Suffolk County Legislature
Budget Review Office

Review of the 2010 Recommended Operating Budget

October 16, 2009

SUFFOLK COUNTY LEGISLATURE

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SUFFOLK COUNTY LEGISLATURE

Gail Vizzini
Director

BUDGET REVIEW OFFICE

October 16, 2009

Presiding Officer William J. Lindsay
and Members of the Suffolk County Legislature
William H. Rogers Legislature Building
725 Veterans Memorial Highway
Smithtown, NY 11787

Dear Legislators:

Accompanying this letter is the Budget Review Office evaluation of the County Executive's 2010 Recommended Operating Budget. Each budget presents fiscal and policy challenges for the Legislature. The 2010 operating budget is overshadowed by the uncertainty as to when a turnaround in the economy will mean fiscal recovery. This year the major issues in the budget adoption process include: appropriate sales tax projections for 2009 and 2010, addressing public safety in terms of the need for a new Police class and providing for sufficient numbers of trained Correction Officers to allow for the December 2011 opening of the replacement jail facility. The level of turnover savings will make it very challenging for departments to fill vacancies in 2010. Despite declining growth rates in sales tax and concerns for fiscal year 2010 and 2011, the 2010 recommended budget proposes a small decline in the General Fund and Police District Property Tax Levies attributable to displacing the costs for the MTA payroll tax to a new fund. A significant question is does this budget position the County to navigate 2010 without a significant budgetary shortfall and does it prepare us for 2011? The Tax Stabilization Reserve Fund will achieve $99.8 million by year-end 2010, and may be a partial solution for 2011.

This report discusses department operations in relation to resources provided and offers many recommendations and Legislative policy options. I would like to extend my thanks to the staff of the Budget Review Office for their diligence and perseverance in the preparation of this report. We are ready to assist the Legislature in their deliberations during the budget adoption process.

Very truly yours,

Gail Vizzini

Gail Vizzini, Director
Budget Review Office

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"You have to start where you are, not where you wish you were."

General Stanley A. McChrystal
Commander of American Forces in Afghanistan

In this quote, General McChrystal is urging the President to make a realistic assessment of the need for additional troops in Afghanistan. The Legislature will be making a realistic assessment of the 2010 Recommended Budget and how revenue forecasts relate to the economy and how major policy issues are to be resolved.

Donald Boyd, senior fellow at the Albany-based Rockefeller Institute for Government states that while there are signs the economy is improving; governments do not see immediate recovery because job growth and higher consumer spending are often slow to develop. "Economic recovery doesn't lead to budget or fiscal recovery right away."

Although the Budget Review Office agrees the economy will recover, we differ from the County Executive's Office in terms of when and thus our sales tax projections differ substantially. The Budget Review Office is forecasting sales tax growth of negative 8.6% in 2009 and growth of positive 2.75% in 2010, compared to the County Executive's negative 6% for 2009 and positive 5% for 2010. As a result, we project that there is a potential for sales tax revenue in the recommended budget to be short $86.1 million over the 2009-2010 period. If revenue does not materialize as recommended, there is considerable risk that we may be pressured to declare a mid-year budgetary shortfall for 2010-2011, institute budget shortfall mitigating measures, seek other significant forms of recurring revenue and/or make significant expenditure reductions. There is the potential for big problems that will require big solutions.

Generating revenue means some combination of increases in property taxes, increasing fees, selling assets or obtaining state approval to increase the rate for sales tax, cigarette tax or other inventive revenue generating ideas. Expenditure cuts will mean some combination of reserving appropriations, consolidating programs, eliminating programs, labor concessions and/or layoffs.

Of further concern to the Legislature are the public safety policy issues. Sixty filled Police Officer positions are abolished, which relate to the yet to be approved concession agreement between the County Executive and the PBA. It is our understanding that concessions are to provide sufficient funds to restore the positions. The recommended budget makes no provision for a new Police class to address the attrition through retirements that have occurred since the last class in December 2007. Active Police Officers are at the lowest levels since at least September 2000 when the Budget Review Office first began tracking active positions. The Budget Review Office provides cost and funding options should the Legislature decide to one or more new recruit classes. In addition, we recommend adding 40 Correction Officers above the 40

included in the recommended budget, and moving the second of two classes up from December to July in order to attain the mandated minimum staffing level to permit the timely opening of the Yaphank replacement jail.

In terms of staffing, the total number of authorized positions in the budget decreased from 12,071 in 2009 to 11,568 recommended for 2010, a loss of 503 authorized positions, most of which are in the Police Department. As of September 2009, vacancy rates countywide averaged 13.6%, with Consumer Affairs having the highest vacancy rate of 30.4%. Countywide turnover savings is also very high, meaning that few departments have sufficient appropriations to fill vacant positions. The Department of Information Technology has a vacancy rate of 10.7%. Twenty technical positions from seven departments are recommended to be transferred to the Department of Information Technology, which may have some adverse impact on those departments.

The increased rate for Hotel Motel revenue is included in the 2010 recommended budget, which provides a funding stream to the Vanderbilt Museum, Suffolk County Historical Society and considerable relief to the General fund. Twelve park historic services positions are transferred from the General Fund and funded with the Hotel Motel revenue.

The Legislature has several significant policy issues to review in this budget. Realistically, where will the County be in 2010, and have we positioned ourselves for 2011? What is our threshold for the risk that this budget adequately resources the County to continue service delivery in 2010? What is the risk that appropriations restored by the Legislature ultimately may be diverted to mitigate a looming budget shortfall, especially if the economy does not turn around sufficiently to meet the sales tax forecast? If not, are we prepared to take the necessary steps toward remediation?

Looking forward to 2011, the fiscal climate remains challenging. First is the potential for a 2009-2010 shortfall in sales tax of $86 million; $81 million is in the General Fund. Next, the Federal stimulus funds for medical assistance (FMAP) will drop off by $39.2 million. In addition, the County's retirement costs are projected to increase by $45 million in 2011, of which $21 million is in the General Fund and $24 million in the Police District fund. Finally, there is likely to be a $20 million property tax shortfall in 2010. These are substantial challenges.

Realistically, where are we at the close of 2009 and entering 2010? Is this where we wish to be?

SUMMARY OF FINDINGS AND RECOMMENDATIONS

Sales Tax Revenue

- The recommended budget includes estimated sales tax of $1.09 billion, which is negative 6% growth from the 2008 actual sales tax revenue and assumes positive 5% growth in 2010 for a recommended sales tax revenue of $1.15 billion in 2010.
- The Budget Review Office projects sales tax growth to be negative 8.6% in 2009 and positive 2.75% in 2010, which translates into a sales tax shortfall of $86.1 million over the two-year period 2009-2010 as compared to the 2010 Recommended Budget. The breakdown by fund is a sales tax deficit of $81.1 million in the General Fund and a deficit of $5.0 million in the Suffolk County Water Protection Fund.
- It is inconsistent for the recommended budget to assume a depressed real estate market in its forecast for Interest & Penalties – Real Property Taxes (001-FIN-1090) and at the same time assume that the economy will turn around in the fourth quarter of this year, in its forecast for sales tax revenue.

The Economy

- The consensus is that an improving national economy is not likely to be sufficiently strong to eliminate further job losses until early 2010.
- More problematic locally is that the Long Island economy tends to lag the rest of the nation by six to nine months.
- Implicit in the recommended budget's sales tax revenue forecast is a more optimistic view for the 2010 rebound for the local economy.
- Since the County does not adopt a budget with an allowance for a General Fund property tax surplus or shortfall, the weak economy may result in a shortfall in 2010 of about $20 million.

Cap Compliance

- As was the case last year, the Budget Review Office recommends that legislation be introduced to revise or eliminate the cap laws and to replace them with a cap on discretionary expenditures for the combined General Fund and Police District only.
- We also recommend eliminating the discretionary tax levy cap on the combined General Fund and Police District. This fiscal restraint will be provided by the above revised expenditure cap.
- The inconsistent application of the definitions for mandated and discretionary expenditures and revenues over the past several years has made calculation of cap compliance a meaningless exercise. This situation has resulted in the 2010 recommended General Fund discretionary property tax of negative $76.3 million.

The 2010 Recommended Property Tax Warrant

- Local Law No. 31-2009 (Res. No. 784-09) requires that the County cost for the newly instituted 0.34% New York State MTA payroll tax be listed separately on property tax bills.
- The 2010 recommended cost of the MTA payroll tax is $2,054,913 in the General Fund and $1,032,605 in the Police District. The 2010 recommended property tax warrant is less than the 2009 Adopted Budget by these exact dollar amounts. When the MTA payroll tax is included, the 2010 budget recommends no change in property taxes from the 2009 adopted level.
- Excluding the MTA payroll tax, the average homeowner property tax bill (for the combined County General Fund, College, Police District, and District Court) is estimated to decrease by 80 cents. Due to decreases in assessed value of property and changes in the apportionment of taxes between the towns, three towns will on average experience small increases (Brookhaven, Southampton and Southold).
- The impact of the MTA tax on the average homeowner property tax bill is estimated to be $5.62.

Debt Service

- The recommended budget overstates General Fund debt service for 2009-2010 combined by a total of $4,730,869 for serial bonds, tax anticipation notes (TANs) and bond anticipation notes (BANs). Reduce the 2009 estimated General Fund debt service by $1,315,693 and reduce the recommended 2010 General Fund debt service by $3,414,176
  - Our recommendation includes the County sale of $17,537,214 in bond anticipation notes (BANs) on October 29, 2009 for which the recommended budget does not include $212,395 for BAN interest.
- The recommended budget does not include funding in 2010 for pay-as-you-go financing of capital projects. If the Legislature concurs with the recommended budget, legislation should be adopted to suspend Local Law 23-1994, the 5-25-5 legislation, for 2010.
- The BRO recommends forgoing level debt service in the future and returning to the more conservative “50%-Rule” to repay its serial bonds. Should the Legislature wish to continue to allow the Comptroller to issue level debt service beyond 2009, an authorizing resolution would be the recommended course of action.

Personnel Costs and Issues

- The 2010 Recommended Budget includes $1.47 billion for personnel costs, salaries, and employee fringe benefits, which represents 55.6% of the $2.66 billion recommended budget.
- The recommended budget projects personnel costs to increase by $110.6 million (8.1%) over the 2009 estimated budget, $95.1 million for salaries and

other compensation payments to employees and $15.5 million for employee benefit increases. Two factors account for the significant increases:

- 2009 salaries were reduced by an estimated $20.5 million to reflect the lag payroll, and
- deferment of contingent appropriations for labor agreements from 2009 to 2010.

- While the 2010 recommended personnel budget includes a significant increase over the 2009 estimated budget, it represents a decrease of $2.4 million from the 2009 adopted personnel budget.
- Countywide 1,643 (13.6%) of the authorized positions are vacant as of September 20th, 90 more than last year's 1,553 vacant positions.
- The 2010 recommended General Fund budget includes $7.7 million in permanent salaries to fill new and vacant positions, which is $13.0 million less than the $20.7 million included in the 2009 Adopted Budget.

Employee Benefits

- In 2009, the average health insurance premium for family coverage, in a self-funded plan such as EMHP, is $13,588, which is 3.55% less than the EMHP 2009 self-pay family rate of $14,071. EMHP rates compare favorably to the national averages.
- The 2009 budget estimate includes $255.6 million for health insurance costs, which is $20.9 million less than the adopted budget and $20.8 million less than the healthcare consultant's projection due to lower than projected growth in major medical, hospital, and prescription drug claims.
- The Executive's 2009 estimated interfund transfer revenue (IFT) to Fund 039 reflects a 50% reduction in the December 2009 IFT from all funds to Fund 039. The majority of the revenue reduction is realized in the General Fund and Police District Fund, approximately $6.6 million and $3.3 million respectively. There are two plausible reasons for reducing the December interfund transfers by 50%.
  - Reducing the 2009 General Fund transfer by $6.6 million increases the General Fund balance by a like amount. Without the reduction, the General Fund balance would be $36.7 million, rather than the recommended $43.3 million.
  - Reducing the General Fund transfer also reduces the need for cash by the same $6.6 million. Reducing the EMHP interfund transfers helps to alleviate potential year-end cash flow shortages.
- The 2010 recommended budget of $280.9 million for health insurance expenditures budget is $2.5 million less than recommended by the County's health insurance consultant.
- The Budget Review Office believes that the consultant's 2010 annual growth trend rates of approximately 10% in the aggregate are overly pessimistic based upon the 2009 claims experience for EMHP and the U.S. Department of Health

and Human Services national health expenditure projection for 2010 of less than five percent. Assuming a growth rate of seven percent, the recommended 2010 health insurance medical claims total of $249.6 million is overstated by $7 million.

- To allow an acceptable margin of deviation reduce the 2010 recommended EMHP medical claims by $3 million and reduce the associated interfund revenues to EMHP (Fund 039) as follows: General Fund, $1,800,000; Police District, $900,000; Suffolk Community College $230,000, John J. Foley Skilled Nursing Facility, $70,000.

- GASB 45 financial reports generated by the Alliance Benefit Group for Suffolk County for the fiscal year beginning January 1, 2007, indicate that the County's actuarial accrued liability (AAL) for other post employment benefits (OPEB) is $3.93 billion. An actuarial valuation of OPEB for Suffolk County is required every two years; therefore, an updated actuarial valuation should be completed in 2010.

- The recommended retirement budget of $92,589,773 is reasonable and represents both the Employees' Retirement System (ERS), which is $39.9 million derived from an aggregate contribution rate of 7.4% and the Police and Fire Retirement System (PFRS), which is $52.5 million derived from an aggregate contribution rate of 14.6%.

- The 2010 recommended budget includes $61.6 million for Social Security, which represents 6.19% of the total personal services costs. The 2010 Recommended Social Security appropriations appear overstated in the General and Police District Funds. Decrease the 2010 recommended budget for Social Security contributions in the General Fund by $400,000 and by $400,000 in the Police District.

- The 2010 Recommended Budget includes $724,414 across all funds for Unemployment Insurance as requested. The recommended unemployment insurance appropriation in Fund 115-Police District does not provide for 44 abolished filled Police Officer positions at an estimated cost of $463,320 based upon state unemployment benefits that provide a maximum benefit of $405 weekly up to 26 weeks.

  - In the event the Legislature does not restore the abolished filled Police Officer positions increase the 2010 recommended budget for Unemployment Insurance in the Police District Fund (115-EMP-9055) by $463,320.

Resolved Clauses

- Resolved clauses contained in the 2010 Recommended Operating Budget, pages 53 through 56 in Volume No. 1 and pages 1 through 3 in Volume No. 2 should be expunged and eliminated from the 2010 Adopted Budget document.

Self Insurance Fund (Fund 038)

- It is standard practice for the County to issue serial bonds to pay for judgments and liabilities. While this offers the County the advantage of deferring payment and is sensitive to cash flow needs, it leads to higher over time. Add $2.5 million in 2010 for liability insurance settlements.
- Establish insurance reserves to pay for large loses to lessen the issuance of debt and the payment of interest.
- Insurance and Risk Management's failure to issue the RFP for the insurance consultant until late summer resulted in not having the "Risk Management Actuarial Projection" report in time for the 2010 Recommended Budget.

Communications System E-911 (102)

- Recommended expenses in Fund 102 total $13,238,848 for 2010, an increase of $607,580 from the 2009 estimated budget mostly due to system costs. The system has been supported by a dedicated telephone surcharge of 35 cents per landline phone and interfund transfers from both the General and Police District funds. During 2009, this surcharge is estimated to generate $2,738,000. Surcharge revenue in 2010 is expected to be flat.
- The recommended budget reduces PSAP funding in 2010 by $104,000 from $480,000 in the 2009 Adopted Budget to $376,000 in the recommended budget.
- The recommended budget includes new revenues generated from wireless communications devices ($4.2 million) and voice over internet protocol ($1.6 million) and reduces the transfers from the General Fund by $1.9 million and the Police District by $2.6 million compared to the 2009 Adopted.

County Road Fund (105)

- The 2010 recommended budget includes $6 million from a new revenue source, red light camera fines. This additional revenue resulted in the elimination of the General Fund transfer ($4.5 million Adopted in 2009).

Police District Fund (115)

- The recommended budget includes a Police District fund property tax warrant of $445,411,409, which is $1,032,605 less than the 2009 adopted property tax warrant. This reduction is equal to the Fund 115 NYS MTA Tax, $1,032,605, and includes that amount within the Fund 121 property tax warrant.
- The Police District Fund 115 net levy, or the amount required to fund 2010 expenses on a stand-alone basis, is recommended at $482,030,442, which is a net increase of $17,576,032 over the 2009 Adopted Budget and is mostly attributable to increases associated with anticipated labor agreements during 2010 and the recommended abolishment of 60 filled Police Officer positions.

District Court Fund (133)

- The 2010 recommended real property tax levy for the District Court Fund is $7,312,389, which is identical to the 2009 Adopted real property tax levy. It is

our opinion that the 2009-2010 revenues are overstated by $1.5 million and it appears that the 2010 recommended expenditures are understated by $2 million for a projected $3.5 million deficit in 2010.

- Adopting the District Court Fund as recommended will most likely result in a 2010 year end deficit of $3.5 million which could result in a property tax increase in 2011, all things being equal. The alternative is to increase the Fund 133 Property Tax Warrant by $3.5 million. Increasing property taxes by $3.5 million would increase the average property tax bill by $7.51 ($2.15 per million) from the recommended tax of $15.61 to $23.12 in 2010.

Hotel / Motel Tax Fund (192)

- To properly allocate revenue in accordance with the new legislation, and in consideration of the economic downturn, reduce estimated 2009 Hotel/Motel tax by $307,368 to $2,156,359 and the recommended 2010 Hotel/Motel tax by $522,964 to $6,924,976. Reduce the recommended 2010 expenditures as follows: the Long Island Convention and Visitors Bureau, $74,602; Special Services/non-contract agency in ECD, $62,939; Other: Unclassified/non-contract agency in ECD, $22,589; Building Materials/non-contract agency in PKS, $22,695; Other: Unclassified/non-contract agency in PKS, $24,378; Fees For Services: Non-Employ in PKS, $75,000; Repairs: Buildings in PKS, $54,978; Vanderbilt Museum, $111,717; Contracted Agencies/non-contract agency in MSC, $72,617; Walt Whitman Birthplace, $16,757; and General transfer for Park Services by $292,060. Our recommended expenditure reductions are in compliance with County Chapter 327 and New York State Tax Law § 1202-o (5).

Community Development Fund (351)

- The Department of Economic Development & Workforce Housing and the Executive's Budget Office should expeditiously enter the proper journal entries, and make the proper fund transfers to resolve Fund 351 shortfalls.

Tax Stabilization Reserve Fund (403)

- The 2009 mid-year transfer of $30 million from Fund 403 to the General Fund was the second time the County accessed the Tax Stabilization Reserve Fund by modifying the budget. This transfer is in accordance with General Municipal Law as the County sustained historical unanticipated loss of sales tax revenue resulting from an economic meltdown that could not have been predicted.
- The recommended budget does not transfer additional funds from the Tax Stabilization Reserve Fund in 2010 and projects a fund balance of $99.85 million by year-end 2010.
- Our sales tax forecast revenue is considerably less than the recommended budget. As such, in our opinion, should 2009-2010 sales tax revenue come in less than recommended, that alone should not be considered an unanticipated revenue loss permitting the County to access Tax Stabilization Reserve during 2010.

Energy Trends for Light, Power & Water

- Across all funds, actual expenditures for Light, Power & Water (4020) exceeded $30 million in 2008, up from approximately $17.7 million in 2003 (an increase of approximately 62.5% in just five years).
- The estimated 2009 expenditures for Light, Power & Water are approximately $29.8 million, of which $21.2 million is attributable to the General Fund. Budget Review projects energy expenditures for 2009 at $29.2 million, of which approximately $21.2 million is attributable to the General Fund. The Budget Review Office projects a 2009 surplus of approximately $697,000, of which only $65,000 is attributable to the General Fund.
- The recommended 2010 Light, Power & Water budget is $31.5 million, which represents a $1.3 million increase (approximately 4.57%) over 2008 actual expenditures (and an increase of approximately 70% over 2003 actual expenditures). Approximately $21.8 million of the recommended funding is attributable to the General Fund.
- The main drivers of Suffolk County energy expenditures are energy commodity prices, fuel and purchased power surcharges imposed by LIPA, natural gas rate increases, and the energy use profile of County facilities. LIPA again faces pressure to account for cost increases and KeySpan natural gas rate increases will continue to affect Suffolk County expenditures at an annual average increase of 4.9% for each of the next four years.
- Crude oil prices averaged $31 per barrel in 2003, approximately $100 per barrel in 2008, and have averaged approximately $57 per barrel in 2009 – but rose steadily from approximately $42 per barrel in January to the current trend of approximately $70 per barrel. The last time crude oil futures traded at $130 per barrel was September 22, 2008. Natural gas prices averaged $5.50 per million Btu in 2003, approximately $8.91 per million Btu in 2008, and have averaged approximately $3.88 per million Btu in 2009.
- Natural gas storage levels across all regions are at historically high levels and NOAA has forecasted a moderate winter for most of the country, warmer than last year in the northeast.
- The Energy Information Administration projects that consumers will pay less for energy this winter, but; crude oil prices are expected to remain volatile, increasing through 2010, and natural gas prices are projected to increase approximately 30% through 2010.
- Budget Review recommends creating one Energy Engineer position (grade 31) and one Energy Systems Computer Specialist position (grade 32-34) in the Department of Public Works, plus one new Regulatory Attorney in the Law Department.
- Budget Review recommends that the County should consider a leadership role on regional energy issues with; implementation of a 4-day work week pilot program, continued support for academic programs in energy, and the formation of an inter-municipal energy council to formulate and implement a regional

energy strategy. To facilitate consumer choice and independence from energy providers Budget Review recommends the Legislature establish an energy bond fund that would facilitate energy efficiency and renewable energy programs to the general public, administered through the Suffolk County Electrical Agency.

Departments and Miscellaneous Agencies

Audit and Control

- Increase the recommended budget for Audit and Control by $25,000 to provide for the Comptroller's request for outside counsel.
- Create one Auditor Trainee position (grade 17) in Audit Services to assist with the completion of timely audits. Create one Account Clerk position (grade 11) in General Appropriation and Accounting Services to assist with the processing of DSS vouchers and the increased volume and workload associated with client benefit applications, W9 forms, and LIPA arrears payments. There are sufficient funds to fill these two positions for half the year if the six positions that are currently vacant, remain unfilled.
- The recommended budget includes $450,000, which is an 11% increase over the 2009 Adopted Budget for the annual County audit, as requested. The County will be issuing an RFP for auditing services because the contract with the current auditor, Ernst and Young, is expiring.

Board of Elections

- Increase the recommended budget for Outside Printing by $475,000 to ensure that there are sufficient funds for printing paper ballots in 2010.
- Increase the 2009 estimate for overtime by $100,000 to provide realistic funding based upon year to date expenditures and increase the recommended budget by $500,000 in 2010 to provide for HAVA implementation.
- Increase the estimated revenue for handicapped accessible supplies purchased through 100% reimbursable grant funds by $50,761 to reflect the receipt of state reimbursement.
- Evaluate storage costs for lever voting machines with the likelihood of a short-term or long-term need for them in the event that there is a problem with the optical scanner machines. However, there is no longer a lawful use for lever voting machines and paper ballots may be a more cost effective emergency backup alternative.
- The Board of Elections estimates that the County will need approximately 1,200 optical scanner machines, which includes 375 machines already in their possession. BOE anticipates that New York State will certify these machines and the County will be in receipt of them by March 2010. New York State expects to fully replace all lever voting machines with optical scanner machines and achieve full HAVA compliance in time for the 2010 General Election.

Civil Service

- The recommended budget includes the creation of one Deputy County Personnel Officer (grade 39) position for succession planning in the Department of Civil Service/Human Resources. The position may be premature since the County Personnel Officer's term does not expire until 2013. The Budget Review

Office estimates that the annual salary cost of adding this position would range from $102,651 to $145,012, depending on the step at which the employee is hired.

- The 2010 Recommended Budget does not include funding for the Tuition Reimbursement Program. Add $200,000 in 2010 to comply with the *Triborough Doctrine* and honor the County's agreement with AME.
- Reduce the recommended budget in 2010 for Bank Service Charges by $16,000 based on historical expenditures.

Consumer Affairs

- Fill two Weights and Measures Inspector (grade 20) positions and two Clerk Typist (grade 9) positions for three quarters of the year and two Weights and Measures Inspector (grade 20) positions and two Clerk Typist (grade 9) positions for half of the year using available appropriations to prevent point of sale abuses of scales, meters, and pumps.
- Increase the initial application fee for gas stations from $50 to $150, the bi-annual fuel facility registration fee from $100 to $400, and institute a $35 fee to cover annual operating and enforcement costs associated with the inspection of motor fuel meters. The potential $400,000 increase in revenue will offset the Bureau of Weights and Measures expenditure on motor fuel meter inspections.
- Add $63,000 for three heavy-duty pickup trucks and associated retrofitting costs to mount testing equipment on the truck frame for site inspections of gas station and oil truck meters.
- Add $36,000 for three light-duty pickup trucks for weights and measures inspectors to make site inspections that verify the accuracy of gas station meters and retail scales.
- Abolish the vacant Director of Weights and Measures position that has been earmarked to an Administrator IV position and reduce permanent salaries by $100,000, as the Commissioner, in accordance with Charter Law C31-2, has been designated the responsibilities and job duties of the Director of Weights and Measures.

Cornell Cooperative Extension

- Delete $1,239,374 for five CCE programs funded through the Water Protection Fund (Fund 477) as follows:
  - Alternative Management Strategies for Control of Insects in Agriculture and Landscapes a/k/a Entomology Program
  - Development & Implementation Agriculture Stewardship Program
  - Integrated Pest Management Program
  - Restoration of Peconic Bay Scallop Population & Fisheries
  - Suffolk County Stormwater Phase II Program

- Require the Department of Environment and Energy to present to the Legislature an assessment of each Fund 477 CCE program prior to the adoption of a funding resolution to provide the Legislature with programmatic and fiscal oversight in compliance with Charter Law 24-2007.

District Attorney

- Adjust the estimated budget by a net increase of $133,482, based upon year-to-date expenditures, for salary, equipment and supply expenditures.
- Provide replacement vehicles for the DA through the $1.5 million included in the recommended budget in the Department of Public Works for public safety vehicles or assign hybrid vehicles, which will be purchased through the capital.

Economic Development and Workforce Housing

- Based upon our Hotel/Motel Tax revenue projection for 2010 (Fund 192) there is $422,221 available to fund cultural affairs organizations and activities, and $210,123 to fund museums, historical societies, historic residences, and historic birthplaces relevant to the continuation and enhancement of tourism in Suffolk County.

Environment and Energy

- A more appropriate job title for the Office of Recycling & Waste Management is Recycling Coordinator not Chief Environmental Analyst. The Department's request indicates that the position of recycling coordinator as well as any equipment, supplies, educational materials, etc. are all eligible for 50% reimbursement from the NYS Department of Environmental Conservation.

Executive

- The recommended budget creates one new Deputy Director of Labor Relations position (grade 30) to address an anticipated increase in workload and to create a succession plan should the Director of Labor Relations position become vacant. The annual salary cost ranges from $72,010 to $101,686.

Fire, Rescue & Emergency Services (FRES)

- Add $10,200 in 2010 to provide travel expenditures for training to meet arson and bomb scene qualifications.
- Add $100,000 in 2010 to provide sufficient appropriations to fund currently filled positions.
- Reinstate the Senior Clerk Typist position to allow the Department to fill this position as appropriations allow.
- Add $53,155 in 2010 to fill one ESD II and one ESD I position for half the year.
- Add $44,740 in 2010 to fill one Fire Marshall II position for three quarters of the year.
- Add $50,000 in Vocational Education and Extension Board (VEEB) in 2010 to provide for additional student training hours to meet the demand.

Health Services

- The recommended budget includes the closure of the Central Islip Health Center and the incorporation of its patients into the Brentwood Health Center. HEAL Grant funds will be applied to reprogram existing space to create additional examination rooms to accommodate patients.
- There is a hiring freeze implicit in the recommended budget for the Department. Most divisions will be unable to hire any new staff, and some divisions do not have sufficient appropriations for existing filled positions.
- The recommended budget includes a revenue decrease of $4.9 million in state aid. This loss may be permanent with respect to the elimination of state aid claims eligibility for the Medical Examiner's Office and the Division of Emergency Services
- Update the Administrative Code to reflect the Department's current organizational structure.
- Develop a succession plan, as 16.4% of the Department's personnel are currently eligible for retirement. In particular, there is insufficient staff with the appropriate experience to fill administrative positions once the incumbents in these positions leave public service.
- Expenditures at the John J. Foley Skilled Nursing Facility, especially personnel expenditures, have moderated. It is unlikely that the County will realize further significant savings through efficiencies. We agree with the recommended budget that abolishes 41 vacant positions at JJFSNF.
- The recommended interfund transfer from the General Fund of $941,630 to JJFSNF in 2010 is an anomaly. We estimate that the transfer in 2011 and beyond will be in the range of five to seven million dollars annually, assuming recently established efficiencies continue and future collective bargaining agreements do not increase labor costs significantly.
- The Public Health Protection Bureau's 47 filled sanitarian positions are sufficient to meet required food service establishment inspection needs.
- The Department of Health Services anticipates additional state funding estimated at $3 million in the Public Health and Patient Care Divisions that was not included in the recommended budget for personnel, additional supplies, and contractual expenses to manage the novel H1N1 pandemic. State and federal public health agencies will supply the vaccine. The H1N1 grant funding will be appropriated via resolution upon its receipt.
- Increase fees for services by $56,428 in 2010 to fund a psychiatrist in the Methadone Program as Suffolk County is experiencing a growing problem with opium based substance abuse.
- The recommended budget includes a new sub object, 3041 "Print Shop HSV chargeback" to allow Health Services to account for materials printed by the Department of Public Works in its New York State reimbursement claims.

- Abolish the vacant Coordinator of Community Based Programs (grade 26) and the vacant Health Program Analyst I (grade 20) positions in the Office of Minority Health.
- Abolish the vacant Assistant Deputy Commissioner of Health Services - Public Affairs (grade 33) in Health Services that has been vacant since its creation in the 2006 budget.
- Reduce the 2010 recommended overtime in Public Health Nursing by $4,000 to reflect historical expenditures.
- The recommended budget reflects additional revenue in 2010 of $327,000 for the Division of Children with Special Needs as the per-child rate was augmented by NYS ARRA for 2010 and 2011 to improve or supplement program operations. This revenue will be used to purchase equipment for program enhancements and to offset unreimbursed expenditures for the transportation of program participants.
- Provide a maximum of $559,138 in additional funding for the Huntington Hospital/Dolan Health Center in 2010 to avoid significant service reductions.
- We concur with the recommended budget to eliminate funding in 2010 for the mammography van provided through the Brookhaven Memorial Hospital Contract. The mobile mammography van is approaching obsolescence, fixed sites have sufficient excess capacity to absorb additional volume, and there are a number of mammography facilities throughout the County. Therefore, the mobile mammography van is not critical to patient access to breast cancer preventive services as they can be referred to fixed facilities that provide this service at a reduced cost to the County.

Human Services

- Increase permanent salaries in the Youth Bureau by $10,000 in 2010 to provide sufficient appropriations for currently filled positions.
- Decrease the 2009 estimated budget by $193,707 for St. Vincent DePaul (Ryan House) as this agency closed in 2009 and it is unlikely that a contract for these services will be awarded in 2009 and reduce the corresponding state aid by $116,224 for a net savings of $77,483.
- Fill one vacant Veterans Service Officer (VSO) position (grade 16) with existing appropriations in the Veterans Service Agency for half of the year to maintain a high level of service to Suffolk County's veterans and in anticipation of the demand for an additional VSO in Riverhead when the East End Clinic opens in 2010.

Information Technology

- Twenty IT positions from seven other County Departments are transferred to the Department of IT.
- Add $140,000 in 2010 for permanent salaries to provide sufficient appropriations to fund currently filled positions.

- Direct the Public Safety Integrated Communication Task Force, upon creation, to provide all reports to the Legislature.

Labor

- Exercise the buyout option to purchase six 2007 Chevy Impala sedans with less than 30,000 miles coming off lease in 2010 at a cost of $7,500 each or $45,000 in total. This buy-out is a less expensive option for the County rather than purchasing new replacement vehicles.

Law

- Reclassify lower level assistant attorney positions as either competitive or non-competitive Civil Service job titles to reduce turnover and loss of institutional knowledge as administrations change.

Legal Aid Society

- Add $359,594 in 2010 to the Legal Aid Society's Senior Citizen Division to restore this contract agency (GER1) to the 2009 adopted funding level of $578,161.
- Add $341,125 for salaries in 2010 for the Legal Aid Society to create six additional attorney positions if there is concern that there may be merit to the ACLU lawsuit.
- Consider increasing funding in 2010 by $609,025 for the following: health insurance ($323,998), retirement ($66,852), MTA Tax ($24,000), other employee benefits ($14,475), merit salary increases ($135,000), fees for services ($10,000), and furniture and equipment ($34,700).

Parks, Recreation and Conservation

- Reinstate the abolished Park Supervisor III position (grade 22) to provide for an east end area supervisor and additional supervisory oversight when appropriations allow.
- Reinstate the three abolished Park Supervisor I positions (grade 15) to provide for oversight when appropriations allow.
- Create one new Accountant Trainee (grade 19) and add $43,186 for salary and fringe benefits for 9 months in 2010 to shorten cash revenue posting lag time.
- Add $169,423 for salary and fringe benefits in 2010 to fill two vacant and create and three new Park Police Officer positions (grade 19, step 5), assuming a start date of July 12, 2010.
- Extend the current fee schedule past its sunset date, March 2010, and increase Parks Fees by $800,074 in 2010.
- Add $50,000 in 2010 to adequately fund overtime and add $9,852 in 2010 for temporary salaries in the Department's main appropriation.
- Add $161,016 in 2010 to adequately fund temporary salaries in Environmental Enforcement.

- Add $80,000 in 2010 for items for resale for the purchase of gasoline for marinas.

Planning

- Water Quality Protection Funds (Fund 477) are more suitable for capital expenditures than funding positions in the operating budget.
- Limit the funding to the Long Island Regional Planning Board to a maximum of $100,000 annually pursuant to Resolution No. 636-2005, as amended by Resolution No. 1097-2007, until a business plan is submitted and accepted by the Suffolk County Executive and the Legislature.
- The payment of the County contribution to the Long Island Regional Planning Board should be conditional upon both the Nassau payment and the timely receipt of their business plan.

Police

- The number of active sworn police personnel on the payroll decreased by 101, from 2,533 in December 2008 to 2,432 in September, which is the lowest level since December 1993. Assuming 70 retirements during next year, the number of active sworn officers will approach 2,363 by the end of 2010.
- The recommended budget abolishes 436 Police Officer positions of which, according to the budget document, 60 are filled and 376 are vacant. The administrative code requires that prior to abolishing filled positions, all vacancies in the same title in the same department be abolished. However, the Budget Review Office projects that the budget abolishes 45 filled Police Officer positions not 60, based upon the September 20th position control register.
- The cost to restore the abolished filled Police Officer positions is $12 million.
- Assuming the abolished filled Police Officer positions are restored, add $6.7 million in 2010 for salary and fringe benefits to hire a class of 100 Police Officers in late March of 2010 to maintain acceptable public safety levels.

Probation

- The vacancy rate in the Probation Department in 2008 and continuing into 2009 is at a ten-year high of 13.9%.
- The average number of active employees in 2009 is 408, its lowest level since 2000 when there was an average of 405 active employees.
- The Department is authorized to fill 12 Probation Officer Trainee positions to help alleviate staffing shortages.
- During 2008, 16 out of the Department's 145 support staff participated in ERIP and during 2009, another eight support staff left requiring Probation Officers to perform clerical or other support functions.
- The recommended budget abolishes nine vacant positions of which two positions have been identified by the Department as being particularly critical and in need of being restored:

- Principal Account Clerk (grade 17) to assist in the processing and management of the Department's $17.3 million budget.
- Probation Investigator (grade 17) to expedite the arraignment process and reduces jail overcrowding for offenders posing no risk to the community.

- There is insufficient funding for permanent salaries included for Probation General Administration to fill any of its 33 current vacancies in 2010. Add $356,034 for permanent salaries to fill critically needed support staff and probation officers for one-third of 2010.
- The proposed transfer of Probation's five-person automation team to the Department of Information Technology Services (ITS) is imprudent. The team's criminal justice and forensic expertise assists in the operation of the new caseload management system "Caseload Explorer", which is ready to go statewide immediately. This transfer may jeopardize $100,000 in State reimbursement for the Automation Unit. Add $348,592 to permanent salaries in Probation General Administration and add $77,713 to permanent salaries in the Electronic Monitoring Unit to reverse the proposed transfer.
- Limiting the appropriations in the Electronic Monitoring Unit to 11 filled positions in 2010 will prevent the unit from addressing expected growth in demand from the Criminal and Family Court systems imposing the use of electronic monitoring as a condition of probation. Add $256,764 in permanent salaries to provide sufficient appropriations to fill vacancies for one-half of 2010.
- The seemingly stable level of 20 requested and 20 recommended staff in the Sex Offender Unit is deceptive. There are eight vacancies and the 2010 recommended permanent salaries are not sufficient to fill any of those vacancies for more than a third of the year. Add $91,140 in permanent salaries to fund four vacant Probation Officer positions for one-half of 2010.

Public Works

- As of September 20, 2009, the Department had 991 authorized positions, of which 144 or 14.5% were vacant, which represents a decrease of 35 authorized staff compared to 2008.
- The recommended budget abolishes or transfers 19 positions and omits the only two new positions requested thereby reducing the total number of authorized positions to 972.
- DPW continues to grow more dependent on overtime salaries and outside consultants to compensate for staff reductions.
- Increase the 2009 estimated Departmental overtime by $480,000 and increase the recommended 2010 Departmental overtime by $693,000 based upon historic expenditures.
- In 2009 DPW negotiated 26 engineering contracts totaling approximately $12 million, executed over 48 term consultant agreements and 16 individual project agreements all while managing 166 separate capital projects valued over $200 million.

- Reduce the estimated budget for Fuel for Heating by $20,000 and the recommended budget by $50,000 in the Court Facilities Division to reflect current expenditure levels.
- Reduce the recommended budget for Rent: Office and Buildings by $100,000 to reflect savings associated with relocating from the 220 Rabro Drive location.
- Abolish the vacant Public Works Capital Project Manager (grade 35) position within the Building Design and Construction Division, which is consistent with the Executive's goal to abolish long term vacant positions.
- Restore the Duplicating Machine Operator III (grade 15) position in Support Services, to enable the Department to fill this position to assist with the large backlog of work as appropriations allow.
- Add two new Office Systems Technician (grade 17) positions as requested by the Transportation Division, to address the anticipated installation of the Automated Vehicle Locater (AVL) system in 2010. The Recommended Budget includes sufficient permanent salary appropriations to fill these positions for the entire year, if the three existing vacant positions remain unfilled.
- Increase the recommended budget for Snow and Ice Removal Supplies by $250,000 within the Snow Removal Division to provide for anticipated expenditures based upon cost enhancements and inventories.

Real Property Tax Service Agency

- Amend the fee schedule for the ARIES subscription to allow for separate subscriptions for the various geographic areas, for example; the five east end towns, Town of Brookhaven, and the four remaining west end towns.

Sheriff

- The recommended budget creates 20 new Correction Officer positions and includes sufficient appropriations for two classes of 20 Correction Officers each starting in January and December 2010.
- Create 20 new Correction Officers and add $2.5 million in 2010 to increase both classes to 40 and advance the second class to July to be in compliance with the New York State Commission of Correction minimum staffing levels and the opening of the replacement jail in 2011.
- Create one new Material Control Clerk IV position at a cost of $51,460 to enhance civilianization efforts.
- Increase 2009 estimated revenue by $648,892 and 2010 revenue by $300,000 to reflect the reimbursement for expenses related to the incarceration of criminal aliens under the New York State Criminal Alien Assistance Program (SCAAP).
- Reduce recommended expenditures by $150,000 in 2010 for correctional facility food.

Social Services

- FMAP (Federal Medical Assistance Percentage), as part of ARRA, is projected to save the County $97.5 million over 27 months beginning in 2009 and ending in 2011.
- Due to the economic downturn, growing need in our community is evident in unprecedented increases in the demand for Food Stamps, Medicaid, Emergency Services, Housing, Fuel Assistance, Family Assistance and Safety Net for families and individuals leading to rising program costs.
- During 2009, the average number of filled positions in DSS is 1,549 out of 1,782 authorized. The average vacancy rate for all of DSS has ranged from a low of 6.4% in 2003 to the current average vacancy rate of 12.4% across all administrative appropriations.
- Eight new positions were requested and recommended for DSS in 2010 to form a new CPS Preventive Services Team to address the rising number of reported cases of child abuse and neglect, enhance the preventive services and reduce the number and cost of foster care placements.
- Nearly $2.5 million in a preliminary child care ARRA award is being held in abeyance until the final regulations are received from the federal government. There are 767 wait-listed low income working families waiting for these funds to be released so that DSS can reopen the list to non-public assistance families.
- Decreases of nearly 19% are occurring in DSS and JD/PINS institutional foster care program lines due to the success of AFY (Alternatives For Youth) and other preventive efforts made by DSS plus the rehabilitative and diversionary programs operated by Probation.
- Reduce the estimated budget for DSS Institutional Foster Care by $1 million in recognition of the year-to-date downward cost trends and reduce the 2010 recommended budget by $1.2 million to reflect heightened savings to be achieved by the new CPS Preventive Services Team.
- Reduce the estimate budget for JD/PINS Institutional Foster Care by $800,000 to reflect year-to-date downward cost trends and decrease the recommended budget by $1 million to project the lower cost trends forward offset by a 12.5% increase tied to the possible closure of State training schools next year.
- Add $117,240 in the recommended budget for permanent salaries in DSS Administration to fund four vacant Account Clerk (grade 11) positions created in the 2008 Operating Budget by the Legislature to enable compliance with the Prompt Payment Policy for child care providers and facilitate the timely processing of all types of vendor payments in DSS Accounting.
- Add $128,702 in 2010 for permanent salaries to enable DSS Information Technology (IT) to fill its most critical vacancies for one-half of 2010 to allow automation and system enhancements to move forward in DSS for increased productivity and efficiency.

- Add $238,799 in 2010 for permanent salaries in Client Benefits Administration to enable the division to fill their most critically needed vacancies for one-half of 2010 to respond to the burgeoning need for public and emergency assistance and reduce the need for overtime.
- Add $86,966 in 2010 for permanent salaries to fill two vacant Adult Protective Services Caseworkers assigned to the Coram and Southwest DSS Centers.
- Add $446,103 in 2010 for permanent salaries in Family and Children's Services to facilitate the continuation of the auto fill policy in Child protective Services (CPS) and Foster Care.
- Increased turnover savings for Housing, Adult and Employment Services will reduce the capacity of the division to fill most of its vacancies next year and limits its ability to respond to double digit growth rates in homelessness. Add $362,307 in 2010 for permanent salaries to enable Housing, Adult and Employment Services to fill their most critical vacancies for one-half of 2010.
- The funds collected by CSEB have a significant effect upon the County's ability to reduce its Temporary Assistance (TA) expenditures, and help move clients toward self-sufficiency. During 2008, the County spent $2.2 million to run CSEB, which brought back $141.1 million in child support collections. Add $154,490 in 2020 to permanent salaries in CSEB most critically needed vacancies for one-half of 2010.
- Due to the lack of adequate full-time staff, DSS has come to rely more and more heavily on the use of overtime and temporary salaries. Across all operations in DSS, overtime has grown by 311% and temporary clerical costs have risen by 422% in eleven years. Total dollars spent on overtime and temporary staff grew from $1.0 million in 1998 to $4.5 million estimated for 2009.

Vanderbilt Museum

- The recommended budget eliminates the $800,000 General Fund transfer to the Museum that was included (for the first time) in the 2009 Adopted Operating Budget.
- The recommended budget includes a new revenue source for the Museum in 2010, $804,215 distribution from the Hotel/Motel Tax in accordance with Chapter 159, Laws of new York State and Resolution 805-2009.
- The Budget Review Office projects the 2010 Hotel/Motel Tax revenue for the Museum to be a more conservative $692,500.
- Distribute the Hotel/Motel Tax to the Museum monthly and reconciled quarterly to provide a dependable and predictable cash flow for the Museum.

SALES TAX REVENUE

The single largest fiscal issue in the 2010 Recommended Budget is the sales tax. In recent years, Budget Review Office sales tax projections have not differed significantly from the Executive's recommended amounts. This year our differences are greater than ever. As a result, we project that the recommended budget will lead to a substantial shortfall that will be extremely difficult to make up.

In **Table 1** we present the Executive's recommended sales tax revenue along with Budget Review Office projections. Growth in 2008 was negative 1.1%. The County Executive's budget estimates it to be negative 6% this year, and positive 5% for 2010. In comparison, sales tax growth over the past 13 years (1996-2008) has averaged a little over 5%. We find it difficult to believe that an economy that is still weak will yield sales tax growth that is almost the average of previous stronger years.

The Budget Review Office projects sales tax growth to be negative 8.6% this year and positive 2.75% in 2010, significantly less than the Executive's forecast. Should our projections prove accurate, sales tax revenue in the recommended budget would be short $86.1 million over the 2009-2010 period. The breakdown by fund is a sales tax deficit of $81.1 million in the General Fund and $5.0 million in the Suffolk County Water Protection Fund.

Our forecasts are based on a fairly complex regression model that includes such factors as employment and estimates of consumer spending, with a forecasting error of about two percent over time. Implicit in our forecast is employment growth on Long Island that is not expected to turn around until the second half of 2010, contributing to continued weak consumer spending and sales tax collections. The next section of this report presents an overview of the economy, which is the basis for our statistical analysis of the sales tax.

Given that there is a forecast error in any sales tax projection, our 2.75% projected growth rate for 2010 is in a forecast range of 2.0% to 3.5%. In our view the economy would have to be considerably stronger and recover faster than anticipated in order to experience sales tax growth rates implicit in the recommended budget. Given the downside risks in the economy, the safer projection would be 2.0% growth for 2010, not the recommended 5.0%.

In terms of timing, the Budget Review Office projects sales tax growth to continue to be negative through at least the fourth quarter of this year. We then project growth to be flat in the first quarter and to slowly pick up over the course of 2010. Sales tax collections in the one month since the recommended budget was issued were not significantly different than what we had expected. As such, the additional month had little impact on our forecast.

For 2009 sales tax revenues to come in as estimated in the recommended budget, Suffolk County would have to experience growth of positive 4.5% in the fourth quarter. The last time sales tax growth was that high was in the second quarter of 2007, when the economy was still expanding and sales tax grew at 5.5% in that quarter. In comparison, the Budget Review Office projects fourth quarter growth this year to be negative 5.0%. Factors that contribute to our negative fourth quarter forecast include:

- October collections included the first installment of sales tax revenue from September vendor sales that will also show up in November collections. The first installment was down 10.1% from last year, a harbinger of more bad news.
- Cash receipts in the fourth quarter of last year were higher than they would otherwise have been due to adjustments by the State for reasons unrelated to vendor sales. This afforded the County more revenue than such adjustments typically do. As such, fourth quarter 2009 adjustments are likely to negatively affect the County's sales tax growth rate over the same period last year.
- Based on our view of the economy that is discussed in the next section of this report, the Budget Review Office statistical model forecasts negative 5% growth in the fourth quarter.

As a point of reference, other municipal sales tax forecasts include:

- The Nassau County Executive, in his recommend budget, includes negative 6% sales tax growth in 2009 and positive 1.75% in 2010.
- The Nassau County Legislature's Budget Review Office projects growth to be negative 8% in 2009 and flat or zero growth in 2010.
- The New York State Division of Budget includes negative 2.8% growth for 2008-2009 (April to March state fiscal year) and positive 3.2% for 2010-2011.

Table 1
Suffolk County Sales Tax Revenue

Fund	2008 Actual	2009 Adopted	2009 Estimated	2010 Recommended
General Fund (001)	$1,012,171,841	$1,064,390,376	$967,170,671	$1,026,418,020
Police District (115)	$87,059,643	$69,396,114	$66,136,402	$58,438,671
Suffolk County Water Protection Fund (477)	$65,254,569	$68,073,183	$61,359,817	$64,491,043
All Funds	$1,164,486,053	$1,201,859,673	$1,094,666,890	$1,149,347,734
Growth rate (All Funds)	**-1.1%**	**1.1%**	**-6.0%**	**5.0%**

Budget Review Office (BRO) Projection	2009 BRO Estimated	2010 BRO Recommended
General Fund (001)	$938,600,796	$973,928,800
Police District (115)	$66,136,402	$58,438,671
Suffolk County Water Protection Fund (477)	$59,603,054	$61,242,138
All Funds	$1,064,340,252	$1,093,609,609
Growth rate (All Funds)	**-8.6%**	**2.75%**

	BRO *minus* Recommended Budget		
Projected Shortfall	2009 Estimated	2010 Recommended	2009 plus 2010
General Fund (001)	-$28,569,875	-$52,489,220	-$81,059,095
Police District (115)	$0	$0	$0
Suffolk County Water Protection Fund (477)	-$1,756,763	-$3,248,905	-$5,005,668
All Funds	-$30,326,638	-$55,738,125	-$86,064,763

We conclude our discussion of the sales tax with a breakdown of the current 8.625% sales tax rate in Suffolk County, which can be found in **Table 2**. Sales tax in Suffolk County is made up of 4.25% for County purposes and 4.375% for state purposes. This is further broken down as follows:

- General Fund (001): Sales tax revenue in the General Fund comes from 4% of the 4.25% County portion of the sales tax. The General Fund does not receive the full 4%, but instead allocates a share to the Police District. The Police District share cannot exceed three-eighths of one-cent (0.375%). In the 2008 to 2010 period covered in the recommended budget the Police District receives between one-quarter and three-eighths of one-cent in 2008 and 2009 and slightly less than one-quarter cent recommended for 2010.
  - ✓ The effective General Fund sales tax rate (4% less the Police District allocation) is an estimated 3.67% for 2008, 3.73% for 2009 and is recommended to be 3.77% in 2010. It should be noted that these effective rates assume that 2009 and 2010 sales tax revenues in the Recommended Budget are accurate. As noted below, the Budget Review Office projects sales tax to be considerably less.
- Police District Fund (115): Resolution No. 952-2005 increased the portion of sales tax revenue that can be allocated for public safety purposes from one-quarter cent to three-eighths of one-cent. Public safety purposes can be any combination of General Fund or Police District public safety functions. Over the 2008 to 2010 period covered in the recommended budget, the Police District has been allocated fixed dollar amounts of $87,059,643 in 2008, $66,136,402 in 2009, and a recommended $58,438,671 for 2010.
  - ✓ These amounts equate to $10.8 million less than the maximum three-eighths of one-percent allocation in 2008, $25.9 million less in 2009, and $38.3 million less than the full allocation in 2010. Once again, these calculations assume sales tax revenues in the Recommended Budget are accurate.
- Suffolk County Water Protection Fund (477): Local Law 24 of 2007 (Resolution No. 770-2007), which went in to effect on December 1, 2007, extended this dedicated one-quarter cent of the sales tax from the end of 2013 to November 30, 2030 and also modified its program components. Funds dedicated to the Suffolk County Water Protection Fund are now allocated as follows: 25% for sewer rate relief (Fund 404), 32.15% for tax relief (General Fund), 31.1% for land acquisition (under the SC Environmental Trust Fund), and 11.75% for water quality protection.
- New York State sales tax (including the portion going to the MTA): The State portion of the sales tax is 4.0% and the New York State Metropolitan Transportation Authority (MTA) portion is 0.375%.

Table 2
Suffolk County Sales Tax Rates

	2008	2009	2010
State	4.00%	4.00%	4.00%
NYS Metropolitan Transportation Authority (MTA)	0.375%	0.375%	0.375%
General Fund (001)	4.0% less Police District allocation	4.0% less Police District allocation	4.0% less Police District allocation
Police District (115)	$87,059,643	Adopted at $69,396,114 and modified down to $66,136,402 (per Res. No. 327-09)	$58,438,671
Suffolk County Water Protection Fund (477)	0.25%	0.25%	0.25%
Total	8.625%	8.625%	8.625%
State & MTA	4.375%	4.375%	4.375%
County Total	4.25%	4.25%	4.25%

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THE ECONOMY

I. Overview

In this section of our review, we present a synopsis of the economy and its impact on the budget. The consensus is that an improving national economy is not likely to be sufficiently strong to eliminate further job losses until early next year. More problematic locally is that the Long Island economy tends to lag the rest of the nation by six to nine months. Unfortunately, the recommended budget takes a more optimistic view. In particular, recommended sales tax revenue requires a fast turnaround.

The weak economy places pressure on social services, cultural programs, and public safety needs. While recommended funding recognizes severe funding constraints, demands placed on these functions are not fully addressed.

II. The Current Economic Climate

Over the past year, the economy has experienced some of the most difficult economic times. In particular:

- The sharpest decline in economic growth in the post-war era:
  - Real GDP has fallen in each of the past four quarters (third quarter of 2008 through the second quarter of 2009), for a total reduction of 15.2%.
- One of the sharpest declines in jobs:
  - Employment nationally has fallen since the first quarter of 2008, and on Long Island, since the fourth quarter of last year (2008).
- The highest unemployment rate in over 25 years nationally and in about 17 years locally:
  - As seen in the chart below, unemployment rates are trending higher.
  - Nationally, unemployment was 9.8% in September, and is the highest since the second quarter of 1983 when it registered ten percent.
  - On Long Island, the unemployment rate was 7.3% in August, the highest since the 1991-92 local downturn when it registered 8.1% in the third quarter of 1992. Compared to the same month of the prior year, rates on Long Island have been on the rise since September 2007.
- Record lows in housing starts:
  - Nationally, housing starts hit bottom this year at the lowest annual figure since the series began in the late 1950s.
- Light vehicle sales nationwide are at their lowest level since 1981.

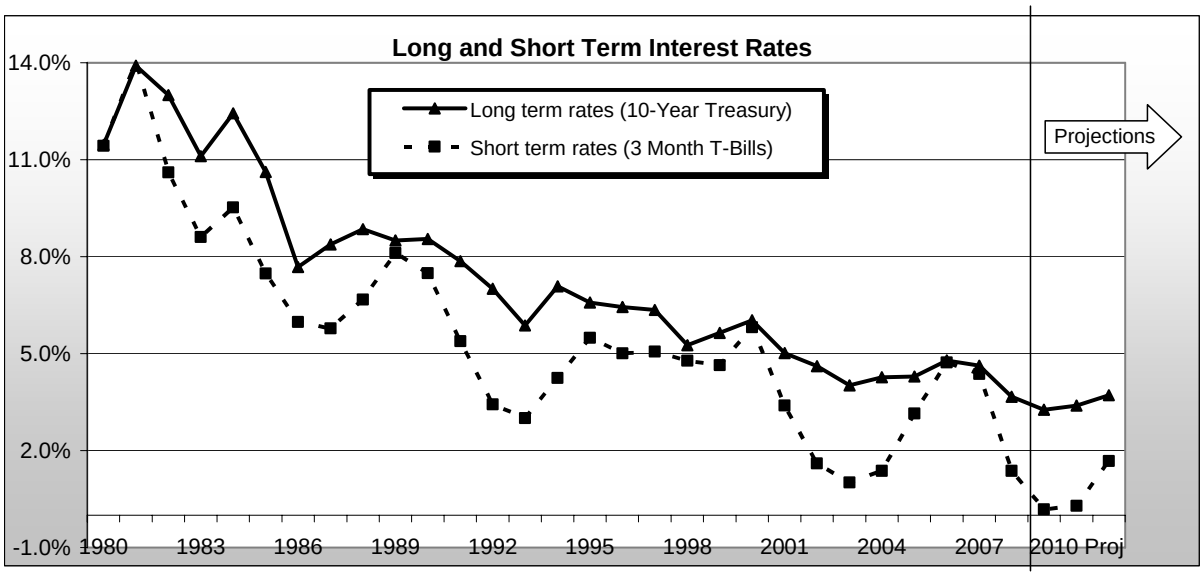
III. <u>The Outlook</u>

Nationally, the economy is expected to pick up in the just completed third quarter. However, many of the factors that will contribute to strong growth in the third quarter are likely to be temporary, including:

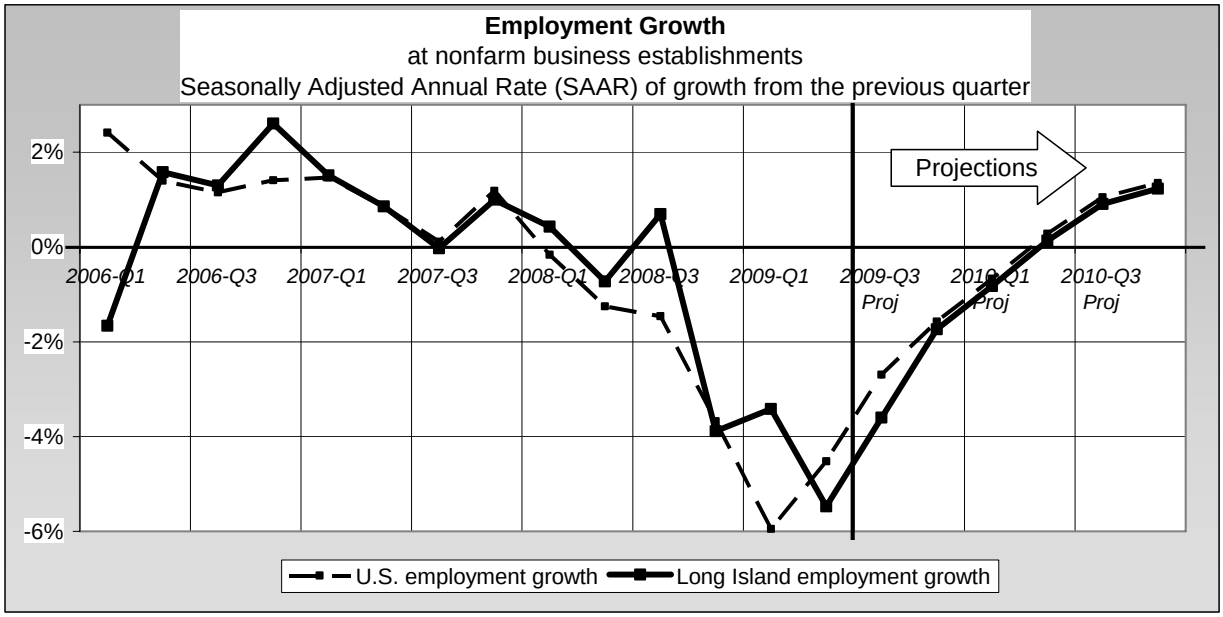
- The jump in vehicle sales from the cash for clunkers program ended in late August. The conventional wisdom is that this will hurt future car sales over the course of the next year.
- The firming of home building activity may be temporary:
  - The real estate market has picked up some due to the federal government's $8,000 first-time homebuyer tax credit and mortgage modification programs. The tax credit for first time homebuyers is scheduled to end on November 30th.
  - While the real estate market is likely to pick up nationally next year, we believe that it will continue to contract locally through the end of 2010. Elevated levels of homes for sale need to come down further before the market turns around.
- Highly expansionary government spending has kept the recession from approaching the magnitude of the Great Depression. As a result, the federal deficit is $1.3 trillion this year, double the $642.6 billion in federal fiscal year 2008. It is expected to grow in 2010 before improving slightly in 2011. At a projected 8.6% of GDP in 2009, the deficit will be the highest since WW II. At some point,

fiscal policy will need to focus on bringing the deficit down to more sustainable levels.

- As seen in the following chart, interest rates were in the double-digit range in the first half of the 1980s. They have steadily fallen, with short-term rates hovering near zero and pushing the spread between long and short-term rates (the yield curve) to historic highs. As financial markets continue to improve from the September 2008 collapse, and the economy begins to turn around, monetary policy will need to tighten and much of that liquidity will need to be withdrawn. As a result, the Fed is likely to begin to move rates higher in about a year from now. This can be seen in the projected modest rate increases shown in the chart.



The consensus is that although the economy is improving nationally, growth is not likely to be sufficient to eliminate further job losses until early to mid 2010. More problematic locally is that the Long Island economy tends to lag the rest of the nation by six to nine months. As seen in the chart below, we expect employment growth to be approximately flat in the second quarter of 2010, before showing positive growth in the second half of next year.



IV. Consumer Confidence

- As seen in the following chart, consumer confidence has been falling since August of 2007. Although confidence may be rising from depressed levels, it is still quite weak. This is due to a poor labor market, falling incomes, and savings rates that are higher than the unsustainably low levels experienced in the first nine years of this decade (2000 to 2008).
- Consumer financial obligations and debt levels still indicate pressure on household finances:
  - Year-to-date through August, the national savings rate has averaged 4.1%, compared to 2.3% over the same period last year. We would expect savings to remain somewhere in the four percent range for the remainder of this year and next. This will help to restore household finances, but keep consumer spending and sales tax revenue from showing significant gains.
  - The financial market collapse in late September 2008 contributed to a continuing decline in consumer confidence. Stock prices have gone up since March of this year, which coincides with the modest improvement in confidence since April. In spite of this improvement, a tremendous amount of wealth has still been lost.
- Contributing to weak consumer spending is the low rate of inflation. Year-to-date through August, consumer price inflation is negative nationally and just above zero in the New York region. An improved economy is likely to push inflation up in 2010 to the mid to upper two percent range, which approximates the average since 1990.

V. The Economy's Impact on Suffolk County's Budget

A. Sales Tax Revenue

Our sales tax forecast is discussed in the previous section of this report, titled "Sales Tax Revenue." Our forecast is based on a statistical model that incorporates the view of the economy implicit in this section. The recommended budget includes sales tax growth rates of negative six percent in 2009 and positive five percent in 2010. In comparison, our forecast is negative 8.6% is 2009 and positive 2.75% in 2010. That would result in a 2009-2010 combined shortfall of $81.1 million in the General Fund and $5 million in the Suffolk County Water Protection Fund.

B. Property Tax

The General Fund makes all other taxing jurisdictions whole (schools, towns, Police, and other county and town special districts). As a result, the amount of revenue actually booked under the General Fund property tax deviates from the adopted budget amount.

The last significant downturn in the local real estate market was in the late 1980's. At that time, the General Fund booked revenue that was less than adopted amounts for nine consecutive years (1988 to 1996). After several years in which General Fund property tax revenue exceeded the adopted warrant, collections turned negative again in 2005. Currently, 2009 marks the fifth consecutive year of a budget shortfall in

property tax collections. If history repeats, it will take a total of ten years (2014) before the County experiences a surplus in General Fund Real Property Tax collections.

The County does not adopt a budget with an allowance for a property tax surplus or shortfall. We would expect a shortfall in 2010 of about $20 million. Should this prove to be the case, it will be a challenge to construct a budget for 2011.

C. Interest Earnings and Expenses

Interest rates have an impact on both the revenue and expenditure side of the budget. The same can be said for available cash balances, which is affected by the strength of the economy.

On the revenue side of the budget:

- As discussed above, short-term rates are hovering just above zero. In 2010, we expect a modest increase.
- The weak economy has also contributed to declining cash balances available for deposit in interest earning accounts.
- The combination of low interest rates and low levels of cash on hand has led to decreases in revenue from interest earnings for 2009.
- Next year cash balances are likely to remain low, especially given our projected sales tax and property tax shortfalls implicit in the recommended budget. A modest increase in interest rates by mid 2010, combined with cash balances that are likely to be flat, may lead to a small increase in interest earnings in 2010. However, the 2010 recommended budget includes an increase in revenue from interest earnings that may be a bit optimistic.

On the expenditure side of the budget:

- Short term interest rates and cash needs impact Tax Anticipation Notes (TANs) issued at the beginning of each year and in the fall, while longer-term interest rates affect serial bonds issued by the County to finance the capital program. Serial bonds are issued each year in the spring and fall.
    - Short-term rates, although expected to increase modestly by mid 2010, should continue to keep the cost of short term borrowing low. On the other hand, as noted in our section on “Debt Service,” TAN borrowing to meet cash flow needs are at historic highs, a by-product of the weak economy.
    - Long-term rates are tracking higher, but the increase is likely to be small, with rates in 2010 still low relative to the pre 2008 period. Therefore, we expect that interest expenses on County serial bond issues will remain a bargain in 2010.
- The weak economy is keeping rates down for now. However, several factors should lead to much higher rates within a few years. Factors include large federal deficits and more conservative lending practices, which are being implemented to

avoid a repeat of the credit crisis. Since the County's interest expenses are much higher than interest earnings, low interest rates are currently a positive for the County, but in the future rising interest rates will have a net negative impact upon budgets.

D. Expenditures for Social Services, Cultural Programs, and Public Safety Needs

Expenditures related to the economic downturn impact several County operations, including Health, Probation, Social Services, and Public Safety. Sections of this report dedicated to specific departments elaborate on the adequacy of funding in the budget.

Loss of income, employment, and health insurance, by-products of the weak economy, creates pressure on the Departments of Social Services and Health Services to assist people in need. The recession also increases demands placed on human service contract agencies that help the poor, while at the same time making it more difficult for them to fundraise. The result is that many not-for-profits are in jeopardy of going out of business, further weakening an already frayed safety net.

The same funding pressures exist for cultural programs. The recommended budget partially accounts for this through a portion of the increase in the Hotel/Motel Tax from 0.75% to three percent, effective December 1, 2009.

During hard economic hard times, there is a tendency for criminal activity and substance abuse to increase. This places greater demands on the County's public safety network, including Probation, Sheriff and Police Departments. As documented elsewhere in this report, funding for these Departments, while possibly recognizing fiscal constraints, do not fully address the demands being placed on public safety.

Finally, difficulties at the state and federal levels are likely to result in less aid moving forward. As such, net County costs for reimbursable programs are likely to increase.
RL Economy10

THE 2010 RECOMMENDED PROPERTY TAX WARRANT

This section of our report provides a town-by-town breakdown of County property taxes for the General Fund, College, Police District and District Court funds. The accompanying two tables summarize the recommended property tax, showing totals for each of these funds and the apportionment of County taxes by town. The left side of each table displays total property taxes raised by the County, while the right side estimates average homeowner tax bills.

Table 1 includes the MTA payroll tax, while Table 2 excludes this tax. Local Law No. 31-2009 (Resolution No. 784-09) requires that the County cost of the newly instituted 0.34% New York State MTA payroll tax be listed separately on property tax bills. In Table 1, when this separate line item is included, the Executive's budget recommends no change in property taxes. In comparison, Table 2 shows the 2010 recommended cost of the MTA payroll tax is $2,054,913 in the General Fund and $1,032,605 in the Police District.

In Table 1, although the 2010 budget recommends no change in property taxes from the 2009 adopted level, average tax bills countywide are up slightly, increasing by an estimated $4.82. The increase reflects an overall decline in the tax base (assessed value of property) in the five western towns. Differences by town can be attributed to changes in the apportionment of taxes, which are based on each town's share of the full-equalized value of property.[1]

In Table 2, with the MTA tax excluded, the average countywide tax bill is approximately flat, decreasing only by an estimated $0.80. Therefore, the impact of the MTA tax is $5.62 (= – $0.80 – $4.82). In spite of the small decrease in County property taxes when the MTA tax is excluded, three towns will on average experience small increases (Brookhaven, Southampton and Southold). Once again, this is attributed to changes in the apportionment of taxes between the ten towns.

RL PropTaxWarr10

[1] The large decrease in East Hampton, and to a lesser extent Riverhead, is attributed to *(1)* an increase in apportionment for their share of the large General Fund surplus from 2-years prior, plus *(2)* a decrease in apportionment for the General Fund property tax increase, from the combined current year stand alone tax and the fund balance deficit from one year prior.

Table 1: Suffolk County Property Tax Warrant
Including MTA Payroll Tax

	Total Tax Levy appearing on the tax warrant (county portion)				Average Homeowner Tax Bills (county portion)				
	2009 Adopted	2010 Recommended	Change	Percent Change (county portion of tax warrant)	2009 Adopted	2010 Recommended	Change	Percent Change (county portion of tax warrant)	Percent Change in Total Tax Bill (county, town, school and special district taxes)
County Portion of the Tax Warrant:									
General Fund	$51,091,951	$51,091,951	**$0**	0.0%	$92.74	$92.90	$0.16	0.2%	0.002%
College	$5,250,467	$5,250,467	**$0**	0.0%	$9.49	$9.54	$0.05	0.5%	0.001%
Police District	$446,444,014	$446,444,014	**$0**	0.0%	$991.43	$996.97	$5.54	0.6%	0.063%
District Court	$7,312,389	$7,312,389	**$0**	0.0%	$15.61	$15.70	$0.09	0.6%	0.001%
Combined Funds	$510,098,821	$510,098,821	**$0**	**0.0%**	$925.80	$930.62	**$4.82**	**0.5%**	**0.06%**
Combined Funds Breakdown:									
Babylon	$61,755,681	$61,335,442	-$420,239	-0.7%	$898.18	$897.95	-$0.24	-0.03%	-0.003%
Brookhaven	$162,401,403	$164,502,852	$2,101,449	1.3%	$970.58	$989.95	$19.37	2.0%	0.2%
Huntington	$100,608,192	$100,583,882	-$24,310	0.0%	$1,370.77	$1,375.37	$4.60	0.3%	0.04%
Islip	$112,631,548	$112,507,219	-$124,329	-0.1%	$1,081.38	$1,081.99	$0.61	0.1%	0.01%
Smithtown	$51,416,516	$51,187,124	-$229,392	-0.4%	$1,268.81	$1,278.32	$9.51	0.75%	0.09%
East Hampton	$7,540,742	$5,692,371	-$1,848,371	-24.5%	$382.61	$288.79	-$93.82	-24.5%	-1.2%
Riverhead	$1,409,960	$1,227,529	-$182,431	-12.9%	$79.96	$68.90	-$11.06	-13.8%	-0.2%
Shelter Island	$777,892	$752,920	-$24,972	-3.2%	$288.75	$279.54	-$9.22	-3.2%	-0.2%
Southampton	$9,846,990	$10,437,319	$590,329	6.0%	$234.91	$250.91	$16.00	6.8%	0.2%
Southold	$1,709,897	$1,872,163	$162,266	9.5%	$112.10	$122.59	$10.48	9.4%	0.1%
County Total	$510,098,821	$510,098,821	$0	0.0%	$925.80	$930.62	$4.82	0.5%	0.06%
5 Western Towns	$488,813,340	$490,116,520	$1,303,180	0.3%	$1,081.78	$1,090.67	$8.88	0.8%	0.10%
5 Eastern Towns	$21,285,481	$19,982,301	-$1,303,180	-6.1%	$225.60	$212.14	-$13.45	-6.0%	-0.2%

Apportionment of taxes is based on each town's share of the total (less wholly exempt) full equalized value (FEV) of property in Suffolk County. FEV is calculated by applying the state determined equalization rate for each town to the town's assessed value. In addition, property taxes are apportioned across the ten towns based on their shares of FEV in three years – 2010 FEV for the 2010 stand alone portion of the tax, 2009 FEV for the estimated fund balance surplus/deficit in the current year, and 2008 FEV for the actual fund balance surplus/deficit for that year. In the case of the General Fund the 2010 recommended property tax of $49,037,038 is broken down into a 2010 stand alone property tax levy of $92,289,396, less a 2008 actual fund balance surplus of $76,397,378, plus a 2009 estimated fund balance deficit of $33,145,020.

Average homeowner tax bills are based on 2009 average assessed value (AV) of residential property in each town. These data were made available by the County Treasurer's office. To arrive at average tax bills corresponding to the 2009 adopted and 2010 recommended budgets, in 8 of the 10 towns the average residential AV for 2009 is multiplied by the assessed value tax rate in each of the two years. An exception needs to be made in Shelter Island and Southampton, where the assessed value of property changes in part as a result of changes in market values. Shelter Island and Southampton are the only towns in Suffolk that assess property at 100% of market value.

The 2010 assessed value of property implicit in the above table represents the tentative or final assessment rolls in all ten towns.

Town-by-town breakdowns and average homeowner tax bills represent Budget Review Office estimates.

Table 2: Suffolk County Property Tax Warrant
Excluding MTA Payroll Tax

	Total Tax Levy appearing on the tax warrant (county portion)				Average Homeowner Tax Bills (county portion)				
	2009 Adopted	2010 Recommended	Change	Percent Change (county portion of tax warrant)	2009 Adopted	2010 Recommended	Change	Percent Change (county portion of tax warrant)	Percent Change in Total Tax Bill (county, town, school and special district taxes)
County Portion of the Tax Warrant:									
General Fund	$51,091,951	$49,037,038	**-$2,054,913**	-4.0%	$92.74	$89.17	-$3.57	-3.8%	-0.04%
College	$5,250,467	$5,250,467	**$0**	0.0%	$9.49	$9.54	$0.05	0.5%	0.001%
Police District	$446,444,014	$445,411,409	**-$1,032,605**	-0.2%	$991.43	$994.67	$3.23	0.3%	0.04%
District Court	$7,312,389	$7,312,389	**$0**	0.0%	$15.61	$15.70	$0.09	0.6%	0.001%
Combined Funds	$510,098,821	$507,011,303	**-$3,087,518**	**-0.6%**	$925.80	$925.00	**-$0.80**	**-0.1%**	**-0.01%**
Combined Funds Breakdown:									
Babylon	$61,755,681	$61,033,939	-$721,742	-1.2%	$898.18	$893.65	-$4.53	-0.5%	-0.1%
Brookhaven	$162,401,403	$163,717,787	$1,316,384	0.8%	$970.58	$985.23	$14.65	1.5%	0.2%
Huntington	$100,608,192	$100,083,588	-$524,604	-0.5%	$1,370.77	$1,368.85	-$1.92	-0.1%	0.0%
Islip	$112,631,548	$111,968,407	-$663,141	-0.6%	$1,081.38	$1,076.85	-$4.52	-0.4%	-0.1%
Smithtown	$51,416,516	$50,935,974	-$480,542	-0.9%	$1,268.81	$1,272.22	$3.41	0.27%	0.03%
East Hampton	$7,540,742	$5,501,218	-$2,039,524	-27.0%	$382.61	$279.09	-$103.52	-27.1%	-1.3%
Riverhead	$1,409,960	$1,179,706	-$230,254	-16.3%	$79.96	$66.21	-$13.75	-17.2%	-0.2%
Shelter Island	$777,892	$729,009	-$48,883	-6.3%	$288.75	$270.66	-$18.10	-6.3%	-0.3%
Southampton	$9,846,990	$10,062,505	$215,515	2.2%	$234.91	$241.90	$6.99	3.0%	0.1%
Southold	$1,709,897	$1,799,170	$89,273	5.2%	$112.10	$117.81	$5.70	5.1%	0.1%
County Total	$510,098,821	$507,011,303	-$3,087,518	-0.6%	$925.80	$925.00	-$0.80	-0.1%	-0.01%
5 Western Towns	$488,813,340	$487,739,696	-$1,073,644	-0.2%	$1,081.78	$1,085.48	$3.69	0.3%	0.04%
5 Eastern Towns	$21,285,481	$19,271,607	-$2,013,874	-9.5%	$225.60	$204.61	-$20.98	-9.3%	-0.3%

See notes accompanying Table 1.

CAP COMPLIANCE

The 2010 Recommended Budget is required to comply with two cap laws adopted by referendum:

- Local Law 21-1983: Expenditure cap, restricting growth in discretionary appropriations across all funds to four percent for 2010.
- Local Law 29-1995: Tax levy cap, restricting growth in the combined General Fund and Police District discretionary tax levy, net of any fund balance surplus or deficit, to four percent for 2010.

The Executive's recommended budget document shows compliance with both cap laws. The discretionary portion of the budget for 2010 is shown to be $91,281,647 below the expenditure cap and $17,974,175 below the tax levy cap. This presentation can be found on pages 57 and 58 in Volume No. 1 of the 2010 Recommended Operating Budget.

As has been the case for several years, many revenue and expenditure items have in our view been misclassified as either mandated or discretionary, making it difficult at best to determine whether the budget complies with the cap laws. We have documented this problem in our previous reviews of the operating budget. The end result has been to make calculation of cap compliance a meaningless exercise. Once again, this can be seen in the breakdown of the General Fund property tax into its mandated and discretionary components. The following table shows that the 2010 recommended General Fund property tax of $51.1 million is made up of a $125.4 million mandated tax and a $76.3 million credit or negative discretionary tax. Given a $46 million reduction in 2010, General Fund mandated debt service due to tobacco securitization, the disproportionately large mandated portion of the property tax is difficult to understand. The conclusion to be reached is that despite the perception of fiscal restraint, cap calculations have been distorted and the resulting information is limited in its utility.

2010 Recommended General Fund Property Tax			
	Total	Discretionary	Mandated
Stand Alone Net Property Tax Levy	$92,289,396	$22,051,653	$70,237,743
less Fund Balance, Jan. 1	$43,252,358	$98,368,524	-$55,116,166
equals General Fund Property Tax Warrant	$49,037,038	-$76,316,871	$125,353,909

Budget Review Office Recommendations

As was the case last year, the Budget Review Office recommends that legislation be introduced to revise or eliminate the cap laws. As the cap laws currently stand, inconsistent interpretations are made in most years in order to circumvent the caps. As we have suggested in the past, instead of a cap on discretionary expenditures across all funds, replace this with a cap on discretionary expenditures for the combined General Fund and Police District only. These are the funds that drive property taxes. There is less concern with other funds. Once this more targeted expenditure cap is in place, the discretionary tax levy cap on the combined General Fund and Police District is no longer necessary. Furthermore, experience has shown that it is too problematic to be able to calculate a discretionary tax levy. A major factor is that most revenue, the largest being the sales tax, is not directly related to mandated or discretionary functions. As a result it is somewhat arbitrary to determine how to apportion these revenues in order to be able to calculate a discretionary property tax. Further confounding the issue, the existing discretionary tax levy cap does not include the fund balance. The real concern to the public is the final tax levy.

RL CapCompliance10

STATUS OF FUNDS

Interdepartment Operation and Service Fund (016)

Background

The Interdepartment Operation and Service Fund (016) was established in 1983 to account for the costs of certain centralized functions in County government so that these costs could be:

- redistributed to those County departments that benefit from the services supported by this fund to foster accountability and control, and
- allocated to those fund entities like the General Fund and the Police District Fund to ensure equity between each of these real property tax supported jurisdictions.

Starting with the 1999 adopted budget, the system utilized for Fund 016 was modified to eliminate departmental expenditure charge backs, while retaining charge backs to other fund entities. The cost allocations made to other fund entities is determined based on analyses performed by the Executive's Budget Office with input provided by the departments that are centrally impacted. Cost allocations have been made according to the following criteria:

Interdepartment Operation and Service Fund **Interfund Chargebacks** **Cost Allocation Criteria**		
Departmental Function	***Cost Type***	***Chargeback Criteria***
Fleet Operations	**Gasoline Usage**	**Actual Utilization**
	Vehicle Purchases	
	Maintenance: Labor & Parts	
	All Other Cost Items	
Telecommunications	**All Costs Together**	**Number of Employees**
Information Services	**I.F.M.S.**	**Number of Employees**
	Communications	**Number of Vouchers Paid**
	Main Frame	**No. of Personal Computers**
	Personal Computer Licenses	
	Desktops	
	All Other Cost Items	

Fund 016 receives the majority of its revenue through interfund transfers from other fund entities that are supported by services provided by fleet operations, telecommunications, and computer supported information services. Based on the 2010 Recommended Operating Budget, 15 different fund entities will provide revenue to Fund 016 in 2009 and 2010. The General Fund (001) and the Police District Fund (115) contribute the most of any of these fund entities, which are both supported directly by real property tax levies.

Status of Funds

The 2010 recommended budget for the Interdepartment Operation and Service Fund projects a 2009 year end fund balance of $6,111,789, which is $436,772 more than the 2008 actual fund balance of $5,675,017. The recommended fund balance for 2010 is $0.

2009 Expenses

Estimated expenses total $38,903,339, which is $7,108,991 less than adopted. This reduction is mainly attributable to the following:

- Information Technology Services expenses were $1,017,882 less than adopted.
- Public Works: Road Machinery costs were $6,571,131 less than adopted.

2009 Revenues

Estimated revenues total $39,340,111, which is $1,457,860 less than adopted, due primarily to the following change:

- Decreases Federal Aid: Other (016-DPW-4089) from $1.6 million to $0. Resolution No. 441-2009 accepted and appropriated this revenue within Capital Project 5601-Purchase of Hybrid Electric Vehicles.

