



NASSAU COUNTY LEGISLATURE

Office of Legislative Budget Review

**Review of the
Fiscal Year 2014 Budget
&
Multi-Year Plan**

Departmental Analysis

Nassau County Legislature

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Maurice Chalmers

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Jessica A. Lamendola

Assistant Director

Tyler Barbieri

Budget Analyst

Dawn Wood-Jones

Budget Analyst

Helen Carlson

Deputy Director

Linda Guerreiro

Legislative Report Specialist

Connie Tucker

Budget Analyst

Simone Petersen

Secretary to Director

MAURICE CHALMERS
DIRECTOR
OFFICE OF LEGISLATIVE
BUDGET REVIEW



NASSAU COUNTY LEGISLATURE

1550 FRANKLIN AVENUE
MINEOLA, NEW YORK 11501-4895
TEL: (516) 571-6292

Inter-Departmental Memo

To: Hon. Norma Gonsalves, Presiding Officer
Hon. Kevan Abrahams, Minority Leader
All Members of the Nassau County Legislature

From: Maurice Chalmers, Director
Office of Legislative Budget Review

A handwritten signature in blue ink, appearing to be "MC", is written over the name "Maurice Chalmers" in the "From:" field.

Date: October 24, 2013

Re: Departmental Analysis

Pursuant to §183 of Nassau County Charter, the Office of Legislative Budget Review has prepared an analysis of the County Executive's proposed operating budget for Fiscal Year 2014 and Multi-Year Plan. Our report is made up of two parts: the enclosed Departmental Analysis, and an Executive Summary, which has previously been distributed. For those departments that testified at the budget hearings, the review contained in the Departmental Analysis may have been revised from what appeared in our hearing documents. I would like to thank the County Executive's financial team for their cooperation during this process. As always, my staff and I remain ready to provide whatever assistance the Legislature may require during the budget process. This document will be made available to your constituents at http://www.nassaucountyny.gov/agencies/OLBR/budget_docs.html

Table of Contents	i
Assessment.....	1
Assessment Review Commission.....	3
Civil Service.....	5
Constituent Affairs.....	7
Consumer Affairs.....	10
Coordinating Agency for Spanish Americans (CASA).....	13
Correctional Center	15
County Attorney.....	21
County Clerk.....	24
County Comptroller	27
County Executive.....	29
Courts.....	30
Debt Service.....	32
District Attorney	38
Elections	41
Emergency Management	44
Fire Commission.....	46
Health	50
Housing and Inter-Governmental Affairs	61
Human Resources	63
Human Rights	64
Human Services	65

Information Technology	74
Investigations	77
Labor Relations	78
Legislature.....	79
Management and Budget	81
Medical Examiner	89
Minority Affairs	92
Nassau Community College	93
Nassau County Public Utility Authority (NCPUA).....	108
Parks, Recreation and Museums	109
Police Department.....	116
Probation	135
Public Administrator.....	140
Public Works Department (General Fund)	141
Records Management.....	151
Sewer and Storm Water Resource District	152
Shared Services.....	161
Social Services	162
Traffic and Parking Violations Agency	177
Treasurer	181
Veteran Services	184

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	169	160	160	156	158	(2)	-1.3%	2	1.3%
Salaries	\$11,281,738	\$9,400,495	\$9,419,132	\$9,109,691	\$9,414,467	(\$4,665)	0.0%	\$304,776	3.3%
Equipment	0	0	5,000	5,000	5,000	0	0.0%	0	0.0%
General Expenses	423,382	280,741	303,900	303,900	303,900	0	0.0%	0	0.0%
Contractual Services	25,000	0	39,000	39,000	3,539,000	3,500,000	8974.4%	3,500,000	8974.4%
Total	\$11,730,120	\$9,681,237	\$9,767,032	\$9,457,591	\$13,262,367	\$3,495,335	35.8%	\$3,804,776	40.2%

Expenses

- The proposed expense budget is increasing by 35.8%, or \$3.5 million, compared to the FY 13 Adopted Budget.
 - The budget growth is due to a \$3.5 million increase in contractual services. The new funding is related to the department’s work in conjunction with the County Attorney’s office to engage outside real estate appraisals and/or experts for the purpose of defending commercial tax challenges that will proceed to court. The County’s intention is to begin a commercial settlement program that settles commercial tax appeals prior to the finalization of the tax roll.
- Compared to the FY 13 Adopted Budget, the department is budgeted to decrease by two full time employees. The FY 14 budget eliminates one Clerk and Commercial Appraiser titles and two Real Estate Property Assessment Aides. This is offset by the addition of two Tax Mapper I titles.
- Salaries remain relatively flat at \$9.4 million in FY 14, budget to budget.
 - The net salary impact from the change in headcount was a savings of \$114,895. In addition, terminal leave pay decreased by \$56,120 to \$121,537. However, these savings were offset by the inclusion of \$170,647 one-time retroactive pay related to the 2009 CSEA Stipulation of Agreement. The agreement deferred contractual wage increases owed between April 1, 2010 to November 1, 2010 to being paid during the first FY 14 pay period.
- The proposed equipment budget is unchanged from the adopted FY 13 level.
- The general expenses line is also unchanged from the adopted 2013 level. The largest components in this category are for postage delivery (\$225,000), information technology supplies (\$45,000), and office supplies (\$23,900).

Multi-Year Plan Expense

- In the out years of the plan, salary expenses are projected to decrease to \$9.2 million in FY 15 and remain essentially flat through 2017. OTPS expense is forecast to rise 2.9% annually from 2014 through 2017.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Dept Revenues	\$115,414	\$54,910	\$3,115,000	\$0	\$1,615,000	(\$1,500,000)	-48.2%	\$1,615,000	*****

Revenues

- The proposed FY 14 revenue budget is decreasing 48.2% from the FY 13 Adopted Budget.
- The decrease is due to the delayed implementation of the GIS Tax Map Verification fee passed in 2012. The revenue from this fee is included on the departmental revenues line.
 - The FY 14 budget anticipates collecting \$1.5 million from this fee.
 - This is a new fee; hence no history was available to gauge the reasonableness of the budget. These revenues have been included in OLBR’s risk assessment.
 - A fee of \$50 will be collected by the Assessor for the verification of the section, block and lot information contained in any instrument presented for recording.
 - The fee is being implemented to capture the cost for services. A similar fee is in place in Suffolk County.
- Also included on the departmental revenue line are fees collected for such services as the sale of tax maps, property record cards, and various reports. In addition, penalties collected for non-compliance in submitting the Annual Survey of Income and Expense form (ASIE) are also budgeted on the department revenue line. The total budget for these fees is \$115,000.

Multi-Year Plan Revenue

- Departmental revenues are expected to decrease 48.2% in 2014 when compared to the FY 13 Adopted Budget but are projected to remain constant through 2017.
 - The new verification fee is budgeted to yield to \$1.5 million annually in the out-years of the plan.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	31	29	29	28	29	0	0.0%	1	3.6%
Part-Time and Seasonal	3	0	1	1	2	1	100.0%	1	100.0%
Salaries	\$2,686,281	\$2,120,836	\$2,133,171	\$2,098,887	\$2,137,456	\$4,285	0.2%	\$38,569	1.8%
General Expenses	52,552	29,328	33,033	33,033	33,033	0	0.0%	0	0.0%
Contractual Services	24,500	12,249	12,250	12,250	44,500	32,250	263.3%	32,250	263.3%
Total	\$2,763,333	\$2,162,412	\$2,178,454	\$2,144,170	\$2,214,989	\$36,535	1.7%	\$70,819	3.3%

Expenses

- The FY 14 Assessment Review Commission (ARC) expense budget is increasing 1.7% from the adopted FY 2013 level largely driven by an increase in contractual services.
- The increase in salary funding, budget to budget, is a result of an additional part-time employee and retroactive pay costs (\$35,066) offset by a reduction in terminal leave cost. Terminal leave is budgeted to be \$69,150 in FY 14 down from \$107,504 in the FY 13 Adopted Budget.
 - The one-time retroactive pay reflects the 2009 CSEA Stipulation of Agreement. The agreement deferred contractual wage increases owed between April 1, 2010 to November 1, 2010 to be paid during the first FY 14 pay period.
- The FY 14 Proposed Budget includes funding for 29 full-time and 2 part-time employees; an additional part-time position when compared to the Adopted FY 2013 Budget. However, headcount increases by one full-time and one part-time position when compared to the September on-board staffing level.
- The FY 13 projected salary line is expected to yield a \$38,569 savings when compared to the FY 13 Adopted Budget due to one full-time position vacancy as of September.
- The contractual services line increases by \$32,250 (263.3%) when compared to the FY 13 Adopted Budget. It includes an increase for a renewal of a temporary worker contract, as well as costs to cover systems & programming.
- The general expenses line remains flat for FY 14 and includes funding for office supplies & copy paper, postage, information technology supplies and miscellaneous supplies.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$0	\$22,414	\$0	\$0	\$0	\$0	*****	\$0	*****

Multi-Year Plan (MYP)

- The 2014-2017 Multi-Year Financial Plan declines slightly in FY 15 reflecting the one-time retroactive pay expense in FY 2014. Following FY 15, minimal increases in the department’s budget were included. No revenues are included in the out-years of the plan.

Tax Refund Liability

- The Assessment Review Commission is a quasi-judicial arm of the County which reviews assessment claims in order to provide residents with timely and appropriate relief from excessive valuations. Reducing over-assessments on the tentative roll before the actual tax bills are sent out results in a decrease to the County’s tax refund liability.
- The majority of these payments have been made with capital funds rather than operating funds. Fiscal 2013 is expected to use approximately \$20.0 million of operating funds and \$75.0 million of bond proceeds to fund tax refunds.
 - The FY 14 budget includes \$10.0 million from operating expenses. The out-years of the plan incorporate \$30.0 million annually to cover property tax refund payments.
- The proposed MYP includes \$230.0 million of bond proceeds, to be issued in FY 14, to fund this liability. The debt is planned to be issued in two separate sales, estimated to occur in April and October, each for \$115.0 million.
- According to the Comptroller’s 2012 Comprehensive Annual Financial Report (CAFR), as of December 31, 2012 the backlog for property tax refund payments was estimated to be \$335.2 million. (The FY 12 backlog includes \$297.2 million of long-term liability and \$38.0 million of accrued short-term liability that was expensed in FY 11)
- FY 13 is projected to end with a backlog similar to FY 12 as the \$75.0 million of bond proceeds issued in the current year and \$20.0 million of operating funds applied to tax certiorari claims may be offset by an expected \$80.0 million of additional claims from FY 13.
- The backlog liability grows the longer it remains since interest accumulates. The annual interest rate charged on unpaid commercial tax certiorari judgments and petitions was stipulated at 3% (2010 to 2012) and is now 2% (2013 to present). The interest charged on unpaid residential or Small Claims Assessment Review claims is 1% a month or 12% a year.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	56	54	53	52	51	(2)	-3.8%	(1)	-1.9%
Part-Time and Seasonal	37	38	44	37	45	1	2.3%	8	21.6%
Salaries	\$4,360,544	\$4,192,560	\$4,480,429	\$3,999,471	\$4,568,725	\$88,296	2.0%	\$569,254	14.2%
General Expenses	175,122	196,363	352,400	352,400	287,400	(65,000)	-18.4%	(65,000)	-18.4%
Contractual Services	11,000	72,155	11,000	11,000	0	(11,000)	-100.0%	(11,000)	-100.0%
Interfund Charges	0	0	10,000	10,000	10,000	0	0.0%	0	0.0%
Total	\$4,546,666	\$4,461,078	\$4,853,829	\$4,372,871	\$4,866,125	\$12,296	0.3%	\$493,254	11.3%

Expenses

- The FY 14 proposed expense budget is increasing by a minimal \$12,296 or 0.3% compared to the FY 13 adopted budget. This is a result of an increase in salaries offset by decreases in general expenses and contractual services. The increase in salaries of \$88,296 is mainly due to the reduction in a chargeback credit related to personnel working on capital projects and a retroactive payment due in FY 14.
- General expenses are decreasing by \$65,000 or 18.4% from the 2013 budget. The decrease is primarily a result of a police officer exam not being given in 2014.
- Contractual expenses are decreasing \$11,000 in the proposed FY 14 budget, as Civil Service has discontinued the Forensic Audiologist contract. The department has converted the position to a part-time. This position is used to determine the qualification of law enforcement candidates that have failed the hearing component of their medical exam.
- FY 14 inter-fund charges remained flat compared to the FY 13 adopted budget and the 2013 projection. These charges are associated with the Medical Center for charges associated with law enforcement medical tests.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$11,141	\$26,942	\$138,000	\$29,949	\$138,000	\$0	0.0%	\$108,051	360.8%
Dept Revenues	230,326	1,806,651	602,000	602,000	325,000	(277,000)	-46.0%	(277,000)	-46.0%
Total	\$241,466	\$1,833,593	\$740,000	\$631,949	\$463,000	(\$277,000)	-37.4%	(\$168,949)	-26.7%

Revenues

- The FY 14 proposed revenue budget for Civil Service is decreasing 37.4% compared to the adopted 2013. The decrease is a function of there not being a police exam scheduled in 2014. The Proposed Budget includes \$325,000 in the department revenues line. Most department revenues are driven by police exams. The departmental revenues line also accounts for revenues derived from rules book sales, exam fees, medical tests, and various other fees for potential employees.
- The FY 14 proposed budget remains flat compared to the Adopted 2013 budget in rents and recoveries. These revenues were the result of an agreement with the Medical Center to reimburse the salaries of three employees within Civil Service.

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	43	39	39	38	38	(1)	-2.6%	0	0.0%
Part-Time and Seasonal	3	4	3	3	4	1	33.3%	1	33.3%
Salaries	\$2,525,854	\$2,422,684	\$2,289,604	\$2,290,905	\$2,311,072	\$21,468	0.9%	\$20,167	0.9%
Equipment	0	0	1,000	1,000	1,000	0	0.0%	0	0.0%
General Expenses	2,019,872	1,349,755	1,397,100	1,397,100	1,602,100	205,000	14.7%	205,000	14.7%
Contractual Services	0	0	0	0	0	0	*****	0	*****
Total	\$4,545,726	\$3,772,439	\$3,687,704	\$3,689,005	\$3,914,172	\$226,468	6.1%	\$225,167	6.1%

Expenses

- Constituent Affairs total expenditures are increasing by 6.1%, or \$226,468, when comparing budget to budget. The comparison of the proposed to OLBR’s projection is approximately the same.
- The small increase is the salary line reflects contractually negotiated retroactive pay for CSEA members.
- The FY 14 budget funds 38 full-timers down one from the adopted budget.
- General expenses is increasing by 14.7%, or \$205,000, due to rising copying, blueprint supplies and expenses.

Expenses, Cont.

Staffing Analysis						
	FY 13 <u>Adopted</u>	Sept 13 <u>Actual</u>	FY 14 <u>Request</u>	FY 14 <u>Executive</u>	Exec. vs 13 Adopt	Exec. vs <u>Actual</u>
CC Full-time Staffing						
Office of Constiuent Affairs	12	12	12	12	0	0
Printing & Graphics	27	26	26	26	(1)	0
Total Full-time	<u>39</u>	<u>38</u>	<u>38</u>	<u>38</u>	<u>(1)</u>	<u>0</u>
CC Part-time and Seasonal						
Office of Constiuent Affairs	3	2	3	3	0	1
Printing & Graphics	0	1	1	1	1	0
Total Part-time and Seasonal	<u>3</u>	<u>3</u>	<u>4</u>	<u>4</u>	<u>1</u>	<u>1</u>

➤ The above staffing chart shows the breakout by control center of the Office of Constituent Affairs.

Expenses by Control Center (S's in millions)						
Control Center	Historical		2013	2014	Exec. vs. Adopted	
	2011	2012	Adopted Budget	Executive Budget	Var.	%
Office Of Constituent Affairs	0.8	0.8	0.7	0.8	\$0.0	3.3%
Printing And Graphics	3.8	3.0	3.0	3.2	\$0.0	6.8%
Total	\$4.5	\$3.8	\$3.7	\$3.9	0.2	6.1%

➤ The chart above illustrates the break out of expenses by control center within the Constituent Affairs department.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Interdept Revenues	\$357,729	\$341,530	\$1,302,672	\$1,302,672	\$1,273,937	(\$28,735)	-2.2%	(\$28,735)	-2.2%
Interfund Charges Rev	0	0	45,691	45,691	0	(45,691)	-100.0%	(45,691)	-100.0%
Total	\$357,729	\$341,530	\$1,348,363	\$1,348,363	\$1,273,937	(\$74,426)	-5.5%	(\$74,426)	-5.5%

Revenue

- Constituent Affairs revenue will be slightly lower than that of FY 13. In Constituent Affairs, printing and mailing services are charged to other departments and the revenue derived from these functions is allocated as inter-departmental revenues.

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

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	\$3,576,325	\$3,280,564	\$3,631,250	\$4,100,000	\$3,565,000	(\$66,250)	-1.8%	(\$535,000)	-13.0%
Fines & Forfeits	542,578	481,437	842,000	550,000	600,000	(242,000)	-28.7%	50,000	9.1%
Rents & Recoveries	443	0	0	0	0	0	*****	0	*****
Dept Revenues	41	155	200	245	200	0	0.0%	(45)	-18.4%
State Aid-Reimb Of Exp	43,381	52,279	45,000	40,000	45,000	0	0.0%	5,000	12.5%
Total	\$4,162,767	\$3,814,436	\$4,518,450	\$4,690,245	\$4,210,200	(\$308,250)	-6.8%	(\$480,045)	-10.2%

Revenues

- The Executive 2014 revenue budget for OCA has decreased by 6.8%, or \$308,250, when compared to the FY 13 Adopted Budget. The variance is the result of the cyclical renewal process which yields approximately 1,500 fewer licenses in even numbered years.
- Fines and forfeits are budgeted at \$600,000 in FY 14, a reduction of \$242,000 from the FY 13 budget. Fine and forfeiture revenue in the proposed budget is 9.1% above OLBR’s latest projection.
 - As of September 30, 2013, OCA has collected \$536,375 in fines and forfeits. OCA’s FY 14 staffing level is consistent with its FY 13 staffing level, so the \$600,000 budget is achievable in FY 14.
 - The Office issues fines to businesses that violate County and State laws and regulations. For example, the County would issue a fine to a home improvement business operating without a Nassau County license.
- Proposed FY 14 state aid revenue is consistent with the Adopted FY 13 Budget. The State reimburses the County for expenses the Division of Weights & Measures incurs from the gasoline sampling program. The County’s reimbursement is capped by the State.
- The proposed permits and licenses budget is 1.8%, or \$66,250, lower than the Adopted FY 13 Budget and about 13%, or \$535,000, below OLBR’s projection.
 - The Office of Consumer Affairs generates most of its annual permits and licenses revenue by issuing licenses to home improvement contractors, registering operators of non-bank automated teller machines (ATMs), and registering taxi and limousine vehicles and licensing drivers.

Revenues, cont.

- The Weights & Measures division ensures the accuracy and integrity of weighing and measuring devices used in commercial enterprise. Weights & Measures generates revenue by conducting inspections and collecting fees, including the item pricing wavier fee.

Permits & Licenses	2010 Actual	2011 Actual	2012 Actual	2013 Adopted	2014 Proposed
Home Improvement License Fees	\$1,689,322	\$2,225,000	\$1,885,049	\$2,100,000	\$2,200,000
Weights and Measures Fees	887,566	978,060	1,054,450	1,065,000	1,015,000
Taxi and Limo Registration Fee	279,960	320,205	283,865	366,250	250,000
ATM Registration Fee	54,350	53,060	57,200	100,000	100,000
Total	\$2,911,198	\$3,576,325	\$3,280,564	\$3,631,250	\$3,565,000

- Home improvement licenses are renewed on a bi-annual basis. As a result, this fee’s annual collection totals alternate between low yield and high yield years. Historically, the difference between high yield and low yield years is about \$250,000 to \$600,000.
- The Adopted FY 13 Budget represented a high yield year. Typically, FY 14 should be a low yield year, but the FY 14 Proposed Budget is \$100,000 greater than the budget adopted for FY 13.
 - At the end of 2012, the most recent low yield year, the Legislature approved increases to the home improvement license fee schedule. The Proposed FY 14 Budget is the first low yield year featuring the altered fee schedule. The new fee schedule will offset some of the fluctuation normally expected for FY 14.
- In FY 14, taxi and limousine registration revenue is expected to be \$116,250 lower than it was in the Adopted FY 2013 Budget. The variance is related to the renewal schedule of drivers and vehicle licenses. The Taxi and Limousine Commission issue licenses and renewals to drivers on a bi-annual basis, while registration and renewals for the vehicles are subject to annual renewal.
- OCA anticipates \$100,000 in ATM registration fee revenue in FY 14. The FY 14 budget is not only consistent with OLBR’s projection but also with the Adopted FY 2013 Budget.
- The FY 14 budget proposed for fees associated with the Weights & Measures Division decreases by \$50,000 from the Adopted FY 13 Budget. These fees are dependent on the number of inspections conducted by division staff.
- The Legislature established several new permit and licensing fees late in 2012. The OCA is developing the administrative processes to implement these fees. If the administrative process is completed in time, fees for licensing homes service businesses, junk dealers, storage warehouse, electronic repair shops, dry cleaners, laundromats, and second-hand precious metal and gem dealers, among others, could be an opportunity to the 2014 budget.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	32	27	27	26	27	0	0.0%	1	3.8%
Part-Time and Seasonal	1	1	1	0	1	0	0.0%	1	*****
Salaries	\$1,965,494	\$1,635,229	\$1,710,691	\$1,620,448	\$1,687,265	(\$23,426)	-1.4%	\$66,817	4.1%
Equipment	1,287	0	2,400	2,400	2,400	0	0.0%	0	0.0%
General Expenses	5,738	8,709	15,400	15,400	15,400	0	0.0%	0	0.0%
Total	\$1,972,520	\$1,643,938	\$1,728,491	\$1,638,248	\$1,705,065	(\$23,426)	-1.4%	\$66,817	4.1%

Expenses

- The proposed FY 14 expense budget decreases 1.4%, or \$23,246, from the budget adopted for FY 13. Compared to OLBR’s current projection, the FY 14 proposal is greater by 4.1%, or \$66,817.
 - One part-time Clerk I left the department in the 2nd Quarter of FY 13. The lion’s share of the \$23,426 variance between the FY 14 proposal and the FY 13 Adopted Budget stems from this vacancy.
- The \$66,817 variance between the FY 14 proposal and OLBR’s current projection is a result of the following salary and staffing changes:
 - The FY 14 Proposed Budget backfills one vacant Consumer Affairs Investigator I position and one part-time Clerk I position.
 - The FY 14 proposal includes \$28,314 in retroactive pay resulting from the 2009 CSEA Stipulation of Agreement that deferred contractual wage increases

from April 1, 2010 through November 1, 2010 to be paid in the first pay period of 2014.

- The proposed FY 14 equipment and general expense budgets are unchanged from the Adopted FY 13 Budget. OCA uses its general expense budget to cover the cost of training, traveling, and education supplies and expenses.
- The department planned to add clerical and investigative staff in FY 14, but these positions were not included in the FY 14 proposal. The addition of clerical and investigative staff in FY 14 could have presented this revenue generating department with an opportunity to conduct more investigations.

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	5	5	4	4	4	0	0.0%	0	0.0%
Salaries	\$261,704	\$300,941	\$230,021	\$261,056	\$226,800	(\$3,221)	-1.4%	(\$34,256)	-13.1%
General Expenses	5,362	2,721	1,000	1,000	3,442	2,442	244.2%	2,442	244.2%
Contractual Services	400	4,450	12,500	12,500	12,500	0	0.0%	0	0.0%
Total	\$267,466	\$308,112	\$243,521	\$274,556	\$242,742	(\$779)	-0.3%	(\$31,814)	-11.6%

Expenses

- The Executive 2014 proposed expense budget is decreasing by a minimal \$779 or 0.3% from the FY 13 Adopted Budget and decreasing by \$31,814 or 11.6% from the FY 13 OLBR projections. The decrease is due to reductions in salaries.
- Salaries are decreasing by 1.4% due to the elimination of terminal leave in the FY 14 Proposed Budget.
 - In FY 13 OLBR is projecting a deficit in salaries. Since headcount remains unchanged, the FY 14 budget may be underfunded.
- General expenses are increasing by \$2,442 or 244.2% in comparison to the Adopted 2013 Budget, due to the need for office supplies which includes copy paper, workshops, health and wellness supplies.
- The contractual expense budget is remaining flat at \$12,500; these monies are used for community outreach.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Dept Revenues	\$18,670	\$13,570	\$15,000	\$15,000	\$15,000	\$0	0.0%	\$0	0.0%

Revenues

- Department revenue for FY 14 is remaining flat in comparison to the FY 13 Adopted Budget and the current projections. The department revenue is made up of school registration fees for English as a Second Languages classes and other services fees, such as immigration petitions.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	1,200	1,152	1,152	1,093	1,134	(18)	-1.6%	41	3.8%
Part-Time and Seasonal	10	10	6	9	6	0	0.0%	(3)	-33.3%
Salaries	\$125,432,016	\$119,210,437	\$117,422,317	\$114,873,254	\$117,264,859	(\$157,458)	-0.1%	\$2,391,605	2.1%
Workers Compensation	4,672,597	4,917,842	5,151,101	5,151,101	5,907,268	756,167	14.7%	756,167	14.7%
Equipment	5,670	23,486	65,000	65,000	124,000	59,000	90.8%	59,000	90.8%
General Expenses	3,236,304	3,050,888	3,000,000	3,000,000	3,257,630	257,630	8.6%	257,630	8.6%
Contractual Services	25,724,663	19,332,525	18,979,900	18,979,900	16,280,989	(2,698,911)	-14.2%	(2,698,911)	-14.2%
Utility Costs	433,544	423,958	638,800	638,800	3,373,883	2,735,083	428.2%	2,735,083	428.2%
Inter-Dept. Charges	27,545	4,973	0	0	0	0	*****	0	*****
Total	\$159,532,340	\$146,964,109	\$145,257,118	\$142,708,055	\$146,208,629	\$951,511	0.7%	\$3,500,574	2.5%

Expenses

- The proposed 2014 expense budget for the Correctional Center is rising by \$951,511 or 0.7% from the prior year's budget and by \$3.5 million or 2.5% compared to OLBR's projection.
- Salaries for FY 14 are declining slightly by \$157,458 budget to budget but increasing by \$2.4 million or 2.1% in comparison to OLBR's 2013 projections. The budgeted change is attributable to vacancies savings offset by the inclusion of retroactive pay.
 - The proposed budget includes \$1.7 million in retroactive pay resulting from the 2009 CSEA Stipulation of Agreement that deferred contractual wage increases from April 1, 2010 through November 2010 to be paid on the first pay period of 2014.
 - The FY 14 budget includes \$828,646 for terminal leave which is a reduction of \$923,982 compared to the \$1.8 million that was built into the 2013 budget.
 - The overtime budget for 2014 remains flat at \$16.2 million, which is consistent with OLBR's 2013 projection.
- The budget allocates \$5.9 million for workers compensation, an increase of \$756,167, or 14.7% for FY 14. This growth can be attributed to increased indemnity rates and larger issuances of partial loss disability awards.
- The equipment expense allocates \$124,000 for the proposed FY 14 budget, an increase of \$59,000. The growth primarily stems from additional funding of \$35,000 for building equipment needed for the operations of its electrical and plumbing systems throughout the facility. The balance of the increase is for newly added costs for lawn, educational/training, medical/dental and safety/security equipment.

Expenses, Cont.

- The general expenses for the FY 14 are rising to \$3.3 million, which is \$257,630 or 8.6% higher than the 2013 Adopted Budget. The causation of this surge includes spikes of \$134,400 for food supplies with the anticipation of rising food costs, \$51,000 for clothing and uniform supplies, \$30,200 for miscellaneous supplies expenses and \$20,400 for building supplies and maintenance.
- The Correctional Center has allocated \$16.3 million in total contractual services for FY 14, a decrease of \$2.7 million in comparison to the 2013 Adopted Budget of \$18.9 million. The drop represents a shift from the contractual line to the utility line.
 - The contract for inmate healthcare is budgeted at \$15.3 million for FY 14. The Armor contract, renewed on June 1, 2013 owns the greater portion of this expense which is \$11.7 million and the balance of roughly \$3.6 million is assigned to Nassau University Medical Center (NUMC) for utility expenses.
- The utility budget for FY 14 has a growth of \$2.7 million due to the department shifting the expenses from the previously mentioned contractual services pertaining to NUMC.

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2013	2014	Exec. vs. Adopted	
	2011	2012	Adopted Budget	Exec. Budget	Var.	%
Correctional Center	\$153.2	\$140.7	\$139.3	\$140.4	\$1.0	0.7%
Office Of The Sheriff	6.4	6.3	5.9	5.9	-0.1	-1.0%
Total	159.5	147.0	145.3	146.2	1.0	0.7%

- The FY 14 budget for the Correctional Center control center is \$140.4 million, which is a growth of \$1.0 million, or 0.7%, while the Sheriff's Office remains consistent with the Adopted 2013 Budget at roughly \$5.9 million.

Expenses, Cont.

<u>Staffing Analysis</u>						
	<u>FY 13 Adopted</u>	<u>Sept-13 Actual</u>	<u>FY 14 Request</u>	<u>FY 14 Executive</u>	<u>Exec. vs Adopted 13</u>	<u>Exec. vs Actual 13</u>
CC Full-time Staffing						
10 Correctional Center						
Uniform	987	931	991	966	(21)	35
Civilian	108	107	122	112	4	5
Sub-total Full-Time	1,095	1,038	1,113	1,078	(17)	40
20 Sheriff						
Uniform	40	39	50	39	(1)	0
Civilian	17	16	18	17	0	1
Sub-total Full-time	57	55	68	56	(1)	1
Total Full-time	1,152	1,093	1,181	1,134	(18)	41
CC Part-time and Seasonal						
10 Correctional Center	4	7	4	4	0	(3)
20 Sheriff	2	2	2	2	0	0
Total Part-time and Seasonal	6	9	6	6	0	(3)

- Full-time staffing in the Correctional Center is budgeted to increase from the September 2013 actual by 41 positions and decrease by 18 positions budget to budget. Based on the data depicted in the schedule above it should be noted that the department's budget submission request of 991 included headcount restoration for uniform officers above the 2013 Adopted Budget level of 987.
- A class of 17 was fully deployed in July 2013; however the headcount levels remain very low for uniformed officers. The department stated that they are actively seeking qualified candidates to hire, though a date for another class in 2013 has yet to be determined.
 - It is the Correctional Center's goal to have a new class by the beginning of FY 14, yet due to normal attrition of 25-30 officers, the department may not achieve the 2014 proposed headcount of 966 uniformed officers which could have an impact on overtime if the headcount levels are not maintained.

- The part-time and seasonal headcount are constant at six positions budget to budget, but are decreasing by three positions compared to the September 2013 actual.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$13,135	\$8,830	\$13,000	\$13,000	\$13,000	\$0	0.0%	\$0	0.0%
Rents & Recoveries	1,057,968	62,183	819,000	8,461	0	(819,000)	-100.0%	(8,461)	-100.0%
Rev Offset To Expense	395,965	375,000	0	300,000	300,000	300,000	****	0	0.0%
Dept Revenues	6,768,274	6,677,267	8,250,000	2,750,000	3,170,000	(5,080,000)	-61.6%	420,000	15.3%
Interdept Revenues	119,832	82,441	250,000	250,000	150,000	(100,000)	-40.0%	(100,000)	-40.0%
Fed Aid-Reimb Of Exp	11,952,039	14,587,486	11,638,500	9,530,625	10,711,625	(926,875)	-8.0%	1,181,000	12.4%
State Aid-Reimb Of Exp	374,903	116,392	262,000	262,000	250,000	(12,000)	-4.6%	(12,000)	-4.6%
Total	\$20,682,116	\$21,909,599	\$21,232,500	\$13,114,086	\$14,594,625	(\$6,637,875)	-31.3%	\$1,480,539	11.3%

Revenues

- The Executive 2014 Correctional Center revenue budget is decreasing by \$6.6 million or 31.3% from FY 13 and increasing by a \$1.5 million from OLBR's projection. The drop is primarily related to the elimination of rents and recoveries, and reductions in department revenues and federal aid reimbursement.
- The \$819,000 for rents and recoveries that was included in 2013 was reduced to zero in the FY 14 Proposed Budget due to the elimination of grant funding.
- The Administration restored the \$300,000 for revenue to offset expense, which was omitted from the FY 13 budget. The revenue represents commissary profits submitted to the Correctional Center for the salary expense of staff who maintain the commissary for the inmates. This transfer of funds is authorized by the New York State Commission of Corrections.
- The 2013 adopted departmental revenue budget of \$8.3 million was reduced significantly by \$5.1 million or 61.6% budget to budget. Compared to OLBR's projection, the FY 14 Proposed Budget increases by \$420,000. The decrease of revenue is due three components:
 - The \$5.0 million that was designated for undocumented immigrants in the 2013 Adopted Budget was eliminated for FY 14. This was due to an Immigrations and Customs Enforcement (ICE) directive from the Department of Homeland Security to release undocumented immigrants that were incarcerated in the Nassau County Correctional Center. The budget was based on housing 83 inmates at \$165 per day, annually.

Revenues, Cont.

- The department budgeted \$500,000 to house Suffolk County Inmates for the 2014 Proposed Budget, which mirrors FY 13, however, this revenue source was never achieved in the prior year's budget; therefore, OLBR is identifying it as a risk for FY 14.
- The last component that contributed to the drop in department revenue is the reduction of \$80,000 in fees. The budget reduced the fees from \$1.6 million to \$1.5 million in FY 14. This fee structure is set by the State and address enforcement of court orders such as income and property executions, orders of seizure and warrant of evictions and arrests.
- The FY 14 interdepartmental revenues budget allocates \$150,000, a decrease of \$100,000 from the \$250,000 included in FY 13. This revenue is for food services provided to the Juvenile Detention Center. The decline in revenue is attributable to the reduction of juveniles housed at the Detention Center.
- The 2014 Proposed Budget has \$10.7 million allocated for federal aid, a decrease of \$926,875 from the 2013 Adopted Budget and an increase of \$1.2 million compared to the OLBR projections. This is primarily attributed the change in the federal inmate population.
 - The 2014 Proposed Budget assumes 85 federal inmates, which equates to \$5.1 million in revenue. However, OLBR is projecting revenue of \$3.9 million, a total of 65 prisoners based on current inmate population levels. Thus, a shortfall of \$1.2 million that OLBR flags as a risk for the FY 14 Executive Budget.
 - The department budgeted \$2.6 million for the SCAAP (State Criminal Alien Assistant Program) in FY 14. This revenue source remains constant compared to the 2013 Adopted Budget.
 - The FY 14 budget allocated \$2.0 million for Diagnosis Related Group (revenue received for providing mental health services to inmates who are Medicaid recipients) remains unchanged from the FY 13.
 - The Title IV D (aid to dependent children) revenue budget of \$1.0 million marginally decreased by \$16,000 for FY 14.
- The proposed 2014 state aid budget of \$250,000 is slightly reduced by \$12,000 from the 2013 Adopted Budget and compared to OLBR's projection. These revenues represent reimbursement of expenses from New York State for transporting state ready inmates and parole violators between State facilities and the Nassau County Correctional Center. The decrease is directly correlated to the drop in parole and state violators housed at the jail (see activity indicators chart on the following page).

Revenues, Cont.

<u>ACTIVITY INDICATORS</u>				
<u>Indicators</u>	<u>Actual 2011</u>	<u>Actual 2012</u>	<u>Estimated 2013</u>	<u>Projected 2014</u>
Average Daily Inmate Population	1,577	1,502	1,320	1,300
State Ready Inmates	13	10	10	10
Parole Violators	18	25	40	20
<u>Revenue Generating Indicators</u>				
Federal Inmates	123	101	65	85
Total Admissions	11,297	10,683	9,468	10,000

- The Correctional Center's FY 13 estimate for federal inmates is 65; however, the 2014 Department's projection assumes housing 85 inmates, which is a 30.8% optimistic assumption and a risk based on current trends.
- The average inmate population decreased by 4.8% from FY 2011 to FY 12 and is estimated to decrease by 12.1% in 2013. In the Proposed 2014 Budget the population is anticipated decline an additional 1.5%.
- The jail continues to house state ready inmates and parole violators, although the jail no longer receives reimbursement from the State since 2009.

The Office of the County Attorney is comprised of 12 legal bureaus, the claims and investigation bureaus and the administration unit. The legal bureaus are as follows: Administration Unit, Appeals, Family Court, General Litigation, Labor, Legal Counsel, Municipal Finance, Municipal Transactions, Tax Certiorari and Condemnation, Torts, Vehicle Forfeiture and Claims Bureau.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	112	106	106	106	107	1	0.9%	1	0.9%
Part-Time and Seasonal	2	2	2	2	8	6	300.0%	6	300.0%
Salaries	\$9,488,860	\$8,695,277	\$8,720,225	\$8,560,878	\$9,020,570	\$300,345	3.4%	\$459,692	5.4%
Equipment	2,186	1,162	15,000	15,000	15,000	0	0.0%	0	0.0%
General Expenses	426,793	421,501	426,600	426,600	494,100	67,500	15.8%	67,500	15.8%
Contractual Services	7,654,884	3,561,509	5,000,000	5,000,000	5,000,000	0	0.0%	0	0.0%
Total	\$17,572,723	\$12,679,449	\$14,161,825	\$14,002,478	\$14,529,670	\$367,845	2.6%	\$527,192	3.8%

Expenses

- Expenses in FY 14 for County Attorney are going up by 2.6%, or \$367,845, budget to budget, and 3.8%, or \$527,192, from the FY 13 projection.
- The increase of \$300,345 in salaries is related to the six additional part-time Clerk Is and a Deputy County Attorney position. The department is experiencing an increase in civil litigation and requires additional support staff for FY 14.
- Contractual services are remaining flat with FY 13 budgeted levels.
- Equipment is remaining level budget to budget and the general expenses line is growing by \$67,500 as a result of increases in investigative services and miscellaneous supplies and expenses.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$561,343	\$301,972	\$590,000	\$590,000	\$592,500	\$2,500	0.4%	\$2,500	0.4%
Rents & Recoveries	1,427,227	2,812,863	1,220,000	2,018,383	1,915,000	695,000	57.0%	(103,383)	-5.1%
Dept Revenues	124,988	111,960	95,000	95,000	125,000	30,000	31.6%	30,000	31.6%
Interdept Revenues	1,040,176	1,013,680	681,324	681,324	712,527	31,203	4.6%	31,203	4.6%
Interfund Charges Rev	0	0	55,868	55,868	55,000	(868)	-1.6%	(868)	-1.6%
Fed Aid-Reimb Of Exp	221,851	256,346	300,000	300,000	300,000	0	0.0%	0	0.0%
State Aid-Reimb Of Exp	57,202	(4,569)	75,000	75,000	75,000	0	0.0%	0	0.0%
Total	\$3,432,787	\$4,492,252	\$3,017,192	\$3,815,575	\$3,775,027	\$757,835	25.1%	(\$40,548)	-1.1%

Revenue

- The overall revenue budget for FY 14 is increasing by \$757,835, or 25.1 %, compared to the FY 13 budget and declining by \$40,548 when compared to the OLBR projected.
- Fines and forfeitures are barely increasing by \$2,500 in FY 14. The County Attorney pursues outstanding civil claims and seizures in conjunction with the Treasurer’s Third Party collection efforts.
- Departmental revenues, which consist of miscellaneous receipts, fees, contractual services, restitution surcharges and criminal restitution, are increasing by \$30,000 budget to budget. The growth is attributable to administrative fees associated with outside vendors. (See chart on following page.)
- Interdepartmental revenues are growing by \$31,203, or 4.6%, in FY 14 due to an increase in expense allocations from other departments.
- FY 13 projected rents & recoveries have exceeded the budget by \$103,383 as a result of continued recoveries from vehicle forfeiture and increased rent collections. The FY 14 budget will grow \$695,000, or 57.0%, budget to budget which is more in line with the FY 13 projections.

Departmental Revenues				
Revenue Source	FY 12 Actual	FY 13 Budget	FY 13 Projected	FY 14 Proposed
Miscellaneous Receipts	6,548	\$10,000	\$10,000	\$10,000
Fees	49,481	25,000	50,000	55,000
Contractual Services	28,962	25,000	25,000	25,000
Restitution Surcharge	0	10,000	10,000	10,000
Criminal Restitution	26,968	25,000	42,300	25,000
Total	\$111,960	\$95,000	\$137,300	\$125,000

The above chart illustrates how departmental revenue is generated.

The Nassau County Clerk is the County Registrar and Clerk of the Supreme and County Courts. The office records all real estate transactions and maintains all court records in civil and matrimonial proceedings.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$185,496	\$106,361	\$175,000	\$175,000	\$100,000	(\$75,000)	-42.9%	(\$75,000)	-42.9%
Dept Revenues	24,485,582	27,948,393	30,049,000	30,049,000	36,450,618	6,401,618	21.3%	6,401,618	21.3%
Total	\$24,671,078	\$28,054,755	\$30,224,000	\$30,224,000	\$36,550,618	\$6,326,618	20.9%	\$6,326,618	20.9%

Revenues

- County Clerk revenues are budgeted on two separate lines, fines & forfeits and departmental revenues.
- Compared to the 2013 Adopted Budget, FY14 County Clerk revenues are budgeted to increase by 20.9% or \$6.3 million. This increase is mostly driven by the growth of mortgage recording fees (MRF) included on the department revenue line offset by a reduction of \$75,000 in fines and forfeits.
- The chart below provides a detail of the departmental revenues budget.

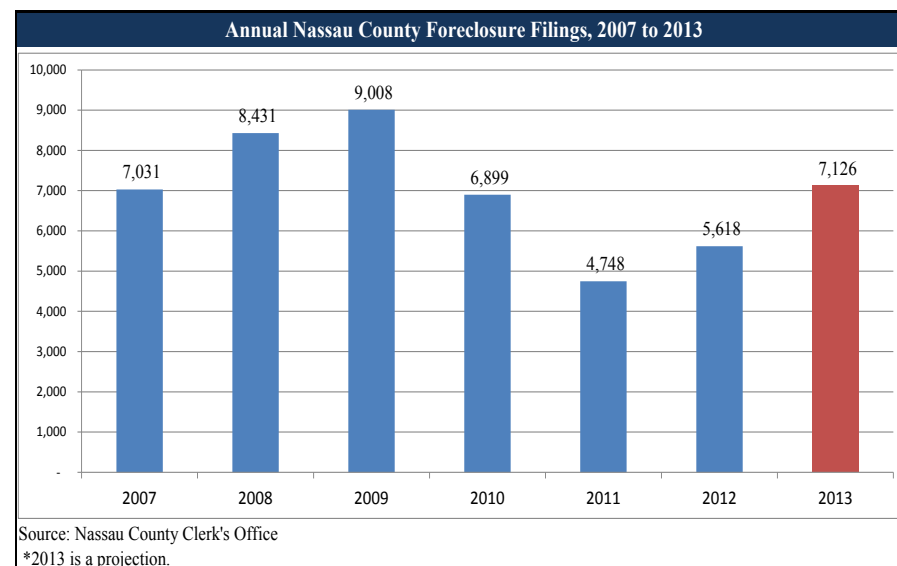
Revenue Source	FY 11 Actual	FY 12 Actual	FY 13 Adopted	FY 14 Exec.	13 Adopt. vs. 14 Exec.
Fees	\$5,161	\$5,178	\$5,000	\$4,000	(\$1,000)
Court Fees	881,860	688,280	800,000	800,000	\$0
Mortgage Recording Fees	16,584,843	19,964,471	17,000,000	27,902,618	\$10,902,618
Deed Recording Fees	2,379,841	2,566,280	2,250,000	2,500,000	\$250,000
Real Estate Transfer Fees	17,743	18,782	15,000	15,000	\$0
Records Management	169,535	192,456	170,000	170,000	\$0
Mortgage Exp Reimbursement	1,359,199	1,359,199	1,359,000	1,359,000	\$0
Business Name Fee	207,954	222,696	200,000	200,000	\$0
Miscellaneous Fees	2,879,447	2,931,051	2,250,000	2,500,000	\$250,000
Clerk Initiative	0	0	6,000,000	1,000,000	(\$5,000,000)
	\$24,485,583	\$27,948,393	\$30,049,000	\$36,450,618	\$6,401,618

- Deed recording fees are increasing by \$250,000 (11.1%) and miscellaneous fees are also increasing by \$250,000 (11.1%).
- Mortgage recording fees are budgeted to increase \$10.9 million when compared to the FY 13 budget.
 - The clerk initiative line in the 2013 budget included a fee increase of \$4.0 million related to the increase fee for MRF.
 - The FY 14 budget now includes this portion of FY 13 clerk initiative line as revenue in the MRF line.
- The FY 14 budget reduces the clerk initiative line to \$1.0 million from \$6.0 million in 2013. As discussed above, \$4.0 million of the reduction reflects the MRF line adjustment.
 - The balance of the reduction in the clerk initiative line reflects a new initiative to make documents available online. The fee has not been implemented and was reduced to \$1.0 million in 2014 from \$2.0 million in 2013.
- OLBR believes the revenue included for the clerk initiative (\$1.0 million) is a risk as the online record access initiative is not yet implemented.

