

Overview of the Fiscal 2009

Executive Budget



Nassau County Office of Legislative Budget Review

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October 7, 2008

Government Services Committee

Agencies Scheduled to Testify:

County Clerk

Public Works

Parks, Recreation & Museums

Minority Affairs

Planning

Information Technology

Human Rights

Assessment

Nassau County Legislature

Hon. Diane Yatauro,
Presiding Officer

Hon. Peter J. Schmitt,
Minority Leader

Hon. Wayne H. Wink, Jr.
Chairman, Government Services Committee

ERIC C. NAUGHTON
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NASSAU COUNTY LEGISLATURE

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Inter-Departmental Memo

To: Hon. Diane Yatauro, Presiding Officer
Hon. Peter J. Schmitt, Minority Leader
Hon., Wayne H. Wink, Jr., Chairperson, Government Services Committee
All members of the Government Services Committee

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

Date: October 3, 2008

Re: FY 09 Budget Hearing – October 7, 2008

Enclosed please find preliminary reviews of the FY 09 Executive Budget for the specific agencies scheduled to appear before the Government Services Committee. We have developed a new look to our analyses, with the goal of providing you with more information and making it easier to read. In order to better evaluate the Proposed Budget, our analyses includes two years of historical expenditures and revenue, as well as the Office of Legislative Budget Review's (OLBR) projections for FY 08. In addition, in looking at staffing needs we also compare the proposed FY 08 budget to actual staffing levels for the last two years. The OLBR headcount projection represents each department's on-board staffing as of September 1, 2008.

The proposed budget of the Sewer Storm Water District will utilize an additional \$6.1 million, or 5.9%, in property tax and \$4.3 million more in departmental revenues from the introduction of a high volume user charge to be implemented in FY 09. The charge will be based upon water consumption, the rationale being that the majority of water supplied is returned to the sanitary sewer system. Those entities that use a large volume of water place a larger burden on the system. The County used the Glen Cove Water Pollution Control Plant as a model for this charge. It should be noted that the implementation of this charge will require legislative approval.

A significant initiative impacting government services is consolidation. It is unclear how the \$4.5 million of expected savings will materialize. The Administration has proposed to:

1. Place all of the “advocacy” functions – the offices of Veterans Affairs, Physically Challenged, Minority Affairs, and Coordinating Agency for Spanish Americans – under one umbrella that reports to the County Executive and give them a stronger voice in the community. This new Office of the County Advocate will share business and administrative functions, but still maintain distinct units of advocacy.
2. All Information Technology staff in the County will be consolidated into the Department of Information Technology.
3. Fleet maintenance, building maintenance, and parks maintenance functions will be consolidated into the Department of Public Works. The result will be improved coordination, reduction in required equipment, streamlined staffing requirements, and defined professional staff development.

The information technology and various maintenance consolidations are logical with clear opportunities for synergies that in the long run have the ability to yield savings for the County if managed properly. The immediate savings that the County hopes to achieve in the short term should not just be based on eliminating vacant positions, which were not going to be filled under any scenario. The Administration must also work with each impacted department and the union to allow for a smooth transition.

The creation of the Office of the County Advocate appears to be illogical and does not recognize the reasons why some of these offices were created. In order to determine if one office could “provide a more coordinated approach to community outreach”, it should first be examined whether these departments serve similar needs and if there are duplicative services being performed. Also, it must be examined if these departments were created to serve purposes other than community outreach.

The Office of Minority Affairs has made very good strides in terms of the County’s MWBE program, but the members of the Commission on Charter Revision (CGR) were also expecting the Office to:

- Provide the County Executive and the County Legislature with “Minority Community Impact” assessments on budgetary actions and policies.

- Produce and publish research papers or studies on issues affecting the minority community.
- Provide assistance in the implementation of Affirmative Action programs in county government employment, housing and the development of an annual Affirmative Action report required by the county for certain of its state and federal funding sources on employment opportunities for minorities in its work force.

The Office of Minority Affairs was intended to be a regulatory agency more than an office for advocacy, and until the Administration recognizes that, the office will not fulfill its true mission.

County Clerk

In FY 09 total County Clerk revenues are budgeted to increase by \$4.6 million to \$17.7 million. The increase is solely a result of passage of the uniform filing fee which raised the fee imposed by the County Clerk for recording, entering, indexing and endorsing a certificate on any instrument. Had fees not been raised, departmental revenues would decline due to the housing market crisis and resultant credit crunch. The 2009 departmental revenues budget of may be optimistic. Although the budgeted amount is based upon a continued decline in the local housing market, given the uncertainty in the economy, it is possible that the housing market decline will be of a greater magnitude than that which is anticipated. Total expenses for the office are increasing 6.1% from the Adopted 2008 level.

Public Works

Public Works proposed FY 09 budget is increasing by \$18.7 million, or 20.3%, over the adopted FY 08 appropriation. The aforementioned consolidation accounts for this entire increase. The budget incorporates the consolidation of the Parks Department's Grounds and Maintenance divisions and the Police Department's Fleet, Building Maintenance (BMU), and Custodian units into DPW. The goal of the Administration's consolidation efforts is to "merge various functions which will result in more efficient and effective delivery of services at reduced cost."

The 92 full-time employees of the two Parks divisions, currently responsible for maintaining all County parks, museums and preserves, will be transferred to DPW, as will 113 full-time civilian employees now working for the Police Department. The transfer also includes 28 part-time and 28 seasonal budgeted positions, all but one seasonal related to parks maintenance.

If not for the additional costs related to the consolidation, DPW's FY 09 budget, less interdepartmental charges, would be decreasing by \$4.0 million, or 4.7% compared to FY 08:

Parks

The FY 09 budget for Parks is decreasing \$8.9 million largely due to the “consolidation” of staff and services into the department of Public Works. Approximately 92 full-time and 33 part-time employees will be transferred. OTPS in the amount of \$2.3 million will be moved to Public Works as well.

The FY 09 revenue is expected to rise by \$3.5 million over 2008 projections. The major contributor to the increase is departmental revenue which is increasing by \$3.7 million. The following are areas experiencing the largest increases advertising revenue, swimming pools, concessions, athletic fields and several golf related areas.

Planning Department

Total expenses for the Department are rising 2.9% from the adopted 2008 level and 5.1% from OLBR’s 2008 projection. Included in the FY 09 expense budget is \$10.5 million in funding for LI Bus. The FY 09 LI Bus budgeted subsidy amount is unchanged from the adopted 2008 level. At the proposed 2009 Nassau County subsidy level, LI Bus will be operating with a net deficit. Total revenues for the Planning Department are budgeted to decline 18.5% from the 2008 budgeted level.

Information Technology

On May 16, 2008, through Executive Order, information technology functions in Social Services, the Health Department and Public Works were consolidated within the Department of Information Technology (DoIT). DoIT is now overseeing an additional 36 positions from Social Services, 4 positions from the Health Department, and 1 position from Public Works. They are now in the process of adding 15 civilians from the Nassau County Police Department. This consolidation may have a negative effect, should the State not maintain its current level of reimbursement because it determines that staff is not performing services exclusively for HHS. If properly managed, however, there could be a number of benefits from consolidation including operational efficiencies, information integration and coordination, and improved communication and service throughout the County. The consolidation should be monitored to ensure services to HHS departments, Police Department, and their consumers do not suffer as a result.

Human Rights

The total proposed expense budget for the Commission on Human Rights is \$66,507 or 7.4% lower than the Adopted 2008 budget and 16.7% higher than OLBR projection for 2008. Historically salaries have been the major portion of the department’s expense. OLBR projects a lower salary expense largely due to the termination of the Commissioner of Human Rights in May 2008. If the commissioner’s position continues to be vacant in 2009, salary expense can be expected to be lower.

As per the Comptroller’s Audit from January 18, 2008, the payroll function in the Commission on Human Rights has not been performed sufficiently and it is critical that this be corrected. The previous commissioner has stated that although she had repeatedly requested additional resources to rectify the situation, these requests were denied. The acting commissioner has said that he has also

not been given the additional resources and that completing this task is a continuing struggle. In addition, as the number of complaints the department deals with increases due to the growing awareness of the 2007 Housing Law, the burden on the department grows.

Assessment

The proposed FY 09 Assessment budget is flat compared to FY 08. An increase for salaries is almost entirely offset by a decrease in contractual services. Budgeted headcount will decrease by a net of six full-time positions and one part-timer. Revenues are increasing by 7.4% over the FY 08 Adopted, or 28% over the OLBR projection.

GOVERNMENT SERVICES COMMITTEE

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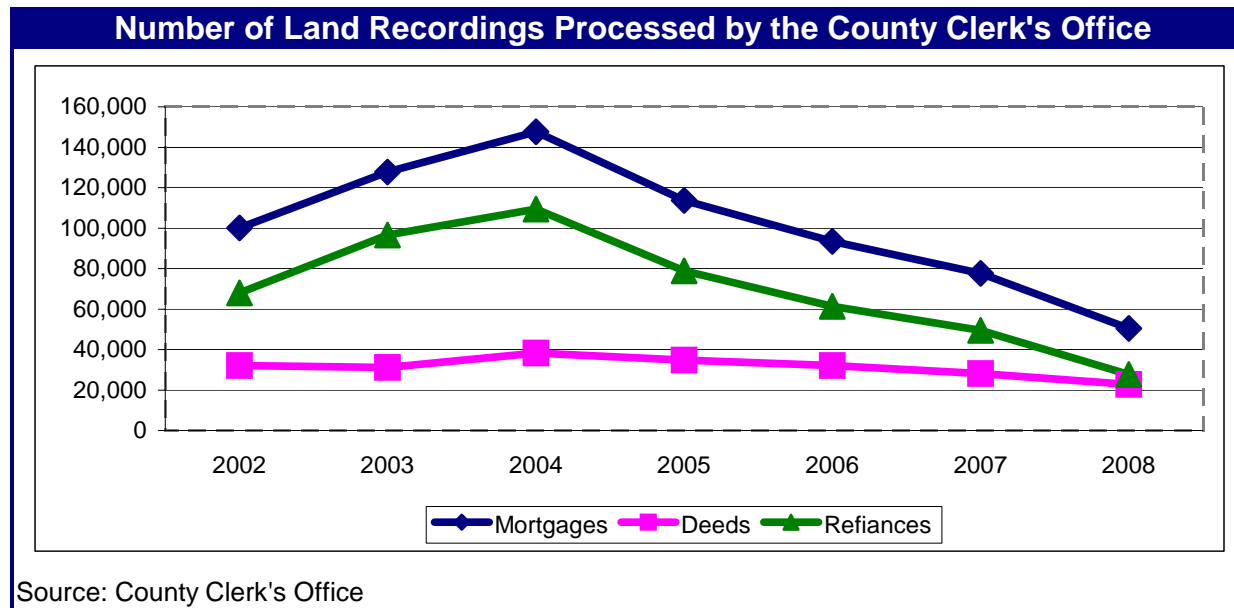
Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$277,084	\$418,747	\$400,000	\$344,000	\$300,000	(\$100,000)	-25.0%	(\$44,000)	-12.8%
Dept Revenues	13,940,046	12,938,266	13,000,000	10,504,742	17,661,600	4,661,600	35.9%	7,156,858	68.1%
Total	\$14,217,130	\$13,357,013	\$13,400,000	\$10,848,742	\$17,961,600	\$4,561,600	34.0%	\$7,112,858	65.6%

Revenues

- The Nassau County Clerk is the County Registrar and Clerk of the Supreme and County Courts. The office records all real estate transactions and maintains all court records in civil and matrimonial proceedings.
- County Clerk revenues are budgeted on two separate lines, fines & forfeits and departmental revenues. Fines & Forfeits revenues have risen since 2004. Conversely, departmental revenues have steadily declined since 2004.
- In FY 09 total County Clerk revenues are budgeted to increase by \$4.6 million or 34.0%.
 - The increase is solely a result of passage of the uniform filing fee which raised the fee imposed by the County Clerk for recording, entering, indexing and endorsing a certificate on any instrument. OLBR expects the fee increase to yield an additional \$6.7 million annually.
- Had fees not been raised, County Clerk departmental revenues would decline due to the housing market crisis and resultant credit crunch.
 - Since 2004, the number of mortgages recorded by the County Clerk has fallen by 65.8%, the number of deeds recorded has fallen by 40.5% and the number of potential refinances (mortgages – deeds) has fallen by 74.7%. The figures reveal that the market for refinancing has been hardest hit by the economic turmoil.

The chart on the following page exhibits these decreases.

Revenues, Cont.



- The market for refinancing has fallen since interest rates are currently higher than their 2004 level, individuals do not have sufficient home equity to refinance and credit underwriting standards have risen.
- According to the Mortgage Bankers Associations' September 11, 2008 Mortgage Finance Forecast, the interest rate charged on 30 year fixed rate mortgage will rise 0.1% in 2009 compared to 2008.
- According to the forecast the interest rate increase will coincide with a 25.4% reduction in the number of refinances nationwide. Such a reduction would impact County Clerk revenues since roughly one third of the land recordings processed annually by the County Clerk's Office are due to mortgage refinances.
- The chart on the next page provides a detail of the departmental revenues category. The departmental revenues category is comprised of nine separate line items.
- Roughly 70% of the departmental revenues line items are directly connected to the buying, financing and selling of real estate. The other 30% of the departmental revenues are not correlated with the buying, financing and selling of real estate.

