

Overview of the Fiscal 2007 Executive Budget

NASSAU COUNTY OFFICE OF LEGISLATIVE BUDGET REVIEW

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October 12, 2006

*Health & Human
Services Committee*

*Agencies Scheduled to
Testify:*

*Department of
Social Services*

Department of Health

Behavioral Services

*Senior Citizens
Department*

Youth Board Department

**NASSAU COUNTY
LEGISLATURE**

Hon. Judith A. Jacobs,
Presiding Officer

Hon. Peter J. Schmitt,
Minority Leader

Hon. Jeff Toback,
*Chairman, Health and Social
Services Committee*

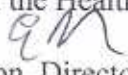


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OFFICE OF LEGISLATIVE
BUDGET REVIEW

NASSAU COUNTY LEGISLATURE
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Inter-Departmental Memo

To: Hon. Judith A. Jacobs, Presiding Officer
Hon. Peter J. Schmitt, Minority Leader
Hon. Jeffrey Toback, Chairperson, Health and Human Services Committee
All members of the Health and Human Services Committee

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

Date: October 12, 2006

Re: FY 07 Budget Hearing – October 12, 2006

Enclosed please find preliminary reviews of the FY 07 budget and Multi-Year Plan (MYP) for the specific agencies scheduled to appear before the Health and Human Services Committee. In order to better evaluate the Proposed Budget, in our analyses we have included tables of historical expenditures and revenue. In addition, in looking at staffing needs we also compare the proposed FY 06 budget to actual staffing levels for the last four years.

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

cc: Hon. Howard Weitzman, County Comptroller
David Gugerty, Majority Counsel
Joe Nocella, Minority Counsel
Richard Luke, Executive Director, NIFA
Dan McCloy, Special Assistant Minority
Fran Evans, Chief of Staff
Roseann D'Allewa, Majority Finance

HEALTH & SOCIAL SERVICES COMMITTEE

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DEPARTMENT OF SOCIAL SERVICES

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



Nassau County Health and Human Services Building 60 Charles Lindbergh Blvd.

The department has the responsibility for the implementation and monitoring of the following Multi-Year Financial Plan initiatives which have been incorporated into the FY 07 budget and baseline:

HHS Administrative Consolidation - \$892,776

The goal of this initiative, which continues from FY 06, is to reorganize the eight HHS departments in such a way as to maximize revenue, minimize administrative expense, enhance client-service delivery, and improve the coordination of internal support services within the vertical. DSS has entered into inter-departmental service agreements, as purchaser of Information & Referral services (I & R), with the Department of Drug and Alcohol, the Department of Senior Citizens, the Office of Veterans Services, and the Office for the Physically Challenged. The I & R related costs for these agencies, totaling approximately \$3.0 million, will be charged back to DSS, allowing for a 65% state aid reimbursement of \$2.0 million. Since the FY 06 budget included \$1.7 million for this initiative, the amount of additional revenue to be received for I & R services in FY 07 is \$242,776.

There are two other DSS components to this initiative: revenue maximization, estimated to generate \$400,000, and administrative consolidation which is expected to save \$250,000. The first is based on the expectation that as the HHS agencies become fully integrated, more costs will be reimbursed under the DSS umbrella. The second is based on projected current savings and the reduced need to re-hire duplicative administrative positions upon retirement.

Although no savings have yet been budgeted relating to the proposed merger of the departments of Drug and Alcohol and Mental Health, the potential exists for further administrative consolidation should that merger take place. The sections on the Department of Health and Youth Board include a further discussion of this initiative.

Persons in Need of Supervision (PINS) Diversion - \$1,006,873

The PINS initiative is related to a statewide effort to reduce the placement of persons in need of supervision in detention facilities. A PINS candidate is defined by the New York State Division of Probation and Correctional Alternatives as:

A person less than eighteen years of age who does not attend school in accordance with the education law or who is incorrigible, ungovernable, or habitually disobedient and beyond the lawful control of a parent or other person legally responsible for such child's care, or who possesses or uses illegal or controlled substances.

Diversion services include respite centers and cooling off locations. These alternatives are less costly than residential placement, and are more appropriate for the less serious cases. DSS has increased contractual funding to provide PINS diversion services. Savings will show up as reduced expenses in the emergency vendor payments line of DSS, and were estimated based on the assumption that 83 out of 425 annual cases could be diverted. This would result in lower costs to the County of approximately \$1.0 million in FY 07 (and \$1.9 million for New York State which reimburses 65% of PINS expenditures). Depending on the seriousness of the case, residential placement can cost from \$75,000 to \$100,000 annually.

Historical Expenditures						
	FY03	FY04	FY05	FY06	FY07	% Change
	Actual	Actual	Actual	Projected	Exec.	Proj./Exec.
Full-time Headcount	815	856	842	866	915	5.7%
Salaries	\$41,079,904	\$44,688,925	\$47,551,759	\$49,258,436	\$53,750,837	9.1%
Misc OTPS	\$1,561,607	\$6,936,345	\$1,081,744	\$1,186,108	\$1,440,764	21.5%
Contractual Services	\$11,479,121	\$10,251,377	\$12,114,622	\$14,143,321	\$14,828,694	4.8%
Recipient Grants	\$45,989,731	\$50,239,557	\$47,850,718	\$53,401,000	\$53,676,000	0.5%
Purchased Services	\$40,477,582	\$43,086,294	\$42,773,353	\$46,012,951	\$47,865,713	4.0%
Emerg. Vendor Payments	\$47,918,497	\$47,468,080	\$51,929,051	\$53,826,200	\$53,881,103	0.1%
Medicaid	228,240,085	247,533,191	238,948,840	\$211,785,129	218,024,984	2.9%
Medicaid IGT	68,962,159	121,715,035	40,973,707	39,573,706	0	-100.0%
Total	\$485,708,686	\$571,918,803	\$483,223,794	\$469,186,851	\$443,468,095	-5.5%

The chart above shows DSS actual expenditures since FY 03, with a projected amount for FY 06. The number of full-time employees requested in the proposed budget is 100 more than were employed as of September 1, 2003. The growth in salary costs reflects the increasing headcount, as well as the step and cost of living adjustments received by the employees. DSS receives up to 100% reimbursement for its payroll costs. The cost of miscellaneous OTPS has remained flat except for the large one-time increase in FY 04 for the Health and Human Services document scanning project, for which state aid was received. The direct assistance costs accounted for as recipient grants, purchased services, emergency vendor payments, and Medicaid, are driven by caseload and rate increases that are beyond the control of the County. The impact of the Medicaid cap can be seen starting in FY 06. The Medicaid IGT payment will be discussed below.

As can be seen in the chart below, the proposed \$458.9 million expense budget for the Department of Social Services is \$31.1 million less than the adopted FY 06 appropriation. This decrease results from the removal of the \$39.6 million Medicaid IGT payment from the FY 07 budget. Backing out the IGT, the actual year-to-year variance becomes an increase of \$8.5 million, or 1.9%. This moderate rate of growth is largely attributable to the passage of State legislation in 2005 which capped the local share of Medicaid expenditures at the FY 05 base amount, plus 3.5% in FY 06 and 6.75% in FY 07. Of the remaining direct assistance programs, recipient grants and emergency vendor payments are remaining at the FY06 projected level, while the line for purchased services is increasing by \$1.9 million, or 4.0%. Although the Medicaid IGT payment has been eliminated from the DSS budget, the County will not realize any budgetary savings because an equal amount of revenue has also been eliminated (see discussion of IGT below).

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 06 Budget	OLBR FY 06 Projection	FY 07 Dept. Request	FY 07 Executive	Variance Executive vs Adopted	Variance Executive vs FY 06 Proj.
AA	Salaries	\$50,063,914	49,258,436	\$56,245,361	\$53,750,837	\$3,686,923	\$4,492,401
BB	Equipment	127,570	117,364	142,364	142,364	14,794	25,000
DD	General Expenses	1,161,243	1,068,344	1,301,500	1,298,000	136,757	229,656
DE	Contractual Services	14,198,321	14,143,321	11,684,552	14,828,694	630,373	685,373
DF	Utility Costs	400	400	400	400	0	0
	Total OTPS	15,487,534	15,329,429	13,128,816	16,269,458	781,924	940,029
SS	Recipient Grants	51,652,600	53,401,000	53,676,000	53,676,000	2,023,400	275,000
TT	Purchased Services	46,012,951	46,012,951	48,750,856	47,865,713	1,852,762	1,852,762
WW	Emerg Vendor Pymnts	53,060,200	53,826,200	54,387,976	53,881,103	820,903	54,903
XX	Medicaid - Local Share	214,609,343	211,785,129	218,836,353	218,024,984	3,415,641	6,239,855
XY	Medicaid - IGT	39,573,706	39,573,706	0	0	(39,573,706)	(39,573,706)
	Tot. Direct Assistance	404,908,800	404,598,986	375,651,185	373,447,800	(31,461,000)	(31,151,186)
HF	Inter-Dept. Charges	19,541,024	19,541,024	0	15,459,341	(4,081,683)	(4,081,683)
	Grand Total	\$490,001,272	\$488,727,875	\$445,025,362	\$458,927,436	(\$31,073,836)	(\$29,800,439)

The \$3.7 million, or 7.4% payroll increase will accommodate a CSEA contractual salary adjustment of 3.5% as of January 1, 2006, plus steps. In addition, budgeted headcount will grow by 42 full-time employees, while part-time positions will be reduced by nine. For its non-Medicaid administrative costs, the department receives an average 75% reimbursement up to the state aid cap. Certain preventive services are reimbursed at 65%, but are not capped. Foster care placements and PINS are two such programs. With the implementation of the Medicaid cap, Medicaid administrative expenses, which have been built into the County's base rate, are reimbursed at 100%.

The proposed budget for other than personal services is a 5.0% increase over the current year's appropriation, or 6.1% more than the projected FY 06 actuals. Contractual services makes up \$630,373 of the \$781,924 budget to budget increase. The department contracts for IT services, software licensing, process serving and employment assessment. The contract for PINS diversion services has been increased by \$760,000. This service had previously been performed via an interdepartmental agreement with the Department of Mental Health. New contracts have been requested for interpreter and document translation services and Medicaid fraud and abuse software. During the FY 06 budget adoption, the Legislature added \$800,000 to the DSS appropriation. This funding, \$400,000 of which was to be recurring, was intended to assist community based service organizations. In FY 06 DSS has allocated \$200,000 to recurring "infrastructure" preventive programs for foster care placements. A vendor has been chosen for \$100,000 for employment related services and DSS has drafted an RFP for a housing program for the remaining \$100,000.

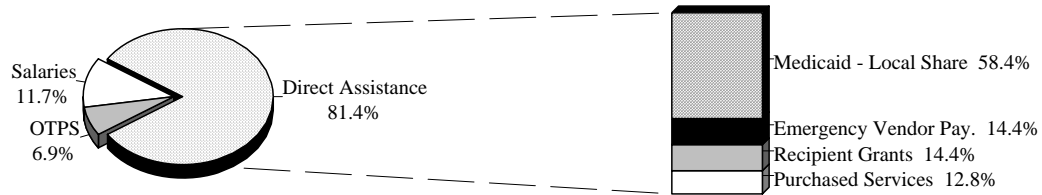
Inter-departmental charges are decreasing by \$4.1 million, or 20.9%, to \$15.5 million. These charges are intended to identify and allocate the costs incurred by other departments on behalf of the Department of Social Services. A corresponding revenue gets booked to the department providing the service as an inter-departmental revenue (BJ). DSS can then receive reimbursement for its share of the charges. The \$4.3 million line for indirect charges represents the department's portion of the costs for such centralized governmental operations as payroll, human resources, and legal services. The chart below shows all the inter-departmental charges booked to DSS except for those related to the juvenile detention facility.

