NASSAU COUNTY LEGISLATURE

Office of Legislative Budget Review

Review of the Fiscal Year 2018 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 17, 2017

Re: Departmental Analysis

Pursuant to §183 of the Nassau County Charter, the Office of Legislative Budget Review has prepared an analysis of the County Executive's proposed operating budget for Fiscal Year 2018 and Multi-Year Plan. Our report is made up of two parts: the enclosed Departmental Analysis, and an Executive Summary. For those departments that testified at the budget hearing, 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 https://www.nassaucountyny.gov/2384/Budget-Documents.

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Revenue	Historical 2015	2016	2017 Adopted Budget	OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Percent	Exec. vs. Projected Variance	Percent
Rents & Recoveries	$36,567	$29,987	$0	$0	$0	$0	*****	$0	*****
Dept Revenues	8,013,653	27,811,085	42,673,896	44,073,692	54,674,635	12,000,739	28.1%	10,600,943	24.1%
Total	**$8,050,220**	**$27,841,071**	**$42,673,896**	**$44,073,692**	**$54,674,635**	**$12,000,739**	**28.1%**	**$10,600,943**	**24.1%**

Revenues

- The Assessment Department revenue budget has one object code in FY 18, 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 18 revenue budget is increasing by 28.1% from the FY 17 Adopted Budget and 24.1% from the current FY 17 projection.
- Radius maps are generally required when a property owner seeks a special use permit or variance from a town or village.
- The FY 18 budget anticipates collecting $19,004 from this fee, a bit lower than the FY 17 current projection which equals the FY 16 actual collections.
- The departmental revenue line also includes fees collected for the production of various reports. The FY 18 budget for these fees is $55,631. This may be conservative as it is $31,084 less than the current FY 17 projection which aligns with the FY 16 actual collections.

Assessment Departmental Revenues

SUBOBJ	17 Adopted	17 Projection	18 Proposed
Radius Maps Fee	18,816	24,895	19,004
Fees	55,080	86,715	55,631
GIS Tax Map Verification Fee	42,600,000	43,962,082	54,600,000
Total	**42,673,896**	**44,073,692**	**54,674,635**

- 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 current GIS Tax Map fee rate is $355. The FY 18 Executive Budget assumes an $100 increase from to $455.
- The FY 18 GIS Tax Map budget is $12.0 million more than the FY 17 Adopted. OLBR believes that an $100 increase would generate roughly $12.0 million in more revenue. However, since OLBR is projecting a higher FY 17 base, if current trends continue an $1.4 million 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.

Expense	Historical 2015	2016	2017 Adopted Budget	OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Percent	Exec. vs. Projected Variance	Percent
Full-Time Headcount	145	131	135	123	123	(12)	-8.9%	0	0.0%
Part-Time and Seasonal	2	2	2	2	2	0	0.0%	0	0.0%
Salaries	$9,150,985	$8,842,506	$9,591,930	$8,847,512	$9,093,857	($498,073)	-5.2%	$246,345	2.8%
General Expenses	259,362	566,750	303,251	303,251	189,514	(113,737)	-37.5%	(113,737)	-37.5%
Contractual Services	16,554	17,382	756,264	756,264	996,264	240,000	31.7%	240,000	31.7%
Total	**$9,426,901**	**$9,426,638**	**$10,651,445**	**$9,907,027**	**$10,279,635**	**($371,810)**	**-3.5%**	**$372,608**	**3.8%**

Expenses

- The FY 18 Proposed expense budget is decreasing by 3.5%, compared to the FY 17 Adopted Budget and increasing 3.8% compared to the FY 17 projection.
- The budget to budget salary decrease is the result of the elimination of 12 full-time, vacant positions. The department will also have to contend with the loss of individuals to the recent Voluntary Separation Incentive Program (VSIP).
- The FY 18 Proposed salary budget does not include any savings from the recent VSIP. The office lost 12 individuals to this program. The Administration has stated that half of the vacated positions will be backfilled.
- The FY 18 general expenses line is decreasing $113,737 compared to both the FY 17 Adopted Budget and FY 17 projection. The decline is primarily a function of lower postage delivery expenses. According to the department, they will have to identify ways to reduce costs so that they may live within the budgeted amount.
- FY 18 Assessment contractual services costs are increasing $240,000 from both the FY 17 Adopted Budget and the FY 17 projection. The increase is due to higher contractual services expenses associated with vendor fees for revenue collection related to Tax Map Verification fees.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	30	29	30	29	30	0	0.0%	1	3.4%
Part-Time and Seasonal	0	2	2	2	2	0	0.0%	0	0.0%
Salaries	$2,162,801	$2,500,559	$2,390,050	$2,346,948	$2,409,259	$19,209	0.8%	$62,311	2.7%
General Expenses	31,576	32,989	33,831	33,831	68,500	34,669	102.5%	34,669	102.5%
Contractual Services	12,250	12,500	0	0	0	0	*****	0	*****
Total	**$2,206,627**	**$2,546,049**	**$2,423,881**	**$2,380,779**	**$2,477,759**	**$53,878**	**2.2%**	**$96,980**	**4.1%**

Expenses

- The FY 18 Assessment Review Commission (ARC) expense budget is increasing $53,878 or 2.2% from the FY 17 Adopted Budget and 4.1% from the current year projection; driven by increases in the salary and general expenses lines.
- The salary line increase is a function of higher full-time and part-time salary appropriations offset by reduced terminal leave and longevity payments.
- The FY 18 Proposed Budget includes funding for 30 full-time and two part-time employee positions, unchanged from the FY 17 Adopted headcount.
  - 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 17 Adopted Budget and six are included in the FY 18 Proposed Budget.
  - The FY 18 Proposed salary budget does not include any savings from the recent Voluntary Separation Incentive Program (VSIP). The office lost one individual to this program. The Administration has stated that half of the vacated positions will be backfilled.
- The FY 18 general expenses line is increasing $34,669 from both the FY 17 Adopted Budget and current projection. The appropriation is used to fund office supplies, membership fees, postage, information technology supplies, educational and miscellaneous supplies. All sub-object lines are receiving a heightened budget appropriation. According to the Department, the increase is necessary due to the heightened number of filings.
- The contractual services line has not been funded in the FY 18 Proposed Budget. The software maintenance contract was consolidated into the Department of Information Technology in FY 17.

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.
- According to ARC, reducing over-assessments on the tentative roll enabled the County to avoid over $200 million in potential tax liability from the 2017-18 Assessment Roll.
- As of December 31, 2016, the County's outstanding property tax liability according to the Assessment Review Commission (ARC) was $337.2 million. Subsequently there was an audit finding dictating an additional 2016 accrual of $2.75 million bringing the total year-end 2016 outstanding property tax liability to $340.0 million, 7.4% higher than December 31, 2015's liability of $316.4 million. The outstanding liability increased for all classes.
- Out of the total December 31, 2016 (ARC) liability, 67.1% or $226.4 million was for class IV commercial grievances and 13.9% or $46.9 million was for class I.
- The County implemented a Dispute Assessment Fund (DAF) as a mechanism for class IV parcels to pre-fund their own property tax grievances.
- According to the financial system, through August 2017, the County has received $62.1 million in DAF payments from first-half school and general tax bills. According to the Administration, the County cannot make any 2017 DAF refunds until all DAF charges are received. Hence, no class IV parcel has received any refund of its 2016/17 (2017) DAF charges.
- The impact that the DAF fund has had on the County's class IV backlog, property tax refund liability will not be visible until the release of the 2017 CAFR; which is expected around May 2018.
- The FY 18 Proposed Treasurer's Office Budget includes $30.0 in other suits & damages appropriation to cover property tax liability expenses. Additionally, the MYP includes $30.0 million on the Treasurer's Office other suits & damages line from 2019 to 2021.
    - Through August 2017, Treasurer's Office figures show that the County has paid 418 property tax grievance claims and spent $15.7 million.

Expense	Historical 2015	2016	2017 Adopted Budget	OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Percent	Exec. vs. Projected Variance	Percent
Full-Time Headcount	55	53	52	51	51	(1)	-1.9%	0	0.0%
Part-Time and Seasonal	39	40	49	41	49	0	0.0%	8	19.5%
Salaries	$4,362,453	$4,758,596	$5,362,298	$5,111,504	$5,231,659	($130,639)	-2.4%	$120,155	2.4%
General Expenses	178,779	336,235	443,446	443,446	344,351	(99,095)	-22.3%	(99,095)	-22.3%
Contractual Services	79,060	79,060	14,499	14,499	14,499	0	0.0%	0	0.0%
Total	**$4,620,292**	**$5,173,890**	**$5,820,243**	**$5,569,449**	**$5,590,509**	**($229,734)**	**-3.9%**	**$21,060**	**0.4%**

Expenses

- The FY 18 Proposed Expense Budget is decreasing by $229,734, or 3.9%, compared to the Adopted FY 17 Budget, and increasing by $21,060, or 0.4%, in comparison to OLBR's projections.
- Salaries decreased by $130,639 budget to budget. In FY 18, in addition to many staffing realignments intended to save salaries, the department is also decreasing their Full Time headcount by 1 position.
  - The proposed part-time and seasonal headcount remains flat budget to budget.
- General expenses are decreasing by $99,095, or 22.3%, from the Adopted FY 17 Budget. The reduction will be in miscellaneous supplies.
- The contractual services line remains flat when compared to both the Adopted FY 17 Budget and OLBR's projection.

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$52,661	$144,277	$106,235	$106,235	$106,235	$0	0.0%	$0	0.0%
Dept Revenues	362,966	517,145	1,592,400	1,592,400	420,800	(1,171,600)	-73.6%	(1,171,600)	-73.6%
Total	**$415,627**	**$661,421**	**$1,698,635**	**$1,698,635**	**$527,035**	**($1,171,600)**	**-69.0%**	**($1,171,600)**	**-69.0%**

Revenues

- The FY 18 Proposed Budget for Civil Service revenue is decreasing by $1.2 million or by 69.0% compared to both the Adopted FY 17 Budget and OLBR's projection. Most department revenues are for civil service exams. The department does not anticipate to have a Police exam in 2018.
- The departmental revenues line also accounts for revenues derived from medical exam fees and various other fees paid by potential employees.
- The proposed FY 18 rents and recoveries budget is remaining flat when compared to both the Adopted FY 17 Budget and OLBR's projection.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	35	34	35	34	35	0	0.0%	1	2.9%
Part-Time and Seasonal	3	4	4	3	4	0	0.0%	1	33.3%
Salaries	$1,941,853	$2,016,982	$2,353,022	$2,146,694	$2,309,226	($43,796)	-1.9%	$162,532	7.6%
General Expenses	1,575,692	1,515,860	1,162,494	1,162,494	1,575,400	412,906	35.5%	412,906	35.5%
Total	**$3,517,545**	**$3,532,843**	**$3,515,516**	**$3,309,188**	**$3,884,626**	**$369,110**	**10.5%**	**$575,438**	**17.4%**

Expenses

- Constituent Affairs total expenditures are growing by 10.5%, or $369,110, when comparing budget to budget. Full-time headcount is remaining flat from the FY 17 budget and increasing by one compared to the FY 17 projection.
- The salary line includes steps for eligible CSEA members. Headcount will be the same as it was in FY 17 but the salary line is declining by $43,796 reflecting a reduction in terminal leave and replacing some positions with lower paid ones.
- The general expenses line is going up by $412,906, or 35.5%, budget to budget due to increases in office supplies & copy paper, copying, blueprint supplies and expenses, postage delivery, equipment maintenance and 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 17 Adopted	Sept-17 Actual	FY 18 Request	FY 18 Executive	Exec. vs 17Adopt	Exec. vs Actual
CC Full-time Staffing						
Office of Consiturnt Affairs	11	11	11	11	0	0
Printing & Graphics	24	23	25	24	0	1
Total Full-time	**35**	**34**	**36**	**35**	**0**	**1**
CC Part-time and Seasonal						
Office of Consiturnt Affairs	4	3	4	4	0	1
Printing & Graphics	0	0	0	0	0	0
Total Part-time and Seasonal	**4**	**3**	**4**	**4**	**0**	**1**

Expenses, Cont.

Expenses by Control Center ($'s in millions)						
	Historical		2017	2018	Exec. vs. Adopted	
Control Center	2015	2016	Adopted Budget	Exec. Budget	Var.	%
Office of Constituent Affai	$0.7	$0.7	$0.8	$0.8	$0.0	-1.4%
Printing and Graphics	2.9	2.8	2.7	3.1	0.4	14.1%
Total	**3.5**	**3.5**	**3.5**	**3.9**	**0.4**	**10.5%**

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

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Interdept Revenues	$394,402	$79,999	$539,428	$539,428	$766,550	$227,122	42.1%	$227,122	42.1%
Fed Aid-Reimb of Exp	18,760	0	0	0	0	0	*****	0	*****
Total	**$413,162**	**$79,999**	**$539,428**	**$539,428**	**$766,550**	**$227,122**	**42.1%**	**$227,122**	**42.1%**

Revenue

- Constituent Affairs revenue will be $227,122 more than that of FY 17. 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 18, the department anticipates more requests for color printing, instead of just black and white texts, throughout County departments, hence more 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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	$4,530,935	$3,636,405	$5,425,050	$5,425,050	$4,425,000	($1,000,050)	-18.4%	($1,000,050)	-18.4%
Fines & Forfeits	425,697	762,025	400,000	750,000	500,000	100,000	25.0%	(250,000)	-33.3%
Dept Revenues	508	282	200	200	200	0	0.0%	0	0.0%
State Aid-Reimb of Exp	53,414	18,873	45,000	45,000	45,000	0	0.0%	0	0.0%
Total	**$5,010,554**	**$4,417,585**	**$5,870,250**	**$6,220,250**	**$4,970,200**	**($900,050)**	**-15.3%**	**($1,250,050)**	**-20.1%**

Revenues

- OCA's revenue is down 15.3% in the proposed budget, from $5.9 million in the Adopted FY 17 Budget to $5.0 million in FY 18. When the proposal is set side by side with the current projection, revenue is also down 20.1%, or $1.3 million, year-over-year.
- The overall revenue variance is tied to a $1.0 million budget to budget decrease in permits & licenses. The department expects FY 18 to be a low-yield year for home improvement license revenue, accounting for about $0.5 million of the overall revenue variance. The remaining difference is spread out across several other permits & licenses, including a $0.1 million reduction to weights & measures fees, $0.1 million in ATM registration fees, $0.2 million in general licenses, and $0.2 million in health club licensing.
- Proposed FY 18 state aid revenue is level with the Adopted FY 17 Budget. The State reimburses the County for expenses that the Division of Weights & Measures may incur in connection with the gasoline sampling program. The State caps the County's reimbursement.
- The proposed fines & forfeitures budget is $0.5 million, about 25.0% above the Adopted FY 17 Budget. The proposed fine budget is about 33.3% lower than the latest projection. OCA issues fines to businesses violating 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.
  - Through September 30, 2017, OCA has collected about $555,234 in fines and forfeiture revenue. If this trend holds out, the department could end the year with $750,000 in fines. The OCA could realize an opportunity in fine and forfeiture revenue if this trend continues into FY 18.

Revenues, cont.

Permits & Licenses

- Proposed permits and licenses revenue is down 18.4%, from $5.4 million in FY 17, to $4.4 million in FY 18. The chart below includes the FY 16 historical yield, the Adopted FY 17 Budget, and the Proposed FY 18 Budget for each permit and license collected by the department:

Permits & Licenses	FY 16 Actual	FY17 Budget	FY 18 Proposal
Home Improvement License	$2,236,675	$3,380,000	$2,880,000
Weights and Measures	1,184,780	1,379,300	1,300,000
Taxi and Limo Registration	12,675	-	-
ATM Registration	97,500	220,000	120,000
Licensing	104,775	245,750	75,000
Health Club License	-	200,000	50,000
Total	**$3,636,405**	**$5,425,050**	**$4,425,000**

- Proposed home improvement license receipts are down 14.8% from the Adopted FY 17 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 low yield year, accounting for the $0.5 million variance budget to budget. OCA handles about 10,000 home improvement licenses over its two year cycle.
- The proposed budget includes $1.3 million for fees associated Weights & Measures Division, about $0.1 million less than the FY 17 target. These fees are a function of the number of investigations conducted by staff. Item pricing waiver payments are also included on this line.
- The proposal reduces the ATM registration fee budget by about $100,000. The FY 17 budget was too optimistic in its estimated impact from the increased ATM renewal fee, from $100 in FY 16 to $150 in FY 17. Although the proposed budget is less than the Adopted FY 17 budget, the current actual for ATM registration fees is about $150,000; therefore, OLBR views the FY 18 budget as conservative.
- The proposed health club license has been reduced to $50,000 from $200,000 in FY 17. The Administration introduced this fee in FY 17 and it has been recently implemented. The lower FY 18 target is in line with the department's expectations as it begins licensing health clubs for the first time.
- The various licensing fee budget has been slashed from $245,750 to $75,000. The FY 18 target may be too conservative, as historical returns and the current actual are well above $100,000.

Revenues, cont.

Permits & Licenses, Cont.

- According to OCA, the department created an Enforcement Division in FY 16 as part of an effort to repurpose OCA's Taxi and Limousine Licensing staff, as that responsibility had been transferred to the stand alone Taxi and Limousine Commission (TLC). In FY 16, Enforcement staff issued $762,025 in fines across 1,420 violations. In FY 17, Enforcement is tracking towards 1,350 violations and about $750,000 in fines.
- The rapid growth in violations and fees could be burdening OCA's Licensing Division. According to the OCA, enforcement drives license applications, as the department requires violators to apply as part of any settlement agreement.
- The department benefited from additional clerks, inspectors, and investigators in the past. County leaders should work with the OCA to ensure the agency has staff sufficient to meet its expanded mission.
- The amount of revenue OCA could generate with additional staff is unclear at this time, but process efficiencies provided by more staff would add to the bottom line.
- As the chart to the right demonstrates, the OCA's full time adopted full time headcount has dwindled over the last ten years, from 48 in FY 07 to 26 in FY 17. During this time, the department's regulatory purview has expanded dramatically, from 17 consumer protection laws in FY 07 to 34 enforced in FY 16.

- As of September 1, 2007, the department had a full time headcount of 40 employees. At the time, the department had 12 various Investigators, seven Weights & Measures Inspectors, seven various clerks (e.g. Clerk I, Clerk II, Bi-Lingual, Typist, etc.), two Deputy Commissioners, and two Assistant Directors. OCA also had three part-time clerks and a part-time investigator in FY 07.
- As of September 1, 2017, the onboard full time headcount is 25. Among the positions, the department has eight various Investigators, eight Weights & Measures Inspectors, 5 various Clerks (e.g. Clerk I, Clerk II, Bi-Lingual, Typist, etc.), and is without part-time staff in the proposed budget.

Year	Adopted Full Time Headcount	Laws Enforced
FY 07	48	17
FY 08	43	18
FY 09	44	21
FY 10	36	23
FY 11	33	23
FY 12	32	29
FY 13	27	29
FY 14	27	31
FY 15	25	31
FY 16	25	34
FY 17	26	34

Expenses

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	25	25	26	25	25	(1)	-3.8%	0	0.0%
Salaries	$1,652,227	$1,720,244	$1,951,835	$1,821,433	$1,991,006	$39,171	2.0%	$169,573	9.3%
Equipment	1,961	1,096	11,223	11,223	9,223	(2,000)	-17.8%	(2,000)	-17.8%
General Expenses	11,160	10,351	14,912	14,912	14,042	(870)	-5.8%	(870)	-5.8%
Contractual Services	0	0	0	0	1,000	1,000	*****	1,000	*****
Total	**$1,665,348**	**$1,731,690**	**$1,977,970**	**$1,847,568**	**$2,015,271**	**$37,301**	**1.9%**	**$167,703**	**9.1%**

- The proposed expense budget is 1.9% more than the Adopted FY 17 Budget. Proposed expenses are 9.1%, or $0.2 million, more than the latest projection.
  - From both perspectives, the primary driver of growth is in proposed salaries. The proposal accounts for step adjustments owed to CSEA members and maintains a $90,000 budget for part-time Clerk I titles. The proposal does not include a part-time head count for this pay pool and as the chart above demonstrates, there aren't any currently onboard.
  - The department had four separations as part of the September 15, 2017 Voluntary Separation Incentive Program (VSIP) offered to CSEA members, lowering OCA's post-VSIP headcount to 21. The department plans to request backfills and promotions to ensure service delivery and meet civil service supervisory requirements across the agency. OMB estimated OCA's annual savings from this VSIP at $0.3 million.
- The proposed budget decreases the staffing level by one position from the FY 17 budget and is in line with the current onboard headcount. The OCA's full-time headcount has been about the same since FY 15.
- Proposed equipment expenses are down 17.8% not only compared to the Adopted FY 17 Budget but also to the latest projection.
  - The proposal eliminates $2,000 from the Weights & Measures Division's miscellaneous equipment budget.
- The FY 18 budget funds $1,000 for miscellaneous contractual services.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	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	1	1	0	(1)	-100.0%	(1)	-100.0%
Salaries	$255,434	$237,308	$271,266	$271,266	$249,159	($22,107)	-8.1%	($22,107)	-8.1%
General Expenses	1,432	1,718	3,442	3,442	3,442	0	0.0%	0	0.0%
Contractual Services	5,440	9,844	12,500	12,500	10,000	(2,500)	-20.0%	(2,500)	-20.0%
Total	**$262,306**	**$248,870**	**$287,208**	**$287,208**	**$262,601**	**($24,607)**	**-8.6%**	**($24,607)**	**-8.6%**

Expenses

- The FY 18 Proposed expense budget is decreasing by $24,607, or 8.6%, from both the FY 17 Adopted Budget and OLBR's projections. Headcount remains consistent for full-time employees, but decreases by one part-time.
    - The decrease in salaries is mainly due to the elimination of the Deputy Director position and one part-time Clerk, offset by the addition of an Administrative Aide position.
- The FY 18 proposed general expenses are remaining flat in comparison to the FY 17 Adopted Budget and OLBR's projection.
- The FY 18 Proposed contractual expense budget decreases by $2,500 when compared to both the FY 17 Adopted Budget and OLBR's projection; these monies are used for community outreach.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Dept Revenues	$29,523	$36,154	$25,000	$25,000	$30,000	$5,000	20.0%	$5,000	20.0%
Interfund Charges Rev	0	0	30,000	30,000	5,000	(25,000)	-83.3%	(25,000)	-83.3%
Total	**$29,523**	**$36,154**	**$55,000**	**$55,000**	**$35,000**	**($20,000)**	**-36.4%**	**($20,000)**	**-36.4%**

Revenues

- The FY 18 Proposed revenues are decreasing by $20,000, or 36.4%, when compared to both the FY 17 Adopted Budget and OLBR's projection.
- The FY 18 Proposed departmental revenues are increasing by $5,000, or, 20.0%, as compared to both the FY 17 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 18 interfund charges revenues line decreased by $25,000 compared to the previous year adopted budget. According to the Administration, less reimbursement of Grant Funds is expected in FY 18.

Expense	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	1,027	992	1,040	969	1,042	2	0.2%	73	7.5%
Part-Time and Seasonal	6	5	6	3	4	(2)	-33.3%	1	33.3%
Salaries	$106,936,544	$111,917,210	$115,348,423	$118,676,082	$118,462,953	$3,114,530	2.7%	($213,129)	-0.2%
Workers Compensation	7,104,156	8,551,183	9,856,359	9,856,359	9,822,290	(34,069)	-0.3%	(34,069)	-0.3%
Equipment	39,133	420,747	32,608	32,608	208,900	176,292	540.6%	176,292	540.6%
General Expenses	3,764,857	3,201,228	3,241,437	3,241,437	3,385,963	144,526	4.5%	144,526	4.5%
Contractual Services	15,685,282	18,229,780	17,195,537	27,133,589	26,569,892	9,374,355	54.5%	(563,697)	-2.1%
Utility Costs	1,405,847	1,733,998	1,790,912	1,790,912	1,790,912	0	0.0%	0	0.0%
Total	**$134,935,818**	**$144,054,147**	**$147,465,276**	**$160,730,987**	**$160,240,910**	**$12,775,634**	**8.7%**	**($490,077)**	**-0.3%**

Expenses

- The Correctional Center's FY 18 expense budget of $160.2 million is rising by $12.8 million, or 8.7%, from the Adopted FY 17 Budget of $147.5 million, and decreasing by $490,077 compared to OLBR's current projection.
- The salaries for FY 18 are $118.5 million, a growth of $3.1 million budget to budget, but a drop of 0.2%, in comparison to OLBR's FY 17 projection. The budgeted increase is attributed to a rise in overtime of $5.5 million and the inclusion of step increases for union members budget to budget. Offsetting these increases are reductions of other salary extras such as differential pay decreasing by $0.6 million and holiday pay down by $0.7 million. Other adjustments are in uniform & equipment allowances and comp time cash which are down $0.3 million combined.
    - The proposed overtime budget for FY 18 is $19.9 million, an increase of $5.5 million budget to budget and in line with OLBR's projection for FY 17. The overtime spike is attributed to staffing levels discussed below.
    - The Correctional Center's proposed budget includes STEPs for members of the Correction Officers Benevolent Association (COBA) and the Civil Service Employees Association (CSEA) unions, however, no Cost of Living Adjustments (COLA) were added to the FY 18 budget. The labor agreements that the County entered into in FY 14 are scheduled to expire by year-end 2017 and there are currently no agreements with any unions beyond that period.
- The Administration offered a Voluntary Separation Incentive Program (VSIP) to members of CSEA labor union and expects to backfill 50% of the positions; six employees have elected to participate in the program.
- The budget for workers' compensation in FY 18 is $9.8 million, a minimal decline of 34,069 or 0.3% budget to budget. This decrease is due to reduced medical and indemnity payments offset by a rise in disability payments.

Expenses Cont.

- The FY 18 equipment expense budget of $208,900 represents an increase of 540.6% or $176,292 compared to the prior year budget. The budget includes cost increases in heavy duty equipment, safety & security and miscellaneous equipment.
- General expenses in FY 18 are rising by $144,526, which is 4.5% higher compared to the Adopted FY 17 Budget. This is mainly due to increases in miscellaneous supplies & expenses, food supplies and motor vehicle supplies & parts. This is partially offset by building supplies & maintenance, clothing & uniform supplies and educational & training supplies.
- The FY 18 contractual expense budget of $26.6 million for the Correctional Center is increasing by $9.4 million or, 54.5% budget to budget and decreasing by $563,697, or 2.1%, compared to OLBR's current projection. The primary reasons include:
  - The rising contract costs for inmate healthcare services. The new contract with Nassau Health Care Corporation (NHCC) reflects the new pricing of $21.0 million allocated in FY 18. The contract between NHCC and Nassau County Correctional Center NCCC commenced September 1, 2017 and terminates August 31, 2019.
  - Expenses also include $4.2 million as pass through expenses to GDF SUEZ Energy for the Correctional Center's use of chilled water, air conditioning and steam for heat.
  - The Rehabilitation Medicine Services (RMS) is $49,000. These allocated funds 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 utility budget of $1.8 million remains flat for FY 18.

Expenses by Control Center

($'s in millions)

	Historical		2017	2018	Exec. vs. Adopted	
Control Center	2015	2016	Adopted Budget	Exec. Budget	Var.	%
Correctional Center	$128.6	$138.2	$140.7	$153.2	$12.5	8.9%
Office of the Sheriff	6.4	5.9	6.8	7.1	0.3	3.9%
Total	**134.9**	**144.1**	**147.5**	**160.2**	**12.8**	**8.7%**

- The FY 18 budget for the Correctional Center and Office of the Sheriff's (Enforcement Division) control centers are $153.2 million and $7.1 million with growths of $12.5 million and $0.3 million respectively.

Expenses, Cont.

Staffing Analysis	FY 17 Adopted	Sept-17 Actual	FY 18 Request	FY 18 Executive	Exec. vs Adopted 17	Exec. vs Actual 17
CC Full-time Staffing						
10 Correctional Center						
Uniform	883	808	895	875	(8)	67
Civilian	94	88	92	92	(2)	4
Sub-total Full-Time	977	896	987	967	(10)	71
20 Sheriff						
Uniform	48	58	59	59	11	1
Civilian	15	15	16	16	1	1
Sub-total Full-time	63	73	75	75	12	2
Total Full-time	**1,040**	**969**	**1,062**	**1,042**	**2**	**73**
CC Part-time and Seasonal						
10 Correctional Center	4	2	2	2	(2)	0
20 Sheriff	2	1	2	2	0	1
Total Part-time and Seasonal	**6**	**3**	**4**	**4**	**(2)**	**1**

- Full-time staffing for the Correctional Center's uniform officers is budgeted to increase from the September 2017 actual by 67 positions and decrease by eight positions compared to the Adopted FY 17 Budget. The Civilian headcount will decrease by two positions budget to budget.
- Furthermore, the Office of the Sheriff's full-time and part-time headcounts are increasing by one position each from the September 1, 2017 on board.
  - A class of 28 Correctional Officers graduated on September 20, 2017 and were deployed upon graduation. This was the first class since December 2015. In addition, the average attrition rates for FY 16 was 52 and FY 17 is expected to be 34. These are unusually high years, given that the average separations have been 25-30 officers annually. With the new deployments and continued hiring plan, the department will attempt to reduce the overtime spike.
  - The Correctional Center is planning to hire additional Officers in the Spring and the Fall of FY 18. The timing of the hires is contingent on how many candidates respond to canvas letters and pending final approval from Civil Service. If target dates for new classes are delayed the department's overtime budget could be at risk.
- The Proposed FY 18 part-time and seasonal headcount has dropped by two positions compared to the Adopted FY 17 Budget and up by one position compared to OLBR's projection.

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Fines & Forfeits	$13,596	$12,303	$13,000	$17,804	$13,000	$0	0.0%	($4,804)	-27.0%
Rents & Recoveries	25,588	13,092	0	5,131,021	0	0	*****	(5,131,021)	-100.0%
Rev Offset To Expense	300,000	300,000	300,000	300,000	300,000	0	0.0%	0	0.0%
Dept Revenues	2,339,340	2,228,103	2,250,000	2,250,000	2,300,000	50,000	2.2%	50,000	2.2%
Interdept Revenues	48,110	47,071	150,000	150,000	150,000	0	0.0%	0	0.0%
Fed Aid-Reimb of Exp	4,651,372	4,216,157	4,357,875	4,056,750	4,056,750	(301,125)	-6.9%	0	0.0%
State Aid-Reimb of Exp	88,053	88,449	55,000	55,000	80,000	25,000	45.5%	25,000	45.5%
Total	**$7,466,060**	**$6,905,175**	**$7,125,875**	**$11,960,575**	**$6,899,750**	**($226,125)**	**-3.2%**	**($5,060,825)**	**-42.3%**

Revenues

- The FY 18 proposed revenue budget is declining by $226,125, or 3.2%, budget to budget and decreasing by $5.1 million compared to OLBR's projection. The driver of the variance to projection is in rents and recoveries.
- The FY 18 fines and forfeits budget is unchanged at $13,000.
- The rents and recoveries budget for the Proposed FY 18 is flat budget to budget, however OLBR's projection reflects a prior year recovery from disencumbered funds.
- The revenue to offset expense also remains fixed at $300,000 for FY 18. 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 18 Budget for departmental revenue is $2.3 million; an increase of $50,000 compared to the prior year's budget and OLBR's projection. This is attributed to a rise of miscellaneous receipts offset by a decrease of fee revenues.
  - The miscellaneous receipts budget increased by $250,000 to $800,000. This revenue is generated from charging inmates a fee for committing infractions that are stated in the inmate handbook and for reimbursement of Social Security Administration (SSA) benefits of recipients that are incarcerated.
  - In addition, the Correctional Center decreased fee revenues from $1.7 million to $1.5 million, a decline of $200,000. This revenue represents the revenues collected by the Sheriff's department from the enforcement of court orders such as income and property executions, orders of seizure and warrant for eviction/arrest.
- The Proposed FY 18 Budget for interdepartmental revenue is flat at $150,000. This revenue is for food services provided to the Juvenile Detention Center.

Revenues Cont.

- The Proposed FY 18 Budget contains $4.1 million for federal aid, a reduction of $301,125 or, 6.9% budget to budget. This decrease in revenue is attributed to the reduction of federal inmates housed at the jail. The proposed FY 18 budget will house 30 inmates versus the FY 17 budget of 35. The reduction is also reflected in the current projection.
- The FY 18 state aid budget increases by $25,000 to $80,000. This budget represents funds received from New York State for transporting state ready inmates and parole violators between State facilities and the Nassau County Correctional Center.

Annual Inmate Population Activity Indicators

Indicators	Actual 2015	Actual 2016	Projected 2017	Proposed 2018
Total Admissions	8,340	8,970	8,965	8,758
Federal Inmates	37	31	30	30
Parole Violators	46	46	40	40
State Ready Inmates	12	11	15	15
Nassau County Inmates	1,093	1,104	1,158	1,118
Average Daily Inmate Population	**1,188**	**1,192**	**1,243**	**1,203**

Source: Nassau County Correctional Center

- The Correctional Center's FY 17 projection and Proposed FY 18 Budget for federal inmates is based on housing 30 inmates.
- The Proposed FY 18 Budget for the average daily inmate population is estimated to decrease by 3.2% 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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	94	92	96	82	85	(11)	-11.5%	3	3.7%
Part-Time and Seasonal	3	4	10	4	10	0	0.0%	6	150.0%
Salaries	$7,478,717	$7,504,082	$8,228,230	$7,819,770	$7,875,444	($352,786)	-4.3%	$55,674	0.7%
Equipment	0	300	14,499	14,499	7,499	(7,000)	-48.3%	(7,000)	-48.3%
General Expenses	645,914	635,057	605,108	605,108	645,525	40,417	6.7%	40,417	6.7%
Contractual Services	6,798,842	5,168,042	5,171,310	5,171,310	5,171,310	0	0.0%	0	0.0%
Total	**$14,923,472**	**$13,307,481**	**$14,019,147**	**$13,610,687**	**$13,699,778**	**($319,369)**	**-2.3%**	**$89,091**	**0.7%**

Expenses

- In FY 18 expenses for the County Attorney are decreasing slightly by 2.3%, or $319,369, budget to budget, and increasing by 0.7%, or $89,091, from the FY 17 projection.
- The decline in salaries of $352,786, budget to budget, reflects the decrease of 11 in full-time headcount. The budget also accommodates the step adjustments for eligible CSEA members.
  - Full-time headcount includes a net decline of seven Deputy or Assistant County Attorneys. In FY 17, 14 Deputy County Attorneys received a title change from Deputy County Attorney to Assistant County Attorney enabling the new title-holders membership in CSEA.
- The equipment line is declining by about half, budget to budget, to $7,499.
- The general expenses line reflects the hike of $47,000 for investigative expenses which is offset by small reductions in travelling expense, maintenance of equipment and rail/air travel expense.
- Contractual services are not changing from those of the Adopted FY 17 Budget. Within the contractual services line there is a shifting of approximately $800,000 from miscellaneous contractual services into legal. In FY 17, 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.

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Fines & Forfeits	$479,901	$547,086	$610,000	$610,000	$610,000	$0	0.0%	$0	0.0%
Rents & Recoveries	551,603	796,169	745,000	745,000	745,000	0	0.0%	0	0.0%
Dept Revenues	169,960	147,091	10,200,000	846,043	5,360,000	(4,840,000)	-47.5%	4,513,957	533.5%
Interdept Revenues	488,088	599,682	905,789	905,789	942,125	36,336	4.0%	36,336	4.0%
Fed Aid-Reimb of Exp	212,281	280,359	215,000	215,000	255,000	40,000	18.6%	40,000	18.6%
Total	**$1,901,833**	**$2,370,387**	**$12,675,789**	**$3,321,832**	**$7,912,125**	**($4,763,664)**	**-37.6%**	**$4,590,293**	**138.2%**

Revenues

- The overall revenue budget for FY 18 is going down by $4.8 million, or 37.6 %, compared to the FY 17 budget and increasing by $4.6 million compared to current projections.
- Fines and forfeitures and rents and recoveries are remaining flat budget to budget.
- Departmental revenues, which consist of miscellaneous receipts, fees, contractual services, criminal restitution and revenue from the income and expense law are declining by $4.8 million to $5.4 million, a reduction of 47.5% 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 $36,336, or 4.0%, in FY 18 due to an increase in chargeback allocations to the Department of Social Services.
- Proposed FY 18 federal aid reimbursement is growing by $40,000 from the FY 17 Adopted Budget and is related to the work that the County Attorney performs for the Social Services Title IV program.
- The chart below illustrates the components of departmental revenue:

Revenues Cont.

Departmental Revenues				
Revenue Source	FY 16 Actual	FY 17 Budget	FY 17 Projected	FY 18 Proposed
Miscellaneous Receipts	$44,586	$75,000	$6,976	$55,000
Fees	81,130	70,000	25,967	50,000
Contractual Services	17,271	35,000	4,500	35,000
Criminal Restitution	4,104	20,000	8,600	20,000
Revenue From Income	0	10,000,000	800,000	5,200,000
Total	$147,091	$10,200,000	$846,043	$5,360,000

Revenue from Income and Expense Law

The Administration is budgeting $5.2 million in FY 18 from a law that requires commercial property owners to file an income and expense statement. Failure to comply will result in a fine. The law is currently under a restraining order (TRO) preventing the County from imposing the penalty provisions in the local law. The 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 TRO was lifted and vacated for commercial property owners that did not comply with the Income and Expense (AISE) law with the exception of those commercial property owners that filed their lawsuits challenging the enforcement of the law. The County cannot enforce penalties against the plaintiffs at this time. The County has collected some revenue from non-plaintiffs. The County expects all appeals to be exhausted and 2018 revenues to be recorded.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	$55,764	$47,812	$44,000	$44,000	$44,000	$0	0.0%	$0	0.0%
Rents & Recoveries	2,301	144,305	2,000	3,812	2,000	0	0.0%	(1,812)	-47.5%
Dept Revenues	31,274,578	56,297,427	51,332,400	57,554,152	65,457,800	14,125,400	27.5%	7,903,648	13.7%
Total	**$31,332,642**	**$56,489,543**	**$51,378,400**	**$57,601,964**	**$65,503,800**	**$14,125,400**	**27.5%**	**$7,901,836**	**13.7%**

Revenues

- Compared to the FY 17 Adopted Budget, FY 18 County Clerk revenues are budgeted to increase by 27.5% or $14.1 million. The increase is largely driven by a proposed $100 increase in the per block fee; from the current fee of $300 to $400.
- The Administration has introduced Local Law 356-17 to codify the proposed fee increase.
- The additional revenues attributed to the fee increase is expected to impact the mortgage recording fee and deed recording fee lines.
  - If current year to date trends carry into FY 18, OLBR sees an opportunity of $6.2 million in FY 18 departmental revenues.
  - The County Clerk does not support the proposed fee increase.

