

Overview of the Fiscal 2010

Executive Budget



Nassau County Office of Legislative Budget Review

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September 29, 2009

Health & Human Services Committee

Agencies Scheduled to Testify:

Department of Health

Mental Health & Chemical Dependency

Nassau Health Care Corporation

Senior Citizens Department

Department of Social Services

Youth Board Department

Nassau County Legislature

Hon. Diane Yatauro,
Presiding Officer

Hon. Peter J. Schmitt,
Minority Leader

Hon. David Mejias,
Chairman, Health and Social Services Committee

ERIC C. NAUGHTON
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Inter-Departmental Memo

To: Hon. Diane Yatauro, Presiding Officer
Hon. Peter J. Schmitt, Minority Leader
Hon., David Mejias, Chairperson, Health and Human Services Committee
All members of the Health and Human Services Committee

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

Date: September 25, 2009

Re: FY 10 Budget Hearing – September 29, 2009

Enclosed please find preliminary reviews of the FY 10 Executive Budget for the specific agencies scheduled to appear before the Health and Human Services Committee. The review of the Nassau Healthcare Corporation will be under a separate cover.

Our analysis includes two years of historical expenditures and revenue, as well as the Office of Legislative Budget Review's (OLBR) projections for FY 09. In addition, in looking at staffing needs we also compare the proposed FY 09 budget to actual staffing levels for the last two years. The OLBR headcount projection represents each department's on-board staffing as of September 1, 2009.

The FY 10 contractual expense budget restores funding to FY 09 budgeted levels for the various contract agencies, with the exception of Yours, Ours, Mine Community Center, Inc. It has not yet been determined how funding will be allocated to the individual agencies. While having the funds included in the proposed budget is considered a positive step, these funds are discretionary and are subject to reduction as they were in 2009. The proposed budget contains an obvious risk in the area of sales tax because of the state of the economy so the potential exists that the Administration will have to formulate gap closing measures again in 2010.

It should be noted that the planned allocation for the County Executive's Common Sense for the Common Good has been determined and is listed in the Health Department section of the enclosed analysis. In addition, the salary enhancement for day care workers was eliminated during 2009 for a savings of \$1.4 million in FY 09 and for a \$2.5 million savings in the proposed FY 10 Budget.

With the reduction in headcount in 2009, the Administration hopes to manage by consolidating departments to leverage resources across historical department lines. The proposed budget does not actually consolidate any of the departments, but the supporting documentation outlines the actions that the Administration is contemplating. Some of the consolidations will be mergers, but most are best described as collaborations, which will match the strengths of one agency with the weaknesses of another. The consolidations do not provide obvious savings, but provide cost avoidance by reducing the need to fund additional personnel. The planned consolidations that impact the Health and Human Services agencies are as follows:

- The Youth Board will become a component of the Department of Social Services.
- The Office for the Physically Challenged will become a part of Senior Citizen Affairs
- The Medical Examiner will become a component of the Department of Health

The analyses for Physically Challenged and Medical Examiner are included although they are not scheduled to testify.

Social Services

The FY 10 proposed budget is \$498.3 million, which is \$16.6 million more than the FY 09 budget and \$17.9 million more than the FY 09 projected actual. Combined, the Family Assistance (TANF) and Safety Net programs account for the largest cost increase in Social Services. TANF is going up in 2009 by \$4.7 million over the 2009 Adopted Budget. TANF average caseload has risen by 14.5% over the past twelve months compared to the previous twelve months. The FY 10 budget for Safety Net Assistance is \$6.3 million over the FY 09 budget. Safety Net average caseload has increased by 20.0% over the past twelve months compared to the previous twelve months. The trends are significant because the County contributes 50% for the Safety Net program, but only 25% for TANF. As a result of the caseload escalation, state aid is projected to go up by \$3.8 million and federal aid is projected to go up by

about \$10.1 million. Combined, the 2010 caseload is expected to be over the FY 09 projected by between 2% and 4% and cost per case is projected to rise slightly. The TANF and Safety Net projections are reasonable given current trends but if the economic outlook continues to deteriorate these costs will probably increase at a greater rate than anticipated. Part of this increase will be offset by state and federal aid.

Federal aid is also rising by \$44.4 million over the Adopted FY 09 Budget for the Federal Medical Assistance Percentage (FMAP). In March 2009, the State announced that the county governments and New York City would receive an estimated \$2.7 billion in fiscal relief through increased FMAP reimbursements over 27 months as part of the American Recovery and Reinvestment Act (ARRA). In 2009 the County expects to receive \$42.4 million. The actual amount received will vary depending on the unemployment rate.

Medicaid is also budgeted to be higher than 2009 by \$5.9 million, consistent with the cap. The increases in expenses are partially offset by the decrease in salaries compared to the FY 09 budget. There is a \$3.8 million decline in salaries and a reduction of 41 in full-time headcount. About 75% of these savings will be offset by reduced revenue. With the decrease in headcount and an increase in total transactions of 62.6% over the prior year, the waiting time for clients has been lengthening. The department intends to hire new employees in the near future and has several initiatives to increase service productivity.

Health

The proposed FY 10 expense budget for the Department of Health is increasing by \$7.0 million or 3.5% compared to the FY 09 OLBR projection. The growth is mostly attributed to preschool education, as a result of an increase in provider rates that are dictated by New York State. The number of children receiving services is expected to stay even with the 2009 level. Early intervention, the next largest component of the budget at \$6.6 million, is increasing by \$0.4 million due to a more complex level of services needed among preschool children.

The proposed FY 10 revenue budget is increasing from the FY 09 budget by \$5.5 million to \$118.7 million. State aid includes increased reimbursement from preschool expenditures. Departmental revenue is increasing by \$1.2 million primarily for Medicaid reimbursement for case management which was not included in the Adopted 2009 Budget.

Senior Citizen Affairs

Total expenditures are decreasing by \$641,000 or 3.2% compared to the FY 09 budget. As a result of the spending reductions in 2009, compared to the FY 09 projection the budget is increasing by \$1.1 million. The reduction of eight full-time employees in Senior Citizens is due to the loss of four employees to the CSEA separation incentive and the removal of four vacant positions. The department plans to manage with the reduced staffing by reorganizing and splitting responsibilities among the existing staff.

The Youth Board

Total expenditures are decreasing by \$417,000 or 4.6% compared to the FY 09 budget due mostly to a reduction in salaries and contractual expenses. Compared to the FY 09 projection, which reflects reduced funding for the contract agencies, contractual expenses are increasing by \$1.7 million or 28.7%. In 2009 there was a \$3.0 million cut in funding offset by \$1.0 million (from the \$1.2 million) that had been restored from the Wal-Mart settlement. The FY 10 contractual expense budget restores funding to FY 09 budgeted levels, with the exception of Yours, Ours, Mine Community Center Inc. The FY 10 revenue budget of \$1.3 million for the Youth Board is made up entirely of state aid. Funding is made up of two pieces for Youth Development and Delinquency Prevention (YDDDP) and Runaway and Homeless Youth Act (RHYA).

Behavioral Services

The Executive 2010 expense budget is decreasing by \$1.9 million or 8.6%. Compared to the OLBR projection there is an increase of \$390,509. Salaries are decreasing by \$1.1 million, or 15.9%, in FY 10 by eliminating many vacant positions. The full-time headcount in FY 10 is 13 fewer positions than the FY 09 budget. Also, contractual services are decreasing by \$600,982. The proposed 2010 budget estimates \$370,794 less for state aid reimbursements due to the reduction of the State's maximum reimbursement rate.

HEALTH & SOCIAL SERVICES COMMITTEE

TABLE OF CONTENTS

(1) Department of Health 1

(2) Medical Examiner 11

(3) Mental Health & Chemical Dependency 13

(4) Physically Challenged 17

(3) Senior Citizens Department 19

(4) Department of Social Services 25

(5) Youth Board Department 36

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

Expense	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	227	230	239	210	220	(19)	-7.9%	10	4.8%
Part-Time and Seasonal	31	26	37	29	36	(1)	-2.7%	7	24.1%
Salaries	\$16,449,868	\$16,579,815	\$18,505,470	\$16,034,992	\$16,850,820	(\$1,654,650)	-8.9%	\$815,828	5.1%
Equipment	48,091	67,024	20,927	20,927	17,570	(3,357)	-16.0%	(3,357)	-16.0%
General Expenses	1,560,955	1,761,649	1,580,200	1,680,200	1,792,099	211,899	13.4%	111,899	6.7%
Contractual Services	6,306,053	7,426,056	6,536,017	6,188,267	1,699,532	(4,836,485)	-74.0%	(4,488,735)	-72.5%
Var Direct Expenses	0	0	0	0	5,000,000	5,000,000	*****	5,000,000	*****
Inter-Dept. Charges	5,055,689	5,644,311	6,265,080	6,265,080	6,642,424	377,344	6.0%	377,344	6.0%
Early Int./Special Ed	158,331,309	160,649,527	168,430,000	168,430,000	173,600,000	5,170,000	3.1%	5,170,000	3.1%
Total	\$187,751,965	\$192,128,382	\$201,337,694	\$198,619,466	\$205,602,445	\$4,264,751	2.1%	\$6,982,979	3.5%

Expenses

- Total expenditures are increasing by \$4.3 million or 2.1% compared to the FY 09 budget and \$7.0 million or 3.5% compared to the FY 09 projection. The growth is mostly attributed to Children's Early Intervention and the Preschool Education Program.
- Salaries are decreasing by 8.9% or \$1.7 million compared to the FY 09 budget due to the reduction in headcount.
 - Compared to the FY 09 projection salaries are increasing by \$815,828 due to the inclusion of 10 vacant positions.

Medical Examiner and Health Consolidation

New York State has made a state-wide recommendation that the Medical Examiner report to the Health Department. The Health department believes that the Public Health Article 6 reimbursement is less likely to be challenged by the State as a result of this merger. In addition, Nassau County's Medical Examiner's Office has lost three positions to the special separation incentive, two of whom were essential to the support operations of the office. Since the Medical Examiner is charter mandated to report to the Board of Health, the Administration has decided to shift the office under the Health Department. The administrative work of both departments will now be performed by the Health Department. This change must be approved by the County Legislature before it becomes officially executed.

Expenses, Cont.

Staffing Analysis							
	FY 09	Sept-09	FY 10	FY 10	Exec. vs	Exec. vs	
	<u>Adopted</u>	<u>Actual</u>	<u>Request</u>	<u>Executive</u>	<u>09 Adopt</u>	<u>Actual</u>	
CC Full-time Staffing							
10 Administration	31	28	28	29	(2)	1	
20 Environmental Health	93	82	82	86	(7)	4	
30 Public Health laboratories	24	17	16	21	(3)	4	
40 Public Health	23	20	20	21	(2)	1	
51 Child Early Interven.	62	57	57	57	(5)	0	
54 Pre-School Education	6	6	6	6	0	0	
Total Full-time	<u>239</u>	<u>210</u>	<u>209</u>	<u>220</u>	<u>(19)</u>	<u>10</u>	
CC Part-time and Seasonal							
10 Administration	12	11	0	12	0	1	
20 Environmental	19	14	0	22	3	8	
30 Public Health Laboratories	2	3	0	1	(1)	(2)	
40 Public Health	2	1	0	1	(1)	0	
54 Pre-School Education	2	0	0	0	(2)	0	
Total Part-time and Seasonal	<u>37</u>	<u>29</u>	<u>0</u>	<u>36</u>	<u>(1)</u>	<u>7</u>	

- Budgeted headcount is decreasing by 19 full-time positions and 1 part-time position. Compared to the September 1, 2009 staffing level, headcount is increasing by 10 full-time positions and 7 part-time positions.
- The department has lost 20 (plus 4 from grants) full-time positions to the CSEA special separation incentive. These positions are:
 - Asst. to the Commissioner of Health for Fiscal Mgmt.
 - Director of Environmental Health Laboratories,
 - Early Intervention Service Coordinator,
 - Information Specialist,
 - Laborer,
 - 2 Medical Technicians,
 - Physician,
 - Public Health Engineer,
 - Public Health Nurse,
 - 4 Sanitarians,
 - 6 clerical positions.

Expenses, Cont.

- The 10 vacant full-time positions in FY 10 include: 2 Sanitarians, 1 Public Health Engineer Trainee, 1 Physician, 1 Administrative Assistant, 3 Medical Technician I, and 1 Clerk.
- The FY 09 projection for salaries is currently showing a surplus of \$2.5 million due to 29 vacant positions.
- The \$5.0 million mission payment paid to the Nassau Health Care Corporation each year has been separated out of contractual expenses and into its own object code, various direct expenses. If this expense is separated out of the 2009 figures, contractual services is increasing by \$164,000 or 2.5% compared to the FY 09 budget.
- Compared to the FY 09 projection the FY 10 budget is increasing by \$511,000. The 2009 projection includes a cut in funding of \$108,000 for Cornell Cooperative and \$239,750 for Common Sense for the Common Good.
- The FY 10 budget for contractual services includes \$480,000 to fund the fourth year of funding for Common Sense for the Common Good. The initiative is to help prevent unintended pregnancies and support women who face unintended pregnancies. The chart below details the 2009 original allocation, 2009 modified allocation and the proposed 2010 funding for this initiative.