Revenues, Cont.

2013 to 2017 Nassau County Economic Forecast					
Forecast Annual Growth Rates*					
	2013	2014	2015	2016	2017
New Mortgages	30.1%	21.4%	7.3%	0.6%	4.8%
Mrt Refinances	-34.3%	-64.8%	-27.1%	-18.4%	21.7%
Median Home Sale Price	3.6%	1.8%	3.9%	1.9%	3.5%

Source: Moody's Economy.com



- Relatively high foreclosure rates are depressing home prices and increasing interest rates are expected to reduce mortgage refinancing activity as homeowners lack the equity necessary to complete the transaction.
- However, home sales are expected to increase in the coming year. The activity is driven by a variety of factors, including low interest rates, albeit still increasing from the previous year, and only modest increases in home sale prices. The chart above on the left details Moody's Economy.com's current forecast for the Nassau County housing market.
- Currently, 2013 foreclose filings are expected to exceed the last several years. The chart above on the right details historical and the 2013 forecast for Nassau County foreclosure filings.
- The increase in filings could be driven by New York State's longer than average foreclosure process when compared to other states. As a result, the Long Island housing market may take longer to absorb the housing crisis.¹

¹ Fusfeld, Adam, "Foreclosure rate remains high on Long Island", Newsday, April 30, 2013.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	97	81	84	83	84	0	0.0%	1	1.2%
Part-Time and Seasonal	53	44	100	37	100	0	0.0%	63	170.3%
Salaries	\$5,801,306	\$4,796,833	\$5,235,541	\$5,051,842	\$5,169,609	(\$65,932)	-1.3%	\$117,767	2.3%
Equipment	96,903	43,781	50,000	50,000	50,000	0	0.0%	0	0.0%
General Expenses	266,528	281,758	300,000	300,000	300,000	0	0.0%	0	0.0%
Contractual Services	311,657	278,411	300,000	300,000	300,000	0	0.0%	0	0.0%
Total	\$6,476,393	\$5,400,783	\$5,885,541	\$5,701,842	\$5,819,609	(\$65,932)	-1.1%	\$117,767	2.1%

Expenses

- Total expenses for the department are decreasing 1.1% from the Adopted 2013 Budget and increases 2.1% from the 2013 projections.
- The budget to budget salary expense decrease reflects the removal of the FY 2013 retirement incentive payment of \$100,000, reduction in terminal leave and longevity pay, and decrease in the salary lines for the Special Assistant to the County Clerk and Photo Machine Operator I titles. The savings are offset by increases to the Deputy County Clerk title salary line (\$67,000 or 13.3% increase) and retroactive pay (\$68,637 increase).
 - The retroactive pay increase is a one-time expense related to the 2009 CSEA Stipulation of Agreement. The agreement deferred contractual wage increases owed between April 1, 2010 and November 1, 2010 to be paid in the first FY 14 pay period.
- FY 14 OTPS expense lines are unchanged at their FY 13 level.
 - The FY 14 equipment budget funds both information technology and miscellaneous equipment purchases.
 - The FY 14 general expenses budget is used to cover the anticipated office supplies, postage delivery, and miscellaneous supplies costs.
 - The FY 14 contractual service budget will be allocated to systems & programming contracts.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	75	74	86	76	86	0	0.0%	10	13.2%
Part-Time and Seasonal	4	2	5	4	5	0	0.0%	1	25.0%
Salaries	\$6,101,415	\$5,870,974	\$6,304,320	\$5,693,682	\$6,244,805	(\$59,515)	-0.9%	\$551,123	9.7%
Equipment	0	320	5,000	5,000	5,000	0	0.0%	0	0.0%
General Expenses	55,291	47,150	125,000	125,000	125,000	0	0.0%	0	0.0%
Contractual Services	378,482	440,302	573,000	573,000	623,500	50,500	8.8%	50,500	8.8%
Total	\$6,535,188	\$6,358,746	\$7,007,320	\$6,396,682	\$6,998,305	(\$9,015)	-0.1%	\$601,623	9.4%

Expenses

- The FY 14 total expense budget of the Comptroller’s Office is set to decrease minimally as compared to the FY 13 budget.
- The FY 14 salaries expense is decreasing slightly when compared to the adopted FY 13.
- Salaries are decreasing by \$59,515. Some components of the decrease are an increase in the capital backcharges and lower terminal leave and longevity costs being eroded by higher retroactive pay.
- The department anticipates filling open positions by the end of the year.
- Contractual services are increasing by a total of \$50,500 as compared to the FY 13 budget. The growth is occurring in miscellaneous services for \$48,000 and financial services for \$2,500.
 - The contractual services budget funds the mandated reporting requirements by independent auditors. Reports include the Comprehensive Annual Financial Report (CAFR) and the Central Services Cost Allocation Plan.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$426,697	\$3,773	\$250,000	\$250,000	\$250,000	\$0	0.0%	\$0	0.0%
Dept Revenues	16,853	19,765	16,300	16,300	16,300	0	0.0%	0	0.0%
Total	\$443,550	\$23,538	\$266,300	\$266,300	\$266,300	\$0	0.0%	\$0	0.0%

Revenues

- The total FY 14 revenue budget is remaining consistent when compared to both the FY 13 budget and the FY 13 OLBR projection.
- The rents and recoveries revenue is remaining level with the FY 13 budget with \$250,000 for audit recovery.
 - The audit recovery line represents recoveries of FICA refunds. These monies represent reimbursements of FICA tax overpayments collected from the County, its employees and retirees on disability leave.
- The departmental revenue line is also remaining consistent with the FY 13 budget with \$300 for fees and \$16,000 for COBRA administrative fees.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	21	20	20	18	18	(2)	-10.0%	0	0.0%
Part-Time and Seasonal	4	2	0	2	0	0	*****	(2)	-100.0%
Salaries	\$1,969,744	\$1,712,919	\$1,733,129	\$1,778,839	\$1,733,129	\$0	0.0%	(\$45,710)	-2.6%
General Expenses	48,345	56,663	80,000	80,000	80,000	0	0.0%	0	0.0%
Contractual Services	225,000	200,000	225,000	225,000	225,000	0	0.0%	0	0.0%
Total	\$2,243,089	\$1,969,581	\$2,038,129	\$2,083,839	\$2,038,129	\$0	0.0%	(\$45,710)	-2.2%

Expenses

- All expense lines of the FY 14 Proposed Budget are expected to remain flat against the FY 13 Adopted Budget.
- The salary expense remained unchanged as compared to the FY 13 Adopted Budget, although title shifts resulted in a decrease of two heads.
- The general expenses are composed of \$40,000 in miscellaneous supplies and expenses, \$30,000 in office supplies and copy paper, \$10,000 in traveling expenses.
- The contractual services expense remains unchanged from the FY 13 Adopted Budget and the OLBR projection.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$0	\$8,246	\$0	\$0	\$0	\$0	*****	\$0	*****
Total	\$0	\$8,246	\$0	\$0	\$0	\$0	*****	\$0	*****

Revenue

- The rents and recoveries revenue line did not have a budget in FY 13 nor has any budget in FY 14.
 - The FY 12 actual revenues were from prior year recoveries.

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

Expenses

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fringe Benefits	\$1,655,532	\$1,576,528	\$1,794,516	\$1,487,448	\$1,545,938	(\$248,578)	-13.9%	\$58,490	3.9%
Total	\$1,655,532	\$1,576,528	\$1,794,516	\$1,487,448	\$1,545,938	(\$248,578)	-13.9%	\$58,490	3.9%

- The FY 14 budget of \$1.5 million is decreasing by \$248,578, or 13.9%. This is due to less retirees receiving the benefit.
- The FY 14 budget for health insurance is decreasing by 17.2% compared to the FY 13 budget for active and retired health insurance. The decrease in health insurance is due to an overstated FY 13 budget.
- The Medicare Reimbursement budget of \$309,000 is increasing by 3.0%, due to a small increase in retirees becoming Medicare eligible.
- The following chart details the Adopted FY 13 Budget and Proposed FY 14 Budget by sub-object:

Subobject	FY13 Adopted Budget	FY14 Executive Budget	FY14 Executive vs. FY13 Adopted
Active Health Insurance	38,728	37,183	(1,545)
Dental Insurance	975	1,000	25
Medicare Reimbursement	300,032	309,000	8,968
Retiree Health Insurance	1,454,781	1,198,755	(256,026)
Grand Total	\$1,794,516	\$1,545,938	(\$248,578)

Revenues

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
State Aid-Reimb Of Exp	1,678,934	1,506,230	1,526,847	1,526,847	1,507,290	(19,557)	-1.3%	(19,557)	-1.3%
Total	\$1,678,934	\$1,506,230	\$1,526,847	\$1,526,847	\$1,507,290	(\$19,557)	-1.3%	(\$19,557)	-1.3%

- The FY 14 revenue budget is decreasing by \$19,557, or 1.3% compared to the FY 13 adopted.
- The state aid budget of \$1.5 million represents the reimbursement from the State for health insurance costs.

The Debt Service Fund (DSV Fund) is considered one of the County’s Major Operating Funds. The DSV Fund maintains the resources necessary to make required payments on principal and interest for debt service and other associated expenses. The bond and note proceeds are used to fund projects identified in the four year capital plan and for short-term cash flow requirements.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Interest	\$62,584,411	\$71,344,287	\$86,103,480	\$75,368,917	\$98,451,669	\$12,348,189	14.3%	\$23,082,752	30.6%
Principal	69,620,000	57,530,000	61,874,999	58,144,999	69,234,999	7,360,000	11.9%	11,090,000	19.1%
Expense Of Loans	3,124,975	4,672,894	4,240,000	4,240,000	7,185,600	2,945,600	69.5%	2,945,600	69.5%
NIFA Set-Asides	199,223,214	207,993,808	211,394,858	210,687,848	193,473,026	(17,921,832)	-8.5%	(17,214,822)	-8.2%
Total	\$334,552,600	\$341,540,989	\$363,613,337	\$348,441,764	\$368,345,294	\$4,731,957	1.3%	\$19,903,530	5.7%

Debt Service Fund Expense

- Total debt payments, including NIFA set-asides and expense of loans, are expected to increase by 1.3% or \$4.7 million from the 2013 Adopted Budget. Compared to the 2013 projection, debt service expense is expected to increase \$19.9 million or 5.7%.
 - The increase in the FY 14 Proposed Budget is driven by Super Storm Sandy short-term debt issuance and total debt issuance outpacing the previous debt issuance amortization schedule. The increased expense is offset by corresponding revenue.
 - The FY 13 projected expenditure savings is driven by delayed borrowing at better than anticipated interest rates for a smaller par amount. The expected expenditure cost savings is offset by lower corresponding debt service chargeback revenue.
- All debt repayment that is issued as general obligations and secured by the County’s faith and credit pledge, generally supported by property tax revenue, is reflected in the principal and interest lines.
 - Interest expense also includes appropriation for interest payment on cash flow notes.
- The NIFA set asides reflect sales tax that is set aside to cover debt service, principal and interest, and cost-of-issuance expense for all debt issued by NIFA.
 - NIFA set asides are decreasing by \$17.9 million as its existing debt amortizes off and no additional debt is issued. NIFA’s statutory authority to borrow on behalf of the County ended in 2005.

Debt Service Fund Expenses, Cont.

- The chart below itemizes the actual 2012 bond issuance, actual and planned issuance for 2013 and the projected 2014 to 2017 bond issuance.

Historical and Planned Debt Issuances 2012 to 2017						
2013 includes actual and planned issuances						
	FY 12 Actual Issues	FY 13 Actual & Planned Issues	FY 14 Planned Issues	FY 15 Planned Issues	FY 16 Planned Issues	FY 17 Planned Issues
Capital Borrowings						
Capital - General	\$128,526,109	\$200,911,910	\$150,000,000	\$150,000,000	\$135,000,000	\$135,000,000
Capital - SSWRD	1,460,710	103,729,807	50,000,000	50,000,000	50,000,000	50,000,000
Environmental Bond Act	3,465,747	9,951,466	2,000,000	2,000,000	0	0
Judgments & Settlements	19,677,434	26,056,817	17,100,000	20,000,000	20,000,000	20,000,000
Tax Certiorari	0	75,000,000	230,000,000	0	0	0
Termination Costs	43,500,000	34,700,000	0	0	0	0
Total Long-Term Borrowings	\$196,630,000	\$450,350,000	\$449,100,000	\$222,000,000	\$205,000,000	\$205,000,000
Cash Flow Borrowings						
RANs	\$218,445,000	\$208,150,000	\$210,000,000	\$210,000,000	\$210,000,000	\$210,000,000
TANs	257,725,000	240,000,000	240,000,000	\$240,000,000	240,000,000	240,000,000
BANs	\$34,600,000	\$185,510,000	\$526,440,750	\$449,860,000	\$143,730,000	\$0
Total Short-Term Borrowings	\$510,770,000	\$633,660,000	\$976,440,750	\$899,860,000	\$593,730,000	\$450,000,000

- Based on the County's year-to-date debt issuance combined with its planned issuance, as presented in the proposed Multi-Year Plan, 2013 would end the year issuing \$1.1 billion in long-term and short term debt. The borrowing is inclusive of \$185.5 million in Bond Anticipation Notes (BAN) for Super Storm Sandy recovery projects.
- The long-term borrowing plan is shown in the top section of the above chart; this includes debt issuance for capital purposes, judgments and settlements, tax certiorari payments, and termination costs.
- New long-term borrowing in FY 14 is expected to be similar to the projected FY 13 level of \$449.1 million.
 - The top three lines in the chart above include anticipated debt issuance for capital borrowing. These include general purpose projects, debt issued for the Sewer and Storm Water Resource District (SSWRD) and projects funded by the Environmental Bond Act.

Debt Service Fund Expenses, Cont.

- Fiscal 2013 year-to-date long-term borrowing totals \$280.4 million. Out of this, \$120.9 million was issued for General Capital improvements, \$78.7 million for SSWRD capital projects, \$10.0 million for Environmental Bond Act, \$26.1 million for judgments and settlements, \$4.7 million for termination pay, and \$40.0 for tax certiorari payments.
- Of the remaining \$170.0 million of projected new 2013 borrowing, \$80.0 million will be used to fund General Capital Projects, \$25.0 million to fund SSWRD capital projects, \$35.0 million for tax certiorari payments and \$30.0 million for termination costs. An additional \$240.0 million will be issued for short-term cash flow purposes.
- Aside from \$230.0 million in 2014, the plan currently assumes that no additional long-term debt will be issued to fund tax certiorari refund payments.
- Bond Anticipation Notes (BANs) are typically issued in anticipation of a future long-term bond issuance that will retire the outstanding BANs.
 - The increase is driven by expected borrowing to fund Hurricane Sandy recovery projects. The County anticipates that majority of the BAN borrowing will be eligible for Federal Emergency Management Agency (FEMA) reimbursement.
 - BAN issuance is projected to increase \$340.9 million in FY 14 when compared to the 2013 Adopted Budget.
 - The \$526.4 million issuance in FY 14 includes the \$185.5 million note issued in FY 13 as it is expected to be rolled at maturity.
- A RAN is a Revenue Anticipation Note. It is issued in the anticipation of one or more of various revenues such as sales tax, rents, rates or state aid, etc. A TAN is a Tax Anticipation Note. It is issued in anticipation of property tax receipts. RANs and TANs are typically issued as a result from timing differences between cash receipts and cash expenditures.
 - Short-term borrowing for cash flow purposes (RANs and TANs) remain at an elevated level; they are projected to increase by 0.4% in FY 14 when compared to FY 13 levels.
 - The MYP includes one TAN issuance for \$240.0 million and one RAN issuance for \$210.0 million annually.
 - The coupon rate for cash flow borrowings is estimated at an average 2.0% for 2013, and 2.0% for 2014 to 2017. The estimated coupon rate included in the Proposed Multi Year Plan is down from the 4.5% included in the previous MYP.

Debt Service Fund Revenue

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Debt Svc From Capital	\$22,473,705	\$25,000,919	\$4,240,000	\$5,641,825	\$7,185,600	\$2,945,600	69.5%	\$1,543,775	27.4%
Debt Svc Chrgback Rev	286,202,498	290,929,987	328,600,404	315,892,662	325,097,477	(3,502,927)	-1.1%	9,204,815	2.9%
Interfund Charges Rev	21,061,677	20,446,776	25,609,625	21,743,969	30,898,909	5,289,284	20.7%	9,154,940	42.1%
Fed Aid-Reimb Of Exp	4,814,720	5,163,308	5,163,308	5,163,308	5,163,308	0	0.0%	0	0.0%
Total	\$334,552,600	\$341,540,989	\$363,613,337	\$348,441,764	\$368,345,294	\$4,731,957	1.3%	\$19,903,530	5.7%

- The expense of debt service is allocated to the fund in which the capital project is associated. The fund receiving the benefit receives the expense and the Debt Service Fund collects chargeback revenue.
- These chargeback revenues are included in the Police Headquarters Fund, the Police District Fund, the General Fund and the Fire Commission Fund, along with revenues from non-major operating funds, including the Sewer and Storm Water Resources District Fund and the Environmental Bond Fund.
- Compared to the FY 13 Adopted Budget, aggregate total revenue for the debt service fund is increasing by \$4.7 million in the proposed FY 14 budget. The larger increase in the FY 14 Proposed Budget compared to the FY 13 projected is a result of previously delayed debt borrowing.
- The \$5.2 million included as federal aid reimbursement of expense, is derived from credit subsidy payments received on the issuance of Build America Bonds, BABs, which the County issued in 2009 and 2010.

Debt Service Fund Revenue – Cont.

Debt Service Fund Chargeback Revenues - BV/HD		
	FY 13 Adopted	Executive FY 14
Fire Commission	\$318,642	\$295,935
General Fund	\$315,300,478	\$308,199,125
Police District	\$1,958,728	\$2,239,666
Police Headquarters	\$11,022,556	\$14,362,751
Grand Total	\$328,600,404	\$325,097,477

- The chart above shows that 94.8% of the debt service chargebacks are related to the General Fund. Each fund has a corresponding expense line for debt service charges.
- Debt service chargebacks are expected to decrease in the Fire Commission and General Fund. In both the Police District and Headquarters funds, debt service chargebacks are budgeted to increase.

Debt Service Fund Interfund Charges - BW		
	FY 13 Adopted	Executive FY 14
Revenue from SSW	\$14,359,625	\$21,228,143
Environmental Bond Act. Rev.	11,250,000	9,670,766
Grand Total	\$25,609,625	\$30,898,909

- The Debt Service Fund Interfund Charges chart on the left reflects the interfund charges budgeted at \$30.9 million in 2014.
- The debt service costs charged to the Sewer and Storm Water Resource District (\$21.2 million) and the Environmental Bond Fund (\$9.7 million) are booked as interfund charges.
- Revenue from the SSW fund is increasing \$6.9 million in FY 14 as additional debt has been issued in for sewer purposes.

Debt Service Fund DS from Capital - BQ		
	FY 13 Adopted	Executive FY 14
Bond Premium	\$4,240,000	\$7,185,600

- In FY 14, \$7.2 million is included as bond premium. This represents a \$2.9 million increase from the FY 13 adopted budget.
- Bond premiums are obtained when the County issues bonds and the coupon is higher than the corresponding yield. This occurs when the market conditions are such that it is cost effective to issue premium bonds.
- This is the corresponding revenue offset to the loan expense under expenditures.

Debt Service Fund Multi-Year Plan

2014-2017 Multi-Year Financial Plan				
Expense				
	2014 Proposed	2015 Plan	2016 Plan	2017 Plan
Interest	\$98,451,669	\$122,452,216	\$127,641,152	\$127,007,202
Principal	69,234,999	88,960,000	96,135,001	108,520,000
Other Expense	200,658,626	192,882,277	182,363,283	166,436,781
Total	\$368,345,294	\$404,294,493	\$406,139,436	\$401,963,983

- The County's planned debt issuance is increasing in 2014 as a result of two planned borrowings to pay for a portion of the tax certiorari liability. This will result in higher debt service costs in the out-years of the plan.
- Looking forward, total debt service fund expenses and revenues are projected to increase from 2014 to 2015 by \$35.9 million or 9.8%. From 2015 to 2017, debt service is projected to decrease 0.6%. The chart above provides a detail of the debt service expense lines included in the multi-year plan.
- Both principal and interest costs are expected to increase throughout the plan.

2014-2017 Multi-Year Financial Plan				
Revenue				
	2014 Proposed	2015 Plan	2016 Plan	2017 Plan
Debt Service from Capital Debt Service	\$7,185,600	\$3,552,000	\$3,280,000	\$3,280,000
Debt Service Chargeback Revenue	325,097,477	353,719,118	353,086,537	351,596,531
Interfund Charges Revenue	30,898,909	41,860,067	44,609,591	41,924,144
Fed. Aid -Reim. Of Expense	5,163,308	5,163,308	5,163,308	5,163,308
Total	\$368,345,294	\$404,294,493	\$406,139,436	\$401,963,983

- The chart above details debt service fund revenues as recorded in the multi-year plan. Debt service from capital is expected to fall 50.6% in 2015 and then decline slightly (7.7%) in 2016 and remain constant through 2017.
- Interfund charge revenues are expected to increase through 2016 and decline by 6.0% in 2017. Included in this line are the revenues associated with the environmental bond issuances as well as the bond issuances made by the County for the sewers. It is the sewer line within this object code that is experiencing the rapid increase in 2015. The County plans to issue \$50 million annually throughout the MYP, however these borrowings do not include planned issuance related to the Hurricane Sandy Recovery effort.
- Federal aid is held constant throughout the plan at \$5.2 million.

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	362	357	375	361	375	0	0.0%	14	3.9%
Part-Time and Seasonal	3	2	0	4	0	0	*****	(4)	-100.0%
Salaries	\$28,196,277	\$30,555,715	\$27,930,809	\$29,870,977	\$29,054,886	\$1,124,077	4.0%	(\$816,091)	-2.7%
Equipment	51,808	70,280	75,500	75,000	75,500	0	0.0%	500	0.7%
General Expenses	1,022,687	871,253	1,002,300	1,002,300	1,002,300	0	0.0%	0	0.0%
Contractual Services	1,029,215	868,935	1,142,500	1,142,500	1,281,608	139,108	12.2%	139,108	12.2%
Total	\$30,299,986	\$32,366,183	\$30,151,109	\$32,090,777	\$31,414,294	\$1,263,185	4.2%	(\$676,483)	-2.1%

Expenses

- The FY 14 proposed expense budget for the District Attorney is increasing by \$1,263,185, or 4.2%.
- Salaries are the main reason for the hike in expenses. There will be \$1.1 million more than those of FY 13 due to contractual increases for members of the Investigative Patrolman’s Benevolent Association (IPBA).
- In addition, the FY 14 budget includes an adjustment of \$1.1 million, representing those salaries that are reimbursed by grants. This is an increase of \$33,752 from the prior year. These would include positions related to Aid to Prosecution, Drug Law Reform, Internet Crimes Against Children, Crimes Against Revenue Program and Motor Vehicle Theft and Insurance Fraud.
 - Funding for overtime in FY 14 is increasing by \$211,000, to \$925,000. Actuals for overtime have fluctuated since 2006 from \$176,000 to about \$900,000, and on the whole, has been gradually increasing.
 - Terminal leave will be declining in the proposed budget by \$122,838 to \$527,263.

Expenses, Cont.

- Headcount is remaining at FY 13 levels budget to budget but gaining 14 when compared to the OLBR FY 13 projections. The previous chart reflects OLBR's projected headcount as of September 1, 2013. It is our understanding that the District Attorney's office has hired an additional 19 District Attorney Law Assistant, Temps in late September which increases the current on-board to 380.
- General expenses in FY 14 are remaining flat with those in FY 13. Included in general expenses are investigative expenses which consist of witness protection, surveillance, and expert witnesses. Witness protection costs to finance efforts to protect witnesses from threats are used to cover temporary lodging, food, relocation expenses and transportation.
 - The general expenses budget also includes office, educational and training supplies and investigative costs.
- The FY 14 budget of \$1.3 million for contractual services, increased by \$139,108, and includes the cost for state-mandated court reporters, grant counseling, Westlaw (a legal subscription service), Pitney Bowes (postal machinery service and maintenance) and IPBA administrative expense reimbursement.
 - The increase of \$139,108 is for the New Dawn Case Management System Maintenance agreement. This system is anticipated to go live on approximately June 1, 2014 and the full year's maintenance charges become payable when the system is operational.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$5,570	\$5,000	\$0	\$3,000	\$0	\$0	*****	(\$3,000)	-100.0%
Rents & Recoveries	165,501	362,656	0	824	0	0	*****	(824)	-100.0%
Dept Revenues	18,924	38,096	12,000	17,125	12,000	0	0.0%	(5,125)	-29.9%
Interdept Revenues	355,833	366,454	372,467	372,467	372,327	(140)	0.0%	(140)	0.0%
Interfund Charges Rev	324,538	275,000	250,000	250,000	275,000	25,000	10.0%	25,000	10.0%
Fed Aid-Reimb Of Exp	29,210	28,651	30,000	30,000	30,600	600	2.0%	600	2.0%
State Aid-Reimb Of Exp	39,059	62,793	56,500	39,793	62,800	6,300	11.2%	23,007	57.8%
Total	\$938,636	\$1,138,650	\$720,967	\$713,209	\$752,727	\$31,760	4.4%	\$39,518	5.5%

Revenues

- The District Attorney’s proposed revenue budget is increasing slightly by 4.4% from \$720,967 in FY 13 to \$752,727 in FY 14.
- The elimination of revenue in rents & recoveries in FY 13 was due to the Administration’s policy whereby grant revenues are considered an offset or reduction of expenses in the General Fund, rather than revenue. The OLBR projection of \$824 represents a warranty refund on a defective printer purchased in a prior year.
- Interdepartmental revenue, essentially remaining flat in FY 14, is for DSS reimbursements to the DA to investigate and prosecute abuse cases referred by Child Protective Services. Additionally, it includes funding for investigation and prosecution of alleged fraud in social services programs referred by DSS.
- Federal aid, budgeted at \$30,600, is slightly higher than the FY 13 budget. This is U.S. Drug Enforcement Administration (DEA) funding for investigator overtime in cases where the DA collaborates with that agency. 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. Based on the actual amount for FY 12 and the first half of FY 14, it was estimated that an additional \$600 would be reimbursed for investigator overtime.
- State aid budgeted at \$62,800 in FY 14 represents reimbursement for a portion of the District Attorney’s salary under the District Attorney Salary Support Program. This is a grant program administered by the New York State Division of Criminal Justice Services.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	143	139	139	154	139	0	0.0%	(15)	-9.7%
Part-Time and Seasonal	125	77	0	90	0	0	*****	(90)	-100.0%
Salaries	\$12,584,480	\$13,183,670	\$14,719,296	\$14,633,642	\$14,529,299	(\$189,997)	-1.3%	(\$104,343)	-0.7%
Equipment	54,354	28,985	112,500	112,500	112,500	0	0.0%	0	0.0%
General Expenses	1,830,112	1,883,215	2,348,553	2,348,553	2,252,400	(96,153)	-4.1%	(96,153)	-4.1%
Contractual Services	444,042	401,363	520,722	520,722	725,082	204,360	39.2%	204,360	39.2%
Total	\$14,912,988	\$15,497,233	\$17,701,071	\$17,615,417	\$17,619,281	(\$81,790)	-0.5%	\$3,864	0.0%

Expenses

- Proposed expenses decline in FY 14 by 0.5%, or \$81,790, from the Adopted FY 13 Budget. Compared to OLBR’s latest projection, expenses climb by \$3,864.
- Proposed salaries are down 1.3%, or \$189,997, from the budget adopted for FY 13. The salary proposal is 0.7%, or \$104,343, below OLBR’s latest projection. The FY 14 salary budget is decreasing as a result of reductions in the terminal leave, compensation time cash, and part-time employee expense lines. These reductions are being offset by the inclusion of \$116,329 in retroactive pay and an increase to full-time funding in the proposed FY 14 budget.
- Proposed full-time headcount is the same as in the Adopted FY 13 Budget. However, proposed full-time headcount is 15 positions lower than OLBR’s latest projection.
 - According to the department, New York State Election Law Title III Section 300 Election Personnel grants the Board autonomy over all personnel and staffing matters, under the condition that the Board spends within its appropriation from the County Legislature.
 - In FY 13, the Board was allotted 24 Election Clerks with a combined salary of \$1.2 million. The Board requested 28 Election Clerks at a total of \$1.4 million for FY 14, but was allocated only 10 at a total combined salary of \$1.3 million.
- In the FY 13 budget, the Administration removed headcount for part-time and seasonal employees but provided \$4.5 million to hire part-time and seasonal staff. Part-time and seasonal staff funding declines to \$4.1 million in the FY 14 proposal. As of September 1, 2013, there are 90 part-time and seasonal employees on board at the department.

Expenses, cont.

- Proposed equipment expenses are flat when compared to both the Adopted FY 13 Budget and OLBR’s latest projection.
- General expenses in the proposed FY 14 budget are 4.1%, or \$96,153, lower than in the budget adopted for FY 13.
 - Although expenses have risen slightly for issuing public notices as well as for election, copying, and blueprint supplies, these increases are offset by a \$200,000 reduction in postage delivery costs.
- In the FY 14 Proposed Budget, contractual services are up 39.2%, or \$204,360, over the FY 13 contractual services budget. The increase is related to the Board’s requirement to transport voting machines and supplies to polling places.
 - In 2014, there are Federal primaries scheduled for June and municipal and State primaries scheduled for September.
- Across all control centers, expenses are down just under \$0.1 million from the Adopted FY 13 Budget to the Proposed FY 14 Budget. The additional primary election explains the growth in expenses for the Primary Election Control Center. The increase in primary expenses is being offset by a decline in general election expenses.

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2013	2014	Exec. vs. Adopted	
	2011	2012	Adopted Budget	Exec. Budget	Var.	%
Administration	\$3.4	\$3.4	\$3.6	\$3.5	-\$0.1	-2.8%
General Elections	10.7	9.4	12.0	11.4	-0.6	-5.1%
Primary Elections	0.8	2.7	2.1	2.7	0.6	30.4%
Total	14.9	15.5	17.7	17.6	-0.1	-0.5%

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$101,400	\$89,100	\$120,000	\$120,000	\$120,000	\$0	0.0%	\$0	0.0%
Dept Revenues	55,300	48,174	35,000	41,385	35,000	0	0.0%	(6,385)	-15.4%
Total	\$156,700	\$137,274	\$155,000	\$161,385	\$155,000	\$0	0.0%	(\$6,385)	-4.0%

Revenues

- The proposed FY 14 revenue budget is \$155,000. Proposed revenue is in line with the level included in the Adopted FY 13 Budget but slightly below OLBR’s projection.
- The Board of Elections derives most of its revenue from the rental of voting machines. This revenue source is expected to generate \$120,000 in 2014.
- Proposed departmental revenues are flat compared to the Adopted FY 13 budget.
 - The Board of Elections collects fees for the sale of a variety of data, such as forms, reports, and maps.
 - According to State law, the Board cannot generate a profit for this service but may charge for the cost of producing such data.

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	7	8	10	9	9	(1)	-10.0%	0	0.0%
Part-Time and Seasonal	0	0	0	1	1	1	*****	0	0.0%
Salaries	\$444,793	\$477,455	\$771,537	\$835,463	\$827,773	\$56,236	7.3%	(\$7,690)	-0.9%
General Expenses	19,417	6,849	12,500	12,500	15,500	3,000	24.0%	3,000	24.0%
Contractual Services	156,259	97,010	0	0	0	0	*****	0	*****
Total	\$620,469	\$581,314	\$784,037	\$847,963	\$843,273	\$59,236	7.6%	(\$4,690)	-0.6%

Expenses

- The Proposed FY 14 Budget of \$843,273 has grown by \$59,236, or 7.6%, from the 2013 Adopted Budget and decreased by roughly \$4,690 from OLBR’s projection.
- Salaries are increasing by \$56,236, or 7.3%, compared to the prior year’s budget which is attributed to additional hires offset by vacancy savings.
 - The full-time headcount in comparison to FY 13 has decreased by one position. The net change is due to the elimination of two Community Service Representatives offset by the hire of one Director of Emergency Recovery.
 - Additionally, the department included \$90,000 for a Director of Emergency Planning however there was not a head associated with the funding. It is unclear if this will be corrected through a technical adjustment.
 - The FY 14 budget has added one part-time position, Community Services Representative.
- The general expense budget has a marginal growth of \$3,000 for FY 14 which is due to an increase in communication supplies and maintenance expenses.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$0	\$72,738	\$0	\$353	\$0	\$0	*****	(\$353)	-100.0%
Fed Aid-Reimb Of Exp	530,793	609,773	648,701	648,701	778,663	129,962	20.0%	129,962	20.0%
Total	\$530,793	\$682,512	\$648,701	\$649,054	\$778,663	\$129,962	20.0%	\$129,609	20.0%

Revenues

- The FY 14 Proposed Budget allocates \$778,663 for Federal Aid, an increase of \$129,962 or 20.0% compared to FY 13.
 - The increase is attributed to reallocation of funding that consists of \$244,337 for Homeland Security grant reimbursement of salary expensed in the Office of Emergency Management and new funding of \$40,000 from FEMA reimbursements. The remaining \$494,326 in revenue reflects the Emergency Management Performance Grant (EMPG) that reimburses 50% of qualifying salaries within the department.



Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	95	97	97	91	95	(2)	-2.1%	4	4.4%
Part-Time and Seasonal	29	30	12	31	17	5	41.7%	(14)	-45.2%
Salaries	\$10,442,595	\$10,345,715	\$9,935,212	\$10,292,446	\$10,196,409	\$261,197	2.6%	(\$96,037)	-0.9%
Fringe Benefits	4,093,378	4,156,124	4,811,786	4,756,475	5,041,677	229,891	4.8%	285,202	6.0%
Equipment	1,566	402	29,000	29,000	29,000	0	0.0%	0	0.0%
General Expenses	83,860	75,507	222,903	222,903	232,300	9,397	4.2%	9,397	4.2%
Contractual Services	4,243,252	4,244,593	5,507,400	5,507,400	5,611,500	104,100	1.9%	104,100	1.9%
Debt Svc. Chargebacks	392,997	277,913	318,642	285,821	295,935	(22,707)	-7.1%	10,114	3.5%
Inter-Dept. Charges	2,077,651	1,822,223	2,313,380	2,313,380	2,158,663	(154,717)	-6.7%	(154,717)	-6.7%
Interfund Charges	0	61,492	0	0	0	0	*****	0	*****
Trans To General Fund	567,423	0	0	0	0	0	*****	0	*****
Total	\$21,902,723	\$20,983,969	\$23,138,323	\$23,407,425	\$23,565,484	\$427,161	1.8%	\$158,059	0.7%

Expenses

- The FY 14 proposed expense budget is growing slightly from the Adopted FY 13 Budget by \$427,161, or 1.8%, to \$23.6 million due to small increases in all expense lines except debt service chargebacks and inter-departmental charges.
- Salaries are going up slightly compared to the FY 13 Adopted Budget by \$261,197, or 2.6%, due to an additional \$472,832 in overtime. Additionally, Fire Marshal Trainees have completed the required two-year term of training and have been promoted to Fire Marshal I and higher salaries.
 - The overtime budget of \$1.9 million is a more realistic allocation than that of FY 13. OLBR is projecting a shortfall of \$500,000 in FY 13 due to an underfunded overtime budget of \$1.5 million.
- The department consistently exceeds its overtime budget. Since 2007, overtime has surpassed the budget an average of 38.6% per year.
- Budgeted headcount is decreasing by two full-time positions but increasing by five part-time and seasonal workers over the current budget.
- The decline of two in full time headcount includes a Clerk Steno II and a Clerk Typist III position.

Expenses, Cont.

- Fringe benefits are increasing by \$229,891, or 4.8%, to \$5.0 million for FY 14 Proposed Budget. Compared to the FY 13 projection, fringe expenses have a growth of \$285,202, or 6.0%, due to rising health insurance and pension costs.
- General expenses are increasing slightly by \$9,397 due to increases in office supplies and copy paper, traveling expense and membership fees, offset by reductions in educational and training supplies and miscellaneous supplies and expenses.
 - Every Fire Marshal, by job requirement, is a New York State Code Enforcement Official (NYSCEO). All CEO's must complete 24 hours a year of in-service training and for this reason the department must pay a membership fee.
- Contractual services are increasing \$104,100 in FY 14 to \$5.6 million. The largest contract is \$4.8 million for the Vocational Education and Extension Board (VEEB) contract.
 - In addition to the VEEB contract, contractual services also includes the following contracts:
 - Veterinarian care for the department's canine.
 - Contract with Nassau University Medical Center to provide OSHA medical examinations for Fire Marshal personnel who respond to fire or hazardous emergencies.
 - Contract with Eastern Communications For Fire Communications Emergency Dispatch
- Inter-departmental charges are decreasing by \$154,717 as a result of reductions in building occupancy charges, telecommunication and postage charges, which are offset by increases in gasoline, IT and indirect charges.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Invest Income	18	0	6,200	6,200	0	(6,200)	-100.0%	(6,200)	-100.0%
Rents & Recoveries	58,204	2,513	0	1,449	0	0	*****	(1,449)	-100.0%
Dept Revenues	6,046,194	5,921,904	7,579,868	7,188,795	7,475,600	(104,268)	-1.4%	286,805	4.0%
Interfund Charges Rev	0	0	104,600	104,600	0	(104,600)	-100.0%	(104,600)	-100.0%
Interfund Transfers	0	420,000	0	0	0	0	*****	0	*****
State Aid-Reimb Of Exp	141,769	128,031	190,000	190,000	145,000	(45,000)	-23.7%	(45,000)	-23.7%
Property Tax	15,656,537	15,254,563	15,257,655	15,257,655	15,944,884	687,229	4.5%	687,229	4.5%
Total	\$21,902,723	\$21,727,011	\$23,138,323	\$22,748,699	\$23,565,484	\$427,161	1.8%	\$816,785	3.6%

Revenues

- The proposed FY 14 revenue budget is increasing by \$427,161, or 1.8%, due to a 4.5% growth in property tax allocation.
 - Department revenue is declining by 1.4%, or \$104,268, budget to budget. In FY 12, the Legislature approved an increase in fees that was intended to generate an additional \$700,000 in revenue. OLBR is projecting a shortfall of approximately \$400,000 for departmental revenue for FY 13.
 - As a result of FY 13’s projected shortfall, the Administration has wisely budgeted slightly less for departmental revenues in FY 14.

- State aid is declining by \$45,000 as a result of cut-backs at the state level.
 - State aid is made up of tuition reimbursements from New York State for teaching emergency medical courses for emergency service providers who serve the communities within Nassau County. The State has varied and cut levels of aid due to the State’s fiscal stress. Additionally, the level of aid is due to the number of students, which changes every year.
- Property taxes are increasing by \$687,229 compared to the FY 13 budget. This is a result of a reallocation of the property tax levy among the major funds.

Accelerated Plan Reviews, Tests and Inspections

In 2011, the Fire Commission decided to increase the accelerated plan reviews and accelerated tests and inspections from \$180 to \$300 fee per test. The increase was introduced as a local law and approved by the Legislature in August 2012. The law became effective in February 2013. The Fire Marshals must perform the tests on overtime and return the plans to the contractor within ten days. Contractors pay the fee for the plan review plus the overtime rate. The overtime rate is based on a minimum of four hours of a Fire Marshal's top salary step. Due to the shortage in staffing, the department currently has more plans to review than they can handle. The revenue is booked in the Fire Commission's departmental revenue.

Fees

The Fire Commission collects fees generated from mandatory compliance testing under a variety of state and local public safety laws and from educational fees associated with Emergency Medical Training courses that are offered to the public. Examples of article fees collected include fire alarms, smoke alarms, sprinkler system, bulk storage, and emergency light testing fees. In FY 12, the legislature approved a local law that increases fire alarm permits an additional \$25.00 and emergency light and generator tests between \$95.00 and \$145.00. However, the law did not become effective until February 2013 creating a significant backlog of permits to be processed. For this reason, the full impact of the law will not be realized in FY 13. The department projects approximately \$300,000 less than the FY 13 budget of \$7.6 million for this revenue.

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	201	167	169	169	173	4	2.4%	4	2.4%
Part-Time and Seasonal	32	27	34	24	34	0	0.0%	10	41.7%
Salaries	\$15,358,194	\$13,288,585	\$13,700,489	\$13,339,154	\$13,874,046	\$173,557	1.3%	\$534,892	4.0%
Equipment	21,359	9,450	66,000	66,000	53,000	(13,000)	-19.7%	(13,000)	-19.7%
General Expenses	1,520,250	1,001,999	1,422,050	1,422,050	1,431,050	9,000	0.6%	9,000	0.6%
Contractual Services	424,970	275,715	427,330	427,330	402,330	(25,000)	-5.9%	(25,000)	-5.9%
Var Direct Expenses	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	0	0.0%	0	0.0%
Inter-Dept. Charges	6,307,502	6,161,857	6,150,287	6,150,287	5,965,837	(184,450)	-3.0%	(184,450)	-3.0%
Early Int./Special Ed	169,153,400	148,864,247	169,950,000	154,900,000	139,500,000	(30,450,000)	-17.9%	(15,400,000)	-9.9%
Total	\$197,785,676	\$174,601,854	\$196,716,156	\$181,304,821	\$166,226,263	(\$30,489,893)	-15.5%	(\$15,078,558)	-8.3%

Expenses

- Total expenditures are decreasing by \$30.5 million or 15.5% compared to the FY 13 budget due to decreases in all object categories except salaries and general expenses. The majority of the decline is due to a \$30.5 million reduction in provider payments expenses (PP) for Children's Early Intervention and Pre-school Education services.
 - Provider Payments for Early Intervention and Pre-school Education expenditures are decreasing by \$30.5 million to \$139.5 million in the FY 14 Proposed Budget. Of this decrease \$14.0 million is due to reduced Pre-school Education related expenditures and \$16.5 million is due to changes with New York State payment procedures related to Early Intervention Services. As of April 1, 2013, the State has revised Public Health Law to allow providers to seek reimbursement from third party payers with the remaining portion of reimbursement from the County. The Health Department will be processing provider payments (PP) through a New Yorks State Fiscal Agent. The payments will be paid (net) after reimbursement of Medicaid and Third Party insurance. Prior to this sequence change, provider claims were paid by the County, and both Medicaid and Third Party reimbursement were made directly to the County, not to the Provider.
- Salaries are increasing minimally by \$173,557 or 1.3% compared to the FY 13 budget and by \$534,892 compared to the FY 13 projection. The increase from the current projection include additional full-time funding, a small increase in overtime and the

inclusion of \$326,904 in retroactive pay from the 2009 CSEA Stipulation of Agreement that deferred a portion of contractual wage increases from April 1, 2010 through November 2010 to be paid on the first pay period of 2014.

- Budgeted headcount is increasing by four full-time positions compared to the FY 13 Adopted Budget. Compared to the September 1, 2013 staffing level, headcount is increasing by four full-time positions and 10 part-time and seasonal positions.
 - Although the headcount is slightly increasing in FY 14, the figure represents a decline compared to the historical levels. The FY 14 budget represents a decrease of 28 full-time positions compared to the 2011. Per the department, it is meeting State mandates in spite of the low headcount level by creatively implementing efficiencies and organizational restructuring. For example the department has been cross-training their staff on various responsibilities, in order to obtain optimal production.
- The chart on the next page details the full-time and part-time positions for the FY 13 Adopted Budget, the September 1, 2013 staffing level, the FY 14 Departmental Request, and the FY 14 Adopted Budget:

Expenses, Cont.

