

*Overview
of the
Fiscal 2006
Executive
Budget*

**NASSAU COUNTY
OFFICE OF LEGISLATIVE
BUDGET REVIEW**

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October 6, 2005

*Public Safety
Committee*

*Agencies Scheduled to
Testify:*

Police Department

Consumer Affairs

*Traffic and Parking
Violations*

Probation Department

District Attorney

Emergency Management

Correctional Center

**NASSAU COUNTY
LEGISLATURE**

Hon. Judith A. Jacobs,
Presiding Officer

Hon. Peter J. Schmitt,
Minority Leader

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



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Inter-Departmental Memo

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

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

Date: October 4, 2005

Re: FY 06 Budget Hearing – October 6, 2005

Enclosed please find preliminary reviews of the FY 06 budget for the specific agencies scheduled to appear before the Public Safety Committee. In order to better evaluate the FY 06 Proposed Budget, in our analyses we have included OLBR's FY 05 projections. In addition, in looking at staffing needs we also compare the proposed FY 06 budget to actual staffing levels as of September 1, 2005, as well as the FY 05 budget.

The Office of Management and Budget has merged the categories materials and supplies (CC) and general expense (DD) under general expense (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, we have done the same for the 2005 Budget and OLBR Projection. In FY 04 the Administration created a budget and accounting charge for inter-departmental charges (HF) and debt service (HD). These charges have been developed to more accurately identify and allocate the costs incurred by service departments, such as Information Technology and Real Estate on behalf of other County agencies. A corresponding revenue gets booked to the department providing the service as an inter-departmental revenue (BJ). However, in the FY 2006 budget the Office of Management and Budget has scheduled interdepartmental charges only for those departments that are routinely eligible for federal and state reimbursement of expenses, or are a shared services department that

sells services. For comparison purposes, the Office of Legislative Budget Review (OLBR) has separated the charges out of the OTPS budget and placed them "below the line".

One of the primary issues facing the departments scheduled testify will be staffing. The Administration has begun to recognize this need and a number of departments have begun hiring up in 2005 with additional staffing increases budgeted for 2006. The new hires have not had the impact anticipated on the Police Department and Correctional Center's overtime in 2005 since the training of new recruits and attrition have prevented this, but there should be a greater effect in 2006. Increased staffing will continue to bring about positive results in TPVA's operations and the Sheriff's office should also see an improvement in operations with the addition of new positions in 2006. The Probation Department is budgeted to staff up as well to accommodate a State mandate which is going to increase the persons in need of supervision caseload, but will also increase State aid and may reduce to use of costly residential placements. Additionally, the Police Department plans to man the Gang Activity Unit with detectives when the promotion of 50 police officers to detective takes place in October 2005.

There has been some discussion of hiring an additional 150 police recruits over what is included in the 2006 budget. OLBR has done an analysis of this and arrived at a cost of \$8.2 million in 2006, \$11.5 million in 2007, \$18.8 million in 2008 and \$21.0 million in 2009. These costs reflect a worst case scenario including 10.2% overtime for new recruits based on historical percentages and no overtime savings since it is unknown how these recruits would be deployed. Also, overtime savings would be minimal in 2006 since it would take seven months for the recruits to be trained. This analysis does not include future costs of health insurance for retirees.

One area of risk is the Correctional Center salary budget since the ShOA contract expired December 31, 2004. Savings of \$5.7 million were incorporated into the budget based on the proposed Memorandum of Agreement, but this was voted down by the Legislature and it is unknown what provisions future proposals will include. Another area of risk is the revenue budget for Consumer Affairs, which may be overstated. It includes \$2.5 million from licensing Plumbers and Electricians, but since the State enabling legislation has not been introduced to the full State Legislature it is uncertain if the County will collect these revenues in 2006. Also, the Administration has expressed the intention of backfilling only one in three CSEA positions. What impact will this have on operational improvements and overtime costs?

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

NASSAU COUNTY POLICE DEPARTMENT

Since 2002, the Police Department has been struggling to contain escalating overtime costs. The major drivers of this expense were declining headcount and contractual constraints. Uniform headcount had been steadily decreasing in 2002 and 2003, which was in accordance with the Administration's plan to reduce overall staffing in the Department. That trend was reversed in January and July 2004 when the Department hired classes of 48 and 148 recruits respectively to quell skyrocketing overtime expense. However, since the training period for police officers lasts seven months, those hires had little, if any, impact on overtime costs in 2004, which reached \$46.7 million, or approximately 68% over the budget of \$27.8 million. It was believed that these classes and the contractual concessions garnered from the PBA and DAI arbitration awards would positively affect overtime expense in 2005, so the Administration budgeted nearly \$36 million for those costs in 2005. Current actuals indicate that 2005's overtime expense is outpacing last year's costs, year-to-date expense is approximately \$30 million compared to \$25.9 million in 2004. It appears that the Administration's optimism for 2005's overtime costs was misplaced. The net effect on sworn headcount from the last two recruit classes from September 2004 to September 2005 is a positive 26, due to retirements, and, as will be shown later, there is a direct correlation between headcount and overtime. There is currently another class of 142 cadets scheduled to graduate in October 2005 that should have a positive impact on overtime in the latter part of 2005 and rein in some of this expense. This, coupled with contractual concessions, especially for new hires, should slow the current overtime pace and bring it to a total of approximately \$48 million for 2005.

The 2003 PBA Arbitration Award and the 2005 DAI Arbitration Award that allowed for concessions in minimum manning, extra hours worked, denominator changes in calculating shift differential, termination pay and overtime, and civilianization have provided the Department with the tools to manage more efficiently in reducing the potential for even greater overtime costs. The Administration has estimated savings associated with extra hours worked has generated approximately \$6.6 million to date, from both police officers and detectives. In addition, the Department recently completed civilianizing the first 50 positions contractually agreed upon by the PBA and the County. Of those, approximately 27 were positions formerly held by uniform personnel who were deployed to patrol. The remaining positions that were filled were left vacant by retirees. The Department has identified the second group of 50 positions to be civilianized for 2005 but a final agreement has not been reached between the PBA and the Department. However, the Department has begun hiring civilians, at last count, 14, that will backfill positions left vacant by retirees or reassignments that will be part of the 2005 civilianization number. The full benefit of this concession has yet to be realized and its impact will be deferred to a later time once agreement on all positions has been achieved. In addition to the failure to reach an agreement between the Department and the PBA on civilianizing the last 50 positions, the PBA has won a decision regarding the arbitrator's interpretation of a clause in the PBA contract as to the amount of personal days a precinct may receive per tour, regardless of its impact on overtime. It is estimated that the interpretation will have a \$2 million negative impact through the remainder of 2005 and approximately \$4 million annually thereafter.

As a result of the Department's limited success in its efforts to curtail overtime the Administration has wisely budgeted \$47.35 million for this expense in 2006. Shifting from the past practice of optimistic projections and unrealistic targets, the Administration has taken a more reasonable approach to

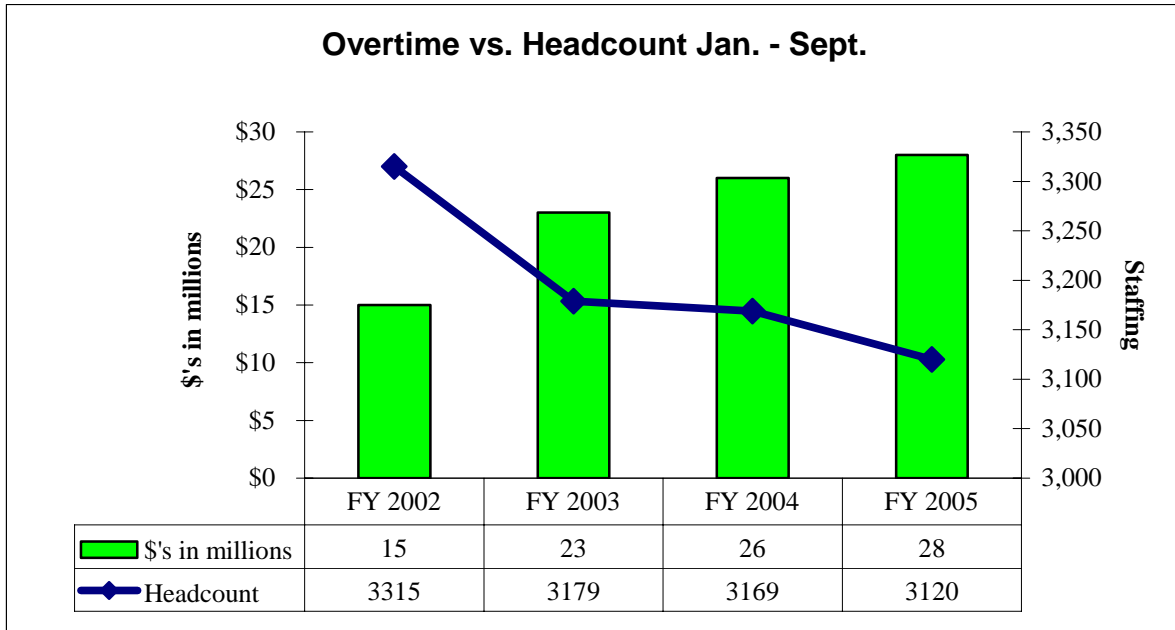
estimating overtime costs. Based on the success of the unions' concessions of extra hours worked, the potential savings from civilianization and the additional new hires, a new class of between 120-130 candidates is scheduled to enter the Academy in October 2005, it seems reasonable to assume that the overtime budget of \$47.35 million could be achieved.

The chart below illustrates the areas within the Police Department that generate overtime.