2010 Expenses

Recommended expenditures for 2010 are $41,003,546 which is $5,008,784 less than the 2009 adopted amount of $46,012,330, due primarily to the following change.

- Decrease in expenses for Public Works: Road Machinery of $7,319,787 from $22,793,566 to $15,473,779.

2010 Revenues

There is a decrease of $5,906,214 in the recommended 2010 revenue compared to the 2009 adopted, due primarily to the following changes:

- Decreases Federal Aid: Other (016-DPW-4089) from $1.6 million to $0. Resolution No. 441-2009accepted and appropriated this revenue within Capital Project 5601-Purchase of Hybrid Electric Vehicles.
- Decreases the interfund transfer from the General Fund (001) $751,059.
- Decreases the interfund transfer from the Police District Fund (115) $2,139,450.
- Decreases the interfund transfer from the Sewer Maintenance Fund (261) $650,647.
- Decreases the interfund transfer from the Suffolk Community College Fund (818) $617,147 as the college pursues independent personnel and financial systems.

Budget Review Office Recommendations

The Budget Review Office agrees with the status of funds presentation for the Interdepartment Operation and Service Fund (016) in the 2010 Recommended Operating Budget.

RD 016InterdeptOperSvcFd10

Self-Insurance Fund (Fund 038)

Suffolk County assumes most of the financial risk against claims resulting from workers compensation injuries, medical malpractice, automobile accidents, negligence, etc. In certain instances, the County has acquired specialty insurance policies against particular types of risks such as aviation and marine accidents. In addition, the County maintains stop-loss insurance coverage for highly unusual or catastrophic events which limits risk exposure to a predetermined threshold for a covered event; the excess loss is paid for by the third party insurer.

First instance funding against all insurance risk exposures is provided through the County's Self-Insurance Fund. This allotment of funds is mostly provided for through budgetary transfers from each fund based upon claims payments and risk analysis. The General Fund and the Police District Fund have the greatest exposure and therefore, the greatest cost, which has a direct impact on the real property tax levies for these two funds. In the event Self-Insurance Fund appropriations are inadequate to cover losses resulting from court awards or negotiated settlements, the County is able to bond the required settlement payment and pay off the resulting debt over a period of time, assuming that the losses are not covered by specialty or stop-loss insurance policies.

The cost of insurance premiums, bonds, state assessments, and administrative expenses including private consulting and service fees are also paid from the resources allocated to the Self-Insurance Fund. Other internally incurred costs for the administration of the Insurance and Risk Management Division of the Department of Civil Service/Human Resources and the Insurance Tort Unit of the Department of Law are also paid from the resources allocated to the Self-Insurance Fund.

The recommended budget includes a 2009 estimated Self-Insurance Fund year-end fund balance surplus of $4,803,726, which resulted from the following:

- A 2008 actual fund balance of $4,585,978, which is $1,963,749 lower than the $6,549,727 that was included in the 2009 adopted budget. This lower than estimated fund balance adversely impacts the 2009 fund balance.
- Estimated 2009 revenues of $44,381,722 exceed the 2009 adopted budget by $4,542,405, which is primarily due to the receipt of $3,125,000 in unbudgeted proceeds from the issuance of bonded debt to pay off medical and general liability claims and receipt of the 2008 Suffolk Community Colleges' interfund revenue of $1,603,580 in 2009.
- Estimated 2009 expenditures of $44,163,974 are $2,225,070 less than the adopted budget. This difference is attributable to less than adopted expenses for Worker's Compensation ($1,010,965), Unallocated Insurance ($369,134), Employee Practices Liability ($200,000), Serial Bonds ($211,550), and bonding for a Medical Malpractice Insurance Liability Insurance claim rather than expending $734,500 in available appropriations.

The 2009 estimated revenue for Fund 038 includes $34.5 million from interfund transfers ($15.4 million from the General Fund, $12.8 million from the Police District, $3.2 million from the Suffolk Community College, and $3.1 million from other Funds). Other revenues include $1.6 million from insurance recoveries and other compensation for loss, $3.1 million in proceeds from borrowing and $5.1 million from other sources. Based on year to date receipts the revenue estimate seems reasonable.

The 2010 Recommended Budget includes expenditures of $44.5 million for the Self-Insurance Fund, $37.4 million for self-insurance claims, $1.5 million for debt service on claims settlements and $5.6 million for administrative costs. The following table summarizes the major cost categories.

SELF INSURANCE EXPENSES

Expense	2009 Adopted	2009 Estimated	2010 Recommended
Unallocated	$4,772,603	$4,403,469	$4,625,000
Auto Physical Damage	$1,575,000	$1,652,500	$1,410,000
VDT Claims	$100,000	$70,000	$95,000
General Liability	$1,800,000	$2,167,500	$1,020,000
Auto Liability	$967,500	$1,270,000	$1,035,000
Bus Liability & Property	$1,302,500	$693,500	$1,176,000
Employee Practice	$380,000	$180,000	$250,000
Workers' Compensation	$27,762,663	$26,751,698	$27,410,600
Medical Malpractice	$750,000	$425,000	$500,000
Administrative Costs	$5,502,672	$5,285,751	$5,567,086
Debt Service	$1,476,106	$1,264,556	$1,491,637
TOTAL	$46,389,044	$44,163,974	$44,580,323

- The Budget Review Office was unable to compare the 2010 Recommended Budget to the risk assessment report prepared by Actuarial & Technical Solutions, Inc., the County's insurance consultant. The reason the "Risk Management Actuarial Projection" report is not available is that the RFP was not issued until late summer. The report is usually prepared in the spring and is used as part of the budget process. The report is a valuable tool in preparation of the County budget. For the County to pay for a report and not to have it available when it is needed is not productive.

- The 2009 estimated and the 2010 recommended revenues and expenditures for Self-Insurance are reasonable. There is discretion in the settlement of claims and depending on court calendars and how aggressively the County pursues closing cases will determine whether or not the Self Insurance Fund will end the year with a fund balance or a deficit. If court calendars' are backlogged or if the County does not aggressively seek to close cases, or if the County chooses to bond settlements when there are available appropriations, there will be a fund balance at the end of 2010. Both the 2008 actual and 2009 estimated expenses were below the adopted amounts. For many years, the Budget Review Offices has

recommended that the County establish insurance reserves with surpluses to pay for large settlements. The County has failed to establish reserves and instead bonds large settlements. The bonding of settlements is a safety valve that the County has for funding self insurance settlements. If the annual expense exceeds the appropriation, the County can bond the difference. There is, however, an associated cost for interest expense that is incurred over the life of the bond. The 2010 Recommended Budget includes a fund balance of $425,000 in the estimated 2009 Medical Malpractice Insurance (038 MSC 9090) by issuing a bond rather than using available appropriations.

Budget Review Office Recommendations

- In order to pay for large loses, the County should establish insurance reserves to avoid the issuance of debt and the payment of interest.
- For the County to pay for the "Risk Management Actuarial Projection" report and not to have it available when needed is not productive.

KD 038SelfInsFd10

County Road Fund (105)

Background

The County Road Fund operates as an extension of the General Fund. In addition to the maintenance of County roads and snow removal, it is used to fund non-highway functions such as the relocation of County employees into different buildings. Section 114 of the New York State Highway Law requires all highway funds be segregated in a common fund such as Fund 105.

Status of Funds

2009 Expenses
Estimated expenses total $21,570,192, which is $889,330 less than adopted.

- Highway and Bridge Maintenance costs were $840,261 less than adopted.

2009 Revenues
Estimated revenues total $19,835,808, which is $805,495 less than adopted.

- Motor Vehicle Registration Surcharge revenues were $530,124 less than adopted.
- Interest and Earnings decreased by $58,000.

- Revenue from Residential Permits decreased by $285,000. Resolution No. 950-2008 increased highway permit and impact fees.

2010 Expenses
Recommended expenditures for 2010 of $21,477,041 are $982,481 less than the 2009 adopted amount of $22,459,522, due primarily to the following changes:

- Decrease in funding for Highway and Bridge Maintenance of $299,736.
- Decrease in funding for Snow Removal: County Highways of $776,420.

2010 Revenues
There is an increase of $811,822 in the recommended 2010 revenue compared to the 2009 adopted, due primarily to the following changes:

- A new revenue source, Red Light Camera Fines, is recommended to provide $6,043,929 to Fund 105.
  - A Request for Proposals (RFP) was advertised on August 13, 2009 for the provision of professional services for the planning, design, bidding, implementation, operation, maintenance, and management of a County-wide red light violation camera system.
  - The RFP proposal due date is October 9, 2009. The proposal must include a detailed schedule for complete implementation of the 50 intersections authorized by State legislation.
- The elimination of the interfund transfer from the General Fund (001), which is estimated to be $4,461,628 in 2009.

Budget Review Office Recommendations
The Budget Review Office agrees with the status of funds as presented.
RD 105CountyRoadFd10

Police District Fund (115)

2008
The actual 2008 police district fund balance is $21,875,765. Last year at this time the fund balance was estimated to be $18,010,396 as expenditures were lower than estimated. Sales tax accounted for 19.8% of total actual revenue.

2009
The Police District fund balance at the end of 2009 is estimated to be a surplus of $36,619,033, resulting from unexpended personal services appropriations, and unexpended appropriations for labor agreements. The estimated Sales Tax revenue of

$66.1 million is $3.3 million less than the adopted budget of $69.4 million and accounts for 12.6% of total estimated revenue.

2010

The projected year's budget must always be presented as balanced, with total revenues equaling total expenditures. After all other revenue sources are projected; property taxes are calculated to balance the budget. The recommended budget includes a Police District fund property tax warrant of $445,411,409, which is $1,032,605 less than the 2009 adopted property tax warrant. This reduction is due to the creation of Fund 121, New York State MTA Tax. The recommended budget reduces the Police District property tax warrant by the amount equal to the Fund 115 NYS MTA Tax, $1,032,605, and includes that amount within the Fund 121 property tax warrant. The net levy, or the amount required to fund 2010 expenses on a stand-alone basis, is recommended at $482,030,442, which is a net increase of $17,576,032 over the 2009 Adopted Budget and is mostly attributable to the following:

- Increases associated with anticipated labor agreements during 2010.
- The recommended abolishment of 60 filled Police Officer positions and a $12 million expenditure reduction.
- No police class scheduled in 2010.

The sales tax revenue transfer has declined from $66.1 million in 2009 to the recommended 2010 amount of $58.4 million, comprising 11.4% of total recommended revenue.

JO 115PoliceDistFd10

District Court Fund (133)

The District Court for Suffolk County was created by the State Legislature in 1963. Its responsibility extends to the five western towns of the County: Babylon, Brookhaven, Huntington, Islip, and Smithtown. It oversees misdemeanor criminal cases, felony cases prior to indictment, civil actions involving sums up to $15,000, landlord and tenant matters, park and recreation law enforcement, transportation law, environmental violations, and small claims.

Effective April 1, 1977, the State established a unified court system for all regional districts under its direct control and jurisdiction. The State agreed to assume responsibility for payment of all operational or non-facility related costs, while the County accepted responsibility for the care of all District Court facilities located in Suffolk. Although the County initially paid for all maintenance and capital improvements, these costs are now shared with the State.

Since the District Court is a separate taxing jurisdiction with its own tax levy, a District Court Fund was established to account for all of its financial resources and cost outlays. Although the County's share of the costs to run the District Court system are initially

accounted for in the General Fund, a subsequent accounting adjustment is made to charge these costs to the District Court Fund. Funding needed to pay for these charge backs and debt service on bonded debt is secured from several sources: namely state aid, interest earnings from cash investments, fines and forfeited bail, real property taxes and other receipts in lieu of real property taxes.

The 2010 Recommended Budget for the District Court Fund forecasts a 2009 year end deficit of $2,408,623, which is attributed to:

- a $168,944 beginning fund balance deficit at the start of 2009 that was carried over from 2008, compared to a $745,660 surplus that was anticipated when the 2009 budget was adopted;
- a significant reduction in revenue of $2,195,679;
- This projected deficit is mitigated by a significant reduction in expenditures of $701,660.

DISTRICT COURT FUND **Status of Fund** **For The Year 2009**				
Description	**As of Date Period of Time**	**Adopted Budget**	**Executive Estimate**	**Pos. (Neg.) Difference**
Beginning Fund Balance	Jan. 1, 2009	$745,660	$(168,944)	$(914,604)
Plus Revenues	Jan. 1 – Dec. 31	$14,340,389	$12,144,710	$(2,195,679)
Total Funds Available	Jan. 1 – Dec. 31	$15,086,049	$11,975,766	$(3,110,283)
Less Expenditures	Jan. 1 – Dec. 31	$15,086,049	$14,384,389	$701,660
Year End Fund Balance	Dec. 31, 2009	$0	$(2,408,623)	$(2,408,623)

The 2009 estimated revenue of $12,144,710 is $1,272,075 or 9.5% less than the $13,416,785 the District Court Fund received in 2008. The District Court Fund receives revenue from seven different sources: real property taxes, payments in lieu of real property taxes, interest earnings, fines and forfeited bail, assessments for illegal handicap parking, capital project close outs and court facilities aid from the State. Based on revenue received through September 17, 2009, the 2009 estimated revenue from fines and forfeited bail (133-2610) is overstated $500,000.

The 2010 recommended revenue of $14,794,508 includes non-property tax revenue of $7,482,119. The 2010 recommended fines and forfeiture revenue of $5,691,119 is overstated by $1 million based upon the actual revenue over the past three years (2006-2008).

The 2009 expenditure estimate of $14,384,389 is $190,725 or 1.3% more than the $14,193,664 the District Court Fund expended in 2008. Expenditures charged to the District Court Fund include debt service on bonded debt that was used to pay for capital improvements to District Court facilities, and interfund transfers to the General Fund to pay for custodial, maintenance, and utility services incurred in support of these facilities.

The redistribution of these costs to the District Court Fund is essentially accomplished based on a square footage allocation between all court facilities supported by the County.

The 2010 recommended expenditures of $12,385,885 is $2 million (16.2%) less than the 2009 estimated expenditures of $14,384,389 and appears to be understated by $2 million based upon the actual expenses over the past three years.

The 2010 recommended real property tax levy for the District Court Fund is $7,312,389, which is identical to the 2009 Adopted real property tax levy. It is our opinion that the 2009-2010 revenues are overstated by $1.5 million and it appears that the 2010 recommended expenditures are understated by $2 million for a projected $3.5 million deficit in 2010.

The Budget Review Office can not independently verify the current year's expenditures and therefore it is difficult to accurately project the 2010 expenditure estimates. District Court Fund expenditures are not managed the same way in the budget as the Police District Fund even though both have the same real property tax base covering the five western towns in Suffolk County. Unlike the Police District Fund, costs incurred on behalf of the District Court Fund are captured and reported in the General Fund portion of the budget along with all other related expenses for the maintenance of County facilities used by the Supreme Court, Family Court, District Court, etc. The District Court's portion of these costs is determined by the Department of Public Works and the County's Federal and State Aid Claims Coordinator. A full apportionment is then made to charge the District Court Fund through an interfund transfer for the purpose of reimbursing the General Fund for these costs provided there are sufficient appropriations.

The General Fund does not separately identify the costs that are likely to be incurred to maintain the facilities belonging to the District Court. A separate set of accounts to keep track of the District Court's expenditure requirements are not provided for in the County's Integrated Financial Management System (IFMS). Therefore, the system does not readily facilitate budgetary projections and analysis of the District Court Fund's cost of operations. Given the fact that the District Court represents a separate taxing jurisdiction with its own real property tax levy similar to the Police District Fund, the Legislature should require the County Executive to separately identify in Fund 133 all costs incurred on behalf of and all revenues received in support of the District Court. Future budgetary presentations should include a breakdown of what costs are included in the transfer to the General Fund.

Adopting the District Court Fund as recommended will most likely result in a 2010 year end deficit of $3.5 million which could result in a property tax increase in 2011, all things being equal. The alternative is to increase the Fund 133 Property Tax Warrant by $3.5 million. Increasing property taxes by $3.5 million would increase the average property tax bill by $7.51 ($2.15 per million) from the recommended tax of $15.61 to $23.12 in 2010.

RD 133DistCourtFd10

Hotel/Motel Tax Fund (192)

Budget Review Office Evaluation

The collection of the Hotel/Motel tax in Suffolk County is authorized through Section 1202-o of the New York State Tax Law. The Hotel/Motel tax is deposited into Fund 192 in accordance with Chapter 327, Hotels and Motels, Article II of the Suffolk County Code.

The Hotel/Motel tax revenue assists the County in:

- maintaining and improving County parks that are open to the general public,
- promoting tourism and convention business in Suffolk County to stimulate positive economic development,
- maintaining and interpretation of historic structures, sites, and unique natural areas that are managed by the County's Parks, Recreation and Conservation Department,
- supporting cultural programs and activities relevant to the continuation and enhancement of the tourism industry in Suffolk County that are managed by the Department of Economic Development and Workforce Housing,
- supporting the Suffolk County Vanderbilt Museum and Planetarium,
- supporting museums, and historical societies, historic residences and historic birthplaces in Suffolk County,
- supporting the Walt Whitman Birthplace Association, and
- promoting Suffolk County as a film friendly location.

The term hotel and motel establishments includes: resorts, convention centers, tourist homes, lodging houses, cottages, bed-and-breakfast inns, campgrounds, tourist cabins, camps, taverns, inns, boardinghouses, or any other establishment comparable or equivalent to any of those previously mentioned. Establishments that are covered by this law are required to obtain a certificate of registration from the County Treasurer.

Chapter 327 requires the County to enter into a contract, as mandated by Tax Law § 1202-o (5), with a tourism promotion agency to administer programs designed to develop, encourage, solicit and promote convention business and tourism within the County of Suffolk. The promotion of convention business and tourism shall include any service sponsored or advertised by the tourism promotion agency with the intent to attract transient guests to the County.

- Such contract shall provide that all sums paid to the tourism promotion agency shall be expended on Suffolk County tourism, and/or historic or cultural areas, programs or activities as required under Tax Law § 1202-o (5).

- Such contract shall provide that the tourism promotion agency must adhere to a business, marketing, and/or financial plan, which clearly delineates how the moneys received shall be utilized.
- Schedules of availability of all historic and cultural activities and events funded from any part of these revenues shall be provided to the tourism promotion agency so as to enhance tourism promotion and tourist visitation.
- The tourism promotion agency shall be subject to an audit by the County Comptroller relating to the contract and moneys received.

Local Law No. 6-2005 and Local Law No. 25-2005 require the tourism promotion agency to adhere to a business, marketing, and/or financial plan, which clearly delineates how County funds are to be utilized. The legislation requires all advertising activities or promotions paid for, in part or in whole, with Suffolk County Hotel/Motel tax revenues are used to promote tourism within Suffolk County and shall not direct visitors to any particular business.

Resolution No. 1032-2005 strengthened the County's enforcement powers as it relates to the collection of this tax. Hotel and motel operators, if found guilty of not complying with this law, are subject to misdemeanor penalties and/or a fine of up to $1,000.

Resolution No. 805-2009 reauthorized and extended the hotel and motel tax to December 31, 2015, increased the tax on the per-diem rental rate (exclusive of sales tax) imposed for each hotel or motel room from 0.75% to 3% ($3 dollars per $100), and amended the allocation formula for the distribution of Hotel/Motel tax revenue in accordance with Chapter 159, Laws of New York State.

The following table summarizes the amended allocation formula of the Hotel/Motel tax revenue commencing on December 1, 2009.

Program Components		3% Hotel/Motel Tax Distribution
1	**General Fund** for park purposes.	26%
2	**Promotion of Tourism in Suffolk County**	24%
3	**Department of Parks** for care, maintenance, and interpretation of historic structures, sites, and unique natural areas.	20%
4	**Cultural programs and activities**	10%
5	**Accredited Museums (Vanderbilt Museum)**	10%
6	**Other museums, and historical societies, residences and birthplaces**	8%
7	**Promotion of Suffolk County as a film friendly location** through the Department of Economic Development and Workforce Housing.	2%
	Total	100%
State Tax Law 1202-o (5), and Chapter 327, Hotels and Motels, Article II of the Suffolk County Code, sets the allocation of the Hotel/Motel tax revenue.		

Based upon historical Hotel/Motel revenue trends, current economic conditions, hotel motel tax rate increase, and year-to-date data, the Budget Review Office estimates that

the estimated 2009 Hotel/Motel tax revenue of $2,463,727 is overstated by $307,368, and the recommended 2010 Hotel/Motel tax revenue of $7,447,940 is overstated by $522,964. If not corrected BRO projects a Fund 192 shortfall of $830,332 by the end of 2010.

Based on the .75% allocation formula for 2009, 3% allocation formula for 2010 and component balances, the following summarizes the allocation formula and the budgetary impact using BRO revenue projections:

1. A new allocation of 26% is created in the General Fund for park purposes. BRO estimates $1,800,493 will be allocated to Parks for this component in 2010, which is $292,060 less than the recommended amount of $2,092,553.
2. The tax allocation is reduced from 66.66% to 24% to the contract agency, the Long Island Convention and Visitors Bureau (LICVB), to promote tourism in Suffolk County. BRO estimates $1,945,528 will be allocated to the LICVB in 2010, which is $74,602 less than the recommended amount of $2,020,130. It should be noted that legislation limits the allocation for LICVB to a maximum of $2 million per year, therefore the recommended budget over funds LICVB by $20,130.
3. The tax allocation is increased from 16.66% to 20% for the care, maintenance and interpretation for the general public of the historic structures and sites and unique natural areas managed by the Suffolk County Department of Parks and Recreation for sites and activities that are open to tourists on a regular and predictable basis. BRO estimates $1,516,623 will be allocated to Parks for this Component in 2010, which is $177,051 less than the recommended amount of $1,693,674.
4. The tax allocation is reduced from 16.66% to ten percent for the support of nonprofit museums and cultural programs managed by the Department of Economic Development and Workforce Housing (ECD). Funding of specific organizations is subject to the final approval of the Suffolk County Legislature. BRO estimates in the aggregate, $773,731 will be allocated to ECD for this component in 2010, which is $62,939 less than the recommended amount of $836,670. The recommended budget appropriates $69,100 for five cultural organizations. ECD requested $282,410 (192-ECD-6414) for cultural contract agencies that are reviewed by the Cultural Affairs Advisory Board. The Cultural Affairs Advisory Board's funding recommendation is advisory only and subject to Legislative approval. BRO estimates if it is the desire of the Legislature to maintain Cultural Affairs Advisory Board funding as requested ($282,410), there is $422,221 available for other cultural affairs organizations in 2010. In addition, the Legislature has the option of increasing the allocation for cultural programs by one percent each fiscal year beginning in 2011, with a maximum allocation of 15%. Each one percent increase requires a one percent decrease in the distribution to the Vanderbilt Museum.
5. A new allocation of ten percent is created for the Accredited Museums, Suffolk County Vanderbilt Museum. BRO estimates $692,498 will be allocated to Suffolk

County Vanderbilt Museum in 2010, which is $111,717 less than the recommended amount of $804,215. The Legislature has the option of decreasing the Vanderbilt's allocation by one percent each fiscal year beginning in 2011. Each one percent decrease requires a one percent increase in the allocation to cultural programs. After five years, the minimum annual contribution to the Vanderbilt is five percent.

6. A new allocation of eight percent is created for other museums, and historical societies, historic residences and historic birthplaces. BRO estimates $553,998 will be allocated to this component in 2010, which is $89,374 less than the recommended amount of $643,372. BRO estimates if it is the desire of the Legislature to identify and provide line item support for museums, historical societies, historic residences, and historic birthplaces, there is $210,123 available in 2010. Of the eight percent, one and a half percent (an element of the allocation formula for the distribution of Hotel/Motel tax revenue), or an estimated $103,875 in 2010, is dedicated for the Walt Whitman Birthplace Association. This amount is $16,757 less than the recommended amount of $120,632.
7. A new allocation of two percent is created for the promotion of Suffolk County as a film friendly location. BRO estimates $138,500 will be allocated to ECD for this component in 2010, which is $22,589 less than the recommended amount of $161,089. BRO recommends reducing the "unclassified/non-contract agency" budget line by $22,589 to stay within estimated 2010 revenues.

The following table illustrates the Executive's 2009/2010 Fund 192 forecast.

2009 Estimated	Status of Fund 192	2010 Recommended
$569,564	Fund Balance, January 1	$803,763
$2,463,727	Plus Revenue, January 1 to December 31	$7,447,940
$3,033,291	Total Funds Available	$8,251,703
$2,229,528	Less Expenditures, January 1 to December 31	$8,251,703
$803,763	Fund Balance, December 31	$0

Budget Review Office Recommendations

The Budget Review Office recommends reducing the estimated 2009 Hotel/Motel tax by $307,368 to $2,156,359 and the recommended 2010 Hotel/Motel tax by $522,964 to $6,924,976.

The Budget Review Office recommends reducing the following recommended 2010 Fund 192 expenditures by $830,332 to prevent over spending budget lines in 2010 that the (BRO projected) 2010 Hotel/Motet tax revenue cannot support.

Department	Unit	Obj	Object/Activity name	EXE 2010 Recommended	Reduction	BRO 2010 Recommend
ECD	6413	4980	Contracted Agencies/**Long Island Convention and Visitors Bureau**	$2,020,130	($74,602)	$1,945,528
ECD	6414	4770	Special Services/non-contract agency	$767,570	($62,939)	$704,631
ECD	6415	3500	Other: Unclassified/non-contract agency	$55,631	($22,589)	$33,042
PKS	7510	3250	Building Materials/non-contract agency	$64,000	($22,695)	$41,305
PKS	7510	3500	Other: Unclassified/non-contract agency	$68,746	($24,378)	$44,368
PKS	7510	4560	Fees For Services: Non-Employ	$75,000	($75,000)	$0
PKS	7510	3650	Repairs: Buildings	$155,039	($54,978)	$100,061
MSC	7515	4770	Special Services/ **Vanderbilt Museum**	$804,215	($111,717)	$692,498
MSC	7516	4980	Contracted Agencies/non-contract agency	$282,740	($72,617)	$210,123
MSC	7516	JGI1	Contracted Agencies**/Walt Whitman Birthplace**	$120,632	($16,757)	$103,875
IFT	E001	9600	Tr To Fd 001 General for Park Services	$2,092,553	($292,060)	$1,800,493

MUN 192HotelMotelTaxFd10

Sewer District #3 - Southwest (203)

Background

- Southwest Sewer District, Fund 203, was formed under County Law Section 271 as an ad valorem sewer district with specific authority for alternate methods of assessment including user fees and special parcel or lot charges based on benefits received.
- All residents of the district pay real property taxes to support the capital costs and those residents connected to the facilities pay for the operating expenses commonly referred to as operation and maintenance (O & M) costs.
- The Southwest Sewer District received substantial federal grant money in building the facility. Part of the agreement provided that the district would be formed as an ad valorem district as well as a user benefit district. This would guarantee sufficient revenues for repayment of bonds since property taxes are collected from everyone owning property within the district including those who have opted not to hook up to the sewage treatment plant.
- It was understood that all residents would eventually be required to hook up to the Bergen Point Sewage Treatment Plant in order to lower operating costs by spreading expenses over the broadest possible user base. The County has never required residents who have not connected to pay user fees.

Status of Funds

2009 Expenses

2009 estimated expenditures of $74,325,239 are $886,105 less than adopted due primarily to the following:

- Decreased funding to Sewer District #3 of $652,934
- Decreased interfund transfer to Fund 039 of $108,734
- Decreased funding of $42,559 for Social Security
- Decreased funding to Debt Refinancing of $83,125

2009 Revenues

2009 estimated revenues of $75,266,389 are $334,401 more than the adopted budget, primarily related to anticipated changes in revenue generated from the following:

- Increased Re-Levy of Prior Year Property Taxes of $402,588
- Increased revenue from Residential Sewer Service Contractees of $107,045
- Decreased revenue from Commercial Sewer Service Contractees of $204,087

2010 Expenses

Recommended 2010 expenses of $79,776,932 are $4,565,588 more than the 2009 adopted expenses as a result of significant changes to many expense lines, the most significant as follows:

- An increase of $922,438 for Sewer District #3 expenses
- An increase in the interfund transfer to Fund 404 Assessment Stabilization Reserve of $15,194,884
- An increase in the interfund transfer to Fund 261 Sewer Maintenance and Operation of $2,669,435
- A decrease of $11,142,875 for Debt Refinancing costs
- A decrease in Serial Bonds service costs of $2,577,100
- A decrease of $107,385 for Retirement
- A decrease in the interfund transfer to Fund 405 - Southwest Assessment Stabilization Reserve of $225,000
- A decrease in the interfund transfer to Fund 528 - Southwest Sewer District Capital of $175,000

2010 Revenues

Recommended 2010 revenues of $77,687,957 are $2,755,969 more than the 2009 adopted budget and mainly attributable to the following increases:

- An increase in Real Property Taxes revenue of $1,322,384
- An increase in the Re-Levy of Prior Years Taxes revenue of $721,402
- An increase in Sewer Rents: Residential of $237,407
- An increase in Sewer Rents: Commercial of $264,697
- An increase in Industrial Waste Cost Recovery revenue of $184,446
- The interfund transfer from Fund 404 - Assessment Stabilization Reserve is recommended at $0 for 2010, which is the same as 2009. The Southwest Sewer District will experience a $31 million reduction in debt refinancing over the course of this year and next ($20 million in 2009 and $11 million in 2010) as a result of the completion of their obligation to service debt through the Industrial Development Agency. This will allow the Southwest Sewer District to moderate the cost increases experienced within the district by utilizing the three percent rate increase assessed on a yearly basis. The current rate structure in conjunction with the significant decrease in debt service has provided ample funding and the district no longer finds themselves in need of borrowing from Fund 404 - ASRF in 2009 or 2010. In fact, Fund 203 - Southwest is estimated to repay approximately $23.8 million in outstanding debt back to Fund 404 - ASRF in 2009 and

recommended to pay back an additional $39 million of outstanding debt to Fund 404 in 2010.

Budget Review Office Recommendations

The Budget Review Office agrees with the status of funds presentation in the 2010 Recommended Operating Budget for Sewer District #3 – Southwest (203). Looking forward the District should consider the utilization of cash, at least in part, to fund some of the several large capital improvements scheduled in the capital program in the near future should funding allow.

RD 203SewerDistrictFd10

Community Development Fund (351)

Budget Review Office Evaluation

Federal and State Aid

The Community Development Fund (351) is the aggregate of federal and state aid funding streams that reimburse the County for a portion of the County's operating expenditures associated with the administration of these grants as follows:

Federal Aid

- Community Development Entitlement Block Grant (Fund 352) under the Housing and Community Development Acts of 1974 (P.L. 93-383) as amended
- Community Development Recovery Block Grant (Fund 352) under the American Recovery and Reinvestment Act of 2009 (P.L. 111-005)
- HOME Investment Partnership Program Grant & American Dream Downpayment Initiative Grant (Fund 353) under Title II of the National Affordable Housing Act of 1990 (P.L. 101-625)
- Emergency Shelter Grant (Fund 354) under Title IV of the Stewart B. McKinney Homeless Assistance Act, Subpart B, P.O. 100-77

State Aid

- New York State Neighborhood Stabilization Program Grant (Fund 359) under the Housing and Economic Recovery Act of 2008 (P.L. 110-289) / Title III of Division B of the Act
- Affordable Home Ownership Development Program Grant (Fund 350) under the Housing and Economic Recovery Act of 2008 (P.L. 110-289) / Title III of Division B of the Act.

Grant Programs

The Department of Economic Development & Workforce Housing, Community Development Division administers the following grant programs:

- Community Development Entitlement Block Grant Program (351-8691): participating municipalities and non-profit agencies develop block grant applications for affordable housing and community development projects in Suffolk County.
- Community Development Recovery Block Grant Program (351-8035): participating municipalities and non-profit agencies develop block grant applications for affordable housing and community development projects in Suffolk County.
- Consortium Home Improvement Program (351-8692): participating municipalities and financial institutions provide low interest loans and deferred payment loans to eligible families to repair their residential structures.
- Downpayment Assistance Program (351-8693): provides first time homebuyers with federal funds for a portion of the downpayment.
- Employer Assistance Housing Program (351-8693): provides downpayment assistance to employees of participating businesses to assist with the retention and recruitment of employees in Suffolk County.
- New Construction Program HOME (351-8693): assists with the construction of new single family homes for first-time homebuyers and senior rental units.
- Emergency Shelter Grant (351-8781): provides federal funding for emergency shelter needs, the County contracts with non-profit organizations for this service. The Community Development Division works with the Department of Social Services in the disbursement of these grant funds based on need.
- New York State Neighborhood Stabilization Program Grant (315-8683): provides state funding for the redevelopment of abandoned and foreclosed homes. The Community Development Division works in cooperation with the towns of Babylon, Huntington, Islip, and the Suffolk County Consortium to implement these programs.
- Affordable Home Ownership Development Program Grant (351-8681): provides state funding that is to be utilized with the New York State Neighborhood Stabilization Program Grant with the requirement that funds will be applied to no less then 31 housing units.

2009 Grant Revenue

Community Development Entitlement Block Grant

Resolution No. 462-2009 accepted the Community Development Entitlement Block Grant of $3,654,373 and program income of $50,000, of which $3,314,000 was distributed to 14 communities listed below and $390,373 was transferred to Fund 351 to reimburse the County for its operating expenses in administrating the functions of this program.

Name of Town / Village	Amount
Town of Brookhaven	$2,044,000
Town of East Hampton	$108,000
Town of Riverhead	$156,000
Town of Shelter Island	$16,000
Town of Smithtown	$292,000
Town of Southampton	$204,000
Town of Southold	$130,000
Village of Bellport	$16,000
Village of Lake Grove	$52,000
Village of Patchogue	$222,000
Village of Port Jefferson	$23,000
Village of Sag Harbor	$16,000
Village of Southampton	$23,000
Village of Westhampton Beach	$12,000
Total Grants to Cooperating Municipalities	**$3,314,000**

Community Development Recovery Block Grant

Resolution No. 621-2009 accepted the Community Development Recovery Block Grant of $988,581, of which $942,000 was distributed to 7 communities listed below and $46,581 was transferred to Fund 351 to reimburse the County for its operating expenses in administrating the functions of this program.

Name of Town / Village	Amount
Town of Brookhaven	$609,000
Town of East Hampton	$32,400
Town of Riverhead	$46,800
Town of Smithtown	$87,600
Town of Southampton	$61,200
Town of Southold	$39,000
Village of Port Jefferson	$66,000
Total Grants to Cooperating Municipalities	**$942,000**

HOME Investment Partnership Program Grant

Resolution No. 458-2009 accepted $2,393,392 for the HOME Investment Partnership Program Grant, $239,392 was transferred to Fund 351 to reimburse the County for its operating expenses in administrating the functions of this program, and the County is to contract with HUD, cooperating municipalities, non-profit and for-profit organizations for the expenditure of $2,154,000.

Emergency Shelter Grant

Resolution No. 461-2009 accepted the Emergency Shelter Grant of $162,055, of which $153,955 was distributed to non-profit organizations county wide that provide emergency shelter services throughout the County and $8,100 was transferred to Fund 351 to reimburse the County for its operating expenses in administrating the functions of this program.

New York State Neighborhood Stabilization Program Grant

Resolution No. 354-2009 accepted the New York State Neighborhood Stabilization Program Grant of $6,930,349, of which $6,830,349 was distributed to the towns of Babylon, Huntington, Islip, and the Suffolk County Consortium to provide state funding for the redevelopment of abandoned and foreclosed homes, and $100,000 was transferred to Fund 351 to reimburse the County for its operating expenses in administrating the functions of this program.

Affordable Home Ownership Development Program Grant

Resolution No. 355-2009 accepted the Affordable Home Ownership Development Program Grant of $1,240,000, of which $1,240,000 was distributed to the towns of Babylon, Huntington, Islip, and the Suffolk County Consortium to provide state funding for the redevelopment of abandoned and foreclosed homes, and $0 was transferred to Fund 351 to reimburse the County for its operating expenses in administrating the functions of this program.

Fund 351 Deficit

The County applies annually for community development grant funding the year prior to its award. The cycle for grant funding is from April 1 to March 31 of the following year. Unused grant funding is carried over to the next County operating budget cycle. The County receives a portion of the federal and/or state grant funding to cover allowable cost elements of County operating expenditures associated with the administration of these grants. County operating expenditures not covered by theses grants have been accounted for as being reimbursable causing a deficit of $1,145,516.

In March 2008, BRO discussed with the Budget Office the problem of chronic growing deficits in this fund. We were told that there were sufficient off-budget funds in Funds

352, 353, 354 and 356, for transfers in 2008 to balance Fund 351 by the end of 2008. The above transfers did not occur. Again, in September 2009 BRO discussed the Fund 351 deficit with the Budget Office. The recommended budget presentation includes a $0 balance at the end of 2009 and 2010. According to ECD/ Community Development there are sufficient grant funds to cover authorized expenditures (in off-budget Funds 352, 353, 354 and 356), for transfers to Fund 351 in 2009 & 2010, to correct the Fund 351 deficit; but not for the expenditures that are not eligible for reimbursement. Based on discussions with the department, they plan to meet with the Budget Office in 2009, to determine the proper journal entries to resolve the Fund 351 deficit issue.

The following are the fund balances as per the department:

Fund	Balance
351	($1,538,728)
352 CDBG	$1,087,123
353 HOME	$602,787
354 ESG	$18,558
356 NSP	$23,552
As of 10/6/2009	

Budget Review Office Recommendations

The Department and the Budget Office should expeditiously resolve the shortfalls.
MUN 351CommDevFd10

Tax Stabilization Reserve Fund (403)

Suffolk County's Tax Stabilization Reserve Fund (403) is authorized under Section 6E of New York State General Municipal Law and was adopted by County Resolution No. 1154-1997. Only the General Fund can have a tax stabilization reserve fund.

Expenditures from the Fund (403-E001-Transfer to General Fund) are used to avoid a projected increase in the real property tax levy in excess of 2.5%. The resulting interfund revenue received by the General Fund cannot exceed an amount that would lower the tax levy increase to less than 2.5%.

It should be noted that Section 6E of New York State General Municipal Law defines the tax levy to include fund balance. In addition, expenditures from the Tax Stabilization Reserve Fund can be made to finance an unanticipated revenue loss or an unanticipated expenditure for which there are insufficient appropriations, provided the circumstances meet the restrictive legal criteria.

Fund 403 is also subject to Local Law 29 of 1995, which requires a minimum of 25% of the General Fund actual discretionary fund balance surplus be transferred to the Tax Stabilization Reserve Fund (403) or Debt Service Reserve Fund (425) (see Article 4 of

the County Charter, page 38.43). This requirement was amended by Local Law 43-2006 (Resolution No. 923-2006) and by Local Law 19-2009 (Resolution No. 373-2009).

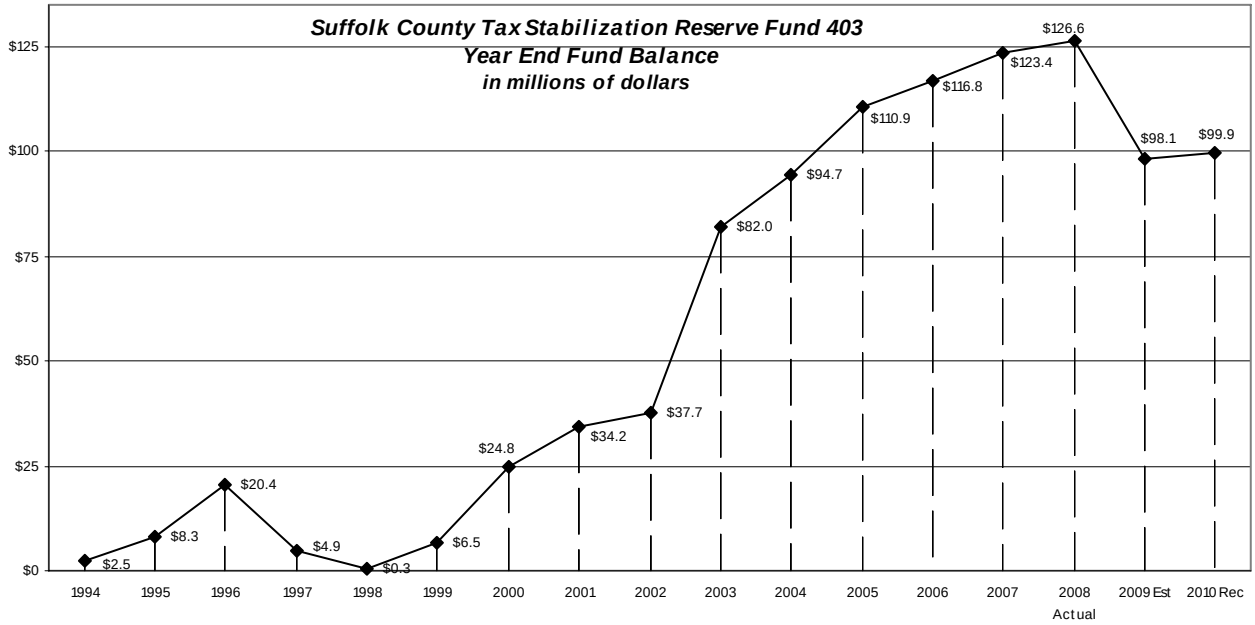
- Local Law 43-2006 requires that once the Tax Stabilization Reserve Fund exceeds the greater of $120 million or five percent of the General Fund operating budget, adopted in the prior year, use of funds in excess of the $120 million cap may be either returned to the taxpayers or appropriated for one of the following approved purposes: *(1)* clearing of snow and ice, *(2)* road maintenance, *(3)* heat, light and power, *(4)* disaster preparedness, *(5)* debt service, or *(6)* pay-as-you-go financing pursuant to LL 23-1994. It should be noted that as an upper limit, contributions to the Tax Stabilization Reserve Fund cannot exceed ten percent of the eligible portion of the annual General Fund budget.
- Local Law 19-2009 suspends the General Fund transfer for the years 2009 through 2012, which would be required to replenish the reserve fund if it drops below the greater of $120 million or five percent.
  - The Tax Stabilization Reserve Fund is estimated to end 2009 with a surplus of $98.1 million and to end 2010 with a surplus of $99.9 million. Both amounts exceed five percent of the budget, but are less than the $120 million minimum that would be required once Local Law 19-2009 expires at the end of 2012.

Status of Funds

The only expenditure made by Fund 403 over the 2008 to 2010 period covered in the recommended budget is a $30 million transfer to the General Fund this year (2009). The transfer was not part of the 2009 adopted budget, but instead was authorized during the year by Resolution No. 327-2009 and was one of several budget shortfall mitigating actions. The transfer complied with § 6-e on the basis that the County had sustained an unanticipated revenue loss, specifically the unanticipated extent of the recession and its adverse impact on sales tax revenue.

On the revenue side, in recent years the only revenue going into this fund is from interest and earnings ($3,244,627 in 2008 and estimated amounts of $1.5 million this year and $1.75 million recommended in 2010). The most recent General Fund transfer to the Tax Stabilization Reserve Fund (001-E403) was $12,767,659 in 2005.

The accompanying chart graphs the year-end Tax Stabilization Reserve fund balance over time. As can be seen from the chart, the surplus in this reserve fund peaked at $126.6 million at the end of 2008 and is recommended to end 2010 at $99.9 million.



Budget Review Office Evaluation

In order to access the Tax Stabilization Reserve Fund, in accordance with General Municipal Law, the General Fund property tax would have to increase by a minimum of 2.5% or $1,277,299 above the 2009 adopted amount. For the 2011 budget, based on the 2010 recommended property tax, a minimum of $1,225,926 would be required. Counsel to the Legislature has opined that only the County Executive can recommend accessing the Tax Stabilization Reserve Fund. As such, the Legislature would not be able to access these reserves on its own.

The mid year 2009 transfer of $30 million was the second time the County accessed Tax Stabilization Reserve by modifying the budget instead of making it part of the adopted budget. This transfer was only allowed because the County had sustained an unanticipated revenue loss. It is important to note that our sales tax projections, discussed elsewhere in this report, forecast revenue to be considerably less than what is shown in the recommended budget. As such, in our opinion, should 2009-2010 sales tax revenue come in less than recommended, that alone should not be considered an unanticipated revenue loss permitting the County to access Tax Stabilization Reserve during 2010.

In closing, the Budget Review Office recommends serious consideration be given to planned increases in the General Fund property tax that would be supplemented by reasonable use of proceeds from the Tax Stabilization Reserve Fund. As noted in our previous two reviews of the operating budget, *"if the County waits any longer to address this problem it may very well be too late. The current economic climate increases the likelihood that we are running out of time."* Budgetary problems noted elsewhere in this report make it all the more important that the County's long term fiscal problems be addressed.

RL 403TaxStabResFd10

Assessment Stabilization Reserve Fund - Sewers (404)

History

- In 1984 Resolution No. 823-84 allocated a quarter cent (.25%) of sales tax revenue to the Assessment Stabilization Reserve Fund (ASRF). This funding continued until 1989 when the quarter cent tax revenue was moved to Fund 475 the Water Quality Protection Reserve Fund.
- ASRF received no additional tax revenue until 1994 when it received an infusion of $7.6 million and in 1995 the Fund received $12.5 million.
- Local Law No. 35-1999 renewed the quarter cent sales tax and created the Suffolk County Sewer Assessment Stabilization Fund to be funded through the deposit of 35.7% of total revenues generated by the quarter cent sales tax.
- Local Law No. 35-1999 also required sewer districts to increase rates by a minimum of three percent before funds can be transferred from the ASRF to stabilize sewer taxes/usage fees in a district.
- From December 2000 through November 2007 the recommended budget directed the quarter cent sales tax receipts into the Suffolk County Water Protection Fund (Fund 477) and then transfers 35.7% of the sales tax to the Assessment Stabilization Reserve Fund (Fund 404) which did not strictly adhere to the legislation as dictated by Local Law No. 35-1999.
- Local Law No. 24-2007 enacted on December 1, 2007 modified the allocated revenues from the quarter cent sales tax. Fund 477 now transfers 25% of total revenue to Fund 404, which represents a reduction in the revenue allocation of approximately 30%.
- ASRF has provided millions of dollars of stabilization funding since its inception enabling the County to offer sewer services with minimal increases in sewer tax rates and user fees in addition to providing funds for infrastructure and capital improvements within sewer districts without incurring the expense of bonding.

Status of Funds

2009 Expenses

- Funds are loaned to sewer districts in the amount needed to stabilize tax rates after the mandated minimum three percent rate increase. In 2009, 13 sewer districts were supplemented with an estimated $10.9 million of transfers.
- Subsidies of $511,278 are estimated to be distributed to towns and village sewer districts. This expense has remained static since 1995.

- The estimated budget includes a $1 million transfer to Fund 261 for Sewer Operation & Maintenance chargebacks, which reflects a $150,000, or 13% decrease as compared to 2008 actual expenditures.
- The estimated budget includes a transfer of $1.25 million to Fund 527 for capital improvements. Funds transferred for capital improvements must be repaid to the ASRF with interest by the sewer district receiving those funds.

2009 Revenues

- 15 sewer districts transferred a total of $26,552,342 to Fund 404.
- In 2009 the largest transfer of revenue received by the Assessment Stabilization Reserve Fund was $23,798,409 from Fund 203 - Southwest Sewer District. The second largest transfer is from Fund 477 - Suffolk County Water Protection Fund, which receives revenue from sales tax. In 2009, Fund 404 is estimated to receive $15,339,954 from this source, a decrease of $973,688 from 2008 and $1,678,342 less than adopted.
- Total estimated revenues in 2009 are $42,308,125, which is $18,235,100 more than actual revenues in 2008 and is mainly attributed to the significant payback of loans by the Southwest Sewer District.

2010 Expenses

- Expenditures are recommended at $11,790,127, which is $3,885,006 less than the 2009 adopted budget and $8,646,120 less than the 2008 actual.
- The majority of the decrease, when compared with the 2008 actual, can be attributed to a $4.64 million reduction in the transfer to Fund 527 - Sewer Capital Fund and the elimination of a transfer to Fund 203 - Southwest Sewer District of $4.35 million.

2010 Revenues

- The transfer from Fund 477 - Suffolk County Water Protection Fund is recommended at $16,122,761, which is $782,807 less than the 2009 estimated budget.
- The recommended budget includes interfund transfer revenue totaling $41,723,386 from 15 sewer districts to Fund 404 for the repayment of loans, an increase of $15,171,044 from the 2009 Adopted Budget. The vast majority of the transfer is from the Southwest Sewer District recommended at $38,993,293.

<u>Relevant Considerations</u>

- Local Law No. 24-2007 extended the Suffolk County ¼% Drinking Water Protection Program 17 years and accelerated the land acquisition component by

modifying the allocations of ¼% tax revenue. The allocations of revenue for the sewer taxpayer protection portion of the program were reduced by 30%, from 35.7% of total revenues generated to 25%.

- The recommended budget includes an interfund transfer of $16.1 million from Fund 477 to Fund 404 which is in line with the 2008 Actual transfer of $16.3 million and higher than the 2009 Estimated transfer of $15.3 million however; significantly less than the $23.1 million transfer in 2007. This revenue, derived from the sales and compensating use tax collections has been adversely impacted from the current state of the economy. The Executive's recommendation indicates the economy's deleterious effects upon this revenue will moderate in 2010.
- The number of sewer treatment plants operated by the County is growing as are the costs to operate them thereby exerting additional pressure on ASRF to provide funds to stabilize rates.
- If Recommended revenues and expenditures come to fruition, the ASRF balance will pierce $100 million in 2010.

Budget Review Office Evaluation

The Budget Review Office agrees with the status of funds presentation in the 2010 Recommended Budget for Fund 404 - Assessment Stabilization Reserve based upon the Executive's recommendations. However, based upon BRO sales tax estimates, it appears that 2009 estimated revenues are overstated by approximately $450,000 and 2010 recommended revenues are overstated by approximately $750,000.
RD 404AssessStabResFd10

Suffolk County Water Protection Fund (477)

Local Law 35-1999, approved by the voters in November 1999, extended the quarter percent sales tax from December 1, 2000 to December 31, 2013. The program was then modified by Local Law 24-2007, approved by mandatory referendum in November 2007. With a December 1, 2007 start date, this legislation made the following substantive changes to the Suffolk County Drinking Water Protection Program:

- Extended the quarter cent sales tax an additional 17 years to November 30, 2030.
- Combined the two land acquisition components (the 7.35% allocated for farmland purchases and 13.55% allocated for open space purchases) into a single land acquisition program that permits additional types of land acquisitions.
- Increased the quarter-cent sales tax allocation for land acquisition by 10.2% from 20.9% to 31.1% of revenues.

- Amended and redefined the criteria of the Water Quality Protection and Restoration Program (WQPRP) to include a Land Stewardship Initiative and increased the quarter-cent sales tax revenue allocation by .50% from 11.25% to 11.75%.
- Decreased the allocation for sewer taxpayer protection (Assessment Stabilization Reserve Fund 404) by 10.7% from 35.7% to 25% to offset the increased allocation for the revised land acquisition and water quality components.
- Changed the land acquisition policy from “pay-as-you-go” to bonding.
- Changed the management responsibility for the Suffolk County Drinking Water Protection Program, which was previously centralized in the Executive Budget Office, to shared responsibility between the Department of Environment and Energy (EVE) and the Executive Office. EVE is now responsible for the management, administration, and day-to-day operations and supervision of this program and the Budget Office maintains the financial records, including the allocation of revenue and expenditures for each program component.

Following is a summary of quarter-cent sales tax expenditures by component since 2000.

Suffolk County Drinking Water Protection Program
2000 – 2010 Expenditures

Category	2000 thru 2004	2005	2006	2007	2008	2009 Estimated	2010 Recomm.	Total
Open Space	$29,022,924	$1,651,234	$7,065,326	$15,516,144	$1,181,015	$1,238,830	$1,275,559	$56,951,032
Water Quality	$13,302,966	$13,942,872	$7,902,514	$7,986,714	$1,780,064	$2,782,305	$0	$47,697,435
Farmland	$19,274,115	$759,000	$1,091,673	$12,385,250	$0	$0	$0	$33,510,038
Tax Relief	$70,822,930	$20,192,579	$20,661,575	$21,343,619	$20,979,344	$19,727,181	$20,733,870	$194,461,098
Sewer Tax Relief	$78,643,192	$22,422,242	$22,943,024	$23,082,668	$16,313,642	$15,339,954	$16,122,761	$194,867,483
Land Acq S12-2(A)	$0	$0	$0	$0	$0	$3,554,098	$8,621,842	$12,175,940
WQPRSP	$0	$0	$0	$432,422	$6,241,599	$6,448,169	$5,836,100	$18,958,290
Total	$211,066,127	$58,967,927	$59,664,112	$80,746,817	$46,495,664	$49,090,537	$52,590,132	$558,621,316

Prior to December 1, 1989, the quarter-cent sales tax was governed by the 1989 Water Quality Protection Program. The current revised Suffolk County Drinking Water Program is not a direct continuation of the 1989 program. Funds for the current Suffolk County Drinking Water Protection Program are accounted for in Fund 477. The 1989 Water Quality Protection Program is accounted for in Fund 475 (Water Quality Protection Reserve Fund). Since the land acquisition components, as amended, are not direct continuations of the 1989 Water Quality Protection Program, they are not subject to its tests or prohibitions.

It is difficult to follow the various quarter-cent sales tax programs because the budget has not segregated all program components; some examples are:

- The Water Quality Protection Program, as of December 1, 2000, requires mandatory annual allocations of all revenue to its component parts. Because of different requirements, the two new components should be accounted for separately from the existing Open Space, Farmland, and WQPRP components. The funds for the new Section 12-2(A) consolidated land program and Water Quality Protection and Restoration Program and Stewardship Initiatives funds should not be commingled with the existing funds for the previous Open Space, Farmland, or Water Quality Protection and Restoration Programs. Since the Water Quality Protection Program's inception on December 1, 2000 until this year, the Executive has never established the required program reserves but just showed a total fund balance. This is the first year that the fund balance is clearly differentiated by program.
- Starting in 2005, the Open Space component includes the repayment of Environmental Facilities Corporation (EFC) funding. In 2010 the annual debt service for the EFC funding is approximately $1.3 million. In addition, the 2010 Recommended Budget includes $8,621,842 for Serial Bond Debt service for bonding land acquisition purchases as allowed per Local Law 24-2007.
- When the Open Space and Farmland programs ended in 2007, the Farmland program had been overspent and the Open Space program did not have sufficient fund balance to pay the EFC borrowing. To address these situations, the Executive submitted three technical correcting Resolutions 248-08 through 250-08 for the farmland program to change the funding source to the Bonded Quarter Percent Program. For the Open Space program, Resolutions 239-08 through 245-08 were used to establish a reserve to meet the EFC debt service. In our view these resolutions were more than a technical correction because the 2007 County books were closed and these resolutions adjusted the components of the fund balance. Because there was only one month worth of revenue, both sets of resolutions created a year end fund deficit in the new Section 12-2(A) consolidated land program. The 2008 actual Reserve for Land Acquisition should have been approximately $20.3 million. Because of the transfers to Open Space and Farmland, the reserve amount was $8.7 million less, which was cash reimbursed to Open Space and Farmland.

2009 Estimated Status of Funds

The 2009 opening fund balance for Fund 477 was $27.3 million. The estimated 2009 revenue earned from the one-quarter percent sales tax and interest is $61.7 million, which included $15,395 from capital fund close outs. Of the $89.1 million in total available 2009 funds, $49.1 million is estimated to be expended as follows; $19.7 million transferred to the General Fund, $15.4 million transferred to the Assessment Stabilization Reserve Fund 404, $4.7 million for debt service on land acquisitions, and $9.3 million for Water Quality Protection.

The $9.3 million Water Quality Protection expenditure includes both capital and operating expenses. Operating expenses are estimated to be $6.1 million and capital expenses are estimated to be $3.2 million. Of the 53 positions provided in the 2009 Fund 477 budget, there are no vacant positions as of October 4, 2009.

For a number of years the Budget Review Office has expressed concern about the continued and growing use of Water Quality Protection funds for permanent salaries. The Water Quality Protection Fund should not be used as a substitute for General Fund expenses. On pages 393 through 402 of the recommended budget, the Executive has included information concerning the Fund 477 positions. In our opinion although there has been a “good faith” attempt, the 2010 Recommended Budget does not comply with Local Law 17-2008, which requires the County Executive to include detailed information on the positions funded with Water Quality Protection funds. The law requires that “The proposed expense budget for any fiscal year shall include, as an appendix, a listing of all positions of employment that are funded with revenues generated by the Water Quality Protection and Restoration Program and Land Stewardship Initiatives, pursuant to Section C12-2(B) of the Suffolk County Charter. Such listing shall describe the duties of each position of employment so funded and the percentage of each such employee’s work schedule that will be dedicated to duly approved water quality protection and restoration projects and land stewardship initiatives.” The information presented gives generic detail; specific information on each individual is needed.

Prior to the 2008 Recommended Budget, the actual interest earned was not material. Since 2005, interest income has increased dramatically with $529,020 received in 2005, $1,301,339 in 2006 and $1,348,047 in 2007. The Recommended Budget includes $395,000 in interest for 2009. This represents a significant decline. With the change in funding for the land component from “pay-as-you go” to borrowing and an expected 2010 fund balance of $52.3 million, one would expect earnings would be up. However, falling interest rates have kept earnings down.

The 2010 Recommended Budget establishes separate reserves for the 1999 Water Quality Protection & Restoration Program (WQPRP) and the 2007 Water Quality Protection & Restoration Program and Stewardship Initiatives (WQPR&SP). The 1999 program sales tax revenue sunset on November 30, 2007. Starting December 1, 2007, the sales tax revenues are now shown in a separate WQPR&SP account (fund).

Because the two water quality components have different criteria, they are accounted for separately.

Prior to 2009, the only debt service, which commenced in 2005, that existed under the Suffolk County Drinking Water Protection Program was repayment of the debt service on $10.8 million of Environmental Facilities Corporation (EFC) bonds, issued to finance the purchases of the Duke and AVR properties. These bonds mature in 2013. The 2010 Recommended Budget shows that debt service for these two properties has been reserved in the open space component of the Water Quality Protection Program. The 2010 recommended EFC interest expense is $1,275,599. Local Law 24-2007 not only consolidated the two land acquisition programs but changed the land acquisition philosophy from “pay-as-you-go” to bonding. The 2010 Recommended Budget includes Serial Bond expense of $8,621,842.

2010 Recommended Status of Funds

Available funds for 2010 include the $40,008,380 estimated carryover fund balance, $64,491,043 in sales tax receipts, and $395,000 in interest, for a total of $104,903,434. The fund balance does not include $25,000 in 2002 water quality funds under appropriation 477-E001 that were charged against the General Fund. These funds were appropriated by Resolution No. 260-2002 ($5,000) and Resolution No. 535-2002 ($20,000). It should be noted that our write-up on sales tax revenue projects that the Recommended Budget overstates this revenue for 2009 and 2010 combined by $5 million

The recommended budget includes expenditures of $52,590,132, which should result in a 2010 year-end fund balance of approximately $52.3 million. The open space and farmland reserve balances were calculated as of November 30, 2007, the sales tax sunset date for those programs. The Section 12-2(A) Combined Land Acquisition Program commenced December 1, 2007, therefore all sales tax revenues earned after that date accrued to that program. The only expense incurred for Section 12-2(A) land acquisition is debt service. The 2010 recommended fund balance for this component is approximately $39.1 million, but these funds will be needed to pay the debt service on the $110 million in bonds that have been issued under Resolution Nos. 163-2008, 677-2008, and 551-2009.

The 2010 recommended expenditure allocations are as follows:

PLN-8038	Water Quality Improvement	$98,200
EVE-8210	Division of Water Quality Improvement	1,297,727
HSV–8751	CCE	899,374
EMP–9030	Social Security	202,740
EMP-9080	Welfare Fund Contribution	71,171
EMP-9010	Retirement	179,826
EMP-9035	MTA Payroll Tax	9,011
EMP-9055	Unemployment Insurance	500
DBT-9710	Serial Bonds	8,621,842
DBT-9750	EFC Long Term Financing	1,275,559
IFT-E039	Tr to Fd 039, EMHP Fund	557,941
IFT–E038	Tr to Fd 038, Self-Insurance Fund	54,148
IFT–E016	Tr to Fd 016, Interdepartmental Service Fund	62,490
PKS-7114	Organic Maintenance Program	1,840,535
PKS-7124	Water Quality Environmental Enforcement	562,437
IFT-E001	Transfer to the General Fund	20,733,870
IFT-E404	Transfer to the Assessment Stabilization Fund	16,122,761
Total		$52,590,132

Budget Review Office Evaluation

Suffolk County Environmental Program Trust Fund

Local Law 35-1999, as amended by Local Law 24-2007, created the Suffolk County Environmental Program Trust Fund (Fund 477). The Fund 477 title, Suffolk County Water Protection Fund, is not the correct title established by Local Laws. The budget should be amended to correct the title of this fund.

In our opinion, to meet the goals and priorities of the program, three independent trust funds should be established to account for the four components of the program.

Appropriations should not be created until such time as expenses are incurred. The law established legislative control of fund allocation by requiring that *"The annual appropriation of such revenues shall be effectuated via duly enacted resolutions of the County of Suffolk."*

As was done with town revenue sharing under Section 12-5(D) of the Water Quality Protection Program, funds should be appropriated during the year by legislative resolution.

Suffolk County Taxpayers Trust Fund

The original legislation contained several stipulations that the County has not implemented. Local Law 24-2007 does not change these stipulations. For example, the General Fund portion of revenues should be deposited in the Suffolk County Taxpayers Trust Fund for property tax relief. The 2010 Recommended Budget does not create this fund.

The revenues deposited to this fund may only be appropriated via a duly enacted resolution of the County of Suffolk in the subsequent fiscal year. Local Law 35-1999 tracks the language of the original Water Quality Protection Program. Local Law 24-2007 did not change this intent. Our 1989 review of that program stated "Only taxes collected shall be used to reduce the County's general property taxes for the subsequent year's budget. It is our opinion that only a sum certain of collected taxes may be used to reduce property taxes, and that the reduction will only occur for the subsequent not the current year."

Local Law 24-2007 did not amend the two conditions for county-wide tax protection contained in Local Law 35-1999.

- The first condition is that revenues may not be used to fund new programs or positions of employment, which is defined as programs or positions not budgeted by Suffolk County in the prior fiscal year.
- The second condition is that revenues must be credited in direct proportion to the real property taxes assessed and collected by the County of Suffolk from parcels within the County.
- The recommended budget fails to comply with the first condition in that all quarter cent sales tax receipts are deposited into Fund 477, the Suffolk County Water Protection Fund, which then transfers 32.15% of the sales tax receipts to the General Fund. Such a treatment complies with neither the letter nor the spirit of the legislation because there is no audit trail to determine that the funds were allocated in accordance with legislative conditions.
- To establish the required audit trail, the budget should contain separate appropriations for those items funded from the Suffolk County Taxpayers Trust Fund. This type of treatment was done for the two percent sales tax payment for Parks Maintenance and Security under Section 12-5(E) of the 1989 Water Quality Protection Program. The separate appropriation would thereby identify the existing program that is being funded with Suffolk County Taxpayers Trust Fund sales tax receipts.

Suffolk County Sewer Assessment Stabilization Fund (404)

To account for Sewer Taxpayer Protection, Local Law 35-1999 created the Suffolk County Sewer Assessment Stabilization Fund into which 35.7% of the total revenues from the quarter cent sales tax generated each calendar year were deposited. Local Law 24-2007 reduced that allocation by 10.7% from 35.7% to 25%.

- The revenues from this fund are subject to an annual appropriation by the Legislature and can only be used to reduce the projected sewer rate increases to a minimum of three percent in the aggregate for user charges, operations and maintenance charges, per parcel charges and ad valorem assessments for the year in question.
- The recommended budget does not establish a "Suffolk County Sewer Assessment Stabilization Fund" but instead deposits all of the quarter cent sales tax receipts into Fund 477, the Suffolk County Water Protection Fund, and then transfers 25.0% of the sales tax as required by Local Law 24-2007, to the existing Assessment Stabilization Reserve (Fund 404). Such a treatment does not comply with the legislation.
- Fund 404, which is not to be subjected to the same restrictions as the Local Law 35-1999 and Local Law 24-2007 sales tax receipts, was an established fund with a 1999 actual fund balance of $14,988,115. Fund 404 continues to receive revenue from sources other than the quarter-cent sales tax such as repayment of loans by sewer districts. These funds, together with the fund balance, are commingled with quarter percent sales tax receipts. Commingling blurs funding sources and obscures the audit trail to determine how the funds were allocated.

Suffolk County Water Quality Protection and Restoration Program

- Resolution No. 659-2002 implemented the Suffolk County Water Quality Protection and Restoration Program by setting up an advisory committee that will make recommendations to the Legislature on project funding. Under the 1999 program, Legislative Counsel indicated that the committee's role is purely advisory and that the Legislature may act with or without their advice. Local Law 24-2007 established the nine member Water Quality Protection and Restoration Program and Land Stewardship Review Committee. Unlike the committee established by Resolution No. 659-2002, the Committee established by Local Law 24-2007 is a gatekeeper in that the Legislature cannot vote on a project until the Committee makes a recommendation. Under Section 12(2)(B)(d) "All projects shall be subject to the approval of the Suffolk County Legislature after review and submission of the recommendation by the Committee."
- The Department of Environment and Energy (EVE) has implemented a contract review process for the 477 contracts. The contract process needs to be refined. The information submitted was more a summary of the contracts as opposed to an evaluation of the programmatic performance with measurable standards for both the multi-year and single year contracts. Local Law 24-2007 Section 12(2)

(B) (g) assigned responsibility to implement, administer and monitor approved projects to EVE. If contract performance standards are not met, that could be an objective basis not to renew the contract.

- Local Law 24-2007 assigns responsibility for the management, administration, and day-to-day supervision of the program (not the actual allocation of revenues or appropriations) to EVE. It is not clear how this responsibility can be harmonized with the recommended budget assigning the Health Department responsibility for managing Cornell Cooperative Extension's Water Quality Protection Program contracts with the County. This issue was raised in the 2008 and 2009 budgets when County departments other than EVE were assigned responsibility for Cornell's WQPRP contracts.

- As the following charts detail, a number of Water Quality projects staffed with County personnel have been institutionalized in the operating budget. These projects involve County departments and contract agencies. In January 2005, there were 42 positions funded by the Water Quality Protection and Restoration Program. The number of positions funded by the WQPRP was increased to 63 in 2006, reduced to 61 in 2007, and reduced to 53 in 2008, where it continues today and is recommended for 2010. It continues to be the opinion of the Budget Review Office that Water Quality funds should not be used as a substitute for operating funds, especially permanent salaries and the associated fringe benefits.

2009 Estimated Total Operating Cost - $6,061,744 Water Quality Protection and Restoration Program Total Positions, 53						
DEPARTMENT	SALARY	BENEFITS	SUPPLIES	EQUIP.	OTHER	CONTRACT
Parks (35)	$1,572,171		$493,400	$225,000	$7,600	
Planning (2)	$77,990		$2,600		$8,250	
E & E (16)	$777,685		$33,500	$2,250	$5,000	$454,000
Benefits		$468,877				
Interfunds					636,117	
Cornell						$999,304
Shellfish Rest						$298,030
TOTAL	$2,427,846	$468,877	$529,500	$227,250	$656,967	$1,751,334

- As detailed in the chart below, 2010 recommended operating expenses decreased by $222,644 from the 2009 estimated expenses. The decrease reflects the elimination of funding for the shellfish restoration program. The character of the expenses continues to shift from one-shots to recurring expenses. Permanent salary, employee benefits, and other departmental operating costs have increased by $211,286 to over $4.5 million in the recommended budget compared to the 2009 estimated budget. All of the Fund 477 positions are filled.

2010 Recommended Total Operating Cost -$5,839,100 Water Quality Protection and Restoration Program Total Positions, 53						
DEPART.	SALARY	BENEFITS	SUPPLIES	EQUIP.	OTHER	CONTRACT
Parks (35)	$1,719,122		$473,050	$203,450	$7,350	
E & E (16)	$846,727		$30,000	$2,250	$3,750	$415,000
Planning (2)	$86,850		$3,100		$8,250	
Benefits		$463,248				
Interfunds					674,579	
Cornell						$899,374
TOTAL	$2,652,699	$463,248	$506,150	$205,700	$693,929	$1,314,374

- Each of our last four operating review reports discussed the issue of using Water Quality funded positions in the Parks Department to perform tasks that could be considered routine park maintenance, and as such should be funded in the General Fund. Many of the Parks 477 employees that have been a concern came from the Labor Department. Because of the economic downturn, the Executive Office issued two All-Employee Memoranda, one dated May 11, 2009 and the other dated June 10, 2009 that sought individuals to transfer to the Labor Department. Many of the titles that were sought were the same as those that were transferred from the Labor Department to the Parks Department. The Executive, however made a decision to prioritize transfers from the General Fund rather than take back any of the Park's employees.

- It still continues to be the opinion of the Budget Review Office that the 53 positions funded with 477 Water Quality Protection Funds, and the associated fringe benefit and departmental costs, be transferred to the General Fund. This will be a cost of approximately $4.52 million to the General Fund but will have the benefit of: 1) making $4.52 million in water quality funds available for projects that meet the program criteria and 2) allow the departments to assign a broader range of duties to those employees, rather than to restrict their responsibilities to the limits of the Water Quality Protection Program.

KD 477WaterProtectionFd10

Suffolk County Ballpark Fund (620)

Budget Review Office Evaluation

This enterprise fund was created in 2000 after the ballpark was built in 1999. The fund was created to provide improved accountability of the expenses and revenue generated by the ballpark.

Resolution No. 642-1998 accepted and appropriated a $14.4 million grant from the NYS Empire State Development Corporation for the construction of the ballpark and the purchase of the land.

The County share for the project was $4.5 million or 23.8%. Resolution No. 1213-1998 amended the 1998 Capital Budget and appropriated the $4.5 million in Suffolk County serial bonds for the construction of the ballpark. The total cost of the ballpark was $17,809,000.

The ballpark is the home of the 2004 Atlantic League Champion Long Island Ducks. It is a 6,000-seat two story steel and concrete structure with a small parking area located in Central Islip adjacent to the Cohalan Court Complex. The building houses the team business office, locker rooms, public restrooms, concession stands, 20 skyboxes, press booth, and other space required for a ballpark.

While revenues exceeded expenditures, at the end of 2009 the fund had a deficit of $24,991 due to $900,000 being reserved for capital improvements.

Expenditures

- The major cost centers for the ballpark are:
    1. Debt service to pay the County's portion of the construction costs.
    2. General building repairs and associated operating costs.
- The 2009 estimated debt service is $554,768.
- The total expenses for 2010 are recommended at $931,509. This is an increase of $292,241 for building repairs and operating expenses. At the time of this writing neither DPW nor the Executive's Office could explain this increase.
- Each year, $90,000 is reserved for future capital improvements to the ballpark. The total amount reserved through 2009 is properly budgeted at $900,000. An additional $90,000 is included in the 2010 recommended budget bringing the amount of the reserve for capital improvements to $990,000. The funds are shown as a reserve of the fund balance.
- The capital improvement funds have not been utilized to date. However, the ballpark is now over ten years old and will need upgrades for railings, HVAC,

floors, fire alarms, etc. DPW is establishing a work plan to make improvements during the offseason to avoid any potential liability concerns.

- 2010 recommended expenditures include $559,289 for debt service and $372,200 for Repairs to Buildings/Operating Expenses.

Revenue

Revenue	2009 Estimated	2010 Recommended
Title Sponsorship	$230,001	$225,000
Ticket Sales	$400,000	$425,000
Sky Box Sales	$130,000	$130,000
Advertising	$180,000	$255,000
Concession & Merchandise Income	$7,500	$2,500
Interest & Earnings	$9,000	$1,000
Rental - Other	$0	$8,000
TOTAL	**$956,501**	**$1,046,500**

- The Budget Review Office finds that the 2010 recommended revenue is overstated for ticket sales by at least $25,000. The County agreed to a new lease with the Ducks in April 2009, which provides an increase in the guaranteed base rent from $200,000 to $225,000. The County will still receive $1 per ticket over 225,000 so this provision only guarantees an additional $25,000 if ticket sales drop below 225,000. With ticket sales annually averaging 400,000 this is inconsequential and will not impact projected ticket revenue.

- The Budget Review Office also believes that during the current recession that the recommended 2010 advertising revenue of $255,000 is optimistic as the 2008 actual amount was $170,669, 2009 estimated is $180,000 and year-to-date 2009 revenue is $130,775.

JO 620 Ballpark10

GENERAL FUND REVENUE

In this section of our report, we discuss the following General Fund revenues:

1. Real Property Taxes (001-FIN-1001)
2. Real Property Tax Items:
   a. Gain Sale Tax Acquired Property (001-EVE-1051)
   b. Other Payments in Lieu of Taxes (001-FIN-1081)
   c. Sale of Tax Lien (001-FIN-1082)
   d. Interest & Penalties – Real Property Taxes (001-FIN-1090)
3. Off-Track Pari-Mutual Tax (001-MSC-1150)
4. Interest Earnings (001-FIN-2401, 001-AAC-2403, 001-FIN-2404, 001-FIN-2405)
5. State and Federal Aid (001-3000s, 001-4000s)

It should be noted that State Administered Sales & Use Tax (Revenue Code 1110), which in prior operating reviews was included in this section, has been broken out into a separate write-up, titled "Sales Tax Revenue."

1. Real Property Taxes (001-FIN-1001)

This General Fund revenue account is funded by taxes imposed on real property owners at a rate based on the value of their property. The County's property tax levy is apportioned among the ten towns based upon each town's share of the County's total full equalized value (FEV) of property. FEV is derived by equalizing each town's assessed value of property, which is accomplished by dividing the town's assessed value by the State determined equalization rate. The towns are responsible for distributing the levy once it has been apportioned. All real property in Suffolk County is accounted for in this revenue base with the exception of authorized tax-exempt parcels.

The 2010 Recommended Budget has a General Fund Property Tax Warrant of $49,037,038, which is $2,054,913 less than adopted for 2009. The 2010 General Fund Warrant reflects a reduction equal to its portion of the MTA tax. Local Law 31-2009 mandated that the collection and payment of the MTA Tax of $2,054,913 be included in a newly created separate line on the tax bill instead of it being a General Fund charge.

One unique attribute of the General Fund property tax is that it is used to make all other taxing jurisdictions whole. As a result, other taxing jurisdictions (towns, schools, Police and other County and non-County taxing entities) receive the entire real property tax amount adopted in their budgets - not one penny more or less. Since the General Fund makes these other taxing jurisdictions whole, the amount of revenue actually booked

under General Fund property taxes may deviate significantly from the adopted budget amount.

For 2008, the General Fund property tax was adopted at $51,093,013, but the actual amount recognized was $28,844,066, a shortfall of $22,248,947. For 2009, the recommended budget estimates a shortfall of $29,217,816, with $21,874,135 of the adopted $51,091,951 being recognized. A shortfall also occurred in 2005 and 2006, while a surplus was experienced in seven of the previous eight years (1997-2004).

Factors affecting collections include the size of the overall tax warrant and the delinquency rate (or its complement, the collection rate). While the County General Fund property tax has been more or less flat since 1998 (ranging from $48.9 million to $55.3 million), the overall tax warrant has increased considerably, going from $2.8 billion in 1998 to $4.78 billion in 2009. For a given collection rate, the increasing size of the warrant places pressure on the General Fund to make up an increasing dollar difference. Other things being equal, as the delinquency rate increases, so does the shortfall. Over time, penalties and interest on delinquent taxes increase and as they are paid, a surplus develops. Tax collections are now in a phase where property owners are not paying their back taxes as fast as the rate of which delinquencies on current taxes are rising. All of this is confounded by a rising tax warrant.

In terms of the appropriateness of the 2009 estimated property tax, the method used to calculate property taxes makes it difficult to accurately predict what the 2009 actual amount will be. That being said, based on information from the Treasurer's Office, the Executive's budgeted amount is in an acceptable range.

The last significant downturn in the local real estate market was in the late 1980's. At that time, the General Fund booked revenue that was less than the adopted amount for nine consecutive years (1998 to 1996). After several years in which General Fund property tax revenue exceeded the adopted warrant, collections turned negative in 2005. In 2009 we will have experienced the fifth consecutive year of a budget shortfall in property tax collections. If history repeats, it will take a total of ten years (2014) before the County experiences a surplus in General Fund Real Property Tax collections.

The County does not adopt a budget with an allowance for a property tax surplus or shortfall. We would expect a shortfall in 2010 of about $20 million. Should this prove to be the case, a challenging 2011 budget will be made even more difficult.
KD RealPropTax1001 10

2. Real Property Tax Items

a. Gain Sale Tax Acquired Property (001-EVE-1051)

The gain on the sale of tax acquired property is also discussed in the revenue section of our write-up on the Department of Environment and Energy. When property owners fail to pay property taxes in a timely manner, they become delinquent. After the tax year

ends on November 30th, by mid December the County places a tax lien on the property. If the taxes are delinquent for three years for residential property and for one year for vacant or commercial property, the County can take deed to the property. On average, in the case of residential property, the process takes approximately seven years from when a lien is first placed on the property until the County is able to provide a marketable title, which complies with the Mennonite decision. Therefore, although the real estate market is depressed and delinquencies are up significantly, there is a lag of about seven years before an up-tick in the gain from sale of tax acquired property is realized in the budget.

- Both 2009 estimated and 2010 recommended revenue from Gain Sale Tax Acquired Property are budgeted at $1,500,000. Based on the year-to-date revenue, the 2009 estimate is reasonable. However, 2010 recommended revenue may be optimistic in that it anticipates require that a $775,000 parcel from 2002 will close. This parcel is in litigation and it is unclear when it will be adjudicated.

b. Other Payments in Lieu of Taxes (001-FIN-1081)

This revenue code pertains to reimbursement to the County for real estate properties which are off the tax rolls because they are Industrial Development Agency (IDA) properties or federal properties. Funding is provided through the towns by the federal government, IDA, and the New York Job Development Authority. The amount of the payments made in lieu of taxes is dependent upon the individual contracts between the towns and the authorities owning the tax exempt land. The first year of the contracts usually provides for the payment to be equal to 100% of the County portion of a parcel's property taxes. Succeeding years reduce the percentage paid over a five year period until there is no payment in lieu of taxes for that parcel.

- PILOT payments were $583,211 in 2006, $636,126 in 2007, and $903,674 in 2008. The 2009 estimated budget includes revenue of $890,000. The 2009 year to date revenue of $907,987 exceeds the estimated budget by $17,987 (two percent). No additional payments are expected. The 2009 estimated revenue should be increased $18,000. PILOTS are by contract. There may be no new PILOT payments this year and some existing PILOTS may phase out. This makes it difficult to project the 2010 budget. Therefore, we do not recommend changing the 2010 Recommended Budget.

KD PILOT10

c. Sale of Tax Lien (001-FIN-1082)

Under the Suffolk County Tax Act, the County of Suffolk purchases all of the tax liens that are acquired by the County. When the County authorized the sale of Tax Liens on Brownfields" property in 2007, this procedure was changed. "Brownfields" properties are those that have suffered significant environmental damage. "Brownfields" property tax liens present a difficult choice for the County. If the County chooses to foreclose the tax lien and takes title, it assumes liability for the property. The cost of clean up may be

substantial and the liability for damage to surrounding parcels may be material. If the County does nothing, the County investment in the property grows with little or no opportunity to recover not only County taxes owed but also the taxes paid to other jurisdictions. In order to make an informed decision as to whether or not a "Brownfields" tax lien should be sold, the Legislature should be furnished with information such as appraised value and estimated cost of remediation prior to taking action on approving tax lien sales. Allowing the owner to pay their back taxes has a short-term benefit, but if the owner was the one who polluted the property and is still in possession, then allowing that individual to remain in possession and to continue to pollute could have significant long-term consequences.