Staffing Analysis							
	<u>FY 13</u> <u>Adopted</u>	<u>Sept-13</u> <u>Actual</u>	<u>FY 14</u> <u>Request</u>	<u>FY 14</u> <u>Executive</u>	<u>Exec. vs</u> <u>13 Adopt</u>	<u>Exec. vs</u> <u>Actual</u>	
CC Full-time Staffing							
10 Administration	23	23	25	25	2	2	
20 Environmental Health	76	75	78	76	0	1	
30 Public Health Laboratories	11	11	11	11	0	0	
40 Public Health	9	11	13	11	2	0	
51 Childrn Early Inter. Services	45	44	45	45	0	1	
54 Pre-School Education	5	5	5	5	0	0	
Total Full-time	<u>169</u>	<u>169</u>	<u>177</u>	<u>173</u>	<u>4</u>	<u>4</u>	
CC Part-time and Seasonal							
10 Administration	15	10	10	10	(5)	0	
20 Environmenal Health	18	13	23	23	5	10	
30 Public Health Laboratories	0	0	0	0	0	0	
40 Pubic Health	1	1	1	1	0	0	
Total Part-time and Seasonal	<u>34</u>	<u>24</u>	<u>34</u>	<u>34</u>	<u>0</u>	<u>10</u>	

- The full-time budgeted increase in the Administration control center is due to the addition of one Clerk III and one Secretary.
- The full-time budgeted increase in the Public Health control center is due to the inclusion of two Public Health Nurses.
- The part-time and seasonal budgeted decrease of five clerical positions in the Administration control center offsets the gain of five Public Health Aides in the Environmental Health control center.

Expenses, Cont.

- FY 14 Adopted Budget for equipment is decreasing by \$13,000 or 19.7% to \$53,000. The decline is mostly attributable to the reduction of copying and blueprint equipment offset by an increase of communication equipment.
 - The department requested a budget of roughly \$82,000 but did not receive the additional funding. The County Administration is planning to purchase copiers through a County-wide capital project.
- Contractual services are decreasing by \$25,000 to \$402,330 in FY 14. The decrease is due to the elimination of the billing software support contract for Children’s Early Intervention. The department no longer requires this contract since New York amended their Public Health Law to provide Counties mandate relief. Going forward providers will directly bill commercial insurance carriers and Medicaid.
 - The FY 2014 contractual services budget of \$402,330 includes the following funding:

	2013 Adopted Budget	2014 Adopted Budget	2014 vs. 2013 Variance
Heath Department Contracts			
Children's Early Intervention Services & Preschool Educ.	59,000	34,000	(25,000)
Medicaid Billing Contract	99,330	99,330	0
Risk Management	100,000	100,000	0
Hearing Officers	80,000	80,000	0
North Shore Child Guidance	55,000	55,000	0
Lab Testing & Maintenance in Public Health Lab	10,000	10,000	0
Nassau University Medical Center for OSHA physicals	14,000	14,000	0
Spanish Food Manager Course Instructor	10,000	10,000	0
Subtotal Contracts	427,330	402,330	(25,000)

Expenses, Cont.

- The various direct expenses line is made up of the \$5.0 million mission payment paid to the Nassau Health Care Corporation
- Inter-departmental charges are decreasing by \$184,450, or 3.0% to roughly \$6.0 million. The decrease is related to reductions in gasoline charges, telecommunication charges, worker’s compensation and indirect charges, offset by an increase by building occupancy charges.

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2013	2014	Exec. vs. Adopted	
	2011	2012	Adopted Budget	Exec. Budget	Var.	%
Administration	\$7.9	\$7.4	\$7.4	\$7.2	-\$0.2	-2.4%
Environmental Health	7.0	6.7	6.9	7.0	0.1	1.0%
Public Health Laboratories	2.2	1.5	1.7	1.6	-0.1	-3.6%
Public Health	6.8	6.0	6.5	6.7	0.2	3.4%
Childm Early Inter. Services	51.2	45.0	48.4	31.8	-16.6	-34.3%
Pre-School Education	122.7	108.0	125.9	111.9	-13.9	-11.1%
Total	197.8	174.6	196.7	166.2	-30.5	-15.5%

- Pre-school Education is devoted to providing special needs to pre-school children (ages 3-5) with special services such as speech, physical therapy and occupational therapy. The \$13.9 million decrease in that control center is due to reduction in the cost for center based programs, transportation costs, reduced SEIT (Special Education Itinerant Teachers) services and pre-school evaluations.
- The Administration control center is decreasing minimally due to small declines in equipment and interdepartmental charges.
- The budget for Environmental Health is increasing slightly by \$70,582 to \$7.0 million. Environmental Health protects the community from adverse effects resulting from environmental pollution, unsanitary conditions or unsafe practices.
- The 3.6% decrease in the Public Health Lab is due to a reduction in termination pay and interdepartmental charges.

- Children Early Intervention coordinates programs for children (ages 0-3) with special health needs. The \$16.6 million decrease in that control center is primarily due to a reimbursement sequence change in the New York State Public Health Law. The Health Department will seek reimbursement of Early Intervention expenditures from New York State net of Third Party revenue and Medicaid. Prior to this change, providers received full payment from the County and the department would submit for third party reimbursement.

Expenses, Cont.**Public Health Laboratory (Control Center 30)**

The budget for the Public Health Laboratory (Control Center 30) is decreasing minimally from \$1.7 million to \$1.6 million. However it does represent a significant decline from prior historical funding. The FY 14 budget is a decline of \$580,670 from the 2011 Actual. In the past the Public Health Lab comprised of two divisions: clinical and environmental. The Health Department continues to operate the environmental function but has stopped conducting clinical lab tests. Historically, the presence of the Lab's clinical function provided testing for the Public Health Clinics. However, when the Clinics transferred to Nassau University Medical Center in late 1999, the volume of tests dramatically declined. According to the department, the number of lab tests was extremely low and not sufficient to maintain a fully staffed clinical laboratory.

The Environmental division continues to operate the same as before. This division performs tests to identify chemical agents in drinking water, air, soil and dust and also performs analysis of soil, water and paint for lead and soil contamination. The lab also addresses chemical spills of other environmental emergencies.

DOH Initiatives

The Health Department has been working to streamline and create efficiencies. The department has either accomplished or is currently working towards implementation of the following initiatives.

Accomplished

- Implementation of Preschool Provider random quality assurance reviews to ensure compliance with New York State Education Department regulations.
- Established a Bureau of Minority Health within the Division of Social Health Programs to provide health education programs, outreach and awareness to the underserved minority community to encourage healthy behaviors.
- DOH was awarded 3 National Best Practice Awards out of 38 awarded nationally to Health Departments. The department received an award for Early Intervention / WIC (Women, Infants & Children) collaboration; use of Skype observed therapy for tuberculosis control and implementation of the NC Mosquito Surveillance and Control Plan revised to address the Asian Tiger Mosquito.

In the Process of Implementing:

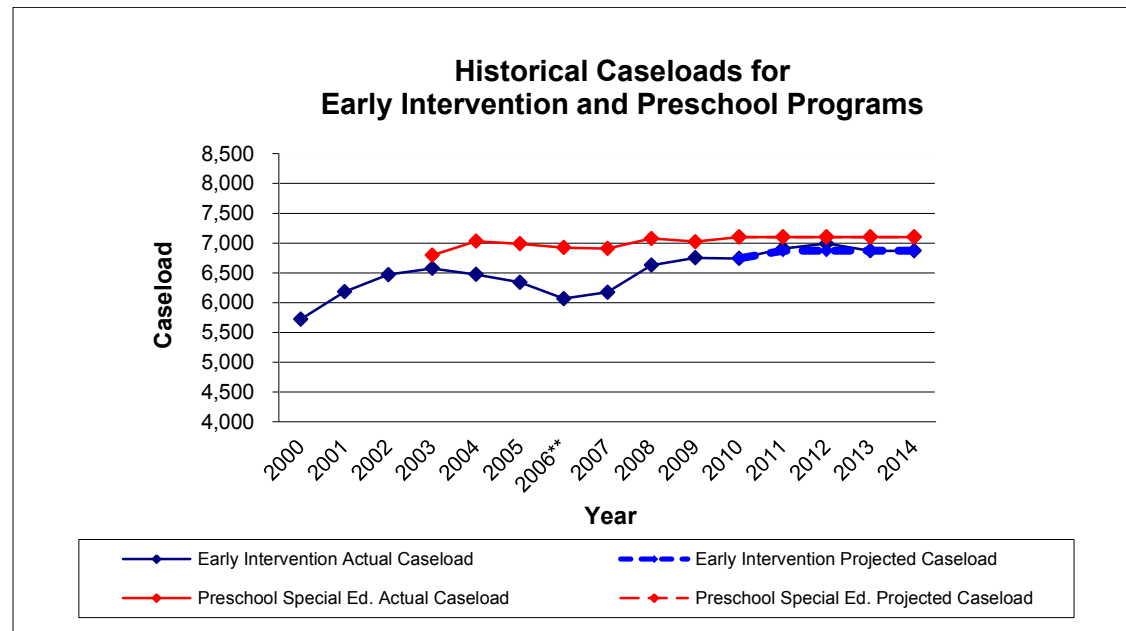
- Nassau County Department of Health Accreditation with the Public Health Accreditation Board. National initiative launched in 2011 and supported by the Centers for Disease Control and prevention and New York State.
- Strategic Plan and Community Health Improvement Plan –this is required for Accreditation and identifies the mission and plans for enhancement and improvements throughout the department.
- Preschool Transportation procedure revisions to have school districts who authorize the service, notify the County. The notification will allow the department to verify transportation services are being properly provided.

Expenses, Cont.

- The control center for Pre-school education, which is devoted to providing special need services to Pre-school children, is the largest component of the Health Department Budget.
 - This control center is budgeted for \$111.9 million in FY 14, which is a \$13.9 million decrease compared to FY 13. This is due to decreases for preschoolers in district authorized services for center based programs, transportation costs, pre-school evaluations and Special Education Itinerant Teachers (SEIT) services, which are one on one teaching services.
 - The reduction is mostly attributed a decline in the number of services that are being authorized by the school district in alignment with the New York State Education Department. School districts authorize all services and evaluations in alignment with the state's regulations. The number of children that receive pre-school services remain the same, however there is a reduction in the number of services authorized.
 - The FY 13 and FY 14 caseload remains at approximately 7,100 children, unchanged from the previous 3 year projection. It is difficult for the department to project caseload figures since the State allows the school districts up to four years to submit authorization to the County.
 - SEIT services are decreasing by \$5.4 million to \$10.0 million. The total number of children in the Preschool program remains the same, however less SEIT services are being authorized. Many children receive a mix of services but the department counts distinct children.
 - The FY 14 budget for summer school is consistent with last year's adopted budget of \$2.3 million.
 - Evaluations for Pre-school are decreasing by \$750,000 due to increased coordination and collaboration with school districts. The department is working diligently to enforce stricter State Education Department guidelines to manage the program more efficiently.
 - Transportation is decreasing by \$900,000 million which is more consistent with the 2013 projection. The distance traveled, the number of children in close proximity to center based schools, the mix of children's locations impact the number of buses required, thereby increasing to the cost. In addition, Medicaid reimbursement is now included in one-way transportation, so policy has been revised to encourage parents to transport their child one-way.
 - Committee on Pre-school Special Education (CPSE) administration is budgeted at \$2.9 million, which represents no change from last year's adopted budget. The Pre-school Special Education Program is administrated by individual school districts' committees on Pre-school education. The State bills the County based on cost reports that are submitted by the school districts.
 - The \$300,000 for the CPSE consultants cost is to pay for consultants to attend the school districts' committee meetings to ensure quality assurance. This amount remains unchanged compared to FY 13.

Expenses, Cont.

- The second largest budget is the Early Intervention program carrying \$31.8 million in expenses, a \$16.6 million decrease compared to the current year’s budget. This decrease is due to a sequence change in Early Intervention provider payment procedures. The County no longer pays the providers the full claim before seeking third party reimbursement. Third party payments are now made directly to the provider and not passed through the County.
- The following chart provides historical and projected caseload data from FY 00 to budgeted FY 14 for the Early Intervention Program and data from FY 03 to budgeted FY 14 for the Pre-school Education Program.



- Under the Pre-school Education Program the caseload data from 2009-2013 are subject to revision since the years have not been closed. The FY 14 budget assumes caseload figures remain consistent with projected FY 13 at 6,870 for Early Intervention and 7,100 for Pre-school education.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	\$4,537,533	\$5,121,319	\$5,674,018	\$5,942,018	\$5,480,087	(\$193,931)	-3.4%	(\$461,931)	-7.8%
Fines & Forfeits	139,747	200,844	150,000	150,000	150,000	0	0.0%	0	0.0%
Rents & Recoveries	5,117,173	26,652,994	2,470,000	2,700,000	1,470,000	(1,000,000)	-40.5%	(1,230,000)	-45.6%
Dept Revenues	10,493,900	12,186,937	10,525,200	10,525,200	1,313,700	(9,211,500)	-87.5%	(9,211,500)	-87.5%
Interfund Charges Rev	67,977	53,173	57,100	57,100	57,100	0	0.0%	0	0.0%
State Aid-Reimb Of Exp	92,521,278	69,690,094	94,618,640	83,308,640	82,698,500	(11,920,140)	-12.6%	(610,140)	-0.7%
Total	\$112,877,608	\$113,905,361	\$113,494,958	\$102,682,958	\$91,169,387	(\$22,325,571)	-19.7%	(\$11,513,571)	-11.2%

Revenue

- The proposed FY 14 revenue budget is decreasing by \$22.3 million, or 19.7% to \$91.2 million. The decrease is due to significant reductions in rents and recoveries, department revenue and state-aid.
- Permits and licenses are decreasing minimally by \$194,000 to \$5.5 million due to the elimination of revenue for lifeguard certifications which was transferred to the Parks department. Other small reductions from reduced realty subdivision filings and cross connection control program revenue.
 - Permits and licenses include fees charged for the food establishment inspection program, hazardous materials registration fees under Article XI Program, day camp permits, realty subdivision filings, swimming pool and beach inspections, temporary residence inspections, cross connection control program, water supply plan review, and tattoo parlor and lifeguard certifications.
- Rents and recoveries are decreasing by \$1.0 million to \$1.5 million in FY 14 due to more timely disencumbrances.
 - In FY 12, \$26.7 million was recovered due to prior year disencumbrances related to Early Intervention and Pre-school authorizations with claims that never materialized from 2010, 2011 and 2012.
- The FY 14 budget for state aid is decreasing by \$11.9 million to \$82.7 million or 12.6%. This is the corresponding reduction in reimbursement from expenditures for children's Early Intervention and Pre-school Education services. The FY 14 budget is consistent with the current year projection.
- There are different reimbursement rates for state aid depending on the service provided.
 - The department receives 59.5% reimbursement for Pre-school related services.

Revenue, Cont.

- The department receives 49.0% reimbursement for Early Intervention services for developmentally delayed children ages 1-3.
- The department receives 36.0% reimbursement for Public Article 6 funding.
- The inter-fund charges revenue budget of \$57,100 is reimbursement for services from the Grant Fund.
- Fines and forfeitures budgeted at \$150,000 is unchanged from the FY 13 Adopted Budget.
- Fines collected for violations include but is not limited to improper food handling, public swimming violations, improper storage of toxic and hazardous materials, the sale of tobacco products to minors, smoking in indoor facilities, sanitation violations, failure to maintain diagnostic x-ray equipment and records, day camp code violations, water quality violations and cross connection violations.



Revenues, Cont.

- Department revenue is decreasing by \$9.2 million or 87.5% to \$1.3 million in the FY 14 Adopted Budget. This is due to the elimination of revenue generated from Medicaid and commercial insurance reimbursement for children receiving Early Intervention services. The decrease is due to a change in the New York State payment sequence of Early Intervention providers, whereby provider payments are now net of third-party reimbursements.

Departmental Revenues			
Revenue Source	FY 12 Actual	FY 13 Budget	FY 14 Proposed
Miscellaneous Receipts	\$1,309,924	\$1,402,700	\$2,700
Fees	11,482	0	10,000
PHCP Receipts	1,092	1,500	0
Medicaid Receipts	490,000	0	80,000
Pre-School Medicaid	1,500,000	1,219,000	1,219,000
Medicaid Fees, E.I.	8,874,440	7,900,000	0
Disease Control	0	2,000	2,000
Grand Total	\$12,186,937	\$10,525,200	\$1,313,700

Early Intervention Reimbursement

As of April 1, 2013, the State revised their Public Health Law to allow providers to seek reimbursement from third party payers with the remaining portion of reimbursement from the County. Disbursements of Medicaid fees related to Early Intervention service are now made directly to the health care provider and not passed through Nassau County.

Previously to seek this reimbursement, the County would first bill third party insurance carriers, then secondly Medicaid. If the County was unsuccessful with third party carriers and Medicaid insurers, then the County would apply for state aid reimbursement.

The Nassau County Office of Housing and Community Development (OHCD) is the overall administrative agent for the Federal Community Development Block Grant Program (CDBG), HOME Investment Partnership Program and Housing Choice Voucher Program (Section 8), which are all funded through the U.S. Department of Housing and Urban Development (HUD). It is this department that upgrades, promotes and assists neighborhood developments established by the County. These funds are dedicated to eliminating blight and slums and helping social services programs such as youth counseling, senior citizen services, handicapped access and infrastructure improvements such as drainage projects and affordable housing. HOME funds are federal funds used for the construction or major rehabilitation of residential buildings for single or multiple dwelling units. The Housing Choice Voucher Program serves 9,500 (including 6,500 children) very low-income and/or disabled persons and senior citizens.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	(\$523,766)	\$0	\$0	\$0	\$0	\$0	*****	\$0	*****
Fed Aid-Reimb Of Exp	150,893	431,533	498,400	990,400	436,120	(62,280)	-12.5%	(554,280)	-56.0%
State Aid-Reimb Of Exp	0	151,869	124,600	189,209	234,780	110,180	88.4%	45,571	24.1%
Total	(\$372,873)	\$583,402	\$623,000	\$1,179,609	\$670,900	\$47,900	7.7%	(\$508,709)	-43.1%

Revenues

- The OHCD has a Memorandum of Understanding (MOU) with the Department of Social Services (DSS) to provide staffing support services to assist in the Homeless Intervention and Employment program. DSS reimburses OHCD 65% for expenses incurred (primarily salary and fringe benefits). The reimbursement rate is a blended rate between state aid and federal aid and, at times, fluctuates.
- In FY 14 the decrease in federal aid reimbursement is offset by the increase in state aid reimbursement.
 - This is attributable to a reallocation of expenses where state aid flex funds are assuming a higher amount of the allocated rate.
- The surplus in the FY 13 federal aid projection of \$990,400 is primarily due to the completion of the Brownsfield Redevelopment project related to the Glen Cove Industrial Development Initiative.
- The surplus in the FY 13 state aid projection of \$189,209 is related to funds received for the Homeless Intervention and Employment program dating back to June 2012.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	2	12	12	12	12	0	0.0%	0	0.0%
Salaries	\$3,080,040	\$694,189	\$720,000	\$739,751	\$748,800	\$28,800	4.0%	\$9,049	1.2%
Fringe Benefits	0	14,278	0	0	0	0	*****	0	*****
Equipment	347,508	0	0	0	0	0	*****	0	*****
General Expenses	252,594	0	2,500	2,500	2,000	(500)	-20.0%	(500)	-20.0%
Contractual Services	59,893	0	0	0	0	0	*****	0	*****
Inter-Dept. Charges	411,260	145,140	165,382	165,382	137,868	(27,514)	-16.6%	(27,514)	-16.6%
Total	\$4,151,296	\$853,607	\$887,882	\$907,633	\$888,668	\$786	0.1%	(\$18,965)	-2.1%

Expenses

- The \$15.6 million in HUD funding for the CDBG, HOME, Emergency Solutions Grant Program (ESG) programs, the 39th program year is reflected in the Grant Fund, not the General Fund operating budget.
- The Nassau County OHCD is the local administrator for the New York State Division of Housing and Community Renewal (DHCR) Housing Choice Voucher Program (Section 8). Nassau County manages the distribution of over \$28.0 million in annual rent subsidies on behalf of Nassau County residents. This is also funded through the Grant Fund.
- The FY 14 expenditure budget is barely increasing by \$786 when compared to the Adopted FY 13 Budget and declining by \$18,965 in comparison to OLBR's FY 13 projection. This is a result of an increase in salaries offset by reductions in general expenses and interdepartmental charges.
- Headcount levels in the FY 14 budget are remaining level when comparing budget to budget and OLBR's FY 13 projection. Many positions are funded by the Homeless Intervention & Emergency Placement Program. These salaries are offset by federal and state aid reimbursements.
- It should be noted that as of September 5, 2013 there are 54 full-time housing employees whose salaries are funded with grants. For the same time in FY 12 there were 56.
- Interdepartmental charges are decreasing due to reductions in building occupancy charges, indirect charges, IT charges and telecommunication charges.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	9	8	9	9	9	0	0.0%	0	0.0%
Part-Time and Seasonal	3	2	2	2	3	1	50.0%	1	50.0%
Salaries	\$722,121	\$583,139	\$591,077	\$615,192	\$739,354	\$148,277	25.1%	\$124,162	20.2%
General Expenses	9,332	8,363	38,600	38,600	38,600	0	0.0%	0	0.0%
Contractual Services	0	0	22,500	22,500	12,500	(10,000)	-44.4%	(10,000)	-44.4%
Total	\$731,453	\$591,502	\$652,177	\$676,292	\$790,454	\$138,277	21.2%	\$114,162	16.9%

Expenses

- The proposed 2013 expense budget increased by \$138,277, or 21.2%, compared to the 2013 Adopted Budget. This is due to an increase in the salaries line which is partially offset by a decrease in contractual services.
- The increase in salaries is mainly due to the \$74,400 reduction in a chargeback credit related to personnel working on capital projects.
 - The FY 14 budget adds one part-time Program Coordinator and also includes title changes such as the appointment of the Director of Human Resources previously budgeted as a Deputy Director.
- General expenses budgeted at \$38,600 is made up of office supplies, advertising/public notices, and copying material for educational and training supplies.
- The Contractual services line decreased due to a reevaluation of the expected costs of various training programs.
 - This expense line accounts for comprehensive compensation analysis and various training programs run by the department.

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	8	8	8	8	8	0	0.0%	0	0.0%
Part-Time and Seasonal	2	1	1	0	0	(1)	-100.0%	0	*****
Salaries	\$515,730	\$513,560	\$535,514	\$512,816	\$548,518	\$13,004	2.4%	\$35,702	7.0%
General Expenses	(3)	1,666	5,450	5,450	5,450	0	0.0%	0	0.0%
Contractual Services	704	10,050	11,000	11,000	11,000	0	0.0%	0	0.0%
Total	\$516,431	\$525,277	\$551,964	\$529,266	\$564,968	\$13,004	2.4%	\$35,702	6.7%

Expenses

- The total FY 14 proposed expense budget is increasing minimally as compared to the FY 13 budget.
 - The \$13,004 salary increase consists of \$11,004 for retroactive pay and \$2,000 for health insurance buyback. There is funding for the one part-time position however, the headcount was omitted. The part-time headcount should include one Clerk PT.
- Contractual services line, which is used for outside council when cases are brought against the County, is remaining flat.

The Department of Human Services created in 2011 under Local Law # 4-11, consolidates 1) the Office of Mental Health, Chemical Dependency and Developmental Disabilities Services, 2) the Office of Aging, 3) the Office of the Physically Challenged and 4) the Office of Youth Services. The consolidation is intended to facilitate sharing and exchange of expertise, skill and information between the Health and Human Services departments. Each former department keeps its identity through separate responsibility centers within the Department of Human Services.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	92	79	80	74	77	(3)	-3.8%	3	4.1%
Part-Time and Seasonal	7	6	7	7	9	2	28.6%	2	28.6%
Salaries	\$7,509,561	\$6,547,321	\$6,283,625	\$5,857,130	\$5,500,889	(\$782,736)	-12.5%	(\$356,241)	-6.1%
Equipment	0	0	1,000	1,000	0	(1,000)	-100.0%	(1,000)	-100.0%
General Expenses	437,243	409,294	658,400	658,400	701,898	43,498	6.6%	43,498	6.6%
Contractual Services	28,645,473	26,662,600	23,334,354	25,704,255	25,913,873	2,579,519	11.1%	209,618	0.8%
Inter-Dept. Charges	3,441,598	3,474,059	3,837,870	3,837,870	3,571,363	(266,507)	-6.9%	(266,507)	-6.9%
Total	\$40,033,875	\$37,093,274	\$34,115,249	\$36,058,655	\$35,688,023	\$1,572,774	4.6%	(\$370,632)	-1.0%

Expenses

- Expenses for the Department of Human Services are rising by \$1.6 million or 4.6% for the 2014 Proposed Budget. The growth is an increase in contractual services offset by a reduction in salaries and interdepartmental charges.
- Salaries are decreasing by \$782,736, or 12.5% compared to the FY 13 budget and \$356,241 or 6.1% related to OLBR’s current projection. The majority of the decline in salaries results from reduced headcount and the incorporation of a credit to the Grant Fund offset by the inclusion of retroactive pay.
 - The FY 14 includes a credit for salaries allocable to grants in the amount of \$511,911.
 - The proposed budget includes approximately \$119,000 in retroactive pay resulting from the 2009 CSEA Stipulation of Agreement that deferred contractual wage increases from April 1, 2010 through November 2010 to be paid on the first pay period of 2014.
- The FY 14 general expense budget of \$701,898 grew by \$43,498. These increases are attributable to additional allocations of \$18,000 for travel expenses, \$19,000 for membership fees and \$5,000 for supplies.
 - Court remands represents \$450,000 or 64.1% of this budget (refer to text box on next page).

Expenses, Cont.**Court Remands**

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

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

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

- Contractual services are increasing in FY 14 by \$2.6 million, or 11.1% primarily due to the restoration of funding for programs by Human Services.
- The allocation for reinstated program funding consists of approximately \$1.7 million for Youth Services and roughly \$671,000 for the Office of Mental Health, Chemical Dependency and Developmental Disabilities Services programs and the balance of \$200,000 relates to miscellaneous contractual services.
 - The OLBR projections reflect the funding of the programs since they were reinstated in June 2013 (see program charts on the following pages).
- Interdepartmental charges are being reduced by \$266,507 to \$3.6 million due to less indirect charges, information technology charges and fleet maintenance charges.

Expenses, Cont.**Office of Youth Services Contracts**

Vendor	2013 Budget Adopted	2013 Reinstated Funds	2013 Modified Budget	2014 Proposed Budget	2014 Proposed vs. 2013 Adopted
Advisory Council-(Mineola, New Hyde Park, Williston Park, Herricks)	170,909	91,325	262,234	260,930	90,021
Big Brothers /Big Sisters of L.I-(County wide)	0	44,620	44,620	44,620	44,620
Circulo de la Hispanidad-(Long Beach)	152,609	59,348	211,957	169,556	16,947
City of Glen Cove Youth Bureau-(Glen Cove)	47,140	24,810	71,950	70,887	23,747
Community Parent Center-(Bellmore, Merrick)	0	8,265	8,265	23,765	23,765
Community Wellness Council-(Bellmores/Merricks)	0	10,000	10,000	10,000	10,000
Concerned Citizens for Roslyn Youth-(Roslyn)	94,270	35,373	129,643	143,923	49,653
COPA Y-(Great Neck)	17,606	9,336	26,942	26,575	8,969
E.O.C. of Nassau County-(Roosevelt)	103,208	54,320	157,528	155,200	51,992
EAC-Mediation Alternative Project-(County wide)	26,580	13,989	40,569	39,970	13,390
FCA Probation	0	0	0	72,000	72,000
FCA/Nassau Haven-(County wide)	352,188	0	352,188	391,320	39,132
FCA/PACT (Parents and Children Together)-(West Hempstead, Long Beach)	130,506	81,895	212,401	195,000	64,494
FCA/Walkabout for Young Men & Women-(County wide)	321,741	0	321,741	357,490	35,749
Five Towns Community Center-(Inwood, Lawrence)	260,484	137,097	397,581	391,706	131,222
Floral Park Youth Council-(Floral Park)	0	14,550	14,550	14,550	14,550
Freeport Pride-(Freeport)	230,018	121,062	351,080	345,892	115,874
Gateway Youth Outreach-(Elmont)	214,887	114,825	329,712	328,071	113,184
Hempstead Hispanic Civic Association-(North Hempstead)	21,792	11,469	33,261	32,770	10,978
Hicksville Teen-Age Council-(Hicksville)	103,528	54,901	158,429	156,861	53,333
Hispanic Brotherhood of Rockville Centre-(RVC)	57,673	30,584	88,257	87,383	29,710
Hispanic Counseling Center-(Hempstead)	108,375	57,039	165,414	162,970	54,595
La Fuerza Unida-(Glen Cove)	89,021	46,853	135,874	133,866	44,845
Littig House Community Center-(Port Washington)	103,427	54,513	157,940	155,751	52,324
Long Beach Martin Luther King Center-(Long Beach)	75,000	0	75,000	0	(75,000)
Long Beach REACH combined-(LB)	188,202	101,339	289,541	289,541	101,339
Long Beach REACH-(Westbury/New Cassel)	158,249	84,561	242,810	241,602	83,353
Long Island Advocacy-(County wide)	44,257	23,830	68,087	68,087	23,830
Long Island Crisis Center -(County wide)	109,818	0	109,818	122,020	12,202
Long Island Crisis Center -(County wide)	167,807	0	167,807	186,452	18,645
Manhasset/Great Neck E.O.C.(Manhasset)	64,443	34,435	98,878	93,386	28,943
Nassau County Coalition Against Domestic Violence-(County wide)	37,398	20,137	57,535	57,535	20,137
North Shore Boys and Girls Club-(Glen Head)	0	20,000	20,000	20,000	20,000
Resource Direct - NYS YS entry system	0	0	0	13,000	13,000
STRONG Youth-(Uniondale, Roosevelt, Hempstead)	109,000	76,387	185,387	218,250	109,250
Tempo Youth Services	0	10,806	10,806	30,875	30,875
Time Out Club of Hempstead-(South Hempstead)	117,399	61,789	179,188	176,540	59,141
Uniondale Community Council-(Uniondale)	108,030	57,289	165,319	163,682	55,652
YES Community Counseling Center-(Massapequa, Plainview, Plainedge)	168,691	107,640	276,331	307,543	138,852
Youth & Family Counseling-(Oyster Bay/East Norwich)	45,745	24,444	70,189	69,840	24,095
RFP's non service areas	0	0	0	405,110	405,110
Total	4,000,001	1,698,831	5,698,832	6,234,519	2,234,518

Expenses, Cont.

Office of Mental Health, Chemical Dependency and Development Disabilities Contracts

Vendor	2013 Budget Adopted	2013 Reinstated Funds	2013 Modified Budget	2014 Proposed Budget	2014 Proposed vs. 2013 Adopted
Mental Health Association of Nassau County	303,810	0	303,810	316,810	13,000
Nassau Health Care Corporation	818,370	0	818,370	818,370	0
Angelo Mellilo Ctr for Mental Health	0	50,000	50,000	50,000	50,000
Catholic Charities	0	50,000	50,000	50,000	50,000
Central Nassau Guidance	0	50,000	50,000	50,000	50,000
Federation Employmeny Services	0	50,000	50,000	50,000	50,000
Hispanic Counseling Ctr	0	50,000	50,000	50,000	50,000
South Shore Child Guidance	0	50,000	50,000	50,000	50,000
North Shore Child & Family Guidance Center		50,000	50,000	50,000	50,000
North Shore Child & Family Guidance Center	828,520	0	828,520	828,520	0
Advocacy Support Services	0	0	0	187,000	187,000
The Rehabilitation Institute	50,000	0	50,000	50,000	0
Mental Health Promotion & Research Ctr	100,000	0	100,000	0	(100,000)
Fegs Mental Hygine Court	55,000	0	55,000	55,000	0
TBD	50,000	0	50,000	0	(50,000)
Forensic Evaluator - To be Re-Biddded	350,000	0	350,000	350,000	0
Court Remands Family Court - NHCC (mandated)	687,171	0	687,171	266,102	(421,069)
Community Counseling of W. Nassau	0	22,183	22,183	22,183	22,183
Family and Children's Association	385,020	53,974	438,994	438,994	53,974
Hispanic Counseling	0	22,377	22,377	22,377	22,377
Long Beach Medical Center	0	41,996	41,996	41,996	41,996
Long Beach REACH	0	1,350	1,350	1,350	1,350
Long Island Jewish Medical Center	0	42,628	42,628	42,628	42,628
Maryhaven Center for Hope	219,240	0	219,240	219,240	0
Mercy Hospital Center	0	8,689	8,689	8,689	8,689
North Shore Child and Family Guidance	0	26,556	26,556	26,556	26,556
Peninsula Counseling	0	25,469	25,469	25,469	25,469
South Shore Child Guidance	0	26,423	26,423	26,423	26,423
Southeast Nassau Guidance Center	0	36,739	36,739	36,739	36,739
Tempo Group	0	12,685	12,685	12,685	12,685
Assoc. for Children with Learning Disabilities	29,500	0	29,500	53,582	24,082
Assoc. for the Help of Retarded Children	629,500	0	629,500	675,632	46,132
United Cerebral Palsy of Assoc. of N.C.	154,800	0	154,800	84,586	(70,214)
Total	4,660,931	671,069	5,332,000	4,960,931	300,002

Expenses, Cont.

Office of the Aging Contracts

Vendor	Description of Services	2013 Budget Adopted	2014 Proposed Budget	2014 Proposed vs. 2013 Adopted
Catholic Charities	CSE - Trans & Support Serv.	961,122	836,122	(125,000)
Catholic Charities	EISEP - Case Management	1,115,719	1,115,719	0
Catholic Charities	Title IIIE - Caregiver	55,853	55,853	0
Catholic Charities	Title IIIC-1 - Cong. Meals	836,509	836,509	0
Catholic Charities	Title IIIC-2 - Home Del Meals	1,211,167	1,211,167	0
Cornell Coop Ext	Title IIID - Medical Mgmt.	29,613	29,613	0
Double Babcock	Title IIIB - Trans & Support	84,540	84,540	0
Double Babcock	Title IIIC-1 - Cong. Meals	115,757	115,757	0
EAC	Title IIIB - Trans & Support	332,228	332,228	0
EAC	Title IIID - Medical Mgmt.	96,463	96,463	0
EAC	CSI - Recreation	30,900	30,900	0
EAC	Title IIIC-1 - Cong. Meals	209,641	209,641	0
EAC	Title IIIC-2 - Home Del Meals	241,131	241,131	0
FCA	Title VII - Ombud	53,913	53,913	0
FCA	HIICAP - Health Ins. Info.	85,097	95,919	10,822
FCA	LTCOP - Long Term Care	40,098	40,098	0
FCA	CSE - SAFE - Fuel Emerg.	130,000	130,000	0
FCA	IIIB - Ombud	90,021	90,021	0
FCA	IIIB - Sr. Finance. Counsel.	167,938	167,938	0
FCA	IIIB CSP - Comm Support	154,263	154,263	0
FCA	EISEP - Case Management	930,735	930,735	0
FCA	Title IIIC-1 - Cong. Meals	209,438	138,614	(70,824)
FCA Existing Contract still in force.	HEAP - Heat Energy (9/1/13-12/31/14)	100,000	225,000	125,000
FISH	CSE - Trans & Support Serv.	13,019	13,019	0
5 Towns Inwood	Title IIIB - Trans & Support	53,813	53,813	0
5 Towns Inwood	Title IIIC-1 - Cong. Meals	71,950	71,950	0
Glen Cove	Title IIIC-1 - Cong. Meals	153,595	153,595	0
Glen Cove	Title IIIB - Trans & Support	123,545	123,545	0
Glen Cove	Title IIIE - Caregiver	79,202	79,202	0
Great Neck	Title IIIC-1 - Cong. Meals	129,469	129,469	0
Great Neck	Title IIIB - Trans & Support	112,400	112,400	0

Expenses, Cont.

Office of the Aging Contracts

Vendor	Description of Services	2013 Budget Adopted	2014 Proposed Budget	2014 Proposed vs. 2013 Adopted
Harmony (SAMS)	CSE - Trans & Support Serv.	70,000	70,000	0
Helen Keller	Title IIIC-1 - Cong. Meals	27,701	37,701	10,000
Helen Keller	Title IIIB - Trans & Support	25,570	25,570	0
Herricks	CSE - Trans & Support Serv.	81,648	81,648	0
Herricks	Title IIIC-1 - Cong. Meals	63,994	63,994	0
Herricks	Title IIIE - Caregiver	110,614	110,614	0
Hispanic Brotherhood	Title IIIC-1 - Cong. Meals	32,348	32,348	0
In-Home-Service Blanket Encumb.	EISEP - In Home Assistance	3,174,117	3,174,117	0
JASA	Title IIIC-1 - Cong. Meals	170,679	170,679	0
JASA	Title IIIB - Trans & Support	134,619	134,619	0
JASA	EISEP - Case Management	280,284	280,284	0
JASA	Title IIIC-2 - Home Del Meals	352,451	352,451	0
LI Alzh Assn	Title IIIE - Caregiver	80,245	80,245	0
Marriott	May Conference	18,000	33,000	15,000
N/S Law Services	Title IIIB - Trans & Support	237,953	237,953	0
PCC	CSE - Trans & Support Serv.	63,698	63,698	0
PCC	Title IIIE - Caregiver	173,446	173,446	0
RFP's for Senior Programs	Senior Centers	0	80,000	80,000
Salvation Army	Title IIIC-1 - Cong. Meals	225,047	225,047	0
Salvation Army	Title IIIB - Trans & Support	107,592	107,592	0
Salvation Army	SNAP - Home Del. Meals	82,345	82,345	0
Salvation Army	Title IIIE - Caregiver	16,774	16,774	0
Sid Jacobson	Title IIIE - Caregiver	98,299	98,299	0
TBD	Title IIIC-1 - Cong. Meals	79,900	79,900	0
VNA	SNAP - Home Del. Meals	925,736	925,736	0
Westbury SC	Title IIIC-1 - Cong. Meals	21,224	21,224	0
Total		14,673,423	14,718,421	44,999

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$23,468	\$15,287	\$40,000	\$40,000	\$40,000	\$0	0.0%	\$0	0.0%
Rents & Recoveries	7,270,759	318,473	0	1,771,057	0	0	*****	(1,771,057)	-100.0%
Dept Revenues	8,981	252	0	70	0	0	*****	(70)	-100.0%
Interdept Revenues	350,308	267,750	379,280	379,280	379,280	0	0.0%	0	0.0%
Interfund Charges Rev	11,846,896	175,000	0	0	0	0	*****	0	*****
Fed Aid-Reimb Of Exp	5,949,532	5,509,847	5,526,052	5,526,052	5,543,758	17,706	0.3%	17,706	0.3%
State Aid-Reimb Of Exp	14,181,261	11,522,239	10,678,629	10,678,629	10,314,824	(363,805)	-3.4%	(363,805)	-3.4%
Total	\$39,631,205	\$17,808,847	\$16,623,961	\$18,395,088	\$16,277,862	(\$346,099)	-2.1%	(\$2,117,226)	-11.5%

Revenue

- The FY 14 revenue budget of \$16.3 million has been reduced by \$346,099 or 2.1% compared to the 2013 Adopted Budget primarily due to the reduction of state aid offset by a marginal increase in federal aid. However compared to OLBR’s current projection the revenue budget decreased by \$2.1 million associated with cancelling prior year encumbrances.
 - In 2013, approximately \$1.7 million is estimated to be collected in prior year disencumbrances.
- The 2014 fines and forfeits budget is \$40,000, constant with the 2013 Adopted Budget. This revenue represents the department’s handicapped parking fine surcharge.
- The interdepartmental revenue budget of \$379,280 remains flat for FY 14. It represents the referral of services from the Office of the Aging to the Department of Social Services. The department receives funding from Social Services for Title XX.
- In 2011, \$11.8 million represented interfund charge revenue from the Red Light Camera (RLC) program. However the Legislature passed an amendment to Local Law 12-2009, amending Title 72 of the Miscellaneous Laws of Nassau County which eliminated the special RLC Fund and redirected the revenues collected from the red light cameras to the General Fund. Due to the exclusion of the RLC Fund, interfund revenue charges are no longer budgeted within the Department of Human Services.
- The federal aid budget of \$5.5 million increased by a minimal \$17,706 or 0.3% in FY 14, which represents New York State pass through for Federal Funding for the Office of the Aging.
- State aid funding is declining \$363,805 or 3.4% in the FY 14 Proposed Budget. This reduction is linked to funding cuts from New York State for Youth Services, funding adjustments for Office of the Aging programs and chargeback reallocation for Chemical Dependency and Mental Health programs.

- The following text boxes depict the key programs that are sponsored by State funding.

Funding Sources

Office of Youth Services

Youth Development and Delinquency Prevention (YDDP) is a NYS Office of Children and Family Services funding source allocated to Counties and distributed to local Youth Bureaus to meet locally identified needs. This allocation includes a small reimbursable amount for administrative salaries. A local match is no longer required to ensure that YDDP leverages significant contributions from other sources. The 2014 Youth Development allocation will be based on the Nassau County 0-21 year old population as well as community poverty indicators. For the County, the 2010 U.S. Census has a total of 361,403 youths; however the inclusion of a “not withstanding clause” gives the State the ability to change the rate of the allocation from year to year. It is expected that any differential in funding will be 1% greater or 1% less based on a \$14.5 million appropriation. In 2013 the rate of allocation is \$1.94 per capita. The Youth Board receives Youth Development and Delinquency Plan (YDDP) monies and Special Delinquency Prevention Plan (SDPP) monies which will be a merged funding resource from New York State in 2014. The County can expect 100% reimbursement on this funding. The RHYA portion of this allocation will no longer be factored into the Youth Development revenue.

Office of Youth Services

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

Funding Sources, Cont.**Office of Mental Health, Chemical Dependency and Developmental Disabilities Services**

The department funds the only 24 hours-a-day/7 days-a-week suicide prevention and crisis intervention hotline within the County. Each year this hotline responds to over 10,000 people in crisis, and offers a Suicide Outreach Program where specially trained counselors place outreach calls to persons assessed as being in danger of harming themselves. In 2012, this program was expanded to provide suicide prevention and crisis intervention via texting. All services are free, confidential and anonymous to callers.

This program operates using a large volunteer corps to answer its hotlines. It is one of the most extensive (250+ hours over 9 months) crisis intervention counselor training programs in the nation. Additionally it is certified by the New York State Board of Regents as equivalent to 4.0 college credits. Volunteers are trained and supervised by licensed social workers and mental health counseling professionals. With over 190 volunteers and a small administrative staff, services are extremely cost effective: the in-kind contribution of the volunteers is estimated at over \$750,000.

Office of the Aging

The department receives its State funding from the New York State Office for the Aging (NYSOFA) based on several criteria specific to program functions. NYSOFA funding enables the department to provide financial and programmatic support to non-profit agencies in the following areas of service for Title III (grants for State and community programs on Aging) categories: Title III-B Support Services, Title III-C Nutrition Services, Title III-D Health Promotion and Disease Prevention, Title III-E Caregiver Support Services and Title III-B Ombudsman Program, which provides advocacy for long term care residents in long term care facilities.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	72	71	85	75	79	(6)	-7.1%	4	5.3%
Part-Time and Seasonal	0	1	0	1	0	0	*****	(1)	-100.0%
Salaries	\$8,184,052	\$7,113,398	\$6,915,296	\$6,782,229	\$7,102,898	\$187,602	2.7%	\$320,669	4.7%
Fringe Benefits	0	(207,472)	0	0	0	0	*****	0	*****
General Expenses	183,348	164,351	347,750	347,750	347,750	0	0.0%	0	0.0%
Contractual Services	7,078,691	7,497,196	8,844,278	8,874,278	10,411,816	1,567,538	17.7%	1,537,538	17.3%
Utility Costs	4,467,157	3,678,025	3,868,318	3,868,318	3,868,318	0	0.0%	0	0.0%
Interdepartmental Charges	1,108,298	0	0	0	0	0	*****	0	*****
Total	\$21,021,546	\$18,245,499	\$19,975,642	\$19,872,575	\$21,730,782	\$1,755,140	8.8%	\$1,858,207	9.4%

Expenses

- Expenses in the Proposed FY 14 Budget are up 8.8%, or \$1.8 million, from the budget adopted for FY 13. Expenses in the FY 14 proposal are 9.4%, or \$1.9 million, greater than the latest OLBR projection. The growth in expenses coincides with increased salary and contractual services costs.
- Proposed salary expenses are up 2.7%, or \$187,602, over the budget adopted for FY 13. Compared to OLBR’s projection, proposed salary expenses increase by 4.7%, or \$320,669.
- Proposed headcount is down six positions from the level found in the Adopted FY 13 Budget, but four more than OLBR’s projection. The difference lies, for example, in the elimination of the some vacancies such as: one Deputy Commissioner of Information Technology, one Manager of Computer Operations position, and four Program Analyst Intern positions. Offsetting the elimination of vacancies in the proposed salary budget is \$142,451 in retroactive pay for CSEA members and an increase to the overtime budget of \$76,900.
- Utility expenses are flat when compared to both the Adopted FY 13 Budget and OLBR’s latest projection.
- Proposed contractual services expenses climb 17.7%, or \$1.6 million, over the level in the Adopted FY 13 Budget. Compared to OLBR’s latest projection, proposed contractual expenses rise 17.3%, or \$1.5 million.