	2003, 2004, 2005 Overtime					
	2003	% of Total	2004	% of Total	2005 YTD**	% of Total
PRECINCTS	22,224,374	55.4%	23,885,308	51.2%	14,108,295	46.3%
OTHER *	5,433,611	13.5%	6,913,606	14.8%	6,366,399	20.9%
RECORDS	2,491,971	6.2%	2,701,815	5.8%	1,623,338	5.3%
SQUADS	2,218,149	5.5%	2,973,714	6.4%	1,497,252	4.9%
HIGHWAY PATROL	2,070,224	5.2%	3,084,983	6.6%	2,022,898	6.6%
COMMUNICATIONS BUREAU	1,973,376	4.9%	1,937,220	4.2%	1,278,742	4.2%
EMERGENCY AMBULANCE	1,009,553	2.5%	1,024,956	2.2%	1,085,646	3.6%
FLEET SERVICE	726,946	1.8%	1,090,567	2.3%	572,921	1.9%
BUREAU SP. OPS	686,207	1.7%	1,185,810	2.5%	681,757	2.2%
HOMICIDE	655,682	1.6%	928,251	2.0%	665,941	2.2%
NARCOTICS	<u>641,620</u>	1.6%	<u>923,887</u>	2.0%	<u>565,716</u>	1.9%
Total	40,131,713		46,650,117		30,468,905	

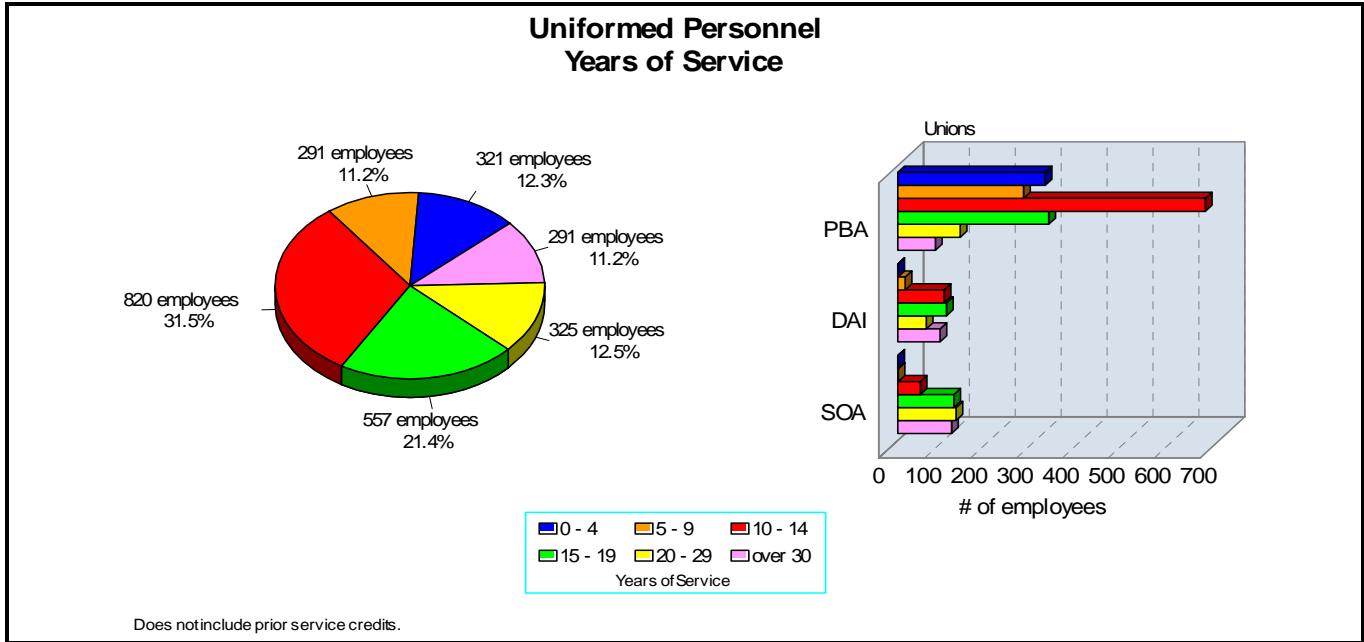
* OTHER consists of 64 responsibility centers that individually make up a small percentage of total overtime.
 ** September 21, 2005 run.

Overtime expense is classified into 74 responsibility centers in the Police Department's budget, much of which is in the precincts and highway patrol. It follows that that is where a considerable portion of the overtime lies because light roll call in the precincts and highway patrol generates many of the overtime hours. Overtime is also high in the detective division, which includes homicide and narcotics, for a total of approximately \$5 million in 2004. It is not reflected in the above chart because detective overtime encompasses too many responsibility centers to be included in the chart, some of which is included in the "other" category such as the electronics unit, legal bureau, asset forfeiture, public information office and planning bureau. There is also a significant amount of overtime in the records bureau, communications bureau and emergency ambulance bureau. It should be noted that the emergency ambulance bureau year-to-date actuals have increased over last year's totals as a result of three additional ambulances having been staffed in Bethpage, Oceanside and, for the summer months, Jones Beach. This is to aid local fire departments that are unable to respond to calls during weekday daytime hours.



The chart above illustrates the direct correlation between headcount and overtime. The years 2004 and 2005 do not include the approximate 180 new cadets hired in 2004, of which 140 were carried over to 2005, and an additional 139 recruits scheduled to graduate in October 2005. The new hires had little, if any, impact on overtime since the majority of their time was spent in training. It is clear from the chart that as headcount declines overtime rises. The Administration has committed to maintaining uniform personnel at 2,650 and plans to continue hiring to support that objective. When these levels are maintained, along with contractual concessions and efficient management, overtime should be contained.

Termination pay in 2006 is budgeted at \$26.1 million, about 4.2%, or \$1 million more than the prior year. To-date there have been 44 members from Headquarters and 17 members for District who have retired with an average payout of approximately \$220,000. The 2005 termination budget should be sufficiently funded for the projected 120 separations based on the average payout of \$220,000, although termination payouts may exceed budgeted amounts if more than the projected amount of officers retire from the Headquarters fund. The 2006 termination budget assumes approximately 100 retirements and is budgeted at \$23.35 million. Currently there are approximately 471 sworn members, with 20 years or more of service, 86 of whom have 30 years or more, that are eligible to retire and an additional 116 in 2006. Funding for the potential excess of retirements may come from the Employees Benefits Fund.



The chart above shows the number of sworn personnel and their years of service. Currently there are 154, or 40.3%, of the 382 DAI members eligible to retire with 20 or more years of service, 218, or 12.0%, of 1,815 PBA members and 244, or 58.7%, of the 417 SOA members eligible to retire. The chart does not include prior years of service credits.

Police Department Headcount by Union					
<u>Union</u>	<u>2005 Adopted</u>	<u>Sept. Actuals</u>	<u>2006 Executive</u>	<u>2006 vs 2005</u>	<u>2006 vs Actuals</u>
PBA	1,808	1,815	1,806 *	(2)	(9)
DAI	425	382	425	0	43
SOA	422	417	422	0	5
Subtotal	2,655	2,614	2,653	(2)	39
CSEA	818	786	855	37	69
ORD	4	4	4	0	0
Total	3,477	3,404	3,512	35	108

* Includes 3 temporary positions that are sometimes vacant

As shown above, the 2006 Police Department headcount is remaining flat in most unions over 2005 adopted numbers, except for PBA, which is declining by two and CSEA, which is increasing by 37. When compared to September actuals all unions but PBA are increasing. It should be noted that the detective division is 43 short of budgeted headcounts in both 2005 and 2006. This is important since the Department recently established a Gang Activity Unit, which will ultimately be manned by 13 detectives. Since detectives are currently in short supply, this unit will be temporarily staffed by some police officers until more police officers are promoted to detective. The Police Department has suggested that the promotions of about 50 police officers to detective could occur in early October 2005,

depending on the recruit class scheduled to graduate in October and the proposed new class that could begin late October 2005. The increase of 37 civilians includes 18 building maintenance employees transferred to Public Works in the 2005 budget which have been transferred back into the Headquarters fund for 2006.

The Department has the responsibility for the implementation and monitoring of the following Multi-Year Financial Plan initiative which has been incorporated into the FY 06 budget and out-year baseline.

Police Overtime Reductions - \$2,500,000

The Administration estimates that \$2.5 million in savings will be realized due to the lower rate the 280 plus new officers will be paid for overtime worked. It appears that this target could be achieved in 2006 given the assumption the additional 120-130 new recruits are slated to be hired in October 2005 and will be ready for deployment by late spring 2006.

Fuel Purchase - \$175,000

The \$175,000 savings associated with this initiative is a result of the difference between the cost of premium gas and regular gas for patrol vehicles. Police patrol cars, with the exception of the Highway Patrol Unit, will now fill up with regular gas as a cost savings measure. This initiative could achieve real savings if gasoline prices, for either premium or regular, remain flat. However, if current forecasts come to fruition, and gas prices again begin to climb, these savings will not be obtained.

Police Headquarters

HEADQUARTERS' EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$181,157,692	\$190,402,229	\$199,689,804	\$200,278,905	\$19,121,213	\$9,876,676
AB	Fringe Benefits	83,208,069	73,589,488	87,497,045	77,743,090	(5,464,979)	4,153,602
	Total PS	264,365,761	263,991,717	287,186,849	278,021,995	13,656,234	14,030,278
BB	Equipment	2,700,000	2,700,000	3,935,256	535,256	(2,164,744)	(2,164,744)
DD	General Expenses	3,038,677	3,038,677	3,013,500	3,013,500	(25,177)	(25,177)
DE	Contractual Services	6,374,120	6,374,120	6,660,987	6,660,987	286,867	286,867
DF	Utilities	0	2,100,000	2,100,000	2,100,000	2,100,000	0
OO	Other Expenses	410,000	410,000	250,000	250,000	(160,000)	(160,000)
	Total OTPS	12,522,797	14,622,797	15,959,743	12,559,743	36,946	(2,063,054)
HD	Debt Svc Chargeback	5,217,906	5,217,906	3,134,003	3,134,003	(2,083,903)	(2,083,903)
HF	Inter-Dept. Charges	19,123,076	17,190,076	0	20,607,886	1,484,810	3,417,810
	Grand Total	\$301,229,540	\$301,022,496	\$306,280,595	\$314,323,627	\$13,094,087	\$13,301,131

Salaries in the Headquarters budget will increase by about 10.6% in 2006, or approximately \$19.1 million, but when compared to FY 05 projections, the growth is about 5.1%. This is a result of the July

2006 six month 3.9% wage hike awarded to the PBA officers from the 2003 arbitration settlement, the 2005 DAI and SOA Arbitration Award increases of 3.9%, the CSEA January 2005 increase of 2.5% and increases in longevity, shift differential and overtime. Overtime is rising as a result of insufficient funding in the 2005 budget.