Departmental Revenues			
Revenue Source	FY 17 Estimate	FY 18 Exec.	18 Exec. vs. 17 Est.
Fees	$4,317	3,600	($717)
Court Fees	$757,493	750,000	($7,493)
Mortgage Recording Fees	$35,192,297	42,424,084	$7,231,787
Deed Recording Fees	$10,005,525	11,570,205	$1,564,680
Real Estate Transfer Fees	$23,240	25,712	$2,472
Records Management	$161,459	150,000	($11,459)
Mortgage Exp Reimbursement	$1,359,199	1,359,199	$0
Business Name Fee	$54,176	75,000	$20,824
Miscellaneous Fees	$8,739,722	8,100,000	($639,722)
On Line Registration	$1,256,724	1,000,000	($256,724)
	$57,554,152	**$65,457,800**	**$7,903,648**

Revenues, Cont.

- The chart below details Moody's Analytics current forecast for new mortgages, mortgage refinances and median home sale prices in Nassau County from FY 18 to FY 21.
- The forecast envisions positive new mortgage and median sale price growth in FY 18.

2018 to 2021 Nassau County Economic Forecast Forecast Annual Growth Rates*				
	2018	2019	2020	2021
New Mortgages	9.2%	-1.5%	-7.5%	2.3%
Mortgage Refinances	-47.6%	-11.9%	15.3%	38.6%
Median Home Sale Price	3.9%	3.8%	3.6%	4.1%
Source: Moody's Analytics				

- In FY 18 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 rise from FY 17 through FY 19.

Forecast 30 Year Mortgage Interest Rates			
	2017	2018	2019
Mortage Bankers	4.1%	4.7%	5.2%
Fannie Mae	4.0%	4.0%	
Average	4.1%	4.4%	5.2%

- In the out years of the Multi-Year Financial Plan, all County Clerk revenue sources are held constant at the Proposed FY 18 level.

Expenses

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	76	69	83	73	83	0	0.0%	10	13.7%
Part-Time and Seasonal	34	43	49	36	80	31	63.3%	44	122.2%
Salaries	$5,133,618	$4,827,579	$5,610,211	$5,323,570	$5,988,762	$378,551	6.7%	$665,192	12.5%
Equipment	47,137	26,229	50,000	50,000	50,000	0	0.0%	0	0.0%
General Expenses	229,977	125,460	305,000	305,000	305,000	0	0.0%	0	0.0%
Contractual Services	270,397	364,599	505,000	580,000	505,000	0	0.0%	(75,000)	-12.9%
Total	**$5,681,129**	**$5,343,867**	**$6,470,211**	**$6,258,570**	**$6,848,762**	**$378,551**	**5.9%**	**$590,192**	**9.4%**

- Total FY 18 Proposed expenses for the department are increasing 5.9% from the Adopted FY 17 Budget and increasing 9.4% from the FY 17 projection.
- The increase is primarily a function of higher salary expenses. The FY 18 Proposed budget holds the full-time headcount constant at the FY 17 Adopted Budget while increasing the part-time headcount by 31 positions compared to the FY 17 Adopted level.
- Despite a higher part-time and seasonal headcount, the budgeted appropriation for part-time and seasonal individuals is declining.
- The heightened salary expense is a function of greater full-time salaries, the elimination of the FY 17 NIFA adjustment, the elimination of the FY 17 savings from initiative, an increase in terminal leave and higher longevity payments.
- The FY 18 Proposed salary budget does not include any savings from the recent voluntary separation incentive program (VSIP). The Office lost one individual to this program.
- The Proposed FY 18 other than personal services (OTPS) expense lines are all unchanged from the FY 17 Adopted level.
  - The FY 18 equipment budget funds both information technology and miscellaneous equipment purchases.
  - The FY 18 general expenses budget is used to cover office supplies, postage delivery, and miscellaneous supplies costs.
  - The FY 18 contractual services line will be used to pay for system & programming, online registration, online registration maintenance, and software contracts. The Office had requested $617,000 in FY 18 contractual services funding; it is unclear how they will manage the shortfall.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	**2015**	**2016**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Full-Time Headcount	72	73	87	75	87	0	0.0%	12	16.0%
Part-Time and Seasonal	5	4	6	13	6	0	0.0%	(7)	-53.8%
Salaries	$6,089,017	$6,151,481	$6,878,469	$6,744,255	$7,586,253	$707,784	10.3%	$841,998	12.5%
Equipment	4,541	1,461	5,000	5,000	5,000	0	0.0%	0	0.0%
General Expenses	42,748	46,390	127,000	127,000	127,000	0	0.0%	0	0.0%
Contractual Services	527,212	572,348	883,000	883,000	783,000	(100,000)	-11.3%	(100,000)	-11.3%
Interfund Charges	121,631	0	0	0	0	0	*****	0	*****
Total	**$6,785,148**	**$6,771,679**	**$7,893,469**	**$7,759,255**	**$8,501,253**	**$607,784**	**7.7%**	**$741,998**	**9.6%**

Expenses

- The FY 18 Proposed expenses are increasing by $0.6 million, or 7.7%, as compared to the FY 17 Adopted Budget.
- The salaries line is increasing by $0.7 million, or 10.3%, when compared to the FY 17 Adopted Budget.
  - The FY 18 salary expense does not include two credit adjustments, previously included in FY 17, that total $0.6 million.
  - Additionally, a Voluntary Separation Incentive Program (VSIP) was offered to members of the Civil Service Employees Association (CSEA) union; an estimated three employees have elected to participate. According to the Administration, half of the VSIP positions will be backfilled.
- Equipment expenses are remaining steady at $5,000.
- General expenses are remaining unchanged at $127,000. Some of the items included in the general expense line are postage, miscellaneous supplies & expenses, office supplies & copy paper and advertising/public notices.
- Contractual services are decreasing by $0.1 million or 11.3% as compared to the FY 17 Adopted Budget.
  - The miscellaneous contractual services and financial costs are decreasing by $20,000 and $80,000 respectively.

Revenue	Historical 2015	2016	2017 Adopted Budget	OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Percent	Exec. vs. Projected Variance	Percent
Rents & Recoveries	$14,075	$767,818	$250,000	$250,000	$250,000	$0	0.0%	$0	0.0%
Dept Revenues	12,129	12,637	12,300	12,300	11,194	(1,106)	-9.0%	(1,106)	-9.0%
Total	**$26,204**	**$780,455**	**$262,300**	**$262,300**	**$261,194**	**($1,106)**	**-0.4%**	**($1,106)**	**-0.4%**

Revenues

- The FY 18 Proposed revenues are decreasing minimally by $1,106, or 0.4% when compared to both the FY 17 Adopted Budget and the FY 17 projection.
- The FY 18 Proposed rents and recoveries revenue remains steady at $250,000.
  - This line represents recoveries of Federal Insurance Contribution Act (FICA) refunds. These monies represent refunds of FICA tax overpayments collected from the County, its employees and retirees on disability leave.
- The FY 18 Proposed departmental revenue line is decreasing by $1,106 to $11,194 in FY 18.
  - The decrease is on the COBRA admin fee line. It is for bills associated with salary garnishments and administrative costs from employees that participate in the Consolidated Omnibus Budget Reconciliation Act (COBRA).
  - The FY 18 Proposed fees are remaining flat at $300.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	15	17	17	14	14	(3)	-17.6%	0	0.0%
Part-Time and Seasonal	3	5	5	1	5	0	0.0%	4	400.0%
Salaries	$1,827,013	$1,905,830	$2,009,333	$1,859,235	$1,752,408	($256,925)	-12.8%	($106,827)	-5.7%
General Expenses	41,638	46,564	80,000	80,000	70,000	(10,000)	-12.5%	(10,000)	-12.5%
Contractual Services	225,000	225,000	215,000	215,000	225,000	10,000	4.7%	10,000	4.7%
Total	**$2,093,651**	**$2,177,394**	**$2,304,333**	**$2,154,235**	**$2,047,408**	**($256,925)**	**-11.1%**	**($106,827)**	**-5.0%**

Expenses

- The FY 18 Proposed Budget is decreasing by $0.3 million, or 11.1%, when compared to the FY 17 Adopted Budget.
- Salaries are decreasing by $0.3 million, or 12.8%, versus the prior budget.
  - The proposed salary budget accommodates wages and title movements made during FY 17.
  - Positions that were eliminated or reduced include a Special Assistant, a Senior Policy Advisor & Communications Director, a Secretary and three Director positions.
  - Positions that were added or increased consisted of a Program Coordinator, a Staff Assistant, and a Director of Special Projects.
- General expenses are decreasing by $10,000, or 12.5%, when compared to FY 17 budget.
  - Office supplies & copy paper decreased by $10,000 while adjustments between other codes netted each other out.
- Contractual services, specifically within miscellaneous contract services, are increasing by $10,000, or 4.7%, when compared to FY 17.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fringe Benefits	$1,182,885	$1,154,002	$1,251,891	$1,071,383	$1,167,636	($84,255)	-6.7%	$96,253	9.0%

- The Proposed FY 18 Budget of $1.2 million is decreasing by $84,255, or 6.7%, when compared to the FY 17 Adopted Budget, but is increasing by $96,253, or 9.0% when compared to OLBR's projection. The decrease in the proposed expense budget is mainly due to less costs for Health Insurance for Retirees, as well as a minimal decline in Medicare Reimbursement.
- The increase compared to the FY 17 projection, is due to a growth rate assumption of 8.7% for health insurance premiums for retirees. The FY 18 Proposed Budget appears reasonable based on inflating OLBR's projection by the growth rate.
- The following chart details the Adopted FY 17 Budget, the FY 17 Projection and the Proposed FY 18 Budget by sub-object:

Subobject	FY17 Adopted Budget	FY17 OLBR Projected	FY18 Executive Budget	FY18 Executive vs. FY17 Adopted	FY18 Executive vs. OLBR Projected
Active Health Insurance	24,268	24,268	27,661	3,393	3,393
Dental Insurance	325	325	500	175	175
Medicare Reimbursement	223,826	195,933	216,299	(7,527)	20,366
Retiree Health Insurance	1,003,472	850,857	923,176	(80,296)	72,319
Grand Total	**$1,251,891**	**$1,071,383**	**$1,167,636**	**($84,255)**	**$96,253**

Revenues

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$1,264	$0	$0	$0	$0	$0	*****	$0	*****
State Aid-Reimb of Exp	1,141,277	1,125,316	1,095,151	1,095,151	1,074,276	(20,875)	-1.9%	(20,875)	-1.9%
Total	**$1,142,541**	**$1,125,316**	**$1,095,151**	**$1,095,151**	**$1,074,276**	**($20,875)**	**-1.9%**	**($20,875)**	**-1.9%**

- The FY 18 revenue budget is decreasing by $20,875, or 1.9%, compared to both the FY 17 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 difference between the expense in the Operating Budget and the amount reimbursed by New York State represents Retiree Health Insurance premiums paid by the County on behalf of Retirees of the Court System who retired prior to the State taking over the System.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Interest	$93,713,118	$104,170,296	$116,812,519	$115,685,919	$127,407,030	$10,594,511	9.1%	$11,721,111	10.1%
Principal	70,445,000	79,280,000	94,230,001	94,230,001	101,380,169	7,150,168	7.6%	7,150,168	7.6%
Other Expense	182,095,505	172,457,395	165,348,437	165,348,437	148,232,144	(17,116,293)	-10.4%	(17,116,293)	-10.4%
Trans To Litigation Fund	20,200,000	0	0	0	0	0	*****	0	*****
Total	**$366,453,622**	**$355,907,690**	**$376,390,957**	**$375,264,357**	**$377,019,343**	**$628,386**	**0.2%**	**$1,754,986**	**0.5%**

Debt Service Fund Expense

- Total debt payments, including Nassau County Interim Finance Authority set-asides and expense of loans, are expected to increase by 0.2% or $0.6 million from the FY 17 Adopted Budget. Compared to the FY 17 projection, debt service expenses are expected to increase $1.8 million or 0.5%.
- The budget to budget increase is primarily a function of greater principal and interest costs on County issued debt. FY 18 principal and interest costs on NIFA set-asides (NIFA issued debt) are decreasing $17.1 million budget to budget.
  - The FY 18 Proposed Budget increase in principal costs is driven by the amortization schedule of the existing debt since the FY 18 Multi-Year Plan (MYP) Debt Service Baseline does not include any principal payments for future issued debt in FY 18.
  - The FY 18 MYP Debt Service Baseline includes $6.5 million in interest payments on debt issued in FY 18.
- The $17.1 million budget to budget decrease in other expenses is a function of both lower expense of loan costs and NIFA set asides expenses.
- 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 County expects to issue 28.3% more long-term debt in FY 17 than in FY 16. Short-term debt is projected to fall 36.5%. A chart of historic and planned new debt issuances is on the next page.

Debt Service Fund Expenses, Cont.

- The chart below itemizes the actual FY 16 new debt issuances, actual and planned new debt issuances for FY 17 and the Proposed FY 18 to FY 21 new debt issuances. The future borrowing amounts are subject to change.
- The long-term borrowing plan is shown in the top section of the following chart; this includes debt issuance for capital purposes, Sandy, tax certiorari payments, and termination costs.

Historic and Planned New Debt Issuances 2016 to 2021 2017 includes actual and planned issuances						
	FY 16 Actual Issues	FY 17 Actual & Planned Issues	FY 18 Planned Issues	FY 19 Planned Issues	FY 20 Planned Issues	FY 21 Planned Issues
Capital Borrowings						
Capital - General	153,735,000	202,190,000	150,000,000	75,000,000	150,000,000	150,000,000
Capital - SSWRD	7,600,000	130,195,000	94,125,000	25,000,000	50,000,000	50,000,000
Environmental Bond Act	0	1,700,000	0	0	0	0
Sandy	8,200,000	0	0	0	0	0
Tax Certiorari	60,000,000	0	0	0	0	0
Termination Costs	30,800,000	0	0	0	0	0
Total Long-Term Borrowings	260,335,000	334,085,000	244,125,000	100,000,000	200,000,000	200,000,000
Short-Term Borrowings						
BANs	164,495,000	44,125,000	0	0	0	0
RANs	119,595,000	0	0	0	0	0
TANs	257,820,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
Total Short-Term Borrowings	541,910,000	344,125,000	300,000,000	300,000,000	300,000,000	300,000,000

- In FY 16 the County completed a $272.8 million refunding.
- The County plans to issue long term debt to replace the FY 16 BAN sewer debt. The FY 17 and FY 18 Sewer Capital borrowings include $98.9 million and $44.1 million respectively, of the previously issued FY 16 and FY 17 BANs sewer debt.
- To-date in FY 17, the County has issued $44.1 million in short-term borrowings, and $135.2 million in long-term general improvement bonds.

Debt Service Fund Expenses, Cont.

- Over the remainder of FY 17, the County plans to issue $300.0 million more in a TAN, and $198.9 million in long-term general improvement and sewer debt.
- Long-Term Borrowings are projected to change throughout the plan. They are expected to rise $73.8 million in FY 17 from the prior year, decline $90.0 million in FY 18, decrease $144.1 million in FY 19, rise $100.0 million in FY 20 and then remain constant in FY 21.
- The Proposed FY 18 MYP continues the practice of deferring principal payments to the year following the close of an issuance, as allowed under local finance law. There are no principal allocations for long term bond issues made in FY 18.
- Short-term debt is expected to be more consistent; issuances are budgeted to fall $197.8 million in FY 17 from the prior year, fall $44.1 million in FY 18, and then remain constant.
- 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 to address timing differences between cash receipts and cash expenditures.
    - In the out years of the MYP, only TAN issues are anticipated and they are held constant at $300.0 million the FY 17 projected level.

Debt Service Fund Revenue

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rev Offset To Expense	0	219,756	0	0	0	0	*****	0	*****
Debt Svc From Capital	36,446,575	55,533,353	3,450,000	3,450,000	2,604,750	(845,250)	-24.5%	(845,250)	-24.5%
Debt Svc Chrgback Rev	298,840,915	269,056,788	337,018,413	335,891,813	334,036,451	(2,981,962)	-0.9%	(1,855,362)	-0.6%
Interfund Charges Rev	26,248,824	26,337,402	31,110,342	31,110,342	31,956,901	846,559	2.7%	846,559	2.7%
Fed Aid-Reimb of Exp	4,795,942	4,760,391	4,812,202	4,812,202	4,812,202	0	0.0%	0	0.0%
Interfund Transfers	121,367	0	0	0	3,609,039	3,609,039	*****	3,609,039	*****
Total	**$366,453,622**	**$355,907,690**	**$376,390,957**	**$375,264,357**	**$377,019,343**	**$628,386**	**0.2%**	**$1,754,986**	**0.5%**

- 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 the 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 $3.0 million budget to budget decrease in debt service chargeback revenues and the $0.8 million budget to budget increase in interfund charges revenue are due to the amortization schedule of the capital projects.
- Additionally, according to the Administration, the transfer from the reserve fund is contributing to the decline in chargeback revenues.
- Compared to the FY 17 Adopted Budget, aggregate total revenue for the Debt Service Fund is increasing by $0.6 million in the Proposed FY 18 Budget. Compared to the current projection, the FY 18 Proposed Budget debt service revenues are increasing $1.8 million.
- 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.
- The $3.6 million interfund transfer represents monies appropriated from the Bonded Indebtedness Reserve Fund to be used to provide partial payment of annual debt service costs.

Debt Service Fund Revenue – Cont.

Debt Service Fund Chargeback Revenues - BV/HD		
	FY 17 Adopted	Executive FY 18
Fire Commission	$790,765	$820,758
General Fund	$313,537,375	$308,622,068
Police District	$2,240,553	$2,243,962
Police Headquarters	$20,449,720	$22,349,663
Grand Total	$337,018,413	$334,036,451

- The chart above shows that 92.4% of the debt service chargebacks in the Proposed FY 18 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 Fire Commission, Police District and Police Headquarters Funds. Chargebacks in the General Fund are decreasing. 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.
- The transfer from the reserve fund is also contributing to the decrease in debt service chargeback revenues.

Debt Service Fund Interfund Charges - BW		
	FY 17 Adopted	Executive FY 18
Interfund Revenues From SSW	$21,923,938	$22,311,679
Environmental Bond Act Revenue	$9,186,404	$9,645,222
Grand Total	$31,110,342	$31,956,901

- The Debt Service Fund interfund charges chart above reflects the interfund charges budgeted at $32.0 million in FY 18.
- The debt service costs charged to the Sewer and Storm Water Resources District ($22.3 million) and the Environmental Bond Fund ($9.6 million) are booked as interfund charges.
- Revenue from the SSW fund is increasing $0.4 million in FY 18 from the FY 17 Adopted Budget.

Debt Service Fund DS from Capital - BQ		
	FY 17 Adopted	Executive FY 18
Bond Premium	$1,710,000	$1,464,750
RAN Premium	$1,740,000	$1,140,000
Grand Total	$3,450,000	$2,604,750

- In FY 18, $2.6 million is included as bond premium. This represents a decrease of $0.8 million from the FY 17 Adopted Budget.
- Additionally, when interest rates are low, the market prefers premium notes and bonds.
- NIFA has the authority to limit the premium to cover the costs of issuance.

Debt Service Fund Multi-Year Plan

2018-2021 Multi-Year Financial Plan Expense				
	2018 Proposed	2019 Plan	2020 Plan	2021 Plan
Interest	$127,407,030	$125,373,372	$128,118,653	$127,662,071
Principal	$101,380,169	$116,705,000	$129,045,001	$139,245,001
Other Expense	$148,232,144	$148,165,970	$133,307,639	$103,281,976
Total	$377,019,343	$390,244,342	$390,471,293	$370,189,048

- The chart above details the out year expenses of the Debt Service Fund. Compared to FY 18, FY 21 interest and principal costs are expected to increase according to the amortization schedule; as the County pays off existent debt and adds on future obligations.
- The other expenses line is decreasing from FY 18 through FY 21. Within the other expense line, FY 21 NIFA set-asides payments are forecast to decline $44.7 million compared to FY 18, the County is issuing debt on its own so the NIFA debt is not being replaced.

2018-2021 Multi-Year Financial Plan Revenue				
	2018 Proposed	2019 Plan	2020 Plan	2021 Plan
Capital Resources for Debt	$2,604,750	$1,740,000	$2,340,000	$2,340,000
Debt Service Chargeback Revenue	$334,036,451	$342,513,972	$337,002,634	$316,025,991
Interfund Charges Revenue	$31,956,901	$41,198,183	$46,378,364	$48,587,751
Fed. Aid -Reim. Of Expense	$4,812,202	$4,792,187	$4,750,295	$3,235,306
Transfer from BIF	$3,609,039	$0	$0	$0
Total	$377,019,343	$390,244,342	$390,471,293	$370,189,048

- The chart above details Debt Service Fund revenues as recorded in the MYP.
- The $3.6 million transfer from the Bonded Indebtedness Fund (BIF) revenues, represent FY 16 year end surplus revenues which were transferred to the BIF to provide partial payment of annual debt service costs.
- The debt service from capital line reflects the anticipated bond premiums. The line is expected to fall in FY 19 from FY 18, increase in FY 20 from FY 19 and then remain constant at the FY 20 level.
- Debt service chargeback revenues are budgeted to vary according to capital project completion timelines and amortization schedules.
- Interfund charge revenues are expected to increase annually through FY 21. 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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	358	356	371	375	375	4	1.1%	0	0.0%
Part-Time and Seasonal	5	9	6	15	10	4	66.7%	(5)	-33.3%
Salaries	$31,326,144	$32,959,614	$36,336,064	$36,691,765	$42,227,778	$5,891,714	16.2%	$5,536,013	15.1%
Equipment	59,724	72,033	65,500	65,500	65,500	0	0.0%	0	0.0%
General Expenses	1,183,782	950,636	948,000	948,000	948,000	0	0.0%	0	0.0%
Contractual Services	1,053,105	1,266,415	1,306,974	1,306,974	1,366,070	59,096	4.5%	59,096	4.5%
Total	**$33,622,755**	**$35,248,698**	**$38,656,538**	**$39,012,239**	**$44,607,348**	**$5,950,810**	**15.4%**	**$5,595,109**	**14.3%**

Expenses

- The FY 18 proposed expense budget for the District Attorney is increasing by about $6.0 million, or 15.4%, budget to budget, and $5.6 million, or 14.3%, when compared to OLBR's FY 17 projection.
- Salaries are driving the increase in expenses. They will be almost $5.9 million more than those of FY 17 due to contractual step adjustments for members of the CSEA, adjustments for some non-union employees and funding for a contract award for members of the Investigative Police Benevolent Association (IPBA).
  - 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, in FY 18, is an increase of $3.6 million and will enable the Office of the District Attorney to fill vacant positions, increase retention and grow the office to appropriate levels.
  - An allocation of $2.7 million will fund the contract award for the IPBA members.
  - Overtime expense will increase by $10,478 over FY 17 levels.
  - Terminal leave is growing by $117,110.
- Full-time headcount is growing by four, budget to budget, but remaining flat when compared to FY 17 projections.
- Part-time and Seasonal will be increasing by four, budget to budget.

Expenses, Cont.

- General expenses are level with FY 17 allocations.
- The FY 18 budget of $1.4 million for contractual services, is going up by $59,096 as a result of an increase in miscellaneous contractual services offset by a reduction in software contracts.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	$60,481	$0	$0	$0	$0	$0	*****	$0	*****
Rents & Recoveries	17,638	6,955	0	46,017	0	0	*****	(46,017)	-100.0%
Dept Revenues	2,196	1,336	2,000	2,000	2,000	0	0.0%	0	0.0%
Interdept Revenues	270,034	270,034	270,000	270,000	301,015	31,015	11.5%	31,015	11.5%
Interfund Charges Rev	275,000	275,000	250,000	250,000	250,000	0	0.0%	0	0.0%
Fed Aid-Reimb of Exp	33,796	36,326	35,000	35,000	35,000	0	0.0%	0	0.0%
State Aid-Reimb of Exp	76,793	76,793	69,100	69,100	76,793	7,693	11.1%	7,693	11.1%
Total	**$735,938**	**$666,444**	**$626,100**	**$672,117**	**$664,808**	**$38,708**	**6.2%**	**($7,309)**	**-1.1%**

Revenues

- The District Attorney's proposed revenue budget is increasing by 6.2%, or $38,708, budget to budget, and decreasing slightly by $7,309 when compared to the FY 17 projection.
- The FY 17 includes $46,017 in rents & recoveries that can be attributed to prior year's recoveries. There is no budget for this line in FY18. Federal aid, budgeted at $35,000 in FY 18, remains unchanged from that in FY 17. 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.
- State aid budgeted at $76,793 in FY 18 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 is anticipated to go up by $7,693 in FY 18.

Expense	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	164	164	164	159	159	(5)	-3.0%	0	0.0%
Part-Time and Seasonal	79	76	0	74	0	0	*****	(74)	-100.0%
Salaries	$13,998,560	$14,819,996	$15,304,335	$15,475,189	$15,008,366	($295,969)	-1.9%	($466,823)	-3.0%
Equipment	100,186	55,498	125,000	125,000	72,000	(53,000)	-42.4%	(53,000)	-42.4%
General Expenses	2,252,712	2,266,718	3,127,655	3,127,655	2,063,755	(1,063,900)	-34.0%	(1,063,900)	-34.0%
Contractual Services	485,375	510,706	697,464	697,464	574,560	(122,904)	-17.6%	(122,904)	-17.6%
Total	**$16,836,833**	**$17,652,918**	**$19,254,454**	**$19,425,308**	**$17,718,681**	**($1,535,773)**	**-8.0%**	**($1,706,627)**	**-8.8%**

Expenses

- Expenses decrease 8.0% budget to budget, from $19.3 million in FY 17 to $17.7 million in the proposal. The Board of Elections (BoE) proposed expense budget has been reduced $1.7 million, or 8.8%, compared to OLBR's most recent projection. The budget cuts are across all expense lines, but the most significant are in salary and general expenses.
- 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.
- Budget to budget, salary expenses are down $0.3 million, or 1.9%. Compared to the current projection, proposed salary expenses are down 3.0%, or $0.5 million. The proposal reduces the department's compensation time cash budget, from $0.6 million in FY 17 to $0.2 million in FY 18. The FY 18 headcount is 159, in line with the current onboard and five below the Adopted FY 17 Budget. Several positions have been eliminated, of note are two research aide positions at $0.1 million and three data entry operators at about $0.2 million.
- Proposed salary savings are offset in part by step adjustments for Civil Service Employees Association (CSEA) members. The proposal also eliminates a $0.5 million budget adjustment NIFA imposed on the FY 17 budget, in effect increasing BoE's FY 18 budget by $0.5 million.
- The department had three separations as part of the September 15, 2017 Voluntary Separation Incentive Program (VSIP) offered to CSEA members. OMB estimated DSS's annual savings from this VSIP at approximately $0.2 million.

Expenses, cont.

- The 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 13.8% in the proposed budget, from $3.4 million in FY 17 to $3.0 million in FY 18. As of September 1, 2017, there were 74 part-time and seasonal positions onboard.
- The general expense budget is slashed by 34% in FY 18, from $3.1 million in FY 17 to $2.1 million in the proposal. The most significant change is in copying and blueprint supplies and expenses, reduced from about $1.0 million in FY 17 to $0.5 million in the FY 18 budget. The remaining variance is spread across other general expense lines, including $0.2 million from postage delivery and $0.1 million from miscellaneous supplies and expenses budgets.
- The proposed equipment budget is down 42.4%, or $53,000, from not only the FY 17 budget but also the latest projection. Across the board equipment budget cuts contribute to the overall variance.
- The proposed contractual services budget is $122,904, or 17.6%, lower than the budget adopted for FY 17. The budget to budget variance is concentrated in the miscellaneous contractual services line.
- The chart below demonstrates proposed expense changes across BoE's three control centers.
  - The $0.5 million NIFA adjustment accounts for the budget to budget growth in the Administration Control Center.
  - The General Election Control Center's FY 18 budget is about 8.3% lower than in FY 17, resulting mostly from a $0.3 million reduction in salaries and approximate $0.7 million in general expenses.
  - The Primary Elections Control Center's FY 18 budget is down 46.2% compared to FY 17, resulting from a combination of reduced general expenses and a $0.6 million decrease to the part time and season election inspector budget.

Expenses by Control Center

($'s in millions)

	Historical		2017	2018	Exec. vs. Adopted	
Control Center	2015	2016	Adopted Budget	Exec. Budget	Var.	%
Administration	$3.5	$3.4	$3.5	$4.0	$0.5	15.2%
General Elections	11.9	11.9	13.8	12.6	-1.1	-8.3%
Primary Elections	1.5	2.3	2.0	1.1	-0.9	-46.2%
Total	**$16.8**	**$17.7**	**$19.3**	**$17.7**	**-$1.5**	**-8.0%**

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$107,000	$136,350	$120,000	$120,000	$120,000	$0	0.0%	$0	0.0%
Dept Revenues	53,584	33,867	70,000	70,000	0	(70,000)	-100.0%	(70,000)	-100.0%
Fed Aid-Reimb of Exp	802	0	0	0	0	0	*****	0	*****
Total	**$161,387**	**$170,217**	**$190,000**	**$190,000**	**$120,000**	**($70,000)**	**-36.8%**	**($70,000)**	**-36.8%**

Revenues

- The proposed revenue budget is down 36.8% from the Adopted FY 17 Budget and OLBR's current projection. Departmental revenues are eliminated from the FY 18 proposal, accounting for the overall variance.
- Traditionally, the Board of Elections generates $120,000 in rents & recoveries annually by renting out voting machines to other municipalities.
- According to the Administration, a technical adjustment is planned to restore the $70,000 departmental revenue budget. This would be consistent with historical trends.
  - 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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	10	10	8	8	9	1	12.5%	1	12.5%
Part-Time and Seasonal	0	0	1	0	1	0	0.0%	1	*****
Salaries	$704,706	$709,535	$797,073	$817,603	$957,578	$160,505	20.1%	$139,975	17.1%
General Expenses	10,176	513	4,834	4,834	5,950	1,116	23.1%	1,116	23.1%
Interfund Charges	393,844	0	0	0	0	0	*****	0	*****
Total	**$1,108,727**	**$710,048**	**$801,907**	**$822,437**	**$963,528**	**$161,621**	**20.2%**	**$141,091**	**17.2%**

Expenses

- The Proposed FY 18 Expense Budget grew by $161,621 compared to the Adopted FY 17 Budget of $801,907. The rise is driven by changes in mostly salary costs and a marginal increase in general expenses.
  - Salary expenses of $957,578 grew by 20.1% or, $160,505 budget to budget and 17.1% or $139.975, compared to OLBR's projection. The proposed FY 18 wage increases include the contractual steps for eligible Civil Service Employees Association (CSEA) employees as well as a realignment of personnel to the department.
  - The FY 18 departmental budget includes a Director, Bureau of Equipment Inventory, which is an increase of one full-time employee.
- The general expense budget for FY 18 grew nominally by $1,116 due to increased clothing and uniform supply allowances offset by a decrease for office supplies & copy paper costs.

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$0	$735	$0	$0	$0	$0	*****	$0	*****
Fed Aid-Reimb of Exp	510,522	509,017	503,456	503,456	480,012	(23,444)	-4.7%	(23,444)	-4.7%
Total	**$510,522**	**$509,752**	**$503,456**	**$503,456**	**$480,012**	**($23,444)**	**-4.7%**	**($23,444)**	**-4.7%**

Revenues

- The Proposed 2018 Budget allocates $480,012 for federal aid, a decrease of $23,444 or, 4.7% budget to budget and OLBR's current projection.
  - The $480,012 revenue are a pass-thru from New York State that reimburses the County for qualifying salary expenses. The funds represent the Emergency Management Performance Grant (EMPG), for which there is a 50% cost match.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	97	92	95	90	96	1	1.1%	6	6.7%
Part-Time and Seasonal	35	34	34	33	35	1	2.9%	2	6.1%
Salaries	$10,313,443	$10,147,209	$11,361,969	$11,112,945	$11,319,349	($42,620)	-0.4%	$206,404	1.9%
Fringe Benefits	4,987,919	5,386,603	5,864,055	5,799,291	6,168,712	304,657	5.2%	369,421	6.4%
Equipment	16,452	38,800	45,914	45,914	89,000	43,086	93.8%	43,086	93.8%
General Expenses	136,045	140,699	271,422	271,422	200,000	(71,422)	-26.3%	(71,422)	-26.3%
Contractual Services	4,806,397	4,747,318	4,827,021	4,827,021	4,810,088	(16,933)	-0.4%	(16,933)	-0.4%
Debt Svc. Chargebacks	647,936	782,899	790,765	790,765	820,758	29,993	3.8%	29,993	3.8%
Inter-Dept. Charges	2,330,450	2,347,766	2,439,773	2,439,773	2,524,924	85,151	3.5%	85,151	3.5%
Interfund Charges	0	9,737	0	0	0	0	*****	0	*****
Trans To General Fund	674,854	2,171,269	0	0	0	0	*****	0	*****
Total	**$23,913,496**	**$25,772,299**	**$25,600,919**	**$25,287,131**	**$25,932,831**	**$331,912**	**1.3%**	**$645,700**	**2.6%**

Expenses

- The FY 18 Proposed Expense Budget is growing from the Adopted FY 17 Budget by $331,912, or 1.3%, to $25.9 million due to increases in fringe benefits, equipment, debt service chargebacks and interdepartmental charges.
- Salaries are decreasing slightly primarily as a result of a $320,000 reduction in overtime which is offset by contractual step adjustments for eligible members of CSEA.
- The proposed budget includes one additional full-time position budget to budget which is an Emergency Medical Services Instructor.
- Fringe benefits are increasing by $304,657, or 5.2%, to $6.2 million for the FY 18 Proposed Budget. Compared to the FY 17 projection, fringe expenses have a growth of $369,421, or 6.4%, mainly due to hikes in health insurance and pension costs.
- There is a $43,086 uptick in equipment due to the growth in expenses for uniforms & badges, office furniture/furnishings, educational and training equipment and communication equipment.

Expenses, Cont.

- General expenses are decreasing by $71,422 as a result of slight reductions in almost every line of general expenses which include office supplies & copy paper, traveling expense, membership fee, educational & training supplies, equipment maintenance and rental, clothing & uniform supplies and miscellaneous supplies and expense.
  - 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 18, the fee expense is $5,750.
- Contractual services are declining $16,933 in FY 18 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.
    - Radio & communications are increasing by $17,440 to $337,900.
- Inter-departmental charges are growing by $85,151 as a result of increases in information technology charges, building occupancy charges and telecommunication charges offset by reductions in fleet maintenance, gasoline charges and indirect charges.

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Fund Balance	$39,240	$180,614	$0	$0	$0	$0	*****	$0	*****
Invest Income	610	1,314	0	1,314	0	0	*****	(1,314)	-100.0%
Rents & Recoveries	11,368	3,836	0	3,500	0	0	*****	(3,500)	-100.0%
Dept Revenues	8,010,128	8,930,155	8,900,600	8,900,600	8,900,600	0	0.0%	0	0.0%
Pymnt In Lieu of Taxes	0	404,691	404,691	404,691	404,691	0	0.0%	0	0.0%
Interfund Charges Rev	560	0	0	0	0	0	*****	0	*****
State Aid-Reimb of Exp	184,245	186,720	180,000	180,000	180,000	0	0.0%	0	0.0%
Property Tax	15,847,959	16,064,969	16,115,628	16,115,436	16,447,540	331,912	2.1%	332,104	2.1%
Total	**$24,094,110**	**$25,772,299**	**$25,600,919**	**$25,605,541**	**$25,932,831**	**$331,912**	**1.3%**	**$327,290**	**1.3%**

Revenues

- The proposed FY 18 revenue budget is increasing by $331,912 million due to a reallocation of property tax.
- Departmental revenue is staying level with that of FY 17.
  - 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 level with that in FY 17.
  - State aid is made up of tuition reimbursements from New York State for teaching emergency medical courses to 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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	172	178	183	177	182	(1)	-0.5%	5	2.8%
Part-Time and Seasonal	26	31	37	29	32	(5)	-13.5%	3	10.3%
Salaries	$14,063,931	$14,715,736	$16,674,744	$15,594,995	$16,453,217	($221,527)	-1.3%	$858,222	5.5%
Fringe Benefits	0	(1,087)	0	0	0	0	*****	0	*****
Equipment	55,728	20,360	68,629	68,629	118,499	49,870	72.7%	49,870	72.7%
General Expenses	706,327	626,114	889,417	889,417	811,028	(78,389)	-8.8%	(78,389)	-8.8%
Contractual Services	365,563	217,082	331,863	331,863	345,835	13,972	4.2%	13,972	4.2%
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	4,682,450	5,083,577	5,356,528	5,356,528	5,780,939	424,411	7.9%	424,411	7.9%
Early Int./Special Ed	132,766,058	133,071,618	134,500,000	134,500,000	134,500,000	0	0.0%	0	0.0%
Total	**$157,640,058**	**$158,733,400**	**$162,821,181**	**$161,741,432**	**$163,009,518**	**$188,337**	**0.1%**	**$1,268,086**	**0.8%**

Expenses

- Total FY 18 expenditures are increasing minimally by $188,337 or 0.1%, compared to the FY 17 Adopted Budget due mostly to a rise in inter-departmental charges, along with smaller increases in equipment and contractual services. The overall expenditure increase is being partially offset by declines in salaries and general expenses.
- Provider Payments for the Pre-school Education Program and Children's Early Intervention Services Program, which makes up 82.5% of the Proposed FY 18 Expense Budget, remains flat at $134.5 million compared to the FY 17 Adopted Budget and the FY 17 projection. The department feels the proposed budget allows for flexibility in State approved rates and if there are increases in caseloads. Provider payments will be discussed in more detail later on in the report.
- The FY 18 salaries are decreasing by $221,527, or 1.3% budget to budget. The decline compared to budget, is mostly attributed to the reduction of one full-time and five part-time employees. In addition, there are some minor decreases in terminal leave, comp time cash, lag payout and auto mileage. Finally, the impact of replacing higher salaried separations with lower waged new hires are also contributing to the decrease.
  - Compared to the FY 17 projection, salaries are increasing by $858,222, or 5.5% in FY 18, this is due to unfilled vacant full-time and part-time positions.