Expenses, Cont.

- The table below illustrates that most of the growth in contractual expense is accounted for in software and systems & programming contracts. The following are the contracts exhibiting the most growth from 2013 to 2014:
 - CCSI (systems & programming) from \$706,000 in 2013 to \$851,000 in 2014. This contractor provides mainframe maintenance and support to the County.
 - Oracle (software) from \$443,000 in 2013 to \$500,000 in 2014. The County operates a vast amount of its software and applications on the Oracle platform.
 - Unisys (software) from \$325,404 in 2013 to \$365,000 in 2014.
 - Ventek (software) from \$150,000 in 2013 to \$420,000 in 2014.
- The County’s health and human services agencies rely on Ventek and Unisys software in the Health and Human Services Data Center located at 60 Charles Lindbergh Boulevard. The Department of Social Services (DSS) is reimbursed by New York State (NYS) for 70% of all expenses associated with operating the data center, including those expenses incurred by IT for servicing the data center.

Details of Contractual Services					
Sub -Object	Historical		2014	Exec. vs. Adopted	
	Actual 2012	Adopted 2013	Exec. Budget	Var.	%
Miscellaneous Contruactual Services	\$1,105,370	\$1,613,635	\$1,895,200	\$281,565	17.4%
Systems & Programming	749,219	890,000	1,624,600	734,600	82.5%
Software Contracts	5,642,607	6,340,643	6,892,016	551,373	8.7%
Total	7,497,196	8,844,278	10,411,816	1,567,538	17.7%

Revenues

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$963,614	\$1,242	\$0	\$2,000	\$0	\$0	*****	(\$2,000)	-100.0%
Dept Revenues	7,657	10,470	14,000	41,000	40,000	26,000	185.7%	(1,000)	-2.4%
Cap Backcharges	1,093,001	(2,418,257)	599,910	100,000	100,000	(499,910)	-83.3%	0	0.0%
Interdept Revenues	7,501,478	4,740,173	4,654,790	4,654,790	4,956,265	301,475	6.5%	301,475	6.5%
Interfund Charges Rev	242,312	197,888	285,873	285,873	289,294	3,421	1.2%	3,421	1.2%
Federal Aid	0	19,078	0	0	0	0	*****	0	*****
State Aid	441,576	62,677	0	0	0	0	*****	0	*****
Total	\$10,249,637	\$2,613,272	\$5,554,573	\$5,083,663	\$5,385,559	(\$169,014)	-3.0%	\$301,896	5.9%

- Revenue in the Proposed FY 14 Budget is declining 3.0%, or \$169,014, from the budget adopted for FY 13. Compared to OLBR’s projection, revenue in the FY 14 proposal is increasing by 5.9%, or \$301,896.
- The growth in departmental revenue resulted from the unexpected sale of information in GIS. The department sells GIS information, such as maps of sewer lines, utilities lines, and geographic features, to contractors, municipalities, and utility companies (i.e. Verizon). The sale of GIS information is, by its very nature, difficult for the department to project on an annual basis.
- The department has been using a different capital backcharge methodology since 2012. The department is charging capital costs directly to projects rather than journalizing it through revenue.
- Interdepartmental charges represent revenue collected by IT for services provided to other departments including the Departments of Social Services, Health, and Human Services.
 - In order to maximize revenue reimbursement through the State Aid claims process, interdepartmental charges were increased. For example, costs of providing IT services to DSS have risen, but these costs are eligible for up to 70% reimbursement from the State.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Salaries	\$6,796	\$0	\$0	\$0	\$0	\$0	*****	\$0	*****
General Expenses	0	0	100	100	100	0	0.0%	0	0.0%
Contractual Services	0	0	15,300	15,300	5,300	(10,000)	-65.4%	(10,000)	-65.4%
Total	\$6,796	\$0	\$15,400	\$15,400	\$5,400	(\$10,000)	-64.9%	(\$10,000)	-64.9%

Expenses

- The total FY 14 proposed expense budget for the department is decreasing by \$10,000 or 64.9% compared to the FY 13 adopted budget as well as FY 13 projection.
- No full-time or part-time employees are assigned to Investigations.
- The FY 14 budget includes funding to cover expenses for surveillance equipment and any other items needed to conduct investigations.
- Contractual services is decreasing by \$10,000. This is mainly due to potential investigations being held in-house as opposed to hiring an outside contractor.
- The department of Investigations administers the Financial Disclosure Program, checks for improper billing by contractors, vendors and consultants with whom the County does business. Uncovers any fraud, waste and abuse that affects the County’s finances.

Full-Time Headcount and Salaries

The County Attorney serves as Commissioner of Investigations.

The agency will continue to fulfill its charter mandate to identify, investigate and remediate fraudulent activities.

The Office of Labor Relations is responsible for representing the County, its departments and management in all matters that involve interactions with the County’s labor unions and their collective bargaining agreements (CBAs). The Office is responsible for negotiating collective bargaining and interim agreements, administering such agreements, advising departments on how to achieve goals consistent with such agreements and law and assisting with labor management issues.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	5	4	4	4	5	1	25.0%	1	25.0%
Salaries	\$363,712	\$289,915	\$279,454	\$287,749	\$315,000	\$35,546	12.7%	\$27,251	9.5%
General Expenses	1,836	2,552	5,700	5,700	5,700	0	0.0%	0	0.0%
Contractual Services	260,954	228,301	407,900	407,900	407,900	0	0.0%	0	0.0%
Total	\$626,503	\$520,768	\$693,054	\$701,349	\$728,600	\$35,546	5.1%	\$27,251	3.9%

Expenses

- The total FY 14 proposed expense budget for the Office of Labor Relations is increasing by \$35,546 or 5.1% compared to the FY 13 Adopted Budget due entirely to salaries.
- In FY 14, salary expenses are increasing by \$35,549 or 12.7% from the 2013 Adopted Budget. The increase is due to an increase of one full-time position. The FY 14 Proposed Budget adds two new titles; an Assistant to the Director and a Deputy Director position which is offset by the elimination of the Director of Employee Relations.
- The FY 14 contractual services expense budget remains unchanged compared to last year at \$407,900. These expenses include costs for arbitrator fees, court reporting and outside counsel.
- The 2014 general expense budget is flat compared to FY 13 at 5,700. The budget includes funding for office supplies, education expenses and miscellaneous expenses.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	83	91	97	88	102	5	5.2%	14	15.9%
Part-Time and Seasonal	31	33	19	39	22	3	15.8%	(17)	-43.6%
Salaries	\$5,317,543	\$5,542,270	\$6,137,493	\$5,451,835	\$6,248,334	\$110,841	1.8%	\$796,499	14.6%
Equipment	2,280	27,098	40,777	40,777	60,777	20,000	49.0%	20,000	49.0%
General Expenses	2,070,753	1,641,955	1,682,331	2,082,331	1,684,331	2,000	0.1%	(398,000)	-19.1%
Contractual Services	561,930	1,165,000	1,254,600	1,154,600	1,104,700	(149,900)	-11.9%	(49,900)	-4.3%
Total	\$7,952,506	\$8,376,323	\$9,115,201	\$8,729,543	\$9,098,142	(\$17,059)	-0.2%	\$368,599	4.2%

Expenses

- FY 14 total expenditures are decreasing by \$17,059 or 0.2% from the FY 13 Adopted Budget. There are shifts in expense lines which more than offset one another.
- Salaries are increasing by \$110,841 or 1.8% compared to the FY 13 Adopted Budget and by \$796,499 compared to the FY 13 projection. Current vacant positions in FY 2013 may be filled in FY 14. However, if they are left vacant in FY 14, this will represent a pickup.
- Compared to the current on board staffing, the full-time headcount is increasing by 14 positions with an offset of 17 part-time and seasonal positions.
- Contractual expenses budgeted at \$1.1 million is decreasing by \$149,900 compared to the FY 13 budget. The decrease is due to the elimination of expenses related to the redistricting process.
 - Contractual services also include the costs for mailings, stenographic recording, and the production of the Legislature's journal of proceedings.

Expenses, Cont.

- The FY 14 Proposed Budget of \$1.7 million for general expenses is increasing by \$2,000 compared to the FY 13 Adopted Budget. The budget includes office supplies, postage delivery and education training expenses.
 - Compared to the FY 13 projection, the FY 14 budget is decreasing by roughly \$400,000.

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2013	2014	Exec. vs. Adopted	
	2011	2012	Adopted Budget	Exec. Budget	Var.	%
Legislators-Minority	\$1.9	\$2.3	\$2.4	\$2.4	\$0.0	0.0%
Legislators-Majority	2.2	2.0	2.7	2.7	0.0	0.0%
Legislative Central Staff	3.1	3.3	3.2	3.2	0.0	-0.5%
Legislative Budget Review	0.8	0.7	0.9	0.9	0.0	0.0%
Total	8.0	8.4	9.1	9.1	0.0	-0.2%

- All Legislative control centers are consistent with the FY 13 Adopted Budget figures of \$9.1 million.
 - The FY 14 proposed budget for the Legislature Minority is budgeted at \$2.4 million. An increase of \$65,717 in full-time salaries has been offset by a decrease of \$65,717 in contractual services.
 - The proposed budget for the Legislative Majority is flat at \$2.7 million. All object codes for the Majority are budgeted at the same levels as FY 13.
 - There is a minimal decrease of 0.5% in the Legislative Clerk’s Office due to a small reduction in contractual services.
 - The Office of Legislative Budget Review remains flat in FY 14.

Expenses

- In FY 12, the Miscellaneous, Unallocated Revenues and Reserves departments were merged with the Office of Management and Budget (OMB). In FY 13, the General Fund debt service chargeback expenses were also rolled up in OMB through the inclusion of the Debt Service Department.
- The chart below itemizes OMB’s headcount and salary expenses.
- The FY 14 proposed headcount, excluding the savings from initiative, shows an increase of one part-time employee from the FY 13 budget while full-time remains flat. As compared to the OLBR projection, the FY 14 proposed headcount is increasing by four full-time employees.
- Shown below the line in the chart are the savings from initiative. In FY 14, this figure represents the anticipated attrition of 100 individuals throughout the County along with the corresponding \$1.6 million in budgeted attrition savings.
- The attrition savings in FY 14 is \$0.9 million less than the FY 13 amount.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	26	24	25	21	25	0	0.0%	4	19.0%
Part-Time and Seasonal	4	4	3	4	4	1	33.3%	0	0.0%
Employee Savings from Initiative	0	0	(107)	0	(100)	7	-6.5%	(100)	*****
Employee Salaries	2,757,207	4,866,797	5,050,806	4,731,859	5,009,430	(41,376)	-0.8%	277,571	5.9%
Salary Savings from Initiative	0	0	(2,569,101)	0	(1,636,246)	932,855	-36.3%	(1,636,246)	*****
Grand Total Salaries	2,757,207	4,866,797	2,481,705	4,731,859	3,373,184	891,479	35.9%	(1,358,675)	-28.7%

Expenses, Cont.

- For reporting purposes, the 2012 General Fund debt service chargeback was incorporated into the All Other Miscellaneous Budgets. In 2013, the debt service chargeback expenses for the General Fund were transitioned into OMB. Therefore, the FY 12 actual of \$227.6 million is shown in the All Other Miscellaneous Budgets responsibility center.
- The chart below itemizes OMB expenses by responsibility center. Total expenses for the consolidated department are decreasing 4.4% from the FY 13 level prior to the savings from initiatives.
- The FY 13 budget included \$2.6 million in salary savings from initiative. In FY 14, the salary savings from initiative are \$1.6 million. These savings are expected to be generated from attrition. These savings are shown below the line on the chart.

Expenditures by Responsibility Center					
Expense				Exec. vs. Adopted	
	2012	2013 Adopted Budget	2014 Executive Budget	Variance	Percent
All Other Miscellaneous Budgets	\$304,868,359	\$373,632,526	\$347,865,667	(\$25,766,859)	-6.9%
Budget Development And Analysis	\$1,285,014	\$1,291,226	\$1,247,258	(\$43,968)	-3.4%
Fiscal Anaysis	\$180,433	\$146,679	\$124,985	(\$21,694)	-14.8%
Fleet Management	\$13,090	\$13,090	\$13,283	\$193	1.5%
Flex Benefits Program	\$2,000,000	\$2,400,000	\$2,100,000	(\$300,000)	-12.5%
Indigent Legal Services	\$12,286,776	\$13,784,031	\$13,935,394	\$151,363	1.1%
Interfund Transfers	\$17,074,948	\$0	\$0	\$0	*****
Local Government Assistance	\$64,298,027	\$66,944,894	\$69,572,689	\$2,627,795	3.9%
Nassau Healthcare Corporation (NHCC)	\$37,815,959	\$39,968,963	\$40,698,580	\$729,617	1.8%
Office Of Management And Budget	\$983,969	\$1,960,725	\$2,143,725	\$183,000	9.3%
Project And Performance Management	\$302,412	\$246,457	\$246,709	\$252	0.1%
Resident Tuition	\$4,643,395	\$8,712,000	\$8,712,000	\$0	0.0%
Revenue And Grants Management	\$113,828	\$128,828	\$128,828	\$0	0.0%
Risk Management	\$10,786,718	\$11,984,238	\$11,567,054	(\$417,184)	-3.5%
Workers Comp Health	\$209,558	\$0	\$0	\$0	*****
Workers Comp Sewer & Storm Water Auth	\$428,264	\$0	\$0	\$0	*****
Workers Comp Social Services	\$241,398	\$0	\$0	\$0	*****
Sub-Total	\$457,532,148	\$521,213,657	\$498,356,172	(\$22,857,485)	-4.4%
Savings from Initiative	\$0	-\$2,569,101	-\$1,636,246	\$932,855	-36.3%
Consolidated Total	\$457,532,148	\$518,644,556	\$496,719,926	(\$21,924,630)	-4.2%

Expenses, Cont.

- The FY 14 **All Other Miscellaneous Budget** includes \$308.2 million in debt service chargebacks. These charges were previously included in the former General Fund Debt Service Department.
 - Also included are \$2.0 million for other suits and damages which decreased by \$18.5 million from FY 13. The FY 13 cost of \$20.5 million was to cover judgments and settlements.
- The **Budget Development and Analysis** responsibility center is where the salary savings from initiatives are located.
- The **Flex Benefits Program** is a wash to the County, both the expense and revenues match at \$2.1 million. For more detail see the Fringe Benefits write up.

- FY 14 **Indigent Legal Services** has an increase of \$0.2 million due to higher Legal Aid Society costs.
 - The Indigent Legal Services responsibility center is where the County budgets for the costs associated with the Legal Aid Society and the Nassau County Bar Association. These fees are contractually set and mandated by the State.
- The **Nassau Healthcare Corporation** responsibility center contains funding for the County's mandated payments to NHCC. In FY 14, the \$0.7 million increase is a function of higher health insurance costs for retirees at NHCC.
- FY 14 **Office of Management and Budget** has an increase of \$0.2 million mainly due to higher health insurance buyback for retirees.
- The proposed FY 14 **Resident Tuition** is remaining consistent with FY 13 levels.
 - The Resident Tuition responsibility center is where the County budgets for its obligation to pay tuition costs for Nassau residents who attend New York State community colleges outside of Nassau County, including the Fashion Institute of Technology (FIT). Nassau County receives 100% reimbursement for the expenses from the local town or city where the resident resides.
- FY 14 **Risk Management** has a decrease of \$0.4 million primarily due to lower administrative assessment costs.
 - Risk Management is where the County budgets for its insurance, worker's compensation, and other safety related expenses.

Local Government Assistance Program				
	2012 Actual	2013 Adopted	2014 Proposed	2014 vs. 2013
Town of Hempstead	\$35,619,795	\$37,051,920	\$38,533,997	4.0%
Town of Oyster Bay	13,746,779	14,912,741	15,509,250	4.0%
Town of North Hempstead	10,613,091	10,773,963	11,204,921	4.0%
City of Long Beach	1,557,424	1,708,067	1,776,390	4.0%
City of Glen Cove	1,262,267	1,248,203	1,298,131	4.0%
Incorporated Villages	1,252,204	1,250,000	1,250,000	0.0%
Total	\$64,051,560	\$66,944,894	\$69,572,689	3.9%

- The Local Government Assistance Program represents the local share of the sales tax revenue allocated to the County’s three towns, two cities and incorporated villages.
 - In FY 14, local government assistance (LGA) for the three towns and the two cities are budgeted to receive an increase of 3.9% overall. The Town and City allotments are based upon their populations. LGA is a function of sales tax.

Nassau County Workers' Compensation (All Departments)						
Control Center	Historical		2013	2014	Exec. vs. Adopted	
	2011	2012	Adopted	Budget	Var.	%
AC15D - Workers' Compensation Triad - Dpay	\$8,913,691	\$9,111,687	\$10,778,290	\$10,619,989	(\$158,301)	-1.5%
AC15I - Workers' Compensation Triad - Indemnity	4,496,340	4,292,747	4,951,086	8,089,624	3,138,538	63.4%
AC15M - Workers' Compensation Triad - Medical	8,475,613	7,977,052	6,304,250	6,809,561	505,311	8.0%
AC18F - General State Comp Admin Assesment	2,480,000	3,503,200	3,503,107	2,503,107	(1,000,000)	-28.5%
Total	\$24,365,644	\$24,884,687	\$25,536,733	\$28,022,281	\$2,485,548	9.7%

- The chart above captures the proposed FY 14 workers' compensation County-wide budget. The Police Department, Corrections and Public Works maintain their own portion of workers' compensation within their respective budgets. All other workers' compensation costs are accounted for in OMB’s budget.

Expenses, Cont.

- The FY 14 workers' compensation budget is increasing by \$2.5 million, or 9.7% versus the FY13 Adopted Budget. Compared to the 2012 and 2011 actual workers’ compensation costs are increasing by \$3.1 million or 12.6%

and \$3.7 million or 15.0% respectively. The increases are due to:

- The Administration anticipating a large number of partial loss disability awards.
 - The indemnity rate increasing by 1.4% to \$803 from \$792.
- The County, along with its Third-Pay Administrator (TPA), continues to control expenses by aggressively managing medical cost.
- The NYS Workers Compensation Board has modified its internal verification process for stricter requirement. This change resulted in lower medical expenses.

- The dpay line captures the costs associated with disability payments, the indemnity line reflects the costs associated with lost wages and the medical line covers the injured employees' medical costs.
- The dpay and indemnity rates are aligned with the average weekly wage rates being set by the New York State Workers Compensation Board.
- The General State Comp Admin Assessment expense is needed in order to fund the financial needs of the Workers' Compensation Board itself. By law, the recovery of the Board's administrative costs is done through a series of general administrative assessments that are paid by insurance carriers and self-insured employers.

Revenue by Responsibility Center							
Revenue	2012	2013		2014		Exec. vs. Adopted	
		Adopted Budget	Executive Budget	Variance	Percent		
All Other Miscellaneous Budgets	\$17,060,028 *	\$50,989,399	\$30,306,649	(\$20,682,750)	-40.6%		
Flex Benefits Program	2,035,872	2,400,000	2,100,000	(300,000)	-12.5%		
General Fund Unallocated Revenues	1,229,358,074	1,272,498,597	1,278,595,507	6,096,910	0.5%		
Indigent Legal Services	2,467,013	2,523,400	862,100	(1,661,300)	-65.8%		
Interfund Transfers	698,200	0	0	0	0.0%		
Nassau Healthcare Corporation (NHCC)	1,585,464	20,000	2,000	(18,000)	-90.0%		
Office Of Management And Budget	53,526,240	53,748,518	55,936,740	2,188,222	4.1%		
Property Tax Collections	(2,193,547)	0	0	0	0.0%		
Reserves	293,181	5,374,756	4,542,643	(832,113)	-15.5%		
Resident Tuition	1,620,507	8,712,000	8,712,000	0	0.0%		
Risk Management	1,807,920	2,760,451	1,467,098	-1,293,353	-46.9%		
Vertical Administration	82,766	0	0	0	0.0%		
Total	\$1,308,341,717	\$1,399,027,121	\$1,382,524,737	(\$16,502,384)	-1.2%		

* Excludes Fund Balance

Revenues

- The total FY 14 proposed revenue budget incorporates Miscellaneous, Unallocated Revenue and Reserves within the Office of Management and Budget. The revenues are shown above by responsibility centers.
- Total FY 14 revenues are budgeted to decrease by \$16.5 million or 1.2% from the FY 13 adopted level. The decrease is mostly attributed to the elimination of revenue booked from bond proceeds to cover non-tax certiorari judgment and settlement payments which is reflected in the **All Other Miscellaneous Budget** responsibility center. In FY 13, \$20.5 million in bond proceeds revenue was included in the operating plan to cover judgments and settlements. In FY 14, the funding for judgments are included in the Multi-Year Plan's borrowing schedule and \$2.0 million is included in operating funds.
- The **Flex Benefits** responsibility center is where the offsetting revenues for the Flex Benefit Program are booked.
- The Indigent Legal Services responsibility center reflects the state aid reimbursement for indigent legal services at the Legal Aid Society. The FY 14 budget is decreasing by \$1.6 million due to a partial phase out of state aid which will be covered by a grant.

Revenues, Cont.

- The **Office of Management and Budget** contains \$55.9 million in interdepartmental revenues. These revenues represent the allocation of indirect administrative charges incurred by one department on behalf of another department. Some of the departments being charged back include Police Headquarters, Police District, Public Works and Social Services.
- The **Reserves** line is decreasing by \$0.8 million due to lower prior year recoveries being anticipated.
- **Resident Tuition** reflects reimbursement for the cost of residents attending FIT and other community colleges located in New York State. The budgeted \$8.7 million reflects the corresponding revenue to the associated expense.
- **Risk Management** is decreasing by \$1.3 million mostly due to the elimination of interdepartmental revenues from the FY 14 budget and lower recovery of prior year adjustments.
- The **Unallocated Revenues** Department responsibility center includes \$1,278.6 million in anticipated revenue collections. The following chart itemizes these revenues.

OMB Revenues by Responsibility Center General Fund Unallocated Revenues - 1700					
	2013		2014	Exec. vs. Adopted	
	2012	Adopted Budget	Exec. Budget	Var.	%
Fines & Forfeits	\$1,202,310	\$2,850,000	\$1,190,000	(1,660,000)	-58.2%
Dept Revenues	620,000	620,000	620,000	0	0.0%
Pay Lieu Tax - Payment In Lieu Of Taxes	8,583,256	9,646,819	9,424,089	(222,730)	-2.3%
Interfd Chgs - Interfund Charges Revenue	16,133,625	17,796,081	17,989,267	193,186	1.1%
Sales Tax Co - Sales Tax Countywide	992,706,177	1,031,663,514	1,072,930,055	41,266,541	4.0%
Part County - Sales Tax Part County	85,423,241	89,582,099	92,933,278	3,351,179	3.7%
Property Tax	121,173,836	117,107,798	80,509,740	(36,598,058)	-31.3%
OTB 5% Tax	3,515,628	3,232,286	2,999,078	(233,208)	-7.2%
Total	\$1,229,358,074	\$1,272,498,597	\$1,278,595,507	\$6,096,910	0.5%

- Total FY 14 revenues are increasing by \$6.1 million, or 0.5% from the FY 13 Adopted Budget. The increase is primarily due to greater sales tax revenue, which is offset by a decrease in the property tax levy allocated to the General Fund.

Revenues, Cont.

- The 2014 Proposed Budget includes a 31.3% budget to budget property tax decrease in the levy allocated to the General Fund. This results from a reallocation of the levy between the Major Funds. There is no overall property tax increase. For more discussion of the FY 14 property tax, see the Executive Summary.
- Excluding the deferred piece, FY 14 sales tax revenues are increasing 4.0% from the FY 13 adopted level. For a more detailed analysis, see the Sales Tax section in the Executive Summary.
- The fine and forfeits line is decreasing by \$1.7 million from the FY 13 level. This line includes a decrease of \$0.2 million in forfeited bail and \$1.5 million in fines.
- The proposed FY 14 departmental revenues line includes \$620,000 in collections, which represents the funding for the Off Track Betting (OTB) debt support agreement with Nassau County. The amount is contractually set.
- The Payment in Lieu of Taxes line represents the revenues associated with PILOT agreements. Under these agreements, a business will pay a PILOT instead of taxes for several years. The PILOT payments gradually increase until the entity starts to pay its actual tax liability. The FY 14 PILOT line is decreasing by \$0.2 million to \$9.4 million.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	56	62	74	68	72	(2)	-2.7%	4	5.9%
Part-Time and Seasonal	9	6	6	9	10	4	66.7%	1	11.1%
Salaries	\$5,299,789	\$5,615,435	\$6,630,556	\$6,057,714	\$6,687,325	\$56,769	0.9%	\$629,611	10.4%
Fringe Benefits	0	(438)	0	0	0	0	*****	0	*****
Equipment	0	67,274	14,958	28,358	45,900	30,942	206.9%	17,542	61.9%
General Expenses	370,693	428,345	653,017	639,617	643,017	(10,000)	-1.5%	3,400	0.5%
Contractual Services	57,903	56,625	58,145	58,145	99,664	41,519	71.4%	41,519	71.4%
Inter-Dept. Charges	1,181,993	0	0	0	0	0	*****	0	*****
Total	\$6,910,377	\$6,167,241	\$7,356,676	\$6,783,834	\$7,475,906	\$119,230	1.6%	\$692,072	10.2%

Expenses

- FY 14 expenditures for the Medical Examiner (ME) are growing by \$119,230, or 1.6%, compared to the FY 13 Adopted Budget. This is due to slight increases in salaries, equipment and contractual services.
- Budgeted headcount will be declining by two to 72 full-time employees in FY 14 while part-time headcount will increase by four when comparing budget to budget. The department secured the Administration’s approval to rehire some part-time forensic scientists that had been previously laid-off. The scientists are needed for crime lab operations.
- The proposed salary line includes \$78,849 in retroactive pay for deferred contractual increases for Civil Service Employees Association (CSEA) members which offset by the rehiring of some full-time scientists to part-time positions.
- Offsetting the growth in expenses is a very small decline in general expenses.
- The decrease in general expenses is related to \$48,418 growth in medical supplies and expenses offset by a \$55,743 reduction in building supplies and maintenance.
- Contractual services is increasing by \$41,519 when comparing the proposed to the adopted. These costs are mostly related to crime lab equipment and toxicology instruments that require maintenance contracts.

Crime Lab

On February 17th the NCPD's forensic evidence bureau was shuttered by County Executive, Edward Mangano and District Attorney, Kathleen Rice as a result of the lab having been cited for 26 violations by ASCLAD-Lab, the accrediting agency for NYS labs. Since that time the County Executive mandated that the Police Department crime lab fall under the jurisdiction of the Nassau County Medical Examiner's Office. Civilian staff was subsequently hired and resources procured to bring on line the essential crime lab disciplines. Specifically, the Medical Examiner's Toxicology lab began DWI testing in November of 2011. By 2012 the DWI Lab became fully functional in drugs and alcohol testing effectively ending the County's dependence on having to outsource for this service. Presently, this lab continues to provide services to its user agencies. The Latent Prints discipline received accreditation in June of 2012 for latent print comparisons and is actively pursuing accreditation for latent print processing anticipated to be received by 2014. The Controlled Substance discipline is working toward receiving its accreditation by the end of 2014, providing the existing laboratory can support the operation. The Trace Evidence and Firearms disciplines will continue to be outsourced until appropriate lab space is identified, staff is hired and ASCALD International accreditation for Firearms is awarded

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$121,850	\$24,926	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	19,228	32,954	20,000	20,000	25,000	5,000	25.0%	5,000	25.0%
Interfund Charges Rev	0	0	0	0	0	0	*****	0	*****
State Aid-Reimb Of Exp	1,208,301	26	0	0	0	0	*****	0	*****
Total	\$1,349,379	\$57,906	\$20,000	\$20,000	\$25,000	\$5,000	25.0%	\$5,000	25.0%

Revenues

- Due to the State’s fiscal woes, the State has reduced, or eliminated altogether, its aid state-wide to municipalities and local governments and provided funding to the Medical Examiner’s Office for only the first six months of 2011. In FY 12 and FY 13, state aid was eliminated from the revenue budget. The same holds true for FY 14.
- Previously, the Administrative Rules and Regulations of the New York State Health Department Section 40-10(F) Title 10 permitted up to 36% of the expense budget to be funded by state aid.
- Department revenues will increase by \$5,000 above FY 13 levels. The \$25,000 in revenue is generated by fees the Medical Examiner charges for courtesy holds, Pathology Resident Rotation tours by residents from Winthrop and LIJ and requests for copies and photographs.

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	6	5	5	6	6	1	20.0%	0	0.0%
Part-Time and Seasonal	2	2	2	2	2	0	0.0%	0	0.0%
Salaries	\$461,076	\$437,613	\$411,142	\$463,849	\$474,667	\$63,525	15.5%	\$10,818	2.3%
General Expenses	12,017	4,672	16,445	16,445	24,900	8,455	51.4%	8,455	51.4%
Contractual Services	60,394	3,428	31,000	31,000	31,000	0	0.0%	0	0.0%
Total	\$533,487	\$445,712	\$458,587	\$511,294	\$530,567	\$71,980	15.7%	\$19,273	3.8%

Expenses

- Expenses increase in the Proposed FY 14 Budget by 15.7%, or \$71,980, compared to the Adopted FY 13 Budget. Compared to OLBR’s projection, the proposed expenses are 3.8%, or \$19,273, greater.
- Salaries increase by 15.5%, or \$63,525, compared to the FY 13 Adopted Budget, and 2.3%, or \$10,818, compared to current 2013 projections.
 - The department added a Program Coordinator in the 2nd quarter of 2013. The FY 14 proposal reflects a full year’s salary for this individual. This staffing variance accounts for the majority of the expense increase in Minority Affairs.
- General expenses rise by 51.4%, or \$8,455, on increases to various expenses categories (i.e. traveling, office supplies, other miscellaneous supplies).
- The contractual services budget is unchanged in the FY 14 proposal.

	Historical		2013		2014	2014 vs. 2013		Proj vs. 2014	
	2011	2012	Adopted Budget	OLBR Projected	Adopted Budget	Variance	Percent	Variance	Percent
Full-time Headcount	1,198	1,149	1,153	1,133	1,146	(7)	-0.6%	13	1.1%
Salaries	\$127,529,677	\$126,749,423	\$127,603,492	\$129,521,283	\$130,929,542	\$3,326,050	2.6%	\$1,408,259	1.1%
Fringe Benefits	48,555,769	50,087,859	52,996,235	53,615,334	57,850,000	\$4,853,765	9.2%	\$4,234,666	7.9%
Equipment	2,311,973	2,363,490	2,313,914	2,313,914	2,297,618	(\$16,296)	-0.7%	(\$16,296)	-0.7%
General Expenses	8,241,022	8,459,635	7,444,412	7,374,412	7,776,804	\$332,392	4.5%	\$402,392	5.5%
Contractual Services	5,911,643	5,814,635	6,583,290	6,553,290	5,620,448	(\$962,842)	-14.6%	(\$932,842)	-14.2%
Utility Cost (Tel. & Other)	1,280,783	1,359,998	1,296,050	1,296,050	1,500,000	\$203,950	15.7%	\$203,950	15.7%
Utility Cost (LIPA)	3,980,198	3,644,996	3,504,490	3,604,490	3,950,130	\$445,640	12.7%	\$345,640	9.6%
Interfund Charges	2,990,523	2,792,670	2,950,000	2,950,000	3,200,000	\$250,000	8.5%	\$250,000	8.5%
County Scholarships	54,900	55,000	55,000	55,000	755,000	\$700,000	1272.7%	\$700,000	1272.7%
Total	\$200,856,488	\$201,327,706	\$204,746,883	\$207,283,773	\$213,879,542	\$9,132,659	4.5%	\$6,595,769	3.2%

Expenses

- Expenses are budgeted to increase by 4.5%, or \$9.1 million, compared to the Adopted 2013 Budget. There had been adjustments made to the 2012 - 2013 Adopted Budget to reallocate expense lines; however, the bottom line approved by the Legislature remained unchanged.
- Salaries in the adopted budget are growing by \$1.4 million, or 1.1%, when compared to the FY 2012-13 salary projection, and increasing by 2.6%, or \$3.3 million when comparing budget to budget. Salaries make up 61.2% of the total expense budget. Headcount figures in the chart above are based on June 1 data. FY 2013–14 budgeted headcount is declining by seven budget to budget and increasing by 13 when compared to the current onboard.
- The growth in salaries includes funding for Civil Service Employees Association (CSEA) cost of living adjustment (COLA) of 3.75% and step increases estimated to be between 1.8% and 2%. Additionally, there are promotions for certain Nassau Community College Federation of Teachers (NCCFT) members. The NCCFT contract expired August 31, 2013 and no contractual funding increase was included.

- The agreement with the Adjunct Faculty Association (AFA) expired on September 30, 2010. Aside from promotions and advancement to the next level based on seniority, the budget does not include funding for wage increases should a new contract be agreed upon.
- Salaries for Ordinance employees will include no cost of living adjustments.
- The FY 2013-14 termination budget of \$2.9 million is based on an anticipated 20 retirements in FY 2013–14. The College is projecting termination costs for FY 2012–2013 close to the budgeted \$1.6 million.
- Also contributing to the increase in expenses is a \$4.9 million growth in fringe benefits when comparing budget to budget. This is a result of rising health insurance costs and pension costs from the New York State Local Retirement System (NYSLRS) and the Teachers Retirement System.
- OTPS (Other Than Personal Services) spending is budgeted above FY 2012–13 levels primarily due to a \$700,000 increase in scholarships. The increase will be explained in the OTPS section. The College had imposed a spending cap on OTPS expenses for FY 2012–13 and intended to cease such spending if expenses in other areas of the budget required additional funds. This policy remains in effect for FY 2013-14.

Salaries

FULL-TIME HEADCOUNT											
Union	Adopted 12 - 13		Adopted 13 - 14		Difference			'Jun 13	Difference		
	F/T	Pers. Svcs	F/T	Pers. Svcs	F/T	Pers. Svcs	FT % Chg	Act. F/T	F/T	% Chg	
NCCFT	679	\$57,138,562	677	\$59,972,568	(2)	\$2,834,006	-0.3%	674	3	0.4%	
NCCFT-LINCC	14	687,182	14	650,614	0	(\$36,568)	0.0%	14	0	0.0%	
CSEA	389	22,465,901	393	24,041,783	4	1,575,882	1.0%	382	11	2.9%	
Ordinance	71	6,663,454	62	7,123,625	(9)	460,171	-12.7%	63	(1)	-1.6%	
Grand Total	1,153	\$86,955,099	1,146	\$91,788,590	(7)	\$4,833,491	-0.6%	1,133	13	1.1%	

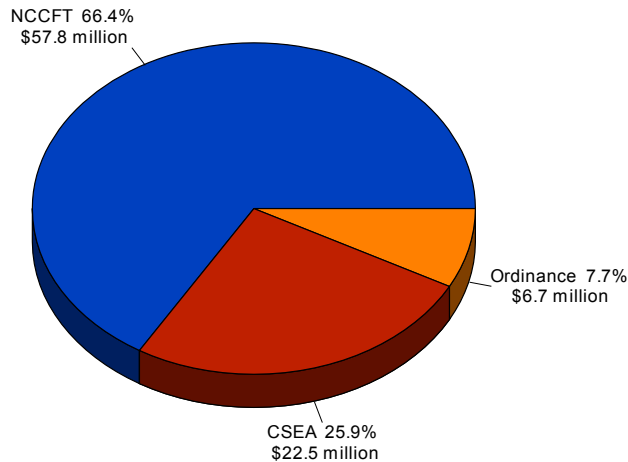
- Fulltime headcount in the adopted budget is decreasing by seven compared to FY 2012–13.
- The number of Ordinance employees is declining by nine budget to budget and decreasing by one when compared to the current 63 onboard. The FY 2012–13 budget included a credit of -\$641,918 for initiatives which reduced the salary expenses; although a

similar credit exists in the Adopted FY 2013–14 the corresponding line is a positive \$645,202 mainly due to the funding of vacant positions.

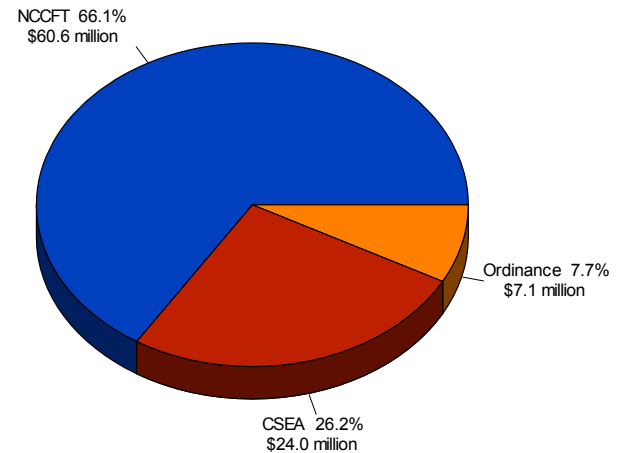
- The budget funds six vacant Ordinance positions worth approximately \$1.0 million, excluding fringe benefits. They include VP for Academic Affairs, President (or VP) for Student Affairs, AVP for Human Resources, Director of Labor Relations, Dean of Liberal Arts and a College Foundation position. These positions, while vacant at budget submission, are scheduled to be filled in FY 2013-14.

➤ The graph below illustrates salary expenses by union in the adopted budget compared to last year’s budget.

Adopted 2012-13 Full Time Salaries by Union



Adopted 2013 - 14 Full Time Salaries by Union



Fringe Benefits

Nassau Community College Fringe Benefit Expenses							
	2013 Budget	OLBR Projection	Adopted 2014 Budget	2014 vs. 2013	Percent	Adopted vs. Projected	Percent
State Retirement	\$5,110,376	\$6,110,376	\$6,883,000	\$1,772,624	34.7%	\$772,624	12.6%
Teachers Retirement	\$2,306,984	\$2,306,984	3,201,000	\$894,016	38.8%	\$894,016	38.8%
Social Security	\$9,479,289	\$9,544,612	9,550,000	\$70,711	0.7%	\$5,388	0.1%
Health Insurance	\$17,804,156	\$17,430,024	19,530,000	\$1,725,844	9.7%	\$2,099,976	12.0%
TIAA CREF	\$7,139,997	\$7,337,936	7,340,000	\$200,003	2.8%	\$2,064	0.0%
Optical Plan	\$123,997	\$121,171	122,000	(\$1,997)	-1.6%	\$829	0.7%
Unemployment	\$250,000	\$320,000	325,000	\$75,000	30.0%	\$5,000	1.6%
Dental Insurance	\$650,006	\$650,006	650,000	(\$6)	0.0%	(\$6)	0.0%
Medicare Reimbursement	\$1,375,000	\$1,375,000	1,375,000	\$0	0.0%	\$0	0.0%
Health Insurance Retirees	\$7,820,801	\$7,054,429	7,390,000	(\$430,801)	-5.5%	\$335,571	4.8%
Retirees Optical	\$14,008	\$13,824	14,000	(\$8)	-0.1%	\$176	1.3%
Medicare Part D	(\$475,000)	(\$92,441)	0	\$475,000	-100.0%	\$92,441	-100.0%
MTA Mobility Tax	\$447,631	\$447,633	445,000	(\$2,631)	-0.6%	(\$2,633)	-0.6%
CSEA Legal Fund	\$64,000	\$65,780	65,000	\$1,000	1.6%	(\$780)	-1.2%
NYS Disability Insurance	\$10,000	\$10,000	10,000	\$0	0.0%	\$0	0.0%
Workers Compensation	\$874,990	\$920,000	950,000	\$75,010	8.6%	\$30,000	3.3%
Total	\$52,996,235	\$53,615,334	\$57,850,000	\$4,853,765	9.2%	\$4,234,666	7.9%

- The Fringe Benefit budget, which represents 27.0% of the operating budget, is increasing by \$4.9 million or 9.2% compared to the current year’s budget primarily due to rising health insurance costs and pension costs from the New York State Local Retirement System (NYSLRS) and the Teachers Retirement System. The FY 2012–2013 budget had been modified to include an additional \$1.0 million.
- The fringe benefit appropriation assumes a 10% rate increase for health insurance costs. The rate is higher than the Best Estimate Projection provided in New York State’s Quarterly Experience Report, which projects that the 2014 health insurance premium rate will increase by 4.5% for family coverage. Based on this growth rate the 2013-2014 Adopted Budget has sufficient funding.
- The \$3.2 million adopted budget for Teachers Retirement is increasing \$894,016 compared to the current year’s projection due to a 37% rate increase in the retirement bill.

- The FY 2013-14 Adopted Budget of \$6.9 million for State Retirement is an increase of \$772,624 compared to FY 2012-2013 projections. This increase is attributable to a 10.5% pension contribution rate increase and higher salary costs from annual cost of living and step increases.
- The FY 2013-14 Fringe Benefit budget has eliminated the Medicare Part-D reimbursement of \$475,000 because the funding is no longer provided. This federal subsidy was previously for prescription drug coverage.
- The adopted workers' compensation budget of \$950,000 is an increase of 8.6% compared to the FY 2012-2013 budget.

OTHER THAN PERSONAL SERVICES

- OTPS spending in FY 2013-14 will be about \$952,844 more than that of the adopted FY 2012-13. The following chart details the spending from 2012 to the FY 2013-2014 Adopted Budget:

Nassau Community College OTPS Budget Comparison FY 2012-2014						
	<u>2012</u>	<u>2013</u>	<u>2013</u>	<u>2014</u>	Variance	Variance
	<u>Operating</u>	<u>Adopted</u>	<u>Projected</u>	<u>Adopted</u>	<u>2013/2014</u>	<u>Proj/Bud</u>
	<u>Results</u>	<u>Budget</u>	<u>Oper. Results</u>	<u>Budget</u>		
Equipment	2,363,490	2,313,914	2,313,914	2,297,618	(16,296)	(16,296)
General Expenses	8,459,635	7,444,412	7,374,412	7,776,804	332,392	402,392
Contractual Services	5,814,635	6,583,290	6,553,290	5,620,448	(962,842)	(932,842)
Utility Costs	5,004,994	4,800,540	4,900,540	5,450,130	649,590	549,590
Central Utility Plant Chgs	2,792,670	2,950,000	2,950,000	3,200,000	250,000	250,000
Scholarships	55,000	55,000	55,000	755,000	700,000	700,000
	24,490,423	24,147,156	24,147,156	25,100,000	952,844	952,844

- Historically, the College has adjusted spending for OTPS on an as needed basis. Sometimes, OTPS spending shifts at year's end due to surpluses in other areas of the budget to fund needed expenses. The budgeted bottom line for OTPS always remains the same.

- The scholarship line is growing by \$700,000 to enable Nassau County's Office of Emergency Management (OEM) to continue to provide services previously covered by the federally funded SAFER grant (Staffing for Adequate Fire and Emergency Response).
 - It is designed to encourage individuals to become participants in Nassau County's volunteer fire departments and as fire department emergency medical service (EMS) providers while they attend NCC. In exchange for tuition reimbursement, student/volunteers must maintain volunteer activity and training levels and certain academic objectives during their course of study and must commit to a post-education service obligation of one year for each scholarship they receive. The appropriation is expected to be necessary for one year after which the federal funding stream is expected to be renewed. In consideration of the College's efforts, OEM would work with the College to provide security related improvements at the College of a value equal to the tuition reimbursement. These improvements would be paid through resources provided to it by the US Department of Home Security.
- In anticipation of increased utility and energy costs, the College has increased this expense in the adopted budget.

