NASSAU COUNTY LEGISLATURE

Office of Legislative Budget Review

Review of the Fiscal Year 2017 Budget & Multi-Year Plan

Departmental Analysis

Nassau County Legislature

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Inter-Departmental Memo

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

From: Maurice Chalmers, Director
Office of Legislative Budget Review

Date: October 20, 2016

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 2017 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/2384/Budget-Documents.

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Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$0	$36,567	$0	$0	$0	$0	*****	$0	*****
Dept Revenues	73,153	8,013,653	27,565,000	27,415,743	27,073,896	(491,104)	-1.8%	(341,847)	-1.2%
Total	**$73,153**	**$8,050,220**	**$27,565,000**	**$27,415,743**	**$27,073,896**	**($491,104)**	**-1.8%**	**($341,847)**	**-1.2%**

Revenues

- The Assessment Department revenue budget has one object code in FY 17, Departmental Revenues. Three revenues sources are budgeted on this line.
- The chart on the right details the departmental revenue budget by revenue source.
- The proposed FY 17 revenue budget is decreasing by 1.8% from the FY 16 Adopted Budget and 1.2% from the current FY 16 projection.
- Radius maps are generally required when a property owner seeks a special use permit or variance from a town or village.
- The FY 17 budget anticipates collecting $18,816 from this fee, $131,184 less than FY 16 Adopted Budget. The FY 17 proposed amount is in line with the FY 16 current projection.
- The departmental revenue line also includes fees collected for the production of various reports. The FY 17 budget for these fees is $55,080. This may be conservative as it is $42,333 less than the current FY 16 projection.

Assessment Departmental Revenues

SUBOBJ	16 Adopted	16 Projection	17 Proposed
Radius Maps Fee	150,000	18,330	18,816
Fees	115,000	97,413	55,080
GIS Tax Map Verification Fee	27,300,000	27,300,000	27,000,000
Total	**27,565,000**	**27,415,743**	**27,073,896**

- The GIS Tax Map Verification Fee is a service fee to access, acquire, and maintain the most current certified information on each tax map parcel used in any land document recording.
- Nassau's GIS Tax Map fee rate is $225. Suffolk County has included a GIS Tax Map fee rate increase from $200 to $225 in their Proposed FY 17 Budget.
- The FY 17 GIS Tax Map budget is $300,000 less than the FY 16 Adopted and FY 16 Projected amounts. An opportunity may exist on this budget line.

Multi-Year Plan Revenue

- All revenue lines in the Assessment Department are held constant in the out-years of the plan.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	149	145	143	131	137	(6)	-4.2%	6	4.6%
Part-Time and Seasonal	0	2	2	2	2	0	0.0%	0	0.0%
Salaries	$9,135,555	$9,150,985	$9,624,397	$9,543,878	$9,668,586	$44,189	0.5%	$124,708	1.3%
General Expenses	276,705	259,362	254,444	607,444	313,730	59,286	23.3%	(293,714)	-48.4%
Contractual Services	58,721	16,554	24,000	24,000	424,440	400,440	1668.5%	400,440	1668.5%
Total	**$9,470,982**	**$9,426,901**	**$9,902,841**	**$10,175,322**	**$10,406,756**	**$503,915**	**5.1%**	**$231,434**	**2.3%**

Expenses

- The proposed expense budget is increasing by 5.1%, compared to the FY 16 Adopted Budget and 2.3% compared to the FY 16 projection.
- The increase is primarily a function of higher contractual services costs. The budget to budget $400,440 increase is due to contractual services expenses associated with vendor fees for revenue collection related to Tax Map Verification fees.
- The FY 17 salary expense is increasing 0.5% budget to budget. Savings from the loss of six vacant full-time positions, are offset by the steps and COLAs negotiated in the current labor agreements.
  - Also contributing to the heightened salary cost is a $21,190 increase in terminal leave payments and $5,467 in overtime pay.
- The FY 17 general expenses line is increasing by $59,286 compared to the FY 16 Adopted Budget and declining $293,714 compared to the FY 16 projection. According to the FY 16 projection, postage delivery and miscellaneous supply costs are driving the FY 16 expense overage. Since the proposed FY 17 budget appropriations are lower than the current FY 16 projection, the FY 17 budget may not be sufficient to cover the Department's costs.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	28	30	30	29	30	0	0.0%	1	3.4%
Part-Time and Seasonal	1	0	1	2	2	1	100.0%	0	0.0%
Salaries	$2,165,416	$2,162,801	$2,282,784	$2,260,979	$2,390,050	$107,266	4.7%	$129,071	5.7%
General Expenses	27,380	31,576	35,033	35,033	35,000	(33)	-0.1%	(33)	-0.1%
Contractual Services	42,250	12,250	12,500	12,500	0	(12,500)	-100.0%	(12,500)	-100.0%
Total	**$2,235,046**	**$2,206,627**	**$2,330,317**	**$2,308,512**	**$2,425,050**	**$94,733**	**4.1%**	**$116,538**	**5.0%**

Expenses

- The FY 17 Assessment Review Commission (ARC) expense budget is increasing $94,733 or 4.1% from the FY 2016 Adopted Budget and 5.0% from the current year projection; driven by an increase in the salary line.
- The salary line increase is a function of funding for a part-time commercial appraiser as well as the steps and COLAs negotiated in the current labor agreements.
- Offsetting the salary increase are reductions in general expenses and contractual services.
- The contractual services line has not been funded in the FY 17 Proposed Budget. The software maintenance contract was consolidated into the Department of Information Technology.
- The FY 17 general expenses line is basically unchanged, falling $33.00 from the FY 16 Adopted level. The appropriation is used to fund office supplies, membership fees, postage, information technology supplies and miscellaneous supplies.
- The FY 17 Proposed Budget includes funding for 30 full-time and two part-time employee positions. Compared to the FY 16 Adopted staffing level, which included 29 full-time employees, the total headcount in the FY 17 Proposed Budget is increasing by one part-time position, a commercial appraiser.
    - The New York Real Property Tax Law rules maintain that the commission will consist of nine Commissioners. However, only six were included in the FY 16 Adopted Budget and six are included in the FY 17 Proposed Budget.

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.
- As of December 31, 2015, the County's outstanding property tax liability according to the Assessment Review Commission was $316.4 million. That represents a 4.5% increase from December 31, 2014's liability of $302.8 million. The outstanding liability increased for all classes.
- Out of the total December 31, 2015 liability, 70.9% or $224.3 million was for class IV commercial grievances and 12.4% or $39.1 million was for class I.
- The Administration expects the monies from the new Disputed Assessment Fund to cover the future commercial liability. A question has arisen whether DAF amounts are considered as part of the County's property tax levy. According to the administration, in consultation with the County Attorney's Office, the DAF payments are held in the trust and agency account and will not be considered to be part of the property tax levy unless and until any amounts are distributed to the County (following an unsuccessful challenge) and incorporated into a County budget. In summary, amounts distributed from DAF will be considered part of a property tax levy once included in a County budget.
- The FY 17 Proposed Treasurer's Office Budget includes $75.0 in other suits & damages appropriation to cover property tax liability expenses. Out of the $75.0 million appropriation, $15.0 million from operating revenues and $60.0 million from bond proceeds.
- According to the 2017 to 2020 Proposed Multi-Year Financial Plan (MYP), no tax certiorari bond issues are planned from 2018 to 2020. However, the MYP does include $30.0 million on the Treasurer's Office other suits & damages line from 2018 to 2020. It is unclear what these funds will be used for.
    - As of August 2016, the County had $47.9 million of funds available in the tax certiorari judgements capital project from which property tax refund payments could be made.

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	54	55	51	53	52	1	2.0%	(1)	-1.9%
Part-Time and Seasonal	39	39	49	40	49	0	0.0%	9	22.5%
Salaries	$4,431,256	$4,362,453	$4,514,800	$4,585,599	$5,362,298	$847,498	18.8%	$776,699	16.9%
General Expenses	234,274	178,779	416,650	416,650	458,700	42,050	10.1%	42,050	10.1%
Contractual Services	0	79,060	86,966	86,966	15,000	(71,966)	-82.8%	(71,966)	-82.8%
Total	**$4,665,530**	**$4,620,292**	**$5,018,416**	**$5,089,215**	**$5,835,998**	**$817,582**	**16.3%**	**$746,783**	**14.7%**

Expenses

- The FY 17 proposed expense budget is increasing by $817,582 or 16.3%, compared to the Adopted FY 16 Budget mainly as a result of an increase in salaries offset by a decrease in contractual services of $71,966.
- Salaries increased by $847,498, mainly due to the elimination of $534,014 in Capital Chargebacks and the negotiated labor agreement with the Civil Service Employees Association (CSEA).
  - The proposed budget funds one more full-time position when compared to the adopted FY 16, while part-time and seasonal remains flat.
- General expenses are increasing by $42,050, or 10.1%, from the Adopted FY 16 Budget. This increase is due to higher costs in miscellaneous supplies, traveling expenses, and credit card discount fees.
- The decline of $71,966 in contractual services is primarily due to the transfer of the “Neogov” software funding into the Department of Information Technology’s budget.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$109,871	$52,661	$75,114	$75,114	$106,235	$31,121	41.4%	$31,121	41.4%
Dept Revenues	280,001	362,966	700,800	700,800	700,800	0	0.0%	0	0.0%
Total	**$389,872**	**$415,627**	**$775,914**	**$775,914**	**$807,035**	**$31,121**	**4.0%**	**$31,121**	**4.0%**

Revenues

- The FY 17 Proposed Budget for Civil Service revenue is increasing by 4.0% compared to the Adopted FY 16 Budget and OLBR's projection. The proposed budget in the department revenues line remains flat in the amount of $700,800. Most department revenues are driven by civil service exams, the sale of rule books, medical exam fees, and various other fees paid by potential employees.
- The proposed FY 17 rents and recoveries budget is increasing by $31,121 compared to both the Adopted FY 16 Budget and the current projection due to higher NHCC reimbursements.

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.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	37	35	34	34	35	1	2.9%	1	2.9%
Part-Time and Seasonal	2	3	3	4	4	1	33.3%	0	0.0%
Salaries	$2,073,002	$1,941,853	$2,039,319	$2,060,914	$2,353,022	$313,703	15.4%	$292,108	14.2%
General Expenses	1,362,528	1,575,692	1,540,495	1,540,495	1,660,386	119,891	7.8%	119,891	7.8%
Total	**$3,435,530**	**$3,517,545**	**$3,579,814**	**$3,601,409**	**$4,013,408**	**$433,594**	**12.1%**	**$411,999**	**11.4%**

Expenses

- Constituent Affairs total expenditures are growing by 12.1%, or $433,594, when comparing budget to budget. Full-time headcount is increasing by one from both the budget and projections.
- The salary line includes contractual steps and COLAs for the 24 full-time budgeted CSEA members, all in Printing & Graphics. The growth in salaries also reflects the addition of four new positions offset by the loss of three. The added positions include two Program Coordinators, one Duplicating Machine Supervisor II and an Assistant Manager offset by the loss of an Administrative Aide, one Laborer I and a Special Assistant.
- The general expenses line is going up by $119,891, or 7.8%, budget to budget due to increases in postage delivery, equipment maintenance and rental offset by a reduction in miscellaneous supplies and expenses.

Expenses, Cont.

- The staffing chart below shows the breakout by control center of the Office of Constituent Affairs.

Staffing Analysis						
	FY 16 Adopted	Sept-16 Actual	FY 17 Request	FY 17 Executive	Exec. vs 16 Adopt	Exec. vs Actual
CC Full-time Staffing						
Office of Consiturnt Affairs	11	11	12	11	0	0
Printing & Graphics	23	23	24	24	1	1
Total Full-time	**34**	**34**	**36**	**35**	**1**	**1**
CC Part-time and Seasonal						
Office of Consiturnt Affairs	3	4	4	4	1	0
Printing & Graphics	0	0	0	0	0	0
Total Part-time and Seasonal	**3**	**4**	**4**	**4**	**1**	**0**

Expenses, Cont.

Expenses by Control Center ($'s in millions)						
	Historical		2016	2017	Adopted	
Control Center	2014	2015	Adopted Budget	Exec. Budget	Var.	%
Office of Constituent Affairs	$0.7	$0.7	$0.7	$0.8	$0.1	20.0%
Printing and Graphics	2.7	2.9	2.9	3.2	0.3	10.3%
Total	$3.4	$3.5	$3.6	$4.0	$0.4	12.1%

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

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Interdept Revenues	$330,877	$394,402	$642,970	$642,970	$539,428	($103,542)	-16.1%	($103,542)	-16.1%
Fed Aid-Reimb of Exp	25,835	18,760	0	0	0	0	*****	0	*****
Total	**$356,712**	**$413,162**	**$642,970**	**$642,970**	**$539,428**	**($103,542)**	**-16.1%**	**($103,542)**	**-16.1%**

Revenue

- Constituent Affairs revenue will be $103,542 lower than that of FY 16. Constituent Affairs printing and mailing services are charged to other departments and the revenue derived from these functions is allocated as inter-departmental revenues and in FY 17, the department anticipates lower printing costs throughout County departments, hence less revenue.

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, Local Law 6-1970, and the New York State General Business Law, the department ensures the welfare of Nassau County consumers by fostering high standards of honesty and fair business practices.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	$3,804,740	$4,530,935	$3,565,000	$3,565,000	$5,625,050	$2,060,050	57.8%	$2,060,050	57.8%
Fines & Forfeits	305,500	425,697	300,505	600,000	400,000	99,495	33.1%	(200,000)	-33.3%
Dept Revenues	219	508	200	200	200	0	0.0%	0	0.0%
State Aid-Reimb of Exp	70,311	53,414	45,000	45,000	45,000	0	0.0%	0	0.0%
Total	**$4,180,771**	**$5,010,554**	**$3,910,705**	**$4,210,200**	**$6,070,250**	**$2,159,545**	**55.2%**	**$1,860,050**	**44.2%**

Revenues

- OCA's revenue is up 55.2% in the proposed budget, from $3.9 million in the Adopted FY 16 Budget to $6.1 million in FY 17. When the proposal is set side by side with the current projection, revenue is up 44.2%, or $1.9 million, year-over-year.
- About $0.5 million of the permit and license variance is attributable to the expectation that FY 17 will be a high-yield year for home improvement license revenue.
- The Administration introduced a local law that would create new licensing requirements for health club operators, pet grooming businesses, and tax assessment reduction service providers. The Office of Management and Budget (OMB) has estimated these new licenses would generate about $0.5 million in biannual revenue.
- Another proposed local law would amend the Administrative Code, allowing OCA the power to set the fees for a number of permits and licenses by ordinance. Compared to the Adopted FY 16 Budget, the proposal includes approximately $0.8 million to reflect these changes.
    - If the County Legislature fails to pass a fee setting ordinance by December 31, 2016, then on January 1, 2017, the proposed fees would be set at much higher levels until an ordinance setting these fees is passed.
- Proposed FY 17 state aid revenue is level with the Adopted FY 16 Budget. The State reimburses the County for expenses that the Division of Weights & Measures may incur in connection with the gasoline sampling program. The County's reimbursement is capped by the State.

Revenues, cont.

- Revenue from fines and forfeitures is budgeted at $400,000 in FY 17, about 33.1% above the Adopted FY 16 Budget. The proposed fine budget is 33.3% lower the latest projection. OCA issues fines to businesses that violate County and State law and regulation. For example, the County would issue a fine to a home improvement business operating without a Nassau County license.
  - Once the Taxi and Limousine Commission (TLC) assumed full oversight of the for-hire vehicle industry ahead of FY 16, OCA was able to redeploy staff to engage in field enforcement. As a result of this focus on enforcement, OCA has issued more violations and assessed more fines. Through September 30, 2016, OCA has collected about $0.6 million in fines and forfeiture revenue.
  - The OCA could realize an opportunity in fine and forfeiture revenue if this trend continues into FY 17.

Permits & Licenses

- Proposed permits and licenses revenue increases 57.8%, from $3.6 million in FY 16, to $5.6 million in FY 17. The chart below includes the FY 15 historical yield, the Adopted FY 16 Budget, and the Proposed FY 17 Budget for each permit and license collected by the department:

Permits & Licenses	FY15 Actual	FY 16 Budget	FY17 Proposed
Home Improvement License	$2,852,150	$2,200,000	$3,380,000
Weights and Measures	1,226,170	1,065,000	1,379,300
Taxi and Limo Registration	303,065	-	-
ATM Registration	96,150	100,000	220,000
Licensing	53,400	200,000	445,750
Health Club License	-	-	200,000
Total	**$4,530,935**	**$3,565,000**	**$5,625,050**

- As stated previously, the Administration plans to amend the County's Administrative Code to set permit and license fees by ordinance. Every license issued by the OCA would be affected by this local law. According to OMB, this change would generate $0.8 million in biannual revenue.

Revenues, cont.

Permits & Licenses, Cont.

- Home improvement license receipts grow to $3.4 million in the proposal or $1.2 million more than the Adopted FY 16 Budget. Home improvement licenses are renewed on a biannual basis. As a result, this fee's annual result alternates between low yield and high yield years. The upcoming fiscal year is expected to be a high yield year, accounting for $0.5 million of the $1.2 million variance budget to budget.
  - The balance is primarily attributable to the Administration's plan to amend the Administrative Code to allow the OCA to set the home improvement license fee by ordinance. Currently, the fee for a new license is $500 while license renewals are also $500. The amendment would set the initial and renewal license fees at $600 each.
- The proposal includes $220,000 from ATM registrations, an increase of approximately $120,000 from the FY 15 actual result and the FY 16 Adopted Budget. This growth reflects the Administration's plan to increase this fee. Currently, the fee for new ATM registrations is $150 while license renewals are $100. In FY 17, the registration would remain the same and the renewal would increase to $150. The Administration anticipates $40,000 more in revenue. The remaining $80,000 may be volume based.
- The proposed budget also accounts for changes in fees associated with the Weights & Measures Division. The proposal Weights & Measures Division target is $1.4 million, about $0.3 million more than the level found in the Adopted FY 16 Budget. These fees are a function of the number of inspections conducted by division staff.
  - According to the Administration, about $171,300 of budget growth stems from the proposed Administrative Code amendment.
- The proposed licensing target is up $245,750, or 123%, from the FY 16 budget. The robust growth is tied not only to the planned amendment to the Administrative Code but also the introduction of several new licenses for pet groomers and tax assessment reduction service providers.
  - According to the Administration, the pet groomer and tax assessment reduction service licenses are expected to generate up to $0.3 million in biannual revenue.
- The new health club operator license is expected to generate up to $200,000 in biannual revenue.
- Based on the Administration's estimates, once these local laws are fully implemented they could together generate up to $1.3 million in permit and licensing revenue. OLBR sees some of this revenue at risk due to the likelihood that the three new licenses won't be fully implemented until well into the fiscal year. Staffing may also be a hindrance to the fee implementation.

Revenues, cont.

Permits & Licenses, Cont.

- The local law to amend the Administrative Code will generate additional permit and license revenue in FY 17, as the fees for licenses such as the home improvement license are going to increase in FY 17. As mentioned above, this local law has a provision that would raise license fees on January 1, 2017 if the Legislature fails to pass a fee setting ordinance. For example, the locksmith license fee would increase from $400 to $1,200. If the Legislature passes this local law, then OCA will have the power to set fees by ordinance.
- In recent years, the Administration and the Legislature have charged OCA with the responsibility of regulating a number of industries. Since the end of FY 12, OCA has been tasked with overseeing pet dealers, environmental hazard remediators, drycleaners, laundromats, home services businesses, junk dealers, among many others. As the chart below demonstrates, OCA's adopted budgeted full-time headcount has been reduced from a high of 32 in FY 12 to 26 in the Proposed FY 17 Budget.

Year	Adopted Full Time Headcount
FY 12	32
FY 13	27
FY 14	27
FY 15	25
FY 16	25
FY 17	26

Expenses

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	25	25	25	25	26	1	4.0%	1	4.0%
Part-Time and Seasonal	0	0	0	0	0	0	*****	0	*****
Salaries	$1,656,959	$1,652,227	$1,744,752	$1,755,757	$1,951,835	$207,083	11.9%	$196,078	11.2%
Equipment	3,116	1,961	2,200	2,200	11,590	9,390	426.8%	9,390	426.8%
General Expenses	17,305	11,160	13,394	13,394	15,344	1,950	14.6%	1,950	14.6%
Total	**$1,677,381**	**$1,665,348**	**$1,760,346**	**$1,771,351**	**$1,978,769**	**$218,423**	**12.4%**	**$207,418**	**11.7%**

- Expenses in the proposed budget increase 12.4%, or $218,423, from the Adopted FY 16 Budget. Proposed expenses are 11.7%, or $207,418, more than OLBR's latest projection.
  - The salary growth stems from Cost of Living (COLA) and step adjustments in the current Collective Bargaining Agreement (CBA) for Civil Service Employees Association (CSEA) members. The FY 17 budget includes a 2.0% COLA effective July 1, 2017 and a step increase on September 1, 2017.
- The proposed budget increases the staffing level by one position from the current level and the FY 16 budget. The OCA's full-time headcount has been about the same since FY 14.
  - The OCA's current fine revenue trend lends credence to the idea that the department would benefit from more staff.
  - The proposal includes $90,000 budget for part-time Clerk I titles but there is no head count associated with this pay pool.
- Proposed equipment expenses are up $9,390 when compared not only to the Adopted FY 16 Budget but also to the latest projection.
  - The proposal increases the budget to fund the purchase of miscellaneous equipment for the Weights & Measures Division.
- The proposed general expense budget is up 14.6% compared to the Adopted FY 16 Budget. Reduced clothing, educational, uniform, and office supplies and copy paper expenses partly offset an increase to the miscellaneous supplies and expense budget.

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 an advisor on policy issues involving this constituency. CASA works closely with other government agencies including the US Census Bureau, the Department of Labor and the US Citizenship and Immigration Service agency under the Department 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.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	4	4	4	4	4	0	0.0%	0	0.0%
Part-Time and Seasonal	0	0	0	0	1	1	*****	1	*****
Salaries	$217,570	$255,434	$258,508	$241,542	$271,266	$12,758	4.9%	$29,724	12.3%
General Expenses	1,542	1,432	3,442	3,442	3,442	0	0.0%	0	0.0%
Contractual Services	10,500	5,440	12,500	12,500	12,500	0	0.0%	0	0.0%
Total	**$229,612**	**$262,306**	**$274,450**	**$257,484**	**$287,208**	**$12,758**	**4.6%**	**$29,724**	**11.5%**

Expenses

- The FY 17 Proposed expense budget is increasing by $12,758, or 4.6%, from the FY 16 Adopted Budget and increasing by $29,724, or 11.5%, from OLBR's projections. Headcount remains consistent for full-time employees, but increases by one part-time Clerk.
    - The increase in salaries is mainly due to the addition of a part-time position.
- The FY 17 Proposed general expenses are remaining flat in comparison to the FY 16 Adopted Budget and OLBR's projection.
    - These funds will cover the cost for office supplies including copy paper, health and wellness supplies, and workshops.
- The FY 17 Proposed contractual expense budget is remaining flat at $12,500 when compared to both the FY 16 Adopted Budget and OLBR's projection; these monies are used for community outreach.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	$3,500	$0	$0	$0	$0	$0	*****	$0	*****
Dept Revenues	34,668	29,523	24,000	24,000	25,000	1,000	4.2%	1,000	4.2%
Interfund Charges Rev	0	0	0	0	30,000	30,000	*****	30,000	*****
Total	**$38,168**	**$29,523**	**$24,000**	**$24,000**	**$55,000**	**$31,000**	**129.2%**	**$31,000**	**129.2%**

Revenues

- The FY 17 Proposed revenues are increasing by $31,000, or 129.2%, when compared to both the FY 16 Adopted Budget and OLBR's projection.
- The FY 17 Proposed departmental revenues are increasing by $1,000, or, 4.2%, as compared to both the FY 16 Adopted Budget and OLBR's projection.
  - The department's revenues are made up of school registration fees for English as a Second Language classes and other service fees, such as immigration petitions.
- The Proposed FY 17 interfund charges revenues line allocates $30,000 in grant funding.
  - This grant mainly reimburses the salary expenses of a part-time Spanish speaking advocacy position.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	1,041	1,027	1,049	992	1,047	(2)	-0.2%	55	5.5%
Part-Time and Seasonal	6	6	6	5	6	0	0.0%	1	20.0%
Salaries	$110,211,769	$106,936,544	$115,957,772	$112,401,709	$115,469,556	($488,216)	-0.4%	$3,067,847	2.7%
Workers Compensation	6,352,072	7,104,156	8,275,342	8,275,342	9,856,359	1,581,017	19.1%	1,581,017	19.1%
Equipment	22,514	39,133	33,235	33,235	33,735	500	1.5%	500	1.5%
General Expenses	2,876,134	3,764,857	3,153,430	3,153,430	3,353,430	200,000	6.3%	200,000	6.3%
Contractual Services	16,255,591	15,685,282	17,029,617	17,029,617	17,356,685	327,068	1.9%	327,068	1.9%
Utility Costs	1,704,526	1,405,847	2,095,000	2,095,000	1,790,912	(304,088)	-14.5%	(304,088)	-14.5%
Total	**$137,422,607**	**$134,935,818**	**$146,544,396**	**$142,988,333**	**$147,860,677**	**$1,316,281**	**0.9%**	**$4,872,344**	**3.4%**

Expenses

- The Correctional Center's FY 17 expense budget of $147.9 million is rising by $1.3 million, or 0.9%, from the Adopted 2016 Budget of $146.5 million, or increasing by $4.9 million compared to OLBR's current projection.
- Salaries for FY 17 are $115.5 million, a decrease of $488,216 budget to budget, but an increase of $3.1 million, or 2.7%, in comparison to OLBR's FY 16 projection. This increase is due to additional headcount, a rise in overtime and the impact of labor agreements that are built into the department's FY 17 budget. This is slightly offset by reduced terminal leave.
  - The proposed overtime budget for FY 17 is $14.4 million, an increase of $866,306 from FY 16. The department anticipates an increase in overtime should the expected target dates for the new classes be delayed.
  - The Correction Officers Benevolent Association (COBA) agreement includes a step increase on January 1, 2017 and a 2.0% Cost of Living Increase (COLA) effective July 1, 2017. In addition, the Civil Service Employees Association (CSEA) agreement includes a 2.0% COLA effective July 1, 2017 and a step increase on September 1, 2017.
  - The FY 17 budget includes $3.0 million for terminal leave, which is a decrease of $0.2 million compared to roughly $3.2 million that was included in the FY 16 budget.
- The budget proposes $9.9 million for workers' compensation in FY 17, which is a growth of $1.6 million or 19.1% compared to the prior year's budget of $8.3 million. This increase is due to a higher volume and dollar amount of scheduled loss payments and increased indemnity payments from a rise in the indemnity rate mandated by New York State Worker's Compensation Board.

Expenses Cont.

- The proposed FY 17 equipment expense of $33,735 is close to the same level of the Adopted FY 16 Budget.
- General expenses in FY 17 are growing by $200,000, which is a 6.3% higher compared to the prior year's budget. This is mainly due to increases in building supplies & maintenance and miscellaneous supplies.
- The FY 17 contractual expense budget of $17.4 million for the Correctional Center is increasing by $327,068 in comparison to the FY 16 budget. The major components include:
  - The $11.6 million contract for inmate healthcare (ARMOR) is increasing by $327,068 or 3%.
  - NuHealth represents $4.2 million, which is for pass through expenses to GDF SUEZ Energy for the Correctional Center's use of chilled water, air conditioning and steam for heat.
  - The remaining balance of $186,000 represents funds allocated for Rehabilitation Medicine Services (RMS) that provide medical consulting services to facilitate in the resolution of 207-C disputes between the County of Nassau and the Correction Officers Benevolent Association.
- The FY 17 utility budget of $1.8 million declined by $304,088, a 14.5% decrease from the prior year's budget of $2.1 million reflecting current energy costs.

Expenses by Control Center

($'s in millions)

	Historical		2016	2017	Exec. vs. Adopted	
Control Center	**2014**	**2015**	**Adopted Budget**	**Exec. Budget**	**Var.**	**%**
Correctional Center	$131.0	$128.6	$139.6	$141.0	$1.5	1.0%
Office of the Sheriff	6.4	6.4	7.0	6.8	-0.1	-2.0%
Total	**137.4**	**134.9**	**146.5**	**147.9**	**1.3**	**0.9%**

Expenses, Cont.

- The FY 17 budget for the Correctional Center control center on the previous page is $141.0 million, a growth of $1.5 million while the Office of the Sheriff's (Enforcement Division) budget decreased to $6.8 million, a $0.1 million drop from the Adopted FY 16 Budget.

Staffing Analysis

		FY 16 Adopted	Sept-16 Actual	FY 17 Request	FY 17 Executive	Exec. vs Adopted 16	Exec. vs Actual 16
CC	**Full-time Staffing**						
10	Correctional Center						
	Uniform	900	841	915	890	(10)	49
	Civilian	97	88	94	93	(4)	5
	Sub-total Full-Time	997	929	1,009	983	(14)	54
20	Sheriff						
	Uniform	41	49	49	49	8	0
	Civilian	11	14	15	15	4	1
	Sub-total Full-time	52	63	64	64	12	1
Total Full-time		**1,049**	**992**	**1,073**	**1,047**	**(2)**	**55**
CC	**Part-time and Seasonal**						
10	Correctional Center	4	4	4	4	0	0
20	Sheriff	2	1	2	2	0	1
Total Part-time and Seasonal		**6**	**5**	**6**	**6**	**0**	**1**

** The departments FY17 request reflects the figures in the supporting schedules but not in the download file provided by OMB.*

- Full-time staffing for the Correctional Center's uniform officers is budgeted to increase from the September 2016 actual by 49 positions and decrease by 10 positions budget to budget.
  - The department indicated that they have been actively seeking qualified candidates and expect to hire a class of 25-30 Officers. It is anticipated that the class will start the beginning of November 2016, pending final approval from Civil Service.
  - In addition, based on an average attrition rate of 25-30 officers annually, the department's goal is to employ a class of 40 Correctional Officers in FY 17; one in the Spring and another class in the Fall, contingent on attrition.
- The Proposed FY 17 part-time and seasonal headcount is constant with the Adopted FY 16 Budget and up by one position compared to OLBR's projection. Due to timing, OLBR's headcount does not capture the newly hired Corrections Commissioner.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Fines & Forfeits	$11,885	$13,596	$13,000	$13,000	$13,000	$0	0.0%	$0	0.0%
Rents & Recoveries	274,960	25,588	0	0	0	0	*****	0	*****
Rev Offset To Expense	300,000	300,000	300,000	300,000	300,000	0	0.0%	0	0.0%
Dept Revenues	2,349,454	2,339,340	2,250,000	2,250,000	2,250,000	0	0.0%	0	0.0%
Interdept Revenues	62,880	48,110	150,000	150,000	150,000	0	0.0%	0	0.0%
Fed Aid-Reimb of Exp	3,903,848	4,651,372	4,484,430	4,183,305	4,357,875	(126,555)	-2.8%	174,570	4.2%
State Aid-Reimb of Exp	(14,101)	88,053	55,000	55,000	55,000	0	0.0%	0	0.0%
Total	**$6,888,926**	**$7,466,060**	**$7,252,430**	**$6,951,305**	**$7,125,875**	**($126,555)**	**-1.7%**	**$174,570**	**2.5%**

Revenues

- The FY 17 proposed revenue budget is declining by $126,555, or 1.7%, from FY 16 and growing by $174,570 compared to OLBR's projection. The driver of this budget variance is federal aid.
- The Proposed FY 17 Budget has $4.4 million allocated for federal aid, a reduction of 2.8% compared to the Adopted FY 16 Budget. This decrease in revenue is attributed to the proposed budget of housing 35 federal inmates versus the prior year's budget of 37. Compared to OLBR's current projection an increase of $174,570 is projected based on current trends. OLBR's current estimate of 32 can drop to as low as 30.
- The FY 17 fines and forfeits budget is unchanged at $13,000.
- The revenue to offset expense also remains fixed at $300,000 for FY 17. This revenue is for commissary profits submitted to the Correctional Center, that offsets the salary expense for personnel who oversee the commissary.
- The Proposed FY 17 Budget for interdepartmental revenue is $150,000, consistent with the prior year's budget. This revenue is for food services provided to the Juvenile Detention Center.
- The FY 17 state aid budget is unchanged. The $55,000 represents funds received from New York State for transporting state ready inmates and parole violators between State facilities and the Nassau County Correctional Center.

Revenues Cont.

Annual Inmate Population Activity Indicators				
Indicators	Actual 2014	Actual 2015	Projected 2016	Proposed 2017
Total Admissions	9,196	8,340	9,250	9,076
Federal Inmates	38	37	30	35
Parole Violators	47	46	46	46
State Ready Inmates	12	12	13	12
Nassau County Inmates	1,137	1,093	1,061	1,084
Average Daily Inmate Population	**1,234**	**1,188**	**1,150**	**1,177**

Source: Nassau County Correctional Center

- The Correctional Center's FY 16 projection for federal inmates is 30 based on the current trend, however the Proposed FY 17 Budget estimates the inmate count to increase.
- The average FY 17 inmate population is estimated to increase by 2.3% from the current projections.

The Office of the County Attorney is comprised of seven legal bureaus, and the Administration Unit that supervises the activities of the bureaus. The legal bureaus are as follows: Family Court, Litigation, Municipal Finance, Municipal Transactions, Appeals and Opinions, Tax Certiorari and Condemnation and Claims Management Bureau.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	93	94	94	92	98	4	4.3%	6	6.5%
Part-Time and Seasonal	2	3	8	4	10	2	25.0%	6	150.0%
Salaries	$7,504,538	$7,478,717	$7,911,211	$7,706,327	$8,379,442	$468,231	5.9%	$673,115	8.7%
Equipment	764	0	15,000	15,000	15,000	0	0.0%	0	0.0%
General Expenses	688,105	645,914	627,000	627,000	626,000	(1,000)	-0.2%	(1,000)	-0.2%
Contractual Services	5,209,661	6,798,842	5,350,000	4,850,000	5,350,000	0	0.0%	500,000	10.3%
Total	**$13,403,068**	**$14,923,472**	**$13,903,211**	**$13,198,327**	**$14,370,442**	**$467,231**	**3.4%**	**$1,172,115**	**8.9%**

Expenses

- In FY 17, expenses for the County Attorney are increasing by 3.4%, or $467,231, budget to budget, and by 8.9%, or $1,172,115, from the FY 16 projection.
- The growth in salaries of $468,231 budget to budget reflects the addition of four in full-time headcount and two more part-timers. The budget also accommodates the midyear salary adjustments and September steps for CSEA members.
  - Full-time headcount increases include two more Deputy County Attorneys, one Clerk Typist I, one Accountant I and three Special Investigator II County Attorneys among others, offset by the loss of one Claims Examiner II and two Special Investigator I County Attorneys among others.
  - Also, FY 16's savings from initiatives equaling $50,560 are not included in FY 17, contributing to the salary growth in FY 17.
- The equipment line is remaining flat budget to budget.
- General expenses are also essentially the same as FY 16 with the exception of the elimination of motor vehicle expenses for $1,000.
- Contractual services are not changing from those of the Adopted FY 16 Budget. The department reassigned certain litigations that cannot be handled by in-house counsel due to the need for particular expertise that is required with complex litigations.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	$283,221	$479,901	$500,000	$500,000	$610,000	$110,000	22.0%	$110,000	22.0%
Rents & Recoveries	1,068,867	551,603	1,030,000	1,030,000	745,000	(285,000)	-27.7%	(285,000)	-27.7%
Dept Revenues	157,702	169,960	16,000,000	200,000	10,200,000	(5,800,000)	-36.3%	10,000,000	5000.0%
Interdept Revenues	569,688	488,088	590,658	590,658	905,789	315,131	53.4%	315,131	53.4%
Interfund Charges Rev	83,802	0	0	0	0	0	*****	0	*****
Fed Aid-Reimb of Exp	203,828	212,281	250,000	250,000	215,000	(35,000)	-14.0%	(35,000)	-14.0%
Total	**$2,367,108**	**$1,901,833**	**$18,370,658**	**$2,570,658**	**$12,675,789**	**($5,694,869)**	**-31.0%**	**$10,105,131**	**393.1%**

Revenues

- The overall revenue budget for FY 17 is going down by $5.7 million, or 31.0 %, compared to the FY 16 budget and increasing by $10.1 million compared to current projections.
- Fines and forfeitures are growing by $110,000, or 22.0%, as a result of increased forfeited property through seizure.
- Rents & recoveries are decreasing by $285,000, or 27.7%, in FY 17 budget to budget as a result of reduced retroactive settlement reimbursement.
- Departmental revenues, which consist of miscellaneous receipts, fees, contractual services, restitution surcharges, criminal restitution and revenue from the income and expense law are declining by $5.8 million to $10.0 million, a reduction of 36.3% budget to budget. The driving force behind this decrease is due to the revenue from income and expense law. Further discussion about this revenue will follow.
- Interdepartmental revenues are growing by $315,131, or 53.4%, in FY 17 due to an increase in chargeback allocations to the Department of Social Services.

Revenues Cont.

- Proposed FY 17 federal aid reimbursement is declining by $35,000 from the FY 16 Adopted Budget and is related to the work that the County Attorney performs for the Social Services Title IV program. The State no longer reimburses the County for these services that the County still provides.

The chart below illustrates how departmental revenue is generated.

Departmental Revenues				
Revenue Source	FY 15 Actual	FY 16 Budget	FY 16 Projected	FY 17 Proposed
Miscellaneous Receipts	$50,217	$75,000	$50,000	$75,000
Fees	67,903	55,000	80,000	70,000
Contractual Services	35,501	30,000	25,000	35,000
Restitution Surcharge	0	10,000	20,000	0
Criminal Restitution	16,340	30,000	25,000	20,000
Revenue From Income	0	15,800,000	0	10,000,000
Total	$169,961	$16,000,000	$200,000	$10,200,000

Revenue from Income and Expense Law

The Administration expects to generate $10.0 million in FY 17 from a law that requires commercial property owners to file a tax return. Failure to comply will result in a fine. The Administration included $15.8 million in the FY 16 Adopted Budget but the law is currently under a restraining order (TRO) preventing the County from imposing the penalty provisions in the local law. Nassau County and New York City are the only special assessing units in New York State. NYC income and expense has been challenged and upheld; therefore, the County Attorney's Office is confident based on this ruling that Nassau County's law will be upheld. The County Attorney anticipates the TRO will be lifted by the end of FY 16 as a result of an appeal and that this fee can be imposed in FY 17. The revenue for this in FY 17 is expected to be $5.0 million less than the FY 16 Adopted Budget.

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.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	$44,781	$55,764	$60,000	$33,606	$44,000	($16,000)	-26.7%	$10,394	30.9%
Rents & Recoveries	1,500	2,301	0	1,859	2,000	2,000	*****	141	7.6%
Dept Revenues	30,560,721	31,274,578	50,030,000	54,037,769	57,332,400	7,302,400	14.6%	3,294,631	6.1%
Total	**$30,607,002**	**$31,332,642**	**$50,090,000**	**$54,073,234**	**$57,378,400**	**$7,288,400**	**14.6%**	**$3,305,166**	**6.1%**

Revenues

- Compared to the FY 16 Adopted Budget, FY 17 County Clerk revenues are budgeted to increase by 14.6% or $7.3 million. The increase is largely driven by a proposed $50 increase in the per block fee; from the current fee of $300 to $350.
- Local Law 393-16 changes the method by which County Clerk fees could be changed from a local law to an ordinance. It further states that if an ordinance isn't approved by year end, the per block fee rises to $700 until an amendment setting the fee is passed by the Legislature.
- The additional revenues attributed to the fee increase will impact the mortgage recording fee, deed recording fee, and miscellaneous fee lines.
  - Given current year to date trends, OLBR sees an opportunity of $4.1 million in FY 17 departmental revenues.
  - Suffolk County's Proposed FY 17 Budget includes a new $300 mortgage administrative fee.
  - The County Clerk does not support the fee increase.
  - The Long Island Board of Realtors and Long Island Builders Institute are planning to lobby lawmakers to oppose the heightened fees.1

Departmental Revenues

Revenue Source	FY 16 Estimate	FY 17 Exec.	17 Exec. vs. 16 Est.
Fees	$4,293	$3,400	($893)
Court Fees	$759,188	$750,000	($9,188)
Mortgage Recording Fees	$32,564,860	$36,500,000	$3,935,140
Deed Recording Fees	$10,051,564	$9,100,000	($951,564)
Real Estate Transfer Fees	$23,724	$20,000	($3,724)
Records Management	$157,177	$150,000	($7,177)
Mortgage Exp Reimbursement	$1,359,199	$1,359,000	($199)
Business Name Fee	$42,828	$100,000	$57,172
Miscellaneous Fees	$9,074,936	$9,100,000	$25,064
Clerk Initiative	$0	$0	$0
Sandy Refunds NYS Mandated	$0	$0	$0
On Line Registration	$0	$250,000	$250,000
	$54,037,769	**$57,332,400**	**$3,294,631**

[1] Schwartz, David M., "Mortgage Fees Draw Opposition from LI Builders, Realtors", Newsday.com, September 25, 2016.

Revenues, Cont.

- The chart to the right details Moody's Analytics current forecast for new mortgages, mortgage refinances and median home sale prices in Nassau County from 2017 to 2020.
- The forecast envisions positive new mortgage, mortgage refinancing and median sale price growth in 2016.
- In FY 17 through FY 19, the refinancing market is expected to decline in tandem with the forecast increase in interest rates.
- A survey of national economic forecasts found that 30 year fixed mortgage interest rates are expected to reach a low in the third quarter of 2016 and then rise from the fourth quarter of 2016 through the fourth quarter of 2017.
- Third quarter 2016 30 year fixed mortgage interest rates are forecast to average 3.5% and fourth quarter 2017 30 year fixed mortgage interest rates are projected to average 4.0%.
- The online registration initiative seeks to make documents available online for a fee.
- According to the Administration, progress has been made towards implementing the initiative. They have awarded a contract to Xerox and the software has been delivered.
- The FY 17 Proposed Budget includes $250,000 from this revenue source. No revenues from this source have been collected in FY 16.

2017 to 2020 Nassau County Economic Forecast
Forecast Annual Growth Rates*

	2017	2018	2019	2020
New Mortgages	4.1%	4.3%	-2.2%	-1.8%
Mortgage Refinances	-43.5%	-86.3%	-18.6%	48.4%
Median Home Sale Price	1.6%	-0.3%	0.2%	1.8%
Source: Moody's Analytics				

- In the out years of the Multi-Year Financial Plan, all County Clerk revenue sources are held constant at the proposed FY 17 level.