OTPS expense will remain essentially flat due to offsets in equipment for the \$1.9 million purchase of 86 unmarked vehicles and 10 Public Safety pick-up trucks in 2005 originally planned for 2006 and the \$2.1 million in utilities which will now be funded through Headquarters. Previously, these utilities were paid by way of Interdepartmental Service Agreement (ISA) from the interdepartmental line. The \$2.1 million was transferred from interdepartmental charges into utilities to cover these expenses. Interdepartmental charges have been separated out of the OTPS budget for comparison purposes. These charges had been developed to more accurately identify and allocate the costs incurred by other departments on behalf of Headquarters. Headquarters is responsible for paying for information technology, purchasing, records management, workers' comp, and other services. The Office of Management and Budget has merged the categories materials and supplies (CC) and general expense (DD) under general expense (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, we have done the same for the 2005 Budget and OLBR Projection. The reduction of \$160,000 in other expenses represents the decline in the cost for helicopter insurance.

Police Headquarters Staffing Analysis						
	FY 05 <u>Adopted</u>	Sept-05 <u>Actual</u>	FY 06 <u>Request</u>	FY 06 <u>Executive</u>	Exec. vs. <u>05 Adopt</u>	Exec. vs. <u>Actual</u>
Uniform	1,074	963	1,008	1,008	(66)	45
Civilian	706	681	770	740	34	59
Total Full-time	1,780	1,644	1,778	1,748	(32)	104
Part-time and Seasonal	61	45	42	42	(19)	(3)

FY 2006 uniform headcount is declining by 66 from the 2005 budget but is increasing by 45 over September actuals. An additional 34 civilians will be funded in 2006 compared to 2005's budget, or an increase of 59 over September actuals.

The sub-object code civilian vacancies (CIV), established for the 2005 budget, will accommodate 12 civilian positions in the 2006 budget, the titles of which have yet to be identified. These positions are targeted for civilian titles which have not been agreed upon by the County and the PBA, although it is encouraging to see that funding has been provided for the new hires. Some of the problems the Administration has experienced in the past with hiring clerical positions due to low start pay and competition with other jurisdictions have been somewhat alleviated by the elimination of the first two salary steps. This allows the Department to be more competitive when seeking out viable candidates. In addition to the 12 CIV positions, the budget has allowed for nine more AMTs, six additional communications operators and 18 building maintenance employees that were transferred to Public Works in 2005 who will be moved back into Headquarters budget in 2006, although they are currently

being paid from the Headquarters Fund. The additional 16 police service aide trainees in 2006 reflect the Department's commitment to civilianization and represent the last group of civilians that will replace sworn officers at the precinct levels. It is this group that the PBA objects to in the civilianization process so the Department has delayed hiring them until a resolution of this issue is attained.

HEADQUARTERS' REVENUE BUDGET							
Revenue Class		Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. Vs FY 05 Proj.
BC	Permits & Licenses	\$325,000	\$300,000	\$800,000	\$800,000	\$475,000	\$500,000
BE	Investment Income	86,258	124,956	0	121,053	34,795	(3,903)
BF	Rents & Recoveries	200,000	200,000	200,000	200,000	0	0
BH	Department Revenue	13,679,000	13,768,000	14,602,000	14,602,000	923,000	834,000
BJ	Interdept. Revenue	10,664,812	10,664,812	0	13,977,076	3,312,264	3,312,264
FA	Federal Aid	334,000	334,000	330,000	330,000	(4,000)	(4,000)
SA	State Aid	589,435	589,435	589,000	589,000	(435)	(435)
TL	Property Tax	252,897,540	252,897,540	258,778,043	258,778,043	5,880,503	5,880,503
TX	Special Tax	22,453,495	22,953,495	22,853,495	22,853,495	400,000	(100,000)
Grand Total		\$301,229,540	\$301,832,238	\$298,152,538	\$312,250,667	\$11,021,127	\$10,418,429

The Headquarters Division obtains revenue through several sources. The 2006 revenue budget increases by about \$11 million, or 3.6%, over revenue in 2005. The main reasons for this increase are the \$5.9 million growth in property taxes, \$3.3 million hike in interdepartmental revenues, almost \$925,000 more in departmental revenues and smaller increases in permits & licenses, investment income and special taxes. Interdepartmental revenues accounts for the reimbursement of costs incurred by Headquarters for services, supplies, and materials provided to other County departments such as the salaries of security officers and other employees budgeted in Headquarters but who provide services to other departments. Also included in this revenue is the chargeback for the use of the police assembly hall for CountyStat meetings which are convened on a regular basis. A corresponding expense gets credited to the budget of the user department as an interdepartmental charge. The increase in departmental revenues is related to aggressive collections for ambulance fees as well as the three additional ambulances put into operation in Bethpage, Oceanside and, for the summer months, Jones Beach. The expenses associated with conducting ambulance runs in these areas are offset by the revenue they generate.

The \$475,000 increase in permits & license is due to their cyclical nature. In reaction to September 11th, a large number of people applied for and received permits. Those permits will be up for renewal in 2006 and based on the original number of applications revenue will increase. Special Tax revenues for the E-911 surcharge are growing by \$400,000 due to an increase in cell phone usage. As a result of this growth, the Department has adjusted the budget for the surcharge on land lines downward by \$1.6 million and increased the surcharge on cell phones by \$2 million.

Out-Year Initiatives

NAME	FY 2007	FY 2008	FY 2009
Overtime Reductions	\$2,000,000	\$2,000,000	\$2,000,000

The Police Department's desire to curb the trend in rising overtime costs is the driving force behind **overtime reduction** initiative. It is estimated that with the new police hires in 2005, the Police Department could save \$2 million in each of the out-years compared to the baseline assumptions in the Multi-Year Plan. The plan is to deploy the new officers, once training has been completed, directly into the precincts where minimum manning requirements are mandated. Not only will the number of new hires allow the Department greater latitude in managing charts more efficiently, but their lower pay scale will reduce the amount paid for overtime. Efforts to civilianize positions once held by sworn officers will also impact this savings initiative. The savings from this **overtime reduction** initiative are realistic and achievable provided that the Administration stands firm on its plan to keep staffing constant at 2,650 uniform personnel. Civilianizing all 100 agreed upon titles must also be successful to achieve the savings. In the past, there have been problems hiring for certain support positions but the Department seems to have overcome the low start pay issue and has recently completed the first phase of 50 hires, albeit almost a year behind schedule. The second 50 positions have been identified by the Department but have yet to be agreed upon by the County and the PBA. The civilianization issue is an important part to the success of this initiative and its full benefit may not be achieved if resolution with the PBA is not reached.

Police District

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

DISTRICT REVENUE BUDGET							
Revenue Class		Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. Vs FY 05 Proj.
AA	Fund Balance	\$2,500,000	\$2,500,000	\$0	\$0	(\$2,500,000)	(\$2,500,000)
BC	Permits & Licenses	1,800,000	1,400,000	1,680,000	1,680,000	(120,000)	280,000
BD	Fines & Forfeitures	200,000	200,000	100,000	100,000	(100,000)	(100,000)
BE	Investment Income	65,134	112,742	67,088	112,754	47,620	12
BF	Rents & Recoveries	150,000	150,000	150,000	150,000	0	0
BH	Department Revenues	3,167,011	3,167,011	3,055,800	3,165,800	(1,211)	(1,211)
BJ	Interdepart. Revenues	901,426	901,426	0	935,835	34,409	34,409
SA	State Aid	0	102,253	0	0	0	(102,253)
TL	Property Tax	309,306,781	309,306,781	333,225,300	333,225,300	23,918,519	23,918,519
Grand Total		\$318,090,352	\$317,840,213	\$338,278,188	\$339,369,689	\$21,279,337	\$21,529,476

The District Patrol 2006 revenue budget of \$339.4 million is \$21.3 million, or 6.7%, over 2005's budget. The increase is from an additional \$23.9 million in property taxes which is offset slightly by the \$2.5 million elimination of the 2005 fund balance and reductions in permits & licenses, fines & forfeitures and departmental revenues. The \$2.5 million fund balance was used to fund one time initiatives in 2005 such as, among others, Operation Protect for \$1 million, which targeted increased bank robberies and \$250,000 for a new DWI initiative, which aggressively attacks the drunk driving issue. The \$100,000 decrease in fines and forfeitures is due to the cyclical nature of renewal applications and heavy compliance by business to conform to alarm permit regulations. Providing police services to certain villages generates the revenue in the departmental revenue line which will remain essentially flat for 2006. The \$935,835 in interdepartmental revenues accounts for the reimbursement of costs incurred by District for services, supplies, and materials provided to other County departments.

Salaries in 2005 were budgeted at \$203.6 million while OTPS costs were \$9.3 million. The 2006 Executive budget for salaries increases by \$19.8 million, or 9.7%, but when compared to 2005 projections, salaries grow by \$12.6 million, or 6%. Higher than budgeted overtime costs account for the 2005 projected shortfall in salaries. The Administration believed that the hiring of two new police officer classes in 2004 and one in 2005 would affect overtime positively in 2005, but training periods, 146 separations in 2004, which had a net impact of an additional 40 police officers that could cut into overtime, and a PBA arbitrator's interpretation of a clause in the PBA contract are all factors in driving up 2005 overtime expense. The arbitrator's interpretation pertained to the amount of personal days a precinct may receive per tour, regardless of its impact on overtime and will cost an estimated \$2 million. The Administration's commitment to holding uniform headcount at 2,650 in spite of the number of terminations, should help in containing overtime expense, particularly in District where mandated minimum manning requires costly overtime. However, that theory did not hold in 2005 for the reasons discussed above. As mentioned in the Headquarters discussion, the Administration has wisely increased

District's 2006's overtime from \$19.97 million in 2005 to \$27 million to prevent a shortfall in this line. The 2005 budgeted salaries also account for the PBA, SOA and DAI award salary increases as well as CSEA COLAs.