OPPORTUNITIES & RISKS

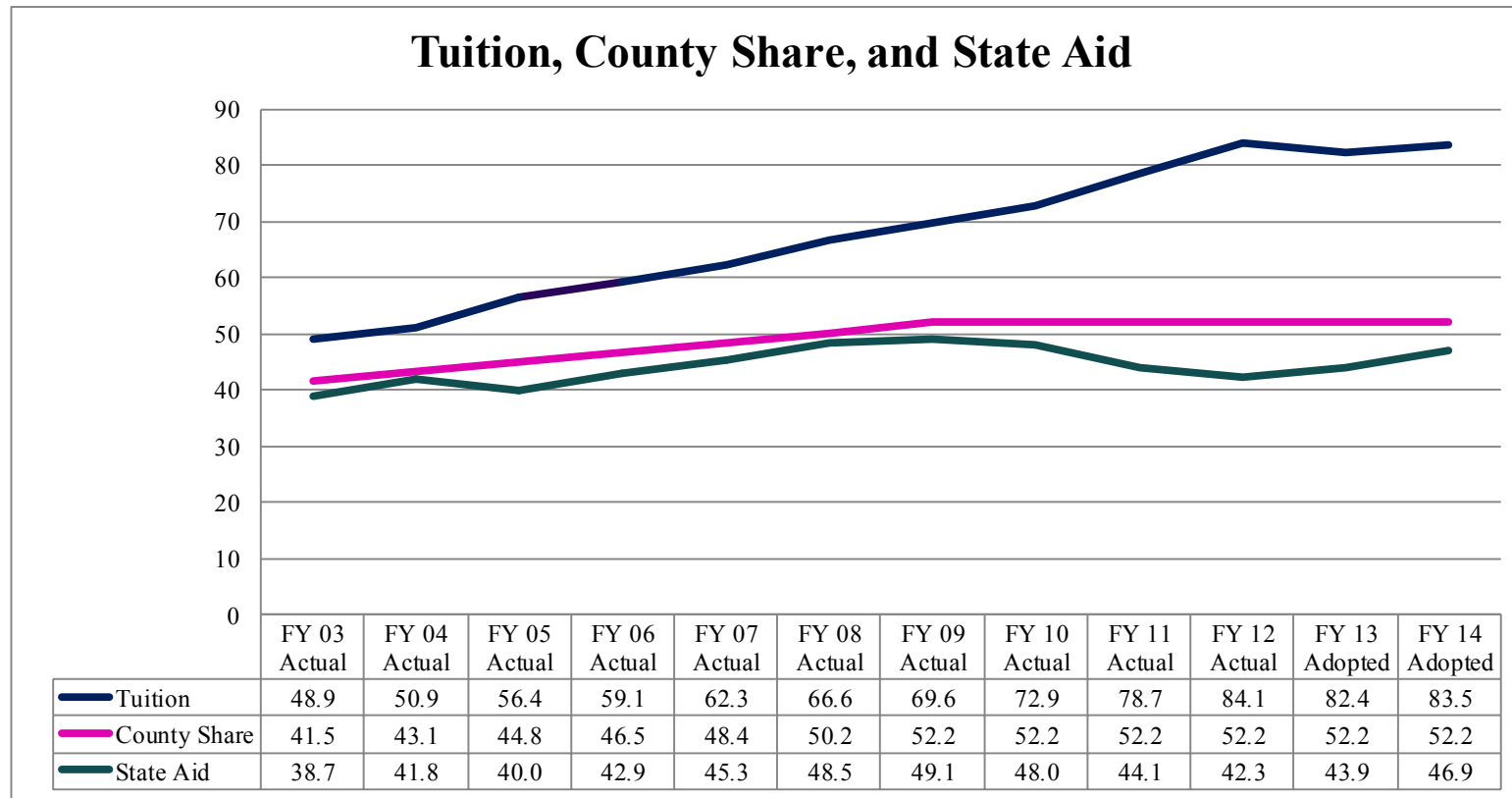
- As mentioned previously, both the NCCFT and the AFA are in contract negotiations. The adopted budget does not include any contractual increases in the salary line should either one or both unions reach a labor agreement. The impact of wage increases for members of either union would result in the College using additional fund balance for the FY 2013-2014. However, the use of fund balance is troubling because the College plans on using additional fund balance monies in other areas of the budget if the need arises, further reducing the reserve.
- Should circumstances evolve during the budget year that may generate shortfalls in any area of the budget, the College will implement additional contingencies such as reductions in OTPS spending.
- The vacant funded positions, valued at approximately \$1.1 million, are an opportunity to the budget.

	Historical		2013		2014	2013 vs. 2014		Projected vs. 2014	
	2011	2012	Adopted Budget	OLBR Projected	Adopted Budget	Variance	Percent	Variance	Percent
Tuition	\$78,709,256	\$84,068,378	\$82,372,988	\$82,555,979	\$83,528,720	\$1,155,732	1.4%	\$972,741	1.2%
Property Tax	52,211,454	52,206,886	52,206,883	52,206,883	52,206,883	0	0.0%	0	0.0%
State Aid	44,095,874	42,295,557	43,862,313	44,819,239	46,939,139	3,076,826	7.0%	2,119,900	4.7%
Rev. Lieu Spons. Share	13,914,407	14,697,418	14,000,000	14,000,000	14,200,000	200,000	1.4%	200,000	1.4%
Rev. Offset To Expense	4,414,971	4,156,200	4,048,000	4,157,943	4,272,000	224,000	5.5%	114,057	2.7%
Service Fees	5,859,386	7,466,949	5,991,000	7,317,610	7,294,000	1,303,000	21.7%	-23,610	-0.3%
Rents & Recoveries	1,020,849	12,799	400,000	100,000	500,000	100,000	25.0%	400,000	400.0%
Investment Income	82,267	65,577	82,000	65,000	65,000	-17,000	-20.7%	0	0.0%
Federal Aid	178,920	41,415	250,000	0	0	-250,000	-100.0%	0	0.0%
Suppl Approp/Fund Balance	0	0	0	0	0	0	0.0%	0	0.0%
Fund Balance Appropriated	2,188,000	0	1,533,699	1,533,699	4,873,800	3,340,101	217.8%	3,340,101	217.8%
Total	\$202,675,384	\$205,011,179	\$204,746,883	\$206,756,354	\$213,879,542	\$9,132,659	4.5%	\$7,123,188	3.4%

Revenues

- In the Adopted FY 2013-14 Budget, revenues grow by 4.5%, or \$9.1 million, compared to the previous Adopted Budget, and 3.4%, or \$7.1 million, compared to OLBR’s 2013 projection.
- The County’s share of College revenue, the Property Tax Levy, remains \$52.2 million in FY 2013-2014.
- State aid will grow in the FY 2013-14 Adopted Budget, as the State has restored another \$150 to the Full Time Equivalent (FTE) reimbursement rate. Following three years of cuts, the FY 2013-14 Budget is the second year in a row featuring a \$150 increase. Thus, State aid will increase by 4.7% to a total of \$46.9 million compared to OLBR’s 2013 projection.
- The College anticipates a third straight year of declining enrollment. The College is recommending a full time tuition increase of \$98. The College estimates the tuition increase will generate approximately \$2.0 million in revenue.
- In addition, the College expects the 2013 tuition projection to grow by \$675,000, partly due to \$375,000 in additional summer semester tuition payments. The remainder is from reversing an accrual for bad debt (in the form of unpaid tuition). This additional FY 2012-2013 revenue will be an offset to the \$1.8 million allowance that the College Administration has and will continue to maintain for bad debt.

FY 2003 – 2014
(\$ in millions)



- The revenue growth generated from both the \$3.1 million increase in State aid as well as the \$98 tuition hike will offset the expected decline in enrollment and other mandated costs.
- The FY 2013-14 Adopted Budget is the sixth consecutive budget with a Property Tax Levy of \$52.2 million.

Tuition

- The College expects enrollment to decline 1.0% in FY 2013-14. If this decline materializes, it would mark the third consecutive year of falling enrollment. Following a 2.0% drop in 2012, the College projects enrollment to have been down 1.5% in 2013..
- Tuition revenue represents about 39.1% of total revenue in the adopted budget, and is mainly a function of student enrollment and tuition rates. The tuition rate is a revenue source controlled by the College.
- Thus, the College wants to raise tuition \$49 per semester, bringing the tuition rate to \$4,088 per year. Despite this increase, Nassau Community College’s tuition rate would still be lower than that of both Westchester and Suffolk County Community Colleges.

2013-2014				
Yearly Tuition Comparison				
	Current	2014 Adopted	Increase	Diff From Nassau
Westchester	\$4,280	\$4,340	\$60	\$252
Suffolk	3,990	4,140	150	52
Nassau	3,990	4,088	98	

- According to the College Administration, Nassau Community College has the second most affordable tuition in the New York State Community College system, as long as cost of living adjustments are made.

Property Taxes

- There is no Property Tax increase in the Adopted Budget.
- Nassau County’s contribution of \$52.2 million represents 24.4% of the Adopted Budget.

State Aid

- State aid is expected to grow by 7.0% to \$46.9 million in the adopted budget, compared to the previous year’s Adopted Budget.
- While state aid increases in FY 2013-14, it remains down from a historical high of \$49.1 million in FY 2008-09.
 - Although the State has restored \$300 to the Full Time Equivalent (FTE) reimbursement rate over the course of the last two years, the new rate of \$2,422 per FTE is still down \$253 per FTE since 2010.
 - Despite less State support, the College must continue to offer its students quality education while containing costs.
- The State has imposed midyear cuts in the past. Further stress would be put on the budget should midyear cuts occur in the coming year.
- State aid represents 21.9% of adopted revenue in FY2013-14.

State Aid Changes 2010-2014	
	Change/FTE
2010 Mid Year FTE Reduction	(\$130)
2011 FTE Reduction	(285)
2012 FTE Reduction	(138)
2013 FTE Increase	150
2014 FTE Increase	150
Total	(253)

Revenue Lieu Sponsor Share

- This revenue stream is an assortment of collections, including tuition from international students, students from out of state, and students from New York State without a certificate of residency from their home county. The bulk of this revenue source comes from charging back other counties for educating their students at NCC.
- The College Administration estimates that the charge back rate will be \$3,220 per FTE in 2014. The charge back rate for non-resident FTEs is a function of Nassau’s Property Tax contribution, FTE levels, and is subject to a prior year adjustment.
 - Individual non-resident students pay tuition. The County collects the chargeback rate from these students’ home counties.
 - If a student cannot produce a certificate of residency from their home county, the student is charged double tuition.
- The \$14.2 million budget for this revenue stream breaks out in the following manner: \$12.0 million from charging back to other counties and \$2.2 million from collections of all other non-resident tuition.

Revenue Offset to Expenses

- This revenue source is comprised of commissions, contracts, and course fees to cover special course offerings. These special courses include continuing education, corporate education, and English as a Second Language (ESL).
- The FY 2013-14 Adopted Budget of \$4.3 million reflects expected growth in this revenue stream of 2.7% compared to OLBR’s 2013 projection.

Rents and Recoveries

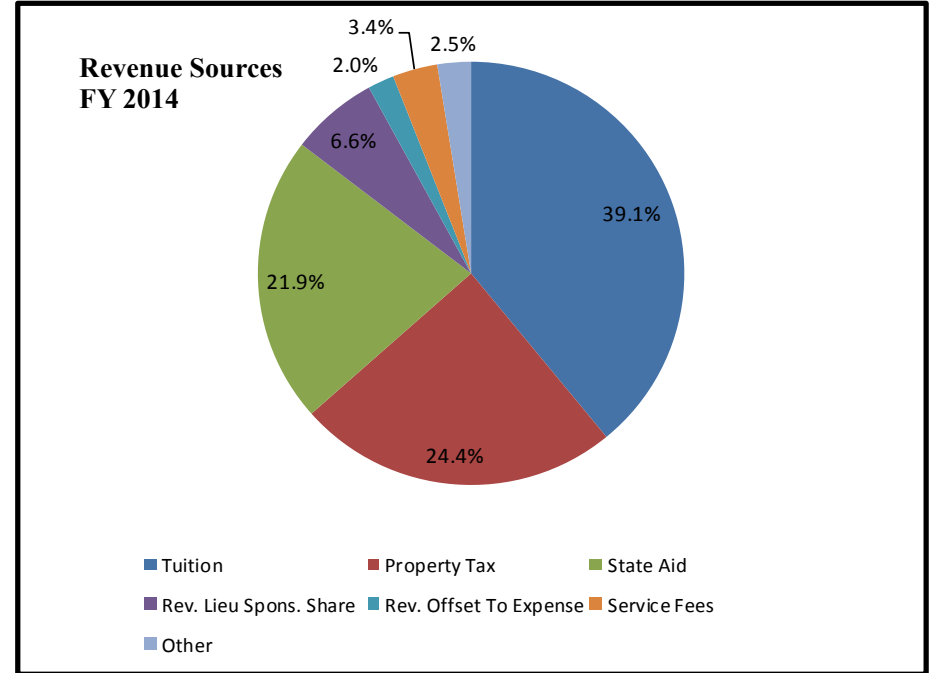
- Revenue is generated as a result of liquidating prior year encumbrances. The FY 13-14 Adopted Budget of \$500,000 is increasing by \$400,000 compared to the current projection.
 - The College has completed its transition to the Banner Finance System. Banner allows the College to exert greater control over liquidation of encumbrances.

Federal Aid

- Federal aid has been eliminated from the FY 2013-2014 Adopted Budget. Federal aid associated with the Work Study program has been reclassified to the Grant Fund by the College Comptroller.

Investment Income

The County Treasurer manages this revenue stream on behalf of the College. Investments are by their very nature directly affected by market interest rates. Rates have been remarkably low.



Service Fees

- The FY 2013-14 Adopted Budget does not include any new service fees. Anticipated collections of \$7.3 million are in line with OLBR’s 2013 projection. In fact, the adopted budget represents a slight decline of 0.3% from this year’s projection.
- The Banner Financial System has afforded the College new found precision in financial reporting. The prior system did not operate with the same level of detail as Banner. Therefore, three existing fees (Immunization Transcript Fee, Late Payment-Tuition, and Late Payment-Tuition Payment Plan) are now accounted for separately. Previously, these fees were accounted for in a miscellaneous revenue account.
- International Student Insurance fees are now handled by the Faculty Student Association (FSA) and are no longer accounted for in the College’s operating budget.

Service Fees Adopted FY 2014 vs. Adopted FY 2013							
Service Fee: Source	Fee	FY 12-13		FY 13-14		Variance	
		Adopted Budget	Fee	Adopted Budget	Fee	Revenue	
Technology	\$40	\$1,500,000	\$40	\$1,502,245	\$0	\$2,245	
Student Lab	100	1,700,000	100	1,797,612	0	97,612	
Application	50	680,000	50	961,912	0	281,912	
NG Check	20	11,000	20	12,758	0	1,758	
Late Registration	25	150,000	25	253,636	0	103,636	
Nursing Evaluation	75	500	75	659	0	159	
Tuition Pay Plan	40	250,000	40	499,471	0	249,471	
Change of Program	25	2,000	25	2,003	0	3	
Consolidated Fee	30	1,034,000	30	1,114,161	0	80,161	
Convenience Fee	18	225,000	18	376,504	0	151,504	
Vehicle Registration	45	438,500	45	596,228	0	157,728	
Immunization Transcript Fee	5	-	5	6,452	0	6,452	
Late Payment- Tuition	25	-	25	35,239	0	35,239	
Late Payment- Tuition Payment Plan	25	-	25	135,121	0	135,121	
Totals		\$5,991,000		\$7,294,000		\$1,303,000	

***2013 Transcript & International Insurance fees are included in the Consolidated fee line*

Fund Balance

- The 2012 year-end Fund Balance was \$15.9 million, with \$1.5 million scheduled to be used for the FY 2012-13 Budget. The initial 2012 estimate had been \$14.4 million. However, additional funds came from a reclassification of a balance sheet item from restricted-reserve to unrestricted, thereby increasing the year-end Fund Balance to \$15.9 million. The College has replenished its fund balance as a result of positive operating results in the last three years.
- The College has established a Fund Balance policy stating that “an unreserved fund balance of no less than 4.0% of the prior year’s operating budget” must be maintained. The chart below demonstrates how the Fund balance would change if planned usage occurs. The College would end FY 2013-14 with a \$9.5 million Fund Balance. This would be just above the threshold established by the Board of Trustees.

Fund Balance Reconciliation	
2012 Year End Fund Balance	\$15,897,210
FY 12-13 Appropriation of Fund Balance	(1,533,699)
FY 12-13 Un-appropriated Fund Balance	14,363,511
FY 13-14 Appropriation of Fund Balance	(4,873,800)
Projected FY 13-14 Un-appropriated Fund Balance	9,489,711

Fund Balance, Cont.

- In the fiscal year ending on August 31, 2012, New York State Community Colleges held on average 12.0% of budgeted expenditures in Fund Balance.
- Nassau Community College is ranked 19th among Community Colleges in terms of Fund Balances as a percentage of expenditures, at 7.99%. This figure represents an improvement from the prior year percentage of 5.36. On this list, Nassau ranks lower than Suffolk but higher than Westchester.
- These rankings are calculated on the Fund Balance of \$15.9 million from the fiscal year ending on August 31, 2012.
- Nassau Community College’s standing in relation to the rest of the New York State Community College system would change at the end of FY 2013-14 if planned Fund Balance spending were to take place.

Community College Fund Balance Comparison As of Fiscal Year Ending August 31, 2012			
Community College	Unreserved Fund Balance	Total Expenditures*	Percent of Fund Balance to Expenditures
Jamestown	\$10,168,979	\$32,522,889	31.27%
F-I-T	50,463,507	165,988,139	30.40%
North Country	3,572,078	13,107,559	27.25%
Niagara	11,740,422	43,392,304	27.06%
Schenectady	5,836,165	26,569,644	21.97%
Corning	6,754,427	32,414,070	20.84%
Genesee	5,898,858	34,898,264	16.90%
Erie	16,867,930	100,271,758	16.82%
Columbia-Greene	2,584,218	16,223,328	15.93%
Herkimer	2,862,757	22,051,268	12.98%
Dutchess	7,003,704	58,049,331	12.07%
Suffolk	21,937,377	186,457,606	11.77%
Monroe	13,182,639	118,692,186	11.11%
Mohawk Valley	5,179,003	48,010,416	10.79%
Jefferson	2,285,841	23,985,518	9.53%
Clinton	1,340,212	15,162,838	8.84%
Broome	4,123,759	46,946,103	8.78%
Adirondack	2,005,952	\$23,967,774	8.37%
Nassau	15,897,011	198,845,097	7.99%
Sullivan	1,061,891	15,372,410	6.91%
Finger Lakes	2,514,199	40,339,874	6.23%
Westchester	6,762,162	111,676,979	6.06%
Onondaga	3,973,300	73,503,028	5.41%
Tompkins - Cortland	1,496,820	35,568,426	4.21%
Cayuga	1,236,825	33,209,685	3.72%
Hudson Valley	2,748,500	93,424,401	2.94%
Rockland	1,682,976	62,924,579	2.67%
Orange County	1,114,070	57,310,277	1.94%
Fulton-Montgomery	245,435	17,712,564	1.39%
Ulster	202,408	24,599,478	0.82%

* Expenditures do not include unexpended encumbrances at year end
Community Colleges report actual expenditures only in their NYS Annual Report

Opportunities & Risks

- A risk to the budget materializes should the State slash the reimbursement rate mid-year, an action the State last took in FY 2010.
- The FY 2013-14 Adopted Budget will be affected by enrollment. If enrollment rises, the College has the opportunity to realize additional revenues (tuition, service fees, etc.). If enrollment declines, the College risks not meeting its budget. In that case, additional measures would be necessary to make up for missed revenue targets.

This program was originally supposed to end on June 30, 2012 but talks for a possible extension continued throughout that summer. Therefore, NCPUA was included in the proposed budget document. OLBR was informed by OMB on September 26, 2012 that the program had, in fact, been discontinued. It was to be eliminated from the adopted budget by means of a technical adjustment.

The Nassau County Public Utility Agency (NCPUA) was established as a County agency by local law in 1984 and approved by a referendum of voters. It was run by a nine-member, uncompensated board. As a public utility service it purchased power from various sources and then sold that power to eligible consumers of electricity in Nassau County. According to the Administrative Code of Nassau County, Chapter XXI, Title K, § 21-110.4, the rate it was allowed to charge was intended to be sufficient to cover “all of its costs in furnishing such electric service and that accordingly, the operation of this public utility service will be at no net cost to the agency.” In practice a 4% administrative fee was charged to NCPUA’s customers.

NCPUA’s role in the County’s economic development strategy was to provide energy to businesses at a lower rate than would otherwise be available. To be eligible a business had to commit to create or retain jobs in New York State. In the past, the four customers were Ametek Hughes Treitler, Cold Spring Harbor, Administrators for the Professions and Oceanside Laundry.

Revenues

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	(\$1,342,050)	(\$229,653)	\$0	\$0	\$0	\$0	*****	\$0	*****
Invest Income	0	13	0	0	0	0	*****	0	*****
Rents & Recoveries	1,378,969	0	0	0	0	0	*****	0	*****
Dept Revenues	1,343,428	1,115,358	0	0	0	0	*****	0	*****
Total	\$1,380,347	\$885,718	\$0	\$0	\$0	\$0	*****	\$0	*****

Expenses

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
General Expenses	\$1,600,000	\$929,682	\$0	\$0	\$0	\$0	*****	\$0	*****
Contractual Services	0	0	0	0	0	0	*****	0	*****
Interfund Charges	10,000	5,007	0	0	0	0	*****	0	*****
Total	\$1,610,000	\$934,689	\$0	\$0	\$0	\$0	*****	\$0	*****

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$1,507,691	\$1,519,229	\$1,564,760	\$1,564,760	\$1,577,300	\$12,540	0.8%	\$12,540	0.8%
Dept Revenues	18,253,235	18,426,727	20,283,752	18,283,752	19,515,342	(768,410)	-3.8%	1,231,590	6.7%
Cap Backcharges	0	0	0	0	0	0	*****	0	*****
Interdept Revenues	30,000	62,000	0	0	0	0	*****	0	*****
Special Taxes	675,000	675,000	675,000	675,000	2,925,000	2,250,000	333.3%	2,250,000	333.3%
Total	\$20,465,926	\$20,682,956	\$22,523,512	\$20,523,512	\$24,017,642	\$1,494,130	6.6%	\$3,494,130	17.0%

Revenues

- There is an increase expected in total revenue of \$1.5 million or 6.6% in comparison to the FY 13 Adopted Budget.
- The FY 14 is increasing \$3.5 million or 17.0% compared to OLBR’s projection. This is due mainly to an increase of \$2.3 million in the special taxes line in the FY 14 Proposed Budget and a \$1.2 million increase in departmental revenues.

	Hotel Motel Tax (\$ in millions)		
	2012 Actual	2013 Projection	2014 Proposed
Treasurer	\$0.9	\$0.8	\$0.9
Parks/Gen	0.7	0.7	2.9
Parks/Grt	3.1	3.3	0
Total	\$4.7	\$4.8	\$3.8

- The chart shown above details the 2011, 2012 history, the 2013 OLBR projection and the FY 14 Proposed Budget.
- Hotel motel tax is recorded in two departments, Treasurer and Parks.
- The hotel motel tax was previously recorded in the Grant Fund but in FY 14 it will be captured in the General Fund.
- Nassau’s hotel motel tax collections are dependent upon all travel.

Aquatic Center

Renovations have commenced at the Aquatic Center. The renovations are expected to be completed in early Spring, 2014. We are not anticipating any closure of the Aquatic Center as a result of the renovations.

Golf Operations Revenue

Golf Operations Departmental Revenue				
Revenue Source	FY 12 Actual	FY 13 Budget	FY 13 Projected	FY 14 Proposed
Greens Fees	\$1,237,519	\$1,940,000	\$1,240,000	\$1,570,000
Caddy Cart Fees	40,501	47,500	46,700	46,500
Miniature Golf	39,530	40,000	40,000	40,000
Leisure Pass Fee	151,618	171,000	170,000	161,000
Golf Cart Fees	1,019,150	1,045,000	1,000,000	1,047,000
Driving Range Fees	876,729	980,000	760,000	765,000
Golf Reservation Fees	344,051	370,000	288,004	365,000
Golf No Show Fee	1,399	5,000	4,500	5,000
Redeemable Certificates	103,988	85,100	84,000	104,500
Greens Fees Red Course	1,361,252	1,500,000	1,300,000	1,300,000
Greens Fees White Course	1,504,140	1,500,000	1,300,000	1,550,000
Greens Fees Blue Course	1,462,108	1,450,000	1,250,000	1,491,322
Concessions	31,401	21,000	10,000	31,500
Total	\$8,173,386	\$9,154,600	\$7,493,204	\$8,476,822

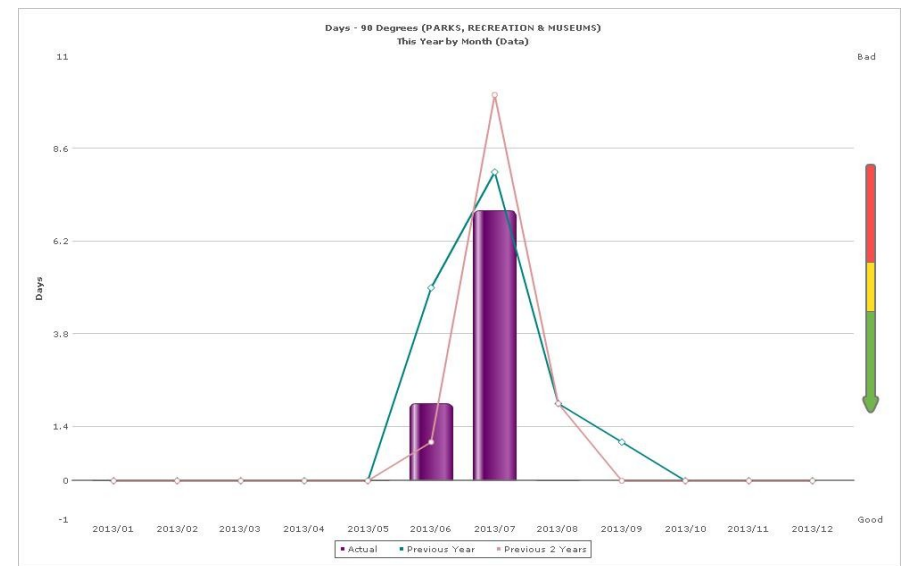


- The above chart has been populated to capture the golf operations departmental revenues.
- Overall golf operations departmental revenues are budgeted to decrease from the FY 13 Adopted Budget by 7.4%.
- A few revenue lines were lowered in the proposed FY 14 for golf operations such as greens fees, driving range fees and the Greens Red Course fees.

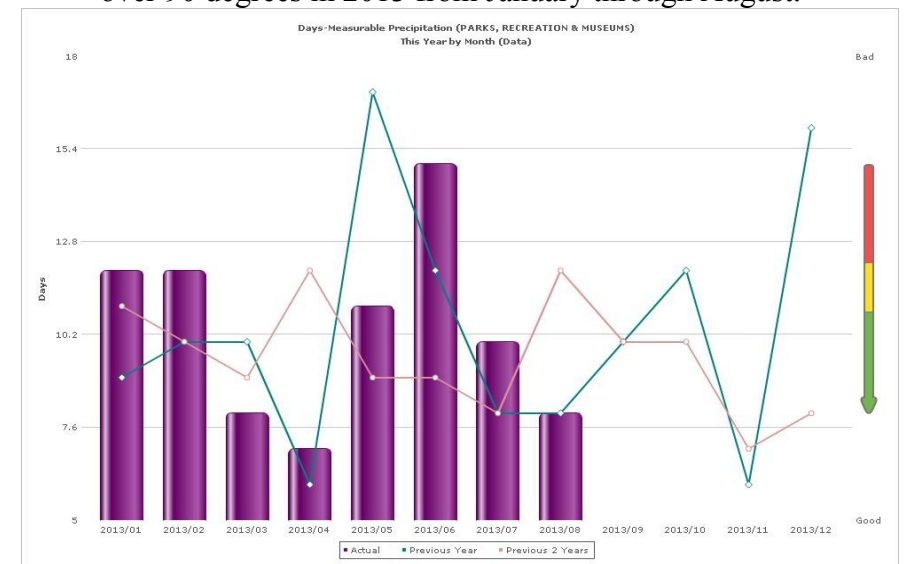


The Red Course, Eisenhower Park

- The County’s golf operations are significantly impacted by weather conditions. Extreme heat or wet conditions will impede attendance.



- The chart above details the number of days with temperatures over 90 degrees in 2013 from January through August.



- The chart above details the number of days with measurable precipitation in 2013 from January through August.

Revenue

Revenue Source	Departmental Revenue			
	FY 2012 Actual	FY 2013 Budget	FY 13 Projected	FY 14 Proposed
Misc Receipts	\$1,040	\$1,600	\$1,500	\$1,600
Concessions	1,106,988	1,267,000	967,000	1,025,500
Greens Fees	1,237,519	1,940,000	1,240,000	1,570,000
Caddy Cart Fees	40,501	47,500	46,700	46,500
Summer Recreation Prgg. Fees Rev.	611,017	718,950	718,900	680,000
Swimming Pools	1,685,343	1,795,000	1,790,458	2,053,000
Ice Rinks	418,251	440,000	439,900	440,000
Old Bethpage Hist Vil	253,906	400,000	390,000	300,000
Museum Of Nat History	41,302	21,400	21,346	34,800
Rental Of Equipment	12,250	18,000	18,000	0
Summer Day Camps	24,846	33,620	33,500	27,420
Special Use Permits	150,649	268,400	267,500	243,850
Ice Skate Lessons	36,735	46,000	45,000	41,000
Ice Skate Rental	42,939	48,500	48,000	50,500
Ice Skate Sharpening	757	700	680	700
Ice Skate Lockr Fees	617	400	400	400
Marina Cow Meadow	33,745	50,000	50,000	0
Marina Wantagh	414,047	425,000	415,500	425,000
Roller Skate Admissn	825	800	700	0
Beach Parking	356,442	375,000	374,050	365,000
Cabana Rentals	1,814,487	1,820,000	1,820,000	1,820,000
Minature Golf	237,110	290,000	289,000	265,000
Commercial Parking	11,743	5,600	5,550	6,200
Camping Fees	714,171	720,832	719,697	770,500
Service Fees	1,828	0	0	0
Special Sports Prog	258,602	235,000	234,049	275,000

Revenue Source	Departmental Revenue			
	FY 2012 Actual	FY 2013 Budget	FY 13 Projected	FY 14 Proposed
Open Space Usage Fee	7,810	9,000	9,000	9,000
Aerodrome Field Usage Fee	7,520	10,000	10,000	10,000
Batting Cage Fees	56,532	75,000	75,000	65,000
Lifestyle Programs	56,780	60,000	60,000	60,000
Leisure Pass Fee	623,062	672,700	672,500	649,000
Welwyn Revenue	1,000	1,000	1,000	1,000
Launching Ramps	49,690	58,750	57,552	52,250
Tennis Courts	27,995	23,800	23,280	26,800
Room Rentals	58,761	88,200	87,486	61,950
Picnic Reservation Permits	138,212	149,450	148,500	146,500
Swimming Programs	247,157	226,500	226,000	348,000
Athletic Field Fees/Charges	508,367	517,000	516,050	532,500
Non-Resident Fees	137,225	169,500	168,050	148,000
Golf Cart Fees	1,019,154	1,045,000	1,000,000	1,047,000
Driving Range Fees	876,729	980,000	760,000	765,000
Alcohol Permits	28,850	34,300	33,900	32,700
Golf Reservation Fees	344,052	370,000	288,004	365,000
Golf No Show Fee	1,399	5,000	4,500	5,000
Film & Advert Activities	15,570	25,300	15,000	18,500
Redeemable Certificates	105,685	86,450	84,000	105,850
Greens Fees Red Course	1,361,252	1,500,000	1,300,000	1,300,000
Greens Fees White Course	1,504,141	1,500,000	1,300,000	1,550,000
Greens Fees Blue Course	1,462,109	1,450,000	1,250,000	1,491,322
County League Registration	277,515	250,000	249,000	280,000
Non-County League Registration	800	0	0	0
Tournament Fees	1,700	7,500	7,500	3,000
Total	\$18,426,727	\$20,283,752	\$18,283,752	\$19,515,342

➤ These charts list all revenues included in the FY 14 proposed departmental revenue lines.

➤ The total FY 14 departmental revenues budget is \$19.5 million. A comparison to 2012 actuals and the 2013 Adopted Budget is shown.

Summer Recreation Program

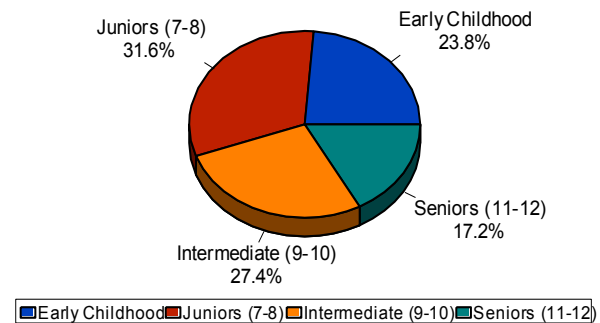


Eisenhower Park

- The Summer Recreation Program was launched in 2010. The program hosted children at different County parks. For 2013, the facilities used were Cantiague, Nickerson Beach, Wantagh, Eisenhower and newly added Grant Park.
- The Summer Recreation Program was operational from July 1, to August 8, 2013. There were a total of 1,004 children who participated in the program.
- The chart below reflects historical data and includes the current data for 2013.

Summer Recreation Program Age Categories				
	2010	2011	2012	2013
Early Childhood (5-6)	123	208	197	239
Juniors (7-8)	121	254	295	317
Intermediate (9-10)	115	222	284	275
Seniors (11-12)	62	140	221	173
Total	421	824	997	1,004

- The fees consist of \$700 for one child for the 9 a.m. – 3 p.m. session or \$850 for the 9 a.m. – 5 p.m. session, \$650 for a second child, \$600 for a third child and \$550 for a fourth child, all of which must be from the same family.
- Children ranging in ages from 5 to 12 were separated in the following categories: early childhood (5 – 6); juniors (7 – 8); intermediate (9 – 10) and seniors (11 – 12).
- The Summer Recreation Program was expanded in FY 12. Operations now include extended hours (after 3:00 p.m., until 5:00 p.m.) for an additional fee of \$150 per child.
- This program generated revenues of \$695,680 through August 2013 and has been budgeted at \$680,000 in the FY 14 Proposed Executive Budget.



Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	173	151	151	153	151	0	0.0%	(2)	-1.3%
Part-Time and Seasonal	804	812	1,063	983	1,078	15	1.4%	95	9.7%
Salaries	\$17,371,085	\$13,596,353	\$14,589,416	\$16,438,247	\$15,799,646	\$1,210,230	8.3%	(\$638,601)	-3.9%
Equipment	192,108	399,506	456,500	456,500	456,500	0	0.0%	0	0.0%
General Expenses	922,170	1,628,584	1,704,700	1,704,700	1,704,700	0	0.0%	0	0.0%
Contractual Services	146,518	2,897,697	3,383,511	3,383,511	6,130,500	2,746,989	81.2%	2,746,989	81.2%
Inter-Dept. Charges	0	616	0	0	0	0	*****	0	*****
Total	\$18,631,881	\$18,522,756	\$20,134,127	\$21,982,958	\$24,091,346	\$3,957,219	19.7%	\$2,108,388	9.6%

Expenses

- There is an increase expected in total expense of \$4.0 million or 19.7%, as compared to the 2013 budget and an increase of \$2.1 million or 9.6% as compared to the OLBR projection. This is due to an increase in salaries and the contractual services line.
- The Parks Department has changed its methodology as to how it reflects the hotel motel tax, it is now recorded in the General Fund for FY 14 where as it was shown in the Grant Fund in previous years.
- For FY 14 both proceeds and expenses have been added to the General Fund and two new responsibility centers have been established, Hotel Motel PK97 and HM Historic Building Restoration PK98.
- The FY 14 budgeted salaries are increasing by \$1.2 million or 8.3% from the FY 13 Adopted Budget. This is a result of an increase in seasonal positions and a retroactive payment due in FY 14.
- FY 14 general expenses are remaining flat in comparison to the FY 13 Adopted Budget and OLBR’s projection. This line is used for postage delivery expenses for annual Park’s calendar of events, information technology supplies and other miscellaneous supplies.
- Contractual Services are increasing by \$2.7 million or by 81.2% compared to the 2013 Adopted Budget and OLBR’s projection. This increase correlates to the increase in special taxes to be reported in the General Fund in contrast to the Grant Fund where the revenue was previously recorded.

Expenses, Cont.

		Staffing Analysis					
		FY 13	Sept-13	FY 14	FY 14	Exec. vs	Exec. vs
		<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>13 Adopt</u>	<u>Actual</u>
CC	Full-time Staffing						
	Administration	24	25	26	26	2	1
	Technical Services	50	49	50	49	(1)	0
	Recreation Services	33	34	33	33	0	(1)
	Museums	3	4	4	4	1	0
	Golf Operations	41	41	41	39	(2)	(2)
	Total Full-time	<u>151</u>	<u>153</u>	<u>154</u>	<u>151</u>	<u>0</u>	<u>(2)</u>
CC	Part-time and Seasonal						
	Administration	27	11	30	30	3	19
	Technical Services	121	155	126	126	5	(29)
	Recreation Services	745	649	750	750	5	101
	Museums	57	47	53	53	(4)	6
	Golf Operations	113	121	119	119	6	-2
	Total Part-time and Seasonal	<u>1,063</u>	<u>983</u>	<u>1,078</u>	<u>1,078</u>	<u>15</u>	<u>95</u>

- Full-time headcount for FY 14 remains constant when compared to the 2013 adopted. Part-time and seasonal positions are increasing by 15 in FY 14 as compared to the FY 13 adopted headcount. This increase is realized in all control centers except one.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	3,193	3,030	3,025	2,969	3,052	27	0.9%	83	2.8%
Part-Time and Seasonal	480	439	455	458	506	51	11.2%	48	10.5%
Salaries	\$433,235,525	\$444,555,041	\$415,828,151	\$428,046,313	\$437,235,286	\$21,407,135	5.1%	9,188,973	2.1%
Fringe Benefits	205,463,757	213,899,880	235,865,665	229,927,516	243,776,659	7,910,994	3.4%	13,849,143	6.0%
Workers Compensation	9,451,028	8,643,864	8,849,814	8,849,814	10,772,045	1,922,231	21.7%	1,922,231	21.7%
Equipment	437,493	211,489	473,553	473,553	575,118	101,565	21.4%	101,565	21.4%
General Expenses	7,721,859	8,731,905	8,711,693	8,711,693	9,027,033	315,340	3.6%	315,340	3.6%
Contractual Services	9,036,710	9,482,307	11,576,134	11,576,134	12,419,900	843,766	7.3%	843,766	7.3%
Utility Costs	3,943,885	3,499,191	3,986,764	3,986,764	3,986,764	0	0.0%	0	0.0%
Debt Svc. Chargebacks	12,671,591	13,088,406	12,981,284	14,428,512	16,602,417	3,621,133	27.9%	2,173,905	15.1%
Inter-Dept. Charges	46,122,103	42,399,167	44,894,253	44,894,253	45,862,809	968,556	2.2%	968,556	2.2%
Interfund Charges	0	1,964,612	0	0	0	0	*****	0	*****
Trans To General Fund	0	698,200	0	0	0	0	*****	0	*****
Other Suits & Damages	753,944	1,117,988	4,700,000	4,700,000	1,000,000	(3,700,000)	-78.7%	(3,700,000)	-78.7%
Contingency Reserve	0	0	2,113,626	2,113,626	2,000,000	(113,626)	-5.4%	(113,626)	-5.4%
Total	\$728,837,895	\$748,292,050	\$749,980,937	\$757,708,178	\$783,258,031	\$33,277,094	4.4%	\$25,549,853	3.4%

Expenses

- Total FY 14 Police Department expenses of \$783.3 million are increasing by \$33.3 million when compared to the FY 13 budget of \$750.0 million and \$25.5 million when compared to OLBR's FY 13 projection.
- Full-time headcount is growing by 27, or 0.9%, compared to the FY 13 budget and 83 when compared to OLBR's projection of 2,969.
- Salaries are increasing by \$21.4 million, or 5.1%, to \$437.2 million, budget to budget, and \$9.2 million, or 2.1%, compared to OLBR's FY 13 projection of \$428.0 million.
 - In FY 13 termination pay was insufficiently funded at \$461,000. The Administration planned to bond for termination expense in FY 13 but did not secure legislative approval until September 23, 2013 when the Legislature approved \$30.6 million in termination bonding. With the exception of \$7.9 million, which is currently expensed in the financial system, any additional separation expense will be paid out of bond proceeds.

Expenses, Cont.

- The FY 14 Proposed Budget correctly funds termination pay at \$25.2 million. It assumes 100 sworn members separating from service at an estimated cost of approximately \$250,000 per officer.
 - Additionally, overtime costs continue to climb primarily due to declining headcount. The proposed budget includes \$50.0 million for overtime expense which is \$6.0 million more than the current budget. However, given the current trend, the FY 13 budget may still fall short of the projected 2013 expense of \$62.4 million.
 - The growth in full-time headcount in FY 14, by 27, from the Adopted Budget and 83 from the current onboard reflects the department's plan to hire more police officers. The level of uniform personnel has declined since 2008, the last year police officers were hired, until May 2013, when the department hired 34 recruits. The department plans to hire approximately 80 additional officers in late 2013 and early 2014.
 - The salary line in the Proposed 2014 Budget does not provide for cost of living (COLA) or step increases for any union member. This poses a risk to the salary budget should any union deal be reached.
- Workers' Comp is growing by 21.7%, from \$8.8 million in FY 13 to \$10.8 million in the proposed budget. This increase comes as a result of a growth in the indemnity rate of 1.4% and the Administration's anticipation of a large number of partial loss disability awards.
- Adding to the growth in expenses budget to budget is \$3.6 million more in debt service chargebacks due to the department's various capital projects.
- Offsetting the increase in debt service chargebacks is a \$3.7 million reduction in suits and damages. The Administration plans on using capital funds for that purpose.
- Fringe benefits in the Police Department are increasing by \$7.9 million, or 3.4%, from the FY 13 budget to \$243.8 million in FY 14.
- Health insurance expenses for active employees are increasing by \$3.5 million offset by a \$2.2 million reduction for retirees, resulting in an overall increase of \$1.2 million.
 - The increase in active employees is due to an increase in the health insurance growth rate. The FY 14 Proposed Budget is based on an average growth rate of 3.7%. The budget appears to be sufficient based on the State's best estimated projection of 3.6% for family coverage.
 - The reduction in health insurance costs for retirees is due to an overfunded FY 13 budget. The 2013 budget for health insurance was based on a growth rate assumption of 8%. NYSHIP rates in 2013 for active employees finalized close to the budgeted rate, however, the average rate for Medicare eligible retirees declined from the previous year.

- The 2014 Proposed Budget includes \$83.4 million for pension expense obligations. This is an increase of \$6.0 million compared to the 2013 Adopted Budget due to continued increases in the pension contribution rates. The contribution rate for the retirement plan with the majority of Officers is increasing from 25.4% to 28.8%.
 - This increase would have been greater, but a portion of the pension expense will be amortized over a twelve year period. This is the third year the Administration is choosing to amortize a portion of the pension bill.

Expenses, Cont.**Overtime**

The Police Department overtime expense is a cause for concern. Over the years, the Administration has made attempts to rein in these costs, but managing this expense has been challenging. The Precinct Consolidation Initiative was presented as a tool which would allow the department to absorb the impact of officers leaving through a Voluntary Retirement Incentive Plan by redeploying desk officers. Based on the Police Department's assessment, which dictated the Adopted Budget would be able to absorb the separations, the County offered an incentive to officers. This resulted in an estimated 98 separations at a cost of approximately \$35.0 million of which the County issued \$26.5 million in bonds. Overtime expense skyrocketed and the department attributes this increase to lower headcount. The damage the Seventh Precinct sustained during Superstorm Sandy called for an adjustment to the plan. Instead of four precincts there will now be five. As result, OLBR is projecting \$62.4 million for overtime in FY 13, which is significantly higher than in recent years and \$2.3 million less than FY 2012 results of which \$14.8 million was attributable to the storm. Contractual restraints and a decreasing number of sworn officers have made it increasingly difficult to effectively cover the required man-hours and patrols without incurring overtime.

Since 2003, with the exception of 2009, when overtime costs were \$36.3 million, annual Police Department overtime expense has exceeded \$40.0 million. It is important to note, that in the past, the Police Department charged approximately \$2.5 million annually to grants and may do the same in FY 13. The proposed FY 14 budget includes \$50.0 million for overtime. Given the historical trends regarding police overtime, including the portion charged to grants, the proposed overtime budget is more realistic but may still be insufficient. OLBR estimates \$60.0 million for 2014. However, the full impact on overtime from the new classes of yet-to-be hired recruits will not be realized until mid to late 2014. The more realistic allocation for overtime of \$50.0 million proposed for 2014 will require strict management, but given recent overtime trends, achieving this target will be challenging.

The last year a recruit class came on-board was May of 2013 when 34 police officers were hired. The earliest impact the class of 34 would have on overtime would be late 2013. A new class usually trains at the police academy for about six to seven months before it is ready for patrol. Currently, there are 2,201 uniform personnel on board, a drop of 56 from September 2012. The department is beginning to increase sworn headcount. Managing expenses, without impacting operations, will be a constant challenge, given ongoing separations and the aggressive overtime target included in the FY 14 Proposed Budget.

Expenses, Cont.