Expenses

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	84	76	81	69	82	1	1.2%	13	18.8%
Part-Time and Seasonal	36	34	60	43	49	(11)	-18.3%	6	14.0%
Salaries	$5,099,147	$5,133,618	$5,672,791	$4,864,148	$5,810,211	$137,420	2.4%	$946,063	19.4%
Equipment	46,625	47,137	50,000	50,000	50,000	0	0.0%	0	0.0%
General Expenses	221,706	229,977	305,000	305,000	305,000	0	0.0%	0	0.0%
Contractual Services	299,046	270,397	505,000	505,000	505,000	0	0.0%	0	0.0%
Total	**$5,666,524**	**$5,681,129**	**$6,532,791**	**$5,724,148**	**$6,670,211**	**$137,420**	**2.1%**	**$946,063**	**16.5%**

- Total FY 17 Proposed expenses for the department are increasing 2.1% from the Adopted FY 16 Budget and increasing 16.5% from the FY 16 projection.
- The increase is a function of higher salary expenses.
- The FY 17 Proposed budget increases the full-time headcount by one position compared to the FY 16 Adopted Budget while reducing the part-time headcount by 11 positions compared to the FY 16 Adopted level.
- The budget to budget growth in salaries also reflects the Cost of Living Adjustments (COLA) and steps from the negotiated Civil Service Employees Association (CSEA) agreement.
- The proposed FY 17 other than personal services (OTPS) expense lines are all unchanged from the FY 16 Adopted level.
  - The FY 17 equipment budget funds both information technology and miscellaneous equipment purchases.
  - The FY 17 general expenses budget is used to cover office supplies, postage delivery, and miscellaneous supplies costs.
  - The FY 17 contractual services line will be used to pay for system & programming, online registration, and online registration maintenance.

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	74	72	87	73	87	0	0.0%	14	19.2%
Part-Time and Seasonal	6	5	6	4	6	0	0.0%	2	50.0%
Salaries	$5,805,468	$6,089,017	$7,346,854	$6,615,112	$7,463,469	$116,615	1.6%	$848,357	12.8%
Equipment	0	4,541	5,000	5,000	5,000	0	0.0%	0	0.0%
General Expenses	42,925	42,748	137,500	137,500	127,000	(10,500)	-7.6%	(10,500)	-7.6%
Contractual Services	696,474	527,212	796,300	796,300	883,000	86,700	10.9%	86,700	10.9%
Interfund Charges	0	121,631	0	0	0	0	*****	0	*****
Total	**$6,544,867**	**$6,785,148**	**$8,285,654**	**$7,553,912**	**$8,478,469**	**$192,815**	**2.3%**	**$924,557**	**12.2%**

Expenses

- The FY 17 Proposed expenses are increasing by $0.2 million, or 2.3%, as compared to the FY 16 Adopted Budget.
- The FY 17 salaries line is increasing by $0.1 million, or 1.6%, when compared to the Adopted FY 16.
  - A July 2017 cost of living adjustment of 2.0% and September 2017 step increases are scheduled.
  - The department anticipates filling open positions by the end of the year in order to fulfill its mission.
- The FY 17 Proposed general expenses are declining by $10,500, or 7.6% from the FY 16 Adopted Budget.
  - Some of the items decreasing include office supplies & copy paper, travel and educational & training supplies & expenses.
- The FY 17 Proposed contractual services are increasing by $86,700, or 10.9% as compared to the FY 16 Adopted Budget. The net change is due to higher miscellaneous contractual services and financial contract costs being offset by lower software contract expenses.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	$1,071,534	$14,075	$250,000	$250,000	$250,000	$0	0.0%	$0	0.0%
Dept Revenues	10,736	12,129	16,300	16,300	12,300	(4,000)	-24.5%	(4,000)	-24.5%
Total	**$1,082,269**	**$26,204**	**$266,300**	**$266,300**	**$262,300**	**($4,000)**	**-1.5%**	**($4,000)**	**-1.5%**

Revenues

- The FY 17 Proposed revenues are decreasing by $4,000, or 1.5% when compared to both the FY 16 Adopted Budget and the FY 16 projection.
- The rents and recoveries revenue remains at $250,000 for audit recovery.
  - The FY 17 Proposed 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 FY 17 Proposed departmental revenue line, specifically within the COBRA administrative fees, is declining by $4,000 to $12,000 budget to budget.
  - The FY 17 Proposed fee revenues are remaining flat, at $300, when compared to the FY 16 Adopted level.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	15	15	18	17	17	(1)	-5.6%	0	0.0%
Part-Time and Seasonal	2	3	4	5	5	1	25.0%	0	0.0%
Salaries	$1,560,868	$1,827,013	$1,908,129	$1,935,737	$2,009,333	$101,204	5.3%	$73,596	3.8%
General Expenses	35,540	41,638	80,000	80,000	80,000	0	0.0%	0	0.0%
Contractual Services	225,000	225,000	225,000	225,000	225,000	0	0.0%	0	0.0%
Total	**$1,821,408**	**$2,093,651**	**$2,213,129**	**$2,240,737**	**$2,314,333**	**$101,204**	**4.6%**	**$73,596**	**3.3%**

Expenses

- ➢ The FY 17 Proposed Budget is increasing by $101,204, or 4.6% when compared to the FY 16 Adopted Budget.
- ➢ Salaries are increasing by $101,204, or 5.3% versus the prior budget.
  - The proposed salary budget accommodates anticipated wages and adds a Clerk Seasonal position.
- ➢ The general and contractual services expenses are remaining unchanged from the FY 16 Adopted Budget and the OLBR projection.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	$5,985	$0	$0	$0	$0	$0	*****	$0	*****

Revenue

- ➢ The rents and recoveries revenue is not budgeted for, but rather contains disencumbered funds as they occur.
  - A total of $5,985 was recouped in FY 14

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

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fringe Benefits	$1,435,057	$1,182,885	$1,321,305	$1,171,331	$1,251,891	($69,414)	-5.3%	$80,560	6.9%

- The Proposed FY 17 Budget of $1.3 million is decreasing by $69,414, or 5.3%, when compared to the FY 16 Adopted Budget, but is increasing by $80,560, or 6.9% when compared to OLBR's projection. The decrease in the proposed expense budget is mainly due to reduced Medicare Reimbursement payments.
- The increase compared to the FY 16 projection, is due to a growth rate assumption of 7.0% for health insurance premiums for retirees. The FY 17 Proposed Budget appears reasonable based on inflating OLBR's projection by the growth rate.
- The following chart details the Adopted FY 16 Budget, the FY 16 Projection and the Proposed FY 17 Budget by sub-object:

Subobject	FY16 Adopted Budget	FY16 OLBR Projected	FY17 Executive Budget	FY17 Executive vs. FY16 Adopted	FY17 Executive vs. OLBR Projected
Active Health Insurance	23,640	19,260	24,268	628	5,008
Dental Insurance	325	325	325	0	0
Medicare Reimbursement	285,764	202,124	223,826	(61,938)	21,702
Retiree Health Insurance	1,011,576	949,622	1,003,472	(8,104)	53,850
Grand Total	**$1,321,305**	**$1,171,331**	**$1,251,891**	**($69,414)**	**$80,560**

Revenues

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$0	$1,264	$0	$0	$0	$0	*****	$0	*****
State Aid-Reimb of Exp	1,394,751	1,141,277	1,294,879	1,294,879	1,095,151	(199,728)	-15.4%	(199,728)	-15.4%
Total	**$1,394,751**	**$1,142,541**	**$1,294,879**	**$1,294,879**	**$1,095,151**	**($199,728)**	**-15.4%**	**($199,728)**	**-15.4%**

- The FY 17 revenue budget is decreasing by $199,728, or 15.4%, compared to both the FY 16 adopted and OLBR's projection.
- The state aid proposed budget of $1.1 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.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Interest	$88,645,384	$93,713,118	$110,343,258	$104,780,571	$120,149,010	$9,805,752	8.9%	$15,368,439	14.7%
Principal	62,690,000	70,445,000	78,420,000	78,420,000	94,230,001	15,810,001	20.2%	15,810,001	20.2%
NIFA Refunding	0	0	(2,178,525)	(2,178,525)	0	2,178,525	-100.0%	2,178,525	-100.0%
Expense of Loans	2,741,016	2,898,404	4,483,620	4,483,620	3,450,000	(1,033,620)	-23.1%	(1,033,620)	-23.1%
NIFA Set Asides / Loans	185,327,869	179,197,101	173,111,736	173,111,736	162,226,637	(10,885,099)	-6.3%	(10,885,099)	-6.3%
Trans To Litigation Fund	0	20,200,000	0	43,800,000	0	0	*****	(43,800,000)	-100.0%
Total	**$339,404,270**	**$366,453,622**	**$364,180,089**	**$402,417,402**	**$380,055,648**	**$15,875,559**	**4.4%**	**($22,361,754)**	**-5.6%**

Debt Service Fund Expense

- Total debt payments, including Nassau County Interim Finance Authority set-asides and expense of loans, are expected to increase by 4.4% or $15.9 million from the FY 16 Adopted Budget. Compared to the FY 16 projection, debt service expenses are expected to decrease $22.4 million or 5.6%.
  - The budget to budget increase is primarily a function of greater principal and interest costs on County issued debt. FY 17 principal and interest costs on NIFA set-asides (NIFA issued debt) are decreasing $10.9 million budget to budget.
  - The FY 17 Proposed Budget increase in principal costs is driven by the amortization schedule of the existing debt since the FY 17 Multi-Year Plan (MYP) Debt Service Baseline does not include any principal payments for future issued debt in FY 17.
  - The FY 17 MYP Debt Service Baseline includes $7.1 million in interest payments on debt issued in FY 17.
- The FY 16 OLBR projection of $43.8 million on the Transfer to Litigation Fund line represents debt savings in the DSV yielded from excess bond premiums. The funds in the Litigation Fund are to be used to pay future judgements and settlements out of the Litigation Fund.
- The $1.0 million budget to budget decrease in expense of loans costs seems reasonable since the County has issued $533.1 million in long term date year-to-date and expects to issue $285.0 million in FY 17. A chart of historic and planned issuances is on the next page.

Debt Service Fund Expenses, Cont.

- The NIFA set asides reflect sales tax that is set aside to cover debt service costs for all debt issued by NIFA.
  - NIFA set asides are decreasing as its existing debt amortizes and no additional debt is issued. NIFA's statutory authority to borrow on behalf of the County ended in 2007.
- The chart below itemizes the actual FY 15 bond issuances, actual and planned issuance for FY 16 and the proposed FY 17 to FY 20 issuances.
- The long-term borrowing plan is shown in the top section of the following chart; this includes debt issuance for capital purposes, judgments and settlements, tax certiorari payments, and termination costs.

Historic and Planned Debt Issuances 2015 to 2020
2016 includes actual and planned issuances

	FY 15 Actual Issues	FY 16 Actual & Planned Issues	FY 17 Planned Issues	FY 18 Planned Issues	FY 19 Planned Issues	FY 20 Planned Issues
Capital Borrowings						
Capital - General	131,700,000	434,700,000	150,000,000	150,000,000	150,000,000	150,000,000
Capital - SSWRD	1,600,000	7,600,000	75,000,000	50,000,000	50,000,000	50,000,000
Environmental Bond Act	0	0	0	0	0	0
Judgments & Settlements	0	0	0	0	0	0
Tax Certiorari	60,000,000	60,000,000	60,000,000	0	0	0
Termination Costs	5,200,000	30,800,000	0	0	0	0
Total Long-Term Borrowings	198,500,000	533,100,000	285,000,000	200,000,000	200,000,000	200,000,000
Cash Flow Borrowings						
BANs	92,925,000	166,865,000	101,265,000	101,265,000	101,265,000	60,430,000
RANs	178,480,000	119,595,000	300,000,000	300,000,000	300,000,000	300,000,000
TANs	198,470,000	260,000,000	280,000,000	280,000,000	280,000,000	280,000,000
Total Short-Term Borrowings	469,875,000	546,460,000	681,265,000	681,265,000	681,265,000	640,430,000

- Included in the FY 15 and FY16 general capital borrowings are Sandy related borrowings. Additionally, the FY 16 general capital borrowings include a $272.8 million refunding.

Debt Service Fund Expenses, Cont.

- Long-Term Borrowings are expected to fall $248.1 million in FY 17 compared to FY 16. An $85.0 million long-term debt issuance decrease is projected in FY 18 compared to FY 17. FY 19 and FY 20 long term bond issues are budgeted to remain constant at the FY 18 level.
- To date in FY 16, the County has issued $533.1 million in long term debt. No additional long term debt issuances are projected for 2016.
- The proposed FY 17 MYP continues the practice of deferring principal payments to the out years of an issue's amortization schedule.
- Series 2015B had no principal payment until 2017, Series 2016A had no 2016 principal payment, a $20,000 principal payment in 2017 and a $20,000 principal payment in 2018, Series 2016B had no principal payment until 2017, and Series 2016C has no principal payment until 2018.
- There is no principal allocation for long term bond issues made in FY 17.
- Additionally, the County only expects to make one more tax certiorari borrowings; $60.0 million has been included in FY 17.
- Cash flow borrowing are projected to increase $134.8 million in FY 17 compared to FY 16. They are expected to remain at that level through FY 19. In FY 20, cash flow borrowings are expected to fall $40.8 million to $640.4 million.
- To-date in FY 16, the County has issued $185.2 million in cash flow borrowings. Bond Anticipation Note (BAN) issuances of $65.6 million were completed and an $119.6 million short-term Revenue Anticipation Notes (RANs) was finalized.
- Over the remainder of FY 16, the County plans to issue $101.3 million more in BANs, a rollover of previously issued debt and $260.0 million in TANs.
- Bond Anticipation Notes (BANs) are typically issued in anticipation of a future long-term bond issuance that will retire the outstanding BANs.
- A RAN is a Revenue Anticipation Note. It is issued in the anticipation of one or more various revenues such as sales tax, rents, 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.
  - In the out years of the MYP, RAN and TAN issues are held constant at the FY 17 projected level.
  - The coupon rate for the short-term cash flow borrowings are projected at 2.5% from FY 17 to FY 20.

Debt Service Fund Revenue

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Invest Income	$26,292	$0	$0	$1,674	$0	$0	*****	($1,674)	-100.0%
Debt Svc From Capital	15,557,962	36,446,575	4,483,620	48,283,620	3,450,000	(1,033,620)	-23.1%	(44,833,620)	-92.9%
Debt Svc Chrgback Rev	291,708,760	298,840,915	326,791,985	324,754,300	340,683,104	13,891,119	4.3%	15,928,804	4.9%
Interfund Charges Rev	27,319,707	26,248,824	28,092,282	28,092,282	31,110,342	3,018,060	10.7%	3,018,060	10.7%
Fed Aid-Reimb of Exp	4,791,549	4,795,942	4,812,202	4,812,202	4,812,202	0	0.0%	0	0.0%
Interfund Transfers	0	121,367	0	0	0	0	*****	0	*****
Authorized Capital Borrowing	0	0	0	82,353	0	0	*****	(82,353)	-100.0%
Total	**$339,404,269**	**$366,453,622**	**$364,180,089**	**$406,026,431**	**$380,055,648**	**$15,875,559**	**4.4%**	**($25,970,783)**	**-6.4%**

- Debt service expenses are allocated to the fund in which the capital project is associated. The fund receiving the benefit is charged 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.
- The $13.9 million budget to budget increase in debt service chargeback revenues and the $3.0 million budget to budget increase in interfund charges revenue are due to the amortization schedule of the capital projects.
- Compared to the FY 16 Adopted Budget, aggregate total revenue for the Debt Service Fund is increasing by $15.9 million in the Proposed FY 17 Budget. The $26.0 million decline from the FY 17 Proposed Budget compared to the FY 16 projection is a function of the bond premium overage on the debt service from capital line. These revenues will be transferred to the Litigation Fund and used to pay future settlements and judgments.
- The $4.8 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 FY 09 and FY 10.

Debt Service Fund Revenue – Cont.

Debt Service Fund Chargeback Revenues - BV/HD		
	FY 16 Adopted	Executive FY 17
Fire Commission	$796,498	$790,765
General Fund	$306,178,306	$317,202,066
Police District	$2,250,011	$2,240,553
Police Headquarters	$17,567,170	$20,449,720
Grand Total	$326,791,985	$340,683,104

- The chart above shows that 93.1% of the debt service chargebacks in the proposed FY 17 are related to the General Fund. Each Fund has a corresponding expense line for debt service charges.
- The General Fund debt service chargeback is located in the Office of Management and Budget.
- Debt service chargebacks are increasing in the General and Police Headquarters Funds. The chargeback increases or decreases in tandem with increases and decreases in the amount borrowed as well as the amortization schedule of the capital projects related to the fund.

Debt Service Fund Interfund Charges - BW		
	FY 16 Adopted	Executive FY 17
Revenue from SSW	$18,551,552	$21,923,938
Environmental Bond Act. Rev.	9,540,730	9,186,404
Grand Total	$28,092,282	$31,110,342

- The Debt Service Fund interfund charges chart on the left reflects the interfund charges budgeted at $31.1 million in FY 17.
- The debt service costs charged to the Sewer and Storm Water Resources District ($21.9 million) and the Environmental Bond Fund ($9.2 million) are booked as interfund charges.
- Revenue from the SSW fund is increasing $3.4 million in FY 17 from the FY 16 Adopted Budget.

Debt Service Fund DS from Capital - BQ		
	FY 16 Adopted	Executive FY 17
Bond Premium	$4,483,620	$1,710,000
RAN Premium	$0	$1,740,000
Grand Total	$4,483,620	$3,450,000

- In FY 17, $3.5 million is included as bond premium. This represents a decrease of $1.0 million from the FY 16 Adopted Budget.
- When interest rates are low, the market prefers premium notes and bonds. As interest rates are forecast to rise in FY 17, bond premium should experience a corresponding decline.
- This is the corresponding revenue offset to the loan expense under expenditures. NIFA has the authority to limit the premium to cover the costs of issuance.

Debt Service Fund Multi-Year Plan

2017-2020 Multi-Year Financial Plan Expense	2017 Proposed	2018 Plan	2019 Plan	2020 Plan
Interest	$120,149,010	$131,853,579	$129,588,458	$132,293,749
Principal	$94,230,001	$107,700,170	$119,024,999	$130,395,000
Other Expense	$165,676,637	$151,824,627	$149,669,765	$134,211,434
Total	$380,055,648	$391,378,376	$398,283,222	$396,900,183

- In the above MYP expense chart the other expense line includes NIFA set-asides and expense of loan costs.
- The chart above details the out year expenses of the Debt Service Fund. The out year interest and principal costs are increasing comparing FY 17 to FY 20, as the County pays off existent debt and adds on future obligations.
- The other expenses line is decreasing from FY 17 through FY 20. In the out years NIFA set-asides are forecast to decline since the NIFA debt is not being replaced as it is paid off. The County is issuing debt on its own.

2017-2020 Multi-Year Financial Plan Revenue	2017 Proposed	2018 Plan	2019 Plan	2020 Plan
Debt Service from Capital Debt Service	$3,450,000	$3,243,795	$3,243,795	$3,243,795
Debt Service Chargeback Revenue	$340,683,104	$346,326,630	$348,925,556	$345,932,155
Interfund Charges Revenue	$31,110,342	$36,995,749	$41,321,684	$42,973,938
Fed. Aid -Reim. Of Expense	$4,812,202	$4,812,202	$4,792,187	$4,750,295
Total	$380,055,648	$391,378,376	$398,283,222	$396,900,183

- The chart above details Debt Service Fund revenues as recorded in the MYP.
- The debt service from capital line reflects the anticipated bond premiums. The line is expected to decline in FY 18 from FY 17 and then remain constant at the FY 18 level.
- Debt service chargeback revenues are expected to rise comparing FY 17 to FY 20. The revenue line takes into account capital project completion timelines and amortization schedules.
- Interfund charge revenues are expected to increase annually through FY 20. 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.

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 major case bureaus, trial bureaus, investigative bureaus, conviction integrity bureau, an administrative bureau and a community relations bureau.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	368	358	371	371	371	0	0.0%	0	0.0%
Part-Time and Seasonal	5	5	3	9	6	3	100.0%	(3)	-33.3%
Salaries	$30,091,728	$31,326,144	$33,647,745	$32,884,876	$36,636,064	$2,988,319	8.9%	$3,751,188	11.4%
Equipment	75,348	59,724	75,500	75,500	65,500	(10,000)	-13.2%	(10,000)	-13.2%
General Expenses	999,676	1,183,782	1,023,000	1,023,000	948,000	(75,000)	-7.3%	(75,000)	-7.3%
Contractual Services	1,141,478	1,053,105	1,426,974	1,426,974	1,306,974	(120,000)	-8.4%	(120,000)	-8.4%
Total	**$32,308,231**	**$33,622,755**	**$36,173,219**	**$35,410,350**	**$38,956,538**	**$2,783,319**	**7.7%**	**$3,546,188**	**10.0%**

Expenses

- The FY 17 proposed expense budget for the District Attorney is increasing by $2.8 million, or 7.7%, budget to budget and $3.5 million, or 10.0%, when compared to OLBR's FY 16 projection.
- Salaries are driving the increase in expenses. They will be almost $3.0 million more than those of FY 16 due to contractual increases for members of the CSEA as well as adjustments for non-union employees.
  - The salary growth for non-union employees is associated with an effort to make Assistant District Attorneys' (ADAs) salaries comparable to other jurisdictions. The Administration has agreed to raise the level of funding over a two-year period, which will enable the Office of the District Attorney's ability to fill vacant positions, increase retention and grow the office to appropriate levels.
  - Overtime expense will remain at FY 16 levels.
  - Terminal leave is growing by $296,552 as a result of an anticipated larger attrition rate in FY 16.
- Full-time headcount is remaining flat budget to budget.

Expenses, Cont.

- General expenses in FY 17 are declining by $75,000 budget to budget. Included in general expenses are increases in office supplies and copy paper, miscellaneous supplies and expense, grainger expenses, postage delivery and witness protection expenses offset by a decrease of $125,000 in investigative expenses.
- The FY 17 budget of $1.3 million for contractual services, is going down by $120,000 as a result of decreases in miscellaneous contractual services, transcribing and briefs and expert witness offset by an increase in software contracts.
  - The reduction for transcribing and briefs and expert witness is based actual FY 16 usage. The department has less than anticipated expenses for these line items and decreased the projected need for FY 17.
  - Miscellaneous contractual services are decreasing $88,494.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Fines & Forfeits	$0	$60,481	$0	$0	$0	$0	*****	$0	*****
Rents & Recoveries	207,547	17,638	0	497	0	0	*****	(497)	-100.0%
Dept Revenues	11,695	2,196	5,000	5,000	2,000	(3,000)	-60.0%	(3,000)	-60.0%
Interdept Revenues	269,001	270,034	270,033	270,033	270,000	(33)	0.0%	(33)	0.0%
Interfund Charges Rev	275,000	275,000	250,000	250,000	250,000	0	0.0%	0	0.0%
Fed Aid-Reimb of Exp	34,400	33,796	32,500	32,500	35,000	2,500	7.7%	2,500	7.7%
State Aid-Reimb of Exp	76,793	76,793	69,100	69,100	69,100	0	0.0%	0	0.0%
Total	**$874,436**	**$735,938**	**$626,633**	**$627,130**	**$626,100**	**($533)**	**-0.1%**	**($1,030)**	**-0.2%**

Revenues

- The District Attorney's proposed revenue budget is declining by 0.1%, or $533, from $626,633 in FY 16 to $626,100 in FY 17.
- The $3,000 decline in departmental revenues reflects the decrease in investigation costs recovery. This number fluctuates from year to year and based on an analysis of ongoing cases the department determined revenue from this line would decrease in FY 2017.
- Federal aid, budgeted at $35,000 in FY 17, is $2,500 more than the FY 16 allocation. 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 and in FY 16, the department anticipates a slight increase in related overtime.
- State aid budgeted at $69,100 in FY 17 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. It remains unchanged from that in FY 16.

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	169	164	161	164	164	3	1.9%	0	0.0%
Part-Time and Seasonal	77	79	0	76	0	0	*****	(76)	-100.0%
Salaries	$13,914,902	$13,998,560	$15,082,463	$15,160,270	$15,804,335	$721,872	4.8%	$644,065	4.2%
Equipment	72,096	100,186	125,000	125,000	125,000	0	0.0%	0	0.0%
General Expenses	1,870,193	2,252,712	3,208,200	3,208,200	3,127,655	(80,545)	-2.5%	(80,545)	-2.5%
Contractual Services	339,449	485,375	570,000	570,000	697,464	127,464	22.4%	127,464	22.4%
Total	**$16,196,640**	**$16,836,833**	**$18,985,663**	**$19,063,470**	**$19,754,454**	**$768,791**	**4.0%**	**$690,984**	**3.6%**

Expenses

- Expenses are up 4.0% in the proposed budget, from $19.0 million in FY 16 to $19.8 million in FY 17. Proposed expenses are 3.6% above the latest projection. Increased salary and contractual expenses are partly offset by decreased general expenses.
- Salary expenses in the proposed budget are up 4.8%, or $0.7 million, from the FY 16 budget. Compared to the current projection, salary expenses are up 4.2%, or $0.6 million. Several factors contribute to the salary growth.
  - The proposal includes Cost of Living (COLA) and step adjustments in the current Collective Bargaining Agreement (CBA) for Civil Service Employees Association (CSEA) members. The FY 17 budget includes a 2.0% COLA effective July 1, 2017, and a step increase on September 1, 2017.
  - The FY 17 budget increases the terminal leave budget to $164,460 in FY 17 from $56,766 in FY 16. The compensation time cash budget is up to $598,791 in the proposal, from $402,054 in FY 16.
  - Staffing changes also contribute to the growth in the proposed salary budget. The FY 16 budget included a three headcount, $257,618 salary credit for savings from initiatives which has been eliminated from the FY 17 proposal. Moreover, the proposed salary budget was adjusted to cover the cost of current on board staff.
- The Board of Elections (BoE) receives funding to hire part-time and seasonal staff, but is not assigned a headcount for these employees. Funding for part-time and seasonal employees is down 9.7% in the proposed budget, from $3.8 million in FY 16 to $3.4 million in FY 17. As of September 1, 2016, there were 76 part-time and seasonal positions onboard. The proposed part-time and seasonal salary budget will need to accommodate the primary and general elections scheduled in FY 17 for local races.

Expenses, cont.

- According to the department, New York State Election Law Section 3-300, 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.
- Proposed equipment expenses are consistent with the FY 16 budget and the latest projection. The equipment expense budget covers the cost of office furniture, election, voting, copying, and blueprint equipment, among other miscellaneous items.
- Proposed general expenses are down 2.5%, or $80,545, compared not only to the Adopted FY 16 Budget but also to the latest projection. Increases to cover growing costs for rent, postage delivery, and miscellaneous supplies and expenses are offset by an $181,240 reduction to the copying and blueprint supplies budget and an $84,450 reduction to the equipment maintenance and rental budget.
- The proposed contractual services budget is $127,465, or 22.4%, more than the budget adopted for FY 16. The budget to budget variance is concentrated in the miscellaneous contractual services line.
- As the chart below demonstrates, expenses across all control centers are up $0.8 million budget to budget. The $0.8 million decrease in the Primary Elections Control Center slightly offsets the $1.5 million increase spread across the Administration and General Election Control Centers. The upcoming fiscal year features several County-wide races, including County Executive, District Attorney, and County Comptroller.

Expenses by Control Center

($'s in millions)

	Historical		2016	2017	Exec. vs. Adopted	
Control Center	**2014**	**2015**	**Adopted Budget**	**Exec. Budget**	**Var.**	**%**
Administration	$3.1	$3.5	$3.8	$4.0	$0.2	5.5%
General Elections	10.5	11.9	12.4	13.8	1.3	10.7%
Primary Elections	2.6	1.5	2.8	2.0	-0.8	-27.7%
Total	**$16.2**	**$16.8**	**$19.0**	**$19.8**	**$0.8**	**4.0%**

Revenue	Historical 2014	2015	2016 Adopted Budget	OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Percent	Exec. vs. Projected Variance	Percent
Rents & Recoveries	$119,733	$107,000	$120,000	$127,050	$2,120,000	$2,000,000	1666.7%	$1,992,950	1568.6%
Dept Revenues	48,284	53,584	70,000	70,000	70,000	0	0.0%	0	0.0%
Fed Aid-Reimb of Exp	0	802	0	0	0	0	*****	0	*****
Total	**$168,017**	**$161,387**	**$190,000**	**$197,050**	**$2,190,000**	**$2,000,000**	**1052.6%**	**$1,992,950**	**1011.4%**

Revenues

- Proposed revenue is up about $2.0 million over not only the Adopted FY 16 Budget but also the latest projection. The growth is concentrated in rents & recoveries, as the Administration has introduced a Local Law that would allow the Board to seek reimbursement for the costs associated with holding an election on behalf of another municipality (e.g. town, village, or city).
- Traditionally, the Board of Elections generated about $120,000 each year by renting out voting machines to other municipalities. The Administration expects that the new expense reimbursement mechanism would generate about $2.0 million in annual rents & recoveries revenue.
- According to the Local Law, BoE will compile a certification report detailing electoral expenses that will be incurred for each municipality (e.g. polling places, ballot boxes, employee salaries, other supplies, etc.). BoE must deliver the certification report to the Legislature between October 1 and December 15 of each year. The Legislature will review the certification report and choose whether or not to accept it. Once accepted, the certification report will be forwarded to the Administration. OMB will use the certification report to adjust each municipality's ensuing tax levy to reflect BoE's election related costs incurred in the preceding year.
  - OLBR sees the $2.0 million chargeback revenue at risk in the FY 17 budget. The department has expressed concern that it could face legal challenges from lower municipalities if the BoE attempts to implement this Local Law.
- Proposed departmental revenue is consistent with both the Adopted FY 16 Budget and the latest projection.
  - The Board of Elections collects fees for the sale of a variety of data, such as forms, reports, and maps.

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 actions they can take before, during and after a disaster strikes the County.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	10	10	12	10	8	(4)	-33.3%	(2)	-20.0%
Part-Time and Seasonal	1	0	1	0	1	0	0.0%	1	*****
Salaries	$673,086	$704,706	$831,941	$809,297	$797,073	($34,868)	-4.2%	($12,224)	-1.5%
General Expenses	735	10,176	5,000	5,000	5,000	0	0.0%	0	0.0%
Interfund Charges	0	393,844	0	0	0	0	*****	0	*****
Total	**$673,821**	**$1,108,727**	**$836,941**	**$814,297**	**$802,073**	**($34,868)**	**-4.2%**	**($12,224)**	**-1.5%**

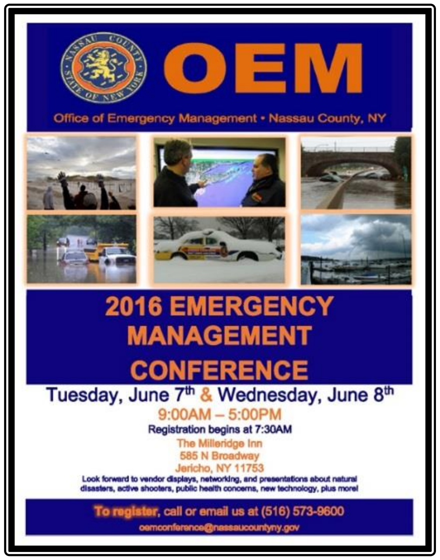
Expenses

- The Proposed 2017 Budget decreased to $802,073 from the prior year budget of $836,941 due to changes in the salary line of the budget.
- The FY 17 salary expenses of $797,073 were reduced by $34,868 budget to budget and declined by $12,224, or 1.5%, when compared to OLBR's projection. The savings from the headcount reduction are offset by wage increases that relate to the Civil Service Employees Association (CSEA) labor agreement.
  - The positions that were shifted include, a Director of Emergency Planning, a Director of Emergency Preparedness, a Materials Movement Specialist and the Deputy Commissioner of Emergency Management.
- The FY 17 budgeted part-time headcount is unchanged.
- The Proposed 2017 Budget for general expense remains flat at $5,000.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	$7,976	$0	$0	$0	$0	$0	*****	$0	*****
Fed Aid-Reimb of Exp	485,071	510,522	510,522	510,522	503,456	(7,066)	-1.4%	(7,066)	-1.4%
Total	**$493,047**	**$510,522**	**$510,522**	**$510,522**	**$503,456**	**($7,066)**	**-1.4%**	**($7,066)**	**-1.4%**

Revenues

- The Proposed 2017 Budget allocates $503,456 for federal aid, a nominal reduction of $7,066, or 1.4%, compared to the prior year budget.
  - The $503,456 in revenue represents the Emergency Management Performance Grant (EMPG) that reimburses 50% of qualifying salaries within the department.



Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	93	97	96	92	96	0	0.0%	4	4.3%
Part-Time and Seasonal	36	35	35	34	34	(1)	-2.9%	0	0.0%
Salaries	$10,104,133	$10,313,443	$11,402,208	$11,087,822	$11,421,422	$19,214	0.2%	$333,600	3.0%
Fringe Benefits	4,719,669	4,987,919	5,658,253	5,519,201	5,864,055	205,802	3.6%	344,854	6.2%
Equipment	9,553	16,452	42,250	42,250	47,500	5,250	12.4%	5,250	12.4%
General Expenses	209,163	136,045	244,277	244,277	280,800	36,523	15.0%	36,523	15.0%
Contractual Services	4,860,554	4,806,397	4,889,088	4,889,088	4,842,808	(46,280)	-0.9%	(46,280)	-0.9%
Debt Svc. Chargebacks	551,883	647,936	796,498	796,498	790,765	(5,733)	-0.7%	(5,733)	-0.7%
Inter-Dept. Charges	1,991,982	2,330,450	2,311,647	2,311,647	2,439,773	128,126	5.5%	128,126	5.5%
Interfund Charges	320	0	0	0	0	0	*****	0	*****
Trans To General Fund	1,118,226	674,854	0	0	0	0	*****	0	*****
Total	**$23,565,484**	**$23,913,496**	**$25,344,221**	**$24,890,783**	**$25,687,123**	**$342,902**	**1.4%**	**$796,340**	**3.2%**

Expenses

- The FY 17 Proposed expense Budget is growing from the Adopted FY 16 Budget by $342,902, or 1.4%, to $25.7 million due to increases in salaries, fringe benefits, equipment, general expenses and interdepartmental charges.
- Salaries are going up incrementally. Although headcount remains at FY 16 levels, terminal leave, longevity, uniform and equipment allowance have declined. That coupled with the loss of three high salaried positions allows the budget to accommodate CSEA members' steps and midyear COLAs without raising the salary line higher.
- The movement within the headcount line budget to budget includes the addition of a Fire Marshal Trainee, an Emergency Medical Services Instructor offset by the loss of Fire Marshal II, Assistant Chief Fire Marshal and a Community Services Representative. The third added position is from the savings from initiatives from FY 16, not included in the FY 17 budget.

- The decrease by one in part-time is for a Custodial Worker I PT.

Expenses, Cont.

- Fringe benefits are increasing by $205,802, or 3.6%, to $5.9 million for FY 17 Proposed Budget. Compared to the FY 16 projection, fringe expenses have a growth of $344,854, or 6.2%, mainly due to hikes in health insurance for retirees and pension costs.
- There is a $5,250 uptick in equipment due to the growth in uniforms & badges and communication equipment offset by a decline in educational and training equipment,
- General expenses are going up by $36,523 primarily due to a increases in educational & training supplies, miscellaneous supplies and expenses and clothing and uniform supplies among others.
  - 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 the department must pay a membership fee. In FY 2017, the fee expense is $6,500.
- Contractual services are declining $46,280 in FY 17 to $4.8 million. The largest contract is $4.4 million for the Vocational Education and Extension Board (VEEB) contract.
  - In addition to the VEEB contract, the training contract for volunteer firemen, contractual services also includes the following contracts:
    - Veterinarian care for the department's canine.
    - A contract with Nassau University Medical Center to provide OSHA medical examinations for Fire Marshal personnel who respond to fire or hazardous emergencies.
    - A contract for radio communication equipment, support and repair.
    - In FY 17, all software contracts have been eliminated for $85,000 and reallocated to the Information Technology Department.
- Inter-departmental charges are growing by $128,126 as a result of increases in information technology charges, postage, fleet maintenance charges and indirect charges offset by reductions in building occupancy charges, gasoline and telecommunication charges.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Fund Balance	$0	$39,240	$0	$0	$0	$0	*****	$0	*****
Invest Income	321	610	0	506	0	0	*****	(506)	-100.0%
Rents & Recoveries	10,769	11,368	0	3,004	0	0	*****	(3,004)	-100.0%
Dept Revenues	7,502,540	8,010,128	8,725,600	8,725,600	8,900,600	175,000	2.0%	175,000	2.0%
Pymnt In Lieu of Taxes	0	0	0	404,691	404,691	404,691	*****	0	0.0%
Interfund Charges Rev	0	560	0	0	0	0	*****	0	*****
State Aid-Reimb of Exp	173,520	184,245	145,000	145,000	180,000	35,000	24.1%	35,000	24.1%
Property Tax	15,917,575	15,847,959	16,473,621	16,064,969	16,201,832	(271,789)	-1.6%	136,863	0.9%
Total	**$23,604,724**	**$24,094,110**	**$25,344,221**	**$25,343,770**	**$25,687,123**	**$342,902**	**1.4%**	**$343,353**	**1.4%**

Revenues

- The proposed FY 17 revenue budget is increasing by $342,902 million due to a reallocation of property tax and PILOTS, and increases in departmental revenues and state aid reimbursement.
- Departmental revenue is going up $175,000, or 2.0%, due to fee increases in FY 16.
  - The department implemented some fee increase during FY 16 but did not realize their full value due to the timing of enactment. The annualized effect would be an additional $175,000.
  - The increased fees include sprinkler and standpipe system installer and maintenance licenses, annual renewals, automatic fire alarm system fees, automatic fire extinguishing system fees, etc. among others.
  - The Fire Commission collects fees generated from mandatory compliance testing under a variety of State and local public safety laws. Examples of fees collected include fire alarms, smoke alarms, sprinkler system, bulk storage, and emergency light testing fees.
- State aid is going up $35,000 in FY 17.
  - 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 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.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	171	172	175	178	185	10	5.7%	7	3.9%
Part-Time and Seasonal	28	26	36	31	37	1	2.8%	6	19.4%
Salaries	$13,796,444	$14,063,931	$15,177,951	$15,397,310	$16,800,680	$1,622,729	10.7%	$1,403,370	9.1%
Equipment	19,732	55,728	36,000	36,000	71,000	35,000	97.2%	35,000	97.2%
General Expenses	711,874	706,327	949,997	949,997	919,997	(30,000)	-3.2%	(30,000)	-3.2%
Contractual Services	368,901	365,563	392,330	392,330	343,330	(49,000)	-12.5%	(49,000)	-12.5%
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	5,327,005	4,682,450	5,402,120	5,402,120	4,762,898	(639,222)	-11.8%	(639,222)	-11.8%
Early Int./Special Ed	130,331,014	132,766,058	135,000,000	130,000,000	135,000,000	0	0.0%	5,000,000	3.8%
Total	**$155,554,970**	**$157,640,058**	**$161,958,398**	**$157,177,757**	**$162,897,905**	**$939,507**	**0.6%**	**$5,720,148**	**3.6%**

Expenses

- Total expenditures are increasing by $939,507 or 0.6%, compared to the FY 16 Adopted Budget due mostly to a rise in salaries and equipment. The overall expenditure increase would be greater but is being offset by declines in interdepartmental charges, general expenses and contractual services.
- Provider Payments for the Pre-school Education Program and Children's Early Intervention Services Program, which makes up 82.9% of the budget, remains flat at $135.0 million compared to the FY 16 Adopted Budget. Compared to the projection, the expenses are increasing by $5.0 million.
  - The $135.0 million budget allows for flexibility in State approved provider rates and an increase in projected caseload. Provider payments will be discussed in more detail later on in the report.
- The FY 17 salaries are increasing by $1.6 million, budget to budget and by $1.4 million or 9.1% compared to the FY 16 projection.

Expenses, Cont.

- The salary increase is due the addition of full-time positions and wage adjustments from the current Collective Bargaining Agreement (CBA) with the Civil Service Employees Association (CSEA) union. The FY 17 budget includes a 2.0% Cost of Living Adjustment (COLA) effective July 1, 2017 and a step increase on September 1, 2017.

➢ Budgeted headcount is increasing by ten full-time positions and one part-time position compared to the FY 16 budget. Compared to the September 1, 2016 staffing level, the FY 17 budget is increasing by seven full-time and six part-time positions.

- The additional full-time headcount compared to the FY 16 Adopted includes two Sanitarian Trainees in the Environmental Health control center, two Epidemiologists and four Nurses in the Public Health control center, and two Public Health Nurses in Children's Early Intervention Services.
    - Three of the newly added positions will carry out the functions of the enhanced Petroleum Bulk Storage Program that has been mandated by the state.
- The departmental request of 190 full-time positions is 15 positions greater than the amount granted in the FY 16 Adopted Budget. The department's additional requests that were not included in the FY 17 budget is: two Accounting Assistant I's in the Administration control center, one Public Health Engineer Trainee and one Sanitarian Trainee in Environmental Health, and one Clerk Typist in the Public Health.
- Although the budgeted full-time headcount is 16 positions below the historical 2011 full-time count of 201, the headcount has been steadily rising over the past few years. The FY 17 Proposed budget is 14 positions greater than the FY 14 actual of 171.

Expenses, Cont.

- The following chart details the full-time, part-time and seasonal positions for the FY 16 Adopted Budget, the September 1, 2016 staffing level, the FY 17 Departmental Request, and the FY 17 Proposed Budget:

Staffing Analysis	FY 16 Adopted	Sept-16 Actual	FY 17 Request	FY 17 Executive	Exec. vs 16 Adopt	Exec. vs Actual
CC Full-time Staffing						
10 Administration	22	23	25	23	1	0
20 Environmental Health	81	79	85	83	2	4
30 Public Health Laboratories	11	11	11	11	0	0
40 Public Health	13	15	20	19	6	4
51 Childrn Early Inter. Services	43	46	45	45	2	(1)
54 Pre-School Education	5	4	4	4	(1)	0
Total Full-time	**175**	**178**	**190**	**185**	**10**	**7**
CC Part-time and Seasonal						
10 Administration	8	7	7	8	0	1
20 Environmenal Health	25	21	26	26	1	5
30 Public Health Laboratories	0	0	0	0	0	0
40 Pubic Health	2	2	2	2	0	0
51 Childrn Early Inter. Services	1	1	1	1	0	0
Total Part-time and Seasonal	**36**	**31**	**36**	**37**	**1**	**6**

Expenses, Cont.

- The FY 17 Proposed Budget for equipment is increasing by $35,000 due to medical and dental equipment for Environmental Health and the replacement of furniture and small technical equipment that can no longer be repaired.
- General expenses are decreasing by $30,000 to $919,997 in FY 17 due mostly to a reduction of medical supplies.
- The budget for contractual services is decreasing by $49,000 to $343,330, or 12.5%, in the Proposed FY 17 Budget. The decline is due to the elimination of the Transportation Study that was originally designed as a three-year study beginning in FY 14.
  - The following chart details the FY 16 Adopted Budget & the FY 17 Proposed Budget funding by contract:

Heath Department Contracts	2016 Adopted Budget	2017 Proposed Budget	2017 vs. 2016 Variance
Preschool Education Program	25,000	25,000	0
Preschool Education Medicaid Billing	156,330	156,330	0
Hearing Officers	70,000	70,000	0
North Shore Child Guidance	55,000	55,000	0
Lab Testing Contingency	10,000	10,000	0
NUMC for OSHA physicals	17,000	17,000	0
Spanish Food Manager Course Instructor	10,000	10,000	0
Transportation Study	49,000	0	(49,000)
Subtotal Contracts	**392,330**	**343,330**	**(49,000)**

Expenses, Cont.