DISTRICT EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$203,638,864	\$210,839,004	\$221,287,465	\$223,407,396	\$19,768,532	\$12,568,392
AB	Fringe Benefits	84,907,496	85,594,560	96,436,439	85,646,523	739,027	51,963
	Total PS	288,546,360	296,433,564	317,723,904	309,053,919	20,507,559	12,620,355
BB	Equipment	875,000	875,000	3,086,280	1,386,280	511,280	511,280
DD	General Expenses	3,748,056	3,748,056	3,678,802	3,678,802	(69,254)	(69,254)
DE	Contractual Services	800,000	800,000	806,563	806,563	6,563	6,563
DF	Utility Costs	985,275	985,275	1,605,845	1,605,845	620,570	620,570
OO	Other Expenses	2,900,000	2,900,000	450,000	450,000	(2,450,000)	(2,450,000)
	Total OTPS	9,308,331	9,308,331	9,627,490	7,927,490	(1,380,841)	(1,380,841)
HD	Debt Svc Chargebacks	845,394	845,394	745,754	745,754	(99,640)	(99,640)
HF	Inter-Dept. Charges	19,390,267	19,390,267	0	23,110,686	3,720,419	3,720,419
	Grand Total	\$318,090,352	\$325,977,556	\$328,097,148	\$340,837,849	\$22,747,497	\$14,860,293

Inter-departmental charges have been separated out of the OTPS budget for comparison purposes. These charges had been developed to more accurately identify and allocate the costs incurred by other departments on behalf of the Police District. District will be responsible for such charges as printing, information technology, building occupancy and purchasing. The three largest are workers compensation and indirect charges and PDH charges, \$4.1 million, \$12.2 million and \$6.6 million respectively. A corresponding revenue gets credited to the department providing the service as an inter-departmental revenue (BJ). The Office of Management and Budget has merged the categories materials and supplies (CC) and general expense (DD) under general expense (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, we have done the same for the 2005 Budget and OLBR Projection.

The additional \$500,000 in the equipment line reflects the \$800,000 in funding for 32 marked police vehicles to be purchased in 2006. The Department requested \$2.5 million for these vehicles in order to bring the number closer to the amount needed for a three year replacement cycle. The Administration denied the request citing insufficient funds and an adequate number of vehicles currently in the fleet. The slight reduction in general expenses line may be for cause for concern in light of the nationwide increase in gasoline. If gasoline prices reach forecasted heights as a result of Hurricane Rita, there may be a shortfall in this line. The \$2.5 million reduction in other expenses is due to the police initiative for one time expenses in 2005, such as "Operation Protect", police recruit uniforms and the DWI initiative mentioned in the expense discussion above.

Police District Staffing Analysis						
	FY 05 <u>Adopted</u>	Sept-05 <u>Actual</u>	FY 06 <u>Request</u>	FY 06 <u>Executive</u>	Exec. vs <u>05 Adopt</u>	Exec. vs <u>Actual</u>
Uniform	1,581	1,651	1,645	1,645	64	(6)
Civilian	<u>116</u>	<u>105</u>	<u>120</u>	<u>119</u>	<u>3</u>	<u>14</u>
Full-time Staffing	1,697	1,756	1,765	1,764	67	8
Part-time and Seasonal	459	442	460	460	1	18

The District’s full time uniform staff is scheduled to increase by 64 over the 2005 Adopted budget but declines by 6 when compared to September actuals. This is in keeping with the Administration’s commitment to stabilize uniform headcount at 2,650. Since Headquarters is funded for 1,008 sworn personnel, the District’s budget will accommodate 1,645 heads for which there will be sufficient funding in 2006. The funding for an additional 14 civilians over September actuals will be sufficient for the additional 16 police service aide trainees (PSA trainees) that will eventually work at the precinct level once the County and the PBA hammer out an agreement. The 2005 budget funded 28 civilian vacancies with unidentified titles to support the civilianization effort but have now been identified as the aforementioned PSA trainee.

OFFICE OF CONSUMER AFFAIRS

The Office of Consumer Affairs protects and advocates for the rights of consumers. The Office is authorized by Local Law 9-1967, Local Law 2-1970 and the New York State General Business Law.

Excluding inter-departmental charges, the FY 06 Consumer Affairs budget shows an increase in both revenues and expenses. Revenues are budgeted to increase in 2006 since several new programs are being implemented. The revenue budget could prove to be overstated since some of the base assumptions are optimistic and since State approval is required for implementation of two of the programs. Expenses are increasing to fund additional positions and equipment necessary for the implementation of the new programs.

Revenue Initiative - \$2,500,000

In FY 06 the Office of Consumer Affairs is hoping to start licensing plumbers and electricians. Of the \$6.2 million permits & licenses budget, \$2.5 million is expected to come from licensing plumbers and electricians. According to U.S. Census Bureau statistics, there are 2,872 electrical contractors and 3,944 Plumbing, Heating and Air Conditioning contractors in Nassau County. Using the proposed bi-annual \$500 license fee, it was found that \$2.5 million is a reasonable estimate of the license revenues collected from this program. However, since the enabling legislation, S4891-A, is currently under review by the New York State Senate Local Government committee, it is uncertain if and when the proposed enabling legislation will be introduced to the full State Legislature for a vote. Therefore, it is unclear if \$2.5 million is realistic for 2006.

REVENUE BUDGET						
Revenue Class	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. Vs FY 05 Proj.
BC Permits & Licenses	2,922,096	3,086,916	6,200,000	6,200,000	3,277,904	3,113,084
BD Fines and Forfeitures	1,224,736	924,079	620,000	620,000	(604,736)	(304,079)
BH Department Revenues	100	440	200	200	100	(240)
SA State Aid - Reimbursable	45,000	45,000	45,900	45,900	900	900
Grand Total	\$4,191,932	\$4,056,435	\$6,866,100	\$6,866,100	\$2,674,168	\$2,809,665

The FY 06 Executive revenue budget for the Office of Consumer Affairs is increasing 63.8% from FY 05. The fines and forfeitures line is decreasing 49.4% from the Adopted FY 05 budget. The FY 05 fines and forfeitures line was overstated; it erroneously included fine revenue from new smart government initiatives. The FY 06 fines and forfeitures line is realistic incorporating \$100,000 from the weights and measures division, \$100,000 from the investigation and complaints division, and \$420,000 from the licensing division.

The permits and licenses line has the highest growth. The chart on the next page details the four components of that line. The increase in the home improvement license fees is a result of the department's decision to start licensing plumbers and electricians detailed above. Also, included in the permits and licenses line are new fee revenues from registering Taxis and Limos and ATMs.

In December of 2003, Local Law #21 passed authorizing the Office of Consumer Affairs to regulate taxis and limousines in Nassau County. The taxi and limousine program requires that all taxis and limousines not currently registered with a Nassau County town register annually with the County Office of Consumer Affairs. Additionally, it requires that taxis already registered with a town in Nassau County pay for a County sticker. Consumer Affairs expects to collect \$1,000,000 from this program in FY 06. The proposed legislation includes a first year \$300 fee. Thereafter a \$5 annual fee for all County taxis and limousines and a \$250 annual fee for all out-of-county taxis and limousines will be charged. Using New York State Department of Motor Vehicles (DMV) statistics, the FY 06 revenue estimate seems reasonable. For the Office to reach its revenue target, only 10% of all taxis and limousines licensed through the DMV in Nassau, Suffolk, Queens and Brooklyn would have to register with Consumer Affairs.

In March 2005, Local Law #2 passed authorizing the Office of Consumer Affairs to start regulating non-bank ATMs. The ATM registration program only applies to non-bank or independent sales organization ATMs. It does not apply to ATMs located within a space rented or owned by a financial institution. By registering non-bank ATMs Consumer Affairs hopes to protect personal information and combat identity theft. OLBR estimates that there are between 1,006 and 1,731 non-bank ATMs in Nassau. Using those figures it was found that the Office could expect to collect between \$53,000 and \$92,000 in annual revenue, much less than Consumer Affairs's \$400,000 revenue estimate, which assumed 4,000 non-bank ATMs in Nassau.

Permits & Licenses	Actual 2004	OLBR 2005	
		Estimate	Proposed 2006
Home Improvement License Fees	\$1,571,267	\$2,219,405	\$4,000,000
Weights and Measures Fees	\$741,420	\$730,364	\$800,000
Taxi and Limo Registration Fee	\$0	\$117,147	\$1,000,000
ATM Registration Fee	\$0	\$20,000	\$400,000
Total	\$2,312,687	\$3,086,916	\$6,200,000

Consumer Affairs receives State reimbursement for all expenses related to measuring gasoline quality. These expenses are fully reimbursable. This line is increasing \$900 in the FY 06 budget. The State caps the number of samples eligible for reimbursement. Thus, a small increase is realistic.

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. Vs FY 05 Proj.
AA	Salaries	\$2,474,898	\$2,202,509	\$2,662,239	\$2,635,857	\$160,959	\$433,348
BB	Equipment	10,000	10,000	19,000	19,000	9,000	9,000
DD	General Expenses	12,200	10,343	26,100	26,100	13,900	15,757
DE	Contractual Services	215	215	0	0	(215)	(215)
	Total OTPS	22,415	20,558	45,100	45,100	22,685	24,542
HF	Inter-Departmental Charges	612,028	612,028	0	0	(612,028)	(612,028)
	Grand Total	\$3,109,341	\$2,835,095	\$2,707,339	\$2,680,957	(\$428,384)	(\$154,138)

The Consumer Affairs' expense budget excluding inter-departmental charges is increasing by 7.4% from the adopted FY 05 budget. Excluding the contractual services budget, all expense lines are increasing. The salary line has the greatest dollar value increase. The Office is being given funding to hire five full-time workers and two part-time workers. The headcount additions are necessary to implement the new programs detailed previously and to service bilingual consumers and contractors. The equipment budget is increasing to enable the department to purchase items needed to upgrade their information technology and communication systems. The general expense budget is increasing so that the Office may make investigative purchases required for their operations, office supplies and uniforms. Some of the investigative operation purchases include, rent for a home to conduct home improvement stings and taxi fares for undercover operations. The Office of Management and Budget has merged the categories (CC) materials and supplies and (DD) general expense under (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, OLBR has done the same for the 2005 Budget and OLBR Projection. Inter-departmental charges have been separated out of the OTPS budget for comparison purposes. These charges had been developed to more accurately identify and allocate the costs incurred by other departments on behalf of Consumer Affairs. However, in FY 2006 budget the Office of Management and Budget has scheduled interdepartmental charges only for those departments that are routinely eligible for federal and state reimbursement of expenses, or are a shared services department that sells services.