- Included in the FY 14 budget is funding for 2,275 sworn officers (2,270) excluding Chiefs and Deputy Commissioners, 16 heads more compared to the budget of 2,259 in FY 13 and 69 more than September actuals.
- The increase of 11 in CSEA includes 3 Police Service Aides, 4 Information Tech Specialists II, 1 Accounting Assistant I and 1 Information Tech Specialist I.
- Additionally, part-time personnel/seasonal have increased by 51 when comparing budget to budget and 48 when comparing the proposed to September actuals. FY 13 included a reduction of 54 part-time personnel consisting of 16 security officers and 38 crossing guards. The proposed budget reinstates the number of crossing guards and then some by allocating funding for 63 additional part-time crossing guards while keeping part-time security officers flat.

Full-time Police Department Headcount by Union					
Sworn	2013 Adopted	Sept. Actuals	2014 Executive	2014 vs 2013	2014 vs Actuals
PBA	1,569	1,530	1,575	6	45
DAI	358	348	361	3	13
SOA	327	323	334	7	11
ORD*	5	5	5	0	0
Subtotal	<u>2,259</u>	<u>2,206</u>	<u>2,275</u>	<u>16</u>	<u>69</u>
<u>Civilian</u>					
CSEA	759	756	770	11	14
ORD	7	7	7	0	0
Total	<u>3,025</u>	<u>2,969</u>	<u>3,052</u>	<u>27</u>	<u>83</u>

* Includes former members of the SOA bargaining unit.

Expenses, Cont.

Precinct Consolidation

In its continuing effort to generate savings, beginning in May 2012, the Administration/Police Department began to implement a plan designed to save millions in annual salary savings from offering an early retirement incentive to uniform personnel. The annual salary and fringe savings from the separations was approximately \$18.4 million. The plan then was to consolidate the precincts and some responsibilities and redeploy officers to mitigate any impact. The Administration began to consolidate the existing eight precincts into four. As mentioned previously, that plan had to be modified due to Hurricane Sandy. The four precincts will now be five with a newly built First Precinct in the development stage. It is not clear how much the entire project will cost or how it will be funded.

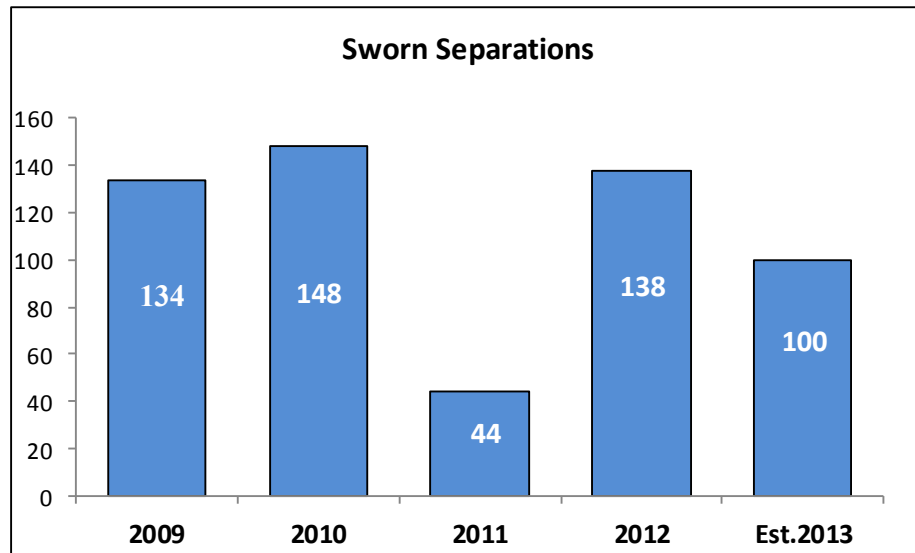
The Administration had stated that through a series of technological advances, such as receiving accident reports online, police services would not be impacted by the initiative. Patrol services would go unchanged with the same amount of sector cars patrolling the same areas as before the consolidation. Supervisory duties from merged precincts would be disbursed throughout the newly merged precincts. Savings from this plan were to be derived from the salary savings from those higher salaried officers that retired as a result of an incentive the County offered.

While it's true that the \$18.4 million in salary savings were achieved through this initiative, it is also true that overtime has escalated to considerably higher levels than in the past.

The chart at right highlights the current status of the plan.

2013 PRECINCT CONSOLIDATION				
Start Date	Precinct		Town	Status
5/1/12	Second	absorbs	Woodbury	Complete
	Eighth		Levittown	
7/1/12	Third	absorbs	Williston Park	Complete
	Sixth		Manhasset	
9/1/12	Fourth	absorbs	Hewlett	Complete
	Fifth		Elmont	
	Seventh *		Seaford	
	First		Baldwin	

* Seventh Precinct sustained too much damage as a result of Hurricane Sandy. The Administration has decided not to merge the First and Seventh Precinct and will build a new First Precinct next to the existing building. The County is anticipating to break ground for the new precinct in October with an 18 month build out.

Expenses, Cont.

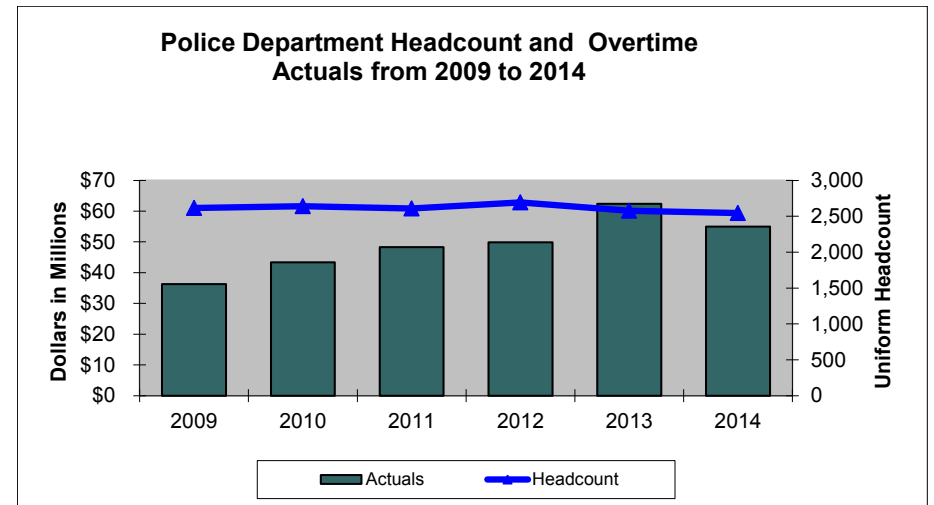
- Annual sworn separations for 2009 and 2010 were greater than 100. FY 13 retirements are currently 69 and are estimated to reach 100 by year's end. The outcome of the current wage freeze will be a contributing factor to what the final number is.
- Sworn retirements in FY 11 were low, at 44. A retirement incentive offered to uniform officers in FY 12 returned retirement numbers to recent historical trends which continues to lower headcount. The department estimates another 125 retirements in FY 14. Unlike the previous year, in FY 2014, the Administration wisely included funding in the amount of \$25.2 million for termination expense.

- Police union members received their step increases in January 2011, but the NIFA wage freeze took effect prior to the scheduled COLAs. The budget assumes the freeze will continue through March 2014, which may influence members' decisions to stay or leave.
- The current number 2,206 of sworn personnel, inclusive of the 34 Academy class, is below the proposed budget and could possibly dip lower by the end of FY 13. Classes to be hired in the future will hopefully maintain budgeted numbers. If uniform numbers decline significantly in the near future, it could have an impact on operations.
- For future recruit classes, the Department will implement an agility test to all prospective candidates before background checks have begun or classes started. The Department is hopeful that this screening process will ensure a more capable pool of prospects successfully completing the Academy courses.

Expenses, Cont.

- The following chart shows annual overtime costs in relation to Sept 1st headcount by year. It should be noted that the FY 12 actuals reflect the \$14.8 million credit in FEMA funds that the County received as a result of Hurricane Sandy.
- The estimated \$62.4 million in overtime in FY 13 indicates a correlation between sworn headcount and overtime. Uniform personnel have declined significantly, from 2,582 in FY 09 to the current (September 1, 2013) headcount of 2,206, a drop of 371.
- Current uniform strength is 2,206 and will decline slightly more by the end of FY 13. The class of 34 recruits hired in May 2013 will not impact overtime until late 2013.
- Ideally, the department would like to maintain a sworn headcount of 2,340 officers. The Administration, though, has provided funding for 2,270 uniform personnel.
- The Police Department anticipates \$2.5 million – \$2.8 million in grant funding in FY 13, a majority of which will pay for overtime costs. While the department states that it’s aggressively pursuing keeping overtime expense within manageable limits, current actuals of approximately \$40.0 million indicate it has become increasingly difficult to keep these costs within manageable limits.
- Management tools that have been employed in the past, such as reducing short roll call and flying supervisors have become standard practice while contractual constraints (minimum manning) are still in place. Additionally, lower headcount puts more stress on an already stretched overtime budget. Without a change in work rules it will be a challenge to achieve the FY 14 overtime budget of \$50.0 million.

Police Department Headcount and Overtime Actuals from 2009 to 2014



Police Headquarters, Expenses

Police Headquarters Expenses						
(\$'s in millions)						
Control Center	Historical		2013	2014	Exec. Vs. Adpt	
	2011	2012	Adopted Budget	Executive Budget	Var.	%
Full-Time Headcount	1,535	1,569	1,580	1,630	50	3.2%
Part-Time and Seasonal	79	89	73	64	(9)	-12.3%
Salaries	\$205.9	\$217.1	\$204.8	\$224.6	\$19.8	9.7%
Fringe Benefits	99.3	104.9	119.3	125.5	6.3	5.3%
Workers Compensation	3.2	3.0	3.0	3.8	0.9	29.0%
Equipment	0.2	0.1	0.3	0.3	0.1	39.1%
General Expenses	3.7	3.4	3.7	3.6	(0.1)	-2.2%
Contractual Services	8.6	8.7	10.7	11.4	0.6	6.0%
Utility Costs	2.6	2.3	2.6	2.6	0.0	*****
Debt Svc. Chargebacks	10.9	11.1	11.0	14.4	3.3	30.3%
Inter-Dept. Charges	24.4	21.9	22.2	24.6	2.4	10.8%
Interfund Charges	0.0	1.0	0.0	0.0	0.0	*****
Trans To General Fund	0.0	0.7	0.0	0.0	0.0	*****
Other Suits & Damages	0.3	0.2	1.7	0.3	(1.5)	-85.3%
Cintingency Reserve	0.0	0.0	0.5	0.0	(0.5)	-100.0%
Total	\$359.1	\$374.4	\$379.8	\$411.2	\$31.4	8.3%

- Headquarters expenses are increasing by \$31.4 million, or 8.3%, from the 2013 Adopted Budget. The largest growth comes in salaries and fringe benefits with smaller increases in debt service chargebacks and inter-departmental charges.
- The increase in salaries relates in part, to \$12.3 million growth in terminal leave. In FY 13, only \$401,000 was allocated for this expense.
- Additionally, funding for overtime costs is \$5.0 million more than the previous budget, increasing overtime to \$25.0 million.
- Fringe benefits are growing by \$6.3 million primarily due to increase in Police Fire Retirement System (PFRS) pension expenses and health insurance expenses.
- Workers' compensation is climbing by 29.0% due to, as discussed previously, a 1.4% increase in the indemnity rate and the anticipation of a large number of partial loss disability awards.

Police Headquarters, Expenses, Cont.



Crime Lab

On February 17, 2011, the Nassau County Crime Lab was ordered shut down indefinitely by County Executive Edward Mangano and District Attorney Kathleen Rice as a result of a national accreditation agency citing the lab for 26 violations and the ensuing investigation by the Inspector General for the State of New York. In the meantime, the Police Department sends its drug testing to a lab in Pennsylvania. Currently, the crime lab is located within the Medical Examiner's Office which is charged with testing for latent fingerprints and toxicology. Accreditation for firearms & ballistics and controlled substances will take another year so these tests will continue to be outsourced. According to the Police Department, the FY 13 expense for this outsourcing is approximately \$350,000 and will be between \$400,000 and \$500,000 in FY 14 in contractual services.

Police Headquarters, Expenses, Cont.

- OTPS expense in Headquarters is increasing by approximately \$4.5 million. Most of the growth is due to increases of \$3.3 million and \$2.4 million in debt service chargebacks and interdepartmental charges, respectively. These are offset by reductions of \$1.5 million in other suits and damages and the \$500,000 elimination of the contingency reserve.
- The contractual services line is growing by approximately \$640,000 mainly as a result of a \$1.6 million increase for radio & communications maintenance contractual increases. The department has upgraded its radio system for the 800 mega-hertz system with Motorola, upgrading the system to a public safety system. The old radio system contract expired and had failed during Hurricane Sandy because it was not a public safety system. Additionally, other contracts need maintenance extensions. The increase is offset by reductions in legal, miscellaneous contractual services and systems & programming.
- The debt service chargebacks line is increasing from approximately \$11.0 million in the adopted to \$14.4 million proposed for FY 14, or 30.3%. The increase reflects principal and interest payments on capital projects related to the Police Department.
- Interdepartmental charges are climbing by 10.8% to \$24.6 million. The increase is related to a hike of \$2.4 million in indirect charges.

Police District Expenses

Police District Expenses						
(S's in millions)						
Control Center	Historical		2013	2014	Exec. vs. Adopted	
	2011	2012	Adopted Budget	Executive Budget	Var.	%
Full-Time Headcount	1,658	1,461	1,445	1,422	(23)	-1.6%
Part-Time and Seasonal	401	369	382	442	60	15.7%
Salaries	\$227.4	\$227.5	\$211.0	\$212.6	1.6	0.7%
Fringe Benefits	106.1	109.0	116.6	118.2	1.6	1.4%
Workers Compensation	6.3	5.6	5.9	6.9	1.1	18.0%
Equipment	0.2	0.1	0.2	0.2	0.0	1.7%
General Expenses	4.0	5.4	5.0	5.4	0.4	7.9%
Contractual Services	0.4	0.8	0.8	1.0	0.2	23.8%
Utility Costs	1.3	1.2	1.4	1.4	0.0	0.0%
Debt Svc. Chargebacks	1.8	2.0	2.0	2.2	0.3	14.3%
Inter-Dept. Charges	21.7	20.5	22.7	21.2	(1.4)	-6.3%
Interfund Charges	0.0	0.9	0.0	0.0	0.0	*****
Other Suits & Damages	0.5	0.9	3.0	0.8	(2.3)	-75.0%
Contingency Reserve	0.0	0.0	1.6	2.0	0.4	23.9%
Total	\$369.7	\$373.9	\$370.2	\$372.0	\$1.8	0.5%

- District expenses are increasing by \$1.8 million when comparing budget to budget.
- The \$1.6 million growth in salaries is related to the \$1.0 million more for overtime in FY 14 bringing that budget to \$25.0 million. Additionally, the Administration is including

funding of \$12.5 million for terminal leave in FY 14. In FY 13, the Administration allocated \$60,000 as it anticipated bonding for the expense. The FY 14 budget includes a realistic allocation for this expense.

- Offsetting the overtime and terminal leave expense is a reduction of \$8.7 million in the police officer salary line from higher salaried officers who separated from service in FY 13.
- Overall workers' compensation costs are budgeted to increase by \$1.1 million, or 18.0%, due to the 1.4% indemnity rate hike and the anticipation of a large number of partial loss disability awards.
- OTPS expenses are declining by approximately \$2.4 million, or 25.0%, due to a \$1.4 million reduction in interdepartmental charges and \$2.3 million decrease in other suits & damages.
- General expenses are growing by approximately \$400,000 due to increases of \$420,000 for gasoline, \$258,450 for motor vehicle supplies and parts, among others. These are offset by a \$206,458 decrease miscellaneous supplies and expenses, \$34,000 less in communication supplies and maintenance and a reduction of \$25,000 in traffic and highway supplies & expenses.
- Interdepartmental charges are declining by \$1.4 million due in large part to a \$1.8 million reduction in PDH charges. The decrease is offset by \$546,455 hike in indirect charges.
- The \$2.3 million decrease in other suits & damages is related to the Administration's plan to charge other suits & damages directly to capital projects.

Revenues

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	3,660,850	4,652,520	3,728,500	4,728,500	3,728,500	0	0.0%	(1,000,000)	-21.1%
Fines & Forfeitures	919,665	788,725	2,750,000	1,750,000	2,750,000	0	0.0%	1,000,000	57.1%
Invest Income	86,097	66,589	288,700	69,294	288,700	0	0.0%	219,406	316.6%
Rents & Recoveries	987,736	295,565	66,140	107,244	66,140	0	0.0%	(41,104)	-38.3%
Dept Revenues	26,399,532	27,982,220	28,965,500	27,465,500	29,465,500	500,000	1.7%	2,000,000	7.3%
Cap Backcharges	114,302	0	0	0	0	0	*****	0	*****
Interdept Revenues	10,436,468	9,994,368	12,611,008	12,611,008	10,428,479	(2,182,529)	-17.3%	(2,182,529)	-17.3%
Debt Svc From Capital	0	0	2,619,000	2,619,000	0	(2,619,000)	-100.0%	(2,619,000)	-100.0%
Interfund Charges Rev	257,481	10,373,516	374,027	374,027	381,327	7,300	2.0%	7,300	2.0%
Fed Aid-Reimb Of Exp	1,025,945	6,559,413	1,664,600	1,064,600	1,064,600	(600,000)	-36.0%	0	*****
State Aid-Reimb Of Exp	(398,018)	1,262,646	589,000	589,000	589,000	0	0.0%	0	*****
Property Tax	610,161,464	669,047,612	672,423,462	672,423,462	710,594,785	38,171,323	5.7%	38,171,323	5.7%
Special Taxes	23,086,414	22,713,123	23,901,000	23,901,000	23,901,000	0	0.0%	0	*****
Interfund Transfer	55,331,990	8,937,700	0	0	0	0	*****	0	*****
Total	\$732,069,927	\$762,673,997	\$749,980,937	\$747,702,635	\$783,258,031	\$33,277,094	4.4%	\$35,555,396	4.8%

- Revenues in FY 14 are rising by \$33.3 million, or 4.4% when compared to FY 13. The revenue budget will climb to \$783.3 million.
- Most of the increase reflects the \$38.2 million increase in the property tax levy and \$500,000 growth in department revenues. These hikes are offset by reductions in interdepartmental revenues, debt service from capital and federal aid reimbursement. Although the overall County property tax levy remains flat, the adjustment to the Police funds reflects the increased expenses. With that adjustment

the combined police funds represent 88.0% of the County Major Funds total levy.

- Debt service from capital is eliminated in FY 14 due to the Administration's removal of the debt service portion of the budget with the assumption that this will be paid directly from the capital project.
- Fines & forfeitures, rents & recoveries, state aid reimbursement and special taxes are all remaining flat when comparing budget to budget.

- Departmental revenues are increasing by \$500,000 in FY 14 as a result an increase in ambulance fee collections. Collections in recent years have been short of the budget but the department assumes a better and more aggressive collection rate for FY 14. That, coupled with recent revenue shortages in tow truck franchise fees causes the departmental revenue line to be a \$2.3 million risk.

Police Headquarters Revenues

Police Headquarters Revenues						
(\$'s in millions)						
Control Center	Historical		2013	2014	Exec. Vs. Adpt	
	2011	2012	Adopted Budget	Executive Budget	Var.	%
Permits & Licenses	0.9	1.0	0.9	0.9	0.0	0.0%
Invest Income	0.0	0.0	0.0	0.0	0.0	0.0%
Rents & Recoveries	0.4	0.3	0.1	0.1	0.0	0.0%
Dept Revenues	22.7	25.0	25.1	25.6	0.5	2.0%
Cap Backcharges	0.1	0.0	0.0	0.0	0.0	*****
Interdept Revenues	10.2	9.7	12.1	9.9	(2.2)	-18.1%
Debt Svc From Capital	0.0	0.0	1.4	0.0	(1.4)	-100.0%
Interfund Charges Rev	0.2	0.0	0.4	0.4	0.0	2.0%
Fed Aid-Reimb Of Exp	1.0	1.4	1.7	1.1	(0.6)	-36.0%
Interfund TS	55.3	8.9	0.0	0.0	0.0	*****
State Aid-Reimb Of Exp	-0.4	0.9	0.6	0.6	0.0	0.0%
Property Tax	245.7	299.1	313.7	348.9	35.2	11.2%
Special Taxes	23.1	22.7	23.9	23.9	0.0	0.0%
Total	\$359.1	\$369.0	\$379.8	\$411.2	\$31.4	8.3%

- The Headquarters revenue budget is increasing in FY 14 by \$31.4 million, or 8.3%. Driving the change is a \$35.2 million increase in the property tax revenue allocated to Headquarters offset by a combined \$4.2 million reduction in

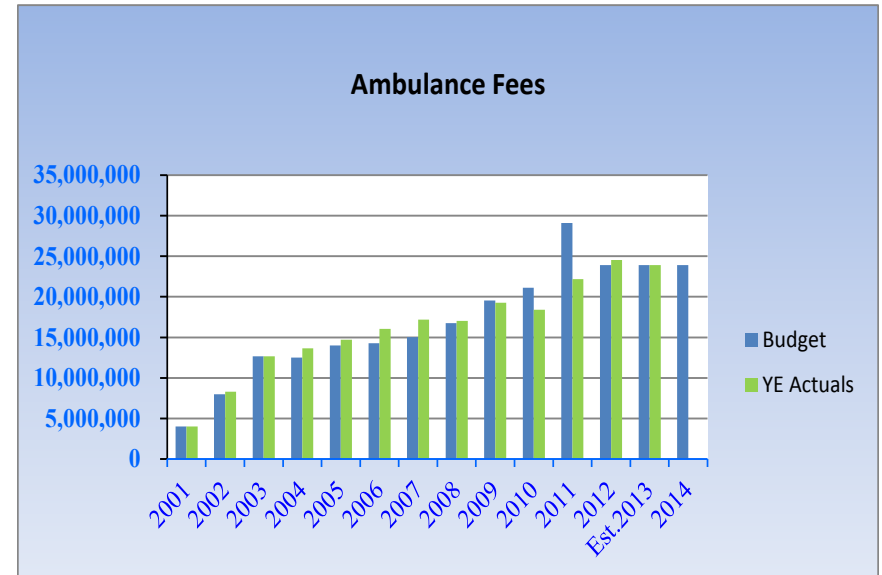
interdepartmental revenues, debt service from capital and federal aid reimbursement.

- Departmental revenue remains flat to the FY 13 budget except for a \$500,000 growth in ambulance fee collections. The department plans to aggressively pursue insurance companies for payment in 2014 for a gain of \$500,000. In FY 13, the department raised the budget to \$500,000, but OLBR’s projection shows current collections significantly under budget. The department has stated that implementation of the new contract could take a year. It remains to be seen if the full budgeted amount can be achieved.

Departmental Revenues (\$'s in thousands)				
Revenue Source	FY12	FY13	FY13	FY14
	Actual	Budget	Projected	Proposed
Misc Receipts	\$84.8	\$174.3	\$90.3	\$174.3
Fees	178.2	300.0	200.0	300.0
Parking Meter-Fees	48.4	60.0	102.5	60.0
Ambulance Fees	24,550.7	23,900.0	24,750.0	23,900.0
Ambulance Fee Collections	14.5	500.0	16.7	1,000.0
Detective Div Fees	12.0	16.2	15.9	16.2
Games of Chance	1.1	2.0	2.0	2.0
Voluntary Fingerprint Card Fees	96.2	130.0	115.0	130.0
	\$24,985.9	\$25,082.5	\$25,292.4	\$25,582.5

- The chart above details where revenue is derived for the Headquarters Fund.

Police Headquarters Revenues



- The above chart illustrates the history of ambulance fees since FY 2001 and shows that revenue has steadily increased over the years. FY 14 should meet or exceed the proposed budget of \$23.9 million.

Police District Revenues

Police District Revenues						
(\$'s in millions)						
Control Center	Historical		2013	2014	Adopted	
	2011	2012	Adopted Budget	Executive Budget	Var.	%
Permits & Licenses	2.8	3.6	2.8	\$2.8	\$0.0	0.0%
Fines & Forfeits	0.9	0.8	2.8	\$2.8	\$0.0	0.0%
Invest Income	0.1	0.0	0.3	\$0.3	\$0.0	0.0%
Rents & Recoveries	0.6	0.0	0.0	\$0.0	\$0.0	*****
Dept Revenues	3.7	3.0	3.9	\$3.9	\$0.0	0.0%
Interdept Revenues	0.3	0.3	0.6	\$0.6	\$0.0	0.4%
Debt Service from Cap	0.0	0.0	1.2	\$0.0	(\$1.2)	-100.0%
Interfund Charges Rev	0.1	10.4	0.0	\$0.0	\$0.0	*****
Fed Aid-Reimb Of Exp	0.0	5.2	0.0	\$0.0	\$0.0	*****
State Aid-Reimb Of Exp	0.0	0.4	0.0	\$0.0	\$0.0	*****
Property Tax	364.5	370.0	358.7	\$361.7	\$3.0	0.8%
Total	\$372.9	\$393.7	\$370.2	\$372.0	\$1.8	0.5%

- District revenues are growing by \$1.8 million, or 0.5%, from the adopted FY 13 budget.
- Most of the growth is due to a 0.8%, or \$3.0 million, increase in the property tax levy revenue allocated to District. This increase is offset by a \$1.2 million reduction in debt service from capital.
- Fines and forfeitures are remaining flat due to a FY 12 amendment to a local law that will increase false alarm fines. The budget was increased by \$2.0 million from FY 12 to FY 13 due to that amendment. Historically, though, the department has not aggressively enforced this law and

anticipated revenue was not collected. It remains to be seen if the department has the resources to pursue these fines in FY 14.

- The 2012 contract for a new tow truck franchise which is to give the vendor exclusive rights to tow vehicles that have been in accidents or in need of repair has been delayed. Therefore, the increased revenue of \$1.5 million the department had planned from this contract will not be realized in FY 13. The department is planning to have a new contract in FY 14 but implementation is questionable.

Departmental Revenues				
(\$'s in thousands)				
Revenue Source	FY 12	FY 13	FY 13	FY 14
	Actual	Budget	Projected	Proposed
Fees	\$189.9	\$250.0	\$250.0	\$250.0
Tow Truck Franchise Fee	\$409.3	\$1,733.0	\$233.0	\$1,733.0
Village Fees	\$2,397.2	\$1,900.0	\$1,900.0	\$1,900.0
	\$2,996.3	\$3,883.0	\$2,383.0	\$3,883.0

Multi-Year Plan

- The following chart on the next page shows a slight growth in salaries from 2014 to 2017 in the Headquarters Fund and a more gradual increase for the same time period in the District Fund. It appears that there is no provision for COLAs or steps for union members in 2014 and 2015. FY 2016 and 2017 includes minimal steps increases but no COLAs. Given the current attempts to settle the wage freeze, this budget should have included some provisions for a possible retroactive pay and the impact of the base pay increase. Neither was included. The table below illustrates the out year funding adjustments for salary steps.

Police	2016 Plan	2017 Plan
Payroll Adjustment	3,134,002	4,487,515
Salary Adjustment	1,596,658	1,230,285
Total	4,730,660	5,717,800

- The combined police fringe benefits line is increasing by \$40.1 million, or 16.5%, to \$283.9 million in FY 2017 due mostly to increased health insurance and pension costs. Health insurance is increasing by \$9.3 million by FY 17. The MYP baseline inflator used to project out-year health insurance costs is 3.57% for 2015 and 5.50% for 2016 and 2017 for active employees. The inflator for retirees is 5.05% for 2015 and 6.50% for 2016 and 2017.
- Including the amortization amounts, pension expenses are increasing by \$17.4 million by FY 2017. The Administration will continue to amortize the pension expense in the out years.

- Social security expenses are increasing minimally by \$749,426 or 2.8% by FY 17 in the out-years.
- OTPS expenditures are expected to remain essentially flat over the next four years keeping with the Administration’s policy of purchasing none but essential items.
- As the following charts illustrate, the Administration estimates revenue to remain fairly constant in the future.
- The charts indicate a steady climb in the gap between expenses and revenues in both funds into the out-years mainly due to increases in fringe benefits.
- With no planned increase in revenue for the out-years, funding for the salary increases is problematic. The charts demonstrate the Administration’s baseline and gap for the out-years, prior to any gap-closing measures.

POLICE HEADQUARTERS FUND					
(\$'s in Millions)					
2014					
		<u>Proposed</u>	<u>2015 Plan</u>	<u>2016 Plan</u>	<u>2017 Plan</u>
EXPENSE					
AA	Salaries	\$224.6	\$224.9	\$227.8	\$228.7
AB	Fringe Benefits	125.5	131.5	138.2	146.4
	Other Expense	61.1	61.4	62.2	62.3
Expense Total		\$411.2	\$417.8	\$428.2	\$437.3
Revenue					
TL	Property Tax	\$348.9	\$348.9	\$348.9	\$348.9
	Other Revenue	62.4	62.4	62.4	62.4
Revenue Total		\$411.2	\$411.2	\$411.2	\$411.2
Gap		<u>\$0.0</u>	<u>(\$6.6)</u>	<u>(\$17.0)</u>	<u>(\$26.1)</u>

POLICE DISTRICT FUND					
(\$'s in Millions)					
2014					
		<u>Proposed</u>	<u>2015 Plan</u>	<u>2016 Plan</u>	<u>2017 Plan</u>
EXPENSE					
AA	Salaries	\$212.6	\$213.6	\$218.0	\$220.6
AB	Fringe Benefits	118.2	124.0	130.1	137.5
	Other Expense	41.2	39.2	39.4	39.5
Expense Total		\$372.0	\$376.9	\$387.4	\$397.6
Revenue					
TL	Property Tax	\$361.7	\$361.7	\$361.7	\$361.7
	Other Revenue	10.3	10.3	10.3	10.3
Revenue Total		\$372.0	\$372.0	\$372.0	\$372.0
Gap		<u>\$0.0</u>	<u>(\$4.9)</u>	<u>(\$15.4)</u>	<u>(\$25.6)</u>

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	206	198	198	193	200	2	1.0%	7	3.6%
Part-Time and Seasonal	10	17	19	15	17	(2)	-10.5%	2	13.3%
Salaries	\$16,392,718	\$16,165,744	\$16,580,753	\$16,112,501	\$16,751,515	\$170,762	1.0%	\$639,014	4.0%
Fringe Benefits	(2,530)	0	0	0	0	0	*****	0	*****
Equipment	7,519	19,162	30,900	30,900	30,900	0	0.0%	0	0.0%
General Expenses	132,437	224,693	277,800	277,800	277,800	0	0.0%	0	0.0%
Contractual Services	280,219	519,941	653,325	653,325	653,325	0	0.0%	0	0.0%
Utility Costs	0	450	500	500	500	0	0.0%	0	0.0%
Inter-Dept. Charges	0	211,452	1,107,938	1,107,938	1,535,544	427,606	38.6%	427,606	38.6%
Total	\$16,810,364	\$17,141,441	\$18,651,216	\$18,182,964	\$19,249,584	\$598,368	3.2%	\$1,066,620	5.9%

Expenses

- The total 2014 proposed expense budget has increased by \$598,368 or 3.2% budget to budget and grew by 5.9% or \$1.1 million when compared to OLBR’s projection.
- The FY 14 budget allocates \$16.8 million for salaries, a rise of \$170,762 from the prior year budget and a \$639,014 increase or 4.0%, in relationship to the current on board.
 - The proposed budget includes approximately \$251,000 in retroactive pay resulting from the 2009 CSEA Stipulation of Agreement that deferred contractual wage increases from April 1, 2010 through November 2010 to be paid on the first pay period of 2014.
 - The terminal leave budget dropped by \$219,263 from the prior year to \$127,041 or 63.3%, for FY 14.
 - The department’s 2014 proposed overtime expense remains flat at the 2013 level of \$300,000, which is sufficient.
- The department’s 2014 Proposed Budget funds 200 full-time and 17 part-time positions.
- The Probation Department FY 14 full-time staffing levels increased due to four new hires offset by two terminations; a net change of two positions budget to budget.
- The part-time positions decreased by two positions from 19 positions in FY 13 to 17 positions for the 2014 Proposed Budget (see chart depicted on next page).

Expenses, Cont.

Full-Time	Part-Time
<p><u>New Hires</u> Deputy Director of Probation Probation Officer Trainee Youth Group Worker II Juvenile Detention Alternative Initiative Coordinator</p> <p><u>Terminations</u> Probation Officer I, Bilingual Probation Officer I</p>	<p><u>Terminations</u> Licensed Practical Nurse I Clerk I</p>

- The 2014 Proposed Budget for other than personal expenses (OTPS), which consists of equipment, general expenses and contractual services remain flat at \$30,900, \$277,800 and \$653,325 respectively.
- The contractual expense is the largest allocation of the department’s OTPS expenditures and includes the following:
 - Miscellaneous contractual services of \$171,625.
 - A budget of \$86,100 for electronic monitoring program for court ordered monitoring of the DWI and sex offenders.
 - Software contract costs of \$85,800.
 - An allocation of \$56,000 designated for program agency funding related to the Juvenile Detention Center.
 - Chaplaincy services for \$3,800.
- The utility expenses for FY 14 are minimal at \$500.
- Interdepartmental charges grew by \$427,606, or 38.6%, for the 2014 Proposed Budget and compared to the OLBR projection.
 - This allocation change is due to increases in building occupancy, postage, Correctional Center, Police Department Headquarter and Information Technology charges offset by reductions in Juvenile Detention Center and indirect charges.

Expenses, Cont.**Juvenile Justice Reform**

On April 14, 2011, County Executive Mangano launched Nassau's Juvenile Justice Reform Task Force. With the Probation Department as the lead agency and with the support of nearly \$1.0 million in new state funding, the Task Force has built upon the commitment and prior accomplishments of the department's juvenile justice stakeholders, including County and State agencies and local, community-based organizations. In 2012, Nassau decreased the number of juvenile delinquents (JDs) held in secure detention, increased the number of JDs whose cases are diverted without ever appearing before a judge, and expanded the number of services available to prevent these at-risk youth from deeper system penetration. Nassau case planning and system resource allocation decisions are now being guided by universal actuarial risk assessments. These reform strategies are helping Nassau realize its goal of achieving better outcomes for at-risk youth while more efficiently utilizing scarce system resources. In 2013, in recognition of Probation's successes, NYS Office of Children and Family Services named Nassau one of six statewide Juvenile Detention Alternatives Initiative (JDAI) pilot sites. JDAI makes available both the technical expertise and financial resources of OFCS and the Annie E. Casey Foundation to continue to build upon our successes to date.

In January 2012, the department's reform efforts expanded to include 16 and 17-years old adolescences committing non-violent criminal acts for which the most appropriate system response may not be criminal sanctions. As of September 2013 more than 1,300 at risk youth have been screened for the Adolescent Diversion Program (ADP). Preliminary data indicate adolescents that complete the program are at reduced risk of recidivism, which positively impacts both the offenders and the community and that time to disposition has been significantly reduced, saving increasingly scarce system resources. ADP has become a model for proposed legislation that will change statewide how the criminal justice system responds to these offenders.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$52,061	\$0	\$0	\$33,502	\$0	\$0	*****	(\$33,502)	-100.0%
Dept Revenues	1,794,684	1,895,634	1,783,500	1,783,500	1,780,000	(3,500)	-0.2%	(3,500)	-0.2%
Fed Aid-Reimb Of Exp	289,632	214,564	16,000	112,755	16,000	0	0.0%	(96,755)	-85.8%
State Aid-Reimb Of Exp	2,777,299	3,904,092	4,798,022	4,798,022	4,857,877	59,855	1.2%	59,855	1.2%
Total	\$4,913,676	\$6,014,290	\$6,597,522	\$6,727,779	\$6,653,877	\$56,355	0.9%	(\$73,902)	-1.1%

Revenues

- The FY 14 proposed revenue budget is rising marginally by \$56,355, or 0.9%, from the FY 13 Adopted Budget and declining by \$73,902, or 1.1%, compared to OLBR’s projection. State aid is the major contributor to this growth.
- The Administration budgeted departmental revenue at \$1.8 million in FY 13, however, for FY 14 the revenue has been reduced nominally by \$3,500.
- The 2014 Proposed Budget allocates \$16,000 for federal aid and the OLBR projection reflects a decrease of \$96,755. The revenue consists of the following:
 - Funding from the Governor’s Traffic Safety Committee (GTSC) Alcohol Interlock Device Grant for \$96,755.
 - The \$16,000 represents funding that is received from the United States Marshals Service Regional Fugitive Task Force (USMS RFTF), which defrays costs associated with joint law enforcement operations between the USMS and the Nassau County Probation Department.
- State aid revenue for FY 14 is growing by \$59,855, or 1.2%, due to the New York State Division of Criminal Justice Services increasing state aid by \$107,281 offset by a decrease of \$47,426 associated with Juvenile Delinquent Care reimbursements for state bed certification. The County is currently state certified for eight beds.

Revenues, Cont.

ACTIVITY INDICATORS					
INDICATOR	ACTUAL 2011	ACTUAL 2012	ESTIMATED 2013	PROJECTED 2014	% CHANGE
Investigations- Criminal Division	4,050	3,686	3,650	3,650	0.00%
Supervision - Criminal Division	8,086	7,572	7,100	7,100	0.00%
Pre-Trial/Intake- Criminal Division	12,504	12,634	12,500	12,500	0.00%
Juvenile Intake - Juvenile Delinquents	645	567	450	450	0.00%
Juvenile Supervision - (PINS)*	17	11	7	7	0.00%
Juvenile Supervision - Juvenile Delinquents	244	140	76	76	0.00%
Investigations Family Division	345	293	250	250	0.00%
Alcohol Interlock Monitoring (AIM)**	552	730	850	900	5.88%
Total Caseloads	26,443	25,633	24,883	24,933	0.20%
* Persons in need of Supervision					
** New Program - Leandra's Law- ignition interlock for DWI offenders					
Source: Probation Department					

- The majority of the activity indicators are expected to remain flat except for AIM, which is expected to have an increase of 50 case for FY 14.

Since the implementation of Leandra's Law (August 2010), which requires installation of an ignition interlock device (IID) in the vehicles of convicted drunk drivers, Probation has observed an increase in the number of offenders being sentenced to Conditional Discharges (unsupervised probation) rather than traditional (supervised) probation. Concurrently, the number of offenders sentenced to probation for drunk driving has declined. The Court appears to have embraced Conditional Discharges in combination with Interlock monitoring (the population served by Probation's Alcohol Interlock Monitoring (AIM) Program) as an appropriate sanction for relatively low risk drunk drivers who previously may have been sentenced to probation. This allows the Court and Probation to focus more of its resources on the higher risk drunk drivers who are still sentenced to community supervision.

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	7	6	6	6	6	0	0.0%	0	0.0%
Salaries	\$518,681	\$494,459	\$501,811	\$499,523	\$506,013	\$4,202	0.8%	\$6,490	1.3%
General Expenses	2,901	2,564	9,000	9,000	9,250	250	2.8%	250	2.8%
Contractual Services	7,300	7,300	7,300	7,300	7,300	0	0.0%	0	0.0%
Total	\$528,881	\$504,324	\$518,111	\$515,823	\$522,563	\$4,452	0.9%	\$6,740	1.3%

Expenses

- A 2009 CSEA Stipulation of Agreement deferred wage increases owed for the period of April 1, 2010 through November 1, 2010 to the first pay period of 2014. As a result, the proposed 2014 expense budget is 0.9% higher than the FY 13 Adopted Budget.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Dept Revenues	\$414,201	\$412,032	\$400,000	\$448,058	\$400,000	\$0	0.0%	(\$48,058)	-10.7%

Revenue

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	453	421	422	410	417	(5)	-1.2%	7	1.7%
Part-Time and Seasonal	47	36	49	47	49	0	0.0%	2	4.3%
Salaries	\$36,420,514	\$27,201,478	\$27,972,683	\$29,366,018	\$27,757,713	(\$214,970)	-0.8%	(\$1,608,305)	-5.5%
Fringe Benefits	0	(447,016)	0	0	0	0	*****	0	*****
Workers Compensation	1,791,181	1,914,928	1,984,047	1,984,047	2,228,693	244,646	12.3%	244,646	12.3%
Equipment	63,696	20,121	93,000	93,000	93,000	0	0.0%	0	0.0%
General Expenses	5,573,732	4,018,018	5,297,300	5,297,300	5,580,800	283,500	5.4%	283,500	5.4%
Contractual Services	13,303,428	117,396,167	117,805,850	117,805,850	122,907,419	5,101,569	4.3%	5,101,569	4.3%
Utility Costs	29,905,285	25,254,257	28,334,292	27,652,292	28,334,292	0	0.0%	682,000	2.5%
Var Direct Expenses	40,000	0	0	0	0	0	*****	0	*****
Inter-Dept. Charges	9,392,208	10,763,628	11,510,853	11,510,853	9,650,361	(1,860,492)	-16.2%	(1,860,492)	-16.2%
Mass Transportation	47,802,366	42,002,238	43,264,576	43,264,576	43,575,746	311,170	0.7%	311,170	0.7%
Bus Route	75,000	75,000	75,000	75,000	75,000	0	0.0%	0	0.0%
Rent	13,344,824	13,713,588	14,566,314	14,566,314	14,763,259	196,945	1.4%	196,945	1.4%
Total	\$157,712,234	\$241,912,407	\$250,903,915	\$251,615,250	\$254,966,283	\$4,062,368	1.6%	\$3,351,033	1.3%

Expenses

- The expense chart above reflects the consolidated Department of Public Works (DPW) which includes Planning and Real Estate Services. Planning was incorporated in the FY 12. The Office of Real Estate Services was integrated in FY 13.
- DPW's proposed FY 14 expense budget is increasing by \$4.1 million, or 1.6% from the FY 13 Adopted Budget.
- The driving factor is an increase in the Veolia contract within the contractual services expense. This expense is offset by comparable revenue in federal and state grants as well as bus fare, bus advertising and non-operating revenues.
- The proposed budget contains 5 fewer full-time heads than the FY 13 Adopted Budget. The salaries line has decreased by \$0.2 million, or 0.8%.
- Workers' compensation costs are increasing \$0.2 million due to higher indemnity costs and a larger anticipated number of disability awards.
 - As of July 1, 2012 and each succeeding year, the max indemnity rate will increase to two-thirds of the New York State Average Weekly Wage (NYSAWW) from the previous year.
- Utility costs are remaining consistent to the FY 13 level.

Expenses, Cont.

- General expenses costs are increasing by \$0.3 million due to higher office supply and miscellaneous costs being offset by decreases in gasoline and diesel fuel.
- The inter-department charges decreased by \$1.9 million, or 16.2% which is primarily due to lower indirect charges in Operations and Fleet Management and Attorney charges in Operations. This charge is allocated by the Office of Management and Budget (OMB).

DPW 2014 Proposed Budget Contractual Services Expense					
(\$'s in millions)					
	<u>Historical</u>	<u>2013</u>	<u>2014</u>	<u>Exec. vs. Adopted</u>	
Control Center	2012	Adopted Budget	Exec. Budget	Var.	%
Contractual Services - Veolia	\$0	\$111,137,373	\$115,168,425	\$4,031,052	3.6%
Miscellaneous Contractual Serv	115,059,609	4,215,277	3,403,794	(811,483)	-19.3%
Engineering	92,100	6,500	25,500	19,000	292.3%
Custodial	5,000	50,000	50,000	0	0.0%
Sanitary Solid Waste Disposal	25,000	25,000	25,000	0	0.0%
Street Light & Signal Maintenance	2,218,300	2,218,300	2,734,300	516,000	23.3%
Medical/Psychiatric Services	(3,842)	31,100	31,100	0	0.0%
Electric Service	0	0	95,000	95,000	*****
Laundry Services	0	41,200	41,200	0	0.0%
Lease Purchase	0	100	100	0	0.0%
GPC Warehouse Management	0	0	240,000	240,000	*****
Traffic Management Center	0	0	700,000	700,000	*****
Rodent Control Services	0	0	200,000	200,000	*****
Construction & Demolition Debris Removal	0	0	112,000	112,000	*****
Software Contracts	0	81,000	81,000	0	0.0%
Total	\$117,396,167	\$ 117,805,850	\$ 122,907,419	\$ 5,101,569	4.3%

- Contractual services are increasing \$5.1 million in FY 14 of which Veolia is the largest variance. This is due to the increased cost of operating the system.
- The traffic management expense of \$0.7 million is a new code in FY 14. This expense was previously captured in miscellaneous contractual services. The contract is with Welsbach Electric and was valued \$1.0 million in the FY 13 Adopted Budget.
- The increase of \$0.5 million for street light & signal maintenance is due to a greater amount of traffic signals needing to be maintained. The department completed an audit of the number of signals installed over the last few years and recognized that additional funding is needed.
- The \$0.2 million for GPC Warehouse Management is a new initiative that allows the department to purchase inventory and equipment for fleet vehicles. The County entered into a contract with Genuine Parts Company (GPC) d/b/a NAPA Auto Parts. NAPA stands for National Automotive Parts Association. The contract was approved on July 1, 2013.