- The FY 17 various direct expenses line is $5.0 million for contracted Public Health Services to the Nassau Health Care Corporation.
- Inter-departmental charges in FY 17 are decreasing by $639,222 or 11.8% to roughly $4.8 million. The decrease is due mostly to a $981,232 decline in building occupancy charges, $75,355 in workers compensation, which is partially being offset by an increase of $286,881 in indirect charges, $102,667 in information technology charges as well as other small various increases.
  - The drop in building occupancy charges is due the reduction of rent charges since the fiscal division moved from 60 Charles Lindberg Boulevard, which is rented space, to 200 County Seat Drive, which is a County owned building.
  - OLBR was advised that there may be a technical adjustment to lower some of the decline in building occupancy charges.

Expenses by Control Center

($'s in millions)

Control Center	Historical 2014	2015	2016 Adopted Budget	2017 Exec. Budget	Exec. vs. Adopted Var.	%
Administration	$6.0	$5.3	$6.2	$5.8	-$0.4	-6.0%
Environmental Health	7.1	7.4	8.0	8.4	0.5	5.8%
Public Health	6.4	6.6	6.8	7.5	0.8	11.2%
Public Health Laboratories	1.6	1.5	1.9	1.8	-0.1	-5.4%
Childrn Early Inter. Services	26.2	29.1	31.1	31.4	0.3	0.9%
Pre-School Education	108.2	107.7	108.1	108.0	-0.1	-0.1%
Total	**155.6**	**157.6**	**162.0**	**162.9**	**0.9**	**0.6%**

- The Children's Early Intervention Program coordinates programs for children (ages 0-3) with developmental delays. The $266,671 increase in this control center is due to an increase in salaries.
- The Administration control center is decreasing by $368,331, or 6.0% primarily due to a reduction in building occupancy charges.
- Environmental Health protects the community from adverse health effects and diseases that may result from environmental pollution, unsanitary conditions and unsafe practices. The FY 17 budget for Environmental Health is increasing by roughly $465,000 due mostly to the addition of two positions and the impact of the labor agreements.
- The $756,147 increase in Public Health is due mostly to an increase in salaries from the impact of the labor agreements and the addition of six full-time positions that were previously funded in the Grant Fund.
- The Public Health Lab provides services to address and protect the residents of Nassau County against environmental health risks including but not limited to water, water supply, and mosquito testing. The $102,322 decline is mostly attributed to building occupancy charges.
- The Pre-school Education Program is devoted to providing special education services to pre-school children (ages 3-5). This is discussed in more detail on the next page.

Expenses, Cont.

- The control center for the Pre-school Education Program, which is devoted to providing special educational services to pre-school children, is the largest component of the Health Department's Budget.

  - This control center is budgeted for $108.0 million in FY 17, which is a marginal decrease of $77,758, or 0.1%, compared to the FY 16 Adopted Budget. This decrease is due to a minimal reduction in salaries and contractual expenditures.

  - Within provider payments, Pre-school related services is decreasing by $2.0 million, which is being offset by increases of $400,000 in Special Education Itinerant Teachers (SEIT) services, $600,000 in Pre-school Center Based Program costs and $1.0 million in the summer school program. The following chart details the breakout in this control center:

Pre-School Education Program Expenditures

Title	2016 Adopted Budget	2017 Proposed Budget	FY 17 vs FY 16 Variance
Salaries	339,839	291,061	(48,778)
General Expenses	2,100	22,100	20,000
Contractual Expenses	230,330	181,330	(49,000)
Preschool Related Services	11,600,000	9,600,000	(2,000,000)
SEIT Services	6,400,000	6,800,000	400,000
Pre-School (3-5 Years)	64,400,000	65,000,000	600,000
Summer School Program (5-21 Years)	2,500,000	3,500,000	1,000,000
Transportation Pre-School (3-5 Years)	16,500,000	16,500,000	0
Evaluations- Pre-School	2,800,000	2,800,000	0
CPSE Administration Costs	3,000,000	3,000,000	0
CPSE Consultants	300,000	300,000	0
Grand Total	**108,072,269**	**107,994,491**	**(77,778)**

  - As reflected above, the FY 17 Pre-school Education program (3-5 years) is increasing by $600,000 to $65.0 million budget to budget. The annual budget is based on current projections and authorizations that are submitted by the school districts for all eligible children. The County pays for what the school districts are authorizing. The tuition for Pre-school Education classes varies by the length of the day, integrated class and the rate set by New York State.

Expenses, Cont.

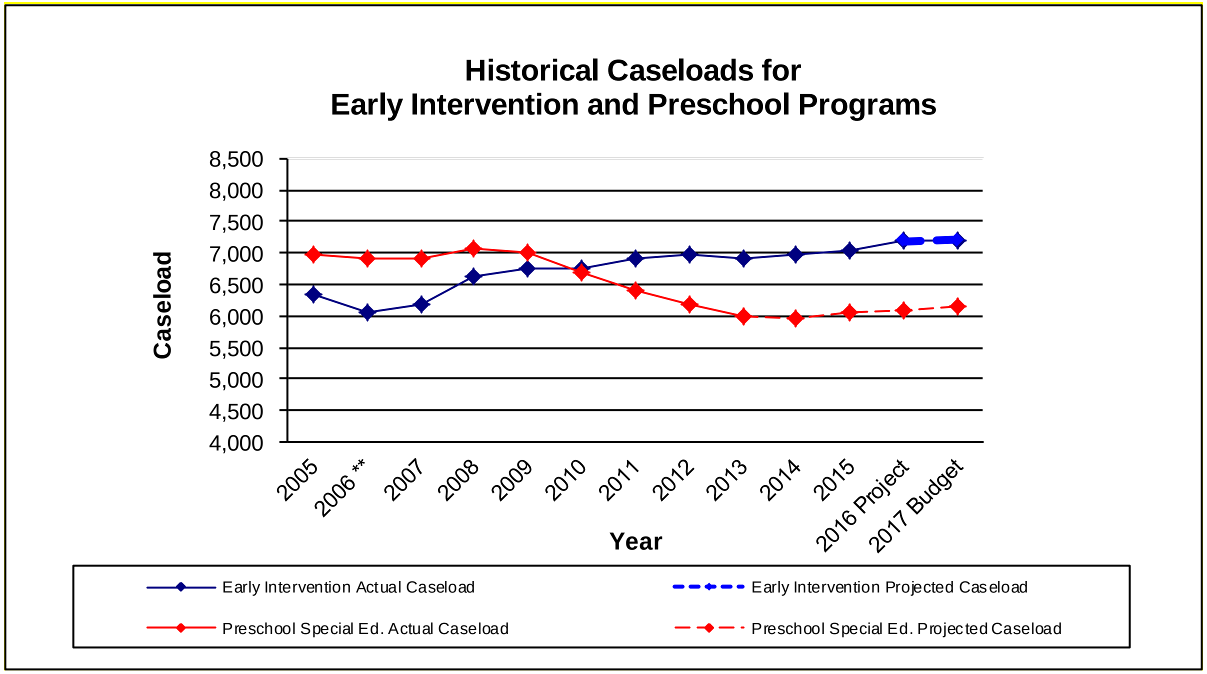
    - The FY 16 projection and FY 17 budget for pre-school education caseloads is approximately 6,100 and 6,150 children respectively.
    - It is difficult for the department to project caseload figures since the State allows the school districts up to four years to submit authorizations to the County.

  - Special Education Itinerant Teachers (SEIT) services are increasing by $400,000 to $6.8 million in FY 17, which is also based on current projections and authorizations that are submitted by the school districts. SEIT services are special one-to-one teaching services provided to the student.
  - Pre-school education related services, decreasing by $2.0 million to $9.6 million, represent special services such as speech, physical and occupational therapy.
  - The FY 17 budget for the Pre-school Education Summer School Program is increasing by $1.0 million to $3.5 million. The budget assumes the same percentage increase based on the current year's submitted bill.
  - The budget for Pre-school Evaluations remains unchanged at $2.8 million in the Proposed FY 17 budget. The evaluations consist of required tests or assessments to determine whether a child has a disability and the extent of his/her special educational needs. The department contracts with New York State approved evaluators to administer the assessment.
  - Transportation remains unchanged compared to the FY 16 Adopted Budget at $16.5 million. The department went out to bid in 2016 for new transportation contracts that will be effective as of September 2016. In the past, the department contracted with two companies, ACME Bus Corporation and WE Bus. Effective this year, the department will contract with three vendors: We Bus, Guardian Bus and Education Bus Services.
  - The costs for the Committee on Pre-school Special Education (CPSE) administration remains budgeted at $3.0 million in FY 17. The Pre-school Education Program is administrated by individual school districts' committees on Pre-school education. The State sets the rate per child based on the School District submitted cost report. The department anticipates the rates to remain flat in FY 17.
  - 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 17.

- The second largest budget within the Health Department is the Early Intervention Program carrying $31.4 million in expenses, an increase of $266,671, or 0.9%, compared to the current year's budget. The increase is due mostly to a rise in salaries from the budgeted headcount and the impact of the labor agreements.

Expenses, Cont.

- The following chart provides historical and projected caseload data from FY 05 to the proposed budgeted FY 17 for the Early Intervention Program and the Pre-school Education Program.



- Under the Pre-school Education Program the caseload data from FY 13-FY 17 are subject to revision since the years have not been closed. The FY 16 projection and FY 17 Proposed Budget assume caseload figures of 7,194 and 7,200 respectively for Early Intervention. For the Pre-school Education program, caseloads of 6,100 are projected in FY 16 and 6,150 in FY 17.

Expenses, Cont.

➢ The following chart provides the caseload data for the Pre-school Education Program and the Children's Early Intervention Program. For both programs, the data provides the number of children approved, number of ineligible, the total caseloads and the percentage of ineligible caseloads in relation to total cases.

Children in the Early Intervention and Preschool Program By Year

	Pre-school Education Program				Early Intervention Program			
Year	Pre-school Approved	Pre-school Ineligible	Total Pre-school	% of Ineligible Pre-school	Early Int. Aprroved	Early Int. Ineligible	Total Early Int. Cases	% of Ineligible Early Int.
2008	6,327	751	7,078	10.6%	5,149	1,480	6,629	22.3%
2009	6,193	830	7,023	11.8%	5,307	1,445	6,752	21.4%
2010	5,843	836	6,679	12.5%	5,220	1,521	6,741	22.6%
2011	5,640	779	6,419	12.1%	5,230	1,679	6,909	24.3%
2012	5,506	664	6,170	10.8%	5,276	1,715	6,991	24.5%
2013	5,368	610	5,978	10.2%	5,119	1,788	6,907	25.9%
2014	5,410	549	5,959	9.2%	5,089	1,895	6,984	27.1%
2015	5,541	510	6,051	8.4%	5,130	1,919	7,049	27.2%
Project 2016**			6,100				7,194	
Proposed 2017**			6,150				7,200	

*2013 and subsequent years are subject to change for Preschool since these years are still open.

** Projected totals were provided for the FY16 year-end and the FY17 Proposed Budget, however it is the department's position that the totals could not be broken out between eligible and in-eligible children.

- As depicted in the table above, the number of ineligible as a percentage of the total for the Pre-school Education Program has been steadily decreasing each year from FY 10 through FY 15, as less children have been found to be ineligible. For example, in FY 10 the percentage of ineligible children equated to 12.5% of the total, and in FY 15 the percentage is 8.4%.

- The total Pre-school Education Program caseload has also declined each year from a high of 7,078 in FY 08 to a low of 5,959 in FY 14. This represents an overall caseload decline of by 15.8% from FY 08 through FY 14. After FY 14, the cases increased by 1.5% to 6,051 in FY 15, and are projected to increase by 0.8% in FY 16 and by 0.8% in FY 17.

- For the Early Intervention Program, the number of ineligible children as a percentage of the total has increased from 22.3% in FY 08 to 27.2% in FY 15. The total number of caseloads has also increased during that same time period by 6.3% from 6,629 in FY 08 to 7,049 in FY 15. Caseloads were virtually stable from FY 11 to FY 14. The projected caseloads include a 2.1% growth in FY 16 and a minimal 0.1% increase FY 17.

Revenue

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	$5,757,905	$5,895,817	$5,482,750	$5,482,750	$5,539,750	$57,000	1.0%	$57,000	1.0%
Fines & Forfeits	228,397	149,459	250,000	250,000	200,000	(50,000)	-20.0%	(50,000)	-20.0%
Rents & Recoveries	11,138,682	14,416,742	470,000	470,000	200,000	(270,000)	-57.4%	(270,000)	-57.4%
Dept Revenues	3,033,413	3,250,624	3,014,700	3,714,700	3,439,900	425,200	14.1%	(274,800)	-7.4%
Interfund Charges Rev	79,843	72,154	57,516	57,516	57,516	0	0.0%	0	0.0%
State Aid-Reimb of Exp	61,940,636	69,792,049	74,027,000	71,027,000	72,111,500	(1,915,500)	-2.6%	1,084,500	1.5%
Total	**$82,178,876**	**$93,576,844**	**$83,301,966**	**$81,001,966**	**$81,548,666**	**($1,753,300)**	**-2.1%**	**$546,700**	**0.7%**

- The proposed FY 17 revenue budget is decreasing by $1.8 million, or 2.1%, to $81.5 million. This is mostly due to a decline in state aid, rents and recoveries, as well as a small decrease in fines and forfeits.
  - However, compared to the FY 16 projection, the budget is increasing by $546,700, or 0.7% due to a rise in state aid for pre-school services. The FY 16 state aid projection is resulting in a deficit in the current year due to lower reimbursable provider payment expenses.
- The FY 17 Proposed Budget for permits and licenses is increasing minimally by $57,000, or 1.0% to $5.5 million.
  - Permits and licenses include fees charged for the food establishment inspection program, hazardous materials registration fees under the Article XI Program, day camp permits, swimming pool and beach inspections, temporary residence inspections, cross connection control program, water supply plan review, and the tattoo parlor.
  - A small portion of the increase in this revenue line is due to a new $50 fee for individuals that need to take a tattoo class for Safety and Infection Control.

Revenues, Cont.

- Rents and recoveries are decreasing by 57.4%, or $270,000, to $200,000 due to decreased vendor recoveries related to the Pre-school Education program.
- The inter-fund charges revenue budget of $57,516 is reimbursement for services received from the Grant Fund. The budget remains flat compared to FY 16.
- The FY 17 Proposed Budget for fines and forfeits is $200,000, a reduction of $50,000, or 20.0% from the FY 16 Adopted Budget.
  - OLBR has been advised that a technical adjustment will restore this funding to $250,000.
  - 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.

- Compared to the FY 16 Adopted Budget, the FY 17 Proposed Budget for state aid is decreasing by $1.9 million, or 2.6%, to $72.1 million.
  - A big portion of the drop, $988,500 million is related to a decline in aid for Pre-school Education services. This is due to less pre-school expenditures that are eligible for reimbursement.
- The department receives different reimbursement rates for state aid depending on the service provided:
  - The department receives 59.5% reimbursement for Pre-school eligible services.
  - 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.

Revenues, Cont.

- Department revenue is increasing by $425,200 to $3.4 million in the FY 17 Proposed Budget. The chart below details departmental revenue by sub-object code.

Departmental Revenues			
Revenue Source	FY 15 Actual	FY 16 Budget	FY 17 Proposed
Miscellaneous Receipts	$9,631	$2,700	$2,700
Fees	18,373	10,000	437,200
PHCP Receipts	458	0	0
Early Intervention Servs Coord Rev	313,058	300,000	300,000
Pre-School Medicaid	1,626,301	1,900,000	1,900,000
Medicaid Fees, Early Intervention	1,282,803	800,000	800,000
Disease Control	0	2,000	0
Grand Total	$3,250,624	$3,014,700	$3,439,900

- The increase in department revenue is almost entirely due to fee increases. The following bullets explains the increases:
  - Approximately $400,000 is due to the Petroleum Bulk Tank Inspection program to inspect gasoline, petroleum and diesel tanks at facilities, in order to ensure hazardous requirements are not violated. These inspections have been promulgated by New York State.
    - OLBR has been advised that a technical adjustment for the fee increases will be made to transfer the funding from departmental revenue to permits and licenses.
  - Also included in the fees, is approximately $5,000 for a new $25 fee for letters that funeral homes have requested from the County to confirm a deceased body that must be shipped overseas does not have a communicable disease.
  - Approximately $20,000 is budgeted for the testing of water samples from non-municipal sources.
- In FY 17, the $1.9 million budgeted for Pre-School Medicaid revenue is reimbursement incurred from children receiving pre-school services who are Medicaid eligible.
  - When the County provides services for Pre-school education, the department will receive a percentage of cost reimbursement through either Medicaid or state aid. The revenue from Medicaid is budgeted in departmental revenue and the revenue from state aid is budgeted under the state aid revenue source.
- The FY 17 Adopted Budget for department revenue includes $800,000 in reimbursement for the administrative costs related to Early Intervention Services.

Health Department Accomplished

- In an annual study conducted by the Robert Wood Johnson Foundation and the University of Wisconsin Population Health Institute, Nassau County ranked highly among the healthiest counties in the state. Out of 63 counties in New York, Nassau County ranked 1st in Health Factors, 2nd in Health Outcomes, and 2nd in Health Behaviors. Nassau County ranked as a "Top US Performer" by scoring in at least the highest 90th percentile in the United States in categories including percentage of adult smokers, adult obesity, low teen birth rate and access to exercise opportunities, among others.

- The Nassau County Department of Health (NCDOH) Division of Maternal Child Health Services was honored with a Model Practice Award at the National Association of County and City Health Officials (NACCHO) 2016 Annual Conference. *A Safe Place to Sleep* was one of 19 local health departments across the nation to receive this prestigious award for implementing a program that demonstrates exemplary innovation and qualities in response to a local public health need.

- The NCDOH Bureau of Environmental Engineering was honored with a National Promising Practice Award for the *Environmental Health Toxic Emissions* Program.

- NCDOH completed and launched the Nassau County Zika Action plan in accordance with New York State's mandate. The department's staff was trained and is prepared to respond if local transmissions were identified or confirmed.

- The NCDOH Public Health Laboratory successfully passed the bi-annual Environmental Laboratory Accreditation Program.

- NCDOH Communicable Disease Control Director was selected and invited to participate in the Council of State and Territorial Epidemiologist's 2016 National Health Conference.

- NCDOH submitted and was selected to present an abstract, "Revisiting Reinfection," about STDs at the annual American Public Health Association Conference.

- NCDOH was for the fifth time selected as a host site for the Centers for Disease Control and Prevention's (CDC) 2017 Public Health Associate Program (PHAP). The Department of Health successfully applied for, and was awarded three Public Health Associates out of the 150 awarded nationally. PHAP is a competitive, two year paid fellowship within the CDC, which allows recently graduated public health professionals to gain broad experience in the day-to-day operation of public health programs. NCDHO has been awarded this prestigious opportunity five times in the six year history of the program.

- NCDOH successfully coordinated and held three Health Fairs this year. The Minority Health Fair was held during National Public Health Week, April 4-10, 2016 at Hofstra University. The Women, Infants and Children (WIC) Health Fair was held on August 16, 2016 at the Hempstead WIC clinic. Lastly, the annual Sports, Fitness and Health Expo was held at Eisenhower Park on

September 10, 2016. The goal of all Health Fairs was to increase awareness of public health issues and chronic disease prevention.

- Environmental Health in conjunction with the Information Technology department launched the online food manager training course registration and payment application.

- DOH is one of two county health departments with a representative formally appointed by the Governor's Office to the State Early Intervention Coordinating Council.

In the Process of Implementing

- DOH is working towards receiving Public Health Accreditation with the Public Health Accreditation Board (PHAB). This national initiative was launched in 2011 and is supported by the Centers for Disease Control and Prevention and New York State. NCDOH seeks to become one of the few "large" counties to become accredited.

- Environmental Health is working with the Information Technology department to accept registration and payment for licenses, permits and fines through the internet as well as implementing Tank Removal notification forms and payments through the internet.

The Nassau County Office of Housing and Community Development (OHCD) consists of three units. The Community Development Unit is the overall administrative agent for the Federal Community Development Block Grant Program (CDBG), HOME Investment Partnership Program and the Neighborhood Stabilization Program (NSP). The Housing and Homeless Services Unit administers the following U.S Department of Housing and Urban Development (HUD) grant programs: Homeless Prevention and Rapid Re-Housing Program (HPRP), Emergency Shelter Grant Program (ESG), Section 8 Housing Choice Voucher Program, (HCV) and Homeownership Program. The third unit is the Brownsfields Redevelopment Unit (BRU) which facilitates the redevelopment of brownsfields within Nassau County.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fed Aid-Reimb of Exp	$650,461	$283,379	$370,750	$370,750	$370,750	$0	0.0%	$0	0.0%
State Aid-Reimb of Exp	176,640	158,917	111,225	111,225	111,225	0	0.0%	0	0.0%
Total	**$827,101**	**$442,296**	**$481,975**	**$481,975**	**$481,975**	**$0**	**0.0%**	**$0**	**0.0%**

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%, (52.5% federal and 12.5% state), for the expenses incurred (primarily salary and fringe benefits). The reimbursement originates from the State and is passed through DSS to OHCD.
- Federal and state aid is based on the reimbursement rate for the expenses for the aforementioned program, which in FY 17 are $370,750 and $111,225, respectively.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	14	16	16	14	14	(2)	-12.5%	0	0.0%
Salaries	$1,230,558	$1,249,076	$972,076	$834,098	$839,590	($132,486)	-13.6%	$5,492	0.7%
Inter-Dept. Charges	143,399	6,984	0	0	0	0	*****	0	*****
Total	**$1,373,957**	**$1,256,060**	**$972,076**	**$834,098**	**$839,590**	**($132,486)**	**-13.6%**	**$5,492**	**0.7%**

Expenses

- The $16.1 million in HUD funding for the CDBG, HOME, and the Emergency Solutions Grant Program (ESG) programs 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 annual rent subsidies on behalf of Nassau County residents. This is also funded through the Grant Fund. In FY 17, the department estimates the administration of rent subsidies based on 2,850 clients.
- The FY 17 expenditure budget is decreasing by $132,486 when compared to the Adopted FY 16 Budget and going up by $5,492 in comparison to OLBR's FY 16 projection.
- Headcount levels in the FY 17 budget are remaining flat when comparing OLBR's FY 16 projection but going down by two budget to budget.
  - Positions that will be eliminated in 2017 include an Executive Assistant to Deputy County Executive, a Deputy Director, a Housing Inspector and a Housing Specialist. These positions will be offset by the addition of two Housing Case Managers.
- It should be noted that as of September 2016 there are 45 full-time housing employees whose salaries are funded by grants. For the same time in FY 15 there were 49.

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	9	9	9	8	8	(1)	-11.1%	0	0.0%
Part-Time and Seasonal	2	3	3	3	4	1	33.3%	1	33.3%
Salaries	$650,613	$819,493	$822,638	$797,304	$823,041	$403	0.0%	$25,737	3.2%
General Expenses	9,179	6,291	13,000	13,000	11,000	(2,000)	-15.4%	(2,000)	-15.4%
Contractual Services	0	0	12,000	12,000	12,000	0	0.0%	0	0.0%
Total	**$659,792**	**$825,784**	**$847,638**	**$822,304**	**$846,041**	**($1,597)**	**-0.2%**	**$23,737**	**2.9%**

Expenses

- The 2017 Proposed Budget decreased by $1,597, or 0.2%, compared to the FY 16 Adopted Budget. This is mainly due to a reduction in general expenses. Headcount decreased by one full-time but increases by one part-time in comparison to the FY 16 Adopted Budget.
- General expenses, specifically in miscellaneous supplies, are decreasing by $2,000, or 15.4%, in FY 17 when compared to both the FY 16 Adopted Budget and OLBR's projections.
- The Contractual services line is remaining consistent compared to both the FY 16 Adopted Budget and OLBR's projections. The funding is for various training programs run by the department.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$0	$89,848	$0	$0	$0	$0	*****	$0	*****

Revenues

- The rents and recoveries revenue line is not budgeted for, but rather contains disencumbered funds as they occur.
  - A total of $89,848 was recouped in FY 15.

The Commission on Human Rights was established on 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.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	8	7	7	7	7	0	0.0%	0	0.0%
Part-Time and Seasonal	0	0	1	0	1	0	0.0%	1	*****
Salaries	$544,711	$472,170	$531,285	$527,153	$540,233	$8,948	1.7%	$13,080	2.5%
General Expenses	1,365	2,024	5,450	5,450	5,450	0	0.0%	0	0.0%
Contractual Services	0	0	10,000	10,000	0	(10,000)	-100.0%	(10,000)	-100.0%
Total	**$546,076**	**$474,194**	**$546,735**	**$542,603**	**$545,683**	**($1,052)**	**-0.2%**	**$3,080**	**0.6%**

Expenses

- The proposed expense budget is decreasing minimally by $1,052, or 0.2%, compared to the FY 16 Adopted Budget.
- Salaries are increasing by $8,948, or 1.7% from the FY 16 budget.
  - An Assistant Director of the Commission on Human Rights was added while the Executive Director position was removed. A cost of living adjustment of 2.0% and step increases are scheduled for July and September 2017 respectively.
- The contractual services budget has been eliminated in FY 17. This line included funds for outside council.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	$0	$29	$0	$0	$0	$0	*****	$0	*****

Revenues

- The rents and recoveries revenue is not budgeted for, but rather contains disencumbered funds as they occur.

The Department of Human Services created in 2011 under Local Law # 4-11, consolidated 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 was intended to facilitate sharing and exchange of expertise, as well as 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.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	70	63	62	60	65	3	4.8%	5	8.3%
Part-Time and Seasonal	7	7	7	8	9	2	28.6%	1	12.5%
Salaries	$4,773,274	$4,725,102	$4,375,567	$4,477,571	$4,805,162	$429,595	9.8%	$327,591	7.3%
Equipment	0	2,062	23,962	23,962	19,000	(4,962)	-20.7%	(4,962)	-20.7%
General Expenses	1,034,443	847,074	1,049,864	1,049,864	1,025,134	(24,730)	-2.4%	(24,730)	-2.4%
Contractual Services	25,104,950	26,366,780	26,077,232	26,077,232	26,077,232	0	0.0%	0	0.0%
Inter-Dept. Charges	3,400,811	2,835,921	3,044,331	3,044,331	2,524,951	(519,380)	-17.1%	(519,380)	-17.1%
Total	**$34,313,478**	**$34,776,940**	**$34,570,956**	**$34,672,960**	**$34,451,479**	**($119,477)**	**-0.3%**	**($221,481)**	**-0.6%**

Expenses

- The FY 17 expense budget for the Department of Human Services is declining minimally by $119,447, or 0.3% budget to budget, and by $221,481, or 0.6% compared to the OLBR projection.
- Salaries are rising by $429,595, or 9.8% budget to budget, and growing 7.3% compared to OLBR's current projection. The increase in salaries is a result of increased headcount and the impact of the current labor agreement with the Civil Service Employees Association (CSEA) in the Proposed FY 17 Budget.
    - The CSEA agreement includes a 2.0% Cost of Living Increase (COLA) effective July 1, 2017 and a step increase on September 2017 for all eligible members.
- The full-time headcount for FY 17 is increasing by three positions budget to budget, and increases by five when compared to OLBR's projection. In addition, a part-time position has been included in the proposed budget.
- The general expenses are decreasing by $24,730 in FY 17 to $1.0 million. This is attributed to reductions mostly in miscellaneous supplies & expenses, referee expenses, traveling expenses, and minimal decreases in other general expenses, partially offset by an increase in court remands.

Expenses, Cont.

- Court remands are $927,964 or 90.5% of the general expense budget, which represents an increase of $27,964 for the Proposed FY 17 Budget. This growth is based on historical trends.

Court Remands

Court remands to Nassau NuHealth mandates individuals to receive a psychiatric evaluation as ordered by the Family Court. The Department bills the New York State 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. Family Court will remand individuals to NuHealth for inpatient psychiatric evaluations in instances when the court believes that the individual is a danger to themselves or others.

Criminal Courts and occasionally Family Court will remand an individual to NYS psychiatric facilities. NYS OMH bills Human Services at 50% of the net cost. Most court orders are for a minimum of 90 days although some are for a maximum of one year.

- Contractual services remain flat for the FY 17. The program funding for the Offices within Human Services are depicted in the charts on the following pages.
- Interdepartmental charges are allocated by the Office of Management and Budget (OMB). The budget for FY 17 is $2.5 million, a decrease of $519,380 that is primarily driven by the declines in telecommunication charges of $33,973 and building occupancy charges of $565,973 offset by increases in other interdepartmental charges.
  - The building occupancy decrease is due to the renegotiation of the building lease agreement for 60 Charles Lindbergh Boulevard.

Expenses, Cont.

Office of the Aging Contracts				
Contract / Vendor	Description of services	2016 Adopted Budget	2017 Proposed Budget	2017 Proposed vs. 2016 Adopted
Catholic Charities	CSE	623,402	623,402	0
Catholic Charities	EISEP	1,251,409	1,251,409	0
Catholic Charities	Title IIIC-1 & Title IIIE	661,457	661,457	0
Catholic Charities	Title IIIC-2	1,191,549	1,191,549	0
Cornell Cooperative	Title IIID - Medical Mgmt.	29,613	29,613	0
EAC Network	CSI	30,900	30,900	0
EAC Network	Title IIIB, Title IIIC-1 & Title IIID	677,337	677,337	0
EAC Network	Title IIIC-2	237,893	237,893	0
EAC Network	WIN (formerly SNAP)	936,736	960,736	24,000
EISEP Blanket	EISEP	3,228,064	3,204,064	(24,000)
Family & Children's Agency (FCA)	EISEP	977,353	977,353	0
Family & Children's Agency (FCA)	HEAP & SAFE	255,000	255,000	0
Family & Children's Agency (FCA)	Title IIIB Ombud, VII & LTCOP	149,725	149,725	0
Family & Children's Agency (FCA)	Title IIIC-1	211,121	211,121	0
Family & Children's Agency (FCA)	Title IIIB SFC & HIICAP	266,857	266,857	0
Friends in Service to Humanity (FISH)	CSE	13,499	13,499	0
Five Town	Title IIIC-1	124,923	124,923	0
Garden City Hotel	May Senior Conference & Luncheon	0	0	0
Glen Cove	Title IIIB, Title IIIC-1 & Title IIIE	361,272	361,272	0
Great Neck	Title IIIB & Title IIIC-1	243,669	243,669	0
Harmony	CSE	0	0	0
Herricks SC	CSE	81,648	81,648	0

Expenses, Cont.

Office of the Aging Contracts				
Contract / Vendor	**Description of services**	**2016 Adopted Budget**	**2017 Proposed Budget**	**2017 Proposed vs. 2016 Adopted**
Herricks SD	Title IIIC-1 & Title IIIE	174,998	174,998	0
Hispanic Brotherhood	Title IIIC-1	32,248	32,248	0
Human Service outside audit review	Audits for aging, mental health and chemical dependancy	80,000	80,000	0
JASA	EISEP	318,145	318,145	0
JASA	Long Beach	0	0	0
JASA	Title IIIC-2	340,078	340,078	0
JASA	N. Merrick	882,368	882,368	0
Long Island Alzheimer	Title IIIE	80,245	80,245	0
Life Enrichment	Title IIIB & Title IIIC-1	203,897	203,897	0
Milleridge	May Senior Conference & Luncheon	13,000	13,000	0
Nassau Suffolk Law	Title IIIB	237,953	237,953	0
New Horizon	Title IIIE & CSE	283,397	283,397	0
Peninsula Counseling Center	Title IIIE & CSE	0	0	0
Salvation Army	Title IIIB, Title IIIC-1 & Title IIIE	348,278	348,278	0
Salvation Army	WIN (formerly SNAP)	82,345	82,345	0
Sid Jacobson	Title IIIE	98,299	98,299	0
Senior Citizens of Westbury Inc.	Title IIIC-1	21,817	21,817	0
Visiting Nurse Assoc. of Long Island, Inc.	WIN (formerly SNAP)	0	0	0
Cornell Cooperative Ext.		0	0	0
Total		**14,750,495**	**14,750,495**	**0**

Expenses, Cont.

Office of Youth Services Contracts			
Contract / Vendor	**2016 Adopted Budget**	**2017 Proposed Budget**	**2016 Proposed vs. 2015 Adopted**
Advisory Council-(Mineola, New Hyde Park, Williston Park, Herricks)	0	0	0
Big Brothers / Sisters of LI	44,620	44,620	0
Circulo de la Hispanidad-(Long Beach)	169,566	169,566	0
City of Glen Cove Youth Bureau	70,887	70,887	0
Community Parent Center- (Bellmore, Merrick)	23,765	23,765	0
Community Wellness Council - (Bellmores/Merricks)	10,000	10,000	0
Concerned Citizens for Roslyn Youth	143,923	143,923	0
COPAY-(Great Neck)	26,675	26,675	0
EAC - Mediation Alternative Project	39,970	39,970	0
EOC of Nassau County	165,200	165,200	0
FCA Probation	357,490	357,490	0
FCA/Nassau Haven-(County wide)	391,320	391,320	0
FCA/PACT (Parents and Children Together)-(West Hempstead, Long Beach`	195,000	195,000	0
FCA/Walkabout for Young Men & Women-(County wide)	93,053	93,053	0
Five Towns Community Center	411,894	411,894	0
Floral Park Youth Council	14,550	14,550	0
Freeport Pride	383,630	383,630	0
Gateway Youth Outreach-(Elmont)	328,071	328,071	0
Glen Cove Boys/Girls Club	40,549	40,549	0
Hempstead Hispanic Civic Association-(North Hempstead)	32,770	32,770	0

Expenses, Cont.

Office of Youth Services Contracts			
Contract / Vendor	**2016 Adopted Budget**	**2017 Proposed Budget**	**2016 Proposed vs. 2015 Adopted**
Hicksville Teen-Age Council-(Hicksville)	156,861	156,861	0
Hispanic Brotherhood of Rockville Centre-(RVC)	87,383	87,383	0
Hispanic Counseling Center-(Hempstead)	162,970	162,970	0
La Fuerza Unida-(Glen Cove)	133,866	133,866	0
Littig House Community Center-(Port Washington)	165,751	165,751	0
Littig House Community Center-(Roosevelt)	270,000	270,000	0
Long Beach Martin Luther King Center-(Long Beach)	180,000	180,000	0
Long Beach REACH (Westbury/New Cassel)	241,602	241,602	0
Long Beach REACH combined-(LB)	401,140	401,140	0
Long Island Advocacy-(County wide)	107,027	107,027	0
Long Island Crisis Center RHY	122,020	122,020	0
Manhasset / Great Neck E.O.C.	98,386	98,386	0
North Shore Boys and Girls Club-(Glen Head)	20,000	20,000	0
Resource Direct - NYS YS entry system	13,000	13,000	0
RFP's non service areas	250,000	250,000	0
STRONG Youth-(Uniondale, Roosevelt, Hempstead)	218,250	218,250	0
Tempo Youth Services	30,875	30,875	0
The Safe Center	57,535	57,535	0
Time Out Club of Hempstead-(South Hempstead)	176,540	176,540	0
Uniondale Community Counseling Center	163,682	163,682	0
YES Community Counseling Center-(Massapequa, Plainview, Plainedge)	397,455	397,455	0
Youth & Family Counseling-(Oyster Bay/East Norwich)	69,840	69,840	0
Total	**6,467,116**	**6,467,116**	**0**

Expenses, Cont.

Office of Mental Health, Chemical Dependency and Development Disabilities Contracts			
Contract / Vendor	**2016 Adopted Budget**	**2017 Proposed Budget**	**2016 Proposed vs. 2015 Adopted**
Angelo Mellilo Center for Mental Health	50,000	50,000	0
Assoc. for Children with Learning Disabilities	53,582	53,582	0
Assoc. for the Help for Retarded Children	675,632	675,632	0
Catholic Charities	50,000	50,000	0
Central Nassau Guidance	50,000	50,000	0
Community Counseling of W. Nassau	0	0	0
Family & Children's Association	553,974	553,974	0
Federation Employment Guidance Services (FEGS.)	50,000	50,000	0
FEGS Mental Hygiene Court	0	0	0
Hispanic Counseling	0	0	0
Hispanic Counseling Center	50,000	50,000	0
Long Beach Reach	0	0	0
Long Beach School District	50,000	50,000	0
Long Island Crisis Center	187,000	187,000	0
Long Island Jewish Medical Center	0	0	0
Maryhaven Center of Hope	109,620	109,620	0
Mental Health Association of Nassau County	303,810	303,810	0

Expenses, Cont.

Office of Mental Health, Chemical Dependency and Development Disabilities Contracts			
Contract / Vendor	**2016 Adopted Budget**	**2017 Proposed Budget**	**2016 Proposed vs. 2015 Adopted**
Mercy Medical Center	0	0	0
Nassau Health Care Corporation	818,357	818,357	0
North Shore Child & Family Guidance	828,520	828,520	0
North Shore Child & Family Guidance Center	50,000	50,000	0
North Shore Child & Family Guidance Ctr.	0	0	0
Peninsula Counseling	0	0	0
South Shore Child Guidance	50,000	50,000	0
Southeast Nassau Guidance Center	0	0	0
South Shore Child Guidance Association	0	0	0
Tempo Group	0	0	0
The Rehabilitation Institute	50,000	50,000	0
United Cerebral Palsy of Assoc. of Nassau County	84,586	84,586	0
Subtotal	4,065,081	4,065,081	0
Court Remands Family Court (NHCC)	350,000	350,000	0
Medical /Psychiatric Services	444,540	444,540	0
Total Mental Health	**4,859,621**	**4,859,621**	**0**
Grand Total for Department of Human Services Contracts	**26,077,232**	**26,077,232**	**0**

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Fines & Forfeits	$18,539	$18,877	$40,000	$19,000	$19,000	($21,000)	-52.5%	$0	0.0%
Rents & Recoveries	1,165,299	427,408	28,941	28,941	38,941	10,000	34.6%	10,000	34.6%
Dept Revenues	0	15	0	0	0	0	*****	0	*****
Interdept Revenues	258,393	0	100,000	100,000	100,000	0	0.0%	0	0.0%
Interfund Charges Rev	145,000	100,000	100,000	100,000	100,000	0	0.0%	0	0.0%
Fed Aid-Reimb of Exp	5,604,472	4,502,571	5,377,911	5,377,911	5,070,954	(306,957)	-5.7%	(306,957)	-5.7%
State Aid-Reimb of Exp	10,176,664	10,716,905	10,114,824	10,114,824	9,909,719	(205,105)	-2.0%	(205,105)	-2.0%
Total	**$17,368,366**	**$15,765,776**	**$15,761,676**	**$15,740,676**	**$15,238,614**	**($523,062)**	**-3.3%**	**($502,062)**	**-3.2%**

Revenue

- The proposed FY 17 revenue budget of $15.2 million is decreasing by $523,062 or 3.3% compared to the prior year budget mainly due to the reduction of state and federal aid.
- Fines and forfeits for FY 17 is $19,000 a decrease of $21,000 budget to budget and flat when compared to OLBR's projection, which is based on historical trends. This revenue represents the department's handicapped parking fine surcharge.
- The Proposed FY 17 Budget allocates $38,941 for lost and abandoned property within rents and recoveries. This is an increase of $10,000 compared to the prior year.
- The interdepartmental revenue for FY 17 remains constant at $100,000. It represents the referral of services from the Office of the Aging to the Department of Social Services (DSS). The department receives funding from DSS for Title XX (Social Security Block Grant).
- The Administration has allocated $100,000 for interfund revenue, which is flat for the Proposed FY 17 Budget. This revenue is related to grant fund transfers for Chemical Dependency Court Services.
- The federal and state aid budgets for FY 17 are declining by $306,957 and $205,105 respectively. It is the department's position that the decrease in state and federal aid is due to reduced grant fund reimbursements received from New York State Office for the Aging.
- The following text boxes exhibit the key programs that are sponsored by state funding.

Funding Sources

Office of Mental Health, Chemical Dependency and Developmental Disabilities Services (OMHCDDS)

The Office of Mental Health, Chemical Dependency and Developmental Disabilities functions as the Local Government Unit under the provisions described in Article 41 of New York State Mental Hygiene Law. The Office has the local responsibility for the comprehensively planned care, treatment and rehabilitation of individuals diagnosed with mental illness, chemical dependency, and developmental disabilities.

The Office is also responsible for the development of a coordinated system of services that enables those with a mental illness, chemical dependency or developmental disability to maximize their functioning to live safely and successfully in the community. We are dedicated to ensuring the highest quality of behavioral health services in an environment that recognizes and accommodates the diversity of its clients' linguistic and cultural background. The Office establishes and maintains systems of accountability among community based service providers and local hospitals to insure that performance objectives are met, resources are appropriately allocated, services are coordinated, and access is available to all residents.

Resources are targeted to individuals who meet the NYS criteria for serious mental illness, substance use disorder or developmental disability.

Source: Department of Human Services

Office of the Aging (OFA)

The office receives State and Federal funding from the New York State Office for the Aging (NYSOFA) based on formulas that reflect the senior population in the county. The funding is allocated to nonprofit agencies in Nassau County to provide direct person-centered services to seniors in order to support them in remaining active and productive in their community and living at home with dignity for as long as possible. These services include senior centers, congregate meals, home delivered meals, disease prevention and health promotion, case management, in home services, adult social day programs and caregiver services; along with other support services.

In addition, the office is funded to provide information and assistance services through our helpline to assist older adults.

Funding Sources

Office of Youth Services (OYS)

The Youth Development Program (YDP) is a NYS Office of Children and Family Services (OCFS) 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 YDP leverages significant contributions from other sources. The 2017 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 "notwithstanding clause" gives the State the ability to change the rate of the allocation from year to year. The County can expect 100% reimbursement on this funding.

Source: Department of Human Services

Office of Youth Services (OYS)

The Runaway and Homeless Youth Act (RHYA) provides 60% state aid reimbursement to Nassau County shelters and programs for runaway and homeless youth. The 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.

Source: Department of Human Services

Office for the Physically Challenged (OPC)

The Office for the Physically Challenged (OPC) functions as a service provider and advocacy body on behalf of the nearly 250,000 functionally disabled individuals in Nassau County.

Key duties of the office include, 1) Administration of the NYS Accessible Parking Permit Program 2) Coordination of the Handicapped Parking- Volunteer Enforcement Program 3) Educational out-reach to schools, community groups, Chambers of Commerce, local government and service organizations; 4) Participation in a variety of regional advisory boards and committees, including transportation, design standards, education, employment, housing and ADA enforcement.

