing by \$313,000 from \$3.4 million to \$3.7 million in FY 08 due mostly to higher health insurance costs and an increase in the budgeting for pension contribution costs. Although the FY 07 pension bill was finalized lower than the FY 07 budget, the Fire Commission budget for pension costs are increasing in FY 08 because the FY 07 pension budget for Fire Commission is under funded. The contractual services budget remains at \$4.2 million. The primary contract is with the Vocational Education and Extension Board (VEEB).

In FY 07, the Legislature granted the Fire Commission two additional clerical positions due to the department's testimony to the Legislature on September 25, 2006. The Department testified that the additional clerks would help generate revenue by expediting the processing of fire alarm permits. The Fire Commission has been unable to fill Clerk Steno positions because a canvas list is unavailable from Civil Service. Therefore in FY 08 the department plans to fill the vacant clerical positions with Clerk Typist I's. Since the FY 08 budget allocates funding for the Clerk Steno title, there should be a small budgetary savings from hiring a Clerk Typist I at a lower pay grade

### **Police**

At this time OLBR is analyzing the funding in the two police funds to address the planned hiring, overtime, termination pay and raises for the DAI, SOA and CSEA. We have acknowledged that the Administration did achieve "savings" with the recent PBA Award, however it was below the level they desired. Despite this fact, the budget is based on the same level of savings for DAI and SOA that were planned before the PBA Award was released. We are meeting with members of the Administration in order to gain a greater comfort level in the achievability of the savings. However, even if the "savings" are achieved the funding still appears to be insufficient.

September actuals indicate that there are 2,607 sworn personnel, or 143 less than the Administration's commitment to a uniform headcount of 2,750. There are plans to hire a class of about 100 recruits in November 2007 with additional classes for the first and fourth quarter in 2008, the size of which depends on the rate of attrition. In addition, before the end of the year the Police Department has tentative plans to have promotions to add 19 detectives, 22 sergeants, 8 lieutenants and 3 captains.

The hiring of new police officers is expected to have a positive impact on overtime. FY 08 overtime is budgeted at \$34.8 million which is about \$7.9 million or 18% less than OLBR's

FY 07 projection. While it is true that there are savings associated with the recent PBA Award an 18% reduction compared to the OLBR FY 07 projections is optimistic. Let's hope that the Administration is not returning to its practice of grossly understating the overtime budget.

Additionally, termination expense was budgeted for \$19.6 million in FY 07 and assumed 84 separations. As of September 1, 2007 there were 112 sworn officers that have retired or filed papers of intent. OLBR is projecting a total of 125 retirements in FY 07 at a cost of \$28.6 million or \$9.0 million above budget. The FY 08 budget assumes 100 retirements and funds \$22.0 million for termination expense. The budget in FY 08 is probably also underfunded. The Administration is relying on the Employee Accrued Liability Reserve Fund to cover any potential shortfalls in this area. A better practice would be to budget a more conservative number of terminations. Also, some of the Fund may have to be utilized in FY 07.

Having no impact on the County budget is the transfer of the Police Building Maintenance Unit (BMU) into Public Works. All on board 13 civilian staff will be transferred into Public Works while 1 uniform officer will be reassigned in Headquarters to coordinate all repairs needed at all 13 major Police Department structures. It is possible that operating efficiencies may be the outcome from this merger along with freeing up property that could be sold if the County desires. One question that should be asked, is there anything precluding Public Works employees from assisting the Police staff when they are shorthanded or need additional technical skills?

It should also be noted that the budget includes \$245,000 in revenue from a proposed gun permit fee increase of \$49.

### **Probation**

The expenditure budget for the department reflects an increase of \$1.0 million. It is growing from \$19.6 million in FY 07 to \$20.6 million in FY 08. The primary change is for anticipated salary increases for CSEA employees, termination pay and overtime. Contractual services are increasing from the 2007 projection by \$105,610 or 67.3%. The growth in contractual services' costs is due to the continuation of the GPS electronic monitoring program which, in 2007, was partially subsidized with grant funds. In 2008, the department will not receive any grant funds for the program.

### **TPVA**

TPVA has made significant strides in fines and forfeits revenue, increasing collections by 68.5% from FY 04 through FY 07. In FY 07 OLBR is projecting a shortfall compared to the FY 07 budget of \$1.9 million for fines and forfeits. In comparing the data from January – August 2007 to the same time period in 2006 parking and traffic tickets are down 12.7% and 9.2% respectively. The agency believes reaching the FY 07 target is still attainable due primarily to the prospective issuance of default judgments in the fourth quarter which according to the agency influences defendants to make payments on their liabilities. Also, preliminary data from September suggest a slight turnaround from the trends set year to date. Total ticket collections for September 2007 are up 14% in comparison to last September.

The agency is relying on both the Operational Re-engineering and Ticket Processing Surcharge initiatives to achieve an 18.1% or \$3.4 million increase over the current year's projected fine and forfeits revenue. This surcharge is expected to produce \$1.5 million in additional fine revenue. Due to the requirement for State approval this item is at risk.

TPVA's expense budget reflects a modest increase for anticipated salary adjustments for CSEA employees.

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

cc: Hon. Howard Weitzman, County Comptroller  
Elissa Iannicello, Finance & Operations Unit Director, OMB  
Eric Eichenlaub, Majority Counsel  
Joe Nocella, Minority Counsel  
Evan Cohen, Acting Executive Director, NIFA  
Dan McCloy, Special Assistant Minority  
Tom Stokes, Deputy County Executive  
Carol Trottere, Majority Press Secretary  
Charo Ezdrin, Director of Legislative Affairs  
Bill Geier, Clerk of the Legislature  
Edgar Campbell, Acting Chief of Staff  
Roseann D'Alleva, Majority Finance

**PUBLIC SAFETY COMMITTEE**

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**TABLE OF CONTENTS**

(1) Consumer Affairs ..... 1

(2) Correctional Center/Sheriff.....4

(3) District Attorney ..... 10

(4) Fire Commission ..... 14

(5) Police..... 19

(6) Probation Department .....35

(7) Traffic and Parking Violation Agency.....39

OFFICE OF CONSUMER AFFAIRS

The Office of Consumer Affairs 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.

Historical Revenue						
	FY 04 Actual	FY 05 Actual	FY 06 Actual	FY 07 Projected	FY 08 Exec.	% Change Proj./Exec.
Permits & Licenses	\$2,312,687	\$3,418,015	\$3,492,764	\$3,390,766	\$3,553,900	4.8%
Fines & Forfeits	553,828	784,242	782,186	763,645	800,000	4.8%
Rents & Recoveries	24	32	0	145	0	-100.0%
Department Revenues	25	410	620	626	200	-68.1%
State Aid	44,651	49,788	45,302	45,900	45,900	0.0%
<b>Total</b>	<b>\$2,911,215</b>	<b>\$4,252,487</b>	<b>\$4,320,872</b>	<b>\$4,201,082</b>	<b>\$4,400,000</b>	<b>4.7%</b>

From a historical perspective, the office receives the largest portion of its revenues from licensing, followed by fines and forfeitures. The Office of Consumer Affairs currently collects permits & licenses revenues from home improvement contractors, taxi & limousine drivers and ATM vendors. Trailing the previously detailed revenue sources in terms of collections is state aid. The state aid revenues represent monies paid to the Weights & Measures division for State mandated functions. The Weights & Measures division receives reimbursement for all expenses related to measuring gasoline quality. These dollars are fully reimbursable and capped by the State.

REVENUE BUDGET						
Revenue Class	Adopted FY 07 Budget	OLBR FY 07 Projection	FY 08 Dept. Request	FY 08 Exec. Budget	Variance Exec. vs Adopted 07	Variance Exec. vs FY 07 Proj.
BC Permits & Licenses	\$6,742,450	\$3,390,766	\$3,553,900	\$3,553,900	(\$3,188,550)	\$163,134
BD Fines & Forfeitures	620,000	763,645	800,000	800,000	180,000	36,355
BF Rents & Recoveries	0	145	0	0	0	(145)
BH Department Revenues	200	626	200	200	0	(426)
SA State Aid - Reimbursable	45,900	45,900	45,900	45,900	0	0
<b>Grand Total</b>	<b>\$7,408,550</b>	<b>\$4,201,082</b>	<b>\$4,400,000</b>	<b>\$4,400,000</b>	<b>(\$3,008,550)</b>	<b>\$198,918</b>

The proposed 2008 revenue budget for Consumer Affairs shows a decrease of \$3.0 million or 40.6% from the adopted FY 07 budget. This decrease is due primarily to the fact that the State enabling legislation required for the licensing of plumbers and electricians never passed. The FY 08 budget is achievable and does not include these revenues. The Office had expected to receive approximately \$2.0



million from that initiative. Also, contributing to the revenue shortfall is a decline in taxi and limousine registrations. The 2008 revenue budget for taxi and limousine registration fees is \$650,000. This may be optimistic given that 2007 taxi & limousine registration fees are projected to be \$281,567. The chart below details the Consumer Affairs permits & licenses revenue by its component parts. The 2008 revenue budget for ATM registration fees is \$33,000. This budget allocation may be low given that ATM registration fees are projected to be \$66,104 in 2007. The Office of Consumers Affairs has the authority to regulate non-bank ATMs. The registration program does not apply to ATMs located within a space rented or owned by a financial institution. The chart below itemizes the component parts of Consumer Affairs permits & licenses revenues.

<b>Permits &amp; Licenses</b>	<b>Actual 2006</b>	<b>OLBR 2007</b>	
		<b>Projection</b>	<b>Proposed 2008</b>
Home Improvement License Fees	\$1,730,614	\$2,247,410	\$2,045,900
Weights and Measures Fees	809,685	795,685	825,000
Taxi and Limo Registration Fee	940,305	281,567	650,000
ATM Registration Fee	12,160	66,104	33,000
<b>Total</b>	<b>\$3,492,764</b>	<b>\$3,390,766</b>	<b>\$3,553,900</b>

As mentioned previously, it is beneficial that the 2008 Consumer Affairs revenue budget does not include any revenues which require the passage of legislation. As such, it is possible that 2008 permits & licensing revenues will exceed budget if all pending legislation is passed. The Office of Consumer Affairs is still seeking the authority to license plumbers and electricians. It is possible that the proposed local legislation to license locksmiths could result in additional, unbudgeted permits & licenses revenues. The multi-year plan holds all Consumer Affairs revenues constant at the proposed FY 08 levels. Thus, a positive variance could emerge in the out-years if all pending legislative proposals are passed.

Compared to the 2007 projection, the 2008 budget incorporates a 4.8% increase in fines and forfeitures and constant State aid payments.

<b>Historical Expenditures</b>						
	<b>FY 04</b>	<b>FY 05</b>	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>	<b>% Change</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Exec.</b>	<b>Proj./Exec.</b>
Full-time Headcount	34	39	37	40	43	7.5%
Salaries	\$1,887,164	\$2,165,929	\$2,305,236	\$2,486,449	\$2,649,682	6.6%
Misc OTPS	60,212	15,299	29,875	23,500	24,650	4.9%
<b>Total</b>	<b>\$1,947,376</b>	<b>\$2,181,228</b>	<b>\$2,335,111</b>	<b>\$2,509,949</b>	<b>\$2,674,332</b>	<b>6.5%</b>

Salaries are the largest expense item for the Office of Consumer Affairs. Salaries constitute 99.1% of total 2008 budgeted expenses. Over the past five years the office has increased its headcount by nine. While Consumer Affairs salary costs have been rising, the office's OTPS costs have been declining. Over the past five years, the office's OTPS costs have fallen \$35,562 or 59.1%.

<b>EXPENSE BUDGET BY OBJECT CLASS</b>							
<b>Obj</b>	<b>Name</b>	<b>Adopted FY 07 Budget</b>	<b>OLBR FY 07 Projection</b>	<b>FY 08 Dept. Request</b>	<b>FY 08 Executive</b>	<b>Variance Exec. vs Adopted 07</b>	<b>Variance Exec. vs FY 07 Proj.</b>
AA	Salaries	\$2,466,823	\$2,486,449	\$2,649,682	\$2,649,682	\$182,859	\$163,233
BB	Equipment	16,641	8,641	4,100	4,100	(12,541)	(4,541)
DD	General Expenses	22,859	14,859	20,550	20,550	(2,309)	5,691
	<b>Total OTPS</b>	<b>39,500</b>	<b>23,500</b>	<b>24,650</b>	<b>24,650</b>	<b>(14,850)</b>	<b>1,150</b>
	<b>Grand Total</b>	<b>\$2,506,323</b>	<b>\$2,509,949</b>	<b>\$2,674,332</b>	<b>\$2,674,332</b>	<b>\$168,009</b>	<b>\$164,383</b>

The Executive 2008 Consumer Affairs expense budget is rising 6.7% from the Adopted 2007 Budget. The increase is solely a function of higher salary costs, as equipment and general expense costs are declining. Within the equipment budget, the elimination of information technology and communication equipment costs is causing the overall equipment budget to decrease. The IT Department will now be purchasing and supplying Consumer Affairs with its requisite IT equipment. In the general expenses budget, decreases in traveling expenses, educational & training supplies, and investigative expenses are contributing to the budgeted fall in general expenses.

<b>Office of Consumer Affairs Staffing Analysis</b>							
	<b>FY 07 <u>Adopted</u></b>	<b>Sept-07 <u>Actual</u></b>	<b>FY 08 <u>Request</u></b>	<b>FY 08 <u>Executive</u></b>	<b>Exec. vs <u>07 Adopt</u></b>	<b>Exec. vs <u>Actual</u></b>	
Full-time Staffing	48	40	43	43	(5)	3	
Part-time and Seasonal	11	4	11	11	0	7	

Compared to the September 2007 actual, the 2008 Consumer Affairs salary line is increasing to enable it to hire three new full-time employees and seven new part-time and seasonal employees. These positions are funding for the entire years. The titles for the vacant full-time positions are Clerk Typist I Bilingual, Clerk Typist I and Consumer Affairs Investigator I. The titles for the vacant part-time and seasonal positions are Clerk I seasonal and Clerk I part-time. The higher salary line appears sufficient to allow the office to fill all the vacant positions.

## NASSAU COUNTY CORRECTIONAL CENTER

The average inmate population increased by 1.8% in 2006 and it is anticipated to increase by 7.6% in 2007. In 2008 the population is anticipated to remain at the same level as the 2007 projected population. The number of federal inmates housed was 152 for 2006, a 28.0% decrease from 2005 due to the opening of the Queens Private Detention Facility, which has been housing inmates since 2005. The estimate for 2007 is slightly higher at 159. However, the department anticipates a future increase of federal inmates in 2008 from the influx of federal prosecutors in the northeast area.