Expenses, Cont.



Historical Planning, Public Works and Real Estate Expenses (S's in millions)							
Control Center	Historical		2013	2014	Exec. vs. Adopted		
	2011	2012	Adopted Budget	Exec. Budget	Var.	%	
Planning 10 Planning	\$2.4	\$0.1	\$0	\$0	0.0		*****
Planning 35 Mass Transportation	47.9	0.0	0.0	0.0	0.0		*****
Planning Total	50.3	0.1	0.0	0.0	0.0		*****
Public Works 00 Administration	4.2	4.1	19.4	20.0	0.6	2.9%	
Public Works 01 Division of Engineering	12.6	10.7	167.0	171.0	4.0	2.4%	
Public Works 02 Division of Operations	70.4	53.2	57.5	57.5	0.0	0.0%	
Public Works 03 Fleet Management	5.9	6.4	6.9	6.4	-0.5	-7.4%	
Public Works Total	93.0	74.4	250.9	255.0	4.1	1.6%	
RE 10 Real Estate Services	14.2	167.3	0.0	0.0	0.0		*****
RE 20 Real Estate Services-Ordinance Emp	0.2	0.1	0.0	0.0	0.0		*****
Real Estate Total	14.4	167.4	0.0	0.0	0.0		*****
Total	157.7	241.9	250.9	255.0	4.1	1.6%	

and \$0.5 million for the street light and signal maintenance also occurred. This is offset by the utility cost decrease of \$0.3 million, salaries decreased by \$0.2 million and interdepartmental charges decreased minimally within indirect charges.

- The chart above shows the migration of Planning and Real Estate into DPW's historical control centers.
- The Administration control center incorporates historical Real Estate. The increase of \$0.6 million is primarily due to higher workers' compensation costs and rent costs.
- The Division of Engineering control center incorporates the transit unit and historical Planning. The largest variance is an increase of \$4.0 million in contractual services for Veolia. Increases of \$0.3 million for the LIRR Station Maintenance

- The Division of Operations remains flat when compared to FY 13. Movement that occurred within this control center netted out. Office and miscellaneous supplies within general expenses increased by \$0.5 million, GPC, rodent control, construction & demolition and misc. contractual services within contractual services, increased by \$0.7 million and fuel within utilities increased by 0.3 million. These increases were eroded by decreases of \$1.2 million in interdepartmental charges and \$0.3 million in salaries costs.
- Fleet Management experienced a decrease of \$0.5 million. This consists of \$0.3 million in general expenses, primarily for diesel fuel, and \$0.6 million in interdepartmental charges within the indirect charges line. Three automotive servicers and salary extras increased the salary line by \$0.2 million. GPC warehouse management and miscellaneous contractual services increased the contractual services line by \$0.2 million.

Expenses, Cont.

Full-Time Staffing Analysis						
	FY 13	Sept-13	FY 14	FY 14	Exec. vs	Exec. vs
	Adopted	Actual	Request	Executive	13_Adopt	Actual
PW 00	<u>Division of Administration</u>					
PW Revenues						
Capital Management Office	0	1	0	0	0	-1
Administration Unit	26	28	29	29	3	1
Real Estate Services	3	2	2	2	-1	0
Total for Control Center	29	31	31	31	2	0
01	<u>Division of Engineering</u>					
Architect./Building Design	9	9	9	9	0	0
Water/Wastewater Engr. Unit	18	18	18	18	0	0
Groundwater Remed. Sect.	2	2	2	2	0	0
Civil/Site Engineering Unit	8	6	8	7	-1	1
Traffic Engineering Unit	17	14	17	16	-1	2
Traffic Safety Board	2	1	2	2	0	1
Bus Transit / Division	3	1	3	2	-1	1
Construction Mgmt. Unit	39	39	43	40	1	1
Planning	13	13	13	13	0	0
Total for Control Center	111	103	115	109	-2	6
02	<u>Division of Operations</u>					
Facil. Mgmt. Unit	116	113	118	116	0	3
Road Maint. Unit	98	98	97	89	-9	-9
Bridge Operations Section	8	7	11	9	1	2
Drain Maint./Strm Wtr Maint.	19	19	19	19	0	0
Mosquito Control Section	4	4	4	4	0	0
Traffic Maintenance Section	9	9	9	9	0	0
Total for Control Center	254	250	258	246	-8	-4
03	<u>Division of Fleet Management</u>					
Fleet Management	28	26	31	31	3	5
Total for Control Center	28	26	31	31	3	5
Total Full-Time	422	410	435	417	-5	7

Full-Time Headcount

The chart at the left details DPW's full-time staffing.

Reflected in the chart is the incorporation of Planning and Real Estate within DPW.

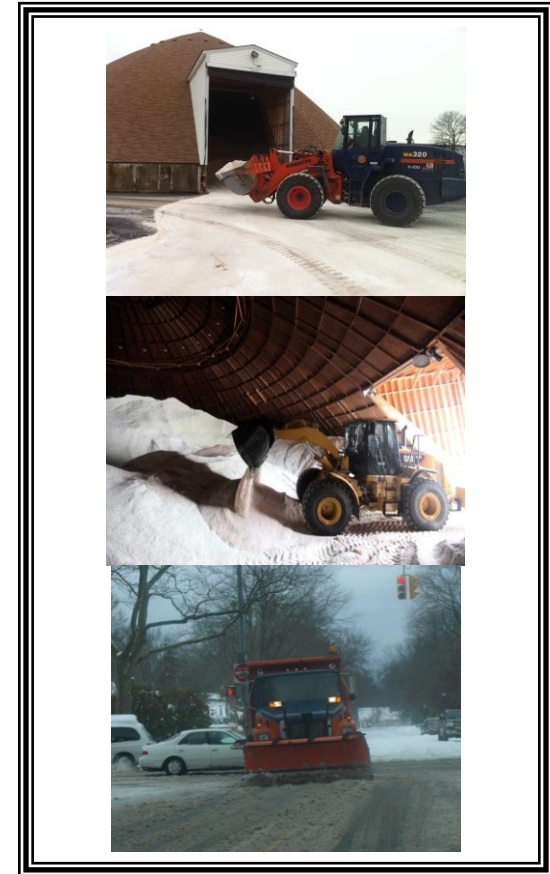
In totality, DPW's FY 14 proposed headcount is decreasing by five full-time employees versus the FY 13 budget and increasing by seven when compared to the projection.

The control centers experiencing decreases are the Division of Operations with eight less positions and the Division of Engineering with two less positions. These decreases are being offset by increases of three positions in Fleet Management and two positions in the Division of Administration.

- There is funding for one additional full-time position, Superintendent Highway Maintenance, in Road Maintenance however, there is no corresponding headcount. It is unclear if the funding will be removed or if the headcount will be included.

Expenses, Cont.

Part-Time and Seasonal Staffing Analysis						
	<u>FY13</u>	<u>Sept-13</u>	<u>FY14</u>	<u>FY14</u>	<u>Exec. vs</u>	<u>Exec. vs</u>
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>13 Adopt</u>	<u>Actual</u>
PW 00 <u>Division of Administration</u>						
Administration Unit	5	2	16	5	0	3
Total for Control Center	5	2	16	5	0	3
01 <u>Division of Engineering</u>						
Architect./Building Design	0	1	0	0	0	-1
Civil/Site Engineering Unit	1	2	1	1	0	-1
Planning	10	9	10	10	0	1
Total for Control Center	11	12	11	11	0	-1
02 <u>Division of Operations</u>						
Facil. Mgmt. Unit	25	24	25	25	0	1
Road Maint. Unit	5	6	5	5	0	-1
Total for Control Center	30	30	30	30	0	0
03 <u>Division of Fleet Management</u>						
Fleet Management	3	3	4	3	0	0
Total for Control Center	3	3	4	3	0	0
Total Part-Time and Seasonal	<u>49</u>	<u>47</u>	<u>61</u>	<u>49</u>	<u>0</u>	<u>2</u>



- The FY 14 proposed budget for part-time and seasonal employees remained consistent with FY 13 budget levels.

Transit Bus Expenses

- The history and the proposed FY 14 Mass Transportation expenses are detailed below.
- The other expense line is used to fund the Pt. Lookout/LIDO Long Beach Bus Route.
 - The FY 13 has not been paid yet. This expense has historically been paid out in the second half of the year.

Mass Transportation Funding							
Mass Transportation (MM)	FY 12 Budget	FY12 Actual	FY 13 Budget	FY 13 YTD SEP Actual	Executive FY 14		2013 - 2014 % Change
630 Metropolitan Suburban Bus Authority	\$1,930,100	\$1,930,100	\$1,930,000	\$1,930,000	\$1,930,000	\$1,930,000	0.0%
631 LIRR Station Maintenance	28,093,700	27,878,847	29,076,976	28,394,605	29,388,146	29,388,146	1.1%
632 MTA-LIRR Operating Assistance	11,583,800	11,583,800	11,583,000	8,687,844	11,583,000	11,583,000	0.0%
635 Handicapped Transportation System	609,500	609,500	609,500	609,500	609,500	609,500	0.0%
636 Intermodal Center Subsidy	0	0	65,000	0	65,000	65,000	0.0%
	42,217,100	42,002,247	43,264,476	39,621,949	43,575,646	43,575,646	0.7%
Other Expenses (OO)							
6H Lido Beach Bus Route	75,000	75,000	75,000	0	75,000	75,000	0.0%
Total Mass Transportation	\$42,292,100	\$42,077,247	\$43,339,476	\$39,621,949	\$43,650,646	\$43,650,646	0.7%

- The Mass Transportation Funding chart details the County expenses related to bus and rail transportation.
- The Metropolitan Suburban Bus Authority and Handicapped Transportation System subsidies are the two historic payments of \$2.5 million made to support Nassau’s bus system. They are required so that the County may receive grant monies.
 - The LIRR Station Maintenance payment is contractually set, and increases each year by the CPI.
 - The MTA-LIRR Operating Assistance is payable annually. All Counties located within the Metropolitan Commuter District pay this assistance.
 - The Lido Beach Bus Route payment is made annually. The amount is unchanged from the FY 13 adopted level.



Veolia

Veolia Bus Contract 2012, 2013 and 2014				
	2012	2013	2013	2014
		Adopted	Projection	Exec
Expense	Actual	Budget		Budget
Misc Contractual Services	111.2	111.1	111.1	115.2
Revenue				
Bus Fare Box	43.0	47.4	47.4	46.0
Bus Advertising	0.5	0.3	0.3	0.5
Non-Op Revenue	0.1	0.0	0.0	0.1
Federal Trans Authority Match	0.0	0.0	0.0	5.6
State Trans from Cap Match	0.0	0.0	0.0	0.7
County Trans from Cap Match	0.0	0.0	0.0	0.7
FTA	7.8	7.0	7.0	0
STOA Grant	56.4	56.4	56.4	61.6
	107.8	111.1	111.1	115.2
County Subsidies to Veolia				
Sub-Object				
MSBA	1.9	1.9	1.9	1.9
Handitransp Syst (504)	0.6	0.6	0.6	0.6
	2.5	2.5	2.5	2.5

- The County is set up to act as a pass through for the NICE Bus system in that it will collect all revenues attributable to bus operations and pay them to NICE Bus in the form of a contractual payment.

- The only budgeted County expense is \$2.5 million which represents the two subsidy payments historically made to the bus system.
- The FY 14 proposed budget anticipates increases in NICE Bus system revenues and expenses of \$4.0 million or 3.6%. Beginning in FY 14, the FTA grant monies, along with the State and County Matches, will now be recorded in BW Interfund Charges.

MTA Litigations

- There is a lawsuit in upwards of \$5.1 million with the MTA regarding termination costs associated with ending the relationship with MTA/Long Island Bus on December 31, 2011. The County's motion to dismiss the lawsuit was granted in August 2013 in the Supreme County in New York County (Manhattan). The MTA has filed a notice of appeal.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	\$793,966	\$479,181	\$700,000	\$700,000	\$710,000	\$10,000	1.4%	\$10,000	1.4%
Fines & Forfeits	2,500	0	10,000	10,000	10,000	0	0.0%	0	0.0%
Invest Income	283	0	0	0	0	0	*****	0	*****
Rents & Recoveries	57,871,876	19,450,877	11,991,895	11,991,895	8,991,895	(3,000,000)	-25.0%	(3,000,000)	-25.0%
Dept Revenues	1,514,983	45,228,931	48,506,870	48,400,833	47,871,425	(635,445)	-1.3%	(529,408)	-1.1%
Cap Backcharges	4,389,952	0	1,500,000	1,500,000	0	(1,500,000)	-100.0%	(1,500,000)	-100.0%
Interdept Revenues	17,828,864	14,910,543	17,857,885	17,857,885	17,545,265	(312,620)	-1.8%	(312,620)	-1.8%
Interfund Charges Rev	2,429,890	6,313,504	6,059,504	6,059,504	13,155,006	7,095,502	117.1%	7,095,502	117.1%
Fed Aid-Reimb Of Exp	11,936,328	9,265,962	7,875,000	7,875,000	532,840	(7,342,160)	-93.2%	(7,342,160)	-93.2%
State Aid-Reimb Of Exp	1,471,811	59,055,491	56,556,000	56,556,000	61,749,000	5,193,000	9.2%	5,193,000	9.2%
Due from Other Governments	291,390	13,557	0	165,833	0	0	*****	(165,833)	-100.0%
Total	\$98,531,843	\$154,718,046	\$151,057,154	\$151,116,950	\$150,565,431	(\$491,723)	-0.3%	(\$551,519)	-0.4%

Revenues

- The revenue chart above reflects the consolidated Department of Public Works which includes Planning and Real Estate Services.
- DPW's proposed FY 14 revenue budget is decreasing by \$0.5 million, or 0.3% from the FY 13 budget.
- Rents and recoveries revenue is decreasing by \$3.0 million due to lower anticipated sale of County property.
- Capital backcharges are decreasing by \$1.5 million. The capital backcharges are generated by those operating costs related to capital project planning carried out by DPW personnel, which are charged back to the appropriate capital project. This methodology was revised during FY 12 and savings are now directly recorded as a credit within the salary expense. The FY 13 expense is for the remaining indirect administrative charge from the Maximus report.
- Interdepartment revenues are decreasing by \$0.3 million. This charge is allocated by the Office of Management and Budget.
- Interfund charges now include the Federal Transportation Authority (FTA) of \$7.0 million previously under federal aid.
- State aid is increase by \$5.2 million, in the State Operating Assistance (STOA) grant, due to the increase funding for operating the bus system.

Revenues, Cont.

DPW 2014 Proposed Budget				
Federal, State and County Match	2013	2014	Exec. vs. Adopted	
	Adopted Budget	Exec. Budget	Var.	%
PWGEN0152				
INTERFUND CHARGES REVENUE				
Indirect Charge Recovery	720,400	1,600,000	879,600	122.1%
Interfund Revenues Other	5,199,104	4,315,006	(884,098)	-17.0%
Fed Trans Authority Match	0	5,600,000	5,600,000	*****
State Trans From Cap Match	0	700,000	700,000	*****
Interfund Revenues From Ssw	0	100,000	100,000	*****
County Trans From Cap Match	0	700,000	700,000	*****
Stop DWI Grant Revenues	140,000	140,000	0	0.0%
INTERFUND CHARGES TOTAL	6,059,504	13,155,006	7,095,502	117.1%
FEDERAL AID EXPENSES				
Reimbursed Expend	75,000	75,000	0	0.0%
Fema Reimbursement	0	0	0	*****
Federal Transportation Authority	7,000,000	0	(7,000,000)	-100.0%
NYS Pass Thru Federal Funds	800,000	457,840	(342,160)	-42.8%
FEDERAL AID TOTAL	7,875,000	532,840	(7,342,160)	-93.2%

	Departmental Revenues			
	FY12 Actual	FY13 Budget	FY13 Projected	FY14 Proposed
Misc Receipts	\$ 401,942	\$ 360,000	\$ 292,487	\$ 10,000
Fees	137,060	0	57,900	125,000
Concessions	862,413	111,397	111,397	860,000
Subdivision Plan Review	4,040	50,000	6,275	30,000
Non-Stormwater Discharges-Storm	0	3,000	0	3,000
Inspector Services Backcharge	38,203	75,000	18,811	40,000
Plans	25,853	80,000	29,588	80,000
Bus Farebox	43,049,293	47,432,985	47,332,602	45,966,925
Bus Advertising	496,163	273,488	273,488	500,000
Non-Operating Revenue	55,517	0	71,711	100,000
Subdivision Inspection Fees	36,584	36,000	124,908	36,000
Reimb Expenses IGT	24,098	0	0	24,000
Rule Book Sales	210	3,000	1,110	1,500
Film & Advert Activities	36,050	22,000	30,057	35,000
Subdivision Plan Review	41,027	40,000	43,138	40,000
239-K Review	20,481	20,000	7,361	20,000
Grand Total	\$45,228,931	\$48,506,870	\$48,400,833	\$47,871,425

- The table above denotes where the FTA budget was in FY 13 and where the funding is located in FY 14.
 - The amount remains consistent.

- The chart details departmental revenues for Planning, Office of Real Estate Services and the Department of Public Works in order to allow for a more equal comparison.
- The proposed FY 14 departmental revenues are decreasing by \$0.6 million to \$47.9 million.
 - The major decrease is occurring within Bus Fare Box. Revenues were projected for service changes, ridership and fare increase, as predicated in the plan passed by the transit committee.



Department of Public Works

Local Law 1-2012 to amend Article XII of the Nassau County Charter in relation to the establishment of a Division of Real Estate Services within the Department of Public Works.

Local Law 5-2011 to amend the County Government Law of Nassau County in relation to merging Department of Planning into the Department of Public Works as a division of such department.

Revenues, Cont.

- The rents & recoveries line is where the County budgets for rent from County properties, sale proceeds from sales of County owned property, coliseum utilities, coliseum concessions, coliseum rental and Mitchell Field Properties rental payments.

Rents & Recoveries			
	2013 Adopted	2014 Proposed	2014 vs. 2013
Rent County Property	\$221,084	\$221,084	0.0%
Sale County Property	6,000,000	3,000,000	-50.0%
Coliseum Utilities	2,330,012	1,893,012	-18.8%
Coliseum Rental	283,385	283,385	0.0%
Coliseum Concessions	765,272	435,272	-43.1%
Rental Mitchell Field Properties	2,392,142	2,392,142	0.0%
Coliseum Advertising Revenue	0	150,000	100.0%
Marriott Lighthouse Heating & Chilling	0	437,000	100.0%
Coliseum Parking Revenue	0	180,000	100.0%
Total	\$ 11,991,895	\$8,991,895	-25.0%

- In 2011, the County securitized many of the rental streams associated with the Mitchell Field Properties. In that year the County collected a large upfront payment.
- Currently, the County only collects rent on six Mitchell Field Properties.

- In FY 14, three new codes were created; Marriott heating & chilling, previously recorded under coliseum utilities and coliseum advertising and coliseum parking revenues, formerly recorded under coliseum concessions.
- Also, included in this line is \$3.0 million from real estate sales. The Administration anticipates selling the Glen Cove garage.

- The Transit Bus responsibility center is where the County budgets for liabilities and revenues associated with mass transportation, both bus and rail related.
- The departmental revenue line of \$46.6 million encompasses Bus Fare Box decreasing by \$1.5 million with Bus Advertising and Non-Operating Revenue increasing by \$0.2 million and \$0.1 million respectively.
- Interfund charges revenue now captures the Federal, State and County Match portion previously under Federal Aid.
- The state aid line reflects the State Transportation Operating Assistance, (STOA), grant. The grant monies are a function of the ridership level, the quality/type of services provided. Negotiations are performed with New York State each year. Therefore, it's the state allocation, predicated on service levels voted on by the senate and the assembly.

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	12	9	14	12	14	0	0.0%	2	16.7%
Part-Time and Seasonal	8	8	21	8	21	0	0.0%	13	162.5%
Salaries	\$743,547	\$667,607	\$864,244	\$712,320	\$879,484	\$15,240	1.8%	\$167,164	23.5%
Equipment	958	4,275	5,000	5,000	5,000	0	0.0%	0	0.0%
General Expenses	148,532	139,014	160,500	160,500	160,500	0	0.0%	0	0.0%
Contractual Services	114,240	122,404	125,000	125,000	125,000	0	0.0%	0	0.0%
Total	\$1,007,276	\$933,300	\$1,154,744	\$1,002,820	\$1,169,984	\$15,240	1.3%	\$167,164	16.7%

Expenses

- The Office of Records Management, under the supervision of the County Clerk, administers and maintains the central records and document storage facility for all agencies of County government.
- The department ensures that documents on file comply with mandated retention schedules and are available for retrieval by originating agencies. The office also provides production capability for microfilming services.
- The total FY 14 expense budget for the office is increasing by \$15,240 or 1.3% from the FY 13 Adopted Budget and is increasing 16.7% from OLBR's current projection.
 - Budget to budget a Photo Machine Operator III position was removed and replaced with a Photo Operations Supervisor II position.
 - When compared to OLBR's FY 13 projection, salaries are budgeted to increase 23.5% in FY 14. The budget funds two currently vacant full-time and 13 part-time and seasonal positions.
 - All other expense lines are being held constant at the adopted and projected FY 13 level.
- In the out-years of the Multi-Year Plan, salary expenses are projected to remain stable and OTPS expenses are forecast to increase 2.9% annually.
- It should be mentioned that the objectives of the Office are to install high-density shelving, install and maintain proper HVAC, humidity control, electronic inventory management and water and fire detection systems in accordance with New York State requirements. The 2013 Capital Improvement Plan provides \$12.5 million in funding from 2014 to 2016 for the Records Center Renovation project (90031).

Finance Authority and District

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

Sewer and Storm Water Finance Authority Expenses

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Contractual Services	\$220,304	\$225,969	\$950,000	\$950,000	\$920,000	(\$30,000)	-3.2%	(\$30,000)	-3.2%
Interest	7,992,356	7,678,894	7,309,831	7,309,831	6,956,531	(353,300)	-4.8%	(353,300)	-4.8%
Principal	7,360,000	7,800,000	7,955,000	7,955,000	8,425,000	470,000	5.9%	470,000	5.9%
Trans Out To SSW	75,000,000	87,300,334	0	0	0	0	*****	0	*****
Trans To SSW For Debt Svc	32,704,006	28,871,965	101,116,109	101,116,109	100,999,409	(116,700)	-0.1%	(116,700)	-0.1%
Trans To Debt Service Fund	0	44,494,928	0	0	0	0	*****	0	*****
Total	\$123,276,666	\$176,372,090	\$117,330,940	\$117,330,940	\$117,300,940	(\$30,000)	0.0%	(\$30,000)	0.0%

- FY 14 expenses for the Sewer & Storm Water Finance Authority (SFA) are decreasing minimally, when compared to the FY 13 Adopted Budget.
- SFA retains sufficient funding to pay its operating expenses and debt service costs and transfers the remainder to the District.
- The contractual services budget of \$0.9 million will remain relatively consistent to the FY 13 budget and the OLBR projection.
 - These costs represent fees for letters of credit, rating agency fees, audit fees and miscellaneous fees.
- Principal is expected to increase by \$0.5 million or 5.9% as compared to the FY 13 budget and OLBR's projection.
- Interest is decreasing by \$0.3 million, or 4.8% as compared to the FY 13 budget and OLBR's projection.
- The FY 14 transfer to the Sewer and Storm Water District of \$101.0 million is decreasing by \$0.1 million, or 0.1% as compared to the FY 13 budget and OLBR's projection.
 - This is the amount transferred to the Sewer and Storm Water District after the Authority's debt service payments are settled.

- The \$44.5 million inter-fund transfer in 2012 represents debt service for the Sewer and Storm Water Finance Authority, Environmental Facilities Corporation, Sewer Resources District and General Improvement water/sewer projects. Beginning in 2012, the Treasurer’s Office revised the entry process to reflect the inter-fund transfer between the general and debt service funds of the Sewer Financing Authority. In prior years, although this transaction was reflected in the audited financial statements, this level of detail was not recorded in Nassau Integrated Financial System (NIFS). Expenses and revenues offset one another.

Sewer and Storm Water Finance Authority Revenues

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Invest Income	\$27,655	\$19,727	\$60,000	\$60,000	\$30,000	(\$30,000)	-50.0%	(\$30,000)	-50.0%
Dept Revenues	3,126,332	0	0	0	0	0	*****	0	*****
Interfund Transfers	0	44,494,928	0	0	0	0	*****	0	*****
Property Tax	119,041,428	117,282,373	117,270,940	117,270,940	117,270,940	0	0.0%	0	0.0%
Total	\$122,195,415	\$161,797,028	\$117,330,940	\$117,330,940	\$117,300,940	(\$30,000)	0.0%	(\$30,000)	0.0%

- Investment income is decreasing 50% in FY 14 when compared to the adopted FY 13; which is due to continuously low return rates.
- Property taxes remain unchanged at \$117.3 million.

Sewer and Storm Water Financing Authority				
Multi Year Plan				
(\$'s in millions)				
Expense	2014 Proposed	2015 Proposed	2016 Proposed	2017 Proposed
Contractual Services	\$0.9	\$0.9	\$0.9	\$0.9
Interest	7.0	6.6	6.3	5.8
Principal	8.4	8.5	9.0	9.2
Trans Out To SSW For Debt Service	<u>101.0</u>	<u>101.2</u>	<u>101.2</u>	<u>101.4</u>
Expense Total	\$117.3	\$117.3	\$117.3	\$117.3
Revenue	2014 Proposed	2015 Proposed	2016 Proposed	2017 Proposed
Invest Income	0.0	0.1	0.1	0.1
Property Tax	<u>117.3</u>	<u>117.3</u>	<u>117.3</u>	<u>117.3</u>
Revenue Total	\$117.3	\$117.3	\$117.3	\$117.3

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

Sewer and Storm Water Resource District Expenses

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	267	267	306	270	306	0	0.0%	36	13.3%
Part-Time and Seasonal	1	1	1	1	1	0	0.0%	0	0.0%
Salaries	\$18,987,703	\$17,632,617	\$19,128,886	\$18,167,439	\$19,874,761	\$745,875	3.9%	\$1,707,322	9.4%
Fringe Benefits	10,231,853	10,396,177	11,478,346	11,347,560	12,465,958	987,612	8.6%	1,118,398	9.9%
Equipment	260,126	83,757	323,900	323,900	360,855	36,955	11.4%	36,955	11.4%
General Expenses	10,717,350	12,340,469	15,537,274	15,537,274	16,983,507	1,446,233	9.3%	1,446,233	9.3%
Contractual Services	20,051,865	26,138,571	27,725,100	27,725,100	28,689,600	964,500	3.5%	964,500	3.5%
Utility Costs	7,642,996	9,476,974	11,134,900	11,134,900	11,000,000	(134,900)	-1.2%	(134,900)	-1.2%
Interest	7,350,411	6,434,736	8,318,051	8,318,051	7,479,116	(838,935)	-10.1%	(838,935)	-10.1%
Principal	18,078,500	16,677,500	14,434,000	14,434,000	13,803,000	(631,000)	-4.4%	(631,000)	-4.4%
Interfund Charges	29,616,448	29,736,860	33,114,751	33,114,751	39,697,768	6,583,017	19.9%	6,583,017	19.9%
Other Suits & Damages	507,620	75,000	538,500	538,500	538,500	0	0.0%	0	0.0%
Operations & Mgmt Reserve	0	0	26,058,760	26,058,760	26,961,077	902,317	3.5%	902,317	3.5%
Total	\$123,444,871	\$128,992,660	\$167,792,468	\$166,700,235	\$177,854,142	\$10,061,674	6.0%	\$11,153,907	6.7%

- FY 14 expenditures are increasing by 6.0%, or \$10.1 million as compared to the FY 13 budget.
- The interfund charges expense is increasing by \$6.6 million, or 19.9% as compared to the FY 13 Adopted Budget and OLBR's projection.
 - The reason for the changes occurred within capital debt. The FY 14 capital debt service charge is \$21.2 million, an increase of \$6.9 million. This is due to increased borrowing for capital improvements in the sewer system, including Superstorm Sandy related projects.
 - The interfund charges consist of \$0.1 million for DPW charges, \$0.3 million for County Attorney charges, \$0.4 million for other expenses, \$17.7 million for indirect cost chargeback, and \$21.2 million for the capital debt service charges.
- General expenses are increasing by \$1.4 million primarily due to higher sewer and drainage costs, outside vendor repairs, supplies and gasoline. Offset savings are occurring in diesel fuel for lower negotiated rates through the Hess Corporation.

Sewer and Storm Water Resource District Expenses, Cont.

- Fringe Benefits are increasing by \$1.0 million primarily due to higher anticipated health insurance, retirement and social security costs.
- The salary expense is increasing by \$0.7 million over FY 13 due to \$0.8 million more in overtime costs and the inclusion of \$0.3 million in retroactive pay. The retroactive pay results from wages deferred from April 1, 2010 to November 2010 to be paid in 2014.
- Principal and interest are expected to decline by \$0.6 million and \$0.8 million respectively. This is for debt issued by the District. However, the inter fund charges line includes debt issued by the County and NIFA which is increasing over the FY 14 in the out-years.

SSW 2014 Proposed Budget Contractual Services Expense					
(\$'s in millions)					
	<u>Historical</u>	<u>2013</u>	<u>2014</u>	<u>Adopted</u>	
Control Center	2012	Adopted Budget	Exec. Budget	Var.	%
Miscellaneous Contractual Serv	\$16.3	\$14.6	\$17.0	\$2.4	16.4%
Legal	\$0.0	\$0.0	\$0.1	0.1	*****
Engineering	\$0.0	\$0.7	\$0.7	-0.1	-7.1%
Sanitary Solid Waste Disposal	\$0.7	\$1.1	\$1.1	0.0	-3.7%
Sludge Disposal	8.9	10.6	9.6	-1.0	-9.5%
Medical/Psychiatric Services	0.1	0.1	0.1	0.0	0.0%
Radio & Communications	0.0	0.1	0.1	-0.1	-39.2%
EFC PFA Payment - Birches	0.0	0.0	0.2	0.2	*****
Professional Services	0.0	0.5	0.0	-0.5	-100.0%
Total	26.1	27.7	28.7	1.0	3.5%

- Contractual services are increasing by \$1.0 million. The driving factors are:
 - The increase in miscellaneous services is due to several factors:
 - The sewage plants' budget requiring emergency funds in the case of a process issue within the facilities.
 - The need for outside contractors to provide guidance on the usage of specialized equipment used by personnel at the facilities.
 - Increased costs associated with O&M compliance as directed by the New York State Department of Environmental Conservation (NYSDEC). And increased costs of running the Glen Cove Plant, Severn Trent.

Sewer and Storm Water Resource District Expenses, Cont.

- The engineering expense is to retain engineers to address NYSDEC compliance issues, collection system issues and other general operation assistance.
 - The Environmental Facilities Corporation (EFC) Premium Finance Agreement (PFA) Payment – Birches is a financing expense for facility improvements and consolidation at the Glen Cove Sewage Treatment Plant. Upon completion of the project, the County is to make annual debt service payments.
 - The professional services expense of \$0.5 million in FY 13 Adopted Budget was not included in the FY 14 Proposed Budget. The FY 13 amount was for professional services for public-private partnership (P3) and assistance with a rate study.
 - The sludge disposal is decreasing by \$1.0 million as compared to the FY 13 adopted level. The department has lowered the FY 14 amount to more accurately reflect prior year actual trends.
- The O&M must equal 25% of the District’s budgeted operating expenses. In FY 13, the Administration has changed the previously used methodology to also include the indirect chargeback costs within interfund charges (HH). The indirect costs represent DPW personnel expenses that support the Sewer and Storm Water District. This revised methodology is subsequently used in FY 14. This resulted in funding for the FY 14 O&M expense at \$26.9 million which is an increase of \$0.9 million from the FY 13 adopted levels and OLBR’s projection.



Sewer and Storm Water Resource District Revenues

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	\$10,483,874	\$9,848,421	\$48,966,865	\$48,966,865	\$56,908,339	\$7,941,474	16.2%	\$7,941,474	16.2%
Permits & Licenses	859,215	805,771	734,800	734,800	810,000	75,200	10.2%	75,200	10.2%
Invest Income	433,041	216,308	220,000	220,000	220,000	0	0.0%	0	0.0%
Rents & Recoveries	1,065,863	890,050	71,000	2,279,123	2,071,000	2,000,000	2816.9%	(208,123)	-9.1%
Rev Offset To Expense	0	0	0	0	180,000	180,000	*****	180,000	*****
Dept Revenues	1,774,170	1,594,729	14,432,300	1,832,300	14,114,000	(318,300)	-2.2%	12,281,700	670.3%
Cap Backcharges	450,800	0	0	0	0	0	*****	0	*****
Debt Svc From Capital	543,184	340,000	0	0	300,000	300,000	*****	300,000	*****
Fed Aid-Reimb Of Exp	112,043	0	0	0	0	0	*****	0	*****
Interfund Transfers	107,704,006	113,045,987	101,116,109	101,116,109	100,999,409	(116,700)	-0.1%	(116,700)	-0.1%
State Aid-Reimb Of Exp	18,675	0	0	0	0	0	*****	0	*****
Due from Other Gov't	0	2,251,394	2,251,394	2,251,394	2,251,394	0	0.0%	0	0.0%
Total	\$123,444,871	\$128,992,660	\$167,792,468	\$157,400,591	\$177,854,142	\$10,061,674	6.0%	\$20,453,551	13.0%

- FY 14 overall revenue for the District is increasing by \$10.1 million, or 6.0%.
 - The District is budgeting additional fund balance of \$7.9 million. The District's expenses continue to outpace the revenues generated resulting in additional usage of fund balance.
 - The 2011 and 2012 historical fund balance usage represents the opening fund minus year-end expenses minus revenue.
- The rents and recoveries line is increasing by \$2.0 million in recovery damage for prior year purchase orders and contracts.
- Departmental revenues are decreasing by \$0.3 million primarily in miscellaneous receipts in order more accurately reflect prior year actual trends.
 - The exempt users charge within the departmental revenues has been lowered from \$38.0 million budgeted in FY 12, for a full year's collection, to \$12.6 million in FY 13 and remains at \$12.6 million in FY 14. However, to-date no fees have been collected due to a Temporary Restraining Order (TRO). As such, OLBR's projection does not include this revenue.
- The FY 14 revenue from other governments will remain consistent with the FY 12 and FY 13 revenue levels of \$1.2 million from Cedarhurst and \$1.1 million from Lawrence. Effective January 1, 2012, Nassau County assumed the responsibility for Cedarhurst and Lawrence.

Sewer and Storm Water Resource District Revenues, Cont.

- The Cedarhurst and Lawrence plants were expected to be diverted to Bay Park in Fall/Winter of 2013. The consolidation construction activities have progressed however, diversion of flow will not commence until the Bay Park Sewage Treatment Plant has been rehabilitated from the damage caused by Superstorm Sandy.

Sewer and Storm Water Usage Fee

In FY 11 two fees were proposed, the aforementioned high water usage fee as well as a sewer fee for not-for-profit organizations. The County expected to impose service charges upon exempt users and high water users for the use of services of sewage facilities maintained by the District at a rate not to exceed \$0.01 per gallon of water entering the County's sewage system. The FY 11 adopted budget only included the Exempt Users Charge and High Water Users revenue of \$19.0 million for half of the year. The Request for Proposal (RFP) process was enacted to select a vendor who would perform a rate study to calculate the correct amount to be charged and identify the high water users amongst all the parcels. The half year sewer fee was expected to be billed in arrears on the January 2012 property tax invoice but was not, due to pending litigation.

The FY 12 budget contained \$38.0 million which anticipated a full year's collections. The FY 13 budget reduced this revenue to \$12.6 million for a full year's collection however; the County has not collected any revenues to-date due to ongoing litigation. The rate study vendor has yielded a preliminary determination that the previous revenue was too aggressive. It is anticipated that the fees will be billed through the Treasurer's Office once the litigation is resolved.

The FY 14 proposed budget will again include the exempt user revenue of \$12.6 million for a full year's collection. The 2014 Multi-Year Plan projects revenue to consistent at \$12.6 million in each of the out-years.

Sewer and Storm Water District, Multi-Year Plan

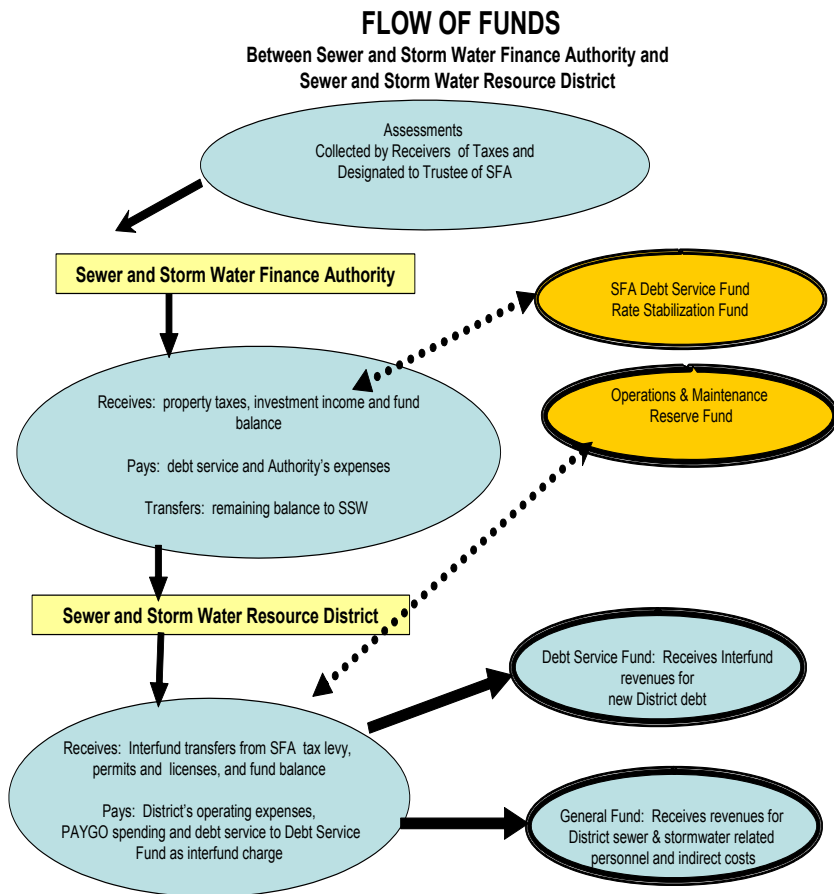
Sewer and Storm Water Resource District				
Multi Year Plan				
(\$'s in millions)				
EXPENSE	2014 Proposed	2015 Proposed	2016 Proposed	2017 Proposed
Salaries, Wages & Fees	\$19.9	\$16.5	\$17.5	\$16.8
Fringe Benefits	12.5	12.7	13.4	14.3
Equipment	0.4	0.4	0.4	0.4
General Expenses	17.0	13.0	13.2	13.5
Contractual Services	28.7	27.7	27.7	27.7
Utility Costs	11.0	10.9	11.3	11.5
Interest	7.5	6.8	6.2	5.8
Principal	13.8	12.9	10.3	9.5
Inter Departmental Charges	0.0	0.0	0.0	0.0
Interfd Chgs - Interfund Charges	39.7	50.5	53.2	51.0
Other Expenses	<u>27.5</u>	<u>25.5</u>	<u>26.1</u>	<u>26.2</u>
EXPENSE TOTAL	\$177.9	\$177.0	\$179.4	\$176.6
REVENUE				
Fund Balance	56.9	0.0	0.0	0.0
Permits & Licenses	0.8	0.8	0.9	0.9
Invest Income	0.2	0.2	0.2	0.2
Rents & Recoveries	2.1	7.1	7.1	7.1
Revenue Offset To Expense	0.2	0.2	0.2	0.2
Dept Revenues	14.1	14.1	14.1	14.1
Cap Backcharges	0.0	0.0	0.0	0.0
D/S From Cap Debt Service From Capital	0.3	0.3	0.3	0.3
Due Fr Govts - Due From Other Govts	2.3	2.3	2.3	2.3
Federal Aid Reimbursement Of Expenses	0.0	0.0	0.0	0.0
Interfd Tsfs - Interfund Transfers	101.0	101.2	101.2	101.4
State Aid Reimbursement Of Expenses	0.0	0.0	0.0	0.0
REVENUE TOTAL	\$177.9	\$126.2	\$126.2	\$126.4

- The table above details the Administration's baseline for the MYP for the District. According to the Plan, the District is anticipating lower revenues in the out-years.

- The Salaries line contains savings of \$3.2 million in each of the out-years is for Civil Service Employee Association (CSEA) attrition.
- Fringe benefits are expected to increase based on rising health insurance growth rates and pension contribution rates.
- Interest and principal are expected to decrease in the out-years. However, the inter fund charges line includes debt issued by the County and NIFA which is increasing over the FY 14 in the out-years.
- The interfund charges are expected to increase primarily due to greater capital debt service charges. The increase may be attributed to the Administrations' plan to bond for sewer related projects in each of the out-years of the plan.
- There is no scheduled use of fund balance in 2015-2017 but based on the gap between expenses and revenues there will be a need to use fund balance.
- Departmental revenues, capital debt service from capital and due from other government are remaining consistent.



Flow of Funds



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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	16	11	11	11	11	0	0.0%	0	0.0%
Salaries	\$1,140,990	\$927,740	\$910,626	\$952,977	\$877,769	(\$32,857)	-3.6%	(\$75,208)	-7.9%
General Expenses	14,579	16,463	17,500	17,500	17,500	0	0.0%	0	0.0%
Contractual Services	1,495	1,495	1,500	1,500	1,700	200	13.3%	200	13.3%
Total	\$1,157,064	\$945,698	\$929,626	\$971,977	\$896,969	(\$32,657)	-3.5%	(\$75,008)	-7.7%

Expenses

- The total FY 14 proposed expense budget is decreasing minimally by \$32,857 or 3.6% mainly due to the salary line.
 - The proposed FY 14 budget includes retroactive pay of \$14,346 but no longer includes the FY 13 terminal leave of \$42,639. The remaining minor savings are due to shifting of full-time positions.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$109,821	\$314,464	\$100,000	\$339,682	\$200,000	\$100,000	100.0%	(\$139,682)	-41.1%
Dept Revenues	22,780	23,282	528,500	528,500	528,500	0	0.0%	0	0.0%
Total	\$132,601	\$337,746	\$628,500	\$868,182	\$728,500	\$100,000	15.9%	(\$139,682)	-16.1%

Revenues

- The proposed FY 14 revenue budget is increasing by \$0.1 million in the sale of county property line within rents and recoveries as compared to FY 13. Higher than anticipated Auctions International proceeds are reflected in OLBR’s current year projections.
- The FY 14 departmental revenues continue to budget for the vendor registration/subscription fee of \$100 to use the County’s procurement system. However, to-date the ordinance to establish such fee has not yet been voted on by the legislature.
 - The department will begin imposing the registration upon its passage. The fee will be applied to each vendor at the time of their annual renewal. Revenue estimates were calculated to be a minimum of \$528,000.

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	783	633	644	641	640	(4)	-0.6%	(1)	-0.2%
Part-Time and Seasonal	87	79	101	67	101	0	0.0%	34	50.7%
Salaries	\$51,638,587	\$42,372,419	\$44,129,626	\$41,953,794	\$44,157,561	\$27,935	0.1%	\$2,203,767	5.3%
Equipment	19,344	13,374	24,000	24,000	24,000	0	0.0%	0	0.0%
General Expenses	988,308	711,597	882,700	882,700	883,150	450	0.1%	450	0.1%
Contractual Services	10,727,003	7,781,376	8,632,335	8,632,335	8,779,143	146,808	1.7%	146,808	1.7%
Inter-Dept. Charges	17,733,010	15,039,141	17,269,168	17,269,168	18,345,178	1,076,010	6.2%	1,076,010	6.2%
Recipient Grants	70,139,264	64,646,027	67,165,000	63,250,000	64,100,000	(3,065,000)	-4.6%	850,000	1.3%
Purchased Services	63,228,337	65,649,070	59,316,405	59,816,405	61,247,021	1,930,616	3.3%	1,430,616	2.4%
Emerg Vendor Payments	65,903,611	62,847,587	62,430,000	55,525,000	56,595,000	(5,835,000)	-9.3%	1,070,000	1.9%
Medicaid	242,329,528	247,935,261	253,089,365	250,750,000	253,257,500	168,135	0.1%	2,507,500	1.0%
Total	\$522,706,992	\$506,995,851	\$512,938,599	\$498,103,402	\$507,388,553	(\$5,550,046)	-1.1%	\$9,285,151	1.9%

Expenses

- The Social Services expense budget proposed for FY 14 represents a 1.1% decline from the budget adopted for FY 13. The bulk of the \$5.5 million decrease in the FY 14 expense budget is attributable to reduced spending on entitlement programs.
- Social Services’ expense budget proposed for FY 14 is about 1.9% above OLBR’s current projection. The \$9.3 million increase in cost is associated with mandated growth in Medicaid expenses, an increase in family day care expenses, and the department’s plan to fill vacant part-time positions.
- The proposed salary budget is about \$2.2 million over OLBR’s current projection. The inclusion of \$765,000 in retroactive pay, coupled with the department’s plan to fill part-time vacancies in several responsibility centers (Child Protective Services, Medical Assistance, etc.) are contributing to the salary increase. The retroactive pay is the result of a 2009 CSEA Stipulation of Agreement that deferred wage increases owed for the period of April 1, 2010 through November 1, 2010 to the first pay period of 2014.
- The Proposed FY 14 Budget includes four full time positions less than the budget adopted for FY 13.