Common Sense for the Common Good Contracts			
Agency	2009 Original Allocation	2009 Modified Allocation	2010 Proposed Allocation
Catholic Charities Regina Maternal Svcs	\$110,000	\$55,000	\$110,000
Cedamore Corporation	50,000	25,000	50,000
Long Beach Reach, Inc.	41,500	20,750	41,500
Momma's, Inc.	112,000	56,250	112,000
Planned Parenthood of Nassau County	66,500	33,250	66,500
Spence-Chapin Family Services	100,000	50,000	100,000
Total Contracts	\$480,000	\$240,250	\$480,000

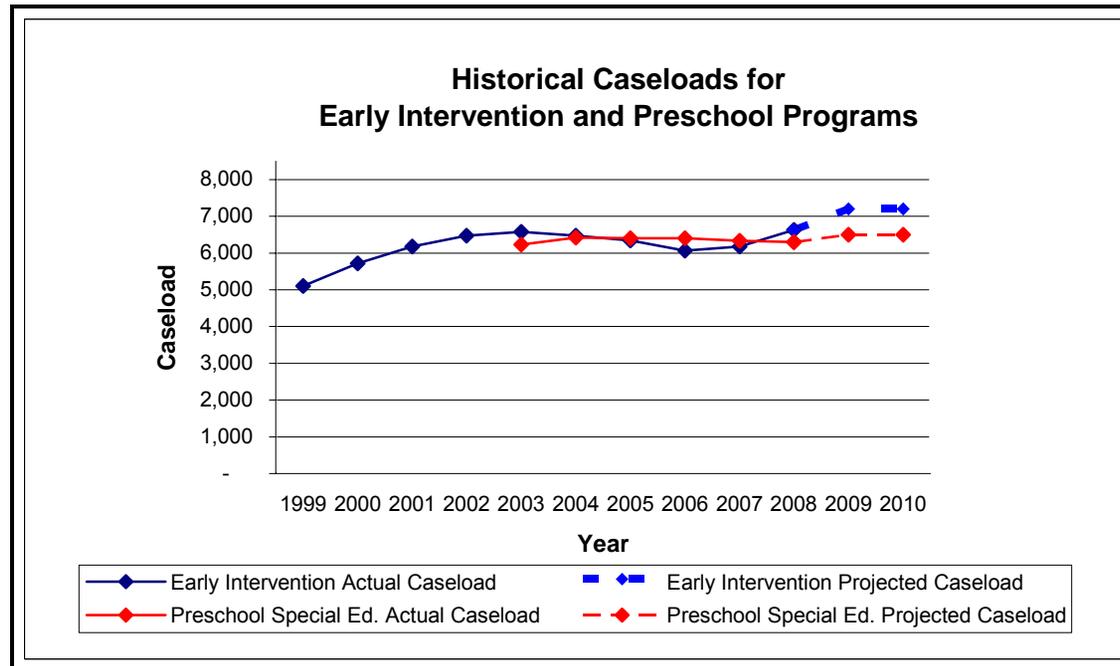
- Other contractual services included in the Public Health control center include:
 - \$200,010 for the Minority Health Disparities initiative. The funding for this initiative includes \$76,901 for Leadership Training Initiative, \$50,000 for Rotocare, and \$73,109 for Economic Opportunity Commission (EOC).

Expenses, Cont.

- \$135,000 for Aids Consortium which includes two contracts with LIAC (Long Island Association Aids Care) and LIMAC (Long Island Minority Aids Coalition) to provide outreach and HIV counseling in the community.
 - \$216,000 for Cornell Cooperative which restores funding to the FY 09 budgeted amount. During 2009, funding was reduced to half the budgeted amount or \$108,000.
 - \$185,000 for security at the four WIC (Woman Infant and Children) sites.
 - \$55,000 for Good Beginnings for Babies.
 - \$35,000 for NUMC to provide flu vaccination for health care workers. New York State has recently created new regulations that require health care workers receive the flu vaccination.
- Inter-departmental charges are increasing by \$377,000 or 6.0% compared to FY 09 due to an increase in indirect charges.
- The inter-departmental charges represent costs incurred by other departments on behalf of the Health Department. These charges include printing and graphics, postage, information technology, purchasing, building occupancy charges, telecommunication charges, and workers compensation costs.
- The control center for preschool education, devoted to providing special needs to preschool children, is the largest component of the Health Budget.
- This control center is budgeted for \$123.1 million in FY 10, which is a \$4.1 million increase compared to FY 09. The increase is due to an increase in provider rates that are dictated by New York State.
 - The FY 10 caseload is projected to remain close to the FY 2009 projected level at approximately 6,500 children. It is difficult for the department to project caseload figures since the State allows the school districts up to four years to claim reimbursement from the County.
 - Special education one to one itinerant teaching (SEIT) services are increasing by \$900,000. These services are increasing due to the increase in provider rates.
 - Summer school is increasing by \$200,000 to \$1.9 million due to an understated FY 09 budget. The FY 09 bill provided by the State is roughly \$1.8 million.
 - Evaluations for preschool are decreasing by \$600,000 due to more evaluations that are handled on site and fewer individual referrals sent to the Medical Center.

Expenses, Cont.

- Committee on Preschool Special Education (CPSE) administration costs are increasing by \$600,000 compared to FY 09 at \$4.2 million. The Preschool Special Education Program is administrated by individual school districts’ committees on preschool education. The State bills the county based on cost reports that are submitted by the school districts.
 - The \$300,000 for the CPSE consultants cost is to pay for consultants to attend the school districts’ committee meetings to ensure quality assurance.
- The second largest budget is the Early Intervention program carrying \$55.6 million in expenses, a \$676,000 increase compared to the current year’s budget. The increase is due to a more complex level of health care services needed among preschool children.
- The following chart provides historical caseload data from FY 99 to projected FY 10 for the Early Intervention Program and data from FY 03 to projected FY 10 for the Preschool Program.



Expenses, Cont.

- Under the Preschool Education Program the caseload data from 2006-2009 are subject to revision since the years have not been closed. The data collected from the Health Department was not available from 1999 through 2003. As reflected in the chart, early intervention and preschool caseload continues to increase each year. In F10, the department projects the caseload for both services to equal FY 09 levels

Expenses by Control Center						
(\$'s in millions)						
Control Center	Historical		2009	2010	Exec. vs. Adopted	
	2007	2008	Adopted Budget	Executive Budget	Var.	%
Administration	\$6.8	\$7.5	\$8.2	\$8.6	\$0.5	5.5%
Environmental Health	6.9	7.1	7.8	7.2	-0.6	-7.7%
Public Health Laboratories	2.6	2.6	2.8	2.5	-0.3	-12.2%
Public Health	8.3	9.3	8.6	8.6	0.0	-0.5%
Children Early Inter. Services	46.3	48.4	55.0	55.6	0.7	1.2%
Preschool Education	116.9	117.2	118.9	123.1	4.1	3.5%
Total	\$187.8	\$192.1	\$201.3	\$205.6	\$4.3	2.1%

- The increase in Children’s Early Intervention Services is due to a more complex level of health care services needed among preschool children.
- The Public Health Lab is decreasing due to the loss of three full-time personnel to the special separation incentive. These positions will be backfilled at a lower salary expense.

In response to reduced staffing, the Department of Health has restructured and reorganized areas for increased efficiencies. For example, the department has consolidated HIV, STD and tuberculosis’ responsibility functions under one division for Social Health and Advocacy.

In Environmental Health, the department has worked with the Department of Information Technology to centralize computer entry from three systems into one point of entry. In the past, a Sanitarian would have to enter data into three separate computer data systems (two State and one County System). Working with IT, the department now only needs to make one point of entry. In the future, the department would like to incorporate hand held devices so that the inspectors can enter the data on site rather than at the office. The department may make these devices and laptops a request in future capital budget submissions.

- The FY 10 budget increase of \$4.3 million is mostly due to preschool education and children’s early intervention services. The increase has been offset by decreases in the Public Health Laboratories and Environmental Health.
- The decrease in Environmental Health is attributed to the reduction in salaries from the loss of seven full-time employees.
- The Administration control center is increasing due to a rise in indirect charges under interdepartmental charges.
- Preschool education is increasing due to an increase in provider rates that are dictated by New York State.

Revenues

Revenue	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Permits & Licenses	\$3,971,626	\$4,441,278	\$4,256,800	\$3,999,800	\$4,286,900	\$30,100	0.7%	\$287,100	7.2%
Fines & Forfeits	222,140	215,416	230,000	230,000	230,000	0	0.0%	0	0.0%
Rents & Recoveries	5,881,317	2,890,461	300,000	750,202	300,000	0	0.0%	(450,202)	-60.0%
Dept Revenues	10,551,068	10,141,873	10,023,800	10,423,800	11,217,400	1,193,600	11.9%	793,600	7.6%
Interdept Revenues	0	60,000	0	0	0	0	*****	0	*****
Interfund Charges Rev	109,793	154,753	145,394	145,394	102,059	(43,335)	-29.8%	(43,335)	-29.8%
State Aid-Reimb Of Exp	90,582,263	93,406,256	98,204,440	97,976,440	102,564,695	4,360,255	4.4%	4,588,255	4.7%
Total	\$111,318,207	\$111,310,037	\$113,160,434	\$113,525,636	\$118,701,054	\$5,540,620	4.9%	\$5,175,418	4.6%

The Department of Health has implemented a new program in Environmental Health to expedite food permits. The program is similar to the accelerated plan review in the Fire Commission. If a restaurant wants to expedite a food permit, the Health Department will accelerate the process on overtime for an increased permit fee equal to the cost of the overtime. This initiative is to help boost revenue and expedite the process for food permits.

- The proposed FY 10 revenue budget is increasing from the FY 09 budget by \$5.5 million to \$118.7 million due to an increase in department revenue and state aid reimbursement.
- The majority of the revenue increase is in state aid for reimbursement of early intervention and preschool services.

- State aid is increasing by \$4.4 million due to increased expenditures for the preschool education and children's early intervention services. The increase is also attributed to the restoration of the 2% cut mandated by New York State's SFY 08-2009 Executive Budget.
- There is a mixture of different reimbursement rates for state aid depending on the service provided.
 - The department receives 59.5% reimbursement for preschool related services.
 - The department receives between 49.0% reimbursement for early intervention services for education, related services, evaluations and transportation costs.
 - The department receives 36.0% reimbursement for Public Health Article 6 funding.

Revenues, Cont.

- Permits and licenses, at \$4.3 million, are increasing by \$30,100 from the FY 09 Adopted Budget and by \$287,100 from the FY 09 projection. Permits and licenses include fees charged for the food establishment inspection program, hazardous materials registration fees under Article XI Program, day camp permits, realty subdivision filings, x-ray surveys and inspections, swimming pool and beach inspections, hazardous material registration, temporary residence inspections, cross connection control program, water supply plan review, and tattoo parlor and lifeguard certifications.
 - The largest revenue source in Environmental Health is from food establishments which are budgeted at \$2.4 million. The Health Department is required under the New York State Sanitary Code to regulate food service establishments within its jurisdiction by conducting field inspections and investigations and permitting the establishments.
 - Fees collected from the Hazardous Materials Article XI program are budgeted at \$1.1 million, which remains unchanged from FY 09.
- Fines and forfeitures budgeted at \$230,000 remains unchanged from the FY 09 Adopted Budget.
 - 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 \$5.9 million charged to rents and recoveries in FY 07 is due to prior year contract disencumbrances. The County receives refunds from preschool providers as a result of retroactive rate adjustments.
 - In FY 10, \$300,000 is budgeted for this revenue source.
 - A large percentage of vendor recoveries are for preschool education, where the state adjusts a provider period rate retroactively. If the final rate is less than the prospective rate that is paid, the department will seek recovery of the excess payments.

Revenues, Cont.

- Department revenues are increasing by \$1.2 million compared to the FY 09 budget due primarily to Medicaid fees from Early Intervention.
 - Last year Medicaid reimbursement for case management services was left out of the budget since it was not known whether these services were eligible for reimbursement from the State. In FY 10, the reimbursement for these services were added back.

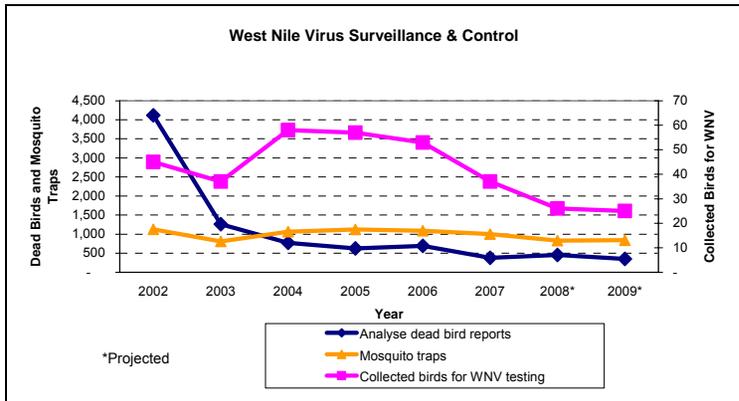
Departmental Revenues				
Revenue Source	FY 08 Actual	FY 09 Budget	FY 09 Projected	FY 10 Proposed
Miscellaneous Receipts	\$1,833,852	\$1,904,000	\$1,904,000	\$2,104,000
Fees	29,425	45,400	45,400	9,000
Patient Receipts	0	0	0	0
PHCP Receipts	3,464	400	400	400
Fringe Benefits From Grants	2,938	0	0	0
Charges to Grants	262,188	0	0	0
Medicaid Receipts	19,292	0	0	0
Pre-School Medicaid	1,486,527	1,500,000	1,500,000	1,500,000
Medicaid Fees, Early Interv.	6,502,653	6,570,000	6,970,000	7,600,000
Disease Control	1,534	4,000	4,000	4,000
Grand Total	\$10,141,873	\$10,023,800	\$10,423,800	\$11,217,400

- The bulk of department revenues at \$7.6 million results from Medicaid fees for Early Intervention.
 - Medicaid is billed for Early Intervention services that are provided to children enrolled in Medicaid. The FY 10 budget is increasing by \$1.0 million compared to FY 09 budget.