Expenses, Cont.

- The FY 18 salaries do not include the impact of the 2017 Voluntary Separation Incentive Program (VSIP). The department lost 21 employees to the VSIP. Titles include Sanitarians, Registered Nurse, Public Health Nurses, Early Intervention Service Coordinators, Medical Social Workers, and clerical positions. The current plan is to backfill these positions at 50%.

- Since the current Collective Bargaining Agreements are due to expire on December 31, 2017, the salary line only includes a step increase with no Cost of Living Adjustments (COLA) for CSEA employees.

➢ The following chart details the full-time, part-time and seasonal positions for the FY 17 Adopted Budget, the September 1, 2017 staffing level, the FY 18 Departmental Request, and the FY 18 Proposed Budget:

Staffing Analysis	FY 17 Adopted	Sept-17 Actual	FY 18 Request	FY 18 Executive	Exec. vs 17 Adopt	Exec. vs Actual
CC Full-time Staffing						
10 Administration	23	21	25	25	2	4
20 Environmental Health	83	82	83	83	0	1
30 Public Health Laboratories	11	11	11	11	0	0
40 Public Health	17	16	16	15	(2)	(1)
51 Childrn Early Inter. Services	45	44	45	45	0	1
54 Pre-School Education	4	3	3	3	(1)	0
Total Full-time	**183**	**177**	**183**	**182**	**(1)**	**5**
CC Part-time and Seasonal						
10 Administration	8	6	6	6	(2)	0
20 Environmenal Health	26	20	23	23	(3)	3
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	**37**	**29**	**32**	**32**	**(5)**	**3**

Expenses, Cont.

- As reflected on the previous page, the budgeted headcount is decreasing by one full-time and five part-time positions related to the FY 17 budget. Compared to the September 1, 2017 staffing level, the FY 18 budget is increasing by five full-time and three part-time positions.
  - There is a loss of one full-time clerical position in Pre-school Education. The two additional positions in the Administration, are being offset by the loss of two Public Health medical positions.
  - The loss of five part-time positions include two Accounting Assistants in the Administration control center and three Clerk I's in Environmental Health.
- The FY 18 Proposed Budget for equipment is increasing by $49,870, or 72.7%, due to medical and dental equipment and miscellaneous equipment.
- General expenses are decreasing by $78,389 in FY 18 due mostly to a reduction of medical supplies, miscellaneous equipment, educational training and copying supply expenses.
- The budget for contractual services is increasing by $13,972 to $345,835, or 4.2%, in the Proposed FY 18 Budget. The increase is mainly due to the transfer of a pre-school imaging contract from general expenses to contractual, as well as an increase in the contract for Pre-school Medicaid billing. Offsetting some of the increase, are reductions in the contracts for Pre-School Education and hearing officers.
  - The following chart details the FY 17 Adopted Budget & the FY 18 Proposed Budget funding by contract:

Heath Department Contracts	2017 Adopted Budget	2018 Proposed Budget	2018 vs. 2017 Variance
Preschool Education	24,165	0	(24,165)
Preschool Medicaid Billing	151,109	175,274	24,165
Pre-school Imaging Contract	0	13,972	13,972
Hearing Officers	67,662	66,320	(1,342)
North Shore Child Guidance	53,163	53,163	0
Lab Testing Contingency	9,666	9,666	0
NUMC for OSHA physicals	14,000	14,000	0
Spanish Food Manager Course Instructor	12,098	13,440	1,342
Subtotal Contracts	**331,863**	**345,835**	**13,972**

Expenses, Cont.

- The FY 18 various direct expenses line remains flat at $5.0 million. This is for contracted Public Health Services to the Nassau Health Care Corporation.
- Inter-departmental charges in FY 18 are increasing by $424,411 or 7.9%, to roughly $5.8 million. This is due mostly to a rise in building occupancy charges, information technology charges and printing graphics, partially offset by a reduction in indirect charges.

	Historical		2017	2018	Exec. vs. Adopted	
Control Center	2015	2016	Adopted Budget	Exec. Budget	Var.	%
Administration	$5.3	$5.4	$6.0	$6.0	$0.0	-0.4%
Public Health	6.6	6.8	7.4	7.3	-0.1	-1.6%
Environmental Health	7.4	7.7	8.4	8.4	-0.1	-0.7%
Public Health Laboratories	1.5	1.6	1.8	1.8	0.1	4.2%
Childrn Early Inter. Services	29.1	30.5	31.6	32.0	0.4	1.1%
Pre-School Education	107.7	106.7	107.6	107.5	0.0	0.0%
Total	**157.6**	**158.7**	**162.8**	**163.0**	**0.2**	**0.1%**

- The Administration control center is decreasing by a minimal $23,968, or 0.4% primarily due to a reduction in education training supplies and postage charges in general expenses and a minimal decline in salaries.
- Environmental Health protects the community from adverse health effects and diseases that may result from environmental pollution, unsanitary conditions and unsafe practices. The FY 18 budget for Environmental Health is decreasing by roughly $60,544 due mostly to salaries from the reduction in terminal leave, lag payout and comp-time cash.
- The $115,312 decrease in Public Health is due mostly to salaries from removing two full-time positions. Public Health provides disease control, quality improvement epidemiology and research, as well as Public Health Emergency Preparedness in order to respond to public health threats.
- 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 $74,834 increase is mostly due to rises in medical equipment and building occupancy charges.
- The Children's Early Intervention Program coordinates programs for children (ages 0-3) with developmental delays. The $362,070 variance is due to an increase in salaries and building occupancy charges.
- The Pre-school Education Program is devoted to providing special education services to pre-school children (ages 3-5). This control center is budgeted for $107.5 million in FY 18, which is a marginal decrease of $48,744, compared to the FY 17 Adopted Budget. The budget consists mostly of provider payments which is discussed on the next page.

Expenses, Cont.

- Provider payments budgeted at $134.5 million remains unchanged compared to the FY 17 Adopted Budget. Of the total budget, $107.1 million in payments is devoted to the Pre-school Education program and $27.4 million is for Children's Early Intervention Services. The chart below details this break-out:

Provider Payments

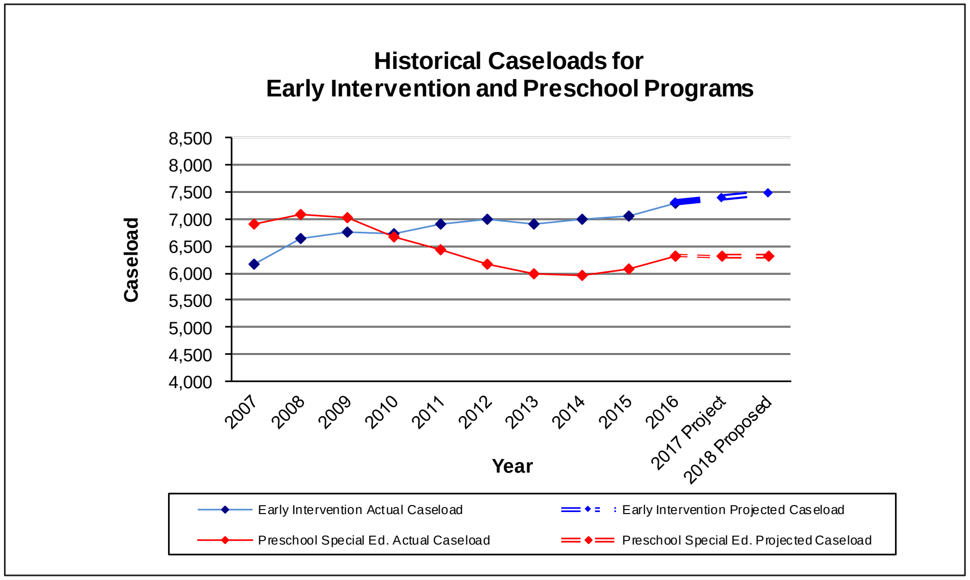
Control Center	2016 Actual	2017 Adopted Budget	2018 Proposed Budget
Children Early Intervention Services	26,728,582	27,400,000	27,400,000
Pre-school Education	106,343,036	107,100,000	107,100,000
Grand Total	133,071,618	134,500,000	134,500,000

- Within the Pre-school Education program, there are also provider payment expenses for Special Education Itinerant Teachers (SEIT) Services (one-to-one teaching services provided to students), the summer school program, transportation costs, and administration costs, among others.

- The annual budget for the **Pre-school Education program** (for 3-5 year olds) 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 following chart provides historical and projected caseload data from FY 07 to the proposed budgeted FY 18 for the Early Intervention Program and the Pre-school Education Program.



- Under the Pre-school Education Program, the caseload data from FY 14-FY 16 are subject to revision since the years have not been closed. The FY 17 projection and FY 18 Proposed Budget assume caseload figures of 7,400 and 7,500 respectively for Early Intervention. For the Pre-school Education program, caseloads of 6,300 are projected in FY 17 and budgeted in FY 18.
- 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.

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.

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 Cases	% 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*	5,418	550	5,968	9.2%	5,089	1,895	6,984	27.1%
2015*	5,563	515	6,078	8.5%	5,130	1,919	7,049	27.2%
2016*	5,830	497	6,327	7.9%	5,234	2,064	7,298	28.3%
Project 2017	5,800	500	6,300	7.9%	5,400	2,000	7,400	27.0%
Proposed 2018	5,800	500	6,300	7.9%	5,500	2,000	7,500	26.7%

*2014 and subsequent years are subject to change for Preschool since these years are still open.

- As depicted in the table above, the number of Pre-School ineligible as a percentage of the total Program has been steadily decreasing each year from FY 10 through FY 17, 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 17 the percentage is projected at 7.9%.

- The total Pre-school Education Program caseload has also declined each year from a high of 7,078 in FY 08 to low of 5,968 in FY 14. This represents an overall caseload decline of by 15.7% from FY 08 through FY 14. After FY 14, the cases start to rise again. The cases grew, 1.8% to 6078 in FY 15, 4.1% to 6,327 in FY 16, however the department projects a marginal 0.4% decline 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 28.3% in FY 16. The total number of caseloads has also increased during that same time period by 10.1% from 6,629 in FY 08 to 7,298 in FY 16. Caseloads had very little fluctuation from FY 11 to FY 14. The projected caseloads include a 1.4% growth in both the FY 17 projection and the FY 18 Proposed Budget.

Revenue

Revenue	Historical 2015	2016	2017 Adopted Budget	OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Percent	Exec. vs. Projected Variance	Percent
Permits & Licenses	$5,895,817	$6,033,360	$5,939,750	$5,939,750	$6,010,840	$71,090	1.2%	$71,090	1.2%
Fines & Forfeits	149,459	247,599	200,000	200,000	245,000	45,000	22.5%	45,000	22.5%
Rents & Recoveries	14,416,742	1,733,906	200,000	200,000	200,000	0	0.0%	0	0.0%
Dept Revenues	3,250,624	4,329,750	3,039,900	3,039,900	3,485,700	445,800	14.7%	445,800	14.7%
Interfund Charges Rev	72,154	54,878	57,516	57,516	57,516	0	0.0%	0	0.0%
Fed Aid-Reimb of Exp	0	0	0	0	0	0	*****	0	*****
State Aid-Reimb of Exp	69,792,049	75,438,082	71,857,500	71,857,500	71,899,000	41,500	0.1%	41,500	0.1%
Total	**$93,576,844**	**$87,837,576**	**$81,294,666**	**$81,294,666**	**$81,898,056**	**$603,390**	**0.7%**	**$603,390**	**0.7%**

- The proposed FY 18 revenue budget is increasing by $0.6 million, or 0.7%, to $81.9 million, compared to both the FY 17 Adopted Budget and OLBR's projection. This is mostly due to increases in permits & licenses, fines & forfeits, department revenue and state aid.
- The FY 18 Proposed Budget for permits and licenses is increasing by $71,090, or 1.2% to $6.0 million. The majority of this increase is due to revenue from food establishments. The budget includes additional revenues for sponsors of temporary food events.
  - Besides the food establishment inspection program, permits and licenses also include fees charged for hazardous materials, registration fees under the Article XI Program, the sale of tobacco for minors, smoking in indoor facilities, sanitation violations, day camp permits, swimming pool and beach inspections, temporary residence inspections, water supply plan review, and the tattoo parlor.
- The FY 18 Proposed Budget for fines and forfeits is $245,000, an increase of $45,000, or 22.5% from the FY 17 Adopted Budget.
  - Fines collected for violations include improper food handling, public swimming violations, improper storage of toxic and records, day camp code violations, water quality violations and cross connection violations.
- 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 17.

Revenues, Cont

- Rents and recoveries remain unchanged at $200,000. This revenue represents anticipated vendor recoveries.
- Department revenue is increasing by $445,800 to $3.5 million in the FY 18 Proposed Budget. The following chart details departmental revenue by sub-object code.

Departmental Revenues			
Revenue Source	FY 16 Actual	FY 17 Budget	FY 18 Proposed
Miscellaneous Receipts	$8,848	$2,700	$2,700
Fees	39,391	37,200	33,000
Early Intervention Servs Coord Rev	230,128	300,000	300,000
Pre-School Medicaid	1,674,216	1,900,000	2,000,000
Medicaid Fees, Early Intervention	2,377,168	800,000	1,150,000
Grand Total	**$4,329,751**	**$3,039,900**	**3,485,700**

- The increase in department revenue is mainly due to a rise of $100,000 in Pre-school Medicaid and $350,000 in Early Intervention Medicaid fees.
  - In FY 18, the $2.0 million budgeted for Pre-School Medicaid revenue is reimbursement incurred from children who are Medicaid eligible. The increase will come from the implementation of a new vendor to process Medicaid billing.
    - 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 18 Adopted Budget for department revenue includes $1.2 million in reimbursement for the Medicaid administrative costs related to Early Intervention Services.
    - The $350,000 increase for Early Intervention revenue is due to an increase in the patients with the Medicaid benefit.
- The FY 18 Proposed Budget for state aid is increasing by $41,500, or 0.1%, to $71.9 million, compared to both the FY 17 Adopted budget and projection.
  - There is a $50,000 increase in state aid for Pre-school Education.
  - The department receives different reimbursement rates for state aid depending on the service provided:
    - The department receives a 59.5% reimbursement for Pre-school eligible services.
    - A 49.0% reimbursement for Early Intervention services for developmentally delayed children ages 1-3.
    - A 36.0% reimbursement for Public Article 6 funding.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fed Aid-Reimb of Exp	$283,379	$409,343	$370,750	$370,750	$370,750	$0	0.0%	$0	0.0%
State Aid-Reimb of Exp	158,917	107,064	111,225	111,225	111,225	0	0.0%	0	0.0%
Total	**$442,296**	**$516,407**	**$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 18 are $370,750 and $111,225, respectively.

Expense	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	16	14	14	14	14	0	0.0%	0	0.0%
Salaries	$1,249,076	$808,952	$839,590	$809,976	$806,949	($32,641)	-3.9%	($3,027)	-0.4%
Inter-Dept. Charges	6,984	0	0	0	0	0	*****	0	*****
Total	**$1,256,060**	**$808,952**	**$839,590**	**$809,976**	**$806,949**	**($32,641)**	**-3.9%**	**($3,027)**	**-0.4%**

Expenses

- The $16.0 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 18, the department estimates the administration of rent subsidies based on 3,031 households.
- The FY 18 expenditure budget is decreasing by $32,641 when compared to the Adopted FY 17 Budget and by $3,027 in comparison to OLBR's FY 17 projection.
- Headcount levels in the FY 18 budget are remaining flat when comparing budget to budget and OLBR's FY 17 projection.
- It should be noted that as of September 2017 there are 38 full-time housing employees whose salaries are funded by grants. For the same time in FY 16 there were 45.

Expense	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	9	8	9	8	8	(1)	-11.1%	0	0.0%
Part-Time and Seasonal	3	3	4	2	4	0	0.0%	2	100.0%
Salaries	$819,493	$800,942	$873,041	$807,436	$804,274	($68,767)	-7.9%	($3,162)	-0.4%
General Expenses	6,291	9,567	10,636	10,636	10,900	264	2.5%	264	2.5%
Contractual Services	0	12,000	11,599	11,599	11,600	1	0.0%	1	0.0%
Total	**$825,784**	**$822,509**	**$895,276**	**$829,671**	**$826,774**	**($68,502)**	**-7.7%**	**($2,897)**	**-0.3%**

Expenses

- The 2018 Proposed Budget decreased by $68,502, or 7.7%, compared to the FY 17 Adopted Budget. This is mainly due to a reduction in salaries. Headcount decreased by one full-time and remains flat in part-time when compared to the FY 17 Adopted Budget.
- Salaries is decreasing by $68,767, this is mainly due to the elimination of the Administrative Director position.
- General expenses are increasing by $264, or 2.5%, in FY 18 when compared to both the FY 17 Adopted Budget and OLBR's projections.
- The Contractual services line is remaining consistent compared to both the FY 17 Adopted Budget and OLBR's projections.

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$89,848	$0	$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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	7	7	7	6	7	0	0.0%	1	16.7%
Salaries	$472,170	$525,015	$546,878	$526,680	$557,244	$10,366	1.9%	$30,564	5.8%
General Expenses	2,024	1,716	5,450	5,450	5,450	0	0.0%	0	0.0%
Total	**$474,194**	**$526,731**	**$552,328**	**$532,130**	**$562,694**	**$10,366**	**1.9%**	**$30,564**	**5.7%**

Expenses

- The FY 18 Proposed Budget is increasing by $10,366, or 1.9%, compared to the FY 17 Adopted Budget.
- Salaries are increasing by $10,366 in the FY 18 budget.
  - The largest component of the rise occurred in terminal leave. The budget also includes STEPS for CSEA members.
- The general expenses are remaining flat at $5,450, budget to budget.

The Department of Human Services created in FY 11 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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	**2015**	**2016**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Full-Time Headcount	63	60	65	59	63	(2)	-3.1%	4	6.8%
Part-Time and Seasonal	7	8	9	8	9	0	0.0%	1	12.5%
Salaries	$4,725,102	$4,633,791	$4,805,162	$4,376,200	$4,817,291	$12,129	0.3%	$441,091	10.1%
Equipment	2,062	2,993	19,000	19,000	15,000	(4,000)	-21.1%	(4,000)	-21.1%
General Expenses	847,074	1,265,059	1,025,134	1,025,134	1,201,723	176,589	17.2%	176,589	17.2%
Contractual Services	26,366,780	25,274,956	26,077,232	26,650,035	27,248,987	1,171,755	4.5%	598,952	2.2%
Inter-Dept. Charges	2,835,921	2,796,113	2,524,951	2,524,951	3,155,599	630,648	25.0%	630,648	25.0%
Total	**$34,776,940**	**$33,972,912**	**$34,451,479**	**$34,595,320**	**$36,438,600**	**$1,987,121**	**5.8%**	**$1,843,280**	**5.3%**

Expenses

- The FY 18 expense budget for the Department of Human Services is increasing by roughly $2.0 million, or 5.8% budget to budget, and by 1.8 million, or 5.3% compared to the OLBR projection.
- Salaries have a minimal growth of 0.3% compared to the prior year budget and 10.1% or, $441,091 compared to OLBR's current projection which reflects vacancy savings.
  - Since the current Collective Bargaining Agreements are due to expire on December 31, 2017, the salary line only includes a step increase with no Cost of Living Adjustments (COLA) for CSEA employees
- The full-time headcount for FY 18 is declining by two positions budget to budget, and the part-time headcount remains constant at nine positions.
  - The FY 18 salaries do not include the impact of the 2017 Voluntary Separation Incentive Program (VSIP) of which seven employees opted to participate. The Administration plans to backfill these positions at 50%. Titles include Director of Chemical Dependency, Activities Specialist III, Assistant Director of Voc. Services, Management Analyst II, Public Health Nutritionist II, Community Liaison Specialist II and a Clerical Assistant.

Expenses, Cont.

- The equipment budget for FY 18 is declining by $4,000 due to a reduction in miscellaneous equipment expenses.
- The general expenses are increasing by $176,589 in FY 18 to $1.2 million. This is attributed mainly to a growth in court remands, miscellaneous supplies & expenses, referee expenses partially offset by reductions in traveling expenses, postage delivery and educational training supplies.
- Court remands are $1.1 million or 91.5% of the general expense budget, which represents an increase of $172,036 for the Proposed FY 18 Budget. This growth is based on historical trends and is more in line with the FY 16 actual of $1.2 million.

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 a 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 budget for FY 18 has a growth of roughly $1.2 million compared to the prior year budget of $26.1 million. The program funding for the Offices within Human Services are illustrated in the charts on the following pages.
- Interdepartmental charges are allocated by the Office of Management and Budget (OMB). The budget for FY 18 is $3.2 million, an increase of $630,648 that is primarily driven by rises in building occupancy charges of $723,997 and juvenile detention center charges of $40,000 being added to the budget. They are partially offset by declines in indirect charges of $113,799, postage costs $32,000 and other interdepartmental charges.

Expenses, Cont.

Office of the Aging Contracts				
Contract / Vendor	Description of services	2017 Adopted Budget	2018 Proposed Budget	2018 Proposed vs. 2017 Adopted
Catholic Charities	CSE	623,402	648,402	25,000
Catholic Charities	EISEP	1,251,409	1,276,409	25,000
Catholic Charities	Title IIIC-1 & Title IIIE	661,457	686,457	25,000
Catholic Charities	Title IIIC-2	1,191,549	1,218,689	27,140
Cornell Cooperative	CSE	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)	960,736	1,248,937	288,201
EAC Network	Long Beach	0	362,000	362,000
EAC Network	Title IIIC-2	340,078	340,078	0
EAC Network	N. Merrick	882,368	535,286	(347,082)
EISEP Blanket	EISEP	3,204,064	3,204,064	0
Family & Children's Agency (FCA)	EISEP	977,353	977,353	0
Family & Children's Agency (FCA)	HEAP & SAFE	255,000	264,000	9,000
Family & Children's Agency (FCA)	Title IIIB Ombud, VII & LTCOP	149,725	0	(149,725)
Family & Children's Agency (FCA)	Title IIIC-1	211,121	211,121	0
Family & Children's Agency (FCA)	Title IIIB SFC & HIICAP	266,857	363,301	96,444
Friends in Service to Humanity (FISH)	CSE	13,499	14,999	1,500
Five Town	Title IIIC-1	124,923	0	(124,923)

Expenses, Cont.

Contract / Vendor	Description of services	2017 Proposed Budget	2018 Proposed Budget	2018 Proposed vs. 2017 Adopted
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
Herricks SC	CSE	81,648	99,514	17,866
Herricks SD	Title IIIC-1 & Title IIIE	174,998	186,634	11,636
Hispanic Brotherhood	Title IIIC-1	32,248	47,348	15,100
Human Service outside audit review	Audits for aging, mental health and chemical dependancy	80,000	80,000	0
JASA	EISEP	318,145	0	(318,145)
Long Island Alzheimer	Title IIIE	80,245	100,245	20,000
Life Enrichment	Title IIIB & Title IIIC-1	203,897	206,517	2,620
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	507,149	223,752
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	25,775	3,958
RFP's Office of the Aging Programs	RFP required by Comptroller's MOW/Case Mgmt	0	500,000	500,000
Total		**14,750,495**	**15,464,837**	**714,342**

Expenses, Cont.

Office of Youth Services Contracts			
Contract / Vendor	**2017 Adopted Budget**	**2018 Proposed Budget**	**2018 Proposed vs. 2017 Adopted**
Belmont Child Care Association	0	20,000	20,000
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	**2017 Adopted Budget**	**2018 Proposed Budget**	**2018 Proposed vs. 2017 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	150,000	(100,000)
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
Seaford Wellness Center	0	10,000	10,000
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	477,455	80,000
Youth & Family Counseling-(Oyster Bay/East Norwich)	69,840	69,840	0
Total	**6,467,116**	**6,477,116**	**10,000**

Expenses, Cont.

Office of Mental Health, Chemical Dependency and Development Disabilities Contracts			
Contract / Vendor	**2017 Adopted Budget**	**2018 Proposed Budget**	**2018 Proposed vs. 2017 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	0	(50,000)
Central Nassau Guidance	50,000	50,000	0
Family & Children's Association	553,974	553,974	0
Federation Employment Guidance Services (FEGS.)	50,000	0	(50,000)
Hispanic Counseling Center	50,000	50,000	0
Long Beach School District	50,000	50,000	0
Long Island Crisis Center	187,000	277,374	90,374
Maryhaven Center of Hope	109,620	109,620	0
Mental Health Association of Nassau County	303,810	303,810	0
Nassau Health Care Corporation	818,357	1,173,539	355,182
North Shore Child & Family Guidance	828,520	830,177	1,657
North Shore Child & Family Guidance Center	50,000	50,000	0
South Shore Child Guidance	50,000	50,000	0
South Nassau Hospital	0	100,200	100,200
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	4,512,494	447,413
Court Remands Family Court (NHCC)	350,000	350,000	0
Medical /Psychiatric Services	444,540	444,540	0
Total Mental Health	**4,859,621**	**5,307,034**	**447,413**
Grand Total for Department of Human Services Contracts	**26,077,232**	**27,248,987**	**1,171,755**

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Fines & Forfeits	$18,877	$13,783	$19,000	$19,000	$16,500	($2,500)	-13.2%	($2,500)	-13.2%
Rents & Recoveries	427,408	516,194	38,941	1,087,838	20,000	(18,941)	-48.6%	(1,067,838)	-98.2%
Dept Revenues	15	440	0	0	0	0	*****	0	*****
Interdept Revenues	0	0	100,000	100,000	100,000	0	0.0%	0	0.0%
Interfund Charges Rev	100,000	100,000	1,100,000	1,100,000	100,000	(1,000,000)	-90.9%	(1,000,000)	-90.9%
Fed Aid-Reimb of Exp	4,502,571	5,381,890	5,070,954	5,070,954	5,070,954	0	0.0%	0	0.0%
State Aid-Reimb of Exp	10,716,905	11,483,158	9,909,719	10,482,522	10,974,641	1,064,922	10.7%	492,119	4.7%
Total	**$15,765,776**	**$17,495,465**	**$16,238,614**	**$17,860,314**	**$16,282,095**	**$43,481**	**0.3%**	**($1,578,219)**	**-8.8%**

Revenue

- The proposed FY 18 revenue budget is rising to $16.3 million, a growth of $43,481 compared to the prior year budget and decreasing by $1.6 million in relation to the OLBR projection. This is primarily due to adjustments in fines & forfeits, rents & recoveries, interfund charges revenue and state aid.
- Fines and forfeits for FY 18 is $16,500 a nominal decrease of $2,500 budget to budget. This revenue represents the department's handicapped parking fine surcharge.
- The Proposed FY 18 Budget allocates $20,000 for lost and abandoned property within rents and recoveries. This is a drop of $18,941 compared to the FY 17 Adopted Budget. However, compared to the OLBR projection the reduction is $1.1 million, which includes recoveries from prior year appropriations.
- The interdepartmental revenue for FY 18 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 a decrease of $1.0 million compared to the prior year budget. This revenue represented a Special Revenue Account from The District Attorney's office that only occurred in FY 17.
- The FY 18 Proposed budget for federal aid remains flat at $5.1 million and the state aid budget is rising by $1.1 million. This increase in state aid is due to increased reimbursements for services to the elderly and local mental health assistance.
- The department has provided the information in the following text boxes to explain 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 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 ability to live safely and successfully in the community. The Office is 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 ensure 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 help them remain 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.

Source: Department of Human Services

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 to 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

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	83	84	87	87	87	0	0.0%	0	0.0%
Part-Time and Seasonal	1	1	1	82	80	79	7900.0%	(2)	-2.4%
Salaries	$7,549,910	$7,369,687	$7,559,669	$8,219,723	$8,187,840	$628,171	8.3%	($31,883)	-0.4%
Fringe Benefits	(336,246)	0	0	0	0	0	*****	0	*****
Equipment	0	148,706	0	150,000	0	0	*****	(150,000)	-100.0%
General Expenses	345,251	272,006	427,431	427,431	494,300	66,869	15.6%	66,869	15.6%
Contractual Services	9,440,218	10,139,650	13,633,987	13,633,987	14,984,562	1,350,575	9.9%	1,350,575	9.9%
Utility Costs	3,914,444	3,999,183	4,004,170	3,854,170	4,100,000	95,830	2.4%	245,830	6.4%
Total	**$20,913,577**	**$21,929,232**	**$25,625,257**	**$26,285,311**	**$27,766,702**	**$2,141,445**	**8.4%**	**$1,481,391**	**5.6%**

Expenses

- Information Technology (IT)'s proposed expenses are up 8.4% budget to budget, or $2.1 million. Compared to OLBR's current projection, proposed expenses are up 5.6%, or $1.5 million. Much of the proposed growth is tied to the $1.4 million increase in the contractual services budget.

- Proposed salary expenses are up 8.3%, or about $0.6 million, over the budget adopted for FY 17. The proposed salary expense budget is more in line with the latest projection, about 0.4%, or $31,883, less than OLBR's current projection. There are several factors behind the salary growth budget to budget.

  - A step increase for the department's Civil Service Employees Association (CSEA) members.

  - An approximate $0.5 million reduction of a capital backcharge for straight time salary credit, from $1.7 million in FY 17 to $1.2 million in FY 18. In effect, this raises salary expenses about $0.5 million budget to budget.

- The proposed budget also accounts for employees currently onboard but unbudgeted for in FY 17. Most notably, the FY 18 budget incorporates 80 seasonal interns hired in FY 17 as part of New York State's Summer Youth Employment Program (SYEP), a longstanding Department of Social Services (DSS) program providing summer employment and educational opportunities to eligible resident youth from low-income households.

  - IT agreed to oversee and train SYEP interns in FY 17, specifically providing technical training such as coding. DSS secured state aid reimbursement and journalized it to IT in FY 17 and agreed to facilitate this reimbursement once again in FY 18.

Expenses, cont.

- The following changes mitigate budget to budget salary growth:
  - Overtime budget reduced from $0.7 million in FY 17 to about $0.5 million in FY 18.
  - Eliminates five vacant Information Technology Aide II positions, yielding about $0.3 million in salary savings.
- The department experienced six separations from the September 15, 2017 Voluntary Separation Incentive Program (VSIP) offered to CSEA members. OMB estimates IT's annual savings from the VSIP at about $0.7 million. The Administration has stated that County wide half of the vacated positions will be backfilled, potentially offsetting future salary savings.
- IT will earn the previously mentioned $1.2 million salary credit in FY 18 for its work on a number of capital projects. Projects schedule in FY 18 include, among others, equipment installation at the County's new police precincts, the ongoing effort to replace the current phone system with a voice over internet protocol (VOIP) system, emergency data backup to facilitate disaster recovery, general network infrastructure, and the County's E-Government initiative (e.g. applications for OMB, Taxi and Limousine Commission, Consumer Affairs, DPW, etc.).
- Proposed utility costs are up 2.4%, or $95,830, over the Adopted FY 17 Budget, on slight increases to cellular phone and telephone budgets.
- The FY 18 proposal doesn't allocate for an equipment budget. As the chart on the proceeding page indicates, equipment costs are about $150,000 in the latest projection and were $148,706 in the FY 16 actual. The department plans to rely on capital funding for its FY 18 equipment needs.
- Proposed general expenses are up 15.6% compared not only to the Adopted FY 17 Budget but also to the latest projection. The proposal increases the information technology supplies and expense budget from $254,409 in FY 17 to $356,200 in FY 18. A sharp reduction in the miscellaneous supplies and expense budget, from $34,798 in FY 17 to $4,000 in FY 18, partly offsets this growth.

Expenses, cont.

- Contractual service costs are up 9.9% in FY 18, or about $1.4 million, compared not only to the latest projection but also the Adopted FY 17 Budget.

  - In FY 18, IT will continue to absorb contract maintenance agreements from other agencies, a practice the department began in FY 17. Among others, IT will assume the Police Department's $750,000 contract with Lightpath, a business telecommunications and fiber optic network firm. This practice has the potential to unlock long term savings for the County. The department cites its ability to negotiate more favorable rates with Lightpath in the future and the possible elimination of duplicative services as two opportunities for contractual services savings.

  - Other factors contribute to the proposed contractual services growth, such as increased Microsoft and Software license costs. The proposal also funds hosting costs for Enterprise Resource Planning (ERP) software, as it begins production in FY 18. Finally, the department cites additional maintenance costs for equipment with expiring warranties.

- The following table illustrates actual contractual services costs in FY 16, the Adopted FY 17 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.

Contractual Services

	FY 16 Actual	FY 17 Adopted	FY 18 Proposed	Proposed vs. Adopted	%
Miscellaneous Contruactual Services	$2,677,963	$220,384	$229,196	$8,812	4.0%
Software Contracts	7,361,687	3,046,283	3,568,500	522,217	17.1%
Systems & Programming	100,000	10,367,320	11,186,866	819,546	7.9%
Total	**$10,139,650**	**$13,633,987**	**$14,984,562**	**$1,350,575**	**9.9%**

Revenues

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	$0	$545,085	$0	$300,000	$0	$0	*****	($300,000)	-100.0%
Dept Revenues	49,304	10,914	0	1,000	2,000	2,000	*****	1,000	100.0%
Cap Backcharges	289,377	0	0	0	0	0	*****	0	*****
Interdept Revenues	6,563,788	5,202,173	8,654,207	8,654,207	9,173,446	519,239	6.0%	519,239	6.0%
Interfund Charges Rev	224,160	348,545	179,038	179,038	264,963	85,925	48.0%	85,925	48.0%
Fed Aid-Reimb of Exp	0	32	0	0	0	0	*****	0	*****
State Aid-Reimb of Exp	0	0	0	280,000	290,000	290,000	*****	10,000	3.6%
Total	**$7,126,630**	**$6,106,748**	**$8,833,245**	**$9,414,245**	**$9,730,409**	**$897,164**	**10.2%**	**$316,164**	**3.4%**

- The proposed revenue budget is 3.4%, or $0.3 million, above the current projection. Proposed revenue grows 10.2% budget to budget. The growth is concentrated in state aid, interdepartmental revenues, and interfund charges.
  - The primary reason for the variance between the projection and the proposal is that the FY 18 budget incorporates state aid reimbursement for the SYEP, as discussed in the expense section of this report. The SYEP's inclusion is offset by the expectation that the department will not recover disencumbrances in FY 18. Year to date, the department has recovered about $0.3 million liquidations, as can be seen on the rents & recoveries line.
- Proposed interdepartmental charges are up 6.0%, or $0.5 million, from roughly $8.7 million in FY 17 to $9.2 million in FY 18.
  - 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.
- Interfund charges are up 48.0%, or $85,925, compared not only to the FY 17 budget but also the latest projection.

The Commissioner of Investigations shall have power to examine the financial and other records of the County 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 the Office of Legislative Budget Review, and to report to the County Executive the findings thereon.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	0	1	4	2	4	0	0.0%	2	100.0%
Salaries	$0	$104,440	$288,835	$193,927	$288,835	$0	0.0%	$94,908	48.9%
General Expenses	0	45	11,300	11,300	11,300	0	0.0%	0	0.0%
Contractual Services	0	377	50,000	50,000	50,000	0	0.0%	0	0.0%
Total	**$0**	**$104,862**	**$350,135**	**$255,227**	**$350,135**	**$0**	**0.0%**	**$94,908**	**37.2%**

Expenses

- The total FY 18 Proposed expense Budget for the office remains flat when compared to the FY 17 Adopted Budget.
- Salaries for the proposed budget remains flat at $228,835 in comparison to the FY 17 Adopted Budget. 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 FY 16.
  - The position for the Commissioner of Investigations was filled in June 2016. The Proposed FY 18 Budget funds four positions, a Deputy County Attorney, a Confidential Assistant, a Field Auditor I, and the Commissioner of Investigations. There are currently two onboard positions that are filled. They are the Commissioner of Investigations and a Confidential Assistant.
- General expenses for the proposed budget are set at $11,300 and includes funding for the following categories: educational & training supplies, investigative expenses, office supplies, and traveling expenses.
- The FY 18 Proposed Budget for contractual services of $50,000 is for miscellaneous contractual services. According to the Department, 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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	4	4	4	4	4	0	0.0%	0	0.0%
Salaries	$356,132	$348,518	$347,222	$327,832	$316,115	($31,107)	-9.0%	($11,717)	-3.6%
General Expenses	662	1,184	3,963	3,963	3,963	0	0.0%	0	0.0%
Contractual Services	436,150	345,355	386,640	386,640	400,000	13,360	3.5%	13,360	3.5%
Total	**$792,944**	**$695,057**	**$737,825**	**$718,435**	**$720,078**	**($17,747)**	**-2.4%**	**$1,643**	**0.2%**

Expenses

- The total FY 18 Proposed Expense Budget for the Office of Labor Relations is decreasing by $17,747, or 2.4%, compared to the FY 17 Adopted Budget, mostly due to salaries. A portion of this is being offset by contractual services.
- Salaries are decreasing by $31,107, or 9.0%, due to the elimination of the Deputy Director, being replaced by a Program Coordinator earning lower wages. In addition, the $5,315 in terminal leave cost has been removed from the budget.
- The FY 18 full-time headcount is remaining unchanged at four full-time positions.
- The FY 18 general expense budget of $3,963 remains unchanged compared to the FY 17 budget and projection. The budget includes office supplies, educational & training supplies and miscellaneous supplies & expenses.
- The FY 18 contractual services expense budget is increasing by $13,360 to $400,000 for miscellaneous contractual services.
  - The increase will be used to contract for labor arbitration costs. All of the Collective Bargaining Agreements (CBAs) with the County unions are due to expired on December 31, 2017. The County will be entering into negotiations for new CBA's with the PBA, SOA, DAI, CSEA, and COBA.
  - Contractual expenses also include the costs for 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 17 or in the FY 18 proposed budget.