<u>ACTIVITY INDICATORS</u>				
<u>INDICATOR</u>	<u>ACTUAL 2005</u>	<u>ACTUAL 2006</u>	<u>ESTIMATED 2007</u>	<u>PROJECTED 2008</u>
Average Daily Inmate Population	1,581	1,609	1,730	1,730
Total Admissions	10,485	11,788	12,400	12,400
<u>Revenue Generating Indicators</u>				
Federal Inmates	211	152	159	185
State Ready Inmates	15	15	19	15
Parole Violators	47	49	39	40

Source: Correctional Center

<b>Historical Expenditures</b>						
	<b>FY 04 Actual</b>	<b>FY 05 Actual</b>	<b>FY 06 Actual</b>	<b>FY 07 Projected</b>	<b>FY 08 Exec.</b>	<b>% Change Proj./Exec.</b>
Full-time Headcount	1,179	1,203	1,225	1,230	1,329	8.0%
Salaries	\$113,439,621	\$112,518,355	\$120,918,073	\$123,646,400	\$117,252,222	-5.2%
Fringes	0	0	0	0	1,810,935	*****
Misc OTPS	4,783,559	4,732,658	4,835,687	4,834,203	5,024,350	3.9%
Contractual Services	26,145,574	25,749,905	27,959,393	25,800,000	25,659,458	-0.5%
<b>Total</b>	<b>\$144,368,754</b>	<b>\$143,000,918</b>	<b>\$153,713,153</b>	<b>\$154,280,603</b>	<b>\$149,746,965</b>	<b>-2.9%</b>

The department's expenses dropped 0.9% in 2005 due to decreased medical costs in contractual savings and decreased overtime usage in salaries. Expenses increased in 2006, despite lower medical expenses, due to increased salaries. Salaries increased in 2006 with the increasing headcount. In addition, in 2005 the accrued expense for the Sheriff Officers' Association's (ShOA) cost of living (COLA) increase was elsewhere in the General Fund and in 2006 it was accounted for in the Correction's salary expense.

OLBR is projecting an increase of 0.4% in FY 07, due to increases in salaries for COLA assumptions offset by a lower contractual services estimate. The budget does not appear to be sufficient to cover the costs for an increase in full-time headcount of 99 plus COLA increases for ShOA and CSEA. There is the potential for a windfall if ShOA agrees to a contract that costs less for FY 05-FY 07 than what has been accrued for in those years. Please see below for a more detailed discussion. The FY 08 proposed budget includes \$1.8 million in fringe benefits which is attributable to the inclusion of workers compensation costs.

### EXPENSE BUDGET BY CONTROL CENTER

Control Center		Adopted FY 07 Budget	Departmental Request FY 08	Executive FY 08	Variance Exec. vs FY 07	Variance Exec. vs Request
10	Correctional Center	\$135,684,315	\$144,265,455	\$143,714,043	\$8,029,728	(\$551,412)
20	Sheriff	5,556,528	6,052,049	6,032,922	476,394	(19,127)
<b>Total</b>		<b>\$141,240,843</b>	<b>\$150,317,504</b>	<b>\$149,746,965</b>	<b>\$8,506,122</b>	<b>(\$570,539)</b>

The majority of the FY 08 proposed budget, 96%, comes from the Correctional Center with a \$143.7 million budget. The Sheriff's office is budgeted at \$6.0 million for 2008.

### EXPENSE BUDGET BY OBJECT CLASS

Obj	Name	Adopted FY 07 Budget	OLBR FY 07 Projection	FY 08 Dept. Request	FY 08 Executive	Variance Executive vs Adopted	Variance Executive vs FY 07 Proj.
AA	Salaries	\$113,879,445	\$123,646,400	\$117,722,761	\$117,252,222	\$3,372,777	(\$6,394,178)
AC	Workers Compensation	0	0	1,810,935	1,810,935	1,810,935	1,810,935
<b>Total PS</b>		<b>113,879,445</b>	<b>123,646,400</b>	<b>119,533,696</b>	<b>119,063,157</b>	<b>5,183,712</b>	<b>(4,583,243)</b>
BB	Equipment	128,435	103,507	38,500	38,500	(89,935)	(65,007)
DD	General Expenses	4,146,616	4,087,616	4,390,400	4,290,400	143,784	202,784
DE	Contractual Services	22,436,347	25,800,000	25,659,458	25,659,458	3,223,111	(140,542)
DF	Utility Costs	650,000	643,080	695,450	695,450	45,450	52,370
<b>Total OTPS</b>		<b>27,361,398</b>	<b>30,634,203</b>	<b>30,783,808</b>	<b>30,683,808</b>	<b>3,322,410</b>	<b>49,605</b>
<b>Grand Total</b>		<b>\$141,240,843</b>	<b>\$154,280,603</b>	<b>\$150,317,504</b>	<b>\$149,746,965</b>	<b>\$8,506,122</b>	<b>(\$4,533,638)</b>

The FY 08 budget is \$4.5 million lower than the FY 07 projected actual and over the FY 07 Adopted Budget by \$8.5 million. The 2007 projected actual includes compounded COLA increases for ShOA salaries in 2005, 2006 and 2007. It does not include \$5.1 million in savings expected from a new ShOA agreement. After a declaration of impasse and unsuccessful mediation sessions, the Public Employees Relations Board ("PERB") has appointed Howard Edelman as fact finder to the negotiations. The parties are currently in the fact finding process. Overtime is also projected to be over budget by \$2.9 million in 2007 prior to the inclusion of COLA increases.

OLBR projects the department will have a shortfall in the 2008 salary budget of about \$6.1 million. Included in the projected salary expense are annual COLA increases for ShOA and CSEA employees. It does not include \$7.0 million budgeted for ShOA contract savings (\$5.3 in departmental salaries and \$1.7 in fringe) but it does include a net \$3.1 million in overtime savings. If an agreement that provides savings when compared to the accrued cost is passed in 2007 or early 2008, some of the savings could be realized in FY 08. However, as time goes on, saving becomes more difficult as many of the items that produce savings (i.e. overtime denominator) can not be retroactive while the costs like COLA increases can be retroactive.

The department expects to save \$5.2 million in overtime costs from the employment of 85 additional Correction Officers, which will be offset by the salary cost of these officers. The officers are budgeted at \$25,000 each in 2008, for a total base salary cost of \$2.1 million. In addition, the department is looking into the possibility of increasing the workday for new officers in an effort to move them through the training period quicker. In the last couple of years the department has hired additional staff and realized overtime savings. However, the level of overtime is determined by many variables in addition to staffing, including inmate population, contractual obligations and management. Even with the inclusion of the \$5.2 million in savings, the overtime budget is projected to be short by about \$3.1 million when COLA increases are included.

The expired ShOA contract calls for civilianizing 55 non-security positions. In 2005 there were 10 positions filled with civilians that actually sent officers back into security followed by 8 civilianized positions in 2006. Another 10 positions have been civilianized in 2007. As more positions are civilianized the department should be able to save on overtime since more officers will be available for security where most of the overtime is used.

OTPS FY 08 budgeted expenses are expected to increase by \$3.3 million over the FY 07 budget but basically remain flat with OLBR's FY 07 projected actual. The major portion is related to contractual services costs, which make up 83.6% of the total FY 08 OTPS budget. Contractual services are increasing by \$3.2 million from the 2007 budget due to an increase in costs associated with medical/psychiatric services. In 2006, the Administration reduced the department's request by \$4.5 million for costs associated with medical/psychiatric services. The agreement at the time with the Nassau University Medical Center included a 21% subsidy charge for services provided to inmates. The Administration planned to enter into a new agreement (the Successor Agreement) with NUMC that would have eliminated the charge. The Administration has stated that the additional funds in 2008 are not for this subsidy but for increases in the costs of medical services. Therefore, if the successor agreement does not eliminate the subsidy charge or create another funding source, there is about a \$4.5 million risk.

General expenses are increasing from the FY 07 budget and the projected actual by \$143,784 and \$202,784 respectively. Equipment is decreasing by \$65,007 from the 2007 projected actual due to lower budgeted building equipment costs. Utility costs are increasing from FY 07 by about 7%.

**Nassau County Correctional Center  
Staffing Analysis**

	<u>FY 07 Adopted</u>	<u>Sept-07 Actual</u>	<u>FY 08 Request</u>	<u>FY 08 Executive</u>	<u>Exec. vs 07 Adopt</u>	<u>Exec. vs Actual</u>
<b>CC Full-time Staffing</b>						
10 Correctional Center						
Uniform	1,051	1,042	1,134	1,134	83	92
Civilian	<u>137</u>	<u>131</u>	<u>134</u>	<u>134</u>	<u>(3)</u>	<u>3</u>
Sub-total Full-Time	1,188	1,173	1,268	1,268	80	95
20 Sheriff						
Uniform	45	46	49	49	4	3
Civilian	<u>13</u>	<u>11</u>	<u>12</u>	<u>12</u>	<u>(1)</u>	<u>1</u>
Sub-total Full-Time	58	57	61	61	3	4
<b>Total Full-time</b>	<b><u>1,246</u></b>	<b><u>1,230</u></b>	<b><u>1,329</u></b>	<b><u>1,329</u></b>	<b><u>83</u></b>	<b><u>99</u></b>
<b>CC Part-time and Seasonal</b>						
10 Correctional Center	5	10	7	7	2	(3)
20 Sheriff	0	4	4	4	4	0
<b>Total Part-time and Seasonal</b>	<b><u>5</u></b>	<b><u>14</u></b>	<b><u>11</u></b>	<b><u>11</u></b>	<b><u>6</u></b>	<b><u>(3)</u></b>

Full-time staffing in the Correctional Center is budgeted to increase from the September 1, 2007 actual by 99 positions. In January, 2008, the department is expecting a new academy class of 85 sworn officers to come on board. Additionally, the department plans to add four stock assistant positions. The part-time and seasonal positions are budgeted to increase from the 2007 budget by six positions and decrease from the September 1, 2007 actual by three.

**Historical Revenue**

	<u>FY 04 Actual</u>	<u>FY 05 Actual</u>	<u>FY 06 Actual</u>	<u>FY 07 Projected</u>	<u>FY 08 Exec.</u>	<u>% Change Proj./Exec.</u>
Fines & Forfeits	\$68,662	\$44,619	\$53,376	\$55,000	\$60,000	9.1%
Rents & Recoveries	213,640	3,107,249	872,018	910,750	1,869,000	105.2%
Department Revenues	1,308,121	1,376,741	2,328,806	2,400,000	2,360,000	-1.7%
Interdepartmental Rever	562,333	488,035	232,313	120,000	120,000	0.0%
Interfund Charges	0	12,944	0	0	0	0.0%
Federal Aid	20,083,122	15,522,565	13,575,414	12,825,775	13,877,925	8.2%
State Aid	969,248	1,063,666	1,079,308	1,150,000	1,172,200	1.9%
<b>Total</b>	<b>\$23,205,126</b>	<b>\$21,615,819</b>	<b>\$18,141,235</b>	<b>\$17,461,525</b>	<b>\$19,459,125</b>	<b>11.4%</b>

The department experienced decreasing revenues from 2004 through 2007 due to decreasing federal aid. The fluctuation throughout the years is due to the number of federal inmates housed at the jail, for which the Department receives \$165 per day per inmate. As previously stated, the number of federal inmates has gone down recently due to the opening of a facility in Queens. Fluctuations in these years are also due to non-recurring spikes in rents and recoveries. Department revenues increased by about \$1.0 million beginning in 2006 due to the transfer of the inmate telephone usage commission from the Information Technology department to Corrections.

<b>REVENUE BUDGET</b>							
<b>Revenue Class</b>	<b>Adopted FY 07 Budget</b>	<b>OLBR FY 07 Projection</b>	<b>FY 08 Dept. Request</b>	<b>FY 08 Exec. Budget</b>	<b>Variance Exec. vs Adopted 07</b>	<b>Variance Exec. vs FY 07 Proj.</b>	
BD Fines & Forfeitures	\$55,000	\$55,000	\$60,000	\$60,000	\$5,000	\$5,000	
BF Rents & Recoveries	50,000	910,750	1,869,000	1,869,000	1,819,000	958,250	
BH Departmental Revenue	2,000,000	2,400,000	2,360,000	2,360,000	360,000	(40,000)	
BJ Interdepartmental Revenue	120,000	120,000	120,000	120,000	0	0	
FA Federal Aid	9,783,750	12,825,775	13,877,925	13,877,925	4,094,175	1,052,150	
SA State Aid	1,150,000	1,150,000	1,172,200	1,172,200	22,200	22,200	
<b>Total</b>	<b>\$13,158,750</b>	<b>\$17,461,525</b>	<b>\$19,459,125</b>	<b>\$19,459,125</b>	<b>\$6,300,375</b>	<b>\$1,997,600</b>	

The proposed FY 08 revenue budget for the Correctional Center is \$19.5 million, up \$6.3 million from the FY 07 budget and up \$2.0 million from the projected actual. Increases in federal aid and rent and recoveries are the primary reasons for the escalation. During the adoption of the FY 07 budget the Administration believed that the federal government was going to discontinue reimbursements related to the State Criminal Alien Assistance Program. The program provides federal assistance for costs associated with incarcerating undocumented aliens. However, the program was not discontinued and the associated funds are included in our 2007 projection as well as the 2008 proposed budget. The FY 08 budget for this program includes \$1.7 million in reimbursements. The department also expects an increase of \$2.1 million over the 2007 budget in federal revenue related to the reimbursement the County receives for housing federal inmates. The department is averaging 159 federal inmates through September 2007 but projects housing 185 federal inmates in 2008. Therefore the FY 08 budget based on this projection may be at risk.

Our office is projecting a surplus of \$400,000 in departmental revenues due to higher than budgeted sheriff seizures and poundage revenue. The FY 08 budget is slightly lower than OLBR's projected actual for FY 07. State aid is increasing slightly from the FY 07 adopted and projected actual for increased reimbursement related to increased Title 4D (aid to dependent children) activities.

Interdepartmental revenues for 2007 included \$120,000 for food services provided to the Juvenile Detention Center. This revenue had been included to more accurately identify and allocate the costs incurred by the Correctional Center on behalf of other departments. Revenue class fines and forfeitures, which has a proposed budget of \$60,000 represents fines issued by the Sheriff pursuant to Article 420 of the NY State Criminal Procedure law for certain traffic violations. The Correctional Center is designated by the Court to be the receiver of any fines or surcharges imposed on certain traffic violators.

Rents and recoveries is increasing by \$1.8 million for providing mental health services to inmates who are Medicaid recipients.

**Out-Year Initiatives**

The following out-year initiative has been included in the FY 08 – 11 Multi-Year Financial Plan.

NAME	FY 2009	FY 2010	FY 2011
Electronic Court Appearances	\$500,000	\$520,000	\$540,800

The **electronic court appearances** initiative uses audio/video technology to allow inmates to participate in court proceedings or to meet with their attorneys via teleconferencing. It is anticipated that overtime can be reduced as the number of inmates transported to hearings and attorney conferences at District Court are reduced. There is some risk as the initiative would require a legislative amendment to the Criminal Procedure Law and approval is required by the Office Court of Administration. Revenue is not anticipated until 2009 due to the time it takes to set up the system, based on the experience of New York City.



OFFICE OF THE DISTRICT ATTORNEY

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 aggressively, professionally and fairly. 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.