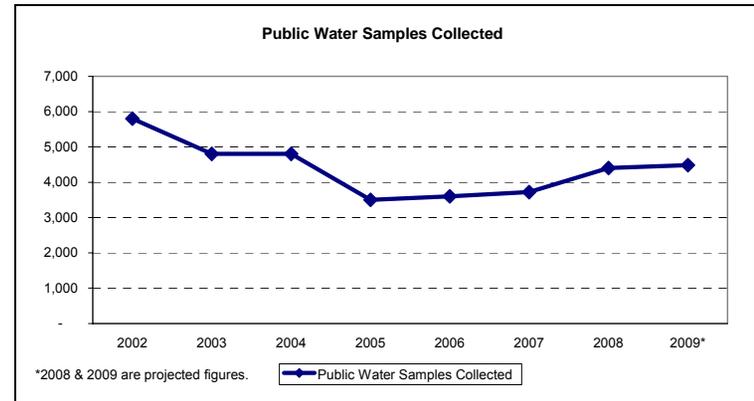
- The second largest revenue at \$2.1 million is miscellaneous receipts which is reimbursement from insurance companies when the County bills for Early Intervention services that were provided to children. Services include screening and evaluations, home visits, office visits and family support groups.

Medicaid revenue collections can be unpredictable, since revenue is collected through a variety of insurers. To collect reimbursement for Early Intervention services the County first bills third party insurance carriers, then secondly Medicaid. If the County is unsuccessful with third party carriers and Medicaid insurers, the next step is to apply for state aid reimbursement. State aid reimbursement represents 49% of the costs which is a lower reimbursement rate than Medicaid. The reverse process is used to collect Medicaid revenue for pre-school services. The Health department will first try to collect state aid reimbursement, then secondly Medicaid. The department does not go after third party insurers for preschool services.

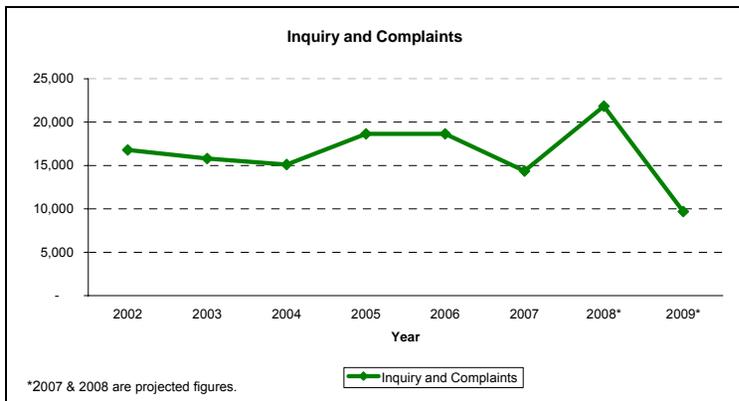
- Preschool Medicaid reimbursement remains unchanged at \$1.5 million.
- Fees under the Public Health Laboratory are charged for laboratory tests that are performed for outside providers.
 - The lab performs environmental testing for several water districts and some clinical testing.



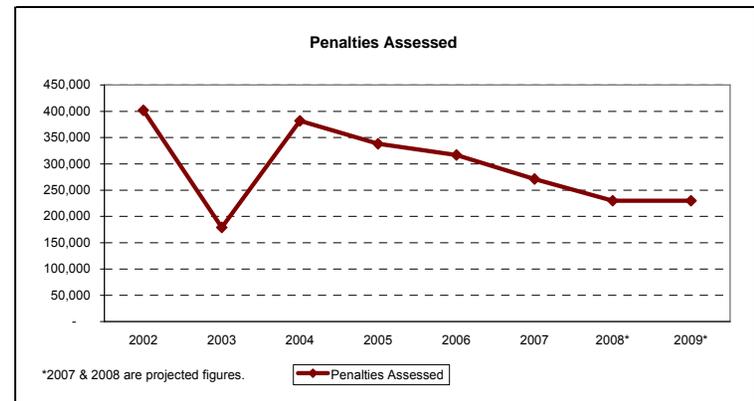
- The number of dead birds analyzed for West Nile was at a seven year high of 4,118 in 2002. The 2009 projection of 350 is at a seven year low.



- The Health Department monitors the quality of public water sources and the number of samples collected has decreased from 5,800 in 2002 to 4,482 projected in 2009.



- In 2008, over 17,000 calls were taken in response to West Nile Virus Spraying.



- The department assesses penalties for violations of the NYS Sanitary Code and the Nassau County Public Health Ordinance.
- The amount has ranged from a high of \$401,825 in 2002 to \$230,000 projected in 2009.

Medical Examiner and Health Consolidation

As a result of the County’s separation incentive, the Medical Examiner’s Office lost four positions, two of whom were essential to the support operations of the office. Since the Medical Examiner is mandated in the County Charter to report to the Board of Health, the Administration has decided to merge the Office with the Health Department. The administrative work of both departments will now be performed by the Health Department. Without additional resources it is questionable how the Health Department will manage the administrative work of an additional 46 employees. This change must be approved by the County Legislature before it becomes officially executed.

Expense	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	55	52	50	48	46	(4)	-8.0%	(2)	-4.2%
Part-Time and Seasonal	6	6	7	6	8	1	14.3%	2	33.3%
Salaries	\$5,073,855	\$4,925,391	\$5,355,779	\$4,687,537	\$4,915,216	(\$440,563)	-8.2%	\$227,679	4.9%
Equipment	18,030	13,073	23,000	23,000	17,320	(5,680)	-24.7%	(5,680)	-24.7%
General Expenses	545,057	458,683	467,474	467,474	385,270	(82,204)	-17.6%	(82,204)	-17.6%
Contractual Services	62,203	82,140	58,805	58,805	58,805	0	0.0%	0	0.0%
Inter-Dept. Charges	972,598	1,020,801	4,764,749	4,764,749	1,074,080	(3,690,669)	-77.5%	(3,690,669)	-77.5%
Total	\$6,671,743	\$6,500,088	\$10,669,807	\$10,001,565	\$6,450,691	(\$4,219,116)	-39.5%	(\$3,550,874)	-35.5%

Expenses

- FY 10 expenditures for the Medical Examiner are declining by \$4.2 million, or 39.5%, compared to the FY 09 adopted budget. This is primarily due to the \$3.7 million reduction in interdepartmental charges
 - These are charges for payroll costs, purchasing, building operations and security. In FY 09, the Administration added a new expense in the form of indirect charges totaling \$3.6 million. In FY 10, these charges have been eliminated.
- Headcount will be four less in FY 10 compared to FY 09 as a result of the recent separation incentive. There are currently no plans to backfill these positions which will generate salary savings of about \$486,000 which is partially offset by contractual increases.
- Salaries are growing by \$227,679, or 4.9%, compared to OLBR’s FY 09 salary projection as a result of CSEA contractual increases and steps as well as the salary savings from the recent retirements.

Expenses, Cont.

- OTPS charges are declining slightly in FY 10, excluding the previously mentioned indirect charges due to the Administration’s directive to reduce all OTPS charges by 16%.

The majority of the Medical Examiner’s OTPS expenses are in the DNA Lab which is funded by grants from the Department of Criminal Justice. The Medical Examiner’s Office receives several thousand dollars in grants, which is reflected in the County’s Grant Fund. However, the funding is insufficient to cover all medical supplies and expenses so the General Fund expense varies slightly by year based on the amount of the grants. In FY 10 the funding is declining by \$47,000 in general expenses.

Revenue	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$60,845	\$11,998	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	16,742	16,433	20,000	20,000	20,000	0	0.0%	0	0.0%
Interfund Charges Rev	9,589	0	0	0	0	0	*****	0	*****
State Aid-Reimb Of Exp	2,127,449	1,897,787	2,668,907	1,791,232	2,295,000	(373,907)	-14.0%	503,768	28.1%
Total	\$2,214,625	\$1,926,218	\$2,688,907	\$1,811,232	\$2,315,000	(\$373,907)	-13.9%	\$503,768	27.8%

Revenue

- The FY 10 revenue budget derives the majority of its revenue from state aid reimbursement. According to the Administrative Rules and Regulations of New York State Health Department Section 40-10(F) Title 10 this revenue has been based upon 30% of the department’s expense budget. In FY 10, state aid is anticipated to decrease due to the lower FY 10 expense budget but at a rate of 35.6%.
- In FY 09 budget the reimbursement rate is equal to about 25% since some of the indirect charges, such as shared services, do not qualify. These charges in the amount of \$3.7 million have been eliminated from the FY 10 budget.

MENTAL HEALTH AND CHEMICAL DEPENDENCY & DEVELOPMENTAL DISABILITIES SERVICES

Expense	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	86	82	86	71	73	(13)	-15.1%	2	2.8%
Part-Time and Seasonal	2	2	2	2	2	0	0.0%	0	0.0%
Salaries	\$6,319,196	\$6,234,326	\$7,010,005	\$5,781,365	\$5,898,566	(\$1,111,439)	-15.9%	\$117,201	2.0%
Equipment	1,341	2,790	0	0	0	0	*****	0	*****
General Expenses	338,885	335,931	719,509	424,900	604,388	(115,121)	-16.0%	179,488	42.2%
Contractual Services	12,889,523	10,725,131	12,629,120	11,815,820	12,028,158	(600,962)	-4.8%	212,338	1.8%
Inter-Dept. Charges	3,121,636	2,180,299	2,252,086	2,252,086	2,133,568	(118,518)	-5.3%	(118,518)	-5.3%
Total	\$22,670,581	\$19,478,476	\$22,610,720	\$20,274,171	\$20,664,680	(\$1,946,040)	-8.6%	\$390,509	1.9%

Expenses

Control Center	Historical		2009	2010	Exec. vs. Adopted	
	2007	2008	Adopted Budget	Executive Budget	Var.	%
Administration	\$6.1	\$5.1	\$5.6	\$4.9	(\$0.6)	11.4%
Contractual Services	12.0	9.9	10.9	10.3	(0.5)	4.8%
Direct Services	4.6	4.5	6.2	5.4	(0.8)	12.7%
Total	\$22.7	\$19.5	\$22.6	\$20.7	(\$1.9)	8.6%

➤ The Executive 2010 expense Budget is decreasing by \$1.9 million or 8.6%, due to a reduction of \$633,154 in Administration, a decrease of \$525,218 in Contractual Services and a \$787,668 in Direct Services. Compared to the OLBR projection there is an increase of \$390,509.

- Salaries are decreasing by \$1.1 million or 15.9% in FY 10 by eliminating many vacant positions, which is reflected in OLBR's September 1, 2009 projection.
- The full-time headcount in FY 10 is 13 less positions than the FY 09 budget. Seven positions were eliminated due to the CSEA special separation incentive. Of the vacant positions the Administration plans to backfill the Alcohol Rehabilitation Counselor I position and create a new position for Deputy Commissioner. The part-time headcount is consistent with FY 09 (refer to the chart staffing analysis).
- The department has allocated \$604,388 in general expenses for the Proposed 2010 Budget, a decrease of \$118,518 from the FY 09 budget. The decrease is attributed to a decrease in court remands due to individuals being evaluated at the court by a clinical psychologist, who is staffed by the department, verses going to NUMC to be evaluated (see Court Remand chart below).

Expenses, Con't

Court Remands

The Department's annual budget for court remands consists of two budget lines as follows:

Court remands to NUMC mandates individuals to receive a psychiatric evaluation as ordered by the Family Court. The Department bills NYS Office of Mental Health (OMH) and receives 50% state aid reimbursement. The court order allows for a maximum of thirty days stay at the hospital. The Family Court will remand individuals to NUMC for inpatient psychiatric evaluations in instances when the court believes that the individual is a danger to themselves or others.

The criminal courts and occasionally family court will remand an individual to NYS psychiatric facilities. NYS OMH bills the department at 50% of the net cost. Most court orders are for a minimum of ninety days although some are for a maximum of one year.

- Contractual services are decreasing by \$600,982 or 4.8% primarily due to:
 - Transfer expenses of \$202,105 to the Grant Fund.
 - Discontinuing the funding of \$155,473 for the inpatient detoxification program at NUMC. Start up funding for this program has been discontinued since it is now financially self-sufficient
 - Reduction of \$103,961 for Mental Health Services.
 - The relocation of \$72,000 for the Employee Assistant Program to a County owned facility.
- The department allocated \$118,518 less for inter-departmental charges for Proposed 2010 Budget.