Inter-Departmental Charges	Adopted 2006	Executive 2007	+/-
Probation Charges	\$0	\$1,000,000	\$1,000,000
Printing Graphics & Mail Services	150,816	192,821	42,005
Information Technology Charges	290,352	501,347	210,995
Purchasing Charges	79,317	92,447	13,130
Fleet Maintenance Charges	14,841	18,368	3,527
Building Occupancy Charges	4,359,782	3,150,389	(1,209,393)
Workers Compensation Exp	625,500	558,706	(66,794)
Gasoline Charges	8,671	9,041	370
Telecommunication Charges	651,652	867,043	215,391
HHS Charges	6,939,412	2,414,106	(4,525,306)
County Attorney Charges	0	527,249	527,249
PDH Charges	41,520	927,747	886,227
PDH Charges (ISA)	807,987	0	(807,987)
Correctional Center Charges	0	120,000	120,000
Indirect Charges	5,215,768	4,320,553	(895,215)
District Attorney Charges	0	190,905	190,905
	\$19,185,618	\$14,890,722	(\$4,294,896)

In 2005, DSS, along with the other HHS departments, re-located to leased space at 60 Charles Lindbergh Boulevard, creating a new Health and Human Services Facility. The building occupancy charges represent the department's portion of the expenses related to the new location. The Probation charges represent the cost of officers dedicated to the PINS initiative. The PDH charges represent the costs to the Police Department for providing security. DSS has entered into inter-departmental service agreements with the Office for the Physically Challenged, the Department of Drug & Alcohol Addiction, Senior Citizens Affairs, and the Veterans Services Agency in connection with the Information & Referral (I & R) functions provided by those agencies as part of the "No Wrong Door" consolidated services policy. These are booked as HHS charges. DSS, mandated under Title XX to

refer clients to available programs, will purchase the I & R services provided by the other HHS agencies. The selling agencies will receive inter-departmental revenue from DSS to cover their costs, and DSS will be eligible to obtain state aid reimbursement.

FY 2007 Proposed DSS Expense Budget



Note: OTPS includes Inter-departmental charges

As can be seen in the chart above, direct assistance is the largest expense category for DSS, making up 81.4% of the budget. Medicaid – local share comprises 58.4% of direct assistance.

Medicaid is a jointly-funded, federal-state health insurance program for certain low-income and needy people, including children, the aged, blind, and/or disabled, and people who are eligible to receive federally assisted income maintenance payments. Medicaid payments are used to pay for nursing homes, hospital bills, prescription medicine, doctors, dentists, medical transportation, etc. Although states are required to pay for a core set of benefits, they can choose to offer such optional benefits as prescription drugs and dental care. Until the implementation of the Medicaid cap, the amount that was the responsibility of the County varied depending on the type of expenditure. On average, the County paid for approximately 18% of the total Medicaid expense (the State pays the bill and the County reimburses the State for the local share).

As part of the enacted State budget for 2005-2006, the governor and the State Legislature put in place a cap on the growth of the local share of Medicaid. The legislation established calendar year 2005 as the base year for determining the annual local expenditure ceiling. That amount has been set at \$191,995,543. An inflationary factor, starting at 3.5% in FY 06, 3.25% in FY 07, and 3.0% in years 2008 and thereafter, will be applied to the FY 05 base amount. The County will pay the lesser of either the capped amount or its actual expenditures, which based on the historical annual growth of program costs, is not likely to be less than the 3.0% capped amount. The proposed FY 07 Medicaid budget of \$218.0 million, after adjusting for the difference in the state fiscal year, is 3.5% plus 3.25%, or 6.75%, greater than the FY 05 base. FY 08 will add an additional 3.0%, bringing the total inflator to 9.75%. Using that methodology, there is not even a compounding effect from year to year. Also included in the proposed Medicaid budget is the County’s \$13,159,740 indigent care adjustment. This payment, in an amount set by the State (and unchanged for many years), provides assistance to Nassau University Medical Center for the uncompensated care it provides to those without the ability to pay. Starting in 2009, and for every year thereafter, unless there is a change to the 2005 base amount or the indigent care adjustment, the cap will hold the County’s annual increase in the cost of Medicaid to \$5,759,866.

In 2008, counties will have a choice about how the local share payment to the State will be made. It can be either an annual payment at the capped amount or:

a fixed percentage of local sales tax revenue to be intercepted from county sales tax payments on a monthly basis.

To help counties determine whether to adopt the sales tax swap option, the Department of Taxation and Finance is required to provide counties no later than April 13, 2007 with the percentage of sales tax that would be intercepted. If a county selects the sales tax intercept option, it must adopt a resolution no later than September 30, 2007.¹

In last year's 2006 – 2009 Multi-Year Plan it was written that, "The County would choose the [sales tax swap] only if it reached the conclusion that future sales tax revenues are likely to grow an average of less than 3% per year, which at this point appears to be a very remote possibility." Although the 2005 sales tax collections finished with a disappointing 1.5% rate of growth, the average over the last five years has been 3.4%. As of October 5th, the FY06 rate of growth is 3.7%.

The Department of Social Services will continue to administer the Medicaid program on behalf of Nassau County residents, based on guidelines established by the New York State Department of Health.

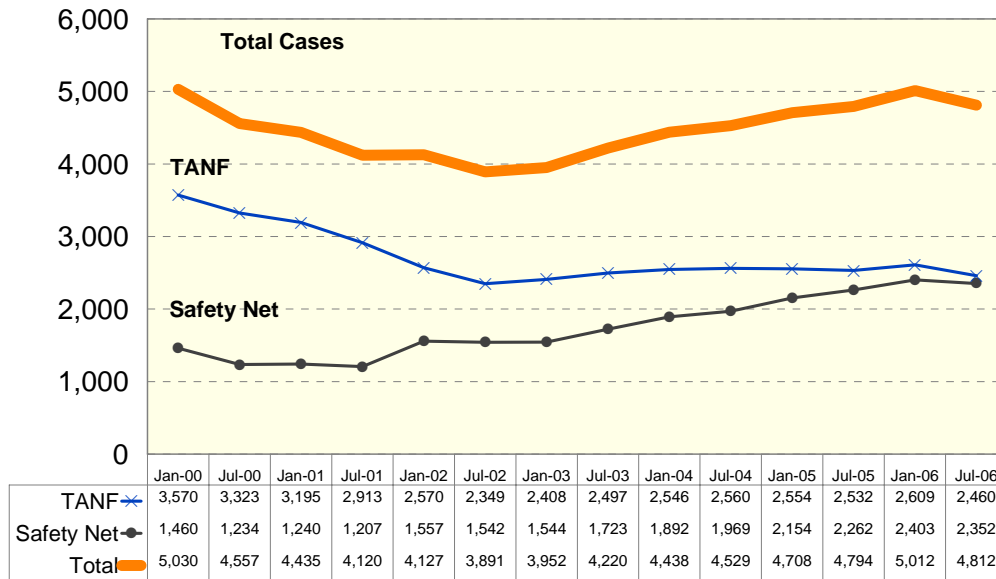
Not included in the proposed DSS budget is an appropriation for the County's contribution to New York State for the Intergovernmental Transfer (IGT). The IGT is a funding mechanism to provide increased federal aid to public hospitals (and formerly, nursing homes). Removing the expense does not provide budgetary relief, since the County has always been made whole for the amount of its contribution. So there also is no IGT revenue in the proposed budget. Other operating funds in the County-wide budget will be utilized for the IGT. However, it is not clear at this time if there are sufficient budgeted funds to allow for the County's full participation, which would enable the Nassau Health Care Corporation to receive the maximum benefit.

The proposed FY07 funding for recipient grants, as compared to the projected actuals for the current year, is essentially remaining flat, with a slight \$275,000 increase to \$53.7 million. The largest component of the proposed budget for recipient grants will be used to fund Temporary Assistance to Needy Families, or TANF (formerly referred to as Aid to Families with Dependent Children), which is decreasing slightly, from \$24.6 million to \$24.5 million. States receive a block grant allocation and are required to maintain a historical level of spending known as maintenance of effort. States may use TANF funding "to provide assistance to needy families so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families."² Safety Net Assistance (formerly referred to as Home Relief), makes up the next largest piece, increasing from \$17.0 million to \$18.9 million. Various other programs, such as Subsidized Adoptions, Children in Foster Homes, and Low Income Home Energy Assistance (LIHEAP), are budgeted to receive the remaining \$10.3 million.

¹ Crannell, Ken, "Understanding The Medicaid Cap", NYSAC News, Summer 2005, p.8

² "Welfare Fact Sheet", U.S. Department of Health and Human Services: Administration for Children and Families, September, 2000.

Nassau County TANF & Safety Net Caseload January 2000 - July 2006



In December of 2001, the first TANF recipients began to reach the 5-year maximum term that a family would be allowed to participate in this program. Those individuals who are not eligible for other assistance programs can apply for the Safety Net program if they are single adults, childless couples, children living apart from any adult relative, families of persons abusing drugs or alcohol, families of persons refusing drug/alcohol screening, assessment or treatment, persons who have exceeded the 60-month limit on assistance, or aliens who are eligible for temporary assistance, but who are not eligible for federal reimbursement. Benefits are provided as cash for 24 months. After 24 months benefits may continue as non-cash payment (vendor check or voucher). The chart above shows TANF caseloads decreasing by 31.1% since January 2000, while Safety Net cases have risen almost 61.1% in that same period. Combined, the total cases are down 4.3% during that time. The trends are significant because the County contributes 50% for the Safety Net program, but only 25% for TANF.

LIHEAP is a Federally-funded program that assists low-income households in paying their bills, energy crisis management, weatherization and energy-related home repairs. The budget for the program is increasing slightly from \$2.4 million to \$2.5 million.

The costs associated with day care are recorded as purchased services. Child care is provided not only for individuals on temporary assistance, but also to those working families who meet income guidelines for subsidies. This allocation will increase by \$1.9 million, or 4.0%, from \$46.0 million to \$47.9 million. Caseload peaked at 5,000 at the end of 1999, and has averaged approximately 3,166 cases per month since then. The monthly average for the first nine months of the current year is 2,814. The most recent market rate increase came at the end of 2005.

The cost of homemaking providers is another expense booked as purchased services. Title XX Homemaker Services provide cooking, shopping, and cleaning to income eligible individuals above the Medicaid level and with limited resources. Local Law No. 1-2006, the Living Wage Law, will become effective on January 1, 2007. From that date until July 31, 2008, County contractors will have to pay their employees \$9.50 per hour. The required wage will increase by \$1.00 per hour every August thereafter until it reaches \$12.50 in 2011. After that it will be adjusted annually by the CPI, capped at 3.5%. Since homemaking providers have historically been paid a low wage, DSS requested an additional \$885,000 for them in FY 07, a 28% increase. The funding was not included in the Executive Budget.

The proposed funding for emergency vendor payments is increasing slightly over the projected FY 06 amount of \$53.8 million to \$53.9 million. Projected spending in the current year is over budget due to higher enrollment than anticipated in institutions for Special Education, back billing from the State, and higher institutional rates. Emergency vendor payments costs are related to various programs, including training schools, education of handicapped children, juvenile delinquents (CC65), Children in Institutions (CC62), and Persons in Need of Supervision (PINS). Expenses cover such items as room and board, education, and childcare. The \$1.0 million savings related to the PINS diversion initiative has been factored into the proposed FY 07 budget as reduced emergency vendor payments.