Historical Expenditures						
	FY 04 Actual	FY 05 Actual	FY 06 Actual	FY 07 Projected	FY 08 Exec.	% Change Proj./Exec.
Full-time Headcount	354	344	343	355	350	-1.4%
Salaries	\$22,264,147	\$23,581,371	\$24,920,678	\$27,874,402	\$29,567,523	6.1%
Misc OTPS	1,556,014	822,229	1,175,346	981,316	953,480	-2.8%
Contractual Services	536,665	531,120	779,653	987,000	987,000	0.0%
<b>Total</b>	<b>\$24,356,826</b>	<b>\$24,934,720</b>	<b>\$26,875,677</b>	<b>\$29,842,718</b>	<b>\$31,508,003</b>	<b>5.6%</b>

Expenditures in the District Attorney’s Office have gradually grown over the years from \$24.4 million in FY 04 to \$31.5 million in FY 08. The 5.6% hike in FY 08 compared to the FY 07 projection reflects greater salaries. The \$1.7 million jump from FY 06 actual to the FY 07 projection is due the creation of new divisions for the DWI Bureau, Public Corruption Bureau and an Early Case Assessment Bureau. The increase in contractual services from FY 06 to FY 07 projection is due to higher cost of expert witnesses and greater use of DNA Lab testing.

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 07 Budget	OLBR FY 07 Projection	FY 08 Dept. Request	FY 08 Executive	Variance Executive vs Adopted	Variance Executive vs FY 07 Proj.
AA	Salaries	\$28,249,955	\$27,874,402	\$31,970,755	\$29,567,523	\$1,317,568	\$1,693,121
BB	Equipment	119,000	119,000	170,000	119,000	0	0
DD	General Expenses	862,316	862,316	987,600	834,480	(27,836)	(27,836)
DE	Contractual Services	987,000	987,000	1,160,000	987,000	0	0
	<b>Total OTPS</b>	<b>1,968,316</b>	<b>1,968,316</b>	<b>2,317,600</b>	<b>1,940,480</b>	<b>(27,836)</b>	<b>(27,836)</b>
	<b>Grand Total</b>	<b>\$30,218,271</b>	<b>\$29,842,718</b>	<b>\$34,288,355</b>	<b>\$31,508,003</b>	<b>\$1,289,732</b>	<b>\$1,665,285</b>

The total FY 07 expenditure budget is increasing by \$1.3 million, over 2007’s budget primarily due to a rise in salaries as well as increased overtime and termination pay. The \$29.6 million salary budget includes a cost of living adjustment (COLA) and step increase for CSEA union employees and \$600,000 salary adjustment to pay for merit increases for all exempt employees including Assistant District

Attorneys. Overtime is increasing by \$150,000 due the District Attorney’s aggressive approach to prosecuting criminal investigations in the Investigations Bureau, to maintaining the Early Case Assessment Bureau which operates 24 days per day, and increased activity at the Grand Jury Bureau.

It should be noted that the 2008 Executive budget includes a salary increase for the District Attorney, who is currently earning \$150,000. The proposed adjustment would raise his salary to \$166,300, which is the amount recommended by the Blue Ribbon Panel that examined the issue of the compensation of Nassau County’s elected officials. However, in a letter dated September 27, 2007, addressed to the leadership of the Legislature, County Executive Suozzi has proposed that the additional funding for the District Attorney, as well the increases for other elected officials, be removed from the salary lines of the individual office holders, and placed in the budget contingency line in the Miscellaneous cost center. He also recommends that a public debate be held on the Blue Ribbon Panel’s proposals “at the next regularly scheduled legislative meeting following the conclusion of the budget process.”

Other than personal services are decreasing by \$27,800 due to a reduction in general expenses. The general expense budget of \$834,000 includes traveling costs, office supplies, postage delivery, information technology supplies, education and training supplies, investigative expenses, online subscriptions, notary fees, foreign language services, shredding, advertising and petty cash. The District Attorney’s equipment budget remains at \$119,000. It includes the cost to fund office furniture and information technology. The contractual services budget held at \$987,000 includes the costs of court reporters, expert witnesses, witness protection, and equipment maintenance service expenditures. The equipment maintenance contracts are needed to service office repairs that are not repairable by the County under County service contracts.

<b>District Attorney Staffing Analysis</b>						
	<b><u>FY 07 Adopted</u></b>	<b><u>Sept-07 Actual</u></b>	<b><u>FY 08 Request</u></b>	<b><u>FY 08 Executive</u></b>	<b><u>Exec. vs 07 Adopt</u></b>	<b><u>Exec. vs Actual</u></b>
Full-time Staffing	356	355	369	350	(6)	(5)
Part-time and Seasonal	21	36	35	35	14	(1)

The FY 08 Proposed Budget reflects funding for 350 full-time positions and 35 part-time positions. According to the department, the 21 part-time positions are actually full-time. In the past, from April through August, the department would hire recent law school graduates for a month of training. After the training period would expire, the new attorneys would leave County service until a position opened within the department. The new proposed policy is to retain these new attorneys after their training to avoid any loss of what they learned during training.

In FY 08, the titles for Legal Stenographers and Legal Typists were changed to Legal Secretaries. According to the department, employees classified in the Legal Stenographer title were stymied to advance because they were required to pass performance tests for stenography, a skill which is no longer used or practiced. The Legal Typists) were included in this change based on a decision by the Civil Service Commission. Legal Stenographers and Legal Secretaries start at the same pay grade of 7,

however the Legal Typists start at a lower pay grade of 4, therefore the Typists will earn a greater salary as result of the title change.

<b>Historical Revenue</b>						
	<b>FY 04</b>	<b>FY 05</b>	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>	<b>% Change</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Exec.</b>	<b>Proj./Exec.</b>
Fines & Forfeitures	\$0	\$143,000	\$30,281	\$15,000	\$0	-50.5%
Investment Income	377	313	1,405	1,000	1,200	-28.8%
Rents & Recoveries	191,958	80,191	103,648	0	0	-100.0%
Departmental Revenue	1,569	519	470	1,038	0	120.9%
Interdept/Interfund	1,301,834	1,109,235	1,478,642	1,558,493	2,410,257	5.4%
Federal Aid	74,982	71,499	17,105	65,288	31,145	281.7%
State Aid	58,077	81,579	55,577	55,577	55,577	0.0%
<b>Total</b>	<b>\$1,628,797</b>	<b>\$1,486,336</b>	<b>\$1,687,128</b>	<b>\$1,696,396</b>	<b>\$2,498,179</b>	<b>47.3%</b>

Historically, revenue dipped in FY 05 due to a decline in rents and recoveries and interdepartmental charges. The increase in interfund revenue from FY 05 through FY 08 is due to increased revenue from grants such as Prosecution, Motor Vehicle Theft and Insurance Fraud, Welfare Fund, and Stop DWI.

<b>REVENUE BUDGET</b>							
<b>Revenue Class</b>		<b>Adopted</b>	<b>OLBR</b>	<b>FY 08</b>	<b>FY 08</b>	<b>Variance</b>	<b>Variance</b>
		<b>FY 07</b>	<b>FY 07</b>	<b>Dept.</b>	<b>Exec.</b>	<b>Exec. vs</b>	<b>Exec. vs</b>
		<b>Budget</b>	<b>Projection</b>	<b>Request</b>	<b>Budget</b>	<b>Adopted 07</b>	<b>FY 07 Proj.</b>
BD	Fines & Forfeits	0	15,000	0	0	0	(15,000)
BE	Investment Income	1,000	1,000	1,200	1,200	200	200
BH	Department Revenues	0	1,038	0	0	0	(1,038)
BJ	Interdepart Revenue	190,905	190,905	273,500	273,500	82,595	82,595
BW	Interfund Revenues	1,367,588	1,367,588	2,136,757	2,136,757	769,169	769,169
FA	Federal Aid - Reimbursable	65,288	65,288	31,145	31,145	(34,143)	(34,143)
SA	State Aid - Reimbursable	55,577	55,577	55,577	55,577	0	0
<b>Grand Total</b>		<b>\$1,680,358</b>	<b>\$1,696,396</b>	<b>\$2,498,179</b>	<b>\$2,498,179</b>	<b>\$817,821</b>	<b>\$801,783</b>

The revenue budget for the District Attorney is rising by 48.7%, or \$818,000 over that of the adopted 2007 budget primarily due to the interfund revenues. The increase is due to a \$750,000 award from New York State to fight Medicaid Fraud. This revenue also includes post conviction forfeiture as well as various grants. Such grants include aid to Prosecution, Motor Vehicle Theft and Insurance Fraud, Welfare Fund, and Stop DWI. Any interest accrued on these funds is credited to investment income.

Federal aid, budgeted at \$31,000, is revenue generated 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 each budgetary quarter. State Aid remains

unchanged at \$56,000, which is for the reimbursement of DA expenditures relating to salaries in the District Attorney's Office under the District Salary Support Program.

**FIRE COMMISSION**

The Nassau County Fire Commission acts as a liaison between the County government and 71 volunteer fire departments in Nassau County. The Fire Commission provides the necessary response services to the citizens of the County and also provides training and services to the volunteer fire service. The duties of the Commission are to: study county fire protection needs and make recommendations for improvement, propose fire prevention ordinances to the county legislature, arrange interdepartmental cooperation in all aspects of firefighting to best utilize firefighting strength, recommend equipment standardization, study extension of fire protection to all areas of the County, and report annually to the County Executive.

<b>Historical Revenue</b>						
	<b>FY 04</b>	<b>FY 05</b>	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>	<b>% Change</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Exec.</b>	<b>Proj. /Exec.</b>
Investment Income	\$18,380	\$47,300	\$38,961	\$15,000	\$60,000	300.0%
Revenue to offset Exp	0	0	0	20,000	26,376	
Rents & Recoveries	193,018	53,603	753,457	66,260	0	0.0%
Department Revenues	3,855,639	4,447,232	4,910,661	5,313,830	5,500,830	3.5%
Interdept Charges	2,250	94,976	0	0	0	0.0%
Interfund Charges	0	0	0	146,208	48,826	
State Aid	138,062	235,080	204,885	120,000	150,000	25.0%
Property Tax	17,781,846	15,443,689	15,849,706	15,698,706	15,554,824	-0.9%
<b>Total</b>	<b>\$21,989,195</b>	<b>\$20,321,880</b>	<b>\$21,757,670</b>	<b>\$21,380,004</b>	<b>\$21,340,856</b>	<b>-0.2%</b>

Revenue has remained fairly steady from \$22.0 million in FY 04 to the proposed \$21.3 million in FY 08. The increase in department revenue over the years is due to increased Fire Commission fees and an initiative to increase emergency lighting tests. The additional revenue in the FY 07 department revenue projection is due to increased regulatory services and licenses under Article XXII of the Nassau County Fire Prevention Ordinance. Examples of article fees collected include fire alarms, smoke alarms, sprinkler system, bulk storage, and truck and generator fees. The decline in state aid from FY 05 through the projected FY 07 can be attributed to decreased student population for emergency training.

The Commission has the responsibility for the implementation and monitoring of the Multi-Year Financial Plan initiative which has been incorporated into the FY 08 budget and out-year baseline.

**Functionality Test Fee - \$80,000**

The functionality test is an additional fee which has been added to Article XXII of the Nassau County Fire Prevention Ordinance. A functionality test will be performed on an average of 2.5 tanks located at 200 of the total 1,000 gas stations in Nassau County. A \$160 charge per test will be incurred by the service station. The FY 08 revenue budget includes \$80,000 as a result of this new fee. Due to the level

of staffing and the timing requirements to implement and enforce the functionality tests, the additional revenue appears optimistic.

The increase in revenue of \$158,000 is made up of increases in investment income, departmental revenue and state aid which have been offset by a small decrease in property tax. Department revenues are increasing \$137,000 from \$5.4 million in FY 07 to \$5.5 million in FY 08. 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.

On June 18, 2007, the Nassau County Legislature amended the Nassau County Fire Prevention Ordinance to increase fees for regulatory services and licenses, effective on October 1, 2007. The FY 07 projection for department revenue is anticipated to fall short by approximately \$50,000 due to the delayed passing of the legislation.

<b>REVENUE BUDGET</b>						
<b>Revenue Class</b>	<b>Adopted FY 07 Budget</b>	<b>OLBR FY 07 Projection</b>	<b>FY 08 Dept. Request</b>	<b>FY 08 Exec. Budget</b>	<b>Variance Exec. vs Adopted 07</b>	<b>Variance Exec. vs FY 07 Proj.</b>
BE Investment Income	\$0	\$15,000	\$60,000	\$60,000	\$60,000	\$45,000
BG Revenue to offset Exp	\$0	\$20,000	\$26,376	\$26,376	26,376	6,376
BW Interfund Charges	\$0	\$146,208	\$14,947	\$48,826	48,826	(97,382)
BF Rents and Recoveries	0	\$66,260	0	0	0	(66,260)
BH Department Revenues	5,363,830	5,313,830	5,500,830	5,500,830	137,000	187,000
SA State Aid - Reimb	120,000	120,000	150,000	150,000	30,000	30,000
TL Property Tax	15,698,706	15,698,706	15,698,706	15,554,824	(143,882)	(143,882)
<b>Grand Total</b>	<b>\$21,182,536</b>	<b>\$21,380,004</b>	<b>\$21,450,859</b>	<b>\$21,340,856</b>	<b>\$158,320</b>	<b>(\$39,148)</b>

State aid is increasing by \$30,000 from the FY 07 budget. State aid is made up of tuition reimbursements from NYS for teaching emergency medical courses for emergency service providers which serve the communities within Nassau County. The rise is due to an increase in students taking the emergency medical courses.

The revenue budgeted at \$27,000 to offset expenses includes reimbursement for Medicare Part-D drug prescription program. The FY 08 budget for interfund charges includes the Fire Commission's allocation of the pension reserve.

<b>Historical Expenditures</b>						
	<b>FY 04</b>	<b>FY 05</b>	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>	<b>% Change</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Exec.</b>	<b>Proj./Exec.</b>
Full-time Headcount	114	113	111	107	113	5.6%
Salaries	\$9,072,761	\$9,477,974	\$9,654,686	\$10,102,448	\$10,429,024	3.2%
Fringe	2,951,961	3,221,723	3,192,630	3,537,479	3,663,915	3.6%
Misc OTPS	468,027	320,405	213,426	297,520	314,810	5.8%
Contractual Exp	4,410,983	4,184,904	4,075,385	4,237,675	4,238,375	0.0%
Debt Service Chgbacks	2,901,284	659,680	752,128	687,129	488,887	-28.9%
Inter-department charge	1,870,365	2,457,194	1,898,115	2,478,922	2,205,845	-11.0%
Transf to Gen	313,814	0	1,971,299	0	0	0.0%
<b>Total</b>	<b>\$21,989,196</b>	<b>\$20,321,880</b>	<b>\$21,757,669</b>	<b>\$21,341,173</b>	<b>\$21,340,856</b>	<b>0.0%</b>

As shown in the headcount chart above the headcount has varied from a high of 114 in FY 04 to a projected low in FY 07 of 107. The increased salaries from FY 04 can be attributed to annual COLA increases and escalated overtime. Increased fringe expenses are the result of increased health insurance costs and pension contribution costs. Contractual expenses remained fairly steady from \$4.4 million in FY 04 to \$4.2 million in FY 08. Contractual services include the department’s contract with Vocational Education and Extension Board (VEEB). The decline in FY 05 miscellaneous OTPS can be attributed to the transfer of beeper pay, supper money and memberships from the general expenses budget into the salary budget.