Source: Department of Human Services

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	77	83	81	84	88	7	8.6%	4	4.8%
Part-Time and Seasonal	1	1	3	1	1	(2)	-66.7%	0	0.0%
Salaries	$6,943,217	$7,549,910	$7,537,588	$7,592,133	$7,626,153	$88,565	1.2%	$34,020	0.4%
Fringe Benefits	0	(336,246)	0	0	0	0	*****	0	*****
General Expenses	240,235	345,251	441,200	441,200	442,200	1,000	0.2%	1,000	0.2%
Contractual Services	8,751,663	9,440,218	10,192,315	10,192,315	14,415,465	4,223,150	41.4%	4,223,150	41.4%
Utility Costs	4,100,625	3,914,444	3,956,210	3,656,210	4,004,170	47,960	1.2%	347,960	9.5%
Total	**$20,035,739**	**$20,913,577**	**$22,127,313**	**$21,881,858**	**$26,487,988**	**$4,360,675**	**19.7%**	**$4,606,130**	**21.0%**

Expenses

- Expenses in the Proposed FY 17 Budget are up 19.7%, or $4.4 million, from the budget adopted for FY 16. Proposed expenses are 21.0%, or $4.6 million, above OLBR's latest projection. Almost all of the expense growth in Information Technology (IT) is tied to the $4.2 million increase in the contractual services budget. The FY 17 proposal consolidates a number of software and systems maintenance contracts from other County agencies into IT. Slight increases in salaries, general expenses, and utilities account for the remaining budgetary growth.
- Proposed salary expenses are up 1.2%, or $88,565, over the budget adopted for FY 16. Compared to OLBR's projection, proposed salary expenses are up only 0.4%, or $34,020. There are several factors behind the salary growth budget to budget. The following is a list of highlights:
  - A 2.0% cost of living adjustment (COLA) effective July 1, 2017 and a step increase on September 1, 2017 for all Civil Service Employees Association (CSEA) members.
  - Additional staff, including the incorporation of several employees who are onboard but not accounted for in the FY 16 budget. For example, the proposal funds 12 Local Area Network and Personal Computer Aide IIs, seven more than in the FY 16 budget and three more than currently onboard. Proposed headcount is seven above the Adopted FY 16 Budget and four more than the current headcount.
- Mitigating the growth in proposed salaries are:
  - Reductions of $234,500 and $134,624 in overtime and terminal leave respectively.
  - The elimination of several higher salaried positions, such as the Temporary Technical Developer position at $175,000 and the IT Training Coordinator at $130,749.

Expenses, cont.

- Increase of the capital backcharge for straight time salaries from $1.2 million in FY 16 to $1.7 million in the proposed budget.

➢ IT will earn the abovementioned $1.7 million salary credit in FY 17 for work on the capital projects listed in the chart below.

Project Name	Number
Enterprise Resource Planning (ERP)	97109
E-Gov	97103
Infrastructure	97119

➢ Proposed utility costs are up 1.2%, or $47,960, over the Adopted FY 16 Budget. A $103,170 increase to the telephone utility cost is offset in part by a $55,210 reduction in the cellular phone budget. The proposal is 9.5%, or $347,960, more than the latest projection. According to the department, the County realized about $300,000 in FY 16 savings as it transitioned from landlines to voice over internet protocol (VOIP). In FY 17, the department has reserved these savings, as it expects the growing demand from County agencies for mobile phones and devices to offset savings borne from VOIP.

➢ Proposed general expenses are up 0.2% when compared not only to the Adopted FY 16 Budget but also to the latest projection. Increases in travel, IT, and miscellaneous supplies and expenses are almost completely offset by a $50,000 cut to the budget for GPC parts, materials, and supplies.

➢ The proposed contractual services budget is up 41.4%, from $10.2 million in FY 16 to $14.4 million in FY 17. IT absorbed a number of software and systems maintenance contracts from other County departments as part of the countywide software consolidation initiative. The consolidation effort is one of the key factors in the budget to budget contract growth. According to the department, the consolidation initiative will reduce possible contract duplication and allow the County to run more efficiently.

- The County must also renew its Microsoft licenses in FY 17, the other major budget to budget growth factor at $1.4 million.

➢ The table on the next page illustrates actual contractual services costs in FY 15, the Adopted FY 16 Budget, and the proposed contractual services budget. Expense growth connected to the consolidation initiative is seen in the budget to budget growth in software and systems & programming lines. This growth is offset in part by a $1.5 million reduction in the miscellaneous contractual services budget.

Expenses, cont.

Contractual Services					
	FY 15 Actual	FY 16 Adopted	FY 17 Proposed	Proposed vs. Adopted	%
Miscellaneous Contruactual Services	$1,341,292	$1,720,500	$228,000	($1,492,500)	-86.7%
Software Contracts	7,364,740	6,911,815	10,932,465	4,020,650	58.2%
Systems & Programming	734,186	1,560,000	3,255,000	1,695,000	108.7%
General Fund	9,440,218	10,192,315	14,415,465	4,223,150	41.4%
Total transferred to Technology Fund	1,798,474	0	0	0	0.0%
All Funds	**$11,238,692**	**$10,192,315**	**$14,415,465**	**$4,223,150**	**41.4%**

Revenues

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	**2014**	**2015**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Rents & Recoveries	$121,365	$0	$0	$545,085	$0	$0	*****	($545,085)	-100.0%
Dept Revenues	379	49,304	0	466	0	0	*****	(466)	-100.0%
Cap Backcharges	0	289,377	0	0	0	0	*****	0	*****
Interdept Revenues	4,763,298	6,563,788	8,363,595	8,363,595	8,654,207	290,612	3.5%	290,612	3.5%
Interfund Charges Rev	210,478	224,160	167,012	167,012	179,038	12,026	7.2%	12,026	7.2%
Total	**$5,095,519**	**$7,126,630**	**$8,530,607**	**$9,076,158**	**$8,833,245**	**$302,638**	**3.5%**	**($242,913)**	**-2.7%**

- Revenue in the Proposed FY 17 Budget increases 3.5%, or $0.3 million from $8.5 million in FY 16 to $8.8 million in FY 17. Revenue in the proposed budget is about $0.2 million, or 2.7%, lower than the latest projection.
  - The primary reason for the variance between the projection and the proposal is that the department does not expect to recover any disencumbrances in FY 17. Year to date, the department has recovered about $0.5 million in liquidations, as can be seen on the rents & recoveries line.
- Proposed interdepartmental charges are up 3.5%, or $0.3 million, from roughly $8.4 million in FY 16 to $8.7 million in FY 17.
  - IT classifies each cost it incurs as a direct or an indirect charge. Direct charges are allocated to specific departments to account for IT's cost of delivering a specific service or product (e.g. iPad, employee labor, software maintenance, etc.). Indirect charges are distributed amongst County agencies and departments for basic IT services the department renders. These charges are based on a number of factors, such as the number of employees in a department and the number of help desk tickets processed in a given time period.
  - The department stated that the contract consolidation initiative will allow it to issue more interdepartmental charges in FY 17.
- Interfund charges are up 7.2%, or $12,026, compared not only to the FY 16 budget but also the latest projection.

The Commissioner of Investigations shall have power to examine the financial and other records of the Comptroller and Treasurer and to make such other examinations as he or she may deem to be for the best interest of the county, of the accounts, methods and activities of each department, institution, office or agency of the county and of the towns and special districts, except only the County Legislature and Office of Legislative Budget Review, and to report to the County Executive the findings thereon.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	0	0	0	1	3	3	*****	2	200.0%
Salaries	$0	$0	$0	$104,483	$228,835	$228,835	*****	$124,352	119.0%
General Expenses	0	0	500	500	11,300	10,800	2160.0%	10,800	2160.0%
Contractual Services	0	0	5,000	5,000	50,000	45,000	900.0%	45,000	900.0%
Total	**$0**	**$0**	**$5,500**	**$109,983**	**$290,135**	**$284,635**	**5175.2%**	**$180,152**	**163.8%**

Expenses

- The total FY 17 Proposed expense budget for the office increased by $284,635 compared to the FY 16 Adopted Budget and by $180,152 as compared to the FY 16 projection.
- Salaries for the proposed budget are set at $228,835. In June 2016, $110,000 was transferred from the County Attorney's Office to cover salaries for two positions, the Commissioner of Investigations and an Assistant. The projection of $104,483 would be sufficient to cover partial year expenses for these positions.
  - Historically, the headcount has fluctuated from one full-timer in FY 02 to as many as five employees in FY 07. From FY 11 to FY 15 the responsibilities of the department were consolidated into other departments. The Director of Human Resources held the dual role in FY 11 and FY 12 while the County Attorney filled this function from FY 13 to earlier this year.
    - A newly hired Commissioner started in June 2016.
  - The Proposed FY 17 budget funds three positions, a Field Auditor I, a Confidential Assistant and the Commissioner of Investigations. The department has also indicated the need for an additional Field Auditor I and an Attorney. Those positions were not included in the Proposed FY 17 Budget.
- General expenses for the proposed budget are set at $11,300 and are for office supplies, educational & training supplies, postage and traveling expenses. The FY 16 budget was for office supplies.
- The FY 17 Proposed Budget for contractual services of $50,000 is for miscellaneous contractual services. This will provide for professional and technical expertise as well as various internet programs and services.

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 laws and assisting with labor management issues.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	5	4	5	4	4	(1)	-20.0%	0	0.0%
Part-Time and Seasonal	1	0	0	0	0	0	*****	0	*****
Salaries	$321,850	$356,132	$389,696	$356,869	$347,222	($42,474)	-10.9%	($9,647)	-2.7%
General Expenses	0	662	5,100	5,100	4,100	(1,000)	-19.6%	(1,000)	-19.6%
Contractual Services	333,050	436,150	400,000	400,000	400,000	0	0.0%	0	0.0%
Total	**$654,900**	**$792,944**	**$794,796**	**$761,969**	**$751,322**	**($43,474)**	**-5.5%**	**($10,647)**	**-1.4%**

Expenses

- The total FY 17 Proposed expense Budget for the Office of Labor Relations is decreasing by $43,474, or 5.5%, compared to the FY 16 Adopted Budget, mostly due to salaries, and a minimal decline in general expenses.
- Salaries are decreasing due to one full-time position and a small reduction in terminal leave. The salary decline would be greater, but is being offset with a 3.5% salary increase for budgeted Ordinance employees.
- The FY 17 full-time headcount is decreasing by one, due to the elimination of the vacant Assistant to the Director position.
- The FY 17 general expense budget of $4,100 represents a decrease of $1,000 compared to FY 16, due to a decline in copy paper and office supplies. The budget also includes funding for education and training, and miscellaneous expenses.
- The FY 17 contractual services expense budget remains flat at $400,000 for miscellaneous contractual services. These expenses include costs for arbitrator fees, court reporting and outside counsel.

Revenues

- In FY 15, approximately $17,979 in revenue was realized from prior year recoveries. There is no budget for revenue in FY 16 or FY 17.

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	85	85	92	86	95	3	3.3%	9	10.5%
Part-Time and Seasonal	39	34	25	37	28	3	12.0%	(9)	-24.3%
Salaries	$5,433,101	$5,673,620	$6,346,848	$5,892,221	$6,945,796	$598,948	9.4%	$1,053,575	17.9%
Equipment	44,620	43,421	55,510	55,510	66,560	11,050	19.9%	11,050	19.9%
General Expenses	2,099,051	2,273,892	1,681,866	1,686,866	1,698,022	16,156	1.0%	11,156	0.7%
Contractual Services	805,000	805,000	1,008,154	1,008,154	1,007,000	(1,154)	-0.1%	(1,154)	-0.1%
Total	**$8,381,772**	**$8,795,933**	**$9,092,378**	**$8,642,751**	**$9,717,378**	**$625,000**	**6.9%**	**$1,074,627**	**12.4%**

Expenses

- The FY 17 total expenditures are increasing by $625,000, or 6.9% compared to the FY 16 Adopted budget.
- In FY 17, salaries are increasing by $598,948, or 9.4%, compared to the FY 16 Adopted Budget. The proposed budget includes three additional positions and other adjustments. The Legislature has historically returned surpluses to the operating fund and should vacant positions remain unfilled, a surplus will be returned to the General Fund.
  - When comparing the FY 16 projected salary to the current year adopted budget, there is a projected salary surplus of $454,627 due to vacancies, that surplus will be returned to the operating funds.
- The FY 17 Proposed Budget of 95 full-time positions is an increase of three compared to the FY 16 Adopted Budget.
- The FY 17 Proposed Budget of 28 part-time and seasonal positions is an increase of three compared to the FY 16 Adopted Budget, but a decrease of nine compared to the FY 16 projection.
- A big portion, $790,000 or 78.5%, of the contractual service budget is in the Legislative Clerk's Office. Contractual services within that Office include the costs for stenographic recording, mail services and the production of the Legislature's journal of proceedings.

Revenues

- In FY 14, there was an actual of $332,006 in rents and recoveries, the bulk of which resulted from dis-encumbrances of contracts and purchase orders within the Legislative Clerk's Office.

Expenditures

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	24	26	26	26	26	0	0.0%	0	0.0%
Part-Time and Seasonal	5	2	5	1	2	(3)	-60.0%	1	100.0%
Salaries	4,108,034	3,777,316	5,284,440	3,183,987	4,492,052	(792,388)	-15.0%	1,308,065	41.1%
Fringe Benefits	23,104,118	23,045,676	25,272,304	24,759,147	25,321,272	48,968	0.2%	562,125	2.3%
Workers Compensation	6,647,358	7,752,361	8,610,155	8,610,155	8,447,944	(162,211)	-1.9%	(162,211)	-1.9%
Equipment	0	0	5,000	5,000	5,000	0	0.0%	0	0.0%
General Expenses	64,810	73,387	114,105	114,105	114,505	400	0.4%	400	0.4%
Contractual Services	2,055,080	2,124,986	2,765,927	2,615,927	2,765,927	0	0.0%	150,000	5.7%
Local Govt Asst Prog.	65,321,196	66,494,098	66,997,479	66,997,479	68,399,582	1,402,103	2.1%	1,402,103	2.1%
Debt Svc. Chargebacks	274,280,868	280,481,543	306,178,306	284,224,658	317,202,066	11,023,760	3.6%	32,977,408	11.6%
Inter-Dept. Charges	6,485,800	5,249,103	3,580,566	3,580,566	3,616,556	35,990	1.0%	35,990	1.0%
Interfund Charges	15,690,559	23,925,278	25,712,807	25,712,807	27,484,271	1,771,464	6.9%	1,771,464	6.9%
Contingencies Reserve	160,769	(179,153)	0	0	0	0	*****	0	*****
NCIFA Expenditures	1,550,000	1,550,000	1,950,000	1,950,000	2,000,000	50,000	2.6%	50,000	2.6%
NHC Assn Exp	13,000,000	0	0	0	0	0	*****	0	*****
Transfer To PDH (Suits & Damages)	11,250,000	0	4,499,997	4,499,997	0	(4,499,997)	-100.0%	(4,499,997)	-100.0%
Other Expense	29,523,115	34,733,398	35,170,876	25,070,876	36,237,376	1,066,500	3.0%	11,166,500	44.5%
Total	**$453,241,706**	**$449,027,992**	**$486,141,962**	**$451,324,704**	**$496,086,551**	**$9,944,589**	**2.0%**	**$44,761,847**	**9.9%**
Savings from Initiative	0	0	(9,230,000)	0	(1,864,504)	7,365,496	-79.8%	(1,864,504)	*****
Consolidated Total	**$453,241,706**	**$449,027,992**	**$476,911,962**	**$451,324,704**	**$494,222,047**	**$17,310,085**	**3.6%**	**$42,897,343**	**9.5%**

Expenses

- Total expenses for the department are increasing by $17.3 million or 3.6% from the FY 16 Adopted Budget level; compared to the current projection total expenses are growing $42.9 million or 9.5%.
- The largest budget to budget increase is on the debt service chargeback line which is a function of greater principal and interest costs.
- The FY 17 Proposed Budget includes $317.2 million of debt service chargebacks, an $11.0 million increase compared to the FY 16 Adopted Budget. The increase reflects projected amortization and debt service expenses related to forecasted new borrowings.

Expenses, Cont.

- According to the Administration, FY 16 debt service chargeback expenses are projected to be under budget by $22.0 million due to excess bond premium revenues offsetting the need to chargeback as much of the expense.
- The department's fringe benefits line reflects costs related only to retired NHCC employees. The expense is projected to increase by roughly $0.6 million from the FY 16 projection. The budget includes an 7.0% premium increase.
- The FY 17 proposed headcount, excluding the savings from initiative, shows a decrease of three part-time employees from the FY 16 budget while full-time headcount remains flat. As compared to the OLBR projection, the FY 17 proposed headcount is increasing by one part-time employee.
- Excluding the savings from initiative, FY 17 salaries are $4.5 million, down $0.8 million from the FY 16 Adopted Budget. The decrease is a function of fewer budgeted part-time employees and the elimination of the FY 16 IPBA adjustment.
- Total Budget Office salary expenses incorporate County-wide attrition coded as savings from initiative, which are shown below the line in the chart on the prior page. In FY 17, this figure represents the anticipated attrition of employees throughout the County along with the corresponding $1.9 million in budgeted attrition savings. These figures are centrally located in the Budget Office as it is not known where the separations will occur.
- The Proposed FY 17 workers' compensation County-wide budget is increasing $4.0 million from the FY 16 Adopted Budget. Except for the Police Department, Corrections, Community College and Public Works which maintain their own portion of workers' compensation within their respective budgets, all other workers' compensation costs are accounted for in OMB's budget.
- 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. The table on the next page displays the breakout by municipality.
  - In FY 17, local government assistance (LGA) for the three towns and the two cities are budgeted to receive an overall increase of 2.1% compared to the FY 16 Adopted Budget. The Town and City allotments are based upon their populations. The Village payments are unchanged at the FY 16 level. LGA is a function of sales tax collections, the County has to pay out 1/17th of its sales tax collections to the towns and cities located within Nassau County.

Expenses, Cont.

Local Government Assistance Program				
Municipality	2015 Actual	2016 Adopted	2017 Proposed	2017 vs. 2016
Town of Hempstead	36,986,661	37,081,578	37,872,365	2.1%
Town of Oyster Bay	14,258,755	14,924,678	15,242,955	2.1%
Town of North Hempstead	11,047,131	10,782,587	11,012,531	2.1%
City of Long Beach	1,624,375	1,709,434	1,745,889	2.1%
City of Glen Cove	1,327,172	1,249,202	1,275,842	2.1%
Incorporated Villages	1,250,004	1,250,000	1,250,000	0.0%
Total	66,494,098	66,997,479	68,399,582	2.1%

- FY 17 Proposed Budget equipment, general expenses and contractual services expenses are basically unchanged from the FY 16 Adopted Budget.
- Budget Office contractual services expenses cover payments for miscellaneous contractual services and financial contractual services.
- Overall FY 17 Proposed Budget other expenses are increasing $1.1 million from the FY 16 Adopted level. The chart on the following page details these expenses.

Expenses, Cont.

Other Expenses - OO				
Expense	2015 Actual	2016 Adopted	2017 Exec. Budget	17 Exec. Vs. 16 Adptd.
HIPPA Payments	$0	$25,000	$25,000	$0
Insurance On Bldngs	346,868	346,868	346,868	0
Legal Aid Society	6,360,976	6,520,000	6,685,000	165,000
Bar Assn NC Pub Def	7,381,521	7,300,000	7,300,000	0
Resident Tuition	3,575,964	2,500,000	3,500,000	1,000,000
FIT Resident Tuition	8,010,004	8,200,000	8,200,000	0
Long Beach Payment	106,233	106,233	106,233	0
Lido-Pt. Lookout Fire District	5,775	5,775	5,775	0
NYS Assn Counties	64,128	67,000	68,500	1,500
Other Suits & Damages	8,881,929	0	0	0
Contingency Reserve	0	10,100,000	10,000,000	(100,000)
Total	**$34,733,398**	**$35,170,876**	**$36,237,376**	**$1,066,500**

- The increase is primarily a function of higher resident tuition expenses. The FY 17 allocation is in line with FY 15 actual.

- These expenses will be completely offset by billing back the local town and cities. The reimbursements show up on the revenue offset to expense line.
- The highest dollar item in this category is the $10.0 million contingency reserve. This FY 17 Proposed contingency reserve is basically unchanged at the FY 16 Adopted Level.
- OLBR is currently projecting that the County will use its entire reserve in FY 16 and that is the primary reason for the $11.2 million difference between the FY 17 Proposed Budget and the FY 16 projection.
- Legal Aid Society and Bar Association expenses are contractually set.
- The other suits and damages line elimination reflects a transfer of the expense appropriation to the Litigation Fund in FY 16.

Revenues

- Total FY 17 revenues are budgeted to increase by $22.4 million or 1.7% from the FY 16 Adopted level. The increase is the net of a $10.0 million fund balance increase, a $28.9 million decrease in sales tax collections, a $58.9 million increase in the General Fund property tax allotment, and a $6.8 million increase in interdepartmental and interfund revenues. Offsetting the increases are a $35.5 million decline in rents & recoveries, a $34.5 million decrease in General Fund payments in lieu of taxes (PILOT) appropriations, and a $12.0 million fall in OTB profit revenues.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	$10,000,000	$10,000,000	$0	$3,000,000	$10,000,000	$10,000,000	*****	$7,000,000	233.3%
Fines & Forfeits	1,316,018	898,080	1,215,000	950,000	900,000	(315,000)	-25.9%	(50,000)	-5.3%
Rents & Recoveries	2,363,802	1,997,264	41,020,224	30,631,050	5,500,500	(35,519,724)	-86.6%	(25,130,550)	-82.0%
Rev Offset To Expense	12,455,247	13,308,026	12,800,000	12,800,000	13,841,790	1,041,790	8.1%	1,041,790	8.1%
Dept Revenues	620,000	620,000	620,000	620,000	620,000	0	0.0%	0	0.0%
Interdept Revenues	48,219,875	46,746,940	48,350,532	48,350,532	51,599,945	3,249,413	6.7%	3,249,413	6.7%
Pymnt In Lieu of Taxes	10,006,156	12,305,280	50,777,307	14,534,111	16,246,085	(34,531,222)	-68.0%	1,711,974	11.8%
Interfund Charges Rev	30,964,681	48,126,847	37,342,198	37,342,198	40,883,256	3,541,058	9.5%	3,541,058	9.5%
Fed Aid-Reimb of Exp	16,074	92,400	92,400	92,400	92,400	0	0.0%	0	0.0%
Interfund Transfers	11,048,242	1,604,822	0	0	0	0	*****	0	*****
State Aid-Reimb of Exp	652,717	288,945	1,732,200	242,200	732,200	(1,000,000)	-57.7%	490,000	202.3%
Sales Tax Countywide	1,006,373,287	1,015,752,450	1,031,778,623	1,031,778,623	1,054,394,190	22,615,567	2.2%	22,615,567	2.2%
Sales Tax Part County	88,819,612	90,048,482	81,809,065	81,809,065	88,097,286	6,288,221	7.7%	6,288,221	7.7%
Property Tax	77,801,511	106,218,917	30,502,492	68,554,457	89,413,427	58,910,935	193.1%	20,858,970	30.4%
OTB 5% Tax	2,922,710	2,770,742	2,385,331	2,385,331	2,511,262	125,931	5.3%	125,931	5.3%
OTB Profits	0	0	15,000,000	0	3,000,000	(12,000,000)	-80.0%	3,000,000	*****
Total	**$1,303,579,930**	**$1,350,779,194**	**$1,355,425,372**	**$1,333,089,967**	**$1,377,832,341**	**$22,406,969**	**1.7%**	**$44,742,374**	**3.4%**

- The FY 17 Proposed Budget includes $10.0 million in fund balance usage. The FY 16 Adopted Budget did not envision any fund balance usage; the $3.0 million projected FY 16 fund balance usage is to cover additional NICE Bus contractual expenses.
- The FY 17 Proposed fine and forfeits line is aligned with the FY 16 projection. This line includes revenues for forfeited bail and other fines.

Revenues, Cont.

- The budget to budget $35.5 million decline in rents & recoveries is a result of not budgeting on $7.5 million in FIT prior year recoveries, the depletion of $17.9 million in tobacco settlement revenues and a $10.6 million drop in prior year recoveries.
- The FY 17 revenue offset to expense is increasing roughly $1.0 million compared to the FY 16 level. The increase is due to higher Community College Reimbursement revenues. The County bills back its resident tuition cost to the local town and cities. Also included on this line is the $2.1 million in revenues collected for the flexible benefits program. There is an equal expense line for reimbursements to employees.
- The proposed FY 17 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.
- Inter-fund revenues are used to budget reimbursement for Major Operating Funds that provide services to non-Major Operating Fund entities. These include services provided to the Grant, Community College, Capital, and Sewer and Storm Water Resource District funds. The FY 17 Proposed Budget includes a total of $40.8 million, an increase of $3.5 million from the FY 16 Adopted level.
  - The FY 17 inter-fund revenue line increase is a function of a new Nassau Community College (NCC) debt reimbursement appropriation of $2.5 million; in support of NCC's recent voluntary separation incentive program (VSIP).
  - The County guaranteed debt for both the Nassau Health Care Corporation (NHCC) and Nassau OTB. This line is where the County shows the reimbursement of the County debt expense. The NHCC debt is increasing $1.7 million to $25.8 million and OTB's debt is declining $1,820 to $1.7 million.
- The FY 17 Proposed Budget has Interdepartmental revenue increasing by $3.2 million compared to the FY 16 Adopted Budget. These revenues represent the allocation of indirect administrative charges incurred by one department on behalf of another department within the Major Operating Funds. Some of the departments being charged back include Police Headquarters, Police District, Public Works (General Fund) and the Department of Social Services (DSS).
- Compared to The FY 16 Adopted Budget, The FY 17 Proposed General Fund property tax levy is increasing by $58.9 million. The increase represents a reallocation of property tax revenues between funds. For more discussion of the FY 17 property tax, see the Executive Summary.
- The Payment in Lieu of Taxes (PILOT) line represents the revenues associated with PILOT agreements. The FY 17 PILOT line is decreasing by $34.5 million compared to the FY 16 Adopted Budget, but is more in line with the FY 16 projection.
- In FY 16 the County changed PSEG from being a property tax payer to a PILOT payer so that its payment could be capped at a 2.0% growth rate annually; that is the reason for the increase between the FY 15 actual and the FY 16 Adopted PILOT budget. The County then reallocated the PSEG PILOT payment from solely being appropriated in the general fund to be appropriated to all funds. Hence, the $34.5 million FY 17 budget to budget decrease is the result of re-appropriating the PSEG PILOT payment to all funds.

Revenues, Cont.

- FY 17 state aid reimbursement is declining $1.0 million from the FY 16 level. The FY 16 Adopted Budget included $1.5 million from the legalization of medical marijuana; the FY 17 Proposed Budget has $500,000 from this revenue source. The state aid line also covers reimbursement for indigent legal services at the Legal Aid Society.
- Total FY 17 sales tax revenues are increasing by $28.9 million from the FY 16 Adopted Budget. The budget is based upon, current year sales tax collections exceeding budget by $7.9 million and then growing by 1.4%.
  - Excluding the deferred piece, FY 17 sales tax revenues are increasing 1.4% from the Administration's FY 16 projection.
  - OLBR is currently projecting FY 16 sales tax collections to reach budget and have included $7.9 million as a FY 17 risk. For a more detailed analysis, see the Sales Tax section in the Executive Summary.
- Nassau County derives two revenue streams from horseback racing. These revenue sources are entitled OTB Profits and OTB 5% Tax (Surcharge).
  - OTB profit collections are composed of the net profits generated by the Nassau Regional OTB. The County has not received any OTB profit revenues since 2008 and eliminated the budgeted revenue in FY 11. However, revenue related to the Video Lottery terminals are booked on this line.
  - The OTB 5% Tax revenue represents collections from the 5% surcharge placed on all winning bets made at any of the five New York State OTBs on races that occur at Belmont. The FY 17 budget is increasing by $0.1 million from the FY 16 level.
- As part of the New York State budget, it was agreed that Nassau OTB would transfer its authority to install 1,000 video slot machines to Aqueduct Racetrack in Queens in exchange for $43.0 million in annual payments over the next three years. The revenue stream was to be $9.0 million in 2016, $9.0 million in 2017 and $25.0 million in 2018. Future amounts are to be adjusted for inflation. Genting New York LLC (Aqueduct's operator) is to pay Nassau OTB directly.[1] Any profit that Nassau OTB accrues would be paid to Nassau County.
  - The FY 17 budget includes $3.0 million from this revenue source. The Plan includes $19.0 in 2018 and $25.0 in 2019 and 2020.
  - On October 5, 2016, the State Gaming Commission approved a deal between Nassau OTB and Genting New York LLC. As per the agreement, Nassau County will receive $3.0 million from FY 16 to FY 18 and $20.0 million thereafter. This creates a $16.0 million revenue shortfall in FY 18 and a $5.0 million shortfall in FY 19 and FY 20.[2]

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[1] Roy, Yancey, and Robert Brodsky, "Nassau County to Transfer Casino Authority to Aqueduct", Newsday.com, March 30, 2016.

[2] Brodsky, Robert, "NY Gaming Commission Approves Nassau $26M Casino Deal", Newsday.com, October 5, 2016.

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	69	70	72	72	74	2	2.8%	2	2.8%
Part-Time and Seasonal	11	10	10	14	16	6	60.0%	2	14.3%
Salaries	$6,592,325	$6,889,006	$7,285,873	$6,994,886	$7,734,460	$448,587	6.2%	$739,574	10.6%
Equipment	38,278	31,895	40,029	40,029	40,029	0	0.0%	0	0.0%
General Expenses	614,819	557,578	688,039	688,039	688,039	0	0.0%	0	0.0%
Contractual Services	60,164	96,359	102,247	102,247	42,369	(59,878)	-58.6%	(59,878)	-58.6%
Total	**$7,305,586**	**$7,574,838**	**$8,116,188**	**$7,825,201**	**$8,504,897**	**$388,709**	**4.8%**	**$679,696**	**8.7%**

Expenses

- FY 17 expenditures for the Medical Examiner (ME) are growing by $388,709, or 4.8%, compared to the 2016 Adopted Budget. The growth is driven by an increase in salaries offset by a decline in contractual services.
- Budgeted headcount will be going up by two to 74 full-time employees in FY 17 and part-time headcount will increase by six when comparing budget to budget.
- The proposed salary line accommodates the contractual COLAs and steps for CSEA employees due in mid-2017, the aforementioned increased headcount and an additional $201,367 from savings from initiatives that was part of the 2016 Adopted Budget. Those savings are not included in FY 17.
- The equipment and general expenses lines remain flat with those of FY 16.
- The contractual services line is declining by $59,878 as a result of the elimination of software contracts. According to the department, software maintenance service contracts will be managed by the Information Technology Department in FY 17.

Crime Lab

Since 2011 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. At the request of the Nassau County District Attorney, the lab has since expanded its services to include testing of DWI kits submitted by the New York State Police that have been collected during investigations of vehicular crimes occurring in Nassau County. Presently, this lab continues to provide services to its user agencies. Recently, the lab has expanded its testing capabilities for the purpose of addressing the emergence of synthetic narcotics or other illicit drugs.

The Medical Examiner's Office Division of Forensic Services functions as the crime laboratory for the Nassau County Criminal Justice System. The Division consists of a Biology, Controlled Substance, Fire Debris and Latent Print section which is accredited by the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB) International Program. The disciplines are fully staffed and performing casework analysis. In the fourth quarter of 2017, the Division will be relocating to a state-of-the-art forensic science center in the Nassau County Public Safety Center. Within the first 18 months, the laboratory will be adding Trace Evidence and Firearm analysis to its testing scope.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$9,775	$58,041	$0	$0	$0	$0	*****	$0	*****
Dept Revenues	26,986	25,672	25,000	25,000	225,000	200,000	800.0%	200,000	800.0%
Fed Aid-Reimb of Exp	0	3,485	0	0	0	0	*****	0	*****
Total	**$36,761**	**$87,197**	**$25,000**	**$25,000**	**$225,000**	**$200,000**	**800.0%**	**$200,000**	**800.0%**

Revenues

- Department revenues are growing by $200,000 due to the addition of the new fee introduced by the Administration that will charge for cremation clearances from the Medical Examiner's Office. The Office of Management and Budget had testified at the October 5, 2016 Legislative Committee Hearing that the Medical Examiner's Office will impose a fee of $80.00, set by ordinance, for cremation clearances. The Administration estimates $200,000 in annual revenue will be generated from this new fee. According to the department, the proposed law does not represent its intent and needs to be amended to state that a fee will be charged to funeral directors who seek cremation clearance of the deceased on behalf of the families. The department anticipates that the estimated $200,000 in revenue could be achieved from the clearance charges as stated above. However, the ordinance requires legislative approval which is not a given. For this reason, OLBR flags this initiative as a $200,000 risk.

The Office of Minority Affairs (OMA) is a charter mandated agency that was established by public referendum in 1994. OMA was established to further the development, advancement and betterment of economic, employment, business and cultural opportunities for the minority residents of the County, as well as the improvement and stabilization of economically deprived areas in the county. OMA serves as a central coordinating body for County-funded and County-assisted agencies or offices involved in any of the aforementioned endeavors

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	6	6	6	5	5	(1)	-16.7%	0	0.0%
Part-Time and Seasonal	2	3	3	1	3	0	0.0%	2	200.0%
Salaries	$449,514	$472,697	$515,826	$423,677	$468,258	($47,568)	-9.2%	$44,581	10.5%
General Expenses	14,129	3,426	24,970	24,970	25,000	30	0.1%	30	0.1%
Contractual Services	16,493	0	29,800	29,800	17,000	(12,800)	-43.0%	(12,800)	-43.0%
Total	**$480,136**	**$476,123**	**$570,596**	**$478,447**	**$510,258**	**($60,338)**	**-10.6%**	**$31,811**	**6.6%**

Expenses

- Expenses in the Proposed FY 17 Budget are 10.6% below the Adopted FY 16 Budget. Compared to the latest projections, expenses are up 6.6% in the proposal.
- The proposed salary budget is 9.2% lower than the Adopted FY 16 Budget and is up 10.5%, or $44,581, from the latest projection.
  - The proposed budget adds a Deputy Director position while eliminating the vacant Director and Project Director positions for a net decrease of one full time position from the FY 16 budget. The proposed staffing level appears in line with the current onboard headcount. The Director position was removed in error and the Administration has advised it will be restored. The department's request was for six full-time positions.
  - The proposal funds three part-time Program Coordinator positions in comparison to OMA's FY 16 budgeted staffing of two part-time Program Coordinator positions and one Seasonal Clerk. Currently, the two part-time Program Coordinator positions are vacant.
- Proposed FY 17 general expenses are up nominally compared not only to the Adopted FY 16 Budget but also the latest projection.
- Contractual services in the Proposed FY 17 Budget are $12,800 lower than both the FY 16 Adopted Budget and the latest projection.

	Historical		2016		2017	2017 vs. 2016		Proj vs. 2016	
	2014	2015	Adopted Budget	OLBR Projected	Adopted Budget	Variance	Percent	Variance	Percent
Full-time Headcount	1,137	1,119	1,125	1,036	1,012	(113)	-10.0%	(24)	-2.3%
Salaries	$131,023,907	$130,321,467	$128,935,989	$127,336,624	$124,837,737	($4,098,252)	-3.2%	(2,498,887)	-2.0%
Fringe Benefits	55,725,579	58,760,445	58,805,000	58,740,847	60,580,000	$1,775,000	3.0%	1,839,153	3.1%
Equipment	2,242,527	1,727,656	2,177,303	2,180,643	2,255,493	$78,190	3.6%	74,850	3.4%
General Expenses	7,553,835	7,630,975	7,632,251	7,737,912	7,832,273	$200,022	2.6%	94,361	1.2%
Contractual Services	7,117,295	7,379,034	8,047,520	7,938,519	7,866,675	($180,845)	-2.2%	(71,844)	-0.9%
Utility Cost	5,056,256	4,593,786	4,744,500	4,744,500	4,470,500	($274,000)	-5.8%	(274,000)	-5.8%
Debt Service	0	0	0	260,000	654,456	$654,456	***	394,456	151.7%
Interfund Charges	3,105,587	2,796,119	3,281,100	3,281,100	3,120,000	($161,100)	-4.9%	(161,100)	-4.9%
County Scholarships	1,149,658	468,471	55,000	215,000	55,000	$0	0.0%	(160,000)	-74.4%
Total	**$212,974,644**	**$213,677,953**	**$213,678,663**	**$212,435,145**	**$211,672,134**	**($2,006,529)**	**-0.9%**	**($763,011)**	**-0.4%**

*Unaudited

Expenses

- Expenses are budgeted to decrease by 0.9%, or $2.0 million, compared to the Adopted 2016 Budget. There had been some adjustments made to the FY 2015 - 2016 Adopted Budget to reallocate expense lines, however, the bottom line approved by the Legislature remained unchanged.
- Salaries in the adopted budget are declining by $2.5 million, or 2.0%, when compared to the FY 2015 - 2016 salary projection, and decreasing by 3.2 %, or almost $4.1 million, when comparing budget to budget. Salaries make up 59.0% of the FY 2016 - 2017 expense budget. FY 2016 - 2017 budgeted headcount is declining by 113, budget to budget and decreasing by 24 when compared to 2016 projected numbers. The reduction in headcount can be directly attributed to the special retirement incentives offered to union members.
  - There are 13 faculty members on a reduced workload for approximately $228,732 in savings. In addition, there are four Civil Service Employee Association (CSEA) members on a reduced workload for $110,813 in savings.
- Included in salaries are the CSEA and the NCCFT contract steps for both unions and cost of living adjustments for NCCFT members. These increases were agreed upon by the respective unions in 2014. Additionally, the Adjunct Faculty Association

(AFA) members will receive a 2.25% COLA effective September 1, 2016, as per the Memorandum of Agreement (MOA) with the union.

- Also included in the adopted salary budget is an additional $654,456 for debt service related costs. In 2014, the County offered CSEA union members retirement incentives in an effort to generate future salary savings. The College paid for the termination costs associated with the incentive using bonded funds secured by the County. The $654,456 in debt service consists of $260,000 in principle and interest for the CSEA 2014 10-year borrowing and $394,456 in interest only on the four-year NCCFT borrowing.
  - The following chart illustrates the terminations related to the debt service charges. All but the 13 County CSEA terminations in 2015 required bonding.

Debt Service from Bonding Terminations from Incentives	
Union	**Terminations**
NCCFT 9/1/2015	28
NCCFT 12/31/2015	74
County CSEA VSIP 2014	30
*County CSEA VSIP 2015	13
Total Terminations	**145**
* Did not require bonding	

- The College plans to charge some operating salary expense to the Grant and Capital Funds. Three full-time Ordinance positions will be charged to the Capital fund as well as one full-time NCCFT position and two full-time Ordinance positions will be charged to Grants.
- The adopted budget for termination pay of $1.7 million is in line with the current year adopted budget. Typically, the College budgets approximately $1.7 million for termination pay to fund normal attrition from retirements. This would cover projections for known retirees taking three and five year payouts and make provisions for anticipated new retirees and terminations. Due to the recent early retirement incentives the College expects very few new retirements in FY 2016 - 2017. The College budgeted the full $1.7 million and then included a $1.0 million savings line for a net appropriation of $700,000 for termination expense in FY 2016 - 2017.
- Fringe benefits are increasing by $1.8 million, or 3.0% when comparing budget to budget, which is mostly a result of rising health insurance costs for active and retired employees, along with minimal increases in worker's compensation and TIAA-CREF expenses. Health insurance costs include a projected health insurance growth rate of 7.8%. For more detail on the Fringe Benefits

please refer to the Fringe Benefit section below. It should be noted that health insurance rates and retirement contributions are based on the best available current assumptions and estimates. The College does not receive actual rates from the State until after the budget is passed.

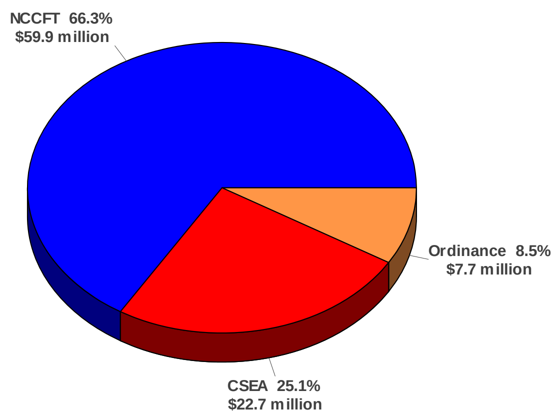
- The utility and energy budgets are declining budget to budget.
- Adopted FY 2016 - 2017 contractual services are declining slightly by $180,845 budget to budget, and $71,844 from the current year projection. After the budget was adopted in 2015, the College reallocated some OTPS expenses but kept the bottom line the expense budget the same. The FY 2016 - 2017 Adopted Budget is more reflective of FY 2015 - 2016 projections.

Salaries

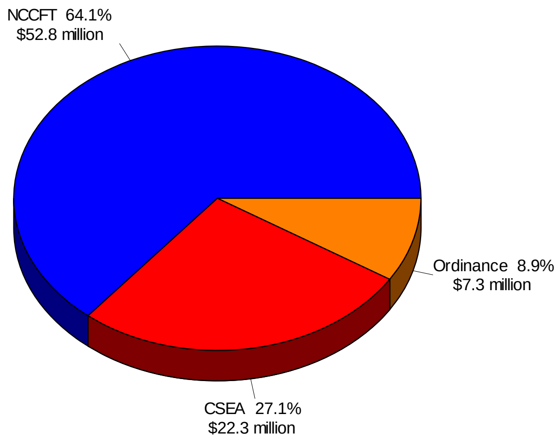
FULL-TIME UNION HEADCOUNT							
	On Baord May 2016		Adopted 16-17		Difference		
Union	F/T	Pers. Svcs	F/T	Pers. Svcs	F/T	Pers. Svcs	HC % Chg
NCCFT	594	$51,120,827	575	$51,880,733	(19)	$759,906	-3.2%
NCCFT-LINCC	14	814,088	14	848,978	0	$34,890	0.0%
CSEA	352	21,278,416	351	22,313,371	(1)	1,034,955	-0.3%
TOTAL	960	$73,213,331	940	$75,043,082	(20)	1,829,751	-2.1%

- The chart above illustrates full-time headcounts for union employees. It compares current on-board to FY 2016 - 2017 adopted headcounts. As previously stated, the headcount has declined as a result of the 2015 Voluntary Separation Incentive Program, VSIP, which lasted from August 1, 2015 through September 15, 2015.
- There is a reduction of one CSEA and 19 NCCFT members and a growth $1.9 million for the collective bargaining unions. The increase in NCCFT and LINCC salaries reflects contractual increases from the negotiated contract with the NCCFT union. Effective September 1, 2016 NCCFT and LINCC members will receive 2.0% COLA and a full step increment for all members not yet at top step.
- The graph on the following page illustrates salary expenses by union in the adopted budget inclusive of chargebacks.