- No revenue has been generated from this program since its inception in 2007. (The 2007 Adopted Budget included $3.5 million from the sale of "Brownfields" tax liens). Although no income has been generated, it is the opinion of the Division of Real Estate, that it has motivated several delinquent taxpayers to pay their back taxes in order to avoid having the property auctioned off. The Division of Real Estate estimates that over $1 million in delinquent taxes have been collected because of the threat of the "Brownfields" property going to auction. According to the Commissioner of Environment and Energy, "Brownfield's" program revenue has not been included in the 2010 Recommended Budget because of pending New York State Legislation that would enact a statewide "Brownfields" program.

d. Interest & Penalties – Real Property Taxes (001-FIN-1090)

This revenue pertains to interest and penalties charged on unpaid real property taxes classified as delinquent. The Suffolk County tax year covers the period from December 1st to November 30th of the following year. Taxes are payable to the town tax receivers from December 1st up to and including May 31st. The first half tax may be paid up to and including January 10th without penalty. The second half tax is due and payable on May 10th. After May 31st of each year, all taxes are due and payable to the County Treasurer. A five percent penalty is charged together with interest at the rate of one percent per month calculated from February 1st. Interest is calculated on the total tax and penalty until the specified date of the tax lien sale. After the tax lien sale, redemption is possible within three years for improved residential properties and one year for vacant or commercial properties. Interest during the redemption period is charged at the rate of six percent per six-month period up to a maximum of 36 months for residential property and up to 12 months for vacant or commercial property.

Penalties and most of the interest are booked on a full accrual basis. That is, in June, when the towns hand over their tax rolls to the County, we book the entire five percent in penalties as revenue. In mid December, when the tax lien sale occurs, we book the entire 11% interest (the previous February through December). Any additional interest received during the year (six percent per six-month period) is booked on a cash basis at the time delinquent taxes are paid. In comparison, General Fund Real Property Taxes (001-FIN-1001) are all booked on a cash basis.

- Both 2009 estimated and 2010 recommended revenue from interest & penalties are budgeted at $35,000,000. These dollar amounts are historically high levels and reflect the collapse of the real estate market. The 2009 estimate appears to be reasonable. However, in order for the 2010 recommended amount to come in, it would require that the real estate market remain depressed. Although our forecast of the economy is consistent with a real estate market that continues to be weak in 2010, we believe that it won't be as bad as this year. Therefore, 2010 recommended revenue is likely to be a bit overstated. It appears that the recommended budget assumes a depressed real estate market in its forecast for interest & penalties, while on the other hand, it assumes that the economy will turn around in the fourth quarter of this year, in its forecast for sales tax revenue.

KD 1082-1090 10

3. Off-Track Pari-Mutual Tax (001-MSC-1150)

- The Off-Track Betting (OTB) Corporation of Suffolk County began operations in 1975. Its purpose was to curb illegal bookmaking, to provide gaming revenues to support education, to provide a source of revenue to local governments, and to help ensure the well-being of the horse racing industry.

- Since its inception, the off-track pari-mutual tax has been an important source of revenue for the County General Fund. The County's share of the "Handle," the total dollar amount wagered, is derived in two ways:
  - the County receives half of a five percent surcharge levied against all wagers if the race is running in the area, and the full surcharge for races run on out-of-state tracks;
  - the County receives the residue of the betting handle after payouts for winning bets are made, obligations to racetracks and racing associations are satisfied, remittances to the State are deducted, and all OTB operating expenses are paid.

Suffolk OTB
County Earnings / Betting Handle
For The Years 2000 Through 2007

	County's Earnings*		Betting Handle^	
Year	Amount	% Chg.	Amount	% Chg.
2000	$5,022,550	N / A	$174,302,864	N / A
2001	$5,923,235	17.9 %	$186,820,326	7.2 %
2002	$6,221,551	5.0 %	$205,293,049	9.9 %
2003	$5,730,218	(7.9) %	$211,536,771	3.0 %
2004	$3,476,472	(39.3) %	$205,292,864	(3.0) %
2005	$2,847,765	(18.1) %	$199,046,907	(3.0) %
2006	$3,124,612	9.7 %	$195,177,802	(1.9) %
2007	$2,497,607	(20.1) %	$188,113,885	(3.6) %
2008	$2,299,051	(7.9) %	$178,582,209	(5.0) %

***Figures are based on actual receipts received by the County as reported in IFMS.**
^Figures are based on what was reported in Suffolk OTB's audited financial statements.

- Suffolk OTB earnings distributions to the County have decreased over the last several years because of:
  - increased competition from Nassau's newly established luxury Race Palace (LIE exit 48) which is just 15 miles west of Suffolk's Racing Forum (LIE exit 57);
  - an 11% increase in the State regulatory fee on the net betting handle (effective July 11, 2005), which funds the operating costs of the New York State Racing and Wagering Board;
  - State legislated requirement that Suffolk OTB, like all other regional off-track betting corporations, pay higher fees and track commissions for
  - simulcasting New York Racing Association (NYRA) races than what Suffolk OTB pays to non NYRA sponsored tracks;
  - proliferation of internet gambling by off-shore corporations that cannot legally operate within New York State;
  - a reduction in the "takeout" assigned to the County for New York Racing Association (NYRA) race tracks at Aqueduct, Belmont, and Saratoga;
  - an increase in OTB operating costs due to inflation, negotiated labor agreements, and higher than usual employee retirement costs and health insurance premiums.
  - The slowdown in the economy which has affected the amount of leisure dollars available.
- The 2006 OTB revenue distributions to the County of $3,124,612 included $413,035 from the sale of a capital asset; the adjusted amount was $2,711,577 or $136,188 less than the 2005 County distribution of $2,847,765.
- The actual 2008 OTB revenue distribution was $2,299,051. The 2009 OTB estimated revenue is $2,050,000, which is $250,000 less than the 2009 adopted amount. As of September 17, 2009, the County has received $1,394,198. Because of the increasing costs and the fiscal turmoil, the 2009 estimate and the 2010 recommended amount of $2.1 million may be optimistic.

KD OTB10

4. Interest Earnings (Revenue Codes 2401, 2403, 2404, 2405)

General Fund interest revenue is comprised of the following:

Revenue Code 001- FIN- 2401: Interest Earnings:
This revenue account is the responsibility of the Department of Finance and Taxation, the Treasurer's Office. The revenue deposited into this account is derived from overnight and short-term investments of cash not required for operating and capital cash disbursements.

Revenue Code 001-AAC-2403: Department Interest Earnings:
Many departments maintain bank accounts that must be approved by the County Treasurer who has overall responsibility for the receipt, custody, and control over the County's cash assets. As an interim procedure, County departments establish bank accounts, often interest bearing, to deposit revenue before transferring funds to the Treasurer.

Revenue Code 001-FIN-2404: Interest Earnings: Other Governments:
This code represents interest earned by other governmental entities while holding the County's money. When money due the County is received by the County Treasurer from other governmental entities, the portion that represents interest earnings is credited to this revenue account.

Revenue Code 001-FIN-2405: Treasurer's Interest Savings:
Interest deposited in this revenue account is earned on the overnight "sweep" investment account linked to the vendor checking account. The vendor checking account is the main account from which all vendors are paid. Once payments are approved on the County's Integrated Financial Management System (IFMS), a report is generated for the bank to proof the actual vendor payments against this report. A sufficient amount of cash is transferred to the sweep account for payment, which coincides with the report. Interest earnings are accrued on these funds, which remain in the account until checks clear.

The following table summarizes the recommended budget for General Fund interest revenue:

REV CODE	Recommended Budget
General Fund Interest Earnings 2009	
001-FIN-2401	$1,359,999
001-AAC-2403	$43,869
001-FIN-2404	$450,000
001-FIN-2405	$250,000
General Fund Interest Earnings 2010	
001-FIN-2401	$2,099,000
001-AAC-2403	$51,919
001-FIN-2404	$825,000
001-FIN-2405	$300,000
Combined	
2009	$2,103,868
2010	$3,275,919

The recession has had a dramatic effect on General Fund interest revenues. The weak economy has resulted in significantly less cash revenue to invest and lower returns on investment. General Fund interest earnings, which totaled $10.5 million in 2007, fell to $6.3 million in 2008. The estimated budget includes only $2.1 million in 2009. Interest revenues in 2010 will be a function of whether or not the economy improves. The

recommended budget includes approximately $3.3 million or 1.5 times the 2009 estimate, which assumes more cash on hand and/or higher interest rates.

The following methodology was used by the Budget Review Office to analyze General Fund interest earnings (revenue codes 2401, 2403, 2404, 2405):

- Balances in interest bearing accounts, an important determination of earnings, are down dramatically from 2008, which was itself a year with historically low levels. It is reasonable to assume that cash in 2010 will continue at the same level as in 2009.
- Forecasts for short-term interest rates, which were obtained from the Research Seminar in Quantitative Economics (RSQE), anticipate a 41% increase in 2010. To be conservative, we assume an increase of 33%.
- Due the persistence of low cash balances and low interest rates, the 2009 estimated General Fund interest revenues may be slightly overstated, but we believe that the estimated budget is attainable.
- We project that interest rates will increase modestly in 2010, but that cash will remain relatively flat.

BP Interest&Earnings10

5. State and Federal Aid

The amount of aid received by the County from the State varies in accordance with numerous factors. Each aided program has its own rules as to how aid, if any, is apportioned. Therefore, it is always difficult to gauge the future amounts of state and federal aid as a whole.

The Department of Health Services (HSV) and the Department of Social Services (DSS) are the biggest recipients of state aid. The amount received by all other departments combined is less state aid than either HSV or DSS. Table 1 depicts the allocations of state aid received for the County's General Fund from 2006 through the 2010 Recommended Budget.

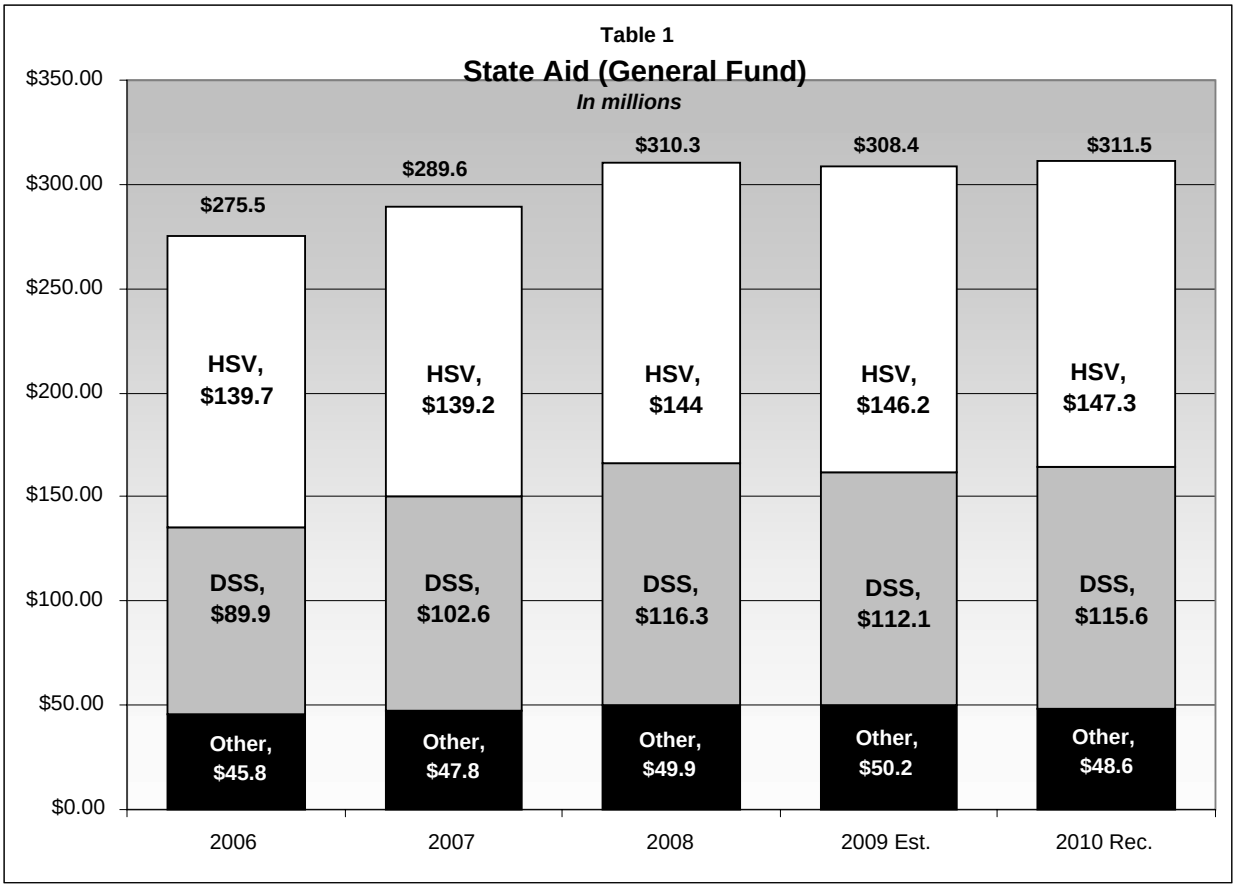


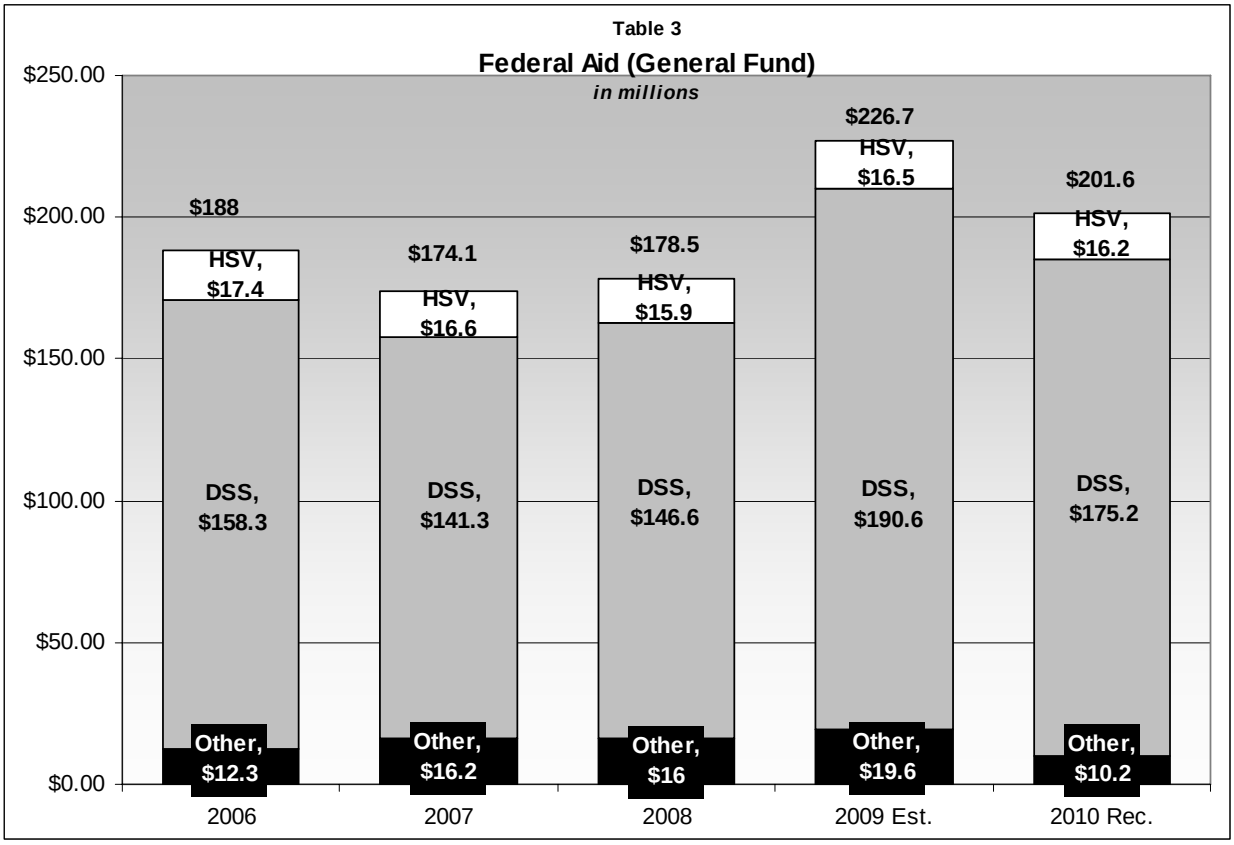
Table 2 shows that in the aggregate, state aid represented 17% of actual General Fund Revenue in 2008. The recommended budget estimates that state aid will represent a slightly larger percentage of General Fund revenue in 2009 despite a small decrease in the amount of anticipated aid. This finding is due to the fact that the total overall amount of revenue is down in 2009. The decrease in overall revenue is largely due to declining sales tax revenue. Overall, the recommended budget estimates that state aid will decrease slightly in 2010 as a percentage of total General Fund revenue.

Table 2
Comparison of State Aid to Total General Fund Revenue

Year	Total Fund 001 Revenue	State Aid Fund 001	State Aid: Change from previous year	Percent of Total Revenue Attributed to State Aid
2006	$1,785,778,603	$275,509,163	-2.43%	15.4%
2007	$1,802,741,367	$289,561,313	5.10%	16.1%
2008	$1,825,945,612	$310,278,844	7.15%	17.0%
2009 Est.	$1,779,597,189	$308,403,426	-0.60%	17.3%
2010 Rec.	$1,810,595,183	$311,513,939	1.01%	17.2%

Table 3 depicts the allocations of federal aid received by the County's General Fund from 2006 through the 2010 Recommended Budget. The Department of Social

Services receives the greatest amount of federal aid by far. The Department of Health Services receives the second largest amount; larger than the remaining departments combined, with 2008 and the 2009 estimate being the exceptions.



In Table 4 we observe that federal aid represented 9.8% of 2008 General Fund actual revenues. Federal aid is estimated to increase as a percentage of the General Fund in 2009 to 12.7%. This increase is due largely to the American Recovery and Reinvestment Act (ARRA), which provided an increase in Federal Medical Assistance Percentages (FMAP) to municipalities.

Overall, the 2010 Recommended Budget estimates that federal aid will decrease as a percentage of total General Fund revenues as shown in Table 4.

Table 4 Comparison of Federal Aid to Total General Fund Revenue				
Year	**Total Fund 001 Revenue**	**Federal Aid Fund 001**	**Federal Aid: Change from previous year**	**% of Total Revenue Attributed to Federal Aid**
2006	$1,785,778,603	$188,046,403	9.0%	10.5%
2007	$1,802,741,367	$174,090,785	-7.4%	9.7%
2008	$1,825,945,612	$178,537,218	2.6%	9.8%
2009 Est.	$1,779,597,189	$226,651,811	26.9%	12.7%
2010 Rec.	$1,810,595,183	$201,627,576	-11.0%	11.1%

It is important to view revenues in context with associated program expenditures in order to gauge the impact of changes in aid to County programs and finances. The largest recipient of state and federal aid is the Department of Social Services. Table 5 shows state and federal aid for DSS as well as related program expenditures. (It does not show expenditures that are not tied to state or federal aid).

Table 5 Department of Social Services (DSS) State and Federal Aid and Related Expenditures				
Revenue				
Rev Code/ Approp	**Description**	**2008 Act**	**2009 Est.**	**2010 Rec**
3609	State Aid: Dependent Children	$10,654,316	$13,171,950	$13,635,650
3610	State Aid: DSS Administration	$48,615,974	$43,084,369	$43,650,808
3640	State Aid: Home Relief	$16,761,680	$18,999,360	$20,600,500
3662	State Aid: Foster Care Block Grant	$16,977,370	$18,051,382	$18,051,382
4609	Federal Aid: Dependent Children	$22,391,186	$31,482,645	$29,456,500
4610	Federal Aid: DSS Administration	$31,537,355	$47,643,147	$49,115,501
4611	Federal Aid: Food Stamp Program	$10,878,751	$9,881,115	$10,416,904
4619	Federal aid: Child Care (Adc - Fc)	$20,225,582	$21,072,099	$21,962,019
4620	Federal Aid: Child Care Block Grant	$37,714,914	$31,997,079	$34,164,052
Other	Other DSS State and Federal Aid	$47,206,890	$67,289,529	$49,742,800
	Total DSS State and Federal Aid	**$262,964,018**	**$302,672,675**	**$290,796,116**
Related Expenditures				
6008	DSS: Housing Services	$10,489,734	$10,247,169	$10,485,641
6010	DSS: Community Svcs. Admin	$29,563,096	$29,717,382	$30,965,794
6012	Handicapped Child Maint. Program	$18,198,531	$18,605,209	$19,500,000
6015	DSS: Public Assist Admin	$17,770,567	$17,794,534	$18,097,923
6109	Family Assistance	$44,185,167	$53,950,000	$53,600,000
6118	Institutional Foster Care	$17,876,438	$17,000,000	$18,200,000
6120	DSS: Adoption Subsidy	$16,750,121	$17,500,000	$18,500,000
6121	Institutional Foster Care/Prob.	$14,139,961	$13,700,000	$16,000,000
6140	Safety Net	$36,436,849	$42,650,000	$45,000,000
6204	MEDICAID COMPLIANCE	$16,942,353	$23,307,482	$27,358,710
Other	Other Aided DSS Programs	$35,661,492	$33,694,147	$35,065,915
	Total Expenditures in DSS Programs Receiving State and/or Federal Aid	**$258,014,309**	**$278,165,923**	**$292,773,983**
Change in Revenue from DSS State and Federal Aid			**$39,708,657**	**-$11,876,559**
			15.1%	**-3.9%**
Change in Expenditures from DSS Programs Receiving Aid			**$20,151,614**	**$14,608,060**
			7.8%	**5.3%**

- DSS revenue from state and federal aid is estimated at an increase of $39.7 million or 15.1% from 2008 to 2009 while related program expenditures are expected to increase $20.2 million or 7.8%, for a net gain to the County of $19.5 million.

- DSS revenue from state and federal aid is estimated at a decrease of $11.9 million or 3.9% from 2009 to 2010 while related program expenditures are expected to increase $14.6 million or 5.3%, for a net loss of $26.5 million.

Growth in revenue appears to outpace expenditure growth from 2008 to 2010. This finding is attributable to FMAP relief provided by the federal fiscal stimulus package. FMAP is expected to supply $97.6 million to the County from 2009 to 2011. It will provide $44.2 million in 2009 by increasing revenue by $18.1 million and reducing expenditures by $26.1 million. For 2010, FMAP will provide $46.3 million by decreasing expenditures by $36.3 million along with a $10 million reconciliation for 2008 and 2009. A reconciliation for 2009 and 2010 will provide only $7.1 million in 2011. In the absence of another fiscal stimulus package, FMAP relief will not continue past 2011.

FMAP's impact on the budget is significant. Without these funds, the trend in revenue growth compared to related expenses is reversed. When excluding FMAP funds, growth in related program expenditures outpaces growth in federal and state aid. Table 6 shows the relationship between the growth in aid and related program expenses when FMAP assistance is excluded.

Table 6
DSS Programs Receiving State and Federal Aid Without FMAP Stimulus Funds

	2009 Est	2010 Rec
Change in Rev	$18,919,657	$8,912,441
	7.19%	3.16%
Change in Exp	$46,251,614	$32,494,060
	17.93%	10.68%

Without FMAP relief, expenditure growth would be $27.3 million, more than double the increase in state and federal aid from 2008 to 2009 and $23.6 million or more than triple from 2009 to 2010.

The Department of Health Services also receives a substantial amount of state and federal aid. Table 7 links major aid sources to their related expenditure programs (it does not show expenditures that are not tied to state or federal aid). Grants are listed separately because they are tied to a specific function and not any one County program.

Table 7 Department of Health Services (HSV) State and Federal Aid and Related Expenditures				
Revenue				
Rev Code/ Approp	**Description**	**2008 Act**	**2009 Est**	**2010 Rec**
3277	Ps/Ei State Aid	$86,789,855	$88,637,790	$89,890,388
3401	Public Health	$30,473,384	$28,349,701	$27,707,335
3486	Narcotics Addiction Control	$3,819,502	$3,919,292	$3,872,040
3487	Methadone Maintenance	$2,755,407	$2,518,202	$2,518,202
3491	Alcoholism	$2,194,741	$2,288,116	$2,288,116
3493	Community Support Svc Program	$15,098,711	$17,134,024	$18,214,141
4401	Public Health	$4,113,544	$3,316,437	$3,367,302
4482	W.I.C. Nutrition	$2,863,294	$2,746,665	$3,088,781
4490	Mental Health	$2,098,328	$2,228,404	$2,228,404
4491	Alcoholism	$3,953,708	$4,344,796	$4,344,796
Other	Other HSV State and Federal Aid	$5,743,204	$7,152,200	$6,007,212
	Total HSV State and Federal Aid	**$159,903,677**	**$162,635,627**	**$163,526,717**
Related Expenditures				
2960	Education Handicapped Children	$166,338,595	$169,048,625	$171,448,514
4100	Hs: Patient Care Svcs Adm	$42,513,217	$44,396,277	$41,628,610
4101	Patient Care Programs	$12,547,542	$12,145,254	$14,487,351
4310	Div Of Comm Mental Hygiene	$12,689,776	$14,841,930	$14,855,597
4320	Hs: Mental Health Pgms	$8,032,287	$7,910,907	$8,052,551
4330	Hs Community Support Svc	$18,503,486	$19,309,556	$20,430,219
4400	Hs: Environmental Health	$9,110,758	$8,406,980	$8,789,452
4720	Forensic Sciences	$9,493,246	$9,193,528	$9,586,683
Other	Other Aided HSV Programs	$41,579,492	$38,879,315	$41,598,244
Various	HSV Grants	$4,748,808	$5,894,386	$6,737,121
	Total Expenditures in HSV Programs Receiving State and/or Federal Aid	**$325,557,207**	**$330,026,758**	**$337,614,342**
	Change in Revenue from HSV State and Federal Aid		**$2,731,950**	**$891,090**
			1.7%	**0.6%**
	Change in Expenditures from HSV Programs Receiving Aid		**$4,469,551**	**$7,587,584**
			1.4%	**2.3%**

- From 2008 to 2010, expenditures are expected to outpace aid by $8.4 million or 26%.
- State and federal aid for HSV is estimated to increase by $2.7 million or 1.7% from 2008 to 2009 while related expenditures are estimated to increase by $4.5 million or 1.4%; a net loss to the County of $1.8 million.

- State and federal aid for HSV is estimated to increase by $891,090 or 0.6% from 2009 to 2010 while related expenditures are projected to increase $7.6 million or 2.3%; a net loss of $6.7 million.

The decrease in revenue from 2009 to 2010 may be due to the fact that grant funds are typically added during the year, and are not reflected in the budget. When grants are excluded, state and federal aid in the Health Department in 2010 is estimated at an increase of 0.03%, while related expenditures are estimated to increase by 2.08%. Implicitly, the 2010 Recommended Budget assumes that non-grant state and federal aid in HSV will remain relatively flat in 2010.

As seen in Table 8, General Fund state and federal aid, for all departments, is estimated to be approximately 28% of total revenues in 2010.

Table 8
Comparison of Combined State and Federal aid

Year	Combined State & Federal Aid	Percent of Total Revenue Attributed to State & Federal Aid
2006	$463,555,566	26.0%
2007	$463,652,098	25.7%
2008	$488,816,062	26.8%
2009 Est.	$535,055,237	30.1%
2010 Rec.	$513,141,515	28.3%

In general, federal aid is estimated to be significantly lower in 2010 because of the influx of federal stimulus funds in 2009 (See Table 3). However, federal aid is still estimated to be at most $23.1 million more than in 2008. State aid is expected to increase slightly in 2010, but as was cautioned in last year's review, there is the potential that state aid could be reduced in 2010, with amounts yet to be determined. Should this happen, the recommended state aid amounts could be overstated and the County may have to restrict expenditures accordingly or provide a safety net.

Over the past couple of years, state and federal aid have represented a growing percentage of General Fund revenues, largely due to declining sales tax collections. The County should strengthen local revenue sources in order to lessen its reliability on other governments and avoid catastrophic shortfalls. The loss of Federal Medical Assistance Percentage (FMAP) aid will lead to a shortfall in 2011 of $39.2 million ($46.3 million in 2010 relief less a $7.1 million reconciliation that will be reflected in the 2011 budget). Without securing additional recurring local sources of revenue, it is difficult to imagine how the County will be able to offset the loss of $39.2 million in federal aid.
BP State&FederalAid10

PERSONNEL COSTS AND ISSUES OVERVIEW

Personnel Services Costs (exclusive of the College and Vanderbilt Museum)

The 2010 Recommended Budget includes $1.47 billion for personnel costs, salaries, and employee fringe benefits, which represents 55.6% of the $2.66 billion recommended budget. The recommended budget projects personnel costs to increase by $110.6 million (8.1%) over the 2009 estimated budget, $95.1 million for salaries and other compensation payments to employees and $15.5 million for employee benefit increases.

- The following two factors account for over 90% of the 2010 recommended $110.6 million increase over the 2009 estimated budget;
  - 2009 salaries were reduced by an estimated $20.5 million to reflect union concessions to defer the equivalent of two weeks pay from employees during 2009 to be paid upon their separation from County service, and
  - deferment of appropriations for labor agreements from 2009 to 2010. Only one out of the seven expired labor contracts was ratified during the year, Correction Officers Association for the years 2004 through 2007.
- While the 2010 recommended personnel budget includes a significant increase over the 2009 estimated budget, it represents a $2.4 million decrease (-1.0%) from the 2009 adopted personnel budget. This reduction is attributable to the following factors:
  - a $13.9 million reduction in the employer retirement contribution in 2010, from the 2009 adopted budget of $106.5 million to $92.6 million in 2010. The 2010 reduction is temporary as retirement costs are projected to increase by 52% in 2011 to $141.2 million.
  - a 2010 increase of only $6.8 million (.7%) out of a budget of $994.4 million in personal services costs. The recommended budget assumes that the PBA will agree to salary concessions in 2010 that equal two weeks pay for its members, approximately $12 million.
  - an estimated $13 million reduction in appropriations from the 2009 adopted budget to fill vacant positions.
- The 2010 Recommended Budget includes personal services appropriations for the anticipated PBA arbitration award and settlement.
- In addition to the PBA, The following labor contracts have expired:
  - Superior Officers Association (SOA), Suffolk County Detectives Association, Detective Investigators PBA, Deputy Sheriffs Benevolent Association (DSBA) and Correction Officer's Association (COA):: expired December 31, 2007;

- Suffolk County Association of Municipal Employees (AME) and Park Police: expired on December 31, 2008;
- The salary schedule for employees excluded from collective bargaining units, exempt employees, expired on December 31, 2008.

Authorized Budgeted Positions

- The 2010 Recommended Budget includes a net reduction of 501 authorized positions from 12,071 to 11,570. This reduction includes the abolishment of 538 positions and the creation of 37 new positions.
  - The recommended budget includes 20 new Correction Officer I positions.
  - The budget creates eight new positions for foster care and child protective services in Social Services.
  - Other new positions included in the recommended budget are; one Deputy County Personnel Officer (grade 39) and one Account Clerk Typist (grade 11) in Civil Service, one Energy Specialist (grade 31) in Environment and Energy, one Deputy Director of Labor Relations (grade 30), two Assistant District Attorneys (grade 24), and one Purchasing Agent (grade 20) and two Detention Attendants (grade 10) in the Sheriff's Office.
  - The recommended budget abolishes 436 Police Officer positions of which, according to the budget document, 60 are filled Police Officer positions and 376 are vacant positions. The administrative code requires that prior to abolishing filled positions, all vacancies in the same title in the same department be abolished. However, the Budget Review Office projects that the budget abolishes 45 filled Police Officer positions not 60, based upon the September 20th position control register.
  - The recommended budget abolishes 102 vacant non-Police Officer positions, including 41 vacant positions in the John J. Foley Skilled Nursing Facility as requested by Health Services.
- The following table lists the titles and departments of the 538 abolished positions.

Recommended Abolished Positions

Department	# Abolished	Job Title	Gd
Fire Rescue & Emergency Services	1	Senior Clerk Typist	12
Fire Rescue & Emergency Services	1	Volunteer Programs Coord	21
Health Services	1	Aids Counselor I	19
Health Services	1	Biologist	21
Health Services	1	Clerk Typist	09
Health Services	1	Clinical Nurse Practitioner	27
Health Services	1	Health Program Analyst II	22
Health Services	1	Hydro-Geologist	29
Health Services	1	Physician III	38
Health Services	1	Public Health Educator	19
Health Services	1	Senior Clerk Typist	12
Health Services	1	Clerk Typist	09
Health Services	2	Account Clerk Typist	11
Health Services	2	Public Health Nurse II	24
Health Services	7	Public Health Nurse I	21
Labor	1	Labor Specialist IV	25
Law	1	Research Technician	17
Parks	1	Park Supervisor III	22
Parks	1	Parks Foundation Director	30
Parks	3	Park Supervisor I	15
Police	436	Police Officer	UN
Probation	1	Principal Account Clerk	17
Probation	1	Probation Investigator	17
Probation	2	Psychiatric Social Worker	21
Probation	2	Senior Clerk Typist	12
Probation	3	Senior Probation Officer	23
Public Works	1	Accountant Trainee	17
Public Works	1	Buildings Superintendent	25
Public Works	1	Chief Engineer (Facilities)	36
Public Works	1	Civil Engineer	26
Public Works	1	Duplicating Mach Op III	15
Public Works	1	Laboratory Technician	15
Public Works	1	Purchasing Agent	20
Public Works	1	Senior Account Clerk	15
Public Works	1	Sr Wastewater Trt Plt Op (3A)	18
Public Works	2	Clerk Typist	9
Public Works, Highway Road Fund	1	Clerk Typist	9
Public Works, SW Sewer Dist.	1	Materiel Control Clk III	12
Public Works, SW Sewer Dist.	1	Wastewater Trtmt Plt Oper Trn	12
Real Property Tax Service	1	Map Drafter III Em: Map Drafter I	17
Real Property Tax Service	1	Office Systems Analyst I	19
Real Property Tax Service	2	Real Ppty Recorder II	10
Sheriff	1	Corrections Officer II	C2
Skilled Nursing Facility	1	Clerk Typist	9
Skilled Nursing Facility	1	Clinical Services Administrat	30
Skilled Nursing Facility	1	Custodial Worker II	11
Skilled Nursing Facility	1	Med Social Worker Asst	18
Skilled Nursing Facility	1	Medical Program Admin	38
Skilled Nursing Facility	1	Occupational Therapist Asst	17
Skilled Nursing Facility	1	Recreation Instructor	17
Skilled Nursing Facility	1	Reg Nurse Supvr-Nrsng Hme	22
Skilled Nursing Facility	1	Senior Stenographer	12
Skilled Nursing Facility	1	Therapeutic Activities Worker	10
Skilled Nursing Facility	1	Volunteer Coordinator	17
Skilled Nursing Facility	2	Food Service Worker	7
Skilled Nursing Facility	2	Registered Nurse	19
Skilled Nursing Facility	6	Licensed Practical Nurse	14
Skilled Nursing Facility	20	Nurses' Aide	9
Social Services	1	Account Clerk	11
Social Services	1	Social Services Exam I	16
Social Services	1	Sr Data Entry Operator	11
Total	**538**		

The following table lists the 37 recommended new positions:

Recommended New Positions

Department	# of New Positions	Title	Gr
Civil Service	1	Dep County Personnel Officer	39
Civil Service	1	Account Clerk Typist	11
District Attorney	2	Asst District Attorney	24
Environment and Energy	1	Energy Specialist	31
Executive	1	Dep Dir Labor Relations	30
Sheriff	1	Purchasing Agent	20
Sheriff	2	Detention Attendant	10
Sheriff	20	Correction Officer I	15
Social Services	1	Caseworker Supervisor	24
Social Services	1	Senior Caseworker	22
Social Services	1	Clerk Typist	09
Social Services	5	Caseworker	20
Total	37		

The following table compares the number of authorized positions in the County's operating budgets over the period 2002 through 2010.

Adopted for Year	Authorized Positions All Funds	Difference from Previous Line
2002	11,754	N/A
2003	11,597	-157
2004	11,907	310
2004 Modified	11,752	-155
2005	11,882	130
2006	11,958	76
2007	11,968	10
2008	11,977	9
2009 Adopted	12,052	75
2009 Modified	12,071	19
2010 Recommended	11,570	-501

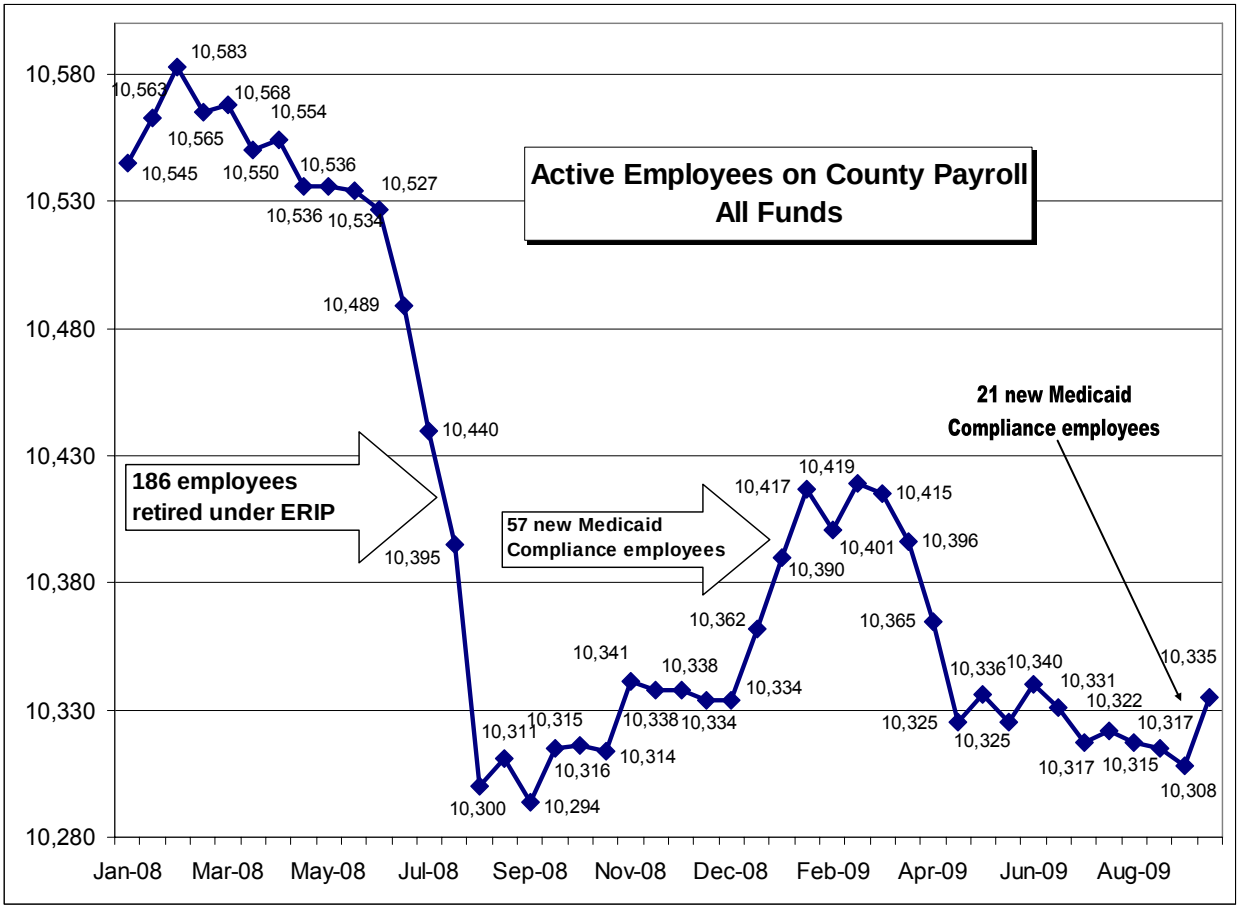
- The 2003 Adopted Budget included a net reduction of 157 authorized positions prompted by the 2002 early retirement incentive program (ERIP) whereby 614 employees retired and 307 of those vacated positions were abolished.
- The 2004 Adopted Budget increased the number of authorized positions to a level that exceeded pre-2002 ERIP authorized positions. During 2004 the Legislature abolished 175 vacant positions (Resolution No. 271-2004).
- The net increase of 19 positions from the 2009 Adopted Budget to the 2008 Modified Budget generally represents the acceptance of grant funded positions during the year.

Filled Positions (active employees on the payroll)

During 2009 the number of active employees on the payroll decreased by 36 employees from 10,371 in January to 10,335 in September. Staffing levels have trended downward for the vast majority of departments with the exception of the Department of Social Services (DSS), which experienced a net increase of 120 active employees. This increase in DSS is a result of the growth of the 100% state funded Medicaid Compliance unit (Fund 360), which experienced a net increase of 119 employees during the year. When DSS is excluded from the calculation, staffing declined by 156 during 2009.

- During 2009 the number of active sworn police personnel on the payroll decreased by 101, from 2,533 in December 2008 to 2,432 in September. The current number of active sworn police personnel is the lowest level since December 1993. The recommended budget does not provide for new Police Officer recruits and assuming 70 retirements during next year, the number of active sworn officers will approach 2,362 by the end of 2010.
- The number of active Correction Officers on the payroll decreased from 818 in December 2008 to 789 in September. The recommended budget includes 20 new Correction Officer positions. According to the Budget Office, there will be two classes of 20 Correction Officers each during 2010, one class in January and the other class in December.

The following graph plots the active number of employees on each bi-weekly payroll during the period January 2008 through September 2009.



Vacant Positions

Using data obtained from the personnel and payroll system, specifically the September 20, 2009 position control register and biweekly payroll register, the Budget Review Office determined that county-wide 1,643 (13.6%) of the authorized positions are vacant. Compared to the same payroll as last year, the number of vacant positions exceeds last year's 1,553 vacant positions by 90.

- The Police Department has the greatest number of vacant positions, 653, an increase of 68 vacant positions over this same time last year. Historically, this department carries a high number of vacant, unfunded police officer positions. As of September 20, 2009 there are 391 vacant police officer positions, 46 vacant superior officer positions, and 42 vacant detective positions for a total of 479 vacant sworn personnel positions, 76 more than last year. The remaining 174 vacant positions are civilian positions.
- Health Services has 268 vacant positions of which 100 are in the Skilled Nursing Facility.

- Social Services has 188 vacant positions, which is an increase of 59 vacant positions over this time last year, however the Department has 175 additional authorized positions and 116 more filled positions than this time last year. The percent of vacant positions decreased from 18.6% last year to 10.5% this year.
- The following table summarizes the current number of vacant positions for each department based upon the September 20, 2009 position control register. Generally, the number of filled positions is greater than the number of active employees on the payroll as at any one time there are approximately 100+ who are on leave or workers compensation.

Filled/Vacant Positions by Department as of September 2009

Department	2009 Total Authorized Positions	Filled Positions (9-20-09)	Vacant Positions (9-20-09)	% Vacant
Audit & Control	90	84	6	6.7%
Civil Service	106	102	4	3.8%
Consumer Affairs	46	32	14	30.4%
County Clerk Office	131	110	21	16.0%
County Executive Office	178	149	29	16.3%
District Attorney	413	383	31	7.5%
Economic Development	31	27	4	12.9%
Elections	123	119	4	3.3%
Environmental & Energy	63	58	5	7.9%
Finance & Taxation	53	47	6	11.3%
Fire Rescue & Emergency Services	96	76	21	21.9%
Health Services	1,598	1,330	268	16.8%
Information Technology Services	84	75	9	10.7%
Labor	205	183	22	10.7%
Law	119	107	12	10.1%
Legislature	146	127	20	13.7%
Parks	219	203	17	7.8%
Planning	28	25	3	10.7%
Police	3,766	3,114	653	17.3%
Probation	475	397	78	16.4%
Public Administrator	6	6	0	0.0%
Public Works	991	847	144	14.5%
Real Property Tax Service	42	32	10	23.8%
Sheriff	1,281	1,208	73	5.7%
Social Services	1,782	1,594	188	10.5%
Soil & Water Conservation Dist.	6	5	1	16.7%
TOTAL	**12,078**	**10,440**	**1,643**	**13.6%**

Permanent Salary Appropriations

The Budget Review Office monitors permanent salary expenditures throughout the fiscal year. Our independent analysis of the permanent salary appropriations concludes that generally the 2009 estimated permanent salary budget of $733.7 million is reasonable and is $24.8 million less than the 2009 adopted budget.

- The 2009 estimated permanent salary surplus of $24.8 million for all funds excludes an additional $20.3 million savings generated from the two week "lag payroll".
- The 2009 estimated General Fund permanent salaries; $426.5 million is $14.9 million less than the adopted budget of $441.4 million and is within one-half of one percent of our estimated permanent salary cost.
- The last five operating budgets, 2005 through 2009, permanent salary appropriations were adopted by the Legislature without major changes to the Executive's recommended amounts (excluding minor adjustments associated with the addition of new and/or restored positions).
- The 2010 Recommended Budget includes $741.7 million for the net permanent salary cost for 11,570 authorized positions. The net cost of positions is derived by the following formula:
  - The salary cost for all existing authorized positions (filled and vacant), plus the salary cost for new positions, plus the cost of other salary adjustments (contractual wage increases), minus the salaries of the abolished positions and the salaries of vacant positions (turnover savings).
- Turnover savings is a term unique to government. The term refers to the savings that will occur in the budgeted salary costs for the time the position is vacant. The vacancy rates and the resultant turnover savings are attributable to the following:
  - The lead time in filling the current vacant positions and positions that become vacant during the year due to retirements, resignations, death, other terminations, and leaves of absences.
  - Hiring individuals into a position that becomes vacant during the year at a lower step (pay rate) than the previous incumbent.
  - Not filling new positions in a timely fashion.
- The Budget Review Office created an interactive computer model that allows modeling of both gross and net turnover savings under differing scenarios. The model allows differing fill rates for new positions as well as existing vacancies and also takes into account the estimated changes in state or federal aid associated with adjusting turnover savings.
  - To create this model, we first verified the recommended amounts included in the total cost of positions, new positions, abolished positions, salary adjustments, transfers, and turnover savings. This analysis was based upon the payroll register of September 20, 2009.
- Our model enables the Budget Review Office to verify that the 2010 recommended net appropriations for permanent salaries include:
  - Accurate amounts for new and abolished positions,

- That transfer-in salaries equal transfer-out salaries, and
- Scheduled step increases.

- Our analysis concludes:
  - The Recommended Budget includes 37 new positions at an annual permanent salary cost of $1,590,575, of which the majority, 20, are Correction Officer I positions.
  - The transfer-out salaries of $20,767,298 equals the transfer-in salaries.
  - The 2010 turnover savings for all funds is $52.7 million, which represents 6.6% of permanent salaries.
  - In the General Fund, turnover savings represents 6.7% of permanent salaries, which leaves approximately $7.7 million to fill new and vacant positions. The recommended turnover savings is 2.1% greater than the 2009 Adopted Budget. The higher percentage translates into $13.0 million less to fill vacant and new positions than the $20.7 million included in the 2009 Adopted Budget. Aside from the 100% aided Social Services, Medicaid Compliance Unit and Health Services, Preventive Medicine Unit, there is only $3 million to fill vacant positions County-wide. Based upon the recommended appropriations, the budget provides for the status quo in staffing.

LR PersonnelCosts10

EMPLOYEE BENEFITS

Health Insurance

Major Issues

1. Outlook for the Future
2. EMHP Cost Saving Measures
3. GASB Statement No. 45-Other Post Employment Benefits
4. Expenditures
5. Revenues

Budget Review Evaluation

Suffolk County withdrew from the fully insured New York State Empire Plan and started its own self-insured health program known as the Employee Medical Health Plan (EMHP) in 1992. The County's motivation in forming EMHP, a self-insured health plan, was anticipated cost savings as compared with the Empire Plan. Ninety-nine percent of the County's employees and retirees are enrolled in the self-insured Employee Medical Health Plan (EMHP) while the remaining one percent is enrolled in one of three HMO health plans (HIP, Health Net, and Choice Care). The EMHP provides health insurance for active employees, employees on leave of absence, dependent survivors, retirees, self-paying faculty, terminated vesteds, Benefit Fund employees, as well as COBRA participants and offers a full range of benefits to include major medical, hospital, mental health, and prescription drugs. As of September 1, 2009, the County's health insurance plan includes 20,135 enrollees representing approximately 45,598 lives.

Outlook for the Future

The Kaiser Family Foundation (KFF) and the Health Research and Educational Trust (HRET) conduct an annual survey, on a nationwide basis, of nonfederal private and public employers with three or more workers and the health insurance coverage they sponsor for more than 159 million recipients. Their most recent findings express the fact that, "In 2009 the average annual premiums for employer-sponsored health insurance are $4,824 for single coverage and $13,375 for family coverage."[1] These figures indicate that family coverage has grown by approximately five percent compared to 2008 premiums while single coverage grew at approximately half that rate or 2.5%. Since 1999, average family coverage premiums have increased an astounding 131% while, on average, wages have increased 38% and inflation 28%. In 2009, the average health insurance premium for family coverage, in a self-funded plan such as EMHP, is $13,588, which is 3.55% less than the EMHP 2009 self-pay family rate of $14,071. EMHP rates compare favorably to the national averages considering the fact that 20%

[1] *KFF/HRET Employer Health Benefits 2009 Summary of Findings* pg.1

of insureds with family coverage participate in plans with an annual premium of at least $16,050 (20% greater than the national average)[2] resultant from benefit differences and geographic location especially when taking into account that costs in the New York metropolitan area typically exceed national averages. Despite the moderation of growth in premium rates, increasing healthcare costs continue to strain all employer-sponsored health insurance programs as they do Suffolk County's EMHP.

EMHP Cost Saving Measures

- On October 15, 2007, the 11 unions and the County agreed to extend the EMHP Memorandum of Agreement (MOA) through December 31, 2011.
- Resolution No. 1098-2007 granted legislative approval of the agreement as required by Civil Service Law on November 20, 2007.
- The agreement stipulated that the implementation of annual, recurring, cost savings measures of $15 million commence in 2009. The EMHP Labor Management Committee's Benefit Consultant was charged with the task of providing a menu of various cost-saving measures which could be used to achieve the required savings for the unions.
- Effective 2009, the following six changes were implemented within the Plan:
  1. The discontinuance of County on County (dual EMHP) coordination of benefits and multiple EMHP family plans among County employed spouses/domestic partners.
  2. The hospital/major medical participating provider network change from PPO to POS.
  3. The in-network provider co-pay increases.
  4. Medicare eligible participants are now required to pay in-network co-payments.
  5. The implementation of a Drug Quantity Management (DQM) program.
  6. Effective April 1, 2009, an increase of full time service years from five to ten for retiree health insurance eligibility.
- The MOA stipulates that no later than September 1, 2010 the Benefit Consultant shall provide a reconciliation analyzing whether $15 million in cost savings were achieved in 2009. In the event that $15 million in savings were realized in 2009 no further reconciliations will be required for the duration of the agreement. In the event there were insufficient or surplus savings realized, the Benefit Consultant will provide a menu of additional options to be implemented to increase or decrease savings measures as appropriate.

Other Post Employment Benefits

The Governmental Accounting Standards Board (GASB) requires phase 1 governments (annual revenues in excess of $100 million) to implement Statement No. 45 in financial statements for periods beginning after December 15, 2006. Statement No. 45 requires governments to establish standards for the measurement, recognition, and display of

[2] *KFF/HRET Employer Health Benefits 2009 Summary of Findings* pg.1

other post employment benefits (OPEB) expenses, expenditures, and related liabilities. OPEB includes all forms of post employment benefits, which are administered separately from a pension plan and may include benefits such as life insurance and healthcare. Currently, Suffolk County budgets and finances its OPEB obligations on a pay-as-you-go basis, which fails to:

- recognize the cost of these benefits within the period when the related services were rendered;
- account for actuarial accrued liabilities for benefits extended for past services received;
- account for whether or not and to what extent benefits extended for past services have been funded;
- assess potential demands on future cash flow.

GASB Statement No. 45 requires the County to measure and disclose a dollar figure for OPEB liability utilizing an accrual basis of accounting on an annual basis. Annual OPEB cost is calculated by combining the annual employer contribution for current liabilities along with a component representing the total unfunded actuarial accrued liabilities, which may be amortized over a period not to exceed 30 years. The annualized required contribution (ARC) funding methodology accounts for both current and accrued liabilities whereas the pay-as-you-go funding methodology accounts only for current liabilities.

GASB 45 financial reports generated by the Alliance Benefit Group for Suffolk County for the fiscal year beginning January 1, 2007 indicate that the County's actuarial accrued liability (AAL) for OPEB is $3.93 billion. Current retirees age 65+ account for the greatest portion of the liability, approximately $1.8 billion, followed by future retires age 65+, which account for approximately $1.3 billion.

GASB Statement No. 45 requires municipalities to quantify their accrued OPEB liabilities only. An actuarial valuation of OPEB for Suffolk County is required every two years; therefore, an updated actuarial valuation should be completed in 2010. The funding methodology employed by the County remains a policy decision as stated in our previous reviews.

EMHP Expenditures

The 2010 recommended $280.9 million health insurance expenditure budget deviates from the 2010 projection of $283.4 million provided by the County's health insurance consultant, Lockton, within the Suffolk County Annual Health Benefits Report draft dated August 25, 2009, by approximately $2.5 million. The greatest discrepancy between the consultant's projections and the recommended budget is the $2 million difference between the health insurance consultant's drug claims estimate of $74.2 million and the Executive's recommendation of $72.2 million. Both projections assume similar growth

rates, however the recommended budget assumes the growth on a 2009 estimate which is $2 million lower than the consultant's projection.

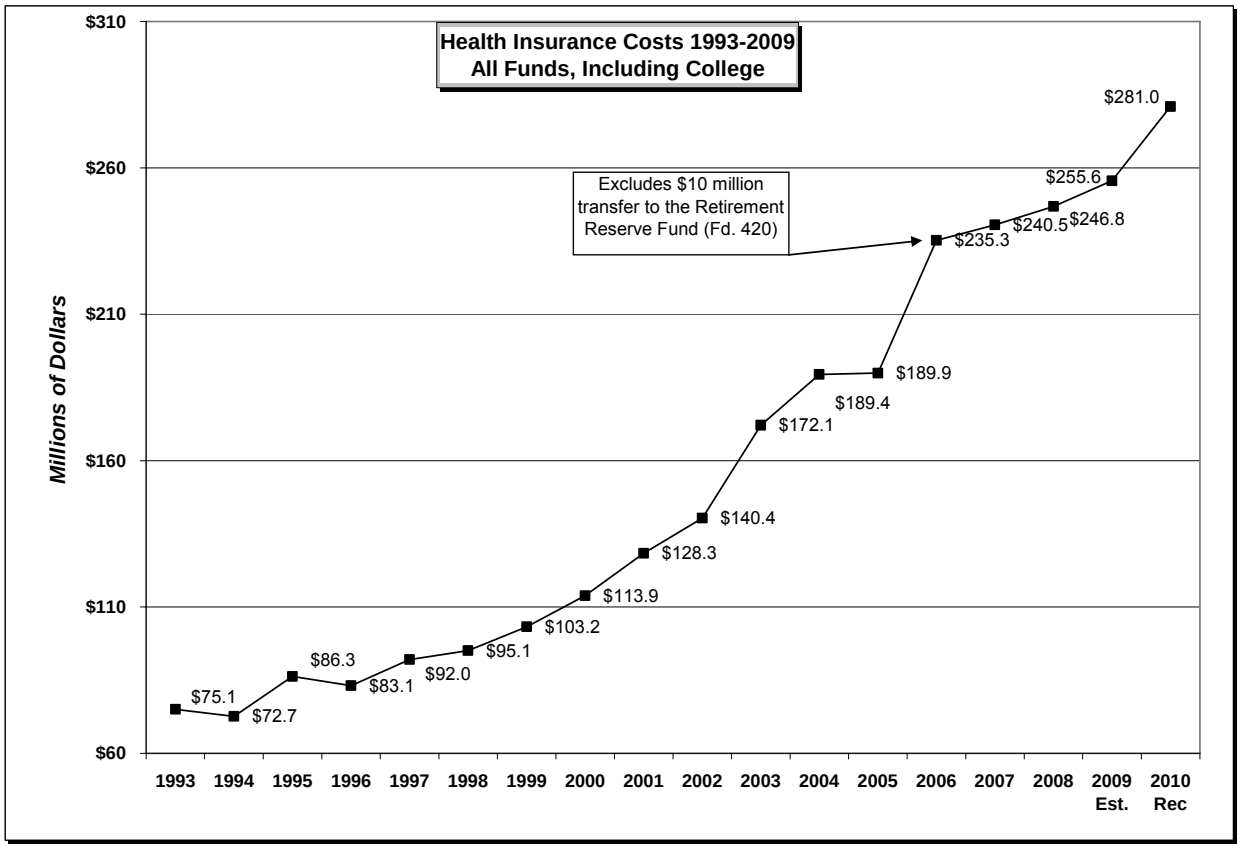
The health insurance consultant's medical/hospital, mental health, and prescription drug cost trend projections use annual medical trends based on current marketplace trends and claims experience specific to EMHP based upon the past four fiscal years adjusted to reflect plan design changes. The consultant's 2010 annual trend rates for EMHP are nine percent for medical claims (major medical and hospitalization), 12% for prescription drugs, five percent for mental health, and 3.1% for Medicare Part B premiums. Their 2010 cost projections assume an increase of 154 enrollees from 21,046 to 21,200 or .7%, which is reasonable based upon recent experience and enrollee growth trend data. Lockton projects the County's health insurance costs to grow by 10.2% ($26.2 million) in 2010 from $257.1 million to $283.3 million.

The 2009 budget estimate includes $255.6 million for health insurance costs, which is $20.9 million less than the adopted budget of $276.5 million and $20.8 million less than Lockton's projection of $276.4 million. The vast majority of the difference between the 2009 adopted and the 2009 estimated is observed within major medical claims ($7.6 million), hospital claims ($6.4 million), and prescription drug claims ($6.1 million). The consultant had projected a composite annual growth trend rate for these claims of approximately ten percent while the 2009 claims experience to date indicates a more likely growth rate of approximately three percent.

The 2010 annual growth trend composite rate for major medical, hospital, and prescription drugs provided in the County's health consultant draft report is approximately ten percent again. The Budget Review Office believes that the consultant's 2010 annual growth trend rates are overly pessimistic based upon the 2009 claims experience for EMHP and the U.S. Department of Health and Human Services national health expenditure projection for 2010 of less than five percent. Assuming a growth rate of seven percent, the recommended 2010 health insurance medical claims total of $249.6 million is overstated by $7 million. The Budget Review Office cautions against reducing health claims appropriations by $7 million, but we believe that claims appropriations could be reduced by $3 million without adversely impacting EMHP.

The health insurance budget includes a funded reserve estimate for incurred but not reported claims (IBNR) specific to the line of coverage (major medical, hospitalization, prescription drugs and mental health). Generally, 98% of claims are received within six months of the close of the fiscal year. The County's health insurance consultant has projected $25.6 million should be budgeted for IBNR reserves in 2010. The Executive recommended $23.5 million for IBNR reserves in 2010 based upon lower projected drug claim expenditures.

The following graph summarizes costs for the self-insured health program from 1993 to 2010, excluding the 2006 $10 million transfer to the Retirement Reserve Fund. The source of the data is the relevant County operating budget.



EMHP Revenue

The health insurance fund typically receives 95% of its revenue from interfund transfers and the remaining five percent from COBRA, other premiums, interest, rebates, and recoveries from providers. The 2009 estimated budget incorporates the 2008 actual fund balance of $9 million, which is $7.5 million greater than adopted. The estimated budget includes $246.1 million in revenue from interfund transfers to the Health Insurance Fund (Fund 039), which is $17.2 million less than adopted and approximately $10 million less than the Budget Review Office (BRO) estimate of $256 million. Additionally, the 2009 estimated budget includes $12 million in other revenues, which is $1.1 million less than the consultant's estimate of $13.1 million.

The Executive's 2009 estimated interfund transfer revenue (IFT) to Fund 039 reflects a 50% reduction in the December 2009 IFT from all funds to Fund 039. The majority of the revenue reduction is realized in the General Fund and Police District Fund; approximately $6.6 million and $3.3 million respectively. This policy decision by the County Executive to reduce interfund transfers to Fund 039 deviates from the established funding policy set in 1992 with the establishment of the self-insured health insurance program whereby its funding is based upon an established interfund premium (individual and family) times the number of enrollees in each fund. Resolution No. 868-2008 that adopted the 2009 Operating Budget, states in its 16th Resolved clause "the County EMHP costs for 2009 shall be charged back on the basis of enrollees".

Reducing the December interfund transfers to Fund 039 may not be in direct conflict with Resolution No. 868-2008 as the transfers will be calculated based upon the number of enrollees in each fund. However, it is our opinion that this reduction is contrary to the legislative intent of the resolution to ensure proper and equitable funding using a set annual premium consistent with the annual premium for filing state and federal aid claims for grant funded programs.

Reducing the 2009 interfund transfers does not adversely impact the operations of EMHP; there will continue to be sufficient funds and appropriations to meet current and future medical claims. The reason given by the Executive's Budget Office for the interfund reduction is that EMHP will end 2009 with a significant fund balance, $11.6 million, as opposed to $21.6 million without the reduction. However, the lower fund balance results in proportionally higher interfund transfers for 2010. Therefore, over the two-year period 2009-2010, the impact or benefit is cost neutral. The question arises as to why the County Executive proposes to reduce interfund revenues. There are two plausible reasons for reducing the December interfund transfers by 50%.

- Reducing the 2009 General Fund transfer by $6.6 million increases the General Fund balance by a like amount. Without the reduction, the General Fund balance would be $36.7 million, rather than the recommended $43.3 million.

- Reducing the General Fund transfer also reduces the need for cash by the same $6.6 million. Due to the significant shortfall in the County's chief cash revenue, sales tax, there is a concern regarding cash flow this year. This policy decision to reduce EMHP interfund transfers helps to alleviate potential year end cash flow shortages.

The Budget Review Office does not recommend changing the budget presentation, during the current economic times whereby the County has a real need to restrict cash expenditures during the last quarter of the year, but cautions against the future use of EMHP to provide cash flow relief.

The 2009 estimated interfund transfer from the College (Fund 818) to EMHP (Fund 039) is overstated by approximately $575,000. This overstatement of revenue will not have an adverse impact on the health insurance program as it represents two-tenths of one percent of the total recommended EMHP revenue.

Retirement

The recommended retirement budget of $92,589,773 is reasonable and represents both the Employees' Retirement System (ERS), excluding the College, and the Police and Fire Retirement System (PFRS). This payment is due to New York State on February 1, 2010 and is $13.7 million less than the 2009 contribution.

- The ERS portion of the bill, excluding the college, is $39.9 million derived from an aggregate contribution rate of 7.4%.

- The PFRS portion of the bill is $52.5 million derived from an aggregate contribution rate of 14.6%.

The 2010 retirement employer contribution of approximately $92.5 million represents a reduction of $14 million from the County's 2009 liability. Unfortunately financial market conditions experienced in recent history have adversely affected the New York State and Local Retirement Systems' assets and **Suffolk County's estimated retirement employer contribution for 2011, which is projected to increase by approximately $44 million.** It is uncertain as to the County's plan to address this anticipated increase in expenditures. This increase impacts all municipal employers and we are hopeful the State Controller and State officials will provide the authority for bonding or deferred payment. If not, the increase in this one expenditure will place considerable pressure on the need to increase property taxes, access tax stabilization reserve funds or eliminate services.

Benefit Fund and Life Insurance Contributions

Suffolk County employees are represented by ten collective bargaining units; each unit has its own benefit fund. The County's contribution to each benefit fund is based upon a negotiated per employee rate. Additionally, the County pays life insurance premiums as stipulated within the collective bargaining agreements for employees, and for retirees as well, in the Correction Officer Association and Deputy Sheriff Benevolent Association bargaining units. Each benefit fund has a Board of Trustees, designated by the Union and the County, which manages and sets benefit levels within their respective fund.

We anticipate that nine of the County's ten labor unions will enter fiscal year 2010 with no labor agreement in place. Bargaining Unit 16-Probation is the sole bargaining unit with a labor agreement in place for 2010 and that agreement expires at the end of the year. Generally, the benefit fund contribution rates for all collective bargaining units and for exempt employees are tied to either the AME or the PBA contribution rates which, barring any contract negotiation settlements prior to the beginning of the 2010 fiscal year, will remain frozen at the 2008 levels of $1,381 and $1,905 respectively. The 2009 estimated and the 2010 recommended budgets include sufficient appropriations based upon the annual employer contribution rates for AME and for the PBA.

The estimated 2009 benefit fund/life insurance contribution of $17.2 million is approximately $400,000 less than adopted. Based upon year-to-date expenditures of $14,213,875 as of September 2009, the estimated budget is reasonable.

The recommended budget includes a total of $16.9 million for the benefit fund/life insurance contributions, which is a decrease of approximately $280,000 (1.6%) as compared to the estimated budget and appears reasonable.

Social Security (FICA)

The employer's contribution to Social Security tax is computed on the wage base and the rate for each of its two components.

- The 2009 wage base for Old Age, Survivors, and Disability Insurance (OASDI) is $106,800. This wage base has increased every year since 1971 while the rate has remained at 6.2% for the past 20 years. The Budget Review Office is

projecting the 2010 OASDI wage base to increase by 4.7% or $5,020 to $111,820.

- The Medicare tax has no maximum wage base. The Medicare tax is 1.45% on all wages.

The estimated 2009 Social Security liability of $58.8 million is $4.8 million less than the adopted budget and represents 6.54% of estimated personal services costs. This estimate is reasonable and consistent with the 2008 actual FICA ratio of 6.57%.

- The estimated General Fund Social Security appropriation of $33.3 million is $3.1 million less than the 2009 adopted budget and represents 6.77% of estimated personal services within the General Fund. This estimate is reasonable and consistent with the 2008 actual FICA ratio of 6.79%.

- The estimated Police District Social Security appropriation of $18.5 million is $1.1 less than the 2009 adopted budget and represents 5.86% of the estimated personal services within the Police District Fund. This estimate is reasonable and consistent with the 2008 actual FICA ratio of 5.98%.

The 2010 recommended budget includes $61.6 million for Social Security, which represents 6.19% of the total personal services costs and is 0.38% less than the 2008 actual FICA ratio of 6.57%.

- The 2008 actual Social Security ratio for the General Fund is 6.79% of personal services and the 2009 estimated Social Security ratio for the General Fund is 6.77% of personal services while the 2008 actual Social Security ratio for the Police District Fund is 5.98% and the 2009 estimated Social Security ratio for the Police District Fund is 5.86%. Using the two-year averages of 2008 actual Social Security ratios and 2009 estimated Social Security ratios, 6.78% in the General Fund and 5.92% in the Police District Fund, the 2010 Recommended Social Security appropriations appear overstated in the General and Police District Funds. Assuming that all budgeted 2010 personnel appropriations are expended, the General Fund and Police District Fund contributions are overstated by $400,000 each.

Unemployment Insurance

- The County reimburses the State dollar-for-dollar for all unemployment claims paid to former employees.

- The 2009 estimated unemployment insurance appropriations total $820,120 for all funds. This estimate is $266,097 more than the adopted budget of $554,023. The estimated General Fund appropriation of $579,359 is reasonable based upon expenditures through October 9, 2009 of $440,719.

- The 2010 Recommended Budget includes $724,414 across all funds as requested. The recommended unemployment insurance appropriation in Fund 115-Police District does not provide for 44 abolished filled police officer positions at a cost of $463,320 based upon state unemployment benefits that provide a maximum benefit of $405 weekly up to 26 weeks. In the event the Legislature

does not restore the abolished filled Police Officer positions, increase unemployment by $463,320.

Budget Review Office Recommendations

- Reduce 2010 recommend EMHP medical claims by $3 million and reduce the associated interfund revenues to EMHP (Fund 039) as follows: General Fund, $1,800,000; Police District, $900,000; Suffolk Community College $230,000, John J. Foley Skilled Nursing Facility, $70,000.
- Reduce 2010 recommended Social Security in the General Fund (001-EMP-9030) $400,000.
- Reduce 2010 recommended Social Security in the Police District Fund (115-EMP-9030) $400,000.
- In the event the Legislature does not restore the abolished filled Police Officer positions, increase 2010 Recommended Unemployment Insurance in the Police District Fund (115-EMP-9055) $463,320 to provide for 44 filled abolished police officer positions.

RD EmployeeBenefits10

DEBT SERVICE

Serial Bonds

Serial bonds are general obligation debt used to finance most capital improvements with long periods of probable usefulness, generally greater than five years. Serial bond debt service and interest costs for all funds, excluding the Community College, as represented in the 2010 Recommended Budget, are $95.6 million for 2008 actual, $70.1 million for 2009 estimated, and $95.2 million for 2010 recommended. The General Fund portion is $71.25 million in 2008, $49.4 million in 2009, and $70.2 million in 2010.

The decrease in 2009 is the result of the County's 2008 securitization of Tobacco Master Settlement Agreement revenues. The County issued $233 million in "Tobacco Bonds", $219 million of which is being used to pay off a portion of existing County debt. County debt service payments from the proceeds of Tobacco Bonds are considered an off-budget expense to be footnoted on the County's financial statements. The General Fund cost, after adding back these payments, results in debt service going up by an additional:

- $20.04 million in 2008 to $91.29 million;
- $48.3 million in 2009 to $97.7 million; and
- $46.04 million in 2010 to $116.28 million

It is important to note that tobacco securitization was a costly way of obtaining budget relief. In return for $219 million in reduced debt service payments between 2008 and 2013, the County will forgo 36% of tobacco revenue (about $8.5 million per year) between 2009 and 2012, and 75% of tobacco revenue from 2013 until the bonds are repaid, which is forecast to be in 2034 (this will result in an estimated $18.3 million reduction in General Fund revenue in 2013 to a projected annual loss of $26.5 million by 2034).

In addition to serial bonds, from 1993 to 2009 lease payments were made to the Judicial Facilities Agency (JFA) for the Cohalan Court Complex (001-1164-Public Works Court Facilities-4420-Payments To NYS Dormitory Authority). These bonds were refunded this year and County bonds were issued at a savings. Also, rental payments to the IDA were made on behalf of the Southwest Sewer District (203-8114-Debt Refinancing - 4410-Rent: Offices & Buildings). Both agencies issued debt on behalf of Suffolk County. Although they are not considered debt obligations of the County, they are reported as if they were debt in the County's official statements. The payments are considered mandated, as are all debt service costs in the budget. Lease payments to the JFA were $31.4 million in 2008, $11.1 million in 2009, and zero for 2010. The Dormitory Authority bonds matured in 2009, resulting in considerable savings to the Southwest Sewer District. This has allowed Southwest to repay a significant portion of its loans from the Assessment Stabilization Reserve Fund ($23.8 million in 2009 and $39 million recommended in 2010) and to prepare for future significant borrowings, including an estimated $150 million for the outfall pipe.

To determine if the recommended budget includes sufficient funding for serial bond debt service, we estimate the cost of the upcoming 2009 Series C bond issue, scheduled to close on October 29, 2009, and add this principal and interest payments on previously issued bonds.

- The upcoming Series C bond issue will be for $158,205,000, of which $78,583,725 is for General Fund capital projects (including $30 million for the jail), $55 million for land acquisitions paid out of Fund 477 sales tax revenue, $8,825,000 for the Police District, $9,925,000 for various sewer districts, $1,772,676 for the College, and $4,098,599 for other funds. The County's financial advisor, Capital Markets Advisors, has provided us with an estimated debt service schedule for this bond issue.

- The Department of Audit and Control recently compiled an extensive database that includes debt service payments on all previously issued bonds. We commend Audit and Control for this effort and their cooperation in sharing the data. These data should eliminate previous discrepancies between the various County financial offices over the cost of debt service.

Based on these two sources of information, we are confident that recommended serial bond debt service is overstated by $3.5 million in the General Fund.

Bond Anticipation Notes

Bond anticipation notes (BANs) are issued for one year. In general, when BANS mature after one year, the County may (1) renew the BANs annually for up to five years, (2) roll them over into long term serial bonds, or (3) retire them with proceeds from local revenue, state aid or federal aid. Currently, the County plans to sell an expected $17,537,214 in BANs on October 29, 2009. The projects included in the BAN issue are for the most part associated with Federal Stimulus funds. They require first instance funding on the County's part. Federal funds will then pay off the principal amount, while the County incurs the interest expense. Although the expense is not large, the recommended budget did not include funding for BAN interest.

Tax Anticipation Notes

Tax anticipation notes (TANs) are short-term notes, one year or less, issued for cash flow purposes in anticipation of the receipt of property taxes and delinquent property taxes (DTANs). Two borrowings take place each year: (1) TANs are usually issued at the beginning of January, although the County has the discretion to close in December, and (2) DTANs are issued in the fall.

The County is expected to borrow $113 million in DTANS on October 29th, with interest paid off in September of 2010. This compares to $85 million borrowed last year. To our knowledge this will be the largest DTAN the County has borrowed (the previous high was $100 million back in 1997 and 1998). The large amount is indicative of cash flow problems that the County is experiencing.

Cash flow problems also factor into the next County TAN borrowing. The County expects to issue its next TAN in late December, instead of the start of January and we expect borrowing to reach a new high of $350 million, up from $310 million for the previous TAN. This note is scheduled to mature in August 2010.

Debt Issuance and Redemption Expense

Expenses involved with the issuance of debt instruments are paid out of the operating budget under "*001-9700-DBT-Debt Issuance & Redemption Expense-4760-Bond & Note Issue Expense*". This includes costs for putting together the official statement that accompanies each bond issue, bond counsel, fiscal advisors and bond insurance. The budget includes $600,000 for both 2009 estimated and 2010 recommended. This is slightly higher than the $540,535 incurred in 2008.

Pay-As-You-Go Financing

Local Law 23-1994, the 5-25-5 legislation, established a pay-as-you-go funding program for short lived and recurring capital projects. Funding for pay-as-you-go is included in the budget as Transfer to General Capital Reserve Fund (001-E401) and Transfer to Capital Fund (001-E525). The program is a long-term cost effective means of controlling debt service expenses and is viewed as having a positive impact on the County's credit rating. Pay-as-you-go funding is listed as a "significant" best practice by the rating agency Fitch IBCA.

The County's record in funding pay-as-you-go has not been good. Over the past 20 years (1989-2008), funding has averaged $2.4 million per year, ranging from zero to $10.9 million. The recommended budget includes no funding for pay-as-you-go in 2009 or 2010. It should be noted that pay-as-you-go financing has been suspended every year since 2001. To date no resolution has been introduced to suspend pay-as-you-go for 2010. Should the Legislature concur with the recommended budget, not to include funding for pay-as-you-go, legislation should be adopted to suspend this policy for 2010.

Increasingly larger levels of borrowing for capital projects in recent years is indicative of a lack of funding for projects that are suited for financing with cash. An aggressive pay-as-you-go policy could fund $15 million to $20 million in capital projects. The Budget Review Office has long been an advocate of a strong pay-as-you-go policy. This policy saves money over time and, as previously noted, is viewed favorably by the financial markets. Due to current fiscal and economic challenges, this marks the second year where BRO concurs with the logic to forgo pay-as-you-go financing.

The 50% Rule

Resolution No. 676-2006 authorized the Suffolk County Comptroller to issue bonds with "level or declining annual debt service" for the years 2006, 2007 and 2008. Previously, the County issued bonds in accordance with Section 21(d) of Local Finance Law, the "50% Rule", where principal repayment is required to be no less than one-half the largest payment over the life of the bond.

The law does extend authority to the "finance board" of any municipality to authorize level or declining debt service. It is our understanding that the "finance board" of Suffolk County would be the Legislature and the County Executive. Therefore, if the County does wish to continue to allow the Comptroller to issue level debt service beyond 2009, an authorizing resolution would be the recommended course of action. With that in mind, one may want to further examine the fiscal implications of using "level debt service" vs. the "50% rule".

The "50%-Rule" has a faster payback period. The trade-off is that total debt service costs are less under the "50%-Rule", but higher in the first few years. The financial markets and rating agencies react favorably to municipalities that consistently issue their debt with relatively short payback periods. Relying exclusively on level debt service will increase the County's payback periods. While the short run savings of "level debt service" may seem attractive to the architects of current budgets, the ramifications of such a policy is millions of dollars in non productive interest costs imbedded in future budgets.

Budget Review Office Recommendations

The following table includes the Budget Review Office proposed changes to the recommended budget for General Fund debt service. These changes would result in an overall surplus of $4,730,869.

	Executive's 2010 Recommended Budget		Budget Review Office Projections		Difference (Exec minus BRO) Surplus (+) / Deficit (-)		
	2009 Estimate	2010 Recommended	2009 BRO Estimate	2010 BRO Recommended	2009 Estimate	2010 Recommended	2009 Estimate ***plus*** 2010 Recommended
Serial Bonds							
001-9710-6900-Serial Bonds (principal)	$21,365,209	$35,938,064	$20,380,606	$36,865,575	$984,603	($927,511)	$57,092
001-9710-7800-Interest On Bonds	$28,024,133	$34,302,213	$27,323,876	$31,466,242	$700,257	$2,835,971	$3,536,228
Bond Anticipation Notes							
001-9730-7820-BAN Interest	$0	$0	$0	$212,395	$0	($212,395)	($212,395)
Tax Anticipation Notes							
001-DBT-9760-TANs-7840-TAN Interest	$5,393,333	$7,120,000	$5,762,500	$5,400,889	($369,167)	$1,719,111	$1,349,944
Totals							
Total General Fund debt service					$1,315,693	$3,415,176	**$4,730,869**

As seen in the table:

- Serial bond debt service principal and interest (001-9710): Based on the discussion above, we recommend reducing serial bond expenses by $3,593,320. The breakdown is:

  - General Fund principal repayment on serial bonds (001-9710-6900-Serial Bonds) can be reduced by $984,603 in 2009 and increased by $927,511 in 2010, for a net savings of $57,092.
  - General Fund interest on serial bonds (001-9710-7800-Interest on Bonds) can be reduced by $700,257 in 2009 and by $2,835,971 in 2010, for a net savings of $3,536,228.

- Bond Anticipation Note (BAN) interest (001-9730): Based on an anticipated $17,537,214 bond issue and an assumed 2% interest rate, we recommend that the County add $212,395 to the budget for BAN interest.
- Tax Anticipation Note (TAN) interest (001-9760): Based on the notes that have already been issued, the budget estimate for 2009 is short by $369,167. As for 2010, based on an assumed interest rate of 1.75%, we project that TAN interest in the recommended budget can be reduced by $1,719,111.

Two final recommendations on debt are:

- With pay-as-you-go financing suspended every year for the past nine years (2001-09), the County may want to re-think its stance on this law. While pay-as-you-go is a wise fiscal policy, if County lawmakers are consistently unable and/or unwilling to adhere to this policy, the County may want to abolish this law entirely.
- The BRO recommends forgoing level debt service in the future and returning to the more conservative "50%-Rule" to repay its serial bonds. The resulting faster retirement of debt and lower long-run costs would be well received by the credit rating agencies. Should the County wish to continue to allow the Comptroller to issue level debt service beyond 2009, an authorizing resolution would be the recommended course of action.

RL DebtService10

ENERGY TRENDS FOR LIGHT, POWER AND WATER (4020)

The ongoing economic crisis has been a dominant influence on lower global energy commodity prices but volatility in energy markets remains high. Locally, fuel oil prices dropped significantly as a result of world market pricing but the retail cost of electricity and natural gas remained high through April 2009 compared to year ago prices. Indeed, year-to-date County expenditures for energy reveal that the unit cost for electricity is still on the rise compared to earlier this year, and year ago prices.

Across all funds, actual expenditures for Light, Power & Water (4020) exceeded $30 million in 2008, up from approximately $17.7 million in 2003 (an increase of approximately 62.5% in just five years). On average, approximately 73% of expenditures for this object flow from the General Fund. Payments for electricity (approximately 73%) and natural gas (approximately 20%) represent nearly all year-to-date expenditures from this object. The fund also includes expenditures for the Suffolk County Water Authority (SCWA) and other local water districts; the New York Power Authority (NYPA) and other performance based energy contracts, as well as energy related expenditures for leased properties.

The estimated 2009 total expenditures for Light Power & Water are approximately $29.8 million, of which $21.2 million is attributable to the General Fund. Roughly equal to the same period a year ago, total year-to-date expenditures for Light, Power & Water were approximately $20 million as of October 1, 2009, of which approximately $14.5 million is attributable to the General Fund. The recommended 2010 funding of $31.5 million represents a $1.3 million increase (approximately 4.57%) over 2008 actual expenditures (and an increase of approximately 70% over 2003 actual expenditures). Approximately $21.8 million of the recommended funding for this object is attributable to the General Fund.

Despite higher retail energy prices through the first and second quarters of this year, as a consequence of reduced annual consumption related primarily to moderate weather, Budget Review estimates 2009 expenditures for this object at approximately $29.2 million, of which approximately $21.2 million is attributable to the General Fund. Our estimate suggests a surplus of approximately $697,000, of which approximately $65,000 is attributable to the General Fund.