Revenues, Cont.

- The non-real estate related categories of the departmental revenues have been more consistent and should reduce the projected loss for total County Clerk departmental revenues. For example, court fees are expected to rise in conjunction with increased foreclosures.

Departmental Revenues					
Revenue Source	FY 07 Actual	FY 08 Budget	FY 08 Projection	FY 09 Exec.	08 Adopt. vs. 09 Exec.
Fees	\$143,742	\$170,000	\$59,323	\$55,200	(\$114,800)
Court Fees	1,232,835	1,192,000	1,157,103	1,200,000	\$8,000
Mortgage Recording Fees	6,720,344	6,940,000	4,965,023	12,180,000	\$5,240,000
Deed Recording Fees	901,653	885,000	767,382	720,000	(\$165,000)
Real Estate Transfer Fees	37,084	36,000	23,864	20,400	(\$15,600)
Records Management	242,404	241,000	194,437	198,000	(\$43,000)
Mortgage Exp Reimbursement	1,372,425	1,321,000	1,364,357	1,358,400	\$37,400
Business Name Fee	260,314	220,000	284,987	240,000	\$20,000
Miscellaneous Fees	2,027,462	1,995,000	1,688,266	1,689,600	(\$305,400)
	\$12,938,263	\$13,000,000	\$10,504,742	\$17,661,600	\$4,661,600

- The chart above provides an itemization of all County Clerk departmental revenues. The new fee revenue mentioned previously may be seen in the mortgage recording fees line.
- OLBR believes that the 2009 departmental revenues budget of \$17.7 million may be optimistic. Although the budgeted amount is based upon a continued decline in the local housing market, given the uncertainty in the economy, it is possible that the housing market decline will be of a greater magnitude than that which is anticipated.
- The increase in court fees is due to an anticipated increase in foreclosure judgment recordings. Although, the recording of these judgments does bring in additional revenue, the fees for foreclosures are significantly lower than those for real property recordings.

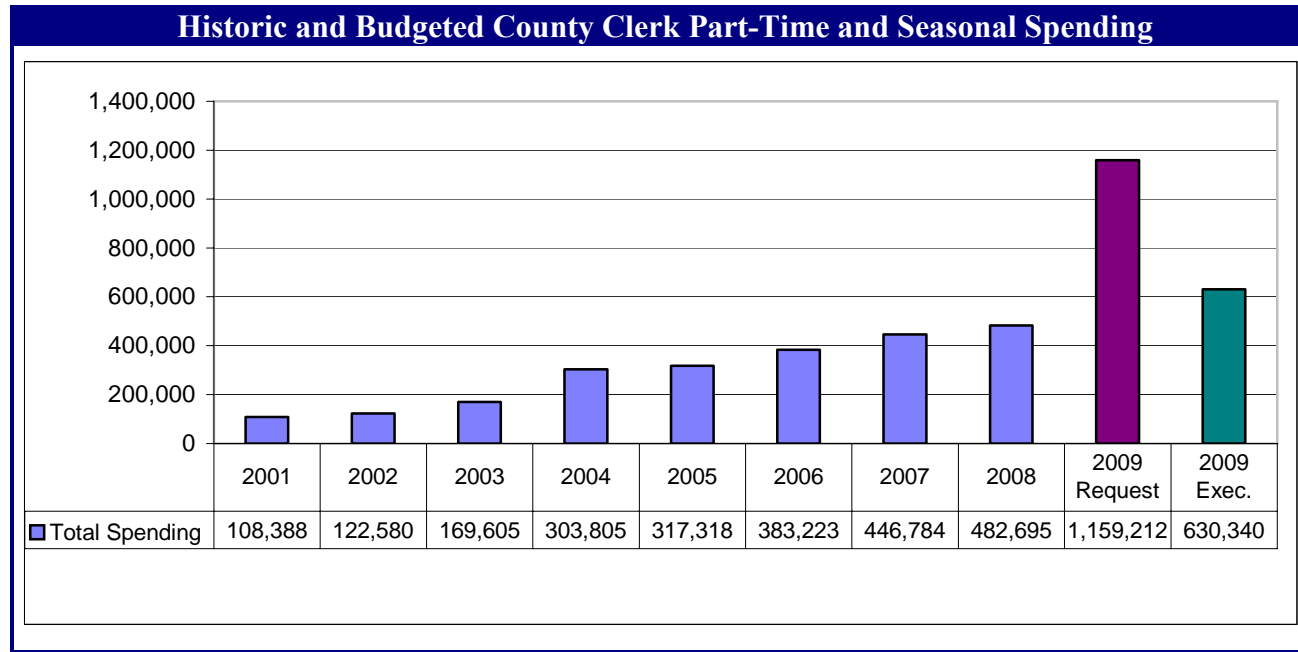
Expense	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	101	98	106	99	106	0	0.0%	7	7.1%
Part-Time and Seasonal	47	67	100	45	100	0	0.0%	55	122.2%
Salaries	\$4,867,688	\$4,934,360	\$5,951,557	\$5,122,337	\$6,450,023	\$498,466	8.4%	\$1,327,686	25.9%
Equipment	97,646	92,284	153,000	26,406	125,000	(28,000)	-18.3%	98,594	373.4%
General Expenses	137,303	306,198	371,750	371,750	371,750	0	0.0%	0	0.0%
Contractual Services	28,295	234,759	355,000	355,000	300,000	(55,000)	-15.5%	(55,000)	-15.5%
Total	\$5,130,931	\$5,567,600	\$6,831,307	\$5,875,493	\$7,246,773	\$415,466	6.1%	\$1,371,280	23.3%

Expenses

- The chart above depicts the historical and the proposed FY 09 expenditures for the Office of the County Clerk. Total expenses for the office are increasing 6.1% from the Adopted 2008 level.
- The largest expense item in the County Clerk’s Office is salaries. The salary line is increasing 8.4% to cover anticipated CSEA raises, the County Clerk’s raise, which was not funded in the agency’s budget in 2008 and to enable the office to fill some of the vacant budgeted positions.
- All other expense items included in the County Clerk’s budget are unchanged or reduced from their adopted FY 08 level.
- The office will not be able to fill all of its vacant part time and seasonal positions.
- The dollars allocated for these positions was reduced in the Executive Budget from the departmental request. Currently, the land recording unit workload has leveled off, but the court recording workload has increased.
- The office is hoping to redeploy some of its workforce to meet the heightened court recording workload since it will not be able to hire for all its vacancies. This could impact revenue collections if the recordings are not processed in a timely fashion.

The chart on the following page details historic and budgeted part time and seasonal spending for the County Clerk’s Office.

Expenses, Cont.



- According to the office, a significant portion of the increased part-time and seasonal spending is attributable to hourly wage rate increases and cost of living adjustments. OLBR assumes that increased workload also has contributed to the higher part-time and seasonal spending.

Expense	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	9	8	13	12	13	0	0.0%	1	8.3%
Part-Time and Seasonal	11	10	21	17	21	0	0.0%	4	23.5%
Salaries	\$563,112	\$559,917	\$848,798	\$729,386	\$961,817	\$113,019	13.3%	\$232,431	31.9%
Equipment	(8)	23,035	50,000	0	40,000	(10,000)	-20.0%	40,000	*****
General Expenses	70,543	159,338	189,000	189,000	189,000	0	0.0%	0	0.0%
Contractual Services	71,000	76,518	135,000	135,000	101,589	(33,411)	-24.7%	(33,411)	-24.7%
Inter-Dept. Charges	75,094	121,997	392,999	392,999	396,941	3,942	1.0%	3,942	1.0%
Total	\$779,741	\$940,805	\$1,615,797	\$1,446,385	\$1,689,347	\$73,550	4.6%	\$242,962	16.8%

Expenses

- The Office of Records Management, under the supervision of the County Clerk, administers and maintains the central records and documents storage facility for all agencies of County government.
- Documents on file comply with mandated retention schedules and are subject to retrieval by originating agencies. The office also provides production capability for microfilming services.
- The total FY 09 expense budget for the office is increasing 4.6% from the FY 08 budgeted level. The increase is primarily attributable to a 13.3% budget to budget increase in the salary line.
- The FY 09 budgeted headcount is really unchanged from the adopted 2008 level. OMB’s supporting schedules incorrectly listed one full time employee as a part time employee. The chart above reflects the correct head count figures.
- The salary line has grown to accommodate anticipated CSEA steps, contractual increases and increased part-time hours.
- Of the 13.3% budgeted FY 09 salary line increase, 48.6% is due to increased funding for part-time hours. Full-time salary costs are budgeted to rise 8.5% compared to the adopted FY 08 level.
 - The part-time salary line is increasing \$49,430 from the FY 08 budgeted amount.
- Inter-departmental charges are increasing due to greater building occupancy charges. All other expense items are either unchanged or recording a decrease.

Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Interdept Revenues	\$87,924	\$173,936	\$626,550	\$626,550	\$821,383	\$194,833	31.1%	\$194,833	31.1%

Revenues

- The chart above shows revenues realized by the office from FY 06 to FY 07, a projection for FY 08 and the FY 09 budgeted amount. During that period inter-departmental revenues have been the only revenue. The office charges back other County departments for records management services.
- FY 09 budgeted interdepartmental revenues are expected to increase 31.1%. The increase is attributable to new interdepartmental revenues from Police Headquarters and the Department of Social Services.

Expense	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	506	510	541	490	706	165	30.5%	216	44.1%
Part-Time and Seasonal	130	136	175	121	113	(62)	-35.4%	(8)	-6.6%
Salaries	\$32,141,752	\$34,762,712	\$37,677,233	\$33,878,586	\$49,679,890	\$12,002,657	31.9%	\$15,801,304	46.6%
Workers Compensation	0	0	1,099,414	1,409,237	1,139,080	39,666	3.6%	(270,157)	-19.2%
Equipment	184,396	176,107	169,950	169,950	686,975	517,025	304.2%	517,025	304.2%
General Expenses	4,383,478	4,064,145	5,182,332	6,082,331	8,146,489	2,964,157	57.2%	2,064,158	33.9%
Contractual Services	8,149,628	7,834,204	7,657,024	7,657,024	8,865,894	1,208,870	15.8%	1,208,870	15.8%
Utility Costs	31,557,046	28,884,596	32,928,284	32,769,154	31,072,200	(1,856,084)	-5.6%	(1,696,954)	-5.2%
Inter-Dept. Charges	684,999	5,499,325	7,575,771	7,575,771	11,419,601	3,843,830	50.7%	3,843,830	50.7%
Total	\$77,101,299	\$81,221,089	\$92,290,008	\$89,542,053	\$111,010,129	\$18,720,121	20.3%	\$21,468,076	24.0%

Expenses

Expenses by Control Center (\$'s in millions)						
Control Center	Historical		2008	2009	Exec. vs. Adopted	
	2006	2007	Adopted Budget	Executive Budget	Var.	%
Administration	\$3.8	\$3.3	\$5.0	\$4.7	(\$0.3)	-5.7%
Engineering	15.7	17.7	18.8	17.7	(1.1)	-5.6%
Operations	52.8	54.6	62.9	72.7	9.8	15.5%
Fleet Management	4.8	5.6	5.7	14.6	9.0	158.6%
Facilities Maintenance	0.0	0.0	0.0	1.3	1.3	***
Total	\$77.1	\$81.2	\$92.3	\$111.0	\$18.7	20.3%

DPW Consolidation

The proposed FY 09 budget incorporates the consolidation of the Parks Department's Grounds and Maintenance divisions and the Police Department's Fleet, Building Maintenance (BMU), and Custodian units into the Department of Public Works. The goal of the Administration's consolidation efforts is to "merge various functions which will result in more efficient and effective delivery of services at reduced cost."

The 92 full-time employees of the two Parks divisions, currently responsible for maintaining all County parks, museums and preserves, will be transferred to DPW, as will 113 full-time civilian employees now working for the Police Department. The transfer also includes 28 part-time and 28 seasonal budgeted positions, all but one seasonal related to parks maintenance.

Expenses, Cont.

- DPW's proposed FY 09 budget is increasing by \$18.7 million, or 20.3%, over the adopted FY 08 appropriation. The aforementioned consolidation accounts for this entire amount:
 - \$13.5 million for the transfer of 205 full-time, 28 part-time, and 28 seasonal employees.
 - OTPS expenses of \$2.7 million for general expenses, \$2.0 million for contractual services, and \$613,200 for equipment.
- If not for the additional costs related to the consolidation, DPW's FY 09 budget, less interdepartmental charges, would be decreasing by \$4.0 million, or 4.7% compared to FY 08:
 - The salaries line, less the transferred positions, is being reduced by \$1.5 million, or 4.1%.
 - Utilities expense is decreasing by \$1.9 million, or 5.6%. See box at Right.
 - Contractual services is decreasing by approximately \$800,000. Savings come from the planned utilization of County staff for some custodial functions, as well as for certain emergency repairs.
- The workers compensation allocation assumes that the Loss Portfolio Transfer will take place, and that the County will no longer be responsible for the accumulated lifetime disability payments. If the transfer is not executed, the budget will fall short by \$431,000 in FY 09.
- Interdepartmental charges are increasing by \$3.8 million for a total of \$11.4 million. These charges reflect the costs allocated to DPW for services performed by other County departments. Indirect charges for centralized government functions have been increased by \$4.1 million.