Adopted FY 2015 - 2016 Full Time Salaries by Union



Adopted FY 2016 - 2017 Full Time Salaries by Union



Fringe Benefits

Nassau Community College Fringe Benefit Expenses	2016 Adopted Budget	OLBR Projection	Adopted 2017 Budget	2017 vs. 2016	Percent	Adopted vs. Projection	Percent
State Retirement	$7,000,000	6,326,743	$6,150,000	($850,000)	-12.1%	($176,743)	-2.8%
Teachers Retirement	3,950,000	3,909,619	4,050,000	100,000	2.5%	140,381	3.6%
Social Security	9,500,000	9,838,471	9,200,000	(300,000)	-3.2%	(638,471)	-6.5%
Health Insurance	19,450,000	19,605,009	20,750,000	1,300,000	6.7%	1,144,991	5.8%
TIAA CREF	7,000,000	7,042,020	7,360,000	360,000	5.1%	317,980	4.5%
Optical Plan	120,000	120,000	120,000	0	0.0%	0	0.0%
Unemployment	150,000	85,000	100,000	(50,000)	-33.3%	15,000	17.6%
Dental Insurance	650,000	625,000	625,000	(25,000)	-3.8%	0	0.0%
Medicare Reimbursement	1,485,000	1,530,000	1,530,000	45,000	3.0%	0	0.0%
Health Insurance Retirees	8,000,000	7,972,755	8,885,000	885,000	11.1%	912,245	11.4%
Retirees Optical	15,000	14,000	15,000	0	0.0%	1,000	7.1%
MTA Mobility Tax	445,000	458,230	430,000	(15,000)	-3.4%	(28,230)	-6.2%
CSEA Legal Fund	65,000	64,000	65,000	0	0.0%	1,000	1.6%
Workers Compensation	975,000	1,150,000	1,300,000	325,000	33.3%	150,000	13.0%
Total	**$58,805,000**	**$58,740,847**	**$60,580,000**	**$1,775,000**	**3.0%**	**$1,839,153**	**3.1%**

- The FY 2016 - 2017 Adopted Budget for fringe benefits is $60.6 million, which represents 28.6% of the operating budget. The budget is increasing by $1.8 million, or 3.0% compared to the prior year's budget. The budget appears to be reasonable, but may be subject to risks such as changes in staffing levels or unexpected rate fluctuations for health insurance and pension costs. The College does not anticipate that there will be any material costs to the budget as a result of the Affordable Care Act (ACA).
  - The majority of the increase is due to rises in health insurance costs for active and retired employees, along with minimal increases in worker's compensation and TIAA-CREF expenses. The growth would have been higher but is being partially offset by a decline in social security and pension costs for the New York State Local Retirement System.
- The FY 2016 - 2017 State Retirement System's budget of $6.2 million is decreasing by $850,000 budget to budget, and by $176,743 compared to the current projection. The decrease is due to a reduction in salaries and in the pension contribution rate. The contribution rate in the retirement plan that reflects the majority of College employees is declining from 18.9% to 16.1%. The budget is based on the 2017 New York State & Local Retirement System projected bill that is provided by the NYS Comptroller.

- The $4.1 million budget for the Teachers Retirement System (TRS) is increasing minimally by $100,000, or 2.5%, compared to the prior year's budget. Although the TRS Employer Contribution Rate (ECR) is declining from 13.3% in FY 2015 - 2016 to 11.7% in FY 2016 - 2017, the budget is growing due to an increase in salaries, which more than offsets the rate reduction. The retirement cost is a function of the salaries that are subject to the ECR.
- The adopted budget for health insurance for active employees and retirees is increasing by $1.1 million and $912,245, respectively, compared to the current year projection. The college budget assumes a health insurance growth rate of 7.8%. The budget appears reasonable based on the best estimate assumptions in New York State's latest Experience Report. This report projects a best estimate growth rate of 7.5% for family coverage effective January 1, 2017, (which includes eight months of the College fiscal year).
- The TIAA–CREF FY 2016 - 2017 budget of $7.4 million is increasing by $360,000 compared to the prior year's budget. The growth is due to increased salaries which are attributable to cost of living adjustments (COLA), step increases and promotion raises of 4.5% for faculty members in the retirement plan.
- The social security budget of $9.2 million dropped by $300,000, or 3.2%, from the prior budget and by $638,471 from the current projection. The social security budget appears realistic since social security costs are a function of salaries and the FY 2016 - 2017 salary budget is declining.
- The $1.3 million budget for worker's compensation is increasing by $325,000, or 33.3%, compared to the prior's year budget, based on historical trends.

OTHER THAN PERSONAL SERVICES

- OTPS spending in FY 2016 - 2017will be about $63,223, or 0.24%, more than that of the modified budget of FY 2015 - 2016. The following chart details the OTPS spending from 2015 to the current Adopted Budget:

Nassau Community College OTPS Budget Comparison FY 2015 - 2017	2015 Operating Results	2016 Modified Budget	2016 Projected Oper. Results	2017 Adopted Budget	Variance Mod 2016/2017	Variance Proj/Bud
Equipment	$1,727,656	$2,230,780	$2,180,643	$2,255,493	$24,713	$74,850
General Expenses	7,630,975	7,702,263	7,737,912	7,832,273	130,010	94,361
Contractual Services	7,379,034	7,989,796	7,938,519	7,866,675	(123,121)	(71,844)
Utility Costs	4,593,786	4,856,500	4,744,500	4,470,500	(386,000)	(274,000)
Debt Service	0	260,000	260,000	654,456	394,456	394,456
Interfund Charges	2,796,119	3,096,835	3,281,100	3,120,000	23,165	
Scholarships	468,471	55,000	215,000	55,000	0	(160,000)
	$24,596,041	$26,191,174	$26,357,674	$26,254,397	$63,223	($103,277)

- 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 expense bottom line however, always remains the same.
- Utility costs are declining in FY 2016 - 2017 by $386,000 from the modified budget and $274,000 when compared to FY 2016 projected operating result. The decrease is a result of energy conservation measures taken over the past several years as well as the decline in natural gas and oil prices.
- Contractual services are decreasing in the adopted budget by $123,121 from the modified budget and $71,844 when compared to the projected. The College has directed the custodial contractor to reduce the level of service (the number of employees on each shift) to reduce operating expenses.

- The scholarship line is remaining flat budget to budget but declining by $160,000 when compared to 2016 projections. The reduction from the projected is due to the elimination of the scholarship appropriation for the federally funded SAFER grant (Staffing for Adequate Fire and Emergency Response). This allocation was intended for one-year only to enable Nassau County's Office of Emergency Management (OEM) to continue to provide services previously covered by the aforementioned grant. The College absorbed the costs associated with this grant in FY 2014 - 2015 and FY 2015 - 2016. The College is currently working closely with the Nassau County Office of Emergency Management to have this funded through grants.
  - The SAFER grant 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.

EXPENSE RECAP

- The adopted 2016 - 2017 expense budget represents a reduction in expenses as a result of a shrinking headcount leading to a decrease in salary expenses which serves as an offset to the increase in fringe benefits. Additionally, other than personal services are remaining essentially flat resulting in an overall $2.0 million decline in expenses.
- As of September 6, 2016, the College had not finished closing out FY 2015 - 2016, although they expect to realize some salary and OTPS savings. Although the number has not been determined, the College estimates that reduced Central Utilities Program (CUP) charges will save the College about $1.0 million. According to the College, the finalized numbers will be available at a later date.

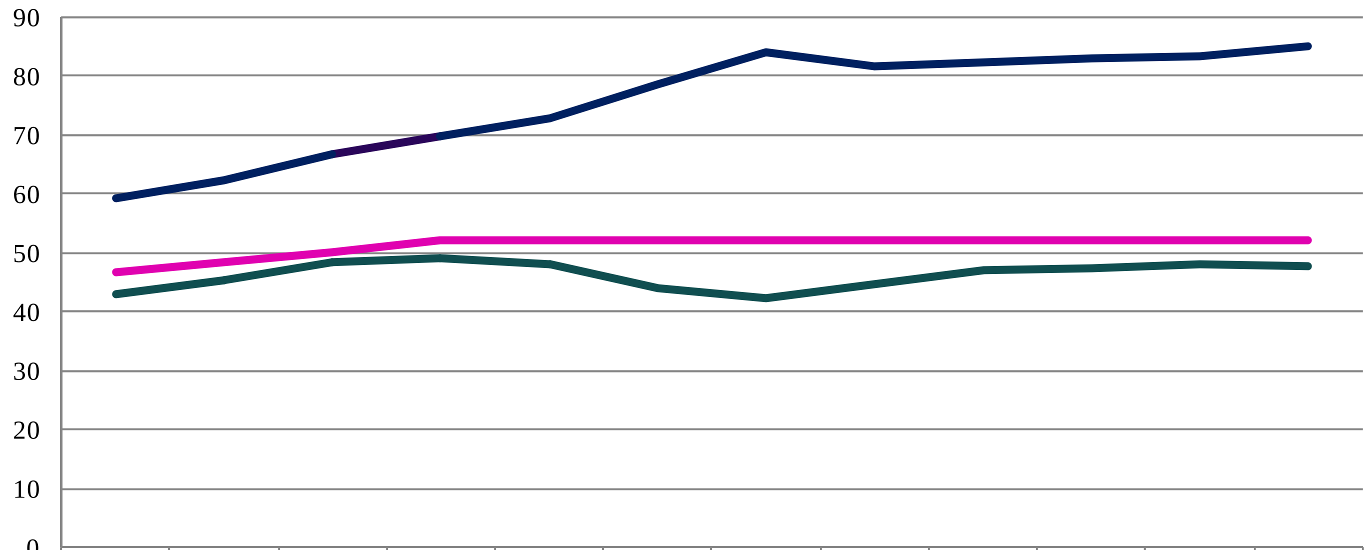
	Historical		2016		2017	2016 vs. 2017		Projected vs. 2017	
	2014	2015	Adopted Budget	OLBR Projected	Adopted Budget	Variance	Percent	Variance	Percent
Tuition	$82,376,001	$82,795,681	$86,528,479	$83,381,200	$85,047,353	($1,481,126)	-1.7%	$1,666,153	2.0%
Property Tax	52,206,883	52,209,387	52,206,883	52,206,883	52,206,883	0	0.0%	0	0.0%
State Aid	46,909,405	47,262,928	47,923,295	47,983,467	47,775,011	(148,284)	-0.3%	(208,456)	-0.4%
Rev. Lieu Spons. Share	14,697,445	15,596,212	14,825,357	14,816,401	14,075,581	(749,776)	-5.1%	(740,820)	-5.0%
Rev. Offset To Expense	3,928,737	4,004,837	4,642,364	4,642,365	4,642,365	1	0.0%	0	0.0%
Service Fees	7,124,283	6,936,224	6,887,285	6,589,413	7,259,942	372,657	5.4%	670,529	10.2%
Rents & Recoveries	565,907	3,210,592	600,000	1,016,463	600,000	0	0.0%	(416,463)	-41.0%
Investment Income	44,408	51,524	65,000	65,000	65,000	0	0.0%	0	0.0%
Federal Aid	0	2,568	0	0	0	0	0.0%	0	0.0%
Fund Balance Appropriated	4,873,800	2,473,000	0	0	0	0	0.0%	0	0.0%
Total	**$212,726,870**	**$214,542,953**	**$213,678,663**	**$210,701,192**	**$211,672,135**	**($2,006,528)**	**-0.9%**	**$970,943**	**0.5%**

Revenues

- Revenue in the Adopted FY 2016 - 2017 Budget is about 1.0%, or $2.0 million, lower than in the Adopted FY 2015 - 2016 Budget. Compared to the current academic year projection, revenue is up 0.5%, or $1.0 million, in FY 16-17.
- The College has increased tuition and service fee rates to offset the expectation that enrollment will drop 5.0% in FY 16 - 17. Year to date, student enrollment is down about 5.0% in FY 15 - 16.
    - The adopted tuition budget is 2.0%, or $1.7 million, greater than the current projection. The College instituted a $334 increase in the annual full time tuition rate for FY 16 - 17.
    - A $60 increase to the technology fee should drive overall service fee revenue up 10.2%, or $0.7 million, over the current academic year projection.
- The State increased its assistance per full time student equivalent (FTE) by $100 in the FY 16 - 17 State budget. However, this positive development is more than offset by the expected decline in enrollment, driving state aid revenue down $0.2 million compared to current academic year projections.
- The County's share of College revenue, the property tax levy, remains $52.2 million in FY 16-17. The property tax levy has been set at $52.2 million since FY 2008 - 2009.
- For the second straight year, the College did not include a fund balance appropriation in its adopted budget. The College will likely dip into the fund balance to cover the $1.7 million operating deficit projected for FY 15 - 16. In the seven years preceding FY 15 - 16, the College had planned a fund balance appropriation.

FY 2006 – 2017
($ in millions)

Tuition, County Share, and State Aid



	FY 06 Actual	FY 07 Actual	FY 08 Actual	FY 09 Actual	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Projected	FY 17 Adopted
Tuition	$59.1	62.3	66.6	69.6	72.9	78.7	84.1	81.5	82.4	82.8	83.4	$85.0
County Share	$46.5	48.4	50.2	52.2	52.2	52.2	52.2	52.2	52.2	52.2	52.2	$52.2
State Aid	$42.9	45.3	48.5	49.1	48.0	44.1	42.3	44.6	46.9	47.3	48.0	$47.8

- State aid is $47.8 million in the Adopted Budget, about 22.6% of the overall revenue budget. Since FY 08 - 09, state aid has fluctuated, from a high of $49.1 million that year to a low of $42.3 million in FY 11 - 12.
- The County share is $52.2 million for the ninth year in a row, accounting for 24.7% of budgeted revenue. The County share is the College's most stable revenue source – it's immune not only to changes in student enrollment but also shifting priorities in Albany.
- Tuition in the Adopted Budget is $85.0 million, or 40.2% of revenue. The tuition rate has risen steadily over the last eight years, offsetting the flat property tax levy and variable State support.

Tuition

- Tuition represents about 40.2% of total revenue in the Adopted Budget and is a function of student enrollment and tuition rates. The tuition rate is one of the few revenue sources wholly controlled by the College.
- The enrollment and tuition figures over the last ten years can be found in the table to the right. As the table illustrates, enrollment at the College has declined better than two percent each year since FY 2011 - 2012.

Year	FTE Count	% Change	Tuition	% Change
2006	17,642	-3.27%	$ 3,140	8.28%
2007	18,106	2.63%	3,310	5.41%
2008	18,287	1.00%	3,434	3.75%
2009	18,427	0.77%	3,552	3.44%
2010	19,392	5.24%	3,622	1.97%
2011	19,691	1.54%	3,732	3.04%
2012	19,274	-2.12%	3,990	6.91%
2013	18,759	-2.67%	3,990	0.00%
2014	18,381	-2.02%	4,088	2.46%
2015	17,934	-2.43%	4,234	3.57%
2016*	16,866	-5.96%	4,534	7.09%
2017*	16,024	-4.99%	4,868	7.37%

*Projected FTEs in FY16 and FY17

- The College has adopted a tuition rate increase of 7.4% to address the anticipated 5.0% enrollment reduction in FY 16 - 17. According to the College, the rate increase should generate approximately $5.8 million in additional revenue. As the table below demonstrates, Nassau's adopted tuition rate is higher than both Suffolk's and Westchester's rates.

2016 - 2017

Yearly Tuition Comparison

	Current	2017 Adopted	Increase	Diff From Nassau
Nassau	$4,534	$4,868	$334	-
Suffolk	4,570	4,770	200	-98
Westchester	4,280	4,280	0	-588

Property Tax Levy

- The property tax levy is set at $52.2 million in the Adopted FY 16 - 17 Budget.
- The County's contribution represents 24.7% of revenue.

State Aid

- Compared to the Adopted FY 15 - 16 Budget, State aid should dip slightly to $47.8 million.
- Even though the State increased its FTE reimbursement rate by $100, up to $2,697 per FTE in FY 16 - 17, the projected tumble in enrollment will drive net State aid down about $0.2 million.
  - The State has imposed midyear cuts in the past. Further stress would be put on the budget should midyear cuts occur in FY 16 - 17.

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 the cost of educating their residents at NCC.
- 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 the non-resident student's home county.
  - In the event a student cannot produce a certificate of residency from their home county, the student is charged double tuition.
- The $14.1 million budget for this revenue stream breaks out in the following manner: $12.1 million from charging back to other counties and $2.0 million from collections for all other non-resident tuition.

Revenue Offset to Expenses

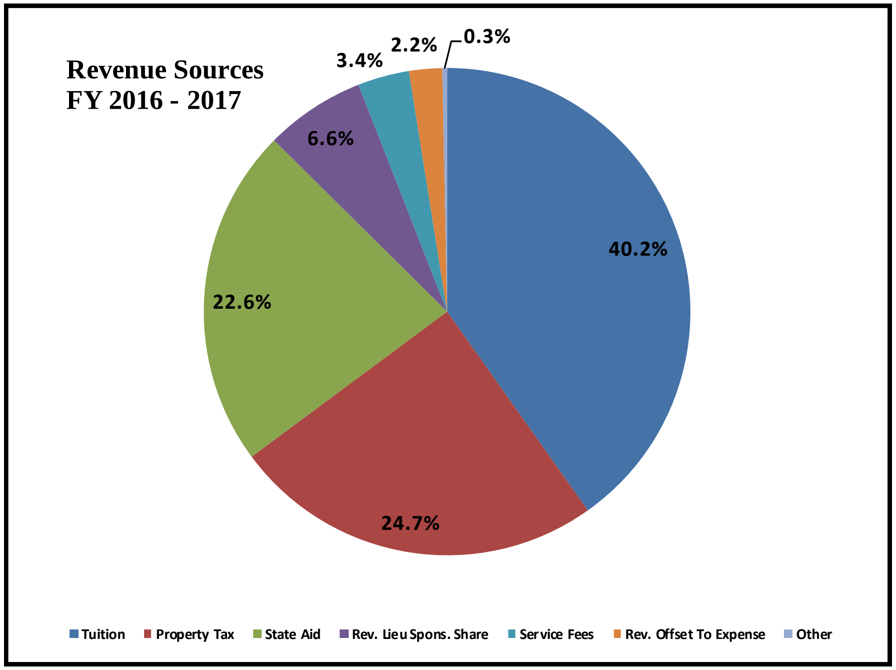
- This revenue source is comprised of commissions, contracts, and course fees to cover special course offerings. These special offerings include continuing education, corporate education, and English as a Second Language (ESL), among other courses.
- The Adopted FY 16-17 revenue offset to expense budget is $4.6 million, in line with both the current projection and the previous year's adopted budget.

Rents and Recoveries

- Revenue is generated as a result of liquidating prior year encumbrances. Compared to the current academic year projection, liquidations are down 41.1% to $0.6 million in the Adopted FY 16 - 17 Budget.
  - This revenue line is projected to return a surplus in FY 15-16. TIAA-CREF unexpectedly reimbursed the County for $0.3 million in expenses.
  - The $0.6 million Adopted Budget is in line with historical results. In FY 12 - 13, the College collected $0.9 million in rents and recoveries. In FY 13 - 14, the College liquidated $0.6 million in prior year encumbrances.

Investment Income

- The College Treasurer manages several interest bearing accounts. Additionally, the County Treasurer handles some of this revenue on the College's behalf. Investments are by their very nature directly affected by market interest rates. Rates have been remarkably low.



Service Fees

- The adopted service fee budget is 10.2%, or $0.6 million, greater than current academic year projections. The adopted service fee budget is up 5.4% to $7.3 million from $6.9 million in the budget adopted for FY 15 - 16.
- The growth is tied to an increase in the Technology fee, from $80 to $140 annually. This adjustment should bring in about $1.0 million more in technology fee receipts each year. Each remaining fee in the schedule is expected to be affected by declining enrollment, offsetting $0.6 million of the technology fee's growth.

Service Fees Adopted FY 2016 vs. Adopted FY 2017						
		FY 15-16		FY 16-17	Variance	
		Adopted		Adopted		
Service Fee: Source	Fee	Budget	Fee	Budget	Fee	Revenue
Technology	$80	$1,453,718	$140	$2,453,719	$60	$1,000,001
Student Lab	100	1,739,545	100	1,538,702	0	(200,843)
Application	50	930,840	50	823,368	0	(107,472)
NG Check	20	12,346	20	10,920	0	(1,425)
Academic Transcript Fees	30	23,323	30	20,631	0	(2,693)
Late Registration	25	245,443	25	217,105	0	(28,338)
Nursing Evaluation	75	638	75	564	0	(74)
Tuition Pay Plan	40	483,337	40	427,532	0	(55,805)
Change of Program	25	1,938	25	1,715	0	(224)
Consolidated Fee	30	1,054,847	30	933,058	0	(121,789)
Convenience Fee	18	364,342	18	322,276	0	(42,066)
Vehicle Registration	45	576,968	45	510,353	0	(66,615)
Totals		$6,887,285		$7,259,943		$372,658

Fund Balance

- The Board of Trustees established a fund balance policy which states that "an unreserved fund balance of no less than 4.0% of the prior year's operating budget" must be maintained. The College's current fund balance is 3.3%, well below the Trustees' threshold. The College will need to rely on the fund balance to cover the $1.7 million operating deficit projected for FY 15 - 16.
- In an attempt to stabilize the fund balance, the College has not included a fund balance appropriation in the Adopted FY 16 - 17 Budget. The chart below projects the fund balance through the end of FY 16 - 17.
  - Should FY 16 - 17 unfold according to budget, the unappropriated fund balance would hold at just under $7.0 million. In this scenario, the fund balance would be 3.3% of the previous year's expenses.
  - A $1.5 million year-end surplus in FY 16 - 17 would bring the fund balance back into compliance with the Board's policy.

Fund Balance Reconciliation	
FY 14-15 Unappropriated Fund Balance	**$8,725,598**
Adopted FY 15-16 Fund Balance Appropriation	**-**
FY 15-16 Projected Operating Results	**(1,733,954)**
Projected FY 15-16 Unappropriated Fund Balance	**6,991,644**
FY 16-17 Projected Operating Results	**-**
Projected FY 16-17 Unappropriated Fund Balance	**$6,991,644**

Fund Balance, Cont.

- In the Fiscal Year ending August 31, 2015, New York State Community Colleges held on average 12.52% of budgeted expenditures in an unreserved fund balance.
- At 4.51%, Nassau Community College ranked 26th out of 30th among Community Colleges in terms of fund balance as a percentage of expenditures. As of August 31, 2014, Nassau held 4.55% in reserve and ranked 26th out of 30 schools.
- Not only did Nassau rank worse than average, but it also ranked below both Suffolk and Westchester.
- These rankings are calculated on the $9.6 million Fund Balance the College reported for the Fiscal Year ending August 31, 2015.

Community College Fund Balance Comparison
As of Fiscal Year Ending August 31, 2015

Community College	Unreserved Fund Balance	Total Expenditures*	Percent of Fund Balance to Expenditures
F-I-T	$ 70,533,125	$ 182,453,282	38.66%
Niagara	11,854,627	47,364,356	25.03%
North Country	3,242,414	13,250,581	24.47%
Herkimer	5,599,631	23,081,404	24.26%
Jamestown	8,231,085	35,101,103	23.45%
Corning	6,146,929	31,146,078	19.74%
Genesee	7,256,212	37,838,492	19.18%
Schenectady	4,790,065	29,136,871	16.44%
Finger Lakes	5,416,966	43,723,123	12.39%
Suffolk	23,967,944	201,531,724	11.89%
Mohawk Valley	5,723,245	50,122,323	11.42%
Erie	12,730,624	111,956,888	11.37%
Fulton-Montgomery	2,051,231	18,491,366	11.09%
Columbia-Greene	1,808,357	16,768,924	10.78%
Monroe	11,965,497	120,624,312	9.92%
Dutchess	5,901,953	60,961,418	9.68%
Westchester	11,028,253	118,788,491	9.28%
Jefferson	2,463,558	26,690,496	9.23%
Cayuga	2,669,003	30,723,622	8.69%
Clinton	1,146,815	14,142,584	8.11%
Orange County	3,976,078	57,165,242	6.96%
Broome	3,455,653	51,018,633	6.77%
Adirondack	1,813,511	28,852,719	6.29%
Onondaga	4,138,074	74,477,255	5.56%
Rockland	3,034,436	63,971,688	4.74%
Nassau	9,605,622	213,022,054	4.51%
Tompkins - Cortland	1,455,643	38,786,325	3.75%
Hudson Valley	2,150,154	87,165,753	2.47%
Ulster	558,266	24,412,004	2.29%
Sullivan	(690,907)	16,222,655	-4.26%

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

Opportunities & Risks

- The College based its budget on the assumption that enrollment will decline 5.0% in FY 2016 - 2017. The budget would be jeopardized if enrollment falls more than expected, as enrollment sensitive revenues (e.g. tuition, revenue in lieu of sponsor share, service fees, state aid, etc.) would risk meeting their respective targets.
- A risk to the budget would materialize should the State slash the reimbursement rate mid-year, an action the State last took in FY 09 - 10.
- The College has about exhausted its ability to raise the full-time tuition rate. Since FY 2012 - 2013, the College has raised the tuition rate four times for an overall increase of 22.0%. The College would put future budgets at risk if its only financial coping mechanism is to increase tuition. If the College is left with no choice but to raise tuition, the tuition rate would be at a level where prospective students would pay about the same for NCC as they would at SUNY-Old Westbury or Farmingdale State College. NCC may have trouble competing for students with four-year institutions, further exacerbating NCC's existing enrollment problem.
- An increase to the property tax levy, which has been flat since FY 08 - 09, may have to be considered in the near term. Not only would an increase improve the overall bottom line but it would also impact other revenue items, such as the chargeback rate to other counties. As mentioned previously, 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.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$1,689,610	$1,574,227	$2,164,136	$2,164,136	$2,207,262	$43,126	2.0%	$43,126	2.0%
Dept Revenues	17,722,392	19,438,572	20,815,395	20,815,395	22,295,163	1,479,768	7.1%	1,479,768	7.1%
Interdept Revenues	65,667	72,940	0	0	0	0	*****	0	*****
Fed Aid-Reimb of Exp	0	1,667,707	0	0	0	0	*****	0	*****
State Aid-Reimb of Exp	42,302	130,322	42,302	42,302	100,000	57,698	136.4%	57,698	136.4%
Special Taxes	2,891,731	3,325,000	3,125,000	3,125,000	3,325,000	200,000	6.4%	200,000	6.4%
Total	**$22,411,701**	**$26,208,768**	**$26,146,833**	**$26,146,833**	**$27,927,425**	**$1,780,592**	**6.8%**	**$1,780,592**	**6.8%**

Revenues

- The FY 17 Proposed Budget increases total revenues by $1.8 million, or 6.8%, in comparison to both the FY 16 Adopted Budget and OLBR's projection. The growth is mainly due to increased fees included in the Proposed FY 17 budget.
- The FY 17 Proposed Budget anticipates an increase in special taxes of $0.2 million, or 6.4%, in comparison to both the FY 16 Adopted Budget and OLBR's projection. This reflects Hotel/Motel taxes which are recorded in two departments, Treasurer and Parks.
- The following chart details the FY 15 actual, the FY 16 budget and the FY 17 Proposed Budget for the Hotel/Motel tax.

General Fund Hotel / Motel Tax ($ in millions)	FY15 Actual	FY16 Budget	FY17 Proposed
Parks / Gen	$3.3	$3.1	$3.3
Treasurer	$1.1	$0.9	$1.1
Total	**$4.4**	**$4.0**	**$4.4**

*The total does not include revenue in the Grant Fund.

- This funding is used to promote tourism as well as contracts to improve and advance the marketability of cultural and historical attractions.
- The Long Island tourism industry in FY16 has been a source of strength for the local economy. Year to date, through July 2016, the Long Island hotel industry saw occupancy rise 2.2% and the average daily rates rise of 2.9%.[1]
- A recent study by travel research firm STR forecasted a 0.5% 2017 decline in Long Island hotel occupancy coupled with 3.3% increase in Long Island hotel average daily rates. [2]

[1] Solnik, Claude, "LI Hotel Biz Heats Up", Long Island Business News, September 14, 2016.
[2] Same as above.

Revenues Cont.

Golf Operations Departmental Revenue			
Revenue Source	FY 15 Actual	FY 16 Projected	FY 17 Proposed
Greens Fees	$1,206,888	$1,245,000	$1,250,000
Caddy Cart Fees	35,096	46,500	39,600
Minature Golf	23,874	40,000	30,000
Leisure Pass Fee	154,080	181,000	181,704
Room Rentals	105	0	0
Golf Cart Fees	1,121,041	1,167,500	1,180,000
Driving Range Fees	726,518	870,000	909,267
Golf Reservation Fees	290,865	395,000	408,173
Golf No Show Fee	899	5,000	1,500
Redeemable Certificates	85,945	145,000	100,500
Greens Fees Red Course	1,388,523	1,500,000	1,500,000
Greens Fees White Course	1,306,335	1,600,000	1,612,067
Greens Fees Blue Course	1,287,057	1,500,000	1,518,865
Open Space Usage Fee	(5,685)	0	0
Concessions	22,495	31,500	27,500
Total	**$7,644,036**	**$8,726,500**	**$8,759,176**

- The above chart captures golf operations that are reflected within departmental revenues.
- The Proposed FY 17 revenues are budgeted to increase from the FY 16 Adopted Budget by 0.4%.
- The increase in golf operations is mostly visible in golf cart fees, golf reservation fees, driving range fees, and the White and Blue Course fees. The increases are partially offset by decreases in Redeemable Certificates and Miniature Golf Fee revenues.

Mini Golf, Eisenhower Park

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

Revenues Cont.

Revenue Source	FY 15 Actual	FY 16 Projected	FY 17 Proposed
Misc Receipts	$681	$1,600	$1,000
Fees	180	$0	$0
Concessions	1,684,310	1,547,125	1,659,200
Greens Fees	1,206,888	1,245,000	1,250,000
Caddy Cart Fees	35,096	46,500	39,600
Summer Recreation Prg. Fees Rev.	708,752	735,000	825,000
Swimming Pools	1,903,255	1,930,000	2,085,175
Ice Rinks	316,250	465,000	363,048
Old Bethpage Hist Vil	323,198	350,000	401,822
Museum of Nat History	49,504	41,500	65,500
Rental of Equipment	16,300	15,000	16,000
Summer Day Camps	21,158	26,720	26,720
Special Use Permits	185,327	177,650	205,200
Ice Skate Lessons	17,910	42,000	24,550
Ice Skate Rental	36,072	47,500	50,336
Ice Skate Sharpening	335	700	750
Ice Skate Locker Fees	621	400	300
Marina Wantagh	525,207	500,000	525,114
Roller Skate Admissn	2,163	1,500	2,000
Beach Parking	437,461	405,000	473,460
Cabana Rentals	2,000,387	2,000,000	2,682,595
Miniature Golf	246,914	290,000	434,660
Commercial Parking	11,476	2,100	5,700
Camping Fees	755,455	846,000	862,556
Advertising	0	0	60,000
Service Fees	793	0	1,000
Special Sports Prog	280,524	275,000	304,405
Pitch & Putt Club Rental	759	0	2,000
Pitch & Putt Fee	16,941	0	35,000
Pitch & Putt Ball Sales	969	0	2,500

- The above charts list all revenues included in the FY 17 Proposed departmental revenue lines.

Revenue Source	FY 15 Actual	FY 16 Projected	FY 17 Proposed
Open Space Usage Fee	(3,575)	2,900	3,400
Aerodrome Field Usage Fee	6,220	10,000	7,500
Batting Cage Fees	60,944	65,000	76,114
Lifestyle Programs	34,836	50,000	35,000
Leisure Pass Fee	549,662	669,000	718,428
Welwyn Revenue	924	0	1,000
Launching Ramps	49,118	53,750	64,020
Tennis Courts	20,441	26,500	24,400
Room Rentals	77,934	72,050	71,484
Picnic Reservation Permits	146,641	158,800	185,619
Swimming Programs	330,575	445,000	372,500
Athletic Field Fees/Charges	870,673	641,000	880,960
Non-Resident Fees	155,385	147,900	155,200
Golf Cart Fees	1,121,041	1,167,500	1,180,000
Driving Range Fees	726,518	870,000	909,267
Alcohol Permits	27,530	35,850	44,925
Golf Reservation Fees	290,865	395,000	408,173
Golf No Show Fee	899	5,000	1,500
Film & Advert Activities	5,700	12,000	10,000
Redeemable Certificates	91,048	146,850	104,550
Greens Fees Red Course	1,388,523	1,500,000	1,500,000
Greens Fees White Course	1,306,335	1,600,000	1,612,067
Greens Fees Blue Course	1,287,057	1,500,000	1,518,865
County League Registration	108,468	250,000	5,000
Train Ride	(20)	0	0
Alarm Fines	(50)	0	0
Total	**$19,438,572**	**$20,815,395**	**$22,295,163**

- The total Proposed FY 17 departmental revenues budget is $22.3 million which represents an increase of 7.1% from the FY 16 Adopted Budget.

Revenues Cont.

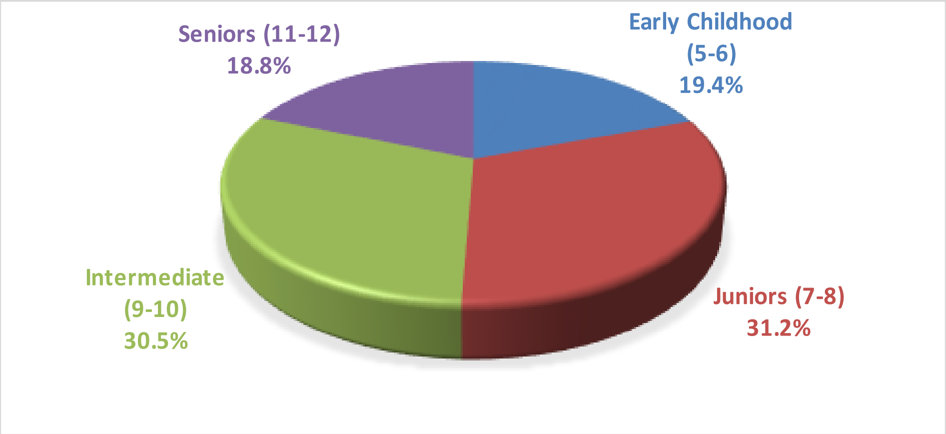
Summer Recreation Program

Eisenhower Park

- The Summer Recreation Program was launched in FY 10. The program hosted children at different County parks. For FY 16, the facilities used were Nickerson Beach, Cantiague, Eisenhower, and Wantagh Parks.
- The Summer Recreation Program operated from June 27, to August 4, 2016. There were a total of 1,130 children who participated in the program. The chart below reflects historical and FY 16 data.

Summer Recreation Program Age Categories	FY13	FY14	FY15	FY16
Early Childhood (5-6)	239	135	192	219
Juniors (7-8)	317	257	265	353
Intermediate (9-10)	275	319	313	345
Seniors (11-12)	173	177	229	213
Total	**1,004**	**888**	**999**	**1,130**

- The fees consist of $700 for one child for the 9 a.m. – 3 p.m. session or $900 for the 8:30 a.m. – 5:30 p.m. session. Additional sibling discounts were offered: $50 off for a second child, $100 off for the third child and $150 off for the fourth child.
- 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).
- This program generated revenues of $811,668 through FY 16 and has a FY 17 Proposed Budget of $825,000.



Summer Recreation Program

Age Categories

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	149	152	155	152	154	(1)	-0.6%	2	1.3%
Part-Time and Seasonal	1,126	1,081	1,096	1,023	1,095	(1)	-0.1%	72	7.0%
Salaries	$19,931,516	$20,652,107	$21,297,391	$21,412,310	$21,746,827	$449,436	2.1%	$334,517	1.6%
Equipment	291,933	428,778	400,000	300,000	441,000	41,000	10.3%	141,000	47.0%
General Expenses	1,450,354	1,494,986	1,847,975	1,572,975	2,100,000	252,025	13.6%	527,025	33.5%
Contractual Services	5,712,237	6,849,670	7,261,600	7,261,600	7,768,731	507,131	7.0%	507,131	7.0%
Total	**$27,386,040**	**$29,425,542**	**$30,806,966**	**$30,546,885**	**$32,056,558**	**$1,249,592**	**4.1%**	**$1,509,673**	**4.9%**

Expenses

- Total Proposed FY 17 expenses are increasing by $1.2 million, or 4.1%, when compared to the Adopted Budget and increasing by $1.5 million, or 4.9%, compared to OLBR’s projection.
- Salaries are increasing by $0.4 million, or 2.1%, compared to the FY 16 Adopted Budget and by $0.3 million, or 1.6%, compared to the OLBR’s projection. The increase is mainly due to the Cost of Living Adjustments (COLA) effective July 2017 and a step increase in September 2017, in the current CSEA collective bargaining agreement.
- The Proposed FY 17 equipment line increases by $41,000, this is mainly due to the need for recreation equipment and miscellaneous equipment.
- Proposed FY 17 general expenses are increasing by $0.3 million, or 13.6%.
  - The increase is mainly due to the need for GPC parks/materials/supplies purchases, Grainger expenses, and postage delivery.
- Contractual Services are increasing by $0.5 million, or 7.0%, compared to both the 2016 Adopted Budget and OLBR’s projection.
  - The increases are in custodial, miscellaneous contractual services, and program agencies.

Expenses, Cont.

		Staffing Analysis					
		FY 16 Adopted	Sept-16 Actual	FY 17 Request	FY 17 Executive	Exec. vs 16 Adopt	Exec. vs Actual
CC	**Full-time Staffing**						
10	Administration	26	23	25	24	(2)	1
20	Technical Services	44	44	46	45	1	1
30	Recreation Services	41	39	39	39	(2)	0
40	Museums	4	5	5	5	1	0
61	Golf Operations	40	41	41	41	1	0
Total Full-time		**155**	**152**	**156**	**154**	**(1)**	**2**
CC	**Part-time and Seasonal**						
10	Administration	13	5	19	12	(1)	7
20	Technical Services	129	168	128	128	(1)	(40)
30	Recreation Services	767	674	786	777	10	103
40	Museums	64	65	64	64	0	(1)
61	Golf Operations	123	111	115	114	(9)	3
Total Part-time and Seasonal		**1,096**	**1,023**	**1,112**	**1,095**	**(1)**	**72**

- Full-time headcount for FY 17 is decreasing by one position when compared to the FY 16 Adopted Budget but increasing by two in comparison to the September on board.
- Part-time and seasonal positions are decreasing by one in FY 17 when compared to the FY 16 Adopted headcount; and increasing by 72 when compared to the current on board. This increase is mainly due to the timing of when Pool Lifeguards, Rink Guards, and Recreation Aides are utilized.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	2,970	3,014	3,104	3,225	3,335	231	7.4%	110	3.4%
Part-Time and Seasonal	448	446	502	433	485	(17)	-3.4%	52	12.0%
Salaries	$458,588,624	$447,562,282	$472,782,834	$481,297,259	$493,289,484	$20,506,650	4.3%	11,992,225	2.5%
Fringe Benefits	237,275,346	242,841,577	259,444,255	260,099,107	281,125,501	21,681,246	8.4%	21,026,394	8.1%
Workers Compensation	10,654,132	11,282,583	12,556,098	12,556,098	14,516,972	1,960,874	15.6%	1,960,874	15.6%
Equipment	549,450	503,684	749,997	749,997	886,528	136,531	18.2%	136,531	18.2%
General Expenses	8,734,559	7,711,336	8,600,000	8,600,000	9,474,600	874,600	10.2%	874,600	10.2%
Contractual Services	9,892,790	11,879,607	12,000,000	12,000,000	12,850,000	850,000	7.1%	850,000	7.1%
Utility Costs	4,384,980	4,360,049	4,654,564	4,654,564	4,706,564	52,000	1.1%	52,000	1.1%
Debt Svc. Chargebacks	16,876,009	17,711,436	19,817,181	19,817,181	22,690,273	2,873,092	14.5%	2,873,092	14.5%
Inter-Dept. Charges	42,143,142	42,955,549	42,619,174	42,619,174	43,815,328	1,196,154	2.8%	1,196,154	2.8%
Interfund Charges	5,816	635	16,985	16,985	0	(16,985)	-100.0%	(16,985)	-100.0%
Trans To General Fund	9,930,016	929,968	0	0	0	0	*****	0	*****
Other Suits & Damages	887,096	891,829	0	0	0	0	*****	0	*****
Total	**$799,921,961**	**$788,630,536**	**$833,241,088**	**$842,410,365**	**$883,355,250**	**$50,114,162**	**6.0%**	**$40,944,885**	**4.9%**

Expenses

- Total FY 17 Police Department expenses of $883.4 million are increasing by $50.1 million when compared to the FY 16 budget of $833.2 million and $40.9 million over OLBR's FY 16 projection.
- Full-time headcount is growing by 231, or 7.4%, compared to the FY 16 budget and 110 when compared to OLBR's projection of 3,225.
- Salaries are increasing by $20.5 million, or 4.3%, to $493.3 million, budget to budget, and going up by $12.0 million, or 2.5%, compared to OLBR's FY 16 projection of $481.3 million.
  - The increase in salaries, budget to budget, includes contractual agreements with the three police unions, the Police Benevolent Association (PBA), Detectives' Association, Inc. (DAI), the Superior Officers' Association (SOA) and the Civil

Expenses, Cont.

Service Employees Association (CSEA), the higher fulltime headcount and the approximately $5.0 million more in termination expense.

- All sworn union members will receive a 2.0% COLA in FY 17. The increases will take effect in January 2017 except for members of the CSEA who will receive their adjustments in July.
- The overtime budget assumes $57.0 million in funding, remaining level with the allocation in FY 16. A more detailed discussion on overtime expense will follow.
- The growth in full-time headcount in FY 17 by 231, from the Adopted Budget and 110 from the current onboard reflects the department's plan to continue to hire more staff and also contributes to the increase in salaries. The level of uniform personnel had declined until May 2013, when the department hired 34 recruits. Since that time, the department has brought 705 on board with plans to hire 78 in October 2016. The hiring will continue in FY 17 when another 135 are expected to be sworn in.
- In June 2016, the department hired 150 police officers who will be fully deployed in January 2017.
- The additional police officers will offset the impact of those sworn personnel separating from service in FY 16. The Administration has included funding of $39.2 million for termination expense in the proposed budget, sufficient to cover the retirement of 155 police officers.

➢ Workers' comp is increasing 15.6%, or about $2.0 million, compared to the FY 16 Adopted Budget. The growth can be attributed to catastrophic medical payments made from operating funds rather than capital. Additionally, there is a higher volume and dollar amount of scheduled loss payments and higher indemnity payments due to an increase in the maximum indemnity rate allowed by the State.

➢ Adding to the growth in expenses, budget to budget, are increases in equipment, general expenses, contractual expenses, utility costs, debt service chargebacks and interdepartmental charges.

➢ The only decrease in expenses in the proposed budget is the $16,985 elimination of interfund charges.