<b>EXPENSE BUDGET BY OBJECT CLASS</b>							
<b>Obj</b>	<b>Name</b>	<b>Adopted FY 07 Budget</b>	<b>OLBR FY 07 Projection</b>	<b>FY 08 Dept. Request</b>	<b>FY 08 Executive</b>	<b>Variance Executive vs Adopted</b>	<b>Variance Executive vs FY 07 Proj.</b>
AA	Salaries	\$9,973,957	\$10,102,448	\$10,429,024	\$10,429,024	\$455,067	\$326,576
AB	Fringe Benefits	3,350,838	3,537,479	3,725,212	3,663,915	313,077	126,436
	<b>Total PS</b>	<b>13,324,795</b>	<b>13,639,927</b>	<b>14,154,236</b>	<b>14,092,939</b>	<b>768,144</b>	<b>453,012</b>
BB	Equipment	129,671	60,000	76,150	76,150	(53,521)	16,150
DD	General Expenses	362,520	237,520	238,660	238,660	(123,860)	1,140
DE	Contractual Services	4,237,675	4,237,675	4,238,375	4,238,375	700	700
	<b>Total OTPS</b>	<b>4,729,866</b>	<b>4,535,195</b>	<b>4,553,185</b>	<b>4,553,185</b>	<b>(176,681)</b>	<b>17,990</b>
HD	Debt Svc Chargebacks	648,953	687,129	488,887	488,887	(160,066)	(198,242)
HF	Inter-Dept. Charges	2,478,922	2,478,922	2,205,845	2,205,845	(273,077)	(273,077)
	<b>Grand Total</b>	<b>\$21,182,536</b>	<b>\$21,341,173</b>	<b>\$21,402,153</b>	<b>\$21,340,856</b>	<b>\$158,320</b>	<b>(\$317)</b>

The FY 08 expenditure budget is projected to increase by \$158,000 from FY 07 to \$21.3 million in FY 08 due to personnel services. Salaries are increasing by \$455,000 from \$10.0 million in FY 07 to

\$10.4 million in FY 08. The salary budget includes a cost of living adjustment (COLA) and step increases for CSEA union employees and increased overtime. The FY 08 salary projection is \$10.1 million or \$128,000 over budget due to overtime. The overtime projection currently results in a deficit of \$441,000 however this has been offset by \$350,000 from unfilled vacancies. According to the department, the additional overtime is due to the minimum staffing at Fire Communications for emergency response. Overtime is also utilized to generate revenue through emergency light testing and accelerated test inspections.

The debt service chargebacks is decreasing by \$160,000 to \$489,000 in FY 08 due to old debt maturing faster than the added new debt. Inter-departmental charges are decreasing by \$273,000 to \$2.2 million in FY 08 due to reduced information technology, telecommunication and building occupancy charges.

The fringe budget for the Fire Commission is increasing by \$313,000 from \$3.4 million to \$3.7 million in FY 08 due mostly to higher health insurance cost and accurate budgeting of pension contribution cost. The FY 08 budget for health insurance includes a growth rate of 7% for active health insurance and 5.25% for retired health insurance. The growth rate assumption is higher than New York State’s most recent health insurance optimistic rate projection but lower than NYS’s best estimate rate projection. In the past rates have finalized closer to the optimistic scenario. Although the FY 07 pension bill was finalized lower than the FY 07 budget, the Fire Commission budget for pension costs are increasing in FY 08 because the FY 07 pension budget for Fire Commission is under funded.

Other than personal services are decreasing by \$177,000 from the FY 07 budget which reflects the Administration’s overall reduction in other than personal services. As a result of the reduction in the equipment and general expenses budget, the Fire Commission will be unable to purchase additional uniforms, hazardous material equipment, and furniture. The general expenses budget of \$239,000 includes postage and postage delivery, educational and training supplies, communication supplies, equipment maintenance, clothing and uniform supplies, travel expense, copy paper and miscellaneous supplies.

The contractual services budget remains at \$4.2 million. Contractual services include the County’s contract with the VEEB. Contractual services also includes the cost of a veterinarian for the Department’s canine, the Eastern Communications contract for the Commission’s radio communications (both the fire communication 911 center and for mobile vehicles), NUMC to perform annual physicals and fire safety courses at local schools and organizations.

<b>Fire Commission Staffing Analysis</b>						
	<b><u>FY 07 Adopted</u></b>	<b><u>Sept-07 Actual</u></b>	<b><u>FY 08 Request</u></b>	<b><u>FY 08 Executive</u></b>	<b><u>Exec. vs 07 Adopt</u></b>	<b><u>Exec. vs Actual</u></b>
Full-time staffing	115	107	113	113	(2)	6
Part-time and Seasonal	27	27	27	27	0	0



The FY 08 budget is a decrease of two full-time positions from the FY 07 budget and an increase of six full-time positions from the September 1, 2007 current staffing level. Part-time and seasonal positions remain unchanged from FY 07. In FY 07, the Legislature granted the Fire Commission two additional clerical positions due to the department's testimony to the Legislature on September 25, 2006. The Department testified that the additional clerks would help generate revenue by expediting the processing of fire alarm permits. The Fire Commission has been unable to fill Clerk Steno positions because a canvas list is unavailable from Civil Service. Therefore in FY 08 the department plans to fill the vacant clerical positions with Clerk Typist I's. Since the FY 08 budget allocates funding for the Clerk Steno title, there should be a small budgetary savings from hiring a Clerk Typist I at a lower pay grade. In addition, The FY 08 budget also eliminates two vacant Fire Marshal positions.

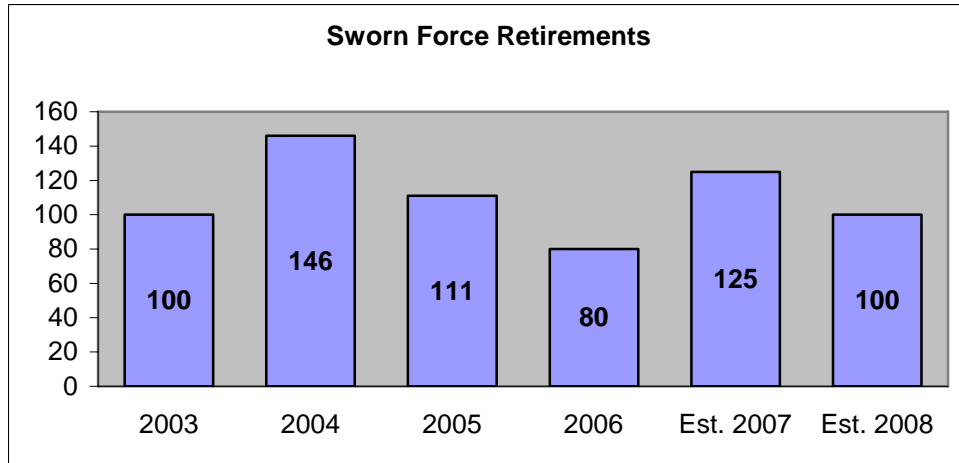
NASSAU COUNTY POLICE DEPARTMENT

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The year 2007 was an eventful one for the Police Department. In July, Lawrence Mulvey was sworn in as new commissioner which was immediately followed by the graduation of 112 police recruits, 91 of whom stepped into the ranks of the Nassau County Police Department. Also in July, the Patrolman's Benevolent Association (PBA) received an arbitration award that was hailed by the Administration as "a radical break from the business-as-usual labor agreements and presents a historic opportunity for Long Island" in reference to the union concessions and change in salary increases when compared to prior contracts. The detective's union, the Detectives Association Inc (DAI), which has been working without a contract since January 2007, is currently in arbitration and the superior officer's union, the Superior Officers Association (SOA), whose contract expires in December 2007, is also in contract negotiations. Additionally, the Administration is planning to hire about 100 new recruits in November of this year. Combined, these events should serve as a positive impact for the future of the department. The union contracts provide a framework from which the Administration could manage sworn personnel more efficiently, the new police officers will add new energy to a department headed by a leader committed to continue to manage a more streamlined department while attempting to reduce operating costs and keeping morale high.

Since July 2004 the department has graduated 544 new police officers that have joined the ranks of the Nassau County Police Department. Sworn headcount had been on the decline since 2002, overtime was on the rise and the overall staff was getting closer to retirement. The Administration's plan to reduce personnel was succeeding but at the cost of high overtime expense and increasingly low morale. With the additional staffing levels, overtime had become more manageable in 2006. Actual overtime in 2006 was \$43.8 million, \$3.6 million less than budget. The surplus was due to more realistic budgeting, managing resources through creative redeployment and increased staffing levels. The 2006 actual January headcount of 2,686 was 157 more than January 2005's actuals of 2,529 and included the hiring of two classes, in an attempt to bring a proper balance between overtime and the staffing level of the uniform force.

Although the Administration had begun to address staffing issues in relation to the hiring of new classes, it had underestimated the amount of retirements in 2007. A contingency fund had been established in FY 04 the Employee Accrued Liability Reserve Fund, in the amount of \$21.4 million, to address higher than anticipated termination expense should the need arise. Currently, the Administration has no plans to request a draw down on these funds even though termination costs will exceed budget. Termination expense was budgeted for \$19.6 million in FY 07 and assumed 84 separations. As of September 1, 2007 there were 112 sworn officers that have retired or filed papers of intent. OLBR is projecting a total of 125 retirements in FY 07 at a cost of \$28.6 million or \$9.0 million above budget. The FY 08 budget assumes 100 retirements and funds \$22.0 million for termination expense. Based on current actual payouts and evenly dividing the separations by fund which would mean there would be a slight deficit of \$716,000 in FY 08 for termination costs. That is a optimistic estimate given the fact that about 9% of the current 2,612 sworn personnel, or 229 members, have 30 or more years of service. Additionally, the recent PBA Award contains a provision that caps termination payouts beginning in 2009. This provision may trigger more than anticipated separations.

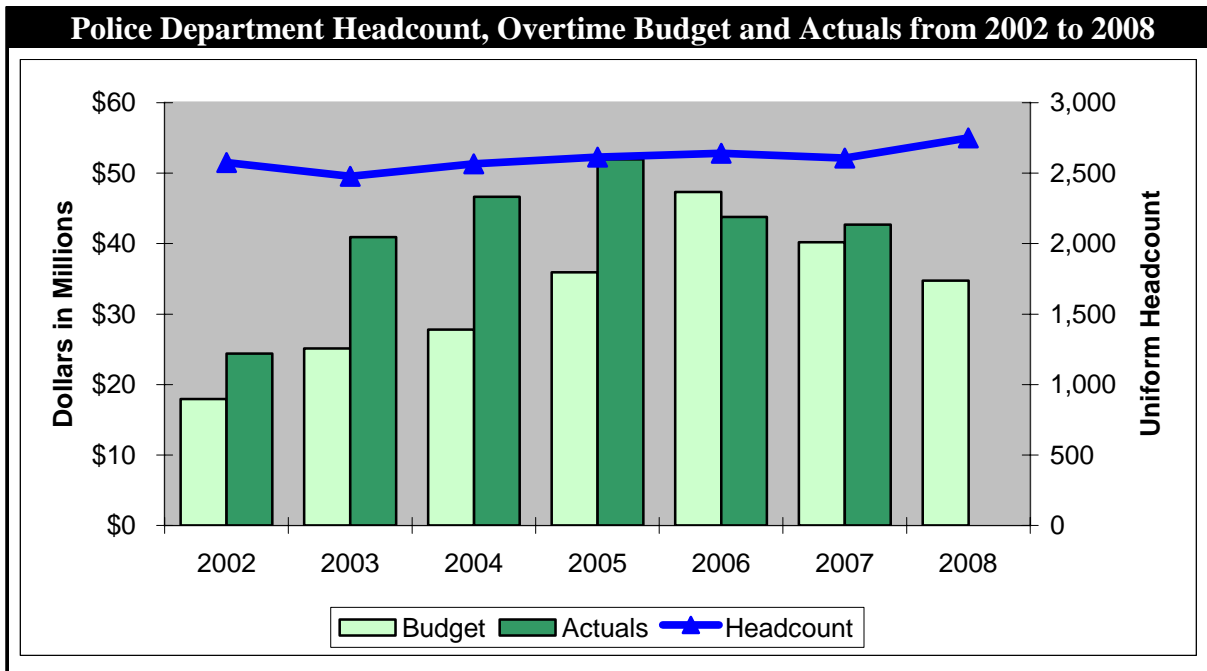


It is uncertain at this time if the DAI Award and SOA contract will have similar provisions regarding termination payouts. Historically, in the interest of consistency, arbitration panels usually provide similar provisions to related labor unions; so it would seem logical to assume some sort of ceiling would be set for termination payouts for the detectives and superior officers. If a termination cap were imposed, the effective date would probably be after that of the PBA in 2009. While there may be an additional year before a termination cap may be implemented, many detectives and superior officers may start leaving knowing the change is coming.

There are plans to hire a class of about 100 recruits in November 2007 with additional classes for the first and fourth quarter in 2008, the size of which depends on the rate of attrition. September actuals indicate that there are 2,607 sworn personnel, or 143 less than the Administration's commitment to a uniform headcount of 2,750. While the new classes will offset attrition levels, there seems to be a continual struggle to maintain detective and superior officer budgeted headcounts of 425 and 422, respectively. Currently there are 405 detectives, 20 below budget and 404 superior officers which is 18 below budget levels. Additionally, in light of the anticipated DAI Award and SOA contract, 16% of detectives and 25% of superior officers have 30 or more years of service and could decide to leave at any time, especially if there are triggers imbedded in the aforementioned contracts. At the time of this writing, the Police Department has tentative plans to have promotions to add 19 detectives, 22 sergeants, 8 lieutenants and 3 captains. The number of superior officers will then exceed budgeted numbers.

The hiring of new police officers is expected to have a positive impact on overtime. As mentioned above, a balance between staffing levels and overtime needs to be maintained. The Administration seemed to be on the road to controlling escalating overtime costs in 2006 with increased headcount, overtime initiatives, certain overtime paid through grant funds and operational efficiencies. Added to that was more realistic budgeting which, when combined with the other factors, generated a surplus of \$3.6 million. Hopefully, FY 06 is not an anomaly in terms of overtime expense. FY 07 overtime is budgeted for \$40.2 million but OLBR is projecting \$42.7 million. FY 08 overtime is budgeted at \$34.8 million which is about 18% less than OLBR's FY 07 projection. While it is true that there are savings associated with the recent PBA Award, with newer officers contractually bound to work some overtime at straight time (an additional 48 hours at straight time plus for the first three years after graduation, new officers work an extra 90 hours at straight time) and any overtime worked is at a lesser rate, an 18% reduction compared to the OLBR FY 07 projections budget is optimistic.