The chart on the following page shows the expense amount allocated to each of the department's control centers, which corresponds to the various programmatic areas. The large year to year variance in Administration is mostly related to the substantial decrease in inter-departmental charges. The allocation for the control centers for Public Financial Assistance and the Division of Services has increased due to the additional staffing that has been planned. Contract costs are also proposed to be higher in Services due to the additional funding for the PINS contract. The removal of the \$39.6 million Medicaid IGT payment from the DSS budget accounts for the decrease in Medicaid MMIS. The departmental request of DSS did not include any funding for the inter-departmental charges of \$15.5 million which are allocated by OMB. This accounts for the additional \$13.9 million in the Executive Budget, which was offset by reductions in other areas.

**EXPENSE BUDGET
BY CONTROL CENTER**

Control Center	Adopted FY 06 Budget	Departmental Request FY 07	Executive FY 07	Variance Exec. vs. FY 06	Variance Exec. vs. Request
10 Administration	\$27,717,619	\$8,500,075	\$23,017,299	(\$4,700,320)	\$14,517,224
20 Public Financial Assistance	33,613,441	34,805,077	35,987,081	2,373,640	1,182,004
30 Services	19,621,391	22,139,637	21,977,249	2,355,858	(162,388)
51 Juvenile Detention Center	4,139,021	3,928,388	4,497,007	357,986	568,619
52 Real Estate Expense	1,000	1,000	1,000	0	0
53 Educ. Handicapped Children	13,000,000	14,000,000	14,000,000	1,000,000	0
55 Food Stamp Program	1,000	1,000	1,000	0	0
60 Family Assistance	29,060,000	29,500,000	29,500,000	440,000	0
61 Safety Net Assistance	18,534,000	20,986,776	20,986,776	2,452,776	0
62 Children in Institutions	20,000,000	19,500,000	18,993,127	(1,006,873)	(506,873)
63 Children in Foster Homes	1,776,000	1,776,000	1,776,000	0	0
65 Juvenile Delinquents	8,560,800	8,560,800	8,560,800	0	0
66 Training Schools	2,250,000	2,000,000	2,000,000	(250,000)	0
68 Children in Institutions - 4E	2,200,000	2,200,000	2,200,000	0	0
69 Children in Foster Homes - 4E	1,815,400	1,315,400	1,315,400	(500,000)	0
70 Subsidized Adoptions	4,816,600	5,400,000	5,400,000	583,400	0
72 Burials	300,000	325,000	325,000	25,000	0
73 Medicaid MMIS	254,183,049	218,836,353	218,024,984	(36,158,065)	(811,369)
75 HEAP	2,400,000	2,500,000	2,500,000	100,000	0
76 Title XX	46,011,951	48,749,856	47,864,713	1,852,762	(885,143)
Total	\$490,001,272	\$445,025,362	\$458,927,436	(\$31,073,836)	\$13,902,074

The chart on the following page, which delineates the DSS headcount by responsibility center, shows that the proposed budget has added 42 full-time positions and eliminated 9 part-time positions. Of these positions, DSS will receive 100% reimbursement for 25 Social Welfare Examiner I's, 3 Social Welfare Examiner I, Bi-Lingual and 5 Caseworker I's. All but four of the additional examiners are associated with the Medicaid program, and their costs are included in the County's Medicaid cap amount. The remaining four examiners will be paid with New York State TANF funding. The caseworkers will be utilized in the Child Protective Services and Services to Children divisions.

The part-time positions eliminated include five Social Welfare Examiners and four Youth Group Worker Aids. DSS also employs an additional 50 individuals whose salaries are 100% grant funded.

Department of Social Services Staffing Analysis						
	<u>FY06</u>	<u>Sept-06</u>	<u>FY07</u>	<u>FY07</u>	<u>Exec. vs 06</u>	<u>Exec. vs</u>
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>Adopt</u>	<u>Actual</u>
CC Full-time Staffing						
10 Administration						
Administration	12	11	11	11	(1)	0
Support Services	24	26	29	29	5	3
Legal	8	7	7	7	(1)	0
Systems Administration	46	36	40	37	(9)	1
Staff Development	5	5	5	5	0	0
Total for Control Center	95	85	92	89	(6)	4
20 Public Financial Assistance						
Public Assistance	113	110	115	113	0	3
Community Relations & Housing	16	11	12	12	(4)	1
Medical Assistance	139	152	206	178	39	26
Support Services	18	19	20	20	2	1
Accounting	45	42	45	44	(1)	2
Jobs Program	8	8	13	13	5	5
Food Stamps	5	4	5	5	0	1
Support Collection Unit	96	91	91	91	(5)	0
Total for Control Center	440	437	507	476	36	39
30 Services						
Provider Services	295	300	306	305	10	5
51 Juvenile Detention Center						
NC Juvenile Detention Center	43	44	45	45	2	1
Total Full-time	873	866	950	915	42	49
CC Part-time and Seasonal						
10 Administration						
Support Services	24	24	25	25	1	1
Legal	15	14	14	14	(1)	0
Legal	1	1	1	1	0	0
Systems Administration	8	9	10	10	2	1
Total for Control Center	24	24	25	25	1	1
20 Public Financial Assistance						
Public Assistance	46	35	36	36	(10)	1
Public Assistance	17	13	13	13	(4)	0
Community Relations & Housing	1	0	0	0	(1)	0
Medical Assistance	15	15	15	15	0	0
Accounting	2	1	1	1	(1)	0
Jobs Program	1	1	1	1	0	0
Food Stamps	2	0	0	0	(2)	0
Support Collection Unit	8	5	6	6	(2)	1
Total for Control Center	46	35	36	36	(10)	1
30 Services						
Provider Services	54	59	58	58	4	(1)
51 Juvenile Detention Center						
NC Juvenile Detention Center	33	28	29	29	(4)	1
Total Part-time and Seasonal	157	146	148	148	(9)	2

The chart below shows the revenue realized by DSS since FY 03, with an estimated amount for FY 06. The largest of these sources, state and federal aid, are received in an amount relative to the annual expenditures for the various reimbursable services provided. The apparent decrease of state aid during this period is related to the removal of Medicaid related reimbursement, which, beginning in FY 06 with the implementation of the Medicaid cap, is now netted against the County’s share of Medicaid costs. Prior to FY 05, the Medicaid IGT reimbursement was accounted for as a departmental revenue. The FY 06 fund balance was included to cover contractual expenses for non-profit agencies related to the implementation of the “No Wrong Door” initiative. Rents and recoveries revenue is derived from the disencumbrance of prior-year contracts, as well as other retroactive adjustments. In FY 06, DSS will receive \$7.5 million for Medicaid recoveries.

Historical Revenue						
	FY 03	FY 04	FY 05	FY 06	FY 07	% Change
	Actual	Actual	Actual	Projected	Exec.	Proj./Exec.
Fund Balance	\$0	\$0	\$0	\$1,500,000	\$0	-100.0%
Rents & Recoveries	12,098,074	9,816,174	4,160,052	10,299,304	0	-100.0%
Department Revenues	77,014,576	132,093,118	13,629,115	9,467,000	10,549,000	11.4%
Interdepartmental Rev.	0	0	20,912	0	0	0.0%
Medicaid IGT Reimburs.	0	0	38,533,915	39,573,706	0	-100.0%
Federal Aid	88,712,656	98,499,384	92,292,495	93,385,606	94,359,361	1.0%
State Aid	100,259,858	113,638,696	85,409,721	66,946,155	70,532,586	5.4%
Total	\$278,085,164	\$354,047,372	\$234,046,211	\$221,171,771	\$175,440,947	-20.7%

In providing social services to the citizens of Nassau, the County receives substantial assistance from the federal government (projected at \$93.4 million for FY 06) and New York State (projected at \$66.9 million). The chart below shows FY 07 budgeted expenses and the amount of Federal and State aid reimbursement for each control center. Please note that the expenditures for the Medicaid control center reflect payments to the State for the County portion only. Therefore reimbursement is not received for program costs. If Medicaid is excluded, 68.4% of the proposed DSS budget is expected to be federal/state funded. Similarly, expenditures in the Food Stamp (Food Assistance Program - aid to legal immigrants not paid for by the federal government) and Training Schools control centers reflect the county share only, and no reimbursement is required.

**FY 07 FEDERAL AND STATE AID
BY CONTROL CENTER**

Control Center	Expenses	\$			%
		Federal Aid	State Aid	Federal/ State Funded	Federal/ State Funded
Administration	\$23,017,299	\$4,125,015	\$8,846,918	\$12,971,933	56.4%
Public Financial Assistance	35,987,081	22,471,891	17,223,654	39,695,545	110.3%
Division of Services	21,977,249	10,242,553	6,529,061	16,771,614	76.3%
Juvenile Detention Center	4,497,007	0	3,088,613	3,088,613	68.7%
Real Estate Expense	1,000	0	0	0	0.0%
Educ. Handicapped Children	14,000,000	0	5,600,000	5,600,000	40.0%
Food Stamp Program	1,000	0	0	0	0.0%
TANF	29,500,000	8,260,000	7,965,000	16,225,000	55.0%
Safety Net Assistance	20,986,776	0	9,113,719	9,113,719	43.4%
Children in Institutions	18,993,127	11,700,000	1,950,000	13,650,000	71.9%
Children in Foster Homes	1,776,000	888,000	492,840	1,380,840	77.8%
Juvenile Delinquents	8,560,800	3,518,289	1,284,120	4,802,409	56.1%
Training Schools	2,000,000	0	0	0	0.0%
Non-Secure Detention	2,200,000	0	1,100,000	1,100,000	50.0%
Children in Foster Homes - 4E	1,315,400	601,613	460,250	1,061,863	80.7%
Subsidized Adoptions	5,400,000	2,052,000	2,565,000	4,617,000	85.5%
Burials	325,000	0	5,000	5,000	1.5%
HEAP	2,500,000	2,500,000	0	2,500,000	100.0%
Title XX	47,864,713	28,000,000	4,308,411	32,308,411	67.5%
Sub-Total	240,902,452	94,359,361	70,532,586	164,891,947	68.4%
Medicaid MMIS	218,024,984	0	0	0	0.0%
Total	\$458,927,436	\$94,359,361	\$70,532,586	\$164,891,947	35.9%

The chart on the following page displays the department’s revenue budget by revenue class. Federal aid is anticipated to rise by 1.0% over the current year’s projection to \$94.4 million. In FY 06 state aid is projected to exceed budget by \$7.7 million. This results from the way the Medicaid cap was implemented, and represents reimbursement for administrative costs above the capped amount (administrative costs had already been included in the base). The FY 07 state aid increase over the current year’s projection is \$3.6 million, or 5.4%. DSS will also receive approximately \$2.0 million in state aid as reimbursement for its Information & Referral services on behalf of other agencies in the HHS vertical. That is approximately \$243,000 more than what was budgeted in FY 06. The line for rents and recoveries is made up of revenue received from recoveries and liens. In FY 06 \$3.4 million was budgeted for a settlement with the State relating to the County’s overpayment in prior years for the treatment of Medicaid eligible individuals with mental health problems. A total of \$7.3 million has subsequently been received. There is no rents and recoveries revenue in the FY 07 budget. Another FY 06 revenue source zeroed out in the proposed budget is the \$1.5 million that was appropriated from fund balance to involve community based not-for-profits in joining the ‘No Wrong Door’ initiative.