Utilities

The FY 09 total utility costs budget is decreasing 5.6% from the adopted 2008 level and 5.2% from OLBR's 2008 projection. According to the Administration, the budgeted decrease is a function of two conservation initiatives: temperature moderation and the closing and cold-ironing of two facilities. The Franklin Square Garage and 101 County Seat Drive are going to be closed. The annual utility, maintenance, indirect and fringe costs associated with these buildings are \$36,094 and \$1,345,947 respectively.

Assuming building closing cost savings are achieved, the temperature moderation initiative will have to generate a significant reduction in usage to realize the FY 09 budgeted amount. This could prove difficult given the volatile history of utility costs and the fact that the US Energy Information Administration is currently forecasting a 10.5% increase in Middle Atlantic electricity prices and a 9.2% increase in Northeast Heating oil prices.

Energy Efficiency - \$137,222

The County intends to engage the services of an Energy Services Company to develop and implement a comprehensive energy management/retrofit program and to provide necessary design concepts, engineering services, project financing, turnkey implementation and ongoing operational support and training required to implement the program. These services will be procured through a performance-based self-funding contract. Savings will be achieved by installing more energy efficient heating, cooling, and lighting and implementing more effective maintenance procedures. The Office of Management and Budget has budgeted utility savings of \$137,222 for FY 09.

Full-Time Staffing Analysis						
	FY 08	Sept-08	FY 09	FY 09	Exec. vs	Exec. vs
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>08 Adopt</u>	<u>Actual</u>
00 Division of Administration						
Capital Management Office	4	3	3	3	(1)	0
Administration Unit	46	40	41	41	(5)	1
Total for Control Center	50	43	44	44	(6)	1
01 Division of Engineering						
Architect./Building Design	13	10	11	10	(3)	0
Water/Wastewater Engr. Unit	28	26	27	27	(1)	1
Groundwater Remed. Sect.	3	3	3	3	0	0
Civil/Site Engineering Unit	20	17	18	18	(2)	1
Traffic Engineering Unit	31	24	25	24	(7)	0
Traffic Safety Board	2	2	2	2	0	0
Construction Mgmt. Unit	57	52	53	53	(4)	1
Total for Control Center	154	134	139	137	(17)	3
02 Division of Operations						
Facil. Mgmt. Unit	105	100	109	104	(1)	4
Facil. Mgmt. Unit-Pools & Rinks	17	12	12	12	(5)	0
Parks Maintenance	0	0	92	92	92	92
Facil. Mgmt. Unit – Police	0	0	15	15	15	15
Road Maint. Unit	122	116	118	117	(5)	1
Bridge Operations Section	11	11	11	11	0	0
Drain Maint/Strm Wtr Maint.	26	24	24	24	(2)	0
Mosquito Control Section	5	4	5	5	0	1
Traffic Maintenance Section	15	14	14	14	(1)	0
Total for Control Center	301	281	400	394	93	113
03 Division of Fleet Management						
Fleet Management	36	32	35	33	(3)	1
Police Fleet Group	0	0	72	72	72	72
	36	32	107	105	69	73
06 Facilities Management						
PD Custodial	0	0	26	26	26	26
Total Full-time	<u>541</u>	<u>490</u>	<u>716</u>	<u>706</u>	<u>165</u>	<u>216</u>

Full-Time Headcount

The chart at the left details DPW’s full-time staffing. The responsibility centers highlighted in blue are the ones to which the 205 Parks and Police Department positions are being transferred as part of the consolidation effort.

In total, DPW’s budgeted headcount is increasing by 165 full-time positions. If not for the transfer, however, budgeted positions would be decreasing by 40 for a total of 501, with a reduction in salaries of \$1.5 million. This is achieved through the elimination of vacant lines, bringing the headcount closer to the September 1 actual of 490.

Vacant positions eliminated include civil engineers, traffic engineers, construction inspectors, equipment operators, and clerical staff.

Part-Time and Seasonal Staffing Analysis						
	<u>FY 08 Adopted</u>	<u>Sept-08 Actual</u>	<u>FY 09 Request</u>	<u>FY 09 Executive</u>	<u>Exec. vs 08 Adopt</u>	<u>Exec. vs Actual</u>
00 <u>Division of Administration</u>						
Administration Unit	19	11	9	9	(10)	(2)
01 <u>Division of Engineering</u>						
Construction Mgmt. Unit	3	5	0	0	(3)	(5)
Engineering	0	1	0	0	0	(1)
Total for Control Center	3	6	0	0	(3)	(6)
02 <u>Division of Operations</u>						
Facil. Mgmt. Unit	70	59	8	8	(62)	(51)
Facil. Mgmt. Unit-Pools & Rinks	3	3	3	3	0	0
Parks Maintenance	0	0	55	55	55	55
Road Maint. Unit	77	39	34	34	(43)	(5)
Total for Control Center	150	101	100	100	(50)	(1)
03 <u>Division of Fleet Management</u>						
Fleet Management	3	3	3	3	0	0
06 <u>Facilities Management</u>						
PD Custodial	0	0	1	1	1	1
Total Part-time and Seasonal	<u>175</u>	<u>121</u>	<u>113</u>	<u>113</u>	<u>(62)</u>	<u>(8)</u>

Part-Time Headcount

The proposed part-time headcount is decreasing by 62 positions from the FY 08 budget. The responsibility centers highlighted in blue are the ones to which the 28 seasonal and 28 part-time positions are being transferred from Parks and the Police Dept. as part of the consolidation effort.

If not for the transfer of these positions, DPW would see a reduction of 2 part-time positions and 116 seasonals. The proposed salary allocation associated with these seasonal positions is decreasing by \$540,400, mostly for laborers. DPW plans to utilize in-house staff to offset some of this reduction in staffing.

Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	\$518,862	\$272,992	\$182,000	\$199,053	\$190,000	\$8,000	4.4%	(\$9,053)	-4.5%
Rents & Recoveries	199,641	1,084,178	0	30,000	0	0	*****	(30,000)	-100.0%
Dept Revenues	1,001,687	1,018,855	1,129,517	1,072,227	927,000	(202,517)	-17.9%	(145,227)	-13.5%
Cap Backcharges	4,132,234	6,532,864	4,981,104	4,981,104	5,155,443	174,339	3.5%	174,339	3.5%
Interdept Revenues	16,346,308	4,313,671	11,848,688	11,848,688	8,829,574	(3,019,114)	-25.5%	(3,019,114)	-25.5%
Interfund Charges Rev	7,978,346	3,667,699	4,455,276	4,455,276	4,615,276	160,000	3.6%	160,000	3.6%
Fed Aid-Reimb Of Exp	0	0	580,000	0	580,000	0	0.0%	580,000	*****
State Aid-Reimb Of Exp	72,659	64,532	55,000	59,112	55,000	0	0.0%	(4,112)	-7.0%
Total	\$30,249,738	\$16,954,791	\$23,231,585	\$22,645,460	\$20,352,293	(\$2,879,292)	-12.4%	(\$2,293,167)	-10.1%

Revenues

- DPW’s proposed FY 09 revenue budget is decreasing by \$2.9 million, or 12.4% from the FY 08 adopted amount. Most of this decrease results from the \$3.0 million reduction in interdepartmental revenues
- Cost allocable services provided by DPW include building occupancy, fleet maintenance and gasoline charges from other General Fund departments. Most of the revenue, \$8.2 million, is related to the management of County facilities.
- Capital back-charges are generated by those operating costs related to capital project planning, which are charged back to the appropriate capital project in order to match the useful life of the asset with the true costs incurred.
- The \$4.6 million for interfund charges in FY 09 is related to the reimbursement DPW receives for costs associated with the Mitchel Field sites.

- The FY 08 budget for federal aid was based on DPW receiving 80% reimbursement of the amount spent on the traffic computer maintenance contract. The services, and the reimbursement will not commence until January 2009.

Departmental Revenues				
Revenue Source	FY 07 Actual	FY 08 Budget	FY 08 Projected	FY 09 Proposed
239-K Review	\$56,171	\$51,000	\$65,947	\$58,000
Fees	0	0	533	0
Misc Receipts	614,849	617,000	706,781	617,000
Non-Stormwater Discharges	875	10,000	4,000	10,000
Plans	49,785	51,000	62,204	51,000
Reimb Expenses IGT	44,315	160,000	16,153	0
Reimb Expenses-General	0	25,000	0	25,000
Rule Book Sales	770	517	2,573	1,000
Subdivision Plan Review 080A	228,923	215,000	200,000	165,000
Subdivision Plan Review 9868	23,167	0	14,036	0
Grand Total	\$1,018,855	\$1,129,517	\$1,072,227	\$927,000

Finance Authority and District

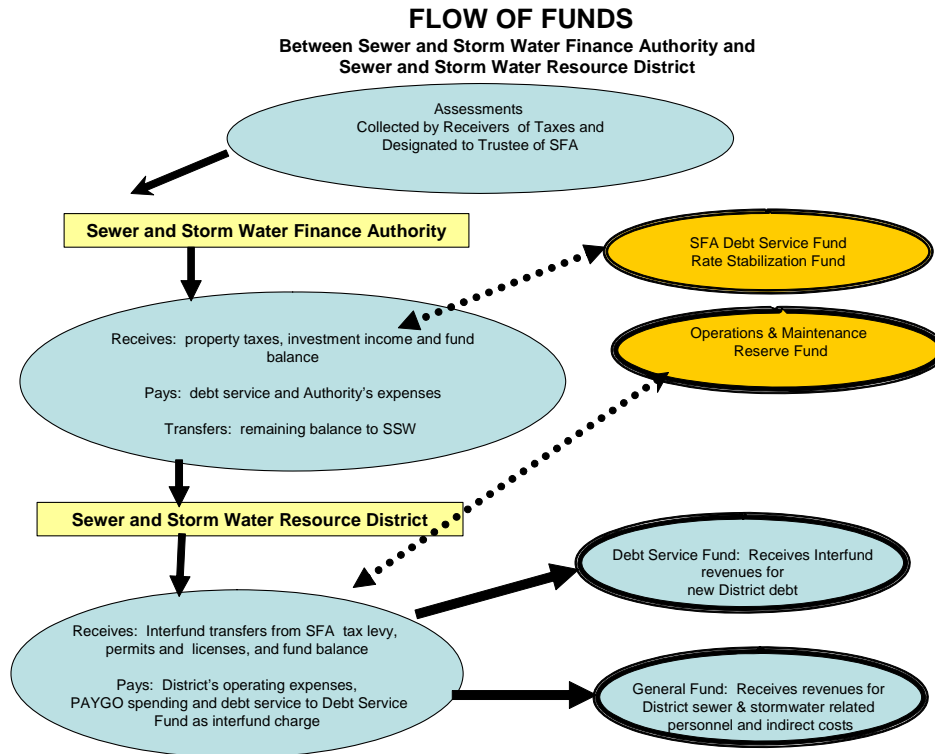
The Nassau County Sewer and Storm Finance Authority (the Authority) and a consolidated County-Wide Sewer & Storm Water District (the District) were established in 2003 to work collectively to carry out the County's sewer and storm water functions in a fiscally prudent and efficient manner. The Authority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

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

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

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

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



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

Flow of Funds

- Sewer tax assessments are collected and designated to a trustee by the Receiver of Taxes. The taxes flow to the Authority to first settle all of its financing obligations for debt service and operating expenses. In addition to property taxes, the Authority also earns investment income on reserve balances.

FY 2009 Budget - Sewer and Storm Water Finance Authority:

Expense	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
NIFA Set Asides/Loans	\$111,767	\$24,348	\$0	\$0	\$0	\$0	*****	\$0	*****
General Expenses	627,557	71	0	0	0	0	*****	0	*****
Contractual Services	0	468,965	1,000,000	1,000,000	1,000,000	0	0.0%	0	0.0%
Interest	3,926,053	5,012,531	4,949,550	4,949,550	7,753,055	2,803,505	56.6%	2,803,505	56.6%
Principal	3,125,000	3,225,000	3,295,000	3,295,000	5,400,000	2,105,000	63.9%	2,105,000	63.9%
Trans Out To SSW	195,500,366	166,239,926	0	0	0	0	*****	0	*****
Trans To SSW For Debt	0	0	116,187,759	116,187,759	96,378,760	(19,808,999)	-17.0%	(19,808,999)	-17.0%
Total	\$203,290,743	\$174,970,841	\$125,432,309	\$125,432,309	\$110,531,815	(\$14,900,494)	-11.9%	(\$14,900,494)	-11.9%

Expenses

- FY 09 expenses for the Sewer & Storm Water Finance Authority are declining by \$14.9 million, or 11.9%, when compared to FY 08.
- SFA retains sufficient funding to pay its operating expenses and debt service costs, and transfers the remainder to the District.
- Although the District expenses are increasing in FY 09, the transfer from SFA is decreasing by \$19.8 million. This reduction has been offset by an increasing appropriation of District fund balance.
- Contractual services remain at FY 08 levels. These costs represent fees for letters of credit, rating agency fees, audit fees and miscellaneous fees.
- SFA debt service in FY 09 of \$13.2 million has grown by \$2.8 million in interest and \$2.1 million for principal.

Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	\$0	\$0	\$21,000,000	\$0	\$0	(\$21,000,000)	-100.0%	\$0	*****
Invest Income	1,671,972	230,382	500,000	0	500,000	0	0.0%	500,000	*****
Interfund Transfers	0	18,994,324	0	0	0	0	*****	0	*****
Property Tax	138,942,247	118,934,416	103,932,309	103,934,419	110,031,815	6,099,506	5.9%	6,097,396	5.9%
Total	\$140,614,219	\$138,159,122	\$125,432,309	\$103,934,419	\$110,531,815	(\$14,900,494)	-11.9%	\$6,597,396	6.3%

Revenue

- Revenue is declining in FY 09 by \$14.9 million, or 11.9%. While the FY 08 budget included \$21.0 million of fund balance, the FY 09 budget appropriates zero from that source.
- The property tax levy is increasing by \$6.1 million, or 5.9%.

Sewer and Storm Water Financing Authority					
MultiYear Plan					
		2009 Budget	2010 Plan	2011 Plan	2012 Plan
EXPENSE					
DE	Contractual Services	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
FF	Interest	7,753,055	7,072,377	9,012,784	8,989,738
GG	Principal	5,400,000	7,805,000	6,880,000	7,355,000
LZ	Transfer Out To SSW	96,378,760	94,654,438	93,639,031	93,187,077
Expense Total		110,531,815	110,531,815	110,531,815	110,531,815
REVENUE					
	Inv. Income	500,000	500,000	500,000	500,000
	Property Tax	110,031,815	110,031,815	110,031,815	110,031,815
Revenue Total		\$110,531,815	\$110,531,815	\$110,531,815	\$110,531,815

- The table above indicates the Administration’s baseline for the MYP for the Authority will remain at FY 09 levels.

FY 2009 Budget – Sewer and Storm Water Resource District:

Expense	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	288	290	348	290	334	(14)	-4.0%	44	15.2%
Part-Time and Seasonal	14	11	0	8	13	13	*****	5	62.5%
Salaries	19,524,869	19,820,148	23,004,329	19,071,429	23,451,834	447,505	1.9%	4,380,405	23.0%
Fringe Benefits	8,598,431	9,269,800	10,131,191	9,478,131	10,707,199	576,008	5.7%	1,229,068	13.0%
Equipment	178,931	431,807	777,350	802,350	290,500	(486,850)	-62.6%	(511,850)	-63.8%
General Expenses	8,956,884	9,391,407	12,933,622	12,933,622	14,504,872	1,571,250	12.1%	1,571,250	12.1%
Contractual Services	18,587,983	19,765,872	18,216,600	21,316,600	21,711,289	3,494,689	19.2%	394,689	1.9%
Utility Costs	12,951,091	12,520,731	14,392,047	14,517,047	16,093,185	1,701,138	11.8%	1,576,138	10.9%
Interest	11,005,402	9,690,325	14,909,157	14,909,157	9,585,150	(5,324,007)	-35.7%	(5,324,007)	-35.7%
Principal	31,479,359	30,217,301	30,991,315	30,991,315	25,230,500	(5,760,815)	-18.6%	(5,760,815)	-18.6%
Interfund Charges	26,267,052	26,182,803	32,175,846	32,175,846	29,316,531	(2,859,315)	-8.9%	(2,859,315)	-8.9%
Various	\$0	\$0	\$20,174,744	20,674,744	\$28,836,007	\$8,661,263	42.9%	8,161,263	39.5%
Other Suits & Damages	0	0	500,000	0	500,000	0	0.0%	500,000	*****
NIFA Set Asides/Loans	165,769	0	0	0	0	0	*****	0	*****
Total	\$137,715,770	\$137,290,193	\$178,206,201	\$176,870,241	\$180,227,067	\$2,020,866	1.1%	\$3,356,826	1.9%

Expenses

- FY 09 expenditures are increasing by 1.1%, or about \$2.0 million due to increases in salaries and fringe benefits, general expenses, contractual services, utility costs and an \$8.7 million appropriation for the operations and maintenance reserve. These are offset by reductions in equipment, debt service and interfund charges.
- When comparing the FY 09 budget to that of the previous year, salaries are increasing slightly by almost 2.0% but relative to the OLBR projected number, the increase is 23.0%, or \$4.4 million. These costs are for sewer related personnel and do not include salaries that are paid to the General Fund for Public Works employees who are assigned to storm water functions.
- For the past several years, the Department of Public Works (DPW) has been dealing with an ongoing issue of a significant number of funded vacant positions. Currently, there are 58 vacancies in the FY 08 budget including four auto mechanics, six clerks, six plant maintenance mechanic, five plant maintenance supervisors, four sanitary engineers and four sewage treatment chemists, among others. One theory for the difficulty in hiring is that salaries are not competitive with the private sector.

Expenses, Cont.

- Equipment is declining by 62.6%, or \$486,850, as a result of reclassifying some building equipment into general expenses.
- General expenses are increasing due to the aforementioned reclassifications and a growth of \$519,000 for gasoline.

Contractual services are climbing by \$3.5 million, or 19.2%. Included in that rise is a \$3.3 million growth in miscellaneous contractual services which is directly related to County take-over of the Glen Cove sewage treatment plant. Upon assuming control of the plant, the County agreed to continue the contract of approximately \$3.0 million with the current vendor, Severn Trent Environmental Services, Inc., who maintains the operation of the plant. That contract expires in August 2012, but may be extended through 2020 at the contractor's option.

- Additionally, sanitary solid waste disposal is increasing by \$615,000 in contractual services, which is offset by a reduction of \$517,320 in sludge disposal due to a capital project that dries out sludge and makes it lighter for transport.
- Utility costs are increasing by \$1.7 million or, 11.8%, as a result of increases in water, light & power and natural gas.
- Debt service charges are decreasing by a combined total of \$8.6 million.
- Interfund charges, declining about 8.9%, relate to the capital debt service charges of NIFA issued bonds or General Obligation bonds for past capital projects.
- The additional \$8.7 million in the various line reflects the operations and maintenance reserve fund which is the emergency fund the County established and consists of 25% of the District's operating expense budget.

Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fund Balance	\$52,850,659	\$120,608,496	\$53,203,056	\$160,829,304	\$70,341,752	\$17,138,696	32.2%	(\$90,487,552)	-56.3%
Permits & Licenses	0	110,165	216,000	231,000	241,900	25,900	12.0%	10,900	4.7%
Invest Income	7,539,975	8,029,930	6,000,000	6,000,000	6,073,663	73,663	1.2%	73,663	1.2%
Rents & Recoveries	690,345	1,534,053	471,414	471,414	829,901	358,487	76.0%	358,487	76.0%
Rev Offset To Expense	0	0	160,140	160,140	138,334	(21,806)	-13.6%	(21,806)	-13.6%
Dept Revenues	1,484,475	1,134,496	1,464,440	2,124,440	5,726,212	4,261,772	291.0%	3,601,772	169.5%
Cap Backcharges	258,446	390,239	479,283	479,283	496,059	16,776	3.5%	16,776	3.5%
Interfund Charges Rev	0	72,193	24,109	24,109	486	(23,623)	-98.0%	(23,623)	-98.0%
Interfund Transfers	195,500,365	166,239,926	116,187,759	116,187,759	96,378,760	(19,808,999)	-17.0%	(19,808,999)	-17.0%
Total	\$258,324,265	\$298,119,497	\$178,206,201	\$286,507,449	\$180,227,067	\$2,020,866	1.1%	(\$106,280,382)	-37.1%

Revenue

- Overall revenue for the District is increasing \$2.0 million, or 1.1%, from the utilization of \$17.1 million more in fund balance and an additional \$4.3 million of departmental revenues. Offsetting these increases is a 17.0%, or \$19.8 million reduction in interfund transfers which relates to the transfer of funds from the Authority. The FY 08 transfer included SFA fund balance, as well as property tax.
- The historical fund balance amounts shown in the chart represent the accumulated surplus from prior years, at the start of 2006 and 2007, respectively. The 2008 and 2009 budgets are the amount of fund balance appropriated for each fiscal year. The OLBR projection is the accumulated fund balance at the beginning of 2008.
- The \$17.1 million increase in fund balance reflects the additional funds needed to make up the difference from the interfund transfer and extra for O&M costs.

The additional \$4.3 million in departmental revenues is directly related to a high volume usage charge that the Administration plans to implement in FY 09. This charge would apply to high volume users that the County deems using more water than would be covered in the sewer tax. The charge will be based upon water consumption, the rationale being that the majority of water supplied is returned to the sanitary sewer system. Those entities that use a large volume of water place a larger burden on the system. The County based this budget on a conceptual design from the flow rate of various discharge basins and suggests that the budgeted numbers are discounted by over 50% to reflect delays in implementation. The County used the Glen Cove Water Pollution Control Plant as a model for this charge. The chart below illustrates how the Administration envisions the amount of revenue that will be raised from this charge. Most of the revenue in miscellaneous receipts is derived from this initiative. It should be noted that the implementation of this charge will require legislative approval.

SUBJECT	2009 Budget	2010 Plan	2011 Plan	2012 Plan
CASH BAIL	0	0	0	0
CONTRACTUAL SERVICES	647,339	647,339	647,339	647,339
MISC RECEIPTS	4,744,260	9,482,488	12,022,488	12,594,888
PATIENT RECEIPTS	0	0	0	0
WASTE DISPOSAL	334,613	334,613	334,613	334,613
Grand Total	5,726,212	10,464,440	13,004,440	13,576,840

Sewer and Storm Water Resource District				
MultiYear Plan				
\$ in Millions				
	<u>2009 Budget</u>	<u>2010 Plan</u>	<u>2011 Plan</u>	<u>2012 Plan</u>
Expense				
AA Salaries & Wages	\$23.5	\$24.4	\$25.4	\$26.5
AB Fringe Benefits	10.7	11.2	12.0	13.4
BB Equipment	0.3	0.3	0.3	0.3
DD General Expenses	14.5	14.7	14.9	15.1
DE Contractual Services	21.7	22.0	22.3	22.5
DF Utility Costs	16.1	16.6	17.1	17.6
FF Interest	9.6	11.0	12.8	15.9
GG Principal	25.2	22.3	19.7	18.3
HH Interfund Charges	29.3	30.8	32.3	33.9
OO Other	29.3	30.5	31.9	33.8
Expense Total	180.2	183.8	188.7	197.3
Revenue				
AA Fund Balance	70.3	70.9	30.3	0.0
BC Permits & Licenses	0.2	0.2	0.2	0.2
BE Invest Income	6.1	6.0	4.0	2.5
BF Rents & Recoveries	0.8	0.8	0.8	0.8
BG Revenue Offset to Expense	0.1	0.1	0.1	0.1
BH Dept Revenues	5.7	10.5	13.0	13.6
BI Cap Backcharges	0.5	0.5	0.5	0.5
BW Interfund Charges	0.0	0.0	0.0	0.0
IF Interfund Transfer	96.4	94.7	93.6	93.2
Revenue Total	\$180.2	\$183.8	\$142.7	\$111.0
Gap	0.0	0.0	(46.1)	(86.3)
Gap Closings Measures				
Transfer of Unused O&M Reserve to FB	29.3	30.5	31.9	33.8
Property Tax Increase	0.0	4.3	8.9	13.5
Grant Recoveries	10.0	10.0	10.0	0.0
Debt Restructuring	18.2	15.0	13.0	10.0
Operational Efficiencies	0.0	1.5	1.5	1.5
Total	\$57.6	\$61.4	\$65.3	\$58.9

- The table opposite indicates the Administration's baseline for the MYP for the Authority will be increasing in expenditures and decreasing in revenue through the outyears.
- The increase in expenses is due to contractual COLAs and the fringe increases associated with those raises. OTPS growth is related to increases in contractual services, utility costs and debt service.
- The reduction in revenue is directly related to the declining use of fund balance until 2012 when there is no appropriation for fund balance. Some of the growth in all other revenue can be associated with the implementation of the high volume user charge.
- Should all gap closing measures come to fruition the revenue derived from them will exceed the plan.

Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	\$5,496	\$0	\$0	\$0	\$0	\$0	*****	\$0	*****
Fines & Forfeits	500	0	1,200	1,200	0	(1,200)	-100.0%	(1,200)	-100.0%
Invest Income	156,179	8,956	0	0	0	0	*****	0	*****
Rents & Recoveries	1,107,866	1,228,817	1,685,279	1,257,220	925,640	(759,639)	-45.1%	(331,580)	-26.4%
Dept Revenues	15,823,099	16,442,070	25,071,411	22,024,252	25,710,550	639,139	2.5%	3,686,298	16.7%
Cap Backcharges	0	0	0	0	2,736	2,736	*****	2,736	*****
Interfund Transfers	7,076,838	0	0	0	0	0	*****	0	*****
Property Tax	51,167,929	0	0	0	0	0	*****	0	*****
Special Taxes	1,063,514	761,614	875,000	701,217	875,000	0	0.0%	173,783	24.8%
Total	\$76,401,421	\$18,441,457	\$27,632,890	\$23,983,889	\$27,513,926	(\$118,964)	-0.4%	\$3,530,037	14.7%

Revenue

- Total revenue is decreasing by \$0.1 million or 0.4% in comparison to the FY 08 Adopted Budget. Compared to 2008 projections, an increase of \$3.5 million or 14.7% is expected.
- The consolidation of the Parks Department into the General Fund in 2007 accounts for the absence of property tax and interfund transfers since that time.
- The FY 09 proposed departmental revenue is increasing by \$3.7 million or 16.7% when compared to FY 08 OLBR projections. Included in this projection is \$4.0 million from a pending advertising agreement with Clear Channel.

Hotel/Motel Tax				
	FY 08 Budget	FY 08 Projection	Proj. vs. Budget	FY 09 Proposed Budget
Treasurer	\$750,000	\$787,500	\$37,500	\$856,250
Parks\Gen.	875,000	1,050,000	175,000	875,000
Parks\Grt.	2,250,000	2,362,500	112,500	2,835,417
Total	\$3,875,000	\$4,200,000	\$325,000	\$4,566,667

- FY 09 hotel motel tax budget is inconsistent. Treasurer’s budget is increasing while Parks piece is remaining flat. Total collections are expected to rise to \$4.6 million in FY 09. With the uncertainty in present and future economy Long Island tourism may be impacted adversely.

Revenues, Cont.

Departmental Revenues				
Revenue Source	FY 07 Actual	FY 08 Budget	FY 08 Projected	FY 09 Proposed
Advertising Revenue	\$0	\$4,500,000	\$4,000,000	\$4,398,000
Swimming Pools	1,755,376	1,963,000	2,064,624	2,280,000
Ike Greens Fees White Course	1,298,573	1,835,000	1,411,000	1,765,000
Concessions	1,210,886	1,487,000	1,254,680	1,687,000
Ike Greens Fees Blue Course	1,192,845	1,627,500	1,400,000	1,672,500
Ike Greens Fees Red Course	1,047,467	1,435,500	1,170,000	1,664,500
Greens Fees	1,409,277	1,524,011	1,596,514	1,600,000
Golf Cart Fees	952,287	1,338,000	952,000	1,423,000
Driving Range Fees	1,079,535	1,180,000	952,000	1,180,000
Cabana Rentals	1,132,140	1,165,000	1,176,525	1,177,000
Athletic Field Fees / Charges	373,530	712,300	500,000	717,300
Leisure Pass Fee	382,455	743,800	612,269	654,800
Ice Rinks	631,562	575,000	648,133	575,000
Old Bethage Hist Vil	403,517	575,000	446,933	500,000
Camping Fees	356,848	529,100	456,823	462,500
Miniature Golf	309,010	415,000	249,665	355,000
Swimming Programs	253,008	347,000	367,000	347,000
Marina Wantagh	273,415	432,000	323,283	330,000
Special Sports Prog	189,470	347,500	264,740	307,500
Summer Day Camps	216,800	246,100	234,385	285,500
Golf Reservation Fees	299,368	271,000	340,000	271,000
Beach Parking	242,578	230,000	319,168	230,000
Picnic Reservation Permits	148,481	209,450	145,000	227,050
Golf Permits	307,024	225,000	434,478	225,000
Tennis Courts	32,210	117,050	43,477	209,400
Special Use Permits	170,359	145,800	148,739	170,450

Departmental Revenues				
Revenue Source	FY 07 Actual	FY 08 Budget	FY 08 Projected	FY 09 Proposed
Sands Point Preserve	106,807	55,000	11,829	120,000
Museum Of Nat Histry	84,463	98,500	86,764	98,500
Caddy Cart Fees	71,086	88,000	57,897	95,000
Batting Cage Fees	72,693	100,000	60,000	90,000
Redeemable Certificates	62,180	85,000	76,000	87,500
Launching Ramps	59,570	97,500	55,550	78,000
Ice Skate Rental	68,347	81,000	75,905	75,000
Room Rentals	42,717	61,300	67,927	75,000
Reimb Expenses Igt	55,158	53,500	53,500	61,000
Movie Admission Fee	0	0	15,280	50,000
Lifestyle Programs	18,207	20,000	81,821	50,000
Alcohol Permits	27,925	29,100	33,000	36,550
Commercial Parking	3,751	42,000	3,265	21,000
Rental Of Equipment	18,420	20,000	23,187	20,000
Aerodrome Field Usage Fee	0	0	620	12,000
Misc Receipts	30,402	27,500	16,885	6,000
Historical Museum	6,041	6,000	3,799	5,000
Open Space Usage Fee	0	0	3,450	4,000
Film & Advert Activities	3,200	20,000	73,425	3,500
Roller Skate Admissn	328	1,200	3,172	2,500
Service Fees	0	0	18	2,500
Welwyn Revenue	2,000	2,000	2,000	2,000
Ice Skate Lockr Fees	933	1,000	1,000	800
Ice Skate Sharpening	0	0	0	200
Museum Passport	0	6,700	0	0
Hemp Harbor Parking	39,820	0	0	0
	\$16,442,070	\$25,071,411	\$22,024,252	\$25,710,550

➤ Above is a chart listing the FY 09 Proposed departmental revenues in comparison to 2007 and 2008 data.

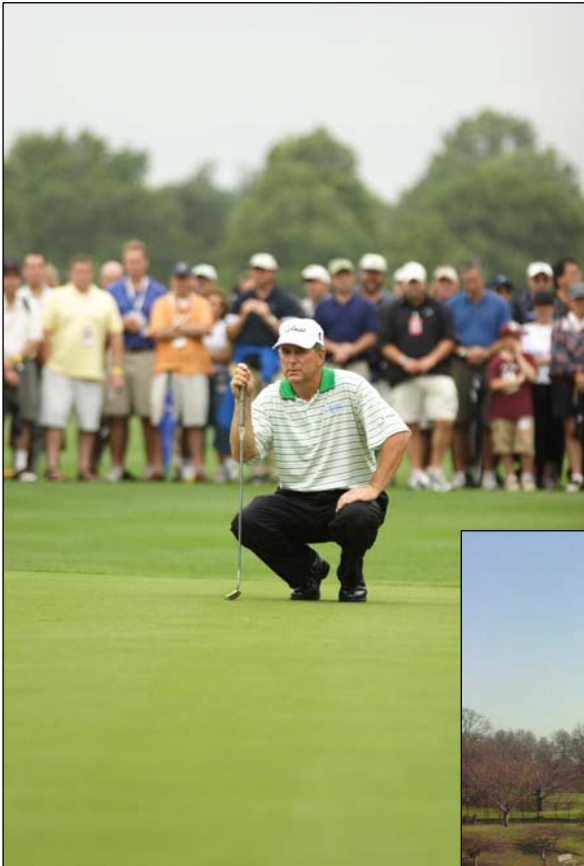
Revenues, Cont.

- Advertising revenue represents approximately 17.1% or \$4.4 million of FY 09 proposed departmental revenues. Excluding this item departmental revenue is expected to increase by \$1.7 million or 11.7% over OLBR projections.
 - The agreement with Clear Channel has not been submitted to the Legislature as of yet.
 - The Administration expects to submit a formal agreement to the Legislature in early November.

- Other areas in the Executive Budget which anticipate large increases are: swimming pools, white course, concessions, blue course, red course, golf cart, driving range and athletic fields. Excluding additional revenue associated with advertising OLBR, puts approximately \$3.3 million in revenue at risk.

August YTD Golf Rounds				2007 vs. 2008
Course	2006	2007	2008	% Δ
Bay Golf	15,367	19,101	16,301	-14.7%
Blue Course	41,883	31,015	34,757	12.1%
Cantiague Golf	N/A	26,221	27,013	3.0%
Morley Golf	16,030	17,677	15,826	-10.5%
N. Woodmere Golf	21,698	24,493	24,140	-1.4%
Red Course	24,630	23,316	24,350	4.4%
White Course	38,081	32,493	34,900	7.4%
Grand Total*	157,689	174,316	177,287	1.7%

- Total golf rounds are up 1.7% in comparison to August 2007 year to date activity.
- Rounds have declined in three Executive Courses: Bay Park, Morley and North Woodmere.
- The department is investigating the reason for the decrease in Executive course rounds. One possibility is the impact of fee increases on Senior Citizen participation.
- Parks anticipates an increase in rounds for FY 09 partly due to the suspension of the annual Commerce Bank tournament. Rounds usually lost at this time will be recouped. Revenue loss from the tournament in 2009 is expected to be offset by additional green fees.



Eisenhower - Red Course



Hempstead House



Christopher Morley – Ice Rink

Expense	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	274	265	265	257	173	(92)	-34.7%	(84)	-32.7%
Part-Time and Seasonal	690	645	791	663	758	(33)	-4.2%	95	14.3%
Salaries	\$19,616,676	\$20,725,502	\$21,802,065	\$20,472,986	\$14,523,037	(\$7,279,028)	-33.4%	(\$5,949,949)	-29.1%
Equipment	324,560	310,831	290,000	270,960	243,500	(46,500)	-16.0%	(27,460)	-10.1%
General Expenses	1,614,034	1,640,642	1,453,012	1,353,012	940,512	(512,500)	-35.3%	(412,500)	-30.5%
Contractual Services	9,597,267	5,817,637	4,311,007	4,311,007	2,611,500	(1,699,507)	-39.4%	(1,699,507)	-39.4%
Debt Svc. Chargebacks	18,029,187	0	0	0	0	0	*****	0	*****
Inter-Dept. Charges	17,289,221	1,750,477	0	0	0	0	*****	0	*****
Interfund Charges	0	0	0	0	565,000	565,000	*****	565,000	*****
Total	\$66,470,946	\$30,245,089	\$27,856,084	\$26,407,965	\$18,883,549	(\$8,972,535)	-32.2%	(\$7,524,416)	-28.5%

Expenses

Expenses by Control Center (\$'s in millions)						
Control Center	Historical		2008	2009	Exec. vs. Adopted	
	2006	2007	Adopted Budget	Executive Budget	Var.	%
Administration	\$38.6	\$5.4	\$3.4	\$3.5	\$0.1	3.2%
Technical Service	7.7	8.1	8.4	0.8	(7.6)	-90.7%
Recreation Services	6.7	7.6	7.0	6.4	(0.5)	-7.8%
Museums	9.2	4.4	4.3	3.7	(0.6)	-14.1%
Golf Operations	4.3	4.8	4.8	4.5	(0.3)	-6.6%
Total	\$66.5	\$30.2	\$27.9	\$18.9	(\$9.0)	-32.2%

- The total FY 09 expense budget is decreasing by \$9.0 million or 32.2%. This is largely due the consolidation of Parks custodial and maintenance employees into Public Works.
 - Salaries are decreasing by \$5.9 million or 29.1% from FY 08 projection. There will be 92 full-time and 55 part-time employees transferred to DPW.
 - OTPS is decreasing by \$2.1 million or 37.3% compared to FY 08 projections.
- Interfund charges are increasing by \$565,000 to chargeback the Police department for use of crossing guards as seasonal employees.
- The County is no longer funding festivals taking place at Lakeside Theater, the Medieval Festival at Sands Point Preserve and Long Island Fair at Old Bethpage Village. These programs will seek corporate sponsors to fill the \$462,000 monetary gap.

Expenses, Cont.

Staffing Analysis						
	<u>FY 08</u> <u>Adopted</u>	<u>Sept-08</u> <u>Actual</u>	<u>FY 09</u> <u>Request</u>	<u>FY 09</u> <u>Executive</u>	<u>Exec. vs</u> <u>08 Adopt</u>	<u>Exec. vs</u> <u>Actual</u>
CC Full-time Staffing						
Administration	36	37	36	36	0	(1)
Technical Service	103	99	11	12	(91)	(87)
Recreation Services	48	43	45	45	(3)	2
Museums	32	32	37	37	5	5
Golf Operations	46	46	44	43	(3)	(3)
Total Full-time	<u>265</u>	<u>257</u>	<u>173</u>	<u>173</u>	<u>(92)</u>	<u>(84)</u>
CC Part-time and Seasonal						
Administration	16	17	28	28	12	11
Technical Service	57	34	1	1	(56)	(33)
Recreation Services	524	420	530	530	6	110
Museums	74	88	78	78	4	(10)
Golf Operations	120	103	121	121	1	18
Total Part-time and Seasonal	<u>791</u>	<u>662</u>	<u>758</u>	<u>758</u>	<u>(33)</u>	<u>96</u>

- Total full time headcount is decreasing by 92 FTE when compared to the FY 08 Adopted Budget. As stated previously this reduction in staff is due to the consolidation of the Technical Services control center into the department of Public Works.
- The Technical Services control center is left with 12 full-time staff. The following positions still remain: Deputy Commissioner of Parks, Electric Services Supervisor, Equipment Operator III, Labor Supervisor I, two Labor Supervisor II, two Laborers, two Laborer II, Maintenance Electrician and a Sign Painter. The remaining staff will perform electronics related duties at concerts and other recreation events.