MENTAL HEALTH AND CHEMICAL DEPENDENCY & DEVELOPMENTAL DISABILITIES SERVICES

Staffing Analysis						
	<u>FY 09 Adopted</u>	<u>Sept-09 Actual</u>	<u>FY 10 Request</u>	<u>FY 10 Executive</u>	<u>Exec. vs 09 Adopt</u>	<u>Exec. vs Actual</u>
RC Full-time Staffing						
Administration						
Comissioners Office	8	7	7	7	(1)	0
Div. of MH, MR & DD Services	2	1	1	2	0	1
Div. of Chemical Dependency	14	11	11	11	(3)	0
Financial Management	12	11	11	11	(1)	0
Direct Services						
Court Remands	0	0	0	0	0	0
Chemical Dependence Services	31	27	27	27	(4)	0
Comprehensive Drug & Alcohol	11	10	10	10	(1)	0
Mental Hygiene Court	2	1	1	1	(1)	0
HHS Collaborative Staff	6	3	3	4	(2)	1
Total Full-time	<u>86</u>	<u>71</u>	<u>71</u>	<u>73</u>	<u>(13)</u>	<u>2</u>
RC Part-time and Seasonal						
Chemical Dependence Services	1	1	0	1	0	0
HHS Collaborative Staff	1	1	0	1	0	0
Total Part-time and Seasonal	<u>2</u>	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>

- The full-time headcount for FY 10 is 13 less than the FY 09 Adopted Budget and two more than the September 1, 2009 staffing level. The Divisions of Mental Health, Mental Retardation and Developmental Disabilities Services and Health and Human Services Collaborative Staff have increased the full-time head count by one position for the Proposed 2010 budget when compared to the September 1, 2009 headcount.
- Part-time staffing includes two positions for the FY 10 Proposed Budget, which is consistent with the September 2009 staffing level.

MENTAL HEALTH AND CHEMICAL DEPENDENCY & DEVELOPMENTAL DISABILITIES SERVICES

Revenue	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$499,639	\$663,096	\$15,000	\$15,000	\$55,357	\$40,357	269.0%	\$40,357	269.0%
Dept Revenues	282,046	227,366	301,000	217,000	275,250	(25,750)	-8.6%	58,250	26.8%
Interdept Revenues	714,655	637,415	962,043	962,043	869,594	(92,449)	-9.6%	(92,449)	-9.6%
Interfund Charges Rev	227,573	141,329	398,000	333,643	394,000	(4,000)	-1.0%	60,357	18.1%
State Aid-Reimb Of Exp	6,985,796	7,857,792	8,150,000	8,000,000	7,779,206	(370,794)	-4.5%	(220,794)	-2.8%
Total	\$8,709,709	\$9,526,998	\$9,826,043	\$9,527,686	\$9,373,407	(\$452,636)	-4.6%	(\$154,279)	-1.6%

Revenues

- The Executive 2010 revenue budget has decreased by \$452,636 compared to the FY 09 Budget due to reductions in all revenue sources except for rents and recoveries.
- Rents and recoveries for the Proposed 2010 Budget increased by \$40,357 due to an unanticipated surplus in FY 09.
- The decrease of \$92,449 or 9.6% in interdepartmental revenues reflects an Interdepartmental Service Agreement (ISA) with the Department of Social Services (DSS) for the chargeback for Case Management Screeners, who work with new applicants for Public Assistance and with recertification candidates. The Chemical Dependency Unit Workers screen for signs of chemical use, leading to recommendations for treatment and employability.
- Interfund charges marginally decreased in FY 10 compared to FY 09 budget. They increased, by \$60,357 from OLBR projected which reflects reduced grant funding in FY 09 due to vacant positions that are grant funded. The indirect grant expenses include rent, telephone, utilities, IT, etc. costs that are charged back to the various grants as they relate to staffing
- The Proposed 2010 Budget estimates \$370,794 less for state aid reimbursements due to the reduction of the State’s maximum reimbursement rate.

The Office for the Physically Challenged advocates for the needs of all handicapped persons. It was established by County Executive Directive in 1983. This office administers the New York State Handicapped Parking Permit program and coordinates enforcement with the County Police Department. It also collaborates with the County’s “ABLE-RIDE” para transit service to provide transportation to some disabled residents.

Expense	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	7	7	7	3	5	(2)	-28.6%	2	66.7%
Part-Time and Seasonal	0	1	1	0	0	(1)	-100.0%	0	*****
Salaries	\$381,534	\$374,024	\$340,426	\$271,707	\$267,792	(\$72,634)	-21.3%	(\$3,915)	-1.4%
Equipment	0	98	4,000	2,000	3,360	(640)	-16.0%	1,360	68.0%
General Expenses	26,629	14,033	31,232	31,232	26,235	(4,997)	-16.0%	(4,997)	-16.0%
Contractual Services	25,500	24,438	4,500	4,500	0	(4,500)	-100.0%	(4,500)	-100.0%
Inter-Dept. Charges	146,429	167,764	313,301	313,301	418,642	105,341	33.6%	105,341	33.6%
Total	\$580,092	\$580,357	\$693,459	\$622,740	\$716,029	\$22,570	3.3%	\$93,289	15.0%

Expenses

Office for the Physically Challenged Consolidation
 In 2010, the Administration will seek to incorporate the Office for the Physically Challenged into the Department of Senior Citizens. The Administration plans to change the name of the department to the Department of Disabilities and Aging. The merger may require an amendment to the County Charter to transfer the responsibility of issuing parking permits to Senior Citizens. The department plans to expedite the handicapped permit process by eliminating the multiple handling of one application. The FY 10 Budget supports a Clerk II position which will assist with the data entry facet of this process and speed up permit issuance.

Cost savings is anticipated from the recent retirements in Physically Challenged. In addition, Senior Citizens will seek additional grant reimbursement under this consolidation.

- The Proposed FY 10 Budget has increased by \$93,289 or 15.0% from OLBR’s projections.
- Salaries for the Proposed 2010 budget are decreasing by \$3,915 or 1.4% when compared to OLBR’s 2009 projection due to OLBR capturing the vacancy savings in the current year.
- The full-time head count was reduced by four positions in FY 09 as a result of retirements; however the Administration has funded the Director position and anticipates hiring a Clerk II which is a net decrease of two positions for the Proposed 2010 Budget.
- The part-time Program Coordinator position was eliminated.
- The equipment and general expense budgets have decreased by 16% from the FY 09 budget in an effort to control costs
- The Adopted 2009 Budget of \$4,500 for contractual services has been removed from the department expenses for FY 10.

Expenses Cont.

- The inter-departmental charges budget allocated \$418,642, which is an increase of \$105,341 or 33.6% for the Proposed 2010 Budget and the OLBR projection.

Revenues

Revenue	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Fines & Forfeits	\$39,017	\$38,115	\$50,000	\$35,000	\$50,000	\$0	0.0%	\$15,000	42.9%
Rents & Recoveries	13,250	6,375	0	0	0	0	*****	0	*****
Interdept Revenues	52,267	0	682,608	682,608	501,383	(181,225)	-26.5%	(181,225)	-26.5%
Total	\$104,534	\$44,490	\$732,608	\$717,608	\$551,383	(\$181,225)	-24.7%	(\$166,225)	-23.2%

- The FY 10 Revenue Budget is estimated at \$551,383, which is a reduction of \$181,225 or 24.7% from the 2009 budget due to a decrease in inter-departmental revenues. The revenue reflects the services for information and referral resources to the Department of Social Services, in accordance with the County’s “No Wrong Door” policy.
- The department assumes \$50,000 for fines and forfeits for the Proposed 2010 Budget, which is an increase of \$15,000 compared to the OLBR projection, which reflects the handicapped parking fine surcharge coming in under budget.

The Department of Senior Citizen Affairs serves the needs of approximately 270,000 older County residents and their caregivers through a variety of programs, activities, services and information. These services support senior citizens in their efforts to remain healthy, active and independent members of the community and ensure the highest quality of life for both active and health-impaired seniors. The department is the principal funding agency for over 90 programs including areas such as health, employment, legal services, volunteerism, home care, transportation, nutrition, and housing.

Expenses

Expenses by Control Center (S's in millions)						
Control Center	Historical		2009	2010	Exec. vs. Adopted	
	2007	2008	Adopted	Executive Budget	Var.	%
Senior Citizens Affairs	\$4.0	\$3.8	\$4.8	\$4.2	-\$0.5	-11.5%
Community Services For El	1.7	1.5	2.4	2.0	-0.4	-17.0%
Nutrition Program	4.0	4.4	3.8	3.9	0.2	4.8%
Senior Citizens Comm. Ctrs	0.1	0.1	0.1	0.1	0.0	-1.7%
Area Agency Title III-B	2.2	2.1	1.9	1.9	0.0	-0.3%
Foster Grandparents Prog.	0.0	0.0	0.0	0.0	0.0	-28.6%
Extended In-Home Services	4.8	5.0	5.0	5.0	0.0	0.0%
Snap (Nutrition Program)	1.0	1.1	1.2	1.4	0.1	11.5%
Title IIID/Health Promotion	0.1	0.1	0.1	0.1	0.0	0.0%
Title IIIE/ (Care Givers)	1.0	1.0	0.8	0.8	0.0	0.0%
Total	\$18.9	\$19.0	\$20.0	\$19.3	-\$0.6	-3.2%

Office for the Physically Challenged Consolidation
 In 2010, the Administration will seek to incorporate the Office for the Physically Challenged into the Department of Senior Citizens. The Administration plans to change the name of the department to the Department of Disabilities and Aging. The merger may require an amendment to the County Charter to transfer the responsibility of issuing parking permits to Senior Citizens. The department plans to expedite the handicapped permit process by eliminating the multiple handling of one application. The FY 10 Budget supports a Clerk II position which will assist with the data entry facet of this process and speed up permit issuance.

 Cost savings is anticipated from the recent retirements in Physically Challenged. In addition, Senior Citizens will seek additional grant reimbursement under this consolidation.

- **Senior Citizens Affairs** centralizes administrative duties and budgets contractual services for programs such as The Long Term Care Point of Entry Program and Home Energy Assistance Program (HEAP).
 - The budget is decreasing due to the reduction in salaries from the loss of eight full-time and two part-time employees.

- **Community Service for Elderly** New York State’s Community Services for the Elderly (CSE) supports a locally coordinated continuum of support services designed to assist the elderly, their families and informal caregivers.
 - The budget is decreasing due to the removal of funding for one contracted agency (Yours, Ours, Mine Community Center Inc.). Part of this funding has been shifted to the Nutrition Program.

Expenses, Cont.

- **Nutrition Program** Title III-C Nutrition Grants of the Older Americans Act includes congregate meals and the home delivered meals. U.S. Department of Agriculture Nutrition Services Incentive Program (NSIP) is the federal program to provide funding for congregate and home delivered meals.
 - The budget is increasing from the leftover funding in CSE.
- **Senior Citizens Community Centers** are County operated congregate centers to provide meals and coordinate services for Senior Citizens.
 - The two community center facilities that are run by the County are North Merrick and Bethpage. The Roslyn Senior Center was closed in early 2009. Since the closing, most of the clients are attending the Port Washington Senior Center (a non-County facility).
- **Area Agency Title III-B and NYS Transportation** Title III-B of the Older Americans Act provides support services (i.e. counseling, transportation and legal services) which are designed to help older persons remain living safely at home. Title III-B-Ombudsman Program, provides advocacy for residents of long term care facilities. NYS transportation funds are utilized to assist with the costs of transporting older persons to needed programs and services.
- **Foster Grandparents Program** Foster Grandparents is a program for low-income seniors (aged 55 and older) who wish to work with children in their community. Foster grandparents receive a stipend, meals and assistance with transportation.
- **Expanded In Home Services (EISEP)** EISEP provides case management, home care and ancillary services to frail older persons. Case managers assess needs, develop a care plan, and help coordinate and monitor needed services. Home care aides provide hands-on assistance (e.g. bathing, dressing, and walking) and/or assist with other activities (e.g. shopping, telephoning, meal preparation) to help older persons remain safely at home.
- **Snap Nutrition Program** The Supplemental Nutrition Assistance Program (SNAP) is New York's home delivered meal program for seniors. The program helps older participants learn to shop, plan for and prepare meals and be mindful of any specific dietary requirements. They also connect seniors with support services including transportation, home health aides, home modification and the food assistance program.
 - The budget is increasing due to a rise in anticipated New York State SNAP funding and due to the shifting of federal home delivered meal costs to this funding stream.
- **Title III-D/ Health Program** Title III-D, Health Promotion and Disease Prevention and Medication Management of the 2000 Amendments to the Older Americans Act authorizes programs to support disease prevention and health promotion at senior centers, congregate nutrition sites, through home delivered meals programs, or other appropriate settings. New York State Congregate Services Initiative (CSI) funds provide recreation and education programs at senior centers and other venues.
- **Title III-E, the National Family Caregiver Support Program** Title III-E offers social adult day, adult day health, in-home or overnight respite options. Other services include emergency response, assistive technology and supplies, transportation, home, repairs/ modifications, information and assistance, counseling, education and training, and support groups.

Expenses, Cont.