The chart below illustrates the budgeted overtime and actuals for the years 2002 through 2007. The chart includes the October headcount for the corresponding years. With the exception of 2006 overtime actuals exceeded the budget. In addition, overtime costs increased while the headcount increased. Unlike Corrections there is not a direct correlation between headcount and overtime. To achieve the overtime budget for 2008, the earnings will have to go below the actuals of 2003. It remains to be seen if, with the additional headcount, overtime can be managed effectively to stay within budget.



The Administration projects a drop of 3,000 hours of overtime (0.7%) in FY 08, from a FY 07 projection of 453,000 to 450,000. Currently, 70% of police officers are at top step and those that are not, their salaries are advancing rapidly. Overtime worked by these individuals is paid at the highest rate. Clearly, these individuals will be and have been working the majority of overtime. The new classes planned for the fourth quarter of FY 07 and the first quarter of FY 08 will impact overtime for only half the year. The class anticipated for the fourth quarter of FY 08 will have no effect on overtime in FY 08.

<b>Police Department Headcount by Union</b>					
<u>Union</u>	<u>2007 Adopted</u>	<u>Sept. Actuals</u>	<u>2008 Executive</u>	<u>2008 vs 2007</u>	<u>2008 vs Actuals</u>
<b>PBA</b>	1,903	1,798	1,903	0	105
<b>DAI</b>	425	404	425	0	21
<b>SOA</b>	<u>422</u>	<u>405</u>	<u>422</u>	<u>0</u>	<u>17</u>
<b>Subtotal</b>	<b><u>2,750</u></b>	<b><u>2,607</u></b>	<b><u>2,750</u></b>	<b><u>0</u></b>	<b><u>143</u></b>
<b>CSEA</b>	853	812	830	(23)	18
<b>ORD</b>	<u>4</u>	<u>3</u>	<u>4</u>	<u>0</u>	<u>1</u>
<b>Total</b>	<b><u>3,607</u></b>	<b><u>3,422</u></b>	<b><u>3,584</u></b>	<b><u>(23)</u></b>	<b><u>162</u></b>

As shown above, the 2008 Police Department union headcount is remaining flat with 2007 adopted numbers. When compared to September actuals all unions are increasing. Uniform headcount is up 5.2%, or 143, over September 2007 actuals.

**Police Headquarters**

<b>Historical Expenditures</b>						
	<b>FY 04 Actual</b>	<b>FY 05 Actual</b>	<b>FY 06 Actual</b>	<b>FY 07 Projected</b>	<b>FY 08 Exec.</b>	<b>% Change Proj./Exec.</b>
Full-time Sworn	959	960	974	973	1,026	5.4%
Full-time Civilian	650	688	732	703	731	4.0%
Salaries	\$171,694,913	\$193,764,685	\$201,558,168	\$207,249,183	\$199,484,050	-3.7%
Fringe	\$73,232,832	\$74,500,342	\$76,669,063	\$94,523,844	\$96,502,600	
Misc OTPS	4,801,781	9,137,704	6,048,954	6,612,136	6,752,032	2.1%
Contractual Services	6,725,774	6,044,830	6,041,781	7,112,042	7,021,364	-1.3%
Intdept/Intfnd Chgs	26,018,817	27,067,534	24,264,535	30,516,937	27,804,266	-8.9%
<b>Total</b>	<b>\$282,474,117</b>	<b>\$310,515,095</b>	<b>\$314,582,501</b>	<b>\$346,014,142</b>	<b>\$337,564,312</b>	<b>-2.4%</b>

The above historical expenditures chart illustrates the gradual rise in sworn and civilian headcount from FY 04 to FY 06. The increased fringe expenses over the years are the result of increased health insurance costs and pension contribution costs. The significant rise in fringes from FY 06 to FY 07 is due to the use of the pension reserve. The FY 06 actual does not reflect the pension costs paid from the Retirement Contribution Fund. The rise in 2005's OTPS is a result of the police vehicle expenditure. The dip in FY 06 for interdepartmental charges and interfund charges reflects a \$3.8 million decrease in indirect charges. In the FY 07 projection, the indirect charges increase by \$5.4 million. The reduction in salaries in FY 08 is related to the \$9.0 million in initiative savings built into the budget as well as a decrease of \$806,000 for overtime expense.

**HEADQUARTERS EXPENSE BUDGET  
BY OBJECT CLASS**

Obj	Name	Adopted FY 07 Budget	OLBR FY 07 Projection	FY 08 Dept. Request	FY 08 Executive	Variance Executive vs Adopted	Variance Executive vs FY 07 Proj.
AA	Salaries	\$201,771,928	\$207,249,183	\$199,931,616	\$199,484,050	(\$2,287,878)	(\$7,765,133)
AB	Fringe Benefits	99,025,452	94,523,844	96,354,383	95,855,203	(3,170,249)	1,331,359
AC	Workers Compensation	0	0	647,397	647,397	647,397	647,397
	<b>Total PS</b>	<b>300,797,380</b>	<b>301,773,027</b>	<b>296,933,396</b>	<b>295,986,650</b>	<b>(4,810,730)</b>	<b>(5,786,377)</b>
BB	Equipment	739,340	674,669	1,263,173	1,263,173	523,833	588,504
DD	General Expenses	3,316,667	3,606,667	3,125,284	3,125,284	(191,383)	(481,383)
DE	Contractual Services	7,362,042	7,112,042	7,021,364	7,021,364	(340,678)	(90,678)
DF	Utilities	2,080,800	2,080,800	2,132,820	2,080,800	0	0
OO	Other Expenses	750,000	250,000	282,775	282,775	(467,225)	32,775
	<b>Total OTPS</b>	<b>14,248,849</b>	<b>13,724,178</b>	<b>13,825,416</b>	<b>13,773,396</b>	<b>(475,453)</b>	<b>49,218</b>
HD	Debt Svc Chargebks	3,070,581	3,295,462	3,349,439	3,349,439	278,858	53,977
HF	Inter-Dept. Charges	27,221,475	27,221,475	24,454,827	24,454,827	(2,766,648)	(2,766,648)
	<b>Grand Total</b>	<b>\$345,338,285</b>	<b>\$346,014,142</b>	<b>\$338,563,078</b>	<b>\$337,564,312</b>	<b>(\$7,773,973)</b>	<b>(\$8,449,830)</b>

Salaries in the Headquarters budget will decline slightly by about 1.13% in FY 08, or approximately \$2.3 million over the FY 07 adopted budget. When compared to 2007 projections, there is a reduction of about 3.75%. After factoring in the impact of the recent PBA Award and the potential COLAs for DAI, SOA and CSEA, salaries appears to have a deficit of approximately \$4.5 million. Included in this shortfall is the \$805,967 reduction in overtime expense and \$9.0 million in savings initiatives.

The fringe budget for Police Headquarters is decreasing by \$3.2 million to \$95.9 million in FY 08. The significant decrease is due to the police retirement contingency line which decreased by \$3.3 million. Also contributing to the fringe decline is pension costs, social security costs and Medicare Part B reimbursement. Offsetting those items are higher health insurance costs. The FY 08 budget for health insurance includes a growth rate of 7% for active health insurance and 5.25% for retired health insurance. The growth rate assumption is higher than New York State's most recent health insurance optimistic rate projection of 6.7% for individual and 6.8% for family but lower than New York State's best estimate rate projection of 9.5% for individual and family. In the past, rates have finalized closer to the optimistic scenario. The FY 08 budget for Medicare Part B is decreasing from the FY 07 due to an inflated budget. The actual premium rate finalized lower than the rate built in the FY 07 budget. OLBR projects a surplus of \$887,200 for Medicare Part B reimbursement for Police Headquarters. The decrease in social security costs is due to attrition, the loss of higher paying superior officers who have been replaced by new recruits at lower starting salaries. Finally pension costs are decreasing due to lower pension contribution rates in FY 08.

Due to a change in policy, certain departments will now be responsible for addressing medical and indemnity claims. The police department will identify and correct safety issues as well as attempt to reduce liabilities related to workers' compensation cases that were once the responsibility of the County

Attorney's office. In FY 08, \$647,397 has been included in the personal services budget for this expense.

OTPS expense will decline slightly in FY 08 by \$475,453 when compared to the adopted 2007 budget. The 70.9% increase in equipment is related to the \$511,200 cost for motor vehicles. The Police Department has plans to purchase 23 automobiles (10 marked and 13 unmarked hybrids) in 2008. The \$191,383 reduction in general expenses is related to the transfer of the building maintenance and printing & graphics units into Public Works. By combining the units the Administration hopes to capitalize on scale of size. Also included in this decline is the pre-purchase of ammunition in FY 07 due to anticipated higher prices in FY 08. There is \$340,678 decrease in miscellaneous contractual services and a reduction of \$467,225 in other expenses. This is directly related to the removal of the \$500,000 overtime reserve included in the FY 07 budget. A special overtime initiative was part of the FY 07 budget as a continuation of an initiative that began in FY 06. Interdepartmental charges are declining by \$2.8 million primarily as a result of the County's workers' compensation initiative and the transfer of the estimated annual workers' compensation costs to the department. The removal of those charges, which were \$4.9 million in FY 07, will be offset by \$2.0 million in IT charges. This reflects increased costs associated with the Department of Information Technology and moving \$1.8 million expense from Police district to Headquarters.

<b>POLICE HEADQUARTERS FUND</b>					
		<u>2008 Budget</u>	<u>2009 Plan</u>	<u>2010 Plan</u>	<u>2011 Plan</u>
<b>EXPENSE</b>					
AA	Salaries & Wages	\$199,484,050	\$209,063,634	\$217,277,870	\$225,026,006
AB	Fringe Benefits	95,855,203	102,585,613	111,357,992	113,231,363
	All Other Expense	42,225,059	42,625,850	42,813,390	42,710,268
<b>Expense Total</b>		<b>\$337,564,312</b>	<b>\$354,275,097</b>	<b>\$371,449,252</b>	<b>\$380,967,637</b>
<b>Revenue</b>					
TL	Property Tax	\$276,575,048	\$276,575,048	\$276,575,048	\$276,575,048
	All Other Revenue	60,989,264	60,598,708	60,641,209	60,685,164
<b>Revenue Total</b>		<b>\$337,564,312</b>	<b>\$337,173,756</b>	<b>\$337,216,257</b>	<b>\$337,260,212</b>

The table above demonstrates the Administration's MYP baseline for the Headquarters Fund. Expenses will rise slightly in 2009 as a result of a growth in salaries, but they increase sharply in 2010 and 2011 as a result of the deferred contractual increases. Revenues remain relatively flat due to a static property tax. The Administration will try to offset some of the projected out-year gap with labor savings from the Superior Officers Association (SOA). The anticipated savings from the PBA and DAI are already included in the projected salaries and wages.

<b>Police Headquarters Staffing Analysis</b>						
	<b>FY 07 <u>Adopted</u></b>	<b>Sept-07 <u>Actual</u></b>	<b>FY 08 <u>Request</u></b>	<b>FY 08 <u>Executive</u></b>	<b>Exec. vs 07 Adopt</b>	<b>Exec. vs <u>Actual</u></b>
Uniform	1,022	1,007	1,026	1,026	4	19
Civilian	747	711	731	731	(16)	20
Total Full-time	<u>1,769</u>	<u>1,718</u>	<u>1,757</u>	<u>1,757</u>	<u>(12)</u>	<u>39</u>
Part-time and Seasonal	58	53	55	55	(3)	2

FY 08 uniform headcount is increasing by 4 from the 2007 budget and by 19 over September actuals. There will be 16 fewer civilians when compared to 2007's budget, but 20 more compared to September actuals. The increase in staff is necessary if the Administration is to continue its commitment to maintain a sworn force of 2,750. However, as stated above, it appears that funding in the salary line is insufficient and will not support the additional personnel.

The sub-object code civilian vacancies (CIV), established for the 2005 budget, will accommodate 12 civilian positions in the 2008 budget, the titles of which have yet to be identified.

<b>Transfer of Police Department's Building Maintenance Unit to Public Works</b>			
<b>2007 <u>Adopted Budget</u></b>		<b>2008 <u>Executive Budget</u></b>	
<b>PD</b>	<b>Expense</b>	<b>Public Works</b>	
\$928,843	Salaries	\$931,701	
59,000	Equipment	31,000	
171,000	General Expenses	67,200	
370,330	Contractual Services	<u>320,704</u>	
<u>\$1,529,173</u>		<u>\$1,350,605</u>	
16 FT Employees		15 FT Employees	

The loss of 16 civilian positions includes 11 fewer AMTs, and the transfer of the budgeted 15 civilian Building Maintenance Unit staff to Public Works. This is reflective of the Administration's continuing efforts to consolidate in order to achieve operational efficiencies. The chart above demonstrates the crosswalk for the transfer of BMU into Public Works. All on board 13 civilian staff will be transferred into Public Works while one sergeant will be reassigned in Headquarters to coordinate all repairs needed at the 13 major Police Department structures.

The FY 07 budget funds 156 AMT positions. As of September 1, 2007 there were 142 on board. The Department has not filled these vacant positions because of their goal to create a more diverse unit. The



existing qualifications are too specific and the pool from which the Administration would draw is also too narrow to accommodate the desired diversity. The Administration will look to extend their reach in recruitment in an attempt to widen the pool of candidates.

Mitigating the overall decline in headcount in the Headquarters Fund is the addition of 12 police service aides and three CIV positions.

<b>Historical Revenue</b>						
	<b>FY 04</b>	<b>FY 05</b>	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>	<b>% Change</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Exec.</b>	<b>Proj./Exec.</b>
Permits & Licenses	\$265,550	\$389,125	\$935,630	\$1,070,000	\$1,345,000	25.7%
Fines & Forfeitures	10,650	356	0	6,175	0	0.0%
Investment Income	101,139	133,964	435,010	125,290	129,049	3.0%
Rents & Recoveries	1,152,921	899,711	2,578,834	356,899	200,000	-44.0%
Departmental Revenue	14,252,569	15,349,919	16,807,323	16,721,674	17,451,874	4.4%
Capital Chargebacks	0	0	0	1,029,588	1,081,067	5.0%
Revenue Offset to Exp	0	0	0	1,441,888	1,477,056	2.4%
Inerfund Charges	0	0	0	1,652,824	432,910	-73.8%
Interdept/Interfnd	6,751,921	16,432,422	11,654,371	12,912,837	14,128,863	9.4%
Federal Aid	416,665	472,755	227,629	427,950	427,950	0.0%
State Aid	1,030,853	611,467	862,502	867,171	862,000	-0.6%
Property Tax	239,070,905	252,897,540	258,049,976	287,070,223	276,575,048	-3.7%
Special Tax	19,420,943	23,327,792	23,031,650	23,453,495	23,453,495	0.0%
<b>Total</b>	<b>\$282,474,116</b>	<b>\$310,515,051</b>	<b>\$314,582,925</b>	<b>\$347,136,014</b>	<b>\$337,564,312</b>	<b>-2.8%</b>

In the historical revenue chart above the steady rise in revenue is driven mainly by fluctuations in property tax, departmental revenue and the combined interdepartmental/ interfund revenue. The object code capital chargebacks was added to the budget in 2007 to reflect the reimbursement for expenses related to the Computer Aided Dispatch and the Interoperable Radios System. The revenue offset for \$24,948 reflects prior year accruals. The \$2.6 million for rents and recoveries in 2006 is due to the \$2.2 million purchase of police sedans in 2006, which had originally been intended to be prepaid in 2005. However, the purchase was never finalized in time so the funding became a recovery in 2006. Departmental revenues gradually climbs over the years due to annual CPI increases in ambulance billing collections. Interfund revenue represents funds transferred from the Retirement Contribution Reserve Fund to pay the pension costs.