Office of Consumer Affairs Staffing Analysis						
	<u>FY 05 Adopted</u>	<u>Sept-05 Actual</u>	<u>FY 06 Request</u>	<u>FY 06 Executive</u>	<u>Exec. vs 05 Adopt</u>	<u>Exec. vs Actual</u>
Full-time Staffing	44	39	49	49	5	10
Part-time and Seasonal	9	8	11	11	2	3

Budgeted full-time and part-time/seasonal staffing in the Office of Consumer Affairs is increasing. The current Office vacancies are mostly for clerical positions. The FY 06 budget includes funding for five new Investigator I positions. The current salary line seems sufficient to fund the existing vacant and new positions, especially since the hiring will occur sporadically throughout the year. The out-year salary funding incorporated in the Multi-Year Plans seems adequate.

TRAFFIC & PARKING VIOLATIONS AGENCY

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

TPVA has made remarkable strides since 2002 in reversing the downward spiral in which it was headed and has developed into the successful revenue generating agency it was designed to be. The Agency has overcome many obstacles to achieve its current status, not the least of which was staffing.

From the beginning, TPVA had been understaffed. When it opened in 1995, TPVA was budgeted for a staff of 51, yet headcount consisted of 23 full time employees. The Comptroller's Office conducted two different audits, in 1997 and 2002, and at the request of the legislative minority, the Office of Legislative Budget Review (OLBR) issued a report in 2000 on the status of TPVA. Both offices made recommendations regarding staffing and technology that the previous Administration failed to implement. Over the years, staffing levels improved somewhat, but never to its full complement to ensure TPVA's success, until the past couple of years when those levels climbed gradually. September 2005 actuals are at 37 full time and 24 part time, more in line with the staffing structure when the Agency was created. In addition to staffing improvements, equipment was updated, efficiencies of operations were implemented, including improvements in technology, telephone systems, infrastructure and customer service, physical space was maximized, payment methods were broadened and management was strengthened with the hiring of a new director. The Agency is continually attempting to enhance operations to bring it to optimal strength. For example, TPVA has recently extended its hours of operation and is currently open five days a week including Tuesday, Wednesday and Thursday evenings and Saturday mornings. Also, the Agency implemented an amnesty program in the first part of 2005 which generated \$1.18 million of unexpected revenue. As the Agency continues to grow and evolve, it appears that the current success it enjoys will also grow.

REVENUE BUDGET							
Revenue Class		Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
BD	Fines & Forfeitures	\$12,900,000	\$15,500,000	\$16,000,000	\$19,200,000	\$6,300,000	\$3,700,000
BF	Rents & Recoveries	0	0	0	1,300,000	1,300,000	1,300,000
Grand Total		\$12,900,000	\$15,500,000	\$16,000,000	\$20,500,000	\$7,600,000	\$5,000,000

TPVA derives its revenue solely from the collection of fines. In 2006 TPVA expects to collect \$3.7 million more in revenue than what OLBR projects for 2005. Current actuals of \$11.4 million indicate that revenue collections are outpacing those in 2004 by \$4.5 million, or 65%. Many factors have contributed to this dramatic growth. The 16 hand held computers which the Police Department's

parking enforcement aides use to write more tickets, the implementation of the TraCS program, an electronic disposition of the ticket and supporting documentation, now installed in 16 highway patrol cars, with another 24 slated for installation in 2006, and an amnesty program initiated by the director which brought in approximately \$1.18 million have all been instrumental in increasing revenue. As a result of the utilization of the hand held computers and the TraCS program, the numbers of monthly tickets, both traffic and parking, that have been entered into the system in 2005 have increased from 17,380 in January to 23,984 in August.

TPVA Ticket Revenue			
Issuing Agencies	Aug-04	Aug-05	Aug 2004 vs Aug 2005
	Total	Total	Percentage Increase or decrease in tickets
NY State Police (Pink tickets)	17,861	5,213	-71%
Town of N Hempstead	11,841	9,090	-23%
NY State Park Police	1,621	1,644	1%
Manhasset Park Police	873	1,132	30%
Nassau Health Care Co.	1,677	2,623	56%
Nassau County Police	76,890	103,524	35%
MTA Police	657	865	32%
Hand Held Tickets	9,952	22,118	122%
Swift Justice	23,091	0	-100%
NYS Tracs	1,686	15,978	848%
Highway Patrol Tracs	0	455	***
Highway Patrol (Pink tickets)	20,214	22,326	10%
Port Washington	4,963	4,214	-15%
Dept Recreation & Parks	0	0	0%
Dept of General Services	6	94	1467%
Nassau County Sheriff	147	5	-97%
Nassau Community College	1,773	2,379	34%
Town of Hempstead Public Safety	687	607	-12%
Suny Old Westbury	81	71	-12%
Bay Constables	0	0	0%
Total tickets YTD Aug 2004 + YTD(Swift totals) vs YTD Aug 2005	174,020	192,338	11%
Total tickets Aug YTD Minus Swift	150,929	192,338	22%

The chart above illustrates the increase in 2005 when compared to 2004's written tickets. The Swift Justice program was used by the Police Department to record tickets but the system proved cumbersome and duplicative. TPVA has abandoned that program in favor of TraCS and hand held computers.

The increase in written and entered tickets calls for the speedier adjudication of the violations. To meet this challenge, the Agency has hired additional prosecutors and judicial hearing officers, scheduled more trials and conferences and expanded its hours to accommodate the extra workload. Additionally, the County has amended its contract with Law Enforcement Systems (LES), the vendor that collects delinquent parking tickets, to now include delinquent traffic violations, which should further improve the revenue this contract has generated. Based on revenue projections for 2005, the success of initiatives

such as TraCS and amnesty and the Agency's hopes to expand its physical area by assuming the WIC offices for an additional three hearing rooms, it seems reasonable that TPVA could achieve revenue targets in 2006.

Out-Year Initiatives

NAME	FY 2007	FY 2008	FY 2009
Ticket Processing Surcharge	\$1,500,000	\$1,500,000	\$1,500,000

The **ticket processing surcharge** will increase the existing surcharge of \$15 on speeding tickets to \$25 and the \$10 surcharge on parking tickets to \$15. Additional revenue from the surcharge increases would allow the agency to hire staff to improve workflow and technology improvements to enhance processing and collections. The \$1.5 million in the outyears is based on current ticket collections which usually run about 55% for moving and approximately 45% for parking tickets. Since the County has been unsuccessful in the past in securing legislation for this initiative, it seems unlikely that this revenue will be realized.

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$1,792,290	\$2,156,239	\$2,522,535	\$2,446,215	\$653,925	\$289,976
BB	Equipment	25,313	21,000	25,520	25,520	207	4,520
DD	General Expenses	79,481	125,000	164,010	154,010	74,529	29,010
DE	Contractual Services	886,759	886,759	1,035,495	1,035,495	148,736	148,736
	Total OTPS	991,553	1,032,759	1,225,025	1,215,025	223,472	182,266
HF	Inter-Dept. Charges	862,741	911,741	0	0	(862,741)	(911,741)
	Grand Total	\$3,646,584	\$4,100,739	\$3,747,560	\$3,661,240	\$14,656	(\$439,499)

The 2006 expense budget is increasing over 2005 by approximately 32%, or \$877,000, (not including interdepartmental charges) primarily due to a growth in salaries to fund the 10 additional full-time and five more part-time employees. The overtime budget is increasing by \$225,000 or 325%, the reason for which will be discussed below.

In January 2004, there were 52,000 tickets that were considered backlogged but with overtime and new technology, the backlog was reduced to about 31,000 by July 1, 2004. At that time, tickets were labeled

“backlogged” the moment they were entered into the system. Since that methodology did not take into account the allotted time allowed to answer a ticket, whether to pay or plead, a ticket is now considered backlogged only after a violator had either answered the violation or allowed the allotted time to lapse. Using this new methodology, the backlog of tickets had been reduced until July 2005.

On July 7, 2005 a decision by the Appellate Division of the New York State Court, 2nd District, handed down a ruling regarding the recording of traffic summonses in District Court. The appeals court said the County had not been legally adhering to the legislation passed by the State in 1991 which created the Agency. That legislation mandated that an offense handled by TPVA must be pending or recorded in the District Court. Any action taken by the Agency’s judicial hearing officers must carry the same legal weight as those of a District Court judge. The appellate decision said that traffic cases were not being first recorded with the Court and therefore the Agency did not have jurisdiction to rule on a motorist’s ticket. The ruling came as a result of a case of a motorist who received a ticket in 2001 for driving around railroad crossing gates. Since traffic tickets were not being recorded in District Court, the ruling stated that the Agency did not have the jurisdiction to rule on the ticket. The County disagrees and is in the process of appealing the decision.

As a result of this decision, overtime, much of which is performed by “borrowed” staff from other departments, has exceeded the 2005 budget of \$100,000 to September actuals of approximately \$269,000 and is projected to reach approximately \$325,000. Prior to the ruling, TPVA had been successful in reducing the backlog of tickets that had plagued the Agency since its inception and had hoped to come in on budget. Now traffic tickets written since 2003 must be pulled and recorded at District Court, an exercise that entails unexpected overtime. It is for this reason that the 2006 overtime budget has been increased \$225,000 to \$325,000. At a recent CountyStat meeting which was held after budget submissions, it had been suggested that hiring an additional multikeyboard operator may be more cost effective than borrowing staff to work overtime. As of this writing, a decision has not been reached on this issue.

The Office of Management and Budget has merged the categories materials and supplies (CC) and general expense (DD) under general expense (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, we have done the same for the 2005 Budget and OLBR Projection. OTPS costs are rising as well, by approximately \$224,000 or 22.5% with increases in all three lines. General expenses are going up approximately 93.8% over 2005’s budget mostly due to \$75,000 in credit card fees, to cover the costs of ticket payments by credit cards, and \$36,500 for IT supplies offset by a \$69,000 reduction in office expenses. The \$149,000 increase in contractual services represents the hourly wage hike of the stenographic contract. Inter-departmental charges have been separated out of the OTPS budget for comparison purposes. In the FY 2006 budget the Office of Management and Budget has scheduled interdepartmental charges only for those departments that are routinely eligible for federal and state reimbursement of expenses, or are a shared services department that sells services.

**Traffic and Parking Violations Agency
Staffing Analysis**

	<u>FY 05 Adopted</u>	<u>Sept-05 Actual</u>	<u>FY 06 Request</u>	<u>FY 06 Executive</u>	<u>Exec. vs 05 Adopt</u>	<u>Exec. vs Actual.</u>
Full-time Staffing	35	37	47	45	10	8
Part-time and Seasonal	14	24	19	16	2	(8)

Full time staffing in 2006 appears to be increasing by 10 but in actuality, full-time headcount is growing by only two. Eight of these newly funded positions are for judicial hearing officers which are classified by the Civil Service Commission as full time employees even though they fulfill a part time role. As a result of the current classification structure, full-time headcount is overstated by eight and part time levels are understated by a corresponding eight positions. Full-time headcount is actually increasing by two Clerk II positions and will parallel September actuals.