Expense	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	34	37	39	31	31	(8)	-20.5%	0	0.0%
Part-Time and Seasonal	7	8	8	6	6	(2)	-25.0%	0	0.0%
Salaries	\$2,217,748	\$2,400,875	\$2,770,569	\$2,266,308	\$2,221,141	(\$549,428)	-19.8%	(\$45,167)	-2.0%
Equipment	5,212	0	0	0	0	0	*****	0	*****
General Expenses	32,186	18,178	45,350	45,350	38,094	(7,256)	-16.0%	(7,256)	-16.0%
Contractual Services	15,324,428	15,356,104	15,821,548	14,541,548	15,681,803	(139,745)	-0.9%	1,140,255	7.8%
Inter-Dept. Charges	1,323,716	1,242,854	1,326,527	1,326,527	1,381,875	55,348	4.2%	55,348	4.2%
Total	\$18,903,290	\$19,018,011	\$19,963,994	\$18,179,733	\$19,322,913	(\$641,081)	-3.2%	\$1,143,180	6.3%

- Total expenditures are decreasing by \$641,000 or 3.2% compared to the FY 09 budget due to the reduction in salaries from the loss of eight full-time employees and two part-time employees. Compared to the FY 09 projection the budget is increasing by \$1.1 million.
 - In 2009, the department is projected to spend \$14.5 million in contracts, a reduction of \$1.3 million compared to the FY 09 budget. The chart on the following page details how the cut has been allocated among the agencies.
 - The FY 10 contractual expense budget restores funding to FY 09 budgeted levels, with the exception of Yours, Ours, Mine Community Center Inc. (YOM).
 - Due to the removal of funding for YOM contractual services are decreasing by \$139,745 from \$15.8 million in FY 09 to \$15.7 million in FY 10.
 - The department will allocate funding based on an agency's prior performance of services. The allocation to the individual agencies has not yet been determined.
 - In the past, the County mandated a 10% "good faith" match from contracted agencies. This match was removed in FY 09 from all programs. This expense will no longer be charged.
- The reduction of eight full-time employees is due to the loss of four employees to the CSEA separation incentive and the removal of four vacant positions. The department plans to manage with the reduced staffing by reorganizing and splitting responsibilities among the existing staff.

Expenses, Cont.

- The titles of the four employees that elected the separation incentive were Deputy Commissioner, Coordinator of Volunteer Services, Supervisor of Program Operations and Clerk Steno. The four vacant positions that have been removed are two Field Representatives, a Grants Technician and a Program Development Specialist.
- The general expense budget of \$38,094 includes expenses for office supplies, travel, advertising and public notices, equipment maintenance and other miscellaneous supplies.
- Inter-departmental charges is \$1.4 million for services performed on behalf of the Department of Senior Citizen Affairs by other County departments. The charges include building occupancy, information technology, indirect charges, printing and graphics, purchasing, fleet maintenance, gasoline and telecommunication charges.

Department Of Senior Citizen Affairs 2009 Reduction of Services Plan			
Vendor Name	Program		6 Month Reduction
Catholic Charities	Title IIIC1, Title IIIC-2, NSIP	*	\$230,249
Cornell Cooperative Ext	Title IIID		3,750
Doubleday Babcock	Title IIIB		7,116
EAC, Inc.	Title IIIC-2, Title IIB, Title IIID, NSIP, CSI	*	128,862
Family and Children's Association Inc.	Title IIIB-Ombuds/LTCOP, IIIB-SFC/POE, IIIB-CSP, IIIE-POE		47,744
Five Towns Inwood	Title IIIC1, NSIP	*	41,752
Five Towns Woodmere	Title IIIE		12,750
Glen Cove	Title IIIB / Trans, Title IIIE / Trans		12,453
Great Neck	Title IIIB / Trans		7,823
Helen Keller	Title IIIB / Trans, Title IIIC1/NSIP		18,337
Herricks	Title IIIC1/NSIP & Title IIIE	*	32,855
Hispanic Brotherhood	Title IIIE		10,543
JASA	Title IIIB / Trans, Title IIIC2, NSIP		94,667
JCC Five Towns	Title IIIE		12,749
Jones Manor	Title IIIE		1,218
LI Alzheimer Association	Title IIIE		2,875
N/S Law Services	Title IIIB		20,091
PCC	Title IIIE		6,666
Pt. Washignton Senior Citizen Center	Title IIIC1, NSIP	*	13,433
Salvation Army	Title IIIB / Trans, SNAP, NSIP		25,321
Sid Jacobson	Title IIIE / Trans		3,303
VNA	Title IIIC2, NSIP	*	206,935
Westbury SC	Title IIIC1, NSIP	*	8,702
Yours, Ours, Mine, Community Center Inc.	CSE, Title IIIC1, NSIP		126,435
EISEP Blanket Encum.	EISEP		201,885
* Reduction offset either partially or fully by ARRA funds.			\$1,278,514

Revenues

Revenue	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	263,042	266,973	0	0	0	0	*****	0	*****
Dept Revenues	15,456	13,148	16,724	16,724	16,724	0	0.0%	0	0.0%
Interdept Revenues	412,995	509,167	585,066	585,066	516,354	(68,712)	-11.7%	(68,712)	-11.7%
Interfund Charges Rev	7,783	56,954	98,088	98,088	38,076	(60,012)	-61.2%	(60,012)	-61.2%
Fed Aid-Reimb Of Exp	5,051,985	5,250,330	5,173,081	5,173,081	5,338,460	165,379	3.2%	165,379	3.2%
State Aid-Reimb Of Exp	7,054,863	7,382,159	7,138,978	7,223,909	7,156,323	17,345	0.2%	(67,586)	-0.9%
Total	\$12,806,124	\$13,478,731	\$13,011,937	\$13,096,868	\$13,065,937	\$54,000	0.4%	(\$30,931)	-0.2%

- The proposed FY 10 revenue budget remains at \$13.1 million compared to FY 09.
- Inter-departmental revenues budgeted at \$516,000 is decreasing by \$69,000 from FY 09. Inter-departmental revenue includes revenue that the department receives through an inter-departmental service agreement with the Department of Social Services (DSS). Senior Citizens receive reimbursement from DSS for Title 20 funding and home energy assistance program (HEAP) funding.
- Interfund changes are budgeted at \$38,000 in FY 10. These charges include reimbursement for grant related expenses paid from the General Fund for the Weatherization Referral and Assistance Program (WRAP) and Foster Grandparents grants.
- Federal aid is increasing by \$165,000 to \$5.3 million in FY 10 due to an increase in Title IIC-1 (congregate meals), Title IIIC-2 (home delivered meals) and due to the transfer of the Title IV (Senior Employment Program) from the Grant Fund to the General Fund.

- Department revenue remains unchanged at \$16,724 in FY 10. This includes funding to cover the annual luncheon conference that the department holds every May.

Funding Sources

The department receives its State funding from the New York State Office for the Aging (NYSOFA) based on several criteria specific to program functions. NYSOFA 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-C Nutrition 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.

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.

Expense	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	860	832	870	815	829	(41)	-4.7%	14	1.7%
Part-Time and Seasonal	137	106	126	100	110	(16)	-12.7%	10	10.0%
Salaries	\$51,701,571	\$51,553,164	\$56,157,148	\$48,750,137	\$52,358,518	(\$3,798,630)	-6.8%	\$3,608,381	7.4%
Equipment	94,487	11,971	67,200	67,200	50,300	(16,900)	-25.1%	(16,900)	-25.1%
General Expenses	1,217,211	1,332,161	1,200,576	1,200,000	1,127,700	(72,876)	-6.1%	(72,300)	-6.0%
Contractual Services	14,923,535	14,287,563	14,932,632	14,932,632	13,580,300	(1,352,332)	-9.1%	(1,352,332)	-9.1%
Utility Costs	200	200	400	400	400	0	0.0%	0	0.0%
Inter-Dept. Charges	19,674,815	15,202,701	19,856,752	19,856,752	23,524,944	3,668,192	18.5%	3,668,192	18.5%
Recipient Grants	49,586,129	49,140,735	53,800,000	58,600,000	61,750,000	7,950,000	14.8%	3,150,000	5.4%
Purchased Services	45,573,318	48,598,047	49,700,000	49,700,000	50,441,207	741,207	1.5%	741,207	1.5%
Emerg Vendor Payments	50,911,963	53,107,433	54,380,000	55,700,000	57,955,000	3,575,000	6.6%	2,255,000	4.0%
Medicaid	218,991,351	225,227,466	231,588,243	231,588,243	237,500,000	5,911,757	2.6%	5,911,757	2.6%
Total	\$452,674,582	\$458,461,441	\$481,682,951	\$480,395,364	\$498,288,369	\$16,605,418	3.4%	\$17,893,005	3.7%

Expenses

- The FY 10 Proposed Budget is \$498.3 million, which is \$16.6 million more than the FY 09 budget and \$17.9 million more than the FY 09 projected actual.
- Full-time headcount in September 2009 has decreased by 17 from the prior year due to the separation incentive given to 38 employees.
 - Total transactions (applications for service) have increased year to date by 62.6% over the prior year. This increase plus the vacancies have created longer waiting times for the clients.
 - Prior to the incentive the department began the process of hiring new employees and it is expected that they will be on board by the end of the year.
 - The department is seeking to increase efficiencies with the following actions:
 - Utilization of the State computer system instead of County employees to recoup vendor over payments.

Expenses, Cont.

- Utilization of grant money to expand hand held computer usage.
 - Opening outstations to allow for form drop offs in various locations.
- The department's budget includes funding for an additional 14 positions over the September 2009 actual. These positions are eight Social Welfare Examiners, three Child Support Investigators and two Social Services Investigators.

Youth Board and Social Services Consolidation

In FY 2010, the Administration plans to consolidate the Youth Board into the Department of Social Services (DSS). The Youth Board will remain as a separate entity and maintain a transparent budget under the Department of Social Services (DSS). The Youth Board's contracts and staffing will be transferred into the department where services can be shared. The Administration is hoping to seek additional revenue funding from this merger. Both DSS and the Youth Board are currently researching other municipalities that have a similar merged structure. The Board of Directors of the Youth Board will maintain their independence and should not be impacted by this merger.

Staffing Analysis -Full-Time						
	FY 09 <u>Adopted</u>	Sept-09 <u>Actual</u>	FY 10 <u>Request</u>	FY 10 <u>Executive</u>	Exec. vs 09 Adopt	Exec. vs <u>Actual</u>
10 Administration						
Administration	13	12	11	11	(2)	(1)
Support Services	32	32	32	32	0	0
Legal	6	6	6	6	0	0
Systems Administration	5	5	5	5	0	0
Staff Development	6	5	5	5	(1)	0
Total for Control Center	62	60	59	59	(3)	(1)
20 Public Financial Assistance						
Public Assistance	130	123	117	125	(5)	2
Community Relations & Hsing	16	11	12	12	(4)	1
Medical Assistance	165	165	165	157	(8)	(8)
Medical Services	0	0	0	12	12	12
Support Services	19	17	17	17	(2)	0
Accounting	47	37	37	40	(7)	3
Employment Program	7	3	3	4	(3)	1
Food Stamps	1	4	2	4	3	0
Support Collection Unit	83	72	72	75	(8)	3
Total for Control Center	468	432	425	446	(22)	14
30 Services						
Provider Services	0	9	7	5	5	(4)
Information Resource Referral	4	3	3	3	(1)	0
Children's Services	95	82	82	83	(12)	1
Child Protective Services	131	130	131	133	2	3
Adult Protective Services	26	22	22	22	(4)	0
Day Care Services	31	29	30	30	(1)	1
Total for Control Center	287	275	275	276	(11)	1
51 Juvenile Detention Center						
NC Juvenile Detention Center	53	48	47	48	(5)	0
Total Full-time	870	815	806	829	(41)	14

- The total full-time staffing budget is decreasing from FY 09 by 41 positions and increasing from the September 1, 2009 actual by 14.
- The Grant Fund actual headcount has risen by 5 full-time employees from 64 on September 1, 2008 to 69 on September 1, 2009.
- Of the 38 employees lost from the leave incentive, 23 are from the Public Financial Assistance cost center, 5 are from Children’s Services, three are from Children’s Protective Services and two are from Adult Protective Services.
 - For better analysis, in 2009 the Administration has broken out headcount in the Division of Services by responsibility code in the budget.
- The FY 10 budget is three positions below the September 2008 headcount.

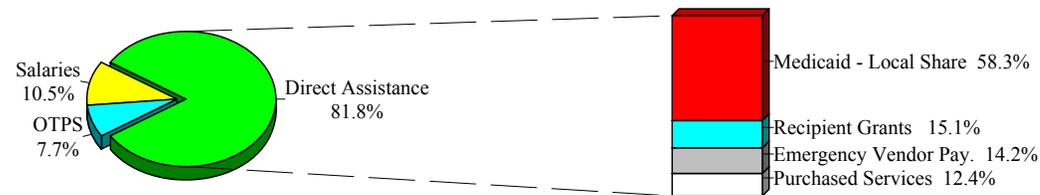
Staffing Analysis - Part-Time						
	FY 09 Adopted	Sept-09 Actual	FY 10 Request	FY 10 Executive	Exec. vs 09 Adopt	Exec. vs Actual
10 Administration						
Administration	0	1	0	1	1	0
Support Services	12	8	0	9	(3)	1
Legal	0	0	0	0	0	0
Systems Administration	1	1	0	1	0	0
Total for Control Center	13	10	0	11	(2)	1
20 Public Financial Assistance						
Public Assistance	12	11	0	11	(1)	0
Community Relations & Hsing	0	1	0	0	0	(1)
Medical Assistance	13	10	0	13	0	3
Accounting	6	3	0	3	(3)	0
Employment Program	2	1	0	1	(1)	0
Food Stamps	1	2	0	2	1	0
Support Collection Unit	4	4	0	4	0	0
Total for Control Center	38	32	0	34	(4)	2
30 Services						
Provider Services	0	2	0	0	0	(2)
Children's Services	10	9	0	11	1	2
Child Protective Services	41	27	0	30	(11)	3
Total for Control Center	51	38	0	41	(10)	3
51 Juvenile Detention Center						
NC Juvenile Detention Center	24	20	0	24	0	4
Total Part-time and Seasonal	<u>126</u>	<u>100</u>	<u>0</u>	<u>110</u>	<u>(16)</u>	<u>10</u>

- The part-time budget has decreased by 16 positions from the FY 09 budget and is over the September 1, 2008 actual by 10.
- The total part-time salary budget is being reduced by \$66,000 from \$1.8 million in FY 09 to \$1.7 million in FY 10.