Expenses, Cont.

- The FY 14 budget includes one less full-time position and 34 more part-time positions than DSS’ current staffing level.
- Equipment and general expenses remain flat in FY 14.
- Inter-departmental charges grow by 6.2% in the FY 14 budget. Charges for services from the Police Department-Headquarters are almost halved in the FY 14 budget from the Adopted FY 13 budget. Those savings are surpassed by increases to workers’ compensation, information technology, and building occupancy charges in the FY 14 budget.
- Contractual expenses rise by 1.7% from the Adopted FY 13 budget. Contractual expenses total \$8.8 million in FY 14. An increase to an existing security services contract, reclassification of vehicle leases, and a new veterans/ resident employment service program are a few of the contracts contributing to the growth in this expense.

Contractual Expenses			
Expense	2013 Adopted Budget	2014 Proposed Budget	Variance
Miscellaneous Contractual Services	\$7,300,203	\$7,532,011	\$231,808
Systems & Programming	950,000	850,000	(\$100,000)
Program Agencies	382,132	397,132	\$15,000
Total	\$8,632,335	\$8,779,143	\$146,808

Programs

- Recipient Grants, Purchased Services, and Emergency Vendor Payments account for about 35.9% of Social Services’ proposed expense budget. These costs are associated with a number of Social Service programs, such as Temporary Assistance to Needy Families (TANF) and Safety Net Assistance (SNA). As the table below demonstrates, the expense is decreasing by roughly \$7.0 million in the FY 14 budget compared to the Adopted FY 13 budget. A discussion of each category follows the table.

Direct Assistance			
Expense	2013 Adopted Budget	2014 Proposed Budget	Variance
Recipient Grants	\$67,165,000	\$64,100,000	(\$3,065,000)
Purchased Services	59,316,405	61,247,021	\$1,930,616
Emergency Vendor Payments	62,430,000	56,595,000	(\$5,835,000)
Total	\$188,911,405	\$181,942,021	(\$6,969,384)

Expenses, Cont.

- The overwhelming majority of Recipient Grant funding is used to make payments to DSS clients eligible for TANF and SNA programs. SNA caseloads are down 6.7% from August 2012 to August 2013, while TANF caseloads have declined about 11.8% during this time. As a result, Recipient Grant expenses in the FY 14 budget are down 4.6%, or \$3.1 million, from the budget adopted for FY 13.
 - Compared to the latest OLBR projection, Recipient Grant expenses grow by \$850,000 in the proposed budget.
- Purchased Services are payments made to independent agencies that provide DSS clients with a variety of services such as Day Care, Adult and Child Protective Services, Foster Care, and Preventive Services. There is 3.3%, or \$1.9 million, more funding for Purchased Services in the proposed FY 14 than the adopted FY 13 budget.
 - The proposed budget for Purchased Services increases about 2.4%, or \$1.4 million, over OLBR's current projection. Growing day care costs are contributing to the increase in this expense.
- Emergency Vendor Payments are made to cover a variety of services rendered to eligible DSS clients, including shelter care, utility, maintenance, and institutional services. In the proposed FY 14 budget, Emergency Vendor Payments fall by 9.3%, or \$5.8 million, from the budget adopted for FY 13.
 - The reduced Emergency Vendor Payment expense is a result of departmental initiative and declining SNA, TANF, and foster care caseloads. For example, fewer foster care caseloads reduced the department's room and board expense by \$3.7 million. The department has budgeted \$648,700 less in 2014 for motel bills as a result of the Homeless Stabilization project, an initiative that has sought to house more homeless clients in shelters rather than motels.

Expenses, Cont.

Medicaid

- Starting on January 1, 2014, the Federal government will increase the matching rate for certain Medicaid populations served by the County. The State accelerated these savings by lowering the County’s weekly payments on April 1, 2013. As seen in the table below, the proposed Medicaid budget is \$253.3 million.
 - Even though the proposed Medicaid budget is relatively flat compared to the Adopted FY 13 budget, this is about 1.0% higher than OLBR’s current projection. Therefore, the County’s Medicaid budget grows by 1% in FY 14, as mandated by the State.

Medicaid Expenses			
Expense	2013 Adopted Budget	2014 Proposed Budget	Variance
Physicians Services	\$121,989	\$122,000	\$11
Nursing Home Care	60,235	60,000	(\$235)
Health Ins. Premiums	1,300,779	1,300,000	(\$779)
Transportation	16,957	18,000	\$1,043
Indigent Care	13,159,740	13,159,740	\$0
County Share	238,429,665	238,597,760	\$168,095
Total	\$253,089,365	\$253,257,500	\$168,135

Expenses, Cont.

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2013	2014	Exec. vs. Adopted	
	2011	2012	Adopted Budget	Exec. Budget	Var.	%
Administration	\$23.2	\$20.6	\$23.3	\$24.3	\$1.0	4.4%
Public Financial Assis.	34.8	26.7	28.5	28.0	-0.5	-1.8%
Division Of Services	19.2	18.6	19.2	19.8	0.7	3.5%
Juvenile Detention Ctr.	4.0	0.0	0.0	0.0	0.0	*****
Safety Net Assistance	41.3	41.1	41.5	39.6	-1.9	-4.6%
Children in Institutions	17.2	16.0	14.8	12.8	-2.0	-13.6%
Juvenile Delinquents	10.0	7.5	8.0	6.0	-2.0	-25.0%
Educ Handicapped Child	16.5	15.8	15.0	15.5	0.5	3.3%
Family Assistance	37.4	33.5	35.0	32.0	-3.0	-8.4%
Children in Foster Homes	1.9	1.7	2.2	2.1	-0.2	-7.9%
Non Secure Detention	0.5	0.6	0.6	0.6	0.0	0.0%
Real Estate	0.0	0.0	0.0	0.0	0.0	*****
Subsidized Adoptions	4.8	5.2	5.3	5.2	-0.1	-1.9%
Training Schools	4.9	5.0	5.2	5.5	0.3	5.3%
Child. Foster Homes - (IVE)	0.8	0.6	0.8	0.8	-0.1	-6.2%
Burials	0.2	0.3	0.3	0.3	0.0	0.0%
Medicaid MMIS	242.3	247.9	253.1	253.3	0.2	0.1%
HEAP	0.5	0.1	1.0	0.5	-0.5	-49.5%
Title XX	63.2	65.6	59.3	61.2	1.9	3.3%
Total	522.7	507.0	512.9	507.4	-5.5	-1.1%

- The proposed FY 14 budget increases the Administration’s expenses by \$1.0 million to account for greater interdepartmental charges. A few of the contributing charges are for workers’ compensation, building occupancy, and information technology services.
- The \$1.9 million climb in Title XX expenses is attributable to an expected increase in costs associated with day care services.
- The proposed Medicaid budget is only slightly above the budget adopted for FY 13. As mentioned above, the State decided in April to lower the County’s weekly payments earlier than expected.
- Family Assistance expenses are decreasing \$3.0 million as TANF caseloads have tumbled about 11.8% over the past year.

Expenses, Cont.

- The proposed full-time staffing level is four positions less than the adopted FY 13 budget and one position less than the September 1, 2013 actual.
- As of September 1, 2013, there are 641 full time DSS employees. The budget proposed for FY 14 adds eight employees to Public Financial Assistance and five employees to fill legal and office support roles in the Administration. The decrease of 14 employees from the Service Control Center offsets these increases.
- A technical adjustment is planned to convert Social Welfare Examiner vacancies into Caseworker titles. The caseworkers will subsequently be assigned throughout DSS to support departmental endeavors in the Child Protective Services, Children’s Services, and Adult Protective Services responsibility centers, to name a few.

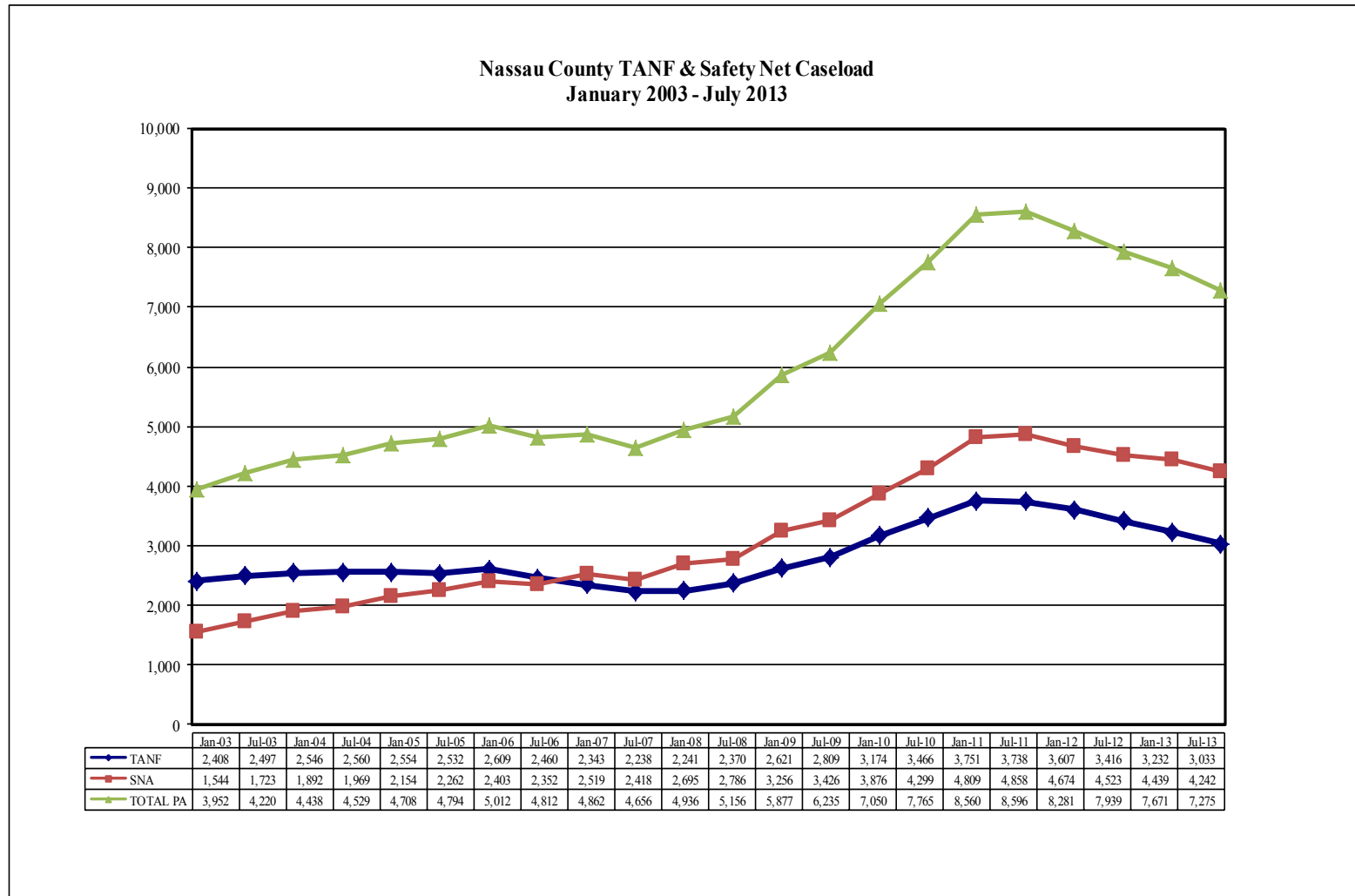
	Staffing Analysis - Full Time					
	FY 13 Adopted	Sept-13 Actual	FY 14 Request	FY 14 Executive	Exec. vs 13 Adopt	Exec. vs Actual
10 Administration						
Administration	11	11	11	11	0	0
Support Services	27	23	27	27	0	4
Legal	6	5	6	6	0	1
Systems Administration	16	16	16	16	0	0
Staff Development	5	5	5	5	0	0
Total for Control Center	65	60	65	65	0	5
20 Public Financial Assistance						
Public Assistance	101	106	104	104	3	(2)
Cnty. Rtls. & Hsng.	15	13	14	14	(1)	1
Medical Assistance	92	74	79	79	(13)	5
Medical Services	12	10	11	11	(1)	1
Supporting Services	12	13	14	14	2	1
Accounting	31	30	30	30	(1)	0
Employment Program	3	1	2	2	(1)	1
Food Stamps	11	9	11	11	0	2
Support Collection Unit	50	48	50	50	0	2
Child Protective Services	0	1	0	0	0	(1)
Day Care Services	0	2	0	0	0	(2)
Total for Control Center	327	307	315	315	(12)	8
30 Services						
Provider Services	1	3	1	1	0	(2)
Information Resource Referral	4	4	4	4	0	0
Children's Services	81	78	79	78	(3)	0
Child Protective Services	120	145	149	132	12	(13)
Adult Protective Services	22	22	24	24	2	2
Day Care Services	24	22	21	21	(3)	(1)
Total for Control Center	252	274	278	260	8	(14)
Total Full Time	644	641	658	640	(4)	(1)

Expenses, Cont.

Staffing Analysis - Part Time						
	FY 13	Sept-13	FY 14	FY 14	Exec. vs	Exec. vs
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>13 Adopt</u>	<u>Actual</u>
10 Administration						
Support Services	10	6	10	10	0	4
Systems Administration	3	3	3	3	0	0
Total for Control Center	13	9	13	13	0	4
20 Public Financial Assistance						
Public Assistance	15	9	15	15	0	6
Community Relations & Housing	2	1	2	2	0	1
Medical Assistance	11	7	11	11	0	4
Medical Services	0	1	0	0	0	(1)
Accounting	8	6	8	8	0	2
Food Stamps	6	2	6	6	0	4
Support Collection Unit	3	2	3	3	0	1
Total for Control Center	45	28	45	45	0	17
30 Services						
Provider Services	0	1	0	0	0	(1)
Information Resource Referral	1	0	1	1	0	1
Children's Services	10	7	10	10	0	3
Child Protective Services	28	20	28	28	0	8
Day Care Services	4	2	4	4	0	2
Total for Control Center	43	30	43	43	0	13
Total Part Time	<u>101</u>	<u>67</u>	<u>101</u>	<u>101</u>	<u>0</u>	<u>34</u>

- Part-time staffing levels remain constant from the adopted FY 13 budget to the proposed FY 14 budget.
- As of September 1, 2013, there are 34 vacant part time positions in Social Services. The proposed budget would fill vacancies in the following control centers: four in Administration, 17 in Public Financial Assistance, and 13 in Services.
- The Administration is planning to fill vacant titles to meet service demands. For instance, the proposed budget would fill four part-time Clerk I positions currently vacant in the Support Services Responsibility Center.
- The proposed budget includes funding to fill vacant part-time Caseworker I and part-time Clerk I openings in the Child Protective Services responsibility center.

Expenses, Cont.



- This July, the combined SNA/TANF caseload was 7,275, down from 7,939 cases in July 2012. In August 2013, combined SNA/TANF caseloads were down 7.2% from August 2012.
- The SNA budget proposed for FY 14 is equal to the Adopted FY 13 Budget.
- As for TANF, the proposed FY 14 budget is down \$2.3 million from the Adopted FY 13 Budget.

Expenses, Cont.

Contractual Services 2013/ 2014			
Responsibility Center 1000 Administration	2013 Budget	2014 Budget	Difference
L.I. Council of Churches	\$100,000	\$100,000	\$0
American Record Management Systems	175,000	175,000	0
Staff Training	0	10,000	10,000
Vehicle Leasing TBD	0	58,334	58,334
Scanning	950,000	850,000	-100,000
Youth Summer Lunch Program	15,973	15,973	0
Total	1,240,973	1,209,307	-31,666
Responsibility Center 2100 Temporary Assistance	2013 Budget	2014 Budget	Difference
NC Coalition Agst. Dmst. Violence TANF	\$7,132	\$7,132	\$0
Circulo De La Hispanidad Homeless TANF	6,889	6,889	0
NUMC-Disability Determinations	290,000	250,000	-40,000
EAC-HEAP & WRAP	300,000	300,000	0
Summit Security Services	685,000	767,750	82,750
Family Type Homes for Adults	115,000	115,000	0
Total	1,404,021	1,446,771	42,750
Responsibility Center 2400 Medical Assistance	2013 Budget	2014 Budget	Difference
Salient Medicaid Fraud & Abuse	\$43,400	\$51,600	\$8,200
IPRO	0	360,000	360,000
Bonadio & Co.	280,000	0	-280,000
American Quality Review	80,000	0	-80,000
Logisticare	567,200	587,200	20,000
NUMC- Nurses (PCA/DCAP)	2,350,000	2,350,000	0
Total	3,320,600	3,348,800	28,200
Responsibility Center 2600 Employment	2013 Budget	2014 Budget	Difference
EAC- Education & Training	\$0	\$0	\$0
EAC- Concillation Services	96,917	125,000	28,083
Town of Oyster Bay	0	0	0
Employment Coordinator	60,000	0	-60,000
Long Beach Adult Learning Center	0	0	0
FEGS	391,749	431,749	40,000
EOC	750,417	591,410	-159,007
NADAP	772,658	931,666	159,008
Career Arc Group/TweetMyJobs.com	111,000	111,000	0
Veteran/Residents Employment Services	0	84,440	84,440
Total	2,182,741	2,275,265	92,524
Responsibility Center 2800 Child Support	2013 Budget	2014 Budget	Difference
YMS Management Associates	\$125,000	\$125,000	\$0
EAC-Project Support	150,000	150,000	0
Laboratory Corp of America	24,000	24,000	0
Ultimate Process Server	90,000	90,000	0
Total	389,000	389,000	0
Responsibility Center 3200 Services to Children	2013 Budget	2014 Budget	Difference
Ultimate Process Server	\$10,000	\$10,000	\$0
Child Care Council of Nassau	70,000	85,000	15,000
Foster Children Services Events	15,000	15,000	0
Total	95,000	110,000	15,000
Total Contractual Services	8,632,335	8,779,143	146,808

Expenses, Cont.**Recipient Grants - TANF and Safety Net**

States may use Temporary Assistance to Needy Family (TANF) funding “to provide assistance to needy families so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families.” States receive a block grant allocation and are required to maintain a historical level of spending known as maintenance of effort. TANF recipients have a 60-month limit on these benefits.

Those individuals ineligible for other assistance programs can apply for the Safety Net program (SNA). SNA was started to serve other individual/groups who were not eligible for Federal assistance such as: single adults, childless couples, children living apart from any adult relative, aliens eligible for temporary assistance but ineligible for federal reimbursement, families of persons abusing drugs or alcohol, or families of persons refusing drug/alcohol screening, assessment and/or treatment. Additionally, persons exceeding the 60-month limit on TANF assistance are also eligible for SNA. Benefits are provided as cash for 24 months. After 24 months benefits may continue as non-cash payment (vendor check or voucher).

TANF (\$24.5 million) and SNA (\$32.0 million) constitute the bulk of the proposed Recipient Grant budget in FY 14.

Expenses, Cont.**Emergency Vendor Payments**

Emergency Vendor Payments are made to cover a variety of services rendered to eligible DSS clients, including shelter care, utility, maintenance, and institutional services. Expenses cover such items as room and board, education, and childcare.

Medicaid

Medicaid is a jointly-funded, federal-state health insurance program for certain low-income and needy people, including children, the aged, blind, and/or disabled, and people who are eligible to receive federally assisted income maintenance payments.

Medicaid payments are used to pay for nursing homes, hospital bills, prescription medicine, doctors, dentists, medical transportation, etc.

Although states are required to pay for a core set of benefits, they can choose to offer such optional benefits as prescription drugs and dental care.

The State caps the annual growth of County Medicaid costs. In 2013, this cap was 2% growth. In 2014, the State has set the cap at 1%. In 2015, County Medicaid costs will be flat. Additionally, on January 1, 2014, the Federal government will increase the matching rate for certain Medicaid populations served by the County. As part of its 2013-2014 Budget, the State accelerated these savings by lowering the County's weekly payments on April 1, 2013.

Purchased Services

Purchased Services are payments made to independent agencies that provide DSS clients with a variety of services such as Day Care, Foster Care, Preventive Services, as well as Adult and Child Protective Services. Child care is provided not only for individuals on temporary assistance but also to those working families who meet income guidelines for subsidies.

Title XX Homemaker Services provide cooking, shopping, and cleaning services to eligible individuals with limited resources

Long Island Home Energy Assistance Program (LIHEAP)

LIHEAP is a federally funded program that provides assistance to low-income households. LIHEAP assists eligible households with utility bills, energy crisis management, weatherization, and energy related home repairs.

Revenues

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$1,636,139	\$55,849	\$1,900,000	\$2,800,000	\$1,900,000	\$0	0.0%	(\$900,000)	-32.1%
Dept Revenues	16,756,400	14,523,612	16,000,000	15,500,000	14,974,440	(1,025,560)	-6.4%	(525,560)	-3.4%
Interdept Revenues	67,705	206,207	227,068	227,068	277,029	49,961	22.0%	49,961	22.0%
Fed Aid-Reimb Of Exp	141,300,609	123,467,109	122,637,538	112,709,720	116,791,754	(5,845,784)	-4.8%	4,082,034	3.6%
State Aid-Reimb Of Exp	67,945,676	57,402,378	60,450,178	57,867,728	56,538,103	(3,912,075)	-6.5%	(1,329,625)	-2.3%
Total	\$227,706,530	\$195,655,155	\$201,214,784	\$189,104,516	\$190,481,326	(\$10,733,458)	-5.3%	\$1,376,810	0.7%

- About 91% of Social Services’ proposed FY 14 revenue budget is federal and state aid.
- The proposed budget includes 5.3% less revenue in FY 2014 than it did when the FY 2013 budget was adopted. Fewer TANF and SNA cases have led to less federal and state reimbursement.
 - The proposed FY 13 budget is \$1.4 million more than OLBR’s current projection.
- There is 6.5% less state aid in the FY 14 budget than the adopted FY 13 budget. The proposed budget represents a decrease in state aid not only when compared to the Adopted FY 13 budget but also when compared to current projections. Programs with expenses that are eligible for state reimbursement have experienced a decline in caseloads. For example, SNA caseloads are down about 6.7% from August 2012 to August 2013.
- Federal aid in the FY 14 budget is 4.8% lower than the Adopted FY 13 budget but is up about \$4.1 million over current projections. Programs with expenses that are eligible for federal reimbursement have experienced a decline in caseloads. For example, TANF caseloads are down about 11.8% from August 2012 to August 2013. This decline is ameliorated by an increase in expenses for other programs eligible for federal reimbursement. Federal reimbursement of day care related expenses will rise in FY14 thereby offsetting losses in other areas eligible for federal aid.
- There is 6.4%, or \$1.0 million, less departmental revenue in the FY 14 budget than the Adopted FY 13 Budget. Fewer clients reimbursed the County for services rendered, as a State contractor (Health Systems Management) has assumed this role.

Revenues, Cont.

FY 14 FEDERAL AND STATE AID BUDGET AS A % OF EXPENSE BY CONTROL CENTER					
Control Center	Expenses	\$			%
		Federal Aid	State Aid	Federal/ State Funded	Federal/ State Funded
Administration	\$24,324,565	\$10,696,005	\$5,765,146	\$16,461,151	67.7%
Burials	275,000	0	5,000	5,000	1.8%
Children In Foster Homes (Non-IVE)	2,051,100	900,550	441,270	1,341,820	65.4%
Children In Foster Homes-(IVE)	755,000	362,500	248,675	611,175	81.0%
Children In Institutions DSS	12,750,000	7,500,000	3,675,000	11,175,000	87.6%
Division Of Services	19,846,804	10,241,663	8,118,024	18,359,687	92.5%
Educ Handicapped Children	15,500,000	0	2,855,720	2,855,720	18.4%
Home Energy Assistance Program	500,000	500,000	0	500,000	100.0%
Juvenile Delinquents	6,000,000	2,975,000	932,960	3,907,960	65.1%
Nc Juvenile Detention Center	49,961	0	0	0	****
Non Secure Detention	575,000	0	281,750	281,750	49.0%
Public Financial Assistance	27,966,702	19,556,036	13,982,858	33,538,894	119.9%
Real Estate Expense	1,000	0	0	0	0.0%
Safety Net	39,590,000	0	10,698,100	10,698,100	27.0%
Subsidized Adoptions	5,200,000	2,600,000	1,783,600	4,383,600	84.3%
TANF	32,000,000	28,060,000	0	28,060,000	87.7%
Title XX/CCBG	61,245,921	33,000,000	7,250,000	40,250,000	65.7%
Training Schools	5,500,000	0	0	0	0.0%
Sub-Total	254,131,053	116,391,754	56,038,103	172,429,857	67.9%
Medicaid MMIS	253,257,500	400,000	500,000	900,000	0.4%
Total	\$507,388,553	\$116,791,754	\$56,538,103	\$173,329,857	34.2%

- Excluding Medicaid expenses, federal and state aid accounts for 67.9% of Social Services expense. Last year, federal and state aid funded 69.9% of these expenses in the Adopted Budget. The FY 14 funding level decline correlates with less federal and state reimbursement.

Special Master

Timeline

In 2010, The National Center for Economic Justice (NCEJ) and the Empire Justice Center (EJC) filed a suit alleging that the county routinely missed deadlines for handling Medicaid, SNAP (food stamps) and Temporary Assistance applications. The lawsuit contends that DSS does not process public benefits applications in a timely manner. According to DSS, the County has paid approximately \$265,000 in legal fees to the Center for Economic Justice.

In February of this year, EJC filed a motion for enforcement and contempt, alleging that the County did not reach 100% compliance in its application deadlines. DSS argued for and the Court accepted the concept of “Substantial Compliance,” given the myriad of conditions that potentially impact upon an application’s timeliness. The U.S. District Court decided that continuing review of the application compliance issues would best be handled by the appointment of a “Special Master” to oversee DSS. Judge Sandra Feuerstein appointed attorney Grace Moran (pro bono) to evaluate the continuing efforts being made by the Nassau County Department of Social Services.

The role of the Special Master is to provide additional Federal oversight of DSS for a period of 90 days. The Special Master will personally review and report back to the Court on the County’s timeliness in processing public assistance applications.

To date, Empire Justice Center has sued several other counties statewide on this matter, including Suffolk, Albany, Erie and Monroe counties.

Special Master, Cont.**DSS Response**

The Department provided OLBR with an overview of DSS' response to this situation. According to the department, they have taken a number of steps to continuously improve service delivery capabilities in light of an increase in public assistance applications resulting from the economic crisis that began in 2008-2009. DSS cites operational changes, technological enhancements, and staff and organizational realignment as a few of the actions that have improved departmental performance and created efficiencies. These actions include the following:

- DSS created a Medicaid Application Assistance Room, where specialized staff has been deployed to assist clients with the application process. Multi-Keyboard Operators register clients' applications with the State, expediting the process by five days. Bilingual staff assists those clients for whom English is a second language.
- The department moved staff from community based locations to the main office, as the main campus experienced an increase in Medicaid application workload. It is important to note that the community based locations consistently reported a low volume of applications.
- The department added additional clerical support to respond to client calls, process incoming mail, and contact clients for missing information.
- Set up specialized units with computer literate staff to address increased volume of online food stamp applications.
- Social Services designed and created internal management reports that detailed attendance, overtime, and worker productivity. These reports helped the department to determine productivity on the individual and unit basis. Understanding internal workflow enabled the department to identify and address potential bottlenecks.
- As a result of its internal review, the department was able to use controlled and targeted overtime to mitigate TANF and SNAP application surges, thereby preventing the development of backlogs.

According to the New York State Office of Temporary and Disability Assistance (OTDA), during the monitoring period, the County has significantly improved application processing times for the following public assistance programs:

- On time SNAP applications have risen from 24% to 99%.
- On time Medicaid applications have risen from 34% to 95%.
- On time TANF applications have risen from 30% to 85%.

Ms. Moran will report these findings back to the Court by November 2013.

TRAFFIC & PARKING VIOLATIONS AGENCY

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$48,354,353	\$40,860,149	\$55,069,710	\$54,136,483	\$62,446,289	\$7,376,579	13.4%	\$8,309,806	15.3%
Rents & Recoveries	392,572	238,662	0	61,831	0	0	*****	(61,831)	-100.0%
Dept Revenues	2,560	336	0	0	0	0	*****	0	*****
Interdept Revenues	0	0	0	0	0	0	*****	0	*****
Total	\$48,749,485	\$41,099,148	\$55,069,710	\$54,198,314	\$62,446,289	\$7,376,579	13.4%	\$8,247,975	15.2%

Revenues

- The proposed revenue budget for FY 14 allocates \$62.4 million. This is an increase of \$7.4 million, or 13.4% from the 2013 Adopted Budget and a growth of \$8.2 million, or 15.2%, from the OLBR projection.
- The fines and forfeits budget consists of four revenue sources, ticket revenue in the form of fines and forfeits, the Red Light Camera (RLC) program, and administrative fees for both of the revenue sources previously mentioned (detailed in chart to the right).
- In FY 14 the non-Red Light Camera fines and forfeits revenue is declining by roughly \$231,000.
- As mentioned above, the Executive Budget includes a total of \$20.5 million for administrative fees revenue in the 2014 Proposed Budget. This represents a \$30 fee that is charged by TPVA to defray costs for processing parking, traffic and RLC tickets.

	2013 Adopted	2014 Proposed
R0603-Fines	17,544,170	17,500,000
R0630-Administrative Fees	6,573,540	6,849,174
Fines Subtotal	24,117,710	24,349,174
R0626-Red Light Camera	19,345,000	24,490,187
R0629-RLC Administrative Fees	11,607,000	13,606,928
RLC Subtotal	30,952,000	38,097,115
Grand Total	55,069,710	62,446,289

Revenues, Cont.



Date of Violation (M/D/Y)	Time of the Violation	Length of previous yellow	Approx Speed	Signal Phase (R=Red)	Length of Red for B	Traffic Lane of Violator
DATE	TIME	AMBER	SPEED	PHASE	RTIME	LANE
08/16/2009	11:36:44.1 AM	4.1	033	R	002.0	2 B
Location Code	NC04-WB MERRICK RD @ BELLMORE AVE					



- In FY 14 the \$24.5 million allocated for Red Light Camera revenue is increasing by roughly \$5.1 million, from \$19.3 million.
 - This rise is credited to the Executive Budget including the implementation of 74 additional cameras. The cameras are targeted to be installed in phases; 15 cameras in late 2013 and 59 cameras in early 2014. This will bring total cameras to 270.
- It is OLBR's assumption based on current trends that \$2.5 million of the \$62.4 million allocated for fines and forfeits revenue has been identified as a risk for the 2014 Proposed Budget.
- OLBR is projecting a surplus of \$61,831 for rents and recoveries for FY 13 attributable to prior year disencumbrances.

Revenues, Cont.

TPVA Tickets Received YTD						
Issuing Agencies	August 2012 YTD		August 2013 YTD		% Difference	
	Parking	Traffic	Parking	Traffic	Parking	Traffic
Nassau County Police	42,686	60,789	48,217	65,537	13.0%	7.8%
All Other Agencies	23,448	21,829	24,858	23,917	6.0%	9.6%
Grand total	66,134	82,618	73,075	89,454	10.5%	8.3%

- The chart above shows parking and traffic tickets received for FY 13 in comparison to FY 12; parking tickets and traffic tickets have a surge of 10.5% and 8.3%, respectively.
- Through August, the Nassau County Police Department, which issues the largest number of tickets, has cited 13.0% and 7.8% more parking and traffic tickets, respectively, for the same period in 2012.

TRAFFIC & PARKING VIOLATIONS AGENCY

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	46	43	43	43	43	0	0.0%	0	0.0%
Part-Time and Seasonal	34	28	28	28	28	0	0.0%	0	0.0%
Salaries	\$3,343,431	\$2,863,716	\$2,951,366	\$2,645,792	\$3,019,815	\$68,449	2.3%	\$374,023	14.1%
Equipment	3,027	18,588	8,700	8,700	8,900	200	2.3%	200	2.3%
General Expenses	222,185	174,281	265,210	265,210	283,690	18,480	7.0%	18,480	7.0%
Contractual Services	8,883,696	8,748,000	9,151,100	9,151,100	11,451,521	2,300,421	25.1%	2,300,421	25.1%
Interfund Charges	11,668,771	0	0	0	0	0	*****	0	*****
Total	\$24,121,109	\$11,804,585	\$12,376,376	\$12,070,802	\$14,763,926	\$2,387,550	19.3%	\$2,693,124	22.3%

Expenses

- The proposed FY 14 expense budget is increasing by \$2.4 million compared to the Adopted FY 13 Budget and rising by 22.3% or \$2.7 million based on OLBR’s projection. The growth is primarily attributed to the surge in contractual services costs.
- The FY 14 proposed salaries increased minimally by \$68,449, budget to budget, but shows a spike in salaries of \$374,023, or 14.1% compared to OLBR’s projection due to TPVA’s staff opting for a reduced work schedule in 2013.
- The department’s full-time and part-time proposed headcounts for FY 14 are unchanged from FY 13 at 43 and 28, respectively.
- The equipment budget for FY 14 is rising by a minimal \$200 to \$8,900.
- General expenses are allocated at \$283,690 for the 2014 Proposed Budget. This growth of \$18,480 compared to the 2013 Adopted Budget is primarily attributed to an increase of miscellaneous supplies and expenses.
- The FY 14 contractual services expenses of \$11.5 million are growing by \$2.3 million, or 25.1%, from FY 13. The increase is due to the following amendments to the budget.
 - The collection vendor increase of \$225,000, the rise of Judicial Hearing Officers’ contract costs of \$25,000, growth of roughly \$2.0 million which is directly correlated to the addition of Red Light Cameras and approximately a \$95,000 increase for the systems and programming contract that was previously paid out of Information Technology’s budget.
- In 2011, the \$11.7 million represented interfund charges from the Red Light Camera (RLC) program. However the Legislature passed an amendment to Local Law 12-2009, amending Title 72 of the Miscellaneous Laws of Nassau County which eliminated the special RLC Fund and redirected the revenues collected from the red light cameras to the General Fund.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Int Penalty On Tax	\$28,164,974	\$27,988,221	\$28,800,000	\$28,800,000	\$29,100,000	\$300,000	1.0%	\$300,000	1.0%
Fines & Forfeits	42,016	6,186	50,000	10,000	10,000	(40,000)	-80.0%	0	0.0%
Invest Income	2,888,580	1,524,782	2,780,000	1,725,832	1,830,000	(950,000)	-34.2%	104,168	6.0%
Rents & Recoveries	50,414	130,991	0	22,788	10,000	10,000	*****	(12,788)	-56.1%
Dept Revenues	626,051	465,757	775,000	440,000	525,000	(250,000)	-32.3%	85,000	19.3%
Special Taxes	2,849,268	2,698,606	3,360,000	3,360,000	3,275,000	(85,000)	-2.5%	(85,000)	-2.5%
Total	\$34,621,304	\$32,814,543	\$35,765,000	\$34,358,620	\$34,750,000	(\$1,015,000)	-2.8%	\$391,380	1.1%

Revenues

- Revenues in the Proposed FY 14 Budget decrease by \$1.0 million, or 2.8%, from the budget adopted for FY 13. The proposed FY 14 revenue budget is just about in line with OLBR’s latest projection.
 - Decreased investment income and departmental revenue are responsible for the decline in revenue.
- Interest penalty on tax revenue encompasses all collections for interest on taxes, tax sale expense, penalty on delinquent taxes, differential lien interest, tax lien advertising fees, and listing fees for tax delinquent properties. The 2014 proposal increases interest penalty on tax revenue by 1.0% from the budget adopted for FY 13.
 - Increased differential lien interest accounts for the \$300,000 growth. Differential lien interest is interest paid to the County on redeemed tax liens. The department expects redemptions to grow as the housing market and economy continue to improve.

Investment Income

Investment income is generated as the County invests excess cash in certificate of deposits, money markets and time deposits and repurchase agreements. Investment income in the FY 14 proposal declines by 34.2%, or \$950,000, from the Adopted FY 13 Budget. However, when compared to OLBR’s projected FY 13 performance, the FY 14 budget increases by 6.0%. Although more in line with expectations, it could be challenging to meet the FY 14 target as interest rates are not expected to increase significantly during FY 14.

The 2014 – 2017 Multi-Year Plan (MYP) holds investment income near the 2014 level. The department based its FY 14 budget on the current rate of return and the economic outlook for 2014. The Federal Reserve continues to indicate that their target interest rate range will be near record lows for the next few years. Holding the MYP level constant in the out year seems reasonable.

Revenues, Cont.

- Proposed fines & forfeiture collections have been adjusted down to \$10,000 to align with actual 2012 and year to date collections. In 2012, the Treasurer collected \$6,186 in fines and forfeitures. OLBR is projecting fine and forfeiture collections to reach \$10,000 in FY 13.
- Proposed departmental revenues decline 32.3%, or \$250,000, from the budget adopted for FY 13. Departmental revenue includes cash bail, cash bail that is abandoned, court and trust fees, and other miscellaneous receipts.
 - The proposed departmental revenue budget of \$525,000 is more in line with recent performance. In 2012, the Treasurer collected \$465,757 in departmental revenue. The department expects to collect \$440,000 in 2013.
- The special taxes budget is comprised of revenues generated by the hotel/motel tax, the entertainment tax, and the Belmont tax. There is 2.5%, or \$85,000, less special tax revenue in the proposed FY 14 budget than in the Adopted FY 13 Budget.
- Hotel/motel collections climb \$100,000 in the proposed budget to \$900,000. The FY 14 budget is in-line with actual collections in 2011 (\$772,524) and in 2012 (\$886,423). Refer to the Parks section for more information on the hotel/motel tax.
- The entertainment tax is a surcharge on tickets sold at venues in the County with seating capacities of 2,500 seats or more.
 - The Treasurer expects FY 13 receipts to total \$2.3 million against a budget of \$2.5 million. The downturn in collections is related to New York Islanders and Coliseum ticket sales.
 - The department is anticipating that entertainment tax proceeds will total \$2.3 million in FY 14.
- The Belmont tax is a tax collected upon admission to Belmont Park. The tax is equivalent to 3% of the admission price. Compared to the FY 13 budget, the FY 14 proposal includes \$15,000 more in Belmont tax revenue.
 - Nassau County retains 75% of the collections, as three quarters of the park is located within Nassau County. New York City collects the remaining 25% of revenues.
 - The FY 14 proposal includes \$75,000 in collections for this tax, or \$15,000 more than in the Adopted FY 13 Budget.
 - The increase seems reasonable as the County's Belmont tax collection was \$72,208 in 2012. As of September 30, 2013, the Belmont tax has generated \$186,217 in revenue for the County.
 - If FY 14 collections are closer to current FY 13 totals, the Belmont tax could prove to be an opportunity to the budget.



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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	34	29	33	30	32	(1)	-3.0%	2	6.7%
Part-Time and Seasonal	1	1	1	2	2	1	100.0%	0	0.0%
Salaries	\$2,381,781	\$2,018,976	\$2,258,022	\$1,976,157	\$2,160,515	(\$97,507)	-4.3%	\$184,358	9.3%
Equipment	0	4,990	8,000	8,000	11,000	3,000	37.5%	3,000	37.5%
General Expenses	259,901	246,753	329,800	329,800	337,050	7,250	2.2%	7,250	2.2%
Contractual Services	86,795	69,023	198,500	198,500	310,500	112,000	56.4%	112,000	56.4%
Other Suits & Damages	43,088,120	(5,141,573)	18,000,000	20,000,000	10,000,000	(8,000,000)	-44.4%	(10,000,000)	-50.0%
Total	\$45,816,597	(\$2,801,831)	\$20,794,322	\$22,512,457	\$12,819,065	(\$7,975,257)	-38.4%	(\$9,693,392)	-43.1%

Expenses

- Expenses in the FY 14 Proposed Budget are roughly \$8.0 million, or 38.4%, less than in the Adopted FY 13 Budget. Expenses in the FY 14 proposal are \$9.7 million, or 43.1%, less than OLBR’s projection.
- The decrease is a function of reduced operating funds for tax certiorari payments. Last year’s adopted budget included \$18.0 million in operating funds for the payment of property tax refunds. The FY 14 Proposed Budget sets aside \$10.0 million in other suits & damages for this purpose.
- The FY 14 equipment budget is increasing 37.5%, or \$3,000, from the FY 13 adopted level. A decrease in safety and security equipment is offset by increased information technology costs.
- Proposed general expenses climb 2.2%, or \$7,250, from the budget adopted for FY 13.

- Slight increases to travel, advertising/public notice, and equipment maintenance and rental costs account for the growth in general expenses.
- The proposed budget for contractual services is 56.4%, or \$112,000, more than in the budget adopted for FY 13. The department increased a contract with a third party debt collection service to pursue delinquent District Court fines.
- The proposed salary budget is down 4.3%, or \$97,507, from the Adopted FY 13 Budget. Compared to OLBR’s projection, salaries are up \$184,358, or 9.3%, in the budget proposed for FY 14.
 - The FY 14 proposal eliminates a vacant position, but potential salary savings are offset by the addition of one part-time County Director of Accounting, one full-time Accountant I, and \$30,703 in retroactive pay.
 - Two employees changed title in the 2nd quarter of 2013. The FY 14 proposal reflects a full year’s salary for one Tax Cashier and one Cashier III.

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

Expense	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	3	5	6	7	7	1	16.7%	0	0.0%
Salaries	\$504,283	\$268,307	\$336,459	\$345,067	\$385,877	\$49,418	14.7%	\$40,810	11.8%
General Expenses	805	6,603	9,000	9,000	11,200	2,200	24.4%	2,200	24.4%
Contractual Services	0	0	700	700	700	0	0.0%	0	0.0%
Inter-Dept. Charges	229,051	228,600	694,120	694,120	1,000	(693,120)	-99.9%	(693,120)	-99.9%
Total	\$734,139	\$503,509	\$1,040,279	\$1,048,887	\$398,777	(\$641,502)	-61.7%	(\$650,110)	-62.0%

Expenses

- The proposed FY 14 expense budget is decreasing by \$641,502, or 61.7% compared to the Adopted FY 13 Budget. Compared to current OLBR projections, the proposed expense budget is 62.0%, or \$650,110, less.
- The reduction of agency expense in FY 14 coincides with the elimination of nearly all interdepartmental charges. The following interdepartmental charges have been eliminated: \$357,661 for building occupancy charges, \$78,236 for information technology charges, and \$227,956 for other indirect charges.
 - The FY 14 interdepartmental charge budget includes \$1,000 for postage expenses.
- Proposed FY 14 salaries increase by \$49,418 compared to the FY 13 adopted budget and \$40,810 compared to current 2013 projection.
 - The bulk of the salary variance stems from the Agency’s addition of one Veterans Counselor I in the 3rd Quarter of 2013. The FY 14 proposal reflects a full year’s salary for this individual.
 - The rest of the salary variance is related to a 2009 CSEA stipulation of agreement. This agreement deferred wage increases owed for the period of April 1, 2010 through November 1, 2010 to the first pay period of 2014. As a result, the FY 14 proposal includes \$3,390 in retroactive pay.

Expenses, Cont.

- General expenses rise 24.4% from the Adopted FY 13 Budget to the Proposed FY 14 Budget. Increased costs for education, training, and office supplies account for the growth in this expense.
- Contractual expenses proposed for FY 14 are unchanged from the Adopted FY 13 Budget. This money will pay for software contracts.

Revenue	Historical		2013		2014	Exec. vs. Adopted		Exec. vs. Projected	
	2011	2012	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Interdept Revenues	\$0	\$0	\$346,159	\$346,159	\$346,159	\$0	0.0%	\$0	0.0%
State Aid-Reimb Of Exp	0	59,703	32,900	32,900	32,899	(1)	0.0%	(1)	0.0%
Total	\$0	\$59,703	\$379,059	\$379,059	\$379,058	(\$1)	0.0%	(\$1)	0.0%

Revenues

- The bulk of the proposed revenue budget is derived from chargebacks to the Department of Social Services (DSS) for information and referral resources.
- The state aid budget proposed for FY 14 is roughly the same as the state aid budget adopted for FY 13.