In the Proposed FY 09 Budget the offices of the Coordinating Agency for Spanish Americans (CASA), Minority Affairs, Physically Challenged and Veterans Services are being consolidated. In the Budget Summary it states, “The Office of the County Advocate will provide a more coordinated approach to community outreach, improve service delivery, be a strong advocate for the constituencies being served, and result in more effective, efficient operations.” It is questionable whether this objective can be achieved more effectively with the departments combined into one or whether simply putting the departments under a single Deputy County Executive would not be better.

The first question to be asked is if each of these agencies were created to be advocacy agencies or do they just function that way. The responsibilities of the Office of Minority Affairs are mostly regulatory, not advocacy. Also, in order to determine if one office could “provide a more coordinated approach to community outreach”, it needs to be examined whether these departments serve similar needs and if there are duplicative services being performed. In addition, it must be examined if these departments were created to serve purposes other than community outreach. The following is a listing of the objectives for each department. The Minority Affairs responsibilities come from the County Charter. The other departments’ objectives are from the 2008 Budget Summary from the County Executive. While the charter provides for specific duties that apply to the Office of Minority Affairs, the section on CASA states only, “The advisory board shall develop and coordinate programs for the Spanish American community and perform such other duties as may be directed by the County Executive.”

Minority Affairs

- Assisting the various officers of county government in improving the delivery of quality of life services.
- Providing the County Executive and the County Legislature with “Minority Community Impact” assessments on budgetary actions and policies.
- Providing access and opportunity for minority participation in county contract and procurement programs.
- Developing and improving the county's Women and Minority Enterprise programs to afford greater opportunities to participate in public contract bidding procedures as well as exploring ways and means to assure their participation.
- Producing and publishing any research papers or studies on issues affecting the minority community.
- Providing assistance in the implementation of Affirmative Action programs in county government employment, housing and the development of an annual Affirmative Action report required by the county for certain of its state and federal funding sources on employment opportunities for minorities in its work force.

CASA

- Support departments in creating and implementing individual outreach plans for limited English voters according to departmental areas of responsibilities, mandate and expertise.

- Increase nontraditional hours to better serve the population needing service and information.
- Increase the number of citizen applications in Nassau County.
- Increase the accessibility of bi-lingual emergency preparedness materials to more locations in the County.
- Provide effective adult education classes that will serve to integrate new immigrants by giving them vital linguistic and computer skills necessary for being productive members of American society.
- Support and help monitor appropriate practices in the culturally competent provision of services by departments to the growing Latino and the limited English speaking community, the largest minority group and fastest growing segment of our population.
- Identify resources in the Latino community for partnership on County-wide initiatives or projects.
- Carry out certain limited direct service programs as deemed needed and/or appropriate.

Physically Challenged

- Increase the number of Volunteer Handicapped Parking Ambassadors by print ads and through the many outreach programs the office is involved with.
- Technical Assistance – Outreach to the business community to make them more familiar with how to remove barriers for disabled consumers and potential employees, which will increase sales tax revenues.
- ADA Management Training – Increase County compliance with Federal disability laws through seminars.
- Develop Disability Leadership Training Institute – Generate information through seminars to educate the community leaders representing people with disabilities.
- Sponsor a national forum on post-ADA issues – Develop an informational advocacy group to support new legislative initiatives.
- Develop and coordinate programs on increased health care and emergency response mechanisms.
- Safeguard the health & welfare of citizens with disabilities in times of hurricanes or terrorism attacks.

Veterans Services Agency

- Improve process of claims and earned benefits administration to ensure receipt by the deserving and rightful individuals.
- Improve outreach to the Community to have veterans file for benefits.

- Coordinate agency staff visitation to Veterans Organizations in the community to explain benefits and assist with filing claims for benefits. This will generate approximately 740 Veterans claims yearly and \$735,000 in cash awards from the Department of Veterans Affairs.

The following are the observations OLBR has made in reference to these observations:

- Change and improvement can be accomplished without the mission of each department being obscured.
 - OLBR agrees that synergies may be realized with the coordinating of these departments. It is a good idea to have all of them reporting to the same Deputy County Executive who can then coordinate service and realize possible savings. However, collapsing these departments into one is not necessary for this to happen, only good management.
 - No Wrong Door is one initiative where the coordination of services has proved beneficial to the County and its constituents without the functioning of any department being obscured within the whole.
- With the consolidation fiscal transparency will be lost and the Legislature will lose some control of the finances of the departments.
 - Currently the Legislature approves transfers between departments and control centers. With the consolidation, funds can be reallocated between these agencies within the proposed department without legislative approval.
 - It will also be difficult to track funding changes between agencies.
- Although each department services a sector of the community that needs to be empowered or receive additional services, each one of these sectors are very different.
 - Minority Affairs serves not only minorities and women but also ensures compliance with affirmative action throughout the County.
 - The office's efforts include increasing earning power for the various minority groups through business educational opportunities and County procurement opportunities.
 - This should also be accomplished through Minority Impact Statements that review the impact of legislation on the budget and minority communities.
 - CASA serves primarily Spanish speaking residents
 - The services provided focuses primarily on language and legal status matters.
 - Physically Challenged serves handicapped and disabled residents.

- Remove professional and physical barriers to physically challenged people.
- Veterans Services focuses on veterans and helps to ensure they receive the benefits they are entitled to.
- The most effective outreach to each of these groups would be accomplished in different ways which can best be determined by each department.
- The needs of each group are complex, changing, and require a great deal of understanding and leadership from each of these communities.
 - The County Charter acknowledges these complexities with the provisions of both the Minority Affairs Council and the advisory board to CASA. It seems clear that the intent of the Commission on Government Revision is that these departments not function only as a service to the County Executive but with the direction and interests of the communities they serve.
- There may be some synergies to be realized with regards to educating and ensuring conformity to County policies within County departments. This may be accomplished through the sharing of a Deputy County Executive and the coordination of educational and monitoring efforts.

Expense	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	32	31	33	31	31	(2)	-6.1%	0	0.0%
Part-Time and Seasonal	2	2	2	2	4	2	100.0%	2	100.0%
Salaries	\$1,957,230	\$2,054,955	\$2,134,331	\$2,000,559	\$1,854,614	(\$279,717)	-13.1%	(\$145,945)	-7.3%
Equipment	1,823	780	2,525	2,525	4,725	2,200	87.1%	2,200	87.1%
General Expenses	78,676	80,133	104,251	78,583	100,052	(4,199)	-4.0%	21,469	27.3%
Contractual Services	(5,766)	137,594	185,466	141,200	141,200	(44,266)	-23.9%	0	0.0%
Inter-Dept. Charges	222,819	231,368	795,849	795,849	1,426,931	631,082	79.3%	631,082	79.3%
Total	\$2,254,782	\$2,504,829	\$3,222,422	\$3,018,716	\$3,527,522	\$305,100	9.5%	\$508,806	16.9%

Expenses

- Total expenses are increasing from the FY 08 Budget by \$305,100 and from the FY 08 projected by \$508,806.
- The increase comes primarily from inter-department charges which have increased by \$631,082 from FY 08.
 - In FY 08 this cost was split between Physically Challenged and Veterans Services.
 - \$562,351 of the increase is for building services charges.
 - County Attorney (\$102,270) charges are new in FY 09. It should be noted that the Office of Minority Affairs had an attorney position in their budget, which became vacant during the year and has not been included in the proposed consolidated agency.
- Salaries are being reduced by \$279,717 from the FY 08 Budget and by \$145,945 from the FY 08 projected. This is the result of a \$200,000 less savings line included in the salary budget. Although the Administration has identified positions with similar titles in each department, there is no specific plan to cut a specific position or the area it will be cut from.
 - This demonstrates the difficulty in combining the departments. How is the Legislature to understand what programs are being cut or expanded without fiscal transparency?
- Contractual services are being reduced by \$44,266 from the FY 08 projected to bring the budget more in line with the projection.
 - Contractual services were utilized in 2005 through 2007 for public services announcements also related to the M/WBE program and expenses have increased for seminars and workshops.

- General Expenses are increasing from the projected actual by \$21,469 but decreasing slightly from the FY 08 Budget

Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$43,087	\$39,017	\$50,000	\$50,000	\$50,000	\$0	0.0%	\$0	0.0%
Rents & Recoveries	1,250	23,711	0	0	0	0	*****	0	*****
Dept Revenues	18,327	18,861	25,000	7,000	15,000	(10,000)	-40.0%	8,000	114.3%
Interdept Revenues	0	0	1,784,657	1,801,116	1,814,409	29,752	1.7%	13,293	0.7%
Interfund Charges Rev	68,467	0	0	0	0	0	*****	0	*****
State Aid-Reimb Of Exp	35,000	35,000	35,000	34,475	34,475	(525)	-1.5%	0	0.0%
Total	\$166,131	\$116,589	\$1,894,657	\$1,892,591	\$1,913,884	\$19,227	1.0%	\$21,293	1.1%

Revenues

- Interdepartmental revenues are increasing minimally in 2009,
 - In FY 08 the Administration allocated \$1.1 million in interdepartmental revenue for FY 08 for Veterans Services. The revenue reflects the Agency’s transaction of furnishing information and referral resources to the Department of Social Services, in accordance with the County’s “No Wrong Door” policy.
 - Physically Challenged had \$666,905 budgeted in interdepartmental revenues to reflect the office’s transaction of furnishing information and referral resources to the Department of Social Services, in accordance with the County’s “No Wrong Door” policy.
- Department Revenues are received from CASA for fees charged for document translation, citizen application, visa extensions, and petitions for relatives, to name a few. These fees have been cut from the FY 08 budget by \$10,000 and increased from the projected actual by \$8,000.
- State aid is received by Veterans Services. The County receives \$5,000 from New York State for the first 100,000 persons plus \$2,500 for each additional 100,000 residents.

Expense	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	21	22	24	19	21	(3)	-12.5%	2	10.5%
Part-Time and Seasonal	10	11	10	11	10	0	0.0%	(1)	-9.1%
Bus Rte-Pt Lookout	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$0	0.0%	\$0	0.0%
Salaries	1,630,947	1,620,449	2,013,564	1,625,523	1,800,433	(213,131)	-10.6%	174,910	10.8%
Equipment	0	34,628	0	0	0	0	*****	0	*****
General Expenses	57,708	24,263	72,147	64,647	59,379	(12,768)	-17.7%	(5,268)	-8.1%
Contractual Services	1,238,495	380,686	1,090,800	395,685	228,650	(862,150)	-79.0%	(167,035)	-42.2%
Var Direct Expenses	0	0	0	0	225,000	225,000	*****	225,000	*****
Inter-Dept. Charges	0	0	335,667	335,667	1,466,945	1,131,278	337.0%	1,131,278	337.0%
Metro Subn Bus Auth	7,500,000	7,800,000	7,500,000	7,500,000	7,500,000	0	0.0%	0	0.0%
LIRR Station Maint.	23,818,825	24,550,063	25,286,565	25,286,565	26,481,771	1,195,206	4.7%	1,195,206	4.7%
MTA-LIRR Op Assist.	11,583,792	11,583,792	11,583,792	11,583,792	11,583,792	0	0.0%	0	0.0%
Handicp Trans System (504)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	0	0.0%	0	0.0%
Total	\$48,904,767	\$49,068,881	\$50,957,535	\$49,866,879	\$52,420,970	\$1,463,435	2.9%	\$2,554,091	5.1%

Expenses

- The Planning department is divided in two parts, the Comprehensive Planning division and the Transportation division. The Comprehensive Planning division is responsible for subdivision applications.
- The Transportation division is charged by the Federal Transit Administration to exercise oversight over MTA Long Island Bus. Approximately 93% of the total expense budget is allocated to subsidize mass transportation.
- The chart above details the historical, projected and budgeted expenditures for the Planning Department from 2006 through the proposed 2009 budgeted amount. Total expenses for the Department are rising 2.9% from the adopted 2008 level, and 5.1% from OLBR’s 2008 projection.
- The department’s salary line is decreasing 10.6% since it is losing three vacant full time positions. Compared to the current actual, the department is losing one part-time employee. This employee has been promoted to fill a vacant Planner I position.

Expenses, Cont.

- Contractual service spending for the department is really decreasing \$637,150 or 58.4%. The funding for the Long Island Regional Planning Board is now being paid on the various direct expenses line.
- The chart below itemizes the contractual services spending for the Planning Department. Funding for the Master Plan/Long Term Visioning is being eliminated.

Planning Department Contractual Services Spending Itemization			
Contractor	Description	2008 Adopted 2009 Proposed	
		Budget	Budget
Chelsea Reporting	Stenographer	\$30,000	\$30,000
Upwp Local Match	Cash Match For Upwp Projects	33,000	120,000
Soil And Water District	Soil & Water Conservation	100,000	75,000
Long Island Regional Planning*	Bi County Planning Process	225,000	0
To Be Determined	Computer Software Maintenance Agreements	2,800	3,650
To Be Determined	Master Plan/Long Term Visioning	700,000	0
Total		\$1,090,800	\$228,650

- Funding for the Long Island Regional Planning Board Council is remaining constant at the FY 08 adopted level.
- On July 30, 2007, the Legislature passed ordinance 129-2007 which reorganized, strengthened and changed the name of the Long Island Regional Planning Board to the Long Island Regional Planning Council.
- This newly organized council will develop a process to examine and make recommendations on regional issues.
- According to the Council's work plan, its 2008 expenses will be \$2.14 million. The chart below itemizes these costs.