The Department has the responsibility for the implementation and monitoring of the following Multi-Year Financial Plan initiatives which have been incorporated into the FY 08 budget and out-year baseline.

**Pistol Permit Fee - \$245,000**

The Administration plans on raising the gun permit fee \$49 which will generate \$245,000 in revenue. This proposed increase will require legislative approval. Until this authorization is secure, this item must be considered a risk.

**HEADQUARTERS' REVENUE BUDGET**

Revenue Class		Adopted FY 07 Budget	OLBR FY 07 Projection	FY 08 Dept. Request	FY 08 Exec. Budget	Variance Exec. vs Adopted 07	Variance Exec. vs FY 07 Proj.
BC	Permits & Licenses	\$1,070,000	\$1,070,000	\$1,345,000	\$1,345,000	\$275,000	\$275,000
BD	Fines & Forfeitures	0	6,175	\$0	\$0	0	(6,175)
BE	Investment Income	125,290	125,290	129,049	129,049	3,759	3,759
BF	Rents & Recoveries	200,000	356,899	200,000	200,000	0	(156,899)
BG	Revenue Offset	1,441,888	1,441,888	1,477,056	1,477,056	35,168	35,168
BH	Department Revenue	15,721,674	16,721,674	17,451,874	17,451,874	1,730,200	730,200
BI	Cap Backcharges	1,029,588	1,029,588	1,081,067	1,081,067	51,479	51,479
BJ	Interdept. Revenue	12,912,837	12,912,837	14,128,863	14,128,863	1,216,026	1,216,026
BW	Interfnd Charges	1,296,340	1,652,824	132,523	432,910	(863,430)	(1,219,914)
FA	Federal Aid	427,950	427,950	427,950	427,950	0	0
SA	State Aid	589,000	867,171	862,000	862,000	273,000	(5,171)
TL	Property Tax	287,070,223	287,070,223	287,070,223	276,575,048	(10,495,175)	(10,495,175)
TX	Special Tax	23,453,495	23,453,495	23,453,495	23,453,495	0	0
<b>Grand Total</b>		<b>\$345,338,285</b>	<b>\$347,136,014</b>	<b>\$347,759,100</b>	<b>\$337,564,312</b>	<b>(\$7,773,973)</b>	<b>(\$9,571,702)</b>

The Headquarters Division obtains revenue through several sources. The 2008 revenue budget declines by about \$8.0 million, or 2.3%, over projected revenue in 2007. The primary reason for this reduction is the \$10.5 million in property tax decrease. Offsetting this decline are the increases in permits & licenses, departmental revenues, interdepartmental revenues, capital chargebacks and state aid. The \$275,000 increase in permits & licenses reflects the Administration's plans to request an increase of about \$49 to the gun permit fee. This item, as with any proposed fee increase, has to be considered a risk until it is approved by the County legislature. Interdepartmental revenue is growing by \$1.5 million over 2007 projections due to salary and fringe increases in the individually calculated interdepartmental service agreements (ISAs). Additionally, revenue offset to expenses and interfund charges in projected 2007 and the FY 08 budget relate to Medicare Part D and monies from the Retirement Contribution Reserve Fund, respectively.

<b>Departmental Revenues</b>				
<b>Revenue Source</b>	<b>FY 06 Actual</b>	<b>FY 07 Budget</b>	<b>FY 07 Projected</b>	<b>FY 08 Proposed</b>
Misc Receipts	\$108,927	\$124,300	\$124,300	\$124,300
Fees	346,985	300,000	300,000	300,000
Parking Meter-Fees	55,960	60,000	60,000	60,000
Ambulance Fees	16,032,957	15,039,174	16,039,174	16,769,374
Ambulance Fee Collections	63,851	50,000	50,000	50,000
Detective Div Fees	17,160	16,200	16,200	16,200
Games of Chance	4,297	2,000	2,000	2,000
Voluntary Fingerprint Card Fees	177,182	130,000	130,000	130,000
	<b>\$16,807,319</b>	<b>\$15,721,674</b>	<b>\$16,721,674</b>	<b>\$17,451,874</b>

The previous chart breaks out the sources of departmental revenue for the Headquarter Fund. The budget remains flat when compared to that of 2007 except for the 11.5% hike in ambulance fee collections. As mentioned above, this reflects the annual CPI increase. The dip in the 2007 budget is due to a possible change in vendors in the middle of 2007. The contract was due to expire and there was fear that there might have been a break in service. Fortunately, the same vendor was awarded the contract so collections continued unbroken throughout the year.

<b>Performance Measurement</b>				
<b>Performance Measure</b>	<b>2006 Actual</b>	<b>2007 Target</b>	<b>2007 Projection</b>	<b>2008 Target</b>
# of moving violations	211,953	215,000	210,000	218,000
Emergency Response Time (measure in minutes)	360	360	360	345
% of accidents with injuries	21.8%	21.8%	21.0%	21.0%
% of violent crimes cleared	81.3%	82.0%	82.0%	82.3%
# of DWI arrests	2,732	2,750	2,700	2,775
Overtime (measured in hours)	485,996	453,207	453,000	450,000
% of violent crimes assigned to an investigator	100%	100%	100%	100%

The chart illustrates the measures by which the department manages its performance.

**Police District**

The District fund derives its funding from those taxpayers that live within the Police District. Those residents who live in areas that have their own policing services do not pay this tax.

<b>Historical Revenue</b>						
	<b>FY 04</b>	<b>FY 05</b>	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>	<b>% Change</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Exec.</b>	<b>Proj./Exec.</b>
Fund Balance	\$4,869,568	\$4,869,568	\$4,869,568	\$16,143,723	\$0	-100.0%
Permits & Licenses	1,939,706	1,508,088	1,828,447	1,792,000	2,150,000	20.0%
Fines & Forfeitures	200,166	101,856	79,290	91,401	474,700	419.4%
Investment Income	71,393	113,064	1,510,712	116,700	120,201	3.0%
Rents & Recoveries	870,702	255,664	535,619	150,000	150,000	0.0%
Revenue Offsets	0	0	0	1,038,084	1,061,948	2.3%
Department Revenues	3,109,789	3,101,091	3,410,804	3,419,992	3,187,826	-6.8%
Interdepart. Revenues	480,837	188,296	314,399	127,484	439,766	245.0%
Interfund Charges	0	0	0	9,152,839	10,408,342	13.7%
Nifa Aid	7,500,000	7,500,000	0	0	0	0.0%
State Aid	0	122,903	0	0	0	0.0%
Property Tax	301,296,571	309,306,781	333,627,075	331,639,639	332,465,637	0.2%
<b>Total</b>	<b>\$320,338,732</b>	<b>\$327,067,311</b>	<b>\$346,175,914</b>	<b>\$363,671,862</b>	<b>\$350,458,420</b>	<b>-3.6%</b>

As the previous chart indicates property tax is the single largest contributor to District revenue. Revenue has increased historically due to growth in property tax, and changes in the fund balance. Historically, the trend has been for a gradual rise in property taxes except for the 2006's spike of 7.9% over 2005's property tax which declined by about 0.6% in 2007 and will rise again in 2008. The \$16.1 million in fund balance represents the operating results from FY 06, however the Administration has not budgeted the use of those funds in FY 07. Based on OLBR's expense projections, those funds may be need for 2007. Investment income has remained fairly steady historically except in 2006 when investment income grew as a result of the pension reserve and the police department termination reserve funds investments. All revenue in 2008 will follow the historical trends except for the elimination of the fund balance that was included in 2004, 2005 and 2006 and projected in 2007 and the elimination of NIFA aid which was received in 2004 and 2005. Interdepartmental revenues are increasing by approximately \$312,000 in 2008 due to the increases in ISAs. Additionally, revenue offset to expenses and interfund charges in projected 2007 and the FY 08 budget relate to Medicare Part D and monies from the retirement Contribution Reserve Fund, respectively.

The Department has the responsibility for the implementation and monitoring of the following Multi-Year Financial Plan initiatives which have been incorporated into the FY 08 budget and out-year baseline.

**Alarm Permit Fee - \$358,400**

Due to the passage of a local law in 2007 which increased fines for false burglar alarms, the Administration plans on generating an additional \$358,400 in revenue. Based on information supplied by the Police Department about the number of establishments, mostly commercial, not in compliance with the law, it is reasonable to assume that this revenue can be achieved

<b>DISTRICT REVENUE BUDGET</b>						
<b>Revenue Class</b>	<b>Adopted FY 07 Budget</b>	<b>OLBR FY 07 Projection</b>	<b>FY 08 Dept. Request</b>	<b>FY 08 Exec. Budget</b>	<b>Variance Exec. vs Adopted 07</b>	<b>Variance Exec. vs FY 07 Proj.</b>
AA Fund Balance	\$0	\$16,143,723	\$0	\$0	\$0	(\$16,143,723)
BC Permits & Licenses	1,792,000	1,792,000	2,150,000	2,150,000	358,000	358,000
BD Fines & Forfeitures	109,700	91,401	474,700	474,700	365,000	383,299
BE Investment Income	116,700	116,700	120,201	120,201	3,501	3,501
BF Rents & Recoveries	150,000	150,000	150,000	150,000	0	0
BG Revenue Offsets	1,038,084	1,038,084	1,061,948	1,061,948	23,864	23,864
BH Department Revenues	3,187,826	3,419,992	3,187,826	3,187,826	0	(232,166)
BJ Interdepart. Revenues	127,484	127,484	439,766	439,766	312,282	312,282
BW Interfund Charges	9,152,839	9,152,839	3,186,227	10,408,342	1,255,503	1,255,503
TL Property Tax	331,639,639	331,639,639	331,639,639	332,465,637	825,998	825,998
<b>Grand Total</b>	<b>\$347,314,272</b>	<b>\$363,671,862</b>	<b>\$342,410,307</b>	<b>\$350,458,420</b>	<b>\$3,144,148</b>	<b>(\$13,213,442)</b>

The District Patrol 2008 revenue budget of \$350.5 million is \$3.1 million, or 0.9%, more than 2007's budget. The contributing factors for this slight growth are increases in permits & licenses, fines & forfeitures, interdepartmental revenues, interfund charges and property tax. The \$358,000 increase in permits & licenses reflects the alarm permit initiative. Interdepartmental revenues is growing by \$312,282 as a result of increases in salary and fringe costs associated with ISAs. The property tax levy will go up by 0.25% or \$825,998. Interfund revenue represents funds transferred from the Retirement Contribution Reserve Fund to pay the pension costs. It should be noted that the \$16.1 million fund balance is not included in the FY 08 budget, nor was it in the current year's budget. It is in the FY 07 projection because that was the surplus amount generated from FY 06.

<b>Departmental Revenues</b>				
<b>Revenue Source</b>	<b>FY 06 Actual</b>	<b>FY 07 Budget</b>	<b>FY 07 Projected</b>	<b>FY 08 Proposed</b>
Fees	\$257,316	\$250,000	\$250,000	\$250,000
Tow Truck Franchise Fee	289,249	352,726	232,920	352,726
Village Fees	2,864,239	2,585,100	2,937,072	2,585,100
	<b>\$3,410,804</b>	<b>\$3,187,826</b>	<b>\$3,419,992</b>	<b>\$3,187,826</b>

The above chart demonstrates the breakout of departmental revenue sources for the District Fund. Budget to budget remains constant but compared to the 2007 projection, village fees appear to be decreasing by \$351,972. The variance reflects the increased assessments rates for village fees for County policing. When the budget is prepared, the assessment rates have not yet been set for the following year so the rates are based on the current year. An adjustment is made in the next year which differs from the budget.

<b>POLICE DISTRICT FUND</b>					
		<u>2008 Budget</u>	<u>2009 Plan</u>	<u>2010 Plan</u>	<u>2011 Plan</u>
<b>EXPENSE</b>					
AA	Salaries & Wages	218,595,890	230,175,949	237,978,358	243,171,947
AB	Fringe Benefits	96,725,424	102,689,068	110,187,711	115,036,646
	All Other Expense	35,137,106	35,681,782	35,891,235	35,896,979
<b>Expense Total</b>		<b>350,458,420</b>	<b>368,546,799</b>	<b>384,057,304</b>	<b>394,105,572</b>
<b>Revenue</b>					
TL	Property Tax	332,465,637	332,465,637	332,465,637	332,465,637
	All Other Revenue	17,992,783	7,588,648	7,591,758	7,594,946
<b>Revenue Total</b>		<b>350,458,420</b>	<b>340,054,285</b>	<b>340,057,395</b>	<b>340,060,583</b>

The table above demonstrates the Administration’s baseline for the MYP. Revenues are high in 2008, but they level off in the out-years due to a flat property tax. The reduction in revenues in 2008 is due to the loss of non-recurring revenue from 2007 associated with the pension reserve. Expenses rise dramatically in the out-years as a result of salary increases.

<b>Historical Expenditures</b>						
	<b>FY 04 Actual</b>	<b>FY 05 Actual</b>	<b>FY 06 Actual</b>	<b>FY 07 Projected</b>	<b>FY 08 Exec.</b>	<b>% Change Proj./Exec.</b>
Full-time Sworn	1,626	1,651	1,664	1,698	1,738	2.4%
Full-time Civilian	81	105	97	89	89	0.0%
Salaries	\$204,294,551	\$205,579,240	\$203,466,395	\$219,872,324	\$218,595,890	-0.6%
Fringess	\$78,293,693	\$87,558,530	\$90,903,657	\$98,063,708	\$98,924,577	0.9%
Misc OTPS	32,125,685	28,439,925	34,737,397	32,840,029	32,022,754	-2.5%
Contractual Services	755,234	620,048	924,744	903,900	915,199	1.3%
<b>Total</b>	<b>\$315,469,163</b>	<b>\$322,197,743</b>	<b>\$330,032,193</b>	<b>\$351,679,961</b>	<b>\$350,458,420</b>	<b>-0.3%</b>

Historically, salaries remain fairly constant with the exception of the projected FY 07 amount and the proposed FY 08 budget. The spike in 2007 reflects the salary increases associated with the recent PBA Arbitration Award, the class of 91 recruits that were hired in January 2007, and the planned class of 100 new hires for November 2007. The Administration’s 2007 salary projection is about \$9 million less than OLBR’s which explains the slight decrease in the FY 08’s salary line. The increase of 40 in FY 08’s headcount reflects the anticipated new classes planned for 2008. The increased fringe expenses over the years are the result of increased health insurance costs and pension contribution costs. The

significant jump in fringes from FY 06 to FY 07 is due to the use of the pension reserve. The FY 06 actual does not reflect the pension costs paid from the Retirement Contribution Fund.