Expenses, Cont.

- Equipment is decreasing by \$16,900 from the 2009 budget and projected actual owing to a reduction in the purchase of equipment in the Juvenile Detention center. The department is planning on renovating the center and does not plan to buy new equipment during the process.
- General expenses are decreasing by \$72,876 as a result of the transfer of travel expenses and postage which is being shifted to inter-departmental charges.
- Contractual services are decreasing by 9.1% for the following reasons:
 - A request for proposal (RFP) was issued for an education contract and a new contract saving the county \$120,000 was signed with no reduction in service.
 - A contract for records storage was reduced because of a decrease in gas costs.
 - One contract for \$190,000 was moved into the Grant Fund.
- Recipient grants and emergency vendor payments are projected over budget in FY 09 because of caseload increases in the Temporary Assistance to Needy Families (TANF) and Safety Net programs, as demonstrated in the “Nassau County TANF and Safety Net Case Load” chart later in the report. A minimal increase for these expenses is anticipated in FY 10.
 - Compared to the same time period in 2008, the average of the first seven months of 2009 have seen an 18.3% increase in TANF cases and a 20.5% increase in Safety Net cases. Caseloads began increasing significantly in the second half of 2008 after the FY 09 budget was established.
- The purchased services budget for FY 10 is over the FY 09 budget and projected actual by \$0.7 million. The 1.5% increase is in anticipation of a market rate increase in day care services which is over the 2009 by \$3.9 million.
 - This is partially offset by the removal of \$2.5 million for the day care salary enhancement.
- Medicaid is increasing compared to the FY 09 Adopted Budget by \$5.9 million. The Medicaid expense is capped at 2009 expenses plus three percent. In addition there is the \$13 million indigent care payment and \$1.5 million health insurance premiums and transportation payments. The total cost comes to 2.6% over the FY 09 budget.
- As can be seen in the chart on the next page, direct assistance is the largest expense category for DSS, making up 81.8% of the budget. Medicaid – local share comprises 58.3% of direct assistance.

FY 2010 Proposed DSS Expense Budget



Note: OTPS includes Inter-departmental charges

Program Descriptions

Recipient Grants - TANF and Safety Net

The largest components of the proposed budget for recipient grants will be used to fund Safety Net (\$28.0 million) and TANF (\$25.5 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.”

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).

Various other programs, such as Subsidized Adoptions, Children in Foster Homes, and Low Income Home Energy Assistance (LIHEAP), are budgeted to receive the remaining \$8.3 million.

Program Descriptions, Cont.**Emergency vendor payments**

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.

Medicaid

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. 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. Starting in 2009, the cost will be the prior year's cost plus three percent, with the \$13 million indigent care payment and the \$1.5 million in health insurance premiums and transportation payments added on after inflation.

Purchased Services

Purchased Services include costs associated with day care and homemaking. Child care is provided not only for individuals on temporary assistance, but also to those working families who meet income guidelines for subsidies.

Title XX Homemaker Services provide cooking, shopping, and cleaning to income eligible individuals above the Medicaid level and with limited resources.

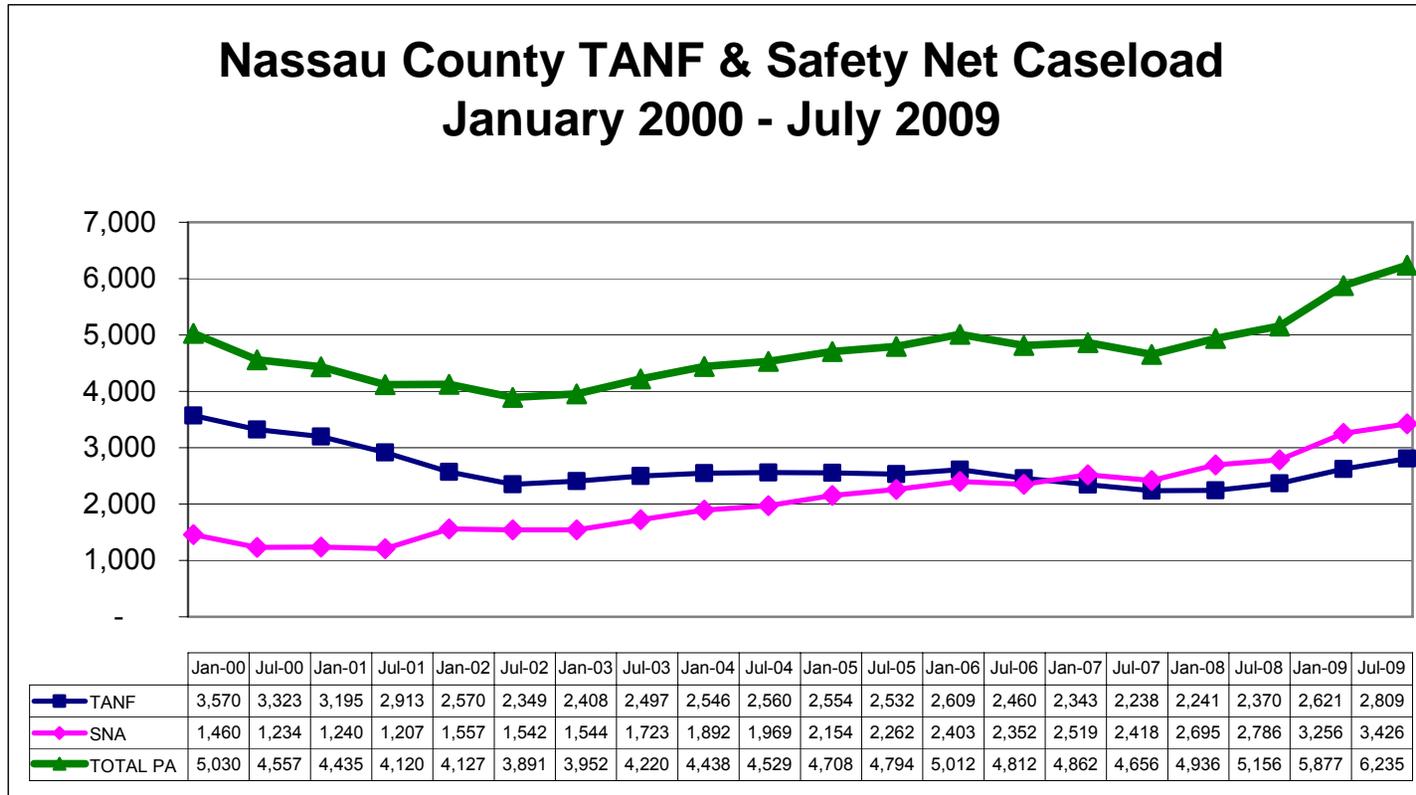
LIHEAP

LIHEAP is a Federally-funded program that assists low-income households in paying their bills, energy crisis management, weatherization and energy-related home repairs.

Expenses

Expenses by Control Center (\$'s in millions)						
Control Center	Historical		2009	2010	Exec. vs. Adopted	
	2007	2008	Adopted Budget	Executive Budget	Var.	%
Administration	\$26.8	\$22.7	\$26.6	\$29.5	\$3.0	11.1%
Public Financial Assis. Services	34.9	35.2	39.2	36.1	(3.1)	-7.9%
Juvenile Detention Ctr.	21.1	19.6	21.4	19.9	(1.5)	-7.1%
Educ. Handicapped Child	4.7	4.9	5.1	5.2	0.1	1.4%
Family Assistance	14.0	14.0	14.9	14.7	(0.2)	-1.5%
Safety Net Assistance	25.5	26.7	27.6	32.3	4.7	17.1%
Children in Institutions	22.1	24.0	26.2	32.5	6.3	24.0%
Children in Foster Homes	15.7	16.3	17.0	16.8	(0.3)	-1.5%
Juvenile Delinquents	1.7	1.6	1.7	1.8	0.1	2.9%
Training Schools	8.2	7.9	8.0	8.0	0.0	0.0%
Non-Secure Detention	3.0	3.2	3.2	4.9	1.7	51.6%
Child. Foster Homes - 4E	2.1	2.1	2.1	1.4	(0.7)	-31.3%
Subsidized Adoptions	0.8	0.8	0.8	0.8	(0.1)	-6.3%
Burials	5.1	5.3	5.4	5.4	0.0	0.0%
Medicaid MMIS	0.2	0.2	0.3	0.3	0.0	0.0%
HEAP	219.0	225.2	231.6	237.5	5.9	2.6%
Title XX	2.1	0.1	1.0	1.0	0.0	0.0%
Total	\$452.7	\$458.5	\$481.7	\$498.3	\$16.6	3.4%

- Administration is increasing from the 2009 budget because of an increase in inter-departmental charges.
 - Indirect charges are increasing by \$2.6 million and building occupancy is increasing by \$0.8 million.
- Public Financial Assistance and Division of Services are decreasing primarily as a result of the reduction in headcount as previously mentioned and a decrease in maintenance contracts.
 - These two control centers account for 86.1% of the salaries in the department.
- Family Assistance and Safety Net Assistance are rising for caseload increases that occurred in 2009 and are expected to remain flat in 2010.
- Training schools is increasing by 51.6% for room and board expenses attributable to a state rate increase that includes retroactive increases from prior years.
- Non secure detention is decreasing due to the renegotiation of emergency vendor services which decreased the number of beds held for the County to bring them closer in line to actual usage.
- Medicaid is increasing by 2.6% over the prior year as dictated in the cap on the local share of Medicaid.
- Title XX is increasing by \$0.7 million because of growth in family day care services which are partially offset by the \$2.5 million elimination in the salary enhancement for group day care services.



- The current total caseload of TANF and Safety Net is 6,235, which is higher than any time since 1999.
- Combined the 2010 caseload is expected to remain flat to the FY 09 projected with a slight increase in cost per case.
- The FY 10 budget for Safety Net Assistance is \$6.3 million over the FY 09 budget.
 - Safety Net caseload has increased by 20.0% over the past twelve months compared to the previous twelve months.
- Family Assistance (TANF) is increasing in 2009 by \$4.7 million over the FY 09 Adopted Budget.
 - TANF caseload has increased by 14.5% over the past twelve months compared to the previous twelve months.

Revenues

Revenue	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$2,701,916	\$9,390,520	\$0	\$0	\$0	\$0	*****	\$0	*****
Dept Revenues	11,766,774	12,465,995	11,555,000	12,500,000	11,890,000	335,000	2.9%	(610,000)	-4.9%
Interdept Revenues	77,455	105,553	110,000	110,000	110,000	0	0.0%	0	0.0%
Fed Aid-Reimb Of Exp	88,332,064	91,089,782	97,208,721	137,700,000	151,711,818	54,503,097	56.1%	14,011,818	10.2%
State Aid-Reimb Of Exp	72,512,660	77,936,029	78,417,466	79,500,000	82,248,066	3,830,600	4.9%	2,748,066	3.5%
Total	\$175,390,870	\$190,987,879	\$187,291,187	\$229,810,000	\$245,959,884	\$58,668,697	31.3%	\$16,149,884	7.0%

- The Proposed FY 10 revenue budget is increasing by \$58.6 million compared to the FY 09 Adopted budget due mostly to an increase in federal aid.
- Rents and recoveries revenue is derived from the disencumbrance of prior-year contracts, as well as other retroactive adjustments.
- Departmental revenues are budgeted to increase by \$335,000 in FY 10 to bring budgeted revenue closer in line to projected revenue.
- Federal aid is increasing from the FY 09 budget by \$54.5 million. FMAP payments account for \$44.4 million of this increase with the remainder the result of projected increased caseloads. The 2010 FMAP payment is budgeted to increase by \$2.0 million.
- State aid is projected to increase by \$3.8 million primarily because of the increases anticipated in the TANF and Safety Net caseloads.

Federal Medical Assistance Percentages (FMAP)

The federal government’s share of a state’s expenditures for Medicaid is called the Federal Medical Assistance Percentage (FMAP). Determined annually, FMAP is designed so that the federal government pays a larger portion of Medicaid costs in states with lower per capita income relative to the national average. In March 2009, the State announced that the county governments and New York City would receive an estimated \$2.7 billion in fiscal relief through increased FMAP reimbursements over 27 months as part of the American Recovery and Reinvestment Act (ARRA). The actual amount received will vary depending on the unemployment rate.

Revenues, Cont.