Budget Review anticipates a slow economic recovery to moderate energy commodity prices in the near-term, despite the performance of crude oil futures, which have risen through the year oblivious to record surplus of supply and significantly reduced global demand. Budget Review projects that 2010 expenditures for Light, Power & Water may range from as low as $28.5 million to approximately $32.3 million.

With careful consideration to the energy consumption profile of Suffolk County facilities, and a caution that energy market volatility adds a high risk factor to optimistic

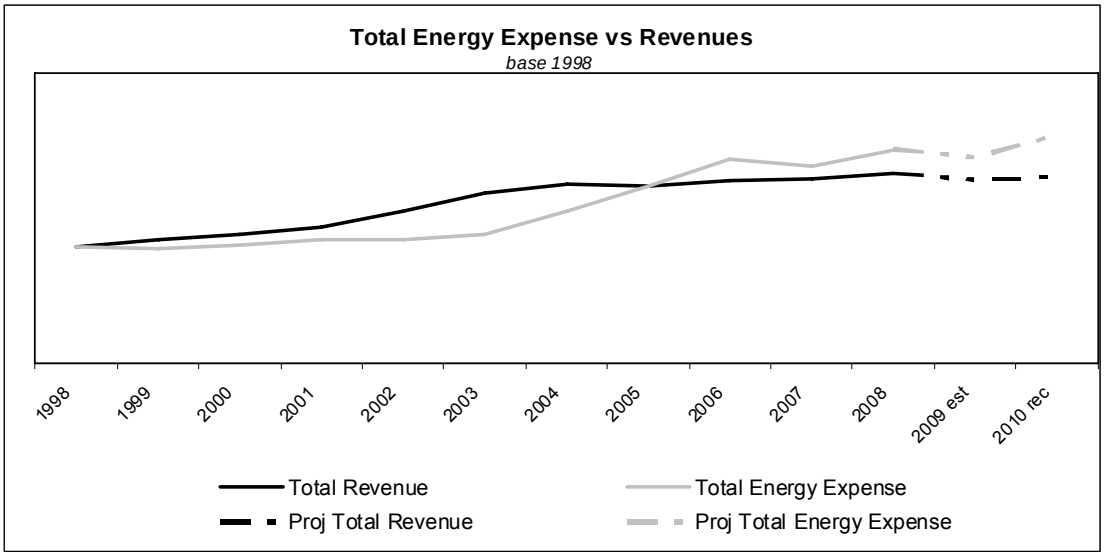
projections, Budget Review supports the recommended 2010 funding level of $31.5 million for Light, Power & Water.

County Revenues and Expenditures for Energy:

Earlier this year Suffolk County adopted the Capital Program for 2010-2012 with an aggressive 2010 Capital Budget relating to improving the energy use profile of County facilities. The need for that investment is supported by year-over-year increases in expenditures for energy, now compounded by the current downturn in revenues resulting from the ongoing economic crisis.

A version of the following graphs was first presented by Budget Review a year ago to illustrate a simple comparison of the County's energy expenditures and revenues. Graph I compares the relationship between the growth rates in total energy expenditures and total revenues from 1998 through the 2010 recommended levels. The comparison reveals that the growth rate of total Suffolk County expenditures for energy (electricity, natural gas, and fuel oil) have exceeded the growth rate for total Suffolk County revenues since 2005, and are projected to do so to a greater extent in 2010.

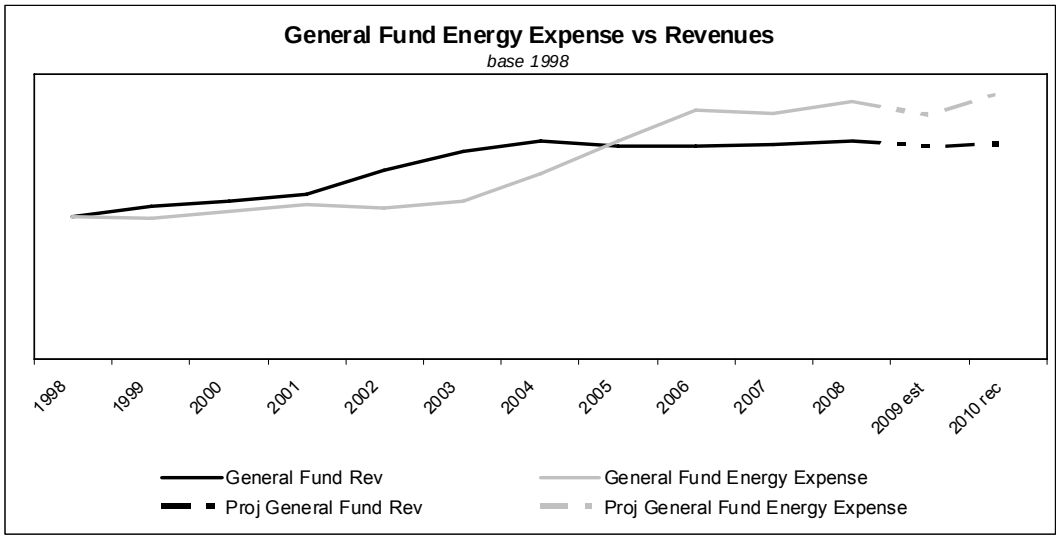
Graph I ~ Growth Rate of Energy Expenditures vs Revenues (Total)



Source: Budget Review Office (EnergyCost vs Revenue 10 '09)

Over the same period, Graph II illustrates the relationship between General Fund expenditures for energy (electricity, natural gas, and fuel oil) and General Fund revenues – in terms of annual growth rate over 1998 actual expenditures and revenues. As expected, the growth rate of General Fund expenditures for energy generally surpasses the growth rate of General Fund revenues during periods of energy price spikes and energy markets volatility. The disparity continues and grows worse, however, during the current period of lower energy prices.

Graph II ~ Growth Rate of Energy Expenditures vs Revenues (General Fund)



Source: Budget Review Office (EnergyCost vs Revenue 10 '09)

An important consequence of Suffolk County's vulnerability to energy prices remains the decline in "disposable income" with which to fund discretionary expenditures, and possibly even essential services, during periods of energy price volatility. Discussed in greater detail below, energy price volatility will likely remain a relative constant for the foreseeable future.

Energy Market Overview:

Downward pressure on energy commodity prices has resulted from the continued economic crisis and reflects a significant reduction in demand for energy in much of the word market. Economic activity in Asia and the Middle East has kept some pressure on prices, however, primarily due to demand from China[3], India, and other developing countries[4]. Crude oil prices averaged $42 per barrel in January 2009, down from $93 a year earlier. According to Energy Economist James Williams, "we remain in an environment where the fundamental data argue for lower prices"[5]. Despite "fundamentals" such as abundant supply and a net reduction in global demand, crude oil prices rose steadily from January through June and have leveled off at approximately $70 per barrel at the time of this writing.

Due in part to high earnings by large energy trading groups[6] earlier this year; the Commodity Futures Trading Commission (CFTC) began a series of hearings to

[3] Grant Smith, "IEA Raises 2009, 2010 Oil Demand Forecasts on China, Bloomberg News, August 12, 2009.
[4] James Williams, Energy Economist: Oil Consumption, The Big Picture – September 14, 2009, p. 3-4 of 5.
[5] James Williams, Energy Economist: Petroleum Report – September 25, 2009, p. 3 of 12.
[6] Moming Zhou, "Spotlight on Goldman As commodities hearings begin", MarketWatch, July, 28, 2009.

evaluate the need for proposed limits on speculative trading that are not typically applied to energy markets – but largely blamed for the 2008 historic spike in prices[7].

Reduced demand and abundant supply of natural gas has resulted in a significant drop in price during 2009. Indeed, the commodity price for natural gas has only just begun to trend upward in anticipation of increased demand relating to the winter heating season. The nearly total domestic nature of natural gas is a significant contributing factor to price behavior during the current year.

The lack of major storm damage related to hurricanes has kept the supply of crude oil imports, domestic natural gas supply, and demand for energy (such as it is) relatively safe from interruption, and thus we have not experienced related price spikes in 2009. In addition to speculative futures trading, the global economic recovery, the value of our currency, geopolitical influences, and weather related events will remain underlying influences on energy prices for the foreseeable future.

Main Drivers of Suffolk County Energy Expenditures:

- The primary influence on Suffolk County energy expenditures is the energy use profile of County facilities. Ironically, the County's own contribution to local demand for all retail energy products leaves the County budget for energy vulnerable to unmitigated energy cost increases that are driven by other global, national, and local influences.
- Energy commodity prices, fuel supply contracts executed by our local utilities, Public Service Commission rulings weighing in favor of regulated energy providers, and a wide range of influences beyond the County's ability to control have been significant influences on the cost of retail energy for all Long Island energy consumers.
- In context to the energy use profile of Suffolk County's facilities, the greatest component in the aggregate cost of energy is the cost of electricity supplied by LIPA. Annual expenditures for electricity have been driven upward since 2001, primarily by fuel and purchased power surcharges imposed by LIPA. A response to the rising costs of crude oil and natural gas, the surcharges include costs for direct fuel and power purchases, new electric generation and transmission resources, and a variety of other costs. According to LIPA's 2010 Adopted Operating Budget, voluntary compliance with the New York State Renewable Portfolio Standard (RPS) and new charges related to the cost of Regional Greenhouse Gas Initiative (RGGI) allowances were expected to add approximately $63 million to the cost of LIPA supplied electricity, beginning in January 2009. Unofficial projections by LIPA suggest similar costs will be incurred in 2010.

[7] See: Statement by Chairman Gary Gensler on Speculative Position Limits and Enhanced Transparency Initiatives, July 7, 2009 – and – Opening Statement of Chairman Gary Gensler, Commodity Futures Trading Commission Hearing of the Commodity Futures Trading Commission, August 5, 2009.

- Natural gas expenditures represent the second greatest component in the aggregate cost of energy expenditures for County facilities. Next year (2010) will be the third year in National Grid's current five-year rate plan and scheduled modifications to the rates will continue to compound the unit cost related to natural gas delivery. As a consequence to PSC approved modifications to certain Alternate Fuel natural gas rates (rates that are heavily populated by schools, hospitals, and municipal facilities), many large volume consumers have migrated to Firm gas service that is traditionally more expensive, and results in pressure on the capacity of the system to serve all customers. Included in that migration were seven of the County's largest natural gas consuming facilities, which underwent a rate change effective August 1, 2008. The rate change was intended to reduce expenditures for natural gas but the precipitous drop in raw commodity costs following KeySpan commitments for winter storage contracts has actually contributed to a 2009 year-to-date net premium on those accounts. At the time of this writing Budget Review is working cooperatively with the Department of Public Works to secure third party supply of natural gas that may provide discounted pricing for those accounts (and others) during 2010.
- Payments to NYPA and other performance contractors have become a growing long-term line item in expenditures for Light, Power & Water. Annual debt service payments in this line item are each determined by variable rate financing – re-set each year at various points. While variable rate debt has provided a financial advantage to the County in past years, the current uncertainty in financial markets may translate into higher variable rates before the debt service is retired. Consequently, the long term benefit of this practice is subject to influence beyond the County's ability to control, and should be better balanced by internalizing a greater share of the capital costs.

NYMEX Commodity Prices – Energy Forecasts – and NOAA Winter Weather:

Over a five-year period crude oil prices, which averaged $31 per barrel in 2003, and approximately $100 per barrel in 2008, have averaged approximately $57 per barrel in 2009. During the current year, however, crude oil prices have risen from approximately $42 per barrel in January, to a peak monthly average of greater than $71 per barrel in August, and are trending in early October at a running average of approximately $70 per barrel. In that context it is important to note that the last time crude oil traded at $130 per barrel was September 22, 2008 (approximately a year ago).[8]

Over the same five-year period, natural gas prices, which averaged $5.50 per million Btu (MMBtu) in 2003, and approximately $8.91 per MMBtu in 2008, have averaged approximately $3.88 in 2009. During the current year, natural gas commodity prices have fallen from the year-to-date peak of approximately $5.11 per MMBtu in January, to a low monthly average of approximately $3.29 per MMBtu in September, the lowest level since September of 2002. In context to the current gas price, and injection of winter storage, Energy Economist James Williams observes that "gas prices have been

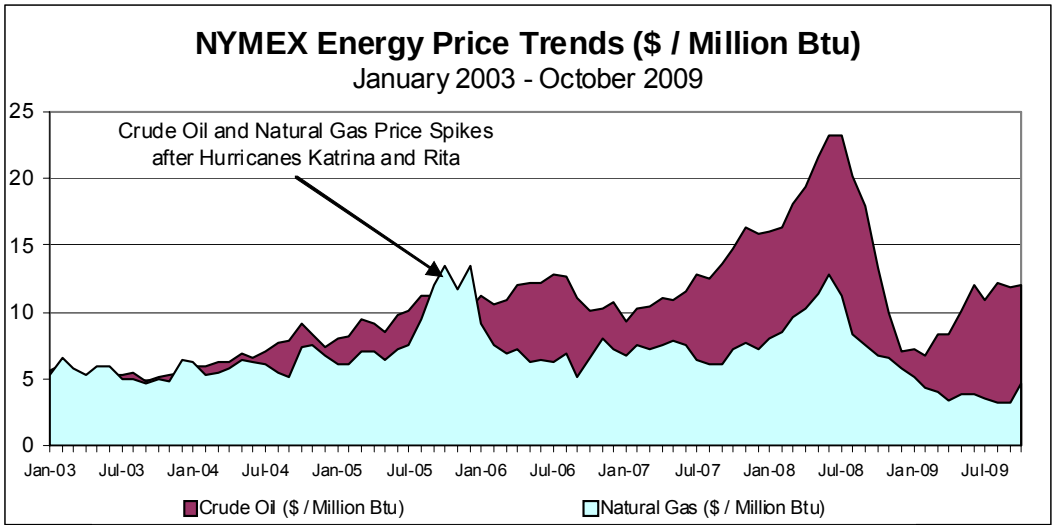
[8] Budget Review Office, BRO Energy Price Trends, through October 5, 2009.

low enough that gas has been cheaper than coal for power generation in some areas – The U.S. still has far more natural gas than it needs and until cold weather starts drawing down storage the only upside potential for gas prices would come from a hurricane. Even that would have limited impact"[9].

The natural gas price trend in early October is at a running average of approximately $4.66 per MMBtu[10]. In that context it is important to note that demand for natural gas as a heating fuel typically results in a rise in natural gas prices through the peak winter months – and October is when the heating season officially begins.

Graph III illustrates the most recent five-year history of crude oil and natural gas monthly average closing prices, from January 2003 through September 2009, and the current October trend. Since the commodities are traded in different units of sale, the price comparison in Graph III is illustrated as an expression of units of energy, in million Btu's (MMBtu).

Graph III ~ Five-Year NYMEX Energy Price History



Source: Budget Review Office (OP '10 Forecast)

As illustrated in Graph III above, the market price for natural gas prices typically trends below the market price of crude oil. Reflected in the graphs later years is a wide disparity in price between the fuels, which is referred to as an "uncoupled" relationship. Since natural gas prices have been and currently remain uncoupled from crude oil prices, natural gas commodity prices should not suffer from volatility in crude oil futures trading (unless we suffer a catastrophic event). This trend should not be expected to last indefinitely as historically the two fuels track more closely together. Conversely, when the two fuels are priced more closely, it results in a relative price cap where substitute capability exists (for example several of Suffolk County landmark facilities still have the ability to burn either fuel oil or natural gas – aka alternate fuel capability).

[9] James Williams, Energy Economist: Natural Gas Price, Natural Gas Storage – September 27, 2009, p. 2-3 of 6.
[10] Budget Review Office, BRO Energy Price Trends, through October 13, 2008.

The global nature of crude oil supply, domestic nature of natural gas supply (including the U.S. and Canada), and decoupling of oil and natural gas pricing should not go unnoticed in the context of growing support for proposed liquefied natural gas (LNG) import terminals that would more closely align domestic pricing with the global market. Indeed, recent developments in the harvesting of natural gas, including; directional drilling, horizontal drilling, and natural gas recovery from oil shale fields have dramatically increased the production capacity of domestic proven reserves. Even so, the Draft New York State Energy Plan states: "While it would be preferable not to depend upon imported energy supplies if domestic energy supplies can meet all of our needs, avoidance of additional gas imports may not be sustainable in the long run. Further, there are advantages in having a diversified portfolio of supplies available to meet growing market needs"[11].

Suffolk County's experience with the proposed Broadwater project marks the beginning of what promises to be a long and spirited debate relating to LNG import terminals that will have long-range ramifications for our local economy. Regardless of whether supply comes from domestic or imported sources, recognized natural gas transmission capacity in New England[12] and growth in demand for natural gas in our region are driving the need for new natural gas supply pipelines in the not too distant future.

Energy Information Administration (EIA) and others:
Due to continued volatility in energy markets the Energy Information Administration (EIA) states it "…will now report confidence intervals around the New York Mercantile Exchange (NYMEX) crude oil and natural gas futures prices using a measure of risk derived from the NYMEX options markets known as "implied volatility."[13]

The Energy Information Administration (EIA) forecast released on October 6, 2009 suggests that average fossil fuel costs for household space heating in our region will average approximately 8% below year ago costs, owing largely due to predictions of mild winter temperatures relative to the same period last winter (see NOAA below). Homeowners heating with fuel oil are projected to realize a savings of approximately 3% while natural gas ratepayers may realize even greater savings before prices rise again through the year. EIA forecasts the average price of WTI crude oil will remain in the $70 per barrel range during the winter of 2009-2010, approximately $19 per barrel higher than the same period a year ago. EIA suggests that crude oil prices will rise gradually through 2010 to approximately $75 per barrel. Despite record winter storage levels, EIA projects a significant increase in natural gas commodity costs from an estimated year-end 2009 average of $3.85 per million Btu to an annual average of $5.02 per million Btu in 2010 (a year-over-year increase of approximately 30%)[14].

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[11] Natural Gas Assessment, New York State Energy Plan 2009, Natural Gas System Modeling and Analysis, p. 24.
[12] Regional Natural Gas Supply & Deliverability, Presentation to: Massachusetts Electric Restructuring Roundtable, Stephen Leahy, Northeast Gas Association, May 21, 2004.
[13] Short-term Energy Outlook, Energy Information Administration (EIA), October 6, 2009, p. 1 of 47 http://www.eia.doe.gov/emeu/steo/pub/oct09.pdf
[14] Ibid, p. 2 of 47.

Slow economic recovery is expected to be a moderating influence on energy prices in the near-term. While crude oil prices have increase in defiance of most traditional fundamentals, the forecasted rise in natural pricing should be driven by more predictable indicators. For instance, energy economist James Williams suggests "there should be enough gas in (winter) storage by the end of September that high pipeline pressures will curtail more production. High pipeline pressure means that gas from producing wells needs additional compression to enter the system. This can lead to involuntary curtailment of production"[15]. Curtailment of production will naturally lead to higher prices.

National Oceanic Atmospheric Administration (NOAA):

The National Oceanic Atmospheric Administration (NOAA) forecasts normal winter conditions for our region, colder than normal weather in the southeast, but warmer than normal winter temperatures for much of the country[16]. Nationally, demand for heating fuels should be lower than last winter and be a moderating influence on local energy prices.

LIPA and National Grid:

Consistent with the drop in Suffolk County sales tax revenues associated with the Home Energy Tax, and lower Summer Peak Demand levels reported by LIPA[17], DPW data relating to energy consumption of Suffolk County facilities suggests that 2009 year-to-date consumption of electricity is lower than it was during the same period a year ago. Illustrated in Graph IV, summer weather conditions appear to be a primary contributor to the drop in electric consumption.

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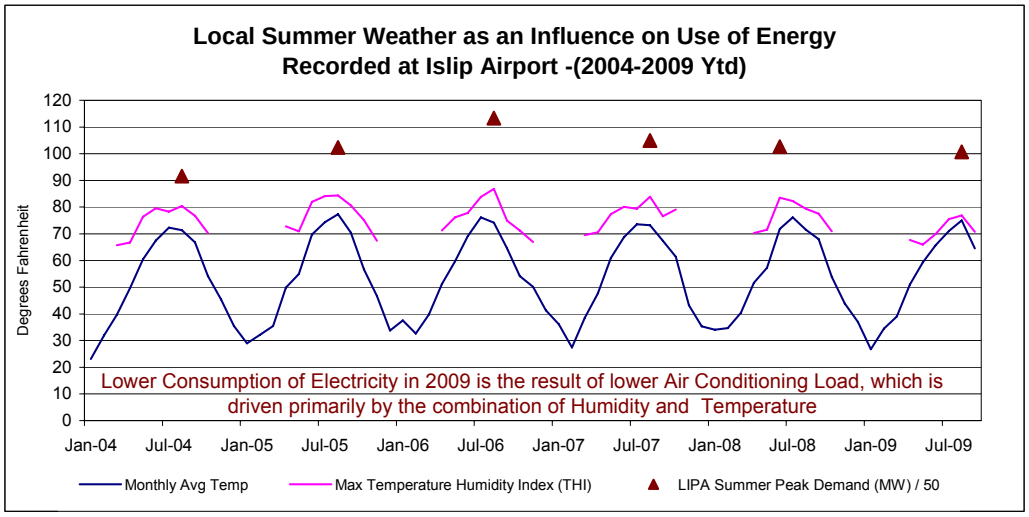
[15] James Williams, Energy Economist: Natural Gas Price, Natural Gas Storage – September 27, 2009, p. 2 of 6.
[16] National Oceanic Atmospheric Administration (NOAA) http://www.cpc.ncep.noaa.gov/products/predictions/long_range/poe_index.php?lead=4&var=t
[17] Matthew Cohen, LIPA Five-Year Energy Data, Received by BRO September 18, 2009.

Graph IV ~ Influence of Summer Weather on Energy Use



Period	Avg Temp
Summer 2008	
May-08	57.3
Jun-08	71.9
Jul-08	76.2
Aug-08	71.5
Sep-08	68.0
Summer 2009	
May-09	59.3
Jun-09	65.8
Jul-09	71.1
Aug-09	75.0
Sep-09	64.5

Notes: *Thermal Humidity Index (THI) is calculated for temperatures at or above 65° F.*

1 - Suffolk County's Annual Energy Consumption pattern is in part attributable to variences in local weather.

2 - 2009 Average Summer Temperatures were more mild than 2008 but did not vary as much as Humidity.

3 - The ongoing Economic Crisis has resulted in significant reductions in Demand for Energy in all forms.

▲ LIPA's Summer Peak Demand (5667 MW) was recorded in August 2006. Summer Demand is driven primarily by Air Conditioning Load resulting from the combination of Temperature and Humidity.

Source: Budget Review Office (LIPA Five Year Energy Data)

Graph IV above illustrates that while summer temperatures have remained fairly constant during the five-year period (2004-2009), humidity levels have varied significantly. The combination of temperature and humidity is used by electric utilities to formulate a Temperature Humidity Index (THI) – a major factor in demand for electricity. The greater the THI the more uncomfortable people will feel, resulting in greater use of air conditioners. Air conditioning is the main driver of electricity use in the summer. The apparent drop in summer related electricity use at County facilities is, therefore, consistent with the lower THI levels experienced in 2009, as illustrated in Graph IV above.

Electricity costs for commercial properties are typically higher during summer months as a consequence of “Demand Charges” on electricity use during peak hours. In simple terms, “Demand Charges” levied on commercial customers help to cover the year-round cost of maintaining power generation that is used only in the summer. A volume based fee, Demand Charges better ensure that large volume consumers are not subsidized by lower volume consumers (i.e. residential customers).

Since expenditures for LIPA electricity represent approximately 73% of all expenditures for energy from Light, Power & Water (obj. 4020), a drop in consumption during summer months is a significant benefit for the County. To the degree that Suffolk County facilities are similar to typical commercial properties within the region, the same should be true for the “average” LIPA commercial ratepayer. Based on a simple analysis of an

"average" residential electric ratepayer, Budget Review observes a similar year-over-year downward trend in consumption.

Cost of Electricity

As global commodity prices collapsed through the second half of 2008 both LIPA and National Grid found themselves bound to commodity contract commitments made earlier in the year. Those contracts (including the costs associated with winter storage of natural gas) are at least partially responsible for the lag in retail energy price deflation on Long Island in 2009. In April both LIPA and National Grid announced that ratepayers should find relief in their energy costs beginning in May. LIPA explained it would reduce charges associated with fuel and purchased power by the 3.2% increase it implemented in January 2009, and National Grid announced it had exhausted the premium priced natural gas injected for the past winter.

Based on a blend of billing data provided by LIPA and National Grid, and energy expenditure records provided by the Department of Public Works, it appears that natural gas prices have declined considerably since the beginning of May, from a weighted average of approximately $1.36 to approximately $1.02 per therm – across all billing accounts. Influenced in part by summer Demand Charges, the weighted average unit cost for electricity across all accounts has increased over the same period, however, from approximately 16.2 cents to approximately 18.2 cents per kilowatt hour (kWh). The year-to-date average price per kilowatt through August 2009 is approximately 17.2 cents compared to 16.6 cents in 2008, a year-over-year year-to-date average increase of approximately 3.3%. To the degree that County facilities have a similar energy use profile to typical commercial buildings in the region, these cost factors should translate similarly for Suffolk County's commercial sector.

As a point of interest, Budget Review estimates the typical residential electric ratepayer paid an average of 21 cents per kilowatt hour in 2006, an average of 20 cents per kilowatt hour in 2007, and approximately 20.4 cents per kilowatt hour in 2008. Thus far in 2009, Budget Review observes that the typical residential electric ratepayer is experiencing an average cost at approximately 21.2 cents per kilowatt hour – with an increase of approximately 1.5% since the beginning of May 2009.

Fuel & Purchased Power Costs

Since the 1970's regulated utilities in New York State have been required to administer (within 30 to 90 days of occurrence) a fuel and purchased power (F&PP) bill adjustment (as a charge or credit) resulting from dramatic cost swings. By doing so, utilities maintain fiscal health and avoid excess profit by adjusting for actual costs beyond a bandwidth of divergence from budgeted levels. The practice also sends the proper price signal to ratepayers that would cause responsible consumers to modify energy use rather than run-up excessive bills during periods of prolonged excess costs.

LIPA has chosen not to conform to the PSC F&PP standard, but rather levies charges and credits that are unrelated to current events. This practice is not in keeping with good utility practices as it adds to system costs related to peak demand; and not in the

public interest as the environmental and economic costs associated with new infrastructure weighs heavily ratepayers, and on our local communities. Budget Review observes that LIPA's practice is at least confusing to ratepayers, and at worst enabling consumption patterns intended to guarantee LIPA revenues at the expense of ratepayers.

If LIPA were administering its "excess" fuel and purchased power costs as other regulated utilities in the state then the dominance of natural gas generation as a percentage of LIPA electric generation mix should have resulted in a cost reduction for LIPA ratepayers during the current year. Budget Review has estimated in past reports that LIPA has "absorbed" more than $1.5 billion in excess fuel and purchased power costs. Despite repeated inquiries for clarification we have never received a clear description of how LIPA has "absorbed" these costs. If LIPA has had sufficient cash on hand to cover the estimated $1.5 billion, then the utility has too much cash on hand. If LIPA has bonded operating costs as suspected, then those costs will compound with debt service and weigh heavily on ratepayer bills.

In response to an inquiry by Budget Review earlier this year LIPA reported that approximately 15% of an average LIPA bill is attributable to LIPA debt[18]. According to LIPA its total debt balance at the end of 2008 was approximately $6.7 billion[19]. Budget Review continues to monitor LIPA and its fuel and purchased power related charges, and while it has been mentioned publically, a change in LIPA's administration of this bill adjustment is not anticipated in the foreseeable future.

LIPA representatives regularly report that fuel and purchased power costs remain the most significant influence on the cost of electricity for Long Island ratepayers. Fuel and purchased power costs are subject to both the volatility of energy commodity pricing and retail energy markets. LIPA and other utilities have implemented fuel hedging programs for the past several years that are intended to mitigate significant price increases related to energy commodity price spikes. As noted above, hedging contract commitments that LIPA implemented last year to save ratepayers money have instead bound ratepayers to higher costs through the current year, even as basic fuel costs have dropped significantly compared to a year ago.

According to LIPA, its on-Island generation mix of electricity purchased from fuel oil and natural gas fired plants (2005-2008) was approximately 42% heavy fuel oil and 58% natural gas – but has shifted significantly to natural gas in recent years. The balance in 2008 was approximately 20% oil and 80% natural gas – but budgeted fuel and purchased power expenses for 2009 reflect a more even share of 48% oil and 52% natural gas[20]. In that context, and as noted above, the year-to-date average NYMEX prices for natural gas has been heavily discounted relative to oil based fuels but oil based prices have risen steadily through the year. An inquiry to LIPA regarding the actual blend of generation fuels in 2009 has not been received at the time of this writing.

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[18] LIPA response to Budget Review Inquiry relating to total LIPA debt and allocation of same on LIPA billing, March 4, 2009.
[19] Ibid.
[20] Long Island Power Authority Approved Budget 2009, p. A-5.

Other Influences on F&PP Costs

Renewable Portfolio Standard (RPS) & Regional Greenhouse Gas Initiative (RGGI)

New York State has implemented a Renewable Portfolio Standard (RPS) to encourage development of renewable power generation within the state and partnered with other states in a Regional Greenhouse Gas Initiative (RGGI) intended to encourage improved power plant efficiency by forcing the purchase of carbon dioxide "allowances". LIPA is voluntarily complying with the RPS but is compelled to comply with RGGI standards. According to LIPA's adopted operating budget for 2009 the combined influence of these programs is approximately $63 million. Since LIPA has noted in the past that an increase in expenditures of $40 million adds approximately one percent to ratepayer costs, the bill impact of the RPS and RGGI is estimated to be approximately 1.5%.

Regional Greenhouse Gas Initiative (RGGI) allowances are now traded on the Chicago Climate Futures Exchange (CCFE) and the New York Mercantile Exchange (NYMEX). RGGI allowances traded on the NYMEX are traded at the same desk and at the same time as crude oil futures. According to LIPA's Draft Electric Resource Plan 2009-2018, the market price of RGGI allowances is projected to increase from 2009 levels of approximately $3.30 per ton to approximately $5-7 per ton over the next ten years[21]. Budget Review notes that other proposed "cap and trade" program observers have projected that emission credits for coal fired plants will need to be in the $44 to $115 range in order to be effective – but other estimates in a U.S. carbon market are around $30 to $44 per ton[22]. In either case, these credits are an energy related commodity whose cost is a direct pass-through to ratepayers. Budget Review cautions that this cost layer has already become a part of retail utility bills and should be expected to be a major long-term contributor to the cost of electricity.

New York State Public Service Commission Backstop Provision:

LIPA projects that new "base load" generation may be required for Long Island as early as 2014[23]. As a region, we can no longer consider the cost impact of local electric resource needs without also considering "shared generation resources" built elsewhere in the state. As reported previously by Budget Review in prior reviews, "the New York State Public Service Commission has issued a policy statement that regulates the recovery of PSC approved private sector investment in new generation, transmission cables, and/or demand-side initiatives[24]. According to the PSC, investments would be recovered across utility service territory borders, from regulated and non-regulated utilities throughout the state (including LIPA). This policy is at least partially driven by projections that by 2013 there will be a 2,000 megawatt shortfall of electric generation/supply in the downstate New York region. Should the Indian Point nuclear

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[21] LIPA Electric Resource Plan 2009-2018 and Technical Workshop, June 12, 2009.

[22] Toni Johnson, "Debating a 'Clean Coal' Future", March 19, 2009 http://www.cfr.org/publications/18786/

[23] LIPA Electric Resource Plan 2009-2018 and Technical Workshop, June 12, 2009.

[24] State of New York Public Service Commission, CASE 07–E-1507 - Proceeding to Establish a Long-Range Electric Resource Plan and Infrastructure Planning, Policy Statement on Backstop Project Cost Recovery and Allocation (Issued and Effective April 24, 2008).
http://www3.dps.state.ny.us/pscweb/WebFileRoom.nsf/Web/E6730BE16EE137D185257435006770A1/$File/301_07e1507_final.pdf?OpenElement

plant be shut down as recommended in the State's Draft Energy Plan, the anticipated shortfall could exceed 4,000 megawatts.[25]"

Finally, Budget Review reminds the Legislature that LIPA's Management Service and Power Supply agreements with National Grid will expire in 2013. Combined, those two contracts weigh heavily on the cost of energy for the Long Island region. It is expected that issues relating to those contracts will be the subject of active review in less than two years. In that context it is important to note that National Grid's poor performance in the upstate service territory formerly served by Niagara Mohawk continues to be an issue in that region, and appears to have spread to the Long Island region as LIPA has again fined National Grid for performance shortcomings over the past year.

Cost of Natural Gas

The commodity cost for natural gas is a direct pass through to consumers but National Grid "owns" only 35-40% of the space heating market on Long Island. As it seeks to grow its business, therefore, it is in the utility's best interest to secure the least expensive product available. Because there is insufficient production, import, or pipeline capacity to support winter consumption of natural gas[26], each year between April and October product is injected into winter storage reservoirs for use during the peak winter season. Explained more completely in the Review of the Capital Program 2010-2012[27] the natural gas injected into storage for the winter of 2008-2009 included product purchased at the peak prices experienced during 2008. For that reason, retail natural gas prices paid during the first four months of 2009 were considerably higher than the market price for natural gas on the commodity exchange.

Fortunately, natural gas injected for the coming winter is at a much lower price compared to 2008 and should result in lower year-over-year winter related expenditures during 2010. Owing partially to increased demand attributable to projected economic recovery and also due to lower natural gas production in 2009 resulting from the lower prices, however, natural gas commodity costs are projected to increase by approximately 30% through 2010[28]. In that context it is important to note that year-to-date natural gas and fuel oil data supplied by the Department of Public Works suggests that natural gas accounts for nearly all fossil fuel used for space conditioning of Suffolk County facilities.

Natural Gas Regulatory Issues:

Pursuant to Resolution No. 612-2006, and in an effort coordinated with the Nassau County Legislature, on behalf of Suffolk County ("The Counties"), Budget Review has participated in the Public Service Commission (PSC) proceedings relating to the acquisition/merger of KeySpan by National Grid, and related natural gas rate

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[25] Review of the 2009-2011 Proposed Capital Program, "Energy Issues", p.47 – and – Review of the 2009 Recommended Suffolk County Operating Budget, "Energy Trends for Light, Power & Water", p.141.

[26] James Williams, WTRG Economics, "Energy Economist: Futures / Spot Convergence Natural Gas Price, Storage, October 5, 2009, p. 7 of 7.

[27] Energy Outlook, Review of the Proposed Capital Program 2010-2012 Capital Budget 2010, p. 53.

[28] Short-term Energy Outlook, Energy Information Administration (EIA), October 6, 2009, p. 2 of 47 http://www.eia.doe.gov/emeu/steo/pub/oct09.pdf

adjustments for the Long Island region. While the acquisition/merger was approved August 22, 2007, and the related rate adjustments were conditionally approved December 21, 2007, at the time of this writing Budget Review is still participating in several ongoing "collaborative" groups to work out details relating to new natural gas energy efficiency programs, and certain provisions pertaining to natural gas rates.

An Energy Efficiency (EE) collaborative is attempting to resolve issues relating to the implementation and extent of National Grid's efficiency programs. A Joint Proposal has been issued for comments which are due by October 20th. In addition, a Revenue Decoupling Mechanism (RDM) collaborative is addressing issues relating to recovery of lost revenues claimed by National Grid as a consequence of its energy efficiency programs, and appears near resolution in favor of the utility.

National Grid has a total annual energy efficiency budget of $10 million for the service territory formerly served by LILCO. National Grid's administrative costs are $4 million – or 40% of the annual budget. Budget Review has advocated unsuccessfully on behalf of Suffolk County that National Grid's energy efficiency budget is woefully insufficient to support any meaningful programs for the Long Island region. In the end, the administrative fee determined by National Grid as a percentage of the total budget would seem to confirm it does not intend to accomplish much.

***Natural Gas Capacity Issues*:**
As a consequence of PSC approved modifications to National Grid's Alternate Fuel rates beginning in 2008, a significant and growing number of large volume natural gas consumers have migrated to Firm gas rates. In the near-term, many of those ratepayers (including Suffolk County) benefited from a short-term savings which has evaporated since the beginning of 2009. In the long-term, the entire New York Metropolitan area has lost a significant system "balancing" mechanism that those consumers represented to the natural gas supply system within our region.

Briefly and simply put, Alternate Fuel customers are large volume natural gas consumers that are able to switch to an alternate fuel during severe winter weather. Firm gas customers do not have the ability to switch to an alternate fuel with the equipment they have installed. Alternate Fuel customers are offered discounted natural gas rates in exchange for the commitment to use the alternate fuel when the combination of severe winter weather and system capacity may present a threat to the utility's ability to serve all of its Firm gas customers. This arrangement helps to make the most efficient use of existing natural gas pipelines by providing a revenue stream from "part-time" customers when the system has excess capacity (during mild weather). Under the former LILCO rates 100% of revenues from alternate fuel customers (above the cost of fuel) inured to the benefit of Firm gas customers.

The migration of many large volume consumers to Firm gas rates means that in severe winter weather there is less margin of safety protecting Firm gas customers – because there is less spare capacity. As a result, Budget Review observes that National Grid and the Public Service Commission have hastened the need for investment in new

natural gas pipelines to our region, and ultimately the debt service for that investment will be borne by ratepayers.

As stated in previous reviews; given the interest in re-powering or replacing the existing inventory of aging power generation facilities currently owned by National Grid, and the potential retail market share of fossil fuel customers still available to National Grid, additional natural gas supply may be required sooner than later. Budget Review sees no benefit in hastening the need for new energy supply infrastructure beyond the natural growth in demand for energy – already increasing at a rapid pace. Pressure on existing supply capacity resulting from the recent rate modifications should not have been facilitated by the State and is an unwelcome burden on both our economy and our environment.

Suffolk County Energy Independence:
To Stimulate Economic Development and Sales Tax Revenues

Local economic activity is a dominant influence on County revenues, which has a direct impact on the County's budget. Energy is an underlying influence on our local economy, which continues to endure utility rates amongst the highest in the country. As a result, efforts to retain and attract business to Long Island are at a competitive disadvantage with other regions, suggesting a long-term threat to County revenues and creating a long-term negative consequence for the County's budget.

The significant year-to-date drop in County revenues is largely attributable to a dramatic fall in sales tax revenues resulting from the economic recession. In the near-term, the federal economic stimulus grants flowing into our region may provide some relief, but the County should initiate a strategy for long-term recovery – and that strategy should address the underlying impact of energy costs on the local economy.

On behalf of all Suffolk County energy consumers, elected officials should initiate an independent effort to provide a vehicle of relief from energy costs that are within consumer's ability to control. Such an effort should begin with County staffing levels dedicated to energy issues borne by the County. Beyond the scope of efficiency improvements at Suffolk County facilities, the County should assume a leadership role in formulating and implementing a regional strategy on behalf of energy consumers that provides a genuine degree of independence from energy providers.

If unwilling to consider changes within our own operating principles, it is unlikely the County could effectively lead the local economy as a standard bearer on energy. Pursuant to Resolution No. 550-2008 Directing a Study for a Targeted Facility Energy Efficient Pilot Program (Operation Shutdown Program), Budget Review worked collaboratively with the Department of Public Works to conduct a site survey of County facilities. The conclusion of Budget Review and DPW was that it was technically and operationally feasible to implement a four-Day work week in many County facilities. A pilot program was recommended in selected facilities that offered a diversity of operations and services, in buildings where energy use reductions could be monitored and verified. To date the County has taken no action on this very simple concept that

has been successfully implemented in the private sector for decades, and recently adopted by state and local governments across the country, with near-term success. The greatest obstacle to a modified work schedule is a cultural mind-set; therefore, Budget Review recommends that a pilot project be implemented as previously suggested.

Internal Resources Dedicated to Energy
Regulatory & Policy Asset

Expert Legal Assistance

As recommended by Budget Review a year ago, a greater level of internal expertise is needed to adequately advocate the County's interest in the regulatory process. The millions of dollars at stake for Suffolk County and the local economy more than justify the cost of additional staff. It is envisioned that new staff would participate in ongoing PSC proceedings and lay the ground work to advocate the County's interests in the year-three reopener of natural gas rates in 2010.

Budget Review again recommends the County retain permanent legal expertise in the energy regulatory process. The "regulatory attorney" should have expertise at the state level, and be equipped to deal with regulatory bodies at the federal level. In the context of current and pending issues relating to National Grid, LIPA, and multiple energy supply proposals to Long Island, it is recommended that the County retain such staff as soon as possible.

In the near-term, the new "regulatory specialist" attorney should immediately initiate liaison meetings with National Grid, the Public Service Commission (PSC), the New York State Department of Environmental Conservation (DEC), and internal County resources in order to document and advocate on behalf of Suffolk County's concerns relating to:

- Manufactured Gas Plants, and
- other utility related issues

An effort should be initiated with letters to the NYS Public Service Commission, so that we will be better positioned to positively affect adjustments relating to natural gas rates, energy efficiency programs, and PSC policy relating to Manufactured Gas Plants at the time of the year-three reopener in 2010.

Similar efforts should be initiated with LIPA regarding the pending expiration of the Management Service – and – Power Supply agreements with National Grid.

Design, Construction, and Maintenance Specialists

The Adopted Capital Program 2010-2012 Capital Budget 2010 includes aggressive funding for energy efficiency improvements at Suffolk County facilities. That funding should be augmented with staff dedicated to energy design and operational performance, as recommended by Budget Review in prior years.

Engineering and Building Systems Operations Assistance

In the Review of the 2009-2011 Proposed Capital Program, Budget Review recommended the addition of one Energy Coordinator (grade 21) in the Department of Public Works Division of Facilities Engineering to assist the efforts of the Division's Energy Engineer. At the time of this writing the position of Senior Energy Coordinator (grade 24) has been dedicated to Facilities Engineering, however, the Energy Engineer has been reclassified to Associate Mechanical Engineer. The incumbent Energy Engineer has been elevated to this new title within the division and is tasked in the near-term with a continued focus on energy, but Budget Review is concerned about the division's long-term focus on energy – especially in context to competing responsibilities.

The Suffolk County Legislature adopted Resolution No. 1179-2003, which created the positions of Energy Engineer and Research Technician for the County Department of Public Works. The position of Energy Engineer was filled in November 2004; the position of Research Technician was never filled. Reclassifying the Energy Engineer position compels Budget Review to caution that absent appropriate staff dedicated to energy, the focus on energy will likely suffer at the expense of more traditional demands on DPW staff. Given the sustained year-over-year growth in energy expenditures, and the aggressive 2010 capital funding adopted to improve the energy efficiency of County facilities, Budget Review urges the County maintain vigilance in its focus on critical design issues relating to energy and suggests that a new Energy Engineer position be created.

Energy Systems Computer Specialist (grade 32-34): Budget Review has also recommended the addition of one Energy Systems Computer Specialist that would serve as a well trained system-wide operator within Buildings Operation & Maintenance, equipped to diagnose and resolve system-wide operations of Building Management Systems, interpret the variety of system-wide "languages", and modify system-wide intelligence. Recent advances in building control systems promoted by ASHRAE and others have increased the opportunity for improved energy use profiles through this staff addition. This individual would oversee and review local controllers, analyze and review county-wide energy systems, and affect changes in computer logic system-wide.

Budget Review recommends creating the two new positions and turn the near-term dip in energy commodity prices into an opportunity to mitigate increases in energy expenditures that the County will surely face in the long-term. Increased staff dedicated to energy issues should be charged with implementing the energy improvements and strategies outlined by Budget Review in the Review of the 2010-2012 Proposed Capital Program as well as the regulatory efforts outlined above.

External Initiatives

Academic Programs in Energy

Few people understand how daily activities influence energy use, and how that energy use profile influences the need for new infrastructure, compounding the cost of energy. Before we can hope to instill an urgently needed change in the culture of energy use in Suffolk County, we need to initiate a massive and comprehensive program in energy education.

By way of financial support extended to Suffolk County Community College (SCCC) that is facilitating an ongoing collaborative effort with the State University of New York at Farmingdale (SUNY Farmingdale), the Suffolk County Legislature is responsible for aiding the development of academic programs in energy that will pay long-term dividends for our local economy and environment. The success of the initial partnership between SCCC and SUNY Farmingdale was recently expanded to include Stony Brook University and the New York Institute of Technology (NYIT).

The growing academic partnership is intended to enhance existing (and develop new) undergraduate and graduate programs for students in both professional (architecture and engineering) and non-professional (business, accounting, social science) fields of study. In addition, the partners are working towards an "umbrella" policy that would enable students to combine courses from different schools towards un-prescribed accredited degrees. Ultimately, this effort could result in a complete lifecycle of energy education on Long Island that would begin at the junior high school and continuing education levels and continue through PhD studies. This effort has significant economic development implications related to the development of local high-tech industries, as a means to encourage students to stay on Long Island during and after studies, and even as an attraction for students from other regions.

Regional Energy Policy

Fuel diversity and efficient design provide energy consumers with alternatives that empower and enable them to adjust to the cost and supply of energy. In municipal operations, alternate fuel vehicles represent an opportunity for fuel diversity and cost mitigation in the operation of municipal fleets. For the private sector, jurisdictional authority for building codes that affect energy use by buildings rests with the ten towns within Suffolk County. The diversity of policy relating to alternate fuel vehicles, and fragmented control over building construction makes it difficult for the private sector to efficiently adapt for operations across the County – and, consequently, impedes economic development.

As previously recommended by Budget Review, the Legislature should continue and expand upon its leadership role on energy issues in Suffolk County by coordinating an inter-municipal comprehensive energy policy through a Clean Fuels / Energy Efficiency Council. That policy should include mobile and stationary energy use, and also include an emissions reduction profile.

- Mobile Energy Use – As a stakeholder in the Greater Long Island Clean Cities Coalition, Suffolk County has been awarded federal stimulus funds in support of

an initiative to purchase alternate fuel vehicles and build compressed natural gas (CNG) fueling stations at several County facilities. The Legislature should build on the success of that joint application with other stakeholders by coordinating and heading a Clean Fuels Council that should include all Suffolk County coalition members, especially municipalities.

The Council should:

- Develop a consensus driven policy that creates a regional focus on alternative fuels for municipal fleets.
- Promote and coordinate the purchase of "limited" alternatives to dedicated vehicle technologies, to help minimize the direct and indirect costs (i.e. mechanic training, facility modifications) of fleet upgrades.
- Leverage investment dollars of collaborative fueling infrastructure projects and promote equal access to fueling facilities amongst coalition members to promote maximum possible benefit.
- Encourage and facilitate the local manufacturing of bio and synthetic fuels, with an emphasis on non-seed based feedstock. Where possible, promote municipal partnerships to provide an end market for those fuels.

- Stationary Energy Use – to advance the will of the Legislature to change the culture of energy use on Long Island, and leverage the benefits to local energy infrastructure derived from capital improvements relating to energy in County facilities, the Clean Fuels Council should:
  - Coordinate design resources with all municipalities throughout the County.
  - Encourage and coordinate the installation of high efficiency and renewable energy technologies, where appropriate.

Energy Bond Fund

Absent an independent source of funding and guidance, local energy consumers will fall victim to the limited performance of ratepayer funded energy efficiency programs offered by LIPA and underfunded energy efficiency programs now offered by National Grid.

Budget Review has recommended the County create an energy bond fund to facilitate a material change in the culture of energy use in our region. The proposed fund would support appropriately aggressive energy efficiency and renewable energy technologies on a regional basis in Suffolk County. Given the weight that regional efforts relating to energy efficiency carry in the still ongoing federal stimulus initiative, the County should apply for federal support of a regional energy efficiency fund for all energy consumers within Suffolk County borders.

As recommended in the past, to the extent possible in these difficult times, the County should consider establishing a fund that could leverage utility incentives (in the near-term) with additional funding administered to Suffolk County residents and businesses through the Suffolk County Electrical Agency. In the longer-term, the County should

adopt and/or develop programs of its own that promote energy efficiency and renewable energy technologies. To that end, evolving programs offered now by the Town of Babylon's Long Island Green Homes[29] program could serve as a guide to develop programs for other Towns within Suffolk County. In addition, the County needs to invest more in academic programs for energy that will produce a local "green-collar" workforce. The combined efforts recommended would provide near-term relief to County residents – and help to build a stronger local economy in the long-term.
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[29] Town of Babylon – Long Island Green Homes program
http://www.townofbabylon.com/whatsnew.cfm?id=287

FEES FOR SERVICES: NON-EMPLOYEES (4560)

Budget Review Evaluation

Fees for Services are primarily used to hire consultants to provide services not available in-house. The consultant services are provided by both firms and individuals that are generally "for profit" groups.

The 2010 Recommended Operating Budget includes $55,009,973 for Fees for Services or 3.4% of total expenditures across all funds. The recommended amount is 5.6% or $2,897,222 above the 2009 estimated amount. This is due to the following increases:

- Health: Increases in state aid/pass through funding of $405,691, increases in preparation of h1n1 influenza pandemic management, shifts in funding for mammography from contracted agencies to fees for services and increased funding for HEAL NY Phase 6 building contractor grants. There is significant increases in Patient Care Programs; this object funds various fee for services contracts throughout the division, notably, labs, security, the centralized appointment system, and radiology services, especially sonograms for the Prenatal Program. Major items increasing are laboratory services ($301,794), security ($135,000), billing and mailing ($120,000), centralized call and appointment system ($47,000).

- Public Works: Expenses for the maintenance, cleaning, grounds, snow removal, etc. at the Cohalan Court Complex is recommended at $745,000 more than the 2009 estimated amount due to new contracts that will be awarded shortly.

- Sheriff: The Sheriff is estimating that they will require more substitute housing for inmates due to jail renovations, overcrowding and more restrictive inmate classifications such as gang member separation. This represents an increase of $450,400.

- Civil Service / Human Resources: There is a $100,000 prepayment to E. B. Jacobs for the 2011 Police Exam. The Department anticipates the hiring of law enforcement personnel in 2010 resulting in increased fees to AVS Consulting for psychological exams. There is also an estimated increase in enrollment in the Flexible Benefit Program contributing to higher reimbursement costs.

The 2010 recommended amount is $1.4 million less than requested due to:

- District Attorney: $400,000 was removed for the implementation of the Case Management System. This funding was included in the Department of Information Technology budget.

- Public Works: Requested $400,000 in additional funding for inspectors to oversee capital projects, which is partially attributed to the receipt of federal stimulus funding. This requested funding was not included.

- Health: Most of this decrease ($500,000) is due to the loss of funding for the National Estuary Program. It is a combination of reducing the budget to reflect estimated costs and the County doing more well drilling in-house.

FEES FOR SERVICES: NON-EMPLOYEE EXPENDITURES BY DEPARTMENT				
DEPARTMENT	2009 Adopted	2009 Estimated	2010 Requested	2010 Recommended
Audit & Control	$483,000	$420,000	$523,000	$498,000
Board Of Elections	$75,000	$45,000	$70,000	$70,000
Civil Service	$415,000	$249,000	$605,000	$500,000
Consumer Affairs	$0	$32,100	$36,300	$36,300
District Attorney	$550,000	$613,376	$1,019,544	$609,544
Economic Development	$333,500	$237,500	$248,326	$248,326
Employee Benefits	$10,762,428	$10,077,159	$10,531,881	$10,531,881
Environment & Energy	$94,279	$66,568	$98,000	$90,500
Executive	$368,089	$326,051	$267,790	$267,790
Finance & Taxation	$5,000	$500	$3,000	$500
FRES	$55,760	$603,705	$52,625	$45,745
Health Services	$26,538,836	$25,151,361	$27,380,208	$26,708,703
Labor	$58,150	$107,000	$38,000	$38,000
Law	$1,557,165	$1,801,130	$1,540,258	$1,802,948
Legislature	$633,000	$445,000	$525,000	$375,000
Miscellaneous	$469,500	$513,212	$495,100	$495,100
Parks	$126,000	$142,000	$164,505	$120,000
Planning	$80,100	$48,590	$94,100	$70,700
Police	$673,925	$674,105	$259,300	$555,300
Probation	$649,570	$635,452	$504,425	$487,925
Public Administrator	$7,500	$7,500	$7,500	$7,500
Public Works	$5,928,094	$4,618,006	$6,150,500	$5,695,500
Sheriff	$2,682,911	$1,177,911	$1,628,311	$1,628,311
Social Services	$4,466,784	$3,870,525	$3,932,400	$3,891,400
Vanderbilt Museum	$100,663	$250,000	$235,000	$235,000
TOTAL	$57,114,254	$52,112,751	$56,410,073	$55,009,973

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AUDIT AND CONTROL

Major Issues

1. Workload and Staffing
2. Request for Outside Counsel

Budget Review Office Evaluation

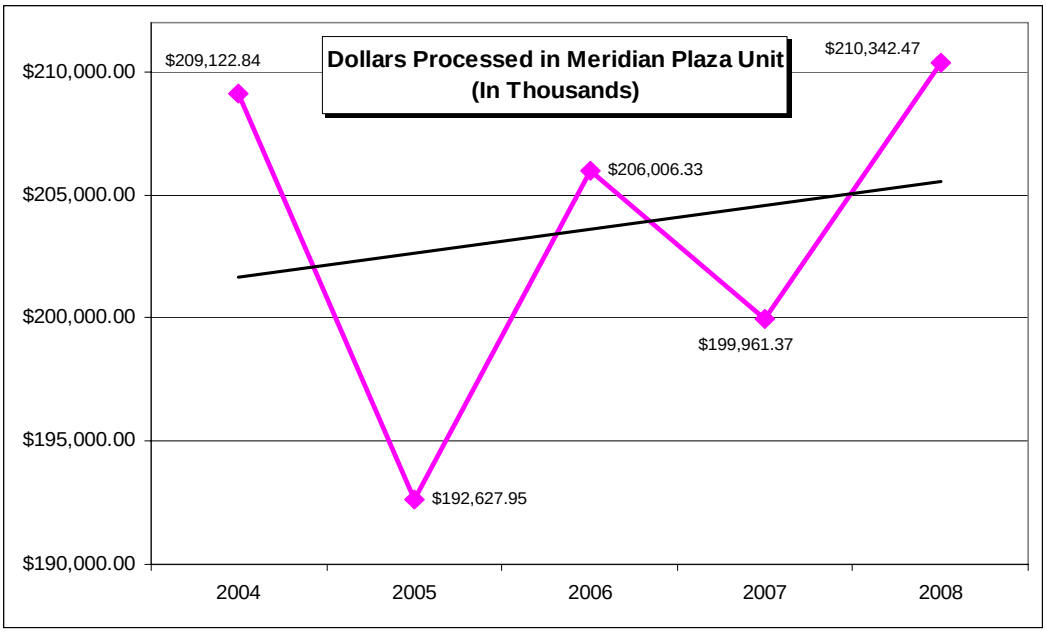
The Department is headed by an elected official, the County Comptroller, who is the chief fiscal officer and auditing authority for the County. As such, the Comptroller has broad responsibilities to protect the County's assets from unauthorized or improper use. No payment of County funds can occur without the Comptroller's approval unless ordered by a court having jurisdiction. All revenue entitlements due the County are likewise subject to the County Comptroller's scrutiny and review. To carry out these responsibilities, the Department relies heavily upon the sufficiency and competency of its staff as well as its computerized financial control systems.

- The recommended budget includes $6,719,192 for Audit and Control, which is $67,532 less than the 2009 Adopted Budget and $531,330 more than the 2009 estimated budget**.** Of this $531,330 increase, $225,662 or 42.47% is attributed to the savings achieved in 2009 due to the lag payroll.
- The recommended budget is $112,532 less than the Department's request primarily due to the difference in Permanent Salaries (001-AAC-1315-1100) of 1.2% and decrease in Fees for Services (001-AAC-1315-4560) to 65.7% of what was requested.
- The Department requested 92 positions for 2010, which is two more than the 90 positions adopted for 2009. The recommended budget does not include the two new Auditor Trainee positions (grade 17) in the Audit Division or the Account Clerk (grade 11) in the Meridian Plaza Unit of the Accounting Division.

Workload

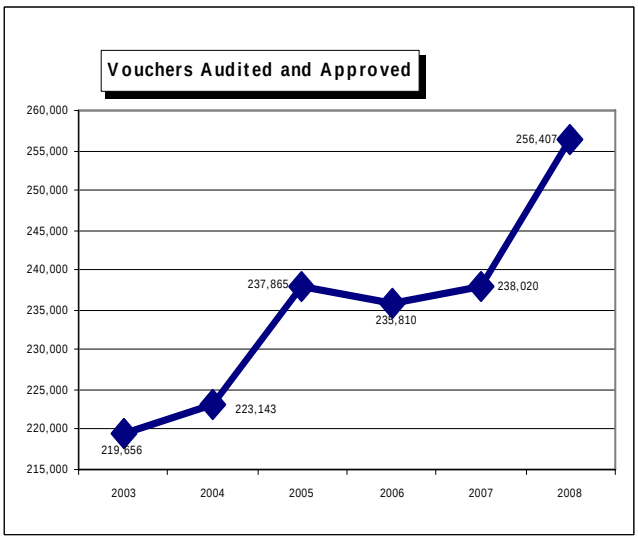
Both the Appropriations Unit and the Meridian Unit have been challenged due to the workload associated with complying with Resolution No. 1353-2007, which instituted the 30-day prompt payment policy. If these units are not adequately staffed, it will be difficult for the Department to keep up with the workload.

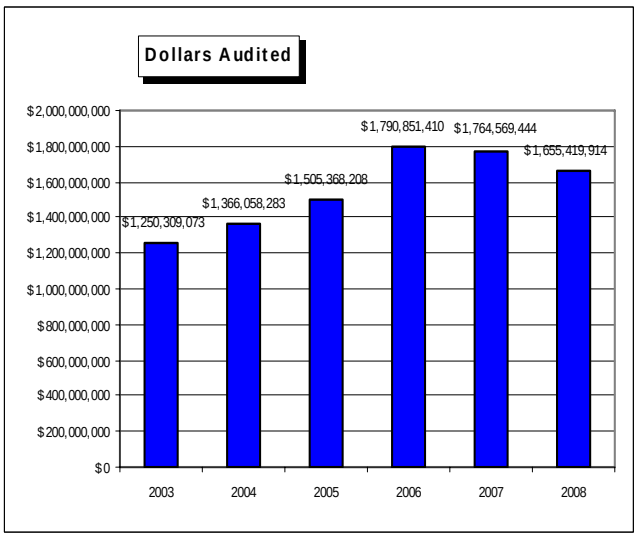
The Meridian Plaza Unit audits checks, vouchers, service contracts, and electronic benefits issued to vendors and clients. A significant portion of the unit's workload is devoted to auditing standard vouchers for the Department of Social Services (DSS). As seen in the following chart, the amount of money processed by the unit has increased over nine percent since 2005.



The Appropriations Unit reviews and approves payment vouchers for every department in the County. The workload continues to increase. In 2008, the Unit audited and approved 256,407 vouchers totaling more than $1.6 billion; 18,387 more vouchers than in 2007 and 36,751 more than in 2003. The number of vouchers audited and approved has increased 17% from 2003 to 2008 while staffing has stayed relatively constant.

The following charts show the workload statistics in the Appropriations Unit.





The Unit reports that they have processed over 185,000 vouchers through September 2009. Based on this figure, it is likely that year-end totals for 2009 will be similar to the amount processed in 2008.

Full-Time Staffing

- From January 2003 to September 2009, the Department has had an average of 82 authorized filled positions (excluding January 2007 through August 2007 when Risk Management moved from Civil Service to Audit and Control). There are currently 84 out of 90 positions filled, a vacancy rate of nine percent.
- Processing DSS vouchers along with the increased volume and workload associated with client benefit applications, W9 forms, and LIPA arrears payments have prompted the department to once again request one new Account Clerk position (grade 11) for the Meridian Unit of the Accounting Services Division. The 2010 Recommended Budget does not include this position.
- The External Audit Unit is responsible for conducting audits of contract agencies that receive annual funding from the County that exceeds $150,000. There has been a heightened sensitivity to the need for timely audits. Accordingly, the Department requested two new Auditor Trainee positions (grade 17) for the Audit Division, which are not included in the recommended budget. The Department also requested to abolish one vacant Senior Auditor position (grade 24), which would be replaced by an Auditor Trainee position. The Senior Auditor is not abolished. For 2009, the County allocated approximately $112,000,000, across all funds, for contract agencies with defining pseudo codes. Conducting field audits on these agencies is becoming increasingly more difficult due to staffing limitations.
- The Audit Division has been without clerical support staff since a Secretarial Assistant (grade 17) position was abolished after being vacated by the 2008 Early Retirement Incentive. The Legislature added a Senior Stenographer (grade 12) position to address this problem; however, the Department has not been authorized to fill this vacancy.
- While workload has increased and staffing has remained relatively constant, the Department is currently well below its 2009 adopted overtime salary budget. As of September 17, 2009, $2,225 has been expended, $7,775 less than the $10,000 adopted in 2009.

Permanent Salaries

The recommended budget includes $5,956,567 for permanent salaries, which is $76,977 less than the 2009 adopted amount and $176,891 more than the 2009 estimated amount, but $75,075 less than requested. The recommended budget is sufficient to fund all currently filled positions for the full year and all vacancies for 20% of the year.

Outside Counsel

The Department is requesting $25,000 to contract with an outside counsel for legal matters. The Comptroller believes that since the Department audits County departments and the County Attorney represents these departments as well as the entire County, there is a potential for a conflict of interest. This issue has been raised in

the past. In 1997, the Department requested an Assistant Departmental Attorney position (grade 28). The Legislature added this position in 1997, but it was never filled, and was eventually abolished.

Fees for Services

The Department of Audit and Control requested $73,000 for Fees for Services, $5,000 less than adopted in 2009, for the preparation of the annual Indirect Cost Allocation Plan and other services provided by external auditors. The recommended budget provides $48,000 for these expenses. The $25,000 difference from what was requested is reflected by the Executive's decision not to include funds for outside counsel. The Department estimates the cost of the Indirect Cost Allocation Plan to be $28,000 in 2010. Accordingly, the recommended budget would provide an additional $20,000 for other external auditing services. If the Legislature agrees with the Comptroller's request, $25,000 should be added to Fees for Services (001-AAC-1315-4560). Otherwise, the Budget Review Office agrees with the recommended budget for Fees for Services.

Funds for the annual County audit were requested and recommended at $450,000, an 11% increase over the 2009 Adopted Budget of $405,000 and 14.7% more than the 2009 estimated budget. The current contract with Ernst and Young is set to expire and the County will issue an RFP for this service. The requested budget is an estimate; the exact cost of the audit is unknown. It is believed that the audit will be more costly than in the past because of more stringent requirements for reporting federal stimulus funds.

Audit Recoveries

The Department generated $447,319 in revenue from Audit Recoveries in 2008. The 2009 estimated budget includes $2,457,878 from audit recoveries, which is $357,878 more than the 2009 Adopted Budget. The 2010 Recommended Budget includes $950,000, which is less than half the 2009 estimated budget, but more inline with typical Audit Recovery revenues. The surge in 2009 was due primarily to repayment agreements with Southside Hospital/LIJ and Community Housing Innovations.

Budget Review Office Recommendations

- Create an Auditor Trainee position (grade 17) and Account Clerk position (grade 11) as requested by the Department. There are sufficient funds to fill these positions for half the year if the six positions that are currently vacant remain unfilled.
- If the Legislature agrees with the Comptroller's request for outside counsel, $25,000 should be added to Fees for Services (001-AAC-1315-4980).

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BOARD OF ELECTIONS

Major Issues

1. Federal Election Reforms and the Help America Vote Act of 2002
2. Election Inspectors
3. Overtime Salaries
4. Outside Printing
5. Privacy Booths
6. Lever Machines
7. Revenue

Budget Review Office Overview

The 2010 Recommended Budget is $14,097,440, which is $536,000 or 3.7% less than requested, and $854,140 or 5.7% less than the 2009 Adopted Budget. The difference between the recommended budget and the requested budget is due primarily to the reduction of Outside Printing by $481,000. The 2009 estimated budget is approximately $1.5 million less than the adopted budget due, in large part, to an estimated savings of $258,620 in deferred pay (001-BOE-1450-1380) and approximately $1.6 million for the printing of ballots (001-BOE-1450-3040), which did not occur in 2009 as a result of delayed HAVA implementation.

The recommended budget includes 123 positions, which is the same as the Adopted 2009 Budget, and the Board's request. The recommended budget includes $6,843,910 for permanent salaries, which is sufficient to fund the 119 positions that are presently filled for the entire year, and the four vacancies for half the year.

Budgeting for 2009 was difficult because past year's budget's were not a good indicator of new and unprecedented expenses. While many of the uncertainties persist when budgeting for 2010, since the County BOE has not had to implement HAVA reforms this year, we are benefited by the fact that the 2009 budget was prepared with the assumption that HAVA reforms would take place, providing at least some point for comparison. Even though the 2009 budget was adopted on the premise of new HAVA expenses, the Executive has proposed a 2010 budget that is $854,140 less than what was adopted in 2009.

Budget Review Office Evaluation

Federal Election Reforms and the Help America Vote Act of 2002

- The federal government has jurisdiction over Presidential, Senate and House of Representatives elections. As a result, the requirements imposed for federal election reform are incorporated into state and local elections.

- After failing to comply with HAVA by the deadline, New York State was ordered on December 20, 2007 to submit a Plan of Compliance to the Federal District

Court. The plan provided for the purchase of at least one handicapped accessible ballot marking device for each polling station in New York State in order to achieve the minimum interim compliance that the Court would accept for 2008. The Board of Elections used 375 optical scanner voting machines solely for handicapped accessible ballot marking purposes during the 2008 General Election. These machines are HAVA compliant voting machines that will also function as vote tabulating machines in 2010.

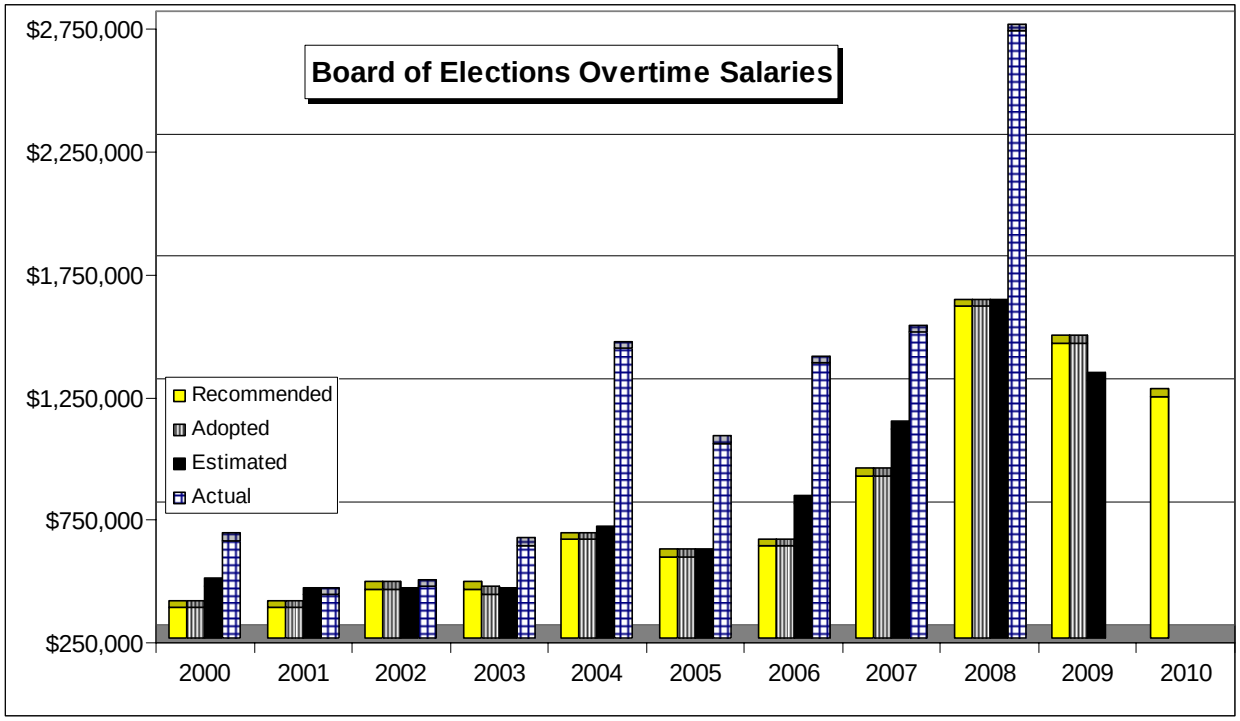
- When it became clear to the New York State Board of Elections (NYSBOE) that the State would again fail to achieve full HAVA compliance in 2009, NYSBOE proposed the implementation of a pilot program in which the majority of the counties in the State will use optical scanner machines in the fall of 2009. The large counties, including Suffolk and Nassau, are not participating in this pilot program. The Federal Court has agreed to accept this program as interim compliance with the understanding that the County must be completely compliant with HAVA by the 2010 elections.
- The Suffolk County Board of Elections estimates they will need approximately 1,200 optical scanner machines, which includes the 375 machines that are already in County possession. The Board of Elections anticipates that these machines will be certified by New York State and received by the County by March 2010. New York State expects to fully replace all lever voting machines with optical scanner machines and achieve full HAVA compliance in time for the 2010 General Election.
- Lever voting machines do not comply with HAVA standards and are not permitted for use in federal elections.

Election Inspectors

- Resolution No. 841-2007 amended the classification and salary plan and authorized a fee schedule for the Suffolk County Board of Elections election inspectors in response to the difficulty the Board was experiencing in recruiting new inspectors. The resolution provided an hourly wage of $12.50 per hour ($200 per diem) for temporary Inspectors, Poll Clerks, Interpreters, and Chairpersons and increased the compensation for attending classes and passing the exam required of election inspectors to $37.50, conditional upon the election inspector working on Election Day.
- The recommended budget includes $2,908,660 for election inspectors, which is slightly less than what was adopted in 2009 and is equal to the Board's 2010 request.
- The inclusion of these funds are important because the Board of Elections needs funds to pay election inspectors for increased trainings, seminars, and voter outreach events associated with the implementation of HAVA voting requirements.

Overtime Salaries

- The 2009 estimated budget for overtime salaries is $1.3 million, which is $150,000 less than adopted. This estimate is presumably based on the fact that HAVA implementation will be delayed until 2010; however, overtime expenditures have been this low only once (2005) in the last five years.
- The department is requesting and the Executive is recommending $1,233,000 in 2010 for overtime salaries, which is $217,000 or 15% less than what was adopted in 2009 and $67,000 or 5.2% less than the 2009 estimated budget.
- Overtime salaries continue to increase at the Board of Elections. Actual overtime salaries increased 82% between 2007 and 2008 from $1,494,190 to $2,716,692. Most of this increase is because 2008 was a presidential election year; however, the 2008 figure is $1,288,698 or 86% greater than the last presidential election in 2004 and $2,069,247 or 138% greater than the 2000 presidential election.



Actual expenditures for overtime salaries continue to exceed the recommended, adopted, and estimated budgets. Over the last four years, overtime salaries have averaged 78% above the recommended and adopted amounts while averaging 71% over the estimated figures. Even though 2010 is not a presidential election year, 2010 will most likely require more overtime than usual due to the expanded work and preparations associated with HAVA implementation.

Outside Printing

The Board requested $1,606,000 for outside printing (001-BOE-1450-3040). This dramatic increase from the $40,000 adopted in 2008 is due to the fact that paper ballots

will need to be printed for the new optical scan voting machines. The Legislature added $500,000 to the Executive's recommended budget of $1,125,000 in 2009 to provide for printing. The 2009 estimate for this line item is only $20,000 as the printing of the ballots is delayed until 2010. The 2010 recommended budget again only includes $1,125,000 for printing.

Privacy Booths

The Board still needs to purchase privacy booths to allow voters to fill out their paper ballots in privacy. According to the Board of Elections, the County needs 6,000 booths, 5,500 standard booths and 500 handicapped accessible booths. The County will be able to offset 25% of the total cost for privacy booths through state grant funds for increasing voting accessibility for individuals with disabilities. The Board of Elections believes that they will be able to cover the remaining cost of the privacy booths through the original federal HAVA grant issued for the purchase of voting machines.

Lever Machines

- Lever machines are no longer permitted in federal elections as per the Help America Vote Act of 2002. Additionally, New York State Election Law § 7-202 establishes guidelines for voting machines that lever machines do not meet. Lever machines will no longer have a legal function for any official election in New York State.
- The optical scan voting machines will function by reading paper ballots marked by voters. Should there be a technical malfunction with these machines, no votes would be lost because the marked paper ballot will be retained and the ballots could be counted by hand.
- Even though there is no longer a lawful use for lever voting machines and they are not technically needed as an emergency backup, many have advocated for the short term storage of these machines in the event that there is a problem with the optical scanner machines. The cost for storage needs to be evaluated against the likelihood of a short-term or long-term need for the machines. The paper ballot may be the cost effective fallback plan.

Revenue

The 2009 estimated revenue for the Board of Elections is $606,875, which is more than five times the typical amount. The reason for this increase is that HAVA grant funds, appropriated by Resolution No. 816-2008, were received to purchase 366 Ask Ed Problem Solver devices to assist poll workers in looking up voter information, answering questions, and troubleshooting voting machines.

Unit - Code	Revenue Source Name	2008 Act.	2009 Adpt.	2009 Est.	YTD 9/17/09	2010 Rec.
1450 - 2403	Department Interest & Earnings	$0	$0	$0	$179	$0
1450 - 2416	Rental Equipment - Other Govt	$79,354	$80,000	$97,000	$90,043	$90,000
1450 - 2655	Minor Sales - Other	$27,285	$30,000	$45,000	$42,465	$26,980
1450 - 2701	Refunds Of Prior Year Expenses	$0	$0	$0	$10	$0
1456 - 3070	State Aid: BOE-HAVA	$0	$0	$464,875	$464,875	$0
1450 - 3089	Other	$0	$0	$0	$50,761	$0
	Total	**$106,638**	**$110,000**	**$606,875**	**$648,333**	**$116,980**

The Executive's 2009 estimated revenue is $41,458 less than what has already been received by the County in 2009. The estimated budget does not account for $50,761 in state reimbursement for handicapped accessible supplies purchased through 100% reimbursable grant funds.

Budget Review Office Recommendations

- Increase Outside Printing (001-BOE-1450-3040) by $475,000, from $1,125,000 to $1,600,000, in order to insure that there are sufficient funds for printing paper ballots in 2010.
- Increase the 2009 estimated budget for Overtime Salaries (001-BOE-1450-1120) by $100,000, from $1.3 million to $1.4 million.
- Increase 2010 funding for Overtime Salaries (001-BOE-1450-1120) by $500,000, from $1,233,000 to $1,733,000 to reflect a more realistic cost of HAVA implementation.
- Increase the 2009 estimated revenue (001-BOE-1450-3089) by $50,761 to reflect revenue already received, but not accounted for by the recommended budget.

BP BOE10

CIVIL SERVICE/HUMAN RESOURCES

The Department of Civil Service/Human Resources is comprised of the following operational units:

- Civil Service
- Employee Benefits and Risk Administration (Insurance and Risk Management)
- EMHP: General Administration (Employee Benefits)

Civil Service has been staffed with an average of 103 employees since Insurance and Risk Management was transferred back to the Department in August 2007. The Department currently has 102 of 106 positions filled.

Civil Service

Major Issues

1. Staffing
2. 2011 Police Exam
3. Workload

Budget Review Office Evaluation

In Suffolk County, administration of the Civil Service Law is carried out under the direction of the Suffolk County Personnel Director. The Suffolk County Department of Civil Service is responsible for overseeing personnel actions taken by some 241 employing jurisdictions including school districts, towns, villages, water districts, library districts, etc. Collectively, these jurisdictions employ approximately 40,000 individuals.

- The 2010 Recommended Budget for the Civil Service Division is $5,198,326, which is $95,212 or 1.8% less than the 2009 Adopted Budget, but $366,476 or 6.6% less than requested. The difference between the recommended and requested amount is due primarily to the elimination of the tuition reimbursement program ($200,000) and a lesser amount ($105,000) provided for Fees for Services (001-CIV-1430-4560).
- The 2009 estimated budget is $4,957,930, which is $336,148 less than adopted due to $161,724 in savings achieved from the 2009 lag payroll, $93,844 in turnover savings, and $166,000 in unexpended Fees for Services, which is partially offset by an increase of $78,920 in authorized tuition.
- There are currently 71 filled positions and two vacancies; one Senior Personnel Analyst position (grade 24) and one Senior Clerk Typist position (grade 12). The $4,320,059 recommended for permanent salaries is sufficient to fund all currently filled and newly created positions for the whole year and all vacancies for 75% of the year.

Staffing

- According to Civil Service, an additional Clerk Typist (grade 9) position is needed in the Examinations Unit due to the increased amount of exams projected for 2010 and an expected growth in applications for the 2011 police test. The 2010 Recommended Budget does not reflect this request in the staffing pages and does not include the position in the budget.
- The Department also requested a new Account Clerk Typist (grade 11) position for the Temporary Assistance Unit. The recommended budget does not reflect the Department's request for this position, but the position is created by the Executive "based on feedback received from departments and the success of this floating clerical pool."
- The 2010 Recommended Budget creates a new Deputy County Personnel Officer (grade 39). Civil Service is the only large County department without a deputy position. The Executive recommends creating this position in order to establish a clear line of succession. The annual salary cost of adding this position would range from $102,651 to $145,012, depending on the step at which the employee is hired. The Executive recommended this position in the 2008 Recommended Budget, but the Legislature chose not to include it in the adopted budget as the current Personnel Officer was appointed to a new six year term starting in 2007. With his term not set to expire until 2013, it might still be too soon for a succession plan.

2011 Police Exam

Suffolk County gives a police exam every four years. The last exam was in 2007; the next exam is scheduled for 2011. Traditionally, a spike in revenue characterizes the year preceding a police exam as applications are received early. However, workload and expenses also increase.

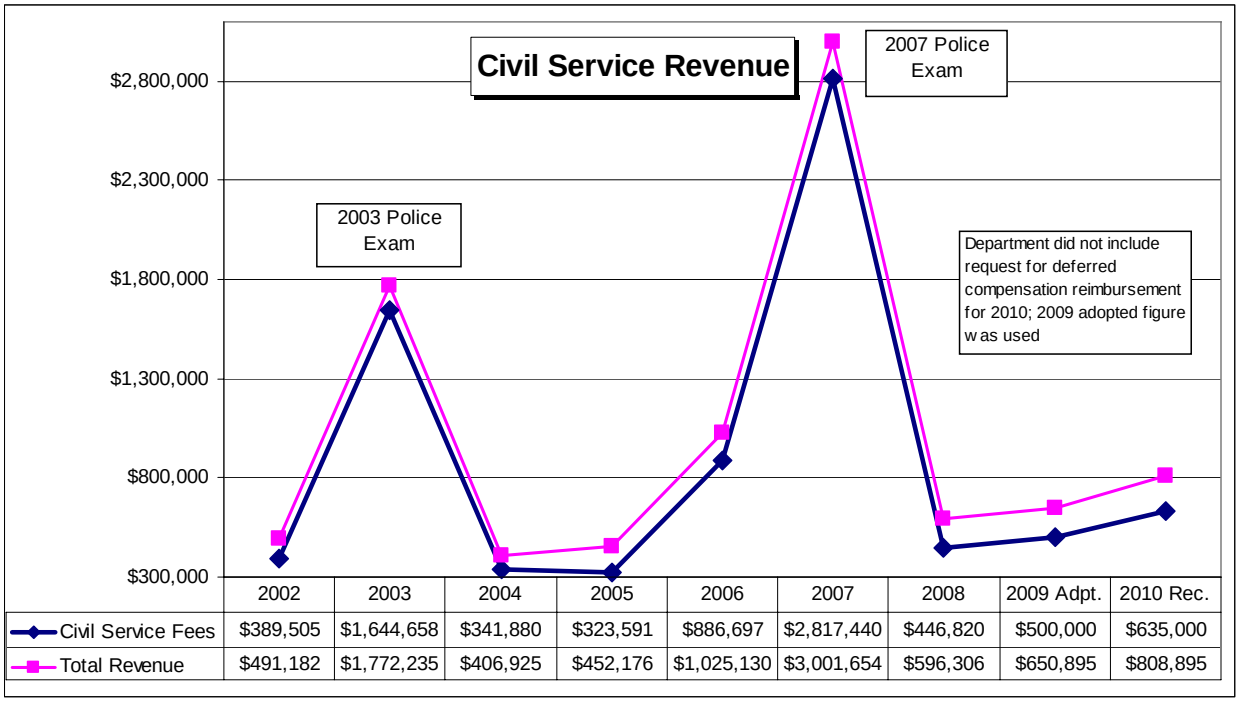
Increased expenses in 2010 associated with the 2011 Police Exam include:

- $100,000 pre-payment to EB Jacobs for the police exam, which is included by the Executive.
- Bank service charges traditionally increase the year before a police exam due to online application fees being paid with credit cards. The 2010 Recommended Budget provides $30,000 for this expense, which is equal to the Department's request. In the year prior to the last two police exams, bank service charges totaled $6,716 in 2002 and $7,061 in 2006. The Recommended Budget should be decreased by $16,000 to $14,000 to reflect a more realistic cost.