DEPARTMENT OF PROBATION

While adult investigations are expected to be up significantly in 2005 for both criminal (17.0%) and family divisions (3.5%), pre-trial/intake activity is expected to be down in both areas (3.5% and 20.9% respectively). Intake activity is also projected to decline for persons in need of supervision (PINS) by 12.1% and for juvenile delinquents by 7.3%. Supervisions are projected to increase by approximately 3% for adults and 16% for PINS and juvenile delinquents.

<u>ACTIVITY INDICATORS</u>				
<u>INDICATOR</u>	<u>ACTUAL 2002</u>	<u>ACTUAL 2003</u>	<u>ACTUAL 2004</u>	<u>ESTIMATED 2005</u>
Investigations - Criminal Division	4,906	5,110	4,722	5,525
Pre-Trial - Criminal Division	13,921	13,609	13,673	13,188
Supervision - Criminal Division	7,452	7,371	7,239	7,456
Investigations - Family Division	1,159	1,231	1,304	1,350
Adult Intake - Family Division	6,510	5,400	5,705	4,512
Juvenile Intake - PINS*	1,269	1,464	1,406	1,236
Juvenile Intake - Juvenile Delinquents	933	1,059	971	900
Juvenile Supervision - PINS*	183	201	202	235
Juvenile Supervision - Juvenile Delinquents	261	260	358	416
* Persons in need of supervision				
Source: Probation Department				

**EXPENSE BUDGET
BY OBJECT CLASS**

Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$18,268,500	\$18,319,873	\$19,049,999	\$19,172,704	\$904,204	\$852,831
BB	Equipment	24,908	20,000	74,500	24,500	(408)	4,500
DD	General Expenses	198,498	170,000	267,526	182,463	(16,035)	12,463
DE	Contractual Services	101,250	101,250	156,000	102,081	831	831
	Total OTPS	324,656	291,250	498,026	309,044	(15,612)	17,794
HF	Inter-Dept. Charges	1,892,632	1,826,288	0	0	(1,892,632)	(1,826,288)
	Grand Total	\$20,485,788	\$20,437,411	\$19,548,025	\$19,481,748	(\$1,004,040)	(\$955,663)

Salaries are increasing from the FY 05 budget by \$904,204 or 4.9% and increasing by \$852,831 or 4.7% from the FY 05 projected. This is due to the addition of 24 full-time positions over the September 2005 actual and an additional 17 positions over the 2005 budget. The additional positions are in response to a new State mandate which requires the County to provide diversion services to youth at risk of becoming the subject of a PINS petition. Currently, about 23% of all petitioners go straight to court without diversion efforts. As a result it is anticipated that many of these people will avoid costly residential placement. Other options include respite centers and cooling off locations. In addition, there is no longer a time limit on diversion services which will likely increase the amount of time spent on each case. Although these services will increase salary expenses, the Multi-Year Plan includes an initiative for Social Services to reduce expenses in this area due to the increased reimbursements received by Social Services. All salaries for these positions will be charged to Social Services where the State will reimburse the County for 65% of the cost. If the salaries were left in the Probation department, only about 20% would be reimbursable. About 13 of the new candidates are from an old list (test given in June of 2004) and are currently in the civil service process and the other 11 are from a new test and are currently going through investigations. Although the mandate was effective April 1, 2005, the impact is expected to be gradual and uncertain. Experienced Probation Officers are currently being transitioned into the PINS program and the new officers will be assigned more traditional roles in the department. The department believes the budgeted headcount will be sufficient as long as 100% backfilling occurs in a timely manner. However, the Administration has stated that once the department staffs up to budget, they will be subject to the one in three backfilling ratio. About 40% of the Probation Officers and Supervisors will be eligible to retire by the end of 2006 since Probation Officers are eligible to retire after 25 years of service regardless of age. The Department's administration has put together a hiring plan to try and deal with this situation but even if the headcount is increased it takes two years for a probation officer to complete training and maintain a full case load.

Step increases and a 2.5% CSEA contract increase effective January 2006 are also included in the salary budget.

Not including the inter-departmental charges, OTPS charges are decreasing in the FY 06 budget by \$15,612 or 4.8% from the FY 05 budget and increasing by \$17,794 or 6.1% from the FY 05 projected actual. General expenses are decreasing from the 2005 budget by \$16,035 or 8.1% but increasing from the projected actual by \$12,463 or 7.3%. Equipment is remaining close to the 2005 budgeted level but omitted a request for \$50,000 worth of IT hand held devices. These devices were to be used in conjunction with the new case management system which has been postponed indefinitely.

Contractual services was also reduced from the departmental request by \$43,919 for trainers, which is half the budget for this cost. The Probation Officers currently receive most of their training either in-house, from the Correctional Center or from the Police Department, but an outside consultant was hired to do additional training for areas such as self-defense, physical conditioning and handcuffing. The department is analyzing the minimal amount of training required and the Office of Management and Budget is looking for funds from the 2005 budget to help take care of these needs.

Inter-departmental charges have been separated out of the OTPS budget for comparison purposes. These charges had been developed to more accurately identify and allocate the costs incurred by other departments on behalf of Probation. However, in the FY 2006 budget the Office of Management and Budget has scheduled interdepartmental charges only for those departments that are routinely eligible for federal and state reimbursement of expenses, or are a shared services department that sells services. This change has resulted in a year to year budget reduction for inter-departmental charges of \$1.9 million.

Department of Probation Staffing Analysis						
	<u>FY 05 Adopted</u>	<u>Sept-05 Actual</u>	<u>FY 06 Request</u>	<u>FY 06 Executive</u>	<u>Exec. vs 05 Adopt</u>	<u>Exec. vs Actual</u>
Full-time Staffing	244	237	244	261	17	24
Part-time and Seasonal	13	13	13	13	0	0

Full-time staffing is increasing by 17 from the FY 05 budget and by 24 from the September 1st actual. Part-time budgeted positions are remaining constant from the current actual and 2005 budget. Since only one in three CSEA positions will be back-filled and the department has stated that they will have difficulty functioning without 100% backfill, proper staffing levels may become an issue in the future.

The FY 06 revenue budget is \$1.8 million or 28.8% greater than the FY 05 budget and \$1.7 million or 26.7% more than the FY 05 projected actual. This is primarily due to a \$2.2 million increase in inter-departmental revenue. The entire \$3.0 million in the FY 06 budget is from Social Services for the reimbursement of salary costs associated with the PINS diversion program.

REVENUE BUDGET							
Revenue Class	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. Vs FY 05 Proj.	
BH Department Revenue	\$1,400,000	\$1,500,000	\$1,500,000	\$1,500,000	\$100,000	\$0	
BJ Inter-Dept. Revenue	835,375	835,375	0	3,000,000	2,164,625	2,164,625	
SA State Aid	4,036,658	4,036,658	4,200,000	3,575,992	(460,666)	(460,666)	
Grand Total	\$6,272,033	\$6,372,033	\$5,700,000	\$8,075,992	\$1,803,959	\$1,703,959	

State aid is budgeted to decrease from the 2005 budget and the 2005 projected actual by \$460,666 or 11.4%. This is due to the shifting of personnel to the PINS program which will increase reimbursements received through Social Services, but decrease the amount eligible to be reimbursed through the Probation Department. As stated previously, salaries reimbursed through Social Services receive about 65% and Probation receives about 20%. The net increase in reimbursement for charging this to Social Services is \$1.0 million. The total percentage the Probation Department receives from the State is also decreasing slightly from 21% to 20% in 2006.

The agency generates department revenues primarily from charges to clients for supervision and other administration fees to defray the costs associated with their supervision. The budget for departmental revenues has increased by \$100,000 or 7.1% from the FY 05 budget to reflect the increased collections experienced by the department in 2005.

OFFICE OF THE DISTRICT ATTORNEY

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

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$24,426,462	\$23,687,305	\$25,720,590	\$25,619,606	\$1,193,144	\$1,932,301
BB	Equipment	43,603	43,603	63,000	63,000	19,397	19,397
DD	General Expenses	579,258	679,258	692,720	692,720	113,462	13,462
DE	Contractual Services	771,594	771,594	782,194	782,194	10,600	10,600
	Total OTPS	1,394,455	1,494,455	1,537,914	1,537,914	143,459	43,459
HF	Inter-Dept. Charges	2,338,602	2,338,602	0	0	(2,338,602)	(2,338,602)
	Grand Total	\$28,159,519	\$27,520,362	\$27,258,504	\$27,157,520	(\$1,001,999)	(\$362,842)

Excluding interdepartmental charges, the total 2006 expenditure budget is increasing by \$1.3 million, over 2005's budget primarily due to a \$1.2 million rise in salaries. A salary adjustment of approximately \$1 million has been included for attorney raises under the career and salary plan. Raises under the career and salary plan are based on merit, therefore, the amount given to each attorney will vary. The 2006 budget includes a 2.5% COLA increase as of January 1, 2006 for CSEA employees. This year's salary projection is \$23.7 million or \$739,000 below the 2005 budget, due to lower actual headcount.

Other than personal services, excluding inter-departmental charges, is increasing by \$143,000 or 10.3% over those in 2005. The equipment budget is rising slightly by \$19,000 due to IT costs and office furnishings. An analysis of the District Attorney's Office by the IT suggested a \$14,000 increase in IT expense for 2006. The Office of Management and Budget has merged the categories materials and supplies (CC) and general expense (DD) under general expense (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, we have done the same for the 2005 Budget and OLBR Projection. The 2005 projections for OTPS should be on budget with the exception of general expenses. An additional \$100,000 was needed from salaries to cover the costs of the higher than anticipated expense for expert witnesses and other investigated related expenses. The 2006 budget of \$692,720 for general expenses will mostly be used for investigation expenses which will see a \$35,000 hike over 2005's budget. Investigation expenses include any expenses incurred by investigators during their investigation of criminal activity such as travel, wire taps, vehicles etc. Other expenses under general expenses include travel, postage, books and periodicals, membership fees and miscellaneous

supplies. The \$10,000 increase in contractual services is due to higher costs of expert witnesses and greater use of DNA Lab testing.