FY 10 FEDERAL AND STATE AID BUDGET BY CONTROL CENTER					
Control Center	Expenses	Federal Aid	State Aid	\$ Federal/ State Funded	% Federal/ State Funded
Administration	\$29,510,262	\$11,768,109	\$7,355,068	\$19,123,177	64.8%
Public Financial Assistance	36,107,608	22,309,423	13,615,530	35,924,953	99.5%
Division of Services	19,863,547	10,199,742	9,136,214	19,335,956	97.3%
Juvenile Detention Center	5,159,745	0	4,366,242	4,366,242	84.6%
Real Estate Expense	1,000	0	0	0	0.0%
Educ. Handicapped Children	14,700,000	0	5,880,000	5,880,000	40.0%
TANF	32,250,000	9,675,000	9,675,000	19,350,000	60.0%
Safety Net Assistance	32,500,000	0	16,070,679	16,070,679	49.4%
Children in Institutions	16,750,000	11,983,196	4,103,750	16,086,946	96.0%
Children in Foster Homes	1,776,000	1,065,600	482,983	1,548,583	87.2%
Juvenile Delinquents	8,000,000	3,600,000	1,254,400	4,854,400	60.7%
Training Schools	4,850,000	0	590,700	590,700	12.2%
Non-Secure Detention	1,430,000	0	0	0	0.0%
Children in Foster Homes - 4E	750,000	337,500	262,500	600,000	80.0%
Subsidized Adoptions	5,400,000	1,473,248	2,700,000	4,173,248	77.3%
Burials	300,000	0	5,000	5,000	1.7%
HEAP	1,000,000	1,000,000	0	1,000,000	100.0%
Title XX	50,440,207	32,900,000	4,750,000	37,650,000	74.6%
Sub-Total	260,788,369	106,311,818	80,248,066	186,559,884	71.5%
Medicaid MMIS	237,500,000	45,400,000	2,000,000	47,400,000	20.0%
Total	\$498,288,369	\$151,711,818	\$82,248,066	\$233,959,884	47.0%

- In FY 10 the total non-Medicaid budgeted reimbursement averages 71.5% of expenses. The actual 2008 reimbursement was 72.0%.
- 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%.

Expense	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Full-Time Headcount	5	6	7	5	5	(2)	-28.6%	0	0.0%
Salaries	\$425,606	\$472,012	\$519,295	\$454,012	\$375,747	(\$143,548)	-27.6%	(\$78,265)	-17.2%
General Expenses	27,025	4,998	10,136	10,136	8,515	(1,621)	-16.0%	(1,621)	-16.0%
Contractual Services	9,011,456	8,863,920	7,988,196	5,983,844	7,699,544	(288,652)	-3.6%	1,715,700	28.7%
Inter-Dept. Charges	601,822	469,897	548,412	548,412	565,637	17,225	3.1%	17,225	3.1%
Total	\$10,065,909	\$9,810,827	\$9,066,039	\$6,996,404	\$8,649,443	(\$416,596)	-4.6%	\$1,653,039	23.6%

Expenses

- Total expenditures are decreasing by \$417,000 or 4.6% compared to the FY 09 budget due mostly to a reduction in salaries and contractual expenses. Compared to the FY 09 projection, expenses are increasing by \$1.7 million or 23.6%.
- The full-time budgeted headcount is a reduction of two full-time positions compared to the FY 09 Adopted Budget and consistent with the September 1, 2009 staffing level.
 - The department has lost 2 full-time employees to the CSEA special separation incentive. The two positions are an Accounting Assistant II and a Youth Board Programs Monitor Supervisor.
 - The department plans to manage the workload with the current staff through the redistribution of responsibilities.
- Salaries are decreasing by \$144,000 or 27.6% to \$376,000 in FY 10 due to the reduction in headcount.

Youth Board and Social Services Consolidation
 In FY 2010, the Administration plans to consolidate the Youth Board into the Department of Social Services. The Youth Board will remain as a separate entity and maintain a transparent budget under the Department of Social Services. The Youth Board’s contracts and staffing will be transferred into the department where services can be shared. The Administration is hoping to seek additional revenue funding from this merger. Both DSS and the Youth Board are currently researching other municipalities that have a similar merged structure. The Board of Directors of the Youth Board will maintain their independence and should not be impacted by this merger.

Expenses, Cont.

- Contractual services are decreasing by \$289,000 or 3.6% compared to FY 09 budget. Compared to the FY 09 projection, contractual expenses are increasing by \$1.7 million or 28.7%.
 - In FY 09, approximately \$5.9 million will be allocated among the contracted agencies. This revised allocation results from a \$3.0 million cut in funding offset by \$1.0 million (from the \$1.2 million) that had been restored from the Wal-Mart settlement (see box below).
 - The chart on the following two pages provides the FY 09 revised funding by agency.
- The FY 10 contractual expense budget restores funding to FY 09 budgeted levels, with the exception of Yours,

Ours, Mine Community Center Inc. It has not yet been determined how funding will be allocated to the individual agencies.

- The general expense budget is decreasing by \$2,000 to \$8,500 in FY 10. The decrease is due to the eliminated expense for educational and training supplies.
 - The budget includes expenses for office supplies, travel expense, copying and delivery expenses.
- Inter-departmental charges are increasing by \$17,225 due to a new expense for postage and an increase in building occupancy, telecommunication and indirect charges.
 - The FY 07 inter-departmental charge includes a one time cost of the scanning project for the Health and Human Service (HHS) departments.

Wal-Mart Settlement

The Nassau County District Attorney’s investigation into the trampling death during an early morning after Thanksgiving Day event at a Valley Stream Wal-Mart last year resulted in a settlement with the retailer. In exchange for agreeing not to prosecute Wal-Mart, the settlement required Wal-Mart to implement an improved statewide crowd management plan for post Thanksgiving Day events at each of its 92 New York stores, set up a \$400,000 victims’ compensation and remuneration fund, donate \$1.5 million dollars to the community and provide 50 jobs annually to Nassau Teens. Of the \$1.5 million donation to the community, the Youth Board received \$1.2 million.

Expenses, Cont.

2009 Youth Board Funding by Agency				
Youth Board Agencies	Original Contract	Amount of Cut	Amount Restored	2009 Revised Contract
Advisory Council For The Youth Of Mineola Inc.	\$274,500	\$137,250	\$45,750	\$183,000
Big Brothers/Sisters Of Long Island Inc.	46,000	23,000	7,667	30,666
Bias Help Inc.	60,000	30,000	0	30,000
Copay Inc.	30,000	15,000	5,000	20,000
Circulo De La Hispanidad Inc.	174,810	87,405	29,135	116,540
City Of Glen Cove Youth Board	73,079	36,539	12,180	48,720
Community Wellness Council For Bellmore & Merricks Inc.	25,000	12,500	0	12,500
Concerned Citizens For Roslyn Youth Inc.	151,467	75,734	25,245	100,978
Eac Inc.	49,969	24,985	0	24,984
Economic Opportunity Commission Of Nassau County Inc. (EOC)	175,000	87,500	29,167	116,666
Family & Children's Association Inc.	2,105,104	296,988	120,000	1,928,116
Five Towns Community Center Inc.	403,821	199,718	67,304	271,406
Freeport Pride	356,590	135,530	59,432	280,491
Floral Park Youth Council Inc.	15,000	7,500	0	7,500
Gateway Youth Outreach Inc.	338,218	167,187	56,370	227,400
Hempstead Hispanic Civic Association Inc.	50,000	25,000	8,333	33,334
H.E.V.N.	60,000	30,000	0	30,000
Hicksville Teen-Age Council Inc.	161,712	53,904	26,952	134,760
Hispanic Brotherhood Of Rockville Centre Inc.	90,086	45,043	15,014	60,058
Hispanic Counseling Center Inc.	168,010	56,003	35,000	147,007
La Fuerza Unida Inc.	138,006	68,083	23,001	92,924
Littig House Community Center Inc.	160,568	53,523	26,761	133,807
Long Beach Martin Luther King Center Inc.	209,630	104,815	34,938	139,754
Long Beach Reach Inc.	298,496	105,332	49,749	242,914
Long Island Advocacy Center Inc.	70,193	35,096	14,000	49,097
Long Island Crisis Center Inc.	318,013	157,286	130,000	290,727

Expenses, Cont.

2009 Youth Board Funding by Agency (Cont.)				
Youth Board Agencies	Original Contract	Amount of Cut	Amount Restored	2009 Revised Contract
Manhasset/Great Neck Eoc, Inc.	101,429	50,714	16,905	67,620
Nassau County Coalition Against Domestic Violence Inc.	59,314	29,657	15,000	44,657
North Shore Boys & Girls Club	35,000	17,500	0	17,500
North Shore Child And Family Guidance Assoc. Inc.	50,000	25,000	8,333	33,334
Project Challenge Of Long Island Inc.	45,000	22,500	0	22,500
Roosevelt Community / Memorial Youth Outreach	246,206	123,103	0	123,103
S.T.R.O.N.G. Youth Inc.	225,000	111,000	37,500	151,500
Tempo Youth Services Inc.	35,000	17,500	0	17,500
Time Out Club Of Hempstead Inc.	182,000	91,000	30,333	121,334
Uniondale Community Council Inc.	168,744	56,248	28,124	140,620
Westbury Community - Mccoy Center Family & Youth Services	174,074	58,025	29,012	145,062
Yours, Ours, Mine, Community Center Inc.	238,649	119,324	0	119,325
Yes Community Counseling Center	265,508	131,317	44,251	178,442
Youth & Family Counseling Agency Of Oyster Bay/East Norwich Inc	72,000	36,000	12,000	48,000
	\$7,901,196	\$2,959,809	\$1,042,456	\$5,983,844

Revenues

Revenue	Historical		2009		2010	Exec. vs. Adopted		Exec. vs. Projected	
	2007	2008	Adopted Budget	OLBR Projected	Executive Budget	Variance	Percent	Variance	Percent
Rents & Recoveries	\$463,222	\$247,197	\$0	\$1,200,437	\$0	\$0	*****	(\$1,200,437)	-100.0%
State Aid-Reimb Of Exp	1,616,155	1,560,741	1,654,626	1,335,164	1,335,164	(319,462)	-19.3%	0	0.0%
Total	\$2,079,377	\$1,807,938	\$1,654,626	\$2,535,601	\$1,335,164	(\$319,462)	-19.3%	(\$1,200,437)	-47.3%

- The FY 10 revenue budget of \$1.3 million for the Youth Board is made up entirely of state aid.
 - Funding is made up of two pieces for Youth Development and Delinquency Prevention (YDDDP) and Runaway and Homeless Youth Act (RHYA).
 - State aid funding to Nassau County from the Office of Children and Family Services (OCFS) is based on an approved County Comprehensive Plan for Youth Services and Runaway/Homeless Youth.
- The FY 09 projection of \$1.2 million in rents and recoveries represent the revenue from the Wal-Mart settlement.
- The FY 07 expense for rents and recoveries represents reimbursement from the State under Article 6 for the Community Optional Preventative Program (COPS). Starting in FY 09, this revenue is budgeted in the Department of Social Services (DSS).

Youth Development and Delinquency Prevention (YDDDP)

YDDP is a funding source allocated to local Youth Bureaus to meet locally identified needs and includes a small reimbursable amount for administrative salaries. A local match is required to ensure that YDDP leverages significant contributions from other sources. The current allocation is based on the Nassau County 0-18 year old population. For the County, the 2000 U.S. Census has a total of 372,777 youths; however the inclusion of a “not withstanding clause” gives the State the ability to change the rate of the allocation from year to year. In 2009, the per capita rate was \$3.75. The 2010 per capita rate is unavailable at this time. The Youth Board receives a portion of this allocation and the remaining funds are distributed to the local municipalities.

Runaway and Homeless Youth Act (RHYA)

RHYA is an aid to localities which provides 60% state aid reimbursement to Nassau County shelters and programs for runaway and homeless youth. Programs include crisis shelter and support longer and transitional and independent living and supportive services. Annual allocation is not formula driven, but instead a share of New York State’s total allocation.

Grants

Special Delinquency Prevention Program (SDPP) funding is a special grant initiative targeted for youth with special needs. Services supported by these funds are aimed at keeping youth from becoming involved in the juvenile justice system or becoming chronically dependent on the human service system.

- The following schedule details the Grant Funding for FY 09. The one grant includes \$470,250 for the NYS Office of Children and Family Services. The prior years included a \$100,000 grant for Aids Institute Assets Coming Together for Youth Initiative; however this grant was closed in 2009.
 - The department anticipates receiving the SDPP grant in FY 10.

Nassau County Youth Board: Grant Schedule 2009

GRANTS	AMOUNT	DATE
S.D.P.P.	\$470,250	01/01/2009 - 12/31/2009

- With expenses of \$543.8 million and revenues of \$535.3 million, 2010 is budgeted for a net loss of \$8.5 million for the Corporation. This would be an increase in loss of \$8.9 million over the projected 2009 gain of \$0.4 million.
- The line for other operating items includes the change in the value of derivative instruments, post employment benefits, grants for capital asset acquisition and the amortization of refunding loss which have no impact on the operations of the Corporation.
- Salaries and fringe are projected to be under budget in 2009 by \$3.3 million and budgeted to decrease by \$3.1 million in 2010.