REVENUE BUDGET

Revenue Class	Adopted FY 06 Budget	OLBR FY 06 Projection	FY 07 Dept. Request	FY 07 Exec. Budget	Variance Exec. vs Adopted 06	Variance Exec. Vs FY 06 Proj.
AA Fund Balance	\$1,500,000	\$1,500,000	\$0	\$0	(\$1,500,000)	(\$1,500,000)
BF Rents & Recoveries	3,408,364	10,299,304	0	0	(3,408,364)	(10,299,304)
BH Depart. Revenues	9,467,000	9,467,000	9,899,000	10,549,000	1,082,000	1,082,000
BX Medicaid IGT Reimb.	39,573,706	39,573,706	0	0	(39,573,706)	(39,573,706)
FA Fed. Aid - Reimb Exp	94,665,063	93,385,606	95,717,833	94,359,361	(305,702)	973,755
SA State Aid - Reimb Exp	59,204,417	66,946,155	57,445,309	70,532,586	11,328,169	3,586,431
Grand Total	\$207,818,550	\$221,171,771	\$163,062,142	\$175,440,947	(\$32,377,603)	(\$45,730,824)

Out-Year Initiatives

The following out-year initiatives have been included in the FY 07 – 10 Multi-Year Financial Plan:

NAME	FY 2008	FY 2009	FY 2010
PINS Diversion	\$1,057,216	\$1,110,077	\$1,165,581
HHS Administrative Consolidation *	\$1,592,776	\$1,992,776	\$1,992,776
Program Reductions *	\$890,000	\$890,000	\$890,000
* (DSS component only)			

The **Persons in Need of Supervision (PINS)** initiative was discussed earlier. In addition to the savings of \$1.0 million that has been incorporated into the FY 07 budget and baseline, this initiative is projected to grow by 5% annually from FY 08 to FY 09. This would result in further cost reductions of \$57,000 in FY 08, \$111,000, in FY 09, and \$166,000 in FY 10.

The **HHS administrative consolidation** was discussed earlier. Compared to the \$892,776 that has been incorporated into the FY 07 budget and baseline, the MYP anticipates that this initiative will provide additional out-year budgetary relief of \$700,000 in FY 08 and \$400,000 in FY09. These amounts are net of any available reimbursement. The ISA component is projected to grow \$150,000 annually in FY 08 and FY 09. Revenue maximization is increasing by \$100,000 and administrative consolidation by \$50,000 in FY 08. Two new components are added in FY 08 – CMS contracts for \$150,000 and other mergers for \$250,000 (with an additional \$250,000 in FY 09).

The **program reductions** initiative, beginning in FY 08, will be made up of cuts in contractual costs for non-mandated programs in Health and Human Services departments. The bulk of the savings, \$890,000 annually in years FY 08 through FY 10, would come from DSS. The programs affected would include Homemaker and Salary Enhancement Services, and Title III-B, which provides medical transportation, support and legal services, and home energy assistance. See the sections on the Department of Senior Citizens and Youth Board for a description of the other components of this initiative.

DEPARTMENT OF HEALTH

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

Historical Expenditures						
	FY 03	FY 04	FY 05	FY 06	FY 07	% Change
	Actual	Actual	Actual	Projected	Exec.	Proj./Exec.
Full-time Headcount	244	239	235	245	249	1.6%
Salaries	\$14,527,060	\$15,042,444	\$16,212,696	\$16,605,564	\$17,837,184	7.4%
Misc OTPS	1,588,738	2,277,451	1,847,058	1,756,556	1,894,156	7.8%
Contractual Services	48,403,083	49,219,025	6,205,256	7,342,000	6,443,000	-12.2%
Early Inter./Spec. Ed.	0	0	39,720,288	150,000,000	153,522,441	2.3%
Total	\$64,518,881	\$66,538,920	\$63,985,298	\$175,704,120	\$179,696,781	2.3%

From a historical point of view total expenditures have increased from \$64.5 million in FY 03 to \$179.7 million in FY 07. The significant rise in the FY 06 projection is due to the transfer of Pre-school Education services from the Mental Health Department into the Health Department. The transfer of the Pre-school education program resulted in an additional \$98 million to the Health Department's budget in FY 06. Of the \$153.5 million in the Early Intervention/Special Education services, \$107.5 is for the Pre-school Education program. The significant drop in the contractual budget from FY 04 is due to the re-classification of all provider contracts in Early Intervention. In FY 05, the County created a new code for contracts in Early Intervention and Pre-school, PP (Early Intervention/Special Ed). In 2004, contractual services for Early Intervention were roughly \$44.0 million. Miscellaneous OTPS expenditures have varied from a low of \$1.6 million in FY 03 to a high of \$2.3 million in FY 04.

**EXPENSE BUDGET
BY OBJECT CLASS**

Obj	Name	Adopted FY 06 Budget	OLBR FY 06 Projection	FY 07 Dept. Request	FY 07 Exec. Budget	Variance Executive vs Adopted	Variance Executive vs FY 06 Proj.
AA	Salaries	\$17,167,418	\$16,605,564	\$18,089,266	\$17,837,184	\$669,766	\$1,231,620
BB	Equipment	30,000	27,600	27,600	27,600	(2,400)	0
DD	General Expenses	1,879,300	1,728,956	2,176,300	1,866,556	(12,744)	137,600
DE	Contractual Services	7,342,000	7,342,000	7,377,000	6,443,000	(899,000)	(899,000)
HH	Interfund Charges	25,000	25,000	25,000	25,000	0	0
PP	Early Int./Special Edu.	144,086,100	150,000,000	154,522,441	153,522,441	9,436,341	3,522,441
	Total OTPS	153,362,400	159,123,556	164,128,341	161,884,597	8,522,197	2,761,041
HF	Inter-Depart Charges	5,429,603	5,429,603	0	2,668,834	(2,760,769)	(2,760,769)
	Grand Total	\$175,959,421	\$181,158,723	\$182,217,607	\$182,390,615	\$6,431,194	\$1,231,892

Personal services or salaries are increasing from the FY 06 adopted budget by \$670,000 or 3.9%. The \$17.8 million salary budget includes a 3.5% CSEA contractual increase effective January 1, 2006. The salary budget is sufficient for the current level of staffing and all positions budgeted for 2007. The FY 06 projection for salaries is currently producing a surplus of \$562,000 due to 5 vacant positions.

Other than personal services is increasing by \$8.5 million. This is primarily due to the increase in the Pre-school Education budget, which is going to \$108.0 million in 2007, \$9.5 million over the 2006 budget. The increase is attributed to greater pre-school costs, itinerant services, transportation costs and evaluations. The number of children enrolled in the Pre-school Education program is projected to increase from 6,550 in 2006 to 6,700 children in 2007, resulting in higher pre-school costs. Itinerant services, special one on one sessions for the students, are increasing by \$5.4 million. Transportation costs are increasing in FY 07 by \$1.2 million. The department pays for transportation of children to the center based schools. Evaluations are increasing by \$265,000. The department is responsible for 10% of the summer school program for children ages three through five years. This cost is decreasing in FY 07 by 50,000. The FY 07 projection of \$150.0 million for Early Intervention/Special Education is over budget due to retroactive rate increases for pre-school providers.

General expenses are decreasing by \$13,000 or 0.7%, reflecting the Administration's reduction in all OTPS expenses. Decreases include office supplies in Administration and medical supplies for Public Health and Children's Early Intervention. This is partially offset by the inclusion of additional general expense of \$101,000 for the rabies vaccine-bait program.

The contractual services FY 07 budget of \$6.4 million is a decrease of \$899,000. The FY 06 budget included a one-time expense for the initiative "Common Sense for the Common Good." The initiative is to help prevent unintended pregnancies and support women who face unintended pregnancies. The majority of contractual services reside in the Public Health control center. The 2006 funds for these contracts have not yet been encumbered; the funds will support these contracts through 2007.

Also included in contractual services is a \$5 million payment made to the Nassau Health Care Corporation, as per the acquisition agreement. These payments are in consideration of the Corporation providing certain contractual services, the cost for which the County can receive state reimbursement of between 30%-36%, pursuant to Article 6 of the New York State Public Health Law. Services covered include tuberculosis clinical evaluation, family planning, and sexually transmitted disease testing and treatment.

Inter-departmental charges are decreasing significantly from \$5.4 million in FY 06 to \$2.7 million in FY 07. The decrease is due to the elimination of \$3.1 million in indirect charges. This was left out in error and OMB will recommend an adjustment. Interdepartmental charges represent costs incurred by other departments on behalf of the Health Department. These charges include printing and graphics, postage, information technology, record management, purchasing, building occupancy charges and gasoline.

Interfund charges remain flat at \$25,000. These charges are paid to Nassau Community College for specialized training classes.

EXPENSE BUDGET BY CONTROL CENTER						
Control Center	Adopted FY 06 Budget	Departmental Request FY 07	Executive FY 07	Variance Exec. vs Adopted 06	Variance Exec. vs. Request	
10 Administration	\$7,487,280	\$2,396,462	\$4,582,215	(\$2,905,065)	\$2,185,753	
20 Environmental Health	7,033,307	7,505,518	7,689,551	656,244	184,033	
30 Laboratory Research	2,663,375	2,601,222	2,622,964	(40,411)	21,742	
40 Public Health	9,754,748	10,191,231	8,908,644	(846,104)	(1,282,587)	
51 Children Early Interv Services	50,510,076	50,557,940	50,622,327	112,251	64,387	
54 Pre-School Special Education	98,510,635	108,965,234	107,964,914	9,454,279	(1,000,320)	
Total	\$175,959,421	\$182,217,607	\$182,390,615	\$6,431,194	\$173,008	

The control center for Pre-school Education is the largest component of the Health Budget. This control center is budgeted for \$108.0 million in 2007, which is an increase of \$9.5 million from FY 06. Pre-school Education is devoted to providing special needs to pre-school children. Each school district sets up a committee to evaluate the children (ages 3-5) in need of special services such as speech, physical therapy, occupational therapy, etc.

The second largest budget is Early Intervention program carrying \$50.6 million in expenses. Children Early Intervention coordinates programs for children with special health needs. The Early Intervention Program is an entitlement program under Part C of the Federal Individual with Disabilities Education Act (IDEA). The program provides specialized services to children under age three with developmental delays and disabilities as soon after birth as possible, to ensure these children have a medical home where routine development surveillance and screenings are provided. Finally the Physically Handicapped Children's Program pays for all medical, surgical, rehabilitative orthodontic and other

related services for children ages 0-21 years with eligible medical conditions who meet both medical and financial eligibility guidelines.

Administration includes all administrative support, fiscal billing, revenue receipt, and preparation of State and Federal Aid claims, human resources, community health assessment and public information functions. Administration is decreasing \$2.9 million due to the removal of indirect charges as previously discussed.

Environmental Health protects the community from adverse health affects and diseases that may result from environmental pollution, unsanitary conditions, unsafe practices or infections of diseases. The 9.3% increase in Environmental Health is due in part to an increase in medical supplies and expenses of \$101,000 for the provisions of baits for wildlife rabies control to prevent spread beyond northern Nassau County. Currently this line item shows as an increase of \$202,000 but there should be a technical adjustment to correct this. Salary expenses increased by \$302,000 for CSEA contractual increases.

Laboratory Research provides clinical and environmental laboratory services to access community health. The minimal decline in Laboratory Research results from the reduction of one position.

Public Health includes all personal and public health services. Public Health is decreasing by \$846,000 due to contractual services which is reducing funds for program agencies. This is for the one-time expense for the initiative "Common Sense for the Common Good" budgeted in FY 06 as previously discussed.