➢ Fringe benefits in the Police Department are increasing by $21.7 million, or 8.4%, from the FY 16 Adopted Budget to $281.1 million in the FY 17 Proposed Budget. The increase is mostly due to rises in health insurance, pension contribution and social security costs.

- Health insurance expenses for active employees are increasing by $3.2 million and by $7.0 million for retirees, resulting in an overall increase of $10.2 million compared to the current year's budget.
  - The increase in health insurance is due to additional hiring and a rise in the health insurance growth rate. The FY 17 budget is based on a growth rate of roughly 7.0%; which is a reasonable rate for the retirees, however it is optimistic for the active employees in the individual and family plans based on NYSHIP's Second Quarter Experience Report.

- The Experience Report includes a rate of 8.7% based on the optimistic scenario and a rate of 11.0% based on the best estimate scenario for active employees, both of which are higher than the 7.0% budgeted.
- Based on the increase in the budgeted headcount, OLBR projects that there is a projected shortfall of $2.1 million. However, if the health insurance growth rate for active employees finalizes closer to the optimistic and best estimate scenario projections by NSHIP, the projected deficit could be as large as $3.2 million to $4.7 million.

- The FY 17 Proposed Budget includes $99.7 million for pension expense obligations. This is an increase of $10.7 million compared to the FY 16 Adopted Budget. The contribution rate for the retirement plan with the majority of Officers is decreasing from 25.1% to 24.8%. Although the rate continues to drop, the budget for pension expenses is increasing to due to rising salaries, and a reduction in the maximum amortization that is allowed by the State. Furthermore, the additional installment payments from the previous year's deferrals inflate the pension expense.
- The FY 17 Proposed Budget includes $29.9 million for social security expenses. This is an increase of $1.1 million, or 3.8% compared to the prior year adopted budget. With an increase in FY 17 budgeted salaries, social security is also expected to rise.

Expenses, Cont.

Overtime

Over the years, the Police Department has consistently exceeded its overtime budgets which have been woefully underfunded. In 2012, overtime was skewed due to the demands of Superstorm Sandy. OLBR is projecting FY 16 overtime expense will surpass the budget of $57.0 million by $12.0 million. In FY 17, the Administration will fund overtime at FY 16 levels, again more hopeful than achievable. The additional 150 sworn officers noted on the sworn headcount chart will be offset by the anticipated retirement of approximately 135-150 higher-paid veteran officers, thereby leaving headcount essentially flat. It is intended that the newer and lower salaried officers will pick up more overtime hours at a much lower rate. While it would appear that the retirements of higher salaried, high ranking veteran officers, the influx of lower paid rookie officers and the planned utilization of various grants and Asset Forfeiture funds targeting police initiatives take aim at lowering overtime expense, the allocation for FY 17 could be inadequate. From a police perspective, the unstable climate in which we live lends itself to instances requiring greater vigilance that generate overtime. Given historical trends, the FY 17 overtime budget seems unrealistic.

As noted earlier, the Administration has included adequate funding for up to 155 retirements. Since January 1, 2017 is the last COLA scheduled for uniform personnel until new union contracts are negotiated, the possibility exists that more than the budgeted number of officers may decide to leave. Currently, there are 770 sworn staff with 20 or more years of service eligible to retire during FY 17. If more officers choose to separate, not only will the termination budget be at risk, the loss of personnel will create further stress on the overtime budget; if fewer separate, there will be a funding windfall.

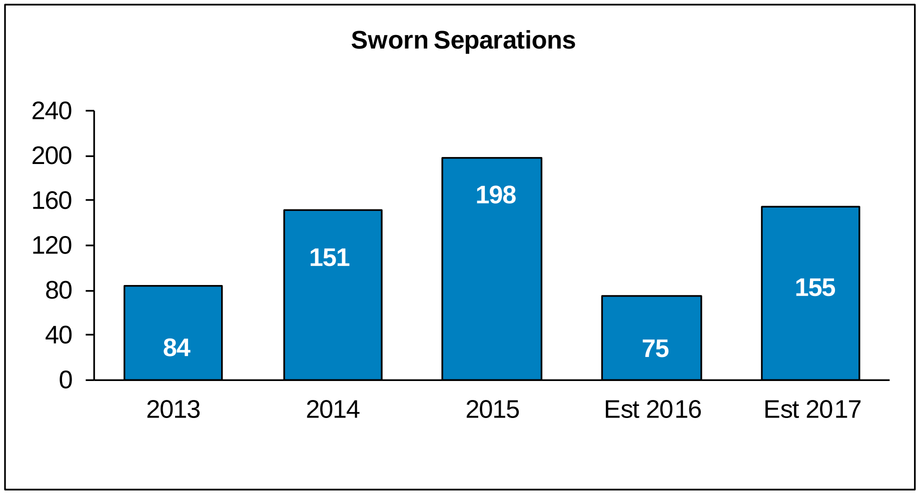
Expenses, Cont.

- Included in the FY 17 budget is funding for 2,500 sworn officers, growing by 150 over the budget in FY 2016 and 49 more than September actuals.
- The increase in sworn compared to both the Adopted Budget and September actuals reflects the department's plan for an Academy class of 78 in October 2016 and 135 in FY 17.
- The increase of 80 in CSEA is related to increases in the Police Service Aide, Police Communications Operator and Public Safety Officer positions.
- There will be very little change in ordinance budget to budget except for a slight increase of one.

Full-time Police Department Headcount by Union

Sworn	2016 Adopted	Sept. Actuals	2017 Executive	2017 vs 2016	2017 vs Actuals
PBA	1,648	1,751	1,773	125	22
DAI	360	333	360	0	27
SOA	342	367	367	25	0
Subtotal	2,350	2,451	2,500	150	49
Civilian					
CSEA	743	763	823	80	60
ORD	11	11	12	1	1
Total	3,104	3,225	3,335	231	110

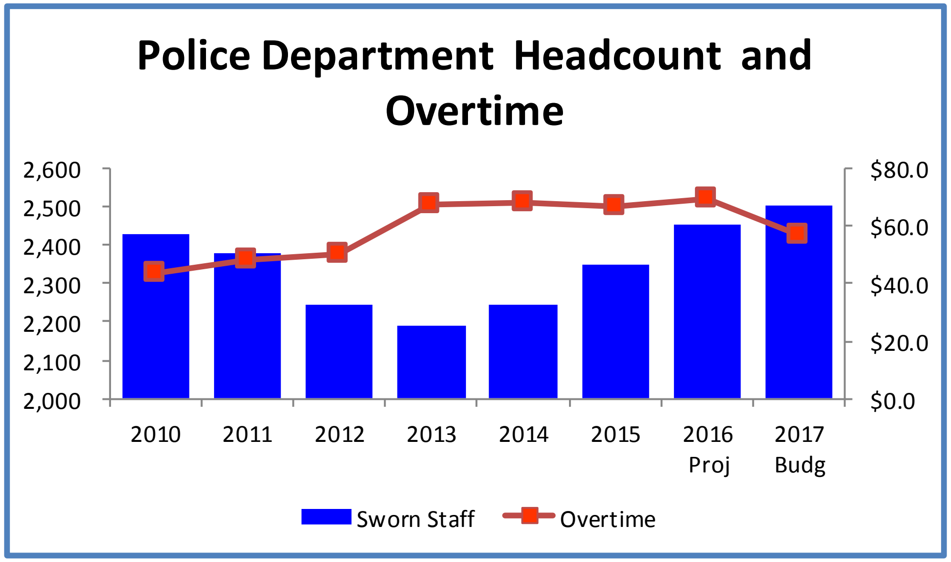
Expenses, Cont.



- FY 13 and FY 14 retirements were 84 and 151, respectively, FY 15 was 198 and the current estimate for FY 16 is 75.
- The above chart illustrates that sworn retirements have fluctuated over the years. Currently, 31.5% of the sworn force is eligible to retire and the department has budgeted funding for 155 members to leave service in FY 17. The Administration has allocated $39.2 million for termination expense in the Proposed Budget. There is a built in cushion of 20 retirements.
- The budget assumes COLAs for all unions in the Proposed Budget. It appears that funding for these increases is sufficient in FY 17.
- The planned Academy classes for the latter part of FY 16 (78) and the FY 17 (135) should make headway in offsetting some of the recent retirements.

Expenses, Cont.

- The following chart shows annual overtime costs in relation to headcount. It should be noted that the FY 12 overtime actuals reflect the $14.8 million credit in FEMA funds that the County received as a result of Hurricane Sandy.
- Current uniform strength of 2,451 should increase slightly by the end of FY 16. It is estimated that approximately 75 sworn officers will retire in FY 16. The class of 78 recruits scheduled to be hired in the latter part of FY 16 should offset these retirements.
- Due to the six to seven month training period, the future classes are not expected to have an impact on overtime until the second half of FY 17.
- The FY 17 Proposed Budget has funding for 2,500 uniform personnel. After all recruits are fully deployed, it is hoped their presence could make some headway in managing overtime.



Police Headquarters, Expenses

Police Headquarters Expenses ($'s in millions)						
`	Historical		2016	2017	Exec. vs. Adopted	
Control Center	2014	2015	Adopted Budget	Executive Budget	Var.	%
Full-Time Headcount	1,542	1,582	1,503	1,635	132	8.8%
Part-Time and Seasonal	51	51	52	51	(1)	-1.9%
Salaries	$232.7	$223.9	$233.6	$243.1	$9.5	4.1%
Fringe Benefits	123.0	125.9	136.1	148.9	12.8	9.4%
Workers Compensation	3.5	4.1	4.8	5.9	1.0	21.6%
Equipment	0.5	0.3	0.5	0.6	0.1	29.3%
General Expenses	3.8	3.3	3.6	4.0	0.4	11.9%
Contractual Services	9.5	11.3	11.5	11.8	0.3	2.3%
Utility Costs	3.1	3.2	3.3	3.4	0.1	1.6%
Debt Svc. Chargebacks	14.7	15.5	17.6	20.4	2.9	16.4%
Inter-Dept. Charges	21.6	22.4	22.9	23.6	0.7	2.9%
Interfund Charges	0.0	0.0	0.0	0.0	(0.0)	-100.0%
Trans To General Fund	9.9	0.9	0.0	0.0	0.0	*****
Other Suits & Damages	0.1	0.1	0.0	0.0	0.0	*****
Total	**$422.5**	**$411.1**	**$433.9**	**$461.6**	**$27.7**	**6.4%**

- Headquarters expenses are increasing by $27.7 million, or 6.4%, compared to the 2016 Adopted Budget. The largest growth comes in fringe benefits, salaries, workers' compensation and debt service chargebacks with smaller increases in general expenses, contractual services, utilities, and interdepartmental charges.
- The growth in salaries is associated with the higher headcount, budget to budget.
- The overtime allocation for Headquarters is flat with that of the allocation for FY 16.
- Terminal leave is declining $3.9 million budget to budget although the Administration has increased the allocation in District by $8.9 million. It appears that the Administration assumes a greater number of separations in District than Headquarters in FY 17.
- Fringe benefits are increasing by $9.5 million which is mostly due to rises in health insurance for active and retired employees and pension contributions.
- Workers' compensation is going up by $1.0 million, or 21.6%, as a result of the medical payments being paid from Operating Funds rather than Capital. Additionally, there is a higher volume and dollar amount of scheduled loss payments and higher indemnity payments due to an increase in the maximum indemnity rate allowed by the State.

Police Headquarters, Expenses, Cont.

- Debt service chargebacks are growing by $2.9 million due to some new Police Department capital projects.
- Interdepartmental charges are increasing by $656,653 primarily as a result to a $729,173 growth in indirect charges and smaller hikes in printing graphics and mail service, information technology charges offset by a reduction in building occupancy charges.
- Utilities are growing slightly in FY 17 mainly due to a $52,000 increase in telephone charges.
- The contractual services line is going up by $264,000 due to an increase of $342,800 in radio and communications contracts offset by a $100,000 decline for systems and programs.
- Increases in information technology for $88,000 and motor vehicle equipment for $45,000, miscellaneous equipment for $47,955 and smaller growth in office furniture, heavy duty equipment and safety & security equipment are offset by a decrease of $98,190 in communication equipment resulting in the total equipment line rising $132,000, or 29.3%.
- General expenses are also growing by $428,600, or 11.9%, as a result of upticks in clothing and uniform supplies, motor vehicle supplies and parts, postage and medical supplies and expenses among others. Offsetting these increases are reductions in gasoline and miscellaneous supplies and expenses.

Police District Expenses

Police District Expenses ($'s in millions)						
	Historical		2016	2017	Exec. Vs. Adpt	
Control Center	2014	2015	Adopted Budget	Executive Budget	Var.	%
Full-Time Headcount	1,428	1,432	1,601	1,700	99	6.2%
Part-Time and Seasonal	397	395	450	434	(16)	-3.6%
Salaries	$225.8	$223.6	$239.2	$250.2	$11.0	4.6%
Fringe Benefits	114.3	116.9	123.3	132.3	8.9	7.2%
Workers Compensation	7.2	7.2	7.7	8.6	0.9	11.9%
Equipment	0.0	0.2	0.3	0.3	0.0	1.5%
General Expenses	5.0	4.4	5.0	5.4	0.4	8.9%
Contractual Services	0.4	0.5	0.5	1.1	0.6	117.2%
Utility Costs	1.3	1.1	1.4	1.4	0.0	0.0%
Debt Svc. Chargebacks	2.1	2.2	2.3	2.2	(0.0)	-0.4%
Inter-Dept. Charges	20.5	20.6	19.7	20.2	0.5	2.7%
Interfund Charges	0.0	0.0	0.0	0.0	0.0	*****
Other Suits & Damages	0.8	0.8	0.0	0.0	0.0	*****
Total	**$377.4**	**$377.6**	**$399.4**	**$421.8**	**$22.4**	**5.6%**

- District expenses are increasing by $22.4 million, or 5.6%, when comparing budget to budget.
- The $11.0 million growth in salaries is related to contractual steps, COLAs and increased fulltime headcount when compared to the FY 16 budget.
- The allocation for overtime in FY 17 is remaining at FY 16 levels. As discussed in the overtime section, there is cause for concern that the funding for this line is insufficient given the current demands placed on police departments nationwide.
- The terminal leave budget will see an increase of $8.9 million to $22.4 million in FY 17 compared to the $13.5 million that was allocated in FY 16. The growth reflects the Administration's assumption that more uniform personnel will retire in District than Headquarters.
- Overall workers' compensation costs will increase by approximately $917,073, or 11.9%, due to higher volume and dollar amounts of scheduled loss and indemnity payments.
- Increases occur in many other District expense lines, most notably contractual services. The growth of $586,000, or 117.2%, over the FY 16 line is due to hikes in miscellaneous contractual services, radio & communications and police union legal fees.

Revenues

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Fund Balance	$6,200,000	$5,000,000	$0	$0	$5,000,000	$5,000,000	*****	$5,000,000	*****
Permits & Licenses	4,950,095	5,497,716	4,628,500	4,928,500	6,280,000	1,651,500	35.7%	1,351,500	27.4%
Fines & Forfeitures	1,535,860	1,301,125	1,000,000	1,300,000	66,111,721	65,111,721	6511.2%	64,811,721	4985.5%
Invest Income	31,302	32,121	32,300	32,300	32,000	(300)	-0.9%	(300)	-0.9%
Rents & Recoveries	713,629	213,936	66,140	147,140	66,140	0	0.0%	(81,000)	-55.0%
Dept Revenues	26,935,180	27,483,501	27,502,500	27,502,500	28,632,500	1,130,000	4.1%	1,130,000	4.1%
Interdept Revenues	13,820,577	13,124,160	12,107,839	12,107,839	13,698,363	1,590,524	13.1%	1,590,524	13.1%
Pymnt In Lieu of Taxes	0	0	0	25,695,945	25,695,945	25,695,945	*****	0	0.0%
Interfund Charges Rev	468,400	2,386,713	7,300	106,357	350,000	342,700	4694.5%	243,643	229.1%
Fed Aid-Reimb Of Exp	1,021,776	2,708,449	1,064,600	1,064,600	1,064,600	0	0.0%	0	0.0%
State Aid-Reimb Of Exp	878,712	749,787	589,000	589,000	589,000	0	0.0%	0	0.0%
Property Tax	709,637,861	710,054,829	757,589,412	731,893,467	711,378,981	(46,210,431)	-6.1%	(20,514,486)	-2.8%
Special Taxes	23,733,270	24,182,585	24,153,500	24,153,500	24,456,000	302,500	1.3%	302,500	1.3%
Interfund Transfer	11,250,000	0	4,499,997	4,499,997	0	(4,499,997)	-100.0%	(4,499,997)	-100.0%
Total	**$801,176,663**	**$792,734,921**	**$833,241,088**	**$834,021,145**	**$883,355,250**	**$50,114,162**	**6.0%**	**$49,334,105**	**5.9%**

- Revenues in FY 17 are rising by $50.1 million, or 6.0%, when compared to FY 16. The revenue budget will grow to $883.4 million in FY 17.
- Much of the increase in the Police Department revenue reflects the $64.4 million Public Safety Fee in fines and forfeitures.
- Also, the new line item, Payment in Lieu of Taxes (PILOT), for $25.7 million, has been introduced by the Administration and reflects the variance in the property tax levy due to the transfer of LIPA parcels from the property tax rolls in order to adhere to a State statute capping these parcels at 2% over prior years' levels for tax levy purposes.

- The previous chart illustrates the $46.2 million decrease in the property tax levy from FY 16 to FY 17 as it relates to the PILOT and tax levy reallocations. The PILOTS and the variances in the property tax levy will apply to both Headquarters and District Funds.
- The Administration has included $5.0 million in fund balance in District in FY 17. OMB's proposed summary book mentioned the $5.0 million is to provide contingency appropriations.
- A proposed increase to the false alarm notifications fee in District is also included in the increased fines and forfeitures line. The Administration is projecting an additional $420,000 for this fee.
- A proposed 20% increase to alarm permits is projected to generate an additional $1.0 million in new revenue.
- The $1.1 million growth in departmental revenues is related to another new fee in the FY 17 budget. The tow truck impound & DWI fees projected to generate $1.1 million in FY 17 is in the District Fund.
- Interdepartmental revenues are going up by $1.6 million due to higher expenses in the District Fund. Additionally, revenue is up in interfund charges revenue by $342,700 and special taxes by $302,500.

New Fees and Fee Increases The Administration has included a number of fees to the FY 17 budget, some new and some increases to existing fees. The proposed new fee and fee increases will be brought before the Legislature for approval. Although the revenue is already built into the FY 17 budget, it is not certain that approval will be secured.

Public Safety Fee Much of the increase in the Police Department revenue reflects the $64.4 million public safety fee in fines and forfeitures. This fee of $105 will be assessed on all traffic and parking Notice of Liability (NOL) violations. The revenue generated by this fee is based upon the assumption that approximately 600,000 tickets will be issued and paid. It is questionable if legislative approval will be secured and full collection will be achieved. Therefore, the $64.4 million in revenue should be considered a risk.

Tow Truck Impound And DWI Fees – This is a new fee t that the Administration expects to collect $1.1 million in FY 17. All DWI violators' vehicles will now be towed directly to the police impound lots, instead of public lots, and the department will collect the tow and storage fees.

False Alarm Notification Increase – An additional $420,000 in District will be generated as a result of the hike in penalties.

Alarm Permit Increase -A proposed 20% increase to alarm permits in permits and licenses is projected to generate an additional $1.0 million in new revenue.

Police Headquarters Revenues

Police Headquarters Revenues ($'s in millions)	Historical		2016	2017	Exec. Vs. Adpt	
Control Center	2014	2015	Adopted Budget	Executive Budget	Var.	%
Permits & Licenses	0.5	0.6	0.5	0.9	0.4	76.0%
Fines & Forfeits	0.0	0.0	0.0	64.4	64.4	*****
Invest Income	0.0	0.0	0.0	0.0	(0.0)	-30.6%
Rents & Recoveries	0.3	0.1	0.1	0.1	0.0	0.0%
Dept Revenues	24.5	25.0	25.1	25.2	0.1	0.3%
Interdept Revenues	13.5	12.8	11.7	12.0	0.3	2.8%
Pymnt In Lieu of Taxes	0.0	0.0	0.0	8.9	8.9	*****
Interfund Charges Rev	0.2	1.3	0.0	0.2	0.2	2639.7%
Fed Aid-Reimb Of Exp	1.0	2.5	1.1	1.1	0.0	0.0%
Interfund TS	11.3	0.0	4.5	0.0	(4.5)	-100.0%
State Aid-Reimb Of Exp	0.9	0.7	0.6	0.6	0.0	0.0%
Property Tax	348.3	342.1	366.2	323.8	(42.4)	-11.6%
Special Taxes	23.7	24.2	24.2	24.5	0.3	1.3%
Total	**$424.2**	**$409.3**	**$433.9**	**$461.6**	**$27.7**	**6.4%**

- The Headquarters revenue budget is increasing in FY 17 by $27.7 million, or 6.4%. Driving the change is the $64.4 million Public Safety Fee offset by the $42.4 million decrease in property tax levy.

- The Public Safety Fee, in fines & forfeitures, discussed earlier is projected to generate $64.4 million in new revenue in FY 17. OLBR flags this as a risk.
- Property tax is declining by $42.4 million in FY 17 partially offset by the PILOT of $8.9 million.
- As a result of higher motor vehicle registrations, the special taxes lines will grow by $302,500.
- Pistol permit revenue will see a $380,000 growth in FY 17. Due to the multiyear nature of the permit cycle, many permits will need renewals, generating an increase over the FY 16 budget allocation.
- Interdepartmental revenues are growing by $322,127.
- Departmental revenue will have a slight uptick of $80,000, resulting from the increase in the volume of parking meter fees. All other components of departmental revenues will remain flat compared to the FY 16 budget.

Departmental Revenues ($'s in thousands) Revenue Source	FY 15 Actual	FY 16 Budget	FY 16 Projected	FY 17 Proposed
Misc Receipts	$77.5	$174.3	$174.3	$174.3
Fees	32.6	50.0	50.0	50.0
Parking Meter-Fees	157.5	60.0	60.0	140.0
Ambulance Fees	24,541.0	24,500.0	24,500.0	24,500.0
Ambulance Fee Collections	120.8	200.0	200.0	200.0
Detective Div Fees	7.8	16.2	16.2	16.2
Games of Chance	0.8	2.0	2.0	2.0
Voluntary Fingerprint Card Fees	70.4	100.0	100.0	100.0
	$25,008.3	**$25,102.5**	**$25,102.5**	**$25,182.5**

Police District Revenues

Police District Revenues ($'s in millions)	Historical		2016	2017	Adopted	
Control Center	2014	2015	Adopted Budget	Executive Budget	Var.	%
Fund Balance	6.2	5.0	0.0	$5.0	$5.0	*****
Permits & Licenses	4.5	4.9	4.1	5.4	$1.3	30.8%
Fines & Forfeits	1.5	1.3	1.0	1.7	$0.7	72.0%
Invest Income	0.0	0.0	0.0	0.0	$0.0	33.3%
Rents & Recoveries	0.4	0.1	0.0	0.0	$0.0	*****
Dept Revenues	2.5	2.5	2.4	3.5	$1.1	43.8%
Interdept Revenues	0.3	0.3	0.4	1.7	$1.3	315.7%
Pymnt in Lieu of Taxes	0.0	0.0	0.0	16.8	$16.8	0.0%
Interfund Charges Rev	0.2	1.1	0.0	0.2	$0.2	*****
Fed Aid-Reimb Of Exp	0.0	0.2	0.0	0.0	$0.0	*****
Property Tax	361.3	368.0	391.4	387.6	($3.8)	-1.0%
Total	**$376.9**	**$383.4**	**$399.4**	**$421.8**	**$22.4**	**5.6%**

- District revenues are growing by $22.4 million, or 5.6%, from the Adopted FY 16 Budget.
- Most of the growth is due to $16.8 million for PILOTS.
- The other major factor driving the increase in revenues is due to the $5.0 million in fund balance.
- Fines & forfeitures will see an uptick of $700,000 as a result of the false alarm notification fee increase.
- The cyclical nature of alarm permit renewals will generate an additional $1.3 million in permits & licenses.
- Revenue in departmental revenues is growing by about $1.1 million due to the introduction of the new tow truck and DWI fee.
- Offsetting these increases is the $3.8 million decrease in property tax due to the reallocation of all tax levies.

Departmental Revenues ($'s in thousands)				
Revenue Source	FY 15 Actual	FY16 Budget	FY 16 Projected	FY 17 Proposed
Fees	$354.5	$300.0	$300.0	$300.0
Tow Truck Franchise Fee	$456.6	$500.0	$500.0	$500.0
Village Fees	$1,664.2	$1,600.0	$1,600.0	$1,600.0
Tow Truck Impound & DWI Fees	$0.0	$0.0	$0.0	$1,050.0
	$2,475.3	**$2,400.0**	**$2,400.0**	**$3,450.0**

Multi-Year Plan

- The following chart on the next page shows salaries remaining fairly steady in both funds throughout the out-years. January 2017 is the last COLA the sworn unions are scheduled to receive until a new contract is negotiated. It appears that no new COLAs were considered for the out-years.
- The combined fringe benefits line for the Police Department is increasing by $41.4 million, or 14.7%, to $322.6 million from FY 17 to FY 20 due mostly to increased health insurance, pension and social security costs.
  - Health insurance is increasing by $25.3 million by FY 20. The MYP baseline inflator used to project out-year health insurance costs for active employees is 5.38% from FY 18 through FY 20. The inflator for retirees is 6.0% for FY 18 through FY 20 for retired employees. Based on the additional hiring included in the Proposed Budget, OLBR projects that the health insurance budget for the Police Department could be underfunded by $2.2 million in FY 18, $2.3 million in FY 19 and $2.4 million in FY 20.
  - Including the amortization amounts, pension expenses are increasing by $11.4 million by FY 20. Based on the FY 18 projected pension bill for the Police and Fire Retirement System (PFRS), the contribution rate for the retirement plan with the majority of Officers is increasing slightly from 24.8% to 25.3%. Due to the pension rate, a reduction in the maximum amortization allowed and the installment payments from the previous year's borrowing that are added to the annual pension bill, the contribution cost for PFRS is higher in FY 18, compared to FY 17. The Multi-Year Plan is based on amortizing the pension expense in the remaining out years.
  - Social security expenses are increasing by $3.4 million or 11.5% by FY 20. With an increase in budgeted salaries from FY 18-FY 20, social security is also expected to rise.
- OTPS expenditures are expected to remain essentially flat keeping with the Administration's policy of purchasing none but essential items.
- 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.
- Revenue declines indicating no increase in property taxes and no new revenue.

POLICE HEADQUARTERS FUND ($'s in Millions)		2017 Proposed	2018 Plan	2019 Plan	2020 Plan
EXPENSE					
AA	Salaries	$243.1	$244.5	$245.1	$245.8
AB	Fringe Benefits	148.9	156.9	163.9	170.9
	Other Expense	69.6	70.4	69.9	69.9
Expense Total		**$461.6**	**$471.7**	**$478.9**	**$486.6**
Revenue					
TL	Property Tax	$323.8	$323.8	$323.8	$323.8
	Other Revenue	137.8	136.5	136.5	136.5
Revenue Total		**$461.6**	**$460.3**	**$460.3**	**$460.3**
Gap		**$0.0**	**($11.5)**	**($18.6)**	**($26.3)**

POLICE DISTRICT FUND ($'s in Millions)		2017 Proposed	2018 Plan	2019 Plan	2020 Plan
EXPENSE					
AA	Salaries	$250.2	$247.2	$247.9	$248.5
AB	Fringe Benefits	132.3	139.3	145.5	151.7
	Other Expense	39.3	39.5	39.8	39.9
Expense Total		**$421.8**	**$426.0**	**$433.2**	**$440.1**
Revenue					
TL	Property Tax	$387.6	$387.6	$387.6	$387.6
	Other Revenue	34.2	29.2	29.2	29.2
Revenue Total		**$421.8**	**$416.8**	**$416.8**	**$416.8**
Gap		**$0.0**	**($9.2)**	**($16.4)**	**($23.3)**

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	190	184	190	186	191	1	0.5%	5	2.7%
Part-Time and Seasonal	14	12	11	10	12	1	9.1%	2	20.0%
Salaries	$15,689,359	$15,704,322	$17,485,152	$16,669,661	$17,230,542	($254,610)	-1.5%	$560,881	3.4%
Equipment	28,691	29,354	22,250	15,252	37,250	15,000	67.4%	21,998	144.2%
General Expenses	282,685	223,732	309,050	257,356	298,050	(11,000)	-3.6%	40,694	15.8%
Contractual Services	493,303	491,652	559,100	519,100	576,840	17,740	3.2%	57,740	11.1%
Utility Costs	0	0	500	500	500	0	0.0%	0	0.0%
Inter-Dept. Charges	1,402,752	1,000,412	1,171,335	1,171,335	1,156,445	(14,890)	-1.3%	(14,890)	-1.3%
Total	**$17,896,791**	**$17,449,471**	**$19,547,387**	**$18,633,204**	**$19,299,627**	**($247,760)**	**-1.3%**	**$666,423**	**3.6%**

Expenses

- The proposed FY 17 expense budget is $19.3 million, a decrease of $247,760, or 1.3%, budget to budget and a rise of $666,423 compared to OLBR's projection.
- The FY 17 salaries budget is declining by $254,610, however compared to OLBR's projection it is increasing by $560,881. This surge is due to vacancy savings, the effects of the current labor agreement, a rise in overtime and the elimination of savings from initiatives included in FY 16 offset by decreases in terminal leave and longevity pay.
- The budget funds 191 full-time positions and 12 part-time titles in FY 17 which represents increases of one full-time and one part-time position compared to the Adopted 2016 Budget.
- The equipment expenses are budgeted at $37,250 for the Proposed 2017 Budget, an increase of $15,000 attributed to higher costs for safety & security and communication equipment.
- The FY 17 general expenses of $298,050 dropped by $11,000 compared to the FY 16 budget of $309,050. The change result from a decrease of copying, blueprint supplies and expenses offset by an increase of extradition costs.
- The FY 17 contractual expense budget of $576,840 is the largest portion of the department's OTPS budget; it is rising by $17,740 budget to budget and $57,740 compared to OLBR 's projection. The proposed increase is primarily due to the absorption of the County's share of expenses in conjunction with the Supervision and Treatment Services for Juvenile Programs (STSJP), previously funded by the Department of Human Services.

Expenses, Cont.

- The interdepartmental charges for FY 17 dropped by $14,890, or 1.3%, compared to the prior year budget. The change is inclusive of adjustments mainly in the juvenile detention center and telecommunication charges offset by growths in postage and information technology expenses. However, the budget includes funding on incorrect sub-object lines, which the department expects to have corrected through technical adjustments. As a result, postage will be flat and Juvenile Detention Center (JDC) expenses will increase.

Electronic Monitoring (EM)

Many of the offenders supervised by the Probation (PB) Department have significant issues with substance abuse. One of the conditions of probation requires offenders to "submit to periodic testing to determine whether alcohol and/or controlled substances are being used." These tests typically include the collection of breath and urine samples. With increasing frequency, the department is utilizing the Secure Continuous Remote Alcohol Monitor (SCRAM) ankle bracelets that allow Probation Officers to remotely monitor offenders' blood alcohol levels 24/7 through the use of transdermal sensors. PB also uses the same devices to enforce curfews and house arrests, which is part of the department's Recidivist Alcohol Probationer Program (RAPP) for repeat DWI offenders. The Probation Department believes that SCRAM is an important and effective tool that will continue to assist with the improvement of offender accountability and community safety.

Source: Department of Probation

Juvenile Justice Reform

Since January 2012, the County's ongoing juvenile justice reform efforts have expanded to include 16 and 17-years old adolescents charged with non-violent criminal acts, for which the most appropriate system response may not be criminal sanctions. As of September 2015, more than 2,500 at risk youth have been screened for the Adolescent Diversion Program (ADP). New York State Division of Criminal Justice Services (DCJS) analysis indicates that the program has produced similar rates of recidivism for these offenders while reducing the average length of time to disposition for lower risk youth from 212 to 51 days, thereby saving system resources for higher risk youth who require services the most. Nassau's ADP has become a model for the proposed Raise the Age Legislation, which would significantly change how the justice system responds to adolescent offenders statewide.

Source: Department of Probation

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$106,143	$70,025	$0	$0	$0	$0	*****	$0	*****
Dept Revenues	1,544,910	1,392,761	1,542,200	1,542,200	1,534,000	(8,200)	-0.5%	(8,200)	-0.5%
Fed Aid-Reimb of Exp	183,625	192,438	16,000	96,301	30,000	14,000	87.5%	(66,301)	-68.8%
State Aid-Reimb of Exp	5,209,459	5,259,728	4,992,877	6,008,061	5,266,609	273,732	5.5%	(741,452)	-12.3%
Total	**$7,044,137**	**$6,914,953**	**$6,551,077**	**$7,646,562**	**$6,830,609**	**$279,532**	**4.3%**	**($815,953)**	**-10.7%**

Revenues

- The Proposed revenue budget for FY 17 is growing by $279,532, or 4.3%, from the Adopted FY 16 Budget and declining by $815,953, or 10.7%, compared to current projections. This is mainly attributed to changes in proposed budget for state aid.
- The FY 17 departmental revenue is $1.5 million, a minimal drop of $8,200 from the prior year's budget and OLBR's projection. The decrease is driven by declining collections from the 1% fee on bail revenue.
- The 2017 Proposed Budget includes $30,000 for federal aid which is an increase of $14,000, budget to budget.
  - The proposed budget allocates $16,000 for funds 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 County's Probation Department. The change of $14,000 relates to the New York State pass through of federal funding for the reimbursement of meals at the Juvenile Detention Center.
  - OLBR's projection compared to the FY 17 proposal reflects a decrease of 66,301, which relates to funding from the Governor's Traffic Safety Committee (GTSC) Alcohol Interlock Device Grant. The department does not include this revenue in the budget because it must be renewed annually and is not guaranteed.
- The department's state aid budget of $5.3 million is growing by $273,732, budget to budget and declining by $741,452 compared to OLBR's projection. The department expects additional state funding associated with the JDC, which represents 51.7% of this budget code.
  - OLBR's projection reflects an additional $1.0 million in JDC funding from FY 13 from New York State Office of Children and Family Services (OCFS).
  - The JDC is authorized by New York State's OCFS to operate eight secure detention beds, with an additional eight beds in reserve. The reserve beds are available to absorb juvenile census population spikes for which Nassau would receive reimbursement at a rate established by Office of Children and Family Services.

Revenues, Cont.

INDICATOR	ACTUAL 2014	ACTUAL 2015	ESTIMATED 2016	PROJECTED 2017	% CHANGE
Investigations- Criminal Division	3,300	3,150	3,500	3,500	0.0%
Supervision - Criminal Division	6,844	6,000	5,850	5,500	-6.0%
Pre-Trial/Intake- Criminal Division	11,100	10,500	10,500	10,000	-4.8%
Alcohol Interlock Monitoring (AIM)	839	600	600	500	-16.7%
Juvenile Intake - Juvenile Delinquents	333	375	375	425	13.3%
Juvenile Supervision - Juvenile Delinquents	55	60	60	60	0.0%
Juvenile Supervision - (PINS)*	2	3	3	4	33.3%
Investigations Family Division	216	210	210	250	19.0%
Total Caseloads	22,689	20,898	21,098	20,239	-4.1%

ACTIVITY INDICATORS

* Persons In Need of Supervision

Source: Probation Department

- In the Criminal Division, Supervision, Pre-Trial/Intake and Alcohol Interlock Monitoring (AIM) are projected to decrease in FY 17 compared to 2016 by 6.0%, 4.8% and 16.7% respectively, due to fewer arrests and case workloads.
- The activity indicators included in Juvenile Division are expected to increase for FY 17, directly correlated to an uptick in arrests.
  - Intake for Juvenile Delinquents has a growth of 13.3% compared to the FY 16 estimation.
  - In FY 17 the growth for Juvenile Supervision for PINS is increasing by 33.3%.
- FY 17 Investigations for the Family Division are projected to grow by 19.0% in comparison to the estimate for FY 16. This increase is attributed to additional guardianship caseloads for youth.

Revenues, Cont.

Leandra's Law

Following the implementation of Leandra's Law (August 2010), which requires installation of an ignition interlock device (IID) in the vehicles of all convicted drunk drivers. Probation 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 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.

Source: Department of Probation

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.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	6	6	6	6	6	0	0.0%	0	0.0%
Part-Time and Seasonal	0	0	0	0	2	2	*****	2	*****
Salaries	$499,395	$464,814	$485,777	$487,194	$593,925	$108,148	22.3%	$106,731	21.9%
General Expenses	2,660	1,843	3,422	3,422	3,422	0	0.0%	0	0.0%
Contractual Services	7,300	7,300	7,300	7,300	7,500	200	2.7%	200	2.7%
Total	**$509,355**	**$473,958**	**$496,499**	**$497,916**	**$604,847**	**$108,348**	**21.8%**	**$106,931**	**21.5%**

Expense

- Expenses in the Public Administrator's proposed budget are up 21.8% from the Adopted FY 16 Budget and 21.5% compared to the current projection. The growth is concentrated in the salary expense line, as the department's CSEA employees are budgeted to receive contractual salary increases in FY 17. The proposal also budgets for two part-time Accounting Assistants who are not currently onboard. The salary expense budget is $108,148 more than FY 16 budget and $106,731 larger than the latest projection.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Dept Revenues	$1,067,163	$410,603	$500,000	$250,000	$250,000	($250,000)	-50.0%	$0	0.0%

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 processes. The proposed $250,000 budget is in line with the latest projection.

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	413	479	465	471	469	4	0.9%	(2)	-0.4%
Part-Time and Seasonal	59	60	60	67	60	0	0.0%	(7)	-10.4%
Salaries	$29,544,991	$32,306,783	$34,978,706	$34,991,976	$35,223,794	$245,088	0.7%	$231,818	0.7%
Workers Compensation	1,531,342	2,024,323	2,141,359	2,141,359	2,483,911	342,552	16.0%	342,552	16.0%
Equipment	74,324	64,000	87,168	87,168	88,068	900	1.0%	900	1.0%
General Expenses	6,893,908	8,144,512	8,651,213	8,076,213	8,314,837	(336,376)	-3.9%	238,624	3.0%
Contractual Services	126,727,713	134,029,254	133,828,636	136,828,636	135,031,555	1,202,919	0.9%	(1,797,081)	-1.3%
Utility Costs	28,766,331	25,781,994	28,631,900	28,131,900	27,952,057	(679,843)	-2.4%	(179,843)	-0.6%
Var Direct Expenses	0	0	250,000	250,000	250,000	0	0.0%	0	0.0%
Inter-Dept. Charges	9,081,458	8,597,189	14,384,892	14,384,892	15,669,468	1,284,576	8.9%	1,284,576	8.9%
Interfund Charges	0	0	1,654,476	1,654,476	0	(1,654,476)	-100.0%	(1,654,476)	-100.0%
Mass Transportation	42,785,669	42,697,935	43,803,242	43,803,242	43,699,392	(103,850)	-0.2%	(103,850)	-0.2%
Bus Route	75,000	0	75,000	75,000	75,000	0	0.0%	0	0.0%
Rent	14,923,608	13,206,795	14,360,564	14,160,564	11,253,441	(3,107,123)	-21.6%	(2,907,123)	-20.5%
Coliseum Repair	0	297,963	0	0	0	0	*****	0	*****
Total	**$260,404,343**	**$267,150,746**	**$282,847,156**	**$284,585,426**	**$280,041,523**	**($2,805,633)**	**-1.0%**	**($4,543,903)**	**-1.6%**

Expenses

- The expense chart reflects the consolidated Department of Public Works (DPW) which includes Planning and Real Estate Services.
- DPW's FY 17 Proposed Expense Budget is decreasing by $2.8 million, or 1.0% from the FY 16 Adopted Budget.
- The FY 17 Proposed Budget contains four more full-time workers when compared to FY 16.
- Salaries are growing by $0.2 million or 0.7% which is primarily due to the additional full-time staff, overtime costs and the elimination of the FY 16 savings from initiatives. Decreases in terminal leave and longevity partially mitigate the increases.
  - Salaries include COLAs in July 2017 and step increases in September 2017 from the current agreement with the CSEA union.
- Workers' compensation costs are growing by $0.3 million when compared to the FY 16 Adopted Budget because of greater anticipated medical expenses and higher indemnity rates.

Expenses, Cont.

- General expenses costs are decreasing by $0.3 million, or 3.9% when compared to the FY 16 Adopted Budget. The largest decreases are traffic & highway supplies and gasoline and diesel fuel for a combined $539,105 reduction which more than offset the increase of $276,750 for Genuine Parts Company (GPC) parts/materials/supplies.
- Contractual services are increasing by $1.2 million or 0.9% from FY 16. The largest rises are for tank testing, repair & compliance, sanitary solid waste disposal, street light & signal maintenance, rodent control services and miscellaneous contractual services.
- Utility costs are decreasing by $0.7 million or, 2.4% versus the FY 16 Adopted Budget. The combined savings are $0.9 million in light, power and water offset by an increase in fuel of $0.3 million.
- The various direct expenses of $0.3 million, continues to fund the LI Regional Planning Council.
- The inter-departmental charges are increasing by $1.3 million, or 8.9%. The largest growth, $1.1 million, pertains to indirect charges. In addition, there are small increases for IT charges, printing and graphics and telecommunication charges. These charges are allocated by the Office of Management and Budget (OMB).
- The interfund charge, specifically SSW charges, has been eliminated from the FY 17 proposed budget.
    - This charge previously represented the salary chargeback allocation from the Sewer Fund to the General Fund for sewer employees who performed work on behalf of DPW.
- Mass transportation costs, specifically LIRR station maintenance, are decreasing by $0.1 million when compared to the FY 16 Adopted Budget.
- Rent is decreasing by $3.1 million in FY 17 which is the primarily due to the renegotiated lease of County offices located at 60 Charles Lindbergh Blvd Uniondale, NY 11553. Furthermore, the County is no longer occupying locations on Nassau Road in Roosevelt nor at the Village of Hempstead.

Expenses, Cont.