Consolidated Statement
2010 Budget
(\$ in millions)

	Actual 2008	Projected 2009	\$ Inc.(Dec.) 2009 Proj. vs. 2008 Actual	Budget 2010	\$ Inc.(Dec.) 2009 Proj. vs. 2010 Budget
Operating Revenue	\$542.06	\$543.82	\$1.77	\$535.26	(\$8.57)
Total Operating Expense	552.93	543.44	(9.49)	543.75	0.31
Salaries & Fringe	334.23	330.95	(3.28)	327.89	(3.06)
Non-Personnel Expenses	218.70	212.49	(6.20)	215.86	3.37
Net Income (Loss) Before Other	(\$10.87)	\$0.38	\$11.25	(\$8.49)	(\$8.88)
Other operating Items	(4.74)	46.22	50.97	0.00	(46.22)
Net Income (Loss)	(\$15.61)	\$46.61	\$62.22	(\$8.49)	(\$55.10)

- Cash continues to be a concern at the Corporation but with an additional IGT payment of \$50 million expected in the fourth quarter some of this risk should be alleviated.
 - Half of the \$50 million is restricted for capital purposes since the County is matching the federal funds with tobacco funds.
 - A pension payment of \$17 million is planned for December 15, 2009.
 - The early payment of the pension expense results in a savings of roughly \$142,000.
 - The ending cash balance for NHCC for December 2010 is estimated to be \$7.6 million, an increase of \$2.6 million from the 2009 projected ending cash balance.

- The Corporation still has a \$10.0 million line of credit with the insurance captive.
- The \$8.5 million loss can be managed without going into a negative cash balance because \$17.8 million of the loss is from depreciation.
- If the Corporation spends less than this amount on capital expenditures the cash balance could be higher.
- Capital expense from the operating budget can be reduced with the use of the \$25 million IGT funds from the County which are restricted for capital use.

Unrestricted Cash Balance
(\$ in millions)

	<u>Actual</u>
09/30/99	\$135.0
12/31/00	116.3
12/31/01	69.9
12/31/02	56.4
12/31/03	35.1
12/31/04	30.2
12/31/05	12.9
12/31/06	22.9
12/31/07	5.7
12/31/08	5.0
12/31/09 Projected	5.0
12/31/10 Budget	7.6

**Consolidating Statement
2010 Budget
(in millions)**

	NHCC	NUMC	AHPGC	CHC's	PPP	NHCC, LTD
Operating Revenue	\$535.26	\$433.64	\$62.38	\$16.65	\$12.22	\$10.36
Operating Expense	543.75	442.46	62.23	17.44	12.22	9.40
Net Income (Loss) Before Other	(\$8.49)	(\$8.82)	\$0.16	(\$0.79)	\$0.00	\$0.96

Note: Totals may vary due to rounding.

- The 2010 budgeted net loss for Nassau University Medical Center (NUMC) is \$8.8 million, the net income for A. Holly Patterson Geriatric Center (AHP) is \$0.2 million, and the loss for the Community Health Centers (CHC's) is \$0.8 million. The Physician Practice Plans (PPP) is budgeted to break even and the Nassau Health Care Corp, LTD (NHCC, LTD) is budgeted to increase the malpractice fund by \$1.0 million.
- The FY 10 budget includes some initiatives intended to bring in more revenue in 2010. These include:
 - Dialysis Expansion (out-patient) - \$1.0 million. In 2009 the Corporation transferred 13 dialysis chairs from the hospital to the nursing home and expanded the program to 29 chairs.
 - Dialysis Expansion (in-patient) - \$2.1 million. The increase in dialysis chairs is expected to bring more in more in-patient business.
 - Charge Capture - \$2.0 million. Updating the chargemaster, and working on reducing denials. Deloitte is working on this on a contingency basis.
 - The chargemaster contains the prices of all services, goods, and procedures for which a separate charge exists. It is used to generate patient bills.
 - New York State Department of Health Psychiatric Rate Increase Part 2 - \$1.5 million.
 - Federally Qualified Health Center (FQHC) status- \$750,000. Health Centers in medically underserved communities may be eligible for a number of benefits including increased reimbursement.

- Heal 8 - \$2.0 million. The Corporation is receiving \$5.0 million (\$3 million in 2009 and \$2 million in 2010) from the State to help fund the transfer of A. Holly Patterson into a smaller facility.
- On the expense side, the Corporation anticipates receiving \$1.8 million in health insurance rebates.

**Nassau University Medical Center
2010 Budget
(\$ in millions)**

	Actual 2008	Projected 2009	\$ Inc.(Dec.) 2009 Proj. vs. 2008 Actual	Budget 2010	\$ Inc.(Dec.) 2009 Proj. vs. 2010 Budget
Operating Revenue	\$415.93	\$441.35	\$25.43	\$433.64	(\$7.71)
Total Operating Expense	443.88	443.44	(0.44)	442.46	(0.98)
Salaries & Fringe	266.69	267.62	0.93	263.38	(4.23)
Non-Personnel Expenses	177.19	175.82	(1.37)	179.08	3.26
Net Income (Loss) Before Other	(\$27.96)	(\$2.09)	\$25.87	(\$8.82)	(\$6.74)
Other operating Items	(11.35)	45.61	56.96	0.00	(45.61)
Net Income (Loss)	(\$39.31)	\$43.52	\$82.83	(\$8.82)	(\$52.34)
Full-Time Equivalent Employees	2,912	2,924	12	2,924	0

- The Medical Center’s projected 2009 loss before other operating items of \$2.1 million is \$25.9 million better than the \$28.0 million net loss from 2008.
- This is primarily due to the increased Intergovernmental Transfer funds expected in 2009.
 - The Corporation’s administration was able to work with the New York State Department of Health in adjusting IGT payments by about \$30 million to offset the impact of budget cuts.
- Full-time equivalents (FTEs) increased by 12 in 2009 and are budgeted to remain flat in 2010.
- Revenue is budgeted to decrease by \$7.7 million and expenses are budgeted to decrease by \$1.0 million, for a budgeted net loss before other of \$8.8 million in 2010.

- Revenue is increasing by \$10.4 million from net patient service revenue, however this is partially offset by a decrease of \$14.9 million in Intergovernmental Transfer (IGT) payments.
- The net patient service revenue is based on a 0% Medicaid trend factor and a 2.1% Medicare trend factor.

**A. Holly Patterson
2010 Budget
(\$ in millions)**

	Actual 2008	Projected 2009 2009	\$ Inc.(Dec.) 2009 Proj. vs. 2008 Actual	Budget 2010	\$ Inc.(Dec.) 2010 Budget 2009 Proj. vs.
Operating Revenue	\$89.94	\$63.70	(\$26.25)	\$62.38	(\$1.31)
Total Operating Expense	62.81	59.48	(3.33)	62.23	2.75
Salaries & Fringe	45.26	41.53	(3.73)	42.81	1.28
Non-Personnel Exp.	17.55	17.95	0.41	19.42	1.46
Net Income (Loss) Before Other	\$27.14	\$4.21	(\$22.92)	\$0.16	(\$4.06)
Other operating Items	8.95	1.45	(7.50)	0.00	(1.45)
Net Income (Loss)	\$36.08	\$5.66	(\$30.42)	\$0.16	(\$5.51)
Full-Time Equivalent Employees	600	580	(21)	587	7

- Holly Patterson is budgeted to gain \$0.2 million in 2010, \$5.5 million less than the gain projected in 2009.
- Revenue is budgeted to decrease by \$1.3 million and expenses are budgeted to increase \$2.75 million.
- The decrease in revenue is due to a \$7.6 million decline in net patient service revenue offset by a \$7.2 million increase in IGT payments
 - Net patient service revenue is decreasing primarily as a result of State budget cuts.
- Headcount is budgeted to decrease by 9 FTEs from the FY 09 budget and increase by 7 from the FY 09 projected actual.

Nassau Health Care Corporation Statistics

	2009 Budget	Projected 2009	% Increase (Decrease) From Budget	2010 Budget	% Increase (Decrease) From Projected 09
Average Daily Census	421.3	427.2	1.4%	430.1	0.7%
Patient Days	153,824	155,954	1.4%	157,010	0.7%
Discharges	24,414	23,970	-1.8%	24,084	0.5%
Average Length of Stay	6.30	6.51	3.3%	6.52	0.2%
Case Mix Index	1.26	1.19	-5.6%	1.19	0.0%
FTE per Adjusted Occupied Bed	5.02	4.88	-2.8%	4.85	-0.6%
% Occupancy	88.44	89.73	1.5%	90.36	0.7%
Bad Debt as a % of Patient Revenue	12.12	13.30	9.7%	12.74	-4.2%
AHPGC Avg. Daily Census	580	582	0.3%	585	0.6%
AHPGC Resident Days	211,704	212,343	0.3%	213,605	0.6%
Community Health Center Visits	80,400	81,357	1.2%	85,885	5.6%

- The average daily census and patient days are projected to be over budget by 1.4% in 2009.
- The budget for 2010 increases the census and patient days by 0.7% compared to the 2009 projection.
- Discharges are budgeted to increase by 0.5% or 114 compared to the 2009 projection. This increase is due to the following:
 - 114 related to the renal dialysis expansion from 13 to 29 chairs effective July 1, 2010.
- The average length of stay and case mix index is expected to remain almost flat.

- The FTE per adjusted occupied bed was under the budget of 5.02 in 2009 by 0.14 or 2.8%. 2010 is budgeted to decrease slightly.
- Occupancy rate, projected at 89.7% in 2009, is budgeted in 2010 to increase slightly by 0.7%.
- Bad debt as a percentage of patient revenue is projected in 2009 to be over budget by 9.7% and budgeted to be 12.74 in 2010.
- A. Holly Patterson’s average daily census and resident days are budgeted to increase slightly from the projected actual of 2009.
- Community Health Center visits are expected to be over budget in 2009 by 1.2% and are budgeted to be higher than 2009 by 5.6%.

Nassau Health Care Corporation Multi-Year Plan						
(in millions)						
	Adopted 2009 Budget	Projected 2009	Projected 2010	Projected 2011	Projected 2012	Projected 2013
Operating Revenue	534.7	543.8	522.5	527.7	539.1	552.0
Total Operating Expense	543.3	543.4	543.7	564.9	575.5	586.1
Salaries	251.2	250.1	248.7	251.5	254.4	257.3
Fringe	82.5	80.8	81.0	95.1	98.3	101.6
Non-Personnel Expenses	209.6	212.5	214.1	218.4	222.7	227.2
Gain (Loss) from Operations	(8.6)	0.4	(21.2)	(37.3)	(36.4)	(34.1)
Other Operating Items*	-	46.2	1.6	1.6	1.6	1.6
Net Income (Loss)	(8.6)	46.6	(19.6)	(35.7)	(34.8)	(32.5)
Gap Closing Measures	-	-	11.2	35.8	35.0	33.8
Revised Net Income (Loss)	(8.6)	46.6	(8.5)	0.1	0.2	1.3

*Includes the change in value of derivative instruments and amortization of refunding loss.

- Without gap closing measures, NHCC expects a loss of \$19.6 million in 2010, \$35.7 million in 2011, \$34.8 million in 2012 and \$32.5 million in 2013. With the success of the initiatives this projection is revised to a loss of \$8.5 million in 2010, a gain of \$0.1 million in 2011, a gain of \$0.2 million in 2012 and a gain of \$1.3 million in 2013.
- Revenue assumes Nassau County Article VI funding and the mission payment to remain at \$18 million in the out-years.
- Salary costs include a 1.25% step increase and no COLA increase. This is because the CSEA union contract expires December 31, 2009 and the Administration has stated that they will not agree to any contract that is not budget neutral.
- Fringe benefits expense is increasing by 17.4% in 2011 due to an increase in projected pension costs from 7.4% of salaries in 2010 to 11.9% in years 2011 through 2013.
- In addition to the initiatives mentioned previously, the following initiatives have been added or increased in the out-years.
 - Dialysis Expansion (out-patient) - \$2.0 million. The revenue from the increased dialysis chairs is projected to increase from \$1.0 million in 2010 to \$2.0 million in 2011 through 2013.
 - Dialysis Expansion (in-patient) - \$4.3 million. In-patient revenue is expected to increase from \$2.1 million in 2010 to \$4.3 million in 2011 through 2013, due to the greater number of dialysis beds.
 - FQHC Status - \$1.5 million. This benefit increases from \$750,000 in 2010 as it is realized for a full-year starting in 2011.
 - Modernization Plan/Voluntary Physician Growth - \$12.5 - \$13.0 million.
 - This initiative includes the possibility of taking over another hospital and acquiring additional physician practices.
 - New 320 Bed Nursing Home - \$4.0 million. Revenue anticipated with the opening of the new nursing home.
 - Construction is expected to begin in February 2010 and to take about 20 months to complete.
 - Expansion of the Freeport & Hempstead Health Centers - \$1.1 in 2011 – \$2.2 million 2013.
- There is a projected decrease in IGT funds resulting from the revenue initiatives. About \$1.7 million in 2012 and \$2.5 million in 2013 is expected to be lost from this revenue stream.
- 340B Inpatient - \$5.0 million. 340B drug pricing program limits the cost of covered outpatient drugs to certain federal grantees, federally-qualified health center look-alikes and qualified disproportionate share hospitals. The hospital currently enjoys the benefit of 340B pricing on their outpatient drugs and is hoping to expand this benefit to their inpatient pharmaceutical expenditures.