Health Department Staffing Analysis

	<u>FY 06 Adopted</u>	<u>Sept-06 Actual</u>	<u>FY 07 Request</u>	<u>FY 07 Executive</u>	<u>Exec. vs 06 Adopt</u>	<u>Exec. vs Actual</u>
CC Full-time Staffing						
10 Administration	33	32	33	33	0	1
20 Environmental Health	96	95	97	95	(1)	0
30 Public Health Laboratories	25	24	24	24	(1)	0
40 Public Health	28	29	31	29	1	0
51 Child Early Interven.	60	57	60	60	0	3
54 Pre-School Education	8	8	8	8	0	0
Total Full-time	<u>250</u>	<u>245</u>	<u>253</u>	<u>249</u>	<u>(1)</u>	<u>4</u>
CC Part-time and Seasonal						
10 Administration	9	6	9	9	0	3
20 Environmental Health	18	17	18	18	0	1
30 Public Health Laboratories	3	3	3	3	0	0
40 Public Health	2	2	2	2	0	0
51 Child Early Interven.	0	0	0	0	0	0
Total Part-time and Seasonal	<u>32</u>	<u>28</u>	<u>32</u>	<u>32</u>	<u>0</u>	<u>4</u>

The FY 07 budget is decreasing by one full-time position from the FY 06 budget and increasing by four positions from the current staffing level. The four positions are made up of one position in Administration and three positions in Children's Early Intervention. Part-time staffing remains unchanged at 32 positions from the FY 06 budget.

Historical Revenue

	<u>FY 03 Actual</u>	<u>FY 04 Actual</u>	<u>FY 05 Actual</u>	<u>FY 06 Projected</u>	<u>FY 07 Exec.</u>	<u>% Change Proj./Exec.</u>
Permits & Licenses	3,561,720	3,502,665	3,799,792	3,603,580	3,717,580	3.2%
Fines & Forfeits	151,665	260,660	232,825	225,000	225,000	0.0%
Rents & Recoveries	1,288,050	4,252,902	4,222,229	50,000	50,000	0.0%
Department Revenues	8,410,226	7,600,179	7,185,673	8,601,900	8,901,900	3.5%
State Aid	26,887,426	24,621,251	24,592,046	88,381,730	90,992,338	3.0%
Total	<u>\$40,299,086</u>	<u>\$40,237,657</u>	<u>\$40,032,566</u>	<u>\$100,862,210</u>	<u>\$103,886,818</u>	<u>3.0%</u>

Historically, revenue has increased from \$40.3 million in FY 03 to \$103.9 million proposed in FY 07. The significant rise in FY 06 results from the transfer of Pre-school Education services from the Mental Health Department into the Health Department. This increase is reflected in State aid which provides 59.5% State reimbursement for Pre-school expenditures. Permits and licenses have varied slightly from

\$3.6 million in FY 03 to \$3.7 million in FY 07. Department revenues have varied from \$8.4 million in FY 03 to \$8.9 million in FY 07. Rents and recoveries are received for disencumbrances of prior year encumbrances and have varied significantly \$4.2 million in FY05 to \$50,000 in FY 07.

REVENUE BUDGET							
Revenue Class	Adopted FY 06 Budget	OLBR FY 06 Projection	FY 07 Dept. Request	FY 07 Exec. Budget	Variance Exec. vs Adopted 06	Variance Exec. Vs FY 06 Proj.	
AA Fund Balance	\$867,000	\$867,000	\$0	\$0	(\$867,000)	(\$867,000)	
BC Permits & Licenses	3,603,580	3,603,580	3,717,580	3,717,580	114,000	114,000	
BD Fines & Forfeits	225,000	225,000	225,000	225,000	0	0	
BF Rents & Recoveries	50,000	50,000	50,000	50,000	0	0	
BH Department Revenues	8,601,900	8,601,900	8,901,900	8,901,900	300,000	300,000	
BW Interfund Charges	0	0	0	101,058	101,058	101,058	
SA State Aid	85,081,730	88,381,730	91,800,000	90,992,338	5,910,608	2,610,608	
Total	\$98,429,210	\$101,729,210	\$104,694,480	\$103,987,876	\$5,558,666	\$2,258,666	

The FY 07 revenue budget is increasing from the FY 06 budget by \$5.6 million to \$104.0 million. The majority is located in Pre-school Education. The department receives 59.5% staid aid reimbursement for approved services for education, related services, evaluations and transportation costs. State aid reimbursement for Children's Early Intervention services is decreasing \$138,000 to \$21.5 million from the FY 06 budget due to an increase in Medicaid reimbursements. State aid is net of all revenue so the increase in Medicaid has the effect of lowering state aid eligible expenses.

Permits and licenses, at \$3.7 million, are increasing by \$114,000 from FY 06. This is due to increased fees charged for the Food Establishment Inspection Program and the Hazardous Materials Article XI Program. The largest revenue source in Environmental Health is from food establishments which are budgeted at \$2.2 million. The Health Department is required under the New York State Sanitary Code to regulate food service establishments with its jurisdiction by conducting field inspections and investigations and permitting the establishment. There are approximately 5,600 establishments. Fees collected from the Hazardous Materials Article XI program are budgeted at \$935,000, an increase of \$34,000 over 2006. Their permits include day camp permits, realty subdivision filings, x-ray surveys and inspections, swimming pools and beaches, hazardous material registration, temporary residence inspections, manufacturing frozen desserts, cross connection control program, water supply plan review, tattoo parlor and lifeguard certifications.

Fines and forfeitures remain flat in FY 07 at \$225,000. Fines collected for Public Health violations include improper food handling, public swimming violations, improper storage of toxic and hazardous materials, the sale of tobacco products to minors, smoking in indoor facilities, sanitation violations, failure to maintain diagnostic x-ray equipment and records, day camp code violations, water quality violations and cross connection violations.

The \$300,000 or 3.5% increase in Department revenues is for Medicaid receipts in the Early Intervention Program. The percent of Medicaid eligible children enrolled in the program has been slowly increasing.

**DEPARTMENT OF BEHAVIORAL HEALTH AND
DEVELOPMENTAL DISABILITIES SERVICES**

The establishment of a new Department of Behavioral Health and Developmental Disabilities Services incorporating the functions of the Department of Mental Health and Drug and Alcohol Addiction is designed to provide a governmental framework that enables available resources to more effectively be brought to bear in providing care and treatment to the populations presently served by both departments. It will create two divisions within the new department, one division called the Division of Mental Health and Developmental Disabilities Services, which will perform functions now associated with the Department of Mental Health and one division called the Division of Chemical Dependency Services, which will perform functions presently associated with the Department of Drug and Alcohol Addiction.

Since the closing of the Plainview Rehabilitation Center and Topic House, County residents seek inpatient residential care outside of Nassau County, primarily in Suffolk or Queens County. A case management unit called TIPS (Treatment, Intake, Placement), not affected by the Department merger, was established to help ensure that Nassau County residents receive necessary treatment and rapid access to inpatient care. TIPS serves as the Central Intake Unit for all programs, agencies and individuals seeking assistance for inpatient residential care. The staff is responsible for identifying all available residential and related inpatient programs throughout the metropolitan area.

In order to track clients in need of inpatient services, the staff follows referrals and insures that clients do get admitted following the referral. In addition, TIPS receives data on all Nassau County inpatient and outpatient referrals through participation in the New York State Office of Alcoholism and Substance Abuse Services (OASIS) Client Tracking Data System.

Due to the shortage of inpatient beds in Nassau County, Nassau University Medical Center (NUMC), in cooperation with the Department of Drug and Alcohol had prepared a CON (Certificate of Need) application, and received State approval, to open 30 inpatient chemical dependency beds for Nassau County. The Department is projecting an early 2007 opening for the unit.

EXPENSE BUDGET BY CONTROL CENTER						
Control Center	Adopted FY 06 Budget	Departmental Request FY 07	Executive FY 07	Variance Exec. vs Adopted 06	Variance Exec. vs. Request	
10 Administration	\$6,741,976	\$3,454,536	\$7,317,271	\$575,295	\$3,862,735	
20 Contractual Services	6,135,498	11,115,312	11,315,312	5,179,814	200,000	
30 Direct Services	258,188	5,831,651	6,104,070	5,845,882	272,419	
40 Chemical Dependency Svcs	10,936,372	0	0	(10,936,372)	0	
Total	\$24,072,034	\$20,401,499	\$24,736,653	\$664,619	\$4,335,154	

Although it appears in the chart above the FY 07 budget for Administration is increasing by \$575,295 and growing by \$5.2 million and \$5.8 million in contractual services and direct services respectively that is not the case. The variances are a reflection of merging chemical dependency services into contractual

BEHAVIORAL HEALTH SERVICES

services and direct services. The budget was reallocated based on a new budget structure which divides the department into three control centers, Administration, Contractual Services and Direct Services. Within each of these control centers, the Department's various disability groups have been broken down into different responsibility centers. Salary expense has been reallocated based on Department needs between administration and direct services. All program funding has been budgeted in contractual services.

Historical Expenditures						
	FY 03	FY 04	FY 05	FY 06	FY 07	% Change
	Actual	Actual	Actual	Projected	Exec.	Proj./Exec.
Full-time Headcount	49	110	102	79	91	15.2%
Salaries	\$3,566,740	\$6,462,626	\$6,733,497	\$5,601,145	\$6,657,365	18.9%
Misc OTPS	997,434	1,348,146	309,461	629,772	907,048	44.0%
Contractual Services	12,425,662	11,048,617	11,717,335	14,849,040	13,124,899	-11.6%
Other Expenses	86,679,745	90,334,129	0	0	0	0.0%
Direct Assistance	0	0	106,717,990	0	0	0.0%
Total	\$103,669,581	\$109,193,518	\$125,478,283	\$21,079,957	\$20,689,312	-1.9%

As the table above indicates headcount and salaries have been historically linked. As headcount increases, so do salaries. The dramatic growth in salaries and headcount in FY 04 is a result of the transfer of grant employees, whose salaries were less than 100% reimbursable. The elimination of Direct Assistance, which was Pre-School education costs, in FY 06 and FY 07 is a reflection of its transfer into the Health Department. The Administration decided that these costs would be better allied with the Early Intervention Program, which is managed by the Health Department. In FY03 and FY 04, direct assistance came under other expenses.

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 06 Budget	OLBR FY 06 Projection	FY 07 Dept. Request	FY 07 Executive	Variance Exec. vs Adopted 06	Variance Exec. vs FY 06 Proj.
AA	Salaries	\$6,138,139	\$5,601,145	\$6,554,552	\$6,657,365	\$519,226	\$1,056,220
BB	Equipment	1,531	1,000	1,409	1,409	(122)	409
DD	General Expenses	900,839	628,772	920,639	905,639	4,800	276,867
DE	Contractual Services	14,540,620	14,849,040	12,924,899	13,124,899	(1,415,721)	(1,724,141)
	Total OTPS	15,442,990	15,478,812	13,846,947	14,031,947	(1,411,043)	(1,446,865)
HF	Inter-Dept. Charges	2,490,905	2,490,905	0	4,047,341	1,556,436	1,556,436
	Grand Total	\$24,072,034	\$23,570,862	\$20,401,499	\$24,736,653	\$664,619	\$1,165,791

Salaries are increasing by about \$500,000 from \$6.1 million in FY 06 to \$6.7 million in FY 07. The growth in salaries is a result of merging the Mental Health Department and the Department of Drug and Alcohol Addiction and restructuring of control centers. As a part of the restructuring process four full-time positions were eliminated for a loss in salaries of \$266,813. Five full-time positions and one part-time position, from the Correctional Center's Drug and Alcohol Rehabilitation and Treatment (DART) program were transferred, and one new mental health coordinator position was added. Factoring in terminal leave, promotions and COLAs, the cost for these additional positions is \$748,914. The salary difference between the deleted and extra positions is \$519,226. The salary budget should be sufficient for 2007.