Revenue

- The 2009 estimated revenue from Civil Service Fees (001-1240) is $475,000, which is $25,000 less than adopted, but $12,305 more than was actually collected in 2008. The 2010 Recommended Budget includes $635,000 in Civil Service Fees, $160,000 or 33.68% more than the 2009 estimated budget. This increase is more than reasonable since Civil Service Fees are traditionally higher in years preceding a police exam. In 2006, the Department received $886,697 in Civil

Service Fees as many of the applications for the 2007 police exam were filed during 2006.



	2002	2003	2004	2005	2006	2007	2008	2009 Adpt.	2010 Rec.
Civil Service Fees	$389,505	$1,644,658	$341,880	$323,591	$886,697	$2,817,440	$446,820	$500,000	$635,000
Total Revenue	$491,182	$1,772,235	$406,925	$452,176	$1,025,130	$3,001,654	$596,306	$650,895	$808,895

The projected increase in Civil Service exam fees is due partially to the fee increases that took effect on January 1, 2009.

Civil Service Examination Fees, Res. No. 950-2008			
	Previous Fee	**Revised Fee**	**Increase**
Promotional Examinations	$15	$25	$10
Promotional Examinations (law enforcement)	$50	$100	$50
Open Competitive (non-law enforcement)	$25	$35	$10

Workload

2009 has been a challenging year for the Department. Potential layoffs proposed by the County as well as towns and school districts required the Department to perform detailed layoff analysis to ensure that any layoffs were executed in accordance with NYS Civil Service Law. The Department has also fielded a substantial amount of calls from county employees with questions about the lag payroll. Overtime Salaries have totaled $3,348 as of September 17, 2009, which is more than six times the adopted amount of $500.

Authorized Tuition

The 2010 Recommended Budget eliminates funding for the tuition reimbursement program. The Executive has recommended at least $199,000 for Authorized Tuition (001-CIV-1430-3790) each year since 1997. The 2004-2008 collective bargaining

agreement between the County and the Association of Municipal Employees (AME) stipulates that the County will allocate $200,000 for tuition reimbursement for each year of the agreement. Even though the current contract has expired, there may be legal impediments to eliminating this funding based on the *Triborough Doctrine*, which states that a public employer cannot intentionally make unilateral changes to terms and conditions after a contract has expired. The Executive honored the *Triborough Doctrine* in his 2009 budget, recommending $200,000 for Authorized Tuition. As of September 17, 2009, $275,000 has been obligated for tuition reimbursement, which is equal to the Executive's 2009 estimate.

Budget Review Office Recommendations

- The new position of Deputy County Personnel Officer creates a succession plan for the Department of Civil Service/Human Resources. But since the County Personnel Officer's term does not expire until 2013, this plan may be premature.
- Add $200,000 for Authorized Tuition (001-CIV-1430-3790) in order to comply with the *Triborough Doctrine* and honor the County's agreement with A.M.E.
- Decrease 2010 funding for Bank Service Charges (001-CIV-1430-3460) by $16,000 from $30,000 to $14,000, based on prior years' expenditures.

Insurance and Risk Management

The Division oversees the County's self-insurance program, workers' compensation, and auto and general liability. Risk Management procures insurance coverage, keeping the County protected from catastrophic loss. The division is proactive in managing legal exposures in order to limit auto and general liability claims against the County.

Major Issues

1. Liability and Claims

Budget Review Office Evaluation

- The 2010 Recommended Budget provides $1,338,999, which is $12,069 less than the 2009 Adopted budget and $75,300 less than requested for 2010. The difference between the recommended budget and the request is primarily due to budgeting $70,000 for turnover savings.
- The 2009 Estimated Budget is $1,232,181, which is $118,887 less than adopted. The difference is substantially comprised of turnover savings ($67,669) and the 2009 lag payroll ($46,708).
- There are 24 authorized positions in the Risk Management Division, of which two are vacant; one Senior Management Analyst (grade 24) and one Assistant Workers' Compensation Supervisor (grade 23). The $1,287,591 recommended

for permanent salaries is sufficient to fund all currently filled positions for the full year and all vacancies for 25% of the year.

Liability and Claims

- The 2010 Recommended Budget for claims and liabilities is $37,521,600, which is 0.24% less than the 2009 estimated budget and 3.58% more than what was actually expended in 2008.
- The 2009 estimated budget is 4.56% less than the 2009 Adopted Budget.
- Workers' Compensation is estimated to account for approximately 71% of the County's liability in 2009; general liability, auto liability, physical auto damage, and bus liability are estimated at 15% in 2009. Medical malpractice insurance, employee practices liability, VDT claims, and unallocated insurance make up the remaining 14%.

The following chart shows expenditures for County liability:

038-MSC	2008 Act	2009 Adpt	2009 YTD	2009 Est	2010 Rec
Auto Liability	$631,805.67	$967,500.00	$738,691.05	$1,270,000.00	$1,035,000.00
Auto Physical Damage	$1,489,620.28	$1,575,000.00	$1,235,760.71	$1,652,500.00	$1,410,000.00
Bus-3CD	$1,437,999.57	$1,302,500.00	$706,513.46	$693,500.00	$1,176,000.00
Employee Practices Liability	$24,000.00	$380,000.00	$29,999.00	$180,000.00	$250,000.00
General Liability	$2,679,550.65	$1,800,000.00	$4,071,112.31	$2,167,500.00	$1,020,000.00
Medical Malpractice Insurance	$724,999.01	$750,000.00	$0.00	$425,000.00	$500,000.00
Unallocated Insurance	$4,331,492.00	$4,772,603.00	$4,127,827.59	$4,403,469.00	$4,625,000.00
Vdt Claims	$68,133.00	$100,000.00	$44,835.36	$70,000.00	$95,000.00
Workers' Compensation	$24,835,497.03	$27,762,663.00	$20,828,723.33	$26,751,698.00	$27,410,600.00
Grand Total	**$36,223,097.21**	**$39,410,266.00**	**$31,783,462.81**	**$37,613,667.00**	**$37,521,600.00**

Since the County typically issues bonds to pay for liability settlements, there is a substantial annual cost associated with debt service. The following chart reflects bonded debt for County liabilities:

Fund 038 Debt	2008 Act	2009 Adpt	2009 YTD	2009 Est	2010 Rec
Serial Bonds	$1,072,103	$938,419	$523,947	$715,850	$833,080
Interest On Bonds	$516,749	$537,687	$243,661	$548,706	$658,557
Grand Total	**$1,588,852**	**$1,476,106**	**$767,608**	**$1,264,556**	**$1,491,637**

It is standard practice for the County to issue serial bonds to pay for judgments and liabilities. While this offers the County the advantage of deferring payment and is sensitive to cash flow needs, it leads to higher costs in the end. By placing an average of $2.5 million in the operating budget each year for liability cases, the County could avoid significant debt service costs. The downside of placing these funds in the operating budget is that it forces the County to find additional revenue in the equal amount.

The following chart shows the additional cost associated with bonding liability settlements for 2007 through 2009 (as of September 17, 2009). When bonds are issued for 20 years at 3.99%, the cost to the County is more than 150% of the total cost of the settlements; an additional $3.6 million.

Comparison Cost of Paying for Settlements with Operating Funds or Serial Bonds (2007-2009)			
2009 YTD			
Type	**Authorized (Principal)**	**Total Cost**	**Interest**
Medical Malpractice	$425,000		
General Liability	$850,000		
General Liability	$1,300,000		
Total	***$2,575,000***	***$3,880,991***	***$1,305,991***
2008 Actual			
Type	**Authorized**	**Total Cost**	**Interest**
General Liability	$1,475,000		
General Liability	$500,000		
Bus Liability	$175,000		
Total	***$2,150,000***	***$3,240,439***	***$1,090,439***
2007 Actual			
Type	**Authorized**	**Total Cost**	**Interest**
Medical Malpractice	$2,500,000		
Total	***$2,500,000***	***$3,767,952***	***$1,267,952***
Totals			
	3 Yr. Authorized Total	**Total Cost**	**20 Yr. Interest**
	$7,225,000	***$10,889,382***	***$3,664,382***

Budget Review Office Recommendations

Due to the long-term costs associated with paying debt service on serial bonds, we recommend that the Legislature consider including an additional $2.5 million per year in the operating budget for liability settlements.

EMHP: General Administration

The EMHP Unit is responsible for administering the Employee Medical Health Plan of Suffolk County. In addition, this unit coordinates health benefits for those employees enrolled in participating HMOs. The EMHP Unit acts as a liaison between the County and the State Retirement System and disseminates retirement plan information. The unit also administers the Pre-Tax Flexible Benefits Plan.

Budget Review Office Evaluation

- The 2010 Recommended Budget includes $596,242 for the EMHP Unit, $12,973 more than adopted in 2009 and $44,920 more than estimated, but $2,500 less than requested.
- The Unit is staffed with nine full-time employees; there are sufficient salary appropriations to fund these positions for the full year. There are currently no vacancies.
- EMHP and County Sponsored HMOs cover approximately 21,000 members, representing approximately 47,000 lives.

Budget Review Office Recommendations

The Executive's 2009 estimated budget and 2010 Recommended Budget are reasonable.

BP CivilService10

CONSUMER AFFAIRS

Major Issues

1. Staffing
2. Revenue
3. Inspection of Motor Fuel Meters
4. Restitution Fund
5. Vehicles

Budget Review Office Evaluation

The Office of Consumer Affairs, a division of the County Executive's Office became the Department of Consumer Affairs with the adoption of Resolution No. 1095-2008. The mission of the Department of Consumer Affairs is to ensure equity in the marketplace and promote high standards of commercial integrity in the manufacture, distribution, and sale of consumer goods and services in Suffolk County. The intent and purpose of creating the Department of Consumer Affairs was to provide the independence needed to provide discretion and authority to serve the needs of the residents of Suffolk County by diligent enforcement of consumer protection laws. The core functional areas of Consumer Affairs remains unchanged: Bureau of Administration, Bureau of Complaints, Bureau of Licensing, and Bureau of Weights and Measures.

Office Reorganization

A brief history shows that in 1993 the Department of Consumer Affairs became an office under the County Executive known as the Office of Citizen Affairs administered by a Director of Citizen Affairs, a competitive position (grade 31). In 1997, the Office of Citizen Affairs became the Office of Consumer Affairs administered by the Director of Weights and Measures, a competitive position (grade 30). The Director of Weights and Measures retired in 2008 under the County's early retirement incentive program. Resolution No. 104-2008 created the position of Commissioner of Consumer Affairs (grade 36). The Commissioner serves at the pleasure of the County Executive. The Commissioner has been designated under Charter Law C31-2 the authority as the Director of Weights and Measures. The position of Director of Weights and Measures has remained vacant, and the Commissioner has been designated the authority. The Commissioner receives no additional compensation as per Charter Law C31-2 for his dual function as the Director of Weights and Measures.

Staffing

The Department of Consumer Affairs is recommended with a staffing level of 45, one less than the 2009 adopted level of 46. The one Office Systems Technician is transferred to the Department of Information Technology Services.

The main personnel issue in the Department of Consumer Affairs is the steady decline of staff. As of September 21, 2008, there were 45 authorized positions, of which six were vacant, for a vacancy rate of 13%. As of September 20, 2009, there were 46 authorized positions with 14 vacancies for a 30% vacancy rate.

The following table illustrates vacancies by position from 2008 to 2009:

Job Title	Grade	2008	2009
Director of Weights and Measures earmarked to Administrator IV	32/31	1	1
Assistant Director of Consumer Affairs	29	0	1
Occupational Licensing Specialist V	27	1	1
Consumer Affairs Investigator II -Elect	23	0	1
Weights and Measures Inspector	20	1	4
Consumer Affairs Investigator I	18	1	1
Principal Account Clerk	17	1	-
Principal Clerk	14	0	1
Clerk Typist	9	1	4
Total Number of Vacant Positions		6	14

The Bureau of Weights and Measures includes 12 positions of which there are two Senior Weights and Measures Inspectors and six are Weights and Measures Inspectors. Four of the six Weights and Measures Inspectors are vacant. Based on information provided by the Department of Consumer Affairs, staff shortages are resulting in excess inspection delays. Resolution No. 588-2008, A Local Law Authorizing a Program to Waive Item Pricing Requirements, was adopted in August 2008. To fulfill the statutory requirements associated with the item pricing waiver program and to maximize department revenues, Department resources have been diverted from tasks that require greater time and produce lower revenue (verifying the accuracy of scales, meters, and pumps). Vehicle scales have not been verified for accuracy for 32 months or longer. Vehicle scales are utilized for weighing asphalt, scrap steel, and garbage, to name a few. In addition to the potential for consumers to be shorted, overloaded trucks can lead to roadway and bridge damage. Also of concern is that verification of the accuracy of liquefied petroleum gas meters (also called LPG, GPL, LP Gas, or autogas) have not been inspected for 19 months or longer. LPG is utilized for heating homes, running vehicles, and backyard barbeques. It has long been established that the lax or delay of inspections leads to abuses at point of sale: scales, meters, and pumps. Consumers in Suffolk County could find that they are not receiving by weight and/or volume what they have paid for if meters go uninspected.

The Department of Consumer Affairs has lost one Principal Clerk and four Clerk Typists out of eight, or 50% over the last 24 months, which is affecting the Department negatively in processing consumer complaints, licensing, and investigations. It appears that the turn around time from receiving a reporting of an infraction to the beginning of an investigation has increased from a few days to as long as three months. At the

request of the Commissioner of Consumer Affairs, the Department of Civil Service/Human Resources has assigned two temporary clerical support staff to the Department to address the staffing shortage. At the September 8th Consumer Protection Committee meeting the Commissioner stated that he has not requested the filling of the vacancies. Positions remain vacant while the Department is experiencing increasing backlogs in inspections. The Chairman of the Consumer Protection Committee directed the Commissioner to request the filling of two clerical support staff positions.

The recommended budget provides sufficient funding to fill two Weights and Measures Inspectors (grade 20) and two Clerk Typists (grade 9) positions three quarters of the year and two Weights and Measures Inspectors and two Clerk Typists positions half of the year in 2010.

The recommended budget reflects the earmarked position, Director of Weights and Measures as an Administrator IV (grade 31). Based on discussions with the Department, the Administrator IV position is not needed in 2010, and was earmarked so that the current Commissioner could fill the Administrator IV position during Consumer Affairs' transition from an Office of the County Executive to a County Department. BRO recommends that the vacant Administrator IV position be abolished, as it is no longer required. The Director of Weights and Measures position responsibility has been designated under Charter Law C31-2 to the Commissioner. There are sufficient appropriations to reduce permanent salaries by $100,000 in 2010 and fill vacancies as recommended above.

Revenue

The following table summarizes 2008 to 2010 revenue for the Department of Consumer Affairs.

Revenue Code	Description	2008 Actual	2009 Adopted	2009 Est.	2010 Req.	2010 Rec.
2546	Fees: License For Consumer Affairs*	$2,899,755	$3,400,000	$3,249,000	$3,244,800	$3,236,300
2547	Fees: Weights & Measures	$290,335	$1,020,000	$1,020,000	$1,037,000	$1,037,000
2631	Fines: Weights & Measures	$168,635	$225,000	$199,999	$165,000	$165,000
2632	Fines: Complaints & Licensing	$92,530	$100,000	$34,000	$34,000	$100,000
3089	Octane+ Sampling	$35,711	$40,000	$40,000	$32,000	$32,000
	Totals	$3,486,966	$4,785,000	$4,542,999	$4,512,800	$4,570,300

*** Table CA1**# Not included in the above table are 2403 bank interest & 2770 other unclassified revenues, combined estimated revenue totals equal $2,500.

- The 2009 estimated revenue for Consumer Affairs is $4,542,999, which is $242,001 or 5.06% less than the 2009 adopted amount of $4,785,000. The 2009 estimated revenue is $1,056,033 higher than the 2008 Actual. The increase is due in part to the waiver item for pricing requirements, and to an increase in the application fee for occupational licenses. The Department estimates the 2009 revenue from the IPW program to be more than $687,000. The increase in the application fee is anticipated to provide additional revenue of $315,000.
- The 2010 recommended revenue for Consumer Affairs is $4,570,300, which is reasonable as compared to the 2009 estimated revenue provided that two Weights and Measures Inspectors and two Clerk Typists positions are filled in the 1st quarter of 2010 and two Weights and Measures Inspectors and two Clerk Typists positions are filled in the 2nd quarter of 2010. Without proper staffing levels in 2010, we foresee Department revenue decreasing and noncompliance with weights and measures laws increasing.

Inspection of Motor Fuel Meters

The workload in inspecting motor fuel pumps at gas stations over the last ten years has expanded significantly with the increased size of the gas station operations. There are 568 gas stations with 9,478 gas pumps that are required to be inspected on a yearly basis. The current fees are $50 for an initial application fee and a fuel facility registration fee of $200 covering a two-year period.

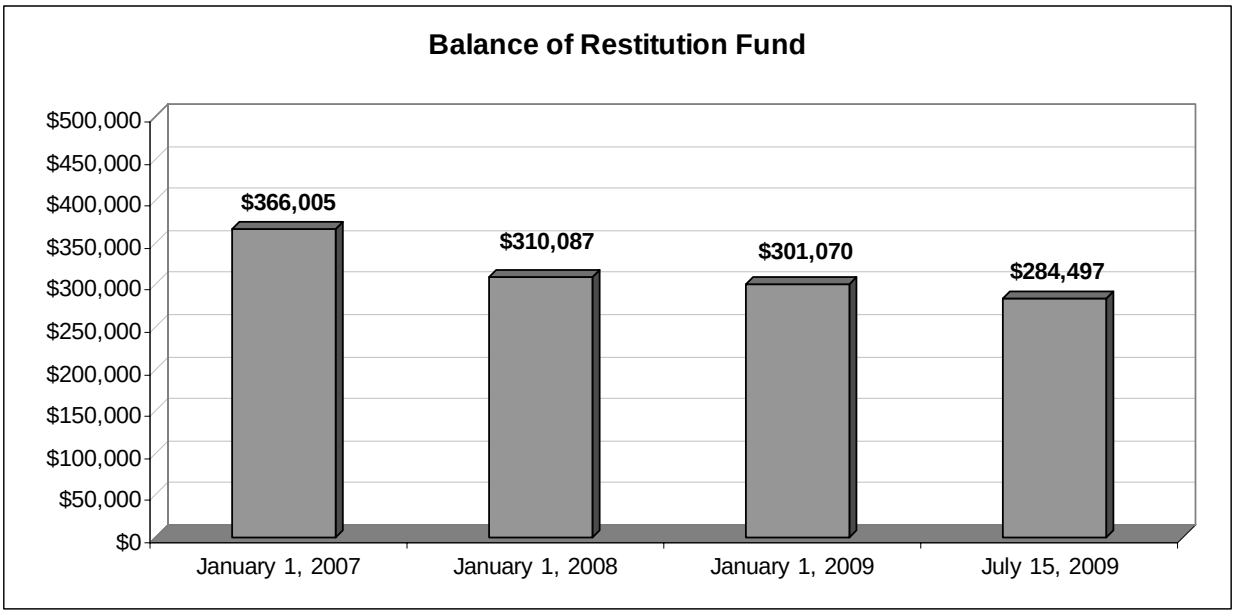
We recommend that the initial application fee be increased to $150 and the bi-annual fuel facility registration fee be increased to $400, which is consistent with occupational license fees. In addition, we recommend establishing a per device (gas pump) fee of $35 to offset expenditures associated with their regulation. The current annual inspection fees for similar meters ranges from $120 to $140 per meter. The above fee adjustments are recommended to cover annual operating and enforcement costs associated with the inspection of motor fuel meters. BRO estimates that on an annualized basis an additional $400,000 in revenue (001-2547) will be realized to offset the Bureau of Weights and Measures expenditures.

Restitution Fund

Local Law No. 2-1999 created the Restitution Fund in order to provide monetary restitution up to $5,000 for consumers who are unable to collect on judgments obtained against licensed home improvement contractors. The Restitution Fund is supported through an initial fee of $100 from home improvement contractors who apply for a home improvement license. This fund provides a safety net for consumers who use a Suffolk County licensed home improvement contractor.

With the down turn in the local economy, the Department of Consumer Affairs has seen an increase in the number of first time home improvement contractors applying for licenses. This is a consequence of unemployed and under employed individuals exploring new ways to generate income. Based on historical trends, home improvement contractors with less than two years of experience, are responsible for the

majority of the complaints and disbursements from the Restitution Fund. As of July 15, 2009, the Restitution Fund balance is $284,497. The following chart exemplifies the 22.3% decline in the Restitution Fund balance from January 1, 2007 to July 15, 2009.



There is a chance with this influx of inexperienced home improvement contractors and a slowing economy, that the Restitution Fund could be depleted within the next five years.

The maximum restitution disbursement and initial fee have never been adjusted to reflect present values of goods and services since its establishment in 1999. To prevent a depleted fund balance in the Restitution Fund, we recommend that the initial fee of $100 from home improvement contractors who apply for a home improvement license be amended to $130, which is the current net present value, based on the CPI in the New York area; and renewals of home improvement license pay a fee of $65 to the Restitution Fund and that the maximum disbursements from the Restitution Fund be increased to a maximum of $6,650, to reflect current marketplace home improvement costs. The adjusted fee rates and revised maximum disbursement amount are intended to maintain self-funding Restitution Fund. This recommendation is not a budget issue and can be addressed during 2010.

Vehicles

The Department of Public Works requested the replacement of one sedan with a hybrid, and the replacement of four pickup trucks for the Department of Consumer Affairs, Division of Weights and Measures. The recommended budget does include funding for these vehicles. The Department of Consumer Affairs (CNS) has an aging fleet of specialized testing vehicles that are required for the day-to-day operation of the Department. There are three special purpose trucks that are in need of replacement due to age, condition and the frequency and cost of necessary repairs:

- 1984 Ford F-350 Pickup; this vehicle is outfitted with testing equipment that verifies the accuracy of gas station meters.

- 1986 Ford F-350 Pickup; this vehicle is outfitted with testing equipment that verifies the accuracy of home heating & petroleum fuel meters.
- 1987 Ford F-350 Pickup; this vehicle is outfitted with testing equipment that verifies the accuracy of gas station meters.

The estimated replacement cost of three Ford F-350 RC, 4x2 is $48,000, plus a refitting cost of $15,000 or $21,000 per vehicle.

The Weights and Measures Inspectors use 1999 Ford Rangers to carry out their day-to-day job responsibilities. Three of the nine Ford Rangers have over 104,000 miles and are in need of replacement in 2010. The estimated replacement cost of three Ford Rangers is $36,000 ($12,000) per vehicle. BRO recommends the replacement of three Ford Ranger trucks.

The Bureaus of Administration, Complaints, and Licensing utilize four 1999 Ford Escorts as pool cars to carry out their day-to-day job responsibilities. BRO recommends the replacement of these four 1999 Ford Escorts through Capital Project 5601 Purchase of Hybrid Electric Vehicles, and/or Capital Project 5602 Clean Cities – Alternate Fuel Infrastructure and Compressed Natural Gas (CNG) Vehicles.

Budget Review Office Recommendations

- Fill two Weights and Measures Inspectors (grade 20) and two Clerk Typists (grade 9) positions three quarters of the year and two Weights and Measures Inspectors (grade 20) and two Clerk Typists (grade 9) positions half of the year in 2010 using available appropriations.
- Increase the initial application fee for gas stations from $50 to $150; the bi-annual fuel facility registration fee from $100 to $400; and institute a $35 fee to cover annual operating & enforcement costs associated with the inspection of motor fuel meters for a potential increase in revenue of $400,000.
- Replace three Ford F-350 RC, 4x2 at $48,000, plus refitting cost of $15,000 or $21,000 per vehicle. These vehicle are utilized to transport heavy duty specialized test equipment necessary to verify the accuracy of gas station meters, oil truck meters, and to trailer test equipment that verifies the accuracy of liquefied petroleum gas meters.
- Replace three Ford Rangers RC SB 4x2 at $36,000 or $12,000 per vehicle in the Bureau of Weights and Measures.
- Abolish the vacant Director of Weights and Measures (earmarked) Administrator IV and reduce permanent salaries $100,000.

MUN ConsumerAffairs10

CORNELL COOPERATIVE EXTENSION

Major Issues

1. CCE request to restore funding for: 4H Youth & Development and Farm Education Program, and Family Health & Wellness Program.
2. Fund 477, Suffolk County Water Protection Fund, CCE Program Oversight.

Background

Cornell Cooperative Extension (CCE) is an authorized contract agency as well as a subordinate government agency that offers public education programs at little or no charge. CCE also offers and operates non-county funded programs. These programs have been developed by the USDA, Cornell University, and in-house by Suffolk's local CCE. CCE provides assistance to local residents, towns and businesses in developing the skills needed to solve their environmental, economic, community, and family problems through the use of research based information. Several CCE programs are offered at County facilities including the County Farm in Yaphank, Cedar Beach Marine Facility in Southold, Peconic Dunes, and in their County-owned office in Riverhead. In exchange for the use of these public assets CCE takes on the stewardship responsibility of facility maintenance and preservation.

- Cornell Cooperative Extension's core County-funded programs in 2009 can be categorized into three primary areas: Agricultural, Youth Development, and Marine Sciences.
- Specialized programs offered by CCE in 2009 are administered through the following County departments: Environment & Energy, Health Services, Probation, and Social Services.
- CCE receives funding through the County General Fund (001), Water Protection Fund (477), Federal and State Aid, and Non-County Fees for Service.

Budget Review Office Evaluation

The following evaluation only addresses County funding and does not include CCE expenditures and revenues that are not part of county services.

The 2010 Recommended Budget includes a total of $4,976,556 in County funding for CCE programs, which is $3,557 more than the 2009 Adopted Budget. The recommended budget is a cost to continue budget for CCE programs that are funded through the General Fund and does not include the CCE request for $82,000 to restore the 4H Youth & Development & Farm Education Program (HSG1), and $188,500 for the Family Health & Wellness Program. According to CCE, the Department of Health Services instructed them to request ten percent less than the adopted 2009 amount for

their Water Quality Program (Fund 477) in 2010. The recommended budget provides 477 funding as requested by CCE.

The following table summaries the recommended 2010 funding for CCE.

FD	X-ORG	Dept.	Program Description	2010 Recommended Budget
001	HSI1	HSV	Farm Meat Production Program	$948,134
001	HSD1	HSV	Admin., Finance, & Communications	$686,338
001	3190	PRO	Juvenile Day Reporting Center (SOAR)	$574,588
001	HSF1	HSV	Agriculture & Horticulture Program	$491,506
001	HSE1	HSV	Marine Program	$477,819
001	GGW1	HSV	Diabetes Prevention Program	$385,875
001	GHE1	DSS	Food Stamp Program	$172,922
			General Fund 001	**$ 3,737,182**
477	GZA1	EVE	S.C. Stormwater Phase II Program	$340,000
477	HSN1	HSV	Restoration Peconic Bay Scallop & Fish	$320,441
477	HSK1	HSV	Dev. & Implementation Agriculture Stewardship	$260,786
477	HSM1	HSV	Integrated Pest Management Program	$187,272
477	HSJ1	HSV	Alt. Mgmt. Strategies Insects in S.C.	$130,875
			Water Protection Fund 477	**$1,239,374**
			Total of Fund 001 & 477	**$4,976,556**

To increase accountability and monitoring, the 2009 adopted budget transferred four General Fund (001) core CCE programs (HSD1, HSE1, HSF1, and HSI1) and four Fund 477 water protection programs (HSJ1, HSK1, HSM1, and HSN1) to the Department of Health Services. This transfer modified the budget presentation for CCE. CCE no longer has an individual narrative and budget section.

4H Youth & Development and Farm Education Program

The 2009 Adopted Budget did not include the CCE request of $218,578 for the 4H Youth & Development and Farm Education Program (HSG1). To keep the 4H Youth & Development and Farm Education Program's core mission continuing in 2009, CCE shifted non-county resources to this program. CCE currently occupies various structures at the County farm to provide this service. According to CCE, this program was integrated with the (HSI1) Farm Meat Production Program. CCE requested $82,000 to maintain this program through 2010. The additional County support is estimated by CCE to attract $153,974 in aid and $398,049 in program revenue in 2010. The 2010 Recommended Budget does not provide funds for this program. Without County support for this program, CCE informed the BRO that CCE would need to reduce staff levels by at least one 4H staff member and reduce program offerings in 2010. CCE also indicated it would be at risk of losing their 4H status.

Family Health & Wellness Program

The 2009 Adopted Budget did not include the CCE request of $300,272 for the Family & Consumer Sciences Program (HSH1). To keep the Family & Consumer Sciences

Program's core mission continuing in 2009, CCE shifted non-county resources to this program and is utilizing the last of their remaining federal and state grant funding. CCE restructured this program and is now operated under the name of "The Family Health & Wellness Program". The modified program has three key areas of outreach: Food and Nutrition Education in Communities, Reducing Obesity Prevalence and Preventing and Managing Chronic Disease, and Strengthening Family Well-Being. CCE currently occupies County space in Riverhead to provide this service. CCE requested $188,500 to continue The Family Health & Wellness Program in 2010. The total 2010 cost of the program is estimated at $304,004, $188,500 County share, $84,624 federal and state grants, and $30,880 program revenue. CCE has informed the Department of Health and BRO that this program will end in 2009 if funding is not adopted for its continuation in 2010. The Department of Health also expressed that some of the outreach components provided under this program are duplications of their services.

Diabetes Prevention Program

IR 1802-2009, laid on the table September 17, 2009, increases funding by $142,487 to $385,875 for CCE's (GGW1) Diabetes Prevention Program. According to CCE, the additional funding is necessary to maintain the program through the end of the year. The 2010 Recommend Budget provides $385,875 as requested for (GGW1) Diabetes Prevention Program in 2010. This funding level is sufficient for program delivery in 2010.

477 Funded CCE Programs (Water Protection Program)

The recommended (477) budget provides $1,239,374, which is $138,930 or ten percent less than the 2009 Adopted Budget for 477 programs. CCE was instructed by the Department of Health Services to request ten percent less in 2010 than the adopted 2009 budget. This funding level is in line with 2008 actual amounts, and based on discussions with CCE, the recommended budget provides sufficient funding for operations in 2010.

477 Funded CCE Program Oversight

Charter Law 24-2007 amended and extended the Suffolk County Quarter Percent Drinking Water Protection Program for Environmental Protection through 2030. Section §12-3 was amended and assigns the management, administration, and day-to-day care and supervision of Fund 477 programs to the Department of Environment and Energy (EVE), and requires the Executive's Budget Office to maintain the financial records of County funds expended. Although the referendum was adopted in 2007, the management, administration, and day-to-day care and supervision of four CCE Fund 477 programs have not been transferred to the Department of Environment and Energy (EVE) as per Charter Law.

The 2010 Recommended Budget maintains the following four 477 CCE programs in the Department of Health Services:

- Alternative Management Strategies for Control of Insects in Agriculture and Landscapes a/k/a Entomology Program (HSJ10),

- Development & Implementation Agriculture Stewardship Program (HSK1),
- Integrated Pest Management Program (HSM1), and
- Restoration of Peconic Bay Scallop Population & Fisheries (HSN1)

Either the Charter should be amended to reflect the Health Department oversight or the programs (HSJ1, HSK1, HSM1, and HSN1) should be transferred to EVE to be consistent with the Charter Law 24-2007.

CCE 477 Contract Status

The following five contracted water quality protection and restoration programs administered by CCE concluded in 2009:

- The Suffolk County Stormwater Phase II Program (GZA1) on December 31, 2009.
- The Alternative Management Strategies for Control of Insects in Agriculture and Landscapes a/k/a Entomology Program (HSJ10), Development & Implementation Agriculture Stewardship Program (HSK1), Integrated Pest Management Program (HSM1), and Restoration of Peconic Bay Scallop Population & Fisheries (HSN1) on December 31, 2009 with a one year extension at the County's discretion.

According to EVE, the Water Quality Protection and Restoration Program and Land Stewardship Initiatives Committee (WQPRPLS) recommended funding all five of the above programs in 2010 at the requested amount of $1,239,374. The Committee's recommendations are advisory. We requested copies of WQPRPLS recommendations for funding in 2010, as of October 5, 2009 we have not received the requested confirmation information.

The continuation and funding of these programs in 2010 are at the discretion of the Legislature.

<u>Budget Review Office Recommendations</u>

The Budget Review Office recommends deleting funding in the 2010 budget for the following five programs: (GZA1, HSJ10, HSK1, HSM1, and HSN1), and requiring the Department of Environment and Energy to present to the Legislature their assessment of each 477 CCE program in achieving set goals and the program effectives prior to the adoption of a funding resolution during 2010. This procedure complies with Charter Law 24-2007 and provides the Legislature with initial program fiscal oversight, and continuing program fiscal oversight annually. Funds can be appropriated by resolution during 2010 if the Legislature agrees to their continuation.

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COUNTY CLERK

Major Issues

1. Expenditures
2. Revenue
3. Archives

Budget Review Office Evaluation

Expenditures

- The 2010 Recommended Budget includes expenditures of $7,824,142, which represents a decrease of $181,159 or 2.3%, from the 2009 adopted budget. The recommended budget is $586,205 or 8.1% more than the 2009 estimate and $212,872 or 2.6% less than requested.
- The $212,872 difference between the requested and recommended amounts is attributable to permanent salary reductions of $79,862, overtime reductions of $21,001, a $70,306 reduction in office machines (2020), and postage is reduced $20,001.
- The $70,306 reduction in office machines relates to the need to purchase new computers for use by the public. These computers were purchased through Capital Project 1785.
- No new positions were requested or recommended nor were any positions transferred to other departments or abolished. As of the end of September, the Clerk's Office has 131 authorized positions of which 21 are vacant. The County Executive has released two of these positions.

Revenue

- New York State has passed state legislation that permits counties to adopt a Local Law that would increase the handling fees for documents from $5.00 to $20.00 per document and the per page charge from $3.00 to $5.00. The County adopted Local Law No. 36-2008 (Resolution No. 727-2008), which has been filed with the Secretary of New York State. The increased fees went into effect on October 16, 2008.
- Another change that occurred in 2008 is that the County no longer rented cubicle space to title searchers. The cubicles were mini offices containing computers, telephones, copiers, and faxes. The title searches must now use County equipment and pay for the use. These funds are also accounted for as County Clerk Fees.
- The recommended budget estimates revenue of $13,999,999 for 2009 in County Clerk Fees (001-1255), which is a $3,579,707 increase from the 2008 actual and a decrease of $3,700,001 or 20.9% from the 2009 adopted amount of

$17,700,000. The 2010 recommended revenue is $15,250,000, which is $1,750,000 more than requested. The decline in the real estate market is well known and this has had an impact on County Clerk filing fees. Even with the declining real estate market, the increase in per document and per page fees should allow the County to collect the estimated and recommended amounts. The Clerk's Office has also indicated that in September 2009 there has been a large number of mortgage modification agreements filed. A mortgage modification agreement is a legal document that changes a term of an existing mortgage such as the interest rate or final due date. There is a filing fee for filing a modification, but mortgage tax is not paid.

- 2009 Micrographics Fees (001-1256) are estimated to be $149,191. Based upon revenue received to date, we concur with this amount. For 2010, the recommended budget includes revenue of $150,000 for Micrographic Fees as requested by the Department. We concur with the recommended amount.
- For 2009, County Clerk Subscription Fees (001-1260) are estimated to be $957,199. Based upon revenue received to date, we concur with this amount. For 2010, Subscription Fees are recommended at $1,300,000. The Department had requested $1,250,000. We concur with the recommended amount.

Archives

The County Clerk is still not accepting records for storage at BOMARC. In September, the Department of Public Works (DPW) began removing boxes from the collapsed shelving at BOMARC. The plan is to remove all of the boxes, disassemble the damaged shelving, and replace it with new shelving. The cause of the collapse, which occurred Thanksgiving weekend 2008, has not been determined.

Budget Review Office Recommendations

We concur with the recommended budget as submitted.

KD CountyClerk10

DISTRICT ATTORNEY

Major Issues

1. Expenditure Overview
2. Staffing/Workload
3. New and Vacant Positions
4. Case Management System / IT
5. Record Storage
6. Vehicles

Budget Review Office Evaluation

Expenditure Overview

The recommended 2010 budget for the District Attorney is $33,737,894, which represents a 1.2% increase from the 2009 adopted amount. The principal portion of expenditures is for personnel costs, which are 92% of the recommended amount.

The DA requested $1.98 million more than recommended with the majority of these expenditures for personnel costs to fill new and vacant positions ($1.3 million), computer hardware ($169,000) and for the development of the Case Management System ($400,000), which was included in the Department of Information Technology's budget.

The 2009 estimated budget has insufficient funding in three line items.

1. Funds for permanent salaries (001-1165-1100): The adopted amount was decreased by $1,157,717 to $23,996,980. Based upon current payroll information we estimate that an additional $280,000 will be required to meet current staffing levels.
2. Memberships and Subscriptions (001-1165-3070): Primarily for on-line legal information, which will require an additional $10,000.
3. Repairs: Office Equipment (001-1166-3610): Printer and server repair costs were underestimated by $7,628.

TOTAL: $297,628

Conversely, the following 2009 accounts will have a surplus:

1. Cameras & Photographic Equipment (001-1165-2070) $38,000.
2. Radio & Communications Equipment (001-1165-2090) $55,984.
3. Computer Software (001-1166-3160) $70,162.

TOTAL: $164,146.

The net impact of these adjustments is an increase in estimated expenditure of $133,482

Staffing/Workload

The Department's workload continues to grow as felony intakes have increased from 7,230 cases in 2002 to an estimated 9,135 cases in 2009, misdemeanor intakes have increased from 38,065 to 47,685 and state appeals have increased from 125 in 2004 to an estimated 190 in 2009. The increasing workload is due to the demand on existing major bureaus such as District Court, Major Crimes, East End Bureau and specialty units such as identity theft, gang investigation, gun prosecutions, narcotics bureau and elder abuse as well as new initiatives:

- The adoption of a no-plea bargaining policy with respect to DWI offenders who refuse to submit to chemical testing.
- The Mortgage Fraud Task Force that investigates and prosecutes those defrauding lending institutions and homeowners during the current economic downturn. Over 100 individuals have been prosecuted with an additional 250 cases pending.
- Prosecutions initiated by the Tax Unit of the Economic Crimes Bureau could yield $1.5 million in recovered sales tax from business owners who have not remitted sales tax revenue.
- The Heroin Task Force was implemented in the spring of 2009 targeting a major concern of the DA.

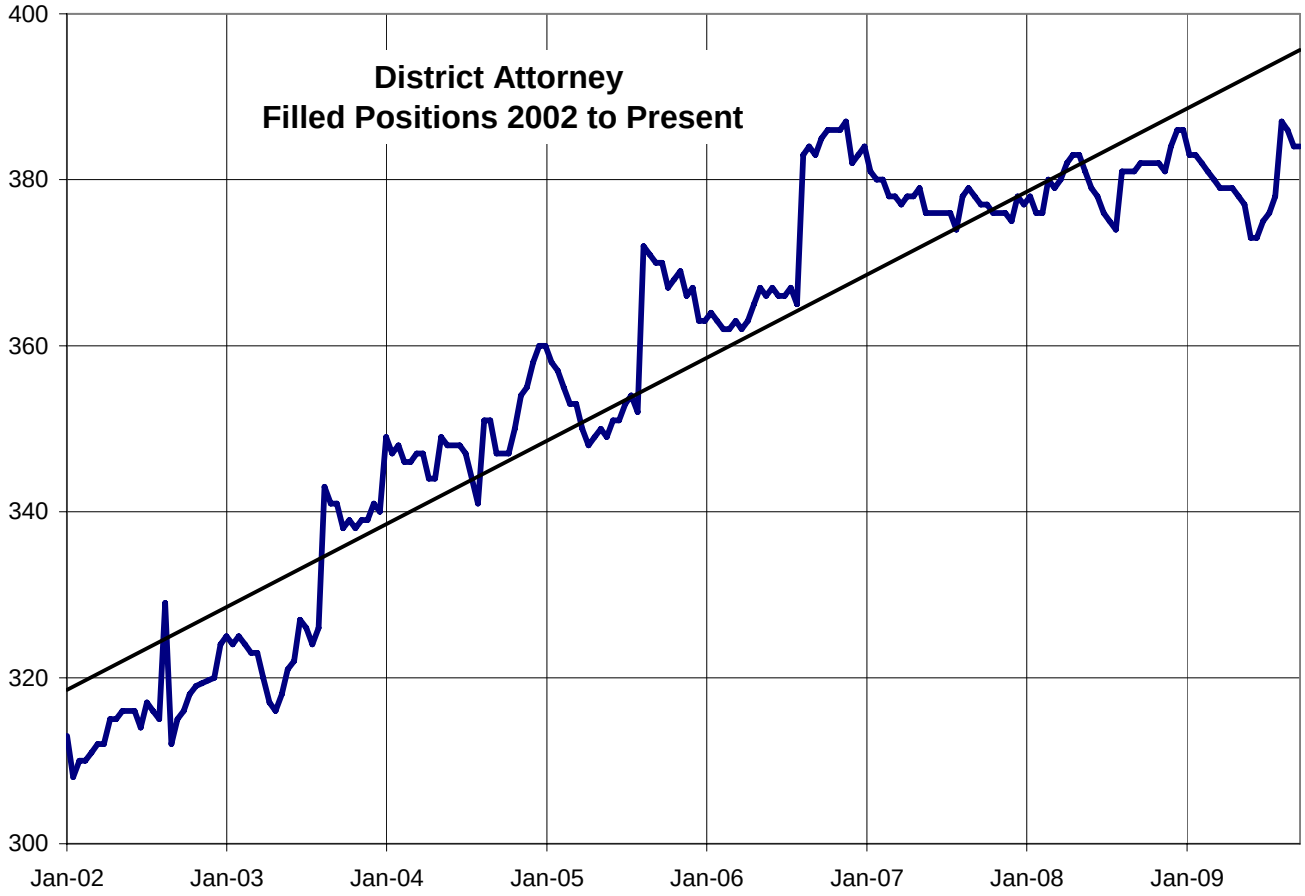
New and Vacant Positions

The DA requested seven new entry-level ADA positions to be assigned to the District Court and East End Bureau. The department must cover 29 courts and these new positions will allow the department to deploy more experienced attorneys to the specialized units previously mentioned. Only two new ADA positions were included in the recommended 2010 budget.

The Executive's narrative states under the department's 2010 major recommendations:

> *"Creates two (2) new Assistant District Attorneys to meet increasing workload requirements, their assignments will be at the District Attorney's discretion."*

With the exception of the DA's Information Technology Unit, the amount included for turnover savings of over $1.6 million reduces permanent salaries to the extent that <u>no</u> new or vacant positions can be filled at any point in 2010 unless there are significant separations from current staffing levels. Therefore, the recommended amount will afford no funding to fill vacant attorney or investigator positions.



Case Management System / IT

Sufficient funding is included in the DA's IT budget to fill all four currently vacant positions in the 2nd quarter of 2010. These positions are needed to implement and maintain the proposed Case Management System as well as supporting current functions. The Case Management System is a tracking system for all cases prosecuted by the DA. The DA requested $400,000 in fees for services (001-1166-4560) to fund the development of the Case Management System. The recommended budget includes this funding in the Department of Information Technology's budget. The computer hardware request of $418,300 was reduced to $249,300, as only high priority hardware will be purchased.

Record Storage

The DA currently maintains the major portion of their records in the basement of Building 77 in Hauppauge. Ancillary filing locations are also kept at the Cohalan Court Complex, Central Islip; Criminal Courts Building, Riverhead; and locations in Southold and Southampton. According to the department, all of these locations are currently filled to the maximum capacity.

Over the past couple of years, there has been discussion as to converting space in the basement of the Medical Examiners Building to storage space for the District Attorney.

This space is congruent with the lower level of the District Attorneys archives in Building 77, but because of cost issues, this project has not commenced.

A possible solution would be to establish a records facility at a separate location. The minimum requirements would be:

1. Space for all existing archived material.
2. Space for the expansion of archived material.
3. Staff to file and retrieve archived material.

Another solution would be to systematically scan records into a digital format as a component of the proposed Case Management System. It should be noted that a certain portion of hard copy records must be maintained even if they are digitized. The length of time they must be maintained varies depending on the type of case. The department should explore this option with the assistance of IT. Several other County departments facing the same record storage issues have developed digitized systems, such as the Police, Social Services and Health.

Vehicles

- By the end of 2009, it is estimated that the DA will have 12 vehicles over 110,000 miles. Staff for the prosecution and investigation of criminal offenses as well as surveillance, undercover operations and transporting witnesses use vehicles. The DA requested 30 replacement sedans in 2010 at cost of $582,500 or $19,450 each.
- Funds were approved in 2009 for the purchase of 29 vehicles. Purchase orders were approved for the purchase of 18 vehicles of which 14 have already been purchased. The Department intends on acquiring the remaining four by the end of the year.
- When the DA seizes vehicles that can be used for undercover purposes, the Department of Public Works maintains that they must decommission a current vehicle as to not increase the size of their fleet. The County Executive should analyze this policy, as it is counter productive for the DA.

<u>Budget Review Office Recommendations</u>

The Budget Review Office recommends that the District Attorney should be afforded the leverage of backfilling ADA positions as they become vacant over the course of 2010 since insufficient funding is included to fill vacant and new positions.

The estimated 2009 amounts should be adjusted as follows base upon year-to-date information:

Budget Account	Change
001-1165-1100	+$280,000
001-1165-3070	+$10,000
001-1166-3610	+$7,628
001-1165-2070	-$38,000
001-1165-2090	-$55,984
001-1166-3160	-$70,162

Although there is $1.5 million included in Public Works for public safety vehicles, there is no detail as to what departments will receive vehicles. The Budget Review Office believes that the vehicles over 110,000 miles that are costly to repair should be replaced. Therefore, we recommend the replacement of vehicles for the DA through this account or the assignment of hybrid vehicles, which will be purchased through the capital program.
JO DistrictAttorney10

ECONOMIC DEVELOPMENT AND WORKFORCE HOUSING

Major Issues

1. Legislative initiatives and Fund (192), Hotel/Motel Tax
2. Aviation Enterprise Fund (625) and the Aviation Division

Budget Review Office Evaluation

The Department of Economic Development and Workforce Housing (ECD) is responsible for the following programs and functions:

- Promotion of business retention, expansion, and attraction through coordinating efforts with the Suffolk County Empire Zones, Suffolk County Foreign Trade Zones, Suffolk County Industrial Development Agency, and Local Development Corporations
- Development and expansion of workforce/affordable housing (Funds 001 and 351)
- Oversight and planning for the County airport's development (Fund 625)
- Administration of downtown revitalization programs

- Promotion of tourism in Suffolk County (Fund 192)
- Attraction and coordination of motion picture, T.V. and cultural events (Fund 192)

The recommended budget includes $5,741,938 for the Department of Economic Development and Workforce Housing in 2010, an increase of $879,251 or 18% more than the 2009 Adopted Budget. This increase is primarily associated with an increase of $1,464,291 in Fund 192, for the promotion of tourism in Suffolk County of $779,772, for cultural affairs of $526,580, for the promotion of Suffolk County as a film friendly location of $157,939, a decrease of $668,416 in the (001) General Fund, for contractual expenses of $512,737, for Permanent Salaries of $90,668, and for Fee For Services: Non-Employee of $65,011.

Staffing

The 2010 Recommended Budget includes $752,464 for permanent salaries for the 12 budgeted positions in the General Fund (001). The Commissioner is now acting Deputy County Executive, and the Commissioner position will be vacant by the end of 2009. It is anticipated that the Commissioner position will be filled in the last quarter of 2010. Based on this information there are sufficient permanent salary appropriations for the 12 budgeted positions.

The 2010 Recommended Budget includes $73,563 for permanent salaries in Fund 192 for one filled position, Program Coordinator (Cultural Affairs) (grade 25) transferred from the General Fund to the newly created Division, Film Promotion. This transfer is intended to provide staff and resources to promote Suffolk County as a place to film motion pictures and television shows and is funded with Hotel/Motel Tax Fund (192) revenue.

Contracted Agencies in Fund 192

The recommended budget includes $60,600 (Fund 192) for the following five contracted agencies that where previously funded in the General Fund.

Act. Code	Contract Agencies	2009 Modified General Fund	2010 Rec. Fund 192	Difference
GZW1	BAY STREET THEATER	$12,500	$20,400	$7,900
HAN1	GUILD HALL OF EAST HAMPTON	$12,500	$12,500	$0
HIP1	HAMPTON FILM FESTIVAL	$12,500	$12,500	$0
HBP1	STALLER FILM FESTIVAL	$22,200	$10,200	($12,000)
HUR1	THE PERLMAN MUSIC PROGRAM	$0	$5,000	$5,000
	Totals	**$59,700**	**$60,600**	**$900**

These programs are required under Tax Law 1202-0 (5) and Resolution No. 805-2009 to be programs and activities relevant to the continuation and enhancement of the tourism industry in Suffolk County.

Legislative Initiatives

The recommended budget excludes $454,700 for the following contracted agencies, which were included by the Legislature in 2009.

Act. Code	Contract Agencies	2009 Modified
JBX1	BABYLON CITIZENS COUNCIL ON THE ARTS	$17,500
JBY1	BABYLON VILLAGE ARTS COUNCIL	$7,500
GZW1	BAY STREET THEATER	$12,500
GVU1	BAYPORT-BLUE POINT CHAMBER OF COMMERCE	$5,000
JER1	BELLPORT CHAMBER OF COMMERCE	$5,000
JES1	CENTER MORICHES CHAMBER OF COMMERCE	$5,000
GVY1	CENTEREACH CIVIC ASSOCIATION	$5,000
HLJ1	CENTRAL ISLIP HISTORICAL PRESERVATION SOCIETY	$4,000
HAH1	EAST NORTHPORT CHAMBER OF COMMERCE	$5,000
JEU1	EAST END ARTS COUNCIL	$5,000
HWH1	EAST END ARTS COUNCIL - WINTERFEST	$10,000
JBU1	FAMILY SERVICE LEAGUE HOMESHARE OF LONG ISLAND	$15,000
JEA1	FISCHER - HEWINS VFW POST 6249	$40,000
HHF1	FRIENDS OF SMITHTOWN LIBRARY	$30,000
JET1	FRIENDS OF THE BIG DUCK	$5,000
GSZ1	GREATER PORT JEFFERSON ART COUNCIL	$10,000
HAN1	GUILD HALL OF EAST HAMPTON	$12,500
HAO1	HAMPTON BAYS BEAUTIFICATION ASSOCIATION	$5,000
HIP1	HAMPTON FILM FESTIVAL	$12,500
JEV1	HARRISON HALE GORDON HEIGHTS COMMUNITY ACTION CENTER	$5,000
GWH1	HAUPPAUGE INDUSTRIAL ASSOCIATION	$12,500
JGE1	HERITAGE TRUST	$4,000
GTY1	HOLBROOK CHAMBER OF COMMERCE	$10,000
JEW1	HOLTSVILLE CIVIC ASSOCIATION	$10,000
BBU1	ISLIP ARTS COUNCIL	$30,000
HZF1	KEEP ISLIP CLEAN	$5,000
GWO1	KINGS PARK CHAMBER OF COMMERCE	$8,000
JDZ1	LAKE GROVE BEAUTIFIACTION AND HISTORICAL SOCIETY	$5,000
JEX1	LAKE RONKONKOMA CIVIC ORGANIZATION	$5,000
HAS1	LI SHAKESPEARE	$7,000
JEY1	MASTIC BEACH PROPERTY OWNERS ASSOCIATION	$5,000
JDU1	MIDDLE COUNTRY COALITION FOR SMART GROWTH	$5,000
HAX1	MONTAUK CHAMBER OF COMMERCE	$5,000
JGA1	NACEC	$16,000
HHJ1	NESCONSET CHAMBER OFCOMMERENCE	$10,000
JEZ1	REFLECTIVE GARDENS AT COMMON GROUND	$10,000
JFA1	RIVERHEAD CHAMBER OF COMMERCE	$5,000
GXC1	RONKONKOMA CHAMBER OF COMMERCE	$5,000
HBF1	SELDEN CIVIC ASSOCIATION	$5,000
GXG1	SMITHTOWN CHAMBER OF COMMERCE	$13,000
GUP1	ST JAMES CHAMBER OF COMMERCE	$8,000
JGF1	ST. JUDE COUNCIL KNIGHTS OF COLUMBUS	$5,000
HBP1	STALLER FILM FESTIVAL	$22,200
JFB1	THE GREATER MIDDLE COUNTRY CHAMBER OF COMMERCE	$5,000
GTG1	WESTHAMPTON BEACH PERFORMING ARTS	$17,500
HRM1	WYANDANCH COMMUNITY DEVELOPMENT CORP.	$5,000
	Total	**$454,700**

The Legislature may desire to fund additional and/or a number of the above 2009 Legislative initiatives in 2010 with 192 funds. To qualify for 192 funding, the mission of the agency must comply with Tax Law 1202-0 (5) and Resolution No. 805-2009. The BRO estimates that $422,221 is available in appropriation (192-ECD-6414) for Cultural Affairs programs and activities relevant to the continuation and enhancement of the tourism industry in Suffolk County, and $210,123 is available in appropriation (192-MSC-7516) for museums, historical societies, historic residences, and historic birthplaces. The additional benefit of funding agencies with Fund 192 funding requires LICVB to include them in their promotion of Suffolk County.

Our recommendation maintains $282,740 (192-ECD-6414) as requested by the department for cultural contract agencies that are reviewed by the Cultural Affairs Advisory Board. The Cultural Affairs Advisory Board's funding recommendation is advisory only and is approved or disapproved by the Legislature by resolution.

Aviation Enterprise Fund (625) and the Aviation Division

The County took ownership of a 1940's surplus Air Force base in the Town of Southampton in the early 1970's, which is now known as Gabreski Airport.

A Legislative initiative, based on Budget Review Office's recommendation, established the Aviation Enterprise Fund (625) in 2003. One of the principal objectives for establishing the Aviation Enterprise Fund was to identify all County airport expenditures and revenues, which would permit the County to reinvest annual enterprise fund surpluses into the maintenance and development of the airport.

For the first time since establishing the Airport Enterprise Fund (625), the 2009 Adopted Budget included an interfund transfer to the General Fund ($1.89 million). The majority of the funds came from a one-time user fee payment of $1.2 million from the Air National Guard for its past use of the airport's sewage treatment facility. Other contributing factors for this transfer are a 2007 year-end fund balance of $186,814; increased landing fee revenue from increasing airport fees (Resolution No. 513-2008), and a savings of $82,479 in lower than budgeted personal services.

2009

The 2010 Recommended Budget includes an interfund transfer of $485,210 from the General Fund to the Airport Enterprise Fund (625). This deficit is primarily associated with anticipated lease revenue of $1 million not being realized in 2009 from "Rechler at Gabreski LLC" (Rechler Equity Partners of Melville) for the development of 55 acres in the Airport Planned Development District, Hampton Business and Technology Park at Gabreski Airport. At the time the 2009 operating budget was being adopted the County had not approve a lease agreement with Rechler at Gabreski LLC. Resolution No. 379-2009 authorized the County Executive to execute a lease agreement with Rechler at Gabreski LLC. The terms of the lease outline a payment schedule of $650,000 to be held in escrow and paid to the County upon the commencement of the lease and after Rechler at Gabreski LLC receive the necessary approvals for the overall development of the site, and $350,000 to be paid in twelve equal monthly installments over the first

year of the lease term. The rent is $222,275 for the first year. The recommended budget assumes that Rechler at Gabreski LLC will receive the necessary approvals for the overall development of the site by October 1, 2010 with estimated revenue of $793,069 from Rechler at Gabreski LLC. BRO is concerned with the terms of the lease associated with the commencement of lease payments that represents 39.3% of the estimated Fund 625 revenue. If Rechler at Gabreski LLC is unable or unwilling to move forward in 2010 with the commencement of developing Hampton Business and Technology Park at Gabreski Airport, then the County will once again be obligated to transfer funds from the General Fund to Fund 625 to maintain operations at Gabreski Airport.

The current economic and weather conditions negatively affected airport fees associated with airport operations in 2009. The 2009 estimated Airport take off fees are $325,574 or $113,858 (26%) lower than the adopted amount of $439,432. The County's airport is a general aviation airport and is reliant on private aircraft operations.

The 2009 and 2010 revenue and expenditures forecasts are reasonable, provided that the commencement of developing Hampton Business and Technology Park at Gabreski Airport by Rechler at Gabreski LLC progresses.

Budget Review Office Recommendations

The Legislature may desire to appropriate $422,221 for specific cultural affairs organizations and activities relevant to the continuation and enhancement of tourism and to appropriate $210,123 for specific museums, historic societies, historic residences, and historic birthplaces.

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ENVIRONMENT & ENERGY

Major Issues

1. Staffing
2. Revenue
3. Expenditures

Budget Review Office Evaluation

Staffing and Transfer of Personnel

- The Department of Environment and Energy consists of six divisions of which five are in the General Fund (Administration, Division of Real Property Acquisition and Management, Office of Energy, Office of Recycling and Waste Management, and Office of Cancer Awareness) and the sixth division, Water Quality Improvement, is funded by the Suffolk County Water Quality Protection Fund (Fund 477).
- The Department of Environment and Energy has 63 positions of which 47 are in the General Fund and 16 are in Fund 477, the Division of Water Quality Improvement. The Department requested one new position, Environmental Planner (grade 21) in the Division of Water Quality Improvement (477-8210).
  - The 2010 Recommended Budget does not include the requested position. We concur as it continues to be the position of the Budget Review Office that Water Quality Protection Funding should not be used to fund operating costs.
  - The Recommended Budget transfers the Office Systems Analyst I in the Real Estate Division to the Department of Information Technology Services. The employee will physically remain in the Department of Environment and Energy to support the department system but he will report to the Commissioner of Information Technology.
  - The Recommended Budget creates an Energy Specialist (grade 31) in the Office of Energy, to be filled through the transfer of existing personnel. The salary cost of the new position is $69,191 if filled at entry level for the entire year.
  - In the Office of Recycling and Waste Management, the recommended permanent salary funding is sufficient to fill the Chief Environmental Analyst position at entry level in July 2010. Recycling is crucial to the environment and the Office of Recycling & Waste Management should be staffed by a Recycling Coordinator not a Chief Environmental Analyst. Based on conversations with the Department, it is our understanding that the salary of the Recycling Coordinator as well as any equipment, supplies, educational materials, etc. are all eligible for 50% reimbursement after submission to the NYS Department of Environmental Conservation.

- Of the 47 authorized positions in the General Fund, five are vacant as of September 20, 2009. All 16 positions in Fund 477 are filled. The vacant General Fund positions are: Deputy Commissioner of Environment & Energy (grade 31), Chief Environmental Analyst (grade 33), Senior Energy Coordinator (grade 24), Land Management Specialist III (grade 19), and Farmlands Administrator (grade 28).

- The Farmlands Administrator position (grade 28), which was transferred to the General Fund in 2008, remains vacant as of the end of September. This position was part of a legislative initiative in the 2004 operating budget to provide oversight of the County's farmland acquisition program. It has been included in the County Charter since 1998 (Administrative Code Section 14-28) but has never been filled.

Revenue

The Real Estate Division's budget request includes a schedule of parcels that were sold at auction, but which have yet to close. The last auction that the County held was in October 2008. There are 71 parcels with an auction value of $1,798,850 from the 2008 auction either have or could close before year-end. There is also one parcel from the May 2002 auction with an auction price of $775,000 that is in litigation. The litigation involves a closing with a new owner and the County allowing the former owner to redeem the parcel. The County is holding the closing money and the tax redemption money in escrow. This parcel was auctioned more than seven years ago and a closing has not occurred. Local Law 23 of 1999 requires that auctioned parcels should close within two years after signing the contract of sale; if not, the Director of the Division of Real Estate shall appear before the Ways and Means Committee and the Parks, Land Acquisitions, and Cultural Affairs Committee of the County Legislature, or any successor committees thereto in order to continue the transfer process.

- For 2009, it is estimated that $1,500,000 would be received from Gain Sale Tax Acquired Property (001-1051). Based on the year-to-date revenue the estimate is reasonable. For 2010, the Recommended Budget projects that the County will receive $1,500,000, which is $750,000 more than requested. The amount seems optimistic based on the upset prices of $1,651,045 for the auction scheduled for October 2009 and the dollar value of the 2008 parcels not closed. If the $775,000 parcel from 2002 were to close, the $1,500,000 could be reached.

- On October 21, 2009, the County will hold a surplus County-owned real estate auction. It is estimated that the upset price for the 141 parcels being offered for auction is $1,651,045. The actual number of parcels that are auctioned could vary from the estimated 141 parcels. The County has the right to withdraw parcels up to the time the auction starts.

- The 2007 Adopted Budget included $3.5 million from the sale of "Brownsfield" tax liens (001-1082). The actual revenue received in 2007, 2008, and 2009 was zero. Although "Brownsfield" Program tax lien sales did not generate income, the program has motivated several delinquent taxpayers to pay their back taxes so

that their property would not be offered for auction. This has benefited the County. The Division of Real Estate estimates that over $1 million in delinquent taxes has been collected because of the threat of the "Brownsfield" property going to auction.

- The Department indicated "Brownsfield" Program revenue has not been included in the 2010 Recommended Budget because of pending New York State Legislation. "Brownsfield" property tax liens present a difficult choice for the County. If the County chooses to foreclose the tax lien and takes title, it assumes liability for the property. The cost of clean up may be substantial and the liability for damage to surrounding parcels may be material. If the County does nothing, the County investment in the property grows with little or no opportunity to recover not only County taxes owed but also the taxes paid to other jurisdictions. In order to make an informed decision as to whether or not a "Brownsfield" tax lien should be sold, the Legislature should be furnished with information such as appraised value and estimated cost of remediation prior to taking action on approving tax lien sales. Allowing the owner to pay their back taxes has a short-term benefit but if the owner were the one who has polluted the property and is still in possession, then allowing that individual to remain in possession and to continue to pollute could have significant long-term consequences.

Expenditures

For 2010, the Department requested $5,116,610, of which $1,361,310 is for the Water Protection Fund (477). The Executive recommended $4,643,206, of which $1,297,727 is for Fund 477 expenditures. In total, this is $473,404 less than requested ($63,583 Fund 477 and $409,821 General Fund) and can be attributed to the following:

- In Fund 477, the difference is due to not creating the requested position and increasing turnover savings by $18,012.

- The 2009 General Fund estimated expenses exceed the 2009 adopted amount by $2,491,897. This is due to the $2,766,244 of Section 12-5(6)E Water Quality Protection Program Non Pine Barrens Town land purchases being included as part of the Department of Environment and Energy's budget. These land purchases are authorized by the Legislature during the year and are shown under the Department of Environment and Energy's budget because Local Law 24-2007 transferred responsibility for the management of the Water Quality Programs to the Department. Without the Non Pine Barrens Town land purchases, the 2009 expenses would have been $274,347 less than adopted. The 2009 estimated General Fund expenses are reasonable.

- In Fund 477, the over expenditure of the 2009 permanent salaries in the Division of Water Quality Improvement was due to the restructuring of titles and the lack of turnover.

- The 2010 turnover savings in the General Fund is increased $238,691 and one position, Office Systems Analyst I, is transferred to Information Technology reducing permanent salaries by $57,157.

- There are reductions in equipment and supplies in the Division of Real Property Acquisition and Management totaling $183,000. The Department requested funds to replace the existing computer workstations ($90,000) and to reconfigure the office to make efficient use of the space ($93,000).
- In the General Fund, there are also reductions to Fees for Services of $7,500 and Expenses on Property Acquisitions of $16,000.

Budget Review Office Recommendations

- The Office of Recycling & Waste Management should be staffed by a Recycling Coordinator not a Chief Environmental Analyst. The budget request indicates that the position of recycling coordinator as well as any equipment, supplies, educational materials, etc. are all eligible for 50% reimbursement after submission to the NYS Department of Environmental Conservation.
- The Director of Real Estate should appear before the Legislature to explain the status of one parcel from the May 2002 auction with an auction price of $775,000 that is in litigation.

KD Environment&Energy10

EXECUTIVE

Executive Office

Major Issues

No Budget Request was submitted for legislative review.

Budget Review Office Evaluation

The County Executive's Office is comprised of the following operation units:

- Office of the County Executive
- Office of Budget and Management
- Labor Relations
- Office of Minority Affairs

The following divisions within the Executive Department are not operationally related to the functions of the County Executive as the chief budget officer and are included in the Human Services section of this report:

- Office for the Aging
- Veterans Service Agency
- Office for Women
- Handicapped Services
- Youth Bureau

The 2010 Recommended Budget for the County Executive's Office is $5,241,505, which is $247,487 less than the 2009 Adopted Budget, but $306,390 more than estimated for 2009.

The recommended budget includes 75 positions, one less position than in 2009 as two IT related positions are transferred to the Department of Information Technology (See separate Information Technology section for more information) and one new Deputy Director of Labor Relations position (grade 30) is created.

According to the Executive's narrative, this new position is needed "to address the increased workload, and to create a succession plan should the director become unavailable." The Executive cites changes in NYS law, which allows seven of the County unions to go to Interest Arbitration, as a partial contributor to an anticipated increased workload.

The creation of a Deputy Director position in Labor Relations would have different budgetary implications depending on how the position is filled. The salary cost would range between $72,010 and $101,686 depending on the employee's step.

The 2009 estimated permanent salaries of $4,260,722 are reasonable. The 2010 recommended permanent salaries budget of $4,665,084 is $404,362 greater than the 2009 estimated budget, but $201,672 less than the 2009 adopted permanent salary budget. The recommended budget includes sufficient permanent salary appropriations for all of the currently filled positions in the Executive Office as well as a new Deputy Director of Labor Relations position. The following chart summarizes the funding provided in the recommended budget for vacancies in the Executive Office:

Unit Name	Funding for Vacancies
County Executive	Sufficient appropriations to fill approximately half of the 13 vacancies for half the year.
Budget and Management	Sufficient appropriations to fund all vacancies for 75% of the year.
Labor Relations	Sufficient appropriations to fund the vacancies in Labor Relations for the full year.
Minority Affairs	No funds for vacancies.

Budget Review Office Recommendations

Correct the unit name in the appropriation section of the budget to change the unit name from *Administration* to *Office of Minority Affairs* in 001-EXE-6511 to be consistent with the unit name in the staffing section of the budget.

BP Executive10

FINANCE AND TAXATION

Major Issues

1. Economy
2. Staffing
3. Cash Management
4. Computerized Systems

Budget Review Office Evaluation

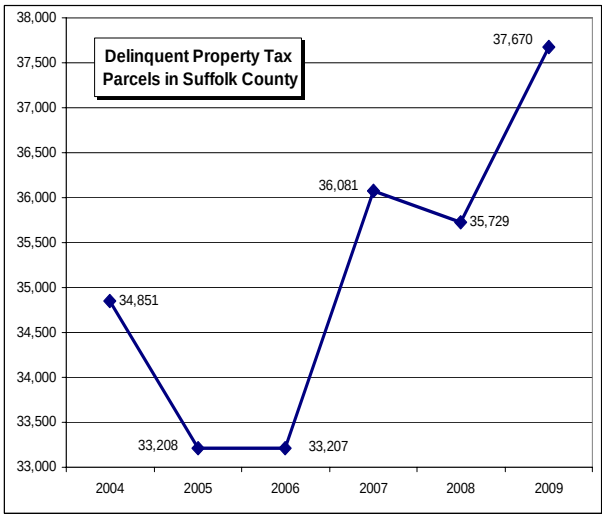
- The recommended budget for 2010 is $3,934,277, which is $265,107 or 6.3% less than requested, and is $164,959 or four percent less than the 2009 Adopted Budget.
- The recommended budget is $154,517 more than the 2009 estimated budget, which is primarily due to the impact of the 2009 lag payroll ($108,310).
- The recommended budget includes 53 full-time positions, as requested, which is the same as the 2009 Adopted Budget.

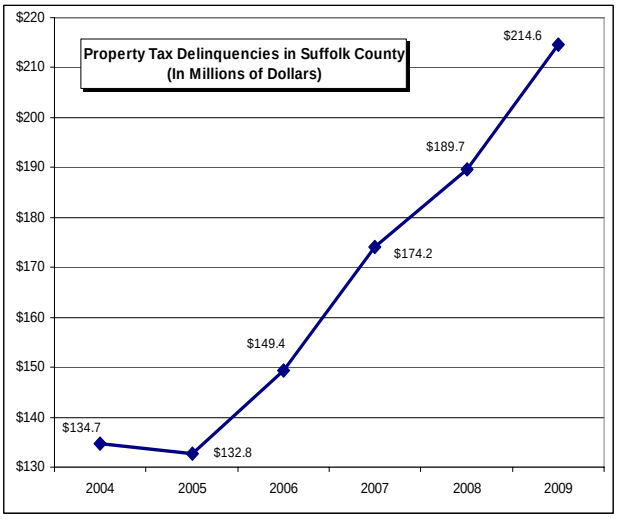
During 2008, the Department of Finance and Taxation reportedly managed a monthly average of $667.1 million in County funds. Actual interest earnings for the General Fund totaled $6.3 million in 2008, down from $10.5 million in 2007. For all fund entities, actual interest earnings totaled $12.4 million in 2008, almost half of the $24.4 million earned in 2007. The decrease in interest earnings is due to economic factors, which are outside of the Treasurer's control. Interest rates haven fallen to historic lows since the beginning of the recession. The Treasurer continues to give active and prudent attention to opportunities to enhance County revenues.

The Department has responsibility for maintaining the Tax History System for the 583,712 parcels of property in Suffolk County. An accurate tax history must be maintained on every parcel of property assessed in Suffolk County in order to accommodate the myriad of functions related to this responsibility. In this regard, the Department is continuously attempting to take advantage of improving technology to become more efficient in managing the workload.

Economy

The Department of Finance and Taxation is heavily impacted by economic conditions. A slow economy results in less revenue. As property tax delinquencies rise, the amount of property tax collected is reduced, and taxpayer refunds and certioraris increase. The Treasurer receives less money to invest and banks offer lower interest rates.
The County Treasurer is responsible for property tax delinquencies in all ten towns. Property tax delinquencies have risen 61% since 2005. For 2008 and 2009 combined, 73,399 parcels failed to pay over $400 million in property taxes.





Staffing

The Department is experiencing an increase in workload due to the increase in tax delinquencies and foreclosures associated with the poor economy. The Tax Collection Division responds to inquiries about delinquent property taxes by taxpayers who contact the unit by phone or in person. This unit works closely with the Cashier's Unit by crediting tax payments to parcels prior to depositing the revenue into banks. Due to this unit's crucial role in insuring the collection of County revenue, it is necessary for the unit to complete its work in a timely fashion, with the use of overtime. Last year the Legislature increased the Department's overtime budget from $20,000 to $30,000 to accommodate the growth in workload. The Department requested $30,000 again for 2010; the recommended budget provides $29,000.

Three positions were abolished in the 2009 Operating Budget following the 2008 Early Retirement Incentive. The Department's staffing level (filled positions) has fallen 11.3% since April 2007. There are currently 47 filled positions out of 53 total positions. The Department's ability to address growing workload demands may be impaired and the need for overtime may increase if positions are not filled.

Furthermore, the Department has relied on temporary workers and summer interns to assist with the work that is traditionally done by full-time staff. The 2010 Recommended Budget reduces Temporary Salaries (001-FIN-1325-1130) by $6,600 (13%), from $49,600 to $43,000 compared to the request. The reduction is based on the Executive's 2009 estimate.

The recommended budget includes $2,926,946 for permanent salaries, which is $102,300 less than the 2009 adopted budget. The recommended budget provides funding for the 47 filled positions for the full year and for all six vacancies for 50% of the year, assuming vacancies are filled at entry-level step.

Cash Management

The Department is responsible for the receipt, custody, and investment of County funds from whatever source (public, banks, municipalities, etc.). While ensuring that all investments are properly secured by authorized collateral, the Department continuously assesses the County's cash flow requirements for opportunities to invest available cash. In making these assessments, the Department gives careful consideration to such factors as:

- the state of the economy and its impact on real property tax delinquencies;
- the potential for delays or reductions in federal and state aid;
- the implementation of new fee charges and other sources of revenue;
- the number of certioraris and resulting payment of refunds to taxpayers;

The Department's ability to respond to economic conditions, to forecast cash flow, and to negotiate with banks for the best available yields is essential to maximizing the use of the County's cash assets. With the economic downturn, there is less cash to invest and lower returns on investment. Additionally, large amounts of tax adjustments are being awarded to taxpayers in association with the drop in real estate values. These cash flow challenges are anticipated to carry over into 2010.

Computerized Systems

- The Department of Finance and Taxation worked with the Department of Information Technology Services to establish a web-based payment portal for delinquent property taxes, which is intended to enhance collection. However, the Department reports that staffing limitations have prevented them from implementing tests that are necessary to move forward with getting the system online.
- The Tax History Unit is reporting problems with MUNIS, the computer system used to track the status of each parcel on the County tax roll. A major issue with the system is that it frequently goes down and takes a long time to become available again. This problem creates backlogs in the Department of Finance and Taxation and negatively impacts other County departments that rely on this information.
- Although specific funding was not requested, the Department has expressed interest in pursuing a new contract with Tyler Technologies that provides hosting and backup capabilities as well as technical support from an offsite location. Preliminary research indicates that this option may initially be more costly than maintaining the system in house; however, there may be productivity enhancements in that County employees will not expend inordinate amounts of time waiting for access to MUNIS, as well as enable the County to accept all major credit cards for payment of delinquent taxes.

We recommend that the Treasurer continue productive dialogue with the Department of IT to determine the most cost effective solution to resolving the delays and

problems associated with MUNIS and testing necessary to enhance revenue collections.

Budget Review Office Recommendations

- Fill vacancies as funding permits in order to provide an adequate staffing level for the Department.
- The changes proposed to the way that the MUNIS system is hosted and maintained should be presented to the IT Steering Committee to determine the cost effectiveness and feasibility of having the system hosted offsite.

BP Finance&Taxation10

FIRE, RESCUE & EMERGENCY SERVICES (FRES)

Major Issues

1. Arson Task Force (3174)
2. Fire, Rescue & Emergency Services (3400)
3. Domestic Preparedness Support (3405)
4. New Unit and Appropriations
5. Staffing
6. Contract Agencies
7. Vocational Education and Extension Board (VEEB) (3450)

Budget Review Office Evaluation

The 2009 estimated budget is reasonable. It includes $9,900,694, which is $985,740 more than the adopted budget. The difference between these two budgets is mainly attributable to additional grant funding.

The 2010 recommended budget includes $7,804,487, which is $656,812 less than the department requested. The table that follows details the differences between these two budgets by appropriation.

Difference between the Recommended and Requested Budgets by Appropriation

Unit Name	2010 Requested	2010 Recommended	Difference
Arson Task Force (3174)	$16,182	$5,325	**($10,857)**
Fire, Rescue & Emergency Services (3400)	$5,548,252	$4,986,670	**($561,582)**
Domestic Preparedness Support (3405)	$567,541	$517,203	**($50,338)**
JFIP (3410)	$50,695	$46,995	**($3,700)**
SHSP 07 FRE (3416)	$0	$61,408	**$61,408**
UASI 07 FRE (3417)	$51,743	$10,000	**($41,743)**
Vocational Education and Extension Board (3450)	$2,194,856	$2,144,856	**($50,000)**
Total	**$8,429,269**	**$7,772,457**	**($656,812)**

Arson Task Force (3174)

The Arson Task Force was formed as an inter-agency effort to combat arson through better investigation, sharing of information, public education and arson awareness. The recommended budget includes $5,325 for this appropriation, which is $10,857 less than requested. The majority of the difference is attributable to expenditures on travel. The recommended budget includes $1,800 for travel, which is $10,200 less than requested. Funding requested for travel is used to train 32 employees from the Police Arson Squad (20), Fire Marshal's Office (11) and the District Attorney's Office (1) in the art of fire cause determination and crime scene investigation. The training programs are required to meet the qualifications for arson and bomb scene investigations. We recommend adding $10,200 in appropriation 001-FRE-3174-Arson Task Force-4340-Travel: Other.

Fire, Rescue & Emergency Services (3400)

The recommended budget includes $4,986,670, which is $663,671 or 11.7% less than adopted, and $561,582 or 10.1% less than requested. The recommended budget is reasonable, with the exception of personal services. The majority of the difference or $482,825 between the recommended and requested budgets is attributable to permanent salaries.

Domestic Preparedness Support (3405)

Expenditures in this appropriation are mainly to purchase domestic preparedness equipment and to maintain and enhance the County's domestic preparedness capabilities. The recommended budget includes $517,203, which is $197,258 or 27.6% less than adopted, and $50,338 or 8.9% less than requested. The table that follows details the major differences between the recommended and requested budgets.

Major Differences Between the Recommended and Requested Budgets by Object

Obj.	Object name	2010 Requested	2010 Recommended	Difference
2260	Public Safety	$226,710	$200,000	($26,710)
3620	Repairs & Maintenance Communication	$67,800	$60,000	($7,800)
3650	Repairs: Buildings	$12,500	$10,000	($2,500)
3680	Repairs: Special Equipment	$38,560	$30,000	($8,560)
	Total			**($45,570)**

Resolution No. 695-2009 and Resolution No. 696-2009 were adopted subsequent to the recommended budget which will provide $126,500 in supplies and $335,975 in equipment in two new appropriations, 001-FRE-3418-UASI FY 2008 and 001-FRE-3419-SHSP FY 2008. The Department should continue to purchase equipment and supplies through various grant programs, such as these.

New Unit and Appropriations

Subsequent to the release of the recommended budget, two resolutions were adopted, Resolution No. 695-2009 and Resolution No. 696-2009. Pursuant to these two Resolutions, one new unit and three new appropriations were created, as follows.

- To continue the employment of ten positions a new unit, 001-3401-FRES Grant Positions, was created.
- Resolution No. 695-2009 allocated $1,000 and Resolution No. 696-2009 allocated $1,000 to a new appropriation, 001-3401-FRES Grant Positions.
- Resolution No. 695-2009 allocated $584,269 to FRES in a new appropriation, 001-FRE-3418-UASI FY 2008.
- Resolution No. 696-2009 allocated $589,155 to FRES in a new appropriation, 001-FRE-3419-SHSP FY 2008.

We recommended including the new unit and new appropriations in the adopted budget as detailed in Resolution No. 695-2009 and Resolution No. 696-2009.

Staffing

The estimated budget includes $4,492,180 for permanent salaries for FRES, which is reasonable.

The recommended budget includes $3,982,711 for permanent salaries, which is insufficient to fund all currently filled positions for the year. We recommend adding $100,000 in appropriation 001-FRE-3400-Fire, Rescue and Emergency Services-1100-Permanent Salaries to fund current positions for the year.

The Department requested no new positions. As of the September 6, 2009 position control register, the department has 89 authorized positions, of which 11 are vacant. The recommended budget abolishes one vacant Senior Clerk Typist and one vacant Volunteer Programs Coordinator position. The vacant Senior Clerk Typist position is the Department's second staffing priority to fill and is 50% aided for salary with fringe benefits aided at a rate assigned by FEMA. We recommend reinstating this position because it is required for the preparation of reimbursement claims, maintaining information for federal and state audits, as well as secretarial responsibilities. Reinstating the position will allow the Department to fill it as appropriations allow. We agree with the abolishment of the Volunteer Programs Coordinator position as 100% grant funding for this position from the US Department of Homeland Security is expiring. The table that follows details the nine net vacant positions.