Expenses by Control Center

($'s in millions)

Control Center	Historical 2014	2015	2016 Adopted Budget	2017 Exec. Budget	Exec. vs. Adopted Var.	%
00 Division of Administration	$19.5	$18.7	$25.2	$22.8	-$2.4	-9.5%
01 Division of Engineering	172.9	179.8	181.7	181.2	-0.5	-0.3%
02 Division of Operations	61.8	27.1	28.3	27.1	-1.2	-4.2%
03 Fleet Management	6.1	6.7	8.9	9.4	0.5	5.7%
06 Facilities Management	0.0	34.8	38.7	39.5	0.8	2.0%
Total	**260.4**	**267.2**	**282.8**	**280.0**	**-2.8**	**-1.0%**

- In totality, the FY 17 expense budget is decreasing by $2.8 million, or 1.0%, versus the FY 16 budget.
- The Administration Control Center is decreasing by $2.4 million in FY 17.
    - The primary factors for the decline are the savings of $3.1 million in rent followed by $0.2 million in interfund charges for SSW charges. However, increases occurred in salaries for $0.2 million, workers' compensation of $0.3 million and interdepartmental charges of $0.2 million. Growth of less than $0.1 million are in general expenses and contractual services.
- The Division of Engineering Control Center is decreasing by $0.5 million in FY 17.
    - This control center's budget decline occurred mainly within utility costs, which are $0.7 million lower.
- The Division of Operations Control Center is decreasing by $1.2 million in FY 17.
    - The largest reductions are $0.7 million in general expenses and $0.5 million in salaries.
- The Fleet Management Control Center experienced an increase of $0.5 million in FY 17.
    - The two significant drivers are salaries of $0.3 million and contractual services of $0.3 million. Salaries are growing primarily due to the net increase of seven full-time positions. Tank testing repair & compliance drove the surge in contractual services.
    - Furthermore, the indirect charges within inter-departmental charges increased by $89,416. However general expenses, primarily in diesel fuel and gasoline, saw a decline of $0.2 million.

Expenses, Cont.

- The Facilities Management Control Center is increasing by $0.8 million in FY 17.
  - The two largest main factors for the growth are contractual services of $0.8 million and general expenses of 0.5 million. Additionally, minimal increases are also being realized in equipment, utility costs and inter-department charges. These rises are being offset by declines in salaries of $0.2 million and interfund charges of $0.3 million.
    - Outside vendor repairs and GPC parts/material/supplies purchases are driving the general expenses increase. Miscellaneous contractual services, sanitary solid waste disposal, GPC warehouse management and rodent control services are driving the contractual services line growth.
  - The FY 17 integration of GPC parts/material/supplies purchases in the Fleet Management was partially offset in the Division of Operations.



Expenses, Cont.

DPW 2017 Proposed Budget Contractual Services Expense					
	Historical	2016	2017	Exec. vs. Adopted	
	2015	Adopted Budget	Exec. Budget	Var.	%
Contractual Services - Veolia	$125,126,280	$125,322,802	$125,322,802	$0	0.0%
Miscellaneous Contractual Serv	4,830,942	3,014,650	3,387,000	372,350	12.4%
Legal	24,500	22,026	22,026	0	0.0%
Sanitary Solid Waste Disposal	0	23,150	125,000	101,850	440.0%
Street Light & Signal Maintenance	2,934,300	2,837,749	3,000,000	162,251	5.7%
Medical/Psychiatric Services	0	30,118	49,897	19,779	65.7%
Laundry Services	0	58,437	72,000	13,563	23.2%
Building & Maintenance Svcs	9,527	501,915	520,000	18,085	3.6%
Lease Purchase	0	90	100	10	11.1%
GPC Warehouse Management	206,253	307,423	350,000	42,577	13.8%
Traffic Management Center	0	1,087,827	1,087,827	0	0.0%
Rodent Control Services	200,000	70,000	190,000	120,000	171.4%
Contruction & Demolition Debris Removal	79,944	57,982	35,000	(22,982)	-39.6%
Tree Removal & Triming Services	99,692	0	0	0	*****
Uniform	35,000	0	0	0	*****
Software Contracts	102,232	71,922	71,922	0	0.0%
Professional Services	0	17,981	17,981	0	0.0%
Tank Testing Repair & Compliance	379,985	404,564	780,000	375,436	92.8%
Total	**$134,029,255**	**$133,828,636**	**$135,031,555**	**$1,202,919**	**0.9%**

- Contractual services are growing by $1.2 million in FY 17.
  - Cost escalations of more than $0.1 million are occurring in miscellaneous contractual services, sanitary solid waste disposal, street light & signal maintenance, rodent control services and tank testing repair & compliance.
    - These expense items are needed for trash pickup, federally mandated signal operations, additional pest spraying and US Environmental Protection Agency (EPA) and New York State Department of Environmental Conservation (DEC) central monitoring.

Expenses, Cont.

	CC	Staffing Analysis	FY 16 Adopted	Sept-16 Actual	FY 17 Request	FY 17 Executive	Exec. vs 16 Adopt	Exec. vs Actual
	CC	**Full-Time Staffing**						
PW	00	Division of Administration	34	35	39	39	5	4
	01	Division of Engineering	85	106	94	94	9	(12)
	02	Division of Operations	165	151	155	155	(10)	4
	03	Fleet Management	39	46	46	46	7	0
	06	Facilities Management	142	133	135	135	(7)	2
	Total Full-Time		**465**	**471**	**469**	**469**	**4**	**(2)**
	CC	**Part-Time and Seasonal**						
PW	00	Division of Administration	2	2	2	2	0	0
	01	Division of Engineering	11	10	11	11	0	1
	02	Division of Operations	4	21	4	4	0	(17)
	03	Fleet Management	2	2	2	2	0	0
	06	Facilities Management	41	32	41	41	0	9
	Total Part-Time and Seasonal		**60**	**67**	**60**	**60**	**0**	**(7)**

- The FY 17 full-time headcount is set to increase by four positions when compared to the FY 16 budget. The current workforce has two more employees than the proposed budget allots.
- The FY 17 part-time and seasonal staff is remaining flat to the FY 16 budget. The existing staffing levels contain seven more positions than the proposed budget assigns.
  - Part-time and seasonal headcount will drop to the FY 17 Proposed budget level.

Expenses, Cont.

Transit Bus Expenses

- The history and the proposed FY 17 mass transportation expenses are detailed below.
- The other expense line is used to fund the Pt. Lookout/LIDO Long Beach bus route.

Mass Transportation Funding

Mass Transportation (MM)	FY 15 Actual	FY 16 Budget	Executive FY 17	2017 - 2016 % Change
630 Metropolitan Suburban Bus Authority	$1,930,000	$1,930,000	$1,930,000	0.0%
631 LIRR Station Maintenance	28,575,435	29,614,950	29,511,100	-0.4%
632 MTA-LIRR Operating Assistance	11,583,000	11,583,792	11,583,792	0.0%
635 Handicapped Transportation System	609,500	609,500	609,500	0.0%
636 Intermodal Center Subsidy	0	65,000	65,000	0.0%
	42,697,935	**43,803,242**	**43,699,392**	-0.2%
Other Expenses (OO)				
6H Lido Beach Bus Route	0	75,000	75,000	0.0%
Mass Transportation and Lido Beach	**$42,697,935**	**$43,878,242**	**$43,774,392**	**-0.2%**

- 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.
- The MTA-LIRR Operating Assistance is payable annually. All Counties located within the Metropolitan Commuter District pay this assistance.
- The Lido Beach Bus Route budget of $75,000 has remained unchanged. The 2015 payment has not been made as of yet. DPW states that no claim voucher was received.

Transdev Services, Inc.

Transdev / Veolia /NICE Bus Budget 2016 to 2017	2016 Adopted	July 16 Projection	2017 Proposed	17 Prop vs. 16 Proj.
County Contractual Service Payment	125,322,802	128,322,802	125,322,802	(3,000,000)
County Bus Subsidy Payment	1,930,000	1,930,000	1,930,000	0
County Handicapped Transit	609,500	609,500	609,500	0
Total County Expenses	127,862,302	130,862,302	127,862,302	(3,000,000)
Farebox Revenues	51,039,867	47,106,657	49,376,934	2,270,277
Non-Operating Revenue	700,000	700,000	700,000	0
County Capital Match	700,000	700,000	700,000	0
Federal Transporation Authority	5,600,000	5,600,000	5,600,000	0
Reimbursed Expense	700,000	700,000	700,000	0
STOA Grant	62,831,500	66,657,500	66,657,800	300
Total County Revenues	121,571,367	121,464,157	123,734,734	2,270,577
Net County Contribution	(6,290,935)	(9,398,145)	(4,127,568)	5,270,577

NICE Bus

The Administration included a $.50 ticket price increase, $2.75 to $3.25, which equated to an additional $2.3 million in farebox revenue. Furthermore, the proposed budget reduces the County's NICE Bus contractual expense by $3.0 million from the current 2016 projected levels.

- The County is set up to act as a pass through for the NICE Bus system. Contractual disbursement payments are made to Transdev for operating the transit system from all corresponding bus revenues paid to Nassau County.
- The budgeted County expense is $2.5 million which represents the two subsidy payments historically made to the bus system. However, the County may have to make up any shortfalls between expenses and revenues. The Proposed FY 17 Budget estimates the County portion to be $4.1 million.
- Total revenues are growing by $2.3 million when compared to OLBR's projections.
- The $66.7 million state aid amount reflects the State Transportation Operating Assistance (STOA) grant which is remaining flat in FY 17.
  - The grant monies are a function of the ridership level and the quality/type of services provided. Documentation is provided to New York State each year and allocation is predicated on service levels voted on by the senate and the assembly.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Permits & Licenses	$603,677	$1,639,919	$3,577,000	$3,577,000	$2,783,000	($794,000)	-22.2%	($794,000)	-22.2%
Fines & Forfeits	480	0	1,000	1,000	1,000	0	0.0%	0	0.0%
Rents & Recoveries	9,819,242	13,217,623	11,117,202	6,945,236	13,312,702	2,195,500	19.7%	6,367,466	91.7%
Rev Offset To Expense	155,611	286,033	300,000	300,000	300,000	0	0.0%	0	0.0%
Dept Revenues	48,424,215	50,530,634	53,420,367	49,104,683	52,046,934	(1,373,433)	-2.6%	2,942,251	6.0%
Cap Backcharges	0	(93,242)	0	0	0	0	*****	0	*****
Interdept Revenues	18,554,863	14,725,097	18,418,904	18,418,904	14,030,697	(4,388,207)	-23.8%	(4,388,207)	-23.8%
Interfund Charges Rev	5,319,838	5,140,357	6,305,070	6,305,070	6,158,274	(146,796)	-2.3%	(146,796)	-2.3%
Fed Aid-Reimb of Exp	5,880,684	9,580,425	6,635,000	6,635,000	6,879,000	244,000	3.7%	244,000	3.7%
State Aid-Reimb of Exp	63,759,273	70,106,510	63,789,000	67,615,300	67,607,800	3,818,800	6.0%	(7,500)	0.0%
Total	**$152,517,883**	**$165,133,356**	**$163,563,543**	**$158,902,193**	**$163,119,407**	**($444,136)**	**-0.3%**	**$4,217,214**	**2.7%**

Revenues

- The revenue chart above reflects the consolidated Department of Public Works which includes Planning and Real Estate Services.
- DPW's proposed revenue budget is decreasing minimally, by $0.4 million, from the FY 16 budget.
- Permits & licenses are declining by $0.8 million which is due to lower road opening revenue of $1.9 million offset by higher cost of construction and the new impact assessment fee of $640,000 and $500,000 respectively.
- Rents and recoveries revenue is increasing by $2.2 million or 19.7%. The growth is primarily due to coliseum earnings going from the construction period to rental revenue. Furthermore, adjustments to other subobject codes net out.
- Departmental revenues are decreasing by $1.4 million from FY 16 which is mainly due to lower bus farebox revenue however, when compared to the projection; it is increasing due to the proposed fare hike. The FY 16 Adopted Budget was overly optimistic.
- Interdepartment revenues are decreasing by $4.4 million. This charge is allocated by the Office of Management and Budget.
- Federal aid is increasing by $0.2 million, to $6.9 million, which is specifically in the NYS Pass thru Federal funds.
- State aid is increase by $3.8 million to $67.6 million. The largest component of this line is the State Operating Assistance (STOA) grant. The amount of STOA grant Nassau County will be receiving is not known until New York State's budget is finalized and approved, typically sometime in April.

Revenues, Cont.

Departmental Revenues	2015 Actual	2016 Budget	2016 Projected	2017 Proposed
293F Plan (I)	$34,500	$0	$35,000	100,000
293F Plan (R)	12,950	0	8,510	100,000
Misc Receipts	1,198	5,000	1,126	5,000
Fees	674,600	176,000	135,450	400,000
Concessions	1,073,975	920,000	829,045	920,000
Subdivision Plan Review (R080A)	15,550	1,000	15,294	-
239F Plan Review	0	250,000	92,500	-
Non-Stormwater Discharges-Storm	0	5,000	700	0
Inspector Services Backcharge	95,463	40,000	47,209	40,000
Contractual Services	0	0	1	
Plans	95,670	75,000	55,034	75,000
Bus Farebox	47,206,937	51,039,867	47,106,657	49,376,934
Bus Advertising	156,607	0	0	0
Non-Operating Revenue	550,000	700,000	700,000	700,000
Adopt-A-Highway Program	0	0	0	
Subdivision Inspection Fees	273,140	50,000	9,375	200,000
Waste Disp	0	0	0	
Reimb Expenses IGT	0	30,000	9,990	0
Reimb Expenses General	0	0	0	
Administration Fee	0	0	0	
Rule Book Sales	1,020	3,500	2,760	5,000
Film & Advert Activities	89,950	50,000	29,407	50,000
Subdivision Plan Review (R9868)	53,140	75,000	26,625	75,000
239-K Review	195,936	0	0	0
Total	**$50,530,636**	**$53,420,367**	**$49,104,683**	**$52,046,934**

- The table above shows DPW's departmental revenues.
- The proposed FY 17 departmental revenues are falling by $1.4 million when compared to the FY 16 budget.
  - Farebox revenue decreased by $1.7 million from FY 16 budget; but increased by $2.3 million from the current projections.
  - The Administration included a $0.50 per ticket increase in FY 17.

Rents & Recoveries	2015 Actual	2016 Adopted	2017 Proposed	2017 vs. 2016
Recvry Prior Yr Appr	$3,748,271	$300,000	$0	-100.0%
Rent County Property	561,648	783,793	484,625	-38.2%
Sale County Property	3,945,931	5,000,000	5,000,000	0.0%
Coliseum Utilities	1,317,770	0	0	0.0%
Coliseum Rental	320,490	0	3,420,000	0.0%
Coliseum Concessions	(284,019)	0	0	0.0%
Rental Mitchell Field Properties	2,422,188	3,833,409	3,018,117	-21.3%
Lost and Abandoned Property	2,234	0	0	0.0%
Mitchell Field Veterans Housing Project	0	0	1,389,960	0.0%
Coliseum Advertising Revenue	163,721	0	0	0.0%
Marriott Lighthouse Heating & Chilling	296,053	0	0	0.0%
Coliseum Parking Revenue	310,319	0	0	0.0%
Approvals Period Rent	390,000	0	0	0.0%
Construction Period Rent For Coliseum	0	1,200,000	0	-100.0%
Grt Fd Recov For Prior Periods - AA Exp	23,015	0	0	0.0%
Total	**$13,217,621**	**$11,117,202**	**$13,312,702**	**19.7%**

- The rents & recoveries line is where the County budgets for rent and sales of County property as well as Mitchell Field and coliseum revenues.
  - Prior year recoveries have been excluded in FY 17.
  - The sale of County property is holding steady at $5.0 million. In FY 17, the Administration expects to sell properties located in Garden City and Uniondale.

Revenues, Cont.

- The Construction period rent for the coliseum has been eliminated due to the anticipated completion of the coliseum rehabilitation.
- The proposed FY 17 contains Coliseum rental of $3.4 million. The opening is anticipated for April. Annual rent is estimated at $4.0 million with plaza construction of $0.01 million a month.
- The Mitchell Field Veterans Housing property contains revenue of $1.4 million which is due to a change in accounting methods to reflect the revenues associated with the Mitchell Field Veterans Housing properties. The previous method used an outside company who collected the revenues and paid expenses and subsequently forward any proceeds due to us. In FY 17, the funds will be accounted for on a gross basis.

Traffic Impact Fee

R0547 Impact Assessment Fee

In FY 17, the Administration is introducing a new permits & licenses item, R0547 Impact Assessment Fee, with annual revenues of $500,000.

The Commissioner of Public Works is hereby authorized to establish a fee for the long term cumulative impacts of land developments on the County transportation system. This transportation fee will help to offset the costs of roadway improvements necessary as a result of developments. The combination of the County's continued population growth and the increased multi-modal demands on the transportation system require a reliable source of funding to ensure that the necessary infrastructure improvements are implemented. The issuance of building permits set this fee into action.

It is a one-time fee that is determined based on the anticipated demand associated with the proposed project. The Transportation Impact Fee amount is determined by calculating the amount of vehicles, number of vehicles generated in the highest two way peak hour, by the assessed fee.

The Office of Records Management, under the supervision of the County Clerk, administers and maintains the central records and document storage facility for numerous County departments. The department ensures that documents on file comply with mandated retention schedules and are available for retrieval by originating agencies. The office provides production capability for microfilming services. The office also assists other departments with document destruction in accordance with New York State Records Retention guidelines.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	12	11	12	11	12	0	0.0%	1	9.1%
Part-Time and Seasonal	6	4	21	4	21	0	0.0%	17	425.0%
Salaries	$706,921	$712,849	$933,480	$846,582	$972,098	$38,618	4.1%	$125,516	14.8%
Equipment	0	0	5,000	5,000	5,000	0	0.0%	0	0.0%
General Expenses	136,351	148,141	160,500	160,500	160,500	0	0.0%	0	0.0%
Contractual Services	119,913	120,233	125,000	125,000	125,000	0	0.0%	0	0.0%
Total	**$963,185**	**$981,223**	**$1,223,980**	**$1,137,082**	**$1,262,598**	**$38,618**	**3.2%**	**$125,516**	**11.0%**

Expenses

- The Proposed FY 17 Budget is increasing by $38,618 or 3.2% from the FY 16 Adopted Budget and is increasing 11.0% from OLBR's current projection. This is directly related to salaries.
- Salaries are increasing due to Cost of Living Adjustments (COLA) and step increases from the current Civil Service Employees Association (CSEA) agreement.
  - The Proposed FY 2017 Budget includes a 2% COLA effective July 2017 and a step increase in September 2017.
  - FY 17 headcount in comparison to the adopted FY 16 budget remains flat, but increases by one full-time and 17 part-timers when compared to OLBR's projection. This is mainly due to the current vacant part-time and seasonal Clerk 1 positions.
- All other expense lines are being held constant compared to the adopted and projected FY 16 level.
  - The DD line is made up of office supplies, copier paper, and other miscellaneous supplies.
  - The FY 17 Proposed Budget includes $125,000 for contractual services. Examples of items that make up the contractual services budget are mandated archival document storage, filming equipment maintenance and support, document scanning and document destruction services.

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. The law required the County to transition to three zones of assessment at the end of 2013: sewage collection and disposal services, sewage disposal services, and storm water resources services. The three zones of assessment went into effect in 2014.

Sewer and Storm Water Finance Authority Expenses

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Contractual Services	$191,343	$35,050	$900,000	$900,000	$900,000	$0	0.0%	$0	0.0%
Interest	7,095,990	6,703,499	7,651,295	7,651,295	7,202,750	(448,545)	-5.9%	(448,545)	-5.9%
Principal	25,160,000	2,940,000	10,205,000	10,205,000	10,345,000	140,000	1.4%	140,000	1.4%
Trans Out To SSW	119,036,713	109,929,480	0	0	0	0	*****	0	*****
Trans To SSW For Debt Svc	28,710,572	0	104,110,150	104,110,150	104,431,695	321,545	0.3%	321,545	0.3%
Expense of Loans	1,419,057	0	0	0	0	0	*****	0	*****
Trans To Debt Service Fund	44,217,347	9,643,499	0	0	0	0	*****	0	*****
Trans out for SFA Bond Escrow Agent	129,534,855	0	0	0	0	0	*****	0	*****
Total	**$355,365,877**	**$129,251,529**	**$122,866,445**	**$122,866,445**	**$122,879,445**	**$13,000**	**0.0%**	**$13,000**	**0.0%**

- The FY 17 expenses for the Sewer & Storm Water Finance Authority (SFA) are increasing by $13,000 when compared to the FY 16 Adopted Budget and projection.
- The SFA retains sufficient funding to pay its operating expenses and debt service costs and transfers the remainder to the District.
- The Authority, in November 2014, refinanced all outstanding 2004B Bonds, 2008A Bonds and financed certain capital improvements for the County sewer system.
  - In FY 17, budget to budget, interest is decreasing by $0.5 million while principal is increasing by $0.1 million.
- The FY 17 transfer to the Sewer and Storm Water Resources District of $104.4 million is increasing by $0.3 million from the FY 16 Adopted level.
  - This is the amount transferred to the District after the Authority's debt service payments and expenses are settled.

Sewer and Storm Water Finance Authority Revenues

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	**2014**	**2015**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Invest Income	$3,269	$2,513	$2,000	$2,000	$15,000	$13,000	650.0%	$13,000	650.0%
Pymnt In Lieu of Taxes	0	0	0	7,852,738	7,852,738	7,852,738	*****	0	0.0%
Debt Svc From Capital	28,503,669	0	0	0	0	0	*****	0	*****
Interfund Transfers	44,217,347	9,643,499	0	0	0	0	*****	0	*****
Property Tax	117,270,940	123,313,570	122,864,445	115,011,707	115,011,707	(7,852,738)	-6.4%	0	0.0%
Authorized Capital Borrowing	157,200,000	0	0	0	0	0	*****	0	*****
Total	**$347,195,225**	**$132,959,582**	**$122,866,445**	**$122,866,445**	**$122,879,445**	**$13,000**	**0.0%**	**$13,000**	**0.0%**

- Investment income is increasing by $13,000 to $15,000 in FY 17 compared to the Adopted FY 16 and the OLBR projection.
- The new payment in Lieu of Taxes (PILOT) revenues of $7.9 million is included in the FY 17 Proposed budget.
  - According to the Administration, the FY 16 Property Tax Warrant varies from the FY 16 Adopted Property Tax Levy due to a transfer of LIPA parcels to PILOTS in order to adhere to a state statute to cap these parcels at 2% for levy purposes.
- Property taxes are decreasing by $7.9 million versus the FY 16 Adopted Budget which is due to the PILOT payment.

Sewer and Storm Water Finance Authority Revenues, Cont.

Sewer and Storm Water Financing Authority Multi Year Plan (MYP) ($'s in millions)				
Expense	**2017 Proposed**	**2018 Proposed**	**2019 Proposed**	**2020 Proposed**
Contractual Services	$0.9	$0.9	$0.9	$0.9
Interest	7.2	6.7	6.1	5.6
Principal	10.3	10.8	11.4	11.8
Trans Out To SSW For Debt Service	104.4	104.5	104.5	104.6
Expense Total	**$122.9**	**$122.9**	**$122.9**	**$122.9**
Revenue				
Invest Income	0.0	0.0	0.0	0.0
Payment in Lieu of Taxes	7.9	7.9	7.9	7.9
Property Tax	115.0	115.0	115.0	115.0
Revenue Total	**$122.9**	**$122.9**	**$122.9**	**$122.9**

- The table above indicates the Administration's MYP baseline for the Authority.

- The table, which is in millions, does not show the investment income of $15,000 in each year of the MYP.
- Total expenses and revenues are projected to remain flat at $122.9 million through FY 20.
- Contractual Services of $900,000 will remain flat in all years.
- Interest is expected to decrease in the out-years while the principal is anticipated to grow.
- The Sewer Finance Authority's MYP indicates property taxes are remaining consistent at $115.0 million.

Sewer and Storm Water Resource District Expenses

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	286	157	140	126	146	6	4.3%	20	15.9%
Part-Time and Seasonal	1	1	1	1	1	0	0.0%	0	0.0%
Salaries	$19,328,151	$14,322,045	$10,145,863	$9,873,273	$10,544,507	$398,644	3.9%	$671,234	6.8%
Fringe Benefits	11,899,140	10,891,809	9,032,561	8,591,124	9,039,199	6,638	0.1%	448,075	5.2%
Equipment	4,267	0	36,761	36,761	36,761	0	0.0%	0	0.0%
General Expenses	10,754,820	170,602	767,741	767,741	122,671	(645,070)	-84.0%	(645,070)	-84.0%
Contractual Services	28,821,454	59,927,425	60,638,000	61,188,000	64,213,265	3,575,265	5.9%	3,025,265	4.9%
Utility Costs	8,007,104	7,623,260	7,700,000	7,550,000	8,775,000	1,075,000	14.0%	1,225,000	16.2%
Interest	4,425,051	3,932,529	6,332,938	6,332,938	5,833,172	(499,766)	-7.9%	(499,766)	-7.9%
Principal	13,882,130	13,043,714	10,363,806	10,363,806	9,529,367	(834,439)	-8.1%	(834,439)	-8.1%
Interfund Charges	36,098,520	33,056,018	29,900,624	29,900,624	32,481,615	2,580,991	8.6%	2,580,991	8.6%
Other Suits & Damages	250,000	40,000	538,500	538,500	538,500	0	0.0%	0	0.0%
Total	**$133,470,639**	**$143,007,403**	**$135,456,794**	**$135,142,767**	**$141,114,057**	**$5,657,263**	**4.2%**	**$5,971,290**	**4.4%**

- The FY 17 expenditures are increasing by $5.7 million, or 4.2%, as compared to the FY 16 Adopted Budget.
- Salaries are growing by $0.4 million in FY 17 from FY 16. Reasons for the growth are the addition of six full-time positions, lower longevity, a cost of living adjustment of 2.0% in July and step increases scheduled for September 2017.
- Contractual services are increasing by $3.6 million. The largest growth of $1.8 million is occurring within the professional services line, for the United Water agreement, which is followed by $1.5 million P3 consulting services.
- In FY 17, utility costs are increasing by $1.1 million versus FY 16 which is mainly due to higher brokered gas.
- Interest and principal are expected to decrease by $0.5 million and $0.8 million respectively from the FY 16 Adopted Budget.
- Interfund Charges are increasing by $2.6 million, budget to budget, primarily attributable to higher capital debt service charges and indirect cost chargeback. Savings in DPW charges and other expenses mitigate the growth.

Sewer and Storm Water Resource District Expenses, Cont.

Full-Time SSW Staffing Analysis		FY 16 Adopted	Sept-16 Actual	FY 17 Request	FY 17 Executive	Exec. vs 16 Adopt	Exec. vs Actual
RC	**RC Description**	**SSW County Employees**					
6000	Sewer Revenue / Fringe / Misc. Acc	11	0	8	8	(3)	8
6110	Sewage Disposal Bay Park	1	13	14	14	13	1
6120	Sewage Disposal Cedar Creek	6	7	8	8	2	1
6140	Sewage Disposal Services Lawrence	3	3	3	3	0	0
6150	Sewage Disposal Services Cedarhurst	3	3	3	3	0	0
6210	Sewage Maint Services Bay Park	3	2	2	2	(1)	0
6220	Sewage Maint Services Cedar Creek	4	4	4	4	0	0
6300	Storm Water Services	25	0	10	10	(15)	10
	Total SSW County Employees	**56**	**32**	**52**	**52**	**(4)**	**20**
RC	**RC Description**	**SSW Leased United Water Employees**					
7000	Sewer Revenue / Fringe - Oper Cont	1	1	1	1	0	0
7110	Sewage Disposal Services - Oper Cont	29	32	32	32	3	0
7120	Sewage Disposal Services - Oper Cont	18	21	21	21	3	0
7140	Sewage Disp / Lawrence - Oper Cont	0	1	1	1	1	0
7210	Sewage Maint Services - Oper Cont	14	16	16	16	2	0
7220	Sewage Maint Services - Oper Cont	22	23	23	23	1	0
	Total SSW Leased Employees	**84**	**94**	**94**	**94**	**10**	**0**
	SSW Total (County & Lease FT Employees)	**140**	**126**	**146**	**146**	**6**	**20**

- The table above shows the difference between SSW County employees and SSW employees leased to United Water.
  - In the Proposed FY17, there are 52 sewer employees while 94 personnel are hired out which equates to 35.6% and 64.4% respectively.
- The Proposed FY 17 County employees are decreasing by four when compared to the FY 16 Adopted Budget. However, the current workforce is 20 less than the proposed budget.
- The Proposed FY 17 leased employees are increasing by 10 when compared to the FY 16 Adopted Budget but remains consistent with the existing staff.

Sewer and Storm Water Resource District Revenues

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	**2014**	**2015**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Fund Balance	$3,620,614	$0	$1,708,168	$15,197,835	$23,240,362	$21,532,194	1260.5%	$8,042,527	52.9%
Permits & Licenses	959,520	1,190,805	1,150,000	1,150,000	1,500,000	350,000	30.4%	350,000	30.4%
Invest Income	89,964	139,641	32,000	90,104	100,000	68,000	212.5%	9,896	11.0%
Rents & Recoveries	10,194,619	25,489,087	10,725,000	10,725,000	10,060,000	(665,000)	-6.2%	(665,000)	-6.2%
Dept Revenues	1,798,706	1,332,032	14,277,000	1,677,000	1,482,000	(12,795,000)	-89.6%	(195,000)	-11.6%
Debt Svc From Capital	5,266,186	1,789,469	300,000	300,000	300,000	0	0.0%	0	0.0%
Interfund Charges Rev	0	4,831,411	1,654,476	1,654,476	0	(1,654,476)	-100.0%	(1,654,476)	-100.0%
Fed Aid-Reimb of Exp	1,578,879	419,083	0	238,202	0	0	*****	(238,202)	-100.0%
Interfund Transfers	109,964,275	109,929,480	104,110,150	104,110,150	104,431,695	321,545	0.3%	321,545	0.3%
Due from Other Gov't	(2,124)	0	1,500,000	0	0	(1,500,000)	-100.0%	0	*****
Total	**$133,470,639**	**$145,121,007**	**$135,456,794**	**$135,142,767**	**$141,114,057**	**$5,657,263**	**4.2%**	**$5,971,290**	**4.4%**

- The FY 17 overall revenue for the District is increasing by $5.7 million, or 4.2%, from the FY 16 Adopted Budget.
- The FY 17 fund balance is budgeted at $23.2 million which is an increase of $21.5 million from FY 16. OLBR's FY 16 projection is $15.2 million. The Administration's July report estimates the usage will be $20.1 million.
  - The FY 14 and FY 15 historical fund balance usage represents the opening fund balance minus the net of revenues and expenses.
- FY 17 investment income is growing by $68,000 from the FY 16 Adopted Budget.
- The rents and recoveries line is decreasing by $0.7 million due to prior year recoveries not being budgeted for in FY 17.
  - The FY 17 Proposed Budget will have the $10.0 million allocation for enterprise fund recoveries pursuant to the United Water contract.
- The Proposed FY 17 departmental revenues are decreasing by $12.8 million when compared to the FY 16 Adopted Budget.
  - The FY 16 user fee is $12.6 million has been removed from the proposed budget.
  - Miscellaneous receipts and fees have also been eliminated from the proposed budget. The previously budget contained revenues of $125,000 and $145,000 respectively.

Sewer and Storm Water Resource District Revenues, Cont.

- Interfund charges revenue, specifically interfund revenues other, was removed in FY 17. These revenues have not been received this year, through September.
- The due from other governments revenue has also been eliminated in FY 17.

Sewer and Storm Water District, Multi-Year Plan

Sewer and Storm Water Resource District Multi Year Plan ($'s in millions)				
EXPENSE	**2017 Proposed**	**2018 Proposed**	**2019 Proposed**	**2020 Proposed**
Salaries, Wages & Fees	$10.5	$10.8	$10.9	$11.1
Fringe Benefits	9.0	9.6	10.0	10.5
Equipment	0.0	0.0	0.0	0.0
General Expenses	0.1	0.1	0.1	0.1
Contractual Services	64.2	64.7	66.0	67.3
Utility Costs	8.8	9.1	9.6	10.0
Interest	5.8	5.3	4.8	4.3
Principal	9.5	9.7	10.1	10.5
Interfd Chgs - Interfund Charges	32.5	38.0	41.5	42.8
Other Expenses	0.5	0.5	0.5	0.5
EXPENSE TOTAL	**$141.1**	**$147.9**	**$153.7**	**$157.2**
REVENUE				
Fund Balance	23.2	0.0	0.0	0.0
Permits & Licenses	1.5	1.5	1.5	1.5
Invest Income	0.1	0.1	0.1	0.1
Rents & Recoveries	10.1	10.0	10.0	10.0
Dept Revenues	1.5	1.5	1.5	1.5
D/S From Cap Debt Service From Capital	0.3	0.0	0.0	0.0
Interfd Tsfs - Interfund Transfers	104.4	104.5	104.5	104.6
REVENUE TOTAL	**$141.1**	**$117.6**	**$117.5**	**$117.7**
Use of Fund Balance	$0.0	$1.1	$0.0	$0.0
Revenue Increase or Savings from P3	$0.0	$29.3	$36.1	$39.6

- The table above details the Administration’s baseline for the MYP for the District. According to the Plan, the District is expecting costs to increase in the out-years while proceeds fluctuate minimally.
- The salaries, fringe and utility lines are scheduled to increase in the out-years.
- The equipment expense is budgeted at $36,761 in FY 17, $37,066 in FY 18, FY 19 and FY 20.
- The interfund charges are expected to increase due to greater capital debt service charges.
  - The capital debt increases are $5.5 million in FY 18, $3.4 million in FY 19 and $1.4 million in FY 20. The increase may be attributed to the Administrations’ plan to bond for sewer related projects in each of the out-years of the plan.
- Permits & licenses of $1.5 million and are remaining flat in all years
- Investment income is flat at $100,000 for all years of the MYP.
- Rents & recoveries are decreasing by $60,000 in FY 18 versus FY 17 and then remaining steady at $10.0 million in the out-years.
- Departmental revenue is budgeted at $1.5 million in all years. Neither the FY 17 nor any of the out-years include the previously budgeted FY 16 user fee of $12.6 million.
- The Administration included P3 savings as gap measures of $29.3 million in FY 18, $36.1 million in FY 19 and $39.6 million in FY 20.
  - Also included is fund balance usage of $1.1 million in FY 18

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	11	10	10	9	12	2	20.0%	3	33.3%
Part-Time and Seasonal	0	1	1	1	1	0	0.0%	0	0.0%
Salaries	$928,133	$818,977	$881,815	$834,982	$1,142,693	$260,878	29.6%	$307,711	36.9%
General Expenses	19,566	20,235	19,750	19,750	20,750	1,000	5.1%	1,000	5.1%
Contractual Services	1,495	10,795	187,800	187,800	10,000	(177,800)	-94.7%	(177,800)	-94.7%
Total	**$949,194**	**$850,007**	**$1,089,365**	**$1,042,532**	**$1,173,443**	**$84,078**	**7.7%**	**$130,911**	**12.6%**

Expenses

- The total proposed expense budget is increasing by $84,078, or $7.7%, when compared to the FY 16 budget.
- Salaries are increasing by $260,878 which is primarily due to the addition of staff.
  - Headcount is increasing by a net of two full-time positions; new to the budget are three full-time positions which are being offset by the elimination of one full-time title when compared to FY 16.
    - The new positions are a Buyer I, a Deputy Director of Purchasing and a Director of Procurement Compliance. They are offset by the elimination of the Commissioner of Shared Services position.
  - A cost of living adjustment of 2.0% and step increases are scheduled for July and September 2017 respectively.
- The general expenses line is growing, by $1,000, or 5.1%. Listing fees and miscellaneous supplies & expenses grew. However, decreases occurred within office supplies & copy paper, travel expense, advertising/public notices, blueprint and equipment maintenance & rental.
- The contractual services line is decreasing by $177,800, or $94.7%.
  - The $10,000 budget is solely for legal expenses.
  - The miscellaneous contractual services of $186,000 and software contracts of $1,800 have been eliminated from the FY 17 budget.
    - According to the Administration, these contracts were transferred to the Information Technology Department.

Shared Services Officers

In FY 17, the Administration added the Director of Procurement Compliance and Deputy Director of Purchasing titles to its staff. These positions have annual salaries of $140,000 and $80,000 respectively.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$387,291	$317,380	$350,000	$350,000	$350,000	$0	0.0%	$0	0.0%
Dept Revenues	18,379	206,784	300,500	300,500	251,800	(48,700)	-16.2%	(48,700)	-16.2%
Total	**$405,670**	**$524,164**	**$650,500**	**$650,500**	**$601,800**	**($48,700)**	**-7.5%**	**($48,700)**	**-7.5%**

Revenues

- The total proposed revenue is decreasing by $48,700, or 7.5%, when compared to the FY 16 budget.
- The rents and recoveries line remains flat in FY 17.
  - The budget incorporated $50,000 for the sale of county property and $300,000 for online auction proceeds.
- The departmental revenues line is decreasing by $48,700 to $251,800.
  - Miscellaneous receipts are increasing by $1,300 while the online vendor registration/subscription revenue is expected to diminish by $50,000.

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.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	**2014**	**2015**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Full-Time Headcount	617	604	616	601	624	8	1.3%	23	3.8%
Part-Time and Seasonal	62	62	85	70	81	(4)	-4.7%	11	15.7%
Salaries	$43,995,651	$44,932,753	$48,080,855	$46,440,330	$49,449,639	$1,368,784	2.8%	$3,009,309	6.5%
Equipment	302,097	22,136	24,000	24,000	21,000	(3,000)	-12.5%	(3,000)	-12.5%
General Expenses	707,852	761,145	772,829	772,829	753,809	(19,020)	-2.5%	(19,020)	-2.5%
Contractual Services	8,080,822	7,269,700	7,631,404	7,271,040	7,559,716	(71,688)	-0.9%	288,676	4.0%
Inter-Dept. Charges	17,108,499	14,952,930	16,683,623	16,683,623	16,166,384	(517,239)	-3.1%	(517,239)	-3.1%
Recipient Grants	59,475,076	60,096,445	62,000,000	57,325,000	61,100,000	(900,000)	-1.5%	3,775,000	6.6%
Purchased Services	65,746,404	68,351,269	65,851,121	66,725,537	67,583,171	1,732,050	2.6%	857,634	1.3%
Emerg Vendor Payments	50,311,614	47,326,708	50,980,000	46,900,000	48,775,000	(2,205,000)	-4.3%	1,875,000	4.0%
Medicaid	248,230,297	235,725,135	240,233,215	237,303,847	241,985,035	1,751,820	0.7%	4,681,188	2.0%
Total	**$493,958,313**	**$479,438,219**	**$492,257,047**	**$479,446,206**	**$493,393,754**	**$1,136,707**	**0.2%**	**$13,947,548**	**2.9%**

Expenses

- The Department of Social Services (DSS) has a proposed expense budget that is slightly higher than its adopted FY 16 expense budget. The $1.1 million growth is mainly concentrated in the following three areas: Medicaid, purchased services, and salaries. This growth is offset in part by a $2.2 million reduction in DSS's allocation for emergency vendor payments.
- The proposed expense budget is about 2.9% greater than OLBR's latest projection. Rising salary, recipient grants, purchased services, emergency vendor payments, and Medicaid costs are driving the $13.9 million variance.
  - Proposed expenses are closer to the FY 16 budget because the department is unsure if the State will renew the Medicaid Mandate Relief Program and is uncertain that current caseload trends will carry over into FY 17.
- Salaries increase $1.4 million budget to budget. The salary growth stems from Cost of Living (COLA) and step adjustments in the current Collective Bargaining Agreement (CBA) for Civil Service Employees Association (CSEA) members. The FY 17 budget includes a 2.0% COLA effective July 1, 2017 and a step increase on September 1, 2017.
- The proposed salary budget is 6.5% above the latest projection. The variance is attributable to not only step and COLA increases but also the inclusion of funding for 23 full-time and 11 part-time employees who are not currently onboard.

Expenses, cont.

- ➢ The allocations for equipment and general expenses are slightly lower in the FY 17 proposal than in both the FY 16 budget and the latest projection.
- ➢ Inter-departmental charges are down 3.1% in the FY 17 proposal, compared not only to the current projection but also to the FY 16 adopted budget. The County Attorney's office increased its charge by $0.3 million and Police Department Headquarters charges are up $1.3 million. This growth is offset in part by a $2.5 million reduction in building occupancy charges.
  - The building occupancy savings stem from the renegotiated lease for DSS's headquarters at 60 Charles Lindbergh Boulevard (60 CLB).
- ➢ The proposed Medicaid budget is 2.0%, or $4.7 million, more than OLBR's current projection. In the proposal, the County eliminated $2.9 million in program savings tied to the Medicaid Mandate Relief Program because it has not been indicated whether the enhanced Federal Medical Assistance Percentages (FMAP) program will be renewed after March 31, 2017.
  - The Administration also added in $1.8 million it had eliminated from the indigent care budget in FY 16. The additional indigent care dollars account for the variance budget to budget.
- ➢ A brief summary of DSS's major programs is included at the end of the expense section.

Expenses by Control Center

($'s in millions)

Control Center	Historical 2014	Historical 2015	2016 Adopted Budget	2017 Exec. Budget	Exec. vs. Adopted Var.	Exec. vs. Adopted %
Family Assistance	$26.7	$26.5	$27.0	$27.5	$0.5	1.9%
Subsidized Adoptions	4.8	4.6	4.9	4.9	0.0	0.0%
Juvenile Delinquents	3.0	2.5	2.5	2.3	-0.3	-10.0%
Training Schools	5.4	3.3	6.0	3.0	-3.0	-50.0%
Real Estate Expense	0.0	0.0	0.0	0.0	0.0	-100.0%
Educ Handicapped Child	17.0	15.3	16.8	16.0	-0.8	-4.5%
Child. Foster Homes - IVE	0.7	0.7	0.8	1.0	0.2	25.8%
Burials	0.2	0.2	0.3	0.3	0.0	0.0%
Medicaid MMIS	248.2	235.7	240.2	242.0	1.8	0.7%
HEAP	0.1	0.3	0.5	0.4	-0.1	-20.0%
Title XX	65.7	68.4	65.9	67.6	1.7	2.6%
Administration	22.9	20.5	22.6	22.1	-0.4	-1.9%
Public Financial Assis.	26.9	26.3	27.8	27.6	-0.2	-0.8%
Division of Services	20.4	21.1	22.8	24.2	1.4	6.2%
Juvenile Detention Ctr.	0.0	0.0	0.0	0.0	0.0	*****
Safety Net Assistance	39.5	41.4	41.9	42.0	0.2	0.4%
Children in Institutions	10.3	10.5	10.0	10.2	0.2	2.0%
Children in Foster Homes	1.5	1.6	1.9	1.9	-0.1	-2.6%
Non Secure Detention	0.6	0.6	0.6	0.6	0.0	0.0%
Total	**494.0**	**479.4**	**492.3**	**493.4**	**1.1**	**0.2%**

- ➢ The proposal eliminates $3.0 million from the Training Schools Control Center. The 50% in reduction is all in room and board costs, as the number of County youth remanded to New York State training schools has fallen dramatically in recent years.
- ➢ The increase in the Medicaid MMIS Control Center's expenses reflects the restoration of indigent care funds.
- ➢ The FY 17 staffing plan includes 23 additional positions in the Division of Services Control Center, increasing expenses $1.4 million budget to budget. The plan mainly adds caseworker titles, notably 12 more Bi-Lingual Caseworker I's than previously budgeted.
- ➢ The proposed day care budget is up $1.8 million budget to budget. This growth is reflected in the Title XX Control Center.

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Expenses, cont.

Direct Assistance

- Recipient grants, purchased services, and emergency vendor payments account for about 36.0% of DSS's 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, direct assistance expense is decreasing by $1.4 million budget to budget. A discussion of each category follows the table.