Long Island Regional Planning Council Expenses	
	<u>2008 Projection</u>
Salary and Fringe	\$520,259
Contractual Services	1,588,000
General Expense	36,000
Total	\$2,144,259

- Nassau County's \$225,000 payment will cover 10.5% of the Council's expenses.
- In addition to the previously detailed expenses, the Council will also have some of its workload completed through in-kind contributions as well as other governmental and outside private sources.
- Current Nassau County Planning, GIS and County Attorney staff have been requested to offer their services to the Council on an in-kind basis.
- The requested Nassau County full time equivalent in-kind contributions are as follows:

Long Island Regional Planning Council Nassau County Assigned Staff/In Kind	
	<u>2008 Projection</u>
Planner I	75% FTE
Planner II	50% FTE
GIS Technician	25% FTE
Attorney	25% FTE

- The requested in-kind full time equivalent contributions would be subject to an official agreement with Nassau County.

- The \$1.1 million increase in interdepartmental charges for the Planning Department is due to the inclusion of indirect charges and County Attorney charges.
- The 4.7% increase in the LIRR Station Maintenance payment is contractually set to increase each year by the percentage growth recorded in the regional consumer price index, CPI.

Long Island Bus

- Long Island Bus continues to operate with deficits.
- In 2008, LI Bus is forecasting an \$86.6 million baseline deficit. In 2009, this baseline deficit is expected to grow to \$93.0 million or 7.41%.
- The baseline deficits are prior to receipt of any State or County subsidies.
- The Agency states that “subsidy funding remains an overriding issue as LI Bus seeks additional assistance from Nassau County to meet new needs and cover the basic effects of inflation.”¹
- It is possible that LI Bus’s 2009 operating deficit will be greater since fuel and utility costs comprise 8.65% of total expenses and are volatile.
- LI Bus hopes to contain many of its costs through its PEG initiatives, Programs to Eliminate the Gap.
- These initiatives include repair & maintenance cost savings, savings on structural repairs, utility savings, fueling of paratransit vehicles, and warranty recoveries.

- Fuel costs are being contained by fueling buses during the day and eliminating the night shift consisting of two full time maintenance helpers
- Fuel costs are being further reduced by having paratransit vehicles fill up at Mitchel Field. This depot is expected to offer fuel at a lower cost compared to external vendors.
- However, these initiatives may waste more fuel if buses have to travel further to refill.
- LI Bus’s sustainability effort on the non-revenue fleet includes an increasing compliment of hybrid vehicles which should decrease fuel usage.
- Additionally, LI Bus is pursuing conservation initiatives which incorporate the use of high capacity batteries for the fueling of buses.
- LI Bus is partnering with the other two MTA bus agencies, the MTA Bus Company and New York City Transit, to benefit from economies of scale. These projects include “way finding” and other signage projects.
- The gap closing initiatives being implemented to decrease repair and maintenance costs are the paratransit repair contract savings, fixed route repair contract savings and warranty recoveries.
- These gap closing initiatives are based upon the newness of Long Island Bus’s fleet, which requires less maintenance and has more vehicles covered under warranties.
- Long Island Bus revenues are budgeted to rise 2.4% in 2009 from their forecasted 2008 level.

¹ MTA Long Island Bus, “July Financial Plan 2009 – 2012”.

Long Island Bus Cont.



- The revenue increase is primarily a function of greater capital and other reimbursements.
- The budgeted farebox revenue increase assumes a 1.00% increase in fixed route ridership and a 0.55% increase in paratransit ridership.
- Payroll and overtime expenses for Long Island Bus are budgeted to increase 2.2% in 2009.
- Helping to mitigate the 2.2% increases in payroll and overtime expenses is the gap closing initiative requiring the reduction of 2 full-time maintainer helpers.
- Headcount in all other functions/departments is budgeted to remain constant.
- Fuel expenses are budgeted to decrease 0.1% in 2009.
 - The decrease is primarily a function of the gap closing initiative to fuel paratransit vehicles at the Mitchel Field Depot detailed previously.

- Facilitating the 3.2% increase in maintenance and other operating contracts are the three gap closing initiatives: paratransit repair contract savings, fixed route repair contract savings and warranty recoveries detailed previously.

Revenues				
(Figures in Millions, Accrual Basis)				
Name	Mid-Year 2008 Forecast	Preliminary Budget, July 2009	Variance between 2009 and 2008	Percentage Change between 2009
Farebox Revenue	\$42.1	\$42.5	\$0.4	1.0%
Other Operating Revenue	2.3	2.1	(0.1)	-5.0%
Capital and Other Reimbursements	6.0	6.9	0.9	14.9%
Total Receipts	50.4	51.6	1.2	2.4%
Expenses				
Name	Mid-Year 2008 Forecast	Preliminary Budget, July 2009	Variance between 2009 and 2008	Percentage Change between 2009
Salaries (Payroll & Overtime)	\$70.9	\$72.5	\$1.6	2.2%
Fringe (Health & Welfare, Pensions & Other)	27.0	28.8	1.7	6.4%
Fuel for Buses and Trains	11.9	11.9	(0.0)	-0.1%
Maintenance and Other Operating Contracts	10.1	10.4	0.3	3.2%
Other Non-Labor	14.4	14.5	0.1	0.5%
Total Expenses	134.4	138.1	3.7	2.7%
Baseline Deficit (After Expense & GASB Adj.)	(86.6)	(93.0)	(2.5)	(0.0)
Subsidies				
Name	Mid-Year 2008 Forecast	Preliminary Budget, July 2009	Variance between 2009 and 2008	Percentage Change between 2009
MTA Subsidy	\$0.0	\$0.0	\$0.0	*****
State Subsidy	0.0	0.0	0.0	*****
Nassau County Subsidy	10.5	10.5	0.0	0.0%
Total Subsidies	10.5	10.5	0.0	0.0%
Net Surplus (Deficit)	(\$76.1)	(\$82.5)	(\$6.4)	8.4%

Mass Transportation Control Center 35			
	FY 08 Budget	Departmental Request	Executive FY 09
Mass Transportation (MM)			
630 Metropolitan Suburban Bus Authority	\$7,500,000	\$7,500,000	\$7,500,000
631 LIRR Station Maintenance	25,286,565	26,481,771	26,481,771
632 MTA-LIRR Operating Assistance	11,583,792	11,583,792	11,583,792
635 Handicapped Transportation System	3,000,000	3,000,000	3,000,000
General Expenses (DD)			
305 Insurance Premiums	10,000	0	0
Other Expenses (OO)			
6H Lido Beach Bus Route	75,000	75,000	75,000
Total Mass Transportation CC 35	\$47,455,357	\$48,640,563	\$48,640,563

- The 2009 proposed budget for the Nassau County Planning Department includes \$10.5 million in funding for LI Bus.
- The 2009 subsidy payment from Nassau County to LI Bus is unchanged from the FY 08 level. LI Bus had requested subsidy payments of \$19.9 million to cover their projected cash deficit.
- The subsidy payment is broken into two parts: the fixed route, Metropolitan Suburban Bus Authority subsidy of \$7.5 million and the paratransit, Handicapped Transportation System subsidy of \$3.0 million.
- The LI Bus Financial chart detailed on the prior page reveals that at the proposed 2009 Nassau County subsidy level, LI Bus will be operating with a net deficit.

- It is unclear how LI Bus will close the FY 09 operating gap.

Nassau County Funding of LI Bus			
	LI Bus Total Revenues & Subsidies	Nassau Subsidy	Nassau / LI Bus Revenues
2006	115,888,000	10,500,000	9.1%
2007	47,551,000	10,500,000	22.1%
2008	50,351,000	10,500,000	20.9%
2009	51,551,000	10,500,000	20.4%
	LI Bus Total Expenses	Nassau Subsidy	Nassau / LI Bus Revenues
2006	119,608,000	10,500,000	8.8%
2007	128,481,000	10,500,000	8.2%
2008	134,400,000	10,500,000	7.8%
2009	138,077,000	10,500,000	7.6%

- By keeping Nassau County’s subsidy payment constant as LI Bus’s revenues and expenses have risen, Nassau County’s LI Bus subsidy payment now covers fewer expenses and comprises a smaller percentage of total LI Bus revenues.

Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$0	\$0	\$10,000	\$0	\$10,000	\$0	0.0%	\$10,000	*****
Rents & Recoveries	(13,129)	(1,791)	0	0	0	0	*****	0	*****
Dept Revenues	1,438,775	2,676,017	1,557,875	1,250,000	1,360,000	(197,875)	-12.7%	110,000	8.8%
Cap Backcharges	0	4,538	0	4,000	33,191	33,191	*****	29,191	729.8%
Service Fees	20	0	0	0	0	0	*****	0	*****
Interfund Charges Rev	0	18,489	33,998	33,998	33,998	0	0.0%	0	0.0%
Fed Aid-Reimb Of Exp	547,947	468,951	191,814	30,000	25,000	(166,814)	-87.0%	(5,000)	-16.7%
Total	\$1,973,614	\$3,166,203	\$1,793,687	\$1,317,998	\$1,462,189	(\$331,498)	-18.5%	\$144,191	10.9%

Revenues

- Total revenues for the Planning Department are budgeted to decline 18.5% from the 2008 budgeted level.
- The decrease is a result of fewer departmental revenues and Federal Aid.
- The departmental revenues budget allocation is itemized below.

Planning Departmental Revenues Itemization		
Revenue Source	2008 Adopted Budget	2009 Proposed Budget
Zoning and Subdivision Fees	\$500,000	\$500,000
Nassau County Film Commission	20,000	10,000
Bus Shelter Advertising	815,000	850,000
Total	\$1,335,000	\$1,360,000

- The \$33,191 capital backcharge revenues are for SEQRA related Hub and Master Plan work.
- Federal Aid for the department is decreasing 87% from the adopted 2008 level. The aid money is received as reimbursement from a Town of North Hempstead project. It is available from a federal drawdown.
- The department receives interfund charges revenue from the Grant fund for reimbursable overhead costs. These revenues are expected to remain constant at their adopted FY 08 level.

Expense	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	100	97	112	139	158	46	41.1%	19	13.7%
Part-Time and Seasonal	9	1	0	7	6	6	*****	(1)	-14.3%
Salaries	\$8,621,741	\$9,210,137	\$9,894,430	\$10,415,753	\$13,308,842	\$3,414,412	34.5%	\$2,893,089	27.8%
Fringe Benefits	0	0	0	0	0	0	*****	0	*****
Equipment	149,388	33,515	35,000	35,000	72,170	37,170	106.2%	37,170	106.2%
General Expenses	2,087,710	1,774,314	995,962	995,962	727,243	(268,719)	-27.0%	(268,719)	-27.0%
Contractual Services	5,812,620	6,184,907	9,163,438	8,863,438	9,338,761	175,323	1.9%	475,323	5.4%
Utility Costs	4,001,830	4,674,479	4,882,944	4,882,944	5,175,955	293,011	6.0%	293,011	6.0%
Inter-Dept. Charges	1,561,133	1,189,909	1,877,295	1,877,295	1,364,431	(512,864)	-27.3%	(512,864)	-27.3%
Total	\$22,234,422	\$23,067,262	\$26,849,069	\$27,070,392	\$29,987,402	\$3,138,333	11.7%	\$2,917,010	10.8%

Expenses

- Salaries are increasing by \$3.4 million to \$13.3 million in FY 09 due to the transfer of 56 full-time positions from Social Services, the Health Department, Public Works and the Police Department into Information Technology.
- OTPS expenses, less interdepartmental charges, have been increased by 236,785, or 1.6% due mostly to the IT Consolidation.
 - Equipment has doubled from \$35,000 in FY 08 to \$72,170 in FY 09.
 - General expenses have gone down by \$268,719 due to a reduction in IT supplies.
 - Contractual services are increasing by \$175,323 due to additional contracts acquired from the Information Technology Consolidation transfer. Please refer to the chart on the next page.

IT Consolidation

On May 16, 2008, through Executive Order, information technology functions in Social Services, the Health Department and Public Works were consolidated within the Department of Information Technology (DoIT). DoIT is now overseeing an additional 36 positions from Social Services, 4 positions from the Health Department, and 1 position from Public Works. They are now in the process of adding 15 civilians from the Nassau County Police department. This consolidation may have a negative effect, should the State not maintain its current level of reimbursement because it determines that staff is not performing services exclusively for HHS. If properly managed, however, there could be a number of benefits from consolidation including operational efficiencies, information integration and coordination, and improved communication and service throughout the County. The consolidation should be monitored to ensure services to HHS departments and their consumers do not suffer as a result.

Expenses, Cont.

- Utilities have gone up by 293,011 due to increased telecommunication costs from the IT Consolidation.
- Interdepartmental charges are decreasing \$512,864 due to reduced building occupancy charges. The department no longer makes lease payments for renting 160 Old Country Road since the department moved to 240 Old Country Road in the summer of 2008.