Detail for Net Vacant Positions

Job Title	Gr.	# of Positions
CHIEF OF FIRE RESCUE SERVICES	30	1
EMERG SVCS DISPATCHER II	17	1
EMERG SVCS DISPATCHER I	15	1
FIRE MARSHAL I	18	2
FIRE MARSHAL II	20	1
CLERK TYPIST	9	1
RESOURCE MGT OFCR-EMG PPD	16	1
PLANNING AIDE	17	1
Total		**9**

- The Department's number one staffing priority is to fill the Chief of Fire Rescue Services position, which it plans to fill in February 2010 leaving the Chief Fire Marshal position vacant for the remainder of 2010. The Chief of Fire Rescue Services position is 50% aided for salary with fringe benefits aided at a rate assigned by FEMA.
- Historically, FRES has had difficulty with recruitment and retention of Emergency Services Dispatch (ESD) positions. There are 50 authorized Emergency Services Dispatchers. The department plans to fill the ESD II position, its third staffing priority, and ESD I position, its fourth staffing priority, in June 2010. We recommend adding $36,345 in appropriation 001-FRE-3400-Fire, Rescue and Emergency Services-1100-Permanent Salaries and $16,810 in fringe benefits or a total of $53,155 for this purpose.
- The Fire Marshal II position assigned to the Training Unit is vacant due to a retirement. Although assigned to the Training Unit, the scope of this position includes code enforcement inspections, fire cause determinations, training and education, fire extinguisher program inspections and investigations, and technical assistance to the fire service community. Civil Service has an established eligibility list for this position. We recommend adding $32,612 in appropriation 001-FRE-3400-Fire, Rescue and Emergency Services-1100-Permanent Salaries and $12,128 in fringe benefits or a total of $44,740 to fill this position for three quarters of the year.
- Resolution No. 695-2009 and 696-2009 created a new unit, 001-3401-FRES Grant Positions, subsequent to the release of the recommended budget. Pursuant to these two resolutions, one Resource Management Officer-Emergency PPD position and one Planning Aide position were two of ten positions that were transferred to this new unit.

The recommended budget transfers two positions, one GIS Technician III and one Office Systems Analyst I to the Department of Information Technology (DoIT), although they will physically remain in FRES. These positions administer and maintain the department's computers, fire-rescue communications network, E911 system, computer aided dispatch system, electronic map, and departmental web page.

Contract Agencies

The adopted and estimated budgets include $128,500 in appropriation 001-FRE-3400-Fire, Rescue and Emergency Services for contracted agencies. As of September 17, 2009, the County's Integrated Financial Management System (IFMS) indicates that none of this funding has been expended, as detailed in the table that follows. This is due to delays in the submission of requisite paperwork from the contract agencies or delays in the County contract process.

Detail for Contract Agencies in Appropriation
001-FRE-3400-Fire, Rescue and Emergency Services-4980-Contracted Agencies

Contract Agency Name	2009 Adopted	2009 Estimated	Year to Date Expenditures as of 9/17/2009
MASTIC FIRE DEPT	$22,500	$22,500	$0
KINGS PARK FIRE DEPT	$8,000	$8,000	$0
SMITHTOWN FIRE DEPARTMENT	$13,000	$13,000	$0
COMMACK FIRE DEPARTMENT	$12,000	$12,000	$0
NISSEQUOGUE FIRE DEPT.	$8,000	$8,000	$0
HAUPPAUGE FIRE DEPARTMENT	$5,000	$5,000	$0
NESCONSET FIRE DEPARTMENT	$5,000	$5,000	$0
RONKONKOMA FIRE DEPARTMENT	$5,000	$5,000	$0
PORT JEFFERSON VOLUNTEER AMBULANCE CORP	$5,000	$5,000	$0
C.I.-HAUPPAUGE AMBULANCE	$5,000	$5,000	$0
COMMACK AMBULANCE	$5,000	$5,000	$0
HOLTSVILLE FIRE DISTRICT	$10,000	$10,000	$0
MASTIC BEACH AMBULANCE	$5,000	$5,000	$0
NORTH PATCHOGUE FIRE DISTRICT	$20,000	$20,000	$0
Total	**$128,500**	**$128,500**	**$0**

Resolution No. 730-2008 amended the 2008 Operating Budget and allocated funding for contract agencies, which rolled over to 2009. The table that follows details the status of this funding.

Detail for Contract Agencies in Appropriation 001-FRE-3408-Pre Disaster Mitigation Grant

Contract Agency Name	2009 Adopted	Res. No. 1805-2008	2009 Estimated	Year to Date Expenditures as of 9/17/2009
TOWN OF HUNTINGTON-PRE DISASTER MITIGATION GRANT	$0	$5,707	$2,980	$2,980
TOWN OF RIVERHEAD-PRE DISASTER MITIGATION GRANT	$0	$54,881	$54,881	$53,382
TOWN OF SHELTER ISLAND-PRE DISASTER MITIGATION GRANT	$0	$12,496	$12,496	$9,871
TOWN OF SMITHTOWN-PRE DISASTER MITIGATION GRANT	$0	$16,516	$15,144	$13,660
TOWN OF SOUTHOLD-PRE DISASTER MITIGATION GRANT	$0	$12,166	$12,166	$10,665
TOWN OF BABYLON-PRE DISASTER MITIGATION GRANT	$0	$16,285	$5,054	$2,804
VILLAGE OF ASHAROKEN-PRE DISASTER MITIGATION GRANT	$0	$750	$750	$0
VILLAGE OF BELLPORT-PRE DISASTER MITIGATION GRANT	$0	$4,708	$3,750	$0
VILLAGE OF HUNTINGTON BAY-PRE DISASTER MITIGATION GRANT	$0	$32,771	$18,574	$17,536
VILLAGE OF NORTHPORT-PRE DISASTER MITIGATION GRANT	$0	$17,329	$16,519	$16,519
TOWN OF BROOKHAVEN	$0	$15,000	$15,000	$8,417
TOWN OF EAST HAMPTON	$0	$38,808	$38,808	$38,808
Total	**$0**	**$227,417**	**$196,122**	**$174,642**

The recommended budget does not provide funding for any contract agencies in this department in 2010. It is a legislative decision to determine what contract agencies should have continued support in the upcoming year and whether new contract agencies should receive funding.

Vocational Education and Extension Board (VEEB) (3450)

State Aid Calculation

VEEB has been calculating its annual state aid based on Section 1104 of the NYS Education Law; 50% of actual salary paid up to a maximum amount of $21,000, which results in maximum state aid reimbursement for any one individual of $10,500. In December 2007, VEEB received a state aid award letter for the period of 7/1/06 - 6/30/07 that was $131,000 less than VEEB's calculations for state aid. Through discussions with the State, VEEB discovered that the NYS Education Department used a different formula to calculate its reimbursement. According to VEEB, the State is annualizing the per-diem salaries under Section 3101 of the Education Law and using a factor, which results in a decrease in state aid to VEEB. The change in calculation and loss of aid prompted VEEB to begin a legal proceeding against the State. The Suffolk

County Attorney's Office filed affidavits with the courts in Albany. According to VEEB, the court allowed the State to give the final response, which noted that on April 23, 2008, Governor Paterson signed Chapter 53 of the Education Law. The adoption of Chapter 53, further changed VEEB's state aid calculation effective April 1, 2008, to restrict state aid to 98% of the prior year's amount. This means that VEEB's state aid will be reduced by two percent each year. An appeal was filed on August 3, 2009. The County Attorney's Office has advised VEEB that the process can take up to six months before a decision is rendered.

2009 Estimated Budget

The estimated budget includes $2,150,959, which is $43,897 or 2.0% less than adopted.

2010 Recommended Budget

VEEB requested a no increase budget from the 2009 adopted. The recommended budget includes $2,144,856, which is $50,000 or 2.3% less than requested. Coupled with the reduced State Aid award for the 2010 fiscal year, VEEB has projected that this will result in a reduction of $134,000 when compared to the adopted budget. VEEB expected to receive approximately $262,000 in 2010 from State aid; however, due to a claim that VEEB was overpaid in 2005 and 2006 by $110,800 and the 2% annual reduction in its state aid, VEEB is projecting that it will receive $63,904 in state aid in 2010. VEEB reports that in order to comply with the proposed budget and the projected state aid, the following measures will be implemented:

- Field Training (Hands-On Live Fire Training) will be decreased by 108 sessions, resulting in a loss of 4,850 student-training hours for an operating cost reduction of $56,000.
- Firehouse Training (Lecture based Training) will be decreased by 350 sessions, resulting in a loss of 9,750 student training hours for an operating cost reduction of $35,000.
- Program Development Department will be reduced to a four-day week and one full time position will be changed to a per diem position for an operating cost reduction of $43,000.

To put this in perspective, in 2008 the Fire Academy conducted 165,385 student-training hours for all Field and Firehouse sessions. If the budget is adopted as recommended, it will result in an estimated 8.8% decrease in training as compared to 2008. The fire academy is currently experiencing an increase in demand for training due to mandates caused by the events of 9/11 and the County's recruitment program for Volunteer firefighters. VEEB will not be able to meet this increased demand with the funding amount included in the recommended budget. Additionally, if VEEB has to decrease expenditures in the Program Development Department then its ability to introduce new programs to enhance its curriculum and update existing programs to comply with the latest changes in the National Fire Protection Association (NFPA) standards will be negatively impacted.

The Fire Academy has been exploring:

- Offering comparable training that will meet the volunteer fire fighters certification requirements with live burn evolutions that require less fuel to be burned. For example, to save $60,000 to $70,000 for the 800 gallons/night LP gas volume, VEEB may replace the tank car LP gas drill evolution with an evolution that uses donated palettes and hay. The purpose of the tank car evolution training session is to present the firefighting principles and procedures for bulk fuel storage, stationary (horizontal or cylindrical type) or mobile tanks.
- Consolidating training into townships instead of individual firehouses. This will enable VEEB to offer the training to a larger audience thereby reducing the number of times the training has to be done.
- Grant funding. The federal stimulus funds excluded training facilities, as these funds were more for reconstruction of fire departments.

We recommend adding $50,000 in appropriation 001-FRE-3450, Division of Vocational Education and Extension Board, in 2010 as requested, for an increase of 8,300 student-training hours.

Budget Review Office Recommendations

- Add $10,200 in appropriation 001-FRE-3174-Arson Task Force-4340-Travel: Other.
- Add $100,000 in appropriation 001-FRE-3400-Fire, Rescue and Emergency Services-1100-Permanent Salaries to fund current positions.
- Reinstate the Senior Clerk Typist position in 001-FRE-3400-0600.
- Add $36,345 in appropriation 001-FRE-3400-Fire, Rescue and Emergency Services-1100-Permanent Salaries and $16,810 in fringe benefits or a total of $53,155 to fill one ESD II and one ESD I position for half the year.
- Add $32,612 in appropriation 001-FRE-3400-Fire, Rescue and Emergency Services-1100-Permanent Salaries and $12,128 in fringe benefits or a total of $44,740 to fill one Fire Marshall II position for three quarters of the year.
- Add $50,000 in appropriation 001-FRE-3450-Division of Vocational Education and Extension Board in 2010.

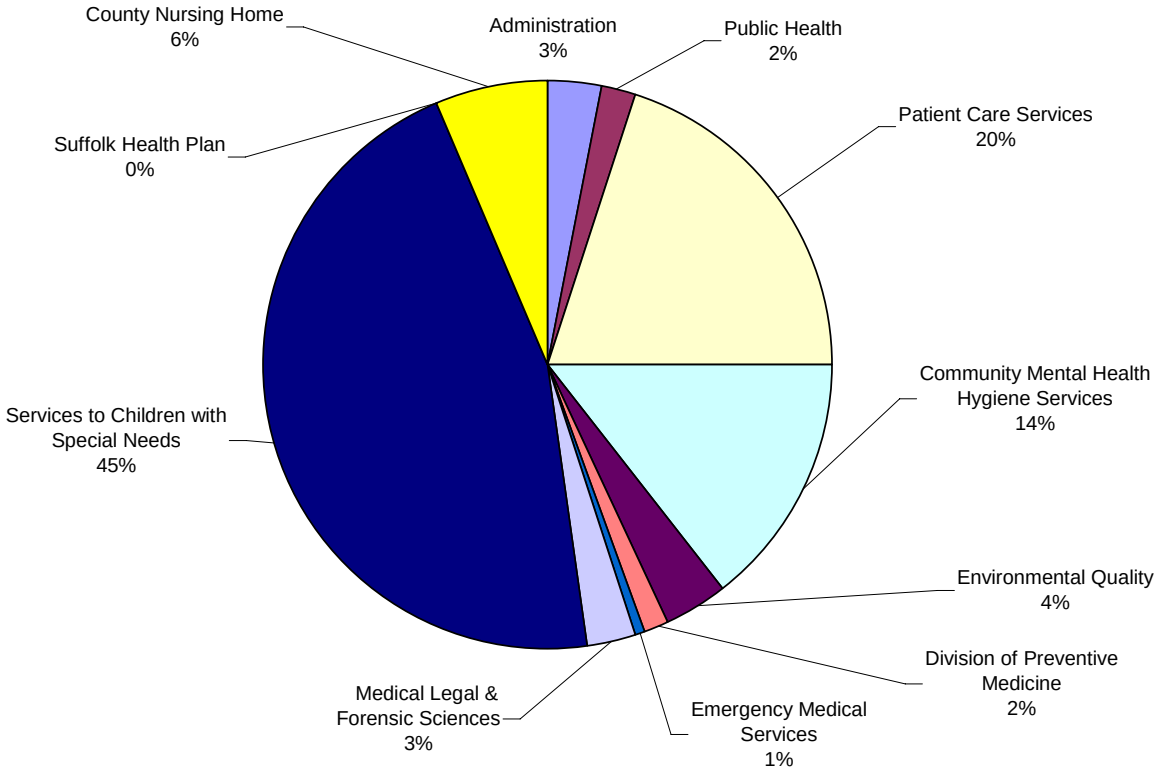
Moss FRES10

DEPARTMENT OF HEALTH SERVICES

Overview

The Recommended Budget for the Department of Health Services is $386,302,475, an increase of one percent compared to the 2009 Estimate. Expenditures are allocated to the various divisions as shown in the chart below. Note that the largest expenditures, for the Division of Children with Special Health Care Needs, are mandated by New York State law.

2010 Recommended Health Services Expenditures



The 2009 estimate of $382,322,355 is reasonable. In general, the Recommended Budget for the Department funds operation at a cost to continue; however, in the Patient Care Division, services will be contracted and consolidated, although overall capacity should be sufficient to meet current demand.

Major Issues

1. State Aid
2. 2010 as a data collection year
3. Personnel

Program Description

Suffolk County's Department of Health Services is one of the largest in New York State, and offers one of the most diverse arrays of services. Departmental authority derives from State and County laws and regulations; Suffolk County's Health Commissioner is also a state official, the Public Health Officer and chief administrative officer for the state health district (Suffolk County is a health district), with direct responsibility to the New York State Department of Health, as well as to the government of Suffolk County. The organization of the diverse divisions under the Health Services umbrella has allowed Suffolk County to maximize state and federal aid since Suffolk's organization as a Charter County in 1958.

The Department of Health Services' (SCDHS) stated mission is to "educate and work with the public in a cooperative manner to promote health and wellness in order to prevent disease, to protect the public's health, safety and environment, both proactively and reactively by utilizing best practices, and to actively provide high quality, equitable, and affordable health services that are culturally and linguistically appropriate."

There are nine divisions within the Department of Health Services:

- Public Health
- Services for Children with Special Needs
- Medical-Legal Investigation and Forensic Sciences
- Environmental Quality
- Preventive Medicine
- Patient Care Services
- Community Mental Hygiene
- Emergency Medical Services
- John J. Foley Skilled Nursing Facility

Management of the Cornell Cooperative Extension Association base appropriation contracts was transferred to Health Services in the 2009 Operating Budget, to be managed by Health Services Administration. These programs are described and evaluated in the Cornell Cooperative Extension section of this review.

Suffolk Health Plan (Fund 613)

A tenth division, the Suffolk Health Plan (Enterprise Fund 613), the County's Medicaid Prepaid Health Services Plan, ceased operation in 2008. In 2009, the Adopted Budget allocated $1,875,000 to ensure funding of incurred but not reported (IBNR) claims against the plan within Fund 613. There have been no IBNR claims in 2009; none are

anticipated in the 2010 Recommended Budget. The available fund balance is reduced to zero by the end of 2010 according to the 2010 Recommended Budget, to comply with state regulatory requirements. The sale contract for the transfer of the plan to the purchaser, Neighborhood Health Providers, maintains provision of an escrow account of $500,000 until March of 2011. The escrow will be the only funds remaining in Fund 613 at the end of 2010. The recommended budget includes a transfer of $2,265,671 from Fund 613 to the General Fund. Barring unforeseen circumstance, the fund will be completely liquidated no later than the end of 2011, and any assets remaining will be transferred to the General Fund.

Legal, Regulatory and Policy Environment for Health Services

Several sections of the United States Code, the New York State Public Health Law, Title 10 of the New York Code of Rules and Regulations (NYCRR), the Suffolk County Charter and the NYS and Suffolk County Sanitary Code govern the operations of the Department of Health Services. Certain services provided by Health Services are mandated by Federal, State and local law, most notably the provision of services to children with special health care needs and the provision of medical care to jail inmates.

As a local public health agency the Department accomplishes its mission through provision of essential public health services. These services are defined in the Future of the Public's Health in the 21st Century (Institute of Medicine, 2003), and provide a working definition of public health and a guiding framework for the responsibilities of local public health systems:

1. Monitor health status to identify community health problems
2. Diagnose and investigate health problems and health hazards in the community
3. Inform, educate, and empower people about health issues
4. Mobilize community partnerships to identify and solve health problems
5. Develop policies and plans that support individual and community health efforts
6. Enforce laws and regulations that protect health and ensure safety
7. Link people to needed personal health services and assure the provision of health care when otherwise unavailable
8. Assure a competent public health and personal health care workforce
9. Evaluate effectiveness, accessibility, and quality of personal and population-based health services
10. Research for new insights and innovative solutions to health problems

The Department receives state aid in accordance with Article 6 of the New York State Public Health Law and the applicable sections relating to Article 6 contained in Title 10 of the NYCRR. This aid flows to the County through revenue code 3401, Public Health State Aid. There are two parts of this state funding stream; the first is based on the population of the municipality; the second is based on a Community Health Assessment and a Municipal Health Services Plan (MHSP). State aid to Suffolk County is then

claimed based on the MHSP. As of October 2008, this claim, and the aid received, is generally based on the cost of the work accomplished, not necessarily on the accomplishment of contracted MHSP specifications or goals. The Department is currently rewriting its MHSP and its Community Health Assessment.

In late 2008, a guidance manual was developed by the NYS Department of Health for development of Municipal Health Services Plans, although comments on the guidance were solicited by the state DOH, the formal rulemaking process was not implemented. New York State has asserted that since the current Suffolk County MHSP is not in compliance with the guidance provided by the state and that therefore, certain portions of Suffolk's plan, and claims based upon it, are not allowable, and will not be paid. The recommended budget anticipates a revenue decrease based on this dispute of $4.9 million in state aid. This loss may be permanent with respect to the elimination of claims eligibility for the Medical Examiner's office and the Division of Emergency Services. Permanent or not, it will manifest itself as a cash flow problem in 2010, as it has in 2009. Despite the loss of revenue, the Recommended Budget does not reduce funding for these services to a greater extent than to any other division in the Department of Health Services.

The Demographic Environment

Each year about one in seven residents of the County receives some sort of direct service provided by, or contracted through the Department of Health Services; the entire population of the County receives the benefit of the work done to ensure the safety and wholesomeness of Suffolk's food, water and environment.

Many of the Health Department's activities are centered upon at-risk or less fortunate residents of the County—the mentally ill, people with substance abuse problems, uninsured young mothers, etc. Obviously, caseloads of the various programs that help these people are demographically driven. As the population of Suffolk ages, more services focusing on the problems of older residents will be required. Conversely, a "hiccup" in a younger demographic cohort will require more services focused on the problems of at risk or underserved young people. For example, such a "hiccup" in the population has occurred in Suffolk County since 2000; the population of people aged 15-19 has grown about 8.5% since 2000. This increase in population has in some cases contributed to an increase in absolute caseloads of various agencies, without increasing incidence or prevalence rates. The end result can be claims of decreasing or static crime rates, teen pregnancy rates, and substance abuse rates, while at the same time departments and agencies are hard pressed to maintain services for the population.

As a census year, 2010 is a critical year for collection of the best information available about what the department does, and who it serves; workloads, and measures of incidence and prevalence found in this year will be more easily matched to data concerning the County's population as a whole. This data can then be used to better plan and execute the diverse array of programs provided by the Department. It is especially unfortunate that this opportunity to maximize the accuracy and reliability of information needed by leaders and planners may be missed in this austerity year.

The Organizational Environment

Although the administration and management team of the Department remains intact for the third consecutive year, Suffolk County will again be searching for a Health Commissioner in 2010. The yet unnamed appointee will be the fifth health commissioner in the last six years to lead the Department as the County prepares to manage the H1N1 novel influenza pandemic and operate its service delivery system with an austere budget.

The Department's current organization is inconsistent with several statutory requirements of the Suffolk County Administrative Code. This issue was also addressed in the Review of the 2009 Recommended Budget. Suffolk County's Charter allows the Commissioner of the Department to organize the Department, with the exception of reorganizations precluded by law. All of the inconsistencies listed in the following table concern the realignment of certain departmental units from one division to another, or into a division of their own. We recommend that the administrative code be updated to reflect the actual organization.

Division	**Legal Requirement**	**Inconsistency**
Public Health	Division required to have Public Health Nursing and Chest Disease Control components	Public Health Nursing in Preventive Medicine Chest Disease Control is in Patient Care
Patient Care Services	Required to have responsibility for public owned nursing homes in county	Public owned nursing home is constituted as a separate division and is not responsible to Patient Care
Employee Health Services	Required to be constituted as separate division	No longer a division; organized as a separate unit in Patient Care Division
Children with Special Healthcare Needs	Required to be in Public Health Division	Organized as a separate division.

None of the changes implemented over the years have adversely impacted the Department's operations; on the contrary, in several cases they have increased efficiency through more appropriate or more modern grouping of functional areas, or by decreasing the span of control for divisional leadership. The changes are, however, inconsistent with County law. The current and future needs of the Department should be reviewed in a more comprehensive approach to the public health and community health needs of Suffolk County. The administrative code should be updated to reflect the organizational structure.

Budget Review Evaluation

Personnel

- 16.4% of the Department's strength is currently eligible for retirement; if JJFSNF is excluded, that percentage increases to 17.9%. One quarter of the Department can retire within five years. The groups currently eligible for retirement span Administration, Finance, Management, Mental Health, and Environmental Quality.
- Of greater concern is the lack of sufficient numbers of personnel with the appropriate experience to fill these positions once these managers and leaders leave public service. The size and diversity of functions make it a difficult organization to understand, let alone lead and manage, with relatively brief experience in a single division. The austerity of the Recommended Budget defers for yet another year the succession planning needed to address of this problem.
- Expenditures for permanent staff in the Recommended Budget for Health Services generally restrict hiring to backfill of positions vacated during the year. In a Department with more than 200 vacancies, there is approximately $1.4 million available for "new" hiring. Recommended Overtime Salaries have been reduced by 22% as compared to the 2009 Estimate; any overtime required in 2010 above Recommended expenditures will most likely be transferred from the Permanent Salaries lines, further restricting new hires and backfills.

Equipment and Supplies

- Only funding for public safety vehicles is included in the Recommended Budget. Public Health Nursing and the Division of Environmental Quality both expressed need for additional vehicles. The Department is attempting to resolve the Public Health Nursing problem by redistributing vehicles. DEQ's problem is more acute; their request for two additional vehicles has been denied for two years.
- Computer purchases department wide were reduced to a level consistent with replacement of unserviceable machines, as compared to scheduled upgrade and replacement. Supplies and material are generally reduced to 2008 usage levels.
- A new expenditure subobject, 3041 "Print Shop HSV chargeback" has been added to the Supplies and Materials section of the budget. This line allows Health Services to account for materials printed by the Department of Public Works in its New York State reimbursement claims.

Finance and Administration

Major Issues

1. Minority Health Services
2. Personnel

Program Description

Health Services Finance and Administration provides departmental leadership, human resource management, operations management, logistical and budget management, planning and information management, and other general and special staff functions.

The budget for this Division also includes funding for the Cornell Cooperative Extension base appropriation (Appropriation 8750) and the Cornell programs funded under the Water Protection fund, Fund 477 (Appropriation 8751). These programs are discussed and evaluated in a separate section of this report.

Budget Review Office Evaluation

The Recommended Budget for this division, less the Cornell Programs, is $8,661,516, an increase of 2.7% over the 2009 Estimate; the 2009 Estimate is reasonable. Staffing levels are adequate as of October 5, 2009; the vacancy rate is 12.8% of authorized personnel, and several of these positions have been vacant for more than one year, with minimal impact to divisional operations.

Personnel

- The recommended budget creates the Office of Minority Health as a separate appropriation (4008), as requested by the Department, by transferring five positions from various units within the Finance and Administration Division and one from the Preventive Medicine Division. The Office of Minority Health expanded to six positions, with two vacancies, from four positions, with one vacancy, from the previous year. Permanent salaries are sufficient to fill any vacant positions in 2010. Both of the currently vacant positions have been vacant for over one year.
- In addition to the increase in turnover savings, the Recommended Budget abolishes a vacant Account Clerk Typist position in the expenditures unit, and a vacant Senior Clerk Typist position in the Executive Unit.
- The Deputy Commissioner for Health Services (Administration) is recommended to be upgraded from Grade 36 to Grade 38; there is a clause within the resolution accompanying the proposed County Executive's 2009 Operating Budget amending the classification and salary plan. If the Legislature wishes to change the grade, the position should be abolished at the current Grade 36 level and created at the Grade 38 level. The Recommended Budget reflects the salary change.

Equipment
Office machine purchases are reduced from the 2009 Estimate by 25%. Replacement of equipment will be prioritized by need, and not on a regular replacement schedule.

Budget Review Office Recommendations

- In Appropriation 4008, abolish the vacant Coordinator of Community Based Programs and the vacant Health Program Analyst I positions.
- In Appropriation 4005, abolish the Assistant Deputy Commissioner of Health Services - Public Affairs (grade 33). This position has been vacant since its creation in the 2006 budget. Departmental procedure during public health emergencies or other health related crises has been for the Commissioner, Chief Deputy Commissioner, or Director of Public Health to speak directly to the media and the public, with support from the public relations personnel from the Health Services Department or the County Executive's Office. There is currently a Public Relations Specialist (grade 23) assigned to the Department. Abolishing the position will have no effect on the permanent salary appropriation; the position is not funded.

CF HSV Finance&Admin10

Division of Services for Children with Special Needs

Major Issues

1. Revenue enhancement in Appropriation 4815

Program Description

The Division of Services for Children with Special Needs (DSCSN) coordinates services and transportation for children diagnosed with developmental disabilities and special health care needs as mandated by New York State and Federal law. Services are delivered through the following Programs:

- Early Intervention Program provides services to children from birth to age three years with developmental disabilities or delays.
- Preschool Special Education Program provides similar services for children three to five years of age.
- Children with Special Health Care Needs provides services for children from birth to 21 years of age with physical handicaps, or who require orthodontics or surgery for cleft palate.

This Division represents approximately 40% of the entire Department of Health Service's recommended budget. Most of this funding is in Appropriation 2960—Education for Handicapped Children, and is allocated to contract providers. Funding is largely dependent on New York State Aid; 57.6% of the Division's 2009 estimated expenditures will be paid for by state aid. Suffolk County provides administrative

oversight, services coordination and case management, authorization and approval of the various services provided by contract agencies and providers, and direct service delivery to some preschool children.

Appropriations 4812 (Children with Special Health Care Needs Grant), 4813 (Bureau of Services for Children with Disabilities) and 4814 (Early Intervention Grant) include the employees who coordinate services, transportation and education for the children served by the Division. Federal grants fund both Appropriation 4812 and Appropriation 4814. Appropriation 4815 is a Preschool Flow-through Grant, originating at the federal level and remitted to Suffolk County through New York State and local school districts. Most of the funding in 4815, as in 2960, is for services provided by contractors.

Budget Review Office Evaluation

The Recommended Budget for the Division is $176,673,262, an increase of 1.8% compared to the 2009 Estimate. The New York State share of the cost of the Division's program decreases very slightly, to about 57.5% of funding. Appropriation 2960, the mandated portion of the Division's budget, is 1.4% higher than the 2009 estimate. The estimate for the Division is reasonable. Services provided by contract agencies comprise more than 97% of the expenditures in the division.

Appropriation 4815 increases by $327,000 in the Recommended Budget compared to the Department's request, almost quadrupling the budget for the appropriation compared to the 2009 Estimate. Revenues associated with the program (Revenue Code 1662) are increased by almost $800,000 as compared to the 2009 Estimate. The increase in both revenues and expenditures is due to an enhancement in the per-child rate as augmented by NYS ARRA funding, for 2010 and 2011. Excess revenue from the services must be used to improve or supplement program operations. The Recommended Budget includes approximately $275,000 in equipment and material expenditures that may be used for program enhancement. The enhanced revenue will also be used to offset unreimbursed expenditures for the transportation of program participants.

Despite the overall increase in Division funding, as elsewhere in the Department of Health Services, personnel appropriations preclude additional hiring.

Budget Review Office Recommendations

- The Recommended Budget, while austere in personnel expenditures, allows the Division to maintain services per its mission. We recommend no changes to the Division's Budget.
- The opportunity to enhance services to this vulnerable population presented by the additional revenue coming into the program should be coordinated with community organizations.

CF HSV DSCSN10

Preventive Medicine

Major Issues

1. Division reorganization

Program Description
The Division of Preventive Medicine works to inform and educate Suffolk County residents in leading healthier lifestyles.

The 2010 Recommended Budget expands the single Appropriation 4500 into five different appropriations for the diverse units of the Division, to facilitate cost reporting and claims against federal and state aid; Health Services had requested this change during the 2009 budget process. The Division currently consists of the following six units; appropriation numbers precede the unit name:

- 4500 - Preventive Medicine Administration,
- 4501 - Tobacco Education and Control Program, focusing on tobacco cessation and prevention of tobacco use;
- 4502 - Tobacco Enforcement Program, focusing on enforcing state and local law regarding the purchase and indoor use of tobacco products;
- 4508 - Public Health Nursing, a visiting nurse service and Certified Home Health Agency focusing on at risk mothers and mothers to be, HIV/AIDS patients, tuberculosis patients, and residents of the eastern portion of the County who are frail ill or elderly.
- 4509 - Child Find Program, assures that infants born with developmental delays receive regular developmental evaluations and intervention as necessary.
- 4506 - Lyme Disease Education Grant, has been defunded.

Budget Review Office Evaluation
The Recommended Budget for the Division is $5,808,766, a 2.3% increase over the 2009 Estimate. This level of expenditures allows the Division to continue current operations, but it will be unable to provide additional services. As the Division was constituted into the new component appropriations, changes were made in certain expenditure areas. Prior to 2008, substantial revenues from the tobacco settlement were associated with the tobacco education and control functions now executed by the Preventive Medicine Division. In 2010, the only revenues directly associated with the division are the approximately $200,000 in state aid that for tobacco cessation products, and an additional $50,000 in fees and fines for tobacco enforcement.

Personnel

- Recommended personnel appropriations preclude new hiring and will allow only limited position refill.
- Seven vacant Public Health Nursing Bureau positions were abolished; five Public Health Nurse I, one Public Health Nurse II, and a Clerk Typist.

- One vacant Public Health Educator position was abolished in Tobacco Education.
- The Public Health Educator funded through the Lyme Disease Grant (4506) in 2009 is moved to Tobacco Prevention Education, in the new appropriation (4501). Appropriation 4506 transfers funding to both Fund 16 and Fund 38, even though the Recommended Budget transfers the personnel to another appropriation. The interfund transfers should also be moved to the new appropriation.
- Overtime in the Public Health Nursing Bureau was increased in the Recommended Budget to $10,000; 2008 actual expenditures were $5,074 and estimated 2009 expenditures for overtime are $2,000.

Budget Review Office Recommendations

- Reduce the overtime salary line for Appropriation 4508, Public Health Nursing by $4,000, to $6,000, to reflect 2008 and 2009 actual expenditures.
- Reduce the Interfund transfers for Appropriation 4506, Lyme Disease Grant, by a total of $2,964. This reduction will require a reduction in the revenues to the respective funds from the General Fund.

Table of Recommended Changes

2009 Estimate	Description	2010 Recommended	BRO Change	BRO Appropriation
$5,024	1120-4508 Overtime Salaries	$10,000	($4,000)	$6000
$1,833	9810-4506 Transfer to Self Insurance Fund	$1,921	($1,921)	$0
$696	9820-4506 Transfer to Inter-Dept. Charge Fund	$1,043	($1,043)	$0
$0	9810-4501 Transfer to Self Insurance Fund	$6,397	$1,921	$8,318
$0	9820-4501 Transfer to Inter-Dept. Charge Fund	$23,055	$1,043	$24,098

CF HSV PreventiveMedicine10

Public Health

Major Issues

1. Personnel
2. Public Health Protection
3. H1N1

Program Description

The Division protects the public's health through enforcement of the NYS Public Health Law, Title 10 of the New York State Code of Rules and Regulations (NYCRR), the New York State Sanitary Code, and the Suffolk County Sanitary Code. This is accomplished through disease surveillance, education, medical care and consultation services, and inspections of dwellings and business and food establishments.

Budget Review Office Evaluation

The 2009 Recommended Budget for the Division of Public Health is $6,914,374, an increase of 1.9% over 2009 estimated expenditures. Most of the net increase can be accounted for by the absence of savings associated with a lag payroll in the 2010 Recommended Budget, and the increase in supplies for vaccine administration. The Department of Health Services anticipates additional state funding of approximately $3 million for personnel, additional supplies, and contractual expenses to manage the novel H1N1 pandemic. This funding is not included in the 2010 Recommended Budget.

Personnel

- Turnover savings have been increased and vacant positions have been abolished. Compared to the Department's request, personnel lines in the Public Health Division are reduced by $398,510, a decrease of 7.1%.
- Total Recommended expenditures for overtime salaries in the Division are $26,000. The only Temporary Salary funding is in 4010, which is used primarily for the West Nile Hotline during the summer. There are no funds for fees for services in appropriation 4024 to provide for temporary agency staff.
- The Director of Public Health position will remain vacant. The Physician III in 001-4024 Public Health: Bioterrorism will remain the acting director for administrative purposes.
- The vacant Biologist position in the Arthropod Born Disease Laboratory has been abolished, a reduction of $45,570.
- The vacant AIDS Counselor I position, previously grant funded, in appropriation 4011, has been abolished, a reduction of $65,590.
- In the Bureau of Public Health Protection, turnover savings is almost doubled, to $480,000 as compared to the request. This imposes a de facto hiring freeze on the Bureau. However, the Bureau increased its qualified inspector contingent in 2008, increased the numbers of high-risk establishments inspected in 2008 and year to date 2009, and has implemented a change to its inspection plans to allow

for one inspection with a Hazard Area Critical Control Point (HACCP) evaluation, which will count as the second inspection. This change meets New York State regulatory requirements.

- The reduction of funding in Appropriation 4024, Bioterrorism Public Health Preparedness, is due to a 44% reduction in aid for this function from New York State. Three vacant positions in this appropriation have been abolished, to decrease the permanent salaries in this appropriation by $192,147, while eliminating turnover savings; the net change is a decrease from the department's request of $47,323.

Equipment, Supplies, and Materials
The increase in the Recommended Budget compared to the 2009 Estimate is due to the approximately $300,000 increase in 3370 - Medical Supplies, in anticipation supplies needed to administer for novel H1N1 influenza vaccine. The vaccine itself will be directly supplied through state and federal public health agencies.

Budget Review Office Recommendations

Given the increase in productivity and the authorized changes to food service establishment inspection programs, BRO does not believe additional sanitarians are necessary in 2010. However, the important work of the Public Health Protection Bureau should be closely monitored to assure that it has appropriate resources to assure the safety of the residents of Suffolk County.
CF HSV PublicHealth10

Patient Care

Major Issues

1. Administrative Staffing
2. Health Center Contracts
3. Mobile Mammography
4. Central Islip Health Center

Program Description

The Patient Care Services Division provides primary care access assurance, especially for underserved children, adolescents and mothers; serves as an access point for communicable disease treatment and diagnosis, including tuberculosis, HIV/AIDS, and sexually transmitted diseases, and provides medical care, information, and education regarding health to the people of Suffolk County through the health center network and other programs.

Appropriation 4108, the South Shore Regional Health Center, is a HEAL-NY 6 award to the County for $5,000,000 for Primary Care Infrastructure improvement. To receive these funds from New York State, the project most begin construction by September 2010. Appropriation 4107, also from a HEAL-NY grant, is for a refit and alteration of space at the Riverhead and Shirley Health Centers; this project is underway.

There are currently 27 diverse appropriations in the Division; many of these appropriations overlap among programs and locations. Many of the smaller appropriations contained within the Division represent funds awarded as the result of successful applications for competitive state, federal, and nongovernmental grants.

- Patient Care Administration is responsible for the leadership and management of the entire Division. Specific functions include performance improvement, grants management, program evaluation, and supervision of all programs, units, and contracts within the Division. Expenditures for the health centers operated through contract agencies are contained in this appropriation, 4100.
- The Suffolk County operates ten Health Centers through the Diagnostic and Treatment Center license granted to the County under Article 28 of the NYS Public Health Law. Funding for the health centers is shown in the table below:

2010 RECOMMENDED HEALTH CENTER FUNDING

2008 Actual	2009 Adopted	2009 Estimate	AGENCY	2010 Recommended	2010 Rec minus 2009 Estimate	2010 Rec minus 2009 Adopted
$49,053,017	$51,409,065	$50,089,530	*Total Health Center Expenditures**	$47,646,543	(2,442,987)	(3,762,522)
$3,086,972	$3,236,972	$3,000,000	HUNTINGTON HOSPITAL (Dolan)	$2,313,351	($686,649)	(923,621)
$11,161,859	$12,379,727	$12,157,642	ISLIP HEALTH CENTER-(Brentwood & CI, Southside Hospital)	$11,125,165	($1,032,477)	(1,254,562)
$4,612,270	$4,692,419	$4,692,419	NORTH BROOKHAVEN CLINIC (Coram, Stony Brook Hospital)	$4,645,967	($46,452)	(46,452)
$14,461,553	$15,264,222	$15,174,569	SE & SW BROOKHAVEN CLINIC (Patchogue & Shirley, Brookhaven Memorial Hospital)	$14,464,569	($710,000)	(799,653)
$5,867,111	$5,901,790	$5,883,924	WYANDANCH CLINIC (MLK)-Good Samaritan Hospital	$5,914,316	$30,392	12,526
$778,541	$790,756	$790,756	PECONIC BAY MC - Riverhead Health Center	$790,756	$0	0
$4,404,404	$4,461,889	$4,205,640	001-4102 Riverhead Health Center (County Employees)	$4,237,157	$31,517	(224,732)
$3,480,204	$3,459,023	$3,127,529	001-4103 Tri-Community Health Center (County Employees)	$3,312,342	$184,813	(146,681)
$1,200,103	$1,222,267	$1,057,051	001-4104 Brentwood Health Center (County Employees)	$842,920	($214,131)	(379,347)

The three smallest centers (at Southampton, East Hampton, and Central Islip) are occasionally referred to as "satellites"; this is not technically correct; Southampton and East Hampton are licensed as full time clinics for all services currently provided. Central Islip is currently licensed as a part time clinic.

Suffolk County also partially funds the health center operated by Huntington Hospital (the Dolan Health Center) under the hospital's (not the County's) Diagnostic and Treatment Center License. Funding provided by Suffolk County to the Dolan Health Center accounted for approximately 45% of the center's total budget in 2008, slightly higher than the 43% of total expenditures contributed by Suffolk County for the facility between 1995 and 2007.

Health centers also provide services executed by employees of Suffolk County, although some programs, especially those collocated with the Health Centers, are also staffed by contract personnel, from the hospitals or from another organization. For example, the Diabetes Program works with health center staff to provide assessment, education, and treatment for patients with Diabetes. This is a cooperative program staffed and funded by Suffolk County and through Cornell Cooperative Extension as a contract agency within Appropriation 4100. The program is administered at the health centers, providing self management education and treatment services to more than 4,000 patients. Cornell Cooperative Extension's contract for the Diabetes Program is fully funded in the recommended budget.

Patient Care Division activities and programs directly serve about one of every ten people in Suffolk County, most of them medically underserved or economically disadvantaged.

Budget Review Office Evaluation

The County Executive's 2010 Recommended Budget for the Division of Patient Care Services is $77,223,577, 1.2% less than the requested budget of $78,151,429, and 0.2% more than the 2009 estimate. The 2009 estimate for Division expenditures is reasonable. Most of the decrease is due to reductions in personnel expenses and in contract agency expenses, as follows:

- In Personnel, permanent salaries are reduced as compared to the Department's request by 2.2%. Overtime in the Division has also been reduced by $81,400, a reduction of 19.3% compared to the departmental request, 22.7% less than the 2008 actual expenditures, and a reduction of 3.7% compared to the estimate. Given the extremely fine margins implicit in the recommended budget, as a practical matter, the Division will be unable to hire new personnel in 2010, and will have some difficulty in retaining current staffing levels, due to the combination of turnover savings of more than $1.5 million, and the reduction of overtime to below recently experienced levels.
- The Department's request to transfer three positions from the skilled nursing facility (Appropriation 4530) to Patient Care Administration (Appropriation 4100)

was not included in the Recommended Budget. These positions, one Medical Program Administrator, one Licensed Practical Nurse, and one Medical Social Work Assistant, to be used for implementation of the electronic medical record project (CP 4036) were instead abolished. The Department believes it can provide these titles by earmarking positions within its General Fund personnel.

- Funds for Equipment have been reduced by 17.7% versus the departmental request. In Appropriation 4101, Patient Care Programs, funding will allow the purchase of replacements for computers and equipment used for purposes unique to the Division and the Department. Funding for more general purposes, such as desktop computers, has been eliminated from the Division's budget.

- Funds for supplies and material have been reduced by 2.8% versus the departmental request; however, the recommended amount is nearly $1 million more than the 2009 estimate. The large increase is primarily due to increases in medical supply lines in anticipation of purchase of medical supplies related to management of the H1N1 influenza pandemic. The other major increase in supplies relates to the funding in the computer software lines in Patient Care Programs (Appropriation 4101) for costs related to the new EMR program (CP 4036).

- Contract agencies are funded as requested within the division; the Recommended Budget decreases funding for the hospital contracts for Health Center operations by approximately $2.6 million versus the 2009 estimate. This reduction will require the closure of the Central Islip Health Center in the Southside Hospital Contract; about 3,000 patients will be moved into care at the Brentwood Health Center, about 2.5 miles away. Reduction of the Brookhaven Memorial Hospital Contract will force the elimination of the mobile mammography van. The Recommended Budget for the Huntington Hospital contract will likely result in significant service reductions at the Dolan Health Center.

- There is a significant increase to the fee for services line (Object 4560) within Appropriation 4101, Patient Care Programs; this object funds various fee for services contracts throughout the Division, notably, labs, security, the centralized appointment system, and radiology services, especially sonograms for the Prenatal Program. The Recommended Budget is an increase of 11.1%, $741,484 over the 2009 estimate. Major items increasing within this object are laboratory services (by $301,794), security (by $135,000), billing and mailing (by $120,000), and centralized call and appointment system, (by $47,000). These increases are due to contracted increases per item with the Department's fee for service vendors.

The Patient Care Division currently maintains excess capacity for many ancillary services, with the result that costs have increased without any hope of sufficient offsetting revenue. The responsibility of local public health agencies is to assure that care is available (Future of the Public's Health in the 21st Century, 2003). Even with the major cuts in the Recommended Budget, the Division should be able to provide and

assure primary care services at the same level as in 2009, albeit at fewer locations. Given the constraints of the 2010 budget year, overall expenditure levels in the Recommended Budget for the Division are not unreasonable. Exceptions to that "reasonableness" should be changed as the Budget Review Office recommends below.

Budget Review Office Recommendations

1. Budget Review Office concurs with the recommendation to eliminate funding the mammography van from the Brookhaven Memorial Hospital Contract. Given the cost of the mobile mammography van, its approaching obsolescence, sufficient capacity at the fixed sites, and the number of mammography facilities in the County as a whole, it is reasonable to conclude that the mobile mammography van is not critical to assure access to breast cancer preventive services in Suffolk County, and that patients can be referred to fixed facilities, which will provide the opportunity to decrease expenditures without decreasing capability to detect breast cancer.

   The Patient Care Division has approximately 12,548 patients in the age group (women over 40) who require screening mammography as part of their normal preventive care. The current United States Preventive Services Task Force standard of care is a screening mammography every 1-2 years. Planning to meet that standard of care would require capacity for about 9,500 screening mammographies per year, or a total of 36-37 per day. The current fixed site capacity in the Division is more than sufficient to meet demand, and to allow growth in the patient population. However, to accommodate an increase in mammographies at the Coram site, the current contract with the radiologist will have to be amended to allow for an increase in mammograms read. Further, sufficient access to care must be guaranteed in the form of contracts with mammography providers in proximity to the health centers. Health Services is currently negotiating with Brookhaven Memorial Hospital to provide mammographies through the hospital. Some of the savings generated from elimination of excess capacity could be used to provide reliable transportation among health center sites.

   Ideally, the new digital machine at Riverhead would be moved to the Brentwood Health Center to increase its utilization and to further decrease costs. Brentwood has sufficient demand from both its population and the other two centers in southwest Suffolk County (in Wyandanch and Amityville) to sustain a machine owned and operated by Suffolk County. For the move of this equipment to be practical, contracts with one or all three of the mammography providers in Riverhead would be required to assure access to mammography for health center patients.

2. A similar excess of capacity exists with respect to x-ray services at the health centers. Elimination of on-site x-ray services at the two South Brookhaven Health Centers and the Martin Luther King Health Center could reduce expenditures in 4100 approximately $120,000, without reducing net revenue to the Department. The Budget Review Office recommends reducing the contract for the Wyandanch Clinic by $29,878 and the Brookhaven contract by $89,635 to reflect the elimination of on site x-ray services at these sites no later than July 1, 2010.

3. The Budget Review Office concurs with the recommendation to close the Central Islip Health Center. Given the deteriorating physical plant of the building, the inability of the current facility to meet Article 28 standards, and the lack of the full time operating license for the facility, it is not cost efficient nor imprudent to combine two facilities located less than 2.5 miles apart on the same bus route that see substantially the same patients demographically. However, information regarding the closure of the health center must be aggressively disseminated to the patients, and reasonable assistance rendered as needed, for a successful transition to the Brentwood location.

4. The Budget Review Office recommends an increase to the Recommended Budget for the Huntington Hospital/Dolan Health Center (Activity Code AIU1) agency contract of between $400,123 and $559,138. This increase would bring the contract total to between $2,713,474 and $2,872,489. Calculation of the increase to the contract is based on two different but related models; in the first, the health center's gross expenditures are multiplied by the net cost to the County, *if it were licensed by the County,* was multiplied by the average cost growth for the County licensed centers over the past two years. In the second model, the same net cost factor is used, but the multiplier is based on National Health Expenditure Projections (NHEP) for 2009 and 2010 from the Center for Medicare and Medicaid Services.

   The point of these models in developing a recommendation for the Huntington contract is not to identify an exact dollar amount, but to develop some benchmark for future use to control the growth of this contract. From 1996 to 2009, County expenditures for this agency grew at an annualized rate of 8.1%, more than three times the growth in actual expenditures in the other contracted health centers. The second highest growth rate over the time period was at the Riverhead Health Center, and that center expanded from one to three sites during the time period in question.

2009 Estimate	**AGENCY**	**2010 Recommended**	**BRO Change**	**BRO Appropriation**
$3,000,000	Huntington Hospital (Dolan)	$2,313,351	+$559,138	$2,872,489
$15,174,569	SE & SW Brookhaven Clinic (Shirley & Patchogue, Brookhaven Memorial Hospital)	$14,464,569	($89,635)	$14,374,934
$5,883,924	Wyandanch Clinic (Martin Luther King Health Center)- Good Samaritan Hospital	$5,914,316	($29,878)	$5,884,438

CF HSV PatientCare10

Community Mental Hygiene

Major Issues

1. Personnel
2. Refit of the Huntington Methadone Clinic
3. Contract Agency changes

Program Description

The Division assures that the most vulnerable and oftentimes forgotten residents of Suffolk County have an array of comprehensive services available to them to maximize their full potential and improve upon the quality of their lives.

The Community Mental Hygiene Services Division is authorized under the New York State Mental Hygiene Law and functions in concert with the State Office of Mental Health, the State Office of Alcoholism and Substance Abuse Services, and the State Office of Mental Retardation and Developmental Disabilities, Community Mental Hygiene Services oversees programs and contracted services for individuals with mental illness, mental retardation, developmental disabilities, and chemical dependency.

Budget Review Office Evaluation

The Recommended Budget for the Division is $55,879,915, a 1.8% increase over the 2009 estimate; the estimate is reasonable. A net increase in the Division's budget of approximately $2.3 million is due to net increases in contract agency funding, salary adjustments and longevity pay, the improvements to the Huntington Methadone clinic, and the absence of a lag payroll in the 2010 Recommended Budget.

Personnel
Division appropriations for permanent salaries preclude hiring in 2010 as a practical matter; there is approximately $181,000 available to fill 30 vacancies. The total salary for non-abolished vacant positions is more than $1.4 million. Overtime and temporary salaries were reduced from the request by 14.6%. Ironically, the de facto hiring freeze will likely allow the Division to move and expend funds on the needed temporary and overtime salaries.

Equipment
The Division requested $3,500 for furniture and furnishings in the Jail Mental Health Program, which is not included. The funding from the 2009 Adopted Budget will not be used in 2009. No funding has been expended in this line since 2006.

Supplies and Material
The net increase of approximately $332,000 compared to the estimate is due to the inclusion of funding for repair and refit of the Huntington Methadone Clinic in Appropriation 4321, Sub-object 3650. This work has been deferred since it was first requested in the 2008 budget request.

Contracts

- The Recommended budget increases contract expenditures as compared to the 2009 estimate by a net difference of $852,000; the increase is primarily due to an addition of $1.1 million in Appropriation 4330, Community Support Services, to support a change in the state funding stream for six agencies providing either assertive community treatment or screening, assessment, and treatment services for schoolchildren in the New York State Clinic Plus Program.
- Fee for service contracts have been increased by $26,000 from the 2009 Estimate, and decreased from the request by $56,000; this reduction eliminates a psychiatrist from the Methadone Program.

Budget Review Office Recommendations
Evidence that Suffolk County is experiencing a growing problem with opioid abuse is becoming more apparent. In the face of this problem, reducing expenditures for a provider within the Methadone Program (001-HSV-4321) is shortsighted. The Budget Review Office recommends increasing funding for fees for services (4560) by $56,428, to allow the Division to continue to utilize the psychiatrist eliminated in the Recommended Budget.
CF HSV CMH10

Division of Environmental Quality

Major Issues

1. Vehicles
2. National Estuary Program

Program Description

The Division of Environmental Quality (DEQ) acts to protect and preserve the natural resources of Suffolk County and protect County residents against adverse environmental factors. Legal Authority for the Division derives from Suffolk County, New York State, and federal law and regulations.

Budget Review Office Evaluation

The 2010 Recommended Budget for the Division is $13,803,112, a 13% increase from the 2009 estimate; the estimate is reasonable. This net increase is due to the absence of a lag payroll, the salary adjustment for filled positions, and an increase in appropriation 4405, the National Estuary Program of approximately $930,000, which is matched by Recommended Budget increases in fees and fines levied through the Division, and by an increase in federal funding for Division activities.

Note that the name of appropriation 4406 should be changed from "Breast Cancer & LI Environment" to "Aquatic Invasive Species Grant".

Personnel

- As compared to the other divisions within the Department, Environmental Quality has sufficient permanent salary funding to fill a few positions in 2010, notably the Well Driller I mentioned in the Recommended Budget Narrative. The Division as a whole enjoys a filled position percentage of 90%, and has gained a net total of five personnel since the beginning of the year.
- Overtime Salaries in the Division has been reduced by 19% overall, below both the 2009 Estimate and actual expenditures in 2008. Beach Monitoring has no allowance for overtime salaries in the Recommended Budget. Overtime costs in the Division should decrease due to the increase in staff in 2009. However, any unbudgeted overtime costs will impact other personnel expenditures, and will affect the Division's ability to hire the few new staff funded in the Recommended Budget.
- One vacant Hydrogeologist position is abolished.

Equipment, Materials and Supplies

There is no provision to replace any of the vehicles within the Division; at least nine of these vehicles had mileage exceeding 100,000 miles in February 2009. In the Office of Wastewater Management, the lack of vehicles has contributed to the backlog of inspections.

Contractual Expenses

Fee for service contracts in the National Estuary Program appropriation increase by more the $600,000 as compared to the 2009 Estimate. New anticipated expenses are for education and outreach, additional benthic mapping, stormwater management, the Comprehensive Conservation and Management Plan for the Peconic Estuary, and further studies on submerged aquatic vegetation.

Budget Review Office Recommendations

The Budget Review Office concurs with the Recommended Budget for the Division of Environmental Quality.

CF HSV DEQ10

Emergency Medical Services (EMS)

Major Issues

1. State Funding
2. Grants
3. Personnel

Program Description

EMS provides required medical direction, administrative, education, and training oversight to the County's emergency medical services system. Authority of the Division derives from the New York State Public Health Law, the NYCRR, and local law. The Division coordinates closely with FRES and the Office of Emergency Management of a variety of issues.

Budget Review Office Evaluation

Division activities are reimbursable under the Municipal Health Services Plan (MHSP), and are included in the Health Services Department's claim for state aid. In 2009, after a change in MHSP guidance (but not in state law or regulation), New York State Department of Health attempted to deny the portion of the claim for reimbursement for emergency medical services. The Department believes, and the Budget Review Office concurs, that the claim will eventually be adjudicated in favor of the County. The recommended budget for the Division is $2,239,807, a reduction of almost 13% compared to the 2009 Estimate; the estimate is reasonable. The primary reason for the reduction is the exhaustion of several grants for Urban Area Security (UASI) and the State Homeland Security Program (SHSP). All remaining grant funding has also been excluded from the recommended budget as compared to the request, with the intent to appropriate grant funds through resolution if and when any additional funding is received; Budget Review concurs.

Personnel

- The Division of Emergency Medical Services is currently recruiting to fill one vacancy - Emergency Medical Services Officer. Assuming that position is filled, there are no 2010 appropriations to other vacancies. Overtime salary is funded at less than half the requested level, but level with the 2009 Estimate. In the past, some grant funding supplemented overtime.
- The Medical Director position has been vacant for at least two years, and is unfunded in the 2010 Recommended Budget.

Budget Review Office Recommendations

- The Budget Review Office concurs with the 2010 Recommended Budget for this Division. While the Recommended Budget restricts personnel to the expected complement at the end of 2009, and equipment and supply purchases to replacement of unserviceable items, the Division can continue to conduct operations, even given the austerity of the Recommended Budget.

CF HSV EMS10

Medical - Legal Investigation & Forensic Sciences

Major Issues

1. Change in Article 6 reimbursement

Program Description

Commonly known as the Medical Examiner Division, this division has three sections:

1. Pathology Section, which investigates all deaths reported to the Medical Examiner (ME) utilizing Medical Forensic Investigators. On average, there are approximately 11,000 deaths per year in Suffolk County, of which approximately 4,400 are reported to the ME, including requests for cremation, dissection or burial at sea. Autopsies are routinely performed by Forensic Pathologists on all sudden unexpected natural deaths and all unnatural deaths.
2. Crime Laboratory, responsible for independent, objective and accurate examinations of forensic evidence submitted by all law enforcement agencies in Suffolk County, and to assist the Suffolk County Attorney by testifying on behalf of the County in civil litigation.
3. Toxicology Laboratory, which performs tests and analysis on biological tissues and fluids as part of the medico-legal investigation process. This includes blood and urine samples from the Probation Department and the Office of Alcohol and Substance Abuse Services.

Budget Review Office Evaluation

The Recommended Budget for the Division of Medical, Legal Investigations and Forensic Sciences is $10,417,122, a 1.2% decrease compared to the 2009 estimate. This decrease is primarily due to a net reduction of $516,000 in grants awarded to the Department and an increase in personnel costs compared to the 2009 estimate due to regular salary adjustments and the lack of a lag payroll in the 2010 Recommended Budget. Total appropriations are sufficient for the Division to accomplish its mission.

More than 95% of the 109 authorized positions in the Division are filled, giving it one of the highest filled position percentages in the Department. There are sufficient salary appropriations available to maintain this level, but not to fill any of the vacant positions. The number of cases closed administratively (because of lack of resources to examine them) has dropped dramatically since the Division reached this level of staffing. The correlation of sufficient staff to better case closure rates is critical to maintaining appropriate levels of trained personnel to assure the safety and well being of the residents of the County.

Prior to 2008, expenditures of the Division were claimable on the Department's Article 6 New York State Public Health Law Aid to Municipalities claim. The State has decided (without going through the rulemaking process) to disallow claims for Medical Examiners and related services. Suffolk County has disputed the State's position on the claim. If the claim is not adjudicated in the County's favor, this would have a permanent negative revenue impact on revenue appropriation 3401, of approximately $2.7 million, which is more than one quarter of the Division's Budget and an even larger proportion of the Division's budget not supported by grant funding.

Budget Review Office Recommendations

The Budget Review Office concurs with the Recommended Budget for the Medical-Legal Investigations and Forensic Sciences Division. Given the nature of the services provided by the Division, and its current workload, it should be staffed no less than the current levels even if the Article 6 dispute does not resolve in the County's favor.
CF HSV MedLegForenSci10

John J. Foley Skilled Nursing Facility (JJFSNF)

Major Issues

1. Subsidy from the General Fund
2. Abolished positions
3. Turnover Savings
4. Future of the facility

Program Description

The John J. Foley Skilled Nursing Facility is operated by Suffolk County as an enterprise fund (Fund 632) within the Department of Health Services. Providing long term residential and day care services, the skilled nursing facility serves up to 264 patients in the residential care setting, (including 12 AIDS beds, the only designated AIDS beds in the county), and up to 60 patients in the day care section of the facility. As the only publicly owned skilled nursing facility in Suffolk County, JJFSNF assures access to long term care services for the residents of the County. Assertions that the facility serves the same population as every other skilled nursing facility in the County are inaccurate. Analysis of the 2006 and 2007 New York State cost reporting for skilled

nursing facilities in Suffolk County, and state and federal quality reporting for 2008 and 2009 reveal that JJFSNF has significantly more Medicaid patients, especially those patients who start with Medicaid; that its patients are substantially younger; more male; more likely to require certain medications; and, that they tend to stay longer in the facility than in other skilled nursing facilities in the county. It is the facility's unique role as a publicly owned facility treating this patient population, which has brought federal dollars to the facility in the form of Upper Payment Limit/Intergovernmental Transfer, and has helped to reduce the subsidy required from the general fund.

Budget Review Evaluation

The 2010 Recommended Budget for the John J. Foley Skilled Nursing Facility is $35,053,321, a decrease from the 2009 estimated expenditures of 4.9%, or $1,817,652. The decreased expenditures are primarily related to Appropriations 4531, 4532, 4533, and 4534, totaling $2.6 million; these are one time grants awarded by the Dormitory Authority of the State of New York, which will be expended in 2009 and are not included in the 2010 Budget.

The nursing homes financial situation has eased considerably since 2008 due to several factors. First, the federal program intended to mitigate the difference between the Medicaid rate and the Medicare Upper Payment Limit is again providing substantial funding, $3.6 million in 2009, and $4.7 million in 2010, on a more regular basis. Note that the annual award for this program is now separated from Medicaid revenues in its own revenue line, "632-HSV-4488, Medicaid Upper Payment Limit". Secondly, Medicaid rates for the facility increased, closing the structural gap between expenditures and operating revenues. After the negative effects of publicity surrounding possible closure of the facility faded, JJFSNF regained Medicaid bed hold status, based on its high occupancy rate in April of 2009. An increase in the number of patients utilizing Medicare has also garnered increased revenue versus previous years. Finally, additional revenues because of a change in the Medicaid base year, and related retroactive payments, were realized. The net result of these revenue increases has reduced the interfund transfer to JJFSNF from $5.1 million in 2008 to $3.6 million in 2009 to $941,630 in the 2010 Recommended Budget. While all of the diverse revenues played a role in reducing the anticipated interfund transfers, the Medicaid Upper Payment Limit revenue will be the most critical in maintaining the transfer at five to seven million dollars in future years.

The Executive's 2009 estimate for expenses and revenues is reasonable. While the facility has exceeded its budgeted census in 2009, some instability in the Medicaid payment rates and costs related to the Facility's Immediate Jeopardy rating resulting from its NYS inspection in May of 2009 will negate any net positive effects from the increase in census. Expenditures at the facility, especially personnel expenditures, are now under control, to the point where it is unlikely that further significant savings can be realized through efficiencies.

The instability in the Medicaid rate structure and the unpredictability of the Medicare Upper Payment Limit/Intergovernmental Transfer program require conservative

budgeting. With respect to anticipated revenues and expenses, the Recommended Budget takes this conservative approach. The recommended interfund transfer from the General Fund of $941,630 should be considered anomalous. The transfer will, as stated above, more likely be in the five to seven million-dollar range in 2011 and beyond.

The Recommended Budget abolishes 41 vacant positions at the Skilled Nursing Facility and transfers three positions out of the facility to other appropriations in Health Services. Total positions in the facility are reduced from 366 to 322. Turnover savings for the facility is, as elsewhere in the Department of Health Services, extremely high. There are sufficient appropriations to fund currently occupied positions and replace losses, but not to hire additional staff. The Department's intent is to make up possible staffing deficits in nursing (registered nurses, licensed practical nurses, and nursing assistants) using temporary and contract staff; there are currently temporary staffing pools for both certified nursing assistants and licensed practical nurses. As of October 4, 2009, the Skilled Nursing Facility had 265 personnel; the current staffing level is based on consultant advice, and general industry practice, to maintain a ratio of approximately one full time employee per bed in a skilled nursing facility.

No other publicly owned home in New York State retains as many full time employees as JJFSNF; over 95% of the staff was permanent full time staff based on the last cost report available (2007). Most publicly owned nursing facilities in New York State have a full time staff of about 80%, with the remaining staff temporary or contract. The benefit package is the most expensive in the state as a percentage of salary for publicly owned facilities, and the most expensive for any facility in Suffolk County. Reductions in permanent personnel over the last two years have been a step in the right direction; however, Medicare reporting from the last inspection in May 2009, when the facility had two more filled positions, indicated that registered nurse, licensed practical nurse, and certified nursing assistant hours per resident per day (HPRD) were slightly below both state and national averages, and below best practices goals in all HPRD categories except LPN care. There is no reason why, given the resources available even in this very austere budget, that personnel costs cannot be managed. Adequate staffing for care provision can be provided using the combination of permanent, temporary, and contract staff by fully utilizing the funding provided for in the recommended budget. The Budget Review Office believes that the potential savings available in salaries for nursing staff (RN, LPN, and CNA) have been realized.

Phase II of the Request for Proposals regarding the sale of the JJFSNF license, and lease of the building, was sent to the 12 qualified respondents to Part I, responses are due back by the end of October 2009. There will probably be a third phase, where the top few respondents would be become the finalists. The RFP seeks proposals under the following conditions:

- Purchase of the Skilled Nursing Facility operating certificate and lease of the physical facility for at least 25 years. The buyer will pay the cost of all capital improvements after the sale and lease contract is executed. Preference is for a cash deal, although third party financing (HUD, DASNY, etc.) would be

considered. County financing will not be considered. The County would retain liabilities, and will give preference to an expeditious sale.

- The RFP precludes consideration of proposals, which treat the sale of the license and lease of the facility as separate transactions.
- Respondents are asked to specify plans for current residents and for current employees. However, the RFP allows respondents to express “general intent” for disposition of the current employees if it does not have specific plans.
- The RFP informs potential respondent that approval of the transaction is dependent on approval by various governmental entities, including the Suffolk County Legislature and respondents may be asked to testify before the Legislature.

Budget Review Recommendations

The Budget Review Office concurs with the Recommended Budget for the John J. Foley Skilled Nursing Facility.

CF HSV JJFSNF10

HUMAN SERVICES

The main subdivisions of the Executive's Human Services Division are:

- Office for the Aging
- Youth Bureau
- Veterans Service Agency
- Handicapped Services
- Women's Services

Office for the Aging

The 2010 Recommended Budget for the Office for the Aging is $16,363,806, which is equal to the Office for the Aging's request, and $1,007,163 or 5.8% less than the 2009 Adopted Budget. The Executive estimates that the Division will spend $665,870 less than adopted in 2009 due, in large part, to $129,128 in estimated savings from the lag payroll and unexpended funds for the EPIC Program.

Significant differences between the 2010 Recommended Budget and the 2009 Adopted Budget include a $750,000 (24%) decrease for the EPIC program, and a $359,594 (62%) decrease for the Legal Aid Society Senior Citizens Program.

The recommended budget includes 68 positions, the same as in 2009, and as requested by the Office for the Aging. The recommended budget provides sufficient funding for all currently filled positions and for filling nine of the ten vacant positions for half of the year.

Major Issues

1. Programs for the Aging
2. Contract Agencies
3. State and Federal Aid

Budget Review Office Evaluation

The Office for the Aging administers federal, state and county aging programs in Suffolk County as the Area Agency on Aging in accordance with the federal Older Americans Act.

Programs for the Aging

EPIC

Suffolk County participates in New York State's Elderly Pharmaceutical Insurance Coverage Program (EPIC). The County reimburses low-income elderly residents for the full cost of their premiums and 25% of their co-payments for prescription drugs. The 2000 Census revealed the population of persons 60 years or older in Suffolk County increased by 13.1% from the 1990 Census. As this population increases, it is likely that the enrollment in the EPIC program will increase.

The 2010 Recommended Budget provides $2,350,000 for EPIC reimbursements, which is equal to the Office for the Aging's request, but 24% less than the 2009 Adopted Budget. The 2010 recommendation reflects a more realistic cost for the program based on expenditures in recent years. The 2009 estimated budget for EPIC reimbursements (001-EXE-6802-4631) is $2,250,000, which is equal to 2008 actual expenditures after January and February 2009 were charged back to the account. As of September 5, 2009, expenditures totaled $1,318,181. Based on this amount and historical data, the Budget Review Office believes that the Executive's estimate is reasonable. In 2009, the County budgeted extra funds in this account as a contingency to offset possible state aid cuts to meal programs. No cuts in aid were made by the State; consequently, the $818,856 that has been reserved by the Executive (001-EXE-6802-5456) will go largely unspent.

Suffolk County's participation in the EPIC program is a discretionary local initiative and is funded entirely from local revenues.

Congregate Meals

The Older Americans Act Title IIIC-1 program provides individuals with a balanced midday meal in a congregate setting. In addition, there is a congregate evening meal served at a low income senior housing complex. The Office for the Aging projects that this program along with the 100% state-funded Supplemental Nutrition Assistance Program (SNAP) will provide 287,979 congregate meals in 2009. Although funding has increased for meal programs in the 2010 Recommended Budget, the cost per meal has also increased; the same number of meals is projected to be served in 2010 as in 2009.

The recommended budget includes $1,764,698 for Title III C-1 (001-EXE-6790), which is $13,980 less than the 2009 Adopted Budget. This reduction is due to a reduction in personal services. The Office for the Aging estimates $1,524,435 in federal aid for Title IIIC-1, making the County share of $240,263 approximately 13.6% of the total program costs.

Home Delivered Meals

The Older Americans Act Title IIIC-2 program provides homebound seniors with a delivered meal. In addition, this program provides evening and weekend meals for those individuals that are at risk of being malnourished. The Office for the Aging anticipates that this program along with SNAP will provide 341,343 home delivered meals in 2009.

The Title IIIC-2 program is recommended at $1,942,711 in 2010, which is a decrease of $205,656 (9.6%) from the 2009 Adopted Budget of $2,148,367. The Office for the Aging projects $764,848 in aid for this program in 2010 and a County share of $1,177,863, approximately 61% of the total recommended amount for the upcoming year.

The reduction in appropriations for the Title IIIC-2 program is more than offset by increases in the Supplemental Nutrition Assistance Program (SNAP). The recommended budget includes $1,115,399 for this program, which is $258,290 more than the 2009 adopted budget and $87,923 more than the estimated expenditures. The Office for the Aging projects $1,046,614 in state aid for 2010, making the County share $68,785, approximately six percent of the total recommended amount.

Based on formulas and aid caps, the reallocation of funds from Title III C-2 to SNAP, results in the County share being $286,646 less in 2010 for the same amount of meals provided in 2009.

EISEP

The Expanded In-Home Services for the Elderly Program (EISEP) provides non-medical services to Suffolk County seniors who need in-home care. The program provides two levels of in-home care. The first level includes light housework, shopping, and chores. The second level provides personal services such as bathing and grooming.

EISEP represents a significant portion of the Office for the Aging budget. The 2010 Recommended Budget includes $3,936,466 for this program, which is $19,588 more than the 2009 Adopted Budget of $3,916,878. The increase is due primarily to contractual increases in personal services. The Office for the Aging estimates that EISEP will receive $3,469,516 in state aid for 2010, equal to the 2009 estimated revenue budget and three percent higher than what was adopted.

Point of Entry

The Legislature approved Resolution No. 32-2008 on February 5, 2008, which accepted and appropriated 100% reimbursable state grant funds to establish a Point of Entry (POE) program to be known as NY Connects. The program is designed to provide information about long-term care options to individuals with long-term care needs and provide unbiased assistance in choosing an appropriate care option. The Office for the Aging has reported no problems or issues with the program. The 2010 Recommended Budget is $138,413, which is approximately one percent higher than the 2009 Adopted Budget due to contractual salary increases.

Contract Agencies

The 2009 Adopted Budget included funding for 23 contracted agencies with defining pseudo codes, for a total of $1,432,983. The 2010 Recommended Budget includes 19 contracted agencies with defining pseudo codes, with a total appropriation of $1,088,934. It would cost $344,049 to restore contracted agency funding to the 2009 adopted level.

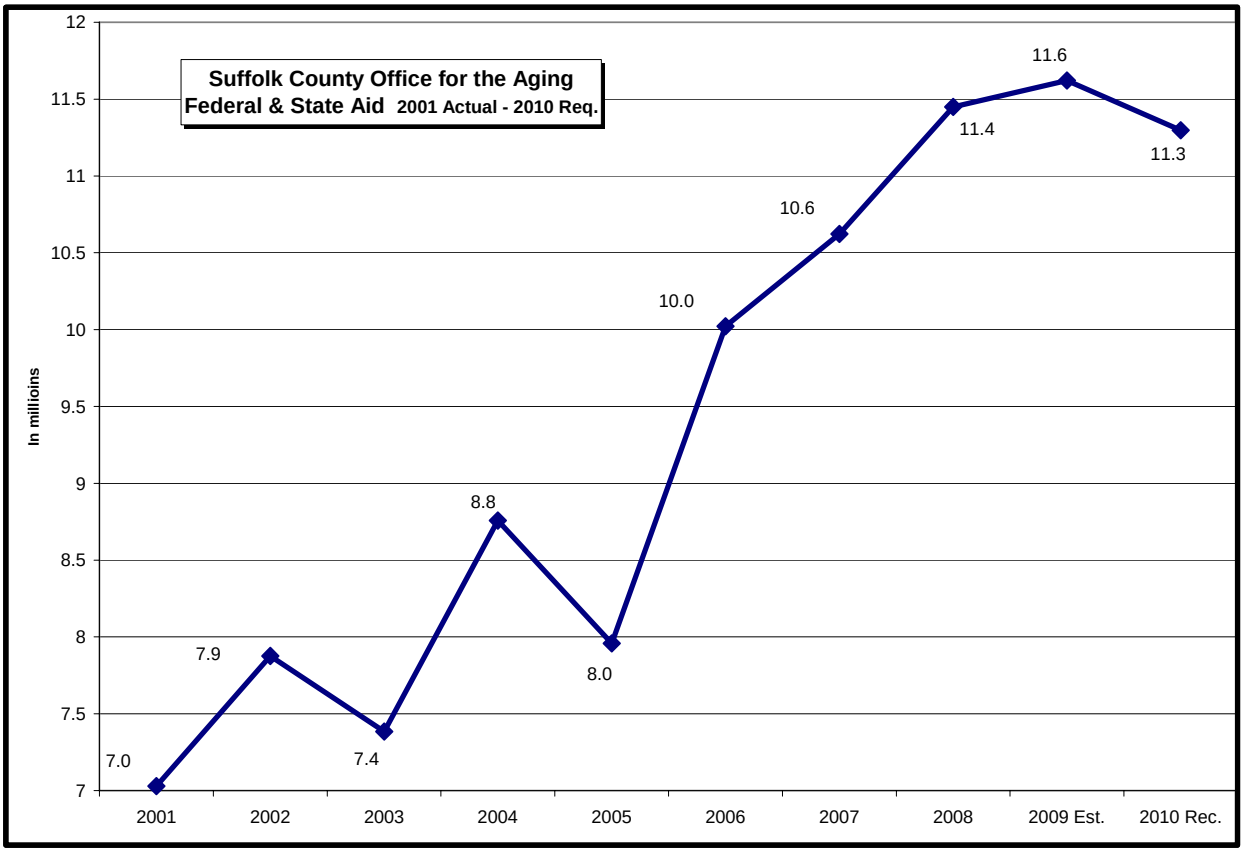
The Legal Aid Society (001-EXE- 6772-4980-GER1) requested $587,819 for its Senior Citizen Division, which is $9,658 or 1.7% more than adopted in 2009. The 2010 Recommended Budget shows the Legal Aid Society's request as $218,567 and includes funding for that amount, which is $369,252 or 62.8% less than what the Legal Aid Society actually requested. The Legislature increased funding for this contracted agency to $562,131 in 2007 and 2008, and $578,161 in 2009. Additional funding of $359,594 would be necessary to restore this contract agency to the 2009 adopted level. See the separate Legal Aid Society section for additional information.

State and Federal Aid

Several of the Office for the Aging programs receive federal and/or state aid. This aid can range from 75% to 100% of the cost of the program (with aid caps). Program funding above these aid caps becomes a 100% County cost. As the funding increases above the aid caps, the County's net cost increases.

The decrease in aid from the 2009 estimated budget is attributable to the receipt of two one-time (ARRA) grants; $217,295 for congregate meals (Resolution No. 776-2009) and $106,931 for home delivered meals (Resolution No. 774-2009).

The following graph illustrates the growth in aid since 2001.



The deficits experienced by New York State led to cuts of over $400 million from the SFY 2008-2009 Enacted State Budget. Approximately $335,000 in state aid to the

Suffolk County Office for the Aging was cut by the State in 2008, although there was a net increase in state aid funding over 2007 due to COLAs. It is possible that state aid will once again be reduced for SFY 2009-2010. Therefore, it is difficult to estimate state aid for 2010.

Budget Review Office Recommendations

Should the Legislature wish to increase the Legal Aid Society's Senior Program funding to 2009 adopted levels, the budget should be increased by $359,594.

Youth Bureau

The 2010 Recommended Budget includes $7,820,914, which is equal to the Youth Bureau's request, but $820,221 or 9.5% less than the 2009 adopted budget. Ninety-five percent of the reduction is attributed to contract agency funding.

The recommended budget includes seven full-time staff positions, which is equal to the Youth Bureau's request, and what was adopted in 2009. The recommended budget does not provide sufficient salary appropriations to cover payroll for the entire 2010 fiscal year. Assuming all staff will remain employed for the duration of 2010, turnover savings should be decreased by $10,000 in 001-EXE-7320 to ensure that there are adequate salary appropriations for filled positions in 2010. There is no funding to fill vacancies in the Youth Bureau.

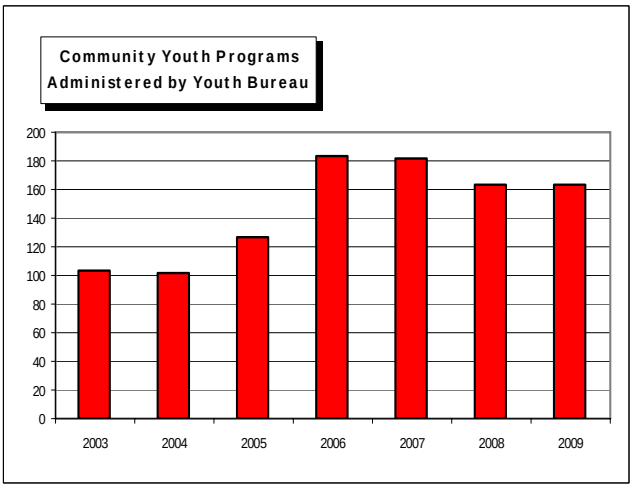
Major Issues

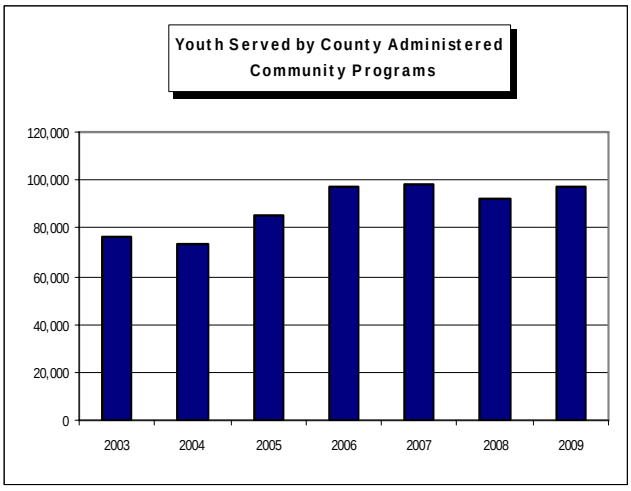
1. Staffing
2. State Aid
3. Contract Agencies

Budget Review Office Evaluation

The County's Youth Bureau was established in 1974. In 1979, the Youth Bureau's responsibility expanded through an agreement with the State of New York's Office of Children and Family Services (Comprehensive Plan Agreement). The County is required to submit a comprehensive plan and funding request annually to be considered for state aid. The County receives state aid for its participation in state authorized programs. Additionally, the County's Youth Bureau participates with towns and villages to obtain state aid for youth programs.

The Youth Bureau reports working with 164 youth programs in 2009, which served approximately 96,802 young people. Another 38,428 youth were reached by 32 agencies working through the towns.





The County's youth programs are funded through four appropriations.

- Youth Development/Delinquency Prevention 001-EXE-7320 YDDP (Includes: recreational, cultural, drop-in lounges, music, sports, career & employment counseling, job development & placement, tutoring, instructional workshops and community services programs).
- Comprehensive Planning, Runaway and Homeless Youth Plan 001-EXE-7323 RHYA (Includes: crisis intervention, individual-family & group counseling, advocacy, transportation, temporary shelter and response hotline).
- Special Delinquency Prevention Program 001-EXE-7325 SDPP (Includes: counseling services and rap sessions).
- Persons in Need of Supervision PINS – ADJ Service Plan 001-EXE-7329 (Includes: 24 hour hot-line and diverting youth from the juvenile justice system).

Staffing

The Youth Bureau plans, develops, monitors, and evaluates 164 youth programs in Suffolk County. The staff in the Youth Bureau manages and coordinates the contract agencies that deliver services to over 90,000 Suffolk County youth.

State Aid

The 2010 Recommended Budget includes $1,292,417 in state aid for youth programs (Revenue Code 001-EXE-3820), which is equal to the 2009 estimated budget. The Youth Bureau receives matching state aid for Youth Bureau administrative positions. For 2010, YDDP is expected to receive $100,000, RHYA is expected to receive $20,358, and SDDP is expected to receive $68,117. The remaining $1,103,942 provides funding for contracted youth services. The estimated net County cost for all youth programs in 2010 is $6,528,497 or 83%.

There was a six percent reduction in unspent local assistance funding for SFY 2008-2009. According to the New York State Association of Counties, YDDP was reduced by $1.432 million, SDPP was reduced by $339,000, and RHYA was reduced by $360,000 statewide. Services were not impacted in 2009 because the closing of St. Vincent

DePaul (Ryan House) absorbed all the state aid cuts. Given the current fiscal conditions in Albany, further cuts in SFY 2009-2010 should be anticipated.

Single Disbursement Agreement

Based upon recommendations from the New York State Division for Youth, the County entered into formal agreements with the five west-end towns. Resolution No. 59-1990 authorized the single disbursement concept. Under this Agreement, the west end towns provide funding for staff administration and program monitoring with the approval of the County's Youth Bureau. In return for this service, the state aid match to the County dollars goes directly to the town budgets.

Contract Agencies

001-EXE-7320-YDDP

The 2010 Recommended Budget provides $25,000 for contracted agencies (001-EXE-7320-4980) for safety net contingency initiatives. The same amount was proposed in the 2009 Recommended Budget; the Legislature reduced this contingency by $10,000 in the omnibus resolution. As of September 2009, the financial system shows no year-to-date expenditures for this line item.