The 2007 OTPS budget, excluding inter-departmental charges, is decreasing by \$1.4 million due to the reduction in contractual services. As previously mentioned, as a result of the department's restructuring control center 40, chemical dependency services, was collapsed into contractual services and direct services. According to the department, there are no cuts planned for chemical dependency services in 2007. The \$1.4 million reduction is a result of adjustments of \$600,000 and \$400,000 in non-recurring expenses in Mental Health and Drug and Alcohol, \$77,000 in mental health training funds, \$508,721 in Persons in Need of Supervision (PINS) now being funded by the Department of Social Services, and \$30,000 in rent for NUMC. The \$1.0 million in non-recurring funds were added to the 2006 budget by the Legislature as one-time funds to assist the Health and Human Services' not-for-profit agencies to make improvements to their infrastructure due to prior program reductions. The contractual services charts on the following pages show how these monies are disbursed.

Also, \$200,000 is being added to the budget for the establishment of the mental hygiene court program. This is a specialized court for individuals who are mentally ill and are currently facing charges in the criminal justice system. The court will try to place individuals in treatment programs as an alternative to incarceration, thereby providing a more appropriate level of care to the individuals who appear before the court.

In 2007 \$772,000 is budgeted in general expenses for remands for State facilities. The department expects a similar caseload of court remands in 2007 as it has had in 2006 so the proposed budget for court remands remains consistent with that of the current year. Typically when a client is remanded to a State facility it is more costly, since remands to State facilities require longer stays than remands of clients being sent to NUMC. However, the department estimates that there will be unspent money in 2006 for New York State court remands. The \$277,000 variance between the 2007 proposed and the September projected is due to the inability of the Family Court to place children at the Sagamore Psychiatric Center because of a shortage of beds. Another reason for the surplus in 2006 could be that fewer children are being remanded for inpatient treatment as a result of the PINS diversion program. This program is a State mandate, which went into effect April 1, 2005, that requires the County to provide diversion services to youth at risk of becoming the subject of a PINS petition. Children who currently need hospitalization are placed in NUMC. The department has budgeted \$1.2 million in 2007 in contractual services for remands to NUMC. The department will continue to maintain a full-time grant funded clinical psychologist at Family Court in 2007 to provide on-site evaluations to divert remands to State facilities.

The contractual services account of the budget is used to facilitate contracts to provide programs to the mentally ill, developmentally disabled and chemically dependent. The programs and corresponding

allocations of these funds for the current year and the proposed year are listed in the charts on pages 26 and 27. The 2007 provider contracts Drug & Alcohol chart shows \$398,727 in 2007 recurring contracts. That is the same amount that the Legislature had added in 2006 for one time adjustments to the not-for-profit agencies for improvements to their infrastructure due to prior program reductions. The non-recurring monies are not shown in this chart.

Department of Behavioral Health and Developmental Disabilities Services						
Staffing Analysis						
	FY 06	Sept-06	FY 07	FY 07	Exec. vs	Exec. vs
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>06 Adopt</u>	<u>Actual</u>
CC Full-time Staffing						
10 Administration	32	29	41	39	7	10
30 Direct Services	1	0	47	52	51	52
40 Chemical Dependency Svcs	56	50	0	0	(56)	(50)
Total Full-time	<u>89</u>	<u>79</u>	<u>88</u>	<u>91</u>	<u>2</u>	<u>12</u>
CC Part-time and Seasonal						
30 Direct Services	0	0	2	3	3	3
40 Chemical Dependency Svcs	2	2	0	0	(2)	(2)
Total Part-time and Seasonal	<u>2</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>1</u>	<u>1</u>

The 2007 budget is two positions more than the 2006 budget but 12 positions above September actuals. The merging of departments has made it possible to eliminate four full-time positions in 2007. They are as follows: Commissioner, Community Relations Assistant, Community Liaison Specialist and Clerk Typist I. In order to improve coordination of Chemical Dependency Services offered at the Correctional Center, the Department has transferred one part-time and six full-time employees from the DART program at the Correctional Center into Behavioral Health Services. Additionally, a new Mental Hygiene Court Coordinator position has been created and added to the staff. The objective of this move is to increase efficiency of programming so that more inmates in need will be reached with assessment, screening, case management and discharge services.

Historical Revenue						
	FY 03	FY 04	FY 05	FY 06	FY 07	% Change
	Actual	Actual	Actual	Projected	Exec.	Proj./Exec.
Rents & Recoveries	\$2,374,268	\$2,228,572	\$11,310,719	\$245,789	\$15,000	-93.9%
Departmental Revenue	3,195,900	2,029,178	1,002,840	135,840	300,000	120.8%
Interdept/Interfund Chgs	1,616,716	2,458,576	2,113,526	1,597,115	1,606,334	0.6%
State Aid	52,841,989	56,121,979	65,644,014	6,889,134	7,200,455	4.5%
Total	\$60,028,873	\$62,838,305	\$80,071,099	\$8,867,878	\$9,121,789	2.9%

The Behavioral Services budget has declined sharply in FY 06 as a result of the transfer of the Pre-School Special Education program into the Health Department. The state aid that Mental Health received for managing this program is now part of the Health Department because of the close ties between Pre-School Education and the Early Intervention Program. State aid was on the increase due to the greater number of children requiring more numerous services. The 2005 spike in rents & recoveries is a reflection of disencumbrances from prior year encumbrances related to the preschool special education. The projected \$245,789 for 2006 in rents & recoveries includes disencumbrances for old preschool encumbrances. They have since been closed.

REVENUE BUDGET							
		Adopted	OLBR	FY 07	FY 07	Variance	Variance
Revenue Class		FY 06	FY 06	Dept.	Exec.	Exec. vs	Exec. Vs
		Budget	Projection	Request	Budget	Adopted 06	FY 06 Proj.
BF	Rents & Recoveries	\$15,000	\$245,789	\$15,000	\$15,000	\$0	(\$230,789)
BH	Department Revenues	327,840	135,840	292,463	300,000	(27,840)	164,160
BJ	Interdepartmental Revenues	1,258,696	1,597,115	0	1,031,334	(227,362)	(565,781)
BW	Interfund Charges	0	0	0	575,000	575,000	575,000
SA	State Aid - Reimb. Exp.	6,949,134	6,889,134	7,183,822	7,200,455	251,321	311,321
Total		\$8,550,670	\$8,867,878	\$7,491,285	\$9,121,789	\$571,119	\$253,911

The Executive 2007 revenue budget has been increased by \$571,119 or 7%, from the 2006 amount due to interfund charges and state aid growth. The \$575,000 includes chargebacks for the department's Employee Assistance Program (EAP). Departmental revenues is budgeted for \$300,000 in 2007 for Medicaid receipts.

State Aid is increasing by approximately \$251,000 or 4% to \$7.2 million in 2006. The department receives reimbursement from New York State's Office of Alcoholism and Substance Abuse Services for support of chemical dependency prevention and treatment services. Each year the Governor and the New York State Assembly and Senate develop a budget which determines how New York State Aid tax dollars will be spent. The Department of Drug and Alcohol Addiction, as the State's local designated agency (LDA) for Nassau County, receives State Aid for the purpose of providing chemical dependency services to its residents and their families.

The department receives the following Drug and Alcohol reimbursement: Courts Services receive 66% reimbursement; TIPS/Case management receives 29%; DWI receives 0%, WAGES receives 47% and STEP at 0%. The state aid associated with the DWI program was transferred to the methadone program as per New York State. This does not result in a loss of funding but a reallocation of funds to a program that was more consistent with the purpose of the funding. The state aid reimbursement rate for Mental Health is 50%.

BEHAVIORAL HEALTH SERVICES

Mental Health Funding				
<u>2006 Contractual Services vs. 2007 Budget</u>				
	<u>2006 Adopted</u>	<u>2006 Anticipated</u>	<u>2006 Non</u>	<u>2007 Dept.</u>
	<u>Budget</u>	<u>Expenditures</u>	<u>Recurring Funds</u>	<u>Budget</u>
<u>Administration & Court Remands</u>				
Rent - NUMC	30,000	-	-	-
Ambulance Charges - NUMC	40,000	20,000	-	40,000
Mental Health Court	200,000	200,000	-	200,000
Training	190,487	113,487	-	113,487
Court Remands NUMC	1,231,000	1,231,000	-	1,231,000
Total Administration & Court Remands	1,691,487	1,564,487	-	1,584,487
<u>Mental Health Local Assistance</u>				
Angelo J. Melillo Center for Mental Health	67,542	67,542	28,405	39,137
Central Nassau Guidance Center	97,322	97,322	34,150	63,172
Family & Children Association	105,248	105,248	32,124	73,124
Federation Employment & Guidance Services	89,250	89,250	23,750	65,500
Hispanic Counseling Center	69,847	69,847	20,000	49,847
Long Beach Memorial Hospital	24,600	24,600	24,600	-
Mental Health Association of Nassau County	517,500	517,500	160,500	357,000
Mental Hygiene Court - Clinic	-	-	-	200,000
Mercy Medical Center	25,000	25,000	25,000	-
Nassau Health Care Corporation	838,895	838,895	-	838,895
Nassau Health Care Corporation - NCCC	819,000	819,000	-	819,000
North Shore Child & Family Guidance Center	903,454	903,454	25,000	878,454
North Shore - LIJ Hospital	2,800	2,800	2,800	-
Peninsula Counseling Center	86,769	86,769	23,815	62,954
Sara Center	49,000	49,000	49,000	-
South Nassau Communities Hospital	16,500	16,500	16,500	-
South Shore Assoc. for Independent Living	59,575	59,575	59,575	-
South Shore Child Guidance Center	44,517	44,517	17,000	27,517
Southeast Nassau Guidance Center	61,506	61,506	23,276	38,230
St. Anthony's Guidance Center	78,629	78,629	28,169	50,460
The Rehabilitation Institute	100,000	100,000	-	100,000
Woodward Mental Health Center	6,336	6,336	6,336	-
Total Mental Health Local Assistance	4,063,290	4,063,290	600,000	3,663,290
<u>Mental Retardation & D.D. Local Assistance</u>				
Assoc. for Children with Learning Disabilities	29,000	29,000	-	29,000
Assoc. for the Help of Retarded Children	619,000	619,000	-	619,000
Epilepsy Foundation of Nassau County	264,000	264,000	-	264,000
Kulanu	24,500	24,500	-	24,500
Lifetech	24,500	24,500	-	24,500
United Cerebral Palsy of Assoc. of N.C.	412,000	412,000	-	412,000
Total Mental Retardation & DD Local Assistance	1,373,000	1,373,000	-	1,373,000
<u>PINS</u>				
<u>Juvenile Placement Program - JP3/PIINS</u>				
Long Island Advocacy	10,000	10,000	-	-
Mental Health Association of Nassau County	93,775	93,775	-	-
North Shore Child & Family Guidance Center	404,946	743,365	-	-
Total PINS*	508,721	847,140	-	-
<u>Forensic Services</u>				
Allen Reichman, MD	115,800	115,800	-	115,800
Anthony Santoro, PhD	49,140	49,140	-	49,140
TBA	60,160	60,160	-	60,160
Total Forensic Services	225,100	225,100	-	225,100
Total Contractual Services Mental Health	7,861,598	8,073,017	600,000	6,845,877