The 2006 budget of \$782,194 for contractual services, increasing \$10,600 over 2005, is to cover prosecution costs which can include costs associated with hiring expert witnesses, witness travel expenses, court reporting, etc. Other costs in contractual services include security and equipment maintenance, and radio and communications.

Inter-departmental charges have been separated out of the OTPS budget for comparison purposes. These charges had been developed to more accurately identify and allocate the costs incurred by other departments on behalf of the District Attorney. However, in FY 2006 budget the Office of Management and Budget has scheduled interdepartmental charges only for those departments that are routinely eligible for federal and state reimbursement of expenses, or are a shared services department that sells services.

District Attorney Staffing Analysis						
	<u>FY 05 Adopted</u>	<u>Sept-05 Actual</u>	<u>FY 06 Request</u>	<u>FY 06 Executive</u>	<u>Exec. vs 05 Adopt</u>	<u>Exec. vs Actual</u>
Full-time Staffing	352	344	351	351	(1)	7
Part-time and Seasonal	18	0	6	6	(12)	6

The 2006 Proposed Budget reflects funding for 351 full-time positions and six part-time positions, a reduction of one full-time and 12 part-time positions, which are related to law school graduates that are hired temporarily during the summer months.

REVENUE BUDGET							
Revenue Class	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. Vs FY 05 Proj.	
BD Fines & Forfeits	\$0	\$130,500	\$0	\$0	\$0	(\$130,500)	
BE Investment Income	400	400	800	400	0	0	
BF Rents & Recoveries	0	71,468	0	0	0	(71,468)	
BH Department Revenues	1,031,119	1,415	0	0	(1,031,119)	(1,415)	
BJ Interdepartmental Revenue	0	0	577,442	110,000	110,000	110,000	
BW Interfund Charges	0	0	290,000	1,374,089	1,374,089	1,374,089	
FA Federal Aid - Reimbursable	201,147	0	161,064	28,232	(172,915)	28,232	
SA State Aid - Reimbursable	55,577	0	2,167,586	52,004	(3,573)	52,004	
Grand Total	\$1,288,243	\$203,783	\$3,196,892	\$1,564,725	\$276,482	\$1,360,942	

The revenue budget for the District Attorney is rising by 21.5%, or \$276,482, primarily due to the interfund charges. Interfund charges consists of miscellaneous receipts and is the largest component in the department's budget. This revenue includes post conviction forfeiture as well as various grants. Such grants include aid to Prosecution, Motor Vehicle Theft and Insurance Fraud, Welfare Fund, and Stop DWI. Any interest accrued on these funds is credited to investment income. The glaring discrepancy between the department request and the proposed budget is a result of misclassifications and duplication of entries at the time the budget was submitted.

Federal aid is declining by \$172,915 from \$201,147 in 2005 to \$28,232 in 2006. In 2005, the District Attorney's office budgeted money in this revenue line for the Welfare Fraud Program. In 2006, it was decided that this money should be handled as an inter-departmental service agreement (ISA). The remaining revenue in this line is generated from the Federal Drug Enforcement Agency (DEA).

State Aid is received for the reimbursement of DA expenditures relating to salaries in the District Attorney's Office. State aid is decreasing by 6% which results from a loss in reimbursement of the District Attorney's salary.

OFFICE OF EMERGENCY MANAGEMENT

The Office of Emergency Management (OEM) was established in 2003, and became fully operational in 2004. Its mission is to maintain a high level of preparedness to protect the citizens of Nassau County, to mitigate loss of life and other important assets in the immediate aftermath of a disaster and to facilitate the speedy recovery of Nassau County in the mid- and long-term following a disaster.

In FY 06, the Office hopes to further develop the Emergency Operations Center (EOC) as a centralized location to mitigate the effects of a disaster. It anticipates participating in several emergency management disaster exercises at various high schools and universities throughout the County. It also expects to improve the communications among the numerous responding agencies during an emergency. The department believes that an enhanced communications network is essential for the County's vigilance.

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$615,316	\$487,946	\$549,105	\$542,905	(\$72,411)	\$54,959
BB	Equipment	15,188	34,000	36,193	36,193	21,005	2,193
DD	General Expenses	62,780	26,800	34,350	34,350	(28,430)	7,550
	Total OTPS	77,968	60,800	70,543	70,543	(7,425)	9,743
HF	Inter-Depart Charges	358,177	358,177	0	107,759	(250,418)	(250,418)
	Grand Total	\$1,051,461	\$906,923	\$619,648	\$721,207	(\$330,254)	(\$185,716)

Salaries, which make up 75.3% of the expense budget, are increasing by \$54,959 or 11.3%, when compared to OLBR's 2005 projection. The department had an actual headcount of five full-time positions until February at which point it increased to six. The department expects to maintain a headcount of six full-time positions next year.

OTPS expenses, excluding inter-departmental charges, are decreasing by \$7,425 from the FY 05 budget. This results from a decrease of \$28,430 for general expenses and is partially offset by an increase of \$21,005 for equipment. The equipment budget of \$36,193 for FY 06 mainly consists of communication equipment. The majority of the general expenses are comprised of office supplies and communication supplies. The Office of Management and Budget has merged the categories materials and supplies (CC) and general expense (DD) under general expense (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, we have done the same for the 2005 Budget and OLBR Projection.

Inter-departmental charges have been separated out of the OTPS budget for comparison purposes. These charges had been developed to more accurately identify and allocate the costs incurred by other

departments on behalf of the Office of Emergency Management. These charges include \$107,759 in salary expenses that are reimbursed to the Fire Commission.

Emergency Management Staffing Analysis						
	<u>FY 05 Adopted</u>	<u>Sept-05 Actual</u>	<u>FY 06 Request</u>	<u>FY 06 Executive</u>	<u>Exec. vs 05 Adopt</u>	<u>Exec. vs Actual</u>
Full-time Staffing	7	6	6	6	(1)	0

The 2005 budget included seven full-time positions but the September actuals indicate one of these positions to be vacant. According to OEM, the seven positions are already on board, however one of these positions is being paid by the Fire Commission, which is then reimbursed by OEM. The title for the position in question is waiting approval from Civil Service.

REVENUE BUDGET							
		<u>Adopted FY 05 Budget</u>	<u>OLBR FY 05 Projection</u>	<u>FY 06 Dept. Request</u>	<u>FY 06 Exec. Budget</u>	<u>Variance Exec. vs Adopted 05</u>	<u>Variance Exec. Vs FY 05 Proj.</u>
FA	Federal Aid	168,735	168,735	171,267	171,267	2,532	2,532

2005 revenue reflects a grant from the federal government which partially reimburses the salaries of the Office of Emergency Management. However, the department indicated that it has not received its grant award letter from the federal government and believes there is a possibility that they will not be awarded the grant for FY 06.

In addition, the Office of Emergency Management receives funds from a Homeland Security Grant that is not reflected in the General Fund budget. The funds received from the grant are represented in the County's Grant Fund. Since the inception of the office, it has received \$1,033,654 and has exhausted \$747,163 of the total amount. The principal components of the funds have been allocated for equipment, salaries and contractual services in the amounts of \$555,666, \$279,488, and \$141,750, respectively. Of the \$282,832 in unspent funds \$279,173 is available for use and the remaining \$3,659 has expired. The State Homeland Security Program Grant FY 04 with \$154,166 available, has the highest available balance of open grants, and the soonest expiration date of November 30, 2005.

NASSAU COUNTY CORRECTIONAL CENTER

The inmate population has been decreasing in the last couple of years with a 2.3% decrease in 2004 and a 4.1% decrease anticipated for 2005. In 2006 the population is projected to be slightly higher in 2005. The number of federal inmates housed is estimated to be 211 for 2005, a 13.2% decrease from 2004 due to the opening of the Queens Private Detention Facility, which moved about 50 inmates out as of August 2005. This decrease has brought the current level down to 174, although the Administration expects this number to begin increasing again by 2007. The State ready inmates and parole violators are projected to be close to the current year.

<u>ACTIVITY INDICATORS</u>				
<u>INDICATOR</u>	<u>ACTUAL 2003</u>	<u>ACTUAL 2004</u>	<u>ESTIMATED 2005</u>	<u>PROJECTED 2006</u>
Average Daily Inmate Population	1,685	1,647	1,580	1,600
Total Admissions	10,860	10,664	10,630	10,700
<u>Revenue Generating Indicators</u>				
Federal Inmates	210	243	211	175
State Ready Inmates	11	11	16	16
Parole Violators	51	45	43	43
Source: Correctional Center				

The department has the responsibility for the implementation and monitoring of the following Multi-Year Financial Plan initiative which has been incorporated into the FY 06 budget and baseline:

340B Pharmacy Program (PSCC01) - \$235,000

Section 340B requires pharmaceutical manufacturers that participate in the Medicaid program to give specified discounts on covered outpatient drugs purchased by certain covered entities. It has recently been determined that Nassau University Medical Center is eligible for this discount and, therefore, the savings will be passed along to the Correctional Center. The Administration anticipates a \$235,000 savings from this in 2006. This initiative was also in the 2005 budget but was delayed because the Hospital and Correctional Center needed a common pharmacy vendor, which required an RFP process.

CORRECTIONAL CENTER

Control Center		Adopted FY 05 Budget	Departmental Request FY 06	Executive FY 06	Change	Change
					From FY 05 To Executive	From Request To Executive
10	Correctional Center	\$138,812,865	\$149,953,574	\$140,411,847	\$1,598,982	(\$9,541,727)
20	Sheriff	5,311,556	5,384,591	5,179,186	(132,370)	(205,405)
Total		\$144,124,421	\$155,338,165	\$145,591,033	\$1,466,612	(\$9,747,132)

The Correctional Center and Sheriff office’s budgets were combined last year for management purposes. The majority of the budget, 96.4%, comes from the Correctional Center with a \$140.4 million budget. The Sheriff’s office is budgeted at \$5.2% for 2006.