The 2009 Adopted Budget includes 125 youth contracted agencies with distinguishing pseudo codes, for a total of $5,803,080. The 2010 Recommended Budget includes 71 contracted agencies for a total of $4,998,911, a 13.8% reduction in funding and a 43.2% decrease in the number of contracted agencies as compared to the 2009 Adopted Budget. The cost to restore this funding to the 2009 adopted level is $804,169.

001-EXE-7323-Comprehensive Planning - Runaway

The 2010 Recommended Budget includes $1,122,916 for the Runaway Program, the same as adopted and estimated for 2009. The recommended budget funds the same ten contract agencies that were funded in the 2009 Adopted Budget with the exception of St. Vincent DePaul (Ryan House) (001-EXE-7323-4980-ARS1), which went bankrupt in 2009. The $193,707 that was allocated for this agency in 2009 is included in the 2010 Recommended Budget (001-EXE-7323-4980-0000) without a pseudo code designating a specific agency. According to the Youth Bureau, the County will send out an RFP for similar services. The 2009 estimated budget is for the full $193,707 even though $0 has been expended to date. It is unlikely that a contract will be awarded in 2009, therefore, the estimated budget should be reduced by $193,707 to $0 and the corresponding State Aid (001-EXE-3820) should be reduced by $116,224. This results in a savings to the County of approximately $77,000 in 2009.

001-EXE-7325-Special Delinquency Prevention

The 2010 Recommended Budget includes $1,093,808 for the same eight contract agencies that were funded in the 2009 Adopted Budget. The recommended budget is $15,749 more than the 2009 Adopted Budget due to an 11.1% increase for Wyandanch Youth Services, Inc. (001-EXE-7325-4980-AYP1).

Budget Review Office Recommendations

Reduce turnover savings by $10,000 from $56,828 to $46,828 in 001-EXE-7320 Youth Bureau to ensure that there are adequate salary appropriations to cover payroll in 2010.

Reduce the 2009 estimated budget (001-EXE-7323-4980) by $193,707 since it is unlikely that a contract for these services will be awarded in 2009. Corresponding State Aid, in the amount of $116,224 should also be reduced (001-EXE-3820). The result is a savings of approximately $77,000 to the County in 2009.

Veterans Service Agency

The 2010 Recommended Budget includes $599,143, which is $22,761 or 3.7% less than the 2009 adopted budget of $621,904 and equal to the Veterans Service Agency's request. Reductions in expenditures compared to 2009 adopted are primarily due to excluding funding for contract agencies included by the Legislature, partially offset by an increase in permanent salaries. The Recommended Budget includes all 11 positions requested, which is the same as adopted in 2009.

Major Issues

1. Outreach
2. Staffing
3. Training
4. State Aid

Budget Review Office Evaluation

The Veterans Service Agency assists Suffolk County veterans and their dependents or survivors in obtaining necessary documentation and applying for federal, state, local, and private veteran's benefits. The Veteran's Service Officers advocate on the behalf of Suffolk County veterans for the services and benefits that they have earned through their military service. The County's Veterans Service Agency, in cooperation with the NYS Division of Veterans' Affairs, conducts vocational rehabilitation testing in Hauppauge. The Veterans Service Agency assists the Department of Social Services with Medicare benefits versus Veterans benefits to control County costs and assists town tax assessor offices for assessment adjustments on veteran's real property taxes.

The services provided by the Suffolk County Veterans Service Agency assist Suffolk veterans to get the benefits and entitlements that they deserve, which enable the veterans and their families to be productive contributors to Suffolk County's economy. Benefits that are awarded to Suffolk County veterans help these individuals and their families remain financially independent and not reliant on County services. According to the agency, Suffolk County veterans received approximately $116,082,000 in aid from the VA in 2009.

Outreach

One of the most significant challenges to the Veterans' Service Agency is making veterans and their families aware of the services that are available to them. According to the Agency, veterans are seven to nine times more likely to receive benefits and more likely to receive substantially larger benefits when they consult a Veteran's Service Officer as opposed to going to the VA on their own.

The Agency has increased its outreach efforts and is providing service to an increasing number of veterans. In 2008, the Veterans Service Agency handled 22,113 contacts, a 5.5% increase over 2007. This year's Suffolk County Homeless Veterans Stand Down benefited 150 veterans. The Veterans' Service Agency has also reached out to veterans who are incarcerated, in nursing homes, or assisted living facilities.

Staffing

Suffolk County currently ranks first in veteran population in New York State; 27th out of 3,148 counties nationwide. The Suffolk County Veteran's Service Agency estimates that they will handle 22,150 contacts in 2009; if trends continue, this number will be even higher in 2010.

The Agency typically functions shorthanded, particularly in the Riverhead location where there is only one County VSO and one New York State VSO who has been spending less time in the office as the State has been sending him to various locations throughout Long Island. The Veteran's Service Agency expects the demand on the Riverhead facility to increase when the East End Veterans Clinic opens in 2010.

The VSO position vacated by the Early Retirement Incentive Program in 2008 has remained vacant in 2009. The opening of the East End Clinic in 2010 is expected to create a greater demand for services, requiring an increased need for Veteran's Service Officers. Maintaining a high quality of service to Suffolk's veteran population will become increasingly difficult if the County does not hire VSOs.

The 2010 Recommended Budget includes $534,533 for permanent salaries, which is sufficient to fund the ten positions that are currently filled and one vacant Veterans Service Officer position for 50% of the year.

Training

The Director of the Veterans Service Agency and all Veteran's Service Officer's are mandated to attend trainings in order to keep their accreditation from the American Legion Department of New York. Without this accreditation, VSOs would lose their ability to negotiate with the VA as American Legion power of attorneys. Trainings also keep the Director and VSOs up to date on changes in laws and VA benefits allowing them to provide better services to Suffolk's veteran population.

State Aid

The Veterans Service Agency has received between $35,000 and $37,500 in state aid (001-EXE-6510-3710) each year since 2004. The 2009 Adopted Budget included

$37,500 for the agency. The 2009 estimated budget is $64,908, accounting for $27,408 in one-time pass through stimulus funds.

Budget Review Office Recommendations

The Budget Review Office recommends and appropriations are available to fill the Veterans Service Officer position (grade 16) for half of the year to maintain a high level of service to Suffolk County veterans and to anticipate the demand for an additional VSO in Riverhead when the East End Clinic is finished in 2010.

Handicapped Services

The 2010 Recommended Budget includes $609,793, which is $36,192 or 5.6% less than the 2009 Adopted Budget. The difference between the 2010 Recommended Budget and the 2009 Adopted Budget is due mostly to a reduction in permanent salaries and contracted agencies.

The budget includes ten positions as requested, which is equal to the number of positions in 2009.

Major Issues

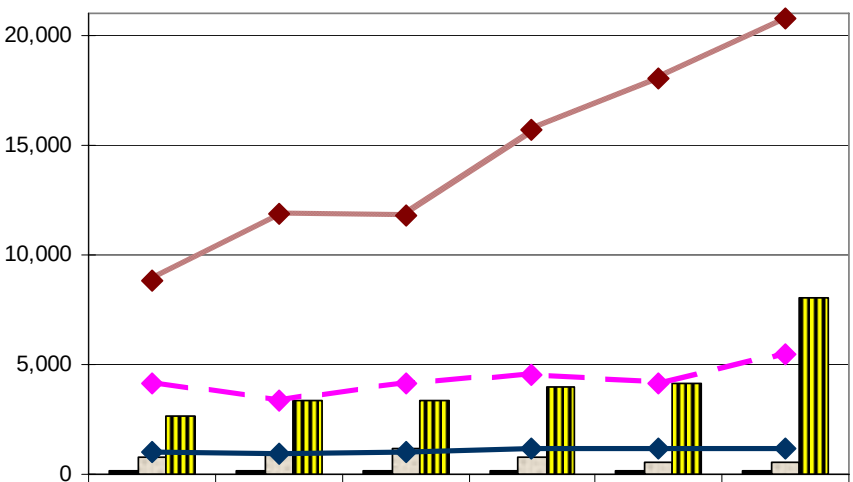
1. Workload
2. Staffing

Budget Review Office Evaluation

The Handicapped Services Office (HSO) assures the County's compliance with federal mandates under the Americans with Disabilities Act (ADA) and the Rehabilitation Act. In addition, the HSO advocates for changes to solve problems facing individuals with disabilities in Suffolk County.

Workload

The increase in workload for the Office of Handicapped Services is due primarily to increased call volume on the Handicapped Hotline and increased demand for Suffolk County Accessible Transportation (SCAT). The Office of Handicapped Services projects that it will handle over 18,000 calls in 2009, a 105% increase compared to the 8,803 problems handled in 2007. Likewise, Para Transit applications processed in 2009 are estimated at 4,170, which is 59% higher than in 2005.



	2005	2006	2007	2008	2009 proj.	2010 proj.
Handicapped Employment Program Contacts	124	118	160	156	171	188
Handicapped ID Cards Issued	809	906	1,195	751	561	561
Para Transit Applications Processed	2,627	3,376	3,393	3,981	4,176	8,015
Para Transit ID Cards Issued	4,125	3,319	4,128	4,494	4,170	5,430
Handicapped Hotline Problems Handled	8,803	11,842	11,825	15,689	18,036	20,741
Accessibility Program Contacts	1,052	902	1,052	1,140	1,140	1,140

Staffing

The division usually functions with minimal staffing, especially when their part time summer staff reduces their hours upon returning to school in the fall. The 2010 Recommended Budget includes $462,374 for permanent salaries, which is sufficient to fund all currently filled positions for the entire year and one vacancy for 50% of the year.

Postage

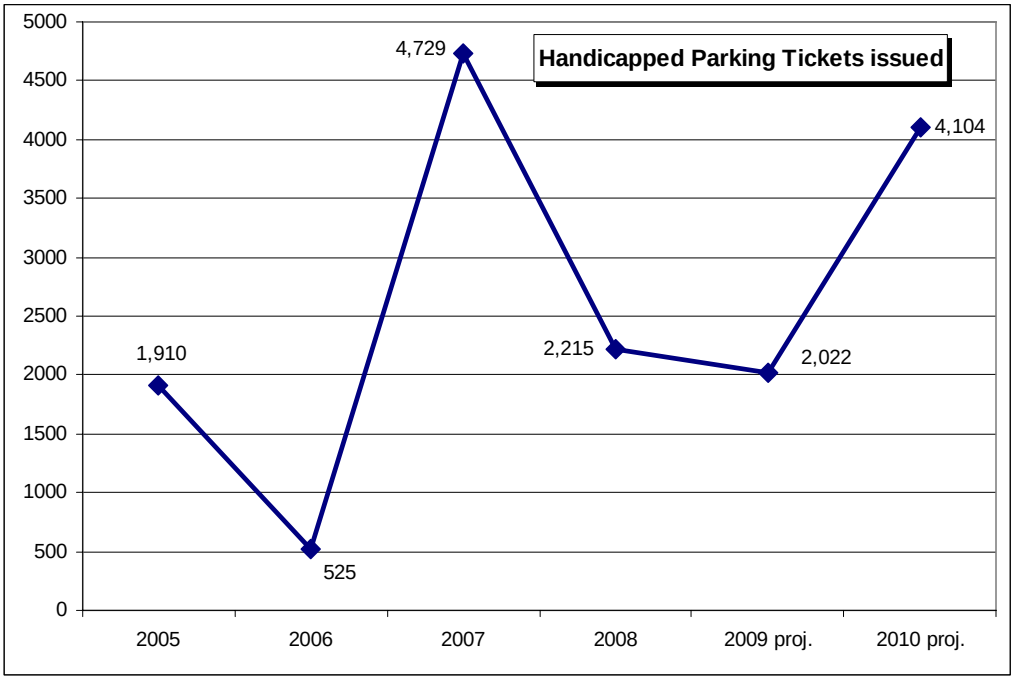
Resolution No. 1407-2007 requires that all certified persons eligible for SCAT service be notified in writing of any significant policy or service changes within 30 days of such change.

The Director of Handicapped Services has petitioned the United States Postal Service to have these mailings classified as “Free Matter for the Blind and Other Physically Handicapped Persons,” but the post office has denied his request on the grounds that we can not certify that all SCAT riders are certified by the Library of Congress to receive mail free of charge due to their inability to read conventionally printed material. Therefore, Suffolk County must pay for these mailings.

Last year the Legislature added $6,000 to the budget for these mailings. The 2010 Recommended Budget includes these funds.

Public Handicapped Parking Educational Program

Chapter 497 Laws of 1999 amended the State Vehicle & Traffic Law by adding Section 1203-g. This amendment adds $30 to handicapped parking fines and requires the County to establish a separate fund, Handicap Parking Education Fund (112), to receive the revenue produced from this surcharge. The amendment also requires that the funds received be allocated to a Public Handicapped Parking Educational Program (112-EXE-8054-3500). The Director of the Office of Handicapped Services is the coordinator of this program.



The 2009 estimated budget includes $43,170 from fines, surcharges, and interest earnings. As of September 23, 2009, the fund has earned $26,221, which makes the estimated budget optimistic.

The estimated budget projects that no expenditures will be made from this fund in 2009. If there are no expenditures and the estimated revenue is realized, the estimated fund balance will be $493,833.

<u>Budget Review Office Recommendations</u>

None

Office for Women

The 2010 Recommended Budget for the Office for Women is $560,283 which is $14,603 or 2.5% less than the $574,886 adopted for 2009. The 2009 estimated budget projects that the Office will spend $541,740; $33,146 less than the 2009 adopted amount. The difference between the 2009 estimated budget and the 2009 Adopted Budget is due primarily to savings achieved through the 2009 lag payroll.

Major Issues

None

Staffing

The Office requested, and the Executive recommended, six positions, the same as adopted in 2009. The 2010 Recommended Budget includes $341,336 for permanent salaries (001-EXE-8051-1100), which is sufficient to fund all currently filled positions. There are currently no vacancies in the Office for Women.

Budget Review Office Evaluation

The mission of the Office for Women is to identify needs, advocate for services, coordinate and develop resources, stimulate awareness and community interest in women's concerns and accomplishments and provide information and referral sources.

The Legislature added $10,000 for the Town of Babylon UJIMA Program (001-EXE-8051-4980-HCR1) in 2009. To date no money has been expended for this contract agency and the Executive has not recommended it for 2010.

The 2010 Recommended Budget includes funding in contracted agencies (001-EXE-8051-4980) for domestic violence law services. The 2009 Adopted Budget included $167,975 for this program; $162,225 has been encumbered to date, which is the same amount that the Executive is recommending for 2010.

Budget Review Office Recommendations

None

BP HumanServices10

INFORMATION TECHNOLOGY

Major Issues

1. Staffing
2. Public Safety Integrated Communication Task Force
3. Cell Tower Revenue

Budget Review Office Evaluation

The estimated budget of $15.91 million is $1,023,935 less than the adopted 2009 budget. The major differences between the estimated and adopted budgets are detailed in the table that follows.

Significant Differences Between the Adopted and Estimated Budgets (016-ITS-1680-Information Technology Service)

Obj.	Object Name	2009 Adopted	2009 Estimated	Estimated less Adopted
1100	Permanent Salaries	$4,670,884	$4,621,212	($49,672)
1380	Deferred Pay	$0	($173,436)	($173,436)
2020	Office Machines	$1,516,344	$1,273,288	($243,056)
3160	Computer Software	$2,707,449	$2,476,870	($230,579)
3510	Rent: Business Machines & Sys	$576,161	$482,224	($93,937)
3610	Repairs: Office Equipment	$1,332,330	$1,451,550	$119,220
4010	Telephone & Telegraph	$1,174,572	$1,209,662	$35,090
4210	Computer Services	$779,925	$447,150	($332,775)
	Total	**$12,757,665**	**$11,788,520**	**($969,145)**

The Budget Review Office agrees with the estimated budget presentation based on the Department's year to date expenditures reflected in the County's Integrated Financial Management System (IFMS) on September 17, 2009.

The recommended budget of $18.79 million is $1,203,901 more than requested due to the transfer of 20 IT related positions from other County departments at a cost of $1.3 million. The table that follows includes the differences between these two budgets.

Differences Between the Recommended and Requested Budgets

Obj	Object name	2010 Requested	2010 Recommended	Recommended less Requested
001-ITS-1680-Information Technology Service				
2020	Office Machines	$25,000	$0	($25,000)
016-ITS-1680-Information Technology Service				
1060	Longevity Pay	$51,500	$69,000	$17,500
1100	Permanent Salaries	$5,028,594	$5,846,119	$817,525
2020	Office Machines	$956,221	$1,200,000	$243,779
3510	Rent: Business Machines & Sys	$574,803	$500,000	($74,803)
4210	Computer Services	$519,100	$744,000	$224,900
	Total	**$7,155,218**	**$8,359,119**	**$1,203,901**

The Budget Review Office agrees with the recommended budget, with the exception of permanent salaries in the Department's main appropriation (016-1680).

- The Office Machines (Fund 001/016) appropriation provides for consolidated purchasing of technology equipment in ITS, such as desktop and laptop computers, printers, servers, and scanners. The County's Information Processing Planning Committee reviews proposals to purchase these items. Other office machine purchases remain in individualized departmental budgets. The recommended budget includes an additional $243,779 to provide connectivity for laptop computers in Police vehicles, which are to be purchased through the Capital Program in 2009.

- The Rent: Business Machines & Systems appropriation mainly provides for an annual CISCO network equipment lease.

- The Computer Services appropriation provides for consolidated purchasing of computer training, such as consulting and application support as well as upgrades. Additional funding in this appropriation above the department's request is reasonable given the County Executive's narrative, which includes a list of tasks the Department is expected to address in 2010, including providing for a County wide common help desk application, finalizing the DoIT production environment to Windows Server 2008, SQL Server 2005 and Exchange Mail to 2007, and upgrading the County's databases.

The Department updated the chargeback system to adequately determine departmental cost allocations for IT expenses. Additionally, as per the narrative in the recommended budget, the Department is to develop a Documented Statements of Works (SOWs) form that will detail "all of the costs of the DoIT staff for all new projects for departmental and budget approval prior to the beginning of the project". Customized versions of SOWs are currently used in the technology industry. The areas that are typically addressed in a SOW include but are not limited to: scope of work, location, scheduling, and special requirements.

Staffing

The Department currently has 84 authorized positions. The recommended budget transfers in 20 positions from other County departments for a total of 104 positions. There are nine vacant positions, which are detailed in the chart that follows.

Departmental Vacancies
as of 9/20/2009 Position Control Register

Vacancy	Gr.	# of Positions
Account Clerk/Typist	11	2
Asst. to the Commissioner of Info. Tech.	28	1
Senior Clerk Typist	12	1
Sr. Programmer Analyst	27	3
Programmer Analyst	24	1
Info. Technology Project Coordinator	27	1
Total		**9**

The 2009 estimated budget of $5,093,652 for permanent salaries is reasonable.

The 2010 recommended budget includes $5,846,119 for permanent salaries, which based on our projections is insufficient to adequately fund the currently filled positions for a full year or any of the nine vacancies. The recommended budget increases turnover savings to 12% ($632,452). We recommend adding $140,000 to appropriation 016-ITS-1680-Information Technology Service-1100-permanent salaries to provide sufficient appropriations to fund the currently filled positions.

The Department did not request any new positions; however, the budget transfers the following 20 IT related positions into the Department, to “allow for better utilization of staff for technology projects.”

Detail of IT Related Transfers from Other Departments

Department	Position	# of Positions
Consumer Affairs	Office Systems Technician	1
Subtotal		**1**
County Executive	Office Systems Analyst III	1
	Executive Technician	1
Subtotal		**2**
Environment & Energy	Office Systems Analyst I	1
Subtotal		**1**
Fire, Rescue & Emergency Services	GIS Technician III	1
	Office Systems Analyst I	1
Subtotal		**2**
Law	Office Systems Analyst IV	1
	Office Systems Analyst II	1
Subtotal		**2**
Parks	Office Systems Technician	1
Subtotal		**1**
Probation	Office Systems Analyst IV	1
	SR Programmer Analyst	2
	Programmer Analyst	2
Subtotal		**5**
Public Works	SR Programmer Analyst	1
	Programmer Analyst	1
	Office Systems Analyst II	1
	Office Systems Analyst I	1
	Office Systems Technician	1
Subtotal		**5**
Real Property	Programmer Analyst	1
Subtotal		**1**
Grand Total		**20**

According to the budget narrative, the staff in the preceding table will remain in their respective departments to support departmental systems but will report to the Commissioner of Information Technology to "ensure that technology decisions are made consistent with the direction and standards established by Information Technology." It appears that these particular 20 positions are either the only IT positions in their respective departments or are supervisory positions. Numerous other county-wide IT related positions and job titles are not transferred, including IT related positions in departments headed by elected officials, except the County Executive's office.

The following two tables detail the distribution of authorized positions in the Office Systems and Programmer Analyst job title series throughout the County.

Distribution of Positions in the Office Systems Job Title Series

Department	Total
Legislature	3
District Attorney	7
County Executive	2
Finance & Taxation	3
Real Property	1
Clerk	8
Law	2
Public Works	4
Sheriff	4
Police	20
Probation	2
Fire, Rescue & Emergency Services	1
Health	28
Planning	16
Labor	4
Parks	1
Environment & Energy	1
Information Technology	16
Consumer Affairs	1
Grand Total	**124**

Distribution of Positions in the Programmer Analyst Job Title Series

Department	Total
District Attorney	1
Real Property	1
Clerk	1
Public Works	2
Sheriff	2
Police	10
Probation	4
Social Services	3
Labor	2
Information Technology	23
Grand Total	**49**

Of the 124 authorized positions in the Office Systems job title series, the County has 15 vacancies. Of the 49 authorized positions in the Programmer Analyst job title series, the County has six vacancies. In the Office Systems job title series there are 97 positions and in the Programmer Analyst job title series there are 19 positions that are not currently nor proposed to be under the supervision of DoIT. The proposed transfer of the limited number of positions in these job title series sets a precedent for future consolidations to include transferring the supervision for the remaining 116 positions as well as IT related positions in other job titles.

Consolidation of the supervision of IT related positions has positive and negative consequences that include:

Positive consequences:

- It could enhance DoIT's control, oversight, tracking and communication with the County's technological resources.
- The County's technological resources could be utilized more efficiently.
- The global IT related needs of the County may be prioritized over individualized departmental needs.

- There could be cross training of IT related positions. Many of the County's IT related positions work in department's that have unique computer hardware and software needs. If the County's IT related staff is cross trained then there is the possibility that they could act as a back up for personnel.

Negative consequences:

- Centralizing the County's technological resources into DoIT is less conducive to a transparent budget presentation, since the positions are not reflected in the departments that they physically reside in.
- Department Heads will have less control and oversight of their IT related personnel.
- IT personnel may be subject to addressing global County needs in lieu of the needs of their individualized departmental needs.
- IT related personnel may be required to travel to remote locations.
- Transferring the supervision of the IT related personnel, in the budget but not physically, limits direct supervision of IT related personnel.
- Transferring IT related positions may result in a potential loss in aided revenue, for example, the five IT related positions transferred from Probation, will result in the loss of more than $100,000 in state aid in 2010.

It is a Legislative policy decision to determine if the County should consolidate the supervision of IT related positions into DoIT.

DoIT indicated that it is having difficulty finding qualified individuals as current Civil Service titles do not meet the needs of the department. Specifically, the County has numerous positions in the Office Systems Analyst (OSA) series but does not have civil service titles for the following functions:

- Wide Area Network (WAN) Network person – WAN is a computer network that covers a broad area. The largest and most well-known example of a WAN is the Internet. WANs are used to connect Local Area Networks (LANs) and other types of networks together, so that users and computers in one location can communicate with users and computers in other locations.
- Structured Query Language (SQL) Server Database Administrator (DBA) – the SQL Server is a database management system that uses SQL query language for requesting information.

With many of the staff eligible to retire, there is a continuing concern regarding the potential loss of institutional knowledge. As per the position control register on September 20, 2009, the department has 28 individuals that are 55 or older, which is about 37% of its overall staff. To mitigate the impact of this, DoIT has been doing succession planning.

Public Safety Integrated Communication Task Force

The narrative in the recommended budget indicates that the County Executive will be issuing an Executive Order to create a Public Safety Integrated Communication Task Force to "coordinate improvements and upgrades to the computer and communications infrastructure used by various County public safety agencies". The Task Force will have representatives from County public safety departments, such as Police, FRES and Sheriff and will be chaired by the Commissioner of DoIT. The Task Force will be charged with ensuring that the expenditures or implementation of new systems or upgrades of existing systems are integrated across departments and in line with the technological direction of the County. The Task Force will perform cost benefit analyses before upgrades or new installations of systems and will review and prioritize capital project requests related to computer, communications and other aspects of information processing. The Task Force will provide all cost benefit analysis to the Executive's Office of Budget and Management for inclusion of funding and reassignment of personnel, subject to available appropriations.

We are in agreement with the creation of this Task Force. Enhancing interdepartmental communication and hardware and software compatibility is in the County's best interest. However, we recommend that the Task Force also be directed to provide all reports to the Legislature, including the Budget Review Office.

Cell Tower Revenue

The recommended budget includes $1.3 million in revenue code 016-ITS-2450-Commissions, which is equivalent to the 2009 estimated budget and the Department's request. The majority of this revenue, $1.07 million, is from inmate coin telephones with the remainder, $230,000, from cell site revenue from AT&T, Verizon, T-Mobile, Sprint, Nextel. The recommended budget narrative states that the County Executive has requested that Information Technology expedite cell tower installations to increase cellular tower revenue from $265,000 to $500,000 in 2010, however, the additional revenue is not included in the 2010 budget.

We do not recommend changing the recommended revenue from cell tower sites. It is consistent with the Department's requested budget. According to the department, Telecommunications has reached agreements with several cell phone carriers to place cell poles on identified County properties. The companies identified 20 ideal cell site locations. DoIT's requested revenue from cell tower sites only included sites that are finalized or are expected to be finalized in 2010. Each carrier has to complete months of negotiations and contracts have to be prepared prior to the County realizing additional revenue.

<u>Budget Review Office Recommendations</u>

- Add $140,000 to appropriation 016-ITS-1680-Information Technology Service-1100-permanent salaries.

- Reduce 016-ITS-1680-Information Technology-2020-Office Machines by $243,770 in 2010 as this funding is for Police MDT terminals which will be purchased through the Capital Program.
- Direct the Public Safety Integrated Communication Task Force, when it is created, to provide all reports to the Legislature.

Moss DoIT10

LABOR

Major Issues

1. Staffing
2. Revenue
3. Vehicles
4. Unemployment

Budget Review Office Evaluation

The 2009 estimated budget for the Department of Labor (DOL) is $19,967,008, which is $6,139,160 more than adopted. The Department of Labor's aggregated revenue estimated for 2009 is $20,611,087, which is $644,079 more than 2009 estimated expenditures. The estimated budget for the Labor Department is reasonable, provided the department's federal and state revenues are realized. DOL received $6,654,682 from the American Recovery and Reinvestment Act (ARRA), 75% of which is required to be expended in 2009. The remaining 25%, or $2.2 million, will be utilized in 2010.

The 2010 recommended budget includes $18,380,400, which is $406,408 less than requested. DOL's aggregated revenue recommended for 2010 is $19,555,215, which is $1,174,815 more than the 2010 recommended budget for its expenditures. The recommended budget for the Labor Department is reasonable, provided the department's federal and state revenues are realized. The department is actively pursuing funding and when additional grant funds are awarded, they are accepted and appropriated by resolution during the year.

Staffing

DOL employees perform the department's responsibilities in two main locations in Hauppauge and several co-locations within DSS Centers. As of the September 6, 2009 position control register, the department has 205 authorized positions. This is 15 more than this time last year. The County Executive's Office advertised job openings to the county workforce (AEM 16-09 and 17-09) and allowed 16 employees to transfer into 100% federally funded positions. Additionally, the recommended budget abolishes one vacant position, a Labor Specialist IV. Of the 205 authorized positions, DOL has 183

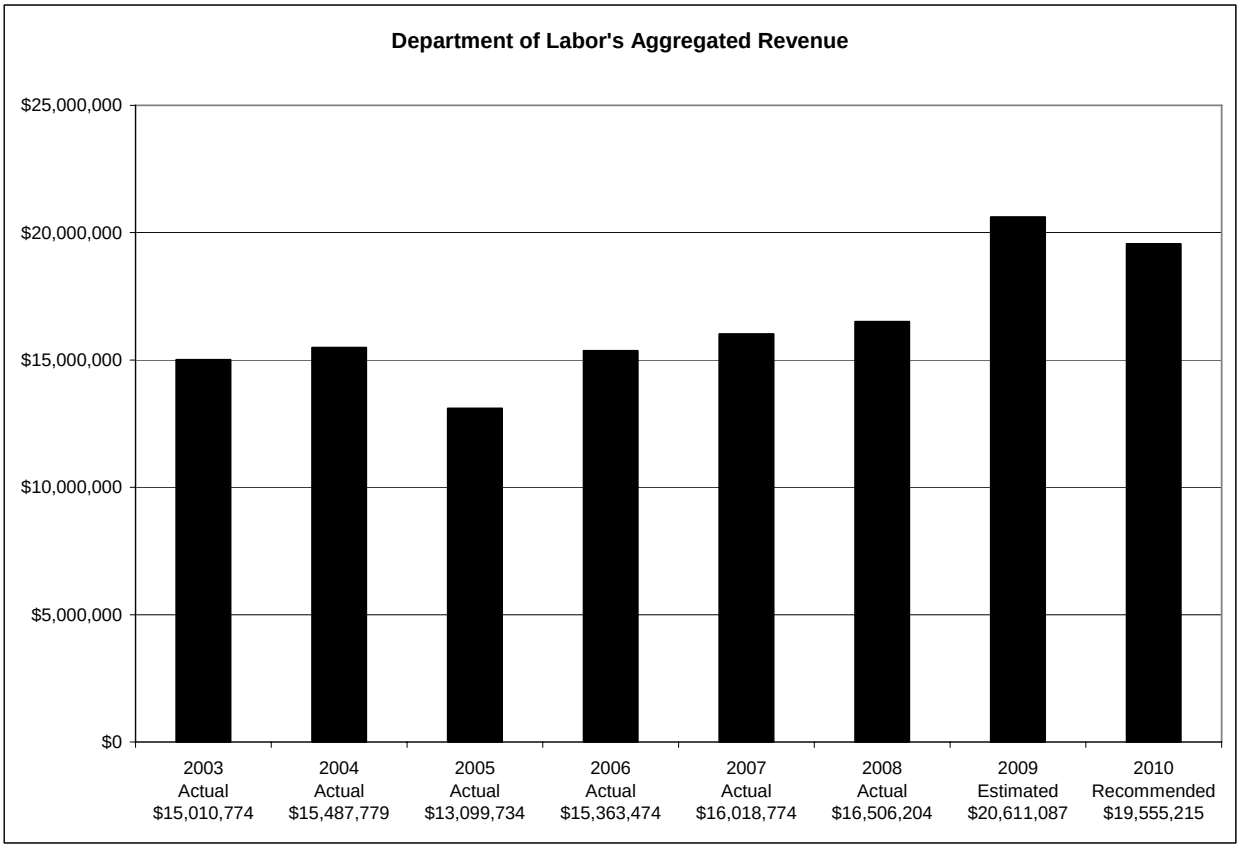
filled and 22 vacant positions, as of September 20, 2009. This is 19 more filled positions than this time last year. In 2009, DOL helped to alleviate OT and expenditures on temporary employees for the Departments of Parks, Health and Public Works as well as the County Executive's Office with the utilization of disadvantaged (financially or physically) youth.

The 2009 estimated and 2010 recommended permanent salary appropriations are reasonable. The recommended budget includes sufficient salary appropriations to adequately fund all of the currently filled positions.

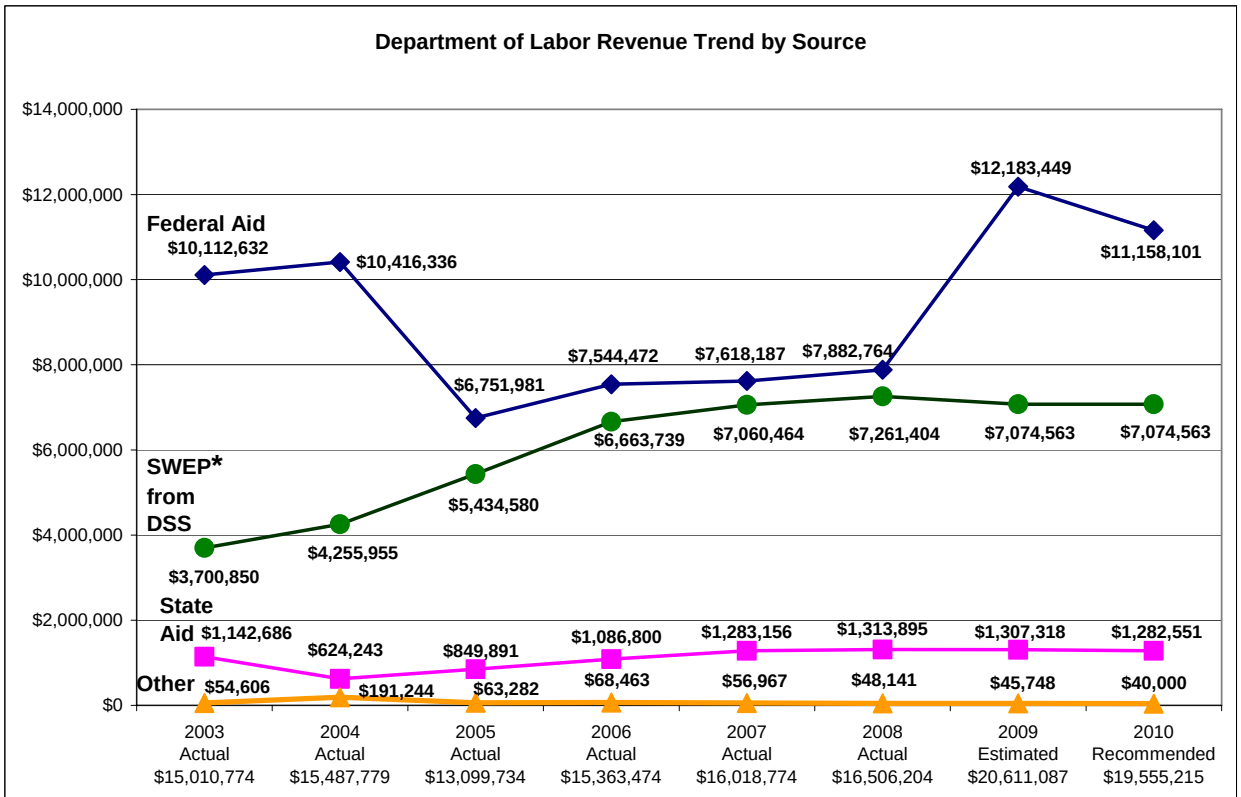
Revenue

In times of economic downturns, the Department of Labor typically experiences an increase in its revenues. DOL receives the majority of its revenues from the state and federal governments, which each have different fiscal years than the County. The state fiscal year is April to March, the federal government is October to September, and the County is January to December. This presents a challenge when estimating and projecting the department's revenues. Due to the differences in fiscal years, at any given time the department will have grant award letters for a portion of the County's fiscal year, which it then uses to forecast what it expects to receive for the remainder of the year.

Accounting for SWEP revenues from DSS, the 2009 estimated budget includes $20,611,087 and the 2010 recommended budget includes $19,555,215 in revenues for the Department of Labor. The following chart reflects the department's aggregated revenue from SWEP, federal, state, and other revenues for 2003 to 2010.



The department's aggregated revenue appears to be trending upward since 2005 with a slight decrease in 2010 compared to 2009. The following chart details the department's revenue by source.



*SWEP from DSS includes Federal & State Aid that the Labor Department recieves from DSS. This aid is not included in the Federal Aid and State Aid figures in this chart.

Analyzing the Labor Department's revenue trend by source of revenue reveals the following:

- The majority of the department's revenue comes from federal aid and SWEP from DSS funding.
- Federal Aid significantly dropped in 2005, remained relatively flat during 2006 through 2008, significantly increased in 2009 and is expected to trend slightly downward in 2010. Federal Aid is for various programs; however, the vast majority is for Workforce Investment Act (WIA) programs.
- SWEP from DSS funding has become an increasing portion of the Department of Labor's overall revenues. This source of revenue is from the Department of Social Services, which receives federal and state aid for SWEP. However, in 2009 and 2010, SWEP revenues for DOL are exclusively from federal funding. DSS reports that when the state eliminated the Local Assistance Funding (LAF), it was picked up in the Flexible Fund for Family Services (FFFS). It is the same total amount of funding with a different distribution.
- Revenue from State Aid for various programs has remained relatively flat.
- Other revenue represents funding from the Town of Brookhaven for two summer youth conservation crews, which work on environmental conservation and

community improvement projects in Brookhaven, while providing job experience for Brookhaven youths.

The Labor Department is actively pursuing funding from several sources, such as:

- The Trade Adjustment Assistance program (TAA), which provides financial assistance to manufacturers affected by import competition. TAA assists individuals who have become unemployed as a result of increased imports or shifts in production out of the United States. The TAA program offers a variety of benefits and services to eligible workers, including job training, income support, job search and relocation allowances, a tax credit to help pay the costs of health insurance, and a wage supplement to certain reemployed trade-affected workers 50 years of age and older. The goal of the Trade Act programs is to help trade-affected workers return to suitable employment as quickly as possible. President Obama signed the American Recovery and Reinvestment Act of 2009 ("Recovery Act") on February 17, 2009. The Trade and Globalization Adjustment Assistance Act of 2009 (TGAAA), part of the Recovery Act, made changes to the TAA program. Legislative expansions to the Trade Adjustment Assistance (TAA) program went into effect on May 18, 2009. As a result, the US DOL is experiencing a sharp increase in petitions for eligibility for the program. The increase in petition filings may result in a delay in the investigations of petitions and accompanying eligibility determinations.

- The National Emergency Grant (NEG), which are discretionary awards by the Secretary of Labor, pursuant to Section 173 of WIA, as amended, that temporarily expand service capacity at the State and local levels through time-limited funding assistance in response to significant dislocation events. Significant events are those that create a sudden need for assistance that cannot reasonably be expected to be accommodated within the ongoing operations of the formula-funded Dislocated Worker program, including the discretionary resources reserved at the State level. Funds are awarded to provide employment-related services for dislocated workers as authorized under WIA Section 173 and 20 CFR part 671.

- Recaptured ARRA stimulus funds that may be redistributed if other areas do not meet their expenditure rate requirements. The funds are to be spent expeditiously and effectively with full transparency and accountability as well as with prompt reporting of expenditures. Funds will be redistributed to areas that have met the required expenditure rates. The recaptured funds will be issued based on the original ARRA allocation methodology and will exclude those local areas from which funds were recaptured.

Vehicles

The Department of Labor has leases for six Chevy Impala sedans with low mileage, of which five will expire on March 15, 2010 and one will expire on April 1, 2010. Purchasing these vehicles has been a less expensive option for the County than

purchasing new replacement vehicles for the County's fleet. Therefore, we recommend that the County exercise the buyout option to purchase these six vehicles at a cost of $7,500 each or $45,000 in total. This would be a cost savings to the County of approximately $11,000 per vehicle or $66,000 in total. We recommend directing the Department of Public Works (DPW) to do an assessment to verify their mechanical condition before the Division of Purchasing procures these vehicles.

Unemployment

The Department of Labor assists the unemployed and the underemployed by providing job training and employment services. DOL also supports the business community in the recruitment of qualified employees. The Department's One-Stop Employment Center provides services to both employers and job seekers and its Youth Career Center provides employment services to the County's youth. DOL also hosts job fairs at various sites throughout the County.

According to the New York State Department of Labor, New York State's seasonally adjusted unemployment rate climbed from 8.6 % in July to 9.0 % in August 2009, its highest level since April 1983. New York City's rate also increased, jumping from 9.5% in July to 10.3% in August, its highest level since May 1993. In August 2009, the number of unemployed in New York State and New York City increased to 874,300 and 415,800, respectively, their highest levels on record (current data extend back to 1976). The unemployment rate in Suffolk County lessened from July's 7.6% to 7.5%. Since August 2008, the number of nonfarm jobs in the Nassau Suffolk region has decreased by 35,500, or 2.8%, and the number of private sector jobs has decreased by 37,000, or 3.4%. The area's unemployment rate was 7.3% in August 2009, compared with 7.4% in July and 5.1% in August 2008. Long Island's 7.3% unemployment rate in August was the highest for that month since 1992 but is still well below those of both New York State (8.8%) and the U.S. (9.6%).

New York State provides 26 weeks of regular unemployment insurance benefits. However, due to the high unemployment rate in the State, an additional 53 weeks of unemployment benefits have been approved for a total of 79 weeks. Per current Federal legislation, specific deadlines apply to the different extensions, and as a result, not all claimants are eligible for the full 53 additional weeks of benefits.

On September 10, 2009 H.R. 3548 was referred to the House Committee on Ways and Means. H.R. 3548 proposes, "To amend the Supplemental Appropriations Act, 2008 to provide for the temporary availability of certain additional emergency unemployment compensation, and for other purposes." This Act may also be cited as the "Unemployment Compensation Extension Act of 2009". H.R. 3548 could extend unemployment benefits by up to 13 weeks in states where unemployment has averaged at least 8.5% over the last three months. New York would be one of the high unemployment States that could qualify for an additional 13 weeks of benefits under the bill bringing the total to 92 weeks of benefits. The outcome of this Bill will impact the department's caseloads.

Budget Review Office Recommendations

We recommend that the County exercise the buyout option to purchase six Chevy Impala sedans as a less expensive option for the County rather than purchasing new replacement vehicles for the County's fleet at a cost of $7,500 each or $45,000 in total. Before the Division of Purchasing procures these vehicles, DPW should be directed to do an assessment to verify their mechanical condition.
Moss Labor10

LAW

Major Issues

1. Staffing
2. Expenses
3. Fees for Services, Non-employees
4. Bar Association – Indigent Defendants Program

Budget Review Office Evaluation

Staffing

- Changes in administration typically create turnover resulting in a loss of institutional knowledge. The Budget Review Office recommends that lower level attorney positions be non-competitive or competitive Civil Service titles to reduce turnover and loss of institutional knowledge.
- The Department currently has 12 vacant positions of which nine are in the General Fund and three are in Fund 38 Bureau of Tort Litigation. The 2010 Recommended Budget abolishes one vacant General Fund position, Research Technician, (grade 17). The other vacant General Fund positions are one Principal Assistant County Attorney, two Assistant County Attorneys, one Clerk Typist, one Intergovernmental Analyst, one Principal Stenographer, one Senior Human Rights Investigator, and one Human Rights Investigator. The Fund 38 vacant positions are one Principal Assistant County Attorney and two Clerk Typists.
- The 2010 Recommended Budget transfers the Office Systems Analyst IV and the Office Systems Analyst II to the Department of Information Technology Services. The two employees will physically remain in the Department of Law to support the department system but they will report organizationally to the Commissioner of Information Technology.

Expenses

The 2010 Recommended Budget includes expenditures of $14,185,724, which represents a decrease of $136,838 or one percent from the 2009 adopted budget. The recommended budget is $328,370 or 2.4% more than the 2009 estimate and $114,408 or 0.8% less than requested.

The 2009 estimated expenses of $13,857,354 represent a decrease of $465,208 from the 2009 adopted budget and are reasonable. Fees for Services: Non employees are $243,965 more than the 2009 adopted amount, which is offset by a decrease in permanent salaries and savings attributable to the lag payroll. The reason for this increase is that more tort cases have progressed to the trial stage and this requires more attorney time. This increased cost is expected to continue into 2010.

- The Recommended Budget provides an additional $262,690 in Fees for Services: Non Employees compared to the request. The majority of the increase is in the Bureau of Tort Litigation (Fund 38).
- Offsetting this $262,690 increase were a number of decreases throughout the Department, including permanent salaries, equipment and supplies.

Fees for Services, Non-Employees

Estimated 2009 Fees for Services (001-1420-4560) are $857,228, which is $15,863 more than the adopted amount of $841,365. For 2010, the recommended budget is $857,228, which is $32,690 more than requested. The narrative indicates the additional funding to cover outside labor counsel for contract negotiations has been included. The Department request had sought $300,000 for Labor Relations. The budget will provide funding for conflict of interest cases, appellate printers, family court guardianships, forensic evaluations, court reporters, and Labor Relations. The recommended amount is reasonable.

Fees for Services, non-employees in the Insurance Tort Unit (038-1712-4560) is estimated to be $859,954, which is $219,954 more than the 2009 adopted amount. As previously discussed, more cases than usual have progressed to the trial stage and outside counsel billings have increased. The Recommended Budget includes an additional $230,000, $630,000 total, for outside counsel for police brutality, personal injury, civil rights, and medical malpractice cases, as the requested funding is no longer adequate. In addition, $240,000 is recommended as requested to hire four investigators, for a total of $870,000 in Fees for Services in this appropriation.

Bar Association – Indigent Defendants Program

Appropriation 001-1171-4770 Special Services, included in the mandated portion of the budget, provides for outside counsel. These private attorneys are necessary for homicide cases and in certain dual defendant cases, when the Legal Aid Society cannot represent more than one defendant. The County is required to pay these expenses in accordance with the original Indigent Defendant Plan established by the County and the Bar Association in 1966. The hourly compensation rate is $60 per hour for

misdemeanor cases and $75 per hour for matters other than misdemeanors. The expenditure caps are $2,400 for misdemeanors and $4,400 for all other cases.

The 2009 estimate is $4,056,000 and $4,056,000 is recommended for 2010. The 18-B costs for outside counsel have continued to increase. To address these cost increases, State Legislation established an Indigent Legal Services Fund (ILSF), which has a revenue sharing component. Estimated revenue sharing payment information will be based on a percentage formula of funds expended for indigent defendants statewide. For 2009 the County is expected to receive $3,177,347 (001-LAS-3215 – State Aid Indigent Legal Services) and $3,177,347 is recommended in 2010. This state aid is based on the total County 18-B cost, which consists of the contract with the Legal Aid Society, which handles most of the indigent defense and the outside counsel, which is assigned by the court when the Legal Aid Society has a conflict of interest.

Budget Review Office Recommendations

The Budget Review Office recommends that lower level attorney positions be competitive or non-competitive Civil Service titles to reduce turnover and loss of institutional knowledge as administrations change.
KD Law10

LEGAL AID SOCIETY

Major Issues

1. Operating Expenses
2. Senior Program (GER1)
3. American Civil Liberties Union Lawsuit
4. Office Space
5. Indigent Legal Service Fund

Budget Review Office Evaluation

The 2010 Recommended Budget includes $11,606,577 for the Legal Aid Society (LAS) of which $897,108 is reimbursed through various grant programs. The recommended funding level, including grants, is equal to the 2009 adopted amount of $11,606,577 and is $973,385 less than requested. The recommended budget does not include the LAS request for an 8.4% increase over the 2009 Adopted Budget to fund six new positions (two attorneys, two secretarial and two investigators at a salary cost of $341,125), plus growth in health insurance, retirement costs, MTA tax, fees for services and salary increases. The recommended budget includes the following LAS programs:

- Defender Based Advocacy Program is recommended at $102,620, which is $2,584 less than requested.
- Legal Aid-Target Criminal Initiative is recommended at $794,488, which is $4,594 less than requested.
- Senior Program (GER1) in the Office for the Aging; Legal Aid Society requested $587,820 to accurately reflect the cost of their Senior Program (GER1). The LAS budget request document included this program at $587,820; however the recommended budget incorrectly shows their request as $222,494. The 2010 Recommended Budget includes $218,567 for the Senior Program (GERI), $359,594 less than the 2009 Adopted Budget of $578,161. The difference is the additional funding adopted by the Legislature in 2009.
    - In 2005, the Office for the Aging requested the LAS to provide statistical data as to the resources dedicated to providing senior services. The study showed that resources far exceed the contract funding. For the last 3 years, the Legislature increased funding for the Senior Program (GER1). The LAS has indicated that it would not be able to continue to provide senior services at the current levels with the recommended funding of $218,567.
- The American Civil Liberties Union (ACLU) filed a class action lawsuit in November 2007 on behalf of twenty defendants, who are clients of various public defense systems including Suffolk, alleging there has been a systemic failure of New York's public defense system that violates their right to counsel under the Constitution and Laws of New York and the United States Constitution. The outcome of the lawsuit remains unclear at this time, however, a court decision finding that the current system violates an indigent's right to counsel may have material fiscal impact on Suffolk County.
- The 2009 estimated budget of $10,675,000 is $34,469 less than adopted and based on year-to-date expenses is reasonable.
- There are three issues concerning the LAS budget:
    - Whether or not to provide an additional $369,253 to continue the Senior Program in the Office of the Aging at the current level.
    - If there is concern that there may be merit to the ACLU lawsuit and additional staff is required, the Legislature could provide the six positions requested at a salary cost of $341,125.
    - Whether or not to provide increases in health insurance ($323,998), retirement ($66,852), MTA Tax ($24,000), other employee benefits ($14,475), merit salary increases ($135,000), fees for services ($10,000), and furniture and equipment ($34,700).
- The Legal Aid Society is a private agency not governed by Civil Service laws and rules or by the County's salary contracts. In the past LAS has given merit raises, not across the board salary increases.

- The Legal Aid Society is now located on the fourth floor of the Cohalan Court Complex at considerable savings to the County for leased space. The facilities are an improvement over the previous leased location in Bay Shore. However, access to the Cohalan Court Complex may be a challenge for some seniors who use walkers, canes, or wheel chairs. Although handicapped parking is available, the parking lot is large and access requires navigating through the crowds and security. This situation may dissuade some frail seniors from seeking the legal help they need, unless special entrance permits are provided similar to those afforded employees.
- Article 18-B of the County Law delegates to the counties the responsibility to provide representation to indigent defendants. Suffolk County fulfills its 18-B obligation by contracting primary responsibility to the LAS and using the Assigned Counsel Plan when LAS is unable to represent. To date, LAS has never declined a case due to an inability to handle their caseload. Assigned counsel is used in instances where there is a conflict of interest or a murder trial.
- Effective January 1, 2004, Article 18-B was amended to provide for: 1) elimination of the billable hour rate distinction between in-court ($40 per hour) and out-of-court time ($25 per hour), 2) increased the rate to $75 per hour for matters other than misdemeanors and $60 per hour for misdemeanors, and 3) increased the caps from $800 to $2,400 for misdemeanors and from $1,200 to $4,400 for felonies and other matters. Since LAS provides contracted services to the County at a fixed cost, the State Legislation will impact the County's total 18-B cost but not its LAS component.
- The State Legislation also established an Indigent Legal Services Fund (ILSF), which has a revenue sharing component accounted for in revenue code 001-LAS-3215. Estimated revenue sharing payment information is based on a percentage formula of funds expended for indigent defendants statewide and if maintenance of effort is reduced $1.00 below the previous year's amount, the County could lose the revenue. The 2009 estimated and the 2010 recommended budgets include revenue of $3,177,347. We agree with the revenue presentation.
- The large increase in assigned counsel rates makes the LAS a cost effective alternative for providing legal counsel to indigent defendants. The escalating cost of the assigned counsel program has been a concern. The decision of how much to spend on assigned counsel is made by those outside the County, and the County's only option is to pay the bill.

Budget Review Office Recommendations

Provide an additional $369,253 for the Senior Program (GER1) in the Office for the Aging.

KD LegalAid10

LEGISLATURE

Major Issues

1. Elimination of Community Support Initiatives (CSI) funding
2. Reduction of fees for services for expert counsel
3. Reduction of funds for legal advertising

Budget Review Office Evaluation

The Legislature's 2010 operating budget request included an expenditure reduction of $227,018 (2%) in accordance with the County Executive's All Department Heads Memorandum (14-09). The 2010 Recommended Budget further reduced the Legislature's budget by an additional $798,648 to $10,325,225. The recommended budget is $1,025,666 less than the 2009 adopted budget and only $105,035 more than the 2009 estimated budget. The County Executive cut the following appropriations from the Department's 2010 request.

APPROPRIATIONS				
Description	**2009 Adopted Budget**	**2010 Requested Budget**	**2010 Recommended Budget**	**Reduction**
Overtime Salaries (001-1010)	$5,000	$5,000	$4,000	($1,000)
Office Supplies (001-1010)	$58,824	$57,648	$50,000	($7,648)
Advertising (001-1010)	$50,000	$50,000	$40,000	($10,000)
Community Support Services (CSI's)	$595,000	$630,000	$0	($630,000)
Fees for Services, Non-employees (001-1025)	$500,000	$500,000	$350,000	($150,000)
Total				**($798,648)**

- The recommended budget reduces overtime by $1,000 (20%) to $4,000. This appropriation provides for a legislative stenographer to take and transcribe the minutes during non-business hours for the Vanderbilt Museum Board of Trustees meetings. Several years ago the Legislature instituted this cost-cutting policy to provide stenography services to the Museum in an effort to reduce the Museum's $17,000 annual cost to hire a per-diem stenographer. The Museum reimburses the Legislature dollar for dollar for this service.
- The Executive reduced advertising by 20% from $50,000 to $40,000. This appropriation provides funds for the Clerk of the Legislature to publish required legal notices.
- The Executive's reduction of Fees for Services by $150,000 for consulting services impedes the Legislature's efforts to pursue outside expertise in matters such as LIPA oversight, alternative sources of energy, energy conservation, and other significant energy related matters important to the residents of Suffolk County.

- The recommended elimination of funding for the Community Support Initiatives (CSI) takes away resources from not-for-profit organizations that provide programs for youths and seniors and fulfill community based needs. This funding is used to support services including, but not limited to, supplementation of County services for: veterans programs, senior citizen and youth programs, food pantry services and outreach, other comparable health and safety programs and for local economic development and community revitalization. Loss of these funds will limit the County's ability to provide needed valuable services to the residents of Suffolk County.

- According to Local Law 42-1999, the salary increase for elected officials shall be equal to the lesser of four percent or the Consumer Price Index for the New York Region. The salaries of elected County Legislators are increased, as calculated by the Budget Review Office, for 2010 based on the inflation rate for the most recent four quarters. The rate of growth in the average CPI for the July 2008 through June 2009 period, relative to the same period of the previous year, was 2.31%. The 2010 annual salaries for legislators will increase as follows: Presiding Officer, $111,429; Deputy Presiding Officer, $101,298; Legislators, $91,167.

- The recommended budget includes sufficient appropriations in 2010 for all currently filled positions in the County Legislature (001-1010) and provides for filling two of the Legislature's 14 full time equivalent vacant positions.

- There are sufficient appropriations in 2010 for all the currently filled positions in the Budget Review Office and to fill two of the Office's five vacant positions.

LR Legislature10

PARKS, RECREATION AND CONSERVATION

Major Issues

1. Staffing
2. Revenue
3. Expenditure
4. Marina Privatization
5. Contracted Agencies

Budget Review Office Evaluation

Staffing

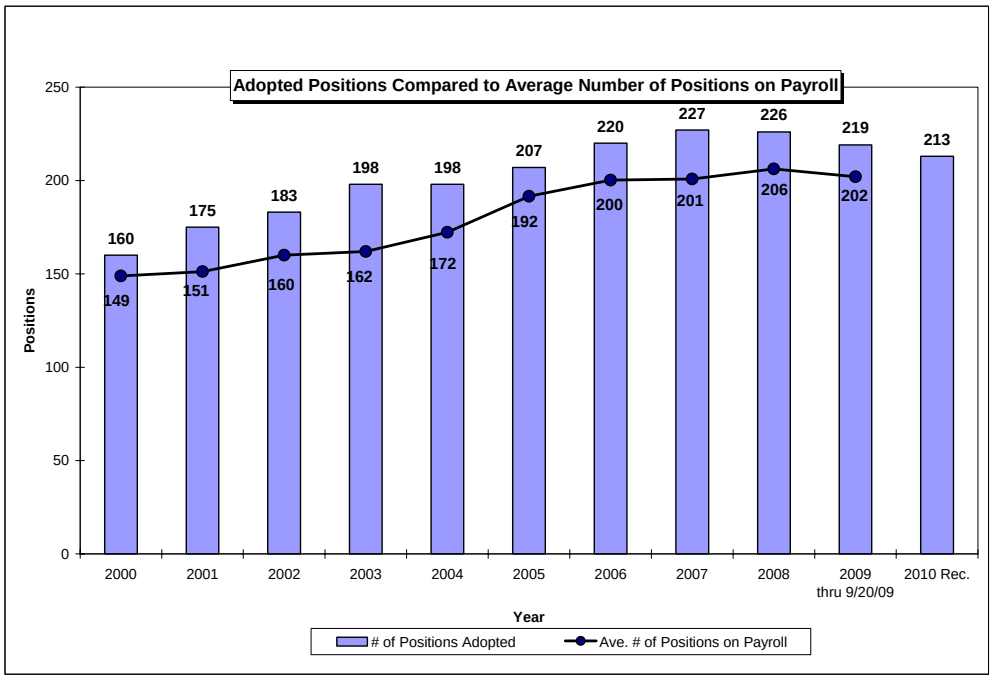
The 2009 estimated budget includes $10,162,821 for permanent salaries. Based on our estimates, the recommended budget includes sufficient funding in the 2009 estimated budget for the currently filled positions. The 2010 recommended budget includes $10,513,812 for permanent salaries across all funds. Based on our projections, there are sufficient appropriations to adequately fund all currently filled positions and one vacant Clerk Typist position, that the Department has been approved to fill, for a full year. There is insufficient funding to fill the remainder of the Department's vacancies.

The Department requested no new positions in compliance with the All Department's Heads Memorandum (ADHM 14-09). As of September 20, 2009, the Parks Department has 219 authorized positions, of which 17 are vacant. The recommended budget abolishes the following five vacant positions (one Parks Foundation Director, one Park Supervisor III and three Park Supervisor I positions) and transfers one Office Systems Technician to the Department of Information Technology.

- We recommend reinstating the abolished Park Supervisor III position to provide for an east end area supervisor. The current Superintendent of Parks that is covering the job duties of this position is already covering the job duties of three other supervisory positions. We recommend reinstating the position so that it can be filled as appropriations allow.
- We do not agree with the abolishment of the three Park Supervisor I positions, as these positions are essential to the operation and maintenance of the County's vast park assets. An employee in this title is responsible for directing and supervising the operation and maintenance of a small county park or assisting a Park Supervisor II in the operation and maintenance of a larger park. We recommend reinstating these positions so that they can be filled as appropriations allow.
- The recommended budget decreases the number of positions in Fund 001 Historic Services by transferring 12 positions to Fund 192, Hotel/Motel Tax Culture, and Historical in accordance with the increase in the Hotel/Motel tax rate from .75% to three percent effective December 1, 2009. The allocation of the

Hotel Motel Tax for historic services went from 16.67% to 20%. Refer to the revenue section of this review for further details as well as the Status of Funds section in this report for additional information on Fund 192.

The following chart compares the adopted number of positions to the average number of filled positions for the past ten years.



Since 2000 there has been an increase of 53 filled positions. Almost half of this increase can be attributed to an increase in Park Police Officers from 37 to 47 coupled with the transfer of 12 positions to Parks (Fund 477) from the Labor Department. Although there has been an increase in the number of filled positions, the Department does not have adequate staffing to cover our vast park resources.

- Positions in Fund 477 are restricted to limited functions consistent with the intent of the Suffolk County Water Protection Fund.
- The County's golf course staffing levels do not meet industry standards. A study done of the Indian Island Golf Course by the United States Golf Association (USGA) in 2000 noted that a typical 18-hole golf course has 12 to 15 employees; the County is below this staffing level.
- The County continues to expand the number of parks, preserves, historic sites and programs without a simultaneous increase in staff to maintain and operate these sites.
- The currently authorized 23 Park Supervisor I & II positions are needed to adequately staff the department with 19 Park Supervisors for parks and four for golf courses.

- There is a significant lag in posting revenue to the County's Integrated Financial Management System (IFMS). The POS system creates a large amount of daily paperwork that has to be reconciled and verified before revenue is posted to IFMS. To decrease the significant lag time in posting of revenue, additional staff is necessary to expedite this process. The Department only has one person, an accountant, to perform this function. We recommend creating and filling one new accountant trainee position by adding $43,186 for salary and fringe benefits for nine months of the year to reduce the revenue posting lag time**.**
- Although there has been an effort to authorize and fill Park Police Officer positions, the Department still does not meet the staffing criteria in the current legislation. We recommend filling two vacant Park Police Officer positions and creating and filling three new Park Police Officer positions for a total of 50 Park Police Officer positions to comply with existing legislation. Add $169,423 for salaries and fringe benefits. Our recommendation assumes that a police class will commence July 12th. The chart that follows details the calculation used to determine the required a total of 50 authorized Park Police Officer positions to be in compliance with existing legislation.

Detail for the Calculation of the Number of Park Police Needed

(1) 1999 # of Authorized Positions (as per 3/21/99 position control register)	(2) 2009 # of Authorized Positions (as per 9/20/09 position control register)	(3) Additional Authorized Positions since 1999 (2-1)	(4) Total Acreage that Meets Criteria as per Dept. of Env. & Energy*	(5) Acreage Purchased in 2009	(6) 1 New PPO per 500 Additional Acres Since 1999 (4+5/500)	(7) # of New Park Police Officer Positions Required (6-3)	(8) Total # of Authorized Positions Needed (1+3+7)
39	47	8	5,678.58	269.33	11	3	50
Note: A review done by the Department of Environment and Energy, Division of Real Property of the acreage acquired through various land acquisition programs from 1999 through 2008, which retracted farmland purchases, determined that 5,678.58 acres met the criteria in the current legislation.							

- Inadequate staffing has resulted in existing staff assuming additional tasks and incurring expanding geographical areas of responsibility.

The Parks Department will be undertaking a staffing needs analysis to determine how to best protect and maintain the County's Park System. Once this assessment is completed, the Department may reassign staff to maximize productivity and may need additional appropriations to fill existing vacancies or add new staff. It would be premature to add additional appropriations at this time without knowing the associated benefits and costs efficiencies with the exception of the Accountant Trainee position and the Park Police Officer positions.

Revenue

The estimated budget includes $9.75 million in revenue, which is 8.29% or $881,407 less than the adopted budget. Golf ($3.25 million), camping ($1.50 million), and beach

($2.03 million) fees are the department's major revenue collection areas. These three areas represent 69.47% or $6.78 million of the 2009 estimated revenue. As of September 17, 2009, IFMS only had $2.56 million posted. Therefore, the Budget Review Office was unable to validate the revenues included in the estimated budget using IFMS. Revenue data provided by the Department indicated that the weather this past year, a lot of rain, had a negative impact on the Parks Department volume but the increase in park fees helped to maintain the Department's revenue at historical levels. The estimated budget is $259,300 more than the 2008 actual revenue. The estimated budget for revenue is reasonable. However, it should be noted that if IR No. 1354-2009 is adopted then the County will lose approximately $200,000 in revenue from park fees in 2009.

The recommended budget includes $9.49 million in revenue, which is 3.70% or $364,304 less than requested and 2.68% or $261,426 less than the estimated. Assumptions in the recommended budget include:

- The Department's fee schedule rolling back to 2008 levels.
- Privatization of the County marinas and revenue from marinas approximately doubling; from an estimated $328,999 to a recommended $650,000. Refer to the Marinas section of this review for further details.
- Revenue from concessionaires remaining at historical levels.

We recommend increasing the recommended revenue by adopting a resolution that would not allow the Parks fee schedule to sunset in March 2010 and adding $800,074 or 8.43% more revenue**,** as detailed in the table that follows.

Comparison of BRO Recommended Revenue
with the
Executive's Recommended Revenue and the 2009 Estimated Revenue

Rev Code	Revenue Source Name	2009 Estimated	2010 Executive Recommended	2010 BRO Recommended	BRO less Estimated	BRO less Executive
1230	Return Check Fees	$40	$0	$0	($40)	$0
1550	Impound Fees - Parks Dept	$2,100	$2,000	$2,000	($100)	$0
2001	Park and Recreation Charges	$650,000	$555,000	$656,000	$6,000	$101,000
2002	Gift Card Sales - PKS	$81,000	$81,000	$81,000	$0	$0
2003	Camping Fees	$1,501,000	$1,300,999	$1,500,000	($1,000)	$199,001
2012	Recreation Charges	$751,999	$800,999	$1,000,000	$248,001	$199,001
2025	Beach And Pool Charges	$2,025,000	$1,750,999	$2,100,000	$75,000	$349,001
2032	Advertising Revenue	$51,600	$54,500	$54,500	$2,900	$0
2040	Marinas And Dock Charges	$328,999	$650,000	$345,000	$16,001	($305,000)
2050	Golf Charges	$3,249,999	$3,199,999	$3,350,000	$100,001	$150,001
2089	Other Museum Events	$29,300	$30,000	$40,000	$10,700	$10,000
2092	Charges Park Employees Sub	$155,000	$150,000	$165,000	$10,000	$15,000
2130	Sewer Rent : Late Charge - Res	$2,020	$2,020	$4,500	$2,480	$2,480
2410	Rental Of Real Property	$582,640	$582,640	$650,000	$67,360	$67,360
2414	Rental Of Equipment	$19,999	$12,770	$25,000	$5,001	$12,230
2650	Sale Scrap & Excess Material	$521	$521	$521	$0	$0
2655	Minor Sales - Other	$319,384	$319,384	$319,384	$0	$0
Total		**$9,750,601**	**$9,492,831**	**$10,292,905**	**$542,304**	**$800,074**

Our recommended revenue includes the following assumptions:

- The volume of park patrons will be similar to but higher than that of 2009 in anticipation that weather conditions and the patrons disposable income levels will be better than they were this past year.
- A small contingent of park patrons may forego paying for a park activity due to the nominal increase in the park fee schedule.
- Revenue from concessionaires will improve.
- The marinas will not be privatized in 2010.

Expenditure

The estimated budget of $16,949,229 is $2,078,341 or 10.92% less than adopted. In the aggregate, the estimated budget is reasonable. The 2010 Recommended Budget of $17,375,830 is $1,651,740 or 8.68% less than adopted.

Parks, Recreation & Conservation (001-PKS-7110)

The recommended budget includes $13.15 million or $457,455 more than the estimated budget for this appropriation. The table that follows illustrates the different Parks Department budgets by functional area.

Parks Department Budgets by Functional Area for Appropriation 001-PKS-7110

Functional Area	2008 Actual	2009 Adopted	2009 Estimated	2010 Requested	2010 Requested August Update	2010 Recommended
Personal Services	$11,948,306	$11,788,596	$10,598,829	$11,762,309	$11,801,423	$11,160,875
Equipment	$146,545	$224,540	$149,050	$266,817	$263,817	$149,700
Supplies	$1,360,134	$1,515,829	$1,183,641	$1,372,120	$1,372,120	$1,189,150
Contractual Expenses	$806,726	$833,500	$758,000	$659,005	$659,005	$647,250
Total	**$14,261,711**	**$14,362,465**	**$12,689,520**	**$14,060,251**	**$14,096,365**	**$13,146,975**

Personal Services - The major difference in personal services is attributable to the recommended number of authorized positions in this appropriation being reduced by 18 positions; from 184 to 166 due to abolished positions and internal transfers. Refer to the staffing section of this review for further details. The recommended budget includes $2.5 million in overtime and temporary salaries, which is $211,016 less than the Department's updated August requested budget. Inadequately funding the department's overtime and temporary salaries appropriations could result in an impact on park operations. We recommend adequately funding overtime and temporary salaries to ensure the maintenance of the County's park assets and the safety of the public by adding $50,000 for overtime and $161,016 for temporary salaries.

Supplies - The recommended budget includes $1.19 million for supplies, which is $182,970 less than requested. Given the national economic crisis and the County's fiscal impact as a result, it is reasonable for the department to temporarily defer purchasing some of its supplies. However, the recommended budget reduces the department's items for resale appropriation request from $80,000 to $0 in anticipation of the privatization of the County's marinas. We recommend adding $80,000 items for resale, as it is unlikely that privatization will occur before the end of 2010. The purchase of gasoline and motor oil for resale at Timber Point marina is more than offset by the revenues generated by this service to the public. Refer to the Marina Privatization section of this review for further details on the status of the privatization of the County's marinas.

Parks: STOP DWI (001-PKS-7112)

The recommended budget does not include the Department's $20,000 request for Park Police Officer's overtime to help reduce the incidence of DWI by enforcement as well as preventative methods such as the use of "check "stations. This was not included in the

adopted budget last year either. The Park Police Officers were expected to provide this service during their regular scheduled duties. The recommended budget for this appropriation is reasonable.

Environmental Enforcement (001-PKS-7125)

The recommended budget for Environmental Enforcement (001PKS-7125) includes $132,209, which is $10,160 less than the estimated and $36,302 less than the department's updated August requested budget. The Department utilizes three Park Attendant positions and one Seasonal Labor Crew Leader to conduct its Endangered Species Protection Program. The recommended budget does not adequately fund the temporary salaries appropriation for these positions. We recommend adding $9,852 to temporary salaries. The recommended budget includes sufficient funding for overtime but does not include meal allowances to meet contractual requirements. We recommend adding $1,800 to meals, employee contracts.

Parks: Historic Services (001/192-PKS-7510)

The new Hotel and Motel Tax rate increase funding allocation provides the Department with 20% of all revenues collected for the care, maintenance and interpretation for the general public of the historic structures, sites and unique natural areas that are managed by the Suffolk County Department of Parks and Recreation for sites and activities that are open to tourists on a regular and predictable basis. We estimate revenue of $1.5 million in 2010 (Fund 192). The Hotel and Motel Tax also provides 26% of the revenue collected for the General Fund for general park purposes, which we estimate will be $1.8 million in 2010.

The 2010 Recommended Budget includes a new appropriation in Fund 192 and transfers 12 positions from the Park's General Fund into the new unit. The recommended budget includes $1.69 million for historic services, which is $125,495 less than the combined estimated budgets for these two appropriations. A large portion or a total of $852,583 of the recommended funding will be used for permanent salaries and employee related expenditures to fund twelve positions with Hotel Motel Tax revenue. This leaves a balance of $841,091 for non-employee related expenditures such as supplies and fuel oil. This raises the policy issue as to whether more Hotel Motel Tax revenue should be expended on the personnel maintaining the sites, or on the structures themselves. To assist in making this policy determination we recommend:

- Requesting the Parks Department to present a detailed report of what historic sites have benefitted from Hotel Motel Tax funding thus far, what historic sites the department plans to allocate funding towards and why. The Department should clarify if there are historic sites the funding cannot be expended on.

- Requesting the Department to combine phases I & II of the Historic Survey with the pending phase III prioritized lists that were done by historic significance and condition. This newly combined prioritized list can then be used as a resource when allocating funding to the County's numerous historic sites.

- Requesting legislative counsel to provide a legal opinion on the language in the Hotel Motel Tax legislation to ensure that the County complies with the intent of this legislation. The legal opinion should include a determination on whether the funding can be utilized on personal services expenditures such as permanent salaries and an interpretation of what this legislation means by "sites and activities that are open to tourists on a regular and predictable basis". In the past, this particular language has significantly limited the Department's ability to utilize this funding. For example, currently the Department cannot utilize this funding to restore the Blydenburgh County Park Historic District New Mill, which is listed on the National Register of Historic Places and has been dedicated to the Suffolk County Historic Trust. Currently, the funding cannot be used for this site because of a narrow interpretation that the structure itself is not "open to tourists on a regular and predictable basis" even though the park itself is open to the public on a predictable basis and allows park patrons to visit the Mill's exterior and the intent, once the site is restored, is to allow interior access to the public.

Organic Maintenance (477-PKS-7114/7124)

The recommended budget splits the existing Organic Maintenance Program (477-7114) into two appropriations as requested. Water Quality Environmental Enforcement is created in appropriation 477-7124. In the aggregate, the overall recommended budget for Fund 477 includes $2.40 million, which is $104,801 more than the estimated budget and is $238,293 less than the recommended budget. The recommended budget is reasonable and within historic funding levels.

Marina Privatization

The recommended budget assumes the privatization of the County's marinas with a vendor to be selected in the fourth quarter of this year. It is unlikely that the marinas will be privatized in this time frame. Additionally, it is unlikely that the privatization will occur in 2010 before the boating season begins because it depends on the outcome of the RFEI process and whether or not a decision is made to proceed with an RFP. Typically**,** there is a significant time frame required for the preparation, negotiation, approval process and circulation of an RFP. The privatization of County marinas is in the beginning stages of the proposal process. The Requests for Expressions of Interest (RFEI) were due back on September 17, 2009. Due to the nature of the confidentiality of the RFEI process, it is uncertain at this time if the proposals are to operate a combination of the four marinas, or one alone. It could also require the Legislature and the Parks Trustees to modify the fees. Furthermore, if IR No. 1800-2009 is adopted then two public hearings and legislative approval for any proposed privatization of the County marina facilities would be required.

Contracted Agencies

The 2009 estimated budget includes ten contract agencies in appropriation 001-7110-PKS-4980 at a cost of $125,000, as was provided for in the omnibus resolution adopting the 2009 budget. The recommended budget does not provide funding for any contract agencies in 2010.

The estimated budget for six contract agencies, in appropriation 001-PKS-7510-Parks: Historic Services-4980-contracted agencies, includes $55,000, as was provided for in the omnibus resolution adopting the 2009 budget. The recommended budget does not include funding for any contract agencies in this appropriation in 2010.

Budget Review Office Recommendations

- Reinstate the abolished Park Supervisor III position (grade 22) to provide for an east- end area supervisor and additional supervisory oversight to be filled when appropriations allow.
- Reinstate the three abolished Park Supervisor I positions (grade 15) to provide for oversight when appropriations allow.
- Create one new Accountant Trainee (grade 19) by adding $31,202 for salary (001-PKS-7110-1100) and $11,984 for fringe benefits for a total of $43,186 for 9 months to reduce the revenue posting lag time.
- Fill two vacant Park Police Officer positions and create and fill three new Park Police Officer positions (grade 19, step 5) $123,333 for salaries (001-PKS-7110-1100) and $46,090 for fringe benefits for a total of $169,423, assuming a start date of July 12, 2010.
- Increase Parks Fees in 2010 by $800,074 to extend the current fee schedule past its sunset date, March 2010.
- Add $50,000 in 2010 to adequately fund overtime (001-PKS-7110-1120).
- Add $161,016 in 2010 to adequately fund temporary salaries (001-PKS-7110-1130).
- Add $80,000 in 2010 for items for resale for the purchase of gasoline for marinas (001-7110-PKS-3910).
- Add $9,852 in 2010 for temporary salaries in Environmental Enforcement (001-PKS-7125-1130).
- Add $1,800 in 2010 for provide for contractual meals in conjunction with overtime in Environmental Enforcement (001-PKS-7125-4320).

Moss Parks10

PLANNING

Major Issues

1. Personnel
2. Long Island Regional Planning Board (LIRPB)

Budget Review Office Evaluation

The 2009 estimated expenditures for Planning are $2,165,101 or 8.37% less than the 2009 adopted budget. The reduction reflects a savings of $65,940 associated with the lag payroll as well as additional savings from not filling vacancies. The 2010 expenditures for Planning are recommended as $2,253,159, an increase of four percent over the 2009 estimated expenses. However, the 2010 recommended appropriations are 8% less than requested by the Department, particularly in personnel. Based on the Budget Review Office projections, if all currently filled positions remain filled for all of 2010, there will be a shortfall of $146,000 in permanent salaries (001-PLN-8020-1100).

Personnel

- The 2010 Recommended Budget for the Water Quality Protection and Restoration and Stewardship Program (WQPRSP) includes two filled positions, one Environmental Planner (grade 21) and one Clerk Typist (grade 9). The duties and responsibilities of said individuals are included on page 402 of the 2010 Operating Budget. It is our opinion that to comply with Local Law 17-2008, the description of duties and responsibilities should be expanded to detail the percentage of time spent on each activity on a monthly basis. Even though these two positions are dedicated to Water Quality Protection, it continues to be the opinion of the Budget Review Office that WQPRSP funds should be used for capital and not operating expenses.
- The Planning Department has three vacant general fund positions: Principal Planner (grade 28), Assistant Economist (grade 21), and an Assistant Economist (grade 21) that has been earmarked to a Planning Aide. The 2010 Recommended Budget does not include sufficient permanent salary appropriations to fill these vacant positions during 2010.

Long Island Regional Planning Board (LIRPB)

- Two positions in the Planning Department, Chief Planner (grade 33) and Executive Director (grade 38), are assigned to the Long Island Regional Planning Board (LIRPB). It is our understanding that the incumbent in the Executive Director position is an employee of the Long Island Regional Planning Board and not Suffolk County. However, the September 20, 2009 position control register includes this as a filled position. The Planning Department Budget Request indicates that the position is expected to be funded by the LIRPC on or before

May 2010 and based on this fact recognizes $82,905 of turnover savings. If this occurs, it will partially alleviate the shortfall in permanent salaries.

- In addition, the 2010 Recommended Budget provides $285,000 in appropriation 001-PLN-8025-LI Regional Planning Board. The 2009 Adopted Budget provided $300,000, of which $285,000 is estimated to be spent.

- Nassau and Suffolk Counties have created a Long Island Regional Planning Council (LIRPC) to address regional planning problems. The plan requires both Counties to adopt resolutions approving a common plan. Resolution No. 636-2005, as amended by Resolution No. 1097-2007, was Suffolk's implementation of the plan. Resolution No. 832-2008 adopted a Memorandum of Understanding between Nassau and Suffolk County relating to the LIRPC. The Memorandum of Understanding provides that: 1) there will be a sharing of expenses for the LIRPC contingent upon the timely receipt of the LIRPC business plan. 2) There shall be no liability incurred by either County under the Memorandum of Understanding beyond the funds duly appropriated by the respective County Legislatures. 3) The Parties agree to support the LIRPC activities with in-kind services including, but not limited to, staff support and office space. 4) Each party shall maintain for a period of six years following the later of termination of or final payment under this Agreement, complete and accurate records, documents, accounts and other evidence of all expenses. There is no provision that deals with the reimbursement or equalization of past expenses.

- The ninth resolved clause of Resolution No. 636-2005, as amended by Resolution No. 1097-2007, states that "Until a business plan is submitted and accepted by the Suffolk County Executive and the Legislature, the Council shall be limited to funding of no more than $100,000 per annum from Suffolk County". Suffolk County's contribution proposed in the 2010 Recommended Budget is $285,000, plus the additional costs associated with the Chief Planner and Executive Director positions. This contribution is far in excess of the $100,000 limitation.

- The 2010 Recommended Budget narrative indicates that funding for the Long Island Regional Planning Council is recommended at a level that matches that of Nassau County.

- We have reviewed 2009 LIRPC budget information, which indicates that Nassau County has provided $225,000 in financial support and $201,376 of in kind services. In addition, the summary indicates that the Nassau County Industrial Development Agency has provided $350,000. However, it does not indicate whether this contribution is financial support or in-kind services. The statement indicates that the Suffolk contribution is $485,546 of which $285,000 is financial support and $200,546 is in-kind services. The financial support agrees with the $285,000 shown as the 2009 estimated expense in the 2010 Recommended Budget. However, without considering fringe benefits, Suffolk's in-kind services contribution of $200,546 is far lower than the $254,702 shown as the Suffolk County salary expense for the two individuals in the LIRPC unit. To address this issue, the resolution adopting the 2010 Discretionary Operating Budget should

include a resolved clause to condition the payment of the County contribution upon both the Nassau payment and the timely receipt of the Council's business plan. In order to comply with Resolution No. 636-2005, as amended by Resolution No. 1097-2007, language would also be required to limit Suffolk County funding to no more than $100,000 per annum if the business plan is not submitted.

Budget Review Office Recommendations

- WQPRSP Funds are more suitable for capital expenditures rather than funding positions in the operating budget.
- Pursuant to Resolution No. 636-2005, as amended by Resolution No. 1097-2007, "Until a business plan is submitted and accepted by the Suffolk County Executive and the Legislature, the LIRPB should be limited to funding of no more than $100,000 per annum from Suffolk County".
- The resolution adopting the 2010 Discretionary Operating Budget should include a resolved clause to condition the payment of the County contribution upon both the Nassau payment and the timely receipt of the Council's business plan.