Department of Information Technology 2008 & 2009 Contractual Services				
Contract	2008	2009	Exec. vs. Adopted	
	Adopted Budget	Executive Budget	Variance	Percent
Support	\$629,363	\$717,500	\$88,137	14.0%
Application support	287,000	265,539	(21,461)	-7.5%
Telecommunications	505,500	542,000	36,500	7.2%
Data Center Operations	3,486,140	2,969,827	(516,313)	-14.8%
Electronic Document Management Sys	0	75,000	75,000	***
Desktop support	1,407,236	1,345,275	(61,961)	-4.4%
E-mail/Server	501,104	853,307	352,203	70.3%
Network	1,131,850	1,084,500	(47,350)	-4.2%
GIS	582,000	595,000	13,000	2.2%
Police Department Consolidation	0	313,291	313,291	***
Web services	633,245	255,120	(378,125)	-59.7%
HHS Consolidation	0	322,402	322,402	***
Total	\$9,163,438	\$9,338,761	\$175,323	1.9%

- The contractual services category, budgeted at \$9.3 million is reflective of the cost of maintenance of software, systems and licensing increases.
- Additional maintenance contracts are utilized to support the use of supplemental staffing, as IT management analyzes what staffing and skill level is appropriate to serve the County’s technology needs.
- The FY 09 budget of \$9.3 million is an increase of 1.9% compared the FY 08 budget.

Expenses, Cont.

- The following chart lists the full-time positions that will be transferred into the Department of Information Technology from the Consolidation.

Title	Transfer In		Transfer Out								
	IT		Health		Public Works		Police Headquarters		Social Services		
	Heads	Salaries	Heads	Salaries	Heads	Salaries	Heads	Salaries	Heads	Salaries	
ADP Info Sys	2	\$241,212						(2)	(\$241,212)		
DR PLC INF S	1	163,681						(1)	(163,681)		
IT Specialist I	4	187,697						(4)	(187,697)		
IT Specialist II	3	183,111						(3)	(183,111)		
Mgr Of Soc Svcs Sys	1	132,840								(1)	(132,840)
Multi-Keyboard Oper. I*	17	686,132	(3)	(119,329)						(14)	(566,272)
Multi-Keyboard Oper. II	15	652,325	(1)	(46,815)						(14)	(605,510)
Multi-Keyboard Super. I	2	99,436								(2)	(99,436)
NT Specialist III	1	119,542						(1)	(119,542)		
PG Analyst III	1	92,538						(1)	(92,538)		
Police Service Aide	1	53,545						(1)	(53,545)		
Programmer Analyst I	2	134,975			(1)	(68,205)		(1)	(71,236)	(1)	(66,770)
Programmer Analyst II	2	137,736								(1)	(66,500)
Sc Svc Data Ct Sp II	1	56,876								(1)	(56,876)
Wel Mgt Sys Spclst	2	156,484								(2)	(156,484)
Untitled Position	1	33,416						(1)	(33,416)		
Grand Total	56	3,131,546	(4)	(\$166,144)	(1)	(\$68,205)		(15)	(\$1,145,978)	(36)	(\$1,750,688)

* The transferred salaries for the Multi-Keyboard Operator I results in a difference of \$531 due to a step increase for one Operator.

Revenues

Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$1,078,809	\$200,577	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	(113,503)	152,953	27,000	27,000	27,000	0	0.0%	0	0.0%
Cap Backcharges	277,197	1,048,802	3,128,855	3,128,855	3,781,305	652,450	20.9%	652,450	20.9%
Interdept Revenues	5,444,590	4,552,643	6,613,176	6,613,176	7,914,694	1,301,518	19.7%	1,301,518	19.7%
State Aid-Reimb Of Exp	483,809	398,079	372,000	372,000	366,420	(5,580)	-1.5%	(5,580)	-1.5%
Total	\$7,170,902	\$6,353,055	\$10,141,031	\$10,141,031	\$12,089,419	\$1,948,388	19.2%	\$1,948,388	19.2%

- Capital back charges are increasing by \$652,450 or 20.9% due to the planned implementation of the Enterprise Resource Planning (ERP) capital project, which makes up \$1.5 million of the charges. The project will be requested in the FY 09 Capital Budget.
- Interdepartmental revenues are increasing by \$1.3 million due mostly to chargeback revenue for the additional services Information Technology is taking over as a result of the consolidation.
 - The remaining \$2.2 million are from nine departments, including Police Headquarters, Fire Commission Mental Health & Chemical Dependency, Planning, Senior Citizen, Minority Affairs, Youth Board, Housing & Intergovernmental Affairs, and Police Districts.

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

Expense	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	10	10	10	9	10	0	0.0%	1	11.1%
Part-Time and Seasonal	1	38	2	2	55	53	2650.0%	53	2650.0%
Salaries	\$570,649	\$677,107	\$843,294	\$679,286	\$794,577	(\$48,717)	-5.8%	\$115,291	17.0%
Equipment	0	0	5,928	5,928	2,250	(3,678)	-62.0%	(3,678)	-62.0%
General Expenses	4,385	3,134	22,561	22,561	15,762	(6,799)	-30.1%	(6,799)	-30.1%
Contractual Services	0	6,750	25,313	4,000	18,000	(7,313)	-28.9%	14,000	350.0%
Total	\$575,034	\$686,990	\$897,096	\$711,775	\$830,589	(\$66,507)	-7.4%	\$118,814	16.7%

Expenses

- The total proposed expense budget is \$66,507 or 7.4% lower than the Adopted 2008 budget and 16.7% higher than OLBR projection for 2008.
- Historically salaries have been the major portion of the department’s expense. OLBR projects a lower salary expense largely due to the termination of the Commissioner of Human Rights in May 2008. If the commissioner’s position continues to be vacant in 2009, salary expense can be expected to be lower.
- The actual salary expense from 2007 to 2008 increased significantly due to the expansion of the Summer Aide Program in 2007.
- Full-time headcount budget will remain at ten for FY 09.

As the number of complaints the department deals with increases due to the growing awareness of the 2007 Housing Law, the burden on the department grows.

- The employees have been working extra hours to keep up with the cases, but paid overtime and comp time is only being approved for work related to special events.

- The department does not allow the complaints to fall behind due to the importance of maintaining the Counties Memorandum of Understanding (MOU) with the State. The MOU allows for complaints that are filed with the County to be automatically recognized by the State government. This helps to prevent the statute of limitations from running out on cases filed with the County that may progress to the State or Federal levels.

Expenses, Cont

As per the Comptroller’s Audit from January 18, 2008, the payroll function in the Department of Human Rights has not been performed sufficiently and it is critical that this be corrected. The previous commissioner has stated that although she had repeatedly requested additional resources to rectify the situation, these requests were denied. The acting commissioner has said that he has also not been given the additional resources and that completing this task is a continuing struggle.

- There will be 1 part-time and 54 summer seasonal aid positions for FY 09. The summer seasonal aids are employed from the second week of June to mid August. There were 55 seasonal aids in 2008 which is not reflected in the above chart due to timing. The seasonal aides work at various agencies through out the county and their salaries are paid by the Commission of Human Rights.

- The actual expense for seasonal aids was \$115,499 in 2007, YTD it is \$128,169, and the Proposed 2009 Budget is \$125,000.
- The general expense for FY 09 is \$6,799 or 30.1% lower than the 2008 Adopted Budget. This is due to the commission no longer utilizing the LEXIS NEXIS program to research laws and cases. They will now be utilizing reference books printed from Thompson West.
 - The general expense line will be used to host a community breakfast in the month of October for creating awareness of the commission and the services it provides. The forum was started in 2007 and the plan is to hold it on an annual basis.
- Local Law 9-2006 which became effective January 1, 2007 focuses on three areas:
 - Local enforcement of County open housing legal protections.
 - Sets an administrative enforcement procedure for client and commission initiated complaints.
 - Sets procedure in which cases can be investigated and heard before an administrative law judge.
- An increase in the contracts line from FY 07 to FY 08 is due to the minimal number of housing cases in FY 07. There has been no expense incurred in the contractual line as of September 2008, therefore OLBR is projecting a surplus.
 - This expense is utilized for outside council when cases are brought against the County.
 - The department is working on a board transfer of \$11,000 from the contractual line to salaries for the summer aids program.

- For FY 08 and FY 09, the agency believes cases will increase due to the growing awareness of the 2007 Housing Law.
- Currently there are about 11 housing cases and five will most likely be presented before the administrative law judges.

Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$0	\$1,406	\$0	\$1,570	\$0	\$0	*****	(\$1,570)	-100.0%
Interfund Charges Rev	0	50,000	50,000	50,000	50,000	0	0.0%	0	0.0%
Total	\$0	\$51,406	\$50,000	\$51,570	\$50,000	\$0	0.0%	(\$1,570)	-3.0%

Revenue

- The FY 09 proposed revenue budget is relatively constant.
- The Commission’s largest revenue source of \$50,000, of interfund charges represents Community Development Block Grant funding for the summer aid program provided via the Office of Housing and Intergovernmental Affairs.

Expense	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	236	257	261	249	255	(6)	-2.3%	6	2.4%
Part-Time and Seasonal	7	2	4	16	3	(1)	-25.0%	(13)	-81.3%
Salaries	\$11,795,095	\$13,372,606	\$14,522,205	\$13,479,123	\$15,001,360	\$479,155	3.3%	\$1,522,237	11.3%
Equipment	284,066	188,469	85,000	85,000	80,000	(5,000)	-5.9%	(5,000)	-5.9%
General Expenses	834,991	856,678	810,000	900,000	811,170	1,170	0.1%	(88,830)	-9.9%
Contractual Services	1,130,197	1,590,357	792,579	792,579	371,000	(421,579)	-53.2%	(421,579)	-53.2%
Total	\$14,044,349	\$16,008,110	\$16,209,784	\$15,256,702	\$16,263,530	\$53,746	0.3%	\$1,006,828	6.6%

Expenses

- The proposed FY 09 budget is almost flat compared to FY 08. An increase for salaries is almost entirely offset by a decrease in contractual services.
- Budgeted headcount will decrease by a net of six full-time positions and one part-timer. Salaries are increasing to account for anticipated CSEA contractual increases.
- The proposed OTPS budget of \$1.3 million is approximately 29% less than the projected OTPS spending for FY 08. Most of the reduction is on the contractual services line.
 - The decrease in contractual services has been achieved by lowering the contract for temporary employees from \$400,000 to \$100,000, and eliminating all funding for computer programming code modifications (\$100,000) and a consultant on valuation of utility properties (\$25,000). If any programming modifications are necessary, there is funding in the ADAPT capital project.
 - Contracts for maintenance on the proprietary Tyler integrated assessment system (\$255,000) and the voice response telephone system (\$16,000) will continue to be funded in the 2009 budget.
- General expenses in 2008 are projected to exceed budget by approximately \$90,000 due to postage costs for office mailings. Budgeted at \$160,000, postage expenses are expected to total \$360,000 by the end of the year. The department requested \$350,000 for 2009, but the proposed budget contains \$260,000.

Revenue	Historical		2008		2009	Exec. vs. Adopted		Exec. vs. Projected	
	2006	2007	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$466,494	\$556,561	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	157,275	125,521	210,000	173,742	250,000	40,000	19.0%	76,258	43.9%
Cap Backcharges	0	0	0	0	57,088	57,088	*****	57,088	*****
State Aid-Reimb Of Exp	916,523	919,772	916,523	771,388	902,775	(13,748)	-1.5%	131,387	17.0%
Total	\$1,540,292	\$1,601,853	\$1,126,523	\$945,130	\$1,209,863	\$83,340	7.4%	\$264,733	28.0%

Revenues

- The proposed FY 09 revenue budget is increasing by 7.4% over the FY 08 Adopted, or 28% over the OLBR projection.
- Both department revenues and state aid are projected to fall short of budget in FY 08.
- The department collects fees for such services as the sale of tax maps, property record cards, and various reports. These are booked as departmental revenues.
 - Starting in FY 08, owners or operators of rent producing property who fail to report income and expense related to the operation of the real estate can be fined \$500.
 - To date, \$45,000 has been collected.
- Capital backcharges revenue in the amount of \$57,088 has been added to the revenue budget. This will offset the expense of employee hours spent working on the ADAPT capital project.

State Aid

Assessment receives two kinds of state aid. Annual Reassessment Program funding, allows for a payment of up to \$5 per parcel annually. In order to be eligible to receive this aid, an assessing unit must annually conduct a systematic analysis of all locally assessed properties, and implement a program to physically inspect and re-appraise each property at least once every six years. Although Nassau has over 400,000 parcels, the state caps its aid at \$500,000. However, NY State has cut the 2008 Annual Aid by 2% or \$10,000 on the maximum allowed.

School Tax Relief program (STAR) Administrative Aid payments are intended to help defer the costs incurred by local assessors, tax collectors and county directors in performing such STAR related activities as application processing, receipt mailing, and complaint processing. The amount received for STAR Administrative Aid in FY 08 is \$271,388, which is below the budget of \$416,523. If this reduction continues into next year the FY 09 budgeted amount for state aid will not be realized.