BEHAVIORAL HEALTH SERVICES

Drug and Alcohol Addiction 2007 Provider Contracts				
Agency Name	2006 Contract	2007 Contract Base	2007 Contract Recurring	2007 Contract Proposed Total
Angelo J. Melillo	\$310,323	\$360,800	\$7,692	\$368,492
Baldwin Council Against Drug Abuse	\$4,167	\$0	\$4,167	\$4,167
Central Nassau Guidance Center	\$11,859	\$0	\$11,859	\$11,859
Coalition Against Child Abuse & Neglect	\$111,430	\$111,430	\$0	\$111,430
Community Counseling of W. Nassau	\$242,217	\$238,050	\$4,167	\$242,217
Confide	\$4,167	\$0	\$4,167	\$4,167
Copay	\$12,500	\$0	\$12,500	\$12,500
Counseling Services of EDNY	\$8,333	\$0	\$8,333	\$8,333
EAC, Inc.	\$7,692	\$0	\$7,692	\$7,692
Family and Children's Association	\$1,235,028	\$1,231,025	\$45,193	\$1,276,218
Five Towns Community Center	\$11,859	\$0	\$11,859	\$11,859
Freeport Pride	\$28,526	\$0	\$28,526	\$28,526
Friends of Bridge	\$20,194	\$0	\$20,194	\$20,194
Hispanic Counseling	\$244,319	\$240,152	\$4,167	\$244,319
LI Crisis Center	\$46,706	\$35,030	\$0	\$35,030
LIJ Medical Center	\$125,641	\$85,256	\$40,385	\$125,641
Long Beach Medical Center	\$457,109	\$394,224	\$8,333	\$402,557
Long Beach REACH	\$27,439	\$7,245	\$20,194	\$27,439
Mental Health Association	\$275,000	\$180,000	\$0	\$180,000
Mercy Hospital Center	\$343,883	\$456,568	\$31,411	\$487,979
North Shore Child and Family Guidance	\$293,333	\$285,000	\$8,333	\$293,333
NSUH - Glen Cove	\$24,359	\$0	\$24,359	\$24,359
NSUH - Manhasset	\$4,167	\$0	\$4,167	\$4,167
Oceanside Counseling	\$4,167	\$0	\$4,167	\$4,167
Peninsula Counseling	\$348,845	\$370,035	\$12,500	\$382,535
Plainview Old Bethpage	\$12,500	\$0	\$12,500	\$12,500
Port Counseling	\$4,167	\$0	\$4,167	\$4,167
REACT	\$610,251	\$559,140	\$20,194	\$579,334
SNG	\$260,947	\$244,280	\$16,667	\$260,947
South Shore Child Guidance	\$361,172	\$342,839	\$8,333	\$351,172
Youth and Family Counseling	\$4,167	\$0	\$4,167	\$4,167
Youth Environmental Services	\$4,167	\$0	\$4,167	\$4,167
Yours Ours Mine	\$75,000	\$150,000	\$0	\$150,000
Residential Services (reestablishment)	\$500,000	\$350,000	\$0	\$350,000
Project Challenge	\$15,000	\$15,000	\$0	\$15,000
Tempo Group	\$72,233	\$68,066	\$4,167	\$72,233
Freeport UFSD	\$11,875	\$11,875	\$0	\$11,875
North Shore CSD	\$11,875	\$11,875	\$0	\$11,875
Plainedge UFSD	\$11,875	\$11,875	\$0	\$11,875
St. Edwards School	\$16,992	\$16,992	\$0	\$16,992
Wantagh UFSD	\$11,875	\$11,875	\$0	\$11,875
Glen Cove CSD	\$26,125	\$26,125	\$0	\$26,125
Lynbrook UFSD	\$15,794	\$15,794	\$0	\$15,794
Bellmore-Merrick CSD	\$16,577	\$16,577	\$0	\$16,577
Levittown UFSD	\$14,079	\$14,079	\$0	\$14,079
Valley Stream UFSD	\$19,088	\$19,088	\$0	\$19,088
Total	\$6,279,022	\$5,880,295	\$398,727	\$6,279,022

SENIOR CITIZEN AFFAIRS

The Department of Senior Citizen Affairs is designated to carry out the provisions of the Older Americans Act of 1965 for a growing population of over 250,000 older persons in Nassau County and their caregivers. In addition to serving as an advocate for the elderly, the department is the principal funding agency for over 90 programs in the areas of health, employment, legal services, volunteerism, home care, transportation, nutrition, etc., as well as information on housing, to improve the quality of life for older persons.

Historical Expenditures						
	FY 03	FY 04	FY 05	FY 06	FY 07	% Change
	Actual	Actual	Actual	Projected	Exec.	Proj./Exec.
Full-time Headcount	35	35	36	36	40	11.1%
Salaries	\$2,091,925	\$2,137,228	\$2,223,436	\$2,324,613	\$2,549,930	9.7%
Inter-department charges	0	111,782	567,038	1,407,862	1,135,279	-19.4%
Misc OTPS	133,744	26,813	25,091	60,753	73,605	21.2%
Contractual Services	9,835,883	10,731,285	11,654,101	12,729,912	13,891,553	9.1%
Total	\$12,061,552	\$13,007,108	\$14,469,666	\$16,523,140	\$17,650,367	6.8%

FY 07 is in line with trend data in all expense categories except for FY 03 miscellaneous OTPS and inter-departmental charges, which was the last year the Administration classified inter-departmental charges and OTPS in the same object code. Salaries have increased at a pace to match full-time headcount and COLA increases. On average, contractual services has accounted for 80% of expenditures since FY 2003.

EXPENSE BUDGET BY OBJECT CLASS							
Obj	Name	Adopted FY 06 Budget	OLBR FY 06 Projection	FY 07 Dept. Request	FY 07 Exec. Budget	Variance Exec. vs Adopted 06	Variance Exec. vs FY 06 Proj.
AA	Salaries	\$2,442,317	\$2,324,613	\$2,723,762	\$2,549,930	\$107,613	\$225,317
BB	Equipment	6,000	5,520	6,000	6,000	0	480
DD	General Expenses	60,036	55,233	70,005	67,605	7,569	12,372
DE	Contractual Services	12,679,912	12,729,912	14,220,160	13,891,553	1,211,641	1,161,641
	Total OTPS	12,745,948	12,790,665	14,296,165	13,965,158	1,219,210	1,174,493
HF	Inter-Depart Charges	1,407,862	1,407,862	0	1,135,279	(272,583)	(272,583)
	Grand Total	\$16,596,127	\$16,523,140	\$17,019,927	\$17,650,367	\$1,054,240	\$1,127,227

The department's aggregate expense budget of \$17.7 million has increased by \$1.1 million in FY 07, or 6.4% from the FY 06 adopted budget. Contractual services, the largest category in Senior Citizen Affairs' expense budget, amounts to \$13.9 million, which is a 10% increase over the adopted FY 06 budget, and accounts for 78.7% of the total proposed 2007 budget. This \$1.2 million growth can be explained by additional funding from the State for Extended In-Home Services for the Elderly (EISEP) and \$200,000 for implementation of the Point of Entry Program.

Final determination on contracts for FY 07 has not been made.

Salaries will increase marginally, by \$107,613 or approximately 4.4% in 2007. Compared to FY 06 projections, the growth approximates 9.7%. This escalation is the result of 1) funding for two additional full-time hires and 2) an additional \$19,113 of termination pay. General expenses have increased by \$7,569 for office supplies, postage, educational and training supplies, and traveling expenses. Inter-departmental costs of \$1.1 million have decreased by 19.3% since FY 06. These expenses, which include building occupancy charges of \$452,051, information technology costs of \$182,700, and telecommunication expenditures of \$78,652, have been allocated to the Department of Senior Citizen Affairs for services performed by other County departments. The line for vehicle equipment will remain flat.

Illustrated in the chart below, the Department of Senior Citizen Affairs contains ten cost centers that are directly related to state and federally funded programs, including the Senior Citizen Affairs (CC 10). The department receives its State funding from the New York State Office for the Aging based on several criteria, specific to program functions. Older American Act funding enables the department to provide financial and programmatic support to non-profit agencies in the following areas of service for Title III (Grants for State and Community Programs on Aging) categories: Title III-B Support Services, Title III-D Health Promotion and Disease Prevention, Title III-E Caregiver Support Services and Title III-B-Ombudsman Program, which provides advocacy for long term care residents in long term care facilities.

EXPENSE BUDGET BY CONTROL CENTER						
Control Center		Adopted FY 06 Budget	Departmental Request FY 07	Executive FY 07	Variance Exec. vs Adopted 06	Variance Exec. vs Request
10	Senior Citizens Affairs	\$4,360,162	\$2,863,017	\$3,824,464	(\$535,698)	\$961,447
20	Com. Svcs for Elderly	1,527,294	1,395,837	1,395,837	(131,457)	0
30	Nutrition Program	3,660,719	3,902,387	3,902,387	241,668	0
35	Sr. Citizens Comm. Ctr.	93,421	93,118	93,118	(303)	0
40	Area Agency Title III - B	1,877,842	2,047,403	2,047,403	169,561	0
50	Foster Grandparents	3,465	4,465	4,465	1,000	0
60	Extend. In-Home Svcs.	3,340,211	4,863,670	4,532,663	1,192,452	(331,007)
65	SNAP (Nutrition Program)	725,996	783,402	783,402	57,406	0
66	Title IIID/Health Promotion	102,000	102,000	102,000	0	0
67	Title IIIE/(Care Givers)	905,017	964,628	964,628	59,611	0
Total		\$16,596,127	\$17,019,927	\$17,650,367	\$1,054,240	\$630,440

The FY 07 total expense budget for the department of Senior Citizen Affairs is 6.4% greater than the FY 06 budget. Senior Citizen Affairs (CC 10), which accounts for 21.7% of the aggregate expense budget decreased by 12.3% or \$535,698 as a result of a lower inter-departmental charges. Community Services for Elderly (CC 20) has decreased by 8.6% due to a decline in program agency contractual services. A greater allocation by the New York State Office for the Aging accounts for increased expenditures in Extended In-Home Services for the Elderly (EISEP; CC 60) by \$1.2 million. The services provided for under EISEP include provisions to those elderly who need community based long-term care but who are not eligible for medical assistance (i.e. Medicaid and Title XX). The Foster Grandparents program (CC 50) has remained relatively flat from FY 06. This program places low-income, eligible senior citizens in day care centers, schools, hospitals, etc., to work 20 hours per week, one-on-one with children under the age of 17 with special needs.

The Supplemental Nutrition Assistance Program (S.N.A.P.; CC 65), an in-home nutrition program, receives funding from the New York State Department of Health through the New York State Office for the Aging. The FY 07 budget includes a 6.9% increase in contractual services for program agencies. Contractual services for Nutrition Program (CC 30) agencies, a federal in-home nutrition program, is increasing by 6.6% or \$241,668 from the FY 06 adopted budget. Title IIIE Care Givers Program (CC 67) and Title IIID Health Promotion Program (CC 67) are based on receiving the same funding from the New York State Office for the Aging as in FY 06. S.N.A.P and the Nutrition Program provide hot nutritious meals to the elderly either at home or at a community-based senior center. Title IIID, under the purview of the Health, Promotion, Education & Recreation Program promotes health and well-being among elderly Nassau residents. The Caregiver Program offers respite, day care counseling, information and referrals, and support groups to adult caregivers who provide informal care to persons aged 60 years and up.

The proposed FY 07 budgeted headcount for the Department of Senior Citizen Affairs adds two full-time positions. The department is planning on hiring two EISEP homecare and case management

positions (one for caregiver programs and one retirement replacement.). The salary line is sufficient to cover the costs of the 40 budgeted full-time employees and 8 budgeted part-time employees.

Department of Senior Citizen Affairs Staffing Analysis						
	<u>FY 06 Adopted</u>	<u>Sept-06 Actual</u>	<u>FY 07 Request</u>	<u>FY 07 Executive</u>	<u>Exec. vs 06 Adopt</u>	<u>Exec. vs Actual</u>
Full-time Staffing	38	36	42	40	2	4
Part-time Staffing and Seasonal	8	8	9	8	0	0

Historical revenues since FY 03 have increased due primarily to increased State aid. Increased inter-departmental revenues is the direct result of an inter-departmental service agreement with the Department of Social Services (DSS), in which DSS purchases the Information & Referral Services provided by Senior Citizen Affairs as part of the County’s “No Wrong Door” policy. DSS then claims reimbursement for these services. By expensing Information & Referral services through DSS, rather than through Senior Citizen Affairs which had reached its reimbursable administrative cap, the County has been able to tap otherwise unavailable sources of revenue. Information & Referral services refers specifically to the advocacy, outreach, education and information offered to County residents regarding the health, human and social service programs offered.