Expense	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	85	86	95	82	90	(5)	-5.3%	8	9.8%
Part-Time and Seasonal	34	37	28	32	28	0	0.0%	(4)	-12.5%
Salaries	$5,673,620	$5,760,748	$6,470,796	$6,046,999	$7,186,585	$715,789	11.1%	$1,139,586	18.8%
Equipment	43,421	37,273	66,560	66,560	56,572	(9,988)	-15.0%	(9,988)	-15.0%
General Expenses	2,273,892	1,631,091	1,698,022	1,698,022	1,686,522	(11,500)	-0.7%	(11,500)	-0.7%
Contractual Services	805,000	805,000	1,007,000	1,007,000	1,007,000	0	0.0%	0	0.0%
Total	**$8,795,933**	**$8,234,113**	**$9,242,378**	**$8,818,581**	**$9,936,679**	**$694,301**	**7.5%**	**$1,118,098**	**12.7%**

Expenses

- The FY 18 total expenditures are increasing by $0.7 million, or 7.5%, compared to the FY 17 Adopted Budget.
  - In FY 18, salaries are increasing by $0.7 million, or 11.1%, budget to budget. The FY 18 expense includes the new pay scale for Legislators. The rising cost is being partially offset by fewer full-time positions and lower part-time and seasonal salary costs.
  - The annual salary for a Legislator will increase to $75,000 effective January 1, 2018. This is the first salary increase that the Legislature will receive since the 19 member Nassau County Legislature was formed to replace the Board of Supervisors on January 1, 1996.[1] This new salary is still below the $100,854 wage for Suffolk County lawmakers and the $148,500 for New York City Council Members.
  - The Legislature has historically returned surpluses to the operating fund and should vacant positions remain unfilled, these funds will be returned to the General Fund. When comparing the FY 17 projected salary to the current year Adopted Budget, there is a projected savings of $0.4 million.
- The FY 18 Proposed Budget, of 90 full-time positions is a decrease of five compared to the FY 17 Adopted Budget. The positions being eliminated include two Administrative Assistants, one Legislative Assistant, a Stenographer, and a Secretary.
- The part-time and seasonal positions remain unchanged compared to the FY 17 Adopted Budget, but is a decrease of four from the September 1, 2017 on board.
- The FY 18 Proposed Budget for contractual services remains unchanged at $1.0 million. The bulk, $0.8 million, or 78.5%, of the contractual service budget is in the Clerk of the Legislature's Office. These costs include stenographic recording and the production of the Legislature's journal of proceedings.

[1] "Review of Nassau County Elected Officials' Salaries," Blue Ribbon Panel, May 3, 2007.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	26	26	26	25	25	(1)	-3.8%	0	0.0%
Part-Time and Seasonal	2	1	2	2	2	0	0.0%	0	0.0%
Salaries	$3,777,316	$3,876,476	4,492,052	$4,272,769	4,757,934	$265,882	5.9%	$485,165	11.4%
Fringe Benefits	23,045,676	23,282,530	25,321,272	24,847,659	25,320,618	(654)	0.0%	472,959	1.9%
Workers Compensation	7,752,361	8,014,732	8,447,944	8,447,944	9,560,390	1,112,446	13.2%	1,112,446	13.2%
Equipment	0	1,971	4,833	4,833	4,833	0	0.0%	0	0.0%
General Expenses	73,387	63,208	110,714	110,714	110,714	0	0.0%	0	0.0%
Contractual Services	2,124,986	1,582,742	2,458,545	2,458,545	2,098,279	(360,266)	-14.7%	(360,266)	-14.7%
Local Govt Asst Prog.	66,494,098	67,746,680	67,149,582	67,578,448	70,543,549	3,393,967	5.1%	2,965,101	4.4%
Debt Svc. Chargebacks	280,481,543	248,137,438	313,537,375	312,410,775	308,622,068	(4,915,307)	-1.6%	(3,788,707)	-1.2%
Inter-Dept. Charges	5,249,103	4,782,755	3,616,556	3,616,556	6,940,566	3,324,010	91.9%	3,324,010	91.9%
Interfund Charges	23,925,278	24,738,839	27,484,271	27,484,271	24,719,916	(2,764,355)	-10.1%	(2,764,355)	-10.1%
Contingencies Reserve	(179,153)	89,331	0	0	0	0	*****	0	*****
NCIFA Expenditures	1,550,000	1,300,000	2,000,000	2,000,000	2,025,000	25,000	1.3%	25,000	1.3%
Transfer To PDH (Suits & Damages)	0	9,529,137	0	0	0	0	*****	0	*****
Other Expense	34,733,398	26,296,605	26,237,376	26,236,909	49,728,222	23,490,846	89.5%	23,491,313	89.5%
Trans To Litigation Fund	0	49,300,110	0	0	0	0	*****	0	*****
Transfer To BIF Fund	0	3,609,039	0	0	0	0	*****	0	*****
Total	**$449,027,992**	**$472,351,592**	**480,860,520**	**479,469,423**	**504,432,089**	**$23,571,569**	**4.9%**	**$24,962,666**	**5.2%**
Savings from Initiative & VSIP			**(3,675,217)**		**(11,000,000)**	**(7,324,783)**	**199.3%**	**(11,000,000)**	*****
Consolidated Total	**$449,027,992**	**$472,351,592**	**477,185,303**	**479,469,423**	**493,432,089**	**$16,246,786**	**3.4%**	**$13,962,666**	**2.9%**

Expenses

- Total consolidated FY 18 Proposed Budget expenses for the department are increasing by $16.2 million or 3.4% from the FY 17 Adopted Budget level; compared to the current projection total expenses are growing $14.0 million or 2.9%.
- The total consolidated expenses include an $11.0 million deduction for normal attrition, ($1.0 million, 37 positions), as well as attrition related to the recent Voluntary Separation Incentive Program (VSIP), ($10.0 million, 150 positions).
- A total of 301 employees elected to participate in the recent VSIP; the annual value of their salaries was estimated to be $20.8 million. The Administration intends to backfill 50.0% of the vacated positions.

Expenses, Cont.

- The County-wide attrition coded as savings from initiative & VSIP, are shown below the line in the chart on the prior page. These figures are centrally located in the Office of Management and Budget (OMB) as it is not known where the separations / backfills will occur.
- The FY 18 Proposed headcount, excluding the savings from initiative, shows a decrease of one full-time employees from the FY 17 Adopted Budget while part-time and seasonal headcount remains flat. As compared to the OLBR projection, the FY 18 Proposed headcount is unchanged.
- Excluding the savings from initiative, FY 18 salaries are $0.3 million more than the FY 17 Adopted Budget. The increase is a function of greater terminal leave funding offset by the elimination of one vacant position and a $30,000 reduction in part-time salaries.
- The FY 18 fringe benefit expense line is basically unchanged from the FY 17 Adopted level.
- The Police Department, Corrections, Community College and Public Works maintain their own portion of workers' compensation within their respective budgets, all other workers' compensation costs are accounted for in OMB's budget. Within the Office of Management and Budget, workers' compensation expenses are increasing $1.1 million compared to the FY 17 Adopted Budget.
- The Local Government Assistance Program, (LGA) represents the local share of the sales tax revenue allocated to the County's three towns, two cities and incorporated villages.
  - 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.
  - In FY 18, local government assistance (LGA) for the three towns and the two cities are each budgeted to receive an increase of 2.5% compared to the FY 17 OMB projection.
  - The Town and City allotments are based upon their populations.
  - The Village payments are relatively unchanged at the FY 16 actual level.
- FY 18 Proposed Budget equipment and general expenses appropriations are unchanged from the FY 17 Adopted Budget.
- FY 18 Proposed Budget Office contractual services expenses are budgeted to decline $0.4 million from the FY 17 Adopted level. This funding covers payments for miscellaneous contractual services and financial contractual services; both lines were reduced budget to budget.
- The FY 18 Proposed Budget includes $308.6 million of debt service chargebacks, a $4.9 million decrease compared to the FY 17 Adopted Budget. The decrease reflects projected amortization and debt service expenses related to forecasted new borrowings.

Expenses, Cont.

- Inter-Department charges in the FY 18 Proposed Budget are increasing $3.3 million from the FY 17 Adopted level. According to the Administration, the increase is a function of higher building occupancy and indirect costs charges.
- Interfund charges in the FY 18 Proposed Budget are decreasing $2.8 million from the FY 17 Adopted level. The decrease is a function of a $2.7 million decline in NHCC guaranteed debt payments and a $63,200 reduction in OTB supported debt payments.
- Overall FY 18 Proposed Budget other expenses are increasing $23.5 million from the FY 17 Adopted level. The following chart details these expenses.

Other Expenses - OO				
Expense	2016 Actual	2017 Adopted	2018 Exec. Budget	18 Exec. Vs. 17 Adptd.
HIPPA Payments	$0	$25,000	$25,000	$0
Insurance On Bldngs	346,868	346,868	320,000	(26,868)
Legal Aid Society	6,520,000	6,685,000	6,852,125	167,125
Bar Assn NC Pub Def	7,648,989	7,300,000	7,648,989	348,989
Resident Tuition	3,603,218	3,500,000	3,500,000	0
FIT Resident Tuition	7,999,503	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	66,052	68,500	70,100	1,600
Other Suits & Damages	(918)	0	23,000,000	23,000,000
General Litigation	885	0	0	0
Total	**$26,296,605**	**$26,237,376**	**$49,728,222**	**$23,490,846**

- The increase is primarily a function of higher other suits and damages funding. According to the Administration, these monies will be used to pay various litigation expenses.

- Legal Aid Society and Bar Association expenses are contractually set. In FY 18 they are budgeted to receive a 2.5% and a 4.8% budget to budget increase respectively.
- New York State Association of Counties membership fees are budgeted to increase $1,600 or 2.3% from the FY 17 Adopted level.
- FY 18 Proposed Budget funding for insurance on buildings was reduced by $26,868 or 7.7% compared to the FY 17 Adopted level.
- All other FY 18 Proposed Budget lines are relatively unchanged from the FY 17 Adopted level.
- Resident tuition expenses are unchanged budget to budget. These expenses will be completely offset by billing back the local town and cities; shown on the revenue offset to expense line.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	$10,000,000	$3,000,000	$0	$36,416,156	$0	$0	*****	($36,416,156)	-100.0%
Fines & Forfeits	898,080	972,774	900,000	900,000	900,000	0	0.0%	0	0.0%
Invest Income	0	412	0	0	0	0	*****	0	*****
Rents & Recoveries	1,997,264	21,829,953	5,500,500	4,057,502	5,400,000	(100,500)	-1.8%	1,342,498	33.1%
Rev Offset To Expense	13,308,026	13,349,726	13,800,000	13,800,000	13,800,000	0	0.0%	0	0.0%
Dept Revenues	620,000	620,000	620,000	620,000	0	(620,000)	-100.0%	(620,000)	-100.0%
Interdept Revenues	46,746,940	51,183,269	51,599,945	51,599,945	56,107,615	4,507,670	8.7%	4,507,670	8.7%
Pymnt In Lieu of Taxes	12,305,280	14,406,057	16,246,085	16,246,085	19,520,599	3,274,514	20.2%	3,274,514	20.2%
Interfund Charges Rev	48,126,847	31,738,199	40,883,256	39,334,169	31,900,228	(8,983,028)	-22.0%	(7,433,941)	-18.9%
Fed Aid-Reimb of Exp	92,400	137,745	92,400	92,400	92,400	0	0.0%	0	0.0%
Interfund Transfers	1,604,822	2,171,269	0	0	0	0	*****	0	*****
State Aid-Reimb of Exp	288,945	294,394	732,200	732,200	237,200	(495,000)	-67.6%	(495,000)	-67.6%
Sales Tax Countywide	1,015,752,450	1,038,156,497	1,054,394,190	1,061,137,118	1,082,870,598	28,476,408	2.7%	21,733,480	2.0%
Sales Tax Part County	90,048,482	85,929,141	88,097,286	88,097,286	100,617,346	12,520,060	14.2%	12,520,060	14.2%
Property Tax	106,218,917	65,805,934	57,628,750	59,164,388	69,023,316	11,394,566	19.8%	9,858,928	16.7%
OTB 5% Tax	2,770,742	2,386,117	2,511,262	2,511,262	2,100,000	(411,262)	-16.4%	(411,262)	-16.4%
OTB Profits	0	3,000,000	3,000,000	2,250,000	15,750,000	12,750,000	425.0%	13,500,000	600.0%
Total	**$1,350,779,194**	**$1,334,981,485**	**$1,336,005,874**	**$1,376,958,511**	**$1,398,319,302**	**$62,313,428**	**4.7%**	**$21,360,791**	**1.6%**

Revenues

- Total FY 18 Proposed OMB revenues are budgeted to increase by $62.3 million or 4.7% from the FY 17 Adopted level. The following increases contributed to the budget to budget revenue growth; $41.0 million in heightened sales tax collections, $12.8 million in higher OTB profits, $11.4 million in increased general fund property tax allocation, $3.3 million in greater PILOT revenues, and $4.5 million in higher interdepartmental revenues.
- The previous increases are offset by FY 18 budget to budget declines in rents & recoveries, interfund charge revenues, state-aid payments and OTB 5.0% surcharge taxes.
- The FY 18 Proposed fine and forfeits line is aligned with the FY 17 projection. This line includes revenues for forfeited bail and other fines.
- The budget to budget $100,500 decline in rents & recoveries is primarily the result of lower workmen compensation recoveries.

Revenues, Cont.

- The FY 18 revenue offset to expense budget is unchanged compared to the FY 17 level. 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 18 departmental revenues line represents the funding for the Off Track Betting (OTB) debt support agreement with Nassau County. OTB is expected to complete a refunding which would terminate the agreement. In anticipation of this, the revenues were not factored into the budget.
- The FY 18 Proposed Budget has Interdepartmental revenue increasing by $4.5 million compared to the FY 17 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 (PDH), Police District (PDD), Public Works (PW) (General Fund) and the Department of Social Services (DSS). The largest increases were in PDH, PDD and PW.
- 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 18 Proposed Budget includes a total of $31.9 million, a decrease of $9.0 million from the FY 17 Adopted level.
    - The County guaranteed debt for both the Nassau Health Care Corporation (NHCC), Nassau Community College (NCC) and Nassau OTB. This line is where the County shows the reimbursement of the County debt expense.
    - All sub-object lines are budgeted to record a decrease. From a budget to budget viewpoint, NHCC debt reimbursement is decreasing $2.7 million, OTB's debt reimbursement is declining $63,200, NCC's debt reimbursement payment is falling $1.4 million and interfund revenues over is reduced $4.8 million.
    - The revenue declines are neutral as expense are falling by the same amount.
- FY 18 state aid reimbursement is declining $0.5 million from the FY 17 level. The decline is on the legalization of medical marijuana line. The state aid line also covers reimbursement for indigent legal services at the Legal Aid Society.
- Total FY 18 sales tax revenues are increasing by $41.0 million from the FY 17 Adopted Budget. The Administration is currently expecting to recognize a sale tax surplus of $7.2 million in FY 17 and projecting to defer approximately $5.7 million to FY 19.
    - Excluding the deferred piece, FY 18 sales tax revenues are increasing 2.5% from the Administration's FY 17 projection. Including the deferral, FY 18 County-wide sales tax revenues are increasing 2.0% from the Administration's FY 17 projection.
    - For a more detailed analysis, see the Sales Tax section in the Executive Summary.

Revenues, Cont.

- Compared to The FY 17 Adopted Budget, The FY 18 Proposed General Fund property tax levy is increasing by $11.4 million. In all funds, the FY 18 property tax levy is increasing $15.2 million from the FY 17 Adopted level. For more discussion of the FY 18 property tax, see the Executive Summary.
- The Payment in Lieu of Taxes (PILOT) line represents the revenues associated with PILOT agreements. The FY 18 PILOT line is increasing by $3.3 million compared to the FY 17 Adopted Budget. The increase is a function of $4.1 million more on the LIPA / PSEG line; offset by a decrease of $0.8 million on the other PILOT line.
- 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 18 budget is decreasing by $0.4 million from the FY 17 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 annual revenue payments. Genting New York LLC (Aqueduct's operator) is to pay Nassau OTB directly.[1]
  - The FY 17 Adopted budget included $3.0 million from this revenue source. The Proposed FY 18 Budget includes $15.8 million, the amount was contractually specified. The Plan includes $20.0 million from FY 19 to FY 21.
  - These revenues are considered a risk as currently no payments have been collected by the County.

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

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	**2015**	**2016**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Full-Time Headcount	70	72	73	71	84	11	15.1%	13	18.3%
Part-Time and Seasonal	10	14	16	14	17	1	6.3%	3	21.4%
Salaries	$6,889,006	$6,896,335	$7,651,789	$7,459,542	$9,016,397	$1,364,608	17.8%	$1,556,855	20.9%
Equipment	31,895	29,445	38,744	38,744	73,744	35,000	90.3%	35,000	90.3%
General Expenses	557,578	573,712	665,059	665,059	728,059	63,000	9.5%	63,000	9.5%
Contractual Services	96,359	71,581	40,953	40,953	40,953	0	0.0%	0	0.0%
Total	**$7,574,838**	**$7,571,073**	**$8,396,545**	**$8,204,298**	**$9,859,153**	**$1,462,608**	**17.4%**	**$1,654,855**	**20.2%**

Expenses

- FY 18 expenditures for the Medical Examiner (ME) are growing by $1.5 million, or 17.4%, compared to the 2017 Adopted Budget. The growth is driven by an increases across the board with the exception of contractual services.
- Budgeted headcount will be going up by 11 to 84 full-time employees in FY 18 and part-time headcount will increase by one when comparing budget to budget.
- The proposed salary line accommodates the contractual steps for eligible CSEA employees and the aforementioned increased headcount required to fully staff the new state-of-the-art, full service, multi-disciplinary Crime Lab.
- The equipment line is growing by $35,000 due to an increase in medical/dental equipment.
- General expenses are also going up as a result of increases in medical supplies and expenses and building supplies and maintenance.
- The contractual services line will remain at FY 17 levels.

Crime Lab

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. These disciplines are fully staffed and performing casework analysis. It is anticipated that with the FY 18 funding allocation, the Crime Lab will be fully staffed and have the capability to provide Firearms, Trace, Reconstructive and Evidence Analysis in the same facility along with Forensics, Latent Prints and Controlled Substance. It has not been determined when full staffing will occur in FY 18.

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$58,041	$56,535	$0	$658	$0	$0	*****	($658)	-100.0%
Dept Revenues	25,672	29,618	25,000	25,000	25,000	0	0.0%	0	0.0%
Fed Aid-Reimb of Exp	3,485	0	0	0	0	0	*****	0	*****
Total	**$87,197**	**$86,153**	**$25,000**	**$25,658**	**$25,000**	**$0**	**0.0%**	**($658)**	**-2.6%**

Revenues

- Department revenues will remain unchanged with those of FY 17.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	6	5	5	5	5	0	0.0%	0	0.0%
Part-Time and Seasonal	3	1	3	1	2	(1)	-33.3%	1	100.0%
Salaries	$472,697	$357,123	$483,855	$468,240	$420,810	($63,045)	-13.0%	($47,430)	-10.1%
General Expenses	3,426	17,975	25,000	25,000	42,805	17,805	71.2%	17,805	71.2%
Contractual Services	0	0	17,000	17,000	15,000	(2,000)	-11.8%	(2,000)	-11.8%
Total	**$476,123**	**$375,098**	**$525,855**	**$510,240**	**$478,615**	**($47,240)**	**-9.0%**	**($31,625)**	**-6.2%**

Expenses

- Expenses in the Proposed FY 18 Budget are 9.0% lower than in the Adopted FY 17 Budget. Compared to the latest projections, expenses are down 6.2% in the proposal.
- The proposed salary budget is 13.0% lower than the Adopted FY 17 Budget and 10.1%, or $47,430, below the latest projection. The FY 18 proposal eliminates the vacant Executive Director position, a part-time Program Coordinator vacancy, and OMA's terminal leave budget. The proposal includes an additional Deputy Director currently onboard and contributing slightly in reducing the proposed salary.
- Increased traveling expenses drive the $17,805, or 71.2%, budget to budget growth in general expenses. OMA is planning on more employee travel to trainings and seminars in FY 18.
- Contractual services in the Proposed FY 18 Budget are $2,000 lower than both the FY 17 Adopted Budget and the latest projection.

	Historical		2017		2018	2018 vs. 2017		Proj vs. 2018	
	2015	2016	Adopted Budget	OLBR Projected	Adopted Budget	Variance	Percent	Variance	Percent
Full-time Headcount	1,119	1,024	1,012	1,017	1,025	13	1.3%	8	0.8%
Salaries	$130,321,467	$125,015,226	$124,837,737	$122,697,801	$122,797,454	($2,040,283)	-1.6%	99,653	0.1%
Fringe Benefits	58,760,445	56,431,734	60,580,000	56,620,466	59,708,000	($872,000)	-1.4%	3,087,534	5.5%
Equipment	1,727,656	1,894,281	2,255,493	2,255,493	2,075,054	($180,439)	-8.0%	(180,439)	-8.0%
General Expenses	7,630,975	7,148,056	7,832,273	7,832,273	6,995,371	($836,902)	-10.7%	(836,902)	-10.7%
Contractual Services	7,379,034	8,105,839	7,866,675	7,866,675	7,766,554	($100,121)	-1.3%	(100,121)	-1.3%
Utility Cost	4,593,786	4,716,602	4,470,500	4,423,827	4,393,827	($76,673)	-1.7%	(30,000)	-0.7%
Debt Service	0	453,601	654,456	652,081	2,717,350	$2,062,894	315.2%	2,065,269	316.7%
Interfund Charges	2,796,119	1,815,734	3,120,000	2,800,000	2,640,000	($480,000)	-15.4%	(160,000)	-5.7%
County Scholarships	468,471	47,012	55,000	55,000	55,000	$0	0.0%	0	0.0%
Total	**$213,677,953**	**$205,628,085**	**$211,672,134**	**$205,203,616**	**$209,148,610**	**($2,523,524)**	**-1.2%**	**$3,944,994**	**1.9%**

*Unaudited

Expenses

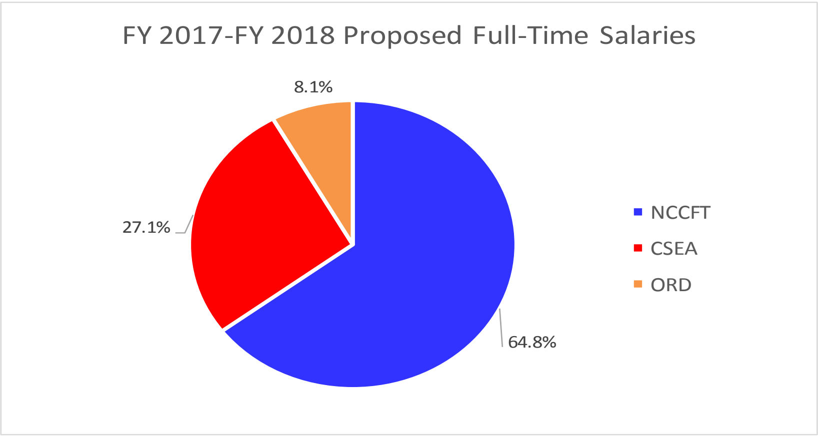
- Expenses are budgeted to decrease by 1.2%, or $2.5 million, compared to the Adopted 2016-2017 Budget. As is customary with the College during the fiscal year, there had been some adjustments made to the FY 2016-2017 Adopted Budget to reallocate expense lines, however, the bottom line approved by the Legislature remained unchanged.
- Salaries in the adopted budget are increasing by $99,653, or 0.1%, when compared to the FY 2016-2017 salary projection, but are decreasing by 1.6 %, or 2.0 million, when comparing budget to budget. Salaries make up 59.0% of the FY 2017-2018 expense budget. FY 2017-2018 budgeted headcount is increasing by 13, budget to budget and growing by eight when compared to 2016-2017 projected numbers.
    - The salary budget incorporates $2.9 million in salary savings comprised of $835,763 in savings from terminations, $888,032 in savings for twelve positions that will be charged to grants and $502,300 in savings for five positions charged back to capital.
    - There are 21 faculty members on a reduced workload making up $355,952 in savings. In addition, there are four Civil Service Employee Association (CSEA) members on a reduced workload making up $84,650 in savings. There is a remaining $246,150 in other salary reductions.

- A new Nassau Community College Federation of Teachers (NCCFT) contract was negotiated, awarded and approved by the Nassau County Legislature in September 2017. Effective September 1, 2017 the salary schedule for members of the NCCFT will increase by one percent, or approximately $1.9 million, for the first fiscal year. According to the College, the FY 17-18 salary allocation should be sufficient to support these increases.
- The adopted includes salary increases of 2.25% in COLAs that the Adjunct Faculty Association (AFA) members will receive effective September 1, 2017, as per the Memorandum of Agreement (MOA) with the union.
- The CSEA contract expires 12/31/2017 and, as with the NCCFT union, no COLAs are awarded until a new contract is negotiated.
- 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 multi-year payouts and make provisions for anticipated new retirees and terminations. The College budgeted the full $1.7 million and then included a $835,763 savings line for a net appropriation of $864,237 for termination expense in FY 2017-2018.
  - There have been 31 full-time terminations to date with an additional six anticipated by the end of FY 2016-2017.
- Fringe benefits are decreasing by $872,000, or 1.4%, when comparing budget to budget, which is mostly a result of reductions in the Teachers Retirement and TIAA CREF Optional Retirement systems which are offset by increases in health insurance premiums. For more detail on the Fringe Benefits please refer to the Fringe Benefit section below.
- With the exception of debt service, all other than personal services (OTPS) are declining in the adopted budget.

Headcount

FULL-TIME HEADCOUNT							
	On Board May 2017		Adopted 17-18		Difference		
Union	F/T	Pers. Svcs	F/T	Pers. Svcs	F/T	Pers. Svcs	HC % Chg
NCCFT	597	$53,304,536	598	52,841,586	1	($462,950)	0.2%
CSEA	346	20,982,512	353	22,140,066	7	$1,157,554	2.0%
ORD	74	7,693,855	74	6,623,407	0	(1,070,448)	0.0%
TOTAL	1,017	$81,980,903	1,025	$81,605,059	8	(375,844)	0.8%

- The chart above illustrates full-time headcounts for College employees. It compares current on-board to the FY 2017-2018 adopted headcounts. Although the headcount has increased, the salary is declining by $375,844 as a result of some faculty and Ordinance positions being charged back to grants or capital funding and some positions that are on a workload reduction schedule.
- There are currently 74 Ordinance employees on board and the headcount in the adopted budget will remain the same. The $1.1 million less in salary reflects the chargebacks to the Grant and Capital Funds.
- The graph below illustrates salary expenses by headcount in the adopted budget inclusive of chargebacks.



Fringe Benefits

Nassau Community College Fringe Benefit Expenses	2017 Adopted Budget	OLBR Projection	Adopted 2018 Budget	2018 Adopted vs. 2017 Adopted	Percent	2018 Adopted vs. 2017 Projection	Percent
State Retirement	$6,150,000	$6,150,000	$6,610,000	$460,000	7.5%	$460,000	7.5%
Teachers Retirement	4,050,000	2,700,000	2,330,000	(1,720,000)	-42.5%	(370,000)	-13.7%
Social Security	9,200,000	8,944,110	9,206,000	6,000	0.1%	261,890	2.9%
Health Insurance	20,750,000	19,399,079	21,870,000	1,120,000	5.4%	2,470,921	12.7%
TIAA CREF	7,360,000	6,121,021	5,900,000	(1,460,000)	-19.8%	(221,021)	-3.6%
Optical Plan	120,000	115,000	115,000	(5,000)	-4.2%	0	0.0%
Unemployment	100,000	100,000	100,000	0	0.0%	0	0.0%
Dental Insurance	625,000	585,000	585,000	(40,000)	-6.4%	0	0.0%
Medicare Reimbursement	1,530,000	1,630,000	1,630,000	100,000	6.5%	0	0.0%
Health Insurance Retirees	8,885,000	9,081,681	9,560,000	675,000	7.6%	478,319	5.3%
Retirees Optical	15,000	13,000	13,000	(2,000)	-13.3%	0	0.0%
MTA Mobility Tax	430,000	416,575	429,000	(1,000)	-0.2%	12,425	3.0%
CSEA Legal Fund	65,000	65,000	60,000	(5,000)	-7.7%	(5,000)	-7.7%
Workers Compensation	1,300,000	1,300,000	1,300,000	0	0.0%	0	0.0%
Total	**$60,580,000**	**$56,620,466**	**$59,708,000**	**($872,000)**	**-1.4%**	**$3,087,534**	**5.5%**

- The FY 2017-2018 Adopted Budget for fringe benefits is $59.7 million, which represents 28.5% of the operating budget. The budget is declining $872.000, or 1.4%, compared to the 2016-2017 Adopted Budget, but is increasing by $3.1 million, or 5.5%, compared to the projection. The budget appears to be reasonable, but may be subject to risks if unexpected rate fluctuations for health insurance and retirement costs or adjustments in staffing levels were to occur.
  - The majority of the budgeted decrease is attributed to the New York State Teacher's Retirement System and TIAA-CREF expenditures, which is partially offset by rises in health insurance expenses for active and retired employees, and increases in New York State Local Retirement System pension costs. The FY 2016-2017 Adopted Budget for fringe benefits was overfunded, and as a result there is a surplus of $4.0 million being projected in the current year.
- The FY 2017–2018 State Retirement System's budget of $6.6 million is increasing by $460,000 budget to budget. The contribution rate in the retirement plan that reflects the majority of College employees remains constant at 16.1%. The budget is based on the 2018 New York State & Local Retirement System projected bill that is provided by the New York State Comptroller.

Fringe Benefits, Cont.

- The $2.3 million budget for the New York State Teacher's Retirement System (TRS) is decreasing by 1.7 million, or 42.5%, compared to the current year's budget and $370,000 compared to the projection. The TRS Employer Contribution Rate (ECR) is declining from 11.7% in FY 2016–2017 to 9.8% in FY 2017-2018, which is primarily due to favorable investment returns over the last several years, as stated in the TRS Administrative Bulletin. 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 $2.5 million and $478,319, respectively, compared to the current year projection. The college budget assumes a health insurance growth rate of 9.7%. The budget appears very reasonable based on the best estimate assumptions in New York State's Quarterly Experience Report.
- The TIAA–CREF FY 2017-2018 budget of $5.9 million is declining $1.5 million compared to the FY 2016-2017 Adopted Budget. The decrease is attributed to a decline in budgeted salaries, as the contribution amount is a function of the salaries.
- The social security budget of $9.2 million is consistent with the levels of the current year's budget with a minimal increase of $6,000. Compared to the current projection, the budget is increasing by $261,890. Since social security costs are a function of salaries, and the FY 2018 salaries are budgeted to decrease, the social security budget should be more than sufficient.
- The budget for worker's compensation remains constant at $1.3 million for the FY 2017-2018 budget, which is based on historical trends, and in line with the current projection.

OTHER THAN PERSONAL SERVICES

- OTPS spending in FY 2017–2018 will be about $393,759, or 1.50%, more than that of the FY2016-2017 modified budget. The following chart details the OTPS spending from 2016 to the current Adopted Budget:

Nassau Community College
OTPS Budget Comparison
FY 2016 - 2018

	2016 Operating Results	2017 Modified Budget	2017 Projected Oper. Results	2018 Adopted Budget	Variance Mod 2017/2018	Variance Proj/Bud
Equipment	$1,894,281	$2,307,521	$2,255,493	$2,075,054	($232,467)	($180,439)
General Expenses	7,148,056	7,786,835	7,832,273	6,995,371	(791,464)	(836,902)
Contractual Services	8,105,839	7,855,085	7,866,675	7,766,554	(88,531)	(100,121)
Utility Costs	4,716,602	4,470,500	4,423,827	4,393,827	(76,673)	(30,000)
Debt Service	453,601	654,456	652,081	2,717,350	2,062,894	2,065,269
Interfund Charges	1,815,734	3,120,000	2,800,000	2,640,000	(480,000)	(160,000)
Scholarships	47,012	55,000	55,000	55,000	0	0
	$24,181,125	$26,249,397	$25,885,349	$26,643,156	$393,759	$757,807

- 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.
- The overall increase in OTPS spending in the adopted budget is driven mostly by the $2.1 million growth in debt service, offset by the reduction in all other areas of OTPS. The debt service budget includes the debt related to the termination costs associated with the prior borrowing for the retirement incentives that were offered to CSEA and NCCFT members. The County paid for the termination expense costs associated with the incentives using bonded funds secured by the County. The $2.7 million consists of $260,600 in principal and interest for the CSEA 2014 10-year borrowing and $2.5 million in principal and interest on the four-year NCCFT borrowing.
  - The revenue budget includes a $1.6 million accommodation by the County for the debt costs related to the NCCFT borrowing. This will be achieved through a County Ordinance that will amend the repayment agreement between the County and College for the NCCFT related termination expense.

- The decrease in all other areas of OTPS expenses comes from the necessity to reduce spending where possible. With the exception of some vendor contracts and some utility expenses, all departments' OTPS budgets will see a reduction.
  - The Plant and Facilities department will reduce approximately six percent of the general expenses and equipment lines.
  - All other departments will decrease approximately eleven percent in the general expenses and equipment lines.

EXPENSE RECAP

- The adopted FY 2017-2018 expense budget represents a $2.5 million budget to budget reduction in expenses as a result of decreases in salary expenses and fringe benefits. Additionally, other than personal services are declining across the board with the exception of a $2.1 million increase in debt service costs.

EXPENSE RISKS

- The College has no control over the outcome of any negotiations with the CSEA but any agreed upon salary increases for CSEA members in FY 2018 may also put the salary line at risk.
- The general expenses and equipment lines have been reduced in most areas in the adopted budget leaving very little wiggle room for any unanticipated emergency.

	Historical		2017		2018	2017 vs. 2018		Projected vs. 2018	
	2015	2016	Adopted Budget	OLBR Projected	Adopted Budget	Variance	Percent	Variance	Percent
Tuition	$82,795,681	$82,829,292	$85,047,353	$82,383,134	$81,162,678	($3,884,675)	-4.6%	($1,220,456)	-1.5%
Property Tax	52,209,387	52,206,883	52,206,883	52,206,883	52,206,883	0	0.0%	0	0.0%
State Aid	47,262,928	47,810,987	47,775,011	47,447,434	45,323,590	(2,451,421)	-5.1%	(2,123,844)	-4.5%
Rev. Lieu Spons. Share	15,596,212	14,189,837	14,075,581	13,368,723	12,700,287	(1,375,294)	-9.8%	(668,436)	-5.0%
Rev. Offset To Expense	4,004,837	3,942,119	4,642,364	4,562,364	6,162,364	1,520,000	32.7%	1,600,000	35.1%
Service Fees	6,936,224	6,914,734	7,259,942	7,114,743	8,531,487	1,271,545	17.5%	1,416,744	19.9%
Rents & Recoveries	3,801,872	624,882	600,000	600,000	990,000	390,000	65.0%	390,000	65.0%
Investment Income	51,524	81,628	65,000	65,000	65,000	0	0.0%	0	0.0%
Federal Aid	2,568	0	0	0	0	0	0.0%	0	0.0%
Fund Balance Appropriated	2,473,000	0	0	0	2,006,320	2,006,320	0.0%	2,006,320	0.0%
Total	**$215,134,233**	**$208,600,362**	**$211,672,134**	**$207,748,281**	**$209,148,609**	**($2,523,525)**	**-1.2%**	**$1,400,328**	**0.7%**

Revenues

- Overall, the Adopted FY 2017-2018 Budget includes 1.2%, or $2.5 million, less revenue than the Adopted FY 2016-2017 Budget. Compared to the current academic year projection, revenue is up 0.7%, or $1.4 million, in FY 2017-2018.
- The College expects to face another substantial enrollment decline in FY 2017-2018, on the heels of a 6.4% drop in FY 2015-2016 and 7.4% decline to date in FY 2016-2017. As a result, the adopted budget increases the tuition rate, hikes service fees, and appropriates $2.0 million from the fund balance.
  - Even with the tuition hike, the tuition budget is 1.5%, or $1.2 million, less than the current projection.
  - Increased technology and vehicle registration fees should drive overall service fee revenue up 19.9%, or $1.4 million, over the current academic year projection.
- The State increased its assistance per Full-Time Student Equivalent (FTE) by $50 in the FY 2017-2018 State budget. However, this positive development is more than offset by the expected decline in enrollment, driving state aid revenue down $2.1 million compared to the current academic year projection.
- The County's share of College revenue, the property tax levy, remains $52.2 million in FY 2017-2018. The property tax levy has been set at $52.2 million since FY 2008-2009.
- Revenue in lieu of sponsor share is down $1.4 million budget to budget and $0.7 million compared to the latest academic year projection. The expected enrollment downturn is responsible for this reduction.
- The revenue offset to expense line is up $1.5 million budget to budget as the County has agreed to a $1.6 million debt service principal accommodation.