<b>DISTRICT EXPENSE BUDGET BY OBJECT CLASS</b>							
<b>Obj</b>	<b>Name</b>	<b>Adopted FY 07 Budget</b>	<b>OLBR FY 07 Projection</b>	<b>FY 08 Dept. Request</b>	<b>FY 08 Executive</b>	<b>Variance Executive vs Adopted</b>	<b>Variance Executive vs FY 07 Proj.</b>
AA	Salaries	\$205,902,271	\$219,872,324	\$219,061,725	\$218,595,890	\$12,693,619	(\$1,276,434)
AB	Fringe Benefits	106,585,232	98,063,708	95,033,718	96,725,424	(9,859,808)	(1,338,284)
AC	Workers Compensation	0	0	2,199,153	2,199,153	2,199,153	2,199,153
	<b>Total PS</b>	<b>312,487,503</b>	<b>317,936,032</b>	<b>316,294,596</b>	<b>317,520,467</b>	<b>5,032,964</b>	<b>(415,565)</b>
BB	Equipment	935,622	852,782	2,368,341	2,368,341	1,432,719	1,515,559
DD	General Expenses	4,360,343	4,360,343	4,095,776	4,095,776	(264,567)	(264,567)
DE	Contractual Services	903,900	903,900	915,199	915,199	11,299	11,299
DF	Utility Costs	1,682,926	1,682,926	1,841,300	1,742,465	59,539	59,539
HH	Interfund Charges	0	0	160	160	160	160
OO	Other Expenses	1,450,000	450,000	513,365	513,365	(936,635)	63,365
	<b>Total OTPS</b>	<b>9,332,791</b>	<b>8,249,951</b>	<b>9,734,141</b>	<b>9,635,306</b>	<b>302,515</b>	<b>1,385,355</b>
HD	Debt Svc Chargebacks	196,518	196,518	118,686	118,686	(77,832)	(77,832)
HF	Inter-Dept. Charges	25,297,460	25,297,460	23,183,961	23,183,961	(2,113,499)	(2,113,499)
	<b>Grand Total</b>	<b>\$347,314,272</b>	<b>\$351,679,961</b>	<b>\$349,331,384</b>	<b>\$350,458,420</b>	<b>\$3,144,148</b>	<b>(\$1,221,541)</b>

The 2008 Executive budget for salaries grows by \$12.7 million, or 6.2%, compared to 2007 budget and decreases by \$1.3 million, or 0.58%, from the 2007 projections. The \$12.7 million difference between 2007 Adopted and projected is a result of the PBA Arbitration Award increases and the planned new class for the latter part of 2007. Should more than the budgeted 50 uniform officers decide to retire, the deficit would be covered by the police contingency fund. However, the \$4.6 million reduction in overtime is troubling since 2007 overtime is projected to come in at budget, which is \$22.5million.

The fringe budget for Police District is decreasing by \$3.2 million to \$96.0 million in FY 08. The same explanation for fringe benefits in District also applies for Police Headquarters.

The FY 08 budget includes \$2.2 million in workers compensation costs. Due to a change in policy, certain departments will now be responsible for addressing medical and indemnity claims. The police department will identify and correct safety issues as well as attempt to reduce liabilities related to workers' compensation cases that were once the responsibility of the County Attorney's office. In FY 08, \$2.2 million has been included in the personal services budget for this expense.

The additional \$1.4 million in the equipment line is for costs associated with the purchase of new patrol cars. The department plans to purchase 55 marked police cars in FY 08. The \$265,567 reduction in general expenses is due to the pre-purchase in FY 07 of ammunition to avoid the anticipated higher prices in FY 08. The 2007 adopted budget contained \$1.0 million in funding for special overtime

initiatives. Based on current information, the Administration has removed the initiative and therefore the funding, as reflected in the FY 07 projection. It is also eliminated from the FY 08 proposed budget. Interdepartmental charges are decreasing by \$2.1 million primarily driven by a \$1.8 million reduction in IT charges which are now being charged to the Headquarters Fund.

<b>Police District Staffing Analysis</b>						
	<b>FY 07 Adopted</b>	<b>Sept-07 Actual</b>	<b>FY 08 Request</b>	<b>FY 08 Executive</b>	<b>Exec. vs 06 Adopt</b>	<b>Exec. vs Actual</b>
Uniform	1,731	1,605	1,738	1,738	7	133
Civilian	107	99	89	89	(18)	(10)
Full-time Staffing	<u>1,838</u>	<u>1,704</u>	<u>1,827</u>	<u>1,827</u>	<u>(11)</u>	<u>123</u>
Part-time and Seasonal	463	443	451	451	(12)	8

The District’s full-time uniform staff is scheduled to increase by 133 over the September actuals and by seven compared to 2007 actuals. September actuals include the retirements of 38 police officers and 13 superior officers. The FY 08 salary budget accommodates funding for 1,531 police officers, 207 superior officers and 89 civilians.

**Out-Year Initiatives**

<b>NAME</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
Radio Tower Usage Fee	\$768,000	\$791,808	\$816,354
Adjunct Instructors in The Police Academy	445,329	463,587	482,595

**The Radio Tower Usage Fee** is an initiative in which Nassau County is currently building a new \$50 million public safety radio system which supports the Nassau County Police Department and is inter-operable with other State, local and Federal public safety agencies. The upgrade to the technology is resulting in radio coverage encompassing nearly 99% of all geographical locations within the County and into Suffolk County and New York City. The County is seeking to erect up to four radio towers within the confines of the County and install radio antenna and microwave communications technology to support the radio system. Once operational, the department is anticipating cellular carriers will seek to install their own antenna, resulting in rental revenue to the County. Since this initiative does not require State approval and the towers will be installed on County property, it seems reasonable that the anticipated revenue will be achieved. The gradual climb in revenue reflects the annual CPI increases.

The various public safety classes at the police academy are taught by highly trained and skilled sworn staff on loan from other bureaus/commands. Given the varied syllabus, periodically staff from



specialized commands are temporarily assigned to the academy to teach classes. While the students receive excellent training, the department has to pay overtime for officers to backfill their positions in their “resident” commands or the sworn personnel get paid overtime to teach at the academy. The initiative seeks to have retired or subject matter experts (certified by New York State) to be **Adjunct Instructors in the Academy**. The services of the adjuncts will be secured through a personal services contract with the department. It is not clear if the savings associated with this initiative are net of the cost for adjuncts’ personal services contracts so it is uncertain if those savings could be achieved.

DEPARTMENT OF PROBATION

All areas of criminal probation services are expected to increase in 2008 including investigations (1.7%), pre-trial services (3.8%) and supervision (0.5%) due to increased court activity. Juvenile probation services are also projected to increase in FY 08. The Persons In Need of Supervision (PINS) area is expected to increase by 27.3% and 5.3% for supervision and intake, respectively. This is a sharp contrast to what occurred in 2006. In FY 06, the PINS area experienced a decline in supervision, by 45.9% and intake service, by 10.7%. The Department suspects the decreases are related to the State mandate that requires the County to provide diversion services to youth at risk, being the subject of a PINS petition. Prior to the mandate which went into effect April 1, 2005, about 23% of all petitioners went straight to court without diversion efforts. As a result it is anticipated that many of these people will avoid costly residential placement. Other options include respite centers and cooling off locations. Also, there is no longer a time limit on diversion services which has likely increased the amount of time spent on each case.

In addition to decreasing the number of PINS supervisions, the Department speculates that fewer parents are bringing these cases forward since they can no longer petition the court directly and will have to go through other services first. The juvenile delinquent area is projected to escalate by 15.9% and 0.8% for supervision and intake, respectively. The department believes these increases are factors of normal fluctuations. Finally, investigation services within family division are projected to increase 5.3% when compared to the FY 07 estimate.

<u>ACTIVITY INDICATORS</u>				
<u>INDICATOR</u>	<u>ACTUAL 2005</u>	<u>ACTUAL 2006</u>	<u>ESTIMATED 2007</u>	<u>PROJECTED 2008</u>
Investigations - Criminal Division	5,222	5,499	5,900	6,000
Pre-Trial - Criminal Division	13,245	14,139	13,000	13,500
Supervision - Criminal Division	7,744	7,806	7,960	8,000
Investigations - Family Division	1,101	775	850	900
Juvenile Intake - PINS*	1,088	972	1,140	1,200
Juvenile Intake - Juvenile Delinquents	875	908	952	960
Juvenile Supervision - PINS*	209	113	55	70
Juvenile Supervision - Juvenile Delinquents	434	425	410	475
* Persons in need of supervision				
Source: Probation Department				

Historical Expenditures						
	FY 04 Actual	FY 05 Actual	FY 06 Actual	FY 07 Projected	FY 08 Exec.	% Change Proj./Exec.
Full-time Headcount	218	237	256	234	240	2.6%
Salaries	\$16,410,798	\$17,813,941	\$17,711,811	\$18,600,115	\$20,061,913	7.9%
Misc OTPS	432,820	200,149	179,658	202,826	223,085	10.0%
Contractual Services	32,050	113,170	188,174	156,940	262,550	67.3%
<b>Total</b>	<b>\$16,875,668</b>	<b>\$18,127,260</b>	<b>\$18,079,643</b>	<b>\$18,959,881</b>	<b>\$20,547,548</b>	<b>8.4%</b>

Historically, expenses have increased due to salaries which have grown in response to the headcount. Termination pay for 2005 was almost \$1.0 million, which includes the last payment of the 2002 early retirement payments. Termination pay for 2006 was only \$219,000. In 2006, expenses slightly decreased resulting from lower salary costs, although headcount increased over the prior year. In FY 07 our office is projecting expenditures to increase by \$0.9 million resulting from higher salaries. When compared to our projection, the proposed FY 08 budget will increase by \$1.6 million or 8.37%. The proposed escalation is mainly due to higher salary and contractual services costs. Contractual services' costs have steadily increased in FY 04, FY 05 and FY 06. In FY 07 we expect contractual services' costs to slightly decrease, although the proposed budget includes a 67.3% increase in this area.

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 07 Budget	OLBR FY 07 Projection	FY 08 Dept. Request	FY 08 Executive	Variance Executive vs Adopted	Variance Executive vs FY 07 Proj.
AA	Salaries	\$19,131,221	\$18,600,115	\$20,061,913	\$20,061,913	\$930,692	\$1,461,798
BB	Equipment	32,416	26,581	25,252	25,252	(7,164)	(1,329)
DD	General Expenses	240,261	176,245	197,833	197,833	(42,428)	21,588
DE	Contractual Services	164,940	156,940	262,550	262,550	97,610	105,610
	<b>Total OTPS</b>	<b>437,617</b>	<b>359,766</b>	<b>485,635</b>	<b>485,635</b>	<b>48,018</b>	<b>125,869</b>
	<b>Grand Total</b>	<b>\$19,568,838</b>	<b>\$18,959,881</b>	<b>\$20,547,548</b>	<b>\$20,547,548</b>	<b>\$978,710</b>	<b>\$1,587,667</b>

In FY 07, OLBR is projecting a \$0.6 million surplus to the department's budget. This is mainly due to the 13 full-time vacant positions, which result in lower salary costs. The FY 08 proposed budget includes a \$1.6 million increase to our projection with \$1.5 million coming from higher salaries. The growth in the 2008 salary budget is due to CSEA COLA increases, greater overtime (\$183,000), increased termination pay (\$218,293), and the addition of six full-time positions. Overtime is increasing due to the expansion of electronic monitoring and analytical testing of those convicted of breaking DWI laws. About 42% of Probation Officers and Supervisors will be eligible to retire by the end of 2007 since Probation Officers are eligible to retire after 25 years of service regardless of age. The

Department’s administration believes any attrition over 10 annually (the historical average) will be problematic since it takes two years for a probation officer to complete training and maintain a full case load.

OTPS charges are increasing in the FY 08 budget by \$125,869 or 35.0% from the FY 07 projection and growing by \$48,018 or 11.0% from the FY 07 budget. General expenses are decreasing from the 2007 budget by \$42,428 or 17.7% primarily due to lower medical supply and travel expenses. However, when compared to OLBR’s 2007 projection, these costs will increase by \$21,588 or 12.3%. The department will be transferring funds from the General Fund to the Grant Fund in order to receive a matching grant. The 2008 proposed budget for equipment is slightly decreasing from the 2007 projected levels of funding.

Contractual services are increasing from the 2007 projection by \$105,610 or 67.3%. The growth in contractual services’ costs is due to the continuation of the GPS electronic monitoring program which, in 2007, was partially subsidized with grant funds. In 2008, the department will not receive any grant funds for the program. Additionally, the department hopes to utilize a department-wide software titled “Caseload Explorer” which will manage all the departmental cases and allow for better communication with appropriate state agencies.

Probation, currently located at 101 County Seat Drive, had been scheduled to move to modular units, funded by the building consolidation capital program. This move is being delayed by two separate Temporary Restraining Orders signed by the Court prohibiting the County from proceeding. One suit was bought by the Court Officer’s Union and the other by the Village of Mineola.

<b>Department of Probation Staffing Analysis</b>						
	<b>FY 07 <u>Adopted</u></b>	<b>Sept-07 <u>Actual</u></b>	<b>FY 08 <u>Request</u></b>	<b>FY 08 <u>Executive</u></b>	<b>Exec. vs <u>07 Adopt</u></b>	<b>Exec. vs <u>Actual</u></b>
Full-time Staffing	247	234	240	240	(7)	6
Part-time and Seasonal	12	12	17	17	5	5

As previously discussed, full-time staffing is decreasing by seven from the FY 07 budget and increasing by six from the September 1, 2007 actual. The department hopes to bulk up its staff with probation supervisors and investigators. Part-time and seasonal budgeted positions are increasing by five from both the current actual and the 2007 budget. The department is planning to add six seasonal positions to the Research and Staff Development responsibility center while losing one part-time position in the Criminal Division. Headcount within the department’s Grant Fund has decreased from prior years due to increasing salary costs and static grant revenues. In September 1, 2005 there were 21 positions fully funded by grants. In September 1, 2006 there were 18, and as of September 1, 2007 there are 17 positions.