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. vs FY 05 Proj.
AA	Salaries	\$114,383,323	\$112,800,000	\$125,233,808	\$119,236,678	\$4,853,355	\$6,436,678
BB	Equipment	62,775	60,000	112,626	112,626	49,851	52,626
DD	General Expenses	4,444,467	3,400,000	4,323,000	4,323,000	(121,467)	923,000
DE	Contractual Services	20,832,344	25,000,000	25,036,050	21,286,050	453,706	(3,713,950)
DF	Utility Costs	620,275	620,275	632,681	632,681	12,406	12,406
	Total OTPS	25,959,861	29,080,275	30,104,357	26,354,357	394,496	(2,725,918)
HF	Inter-Dept. Charges	3,781,237	3,781,237	0	0	(3,781,237)	(3,781,237)
	Grand Total	\$144,124,421	\$145,661,512	\$155,338,165	\$145,591,035	\$1,466,614	(\$70,477)

Salary expenses are increasing from the previous year’s budget by \$4.9 million or 4.2% due to an increase in headcount of 12 and anticipated COLA increases. The 2006 budget incorporates the proposed ShOA Memorandum of Agreement (MOA) that was recently voted down by the Legislature. If an agreement similar to the one proposed is passed, the 2006 budget will be sufficient. This agreement would have provided a savings of about \$5.7 million from the baseline assumptions and included an increase of 2.5% in July 2005 and an increase of 3.5% in January 2006. About \$3.3 million of anticipated savings were in overtime provided by a change in the denominator and the first 24 hours of worked overtime to be paid at straight time. Without these savings the overtime budget of \$20.0 million will be difficult to achieve. Hiring new officers may also become more expensive. A class of 14 recruits began in April and a class of 23 recruits began in August at the start step of \$25,000 as provided in the old contract. However, the language in the old contract is unclear as to whether or not this can continue “...the initial salary step for new hires shall be \$25,000, which shall be frozen for the life of this Agreement.” If we can not use the old contract, the start steps provided in the expired contract (\$25,000 for the first six months and \$28,000 for the second six months), new officers begin at \$35,360. Although COLA increases can be paid retroactively, overtime savings and new hire savings can not be achieved for the time period prior to passing a contract.

The department has been reducing overtime in recent months largely due to the closing of a floor in the beginning of April and another floor at the end of August. These closing are the result of a reduction in the population, a change in the types or classification of prisoners, and a reconfiguration of inmates. If the inmate population increases there is the risk that the floor will need to be reopened and overtime will increase again. It is also unknown what the impact of a lack of a contract will have on overtime. The current Sheriffs' Officers' Association (ShOA) contract calls for civilianizing 55 non-security positions. To date, 20 civilians have been hired, returning ten officers back to security positions. The overtime budget may be also be at risk if the department is not able to maintain the 1,054 officer headcount due to attrition or a delay in future classes.

CSEA employees will be receiving COLA increases of 2.5% in January 2006 and step increases are included for employees in both unions.

OTPS budgeted expenses excluding inter-departmental charges have increased by \$394,496 or 1.5% from the FY 05 budget but decreased by \$2.7 million or 9.4% from the projected actual. The major portion is related to contractual services costs, which makes up 81% of the total OTPS budget. Contractual services are increasing by \$453,706 from the 2005 budget but decreasing by \$3.7 million from the OLBR 2005 projected. It is unclear why the Administration has budgeted for only \$21.3 million in 2006 when their 2005 projected was \$24.8 million, the department requested \$25.0 million and historical costs have been much higher. The contractual cost at the Correctional Center was \$26.1 million in 2004 and \$24.0 million in FY 03. In FY 02 the actual expense was \$26.9 million, part of which should have been allocated to the prior year, and the FY 01 expense was \$19.0 million. Although there have been some initiatives in the past to try to reduce this expense, very little if any impact has been seen.

One factor that may help to reduce expenses is the stabilization agreement which allows for "the establishment of patient care standards and binding dispute resolution for corrections bills for services commencing January 1, 2004, in accordance with agreed-to inmate patient care standards, conducted by a third-party reviewer which will be procured by the County." A more detailed agreement is currently being worked on. Also, the responses from the RFP for the third party biller are currently being reviewed and one is expected to be chosen by the end of October.

The Office of Management and Budget has merged the categories materials and supplies (CC) and general expense (DD) under general expense (DD) for the 2006 budget to simplify the management of these expenses. For comparison purposes, we have done the same for the 2005 Budget and OLBR Projection. General expenses are decreasing from the FY 05 budget by \$121,467 or 2.7% but increasing from the projected actual by \$923,000. In an effort to keep OTPS expenses down, in 2005 the department is anticipating reduced spending in this area.

Equipment is increasing by about \$50,000 from 2004 to account for renovations planned in the Deputy Sheriff's office. Utility costs are increasing by \$12,406 or 2% from the FY 05 budget and projection. In light of recent fuel increases this may be insufficient. Inter-departmental charges have been separated out of the OTPS budget for comparison purposes. These charges had been developed to more accurately identify and allocate the costs incurred by other departments on behalf of the Correctional Center. However, in FY 2006 budget the Office of Management and Budget has scheduled interdepartmental

charges only for those departments that are routinely eligible for federal and state reimbursement of expenses, or are a shared services department that sells services.

Nassau County Correctional Center Staffing Analysis						
	<u>FY 05 Adopted</u>	<u>Sept-05 Actual</u>	<u>FY 06 Request</u>	<u>FY 06 Executive</u>	<u>Exec. vs 05 Adopt</u>	<u>Exec. vs Actual</u>
CC Full-time Staffing						
10 Correctional Center						
Uniform	1,052	1,036	1,054	1,054	2	18
Civilian	<u>136</u>	<u>117</u>	<u>136</u>	<u>136</u>	<u>0</u>	<u>19</u>
Sub-total Full-Time	1,188	1,153	1,190	1,190	2	37
20 Sheriff						
Uniform	39	39	51	51	12	12
Civilian	<u>13</u>	<u>11</u>	<u>18</u>	<u>11</u>	<u>(2)</u>	<u>0</u>
Sub-total Full-Time	52	50	69	62	10	12
Total Full-time	<u>1,240</u>	<u>1,203</u>	<u>1,259</u>	<u>1,252</u>	<u>12</u>	<u>49</u>
CC Part-time and Seasonal						
10 Correctional Center	6	8	6	6	0	(2)

Full-time staffing in the Correctional Center is budgeted to increase from the September actual by 49 positions and from the FY 05 budget by 12 positions. The FY 06 budget is increasing by 12 Deputy Sheriffs to help cover attrition. The headcount in the Sheriff's office has been declining steadily in recent years and the full-time headcount in 2002 was at 62. These Deputy Sheriffs are expected to be in the next Police class which should begin in October 2005. The budget for the Correctional Center has increased by two Deputy Undersheriffs to reflect the actual headcount. The variance between the September actual and the FY 06 budget will decline with 23 officers currently in a class and another 25 authorized to be hired in January will bring the department over the budgeted correction officer headcount. There are also 19 vacant civilian positions. Budgeted part-time positions will remain at six.

Out-Year Initiatives

NAME	FY 2007	FY 2008	FY 2009
Increased Federal Inmate Aid	1,500,000	1,500,000	1,500,000

The initiative to **Increase Federal inmate Aid** increases the daily average number of inmates from 175 estimated for FY 06 to 200 inmates estimated in FY 07 for an annual revenue increase of \$1.5 million.

Since each additional inmate brings in \$165 per day, this estimate is reasonable. The Department believes any additional expenses associated with housing additional inmates would be minimal.

REVENUE BUDGET							
Revenue Class	Adopted FY 05 Budget	OLBR FY 05 Projection	FY 06 Dept. Request	FY 06 Exec. Budget	Variance Exec. vs Adopted 05	Variance Exec. Vs FY 05 Proj.	
BD Fines & Forfeitures	\$50,000	\$60,000	\$55,000	\$55,000	\$5,000	(\$5,000)	
BF Rents & Recoveries	0	0	50,000	50,000	50,000	50,000	
BH Departmental Revenue	1,222,000	1,400,000	1,310,000	2,120,000	898,000	720,000	
BJ Inter-Dept. Revenue	387,360	387,360	0	120,000	(267,360)	(267,360)	
FA Federal Aid	17,026,986	15,600,000	13,389,375	13,389,375	(3,637,611)	(2,210,625)	
SA State Aid	942,000	1,050,000	1,050,000	1,050,000	108,000	0	
Grand Total	\$19,628,346	\$18,497,360	\$15,854,375	\$16,784,375	(\$2,843,971)	(\$1,712,985)	

The proposed FY 06 revenue budget for the Correctional Center is \$16.8 million, down \$2.8 million from the FY 05 budget or 14.5% and down \$1.7 million or 9.3% from the FY 05 projection. Federal reimbursement is expected to decrease from the FY 05 budget by \$3.6 million and decreasing from the FY 05 projected by \$2.2 million. This reflects the decrease of about 50 inmates beginning in August due to the opening of the new federal Queens Private Detention Facility as previously stated. This facility only holds 200 inmates and 50 inmates were also being taken from Westchester, and two facilities in New York City. The 2006 budget reflects the projected 175 federal inmates. Prior to the opening of the Queens facility in August of 2005, the federal inmate population was at about 240. The agreement with the federal government calls for a maximum of 150 inmates to be housed at the Center, but the County has been over the limit consistently since September 2001.

Interdepartmental revenues for 2005 included \$260,360 for the Police Academy space located on the Correctional Center grounds and \$120,000 for food services provided to the Juvenile Detention Center. In 2006 the Police Academy charges have been removed. This revenue had been included to more accurately identify and allocate the costs incurred by the Correctional Center on behalf of other departments. However, in the FY 2006 budget the Office of Management and Budget has scheduled interdepartmental charges only for those departments that are routinely eligible for federal and state reimbursement of expenses, or are a shared services department that sells services.

These decreases are being partially offset by departmental revenues which are increasing by \$898,000 or 73% from the FY 05 budget and by \$720,000 from the FY 05 projected actual. This increase is due to the transfer of telephone concession revenue from the Department of Information Technology.

Revenue class fines and forfeitures represents fines issued by the Sheriff pursuant to Article 420 of the NY State Criminal Procedure law for certain traffic violations. The Correctional Center is designated by the Court to be the receiver of any fines or surcharges imposed on certain traffic violators. Rents and recoveries are being added in 2006 for \$50,000 to account for anticipated reversals of prior year appropriations.

State aid is increasing from the FY 05 adopted by \$108,000 due to a projected increase in state ready and parole violator inmates. The budget is consistent with the FY 05 projected actual.