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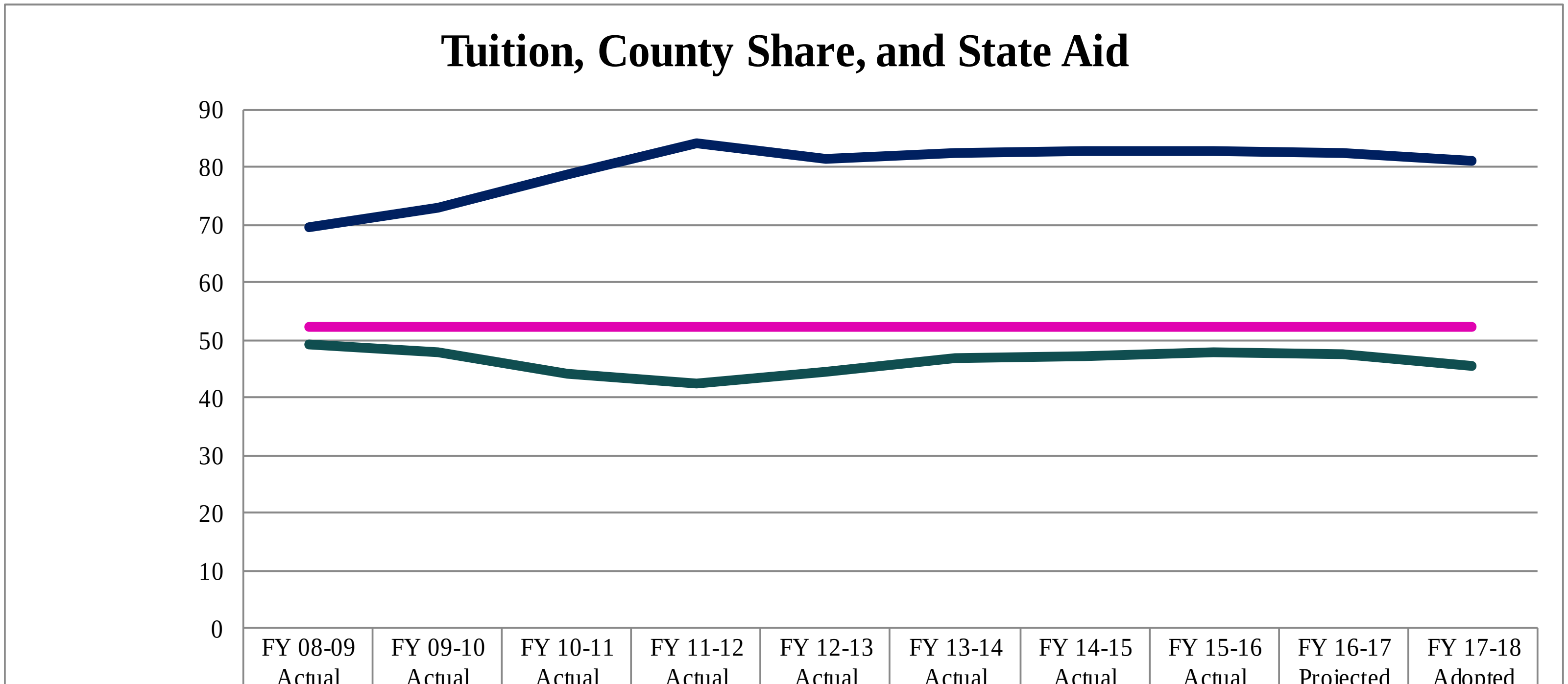
FY 2009 Actual – 2018 Adopted
($ in millions)



	FY 08-09 Actual	FY 09-10 Actual	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Actual	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual	FY 16-17 Projected	FY 17-18 Adopted
Tuition	$69.6	72.9	78.7	84.1	81.5	82.4	82.8	82.8	82.4	$81.1
County Share	$52.2	52.2	52.2	52.2	52.2	52.2	52.2	52.2	52.2	$52.2
State Aid	$49.1	48.0	44.1	42.3	44.6	46.9	47.3	47.8	47.4	$45.3

- State aid is $45.3 million in the Adopted FY 17-18 Budget, about 21.7% of the overall revenue budget. Since FY 2008-2009, state aid has fluctuated, from a high of $49.1 million that year to a low of $42.3 million in FY 2011-2012.
- The County share is $52.2 million in FY 2017-2018, accounting for 25.0% of 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. While it may be stable, FY 2017-2018 marks a full decade since the County share was last increased.
- Tuition is $81.1 million, or 38.8% of FY 2017-2018 revenue. The College has steadily increased its tuition rate since FY 2012-2013, offsetting the flat property tax levy and variable State support.

Tuition

- The tuition budget is down about $3.9 million from the level adopted for FY 2016-2017. Tuition 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 about two percent or more each year since FY 2011-2012. Enrollment has dropped sharply over the last five years, about 20.8% since FY 2013-2014.
- NCC's Administration has been putting together a Strategic Enrollment Management plan to systematically address the enrollment trend's underlying causes. The plan will be implemented over a four-year period, from 2018 to 2022.

Year	FTE Count	% Change	Tuition	% Change
FY 08-09	18,427	0.77%	$3,552	3.44%
FY 09-10	19,392	5.24%	3,622	1.97%
FY 10-11	19,691	1.54%	3,732	3.04%
FY 11-12	19,274	-2.12%	3,990	6.91%
FY 12-13	18,756	-2.69%	3,990	0.00%
FY 13-14	18,382	-1.99%	4,088	2.46%
FY 14-15	17,862	-2.83%	4,234	3.57%
FY 15-16	16,725	-6.37%	4,534	7.09%
FY 16-17*	15,493	-7.37%	4,868	7.37%
FY 17-18*	14,564	-6.00%	$5,102	4.81%

*Projected FTEs in FY 16-17 and FY17-18

- The College instituted a $234, or 4.8%, tuition increase to stave off the 6.0% enrollment decline expected in FY 2017-2018. As the table below demonstrates, Nassau's tuition rate is higher than both Suffolk's and Westchester's rates.

FY 2017-2018

Yearly Tuition Comparison

	Current	FY17-18 Adopted	Increase	Diff From Nassau
Nassau	$4,868	$5,102	$234	-
Suffolk	4,770	4,870	100	-232
Westchester	4,280	4,280	0	-822

Property Tax Levy

- The property tax levy remains flat at $52.2 million in the Adopted FY 2017-2018 Budget.
- The County's contribution represents 25.0% of revenue.

State Aid

- Compared to the Adopted FY 2016-2017 Budget, state aid dips 5.1% to $45.3 million in FY 2017-2018.
- Even though the state increased its FTE reimbursement rate by $50, up to $2,747 per FTE in FY 2017-2018, the projected tumble in enrollment will drive net State aid down about $2.5 million.
  - The State has imposed midyear cuts in the past. Further stress would be put on the budget should midyear cuts occur in FY 2017-2018.

Revenue in Lieu of Sponsor Share

- The projected 6.0% enrollment decline will drive this revenue stream down $1.4 million, or 9.8%, budget to budget.
- Revenue in lieu of sponsor share 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 $12.7 million budget for this revenue stream breaks out in the following manner: $10.9 million from charging back to other counties and $1.8 million from collections for all other non-resident tuition.

Revenue Offset to Expenses

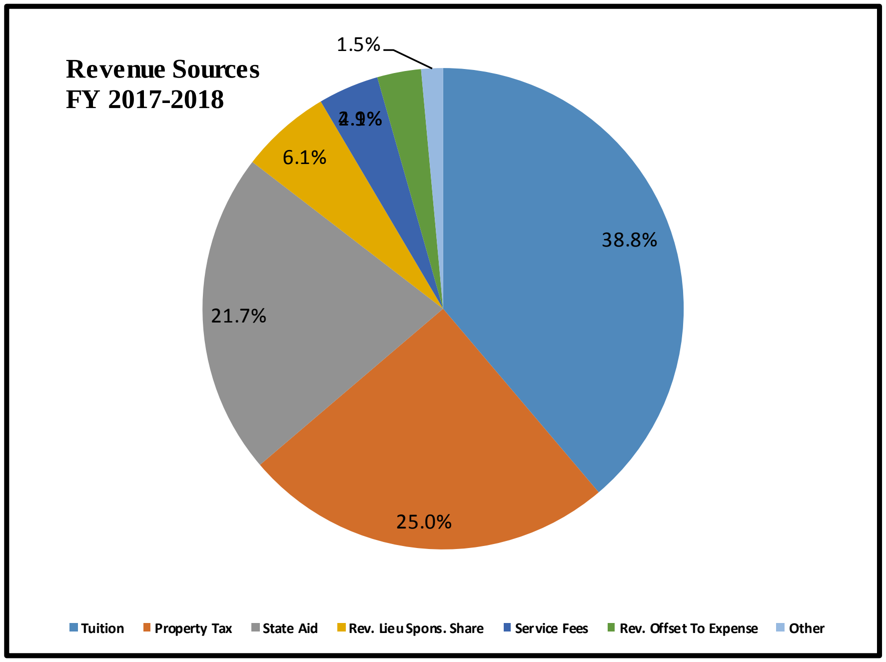
- This revenue source is comprised of commissions, contracts, and fees to cover special course offerings. These special offerings include continuing education, corporate education, and English as a Second Language (ESL), among other courses.
- The FY 2017-2018 revenue offset to expense budget is $6.2 million, about $1.5 million more than the Adopted FY 2016-2017 Budget. The budget to budget growth is tied to a $1.6 million debt service principal accommodation for last year's Nassau Community College Federation of Teachers (NCCFT) Early Retirement Incentive.

Rents and Recoveries

- Most of this revenue is generated as a result of liquidating prior year encumbrances. Compared to both the current academic year projection and the Adopted FY 2016-2017 Budget, rents and recoveries is up 65.0% to $1.0 million in FY 2017-2018.
  - The College is finalizing a plan to sublease its North Annex to the Westbury School District, accounting for the expected growth on this revenue line.

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 historically low.



Service Fees

- The service fee budget is about 17.5%, or $1.3 million, greater than the adopted FY 2016-2017 service fee budget.
- The growth is tied to increased technology and vehicle registration fees. The technology fee increase is expected to generate an additional $1.9 million annually, while the heightened vehicle registration fee yields nearly $0.1 million. Each remaining fee on the schedule is expected to be affected by declining enrollment, offsetting new growth by $0.8 million.

Adopted FY 2017 vs. Adopted FY 2018						
	FY 2016-2017		FY 2017-2018		Variance	
Service Fee: Source	Fee	Adopted Budget	Fee	Adopted Budget	Fee	Revenue
Technology	$140	$2,453,719	$250	$4,381,641	$110	$1,927,922
Student Lab	100	1,538,702	100	1,262,409	0	(276,293)
Application	50	823,368	50	675,522	0	(147,846)
NG Check	20	10,920	20	8,960	0	(1,961)
Academic Transcript Fees	30	20,631	30	16,926	0	(3,704)
Late Registration	25	217,105	25	178,121	0	(38,984)
Nursing Evaluation	75	564	75	463	0	(101)
Tuition Pay Plan	40	427,532	40	350,764	0	(76,769)
Change of Program	25	1,715	25	1,407	0	(308)
Consolidated Fee	30	933,058	30	765,516	0	(167,542)
Convenience Fee	18	322,276	18	264,408	0	(57,869)
Vehicle Registration	45	510,353	55	625,353	10	115,000
Totals		$7,259,943		$8,531,488		$1,271,546

- In addition to the service fees shown above, the Faculty and Student Association (FSA) voted to raise the extracurricular activities fee by $20 for FY 2017-2018. This fee supports NCC student clubs, organizations, and teams, including the Student Government Association (SGA) and the football team. Although the extracurricular activities fee is mandatory for all students it doesn't factor into NCC's operating budget. The FSA is a non-profit 501(c)(3) charity organization headed by its own Board of Directors.

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 FY 2017-2018 budget appropriates $2.0 million from the fund balance, breaking from recent practice. The College avoided budgeting an appropriation in FY 2015-2016 and FY 2016-2017 in an effort to meet the Board's threshold.
  - The fund balance would remain threshold compliant if FY 2016-2017 and FY 2017-2018 proceed as planned. At the end of FY 2017-2018, the fund balance would sit at just over $12.0 million, about 5.7% of the FY 2016-2017 operating budget.
  - NCC would rely on the fund balance to cover shortfalls caused by a worse than expected decline in enrollment, including deficits in tuition, service fees, and state aid revenue.

Fund Balance Reconciliation	
FY 2015-2016 Unappropriated Fund Balance	**$11,697,875**
Adopted FY 2016-2017 Fund Balance Appropriation	**-**
FY 2016-2017 Projected Operating Results	**2,311,492**
Projected FY 2017-2018 Unappropriated Fund Balance	**14,009,367**
Adopted FY 2017-2018 Fund Balance Appropriation	**(2,006,320)**
Projected FY 2017-2018 Unappropriated Fund Balance*	**$12,003,047**

Excludes $368,832 liquidation anticipated during FY 2017-2018.

Fund Balance, Cont.

- In the Fiscal Year ending August 31, 2016, New York State Community Colleges held on average 13.41% of budgeted expenditures in an unreserved fund balance.
- At 6.34%, Nassau Community College ranked 25th out of 30th among Community Colleges in terms of fund balance as a percentage of expenditures. As of August 31, 2015, Nassau held 4.51% 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 $13.0 million Fund Balance the College reported in its NYS Annual Report for the Fiscal Year ending August 31, 2016. The State requires only actual expenditures in this report.

Community College Fund Balance Comparison
As of Fiscal Year Ending August 31, 2016

Rank	Community College	Unreserved Fund Balance	Total Expenditures*	Percent of Fund Balance to Expenditures
1	F-I-T	$ 79,191,765	$ 202,819,074	39.05%
2	North Country	4,071,027	12,455,108	32.69%
3	Niagara	13,710,382	44,977,538	30.48%
4	Herkimer	5,642,602	21,641,812	26.07%
5	Genesee	7,834,525	38,859,250	20.16%
6	Jamestown	6,367,233	34,142,414	18.65%
7	Corning	5,324,483	28,805,390	18.48%
8	Mohawk Valley	7,015,686	48,382,451	14.50%
9	Schenectady	4,092,655	28,363,692	14.43%
10	Erie	12,849,790	109,647,895	11.72%
11	Suffolk	23,823,344	203,297,448	11.72%
12	Finger Lakes	5,162,434	44,376,043	11.63%
13	Monroe	13,924,150	120,633,829	11.54%
14	Jefferson	3,095,557	26,951,244	11.49%
15	Westchester	12,310,152	116,987,016	10.52%
16	Dutchess	5,765,427	61,262,652	9.41%
17	Fulton-Montgomery	1,725,881	18,388,943	9.39%
18	Columbia-Greene	1,458,179	15,842,635	9.20%
19	Clinton	1,114,728	13,779,472	8.09%
20	Cayuga	2,230,567	29,614,073	7.53%
21	Onondaga	5,552,017	74,901,762	7.41%
22	Orange	4,077,299	59,094,280	6.90%
23	Broome	3,415,853	53,265,597	6.41%
24	Adirondack	1,813,511	28,376,553	6.39%
25	Nassau	13,011,077	205,159,603	6.34%
26	Rockland	3,271,668	64,175,743	5.10%
27	Hudson Valley	3,800,429	93,773,960	4.05%
28	Tompkins - Cortland	1,458,716	40,118,171	3.64%
29	Ulster	862,566	23,735,747	3.63%
30	Sullivan	(1,840,072)	16,202,212	-11.36%

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

Opportunities & Risks

- Enrollment sensitive revenue such as tuition, service fees, and state aid would miss target if enrollment declines more than expected; the College built its budget on the assumption that enrollment would decline 6.0% in FY 2017-2018.
- A risk to the budget would materialize should the State slash the reimbursement rate mid-year, an action the State last took in FY 2009-2010.
- A joint State University of New York/ City University of New York (SUNY/CUNY) taskforce has recommended changes to the non-resident FTE chargeback rate formula. If these changes are enacted they could affect future revenue in lieu of sponsor share proceeds.

Excelsior Scholarship

- New York State enacted the Excelsior Scholarship, a free college tuition program, as part of its FY 2017-2018 budget. Eligible students would receive free tuition to state universities and community colleges. In return, recipients must pledge to live and work in New York State for four years after graduation. The grant would convert to a loan if the recipient fails to meet this requirement. The Excelsior Scholarship is a "last dollar" program; qualifying students must exhaust their eligibility for certain federal and state assistance programs before receiving Excelsior benefits[1].
- The Excelsior Scholarship takes effect Fall 2017, but the College expects little to any impact on its bottom line. After each semester, the State plans to reimburse NCC for the tuition of eligible Excelsior Scholarship students. The College points out the potential for a cash flow impact, as students normally pay their tuition before or during a given semester. However, once Federal and State assistance programs are factored into the equation, NCC estimates about 70 current FTEs qualify for the Excelsior Scholarship program.

[1] Yancey Roy, "What you need to know about NY's free college tuition program," Newsday, April 11, 2017.

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$1,574,227	$2,176,350	$2,207,262	$2,379,625	$2,325,278	$118,016	5.3%	($54,347)	-2.3%
Dept Revenues	19,438,572	21,089,653	22,929,221	22,929,221	22,282,252	(646,969)	-2.8%	(646,969)	-2.8%
Interdept Revenues	72,940	74,166	0	0	0	0	*****	0	*****
Fed Aid-Reimb of Exp	1,667,707	40,932	0	0	0	0	*****	0	*****
State Aid-Reimb of Exp	130,322	133,864	100,000	0	0	(100,000)	-100.0%	0	*****
Special Taxes	3,325,000	3,218,751	2,525,000	2,525,000	2,625,000	100,000	4.0%	100,000	4.0%
Total	**$26,208,768**	**$26,733,716**	**$27,761,483**	**$27,833,846**	**$27,232,530**	**($528,953)**	**-1.9%**	**($601,316)**	**-2.2%**

Revenues

- The FY 18 Proposed Budget decreases total revenues by $0.5 million, or 1.9%, in comparison to the FY 17 Adopted Budget and by $0.6 million, or 2.2% when compared to OLBR's projection. The largest decrease is mainly visible in the departmental revenues line.
- Rents and recoveries shows an increase of $0.1 million in the FY 18, mainly due to an accounting change with the vendor managing the landmark property rentals. The County will be recording gross revenues in FY 18.
- Departmental revenues are decreasing by $0.6 million, primarily due to a decline in various golf related fees such as greens fees, driving range fees, golf cart fees, golf courses fees, offset by increases in concessions, the summer recreation program, and athletic field fees.
- Funding for state aid-reimbursement of expenses has been eliminated in FY 18.
- The FY 18 Proposed Budget anticipates an increase in special taxes of $0.1 million, or 4.0%, in comparison to both the FY 17 Adopted Budget and OLBR's projection.
- The chart below details the FY 16 actual, the FY 17 budget and the FY 18 Proposed Budget for the Hotel/Motel tax. (excluding Grant).

General Fund Hotel / Motel Tax ($ in millions)	FY16 Actual	FY17 Budget	FY18 Proposed
Treasurer	$1.0	$1.1	$1.1
Parks	$3.2	$2.5	$2.6
Total	**$4.3**	**$3.6**	**$3.7**

- The FY 18 Proposed Budget is in line with the FY 17 Adopted Budget. According to the Administration, the FY 16 actual was high due to a settlement.
- Long Island Convention and Visitor Bureau figures reveal strong tourism demand. In August 2017, demand was strong enough to enable rental rates to rise 2.3% while occupancy rates fell 0.7% from the prior year. Additionally, New York State Labor Department figures show Long Island leisure and hospitality employment rose 2.8% from the prior year.

Revenues Cont.

Golf Operations Departmental Revenue			
	FY 16	FY 17	FY 18
Revenue Source	Actual	Budget	Proposed
Greens Fees	$1,122,211	$1,312,760	$1,182,800
Caddy Cart Fees	31,650	39,600	34,300
Minature Golf	17,393	30,000	20,000
Leisure Pass Fee	151,738	181,704	152,000
Room Rentals	280	0	200
Golf Cart Fees	1,162,978	1,267,184	1,170,300
Driving Range Fees	691,897	909,267	775,100
Golf Reservation Fees	283,831	408,173	333,500
Golf No Show Fee	479	1,500	1,000
Redeemable Certificates	92,359	100,500	93,500
Greens Fees Red Course	1,405,634	1,538,988	1,414,000
Greens Fees White Course	1,307,694	1,676,103	1,476,100
Greens Fees Blue Course	1,306,895	1,613,802	1,314,000
Reserve for Volumn Adjmt.	34	0	0
Revenue Refunds	9	0	0
Concessions	24,413	27,500	26,500
Total	**$7,599,494**	**$9,107,081**	**$7,993,300**

- The above chart captures golf operations that are reflected within departmental revenues.
- The Proposed FY 18 revenues are budgeted to decrease from the FY 17 Adopted Budget. Per the department, the FY 17 was overly optimistic.
- The FY 18 is more in line with FY 16 actuals.
- The County's golf operations are significantly impacted by weather conditions. Extreme heat or wet conditions will impede attendance.

The Red Course, Eisenhower Park

Revenues Cont.

Departmental Revenue Revenue Source	FY 16 Actual	FY 17 Budget	FY 18 Proposed
Misc Receipts	$950	$1,000	$1,000
Fees	220	$0	$0
Concessions	1,747,333	1,659,200	1,929,500
Greens Fees	1,122,211	1,312,760	1,182,800
Caddy Cart Fees	31,650	39,600	34,300
Summer Recreation Prg. Fees Rev.	811,668	825,000	1,004,984
Swimming Pools	2,116,603	2,111,318	2,112,343
Ice Rinks	377,258	363,048	363,000
Old Bethpage Hist Vil	352,372	401,822	400,000
Museum of Nat History	57,511	65,500	65,500
Rental of Equipment	12,800	16,000	16,000
Summer Day Camps	21,133	26,720	25,140
Special Use Permits	259,373	205,200	204,950
Ice Skate Lessons	7,320	24,550	17,500
Ice Skate Rental	43,268	50,336	42,500
Ice Skate Sharpening	139	750	250
Ice Skate Locker Fees	732	300	300
Marina Wantagh	521,362	525,114	525,115
Roller Skate Admissn	1,815	2,000	2,000
Beach Parking	424,896	504,670	505,000
Cabana Rentals	2,537,505	2,811,395	2,811,395
Miniature Golf	246,213	434,660	424,660
Commercial Parking	17,416	5,700	5,700
Camping Fees	837,640	862,556	907,304
Service Fees	1,239	1,000	1,500
Special Sports Prog	335,380	304,405	315,000
Pitch & Putt Club Rental	510	2,000	2,000
Pitch & Putt Fee	17,952	35,000	35,000
Pitch & Putt Ball Sales	821	2,500	2,500

➢ The above charts list all revenues included in the FY 18 Proposed departmental revenue lines.

Departmental Revenue Revenue Source	FY 16 Actual	FY 17 Budget	FY 18 Proposed
Open Space Usage Fee	19,716	3,400	3,400
Aerodrome Field Usage Fee	6,220	7,500	7,500
Batting Cage Fees	88,119	76,114	76,114
Lifestyle Programs	26,138	35,000	35,000
Leisure Pass Fee	599,180	718,428	704,004
Advertising Revenue	200,000	60,000	50,000
Welwyn Revenue	1,000	1,000	1,000
Launching Ramps	48,677	64,020	64,020
Tennis Courts	18,751	24,400	24,400
Room Rentals	86,080	71,484	71,800
Picnic Reservation Permits	144,027	185,619	165,800
Swimming Programs	236,931	372,500	372,500
Athletic Field Fees/Charges	1,235,668	880,960	982,498
Mitchel Field Track & Field	250	0	0
Non-Resident Fees	168,229	155,200	161,500
Golf Cart Fees	1,162,978	1,367,184	1,170,300
Driving Range Fees	691,897	909,267	775,100
Alcohol Permits	26,815	44,925	38,925
Golf Reservation Fees	283,831	408,173	333,500
Golf No Show Fee	499	1,500	1,000
Film & Advert Activities	17,750	10,000	4,000
Redeemable Certificates	96,164	104,550	97,550
Greens Fees Red Course	1,405,634	1,538,988	1,414,000
Greens Fees White Course	1,307,694	1,676,103	1,476,100
Greens Fees Blue Course	1,306,895	1,613,802	1,314,000
Reserve for Volume Adjustment	34	0	0
Revenue Refund	9	0	0
County League Registration	5,180	5,000	1,000
Total	**$21,089,653**	**$22,929,221**	**$22,282,252**

➢ The total Proposed FY 18 departmental revenues budget is $22.3 million which represents a decrease of 2.8% from the FY 17 Adopted Budget.

Revenues Cont.

Summer Recreation Program

Eisenhower Park

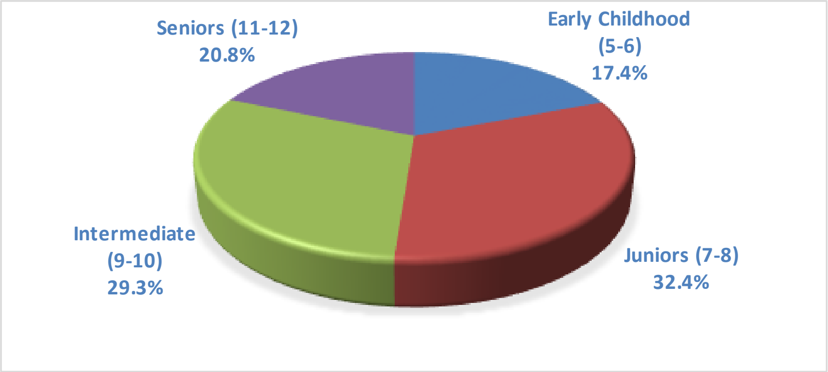
- The Summer Recreation Program was launched in FY 10. The program hosted children at different County parks. For FY 17, the facilities used were Nickerson Beach, Cantiague, Eisenhower, and Wantagh Parks.
- The Summer Recreation Program operated from June 26, to August 10, 2017. There were a total of 1,215 children who participated in the program. The chart below reflects historical and FY 17 data.

Summer Recreation Program Age Categories	FY14	FY15	FY16	FY17
Early Childhood (5-6)	135	192	219	212
Juniors (7-8)	257	265	353	394
Intermediate (9-10)	319	313	345	356
Seniors (11-12)	177	229	213	253
Total	**888**	**999**	**1,130**	**1,215**

- The fees consist of $800 for one child for the 8:30 am – 3:00 pm session or $1,000 for the 8:30 am – 5:30 pm session. Additional sibling discounts were offered: $50 off for a second 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 an estimated $1.0 million through FY 17 and also has a FY 18 Proposed Budget of $1.0 million.

Summer Recreation Program

Age Categories



Expense	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	152	152	154	149	149	(5)	-3.2%	0	0.0%
Part-Time and Seasonal	1,081	1,023	1,095	1,029	1,092	(3)	-0.3%	63	6.1%
Salaries	$20,652,107	$20,405,575	$20,946,827	$20,144,146	$21,034,299	$87,472	0.4%	$890,153	4.4%
Equipment	428,778	370,289	426,301	426,301	383,402	(42,899)	-10.1%	(42,899)	-10.1%
General Expenses	1,494,986	1,533,561	2,030,206	2,030,206	1,824,063	(206,143)	-10.2%	(206,143)	-10.2%
Contractual Services	6,849,670	7,669,550	6,596,135	6,596,135	7,159,639	563,504	8.5%	563,504	8.5%
Total	**$29,425,542**	**$29,978,975**	**$29,999,469**	**$29,196,788**	**$30,401,403**	**$401,934**	**1.3%**	**$1,204,615**	**4.1%**

Expenses

- Total Proposed FY 18 expenses are increasing by $0.4 million, or 1.3%, when compared to the Adopted Budget and increasing by $1.2 million, or 4.1%, compared to OLBR's projection.
- Salaries are increasing by $87,472, or 0.4%, compared to the FY 17 Adopted Budget and by $0.9 million, or 4.4%, compared to OLBR's projection.
  - According to the department, the change is mostly due to the inclusion of step increases for the Civil Service Employees Association (CSEA), partially offset by a reduction in planned headcount.
- The Proposed FY 18 equipment line declines by $42,899. Mainly due to a decrease of $84,549 in miscellaneous equipment and building equipment, offset by $43,116 for recreational equipment.
- Proposed FY 17 general expenses are decreasing by $0.2 million, or 10.2%, when compared to both the Adopted 2017 Budget and OLBR's projection.
  - The combined decreases of $0.5 million are for GPC parts/materials/supplies purchases, postage, building supplies and maintenance, equipment maintenance and rental, food supplies, clothing and uniforms, offset by an increase of $0.3 million in miscellaneous supplies and expenses.
- Contractual Services are increasing by $0.6 million, or 8.5%, compared to both the 2017 Adopted Budget and OLBR's projection.
  - The combined increases of $0.7 million are in Cornell Cooperative, Long Island Tourism, miscellaneous contractual services, and custodial expenses, offset by a decline of $0.2 million in sanitary solid waste disposal.

Expenses, Cont.

		Staffing Analysis FY 17 Adopted	Sept-17 Actual	FY 18 Request	FY 18 Executive	Exec. vs 17 Adopt	Exec. vs Actual
CC	**Full-time Staffing**						
10	Administration	24	23	24	24	0	1
20	Technical Services	45	46	45	45	0	(1)
30	Recreation Services	39	35	36	36	(3)	1
40	Museums	5	4	5	4	(1)	0
61	Golf Operations	41	41	40	40	(1)	(1)
Total Full-time		**154**	**149**	**150**	**149**	**(5)**	**0**
CC	**Part-time and Seasonal**						
10	Administration	12	6	11	11	(1)	5
20	Technical Services	128	189	128	128	0	(61)
30	Recreation Services	777	665	778	778	1	113
40	Museums	64	59	61	61	(3)	2
61	Golf Operations	114	110	114	114	0	4
Total Part-time and Seasonal		**1,095**	**1,029**	**1,092**	**1,092**	**(3)**	**63**

- Full-time headcount for FY 18 is decreasing by five positions when compared to the FY 17 Adopted Budget.
- 12 full-time employees participated in the Voluntary Separation Incentive Program (VSIP). The current plan is to consider replacing fifty percent of these positions.
- Part-time and seasonal positions are decreasing by three in FY 18 when compared to the FY 17 Adopted headcount; and increasing by 63 when compared to the current on board.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	3,014	3,225	3,335	3,244	3,308	(27)	-0.8%	64	2.0%
Part-Time and Seasonal	446	433	485	460	485	0	0.0%	25	5.4%
Salaries	$447,562,282	$461,923,950	$484,413,266	$494,319,361	$480,821,738	($3,591,528)	-0.7%	(13,497,623)	-2.7%
Fringe Benefits	242,841,577	256,048,130	281,125,501	281,232,216	298,513,380	17,387,879	6.2%	17,281,164	6.1%
Workers Compensation	11,282,583	12,459,623	14,516,972	14,516,972	13,885,685	(631,287)	-4.3%	(631,287)	-4.3%
Equipment	503,684	346,748	856,920	856,920	980,760	123,840	14.5%	123,840	14.5%
General Expenses	7,711,336	6,847,085	8,843,367	8,843,367	7,822,790	(1,020,577)	-11.5%	(1,020,577)	-11.5%
Contractual Services	11,879,607	12,780,476	12,345,810	12,345,810	15,771,200	3,425,390	27.7%	3,425,390	27.7%
Utility Costs	4,360,049	3,572,062	4,706,564	4,706,564	4,170,078	(536,486)	-11.4%	(536,486)	-11.4%
Debt Svc. Chargebacks	17,711,436	20,136,451	22,690,273	22,690,273	24,593,625	1,903,352	8.4%	1,903,352	8.4%
Inter-Dept. Charges	42,955,549	44,777,646	43,815,328	43,815,328	47,092,676	3,277,348	7.5%	3,277,348	7.5%
Interfund Charges	635	24	0	0	0	0	*****	0	*****
Trans To General Fund	929,968	0	0	0	0	0	*****	0	*****
Other Expense	891,829	0	0	0	0	0	*****	0	*****
Trans To Litigation Fund	0	6,000,000	0	0	0	0	*****	0	*****
Trans To EBF Fund	0	13,083,804	0	0	0	0	*****	0	*****
Total	**$788,630,536**	**$837,976,001**	**$873,314,001**	**$883,326,811**	**$893,651,932**	**$20,337,931**	**2.3%**	**$10,325,121**	**1.2%**

Expenses

- Total FY 18 Police Department expenses of $893.7 million are increasing by $20.3 million when compared to the FY 17 budget of $873.3 million and $10.3 million over OLBR's FY 17 projection.
- The increase in expenses is mainly driven by a growth of $17.4 million in fringe benefits, $3.4 million in contractual services, $1.9 million in debt service chargebacks and $3.3 million in interdepartmental charges.
- Full-time headcount is declining by 27, or 0.8%, compared to the FY 17 budget and increasing by 64 when compared to OLBR's projection of 3,244.
- Salaries are decreasing by $3.6 million, or 0.7%, to $480.8 million, budget to budget, and $13.5 million, or 2.7%, compared to OLBR's FY 17 projection of $494.3 million.

Expenses, Cont.

- The reduction in salaries, budget to budget, is primarily a result of lower termination expense, reduced headcount and the lower salaries from attrition. The proposed budget includes step adjustments for eligible union members.
- The overtime budget assumes $55.8 million in funding and is equal to the previous year. A more detailed discussion on overtime expense will follow.
- Termination expense in the proposed budget is $29.7 million, a $4.5 million decrease from the FY 17 budget of $34.2 million in anticipation of fewer retirements in FY 18. The budget office anticipates that the funding for termination expense should be sufficient to cover 100 separations.
- In November 2017 the department plans to hire 103 police officers and an additional 100 sometime in FY 18 depending on demand.
- The additional police officers will offset the impact of those sworn personnel separating from service in FY 17. Currently, 147 sworn personnel have separated from service and the Administration estimates approximately 225 will separate in FY 17.

➢ Fringe benefits in the Police Department are growing by $17.4 million, or 6.2%, from the FY 17 Adopted Budget to $298.5 million in the FY 18 Proposed Budget. The increase is mostly due to rises in health insurance and pension contribution.

- Health insurance expenses for active employees are increasing by $10.9 million and by $1.4 million for retirees, resulting in an overall increase of $12.3 million compared to the current year's budget.
- The increase in health insurance is mostly due to a health insurance growth rate of 8.7%, which is reasonable based on NYSHIP's Quarterly Experience Report. The health insurance budget appears reasonable based on this rate.
- The increase of 1.9% in the health insurance budget for retirees, is much lower than the assumed growth rate as the FY 17 Adopted Budget for retirees was overstated.
- The FY 18 Proposed Budget includes $103.6 million for pension expense obligations. This is an increase of $3.9 million compared to the FY 17 Adopted Budget. The contribution rate for the retirement plan with the majority of Officers is increasing from 24.8% to 25.3%. Besides the rate increasing, the budget for pension expenses is also rising due to 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 continues to inflate the pension expense.

➢ The FY 18 Proposed Budget includes $30.0 million for social security expenses. The budget is remaining relatively unchanged, with a marginal increase of 0.3% compared to the current year budget. The social security budget appears to be sufficient, since the expense is a function of salaries, and they are declining in the Police Department.

- Workers' comp is decreasing 4.3%, or $631,287, compared to the FY 17 Adopted Budget. The reduction is the net of an increase of $847,772 in the District Fund and a decline of $1.5 million in the Headquarters Fund.
- Adding to the overall growth in expenses, budget to budget, are increases in equipment, contractual expenses, debt service chargebacks and interdepartmental charges.
- Offsetting the increases in the FY 18 expense budget are reductions in the aforementioned workers' compensation, general expenses and utility costs.

Expenses, Cont.

Overtime

Over the years, the Police Department had consistently exceeded its overtime budgets which had been woefully underfunded. In FY 2017, the Administration is projecting a $4.5M surplus in overtime, compared to the FY 17 budget, although it remains to be seen if the surplus will be achieved. Regardless of the exact outcome, it has been a long time since overtime actuals have even come close to budgeted numbers. The anticipated favorable results can be attributed to a combination of factors including: additional fully deployed police officers, lower salaries of recently hired police officers, the retirement of higher-paid veteran officers and the utilization of various grants and Asset Forfeiture funds targeting police initiatives. While this is certainly good news, it is important that the Administration continue its scheduled hiring plan. The impact on overtime from the planned new classes in the latter part of FY 17 and at some point in FY 18 will not have the full effect in FY 18 due to the six- to seven-month training required of all police recruits. If the hiring plan is not adhered to, the separation of the nearly 225 sworn personnel in FY 17 will generate the demand for overtime and offset some of positive impact on the expense. The intent that the newer and lower salaried officers would pick up more overtime hours at a much lower rate has been effective so it is important that the hiring continues.

As noted earlier, the Administration has included funding for up to 100 retirements. The contracts for all union members in the Police Department expire December 31, 2017 and it is not expected that a large number of sworn personnel will be retiring in FY 18. Many will have already separated in FY 17, so the attrition levels in FY 18 will not be as steep as FY 17, but the backfill must continue in order to offset the demand for overtime.

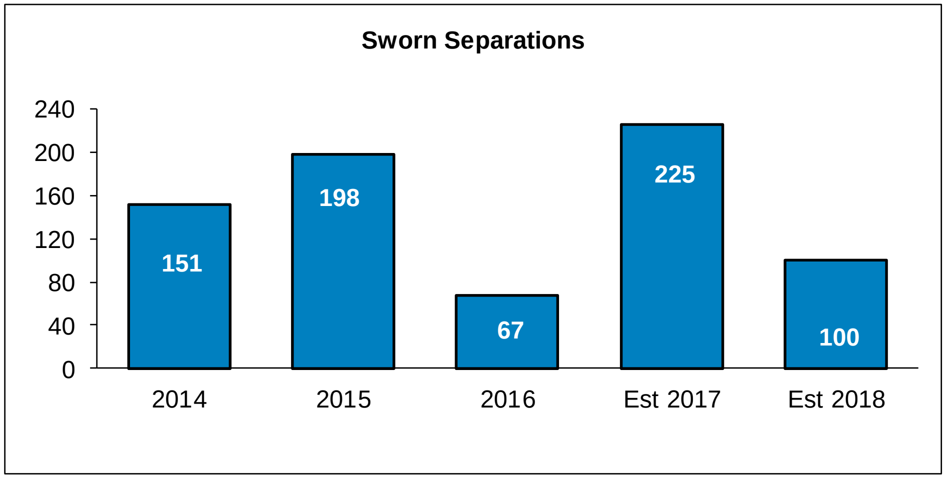
Expenses, Cont.

- Included in the FY 18 budget is funding for 2,493 sworn officers, decreasing by seven over the budget in FY 17 and 23 more than September actuals.
- The decline in full-time headcount in FY 18 by 27 from the adopted budget is comprised primarily of 21 Civil Service Employees Association (CSEA) members and nine Superior Officers Association members (SOA). The positive variance between the current on-board and the proposed is 64 and includes growth in all unions with the exception of a decline of six in the Police Benevolent Association (PBA).
- The reduction of 21 budget to budget in CSEA is related to decreases in the Police Service Aide and Police Auto Mechanic positions, among others.
- The recent VSIP offered to CSEA members included 96 employees from the Police Department. The impact of the savings generated by these separations are included centrally in the Office of Management and Budget and not in the individual departments. Of the 96 retirements, 57 are Crossing Guards, 13 Police Service Aides, 4 Police Automotive Mechanics and 3 Communication Operators among other support personnel. It is not clear if all 57 Crossing Guard positions will be backfilled.
- There will be very little change in ordinance budget to budget except for a slight increase of one headcount to budget and two positions compared to the September actuals. The addition of one, budget to budget, is for a Police Secretary to the Deputy Commissioner.