Historical Revenue						
	<u>FY 03 Actual</u>	<u>FY 04 Actual</u>	<u>FY 05 Actual</u>	<u>FY 06 Projected</u>	<u>FY 07 Exec.</u>	<u>% Change Proj./Exec.</u>
Department Revenues	\$12,110	\$15,048	\$15,028	\$15,450	\$15,456	0.0%
Rents & Recoveries	847,854	122,055	189,928	0	0	0.0%
Interdepartmental Rev.	0	0	0	390,562	390,000	-0.1%
Interfund Charges	0	0	0	0	115,971	0.0%
Federal Aid	5,080,204	5,089,399	4,884,872	5,034,374	5,044,196	0.2%
State Aid	3,913,551	3,816,575	3,986,165	4,688,045	5,777,608	23.2%
Total	\$9,853,719	\$9,043,077	\$9,075,993	\$10,128,431	\$11,343,231	12.0%

The department will receive approximately \$10.8 million, or 95.4% of its total budgeted revenue of \$11.3 million from Federal and State agencies for program planning, administration and operations. The aggregate revenue budget for the department in FY 07 is increasing by \$1.2 million, or 12.0% from FY 06. An increase of 23.2% in State aid from the FY 06 budget, an additional \$116,000 in interfund charges and additional Federal Aid of \$9,822 explain the growth in budgeted revenues. The \$116,000 in interfund charges represents reimbursement for grant administrative costs.

REVENUE BUDGET						
Revenue Class	Adopted FY 06 Budget	OLBR FY 06 Projection	FY 07 Dept. Request	FY 07 Exec. Budget	Variance Exec. vs Adopted 06	Variance Exec. vs FY 06 Proj.
BH Department Revenues	\$15,450	\$15,450	\$15,456	\$15,456	\$6	\$6
BJ Inter-departmental Revenues	390,562	390,562	390,000	390,000	(562)	(562)
BW Interfund Charges	0	0	0	115,971	115,971	115,971
FA Federal Aid - Reimbursable	5,034,374	5,034,374	5,044,196	5,044,196	9,822	9,822
SA State Aid - Reimbursable	4,688,045	4,688,045	5,848,229	5,777,608	1,089,563	1,089,563
Grand Total	\$10,128,431	\$10,128,431	\$11,297,881	\$11,343,231	\$1,214,800	\$1,214,800

Departmental revenues will remain relatively stable at \$15,456 from the prior FY 06. An annual luncheon/conference sponsored by the department every May is the source of these funds, which consists of a series of workshops directed toward senior citizen concerns. Although the event does generate revenue from attendees who pay for the tickets, the proceeds offset 100% of the costs incurred by holding the event. The Senior Citizen of the Year award is presented at this conference.

Out Year Initiative:

NAME	FY 2008	FY 2009	FY 2010
Program Reduction *	\$60,000	\$60,000	\$60,000
* (Senior Citizen Affair component only)			

The **program reductions** initiative, beginning in FY 08, will be made up of cuts in contractual costs for non-mandated programs in Health and Human Services departments. Programs affected include Title III-B, which provides medical transportation, support & legal services and home energy assistance. The remainder would come from the Title III-C program, which includes congregate and home delivered meals.

The department reports that home delivered meals to the senior population has increased by over 21% since 2 years ago, from 414,182 in 2004 to 502, 406 as of August 2006. Although EISEP funding has doubled in the past 2 years, enabling the department to serve the very frail with case management and homecare services that prevent or delay institutional care, the population in the 75+ and 85+ age groups continue to grow.

NASSAU COUNTY YOUTH BOARD

Nassau County’s Youth Board works to coordinate, sponsor and evaluate youth development services in Nassau County. The Youth Board’s primary function is to serve as a fiscal and monetary agent for a variety of youth and family development programs through a network of 40 community-based, not-for-profit agencies.

HHS Administrative Consolidation - \$144,000

This initiative expects to realize \$144,000 in savings by assigning Article 6 State Aid for programs that reside in the Youth Board, but can qualify for aid if claimed through the health department. The goal of this initiative, which continues from FY 06, is to reorganize the eight HHS departments in such a way as to maximize revenue, minimize administrative expense, enhance client-service delivery, and improve the coordination of internal support services within the vertical.

Historical Expenditures						
	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Projected	FY 07 Exec.	% Change Proj./Exec.
Full-time Headcount	7	7	7	6	8	33.3%
Salaries	\$525,190	\$514,490	\$545,592	\$479,237	\$540,757	12.8%
Inter-departmental charges	0	48,995	297,194	599,952	609,525	1.6%
Misc OTPS	1,166	480	0	10,856	12,000	10.5%
Contractual Services	6,811,730	7,364,861	7,433,341	8,701,823	8,138,196	-6.5%
Total	\$7,338,086	\$7,928,826	\$8,276,127	\$9,791,868	\$9,300,478	-5.0%

From an historical perspective, since 2003, total funding for the Youth Board has increased by less than \$2.0 million to \$9.3 million, including an increase in salaries of \$15,567. Contractual services have increased throughout the years as the Youth Board continues to expand funding for the youth violence and gang prevention intervention initiative, and other programs to meet the changing demographics of Nassau County’s youth population. FY 07 is in line with trend data in all other expense categories except for FY 03 miscellaneous OTPS and Inter-departmental charges, which was the last year the Administration classified Inter-departmental charges and OTPS in the same object code.

In FY 06 the Youth Board allocated \$400,000 in non-recurring support as follows:

Nassau County Youth Board Schedule of Non-recurring 2006 funds	
Provider	Non - Recurring
Advisory Council for the Youth of Mineola	\$20,000
BiasHelp, Inc	7,000
Big Brothers /Big Sisters of Long Island	20,874
Circulo de la Hispanidad	25,000
City of Glen Cove-YB	10,000
Community Wellness Council-Bellmores/Merrick	4,000
COPAY, Inc	5,000
EAC-Mediation Alternative Project	10,000
EOC, Inc.	5,000
Five Towns Community Center	25,000
Freeport Pride, Inc.	23,632
Gateway Youth Outreach	20,000
Hicksville Teen-Age Council	10,000
Hispanic Brotherhood of Rockville Centre	7,000
Hispanic Counseling Center	5,000
I Support Roosevelt Committee	3,500
La Fuerza Unida	20,000
Littig House Community Center	17,000
Long Beach Martin Luther King Center	24,994
Long Beach REACH	6,000
Long Island Advocacy	25,000
Long Island Crisis Center- RHY	14,000
Manhasset/Great Neck E.O.C.	10,000
Nassau County Coalition Against Domestic Violence	17,000
North Shore Boys & Girls Club	12,500
North Shore Child & Family Guidance Association	5,000
Tempo Youth Services	10,000
Uniondale Community Council	10,000
YES Community Counseling Center	2,500
Yours, Ours, Mine Community Center	5,000
Youth & Family Counseling of OB/EN	20,000
Total	\$400,000

As shown in the chart that follows, the FY 07 Executive budget for the Youth Board is \$9.3 million, which is 5.2% less than both the FY 06 adopted and projected budgets. The decrease is due primarily to a decline in program agency contractual services of \$538,627, offset by a 4.1% increase in salaries expense. The salaries expenses is the direct effect of \$17,575 in FY 06 termination pay and additional monies to fund one new hire. Overall, it appears that the Youth Board's expense budget will remain relatively stable when compared to the adopted FY 06 budget.

**EXPENSE BUDGET
BY OBJECT CLASS**

Obj	Name	Adopted FY 06 Budget	OLBR FY 06 Projection	FY 07 Dept. Request	FY 07 Exec. Budget	Variance Exec. vs Adopted 06	Variance Exec. vs FY 06 Proj.
AA	Salaries	\$519,239	\$479,237	\$530,655	\$540,757	\$21,518	\$61,520
DD	General Expenses	11,800	10,856	12,000	12,000	200	1,144
DE	Contractual Services	8,676,823	8,701,823	8,469,023	8,138,196	(538,627)	(563,627)
	Total OTPS	8,688,623	8,712,679	8,481,023	8,150,196	(538,427)	(562,483)
HF	Inter-Depart Charges	599,952	599,952	0	609,525	9,573	9,573
	Grand Total	\$9,807,814	\$9,791,868	\$9,011,678	\$9,300,478	(\$507,336)	(\$491,390)

Contractual services, which represents funding for program agencies, makes up 94% of the total FY 07 proposed budget. Of the \$8.1 million in contractual services, \$400,000 represents recurring contractual service funds extended from 2006. These funds were the Youth Board’s portion of \$4.5 million allocated to various HHS departments to fund community based service organizations. New to this year’s contractual services is funding for the Summer Lunch program, Bias Help/HEVN, and the LI Hispanic Pastoral Association’s Gang Prevention Workshops. Starting in July 2006, the department received a 100% funded NYS Department of Health grant, “Act for Youth” renewable for 5 years.

**Nassau County Youth Board
Staffing Analysis**

	<u>FY 06 Adopted</u>	<u>Sept-06 Actual</u>	<u>FY 07 Request</u>	<u>FY 07 Executive</u>	<u>Exec. vs 06 Adopt</u>	<u>Exec. vs Actual</u>
Full-time Staffing	7	6	8	8	1	2

The Youth Board’s staffing level has been budgeted to increase by one Auditing Assistant and one seasonal Program Coordinator after remaining flat for the five consecutive years, to cover the Summer Lunch Program needs. The actual FY 06 headcount compared to the proposed FY 07 budget shows a variance of 2 full time employees. The salary line is sufficient to cover the costs of the eight budgeted full-time employees.

Historical Revenue						
	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Projected	FY 07 Exec.	% Change Proj./Exec.
State Aid	\$1,662,768	\$1,599,555	\$1,761,111	\$1,553,753	\$1,553,753	0.0%
Rents & Recoveries	336,170	115,313	172,437	2,447	0	-100.0%
Interfund Charges/Revenues	0	50,000	0	(378)	0	-100.0%
Interdepartment Revenues	60,000	(8,399)	18,835	0	0	0.0%
	\$2,058,938	\$1,756,469	\$1,952,383	\$1,555,822	\$1,553,753	-0.1%

Revenue sources for the Youth Board are grant and state based funding. In 2007, the Youth Board's funding from the state will increase by \$30,000 to \$1.6 million. Funding from the State is based on per youth population allowance or a per capita rate for youths between the ages of 0-20.

REVENUE BUDGET						
Revenue Class	Adopted FY 06 Budget	OLBR FY 06 Projection	FY 07 Dept. Request	FY 07 Exec. Budget	Variance Exec. vs Adopted 06	Variance Exec. vs FY 06 Proj.
SA State Aid - Reimbursable	\$1,523,333	\$1,553,753	\$1,553,753	\$1,553,753	\$30,420	\$0

Out Year Initiatives:

NAME	FY 2008	FY 2009	FY 2010
Program Reduction *	\$50,000	\$50,000	\$50,000
* (Youth Board component only)			

The **program reductions** initiative, beginning in FY 08, will be made up of cuts in contractual costs for non-mandated programs in Health and Human Services departments. No specific programs have been targeted for the \$50,000 program reduction. The bulk of the savings, \$890,000 annually in years FY 08 through FY 10, would come from DSS.