Expense	Direct Assistance 2016 Adopted Budget	2017 Proposed Budget	Variance
Recipient Grants	$62,000,000	$61,100,000	($900,000)
Purchased Services	65,851,121	67,583,171	1,732,050
Emergency Vendor Payments	50,980,000	48,775,000	(2,205,000)
Total	**$178,831,121**	**$177,458,171**	**($1,372,950)**

- A large part of recipient grant funding is used to make payments to DSS clients eligible for TANF and SNA benefits. Recipient grant expenses in the FY 17 proposal are down 1.5%, or $0.9 million, from the budget adopted for FY 16. Proposed recipient grants expenses are 6.6%, or $3.8 million, more when compared to the latest projection.
    - TANF cases declined 19.6% from August 2015 to August 2016. SNA cases have fallen 15.3% during this time. The decrease in recipient grant expenses budget to budget reflects the steep decline in TANF and SNA cases.
    - The County's TANF and SNA caseload fluctuates year to year and is subject to a number of variables outside the County's control. The department is wise to leave itself with some cushion in the event that TANF and SNA caseloads increase in FY 17. However, if the current downward trend in caseloads continues into FY 17, there could be an opportunity to the budget of at least $3.8 million.
- Emergency vendor payments are made to cover a variety of services rendered to eligible DSS clients. Among these services are shelter care, institutional services, and utility and maintenance payments. In the proposed FY 17 budget, emergency vendor payments fall by 4.3%, or $2.2 million, from the budget adopted for FY 16. Compared to OLBR's current projection, the proposed budget for emergency vendor payments is up 4.0%, or $1.9 million. The following are the main factors driving the decrease budget to budget:

Expenses, cont.

Direct Assistance, cont.

- The department has observed a dramatic decrease in the number of children remanded to state training schools. As a result, the proposal eliminates $3.1 million in room and board costs from the emergency vendor payment budget.
- Offsetting room and board savings in part is a proposed $1.8 million increase to the shelter care (UNMO) budget. The department states that this increase will accommodate the growing cost of housing the County's growing homeless population.

➢ 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 other preventive services. There is 2.6%, or $1.7 million, more funding for purchased services in the proposed budget than the Adopted FY 16 Budget. The budget for purchased services is 1.3%, or $0.8 million more than OLBR's latest projection.

- At $61.2 million, daycare expenses account for the majority of the proposed purchases services budget. The FY 17 proposal is $1.8 million more than FY 16 daycare budget and $1.2 million more than the latest projection. As the chart below demonstrates, rising caseload demand had pressured the overall purchased services budget dating back to FY 11. Over the last few years, DSS has implemented several measures to bring daycare costs under control, such as adjusting the eligibility requirement from 275% of the federal poverty level to 200%. As FY 15 and FY 16 figures demonstrate, these changes have proven to be effective.
- The department cited a number of factors to support the proposed $1.8 million growth from the FY 16 daycare budget. First, the state incrementally increased the rate the County must pay daycare providers. Second, as the chart below demonstrates, the overall number of eligible children grew in FY 16 and Nassau does not place eligible children on waiting lists. Finally, the caseload mix has trended toward younger children, for whom the state's market rate is more expensive.

Year	Children in Daycare Count as of August 31	Adopted Daycare Services Budget	Year End Expense*
FY2011	5,113	$50,050,000	$55,100,336
FY2012	6,139	49,656,400	58,618,658
FY2013	5,659	52,000,000	57,433,441
FY2014	5,893	53,500,000	58,459,627
FY2015	5,560	60,904,184	60,944,363
FY2016*	5,799	$59,404,184	$60,000,000

****FY16 is the current year end projection***

Expenses, cont.

Medicaid

- The proposed Medicaid budget is 2.0%, or $4.7 million, more than OLBR's current projection. As can be seen in the table below, Medicaid costs are up $1.8 million, or 0.7%, budget to budget.
  - In FY 15 and FY 16, the State had reduced the County's quarterly indigent care adjustment (ICA) payment for $1.7 million in annual savings each year. The Administration chose to restore funds to the ICA line in the event that the State greatly reduces or eliminates these savings from its FY 17-18 budget. This could turn out to be a judicious move, as the Federal government had indicated to the County by September 2015 that Nassau would benefit from lower ICA payments in FY 16.
- The proposal eliminates $2.9 million in program savings tied to the Medicaid Mandate Relief Program because there is no indication whether the program will be renewed after March 31, 2017.
  - When the FY 16 budget was formulated, the County had reserved $4.0 million of the roughly $14.3 million FY 15 Medicaid surplus in case the State failed to renew the Medicaid Mandate Relief Program. Ultimately, the State chose to renew the program as part of its FY 16-17 budget, resulting in a $2.9 million savings for the County in FY 16.
  - However, at this point in time, the State has not indicated whether this program will be renewed in the State FY 17-18 budget. Last year, the State notified the County that it would renew the program. Therefore, the proposal grants the department an additional $2.9 million to soften the blow of an unanticipated increase in Medicaid costs. There is the potential for a $2.9 million opportunity to the budget if the State renews the Medicaid Mandate Relief program in its upcoming budget.

Medicaid Expenses			
Expense	2016 Adopted Budget	2017 Proposed Budget	Variance
County Share	$227,304,701	$227,575,335	$270,634
Health Insurance Premiums	1,300,000	1,095,000	(205,000)
Home Aid Services	-	50,000	50,000
Indigent Care	11,428,514	13,159,700	1,731,186
Nurshing Home Care	60,000	80,000	20,000
Physicians' Services	122,000	5,000	(117,000)
Transportation	18,000	20,000	2,000
Total	**$240,233,215**	**$241,985,035**	**$1,751,820**

Expenses, Cont.

- The proposed budget has a full time headcount of 624 employees. This headcount is 23 more than the September 1, 2016 actual and eight more than the Adopted FY 16 Budget.
- In FY 16, DSS had to comply with an arbitration decision that required it to transition preventative services into the department from an outside vendor, the Family and Children's Association (FCA). Working within Civil Service guidelines and State training timelines, the department identified, hired, and trained new caseworkers and reassigned or promoted tenured staff to oversee the new preventative work unit.
- The department moved many employees among the control centers because of these changes. The proposed Services Control Center's headcount is 23 more than in the Adopted FY 16 Budget while the Public Financial Assistance and Administration Control Centers lost 10 and five employees respectively.
- In order to comply with the arbitration decision, DSS transferred mostly existing personnel into the Child Preventative Services Responsibility Center in FY 16.
- The proposal includes 41 Caseworker Is and 15 Caseworker Is-Bilingual Spanish in the Child Protective Services (CPS) Responsibility Center.
- In the Adopted FY 16 Budget, there were three Caseworker Is -Bilingual Spanish and 33 Caseworker Is in CPS. As of September 1, 2016, there are six Caseworker Is- Bilingual Spanish and 36 Caseworker Is in CPS.
- This arrangement should fill any service gaps created by accommodating the arbitration decision.
- DSS states it has exhausted the Civil Service list for both of these titles. These vacancies will produce some salary savings in FY 17, as Civil Service will not produce a new list until well into the next fiscal year.

Staffing Analysis - Full Time

	FY16 Adopted	Sept-16 Actual	FY 17 Request	FY 17 Executive	Exec. vs 16 Adopted	Exec. vs Actual
10 Administration						
Administration	8	8	8	8	0	0
Legal	3	3	3	3	0	0
Staff Development	5	4	4	4	(1)	0
Support Services	28	26	27	27	(1)	1
Systems Administration	13	10	10	10	(3)	0
Total for Control Center	**57**	**51**	**52**	**52**	**(5)**	**1**
20 Public Financial Assistance						
Accounting	21	21	21	21	0	0
Cmty. Rtls. & Hsng.	17	18	18	18	1	0
Disabled Client Assistance	11	10	9	9	(2)	(1)
Employment Program	9	4	4	4	(5)	0
Food Stamps	23	21	21	21	(2)	0
Investigations and Recoveries	12	8	9	9	(3)	1
Medical Assistance	40	45	45	45	5	0
Medical Services	7	6	6	6	(1)	0
Public Assistance	92	86	89	89	(3)	3
Support Collection Unit	46	46	48	47	1	1
Support Services	11	9	10	10	(1)	1
Total for Control Center	**289**	**274**	**280**	**279**	**(10)**	**5**
30 Services						
Adult Protective Services	29	28	29	29	0	1
Child Preventive Services	55	48	51	51	(4)	3
Child Protective Services	103	109	134	125	22	16
Children's Services	58	66	62	62	4	(4)
Day Care Services	24	24	25	25	1	1
Information Resource Referral	0	0	0	0	0	0
Provider Services	1	1	1	1	0	0
Total for Control Center	**270**	**276**	**302**	**293**	**23**	**17**
Total Full Time	**616**	**601**	**634**	**624**	**8**	**23**

Expenses, Cont.

- The proposed budget has a part time headcount of 81 employees. This headcount is 11 more than the September 1, 2016 actual and four fewer than the Adopted FY 16 Budget.
- The proposal adds one part-time Clerk I position and one Case Supervisor I to the Administration Control Center. The proposal eliminates one part-time Multi-Keyboard Operator I (MKOI) title from this control center's headcount. The FY 16 budget had added an MKO-I to this control center.
- Headcount in the Public Financial Assistance Control Center is flat budget to budget. The proposed headcount in Services Control Center is five less than the level adopted in FY 16.
- The proposed part-time headcount is 11 positions more than the current actual of 70. As the chart below indicates, part-time headcount has been well below budget dating back to FY 12. Although less so than in recent years, a budget opportunity would materialize if the final FY 17 part-time headcount were closer to recent actuals instead of the headcount found in the proposed budget.

Year	Headcount on September 1	Budgeted Head Count
FY 12	79	103
FY 13	67	101
FY 14	62	101
FY 15	62	85
FY16	70	81

Staffing Analysis - Part Time

	FY 16 Adopted	Sept-16 Actual	FY 17 Request	FY 17 Executive	Exec. vs 16 Adopted	Exec. vs Actual
10 Administration						
Staff Development	0	1	1	1	1	0
Support Services	4	5	5	5	1	0
Systems Administration	3	2	2	2	(1)	0
Total for Control Center	**7**	**8**	**8**	**8**	**1**	**0**
20 Public Financial Assistance						
Accounting	4	0	0	0	(4)	0
Community Relations & Housing	2	2	3	3	1	1
Disabled Client Assistance Program	4	4	5	5	1	1
Employment Program	1	0	1	1	0	1
Food Stamps	5	4	7	7	2	3
Medical Assistance	7	3	5	5	(2)	2
Medical Services	1	0	0	0	(1)	0
Public Assistance	8	17	13	13	5	(4)
Support Collection Unit	4	3	3	3	(1)	0
Support Services	2	1	1	1	(1)	0
Total for Control Center	**38**	**34**	**38**	**38**	**0**	**4**
30 Services						
Child Preventive Services	0	1	1	1	1	0
Child Protective Services	31	20	26	26	(5)	6
Children's Services	6	4	6	6	0	2
Day Care Services	3	2	2	2	(1)	0
Public Assistance	0	1	0	0	0	(1)
Total for Control Center	**40**	**28**	**35**	**35**	**(5)**	**7**
Total Part Time	**85**	**70**	**81**	**81**	**(4)**	**11**

Expenses, Cont.

- In the proposed budget, contractual expenses fall 0.9%, or $71,688, from the level in the Adopted FY 16 Budget. Changes to the following contracts will lead to reduced contractual spending in FY 17:
  - The County reduced its contract with Human Services Transportation Services by $340,400.
  - Overall, minor changes to several contracts in the Employment and TANF Responsibility Centers offset contract services savings.
- The proposal adds $150,000 for scanning in the Administration Responsibility Center.
  - The FY 15 budget trimmed this contract to $700,000 from $850,000 in FY 14. The FY 16 budget restored $150,000 to the scanning contract. The FY 17 proposal brings the total scanning cost to $1.0 million.

Conctractual Services	FY 16 Adopted Budget	FY 17 Proposed Budget	Difference
Administration Responsibility Center			
LI Council of Churches	$60,000	$60,000	$0
Long Island Cares	25,000	25,000	-
Island Harvest	25,000	25,000	-
American Record Management Systems	175,000	175,000	-
Staff Training	10,000	10,000	-
Scanning	850,000	1,000,000	150,000
Grants Acquisition Initiatives		20,000	20,000
Car Leasing	36,400	36,400	-
Youth Summer Lunch Program	10,000	10,000	-
Total	$1,191,400	$1,361,400	$170,000
Temporary Assistance to Needy Families (TANF) Responsibility Center			
The Safe Center, L.I., Domestic Violence TANF	$5,752	$14,261	8,509
Circulo De La Hispanidad Homeless	5,752	14,261	8,509
EAC-HEAP & WRAP	424,475	424,475	-
Summity Security Services	790,950	790,950	-
Family Type Homes for Adults	40,000	40,000	-
Volunteer Luncheon	2,100	-	(2,100)
Total	$1,269,029	$1,283,947	$14,918
Medical Assistance Responsibility Center			
IPRO	270,000	270,000	-
Human Services Transporation Services	440,400	100,000	(340,400)
NUMC-Nurses (PCA/DCAP)	2,110,000	2,110,000	-
Total	$2,820,400	$2,480,000	($340,400)
Employment Responsibility Center			
EAC - Concillation Services	$122,325	$128,441	6,116
EOC	603,250	633,413	30,163
NADAP	950,300	997,815	47,515
Career Arc Group/ TweetMyJobs.com	111,000	111,000	-
Job Fair	45,000	60,000	15,000
Employment Services	15,000	-	(15,000)
Total	$1,846,875	$1,930,669	$83,794
Child Support Responsibility Center			
YMS Management Associates	$125,000	$125,000	-
EAC - Project Support	153,000	153,000	-
Laboratory Corporation of America	24,000	24,000	-
Ultimate Process Server	90,000	90,000	-
Total	$392,000	$392,000	$0
Services to Children Responsibility Center			
Ultimate Process Server	$10,000	$10,000	-
Child Care Council of Nassau	86,700	86,700	-
Foster Children Services/ Events	15,000	15,000	-
Total	$111,700	$111,700	$0
Total Contractual Expense	$7,631,404	$7,559,716	($71,688)

Expenses, Cont.

Recipient Grants - TANF and Safety Net

According to the Federal Government's Office of Family Assistance, states may use Temporary Assistance to Needy Families (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 New York State's Safety Net program (SNA). SNA serves other individuals/groups ineligible 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. SNA clients receive benefits as cash payments for 24 months. After 24 months, benefits may continue as non-cash payment (vendor check or voucher).

TANF ($21.0 million) and SNA ($33.0 million) constitute the bulk of the proposed FY 17 Recipient Grant budget.

Expenses, Cont.

Emergency Vendor Payments

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

Medicaid

Medicaid is a jointly funded, federal-state health insurance program 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 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.

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. Childcare is not only for individuals on temporary assistance but also to those working families who meet income subsidy guidelines.

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

Revenues

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$15,841,722	$1,554,267	$500,000	$2,110,873	$800,000	$300,000	60.0%	($1,310,873)	-62.1%
Dept Revenues	16,914,699	15,892,516	16,583,040	16,583,040	16,583,180	140	0.0%	140	0.0%
Interdept Revenues	169,857	188,051	203,157	203,157	203,374	217	0.1%	217	0.1%
Fed Aid-Reimb of Exp	109,099,153	110,947,240	111,359,009	112,563,299	113,652,074	2,293,065	2.1%	1,088,775	1.0%
State Aid-Reimb of Exp	54,289,992	52,236,953	54,781,867	53,178,488	54,306,583	(475,284)	-0.9%	1,128,095	2.1%
Total	**$196,315,423**	**$180,819,027**	**$183,427,073**	**$184,638,857**	**$185,545,211**	**$2,118,138**	**1.2%**	**$906,354**	**0.5%**

- Federal and state aid account for 90.5% of Social Services' proposed revenue budget.
- The proposed budget has about 1.2%, or $2.1 million, more revenue than the Adopted FY 16 Budget. Compared to OLBR's current projection, there is 0.5%, or $0.9 million, more revenue in the proposed budget. When compared to the projection, proposed increases in federal and state aid more than offset a $1.3 million decrease in proceeds from rents & recoveries.
- Proceeds from rents & recoveries in the proposed budget are 62.1% lower than the latest projection. The department plans to liquidate fewer encumbrances in FY 17.
- Both departmental revenues and interdepartmental revenues are about flat compared not only to the FY 16 budget but also to the latest projection.
- Each year, the State reimburses the County for its administration of specific social programs. For example, the State reimburses the County for 29% of SNA-related expenditures. There is 0.9% less state aid reimbursement in the FY 17 budget than in the Adopted FY 16 Budget. The proposed state aid budget is above the latest projection.
- The federal government also reimburses the County for its administration of specific social programs. For instance, the County receives 100% reimbursement for its TANF-related expenditures. The FY 17 proposal includes $2.3 million more federal aid reimbursement than the Adopted FY 16 Budget. Federal aid in the proposed budget is up 1.0% over OLBR's most recent projection. The State awarded the County $5.0 million in federal childcare grant money, a development primarily driving the projected surplus in FY 16. The County was awarded the on the State's fiscal calendar so the County will benefit from it in the first quarter of FY 17.
  - As of August 31, 2016, TANF cases were down 19.6% compared to August 2015, while SNA cases were down 15.3% during this time. While the childcare award kept federal aid on target in FY 16 it is not guaranteed next year.

Revenues, continued.

- At the very least several million dollars in federal and state aid would be at risk if both the TANF and SNA programs continue to register double-digit declines in FY 17.

Governmental Aid

- Excluding Medicaid expenses, federal and state aid defrays 66.5% of DSS's proposed expense. However, when the Medicaid Control Center is accounted for the percentage reimbursement drops to 34.0%.

FY 17 FEDERAL AND STATE AID BUDGET
AS % OF EXPENSE BY CONTROL CENTER

	Control Center	Expenses	Federal Aid	State Aid	$ Federal/ State Funded	% Federal/ State Funded
10	Administration	$22,130,835	$10,042,757	$5,295,998	$15,338,755	69.3%
72	Burials	250,000	0	2,000	2,000	0.8%
63	Children In Foster Homes (Non IV-E)	1,851,100	625,000	350,000	975,000	52.7%
69	Children In Foster Homes (IV-E)	950,000	362,500	200,000	562,500	59.2%
62	Children In Institutions PINS/DSS	10,200,000	5,150,000	3,000,000	8,150,000	79.9%
30	Division Of Services	24,212,862	11,483,370	8,803,917	20,287,287	83.8%
53	Education of Handicapped Children	16,000,000	0	2,947,840	2,947,840	18.4%
75	Home Energy Assistance Program	400,000	400,000	0	400,000	100.0%
65	Juvenile Delinquents	2,250,000	1,500,000	525,000	2,025,000	90.0%
68	Non Secure Detention	575,000	0	250,000	250,000	43.5%
20	Public Financial Assistance	27,606,851	16,603,447	8,801,828	25,405,275	92.0%
52	Real Estate Expense	0	0	0	0	0.0%
61	Safety Net	42,000,000	0	10,630,000	10,630,000	25.3%
70	Subsidized Adoptions	4,900,000	1,900,000	1,800,000	3,700,000	75.5%
60	Family Assistance (TANF)	27,500,000	24,285,000	4,300,000	28,585,000	103.9%
76	Title XX/CCBG	67,582,071	41,000,000	7,000,000	48,000,000	71.0%
66	Training Schools	3,000,000	0	0	0	0.0%
	Sub-Total	**251,408,719**	**113,352,074**	**53,906,583**	**167,258,657**	**66.5%**
73	Medicaid Mmis	241,985,035	300,000	400,000	700,000	0.3%
	Total	**$493,393,754**	**$113,652,074**	**$54,306,583**	**$167,958,657**	**34.0%**

Local Law 18-2014 established the Taxi and Limousine Board and the Taxi and Limousine Commission (TLC) to oversee and regulate the for-hire vehicle industry in Nassau County. The Taxi and Limousine Board recommends rules and regulations it deems necessary for the proper oversight of the for-hire vehicle industry. The TLC adopts only those recommendations that provide suitable oversight of the industry. To that end, the TLC conducts enforcement and compliance operations throughout the County and works cooperatively with the various licensing jurisdictions and police departments.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	0	2	9	9	10	1	11.1%	1	11.1%
Salaries	$0	$104,531	$397,524	$393,897	$480,543	$83,019	20.9%	$86,646	22.0%
Equipment	0	0	4,000	4,000	4,000	0	0.0%	0	0.0%
General Expenses	0	696	20,000	20,000	5,000	(15,000)	-75.0%	(15,000)	-75.0%
Total	**$0**	**$105,227**	**$421,524**	**$417,897**	**$489,543**	**$68,019**	**16.1%**	**$71,646**	**17.1%**

Expenses

- Expenses in TLC's proposed expense budget are 16.1% higher than the budget adopted for FY 16. Compared to the latest projection, expenses are up 17.1% in the proposal. Rising salaries are offset in part by a reduction in general expenses.
- The proposal incorporates an additional Taxi and Limousine Investigator Trainee, a salary bump for the Commission's two ordinance employees, $11,000 for differential pay, and $5,500 for overtime pay.
  - The proposal also includes Cost of Living (COLA) and step adjustments for Civil Service Employees Association (CSEA) members. The FY 17 budget includes a 2.0% COLA effective July 1, 2017 and a step increase on September 1, 2017.
- General expenses are down $15,000, or 75%, compared not only to the Adopted FY 16 Budget but also the latest projection. The budget for miscellaneous supplies and expenses has been reduced to $5,000 in the FY 17 proposal from $20,000 in the FY 16 budget.
- Proposed equipment costs are flat compared not only to the Adopted FY 16 Budget but also the latest projection.
- Additional staff in FY 17 will present this revenue generating department with an opportunity to conduct more investigations.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Permits & Licenses	$0	$0	$361,500	$361,500	$1,050,000	$688,500	190.5%	$688,500	190.5%
Fines & Forfeits	0	0	285,000	600,000	350,000	65,000	22.8%	(250,000)	-41.7%
Total	**$0**	**$0**	**$646,500**	**$961,500**	**$1,400,000**	**$753,500**	**116.6%**	**$438,500**	**45.6%**

Revenues

- The proposed revenue target is 116.6%, or $753,000, over the budget adopted for FY 16. The proposed growth is concentrated in permits and licenses and stems from an increase to existing taxi and limousine license and registration fees and a new license and registration fee for Transportation Network Companies (TNC), such as Uber and Lyft. The proposal is 45.6%, or $438,500, higher than the latest projection.
- The TLC hasn't brought the new fee and license schedule before the Legislature because the County Attorney is still reviewing it. The TLC is confident in its methodology but does not want to proceed without legal assurances, as the regulatory environment is complex. The fee changes and TNC license will not impact the budget until TLC first secures the County Attorney's approval and then the Legislature's.
  - OMB estimates that these new fees are worth up to $0.7 million in annual revenue.
- Even though the planned fee changes require legal and legislative endorsement, TLC's overall revenue target may not be at risk in FY 17. As the FY 16 fine and forfeits projection indicates, TLC could approach its overall FY 17 revenue target even with the current fee schedule.
- TLC's mandate is solely focused on regulating the County's for-hire vehicle industry, unlike its predecessor, the Office of Consumer Affairs (OCA). The TLC's ability to focus on a single mandate has allowed the department to adopt an "intelligence based" system of enforcement, resulting in more violations issued and fines assessed. For example, the department assigned investigators on nights from late May to late June, the traditional prom season. TLC also assigned staff to the Jones Beach Summer Concert Series. Plans are in place to heighten enforcement during the morning and evening rush hours around train stations. As the department receives more data from the field, it will develop strategies to stay one step ahead of unscrupulous actors in the marketplace.

Revenues, cont.

- Historically, OCA issued 300 violations annually, totaling about $100,000 in fine revenue. As the chart below demonstrates, TLC outperformed the annual average volume each month from May through September.
- The TLC is confident that it will issue more violations in FY 17 than in FY 16 because the Commission's staff hadn't completed their training until early April 2016. An extra quarter's worth of output from trained staff could create an opportunity on the fine and forfeiture line in FY 17.

Month	Violations
January	11
February	35
March	26
April	209
May	483
June	568
July	575
August	676
September	504
October	
November	
December	
Total	3,087

Revenues, cont.

- The chart below lists TLC's present fee and fine schedule.

Taxi and Limousine Fee Schedule	
Initial Registration	$300
Renewal	$250
Exemption	$5
Driver's License	$100

Taxi and Limousine Fine Schedule	
First Offense	$300 to $1,500
Second	$600 to $1,500
Third/Subsequent	$600 and $3,500

- Currently, the TLC charges a $5 exemption fee to certain livery vehicles (e.g. licensed by another municipality in County, ambulette services, etc.).
  - According to the Commission, three-fourths of the licenses it issues each year are exemption licenses.
  - The County could realize an opportunity if it removed the exemption for certain for-hire vehicles.
- The FY 17-FY 20 Multi-Year Plan (MYP) holds TLC's overall revenue target flat at $1.4 million annually. There could be an opportunity to the budget once TLC's proposed regulations are in place and if enforcement revenue continues on its upward trend.
- The FY 17-FY 20 MYP incrementally increases TLC's salary line. There could be an opportunity for increased enforcement if the Administration were to include additional investigative staff in the MYP.

Other

- The TLC has met with a number of community groups over the last year to better familiarize constituents with the agency's work. For example, the TLC attended a prom pre-meeting at Baldwin High School to educate parents about how they can check if their limousine rentals are properly registered, licensed, and insured.
- The TLC also began working with the Office of the Medicaid Inspector General (OMIG) to identify for-hire vehicle companies offering non-emergency Medicaid reimbursable trips without proper authorization. OMIG considers it Medicaid fraud when an unauthorized for-hire service bills for a non-emergency trip.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	$82,064,702	$59,227,711	$61,849,031	$65,134,853	$63,945,315	$2,096,284	3.4%	($1,189,538)	-1.8%
Rents & Recoveries	258,994	344,406	35,000	35,000	35,000	0	0.0%	0	0.0%
Total	**$82,323,695**	**$59,572,117**	**$61,884,031**	**$65,169,853**	**$63,980,315**	**$2,096,284**	**3.4%**	**($1,189,538)**	**-1.8%**

Revenues

- The proposed revenue budget for FY 17 is $64.0 million, an increase of $2.1 million, or 3.4% from the Adopted 2016 Budget. This is primarily attributed to new revenue from fee increases included in the FY 17 budget offset by a reduction of current revenue. However, compared to the OLBR projection, revenues decline by $1.2 million, or 1.8%.
- The Administration proposed $2.0 million for boot and tow fees which is $175 per violation in the FY 17 revenue budget, effective immediately upon legislative approval. Suffolk County's Traffic and Parking Violations Agency fee schedule includes boot and tow fees at $250 and $350 respectively for a total of $600; however, the fees have been approved but have yet to be implemented.

Boot and Tow

Vehicles belonging to a vehicle owner who have been issued two or more parking and/or Photo Enforcement notices of liability (NOL) may be booted and/or towed. The current Boot and Tow program is facilitated by a third party collection vendor that charges fees that include $166 for boot, $140 for tow and $25 a day for storage, if towed. These fees are paid directly to the vendor and no portion is resubmitted to Nassau County.

Revenues Cont.

- Within the fines and forfeits budget are parking and traffic fine revenue of $22.3 million and Red Light Camera (RLC) revenue of $39.7 million, which include administrative fees for both. In addition, the aforementioned boot and tow fine of $2.0 million for FY 17 is depicted below.
    - The FY 17 fines portion of the revenue is declining by $2.0 million, which is consistent with historical trends; the corresponding administrative fee of $8.8 million is increasing by $651,471, however, budget to budget, there is a total drop of $1.3 million.
    - The RLC share of the FY 17 revenue is $20.9 million and the related administrative fee is $18.8 million. Both RLC associated revenues are increasing by $774,112 and $696,701, respectively, a total growth of $1.5 million.
    - The department currently has 263 operational red light cameras. TPVA expects to have 270 cameras installed and functional by year-end FY 17 but the full year impact would be based on an average of 267 operational cameras.

Fines and Forfeits	2016 Adopted	2017 Proposed	Prop 2017 vs. Adpt FY16
R0603-Fines	15,500,000	13,500,000	(2,000,000)
R0630-Administrative Fee	8,157,608	8,809,079	651,471
Fines Subtotal	**23,657,608**	**22,309,079**	**(1,348,529)**
R0626-Red Light Camera (RLC)	20,100,749	20,874,861	774,112
R0629-RLC Administrative Fee	18,090,674	18,787,375	696,701
RLC Subtotal	**38,191,423**	**39,662,236**	**1,470,813**
R0633-Boot & Tow	0	**1,974,000**	1,974,000
Grand Total	**61,849,031**	**63,945,315**	**2,096,284**

- The Administration is budgeting $35,000 for rents and recoveries in the Proposed FY 17 Budget, which is constant with the prior year's budget and OLBR's projection. This represents the revenue recovery account.

Revenues, Cont.

TPVA Tickets Received YTD						
	August 2015 YTD		August 2016 YTD		% Difference	
Issuing Agencies	Parking	Traffic	Parking	Traffic	Parking	Traffic
Nassau County Police	51,858	66,823	58,718	70,342	13.2%	5.3%
All Other Agencies	17,682	24,206	14,968	20,690	-15.3%	-14.5%
Grand total	**69,540**	**91,029**	**73,686**	**91,032**	**6.0%**	**0.0%**

- The table above displays parking and traffic tickets issued through August 2016 compared to the same period in the prior year; parking tickets are increasing by 6.0% and traffic tickets are flat.
- The Nassau County Police Department generated a year over year growth of parking and traffic tickets of 13.2% and 5.3%, respectively.

Traffic and Parking Violations Agency Fines & Forfeits - Multi Year Plan				
Revenue Sources	**2017 Proposed**	**2018 Plan**	**2019 Plan**	**2020 Plan**
Fines	13,500,000	13,500,000	13,500,000	13,500,000
TV Fines Administrative Fee	8,809,079	8,809,079	8,809,079	8,809,079
Red Light Camera (RLC)	20,874,861	20,457,364	20,457,364	20,457,364
RLC Administrative Fee	18,787,375	18,787,375	18,787,375	18,787,375
Boot & Tow	1,974,000	1,974,000	1,974,000	1,974,000
Total Fines & Forfeits Revenue	**$63,945,315**	**$63,527,818**	**$63,527,818**	**$63,527,818**

- The Multi Year Plan (MYP) in the schedule above illustrates TPVA's revenue through FY 20. The plan reflects a total budget decrease of $417,497, or 0.7%, from $63.9 million to $63.5 million.
  - The fines share of revenue will remain constant at $13.5 million from FY 17 through FY 20. The fines administrative fee of $8.8 million is also flat in the out years.
  - The RLC revenue is declining by roughly $400,000 from $20.9 million to $20.5 million in the out years and the related administrative fee revenue is unchanged at $18.8 million.
  - The newly added boot and tow fee remains constant at $2.0 million from FY 17 through FY 20.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	47	47	47	46	46	(1)	-2.1%	0	0.0%
Part-Time and Seasonal	40	38	40	45	47	7	17.5%	2	4.4%
Salaries	$3,113,412	$3,210,368	$3,928,770	$4,336,375	$4,089,440	$160,670	4.1%	($246,935)	-5.7%
Equipment	6,513	5,822	9,700	9,700	9,700	0	0.0%	0	0.0%
General Expenses	176,211	189,765	220,020	220,020	220,020	0	0.0%	0	0.0%
Contractual Services	18,874,163	11,756,837	9,961,140	11,299,433	10,121,201	160,061	1.6%	(1,178,232)	-10.4%
Total	**$22,170,299**	**$15,162,791**	**$14,119,630**	**$15,865,528**	**$14,440,361**	**$320,731**	**2.3%**	**($1,425,167)**	**-9.0%**

Expenses

- The proposed FY 17 expense budget is increasing by $320,731, or 2.3%, compared to the prior year budget and declining by $1.4 million, or 9.0%, compared to OLBR's projection. This is primarily attributed to the decline for contractual service expenditures.
- The FY 17 proposed salaries are rising by $160,670 to $4.1 million budget to budget; however, the salaries are dropping by $246,935 compared to OLBR's projection.
  - The salary change is attributed to the impact of the Civil Service Employees Association (CSEA) agreement that includes a 2.0% COLA, effective July 1, 2017 and a step increase on September 1, 2017.
  - TPVA's part-time positions increased by seven titles budget to budget. They include six Clerk Typist I's, four Bilingual Clerk Typists, three Traffic Prosecutors and the elimination of six Clerk I's.
  - The full-time headcount decreased by one position budget to budget due to the removal of two Clerk II positions offset by the addition of one Clerk Laborer title.
- The FY 17 general expenses remain flat at $220,020.
- The contractual services budget allocates $10.1 million for FY 17, a decrease of $1.2 million, or 10.4%, compared to OLBR's projection and a nominal increase of $160,061 from the Adopted 2016 Budget.
  - In FY 16, a revenue surplus is projected hence a higher contractual expense. For FY 17, the slight revenue decrease is also expected to drive down the cost from current projections.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Int Penalty On Tax	$30,977,920	$32,660,615	$31,900,000	$31,900,000	$35,200,000	$3,300,000	10.3%	$3,300,000	10.3%
Fines & Forfeits	12,718	7,754	10,000	19,094	20,000	10,000	100.0%	906	4.7%
Invest Income	1,514,856	1,970,382	947,000	1,031,434	947,000	0	0.0%	(84,434)	-8.2%
Rents & Recoveries	66,894	76,817	0	208,522	0	0	*****	(208,522)	-100.0%
Dept Revenues	493,444	456,532	626,620	431,639	1,819,797	1,193,177	190.4%	1,388,158	321.6%
Debt Svc From Capital	0	0	60,000,000	60,000,000	60,000,000	0	0.0%	0	0.0%
Special Taxes	3,066,339	3,014,238	1,890,000	1,969,226	2,659,000	769,000	40.7%	689,774	35.0%
Total	**$36,132,170**	**$38,186,338**	**$95,373,620**	**$95,559,915**	**$100,645,797**	**$5,272,177**	**5.5%**	**$5,085,882**	**5.3%**

Revenues

- Revenues in the Proposed FY 17 Budget are increasing by $5.3 million, or 5.5%, from the Adopted FY 16 Budget. The increase is a function of various fee increases, higher penalty rates, and new cash back revenues.
- The Administration has introduced legislation which it expects to generate $3.6 million in FY 17.
  - The online tax lien sales are expected to generate $1.1 million in new revenues on the differential lien interest and miscellaneous receipts lines. The additional revenue is anticipated from increased registrations ($0.1 million), and from the sale of previously unsaleable parcels which could now be bundled with higher valued parcels ($1.0 million). According to the department, the County currently does not sell $1.0 - $1.5 million at the lien sale. The new procedures allow provide the ability to “bundle” tax liens.
  - In FY 17 the Administration is seeking to increase the Penalty on Tax – Listing Fees from $90 to $180. This fee is set to rise to $190 in FY 18, $200 in FY 19, and $210 in FY 20. This is expected to yield $2.5 million in annual revenue.
  - The Administration has proposed setting the Tax Lien Sale Registration – Online Auction per day fee in the following manner, $125 from 2017 to 2018 and $175 from 2019 to 2020.
- Currently the Treasurer’s Office collects a 5.0% penalty revenue coded as Penalty on Tax – on Delinquent Taxes. The Administration has introduced legislation to increase the penalty rate to 6.0% in FY 17.
  - The Proposed FY 17 Budget includes $2.5 million from this fee increase, on the Interest Penalty on Tax, Listing Fee – Tax Delinquent Properties line.

Revenues, Cont.

- The FY 17 Proposed Budget contains an additional $1.0 million from increasing the penalty percentage 1.0 point. These revenues are reflected on the Interest Penalty on Taxes, Penalty on Delinquent Taxes line.

➢ The Administration expects to start using a P-Card to process payments on County expenses. This card provides cash back.

- The FY 17 Proposed Budget has $400,000 included from this initiative, on the departmental revenues, P-Card line.

➢ The special taxes budget is comprised of revenues generated by the hotel/motel tax, the entertainment tax, and the Belmont Admission tax.

➢ The special tax line revenues are budgeted to increase by $769,000 in FY 17 from the Adopted FY 16 level.

➢ Most of the special taxes increase is due to higher entertainment tax collections; this tax is a surcharge on tickets sold at venues in the County with seating capacities of 2,500 seats or more. It is shown on four sub object lines, general, Coliseum, NY Islander, and beach concerts.

- The department is anticipating that total entertainment tax proceeds will be $1.4 million in FY 17, a $0.5 million increase from the FY 16 Adopted Budget. The increase reflects the addition of $467,000 on the Coliseum line and $27,000 on the NY Islander line. These lines had been zero while the Coliseum was undergoing renovations.

- Beach concert entertainment tax collections are expected to decline $250,000 budget to budget. The FY 17 budget is in line with the FY 15 actual level.

➢ Hotel/motel collections are budgeted at $1.1 million in the Proposed FY 17 Budget up $0.2 million compared to the Adopted FY 16 Budget, and in-line with actual collections in FY 15. Refer to the Parks section for more information on the hotel/motel tax.

➢ The Belmont tax is a tax collected upon admission to Belmont Park. The tax is equivalent to 3% of the admission price, and Nassau retains 75% of the collections, as three quarters of the park is located within Nassau County.

- The FY 17 proposal includes $115,000 in collections for this tax, up $27,000 from the Adopted FY 16 Budget. The FY 17 budget is in line with the FY 15 $119,831 actual.

➢ Investment income is generated as the County invests excess cash in certificate of deposits, money markets and time deposits.

➢ Investment income in the FY 17 proposal is unchanged from the Adopted FY 16 Budget. OLBR views the FY 17 budget as conservative, as the proposed budget is $0.1 million less than the FY 16 projection and interest rates are expected to rise in FY 17.

➢ Proposed FY 17 fines & forfeiture collections have been increased to $20,000 from $10,000 in the FY 16 Adopted, in line with the FY 16 projection.

➢ Excluding debt service from capital revenues, all Treasurer revenues are unchanged at the FY 17 proposed level in the out-years of the plan. The incremental out-year increases from the ordinance set rates are reflected below the line in one gap closing initiative.

Expense	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	28	27	27	26	27	0	0.0%	1	3.8%
Part-Time and Seasonal	2	2	3	2	4	1	33.3%	2	100.0%
Salaries	$2,048,307	$2,027,411	$2,170,443	$1,996,760	$2,196,192	$25,749	1.2%	$199,432	10.0%
Equipment	8,918	0	2,000	2,000	2,000	0	0.0%	0	0.0%
General Expenses	260,894	361,426	415,600	415,600	412,128	(3,472)	-0.8%	(3,472)	-0.8%
Contractual Services	167,595	157,512	240,400	240,400	255,500	15,100	6.3%	15,100	6.3%
Other Suits & Damages	4,006,585	3,322,078	70,000,000	70,000,000	75,000,000	5,000,000	7.1%	5,000,000	7.1%
Total	**$6,492,298**	**$5,868,427**	**$72,828,443**	**$72,654,760**	**$77,865,820**	**$5,037,377**	**6.9%**	**$5,211,060**	**7.2%**

Expenses

- Expenses in the FY 17 Proposed Budget are $5.0 million, or 6.9%, more than in the Adopted FY 16 Budget, and $5.2 million, or 7.2%, more than OLBR's projection.
- The increase is largely driven by the FY 17 $5.0 million increase in other suits & damages expenses.
- The Administration plans to pay $75.0 million in property tax refunds in FY 17. Since only $60.0 million is reflected on the FY 17 debt service from capital line shown on the previous revenue chart; there are $15.0 million of "paygo" operating funds to cover property tax refund costs in FY 17. This is a $5.0 million increase in "paygo" funds compared to the FY 16 Adopted level.
- In the out years, the other suits & damages line is constant at $30.0 million and the debt service from capital line is zero; hence there is $30.0 million in "paygo" funds from 2018 to 2020.
- The proposed salary budget is increasing 1.2%, or $25,749, from the Adopted FY 16 Budget. The increase is a function of steps and COLAs included in the current labor agreements, the removal of $32,469 savings from initiatives included in the FY 16 Adopted Budget, and a budget to budget increase of one part-time position.
- The FY 17 Proposed equipment budget is unchanged from the FY 16 Adopted Budget. The equipment appropriation is used to cover information technology expenses.
- The proposed general expenses budget is falling slightly 0.8%, or $3,472, from the FY 16 Adopted level. The expense line covers primarily advertising tax lien and miscellaneous supply costs.
- The proposed budget for contractual services is increasing 6.3%, or $15,100, when compared to FY 16 Adopted level. The increase is attributable to higher miscellaneous contractual services.

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.

	Historical		2016		2017	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2014	2015	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	7	7	7	7	7	0	0.0%	0	0.0%
Salaries	$394,331	$427,060	$455,847	$433,436	$485,054	$29,207	6.4%	$51,618	11.9%
General Expenses	8,614	9,278	16,200	16,200	15,200	(1,000)	-6.2%	(1,000)	-6.2%
Contractual Services	0	0	700	700	2,000	1,300	185.7%	1,300	185.7%
Inter-Dept. Charges	128	0	0	0	0	0	*****	0	*****
Total	**$403,072**	**$436,338**	**$472,747**	**$450,336**	**$502,254**	**$29,507**	**6.2%**	**$51,918**	**11.5%**

Expenses

- Proposed expenses are up $29,507, or 6.2%, budget to budget. Expenses in the proposal are 11.5%, or $51,918, higher than the latest projection. Most of the growth is concentrated on the salary line.
- Salary expenses are 6.4% higher in the proposal than in the Adopted FY 16 Budget. Proposed salary expenses are 11.9% higher than OLBR's current projection.
  - The salary growth stems from Cost of Living (COLA) and step adjustments in the current Collective Bargaining Agreement (CBA) for Civil Service Employees Association (CSEA) members. The FY 17 budget includes a 2.0% COLA effective July 1, 2017 and a step increase on September 1, 2017.
- The proposal introduces a $2,000 contract for uniform rental expenses and eliminates a $700 software contract.
- The proposal reduces general expenses by $1,000 when compared not only to the Adopted FY 16 Budget but also the latest projection.
  - The proposal increases funding for office supplies and copy paper by $1,000, but this growth is offset by a $2,000 reduction in the miscellaneous supplies and expenses budget.

Revenue	Historical 2014	Historical 2015	2016 Adopted Budget	2016 OLBR Projected	2017 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$0	$190	$0	$0	$0	$0	*****	$0	*****
State Aid-Reimb of Exp	0	59,703	59,703	118,406	59,703	0	0.0%	(58,703)	-49.6%
Total	**$0**	**$59,893**	**$59,703**	**$118,406**	**$59,703**	**$0**	**0.0%**	**($58,703)**	**-49.6%**

Revenues

- The proposed state aid budget is in line with historic results and the Adopted FY 16 state aid Budget. Proposed state aid is about 49.6% below OLBR's latest projection, as the department received $118,406 in State reimbursement as of August 30, 2016.