Full-time Police Department Headcount by Union

Sworn	2017 Adopted	Sept. Actuals	2018 Executive	2018 vs 2017	2018 vs Actuals
PBA	1,773	1,781	1,775	2	(6)
DAI	360	348	360	0	12
SOA	367	341	358	(9)	17
Subtotal	2,500	2,470	2,493	(7)	23
Civilian					
CSEA	823	763	802	(21)	39
ORD	12	11	13	1	2
Total	3,335	3,244	3,308	(27)	64

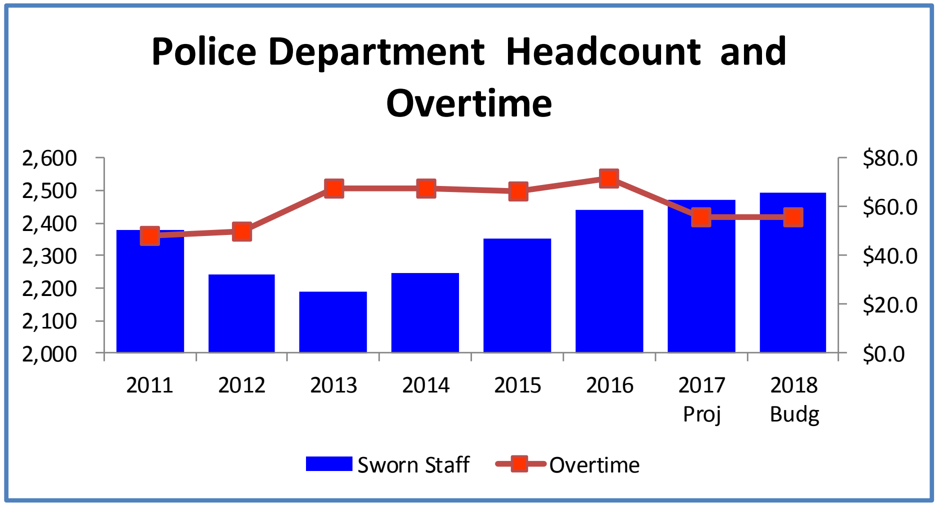
Expenses, Cont.



- FY 14 and FY 15 retirements were 151 and 198, respectively, FY 16 was 67 and the current estimate for FY 17 is approximately 225.
- The above chart illustrates that sworn retirements have fluctuated over the years. Currently, 26.3% of the sworn force are eligible to retire and the department has budgeted funding for 100 members to leave service in FY 18. The Administration has allocated $29.7 million for termination expense in the Proposed Budget.
- The budget assumes steps for all eligible union members in the Proposed Budget. It appears that funding for these increases is sufficient in FY 18. When a new contract is negotiated, the cost of the COLA will have to be taken into consideration.
- The planned Academy classes for the latter part of FY 17 (103) and the FY 18 (100) 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.
- The current uniform strength is 2,470. It is estimated that a total of approximately 225 sworn officers will retire in FY 17. The class of 103 recruits scheduled to be hired in the latter part of FY 17 should offset the expected remaining 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 18.
- The FY 18 Proposed Budget has funding for 2,493 uniform personnel. After all recruits are fully deployed, it is hoped their presence will continue to control overtime.



Police Headquarters, Expenses

Police Headquarters Expenses
($'s in millions)

Control Center	Historical 2015	Historical 2016	2017 Adopted Budget	2018 Executive Budget	Exec. vs. Adopted Var.	Exec. vs. Adopted %
Full-Time Headcount	1,582	1,581	1,635	1,632	(3)	-0.2%
Part-Time and Seasonal	51	49	51	51	0	0.0%
Salaries	$223.9	$240.0	$243.1	$249.5	$6.4	2.6%
Fringe Benefits	125.9	135.7	148.9	154.6	5.7	3.8%
Workers Compensation	4.1	4.3	5.9	4.4	(1.5)	-25.1%
Equipment	0.3	0.2	0.6	0.6	0.1	10.7%
General Expenses	3.3	3.2	3.9	3.8	(0.1)	-3.2%
Contractual Services	11.3	11.6	11.3	13.7	2.4	21.0%
Utility Costs	3.2	2.6	3.4	3.0	(0.3)	-10.4%
Debt Svc. Chargebacks	15.5	17.9	20.4	22.3	1.9	9.3%
Inter-Dept. Charges	22.4	23.2	23.6	26.3	2.7	11.5%
Interfund Charges	0.0	0.0	0.0	0.0	0.0	*****
Trans To General Fund	0.9	0.0	0.0	0.0	0.0	*****
Other Suits & Damages	0.1	0.0	0.0	0.0	0.0	*****
Total	**$411.1**	**$438.6**	**$461.0**	**$478.2**	**$17.2**	**3.7%**

- Headquarters expenses are increasing by $17.2 million, or 3.7%, compared to the FY 2017 Adopted Budget. The largest growth comes in fringe benefits, salaries, interdepartmental charges, contractual services and debt service chargebacks with smaller increases in equipment.
- The $6.4 million growth in salaries is associated with the full year's benefit of the step adjustments union members received. Additionally, the FY 17 budget included a salary adjustment of $3.8 million, as a credit, which has been eliminated in FY 18. Headquarter terminal leave and longevity are also increasing.
- The overtime allocation for Headquarters is flat with that of the allocation for FY 17.
- Terminal leave is increasing $459,427 budget to budget although the Administration has reduced the allocation in District by $5.0 million. It appears that the Administration assumes a greater number of separations in Headquarters than District in FY 18.
- Fringe benefits are increasing by $5.7 million which is mostly due to rises in health insurance for active and retired employees and pension contributions.
- Workers' compensation is declining by $1.5 million, or 25.1%, compared to that in FY 17.

Police Headquarters, Expenses, Cont.

- Debt service chargebacks are growing by $1.9 million.
- Interdepartmental charges are increasing by $2.7 million primarily as a result of a $812,827 growth in building occupancy charges and $1.8 million more for indirect charges. Smaller increases for printing, graphics and information technology charges factor into the growth as well.
- Utilities are declining by $347,369 in FY 18 mainly due to a $664,033 reduction for telephone charges offset by a $306,000 increase in light, power and water charges.
- The contractual services line is going up by $2.4 million due to an increase of $1.8 million in miscellaneous contractual services and $500,000 for legal contracts as well as an additional $347,368 for police union legal fees. Offsetting these increases is a reduction of $262,934 for radio & communications contracts.

Police District Expenses

Police District Expenses ($'s in millions)						
	Historical		2017	2018	Exec. Vs. Adpt	
Control Center	2015	2016	Adopted Budget	Executive Budget	Var.	%
Full-Time Headcount	1,432	1,644	1,700	1,676	(24)	-1.4%
Part-Time and Seasonal	395	384	434	434	0	0.0%
Salaries	$223.6	$221.9	$241.3	$231.3	($10.0)	-4.1%
Fringe Benefits	116.9	120.3	132.3	143.9	11.7	8.8%
Workers Compensation	7.2	8.2	8.6	9.5	0.8	9.8%
Equipment	0.2	0.1	0.3	0.4	0.1	21.7%
General Expenses	4.4	3.7	4.9	4.1	(0.9)	-18.1%
Contractual Services	0.5	1.1	1.0	2.0	1.0	104.2%
Utility Costs	1.1	1.0	1.4	1.2	(0.2)	-14.0%
Debt Svc. Chargebacks	2.2	2.2	2.2	2.2	0.0	0.2%
Inter-Dept. Charges	20.6	21.6	20.2	20.8	0.6	2.8%
Interfund Charges	0.0	0.0	0.0	0.0	0.0	*****
Other Expense	0.8	0.0	0.0	0.0	0.0	*****
Trans To Litigation Fund	0.0	6.0	0.0	0.0	0.0	*****
Transfer To EBF Fund	0.0	13.1	0.0	0.0	0.0	*****
Total	**$377.6**	**$399.4**	**$412.3**	**$415.4**	**$3.1**	**0.8%**

- District expenses are increasing by $3.1 million, or 0.8%, when comparing budget to budget.
- The $10.0 million decline in salaries is related to the lowered salaried police officers recently hired, the separation of higher paid veteran officers, the reduction of $5.0 million in the terminal leave allocation and the elimination of the $2.7 million Nassau Interim Finance Authority (NIFA) salary adjustment included in the FY 17 Adopted Budget.
- The fringe benefit line is increasing by $11.7 million as a result of growths in pension contributions and health insurance cost for both active members and retirees.
- The allocation for overtime in FY 18 is remaining at FY 17 levels. As discussed in the overtime section the funding should be sufficient should the Administration continue its hiring schedule.
- The terminal leave budget will see a reduction of $5.0 million to $12.4 million in FY 18 compared to the $17.4 million that was allocated in FY 17.
- Overall workers' compensation costs will increase by approximately $0.8 million or 9.8%, over those in FY 17.
- Increases occur in many other District expense lines, most notably contractual services. The growth of $1.0 million, or 104.2%, over the FY 17 line is due to hikes in miscellaneous contractual services, radio & communications and police union legal fees.

Revenues

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	$5,000,000	$0	$0	$0	$0	$0	*****	$0	*****
Permits & Licenses	5,497,716	5,534,676	5,700,000	5,700,000	5,508,818	(191,182)	-3.4%	-191,182	-3.4%
Fines & Forfeitures	1,301,125	1,410,400	29,691,721	23,691,721	65,377,574	35,685,853	120.2%	41,685,853	176.0%
Invest Income	32,121	12,754	32,000	32,000	24,235	(7,765)	-24.3%	(7,765)	-24.3%
Rents & Recoveries	213,936	1,108,394	66,140	85,639	66,140	0	0.0%	(19,499)	-22.8%
Dept Revenues	27,483,501	24,906,069	28,632,500	28,132,500	27,296,378	(1,336,122)	-4.7%	(836,122)	-3.0%
Interdept Revenues	13,124,160	13,542,604	13,786,233	13,786,233	13,816,869	30,636	0.2%	30,636	0.2%
Pymnt In Lieu of Taxes	0	25,695,946	25,695,945	25,695,945	25,695,945	0	0.0%	0	0.0%
Interfund Charges Rev	2,386,713	612,524	350,000	350,000	350,000	0	0.0%	0	0.0%
Fed Aid-Reimb Of Exp	2,708,448	956,213	1,064,600	1,064,600	903,878	(160,722)	-15.1%	(160,722)	-15.1%
Interfund Transfer	0	9,529,137	0	0	0	0	*****	0	*****
State Aid-Reimb Of Exp	749,787	684,201	589,000	589,000	700,000	111,000	18.8%	111,000	18.8%
Property Tax	710,054,829	731,891,023	743,249,862	743,248,024	729,226,813	(14,023,049)	-1.9%	(14,021,211)	-1.9%
Special Taxes	24,182,585	23,587,979	24,456,000	24,456,000	24,685,282	229,282	0.9%	229,282	0.9%
Total	**$792,734,921**	**$839,471,919**	**$873,314,001**	**$866,831,662**	**$893,651,932**	**$20,337,931**	**2.3%**	**$26,820,270**	**3.1%**

- Revenues in FY 18 are rising by $20.3 million, or 2.3%, when compared to FY 17 budget. The revenue budget will grow to $893.7 million in FY 18.
- Much of the increase in the Police Department revenue reflects the $35.7 million growth in the Public Safety Fee in fines and forfeitures which is offset by a reduction in the property tax levy.
- Payment in Lieu of Taxes (PILOT), for $25.7 million, remains flat with FY 17.

- The previous chart illustrates the $14.0 million decrease in the property tax levy from FY 17 to FY 18 as it relates tax levy reallocations.
- Departmental revenues are decreasing. The $1.3 million decline is the primarily the result of reductions in Headquarters for ambulance fees and ambulance fee collections.

Public Safety Fee - Much of the increase in the Police Department revenue reflects the $64.0 million public safety fee in fines and forfeitures. This is an increase of $35.6 million over the FY 17 budget of $28.4 million. Currently, a fine of $55 is assessed on traffic violations, a reduction from the FY 17 originally proposed $105 for all traffic and parking violations. The $105 fine did not win the approval of the Legislature which then set the ticket assessment at $55 for only traffic violations. In FY 18, the Administration has again assigned $64.0 million for this fee. According to a proposed ordinance amending Ordinance 180-2016, the new fee assessed on moving violations will be $120.00. Based on how poorly this was received by the Legislature for the FY 17 budget, OLBR considers this revenue highly questionable and therefore, deems the new revenue a risk.

Police Headquarters Revenues

Police Headquarters Revenues ($'s in millions)	Historical		2017	2018	Exec. Vs. Adpt	
Control Center	2015	2016	Adopted Budget	Executive Budget	Var.	%
Fund Balance	0.0	0.0	0.0	0.0	0.0	*****
Permits & Licenses	0.6	1.1	0.9	0.9	0.0	0.0%
Fines & Forfeits	0.0	0.0	28.4	64.0	35.6	125.5%
Invest Income	0.0	0.0	0.0	0.0	0.0	0.0%
Rents & Recoveries	0.1	0.7	0.1	0.1	0.0	0.0%
Dept Revenues	25.0	22.2	25.2	23.8	(1.3)	-5.3%
Interdept Revenues	12.8	13.3	12.1	13.4	1.3	10.8%
Pymnt In Lieu of Taxes	0.0	8.9	8.9	8.9	0.0	0.0%
Interfund Charges Rev	1.3	0.4	0.2	0.2	0.0	0.0%
Fed Aid-Reimb of Exp	2.5	1.0	1.1	0.9	(0.2)	-15.1%
Interfund Transfers	0.0	9.5	0.0	0.0	0.0	*****
State Aid-Reimb of Exp	0.7	0.7	0.6	0.7	0.1	18.8%
Property Tax	342.1	357.2	359.1	340.6	(18.5)	-5.2%
Special Taxes	24.2	23.6	24.5	24.7	0.2	0.9%
Total	**$409.3**	**$438.6**	**$461.0**	**$478.2**	**$17.2**	**3.7%**

- The Headquarters revenue budget is increasing in FY 18 by $17.2 million, or 3.7%. Driving the change is the $64.0 million Public Safety Fee offset by the $18.5 million decrease in property tax levy.

- The Public Safety Fee, in fines & forfeitures, discussed earlier is projected to generate $35.6 million in new revenue in FY 18. OLBR flags this as a risk.
- As a result of higher motor vehicle registrations and more cell phone E911 surcharges the special taxes lines will grow by $229,282. This category also includes a $583,150 decline in E911 land line surcharges.
- Pistol permit revenue will be flat budget to budget in FY 18.
- Interdepartmental revenues are growing by $1.3 million to $13.4 million.
- Departmental revenue will see a downturn of $1.3 million in FY 18 due to reductions in miscellaneous receipts, ambulance fees, voluntary fingerprint card fees and the elimination of ambulance fee collections.

Departmental Revenues ($'s in thousands) Revenue Source	FY 16 Actual	FY 17 Budget	FY 17 Projected	FY 18 Proposed
Misc Receipts	$71.5	$174.3	$174.3	$74.5
Fees	29.5	50.0	50.0	50.0
Parking Meter-Fees	161.6	140.0	140.0	140.0
Ambulance Fees	21,754.3	24,500.0	24,500.0	23,500.0
Ambulance Fee Collections	112.6	200.0	200.0	0.0
Detective Div Fees	6.1	16.2	16.2	16.2
Games of Chance	1.3	2.0	2.0	2.0
Voluntary Fingerprint Card Fees	57.1	100.0	100.0	63.7
	$22,194.0	**$25,182.5**	**$25,182.5**	**$23,846.4**

Police District Revenues

Police District Revenues ($'s in millions)						
	Historical		2017	2018	Adopted	
Control Center	2015	2016	Adopted Budget	Executive Budget	Var.	%
Fund Balance	$5.0	$0.0	$0.0	$0.0	$0.0	*****
Permits & Licenses	4.9	4.4	4.8	4.6	(0.2)	-4.0%
Fines & Forfeits	1.3	1.4	1.3	1.4	0.1	4.3%
Invest Income	0.0	0.0	0.0	0.0	(0.0)	-38.8%
Rents & Recoveries	0.1	0.4	0.0	0.0	0.0	*****
Dept Revenues	2.5	2.7	3.5	3.5	0.0	0.0%
Interdept Revenues	0.3	0.3	1.7	0.4	(1.3)	-76.6%
Pymnt In Lieu of Taxes	0.0	16.8	16.8	16.8	0.0	0.0%
Interfund Charges Rev	1.1	0.2	0.2	0.2	0.0	0.0%
Fed Aid-Reimb Of Exp	0.2	0.0	0.0	0.0	0.0	*****
Property Tax	368.0	374.7	384.1	388.7	4.5	1.2%
Total	**$383.4**	**$400.9**	**$412.3**	**$415.4**	**$3.1**	**0.8%**

Departmental Revenues ($'s in thousands)				
Revenue Source	FY 16 Actual	FY17 Budget	FY 17 Projected	FY 18 Proposed
Fees	$369.4	$300.0	$200.0	$362.0
Tow Truck Impound	0.0	1,050.0	$0.0	$856.3
Tow Truck Franchise Fee	583.2	500.0	$550.0	$519.9
Village Fees	1,759.4	1,600.0	$1,600.0	$1,711.8
	$2,712.1	**$3,450.0**	**$2,350.0**	**$3,450.0**

- District revenues are growing by $3.1 million, or 0.8%, from the Adopted FY 17 Budget.
- The increased revenue is mainly attributable to the shift in property tax revenue.
- Departmental revenues is remaining flat, budget to budget.
- Below is a breakdown of the departmental revenues:

Multi-Year Plan

- The charts on the next page show salaries gradually increasing through 2021. The allocations reflect the anticipated step adjustments.
- The combined fringe benefits line for the Police Department is increasing by $48.5 million, or 16.2%, to $347.0 million from FY 18 to FY 21 due mostly to anticipated increases in health insurance, pension and social security costs.
  - Health insurance is increasing by $25.0 million by FY 21. The MYP baseline inflator used to project out-year health insurance costs for active employees is 6.13% from FY 18 through FY 21. The inflator for retirees is 4.21% for FY 18 through FY 21 for retired employees. The MYP growth rates appear reasonable based on the historic five-year average. However, compared to the more recent two-year average of 6.8%, which maybe a better indicator, the health insurance budget could be understated.
- Social security expenses are increasing by $3.4 million or 11.5% by FY 21. With an increase in budgeted salaries from FY 19-FY 21, social security is also expected to rise.
- OTPS expenditures are expected to remain essentially flat keeping with the 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 salaries and fringe benefits.
- Revenue remains level indicating no increase in property taxes and no new revenue.

POLICE HEADQUARTERS FUND ($'s in Millions)		2018 Proposed	2019 Plan	2020 Plan	2021 Plan
EXPENSE					
AA	Salaries	$249.5	$252.5	$252.3	$254.3
AB	Fringe Benefits	154.6	163.5	172.0	181.0
	Other Expense	74.2	73.8	73.9	73.7
Expense Total		**$478.2**	**$489.8**	**$498.3**	**$509.0**
Revenue					
TL	Property Tax	$340.6	$340.6	$340.6	$340.6
	Other Revenue	137.7	136.4	136.4	136.4
Revenue Total		**$478.2**	**$477.0**	**$477.0**	**$477.0**
Gap		**$0.0**	**($12.9)**	**($21.3)**	**($32.0)**

POLICE DISTRICT FUND ($'s in Millions)		2018 Proposed	2019 Plan	2020 Plan	2021 Plan
EXPENSE					
AA	Salaries	$231.3	$235.0	$236.2	$238.6
AB	Fringe Benefits	143.9	149.7	157.6	166.0
	Other Expense	40.2	40.3	40.5	40.6
Expense Total		**$415.4**	**$424.9**	**$434.2**	**$445.1**
Revenue					
TL	Property Tax	$388.7	$388.7	$388.7	$388.7
	Other Revenue	26.7	26.7	26.7	26.7
Revenue Total		**$415.4**	**$415.4**	**$415.4**	**$415.4**
Gap		**$0.0**	**($9.5)**	**($18.8)**	**($29.7)**

Expense	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	184	186	191	180	191	0	0.0%	11	6.1%
Part-Time and Seasonal	12	10	12	9	13	1	8.3%	4	44.4%
Salaries	$15,704,322	$15,888,316	$17,230,542	$16,963,049	$17,457,724	$227,182	1.3%	$494,675	2.9%
Equipment	29,354	40,951	36,041	36,041	36,041	0	0.0%	0	0.0%
General Expenses	223,732	220,683	288,160	288,160	292,844	4,684	1.6%	4,684	1.6%
Contractual Services	491,652	489,365	557,572	557,572	590,414	32,842	5.9%	32,842	5.9%
Utility Costs	0	0	500	500	500	0	0.0%	0	0.0%
Inter-Dept. Charges	1,000,412	1,514,874	1,156,445	1,156,445	1,883,449	727,004	62.9%	727,004	62.9%
Total	**$17,449,471**	**$18,154,190**	**$19,269,260**	**$19,001,767**	**$20,260,972**	**$991,712**	**5.1%**	**$1,259,205**	**6.6%**

Expenses

- The Proposed FY 18 Budget for expenses is $20.3 million, an increase of $991,712, or 5.1%, budget to budget and a rise of $1.3 million or, 6.6% compared to OLBR's projection. The growth is driven by increases across the board with the exception of equipment and utility costs which remain unchanged for FY 18.
- The FY 18 salaries are growing by $227,182 budget to budget, and by $494,675 compared to OLBR's projection. The proposed salary line includes an increase for lag payout, as well as the contractual steps for eligible Civil Service Employee Association (CSEA) employees.
  - The FY 18 salaries do not include the impact of the 2017 Voluntary Separation Incentive Program (VSIP) in which 13 employees opted to participate. The Administration plans to backfill these positions at 50%. Some of the titles include Probation Officers, Supervisors and Clerks.
- The Proposed FY 18 budget funds 191 full-time positions constant with FY 17 levels. The 13 part-time titles include an increase of one additional Registered Nurse I compared to the prior year's budget.
- The FY 18 general expenses of $292,844 increased marginally by $4,684 budget to budget. The change results mostly from surges in miscellaneous supplies and expenses, educational & training supplies & expenses offset mainly by declines in information technology supplies, equipment maintenance & rental and copying, blueprint supplies and expenses.
- The contractual expense budget of $590,414 is rising by $32,842 from the prior year and compared to OLBR 's projection. The upturn is driven by increases in electronic monitoring, education and juvenile detention center (JDC) expenditures that are minimized by reduced miscellaneous contractual services costs.

Expenses, Cont.

- The interdepartmental charges are higher for the Proposed FY 18 Budget, an increased allocation of $727,004, or 62.9%, budget to budget. The growth is primarily due to a rise of building occupancy, information technology and indirect charges.
- The department has provided the information in the following text boxes to explain the key programs that are sponsored by state funding

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 but have been expanded when necessary to use technology to assist Probation Officers in determining alcohol usage. The department is utilizing the Secure Continuous Remote Alcohol Monitor (SCRAM) ankle bracelets and Soberlink remote breathalyzers that allow Probation Officers to remotely monitor offenders' blood alcohol levels 24/7. The Probation Department believes that SCRAM and Soberlink are 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

On 4/10/17 Governor Cuomo signed the "Raised the Age" legislation into law. The Legislation states that New York State's youth who commit non-violent crimes will now receive age-appropriate housing at the Juvenile Detention Center and programming to lower their risk of re-offense. All 16-year-old and 17-year-old youth who are arrested will be treated as either Juvenile Delinquents (JD) (Misdemeanor Arrests) or Adolescent Offenders (AO) (Felony Arrests) effective October 2018 and October 2019 respectively.

- All Misdemeanor arrests will be treated as JDs and follow current Family Court Law.
- All Felony arrests will be treated as AOs and seen at the newly created Youth section of the Supreme or County Court.

This legislation could bring increased attention to the Probation Department's Criminal and Family Divisions as well as the Juvenile Detention Center and may require more resources, services, and staff.

Source: Department of Probation

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Rents & Recoveries	$70,025	$13,029	$0	$37,784	$0	$0	*****	($37,784)	-100.0%
Dept Revenues	1,392,761	1,570,021	1,534,000	1,534,000	1,592,400	58,400	3.8%	58,400	3.8%
Fed Aid-Reimb of Exp	192,438	159,033	30,000	30,000	28,500	(1,500)	-5.0%	(1,500)	-5.0%
State Aid-Reimb of Exp	5,259,728	6,177,189	5,266,609	5,266,609	5,266,609	0	0.0%	0	0.0%
Total	**$6,914,953**	**$7,919,272**	**$6,830,609**	**$6,868,393**	**$6,887,509**	**$56,900**	**0.8%**	**$19,116**	**0.3%**

Revenues

- The FY 18 revenue budget of $6.9 million is increasing by $56,900, or 0.8%, from the Adopted FY 17 Budget and by $19,116, or 0.3%, compared to OLBR's current projections. This is due to a rise in departmental revenues offset by a decline in federal aid.
- Rents and recoveries for the Proposed FY 18 Budget remains flat at zero budget to budget, however the OLBR projection reflects a decline of $37,784 due to prior year grant chargebacks.
- The FY 18 departmental revenue budget funds $1.6 million, a slight increase of $58,400 from the prior year's budget and OLBR's projection. The growth is driven by a higher collection of fees and from the 1% fee on bail revenue.
- The FY 18 Proposed Budget includes $28,500 for federal aid, a drop of a nominal $1,500, budget to budget. This budget line includes two revenue sources.
    - 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 other portion of the revenue includes $12,500, a decrease of $1,500, which is the New York State pass through of federal funding for the reimbursement of meals at the Juvenile Detention Center.
- The department's state aid budget remains flat at $5.3 million for FY 18. This revenue is reimbursement for the following:
    - The New York States' Office of Children and Family Services (OCFS) collects monthly data from the Juvenile Detention Attendance System (JDAS) and subsequently reimburses Probation for eligible meals.
    - The JDC is authorized by 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 the Office of Children and Family Services.

Revenues, Cont.

➢ The department has provided the information in the following table to explain the fluctuations in activity indicators.

ACTIVITY INDICATORS					
INDICATOR	ACTUAL 2015	ACTUAL 2016	PROJECTED 2017	PROPOSED 2018	% CHANGE
Investigations- Criminal Division	3,150	3,517	3,200	3,000	-6.3%
Supervision - Criminal Division	6,000	5,900	5,800	5,700	-1.7%
Pre-Trial/Intake- Criminal Division**	10,500	5,340	5,350	5,400	0.9%
Alcohol Interlock Monitoring (AIM)	600	393	500	500	0.0%
Juvenile Intake - Juvenile Delinquents	375	427	430	600	39.5%
Juvenile Supervision - Juvenile Delinquents	60	58	50	90	80.0%
Juvenile Supervision - (PINS)*	3	6	15	20	33.3%
Investigations Family Division	210	226	180	300	66.7%
Total Caseloads	20,898	15,867	15,525	15,610	0.5%

* Persons In Need of Supervision
** These are actual cases screened, not total cases arraigned
Source: Probation Department

➢ In the Criminal Division, Investigation and Supervision cases are decreasing in FY 18 compared to FY 17 by 6.3% and 1.7%. respectively, due to fewer arrests and case workloads. Alcohol Interlock Monitoring (AIM) caseloads remain flat at 500, and Pre-Trial/Intake cases are rising by 50 cases or 0.9%.

➢ The activity indicators included in Juvenile Division are expected to increase for FY 18 due to the "Raise the Age" Legislation (previously discussed above) that will become effective in FY 18.

- Intake for Juvenile Delinquents has a growth of 39.5% compared to the current projection.
- In FY 18 the growth for Juvenile Supervision is increasing by 40 cases or 80.0%. In FY 18 the growth for Juvenile Supervision for PINS is increasing by 5 or 33.3%.

➢ FY 18 Investigations for the Family Division are projected to grow by 66.7% in comparison to the FY 17 projection.

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; the Probation Department's Alcohol Interlock Monitoring (AIM) program observed an increase in the number of offenders being sentenced to conditional discharges (unsupervised probation). There are currently over 1,000 related cases. The Probation Department's DWI units currently oversees more than 2000 offenders who are sentenced to Probation Supervision for DWI convictions. Drinking and driving crimes continue to account for approximately 50% of the cases currently supervised by the Department.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	**2015**	**2016**	**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	2	0	2	0	0.0%	2	*****
Salaries	$464,814	$492,598	$593,925	$555,352	$588,014	($5,911)	-1.0%	$32,662	5.9%
General Expenses	1,843	2,041	3,354	3,354	3,354	0	0.0%	0	0.0%
Contractual Services	7,300	7,300	7,250	7,250	7,300	50	0.7%	50	0.7%
Total	**$473,958**	**$501,939**	**$604,529**	**$565,956**	**$598,668**	**($5,861)**	**-1.0%**	**$32,712**	**5.8%**

Expense

- Proposed expenses are up 5.8% compared to OLBR's most recent projection. Budget to budget, proposed expenses are down 1.0%.
- The proposed budget slightly increases the contractual services budget for a financial services contract, funds two vacant part-time Accounting Assistant positions, and accounts for step adjustments owed to CSEA members. Reduced salary budgets for the Public Administrator and deputies partly offset these increases.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	**2015**	**2016**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Dept Revenues	$410,603	$147,724	$250,000	$405,223	$250,000	$0	0.0%	($155,223)	-38.3%

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. While the proposed revenue budget is in line with the FY 17 budget, it is 38.3% lower than the current projection.

Expense	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	479	471	469	427	462	(7)	-1.5%	35	8.2%
Part-Time and Seasonal	60	67	60	68	61	1	1.7%	(7)	-10.3%
Salaries	$32,306,783	$29,507,996	$35,223,794	$33,802,455	$33,743,162	($1,480,632)	-4.2%	($59,293)	-0.2%
Workers Compensation	2,024,323	2,147,958	2,483,911	2,483,911	2,143,033	(340,878)	-13.7%	(340,878)	-13.7%
Equipment	64,000	207,706	85,127	85,127	124,138	39,011	45.8%	39,011	45.8%
General Expenses	8,144,512	5,737,884	8,037,272	8,094,119	6,740,990	(1,296,282)	-16.1%	(1,353,129)	-16.7%
Contractual Services	134,029,254	136,733,117	130,906,151	133,706,151	138,065,622	7,159,471	5.5%	4,359,471	3.3%
Utility Costs	25,781,994	21,198,260	27,952,057	25,452,057	26,685,144	(1,266,913)	-4.5%	1,233,087	4.8%
Var Direct Expenses	0	250,000	0	0	0	0	*****	0	*****
Inter-Dept. Charges	8,597,189	11,110,531	15,669,468	15,669,468	15,063,504	(605,964)	-3.9%	(605,964)	-3.9%
Mass Transportation	42,697,935	42,884,542	43,699,392	43,699,392	44,170,818	471,426	1.1%	471,426	1.1%
Other Expense	13,504,757	11,354,001	11,328,441	11,328,441	13,494,079	2,165,638	19.1%	2,165,638	19.1%
Total	**$267,150,746**	**$261,131,995**	**$275,385,613**	**$274,321,121**	**$280,230,490**	**$4,844,877**	**1.8%**	**$5,909,369**	**2.2%**

Expenses

- The DPW's FY 18 proposed expense budget is increasing by $4.8 million, or 1.8% from the FY 17 Adopted Budget.
- The FY 18 Proposed Budget contains seven less full-time workers and one more part-time employee than the FY 17 Adopted Budget.
- Salaries are declining by $1.5 million or 4.2% from the FY 17 Adopted Budget.
  - Some factors for the change include decreases in holiday, longevity, increases of credits for capital backcharges as well as receiving a credit of $0.5 million in transfer to/from SSW.
  - The department is using the AASSW - transfer to/from SSW subobject code to allocate salary costs/credits between DPW and SSW. The department is replacing the prior procedure of utilizing BW-interfund charges revenue and HH-interfund charges.
- Workers' compensation costs are decreasing by $0.3 million when compared to the FY 17 Adopted Budget.
  - Savings in medical costs are occurring, however, it is being eroded by added indemnity and dpay costs. The Administration stated that disability pay will be greater due to volume and indemnity because of injured workers.

Expenses, Cont.

- General expenses costs are decreasing by $1.3 million, or 16.1% when compared to the FY 17 Adopted Budget.
  - Decreases are occurring in postage, gasoline, motor vehicle supplies & parts and miscellaneous supplies & expenses and diesel fuel.
- Contractual services are increasing by $7.2 million or 5.5% from the FY 17 Adopted Budget. The largest rises are for bus services of $6.0 million, miscellaneous contractual services of $0.5 million, traffic management center costs of $0.5 million and construction & demolition debris removal of $0.1 million.
  - The miscellaneous contractual services growth is attributable to the anticipated costs associated with the Morrelly Homeland Security Center in Bethpage which was acquired by the County.
  - The traffic management center costs in FY 18 reflect a full year of costs while the FY 17 was a partial year.
- Utility costs are decreasing by $1.3 million or, 4.5% versus the FY 17 Adopted Budget. There are savings in light, power & water of $2.5 million as well as National Grid of $0.3 million being offset by an increase in Tri-Gen expenses of $1.4 million and fuel of $0.1 million.
  - The County is assuming the utility and energy costs at the Rockville Centre Transit Garage which is estimated at $0.2 million.
- The inter-departmental charges are decreasing by $0.6 million, or 3.9%.
  - PDH charges, previously budgeted in FY 17 at $2.2 million, have been eliminated while indirect charges increased by $1.4 million. There are smaller increases for information technology, telecommunications and printing costs. These charges are allocated by the Office of Management and Budget (OMB).
- Mass transportation costs, specifically LIRR station maintenance, are increasing by $0.5 million when compared to the FY 17 Adopted Budget.
- Other expense, which includes rent, is increasing by $2.2 million, or 19.1%, budget to budget.
  - According to the Administration, the increase is due to an expiring credit/discount on the lease at 60 Charles Lindbergh Boulevard.

Expenses, Cont.

Expenses by Control Center

($'s in millions)

Control Center	Historical 2015	Historical 2016	2017 Adopted Budget	2018 Exec. Budget	Exec. vs. Adopted Var.	Exec. vs. Adopted %
Administration	$18.7	$17.5	$22.5	$22.9	$0.4	1.7%
Division of Engineering	179.8	179.8	177.3	183.3	6.1	3.4%
Division of Operations	27.1	25.6	27.0	26.9	-0.1	-0.4%
Fleet Management	6.7	7.8	9.2	8.4	-0.8	-8.9%
Facilities Management	34.8	30.3	39.4	38.7	-0.7	-1.7%
Total	**267.2**	**261.1**	**275.4**	**280.2**	**4.8**	**1.8%**

- In totality, the FY 18 expense budget is increasing by $4.8 million, or 1.8%, versus the FY 17 Adopted Budget.
- The Administration Control Center is rising by $0.4 million in FY 18.
  - The primary increases are $2.2 million in rent and $0.9 million in tank testing repair & compliance, previously budgeted for in Fleet Management. These costs are being mitigated by savings in salaries of $0.1 million, worker's compensation of $0.3 million, general expenses of $0.3 million and inter departmental charges of $2.0 million.
- The Division of Engineering Control Center is increasing by $6.1 million in FY 18.
  - The primary factors are $6.0 million for contractual services – Veolia, an additional $0.5 million for LIRR station maintenance and $0.5 million more for the traffic management center. Some savings, within the control center, are occurring in salaries of $0.5 million and utility costs of $0.4 million.
- The Division of Operations Control Center is diminishing by $0.1 million in FY 18.
  - The two main decreases are $0.9 million in salaries, specifically charge back and transfer credits, and $0.2 million in general expenses. Offsetting the saving is $1.0 million more in inter departmental charges.

Expenses, Cont.

- The Fleet Management Control Center is experiencing a decrease of $0.8 million in FY 18.
  - The primary drivers for the drop are lower salaries of $0.1 million, general expenses of $0.5 million and contractual services of $0.6 million being offset by an increase of $0.4 million in inter departmental charges.
    - Tank testing repair & compliance, the largest decrease within contractual services, is now accounted for in the Administration Control Center.
- The Facilities Management Control Center is declining by $0.7 million in FY 18.
  - The primary drivers for the reduction are general expenses of $0.3 million and utility costs of $0.8 million being offset by increases in salaries of $0.1 million and contractual services of $0.3 million.

Expenses, Cont.

DPW 2018 Proposed Budget Contractual Services Expense	Historical	2017	2018	Exec. vs. Adopted	
	2016	Adopted Budget	Exec. Budget	Var.	%
Contractual Services - Veolia	$128,322,802	$121,521,669	$127,571,092	$6,049,423	5.0%
Miscellaneous Contractual Serv	3,387,485	3,273,874	3,727,133	453,259	13.8%
Legal	0	21,290	0	(21,290)	-100.0%
Sanitary Solid Waste Disposal	0	120,825	157,169	36,344	30.1%
Street Light & Signal Maintenance	2,837,749	2,899,800	2,900,000	200	0.0%
Medical/Psychiatric Services	0	48,230	48,196	(34)	-0.1%
Laundry Services	0	69,595	50,000	(19,595)	-28.2%
Building & Maintenance Svcs	611,281	502,632	596,134	93,502	18.6%
Lease Purchase	0	100	0	(100)	-100.0%
GPC Warehouse Management	360,000	338,310	195,500	(142,810)	-42.2%
Traffic Management Center	816,167	1,051,493	1,522,000	470,507	44.7%
Rodent Control Services	0	183,654	255,000	71,346	38.8%
Contruction & Demolition Debris Removal	21,339	33,831	167,253	133,422	394.4%
Tree Removal & Triming Services	(79)	0	0	0	*****
Uniform	18,000	0	0	0	*****
Software Contracts	73,446	69,520	2,600	(66,920)	-96.3%
Professional Services	0	17,380	1,545	(15,835)	-91.1%
Tank Testing Repair & Compliance	284,928	753,948	872,000	118,052	15.7%
Total	**$136,733,117**	**$130,906,151**	**$138,065,622**	**$7,159,471**	**5.5%**

- Contractual services are growing by $7.2 million in FY 18. The three largest increases are as follows: $6.0 million for contractual services – Veolia, $0.5 million for traffic management center costs and $0.5 million for miscellaneous contractual services.
  - Additionally, cost escalations of more than $0.1 million are occurring in construction & demolition debris removal as well as tank testing repair & compliance. GPC Warehouse Management is decreasing by $0.1 million.

Expenses, Cont.