<b>Historical Revenue</b>						
	<b>FY 04 Actual</b>	<b>FY 05 Actual</b>	<b>FY 06 Actual</b>	<b>FY 07 Projected</b>	<b>FY 08 Exec.</b>	<b>% Change Proj./Exec.</b>
Rents & Recoveries	\$63,333	\$224,323	\$12,006	\$0	\$0	0.0%
Department Revenues	1,659,519	1,701,736	1,706,150	1,500,000	1,500,000	0.0%
Interdepartmental Rev.	1,186,249	2,218,464	2,002,239	1,025,000	1,186,900	15.8%
Federal Aid	0	8,750	5,759	10,001	0	-100.0%
State Aid	2,187,310	3,962,233	3,977,307	3,671,642	3,800,000	3.5%
<b>Total</b>	<b>\$5,096,411</b>	<b>\$8,115,506</b>	<b>\$7,703,461</b>	<b>\$6,206,643</b>	<b>\$6,486,900</b>	<b>4.5%</b>

Historically, revenue has fluctuated significantly due to changes in state aid and interdepartmental revenue. State aid is a function of state policy, determining the amount of probation salaries to be reimbursed state and county-wide.

<b>REVENUE BUDGET</b>						
<b>Revenue Class</b>	<b>Adopted FY 07 Budget</b>	<b>OLBR FY 07 Projection</b>	<b>FY 08 Dept. Request</b>	<b>FY 08 Exec. Budget</b>	<b>Variance Exec. vs Adopted 07</b>	<b>Variance Exec. vs FY 07 Proj.</b>
BH Department Revenue	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$0	\$0
BJ Inter-Dept. Revenue	1,000,000	1,025,000	1,186,900	1,186,900	186,900	161,900
FA Federal Aid	0	10,001	0	0	0	(10,001)
SA State Aid	3,671,642	3,671,642	3,800,000	3,800,000	128,358	128,358
<b>Total</b>	<b>\$6,171,642</b>	<b>\$6,206,643</b>	<b>\$6,486,900</b>	<b>\$6,486,900</b>	<b>\$315,258</b>	<b>\$280,257</b>

The FY 08 revenue budget is \$0.3 million more than the FY 07 budget and the FY 07 projection. The total increase is due to escalating interdepartmental revenue which, comprised of reimbursement from Social Services for the PINS diversion program and an increase in state aid. Since the department is proposing higher salary costs it expects to receive more reimbursements from Social Services.

State aid is budgeted to increase from both the 2007 budget and the 2007 projection actual by \$128,358 due to an increase in qualified FY 08 expenses. State aid reimburses 18% of expenses not entitled to any other aid or grants.

The agency generates department revenues primarily from charges to clients for supervision and other administration fees to defray the costs associated with their supervision. Departmental revenues is budgeted to remain flat from 2007.

**TRAFFIC & PARKING VIOLATIONS AGENCY**

The Traffic and Parking Violations Agency (TPVA) was established as a County agency in 1994 and began operating in April 1995. TPVA is authorized to collect parking and traffic ticket fines and pursue collections that are past due. Prior to TPVA's creation, the District Court was responsible for all parking and traffic ticket processing. In the summer of 2002, the Administration was successful in securing State legislation transferring directorship of the Agency to the County Executive from a Board of Judges. This includes the authority to hire and remove the director of the Agency.

Recent achievements of the agency include: addition of a fourth hearing room, billing every day instead of every six weeks, decreasing wait time to 2 ½ hours, handling 90% of collections vs. 10% in the past and assembling a “financial team” to improve the quality and quantity of information. According to the agency it now takes approximately two weeks to input tickets into the system.

In the upcoming year the agency plans on reevaluating its collections contract with LES and to utilize the capabilities of a new integrated computer system. The existing 10-year old computer system is unable to support new technologies and the added demands of the agency. TPVA is also in the process of replacing its computer system. The new system would enable TPVA to manage the increased requirements for traffic and parking collection and processing default judgments. The software should give the office the capability to: transfer scanned documents to and from the Police department, provide online bill payment, operate an interactive voice response telephone service. The agency receives many calls on the current telephone system. The agency is trying to develop a response system similar to that of ARC.

<b>Historical Revenue</b>						
	<b>FY 04</b>	<b>FY 05</b>	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>	<b>% Change</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Exec.</b>	<b>Proj./Exec.</b>
Fines & Forfeits	\$11,158,613	\$17,422,401	\$18,736,738	\$18,800,000	\$22,200,000	18.1%
Investment Income	0	0	0	\$356,362	\$0	-100.0%
Rents & Recoveries	720,431	141,904	1,153,675	0	0	*****
Cap Chargebacks	0	0	0	94,638	103,885	9.8%
<b>Total</b>	<b>\$11,879,044</b>	<b>\$17,564,305</b>	<b>\$19,890,413</b>	<b>\$19,251,000</b>	<b>\$22,303,885</b>	<b>15.9%</b>

TPVA has made significant strides in fines & forfeits revenue, increasing collections by 68.5% from FY 04 through FY 07. The agency is relying on both the Operational Re-engineering and Ticket Processing Surcharge initiatives to achieve an 18.1% or \$3.4 million increase over the current year’s projected fine & forfeits revenue. An amnesty program was implemented in 2005 which generated \$1.18 million of unbudgeted revenue.

<b>REVENUE BUDGET</b>							
<b>Revenue Class</b>		<b>Adopted FY 07 Budget</b>	<b>OLBR FY 07 Projection</b>	<b>FY 08 Dept. Request</b>	<b>FY 08 Exec. Budget</b>	<b>Variance Exec. vs Adopted 07</b>	<b>Variance Exec. vs FY 07 Proj.</b>
BD	Fines & Forfeitures	\$20,700,000	\$18,800,000	\$22,200,000	\$22,200,000	\$1,500,000	\$3,400,000
BE	Investment Income	\$0	\$356,362	\$0	\$0	0	(356,362)
BI	Cap Backcharges	52,895	94,638	103,885	103,885	50,990	9,247
<b>Grand Total</b>		<b>\$20,752,895</b>	<b>\$19,251,000</b>	<b>\$22,303,885</b>	<b>\$22,303,885</b>	<b>\$1,550,990</b>	<b>\$3,052,885</b>

The FY 08 Executive revenue budget is increasing by 7.5% or \$1.6 million. A large part of this growth is due to the anticipated approval of a ticket processing surcharge by the State legislature. This surcharge is expected to produce \$1.5 million in additional fine revenue. The agency has stated that action on this proposed surcharge increase will not take place until the new State Legislature session in January 2008. Due to the requirement for State approval this item is at risk. When comparing the FY 08 Executive Budget to the FY 07 projection an increase of 15.9% or \$3.1 million is needed to reach budget. The agency believes reaching the FY 07 target is still attainable due primarily to the prospective issuance of default judgments in the fourth quarter which according to the agency influences defendants to make payments on their liabilities. A default judgment of guilty occurs when defendants do not answer tickets within an allotted time. Other positive influences are the addition of four Parking Enforcement Agents to the Police Department and augmented suspension requests to Albany. The office has revised its strategy and has doubled the number of trials in October to 1,800 and tripled the number of suspensions to Albany. In the first six months of the current year 75,000 suspension requests were sent to Albany. Increasing the number of suspension letters against scofflaws will promote incremental revenue to the agency. The interest income of \$356,362 included in OLBR's FY 07 projection is due to interest which accumulated over 4 to 5 years. The interest was recorded as deferred revenue on the balance sheet, until a determination on which revenue account to book to was decided. Capital backcharges are projected at \$94,638 due to a position transfer from OMB. These charges are related to work done on the TPVA Computer System Replacement. Through better technology the agency hopes to create efficiencies and improve the management of tickets.

TPVA Tickets Issued YTD						
ISSUING AGENCIES	August 2006 YTD		August 2007 YTD		% Difference	
	PKG	TRAF	PKG	TRAF	PKG	TRAF
NY State Police	28	2,786	1	740	-96.4%	-73.4%
Town North Hempstead	14,337	0	13,908	0	-3.0%	*****
NY State Park Police	1,046	834	502	621	-52.0%	-25.5%
Manhasset Park Police	1,081	0	1,543	0	42.7%	*****
Nassau Health Care Co	1,195	0	1,515	532	26.8%	*****
Nassau County Police	46,097	59,272	35,669	48,078	-22.6%	-18.9%
MTA Police Dept	354	614	5,578	8,723	1475.7%	1320.7%
Hand-Held Tickets	26,669	0	18,036	103	-32.4%	*****
NYS TrAcs	0	18,051	2,708	16,772	*****	-7.1%
Highway Patrol TRACS & sector police	0	2,700	0	9,288	*****	244.0%
NCPD 8 Sector Pcts TraCS	0	5,690	0	0	*****	-100.0%
TOB (Public Safety)	0	0	42	989	*****	*****
Highway Patrol	53	26,810	338	18,940	537.7%	-29.4%
Port Washington Police	1,372	3,331	970	3,608	-29.3%	8.3%
Dept Recreation/Parks	0	0	192	507	*****	*****
Dept General Services	0	0	0	0	*****	*****
Nassau County Sheriff	37	41	0	41	-100.0%	0.0%
Nassau Comm College	1,265	0	1,038	0	-17.9%	*****
Town Hempstead PS	132	3	197	36	49.2%	1100.0%
SUNY Old Westbury	9	277	0	321	-100.0%	15.9%
Fire Marshall	826	0	249	0	-69.9%	*****
<b>Total</b>	<b>94,501</b>	<b>120,409</b>	<b>82,486</b>	<b>109,299</b>	<b>-12.7%</b>	<b>-9.2%</b>

The chart above shows parking and traffic collections for the current year in comparison to 2006. Parking and traffic tickets are down 12.7% and 9.2% respectively. Through August, the Nassau County Police Department, which issues the largest number of tickets, has cited 22.6% fewer parking and 18.9% fewer traffic violations, then in the same period in 2006. However, preliminary data from September suggest a slight turnaround from the trends set year to date. Total ticket collections for September 2007 are up 14% in comparison to last September.

Parking Fine Distribution						
	January 1, 2003 to April 30, 2003		May 1, 2003 to June 30, 2006		after July 1, 2006	
	County	Participant	County	Participant	County	Participant
w/ Agency	14%	86%	17.5%	82.5%	25%	75%
w/o Agency	35%	65%	35%	65%	35%	65%

The chart above displays the terms of the renegotiated Inter-Municipal Agreement (IMA) for the following jurisdictions: the Town of Hempstead, North Hempstead, Oyster Bay, Village of Port Washington, Village of Hewlett Harbor and Nassau Health Care Corporation. Changes in the agreement reflect augmented responsibilities and technological improvements on the part of TPVA. According to the agency additional revenue in the amount of \$250,000 will be generated as a result of these IMA's in the current year. The agency plans on reviewing other IMA's going forward. A goal of the agency is to create fee schedule uniformity amongst the towns and County. For example a parking ticket costs \$15



in Oyster Bay and \$55 in Hempstead while the County charges \$80. Elevating the charges by the towns could lead to an incremental increase in fine revenue.

<b>Historical Expenditures</b>						
	<b>FY 04 Actual</b>	<b>FY 05 Actual</b>	<b>FY 06 Actual</b>	<b>FY 07 Projected</b>	<b>FY 08 Exec.</b>	<b>% Change Proj./Exec.</b>
Full-time Headcount	32	37	35	39	41	5.1%
Salaries	\$1,869,549	\$2,316,220	\$2,397,565	\$2,503,856	\$3,102,005	23.9%
Misc OTPS	116,191	153,950	198,605	271,243	301,359	11.1%
Contractual Services	702,968	950,624	826,292	851,905	858,000	0.7%
<b>Total</b>	<b>\$2,688,707</b>	<b>\$3,420,794</b>	<b>\$3,422,461</b>	<b>\$3,627,004</b>	<b>\$4,261,364</b>	<b>17.5%</b>

The agency’s salary line in FY 04 of \$1.9 million increased to \$2.4 million in FY 06 and is projected to have a \$598,149 increase in FY 08 to \$3.1 million. The increases are chiefly attributed to a growing staff and rising salary costs. During its early years TPVA was understaffed. The Comptroller’s Office conducted two audits, in 1997 and 2002, and at the request of the Legislative Minority, the Office of Legislative Budget Review (OLBR) issued a report in 2000 on the status of TPVA. Both offices made recommendations regarding staffing and technology that the previous Administration failed to implement. Over the years, staffing levels improved somewhat, but never to its full complement to ensure TPVA’s success, until the past couple of years when those levels climbed gradually. In addition to staffing improvements, equipment was updated, efficiencies of operations were implemented, including improvements in technology, telephone systems, infrastructure and customer service, physical space was maximized and payment methods were broadened. For example, TPVA has recently altered its hours of operation to Monday through Friday with extended hours on these days except Friday. The office recently removed Saturday hours citing minimal attendance, the office is now open on Mondays to compensate.

<b>EXPENSE BUDGET BY OBJECT CLASS</b>							
<b>Obj</b>	<b>Name</b>	<b>Adopted FY 07 Budget</b>	<b>OLBR FY 07 Projection</b>	<b>FY 08 Dept. Request</b>	<b>FY 08 Executive</b>	<b>Variance Executive vs Adopted 07</b>	<b>Variance Executive vs FY 07 Proj.</b>
AA	Salaries	\$2,829,914	\$2,503,856	\$3,102,005	\$3,102,005	\$272,091	\$598,149
BB	Equipment	23,800	29,800	7,817	7,817	(15,983)	(21,983)
DD	General Expenses	275,545	241,443	293,542	293,542	17,997	52,099
DE	Contractual Services	851,905	851,905	858,000	858,000	6,095	6,095
	<b>Total OTPS</b>	<b>1,151,250</b>	<b>1,123,148</b>	<b>1,159,359</b>	<b>1,159,359</b>	<b>8,109</b>	<b>36,211</b>
	<b>Grand Total</b>	<b>\$3,981,164</b>	<b>\$3,627,004</b>	<b>\$4,261,364</b>	<b>\$4,261,364</b>	<b>\$280,200</b>	<b>\$634,360</b>

The FY 08 expense budget is increasing by \$280,200, largely due to rising salary costs. Approximately \$50,412 is included in the salary line in anticipation of COLA increase for CSEA members. The remainder of the increase is due to additional staff. OTPS is increasing by \$8,109. The agency has contracts for Administrative Law Judges, stenographers and its collection agency Law Enforcement Systems (LES).

<b>Traffic and Parking Violations Agency Staffing Analysis</b>						
	<b><u>FY 07 Adopted</u></b>	<b><u>Sept-07 Actual</u></b>	<b><u>FY 08 Request</u></b>	<b><u>FY 08 Executive</u></b>	<b><u>Exec. vs 07 Adopt</u></b>	<b><u>Exec. vs Actual</u></b>
Full-time Staffing	50	39	41	41	(9)	2
Part-time and Seasonal	21	33	35	35	14	2

Total full-time headcount is decreasing by nine positions in part due to a reclassification by the Civil Service Commission of ten full-time Traffic Prosecutors positions to part-time status. According to the agency these positions were always part-time yet were coded as full-time. This re-categorization has offset the addition of a Cashier, Clerk I and the removal of a Management Analyst III. The duties of the Management Analyst III have been absorbed by the Deputy Director, Financial Systems Administrator and Office Services Supervisor.