	CC	Staffing Analysis	FY 17 Adopted	Sept-17 Actual	FY 18 Request	FY 18 Executive	Exec. vs 17 Adopt	Exec. vs Actual
	CC	**Full-Time Staffing**						
PW	00	Division of Administration	39	37	39	38	(1)	1
	01	Division of Engineering	94	85	92	92	(2)	7
	02	Division of Operations	155	138	153	151	(4)	13
	03	Fleet Management	46	43	47	45	(1)	2
	06	Facilities Management	135	124	138	136	1	12
		Total Full-Time	**469**	**427**	**469**	**462**	**(7)**	**35**
	CC	**Part-Time and Seasonal**						
PW	00	Division of Administration	2	3	3	3	1	0
	01	Division of Engineering	11	10	11	11	0	1
	02	Division of Operations	4	25	4	4	0	(21)
	03	Fleet Management	2	1	2	2	0	1
	06	Facilities Management	41	29	41	41	0	12
		Total Part-Time and Seasonal	**60**	**68**	**61**	**61**	**1**	**(7)**

- The FY 18 full-time headcount is budgeted to decrease by seven positions when compared to the FY 17 budget but increasing by 35 from the current onboard.
- The FY 18 part-time and seasonal staff is one more than the FY 17 Adopted Budget.
  - Part-time and seasonal headcount will drop by seven when comparing the FY 18 Proposed Budget to on-board levels.
- According to the Administration, the FY 18 Proposed Budget includes a net transfer of ten employees from the SSW. Furthermore, an estimated 43 employees elected to take the VSIP.

Expenses, Cont.

Transit Bus Expenses

- The proposed and historical 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 16 Actual**	**FY 17 Budget**	**Executive FY 18**	**2018 - 2017 % Change**
630	Metropolitan Suburban Bus Authority	$1,930,000	$1,930,000	$1,930,000	0.0%
631	LIRR Station Maintenance	28,761,250	29,511,100	29,982,526	1.6%
632	MTA-LIRR Operating Assistance	11,583,792	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%
		42,884,542	**43,699,392**	**44,170,818**	1.1%
Other Expenses (OO)					
6H	Lido Beach Bus Route	75,000	75,000	75,000	0.0%
Mass Transportation and Lido Beach		**$42,959,542**	**$43,774,392**	**$44,245,818**	**1.1%**

- 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 is remaining unchanged.

Transdev Services, Inc.

NICE Bus 2017 Modified, 2017 Projection and 2018 Proposed Budget	2017 Modified	OMB 2017 Projection	2018 Proposed	2018 Proposed vs. 2017 OMB Projection
County Contractual Service Payment	121,521,669	124,351,094	127,571,092	3,219,998
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	124,061,169	126,890,594	130,110,592	3,219,998
Fare Box Revenues	47,213,869	45,486,874	44,142,066	(1,344,808)
Bus Advertising	0	0	550,000	550,000
Non-Operating Revenue	700,000	700,000	150,000	(550,000)
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	67,985,200	67,985,200	67,985,200	0
Total County Revenues	122,899,069	121,172,074	119,827,266	(1,344,808)
Net County Contribution	(1,162,100)	(5,718,520)	(10,283,326)	(4,564,806)

- 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 18 Budget estimates the County portion to be $10.3 million up from the $5.7 million in 2017.
- According to NICE, their 2018 expense is anticipated at $132.0 million which does not contain the alternative fuel credit of $2.0 million. It was included in 2017 but is set to expire in 2018 with the possibility of being renewed.
- Total revenues are declining by $1.3 million when compared to OMB's projections.
  - Far box revenue is the main reason for the movement as the variances between bus advertising and non-operating revenue net out.
- The $68.0 million state aid amount reflects the State Transportation Operating Assistance (STOA) grant which is remaining flat to the FY 17 Modified Budget.
  - 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 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Permits & Licenses	$1,639,919	$1,897,362	$2,783,000	$2,783,000	$2,194,000	($589,000)	-21.2%	($589,000)	-21.2%
Fines & Forfeits	0	0	1,000	1,000	500	(500)	-50.0%	(500)	-50.0%
Rents & Recoveries	13,217,623	16,736,063	13,312,702	9,464,573	14,614,943	1,302,241	9.8%	5,150,370	54.4%
Rev Offset To Expense	286,033	278,931	300,000	300,000	300,000	0	0.0%	0	0.0%
Dept Revenues	50,530,634	50,420,020	49,883,869	48,016,982	47,302,930	(2,580,939)	-5.2%	(714,052)	-1.5%
Cap Backcharges	(93,242)	0	0	0	0	0	*****	0	*****
Interdept Revenues	14,725,097	14,338,604	14,536,457	14,536,457	18,339,856	3,803,399	26.2%	3,803,399	26.2%
Interfund Charges Rev	5,140,357	4,935,019	6,158,274	6,858,274	5,384,669	(773,605)	-12.6%	(1,473,605)	-21.5%
Fed Aid-Reimb of Exp	9,580,425	6,037,976	6,879,000	6,879,000	6,829,600	(49,400)	-0.7%	(49,400)	-0.7%
State Aid-Reimb of Exp	70,106,510	67,540,724	67,607,800	68,935,200	68,785,200	1,177,400	1.7%	(150,000)	-0.2%
Total	**$165,133,356**	**$162,184,699**	**$161,462,102**	**$157,774,486**	**$163,751,698**	**$2,289,596**	**1.4%**	**$5,977,212**	**3.8%**

Revenues

- DPW's FY 18 proposed revenue budget is increasing by $2.3 million from the FY 17 budget and $6.0 million from the projection.
- Permits & licenses are declining by $0.6 million which is due to lower cost of construction fee.
- Rents and recoveries revenue is increasing by $1.3 million or 9.8%. The growth is primarily in coliseum utilities, Islander's coliseum payment and Marriott lighthouse heating & chilling being offset by lower sale of County property.
- Departmental revenues are decreasing by $2.6 million from FY 17 which is mainly due to lower bus fare box revenue of $3.1 million.
- Interdepartment revenues are increasing by $3.8 million. This charge is allocated by the Office of Management and Budget.
- Interfund revenues are decreasing by $0.8 million due to $1.4 million decrease in interfund revenue other being offset by $0.6 million increase in indirect charge recovery.
- State aid is increase by $1.2 million, or 1.7%, to $68.8 million. The main driver is the State Operating Assistance (STOA) grant which is increasing by $1.3 million. Additionally, the reimbursed expenditure declined by $75,000 while the Marchiselli funding of $75,000 was eliminated in FY 18.
  - The amount of STOA grant money that 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	2016 Actual	2017 Budget	2017 Projected	2018 Proposed
293F Plan (I)	$113,250	100,000	120,500	250,000
293F Plan (R)	11,840	100,000	740	10,000
Misc Receipts	22,911	5,000	4,187	1,000
Fees	311,150	400,000	110,200	300,000
Concessions	1,215,947	920,000	920,000	1,114,864
Subdivision Plan Review (R080A)	10,700	0	251,274	60,000
Inspector Services Backcharge	174,677	40,000	42,438	100,000
Plans	60,450	75,000	75,000	50,000
Bus Fare Box	46,876,934	47,213,869	44,707,934	44,142,066
Bus Advertising	0	0	0	550,000
Non-Operating Revenue	700,000	700,000	700,000	150,000
Subdivision Inspection Fees	9,052	200,000	953,619	500,000
Real Estate Expense Recovery	880,000	0	0	
Rule Book Sales	2,760	5,000	6,090	5,000
Film & Advert Activities	30,350	50,000	50,000	70,000
Total	**$50,420,021**	**$ 49,883,869**	**$ 48,016,982**	**$ 47,302,930**

- The table above shows DPW's departmental revenues.
- The proposed FY 18 departmental revenues are falling by $2.6 million when compared to the FY 17 Budget.
    - Fare box revenue is decreasing by $3.1 million from FY 17 Budget; and $0.6 million when compared to the current OLBR projections.
        - According to the Administration, an increase in UBER usage and lower ridership is the reason.
    - Non-operating revenue is decreasing by $0.6 million while bus advertising contains $0.6 million in FY 18.

Rents & Recoveries	2016 Actual	2017 Adopted	2018 Proposed	2018 vs. 2017
Recvry Prior Yr Appr	$6,527,362	$0	$0	0.0%
Rent County Property	991,511	484,625	797,299	64.5%
Sale County Property	6,642,584	5,000,000	3,580,000	-28.4%
Coliseum Utilities	(1,650,491)	0	1,258,000	0.0%
Coliseum Rental	(472,789)	3,420,000	3,488,736	2.0%
Coliseum Concessions	(250,691)	0	0	0.0%
Rental Mitchell Field Properties	4,039,405	3,018,117	2,670,268	-11.5%
Lost and Abandoned Property	21	0	0	0.0%
Mitchell Field Veterans Housing Project	0	1,389,960	1,430,640	2.9%
Marriott Lighthouse Heating & Chilling	111,624	0	330,000	0.0%
Coliseum Parking Revenue	(310,319)	0	0	0.0%
Construction Period Rent For Coliseum	1,090,000	0	60,000	0.0%
Islander's Coliseum Payment	0	0	1,000,000	0.0%
Grt Fd Recov For Prior Periods - AA Exp	17,847	0	0	0.0%
Total	**$16,736,064**	**$13,312,702**	**$14,614,943**	**9.8%**

- The rents & recoveries line is where the County budgets for rent and sales of County property as well as Mitchell Field and coliseum revenues.
    - The sale of County property is declining by $1.4 million to $3.6 million in FY 18. According to the Administration, there are seven targeted locations scheduled to be sold.
    - NYCB Live's Nassau Veterans Memorial Coliseum opened on April 5, 2017.

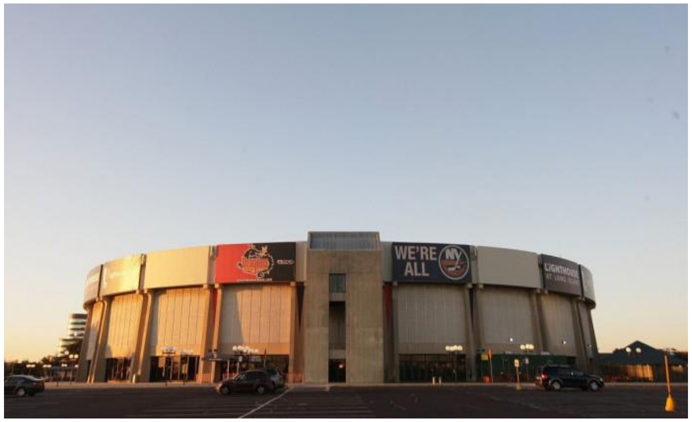
Revenues, Cont.

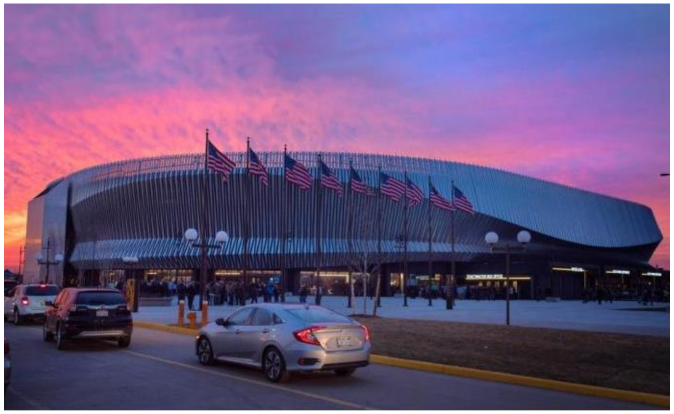
- The construction period annual rent for the coliseum of $60,000 is for the development of the coliseum plaza.
- The proposed FY 18 contains coliseum rental of $3.5 million. The opening occurred April 2017.
- The Islander's coliseum payment is new in FY 18.

R0741 Islander's Coliseum Payment

In FY 18, the Administration is introducing a new rents & recoveries item, R0741 Islander's Coliseum Payment, with annual revenues of $1,000,000.

The new revenue code reflects the associated revenue from the NY Islanders if they do not play the four exhibition games at the Coliseum.





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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	11	11	12	12	12	0	0.0%	0	0.0%
Part-Time and Seasonal	4	4	21	3	21	0	0.0%	18	600.0%
Salaries	$712,849	$718,329	$972,098	$922,670	$940,037	($32,061)	-3.3%	$17,367	1.9%
Equipment	0	582,884	5,000	105,000	115,000	110,000	2200.0%	10,000	9.5%
General Expenses	148,141	(89,564)	160,500	60,500	160,500	0	0.0%	100,000	165.3%
Contractual Services	120,233	21,617	125,000	125,000	125,000	0	0.0%	0	0.0%
Total	**$981,224**	**$1,233,265**	**$1,262,598**	**$1,213,170**	**$1,340,537**	**$77,939**	**6.2%**	**$127,367**	**10.5%**

Expenses

- The Proposed FY 18 Budget is increasing by $77,939, or 6.2% from the FY 17 Adopted Budget, and is increasing by $127,367, or 10.5% from OLBR’s current projection.
- Salaries are decreasing by $32,061, or by 3.3% compared to the FY 17 Adopted Budget, and increasing by $17,367, or 1.9% compared to OLBR’s projection. This is mainly due to the reduction in salaries for part-time Clerks. The savings are expected to come from replacing higher wage salaries with lower salary new hires.
  - The decrease is being offset by step increases for CSEA employees.
  - FY 18 headcount in comparison to the adopted FY 17 budget remains flat, but increases by 18 part-timers when compared to OLBR’s projection. This reflects Clerk I part-time and seasonal vacancies.
- The equipment line is increasing by $110,000 when compared to the Adopted 2017 Budget, and by $10,000 in comparison to OLBR’s projection. The increase is for the purchase of office equipment.
- General expenses remain flat when compared to the Adopted 2017 Budget, but increases by $100,000 compared to OLBR’s projection. The DD line includes office supplies, copier paper, and grainer expenses.
- The FY 18 Proposed Budget for contractual services remains flat at $125,000 when compared to both the FY 17 Adopted Budget and OLBR’s projection.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	**2015**	**2016**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Contractual Services	$35,050	$37,100	$900,000	$900,000	$900,000	$0	0.0%	$0	0.0%
Interest	6,703,499	7,651,295	7,202,750	7,202,750	6,685,500	(517,250)	-7.2%	(517,250)	-7.2%
Principal	2,940,000	10,205,000	10,345,000	10,345,000	10,815,000	470,000	4.5%	470,000	4.5%
Trans Out To SSW	109,929,480	105,171,621	0	0	0	0	*****	0	*****
Trans To SSW For Debt Svc	0	0	104,431,695	104,431,695	114,230,768	9,799,073	9.4%	9,799,073	9.4%
Trans To Debt Service Fund	9,643,499	17,764,006	0	0	0	0	*****	0	*****
Total	**$129,251,529**	**$140,829,021**	**$122,879,445**	**$122,879,445**	**$132,631,268**	**$9,751,823**	**7.9%**	**$9,751,823**	**7.9%**

- The FY 18 expenses for the Sewer & Storm Water Finance Authority (SFA) are increasing by $9.8 million, when compared to the FY 17 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.
- In FY 18, budget to budget, interest is decreasing by $0.5 million while principal is increasing by $0.5 million.
- The FY 18 Adopted Budget includes $114.2 million in transfer to the Sewer and Storm Water Resources District for Debt Service which is an increase of $9.8 million from the FY 17 Adopted and projected levels.

Sewer and Storm Water Finance Authority Revenues

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Invest Income	$2,513	$17,178	$15,000	$15,000	$15,000	$0	0.0%	$0	0.0%
Pymnt In Lieu of Taxes	0	7,852,307	7,852,738	7,852,738	7,852,738	0	0.0%	0	0.0%
Interfund Transfers	9,643,499	17,764,006	0	0	0	0	*****	0	*****
Property Tax	123,313,570	115,012,138	115,011,707	115,011,707	124,763,530	9,751,823	8.5%	9,751,823	8.5%
Total	**$132,959,582**	**$140,645,629**	**$122,879,445**	**$122,879,445**	**$132,631,268**	**$9,751,823**	**7.9%**	**$9,751,823**	**7.9%**

- Investment income is remaining consistent at $15,000 in FY 18 when compared to the FY 17 Adopted Budget and projection levels.
- The FY 18 Proposed Payment in Lieu of Taxes (PILOT) revenues of $7.9 million is remaining flat when compared to FY 16 and FY 17.
- Property tax is being raised by 8.5% in FY 18 from the FY 17 Adopted and projected levels.

Sewer and Storm Water Finance Authority Revenues, Cont.

Sewer and Storm Water Financing Authority Multi Year Plan (MYP) ($'s in millions)				
Expense	**2018 Proposed**	**2019 Proposed**	**2020 Proposed**	**2021 Proposed**
Contractual Services	$0.9	$0.9	$0.9	$0.9
Interest	6.7	6.7	6.1	5.6
Principal	10.8	10.8	11.4	11.8
Trans Out To SSW For Debt Service	114.2	114.2	114.2	114.4
Expense Total	**$132.6**	**$132.6**	**$132.6**	**$132.6**
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	124.8	124.8	124.8	124.8
Revenue Total	**$132.6**	**$132.6**	**$132.6**	**$132.6**

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

- Total expenses and revenues are projected to remain flat at $132.6 million through FY 21.
- Contractual Services of $0.9 million will remain flat in all years.
- Interest is expected to decrease in the out-years while the principal is anticipated to grow.
- The debt service amount is changing minimally.
- The table, which is in millions, does not show the investment income of $15,000 in each year of the MYP.
- The PILOT revenue of $7.9 million will be unchanged.
- The Sewer Finance Authority's MYP indicates property taxes are remaining consistent at $124.8 million.

Sewer and Storm Water Resource District Expenses

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	157	126	146	133	124	(22)	-15.1%	(9)	-6.8%
Part-Time and Seasonal	1	1	1	1	1	0	0.0%	0	0.0%
Salaries	$14,322,045	$12,539,692	$10,544,507	$10,079,005	$11,187,693	$643,186	6.1%	$1,108,688	11.0%
Fringe Benefits	10,891,809	9,943,016	9,039,199	8,679,942	9,377,251	338,052	3.7%	697,309	8.0%
Equipment	0	1,675	36,761	36,761	15,000	(21,761)	-59.2%	(21,761)	-59.2%
General Expenses	170,602	758,115	122,671	122,671	1,007,921	885,250	721.6%	885,250	721.6%
Contractual Services	59,927,425	61,857,408	64,213,265	64,213,265	64,154,936	(58,329)	-0.1%	(58,329)	-0.1%
Utility Costs	7,623,260	4,938,259	8,775,000	8,775,000	6,075,000	(2,700,000)	-30.8%	(2,700,000)	-30.8%
Interest	3,932,529	3,706,092	5,833,172	5,833,172	5,338,753	(494,419)	-8.5%	(494,419)	-8.5%
Principal	13,043,714	10,361,755	9,529,367	9,529,367	9,713,490	184,123	1.9%	184,123	1.9%
Interfund Charges	33,056,018	26,331,193	32,481,615	32,481,615	28,068,536	(4,413,079)	-13.6%	(4,413,079)	-13.6%
Other Expense	40,000	0	538,500	538,500	4,538,500	4,000,000	742.8%	4,000,000	742.8%
Total	**$143,007,403**	**$130,437,204**	**$141,114,057**	**$140,289,298**	**$139,477,080**	**($1,636,977)**	**-1.2%**	**($812,218)**	**-0.6%**

- The FY 18 expenditures are decreasing by $1.6 million, or 1.2%, as compared to the FY 17 Adopted Budget and by $0.8 million, or 0.6%, from the projections.
- Salaries are growing by $0.6 million in FY 18 from the FY 17 Adopted Budget. The three main drivers for the growth are increases in overtime, terminal leave and transfer to/from SSW. Full-time employees are decreasing by 22 positions when compared to the FY 17 Adopted Budget.
  - According to the Administration, the transfer to/from SSW (AASSW) subobject code, approximately $0.5 million, was previously shown as the HH-interfund charge.
- Fringe benefits are increasing in FY 18 primarily due to higher health insurance costs for active employees and pension costs being mitigated by lower health insurance for retirees.
- General expenses are rising by $0.9 million in FY 18 which is mainly due to diesel fuel that was previously allocated in utility costs.
- Utility costs are decreasing by $2.7 million in FY 18 which is due to lower fuel and brokered gas charges.

Sewer and Storm Water Resource District Expenses, Cont.

- Interest is expected to decrease by $0.5 million while principal is growing by $0.2 million from the FY 17 Adopted Budget.
- Interfund Charges are decreasing by $4.4 million, budget to budget, primarily attributable to lower DPW charges of $2.8 million and indirect cost chargeback of $1.9 million offset by higher capital debt service charges of $0.4 million.
- Other expense is increasing by $4.0 million which is for ongoing litigation.

SSW Proposed Budget Contractual Services Expense	2016	2017	2018	Exec. vs. Adopted	
		Adopted Budget	Exec. Budget	Var.	%
Miscellaneous Contractual Serv	60,681,007	749,325	1,426,308	676,983	90.3%
Engineering	0	70,000	130,000	60,000	85.7%
Sanitary Solid Waste Disposal	1,176,401	0	600,000	600,000	*****
P3 Consulting Services	0	1,500,000	1,500,000	0	0.0%
Professional Services	0	61,893,940	60,498,628	(1,395,312)	-2.3%
Total	**61,857,408**	**64,213,265**	**64,154,936**	**(58,329)**	**-0.1%**

- Total contractual services costs are decreasing by $58,329 in FY 18, budget to budget.
  - The miscellaneous line is growing by $0.7 million due to the City of Glen Cove debt service payment of $0.5 million and the United States Geological Survey (USGS) of $0.2 million.
  - The sanitary solid waste disposal line of $0.6 million was not budgeted for in FY 17 but had expenditures in FY 16.
    - The allocation is for an Inter-Municipal Agreement (IMA) with the City of Long Beach. The County utilizes the City of Long Beach's Sewage Plant to process and dispose of Lido Beach's waste.
- The P3 consulting services is remaining flat at $1.5 million.
- Professional services are decreasing by $1.4 million, or 2.3%, when compared to the FY 17 Adopted Budget.
  - This appropriation is for the SUEZ Water Long Island Inc. (United Water) contracted expense.

Sewer and Storm Water Resource District Expenses, Cont.

Full-Time SSW Staffing Analysis							
		FY 17 Adopted	Sept-17 Actual	FY 18 Request	FY 18 Executive	Exec. vs 17 Adopt	Exec. vs Actual
RC	**RC Description**	**SSW County Employees**					
6000	Sewer Revenue / Fringe / Misc. Acc	8	1	11	11	3	10
6110	Sewage Disposal Bay Park	14	13	12	12	(2)	(1)
6120	Sewage Disposal Cedar Creek	8	24	8	8	0	(16)
6140	Sewage Disposal Services Lawrence	3	3	0	0	(3)	(3)
6150	Sewage Disposal Services Cedarhurst	3	3	0	0	(3)	(3)
6210	Sewage Maint Services Bay Park	2	2	2	2	0	0
6220	Sewage Maint Services Cedar Creek	4	3	5	5	1	2
6300	Storm Water Services	10		11	11	1	11
	Total SSW County Employees	**52**	**49**	**49**	**49**	**(3)**	**0**
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	32	32	30	28	(4)	(4)
7120	Sewage Disposal Services - Oper Cont	21	17	19	13	(8)	(4)
7140	Sewage Disp / Lawrence - Oper Cont	1	1	1	1	0	0
7210	Sewage Maint Services - Oper Cont	16	13	14	12	(4)	(1)
7220	Sewage Maint Services - Oper Cont	23	20	21	20	(3)	0
	Total SSW Leased Employees	**94**	**84**	**86**	**75**	**(19)**	**(9)**
	SSW Total (County & Lease FT Employees	**146**	**133**	**135**	**124**	**(22)**	**(9)**

- The table above shows the difference between SSW County employees and SSW workers leased to SUEZ Water Long Island Inc. (United Water).
  - In the Proposed FY18, there are 49 sewer employees while 75 personnel are hired out to SUEZ.
- The Proposed FY 18 County employees are decreasing by three when compared to the FY 17 Adopted Budget.
- The Proposed FY 18 leased employees are decreasing by 19 when compared to the FY 17 Adopted Budget and nine versus the existing staff.
- The Administration offered a Voluntary Separation Incentive Program (VSIP) to members of the Civil Service Employees Association (CSEA) union; roughly 19 employees have elected to participate.

Sewer and Storm Water Resource District Revenues

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	**2015**	**2016**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Fund Balance	$0	$3,831,470	$23,240,362	$23,564,500	$15,753,312	($7,487,050)	-32.2%	($7,811,188)	-33.1%
Permits & Licenses	1,190,805	1,731,421	1,500,000	1,500,000	1,553,000	53,000	3.5%	53,000	3.5%
Invest Income	139,641	207,943	100,000	154,537	200,000	100,000	100.0%	45,463	29.4%
Rents & Recoveries	25,489,087	10,243,871	10,060,000	8,360,000	6,540,000	(3,520,000)	-35.0%	(1,820,000)	-21.8%
Dept Revenues	1,332,032	1,367,589	1,482,000	1,907,000	1,200,000	(282,000)	-19.0%	(707,000)	-37.1%
Debt Svc From Capital	1,789,469	232,813	300,000	300,000	0	(300,000)	-100.0%	(300,000)	-100.0%
Interfund Charges Rev	4,831,411	0	0	0	0	0	*****	0	*****
Fed Aid-Reimb of Exp	419,083	7,699,494	0	71,566	0	0	*****	(71,566)	-100.0%
Interfund Transfers	109,929,480	105,171,621	104,431,695	104,431,695	114,230,768	9,799,073	9.4%	9,799,073	9.4%
Due from Other Gov't	0	(49,017)	0	0	0	0	*****	0	*****
Total	**$145,121,007**	**$130,437,205**	**$141,114,057**	**$140,289,298**	**$139,477,080**	**($1,636,977)**	**-1.2%**	**($812,218)**	**-0.6%**

- The FY 18 overall revenue for the District is decreasing by $1.6 million, or 1.2%, from the FY 17 Adopted Budget and by $0.8 million, or 0.6%, from the projection.
- The FY 18 fund balance is budgeted at $15.8 million which is a decrease of $7.5 million, budget to budget.
  - The FY 15 and FY 16 historical fund balance represents the usage.
- Investment income is expected to grow by $100,000 from the FY 17 Adopted Budget.
- The Administration has explained that the rents and recoveries line, specifically in enterprise fund recoveries, is decreasing by $3.5 million budget to budget due to fewer leased employees. The historical revenue had been approximately $10.0 million.
- Departmental revenues are decreasing by $0.3 million, budget to budget due to lower service revenues.
- Debt service from capital is being eliminated in the FY 18 Proposed Budget.
- Interfund transfers, specifically transfer in from SFA, is increasing by $9.8 million in FY 18.

Sewer and Storm Water District, Multi-Year Plan

Sewer and Storm Water Resource District Multi Year Plan ($'s in millions)				
EXPENSE	**2018 Proposed**	**2019 Proposed**	**2020 Proposed**	**2021 Proposed**
Salaries, Wages & Fees	$11.2	$11.3	$11.4	$11.3
Fringe Benefits	9.4	8.9	9.3	9.8
Equipment	0.0	0.0	0.0	0.0
General Expenses	1.0	1.0	1.0	1.0
Contractual Services	64.2	65.4	66.6	67.9
Utility Costs	6.1	6.2	6.5	6.8
Interest	5.3	4.8	4.3	3.7
Principal	9.7	10.1	10.5	9.7
Interfd Chgs - Interfund Charges	28.1	36.4	41.3	43.6
Other Expenses	4.5	0.5	0.5	0.5
EXPENSE TOTAL	**$139.5**	**$144.7**	**$151.6**	**$154.3**
REVENUE				
Fund Balance	15.8	0.0	0.0	0.0
Permits & Licenses	1.6	1.6	1.6	1.6
Invest Income	0.2	0.2	0.2	0.2
Rents & Recoveries	6.5	6.5	6.5	6.5
Dept Revenues	1.2	1.2	1.2	1.2
Transfer From PDD	114.2	114.2	114.2	114.4
REVENUE TOTAL	**$139.5**	**$123.7**	**$123.7**	**$123.9**
Tax Increase	$0.0	$21.0	$27.9	$30.4

- 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 income fluctuates minimally.
- Salaries and fringe benefits costs vary in the out-years.
- The equipment expense is budgeted at $15,000 in FY 18, FY 19, FY 20 and FY 21.
- General expenses are remaining flat in the out-years.
- Contractual services, specifically professional services, is increasing by $1.2 million in FY 19 and FY 20 and by $1.3 million in FY 21.
- Interest is decreasing in all the out-years while principal is only expected to decline in FY 21.
- The interfund charges are expected to increase due to greater capital debt service charges.
  - The capital debt increases are $8.3 million in FY 19, $4.9 million in FY 20 and $2.3 million in FY 21.
  - The Administration plans to bond for sewer related projects in each year of the plan as well as to issue long-term debt to replace the 2016 BAN sewer issuance.
- Fund balance of $15.8 million is included in the FY 18 Proposed Budget. It is not incorporated in the out-years.
- Permits & licenses of $1.6 million, investment income of $0.2 million, rents & recoveries of $6.5 million and departmental revenue of $1.2 million hold steady in all years.
- The transfer from PDD moves nominally in the out-years.
- The Administration included a tax increase as a gap closing measure.
  - The tax increase consists of $21.0 million in FY 19, $27.9 million in FY 20 and $30.4 million in FY 21.

Expense	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	10	9	12	10	10	(2)	-16.7%	0	0.0%
Part-Time and Seasonal	1	1	1	1	1	0	0.0%	0	0.0%
Salaries	$818,977	$777,360	$1,142,693	$885,680	$840,708	($301,985)	-26.4%	($44,972)	-5.1%
General Expenses	20,235	23,827	20,066	20,066	23,800	3,734	18.6%	3,734	18.6%
Contractual Services	10,795	187,495	9,666	25,166	0	(9,666)	-100.0%	(25,166)	-100.0%
Total	**$850,007**	**$988,682**	**$1,172,425**	**$930,912**	**$864,508**	**($307,917)**	**-26.3%**	**($66,404)**	**-7.1%**

Expenses

- The total proposed expense budget is decreasing by $307,917, or $26.3%, when compared to the FY 17 budget.
- Salaries are falling by $301,985, or 26.4%, budget to budget.
  - Full-time headcount is diminishing by two positions, a Deputy Director of Purchasing and a Director of Procurement Compliance.
    - The Director of Procurement Compliance position and associated wages have been moved to OMB's FY 18 Proposed Budget.
- The general expenses line is growing, by $3,734, or 18.6% from FY 17.
  - Listing fees and miscellaneous supplies & expenses are growing by $3,927 and $457 respectively. However, offsetting decreases totaling $650 are occurring within office supplies & copy paper, advertising/public notices and copying, blueprint supplies & expenses.
- The contractual services line of $9,666, specifically in legal expenses, is being eliminated in FY 18.

Revenue	Historical 2015	2016	2017 Adopted Budget	OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Percent	Exec. vs. Projected Variance	Percent
Rents & Recoveries	$317,380	$497,771	$350,000	$350,000	$380,000	$30,000	8.6%	$30,000	8.6%
Dept Revenues	206,784	161,386	251,800	151,800	185,500	(66,300)	-26.3%	33,700	22.2%
Total	**$524,164**	**$659,156**	**$601,800**	**$501,800**	**$565,500**	**($36,300)**	**-6.0%**	**$63,700**	**12.7%**

Revenues

- The total proposed revenue is decreasing by $36,300, or 6.0%, when compared to the FY 17 budget.
- Rents and recoveries are increasing by $30,000, or 8.6%, budget to budget.
  - The growth is due to an additional $50,000 in online auction proceeds being offset by $20,000 less in sale of county property, netting to $30,000.
- The departmental revenues line is decreasing by $66,300 to $185,500.
  - Miscellaneous receipts and online vendor registration/subscription revenue is diminishing by $1,300 and $65,000 respectively.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	604	601	620	615	616	(4)	-0.6%	1	0.2%
Part-Time and Seasonal	62	70	81	82	93	12	14.8%	11	13.4%
Salaries	$44,932,753	$45,951,744	$49,188,278	$47,177,354	$49,762,731	$574,453	1.2%	$2,585,377	5.5%
Fringe Benefits	0	(110)	0	0	0	0	*****	0	*****
Equipment	22,136	138,365	20,298	20,298	20,000	(298)	-1.5%	(298)	-1.5%
General Expenses	761,145	690,046	728,875	728,875	798,875	70,000	9.6%	70,000	9.6%
Contractual Services	7,269,700	7,061,985	7,307,221	7,307,221	7,077,154	(230,067)	-3.1%	(230,067)	-3.1%
Inter-Dept. Charges	14,952,930	13,103,952	16,166,384	16,166,384	17,454,553	1,288,169	8.0%	1,288,169	8.0%
Recipient Grants	60,096,445	55,760,126	59,900,000	53,850,000	55,650,000	(4,250,000)	-7.1%	1,800,000	3.3%
Purchased Services	68,351,269	67,507,226	67,583,171	67,833,171	67,583,171	0	0.0%	(250,000)	-0.4%
Emerg Vendor Payments	47,326,708	42,797,627	48,275,000	47,275,000	47,025,000	(1,250,000)	-2.6%	(250,000)	-0.5%
Medicaid	235,725,135	237,423,889	236,570,744	234,654,255	237,685,256	1,114,512	0.5%	3,031,001	1.3%
Total	**$479,438,219**	**$470,434,850**	**$485,739,971**	**$475,012,558**	**$483,056,740**	**($2,683,231)**	**-0.6%**	**$8,044,182**	**1.7%**

Expenses

- The proposed expense budget for the Department of Social Services (DSS) is slightly lower than the Adopted FY 17 Budget. Increased salary, interdepartmental charges, and Medicaid costs are more than offset by reduced contractual services, recipient grants, and emergency vendor payments.
- The proposed expense budget is about 1.7% greater than OLBR's latest projection. Rising costs for Medicaid, salaries, recipient grants, and interdepartmental charges are driving the $8.0 million variance.
  - The proposal tracks closer to the FY 17 budget rather than the latest projection over potential changes to federal healthcare law and uncertainty about FY 18 public assistance caseloads.
- Proposed salaries increase $0.5 million budget to budget and are 5.5% above the latest projection. The salary growth is tied to a $0.5 million increase in the overtime budget, step adjustments owed to CSEA members, and the addition of part-time employees. The proposal offsets this growth in part by eliminating a number of vacancies, such as two full time Case Supervisor III's at $0.2 million.

Expenses, cont.

- The allocations for equipment and general expenses are relatively unchanged in the FY 18 proposal from both the FY 17 budget and the latest projection. The majority of the proposed growth in general expenses is attributable to a $56,161 increase in miscellaneous supplies and expenses.
- Inter-departmental charges are up 8.0% compared not only to the Adopted FY 17 Budget but also OLBR's current projection. The proposed growth is tied to the following increases: $1.7 million in building occupancy charges, $0.5 million in workers' compensation expenses, and $0.2 million in information technology charges. These increases are offset in part by a $1.3 million cut in Police District Headquarters (ISA) charges and a $0.1 million reduction to indirect charges.
- The proposed budget includes $1.1 million more for Medicaid, a 0.5% increase from the Adopted FY 17 Budget. The budget to budget growth is concentrated in the County Share, as the State's FY 17-18 budget increased the County's weekly Medicaid payments.
- A brief summary of DSS's major programs is included at the end of the expense section.
- The proposal eliminates $2.8 million from the Safety Net Assistance Control Center and $1.6 million from the Family Assistance Control Center. These Control Centers house the Safety Net Assistance (SNA) and Temporary Assistance to Needy Families (TANF) public assistance programs, respectively. The department expects fewer TANF and SNA cases in FY 18.
- The Administration restored $1.1 million to the Medicaid MMIS Control Center, reflecting the aforementioned increased weekly payments.
- The proposed budget increases the Administration Control Center's expenses by about 7.4% from the budget adopted for FY 17. DSS's interdepartmental charges are handled out of this control center.

Expenses by Control Center

($'s in millions)

	Historical		2017	2018	Exec. vs. Adopted	
Control Center	2015	2016	Adopted Budget	Exec. Budget	Var.	%
Family Assistance	$26.5	$25.0	$27.5	$25.9	-$1.6	-5.8%
Subsidized Adoptions	4.6	4.7	4.9	4.8	-0.1	-2.0%
Juvenile Delinquents	2.5	2.3	2.3	2.3	0.0	0.0%
Training Schools	3.3	-1.3	2.5	2.0	-0.5	-20.0%
Real Estate Expense	0.0	0.0	0.0	0.0	0.0	*****
Educ Handicapped Child	15.3	15.2	16.0	16.0	0.0	0.0%
Child. Foster Homes - IVE	0.7	0.8	1.0	1.1	0.2	15.8%
Burials	0.2	0.2	0.3	0.3	0.0	0.0%
Medicaid MMIS	235.7	237.4	236.6	237.7	1.1	0.5%
HEAP	0.3	0.4	0.4	0.4	0.0	0.0%
Title XX	68.4	67.5	67.6	67.6	0.0	0.0%
Administration	20.5	18.9	22.1	23.7	1.6	7.4%
Public Financial Assis.	26.3	26.2	27.4	27.5	0.1	0.2%
Division of Services	21.1	21.8	23.9	23.9	0.0	0.0%
Juvenile Detention Ctr.	0.0	0.0	0.0	0.0	0.0	*****
Safety Net Assistance	41.4	39.8	40.8	38.0	-2.8	-6.9%
Children in Institutions	10.5	9.9	10.2	10.2	0.0	0.0%
Children in Foster Homes	1.6	1.1	1.9	1.2	-0.7	-35.1%
Non Secure Detention	0.6	0.6	0.6	0.6	0.0	0.0%
Total	**$479.4**	**$470.4**	**$485.7**	**$483.1**	**-$2.7**	**-0.6%**

Expenses, cont.

Direct Assistance

- Recipient grants, purchased services, and emergency vendor payments account for about 35.2% 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 $5.5 million budget to budget. A discussion of each category follows the table.

Direct Assistance			
Expense	2017 Adopted Budget	2018 Proposed Budget	Variance
Recipient Grants	$59,900,000	$55,650,000	($4,250,000)
Purchased Services	67,583,171	67,583,171	-
Emergency Vendor Payments	48,275,000	47,025,000	(1,250,000)
Total	**$175,758,171**	**$170,258,171**	**($5,500,000)**

- 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 18 proposal are down 7.1% budget to budget, about $4.3 million.
  - TANF cases declined 15.9% from August 2016 to August 2017. SNA cases have fallen 14.4% during this time. The decrease in recipient grant expenses budget to budget reflects the steep decline in TANF and SNA cases.
- The proposal is about 3.3% higher than the latest projection, as the Administration reserved some cushion in the event that FY 18 TANF and SNA caseloads increase back to FY 16 levels. However, if the current downward trend in caseloads continues into FY 18, there could be a slight budget opportunity of about $2.0 million.
  - 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 improved economy drove the County's TANF and SNA cases downward in FY 15 and FY 16; as the above caseloads figures indicate, FY 17 is tracking towards a similar result.
  - TANF and SNA cases would need to grow upwards of 20% from the FY 17 projection to return to FY 16 levels. The County's economic outlook for FY 18 is fairly stable, meaning that amount of caseload growth is unlikely.

Expenses, cont.

Direct Assistance, cont.

- Emergency vendor payments are made to cover a variety of services rendered to eligible DSS clients. Among these services are shelter care and utility payments. Emergency vendor payments are down 2.6% budget to budget. The proposal is about $0.3 million less than OLBR's current projection. The department anticipates foster care and Persons in Need of Supervision (PINS) caseloads to remain stable in FY 18. As a result, it trimmed $0.9 million from its room and board budget, $0.6 million from the utilities line, and $0.3 million from motel bills. According to the department, the County's growing homeless population drove a $0.6 million increase in shelter care costs.

- 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. The proposed budget is in line with the Adopted FY 17 Budget.

  - At $61.3 million, daycare expenses account for the majority of the proposed purchases services budget. The FY 18 proposal is only $0.1 million more than the FY 17 daycare budget and $0.2 million less than the latest projection. As the chart below demonstrates, rising caseload demand had pressured the overall purchased services budget.

  - 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%. While there is only a slight buffer to account for potential caseload growth in FY 18, DSS believes the budget will meet daycare demand.

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	60,848,145
FY2017*	6,016	$61,204,184	$61,389,436

FY17 is the current year end projection

Expenses, cont.

Medicaid

- The proposed budget includes $1.1 million more for Medicaid, a 0.5% increase from the Adopted FY 17 Budget. As the chart below demonstrates, the budget to budget growth is concentrated in the County Share because the State's FY 17-18 budget increased the County's weekly Medicaid payments.
- Medicaid expenses are up 1.3%, or $3.0 million, from the latest projection. The federal government is considering changes to the healthcare law that could jeopardize millions in recent savings furnished by the Affordable Care Act (ACA). Since the ACA was enacted in FY 14, the State has assumed more responsibility for Medicaid, saving Nassau upwards of $15.0 million annually per the department. The County spent about $250.0 million on Medicaid before implementation; from FY 15 to FY 17, Nassau's annual Medicaid payments have fallen to an average of $236.0 million.
  - The Administration has provided some buffer in the event that Congress enacts changes to the healthcare system.

Medicaid Expenses			
Expense	2017 Adopted Budget	2018 Proposed Budget	Variance
County Share	$225,155,424	$226,330,936	$1,175,512
Health Insurance Premiums	600,000	550,000	(50,000)
Home Aid Services	50,000	50,000	-
Indigent Care	10,660,320	10,660,320	-
Nurshing Home Care	80,000	80,000	-
Physicians' Services	5,000	5,000	-
Transportation	20,000	9,000	(11,000)
Total	**$236,570,744**	**$237,685,256**	**$1,114,512**

Expenses, Cont.

- The proposed budget has a full time headcount of 616 employees. This headcount is one more than the September 1, 2017 actual and four fewer than the Adopted FY 17 Budget.
- The department had 43 separations as part of the September 15, 2017 Voluntary Separation Incentive Program (VSIP) offered to CSEA members. The department plans to request backfills and promotions to ensure service delivery and meet supervisory requirements across the agency. OMB estimated DSS's annual savings from this VSIP at $3.4 million.
- The proposed budget makes a number of staffing changes relative to the current onboard. Highlights include the following changes:
  - Administration Control Center: The FY 18 staffing plan eliminates one Office Services Supervisor from the Support Services Responsibility Center (RC) compared to the current onboard headcount.
  - Public Financial Assistance Control Center: The proposal eliminates three positions from the previous year budget, but adds five positions from the September 1st actual on board.
  - Services Control Center: The proposal eliminates three positions from the previous year budget and the September 1st actual on board.

Staffing Analysis - Full Time	FY17 Adopted	Sept-17 Actual	FY 18 Request	FY 18 Executive	Exec. vs 17 Adopted	Exec. vs Actual
Administration						
Administration	8	9	9	9	1	0
Legal	3	3	3	3	0	0
Staff Development	4	5	5	5	1	0
Support Services	27	29	28	28	1	(1)
Systems Administration	10	9	9	9	(1)	0
Total for Control Center	**52**	**55**	**54**	**54**	**2**	**(1)**
Public Financial Assistance						
Accounting	21	21	21	21	0	0
Cmty. Rtls. & Hsng.	18	20	19	19	1	(1)
Disabled Client Assistance	9	8	8	8	(1)	0
Employment Program	4	9	9	9	5	0
Food Stamps	21	20	19	19	(2)	(1)
Investigations and Recoveries	9	9	9	9	0	0
Medical Assistance	45	47	48	48	3	1
Medical Services	6	4	4	4	(2)	0
Public Assistance	89	78	84	84	(5)	6
Support Collection Unit	47	47	47	47	0	0
Support Services	10	8	8	8	(2)	0
Total for Control Center	**279**	**271**	**276**	**276**	**(3)**	**5**
Services						
Adult Protective Services	29	31	29	29	0	(2)
Child Preventive Services	51	52	52	52	1	0
Child Protective Services	121	120	116	116	(5)	(4)
Children's Services	62	60	63	63	1	3
Day Care Services	25	26	26	26	1	0
Provider Services	1	0	0	0	(1)	0
Total for Control Center	**289**	**289**	**286**	**286**	**(3)**	**(3)**
Total Full Time	**620**	**615**	**616**	**616**	**(4)**	**1**

Expenses, Cont.

- The proposed budget has a part time headcount of 93 employees. This headcount is 11 more than the September 1, 2017 actual and 12 more than the Adopted FY 17 Budget. The proposed budget makes a number of part-time staffing changes relative to the current onboard. Highlights include the following changes:
  - Administration Control Center: The FY 18 staffing plan adds one Clerk Typist I to the Administration RC from the on-board and seven positions budget to budget.
  - Public Financial Assistance Control Center: The proposal adds seven staff to this control center. The additions include a Physician in the Disabled Client Assistance Program RC, and two Clerk Typist I's each for the Public Assistance and Community Relations and Housing RC's.
  - Services Control Center: The FY 18 proposed budget reorganizes this control center, dissolving the Public Assistance RC and redistributing its current employees, four Clerk Typists and two Clerks, throughout the other RCs.
- The department reports that it has shifted toward hiring part-time clerical staff, as its found difficulty filling full-time clerical positions due to low starting salaries. The FY 18 part-time staffing plan reflects this reality. DSS plans to request more Clerks in FY 18, as a number of VSIP participants were Clerks and Multi-Keyboard Operators.

Staffing Analysis - Part Time

	FY 17 Adopted	Sept-17 Actual	FY 18 Request	FY 18 Executive	Exec. vs 17 Adopted	Exec. vs Actual
Administration						
Administration	0	0	1	1	1	1
Staff Development	1	1	1	1	0	0
Public Assistance	0	3	0	0	0	(3)
Support Services	5	8	11	11	6	3
Systems Administration	2	2	2	2	0	0
Total for Control Center	**8**	**14**	**15**	**15**	**7**	**1**
Public Financial Assistance						
Accounting	0	1	1	1	1	0
Adult Protective Services	0	1	0	0	0	(1)
Community Relations & Housing	3	5	7	7	4	2
Disabled Client Assistance Program (DCAP)	5	3	4	4	(1)	1
Employment Program	1	0	1	1	0	1
Food Stamps	7	3	4	4	(3)	1
Medical Assistance	5	5	6	6	1	1
Public Assistance	13	10	12	12	(1)	2
Support Collection Unit	3	4	4	4	1	0
Support Services	1	1	1	1	0	0
Total for Control Center	**38**	**33**	**40**	**40**	**2**	**7**
Services						
Child Preventive Services	1	1	1	1	0	0
Child Protective Services	26	20	26	26	0	6
Children's Services	6	4	5	5	(1)	1
Day Care Services	2	4	6	6	4	2
Public Assistance	0	6	0	0	0	(6)
Total for Control Center	**35**	**35**	**38**	**38**	**3**	**3**
Total Part Time	**81**	**82**	**93**	**93**	**12**	**11**

Expenses, Cont.

- Proposed contractual expenses are down 3.1%, or $230,067, both budget to budget and from OLBR's latest projection.
- A number of contracts have been eliminated or reduced in the proposal, including the $270,000 auditing contract with Island Peer Review Organization (IPRO). An agreement with EOC has been reduced by $114,806 and a contract with Career Arc Group has been eliminated for a $111,000 savings. The proposal also stipulates a $170,000 employment contract budgetary reduction in the Employment Responsibility Center.
- These savings are offset in part by the elimination of a 3.3% budgetary reduction that had been imposed in FY 17. The budget funds a $164,919 contract with the Town of Oyster Bay for employment services.
- The proposal adds $120,000 for scanning in the Administration Responsibility Center.

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Conctractual Services	FY 17 Adopted Budget	FY 18 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	1,000,000	1,120,000	120,000
Grants Acquisition Initiatives	20,000	-	(20,000)
Car Leasing	36,400	36,400	-
Youth Summer Lunch Program	10,000	-	(10,000)
(Budget Reduction)	(45,471)	-	45,471
Total	$1,315,929	$1,451,400	$135,471
Temporary Assistance to Needy Families (TANF) Responsibility Center			
The Safe Center, L.I., Domestic Violence TANF	$14,261	$14,261	-
Circulo De La Hispanidad Homeless	14,261	14,261	-
EAC-HEAP & WRAP	424,475	424,475	-
Summity Security Services	790,950	802,489	11,539
Family Type Homes for Adults	40,000	40,000	-
(Budget Reduction)	(42,884)	-	42,884
Total	$1,241,063	$1,295,486	$54,423
Medical Assistance Responsibility Center			
Island Peer Review Organization (IPRO)	270,000	-	(270,000)
Human Services Transporation Services	100,000	-	(100,000)
NUMC-Nurses (PCA/DCAP)	2,110,000	2,239,715	129,715
(Budget Reduction)	(82,832)		
Total	$2,397,168	$2,239,715	($157,453)
Employment Responsibility Center			
EAC - Concillation Services	$128,441	$122,325	(6,116)
EOC	633,413	518,607	(114,806)
NADAP	997,815	947,702	(50,113)
Town of Oyster Bay	-	164,919	164,919
Career Arc Group/ TweetMyJobs.com	111,000	-	(111,000)
Job Fair	60,000	-	(60,000)
Employment Contract Reductions	-	(170,000)	(170,000)
(Budget Reduction)	(64,484)	-	64,484
Total	$1,866,185	$1,583,553	($282,632)
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	-
(Budget Reduction)	(13,093)	-	13,093
Total	$378,907	$392,000	$13,093
Services to Children Responsibility Center			
Ultimate Process Server	$10,000	$10,000	-
Child Care Council of Nassau	86,700	90,000	3,300
Foster Children Services/ Events	15,000	15,000	-
(Budget Reduction)	(3,731)		
Total	$107,969	$115,000	$7,031
Total Contractual Expense	$7,307,221	$7,077,154	($230,067)

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).

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	$1,554,267	$2,110,907	$800,000	$2,527,711	$800,000	$0	0.0%	($1,727,711)	-68.4%
Dept Revenues	15,892,516	16,780,701	16,583,180	16,578,180	16,583,180	0	0.0%	5,000	0.0%
Interdept Revenues	188,051	185,237	203,374	203,374	198,734	(4,640)	-2.3%	(4,640)	-2.3%
Fed Aid-Reimb of Exp	110,947,240	117,519,302	113,652,074	111,344,043	111,658,686	(1,993,388)	-1.8%	314,643	0.3%
State Aid-Reimb of Exp	52,236,953	51,374,245	54,306,583	50,749,254	51,795,333	(2,511,250)	-4.6%	1,046,079	2.1%
Total	**$180,819,027**	**$187,970,392**	**$185,545,211**	**$181,402,562**	**$181,035,933**	**($4,509,278)**	**-2.4%**	**($366,629)**	**-0.2%**

- The proposed budget has about 2.4%, or $4.5 million less revenue than in the Adopted FY 17 Budget and also $0.4 million less compared to OLBR's current projection. The changes are mainly in federal and state aid as well as recoveries when comparing the budget to the current actuals. About 90.3% of the proposed revenue budget is federal and state aid.
- The proposal holds the rents & recoveries and departmental revenue budgets flat compared to the Adopted FY 17 Budget.
  - The projected FY 17 rents & recoveries surplus is tied to the department's disencumbering a number of contracts from FY 15 or earlier. A budget opportunity would materialize if the department identified more disencumbrances in FY 18.
- 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 4.6% less state aid reimbursement in the FY 18 budget than in the Adopted FY 17 Budget. The proposed state aid budget is 2.1% greater than 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. There is 1.8% less federal aid in the FY 18 proposal than the Adopted FY 17 Budget. A $1.7 million federal Child Care Block Grant (CCBG) subsidy awarded on the State's fiscal calendar drives the proposed federal aid budget 0.3% above the latest projection. The CCBG kept federal aid relatively on target in FY 17.
  - As of August 31, 2017, TANF cases were down 15.9% compared to August 2016, while SNA cases were down 14.4% during this time. Even though TANF cases are down, the risk of a federal aid deficit is lessened by the prospect of CCBG money.
  - According to the department, the County has been repeatedly rewarded with CCBG money for its investment in the daycare program. As the Direct Assistance section of this report details, daycare caseloads, and thus purchased services expenses, began to rise dramatically in FY 12. Since that time, the State has increased the County's CCBG allocation by 82%, to $54.9 million in the State FY 17-18 budget. The department states that another increase is possible in the next state fiscal year.

Revenues, continued.

Governmental Aid

- Excluding Medicaid expenses, federal and state aid defrays 66.2% of DSS's proposed expense. However, the percentage reimbursement drops to 33.8% once the Medicaid Control Center is factored into the calculation.

FY 18 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	$23,711,904	$10,348,380	$5,629,042	$15,977,422	67.4%
72	Burials	250,000	0	2,000	2,000	0.8%
63	Children In Foster Homes (Non IV-E)	1,201,100	350,000	400,000	750,000	62.4%
69	Children In Foster Homes (IV-E)	1,100,000	600,000	200,000	800,000	72.7%
62	Children In Institutions PINS/DSS	10,200,000	3,302,504	2,800,000	6,102,504	59.8%
30	Division Of Services	23,946,774	10,789,354	8,655,171	19,444,525	81.2%
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	550,000	500,000	1,050,000	46.7%
68	Non Secure Detention	575,000	0	250,000	250,000	43.5%
20	Public Financial Assistance	27,454,635	16,118,448	8,809,780	24,928,228	90.8%
61	Safety Net	38,000,000	0	10,001,500	10,001,500	26.3%
70	Subsidized Adoptions	4,800,000	1,900,000	1,800,000	3,700,000	77.1%
60	Family Assistance (TANF)	25,900,000	23,000,000	3,200,000	26,200,000	101.2%
76	Title XX/CCBG	67,582,071	44,000,000	6,000,000	50,000,000	74.0%
66	Training Schools	2,000,000	0	0	0	0.0%
	Sub-Total	**245,371,484**	**111,358,686**	**51,195,333**	**162,554,019**	**66.2%**
73	Medicaid Mmis	237,685,256	300,000	600,000	900,000	0.4%
	Total	**$483,056,740**	**$111,658,686**	**$51,795,333**	**$163,454,019**	**33.8%**

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	**2015**	**2016**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Full-Time Headcount	2	9	10	9	10	0	0.0%	1	11.1%
Salaries	$104,531	$378,894	$480,543	$449,224	$507,875	$27,332	5.7%	$58,651	13.1%
Equipment	0	0	3,866	3,866	3,866	0	0.0%	0	0.0%
General Expenses	696	4,240	4,833	4,833	4,833	0	0.0%	0	0.0%
Contractual Services	0	0	0	0	31,529	31,529	*****	31,529	*****
Total	**$105,227**	**$383,134**	**$489,242**	**$457,923**	**$548,103**	**$58,861**	**12.0%**	**$90,180**	**19.7%**

Expenses

- TLC's proposed FY 18 expenses grow 12.0% budget to budget and 19.7% compared to OLBR's current projection. Increased salary and contractual services costs drive proposed growth in FY 18.
- The proposal fills a vacant Investigator Trainee position, increases the insurance buyback budget $2,000, and incorporates step adjustments for Civil Service Employees Association (CSEA) members.
- Proposed equipment costs are flat compared not only to the Adopted FY 17 Budget but also the latest projection.
- The proposed general expense budget is flat but shifts $2,000 from miscellaneous supplies and expenses to office supplies and copy paper.
- The proposal provides a contractual services budget in FY 18 for as-needed Judicial Hearing Officers. TLC must furnish a Judicial Hearing Officer from TVPA if an alleged violator requests a hearing instead of a settlement offer.

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Permits & Licenses	$0	$302,065	$376,435	$376,435	$346,435	($30,000)	-8.0%	($30,000)	-8.0%
Fines & Forfeits	0	909,645	350,000	1,500,000	800,000	450,000	128.6%	(700,000)	-46.7%
Total	**$0**	**$1,211,710**	**$726,435**	**$1,876,435**	**$1,146,435**	**$420,000**	**57.8%**	**($730,000)**	**-38.9%**

Revenues

- Proposed revenue grows 57.8% budget to budget. However, recent changes to state law affecting Transportation Network Companies (TNC) drive the proposal 38.9% below OLBR's latest projection.

  - In FY 17, TLC implemented an intelligence based enforcement system, resulting in more violations issued and fines assessed. Among other actions and strategies, TLC assigned three to five investigators on evenings and Saturdays from late March to late September, covering the traditional prom season and the Jones Beach Summer Concert Series. Staff were also posted in the City of Long Beach for late night enforcement. As a result, TLC issued 1,001 fines in June, nearly double its usual monthly output.
  - TLC has issued over 5,000 violations through September 30, 2017 and is projected to assess about $1.5 million in fines. Increased enforcement against TNC providers (e.g. Uber, Lyft, etc.) drove the upsurge in FY 17 fine revenue, as prior to June 29, 2017, TNC providers operating point-to-point in Nassau were in violation of County law and subject to fines.
  - On June 29, 2017, the Department of Motor Vehicles began regulating and licensing TNCs and their drivers throughout New York State. In the run up to the deadline, counties were given the opportunity to opt out of the state law and implement their own regulation on TNCs but Nassau hasn't exercised its right to implement County specific regulation. According to the department, the County may opt-out at any time.

- TLC's FY 18 revenue budget reflects this change to the department's regulatory mandate. Despite these changes, the department is confident it can achieve the FY 18 fine target, $0.8 million, through its intelligence based enforcement system.

- The FY 18 permits & licenses budget is 8.0%, or $30,000, lower than both the Adopted FY 17 Budget and the current projection. The department anticipates a slight decline in registrations in FY 18.

Revenues, cont.

- TLC's FY 16 and FY 17 monthly violations performance can be viewed in the table below. Through September 30, 2017, TLC has issued 63.2% more violations than the previous year.
- Once the State TNC law took effect, the number of violations issued fell off 23.7%, from 1,806 July through September 2016 to 1,378 over the same time period in 2017.
- The FY 18 fines & forfeiture budget has been reduced to reflect the department's smaller enforcement universe.

Month	2016	2017
January	11	556
February	35	405
March	26	589
April	209	624
May	483	569
June	568	1,001
July	575	582
August	676	444
September	555	352
October	622	-
November	724	-
December	400	-
Total Violations	4,884	5,122

- TLC acknowledges that the change in law presents challenges for the department, but finds them manageable with the robust management and strict enforcement described on the preceding page. Additionally, the department retains oversight of TNC's operating in Nassau. The following are but two examples of Nassau's continued jurisdiction over TNC's:
  - TNC drivers may be issued fines for failure to possess and display appropriate trade dress in or on their vehicles, the removable sticker or decal issued by TNCs to drivers. According to the department, without trade dress TNC's are indistinguishable from other unlicensed operators, so called "bandit cabs". However, such violations carry a lower fine than unlicensed operation.
  - TLC also issues violations to New York City licensed for-hire vehicles operating in Nassau County as a TNC, as these vehicles are not allowed to operate as a TNC anywhere but New York City. While these violations are a small part of TLC's overall volume, TLC will issue an unlicensed and/or unregistered violation to these drivers.

Revenues, cont.

➢ The chart below lists TLC's present fee and fine schedule. 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 department, three-fourths of the licenses it issues each year are exemption licenses.

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

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Revenue	**2015**	**2016**	**Adopted Budget**	**OLBR Projected**	**Executive Budget**	**Variance**	**Percent**	**Variance**	**Percent**
Fines & Forfeits	$59,227,711	$72,615,718	$63,945,315	$69,588,743	$64,890,000	$944,685	1.5%	($4,698,743)	-6.8%
Rents & Recoveries	344,406	41,672	35,000	35,030	35,000	0	0.0%	(30)	-0.1%
Total	**$59,572,117**	**$72,657,391**	**$63,980,315**	**$69,623,773**	**$64,925,000**	**$944,685**	**1.5%**	**($4,698,773)**	**-6.7%**

Revenues

- The Proposed FY 18 Budget for revenues is $64.9 million, a growth of $944,685, or 1.5% from the prior year budget. However, compared to the OLBR projection, revenues decline by $4.7 million, or 6.7%. The budget to budget increase is primarily attributed to the expansion of revenues from a fee included in the FY 18 budget.

- The Administration introduced legislation on September 15, 2017 to amend the existing $75 fee that is currently charged for Default Conviction Administrative Processing, to be now known as the "**Default Conviction or Judgment Administrative Processing Fee.**" Per the department, the revision will include defendants who appeared in Court, were found guilty after a plea or trial, but have failed to pay in full the amount ordered by the Court. The Proposed FY 18 Budget includes an additional $1.0 million for this amendment.

- Within the fines and forfeits budget are parking and traffic fine revenue of $22.8 million and Red Light Camera (RLC) revenue of $41.0 million, which includes administrative fees for both. In addition, boot and tow fine revenue is $1.1 million for FY 18; all fee allocations are depicted in the table on the next page.

  - The fines revenue allocation for the FY 18 budget remains flat at $13.5 million, which is consistent with historical trends. The corresponding administrative fee of $9.3 million is increasing by $440,921.

  - The RLC portion of the FY 18 revenue is $21.0 million and the related administrative fee is $20.0 million, which represents 267 operational cameras. Both RLC revenue streams are increasing by $125,139 and $1.2 million, respectively. Budget to budget, the total growth is $1.3 million.

Revenues, Cont.

Fines and Forfeits	2017 Adopted	2018 Proposed	Prop 2018 vs. Adpt FY17
R0603-Fines	13,500,000	13,500,000	-
R0630-Administrative Fee	8,809,079	9,250,000	440,921
Fines Subtotal	**22,309,079**	**22,750,000**	**440,921**
R0626-Red Light Camera (RLC)	20,874,861	21,000,000	125,139
R0629-RLC Administrative Fee	18,787,375	20,000,000	1,212,625
RLC Subtotal	**39,662,236**	**41,000,000**	**1,337,764**
R0633-Boot & Tow	1,974,000	**1,140,000**	(834,000)
Grand Total	**63,945,315**	**64,890,000**	**944,685**

- The boot and tow fee, which is $175 per violation has a Proposed FY 18 Budget of $1.1 million. This is a reduction of $834,000 compared to the prior year's budget of $2.0 million; however, the proposed budget is on track with the current trend.

Boot and Tow

Vehicles belonging to a vehicle owner who has 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 the boot, $140 for the tow and $25 a day for storage, if towed. The above fees are paid directly to the vendor and no portion is remitted to Nassau County.

- The Administration is budgeting $35,000 for rents and recoveries in the Proposed FY 18 Budget, which is constant with the prior year's budget and in line with OLBR's projection. This represents the revenue recovery account.

Revenues, Cont.

TPVA Tickets Received YTD						
	August 2016 YTD		August 2017 YTD		% Difference	
Issuing Agencies	Parking	Traffic	Parking	Traffic	Parking	Traffic
Nassau County Police	58,718	70,342	60,901	78,821	3.7%	12.1%
All Other Agencies	14,968	20,690	24,143	23,032	61.3%	11.3%
Grand total	**73,686**	**91,032**	**85,044**	**101,853**	**15.4%**	**11.9%**

- The table above displays parking and traffic tickets issued through August 2017 compared to the same period in the prior year; parking and traffic tickets are increasing by 15.4% and 11.9% respectively.
- The Nassau County Police Department generated a year over year growth of parking tickets of 3.7% and traffic tickets of 12.1%.

Traffic and Parking Violations Agency Fines & Forfeits - Multi Year Plan				
Revenue Sources	**2018 Proposed**	**2019 Plan**	**2020 Plan**	**2021 Plan**
Fines	13,500,000	13,230,000	13,230,000	13,230,000
TV Fines Administrative Fee	9,250,000	9,065,000	9,065,000	9,065,000
Red Light Camera (RLC)	21,000,000	20,580,000	20,580,000	20,580,000
RLC Administrative Fee	20,000,000	19,600,000	19,600,000	19,600,000
Boot & Tow	1,140,000	1,140,000	1,140,000	1,140,000
Total Fines & Forfeits Revenue	**$64,890,000**	**$63,615,000**	**$63,615,000**	**$63,615,000**

- The Multi Year Plan (MYP) in the schedule above depicts TPVA's revenue through FY 21. The out year plan includes total fines and forfeits revenue of $63.6 million, a total decrease of $1.3 million compared to the Proposed FY 18 Budget of $64.9 million.
  - The fines portion of revenue will decline by $270,000 to $13.2 million from FY 18 through FY 21. The associated administrative fee of $9.3 million is also decreasing by $185,000 in the out years.
  - Both the RLC and the related administrative fee revenues are declining by roughly $400,000. The decreases are from $21.0 million to $20.6 million and $20.0 million to $19.6 million, respectively, from FY 18 through FY 21.
  - The boot and tow revenue remains constant at $1.1 million from FY 18 through the out years.

	Historical		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	47	46	46	48	48	2	4.3%	0	0.0%
Part-Time and Seasonal	38	45	47	41	48	1	2.1%	7	17.1%
Salaries	$3,210,368	$3,983,467	$4,089,440	$4,086,439	$4,117,702	$28,262	0.7%	$31,263	0.8%
Equipment	5,822	375	9,376	9,376	9,376	0	0.0%	0	0.0%
General Expenses	189,765	171,904	212,669	212,669	223,814	11,145	5.2%	11,145	5.2%
Contractual Services	11,756,837	11,399,736	10,118,696	12,463,613	10,344,400	225,704	2.2%	(2,119,213)	-17.0%
Inter-Dept. Charges	0	5,625	0	0	0	0	*****	0	*****
Total	**$15,162,791**	**$15,561,106**	**$14,430,181**	**$16,772,097**	**$14,695,292**	**$265,111**	**1.8%**	**($2,076,805)**	**-12.4%**

Expenses

- The Proposed FY 18 Budget for expenses is increasing by $265,111, or 1.8%, budget to budget and declining by $2.1 million, or 12.4%, compared to OLBR's projection. This is attributed to increases in contractual expenses.
- The FY 18 proposed salaries are rising minimally by $28,262 budget to budget and 31,263 compared to OLBR's projection.
  - The salary change is attributed to STEP increases for members of the Civil Service Employees Association (CSEA) labor union, however no Cost of Living Adjustments (COLA) are added to the FY 18 budget. The labor agreement that the County entered into in FY 14 is scheduled to expire at year-end 2017 and there are currently no agreements with any unions beyond that period. The budget also includes a $90,000 reduction in overtime.
  - The Administration offered a Voluntary Separation Incentive Program (VSIP) to members of CSEA labor union and expect to backfill 50% of the positions; roughly three employees have elected to participate from the department.
- The full-time headcount increased by two positions budget to budget but in line with OLBR's September 1, 2017 on board.
- TPVA's part-time positions increased by one position compared to the prior year.
- The FY 18 equipment budget remains flat and general expenses are rising nominally by $11,145 due to small increases in most expenses.
- The FY 18 contractual services budget includes $10.3 million, an increase of $225,704 compared to the prior year's budget. The increase in expenses directly correlates to a projected surplus for RLC revenue.

Revenue	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Int Penalty On Tax	$32,660,615	$33,813,544	$35,200,000	$33,813,544	$34,850,000	($350,000)	-1.0%	$1,036,456	3.1%
Fines & Forfeits	7,754	19,094	20,000	19,094	14,000	(6,000)	-30.0%	(5,094)	-26.7%
Invest Income	1,970,382	2,053,121	947,000	2,667,325	1,929,000	982,000	103.7%	(738,325)	-27.7%
Rents & Recoveries	76,817	1,016,783	0	207,908	0	0	*****	(207,908)	-100.0%
Dept Revenues	456,532	368,733	1,819,797	545,848	718,009	(1,101,788)	-60.5%	172,161	31.5%
Debt Svc From Capital	0	0	60,000,000	0	0	(60,000,000)	-100.0%	0	*****
Special Taxes	3,014,238	1,961,008	2,659,000	2,659,000	2,631,265	(27,735)	-1.0%	(27,735)	-1.0%
Total	**$38,186,338**	**$39,232,284**	**$100,645,797**	**$39,912,719**	**$40,142,274**	**($60,503,523)**	**-60.1%**	**$229,555**	**0.6%**

Revenues

- Revenues in the Proposed FY 18 Budget are decreasing by $60.5 million, or 60.1%, from the Adopted FY 17 Budget. The decrease is primarily due to the County no longer borrowing to pay property tax refunds.
- Compared to the current projection, revenues are increasing $0.2 million, or 0.6%, in the Proposed FY 18 Budget.
- FY 17 interest penalty on taxes revenues are currently projected to come in under budget in FY 17. This trend is budgeted to continue in FY 18.
    - The Administration attributes this decline to a stabilizing economy resulting in fewer homeowners paying their taxes in arrears.
- FY 17 fines & forfeits revenues are also trending below budget in FY 17; the Proposed FY 18 budget incorporates this current trend.
- Investment income is generated as the County invests excess cash in certificate of deposits, money markets, and time deposits.
- The Federal Reserve increased interest rates in FY 17 contributing to the above budget FY 17 projection for investment income.
- Interest rates are forecast to rise again in FY 18. Although the FY 18 Proposed investment income budget is higher than the FY 17 Adopted Budget, the FY 18 appropriation is lower than the current projection; therefore, OLBR views the FY 18 budget as conservative.
- FY 17 departmental revenues are trending under the FY 17 budget. This trend is budgeted to continue in FY 18.
    - The Administration budgeted $1.1 million in miscellaneous fees in FY 17 and removed all but $9,009 in the proposed FY 18 budget.

Revenues, Cont.

- The FY 17 miscellaneous fees were expected from online tax lien sales of previously unsaleable parcels.

➢ The special tax line revenues are budgeted to decrease by $27,735 in FY 18 from the Adopted FY 17 level. The revenue source contains six sub objects detailed in the chart below.

Special Taxes			
Revenue Source	FY 17 Budget	FY 18 Exec.	18 Exec. vs. 17 Est.
Adm Tax Belmont Park	$115,000	$190,000	$75,000
Hotel/Motel Room Tax	1,100,000	1,050,000	(50,000)
Entertainment Tax	400,000	250,000	(150,000)
Entertainment Tax - Coliseum	467,000	511,265	44,265
Entertainment Tax - NY Islanders	27,000	-	(27,000)
Entertainment Tax - Beach Concerts	550,000	630,000	80,000
Total Special Taxes	$2,659,000	$2,631,265	($27,735)

➢ Entertainment tax collections represent 52.9% of the FY 18 Treasurer's Office special taxes budget. 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 Islanders, and beach concerts.

- The department is anticipating that total entertainment tax proceeds will be $1.4 million in FY 18, a $52,735 decrease from the FY 17 Adopted Budget.

- The decrease reflects the elimination of NY Islanders entertainment tax collections coupled with an $150,000 decline in general entertainment tax collections. This may prove conservative as the Administration states that they anticipate collecting entertainment tax revenues from the New York Community Bank Theatre at Westbury.

- Beach concert and Coliseum entertainment tax collections are expected to increase $80,000 and $44,265 respectively from a budget to budget perspective.

➢ Hotel/motel collections are budgeted at $1.1 million in the Proposed FY 18 Budget, down $50,000 compared to the Adopted FY 17 Budget.

- An opportunity may exist on this line as Long Island Convention and Visitor Bureau figures reveal strong tourism demand. In August 2017, demand was strong enough to enable rental rates to rise 2.3% while occupancy rates fell 0.7% from the prior year. Additionally, New York State Labor Department figures show Long Island leisure and hospitality employment rose 2.8% from the prior year.

➢ 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 18 proposal includes $190,000 in collections for this tax, up $75,000 from the Adopted FY 17 Budget. This may prove optimistic as $127,914 was collected in FY 16.

Expense	Historical 2015	Historical 2016	2017 Adopted Budget	2017 OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Exec. vs. Adopted Percent	Exec. vs. Projected Variance	Exec. vs. Projected Percent
Full-Time Headcount	27	26	27	26	27	0	0.0%	1	3.8%
Part-Time and Seasonal	2	2	4	2	1	(3)	-75.0%	(1)	-50.0%
Salaries	$2,027,411	$1,980,628	$2,196,192	$2,141,239	$2,118,557	($77,635)	-3.5%	($22,682)	-1.1%
Equipment	0	320	1,933	1,933	1,933	0	0.0%	0	0.0%
General Expenses	361,426	271,906	398,375	398,375	371,602	(26,773)	-6.7%	(26,773)	-6.7%
Contractual Services	157,512	130,936	246,966	246,966	331,342	84,376	34.2%	84,376	34.2%
Other Expense	3,322,078	35,956,036	75,000,000	52,746,389	30,000,000	(45,000,000)	-60.0%	(22,746,389)	-43.1%
Total	**$5,868,427**	**$38,339,826**	**$77,843,466**	**$55,534,902**	**$32,823,434**	**($45,020,032)**	**-57.8%**	**($22,711,468)**	**-40.9%**

Expenses

- Expenses in the FY 18 Proposed Budget are $45.0 million, or 57.8%, less than in the Adopted FY 17 Budget, and $22.7 million, or 40.9%, less than OLBR's projection.
- The decrease is largely driven by the elimination of tax certiorari funding on the other expense, other suits & damages line.
- The Administration plans to pay $30.0 million in property tax refunds in FY 18 using "paygo" operating funds.
- 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 2021.
- Compared to the FY 17 Adopted Budget, the Proposed FY 18 full-time headcount is unchanged and part-time and seasonal headcount was reduced by three.
- The Proposed FY 18 salary appropriation is down $77,635, or 3.5%, from the FY 17 Adopted level. The salary decline may be attributed to the elimination of funding for seasonal workers ($45,000), a decrease in full-time funding ($22,574), and a $10,061 decrease in other salary appropriations.
- The FY 18 proposed salary budget does not include any savings from the recent Voluntary Separation Incentive Program (VSIP). The Office lost two individuals to this program. The Administration has stated that County wide half of the vacated positions will be backfilled.
- The FY 18 Proposed equipment budget is unchanged from the FY 17 Adopted Budget. The equipment appropriation is used to cover information technology expenses.
- The Proposed FY 18 general expenses budget is falling 6.7%, or $26,773, from the FY 17 Adopted level. The expense line covers primarily advertising tax lien and miscellaneous supply costs. The decline is a function of lower miscellaneous supply costs.
- The Proposed FY 18 budget for contractual services is increasing 34.2%, or $84,376, when compared to FY 17 Adopted level. The increase is attributable to higher miscellaneous and financial contractual services expenses.

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		2017		2018	Exec. vs. Adopted		Exec. vs. Projected	
Expense	2015	2016	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	$427,060	$433,395	$485,054	$489,058	$492,884	$7,830	1.6%	$3,826	0.8%
General Expenses	9,278	12,690	15,200	15,200	15,200	0	0.0%	0	0.0%
Contractual Services	0	0	2,000	2,000	2,000	0	0.0%	0	0.0%
Total	**$436,338**	**$446,086**	**$502,254**	**$506,258**	**$510,084**	**$7,830**	**1.6%**	**$3,826**	**0.8%**

Expenses

- Proposed expenses are up $7,830, or 1.6%, budget to budget. Expenses in the proposal are 0.8%, or $3,826, higher than the latest projection. The growth is concentrated on the salary line.
- Salary expenses are 1.6% higher in the proposal than in the Adopted FY 17 Budget. Proposed salary expenses are 0.8% higher than OLBR's current projection.
  - The salary growth stems in part from step adjustments in the current Collective Bargaining Agreement (CBA) for Civil Service Employees Association (CSEA) members.
  - The proposed health insurance buyback budget increases $2,000 budget to budget.
  - These increases are offset in part by a reduced terminal leave budget and a $5,000 reduction in the Community Service Representative salary budget.
- Proposed general expenses and contractual services expenses are flat compared not only to the FY 17 budget but also the most recent projection.

Revenue	Historical 2015	2016	2017 Adopted Budget	OLBR Projected	2018 Executive Budget	Exec. vs. Adopted Variance	Percent	Exec. vs. Projected Variance	Percent
Rents & Recoveries	$190	$0	$0	$0	$0	$0	*****	$0	*****
State Aid-Reimb of Exp	59,703	118,406	59,703	59,703	59,703	0	0.0%	0	0.0%
Total	**$59,893**	**$118,406**	**$59,703**	**$59,703**	**$59,703**	**$0**	**0.0%**	**$0**	**0.0%**

Revenues

- The State reimburses the Agency for expenses related to administering veterans' assistance programs. The FY 18 budget is in line not only with OLBR's most recent projection but also the FY 17 budget.