KD Planning10

POLICE

Major Issues

1. Expenditure Overview
2. Sworn Officer Staffing
3. Civilianization
4. Overtime
5. Town Revenue Sharing
6. Public Safety Communications System E-911 Fund 102
7. Fleet

Budget Review Office Evaluation

Expenditure Overview

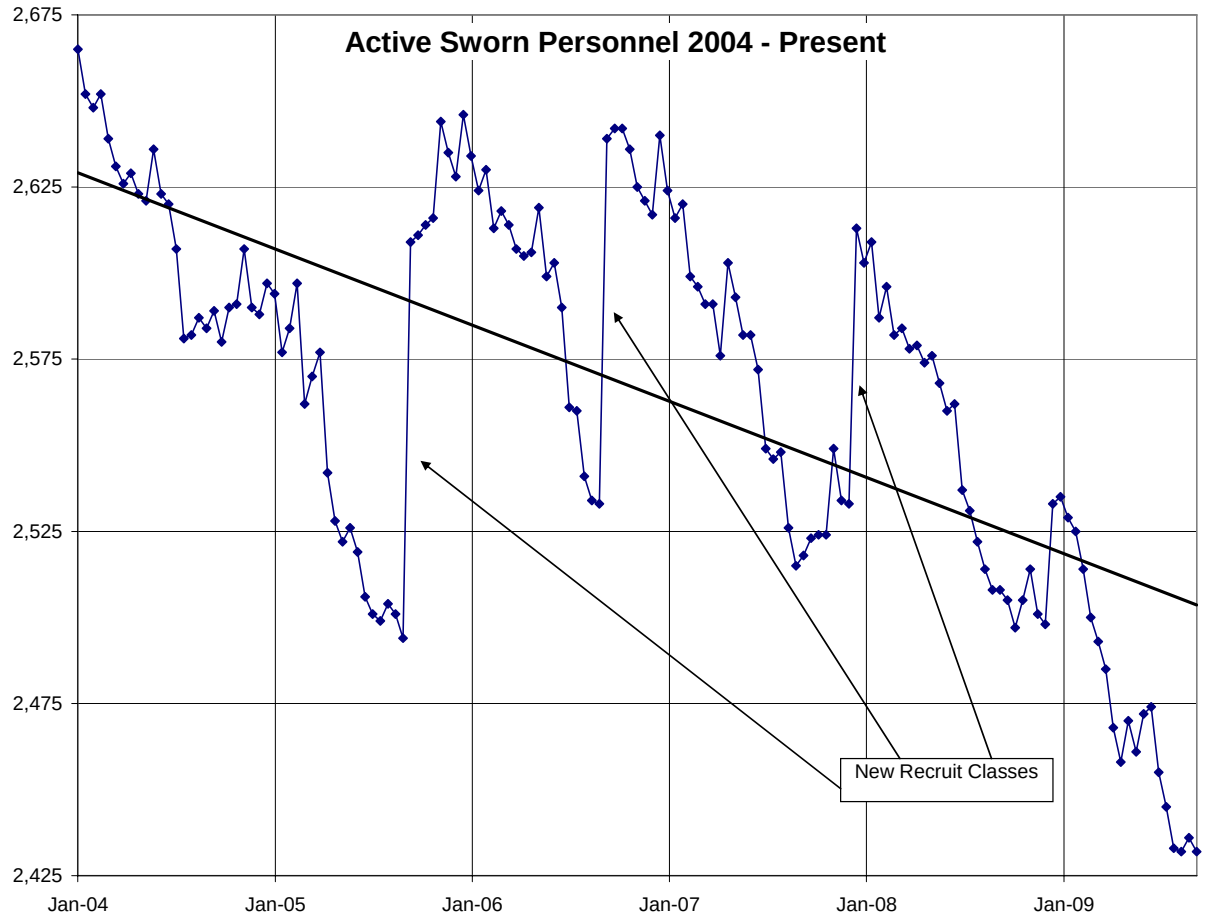
The recommended 2010 budget for the Police Department is $399,027,182, which represents a decrease of $30.2 million (-7%) from the adopted 2009 budget. The decrease in funding is due to a $30.4 million reduction in personnel costs; mostly $20.9 million in permanent salaries and $5.4 million in overtime. This reduction reflects the continued attrition of sworn personnel, no new Police recruit class scheduled to be hired in 2010 and the abolishment of 60 filled Police Officer positions.

Personnel services constitute 95% of the recommended Police budget. The Police District Fund 115 accounts for 79% of the 2010 recommended Police Department expenditures ($314.2 million), the General Fund ($71.6 million) accounts for 18% and Fund 102 – Public Safety Communications Systems E-911 ($13.2 million) is three percent. These are nearly identical percentages per fund compared to last year indicating no apparent cost shift between funds.

Sworn Officer Staffing

The following graph shows the number of active sworn personnel on the payroll from 2004 through September 2009 including SOA, PBA and Detectives. Active positions differ from filled positions because at any point in time there are approximately 100 sworn officers off the payroll due to disability, workman's compensation, and various types of leave of absences.

Without a new Police Officer recruit class since December of 2007, the graph clearly displays that the number of sworn personnel is well below the trend line from 2004 to present.



Since January 1996, when 2,763 sworn officers were in the police ranks, there has been a net decrease of 331 active sworn positions to the current 2,432. Compared to this time last year, the net number of filled sworn officer positions has decreased by 76. Since the beginning of 2004 the net decrease is 233 and it should be noted that three recruit classes with a total of 286 recruits were hired during that period.

Based on the average number of officers who retire during the last four months of each year, we project the number of officers retiring in 2009 will be 85. The number of retirements will affect the amount of appropriations needed for retirement payouts for unused sick and vacation time, otherwise known as SCAT pay. Collective bargaining agreements permit a police officer to accumulate and be paid upon retirement for up to 120 days of unused vacation time (paid day for day) and 600 days of unused sick time (paid 1 day for each 2 days accumulated). For a Police Officer, SCAT pay can amount to a maximum of $177,341. The recommended budget anticipates fewer sworn officer retirements during 2010 as SCAT pay has been reduced by six percent or roughly five fewer retirements (80).

Last September the County Executive redeployed approximately 55 Police Officers from highway patrol to the precincts and directed the Sheriff to assume highway patrol responsibility for the Long Island Expressway and Sunrise Highway. Over the last

several years, the Department has redeployed personnel from non-sector patrol units to maintain sector patrol staffing. This has been accomplished by civilianization and transferring Police Officers from a multitude of different special units and backfilling vacant sector cars as needed from units such as: Highway Patrol, DARE, PAL, COPE, Crime Section, Gang Unit, Support Services, Police Academy, Neighborhood Watch, Resource Officer Program, Motorcycle Unit, Warrant Section, HQ personnel in the summer, and Marine Bureau in the winter.

The Department states that they have 143 more Police Officers in sector patrol now than they did at the end of 2003. With 181 fewer Police Officers over that time period it would indicate that a significant number of Police Officers have been redeployed from the aforementioned units.

Police Officers in Sector Patrol			
	End of 2003	Present	Change
Total Police Officers	1,796	1,615	-181
No. in Sector Patrol*	970	1,113	143
% in Sector Patrol	54%	69%	15%

**SOURCE: SCPD Public Information Office Press Release 9/25/09*

Redeploying Police Officers to maintain sector patrol levels, does not come without a price, fewer officers in specialized units. For instance, backfilling sector squad cars with units such as COPE and the Gang Unit (albeit considered patrol officers) to mitigate overtime may curtail the efficiency of those special units. If the PERB decision to return the LIE and Sunrise Highway back to the Police occurs, 50 to 55 officers will be required to staff the patrols. When coupled with the estimated 80 separations projected in 2010, it is evident that the Department will require additional manpower. Attrition is outpacing redeployment and consideration should be given to including one, if not two, recruit classes in 2010.

Total permanent salary costs for 2010 are recommended at $271,892,782 for the Police Department across all funds and for all titles. This amount includes step increases for all civilian unions and funds for existing sworn personnel, less attrition and the abolishment of 60 filled Police Officers. The Budget Review Office estimates that the recommended amount for permanent salaries will be sufficient assuming:

1. An agreement is reached with the PBA to provide the necessary concessions thus avoiding layoffs.
2. Approximately 80 separations from service during 2010.
3. No new recruit classes or significant promotions.

The PBA, SOA and Detectives contracts expired at the end of 2007. While funding is included for potential settlements, the amount included may, or may not, be sufficient depending on the arbitration award for the PBA contract and if the other Police unions mirror the annual percentage increases.

In 2008, 269 of the top 300 non-terminated wage earners in the County were sworn police personnel with an average total remuneration of $174,899, an increase of $5,510 or 3.3% per employee over the 2007 average remuneration. These wages do not include the value of health insurance, retirement costs, social security, and other non-taxable benefits paid by the County.

Civilianization

Of the 3,775 authorized positions in the Police Department, 743 or 19.7% are civilian positions compared to 19.8% last year. As of the September 20, 2009 position control report, there are 163 vacancies, seven less than at the same time last year and 14 less over a two-year period. Compared to January of 2004 when there were 586 active civilians in the Police Department, there are currently six less or 580 active civilians. Last year's total of 578 active civilians was the lowest since November of 2005.

To date we can only analyze total civilian positions. In August of 2009, the Police Department provided our office a breakdown of civilians by command and bureaus. This will allow BRO to track the amount of civilians department-wide to determine if the civilianization efforts are being accomplished. The following 17 sworn vacant positions are currently earmarked to civilian titles (many of these titles remain earmarked from last year):

CURRENT TITLE	NO.	EARMARKED TITLE
POLICE OFFICER	2	APPLICANT INVESTIGATOR
POLICE OFFICER	1	EMERGENCY MED SVCS OFFICER
POLICE OFFICER	1	RESEARCH TECHNICIAN
POLICE OFFICER	1	PROGRAMMER ANALYST
POLICE OFFICER	9	POLICE OPERATION AIDE
SERGEANT (POLICE)	1	LAW ASSISTANT I
SERGEANT (POLICE)	1	FACILITIES SPACE MANAGER
DETECTIVE (POLICE)	1	FORENSIC GRAPHICS TECHNICIAN

Overtime

Department-wide overtime costs are recommended at $19,223,747 for 2010, which is $5.8 million less than the 2009 estimated overtime expenditures. Nearly $5 million of the decrease is due to funds removed in relationship to the pending PBA labor concessions agreement. Also affecting the decrease is the reduction in grant funding for overtime (Operation Impact, Gang Task Force, Child Sexual Predator Program, Stop DWI, Operation Hot Wheels IV, etc.) as these grant funds are added to the budget during the year. The 2009 estimated amount of grant funded overtime is $2,932,210.

Total overtime hours are down by three percent from this same time last year. Therefore, if the equivalent of the funding removed for the PBA concession agreement and the grant funding are both added to the recommended amount, there should be reasonable funds for overtime in 2010. The Police Commissioner has stated before the Legislative Public Safety Committee that the intention of policy changes, redeployments, civilianization, etc. is to improve the Police response to community concerns and to save money with overtime as a key component. Each one percent reduction in overtime equates to savings of approximately $270,000. A $4 million reduction would necessitate almost a 15% reduction in overtime, which is the equivalent of over 82,000 hours of overtime.

Actual overtime costs will be directly influenced by the success of management initiatives, officer redeployments, new contractual agreements, additional grants, the PERB decision on patrol of the LIE and Sunrise Highway, attrition of sworn staff and the hiring of additional sworn staff. If the PBA labor concessions agreement is not settled, the $19.2 million recommended for overtime will be significantly short. Overtime will ultimately increase if 60 filled Police Officer positions are abolished and major service reductions will be required.

Town Revenue Sharing

Section 4-6J of the Suffolk County Charter provides the legal authority for sales tax revenue sharing with certain towns and villages outside of the Police District. The current formula is based on the original 1997 allocation, adjusted upward or downward each fiscal year subsequent to 1997, taking into account changes in sales tax revenues. The 2010 Recommended Budget includes a total distribution of $6,588,343, which is an increase of $500,000 from the 2009 adopted budget as shown in the following table.

Jurisdiction	2007 Adopted	2008 Adopted	2009 Adopted	2010 Recommended
TOWN OF EAST HAMPTON	$533,767	$586,217	$638,667	$691,117
TOWN OF RIVERHEAD	$910,305	$999,755	$1,089,205	$1,178,655
TOWN OF SHELTER ISLAND	$87,011	$95,561	$104,111	$112,661
TOWN OF SOUTHAMPTON	$1,501,061	$1,648,561	$1,796,061	$1,943,561
TOWN OF SOUTHOLD	$683,873	$751,073	$818,273	$885,473
VILLAGE OF AMIITYVILLE	$357,202	$392,302	$427,402	$462,502
VILLAGE OF ASHAROKEN	$31,039	$34,089	$37,139	$40,189
VILLAGE OF EAST HAMPTON	$53,936	$59,236	$64,536	$69,836

Jurisdiction	2007 Adopted	2008 Adopted	2009 Adopted	2010 Recommended
VILLAGE OF HEAD OF HARBOR	$51,901	$57,001	$62,101	$67,201
VILLAGE OF HUNTINGTON BAY	$58,516	$64,266	$70,016	$75,766
VILLAGE OF LLOYD HARBOR	$128,735	$141,385	$154,035	$166,685
VILLAGE OF NISSEQUOQUE	$62,587	$68,737	$74,887	$81,037
VILLAGE OF NORTHPORT	$291,562	$320,212	$348,862	$377,512
VILLAGE OF OCEAN BEACH	$5,088	$5,588	$6,088	$6,588
VILLAGE OF QUOGUE	$34,601	$38,001	$41,401	$44,801
VILLAGE OF SAG HARBOR	$81,922	$89,972	$98,022	$106,072
VILLAGE OF SALTAIRE	$1,527	$1,677	$1,827	$1,977
VILLAGE OF SOUTHAMPTON	$153,159	$168,209	$183,259	$198,309
VILLAGE OF WESTHAMPTON BEACH	$60,551	$66,501	$72,451	$78,401
TOTAL	$5,088,343	$5,588,343	$6,088,343	$6,588,343

Resolution No. 688-2000 requires municipalities that receive public safety revenue sharing funds from the County to account for these funds to ensure they are utilized for public safety purposes only, by providing a report to the Clerk of the Legislature by March 31st of the following fiscal year. A review of all of the reports received by the Clerk of the Legislature reveals that all but two of the eligible municipalities have complied with this requirement, Northport and Sag Harbor.

Public Safety Communications System E-911 (Fund 102)

The enhanced 911 (E911) Emergency Telephone System went online in late 1997. It provides selective routing of emergency telephone calls with automatic telephone and location identification. The Emergency Complaint Operator answering a 911 call receives critical information including the address and phone number of the caller. The system also identifies the appropriate police, fire, and ambulance unit which should respond.

Recommended expenses in Fund 102 total $13,238,848 for 2010, an increase of $607,580 from the 2009 estimated budget mostly due to system costs. The system has been supported by a dedicated telephone surcharge of 35 cents per landline phone and interfund transfers from both the General and Police District funds. During 2009 this

surcharge is estimated to generate $2,738,000. Surcharge revenue in 2010 is expected to be flat, which may be optimistic. This revenue has been decreasing due to the decrease in the number of landline phones and an increase in the number of cell phones being used.

There is a growing trend to use cell phones as the primary service rather than landline service in both residential and business locations. Since the surcharge revenue and the interfund transfers had been the sole source of funding for E-911, the decreasing surcharge revenue has required annual increases in funding from both the General and Police District funds to cover operating costs over the past several years.

Introductory Resolution Nos. 1638-2009 and 1708-2009 would, effective January 1, 2010, create a monthly 30 cent surcharge to be imposed on each wireless communications device whose place of primary use is within the County of Suffolk. All surcharge monies remitted to the County would be expended only upon authorization of the County Legislature and only for payment of actual costs incurred by the County related to design, installation or maintenance of the system to provide enhanced wireless 911 service, including, but not limited to hardware, software, consultants, financing, and other acquisition costs. Surcharge monies shall not be expended to pay salaries and is expected to increase the amount allocated to PSAP's. Pending the adoption of one of these resolutions and based upon Police Department estimates of 1,193,000 carriers, this would generate $4.2 million in revenue, which is included in the 2010 Recommended Budget.

Resolution No. 818-2009 expanded Chapter 278 of the Suffolk County Regulatory Local Laws to make such law applicable to those supplying voice over Internet protocol (VOIP) services and their customers, in accordance with the recent amendments to the New York State Law. Pursuant to § 303 of the New York State County Law, there is a charge in the amount of thirty-five cents per line to fund the enhanced 911 service. Currently, the surcharge is only levied against subscribers to telephone services provided by telephone companies. The anticipated revenue is $1,584,500 and is included in the 2010 Recommended Budget.

The recommended budget uses the new revenue to reduce the transfers from the General Fund by $1.9 million and the Police District by $2.6 million compared to 2009. Additionally, Resolution No. 821-2009 provided $4.2 million in capital funding to upgrade dispatch consoles using $4.2 million for equipment for the replacement correctional facility as the required offset.

The line item for PSAP funding has been reduced by $104,000 from $480,000 in 2009 adopted to $376,000 recommended for 2010. The budget does not line item detail the amount designated for individual PSAPs, however, $376,000 is 8.9% of the total anticipated revenue of $4.2 million.

There are 148 authorized positions, of which seven Public Safety Dispatchers and five Emergency Complaint Operators are vacant. In January of 2005 and July of 2006,

there were only eight vacancies. As far back as September of 2005, there were only six vacancies in the center. Mandated overtime usually requires a staff member who has just worked an eight hour shift to remain and work an additional eight hours. When someone calls in sick, additional overtime is required from another staff member. Based on the turnover savings included in the recommended budget, the number of vacancies would have to remain at 14 for all of 2010. If the number of staff is not increased the reliance on mandated overtime to cover for illness or other time off will continue.

Fleet

Only $1.5 million is included in the recommended budget for the replacement of public safety vehicles countywide. At this time, the Police Department is not requesting any replacement marked or undercover vehicles but has indicated a need for replacement unmarked sedans. They did not request a specific number of vehicles as it is their understanding that the Department of Public Works will systematically replace vehicles with over 110,000 miles.

Budget Review Office Recommendations

- The key issue facing the Police Department in 2010 is the number of Police Officers available to maintain acceptable public safety levels. The Budget Review Office recommends one, if not two, recruit classes of 100 Police Officers in 2010.
- Based upon discussion with Civil Service, the current Police Officer eligible list will be two years old by December 2009. There are substantial numbers of candidates, however the vetting process is extensive and typically requires five to six months. Therefore, it is unlikely that a Police Class could start any sooner than March 2010. A class of 100 Police Officers in late March 2010 is estimated to cost $6.7 million. Retirement costs would impact the 2011 operating budget. The cost for a second class in 2010 would depend upon size and start date.

JO Police10

PROBATION

Major Issues

1. Overview of Expenditures and Revenue
2. Staff Funding and Resources
3. Transfer of Probation Automation to ITS
4. Status of Operations:
   - General Administration
   - Day Reporting Program
   - Electronic Monitoring
   - Sex Offender Services
5. ARRA Grant Funding

Overview of Expenditures and Revenue

Budget Review Office Evaluation

The Probation Department's 2009 revenues are estimated at $11,286,808, which constitutes an increase of nearly ten percent over the 2008 actual of $10,262,655. For 2010, all sources of revenue for the Probation Department are recommended at $10,501,181, a decrease of just under seven percent from the 2009 estimate. The proportion of the Probation Department's total recommended expenditures in 2010 projected to be reimbursed by all sources of revenue, including state and federal aid, departmental income, and uses of money and property is estimated at 22.8%. This compares to the percentages of net County costs for all of Probation's programs and operations of 25.8% in 2009 and 24% in 2008.

- For 2009 and 2010, Probation's largest source of revenue is State Aid, primarily to cover administration (001-3310), juvenile delinquent care (001-3623), intensive supervision (001-3312), and expediting program (001-3325) costs. Recommended State Aid for Probation in 2010 is $7,476,740, representing a 3.1% decrease from the 2009 estimated State Aid total of $7,713,072. The majority of the difference between Probation's State Aid for administration in 2010 versus 2009 is attributable to the 3% budget cuts enacted by New York State in the latter part of 2008, which reduced State reimbursement for Probation administrative costs from 18% to 16%.
- The second largest revenue source is departmental income including all of Probation's administrative fees, criminal court fees for DWI and non-DWI, presentence investigations and drug testing fees and reflects the increased fee

schedule adopted by the Legislature in the latter part of 2008. The totals included in the recommended budget for Revenue Code 001-1560 of $1,590,000 for 2009 and $1,790,000 for 2010, were increased 8.8% and 8.2% over Probation's August Update numbers, which were $1,460,991 for 2009 and $1,653,863 for 2010. Based upon the year-to-date receipts of all departmental income lagging behind last year's, most likely due to the economy, and the frequent inability of probationers to pay the required fees, the estimated and recommended totals for Probation's departmental income are overly optimistic and would be more realistically budgeted at the August Update totals submitted by Probation.

- Uses of money and property, which primarily includes STOP DWI fines (001-2615) and proceeds from the Vehicle Seizure Program (001-2623) that are attributable to the Probation Department, are the third largest type of revenue, estimated at $1,169,602 in 2009 and $983,517 in 2010. The decrease is largely connected to the current trend of STOP DWI fines coming in lower than anticipated, much of which is due to inability of probationers to pay plus a downward collection of fines traceable back to the County, District and Justice Courts. The 2009 estimated and 2010 recommended revenue amounts appear to be reasonable across all the uses of money and property for Probation.
- Federal aid is the fourth largest revenue source for Probation in 2009 estimated at $814,134 and recommended at $250,924 for 2010. The decrease is due to the Department awaiting notification of continued funding for a number of awards. When Probation receives the written funding notice on anticipated grant funding renewals, a resolution to accept and appropriate the funds will be prepared. This revenue category includes federal grant monies for Probation's participation in the Stop Violence Against Women, Justice Assistance Grant (JAG) funding for CJCC training and research, Edward Byrne Memorial Justice Assistance Grant funds, Project SCOPE, Juvenile Accountability, the Wyandanch Weed and Seed Programs and the US Marshal's Fugitive Task Force. Not reflected in the 2009 estimates nor the 2010 recommended totals for Probation's federal revenue are $554,398, which is Probation's share of the $1,318,843 in Edward Byrne Memorial JAG funding recently awarded under the ARRA. Another $216,000 just awarded to Probation under ARRA for the Rockefeller Drug Law Reform Program, awaits being accepted and appropriated via resolution of the Legislature. Please refer to the section on ARRA Grant Funding for additional information on the etiology and intent of the programs being created.

The 2009 expenditures are estimated at $43,699,317, which represents a reduction of $783,648, or a 1.8% decrease from the adopted budget. The main difference is attributable to permanent salaries not expected to be spent in 2009 due to unfilled vacancies throughout Probation, but especially in Administration, Electronic Monitoring, Day Reporting, PINS Diversion, Juvenile Accountability, and Jail Overcrowding/Recidivism Reduction. Counteracting this decrease in personnel expenditures are $255,200 in net additional contracted agencies costs, primarily related to grant funding added to 2009 or grant funding rolled over from 2008, and $81,724 in

additional overtime costs, the biggest share attributable to grant-funded overtime costs for Project SCOPE and Probation's piece of Operation Impact V.

The 2010 recommended expenditures of $46,078,569 are $1,595,604 more than the 2009 adopted budget and $1,264,081 less than the requested budget. The majority of the difference between the 2010 recommended and requested expenditures is attributable to reductions in permanent salaries as a consequence of nine vacant positions recommended, but not requested to be abolished, the transfer of five positions from Probation to Information Technology Services (IT), also not requested by Probation and a 41.1% increase in turnover savings in Probation Administration, which includes 56.6% of all budgeted staff in the Probation Department.

Staff Funding and Resources

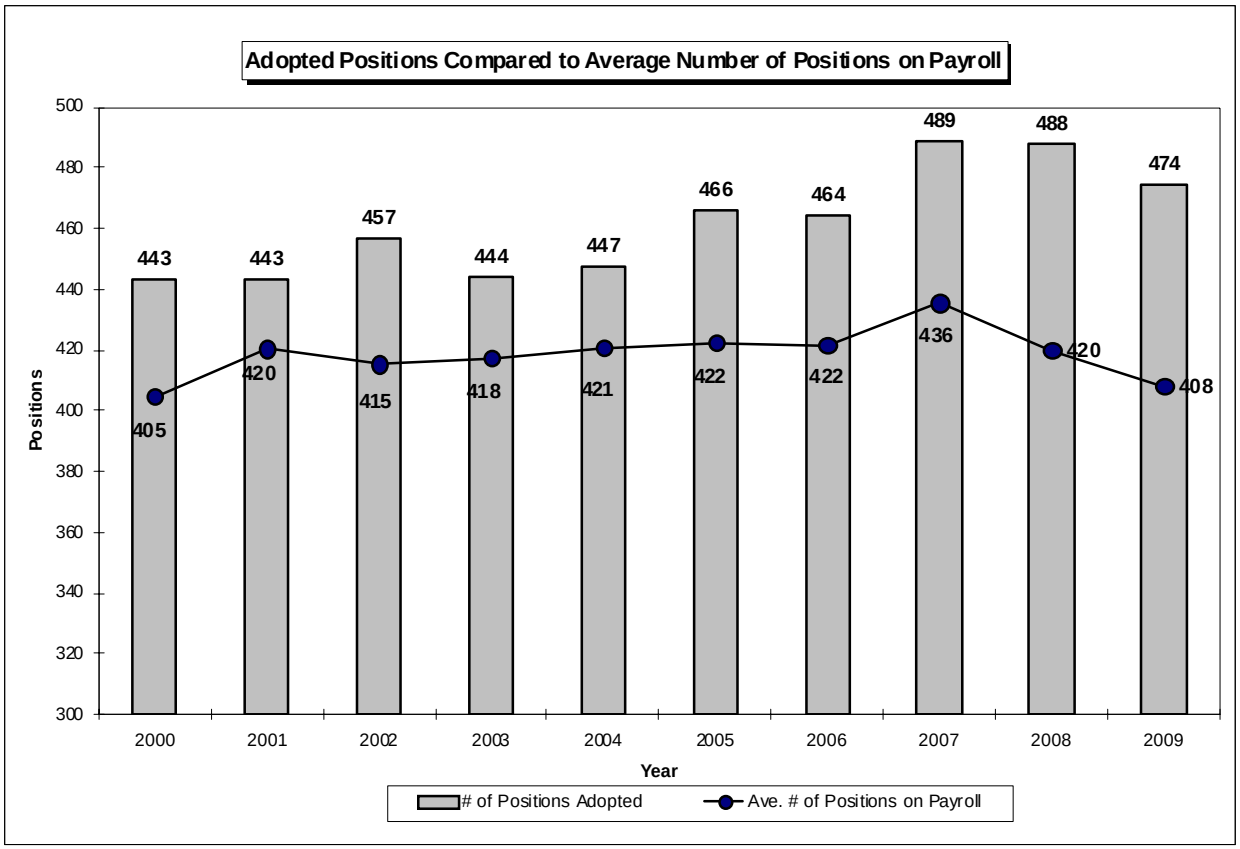
Budget Review Office Evaluation

The 2010 Recommended Budget includes $27,694,126 for permanent salaries, which is $781,001 less than the Department requested. The majority of the decrease in recommended versus requested salaries for 2010 is attributable to a reduction of $375,684 in permanent salaries for nine abolished vacant positions, plus $426,305 in salaries connected to the transfer of five positions from Probation to Information Technology Services (ITS). No new positions were requested or recommended for the Probation Department in 2010. Sufficient funding has been included in the 2010 Recommended Budget to fund Senior Probation Officer positions recently assigned to the new Rockefeller Drug Court.

2000-2009 Authorized vs. Filled Staff

The following chart provides a ten-year history of the disparity between the average number of authorized positions and the average number of active employees in the Probation Department. Beginning in 2007, the gap between the numbers of Probation's authorized versus active employees started to expand. In 2008, Probation lost 16 staff members to ERIP, plus five lost due to regular retirement, and three employees passed away while in service.

Twenty Probation positions are expected to be vacated due to retirement or resignation by year-end 2009.



Ten-Year Vacancy Rate for Probation

According to the October 4, 2009 biweekly payroll, Probation's 408 filled positions versus total adopted staff of 474 (the modified staff total for Probation currently stands at 475) equates to 66 vacancies and a department-wide vacancy rate of 13.9%. The Budget Review Office finds that this is the same vacancy rate as last year, which was the highest vacancy rate since 2000. Probation's proportion of vacant staff has ranged from a low of 5.2% in 2001 to the present rate, which is 200% higher. The average number of active employees has not been lower since 2000 when there were 405 filled positions out of an authorized total of 443 as indicated by the following chart:

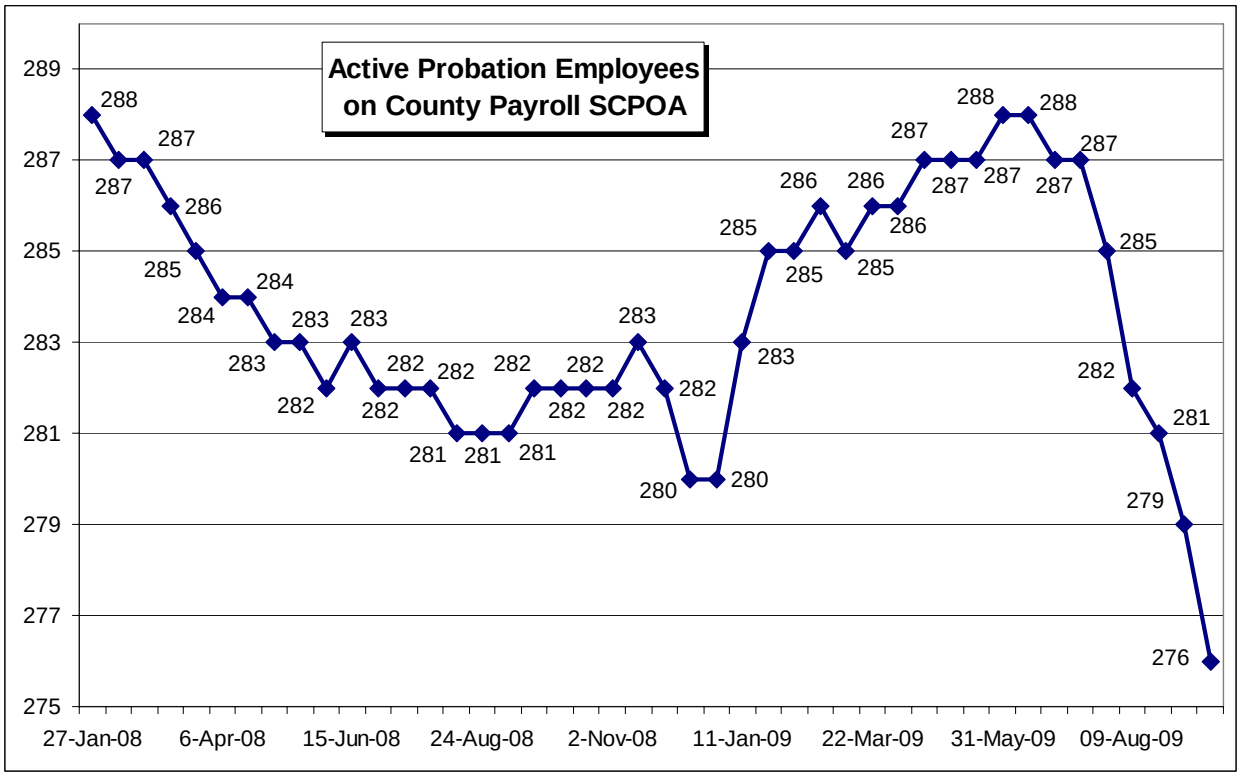
2000 – 2009 Probation Budgeted vs. Filled vs. Vacant Positions

Budget Year	# Filled Positions	Adopted # of Positions	% Filled	% Vacant
2000	405	443	91.4%	8.6%
2001	420	443	94.8%	5.2%
2002	415	457	90.8%	9.2%
2003	418	444	94.1%	5.9%
2004	421	447	94.2%	5.8 %
2005	422	466	90.6%	9.4%
2006	422	464	90.9%	9.1%
2007	436	500	87.2%	12.8%
2008	420	488	86.1%	13.9%
2009	408	474	86.1%	13.9%

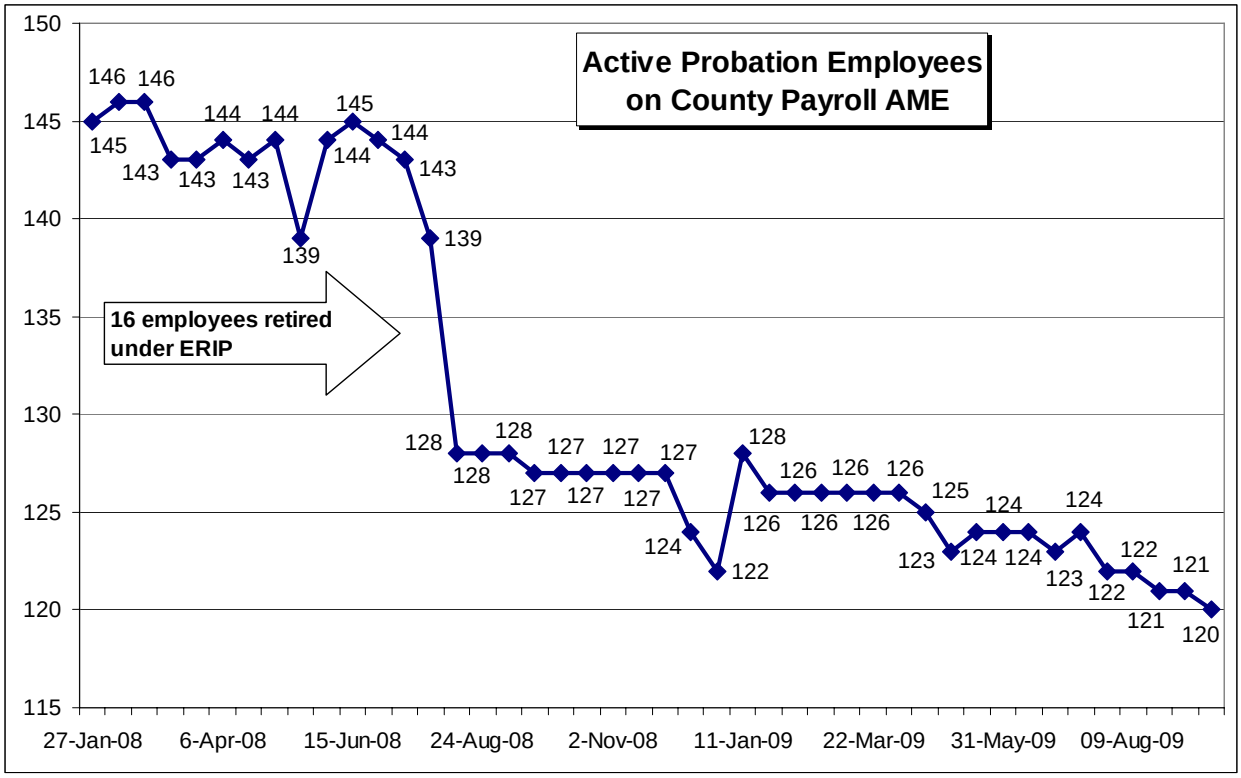
Probation was recently given authorization to fill twelve of its current Probation Officer Trainee (POT) vacancies. The hiring process is actively underway to bring all the new POT's on-board, which should help alleviate the peace officer staff shortages once all the staff are fully trained and assigned to the respective units. In addition, one vacant Principal Account Clerk has recently been filled in the Probation Accounting/Accounts Payable Unit, which lowers the vacancy rate in that critical financial support operation from 40% to 30%. It appears that there is sufficient funding included in 2010 to cover the salaries of the thirteen recently released and filled positions. However, the Budget Review Office finds that with the level of permanent salaries recommended for Probation in 2010, there will be insufficient funding to fill just a few of Probation's remaining 53 vacancies for the majority of next year.

Peace Officer vs. Support Staff Shortages

Probation's on-board staffing situation has seriously declined over the last several years, but the deterioration has been particularly noticeable since 2008 and continuing an even faster decline in 2009, as shown on the following chart of active Suffolk County Probation Officer Association (SCPOA) employees.



As bad as the loss of peace officer staff has been, the situation has been even more severe relative to the loss of support staff beginning in 2008 as the following chart shows for the active Association of Municipal Employees (AME) employees, providing support and clerical assistance for all the functions and operations of the Probation Department:



The steep drop in Probation support staff began in 2008 with the loss of 16 staff under the Early Retirement Incentive Program (ERIP), and continues to fall with little or no replacements or reinforcements. The administrative and financial operations of Probation are and will continue to be hampered by the dearth of support staff. Taking Probation Officer staff off-line to perform clerical or other support functions makes little budgetary sense. Further, if the five technology positions that constitute Probation's entire Automation Team are transferred as recommended in the 2010 budget to ITS, the level of support staff in Probation will decline even further. Please refer to the section in this report on the proposed transfer of Probation's Automation Team to ITS for additional information.

Probation Abolished Positions

The nine vacant positions recommended, but not requested by Probation to be abolished, include the following titles, units of assignment and also lists the numbers of remaining identical titles in that unit or operation of the Probation Department:

- One Senior Probation Officer position is abolished in the Day Reporting Program with six remaining in that unit.
- One Psychiatric Social Worker is abolished in the Day Reporting Program with one remaining in that unit.
- One Senior Clerk Typist is abolished in the Day Reporting Program with one remaining in that unit.

- One Principal Account Clerk position in Probation Administration is abolished with four remaining.
- One Probation Investigator is abolished in the Criminal Court Release On Recognizance (ROR) Unit with 10 remaining.
- One Senior Clerk Typist is abolished in the Typing & File Room with 16 remaining.
- One Senior Probation Officer is abolished in Criminal Court Supervision with nine remaining.
- One Psychiatric Social Worker is abolished in the PINS Diversion Plan with one remaining.
- One Senior Probation Officer is abolished in the Juvenile Supervision Program with four remaining.

Although the budget narrative indicates that the foregoing nine abolished positions have been "vacant for a period of time and are not essential to the current staffing needs of the department", the Probation Department has, in fact, continuously attempted to prioritize their needs and include many of these vacant positions in their hiring plans, but with no success in getting any of the positions released to be filled. Two of the nine abolished positions have been identified by the Probation Department as being particularly critical and have requested their restoration, the Principal Account Clerk for Probation's Accounts Payable Unit and the Probation Investigator for the Criminal Court Release on Recognizance (ROR) Unit.

Budget Review Office Recommendations

- Restore the Principal Account Clerk position to the Probation Administration Accounting/Accounts Payable Unit that is responsible for $17.3 million in budget management and payment of all equipment, supplies, and contractual expenses for the Department. Probation has requested filling this critically needed position that has been vacant since August 2007. The restoration and filling of this position will bring the unit up from its current 30% vacancy rate and enable the effective management of millions of dollars in federal and state aid claiming for the Probation Department. Offsetting state aid of 16% is estimated to reimburse the cost of the Principal Account Clerk for a net County cost of $44,399 for salary and fringe benefits.
- Restore the Probation Investigator position in the Release On Recognizance (ROR) Unit that expedites the arraignment process and reduces jail overcrowding for offenders that are not a risk to the community. At an estimated cost of $240 per day per jail bed, it is in the County's best financial interest to facilitate the release of appropriate offenders as quickly as possible. Probation has tried unsuccessfully twice to fill this critical position that has been vacant since January 2007. With workloads projected to increase by 33% in the ROR Unit, the need for

this cost saving position will grow substantially in 2010. ROR Unit positions are eligible for two levels of state reimbursement, under the Alternatives To Incarceration (ATI) Plan for all pretrial services staff and 16% State aid, after all ATI Plan money has been claimed. The net County cost for restoring the Probation Investigator would be $44,399 or possibly less if the ATI funding can be applied first.

- Restore sufficient permanent salaries of $356,034 in Probation General Administration in 2010 to enable the Department to fill vacant positions that include support and peace officer staff for one-third of next year. All Probation staff salaries and benefits are eligible for 16% State aid at a minimum.

Transfer of Probation Automation to ITS

Budget Review Office Evaluation

The Probation Department has identified the proposed transfer of its entire five-person automation team to the County Information Technology Services (ITS) Department as the single most important budgetary change to which they are opposed. Probation began incorporating automation solutions into systems planning for the Department in 1978 and the Probation Automation Unit was officially established in 1983. Fully staffed, this unit had nine positions, but lost three personnel in 2008 due to ERIP and currently has five actively employed staff.

The Probation Automation Unit's responsibilities are fully integrated into department-wide systems planning for improving Probation's outcomes as a key player in the criminal justice system, fighting crime, and rehabilitating offenders via the employ of evidence-based practices. The criminal justice and forensic expertise of the automation team is essential to the every day operations of Probation and are a critical factor in promoting and protecting Probation Officer (PO) safety, particularly in the field.

Probation's Automation Unit is fully involved in the design, development, and implementation of a new statewide probation caseload management system, which also entails a new and improved restitution and fees system entitled "Caseload Explorer". Suffolk County Probation is the model county for the new system brought on-line by the Automation Unit in November 2008 and currently set for immediate statewide implementation. Caseload Explorer will help Probation bring in more fee and restitution collections, enhance the productivity of all operations, assist the department in bringing in more grant money and enable Probation to design evidence-based solutions using technology to better contain and treat offenders. This project is partially funded by the New York State Division of Criminal Justice Services (DCJS) and Division of Probation and Correctional Alternatives (DPCA).

Finally, over $100,000 in State reimbursement for the salaries and benefits of the five staff in Probation's Automation Unit could be jeopardized in 2010 if the staff is transferred to the ITS budget. This would significantly change the accounting for these State grants and very likely cause the State to raise questions if not withhold funding.

Budget Review Office Recommendations

- Restore the five positions in the following titles from the Probation Automation Unit that are recommended to be transferred to the Department of Information Technology to the following appropriations in the Probation Department where they are currently employed:

  Probation General Administration – 001-3140

  1 Office Systems Analyst IV

  1 Senior Programmer Analyst

  2 Programmer Analysts

  Electronic Monitoring – 001-3189

  1 Senior Programmer Analyst

  No other staff included in the proposal to transfer 20 countywide technology positions to ITS in 2010 are criminal justice staff integral to the reduction of crime in our community, critical to the generation of revenue for restitution and probationer fees and central to the efforts to rehabilitate offenders. The five positions from the Probation Automation Unit should remain where they are to preserve more than $100,000 in State reimbursement for the salaries and benefits of the five Probation staff that will be lost or greatly reduced if the positions are transferred to ITS.

  The Budget Review Office estimates that $348,592 needs to be added to the permanent salaries line for Probation General Administration (001-3140) and $77,713 restored in permanent salaries to the Electronic Monitoring Unit (001-3189) to reverse the proposed transfer.

Status of Operations

Budget Review Office Evaluation

General Administration – 001-PRO-3140

Virtually all of the functions and duties carried out by the Probation Department are mandated by New York State Law and nearly all of the services provided by Probation are mandated by the Courts, including Family Court, District Court, County Court, Supreme Court, and the Village or Justice Courts. Probation has little discretion in deciding what work it will perform or in selecting the clients it must service.

It is the responsibility of General Administration to manage the Department's 475 professional, technical and clerical personnel (2009 total modified staff), to conduct over 7,300 court ordered pre-sentence investigations, supervise more than 18,500 criminal court cases, process over 17,500 Family Court intake cases, investigate over 650 Family Court investigations and supervise over 2,200 Family Court cases. General Administration oversees all of the evidence-based initiatives, alternative to placement (ATP) programs, crime and recidivism reduction programs, and alternatives to

incarceration (ATI) programs operated by the Department. Program and policy development and implementation, technology and systems improvements, and the pursuit of strategies to reduce costs, increase fees for service and maximize state and federal sources of funding are all within the purview of General Administration.

For 2010, Probation requested total General Administration staffing of 280 positions. Recommended staffing for General Administration in 2010 is 271, a net loss of nine positions from Probation's request. This loss reflects the four Automation Unit staff recommended to be transferred to ITS, four vacant positions recommended to be abolished and one position that was originally requested to be transferred from Probation Enhancement Services into Administration that was requested to remain as is in the Department's August Update.

The Budget Review Office estimates that there is insufficient funding for permanent salaries included in the 2010 recommended budget for Probation General Administration to fill any of its 33 current vacancies next year.

Day Reporting Program – 001-PRO-3138

This Alternative To Incarceration (ATI) program combines intensive supervision of the offender with comprehensive diagnostic and treatment services at a central location. Mandatory treatment and almost daily contact are reinforced with monitoring of the offender's movements and behavior as needed with electronic surveillance (curfew), phone contact and drug testing. This unit is a significant partner in the countywide efforts to reduce jail overcrowding and to help reduce the need to construct additional jail space in the future. Recommended staffing for the Day Reporting Program in 2010 is 15, a net loss of three positions from Probation's request. This loss is connected to three vacant positions recommended, but not requested to be abolished.

The Budget Review Office estimates that there is insufficient funding for permanent salaries included in the 2010 Recommended Budget for the Day Reporting Program to fill any of their current eight vacancies next year. If the three vacant Day Reporting Program positions are abolished as recommended, the unit will be left with five vacancies, none of which Probation will have adequate permanent salaries to fill.

Electronic Monitoring – 001-PRO-3189

The Electronic Monitoring Program is also an Alternatives To Incarceration (ATI) project. This program is experiencing burgeoning demands from the Criminal and Family Court systems that require defendants to submit to the use of an electronic monitoring device for the following reasons:

- As a condition of probation to advance the public safety.
- To increase probationer control and surveillance.
- To prevent the incarceration of the defendant.

There are three types of electronic monitoring devices in use by Suffolk County Probation, all of which are ordered by the courts as a condition of probation:

1. EM – this device is an ankle bracelet programmed individually for different parameters, such as curfews. This court-ordered condition of probation is also

known as “house arrest”. A transmitter goes off and an alert is sounded if the probationer leaves the house after hours. The Probation Officer must then go out in the field to see where the probationer went. This device does not track the probationer’s whereabouts.

2. Secure Continuous Remote Alcohol Monitor (SCRAM) is an anklet device that continuously monitors blood alcohol levels.
3. Global Positioning System (GPS) – this device tracks the movements and locations of a probationer with a Real Time Monitor Transmitter that is coded to alert the movement of the probationer when entering into violation or “red” zones. This system is the most expensive of all the electronic devices and is most typically ordered as a condition of probation for more serious offenders.

Probation’s budget request for 2010 included 26 positions for Electronic Monitoring, which is equivalent to the 2009 modified level. The recommended budget abolishes no positions in the Electronic Monitoring Unit, however, the filled Senior Programmer Analyst is recommended, but not requested to be transferred to ITS along with the four other Probation Automation Unit positions from Probation Administration, bringing the unit to a recommended total of 25.

The current vacancy rate of 14 of the 26 authorized staff in the Electronic Monitoring Unit is virtually identical to the 2008 vacant staffing configuration. The Budget Review Office estimates that there will be insufficient permanent salaries to fill any of the existing vacancies in the Electronic Monitoring Unit in 2010. Limiting the size of the Electronic Monitoring Unit to 11 working positions in 2010 will prevent Probation from moving forward with expanding the unit in accordance with the expected growth in demand from the Criminal and Family Court systems to impose the use of electronic monitoring as a condition of probation.

- This action contravenes the policy of the Legislature to provide additional staff to the Electronic Monitoring Program to assist the County in reducing the jail population, to better track and monitor the movements of level two and three sex offenders and other high-risk offenders and to increase the use of SCRAM devices to determine whether high-risk DWI offenders are abstaining from the use of alcohol.
- The Budget Review Office disagrees with the transfer of the Sr. Programmer Analyst from Electronic Monitoring to ITS. Please refer to the section on the proposed transfer of the Probation Automation Unit staff to ITS for further information.
- The Budget Review Office recommends increasing permanent salaries in 2010 by $256,764 to fund 11 positions dedicated to expansion of the Electronic Monitoring Unit, in accordance with Legislative policy established in Resolution No. 644-2007, for one-half of next year. Offsetting State aid for Probation positions is estimated to reduce the net County cost of this addition to $215,682.

Sex Offender Services – 001-PRO-3169

Probation's juvenile, adolescent, and adult sexual offender programs are designed to provide comprehensive diagnostic, treatment and intensive supervision services for Suffolk County residents who have committed specific sexual crimes. The current treatment model is an early intervention program, which employs a combination of intense supervision by therapists knowledgeable in treating sexual offenders, and counseling treatment groups lead by Suffolk County Probation Officers. Individual counseling is provided on an as-needed basis.

Probation's sexual offender program has a documented recidivism rate between five and seven percent after a three-year follow-up period. Despite the excellent recidivism results, considering the high-risk classification of these probationers, ongoing enhancements to the model are needed because of the increasing numbers of sex offenders and the complexity of the problem.

Probation requested and the recommended budget includes 20 staff for the Sex Offender Services Unit in 2010. However, the Budget Review Office finds that this seemingly stable level of staff in the Sex Offender Services Unit is deceptive. There are eight vacancies currently, and the recommended permanent salaries are not sufficient to fill any of those vacancies for more than a third of the year.

The restricted level of permanent salaries will impede the progress of the Sex Offender Services Unit to enhance and expand their programs to cope with an ever-increasing population of sex offenders. The Budget Review Office finds that not properly resourcing permanent salaries for the Sex Offender Services Unit contravenes the policy of the Legislature to enable Probation to more appropriately and adequately address this very serious criminal and social issue with all of its repercussions.

- The Budget Review Office recommends restoring $91,140 in permanent salaries in 2010 for four vacant Probation Officer positions for one-half of the year to more properly resource the Sex Offender Services Unit in accordance with Legislative policy. Inclusive of State aid the net County cost is $76,558.

ARRA Grant Funding

Budget Review Office Evaluation

In May 2009, the Criminal Justice Coordinating Council (CJCC) submitted six grant applications on behalf of Suffolk County under the American Recovery and Reinvestment Act (ARRA) with requested funds totaling $8,398,169. Of the six applications submitted, the CJCC received one award in the amount of $1,318,843 under the Edward Byrne Memorial Justice Assistance Grant (JAG). Resolution No. 783-2009 accepted and appropriated the 100% federal grant funds contained in this award, which includes funds for Probation, Police, Sheriff, Health and the District Attorney. Probation's share of this award includes $554,398 and will be used for the following:

- To fund a Nurse Practitioner position to provide assessment and medication management of probationers at the Day Reporting Program.

- To create a Principal Research Analyst position to meet the reporting requirements of this ARRA grant and to provide data reporting support to the grant related and other efforts of the CJCC.
- Establish an adolescent outpatient clinic to serve the Family Court and Criminal Courts at South Oaks Hospital.
- Provide housing and transportation stipends to support dual-diagnosed probationers in the community.
- To continue to fund and to expand the psychological assessments of offenders referred by the Mental Health Court and Probation.
- To enable the Legal Aid Society to upgrade their case management system in order to save time and effort in processing Family Court cases.

Although mentioned in the recommended budget narrative, the new appropriation and revenue budget lines created in 2009 to reflect and record the ARRA Byrne JAG Recovery Program funding do not appear in the budget, due to the very recent receipt and acceptance of this award.

In August 2009, CJCC prepared two additional ARRA grant applications:

- The Stop Violence Against Women Formula Grant totaling $380,534.
- The Probation Violation Regional Residential Centers Application for grant funding totaling $300,000 to be shared by Nassau and Suffolk Counties.

The Probation Department awaits notification regarding the two more recently submitted ARRA grant applications.

Also not reflected in the recommended budget presentation relating to a just-received ARRA award that has come to Suffolk County via the New York State DPCA, is $216,000 in 100% federal grant funding for the Rockefeller Drug Law Reform Program. A resolution to accept and appropriate these funds in 2009 to create two full-time Senior Probation Officer positions and to contract for two correctional treatment consultants to provide mental health and substance abuse assessments and counseling services is imminent. This relates to the Rockefeller Drug Law Reform (RDLR) signed into law by Governor Paterson on April 7, 2009 that is projected to bring 54 new RDLR cases to Suffolk County. The goal of the new law is to assist felony drug dependent offenders in obtaining drug treatment in residential and community-based settings with structured probation supervision to help them lead law-abiding lives.

DD Probation10

PUBLIC ADMINISTRATOR

Major Issues

None

Budget Review Office Evaluation

- The 2009 estimated budget is $476,655, which is $23,306 (4.6%) less than the 2009 adopted budget of $499,961. The majority of this decrease, $18,404, is due to Deferred Pay (001-PAD-1175-1380) and is reasonable.
- The 2010 Recommended Operating Budget of $501,972 is $1,161 less than requested by the Public Administrator, but is $25,317 or 5.3% more than the 2009 estimated budget.
- Revenues (001-PAD-1220) are based primarily on the value of assets administered. Commissions vary based upon the value of the estate being decreed. Estimated 2009 revenues are projected to be $474,429 or $2,153 greater than adopted. For 2010, revenues are recommended at $425,612, which is $77,000 more than requested, and $48,817 less than the 2009 estimated revenue. Budget Review agrees with these amounts.
- The proposed budget provides a cost to continue level of funding for the Office of the Public Administrator. All six existing positions are retained, filled, and funded.

Budget Review Office Recommendations

We agree with the 2010 Recommended Operating Budget for the Office of the Public Administrator.

KD PublicAdmin10

PUBLIC WORKS

Overview

Major Issues

1. Expenditures
2. Authorized Staff

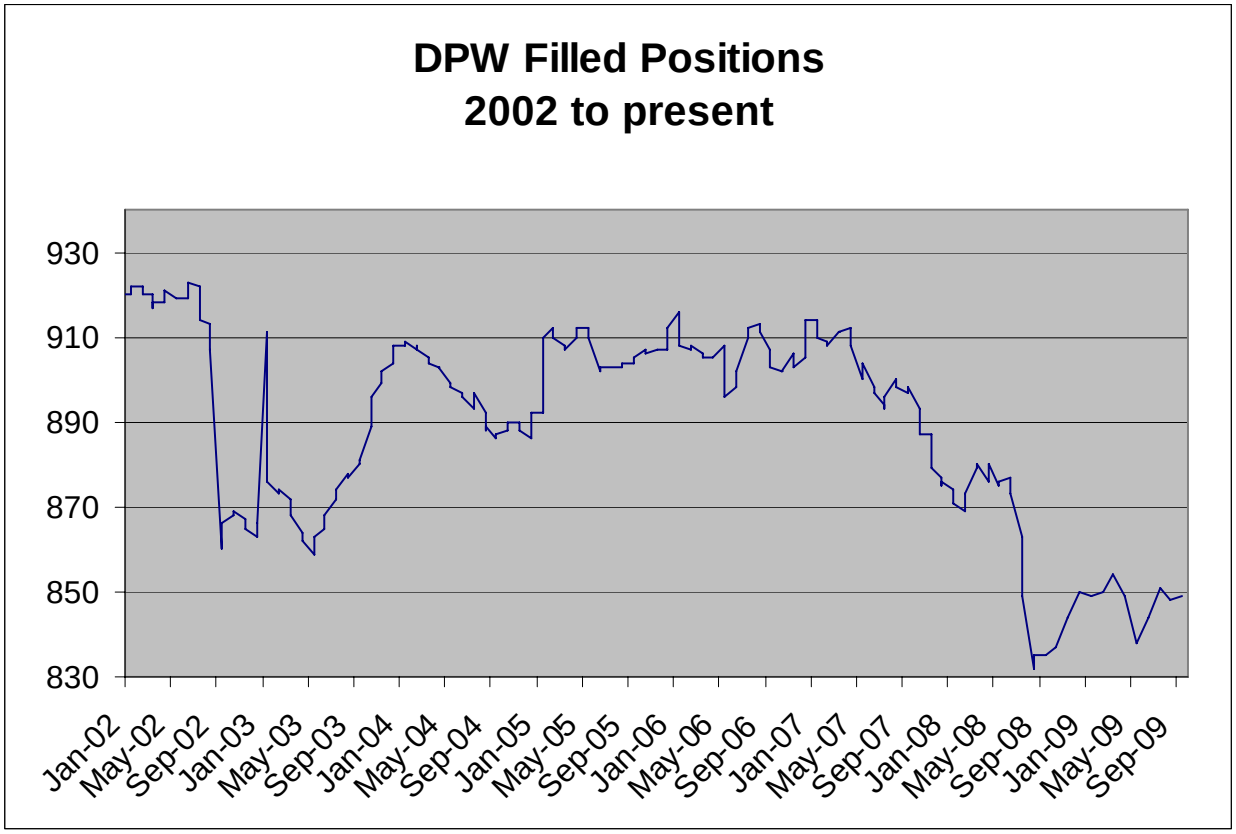
Budget Review Office Evaluation

Expenditures

The 2010 Recommended Budget for the Department of Public Works (DPW) across all divisions and funds is $237.2 million, which is $33 million or 12.2% less than the 2009 Adopted Budget and approximately $11.2 million or 4.5% less than the 2009 Estimated Budget. A large portion of the recommended reduction can be attributed to the elimination of the requested $10.7 million lease payment to the NYS Dormitory Authority resulting from the County's purchase of the Cohalan Court Complex in August. The increasingly tight fiscal policies implemented by the Executive in conjunction with minimal staffing levels make it increasingly more challenging every year for the divisions to fulfill their core missions. Inadequate staffing levels continue to equate to growing delays and backlogs exerting pressure on the Department to rely upon consultant services and overtime to meet workload demands.

Authorized Staff

The Department of Public Works has 991 authorized positions as of September 20, 2009, of which 144 or 14.5% are vacant. This represents a decrease of 32 authorized staff as compared to the 2007 adopted level of 1,023. The Department has requested two new positions for 2010 within the Transportation Division to maintain and operate the AVL data collection equipment. The recommended budget fails to include the new positions, abolishes 14 currently vacant positions, and transfers 5 filled technology positions to the Department of Information Technology, bringing recommended authorized positions to 972, which is 19 or 2% less than currently authorized. Additionally, the recommended budget includes turnover savings (TOS) of approximately $3.8 million, which constricts the Department's ability to fill vacancies. The demographics of DPW's workforce have changed since the 2008 ERIP; now approximately 25% of the staff is age 55 or older as opposed to 30% last year. These statistics still indicate that the Department will face increasing retirements of its senior personnel within the next several years. The following chart shows the number of filled positions in Public Works from January 2002 to the present.



Budget Review Office Recommendations

Vacant positions should be filled as soon as funding permits to prepare the Department for the retirement of senior staff members and allow for service provision without an increasing reliance on outside consultants. The Department is an example of the County's increasing reliance on an external workforce to fulfill our core missions.

Court Facilities (001-1164)

Major Issues

1. Authorized Staff
2. Overtime Salaries
3. Fuel for Heating
4. Payments to NYS Dormitory Authority

Budget Review Office Evaluation

Authorized Staff

- There are currently 59 authorized positions to address the custodial and maintenance needs of the court facilities, with the exception of the John P. Cohalan Court Complex, which is cleaned and maintained by outside contractors. As of September 20, 2009, only one authorized position is vacant; Maintenance Mechanic III, which both the Division's request and the recommended budget indicate will remain vacant in 2010.

- The Division's request and the recommended budget include the transfer of ten Custodial Worker I positions, five of which are vacant, from the Custodial Services and Security Division. One Maintenance Mechanic II position is recommended to be transferred to the Buildings Operation & Maintenance Division, as requested, increasing total authorized positions within this Division to 68. The 2010 Recommended Budget does not include sufficient salary appropriations within this division to fill any vacant positions.

Overtime Salaries

- Based on the 2008 actual of $260,374, the 2009 estimate of $150,000, and year-to-date expenditures of $112,440 as of September 2009, the 2009 estimated funding is insufficient and should be increased by $75,000 to $225,000.

- The 2010 recommended overtime salaries of $150,000, which is $75,000 less than the Department's revised 2009 estimate, seems reasonable based upon the transfer of additional custodial workers to the Division in 2010.

Fuel for Heating

- The 2008 actual of $36,695 and the 2007 actual of $44,758 along with the 2009 year-to-date expenditures as of September 2009 of $35,721 highlight the fact that the 2009 estimate of $70,000 and 2010 recommendation of $100,000 appear excessive.
- Based upon recent actual expenditures and year-to-date expenditures in 2009, BRO recommends decreasing the 2009 estimate by $20,000 and the 2010 recommended by $50,000.

Payments to NYS Dormitory Authority

- The Division requested $10.7 million to make a lease payment to the Judicial Facilities Agency (JFA) for the John P. Cohalan Court Complex. The recommended budget does not include any funds for the lease payment as the County has moved forward with the purchase of the building after the Department's budget request was submitted.
- The estimated budget includes $8,036,562 for lease payments on the court complex. The County's Integrated Financial Management System (IFMS) reflects a refund of the July lease payment to the JFA of $2,679,645 and a total expenditure to the JFA in 2009 of $5,356,917. The 2010 Recommended Budget

does not include the $2.6 million dollar reversal to the expense. Instead, the budget document accounts for the reversal as estimated revenue to the General Fund (001-AAC-2770) Other Unclassified Revenues.

Budget Review Office Recommendations

- The 2009 estimated Overtime Salaries (001-DPW-1164-1120) should be increased $75,000 to $225,000 to more accurately reflect anticipated overtime expenses based upon recent historical expenditures and staffing levels in 2009.
- Reduce (001-DPW-1164-3050) Fuel for Heating 2009 estimate $20,000 and 2010 recommended $50,000 to reflect to reflect more current expenditure experiences.

Purchasing (001-1345)

Major Issues

1. Staffing
2. Overtime Salaries

Budget Review Office Evaluation

Authorized Staff

There are 17 authorized positions with four vacancies as of September 20, 2009. The 2010 recommended budget includes 16 of the 17 authorized positions requested and abolishes one vacant Clerk Typist position. Operating a division of this size at a staff level of 77% of authorized positions continues to impact their reliance on the use of overtime to fulfill the division's goals. As the County utilizes more outside consultants to fulfill their core missions, the demand for Requests for Proposals (RFPs), which this Division issues, increases in a corresponding manner.

- Based on the recommended level of funding for permanent salaries and assuming all currently filled positions remain so for all of 2010, the four currently vacant positions can be filled for approximately one half of the year at entry level salary.

Overtime Salaries

- The 2008 actual overtime expenditures within the Division were $41,971. The 2009 estimate of $15,000 is understated by $5,000 based upon year-to-date expenditures of $7,430 and trend analysis of the timing for utilization of overtime in the Division.
- The 2010 recommended Overtime Salaries of $2,122 represents a $23,878 or 92% reduction as compared to the request.

- Based upon the Division's actual expenditures in 2008, diminished workforce, and year-to-date expenditures, the Budget Review Office recommends increasing the 2009 estimate by $5,000 to $20,000 and the 2010 Recommended by $18,000 from $2,122 to $20,122.

Budget Review Office Recommendations

Increase the 2009 estimate for Overtime Salaries (001-DPW-1345-1120) by $5,000 and the 2010 recommended by $18,000 to more accurately portray anticipated expenditures in this Division.

Rent: Offices & Buildings (001-1363)

Major Issues

1. 2010 Recommended
2. 2009 Estimated

Budget Review Office Evaluation

All rental costs of offices and buildings are requested in the operating budget of the Department of Public Works, while the individual user departments, such as the Department of Social Services and the Department of Health Services, accrue the reimbursement revenues within their individual operating budgets. Rental costs for certain departments are reimbursable with federal and state aid, in some cases as much as 80%. Reimbursement formulas generally advocate for leasing over County ownership. However, when considering all funding sources, the most cost effective option is typically ownership.

2010 Recommended

- The 2010 Recommended Operating Budget includes $15,390,232 for rental expenses in 001-1363, which is $267,885 less than requested by the Department of Public Works (DPW). This funding level represents a decrease of $250,449 from the 2009 adopted budget and is $23,136 or 0.15% more than the 2009 estimate. It includes funds for advertising and outside consultants.
- The recommended budget does not include funding for space rented at 220 Rabro Drive for the Department of Health Services at a 2010 requested cost of $245,691. The current lease expires in December 2009 and the recommended funding reflects the fact that the County is in the process of vetting the available options for increased cost efficiencies. The lease for space at 220 Rabro Drive, which is occupied by the Department of Social Services (DSS), expires in December 2009 as well. The DSS operations at the Rabro Drive location will move to 200 Wireless Drive. Included is $200,000 for space management consultants.

2009 Estimate

The 2009 Modified Budget for rent (001-DPW-1363-4410), as of October 7, 2009, is $14,987,833. Based upon the 2009 estimate of $15,167,096, an additional $179,263 will need to be provided through transfers within the Department or via release of reserved funds by the County Executive in order to meet the County's rental expenditure obligations.

Budget Review Office Recommendations

Reduce the 2010 Recommended for Rent: Office and Buildings (001-DPW-1363-4410) by $100,000 to more accurately portray anticipated expenditures resultant from relocating from the 220 Rabro Drive location.

Highways, Structures & Waterways (001-1490)

Major Issues

1. Authorized Staff
2. Fees for Services: Non-Employee

Budget Review Office Evaluation

Authorized Staff

The 2010 Recommended Operating Budget provides 84 positions for this Division and includes the abolishment of one vacant Civil Engineer position and one vacant Clerk Typist. There are 12 vacant positions, which represent 14% of the current authorized staff of 86. Staff within the Division continues to dwindle as evidenced by the fact that the 2008 adopted operating budget included 91 positions and the 2004 adopted operating budget included 98 positions.

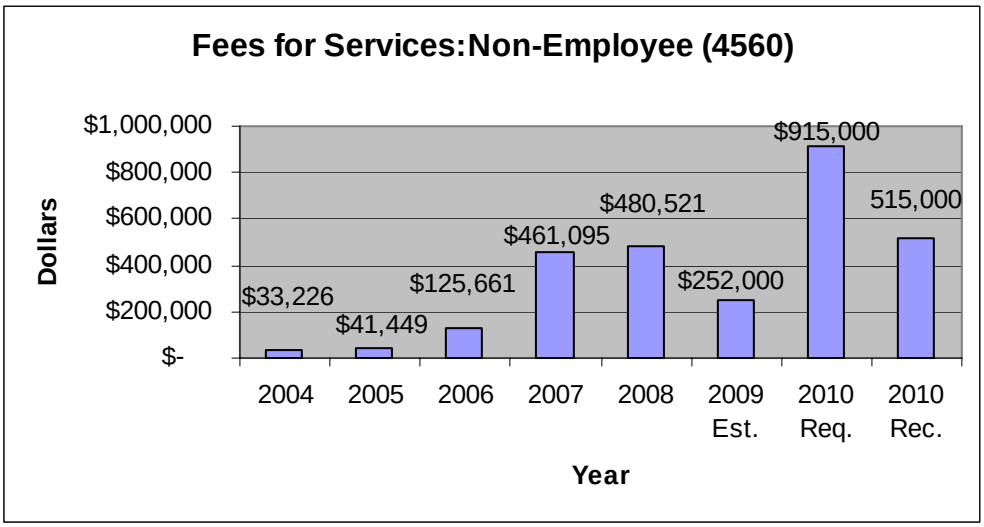
The Division did not request any new positions or the abolishment of any current positions. However, a new unit was formed, Construction Management (001-1490-DPW-0208) through the transfer of eight employees already within the Division to ensure tighter control over all departmental projects and exploit opportunities to realize operational and cost efficiencies.

- According to the program narrative provided with the Division's 2010 budget request, increased workload and responsibilities in conjunction with diminished staffing levels affect most functions within the Division and cites the need to augment many function's efforts with outside consultant firms at considerable expense to the County; while the scope and service provision of other functions has been pared down based upon staffing and funding.
- The recommended budget includes sufficient salary appropriations to fill one of the remaining vacant positions for the entire year.

- Vacant positions remain unfilled and the County continues to increase its dependency on outside consultants, as evidenced by the Division's 2010 request for Fees for Services: Non-Employees that approaches $1 million.

Fees for Services: Non-Employee

The recommended budget includes $515,000 for Fees for Services: Non-Employee (4560) which is $400,000 less than requested. The 2009 estimate of $252,000 reflects the balance of the appropriation after the Executive reserved $468,000 of the $720,000 included in the 2009 Adopted Operating Budget. The enhancements in the 2010 request as compared to 2009 adopted are approximately $200,000 as follows; Drive System enhancements in the Traffic unit $50,000, additional site plan reviews by consultants in the Highway/Planning/Permits unit $50,000, and consultant design and survey support in the newly established Consultant Management unit $100,000. Expenditures for Fees for Services: Non- Employee have grown by 1,550% between 2004 and the recommendation for 2010.The growth between 2004 and the Division's request for 2010 is an astounding 2,750%. There exists a definite correlation between the Divison's dwindling workforce and increasing workload and the growth of non-employee fees for services. The 2009 estimate of $252,000 is anomalous based upon recent historical cost trends but can be explained by the fact that the Executive reserved $468,000 or 65% of the adopted funding for 2009. The following graph illustrates recent historical growth of the expenditure.



<u>Budget Review Office Recommendations</u>

Vacant authorized positions for which funding is budgeted should be filled on a priority basis to moderate the ballooning expense associated with the use of outside consultants needed to accommodate vastly increased workload.

Facilities Engineering (001-1492)

Major Issues

1. Authorized Staff

Budget Review Office Evaluation

The 2010 Recommended Operating Budget for this Division is $14,342 less than requested and abolishes the vacant Chief Engineer (Facilities) position.

Authorized Staff

- There are nine authorized positions with one vacancy (11%) as of September 20, 2009.
- The Principal Mechanical Engineer position within the Division has been re-classed to Chief Engineer (Facilities) therefore; a Principal Mechanical Engineer position no longer exists. The recommended budget abolishes the vacant Chief Engineer position bringing total authorized positions within the division to eight and leaving no vacancies in the Division.

Permanent Salaries

- The 2010 recommended Permanent Salaries (001-DPW-1492-1100) of $642,264 does not account for the reclassification of the Principal Mechanical Engineer position to Chief Engineer. Based upon BRO projections for 2010 Permanent Salaries, the recommended funding is understated by approximately $13,000.

Budget Review Office Recommendations

Increase 2010 recommended Permanent Salaries (001-DPW-1492-1100) $13,000 to provide adequate Permanent Salaries appropriations for the reclassification of the Principal Mechanical Engineer to Chief Engineer (Facilities).

Building Design & Construction (001-1493)

Major Issue

1. Authorized Staff

Budget Review Office Evaluation

The 2010 Recommended Budget for the Division is $2,275,089, which is $24,853 less than requested, and includes 28 authorized positions as requested. Most of the

difference can be attributed to recommended turnover savings as compared to requested turnover savings, which differ by approximately $22,000.

Authorized Staff

- There are currently 28 authorized positions with one vacancy. There were two vacant positions at this time last year.
- Resolution No. 414-2006 created a new position, Public Works Capital Projects Manager (grade 35), for the development, oversight and coordination of all major capital projects and direct control over all aspects of capital programs for construction of the new jail and all other significant projects. The Department requested this position be filled in March 2008 however, it never was. The Division's request indicates, within its turnover savings calculations, that the position will remain vacant for all of 2010. This position has been vacant since its creation in 2006.

Budget Review Office Recommendations

Abolish the vacant Public Works Capital Project Manager position, which is consistent with the Executive's goal to abolish long term vacant positions.

Buildings Operations & Maintenance (001-1494)

Major Issues

1. Authorized Staff
2. Overtime
3. The Cost of Energy

Budget Review Office Evaluation

Buildings Operations and Maintenance is responsible for the maintenance, repair and alterations of all County buildings, with the exception of those buildings under the care of the Parks Department, the Community College, the Vanderbilt Museum and the Sewer Districts. The Division's responsibilities include building structures, mechanical and electrical equipment, and utilities.

Authorized Staff

The 2010 Recommended Operating Budget includes 75 authorized positions, which is one less than included in the 2009 Adopted Operating Budget and one less than requested by the Division. The Division's request includes the transfer in of one position from another Division within the department and the transfer out of one position to another Division, also within the Department. The Executive recommends the transfers as requested and abolishes the vacant Buildings Superintendent position.

- There are ten vacant positions as of September 20, 2009, which represents 13% of currently authorized positions.
- The Division's turnover savings estimate indicates that the Buildings Superintendent position, which is recommended for abolishment, would remain vacant for all of 2010.
- Recommended Permanent Salary appropriations should allow for filling approximately two vacancies for the entire year.

Overtime

Actual overtime expenditures steadily increased from 2004 through 2008, as shown in the following table.

2004 Actual	***2005 Actual***	***2006 Actual***	***2007 Actual***	***2008 Actual***
$275,305	$393,184	$408,178	$456,551	$597,392

- As of September 29, 2009, overtime expenditures total $305,310, compared to $309,357 at this time last year, which represented 52% of total overtime expenditures in 2008. Based on historical expenditures and trend analysis, the 2009 estimate of $390,000 for overtime (001-DPW-1494-1120) is understated. We recommend increasing the estimate by $200,000 to $590,000.

- Based on historical expenditures, trend analysis, and recommended staff for 2010 the recommended overtime funding (001-DPW-1494-1120) of $325,000 is understated by $250,000.

The Cost of Energy

The 2010 recommended expenditures for energy in this Division of Public Works (001-DPW-1494) are for utilities supplied to all County buildings and represent 70% of their entire budget. The Department requested $17.5 million, which is $1.4 million more than included in the recommended budget.

Object	***2004 Act***	***2005 Act***	***2006 Act***	***2007 Act***	***2008 Act***	***2009 Est***
Fuel for Heating	$665,432	$930,386	$734,481	$665,071	$443,287	$387,279
Light, Power Water	$11,625,238	$12,932,260	$15,309,243	$15,115,502	$15,786,616	$15,424,800

For more detailed information concerning energy trends, see the front end section concerning energy trends for light, power and water.

<u>Budget Review Office Recommendations</u>

- Increase 2010 recommended Overtime Salaries (001-DPW-1494-1120) by $250,000 to $575,000 as detailed above.

- The 2009 estimate for overtime (001-DPW-1494-1120) should be increased by $200,000, to $590,000.
- Funded vacant positions should be filled on a priority basis to mitigate the growth trend of overtime expenditures.

Vector Control (001-1495)

Major Issues

1. Vector Control Plan of Work
2. Authorized Staff

Budget Review Office Evaluation

Vector Control Plan of Work

The Division of Vector Control prepares an annual Vector Control Plan of Work for approval by the Legislature. This plan outlines the work to be done, methods to be employed and a general description of the locations. Resolution No. 1031-2008 approved the 2009 Vector Control Plan of Work.

Authorized Staff

- There are currently 41 authorized positions in Vector Control, of which 12 (29%) are vacant according to the September 20, 2009 position control register.
- No new positions were requested by the Division. The recommended budget transfers one Programmer Analyst to the Department of Information Technology, which reduces the authorized staff in this Division to 40. See BRO's Department of Information Technology write-up for more details.
- The recommended funding for permanent salaries is adequate to fill six lower level vacant positions at entry level for approximately six months.

Budget Review Office Recommendations

Vacant positions should be filled as funding permits. The Division now operates at 71% of its authorized staff, which is inadequate to accomplish their core mission without continued dependency on the use of overtime to fulfill their core mission. The Division's program narrative clearly states, "**Mosquito surveillance and control is now subject to 36% State reimbursement, with no cap, as a General Public Health activity**."

Custodial Services (001-1611)

Major Issues

1. Authorized Staff

Budget Review Office Evaluation

Authorized Staff

- The Division currently consists of 94 authorized positions which is six less than this time last year. Fifteen or 16% of authorized positions are vacant as of September 20, 2009.
- The recommended budget and the Division's request include the transfer of ten Custodial Worker I positions to the Court Facilities Division (001-DPW-1164) to more accurately reflect where the staff is deployed. Half of the positions recommended to be transferred are vacant.
- If vacant positions are filled at entry level (step 1), there is sufficient permanent salary funding to fill all remaining vacancies for approximately one third of the year in 2010.

Budget Review Office Recommendations

Vacant custodial positions should be filled as available funding permits to aid in the provision of adequately cleaned County facilities and decrease the Division's use of overtime to perform even the most basic tasks associated with their core mission.

Support Services (001-1660)

Major Issues

1. Authorized Staff

Budget Review Office Evaluation

The 2010 recommended budget for Support Services is $2,386,240, which is $25,630 less than requested. Most of the difference can be attributed to a $5,830 reduction in permanent salaries, a $10,000 reduction in funding for equipment repairs, and a $5,000 reduction in postage. Scant staff continues to be problematic for the Division as evidenced by the printing backlog as of August 2009 of 281 jobs (9.5 million impressions).

Authorized Staff

- There are 25 authorized positions including three vacancies as of September 20, 2009. The Division requested the transfer of one Office Systems Analyst to another division within DPW however; the recommended budget transfers the position to the Department of Information Technology (DoIT) in conjunction with the formation of a new unit in that Department. Additional details with respect to the new unit can be found within the DoIT portion of the operating budget review. Additionally, the recommended staffing includes the abolishment of two vacant positions, Senior Account Clerk and Duplicating Machine Operator III, which will reduce total authorized positions to 22.
- The 2010 Recommended Permanent Salaries does not provide sufficient funding to fill the only remaining vacancy, Courier.

Budget Review Office Recommendations

Although there is insufficient funding available to fill the position at this time, we recommend restoring the Duplicating Machine Operator III position slated for abolishment. When sufficient funding is available, the position can be filled to assist with the large backlog of work.

Transportation (001-5631, 5640, 5641 & 5643)

Major Issues

1. Staffing
2. Demand for Services
3. Costs
4. Revenue
5. Comprehensive Bus System Transit and Implementation Study

Budget Review Office Evaluation

Staffing

- The Transportation Division of the Department of Public Works consists of 17 authorized positions of which 14 or 82% are filled as of September 20, 2009.
- The Division requested two new Office Systems Technician positions in conjunction with the anticipated installation of the Automated Vehicle Locater (AVL) system in 2010. Their duties will include managing the Division's computer hardware/software for AVL, automated service scheduling, farebox data collection, and SCAT Paratransit database. Additionally they will develop bus

system performance reports, monitor operations, and troubleshoot software performance issues. The recommended budget fails to include the positions.

- The Transportation Division estimates that over 60% of their total staff costs for 2010 will be provided through federal and state grants.
- The Division's request states that there currently exists a backlog in responding to requests for new or revised services. The narrative also elaborates on the fact that scant staffing levels in the Division continue to push the staff to the limit of their capabilities. They note that any substantial service additions will require additional staff.
- Recommended Permanent Salaries provides sufficient appropriations to fill all vacancies and fund the two new positions requested by the Division for six months.

Demand for Services

- The 2009 Recommended Operating budget includes $54 million, which is $109,560 or 0.2% less than requested by the Division for paratransit and fixed route operations (001-DPW-5631) and is $2,841,689 or 5.6% more than the 2009 estimate of $51.2 million.
- Suffolk County Transit (SCT) fixed route bus service and paratransit service continued to experience growth in ridership in 2008. The Division's narrative indicates approximately 6.3 million passengers utilized Suffolk County Transit services representing an increase of 100,000 passengers from the prior year and the eighth consecutive year of record setting ridership. It appears 2009 might be the first year in nearly a decade that ridership numbers moderate based upon the first four months of 2009 when ridership was down 3.4% as compared to the same time period in 2008. Ridership in the month of July was down 41,824 riders or 7.1% as compared to July ridership one year ago.
- Conversely, Suffolk County Accessible Transportation (SCAT) paratransit service ridership grew in 2008 and continues to grow in 2009. The growth rate has moderated from 19% in 2008 to 10% in 2009 based upon ridership in the first four months of each year. The 10% growth in ridership correlates to 12,000 additional riders which have exerted great pressure on the existing resources. Ridership in July was up 3,410 or 10.9% as compared to July ridership one year ago.
- Federal and state mandates dictate that SCAT service be available at any time that SCT service is available. Additionally, ADA regulations dictate that SCAT is demand driven which requires an increase in vehicles and their associated costs in order to remain ADA compliant as SCAT usage and registration grows. The Division anticipates the need for ten additional SCAT buses in 2010 based upon growing demand for services.
- The Division anticipates making an award for procurement of 81 new buses in 2009. While most bus purchases are 90% state and federally aided, the Division

will procure 30 buses through the American Recovery and Reinvestment Act (ARRA) with approximately $9.5 million of 100% federal funds.

Costs

- The Division reports that they are able to mitigate costs through the implementation of state and federal capital grants. In 2009, they will implement $15 million in grants in addition to $9.5 million of ARRA funding.
- The Division's annual planning grant will provide approximately 40% of their transportation planning staff costs. State and federal grants will fund approximately 60% of staff costs in their entirety.
- SCT/SCAT average cost for a gallon of fuel was $.81 in 2002 as compared with an average cost of $2.36 in 2008, which represents a 191% increase. The Division's 2010 request for Gasoline and Motor Oil (001-DPW-5631-3150) of $1,827,500 represents an increase of $139,249 (8.2%) as compared to the 2009 estimate of $1,688,251 and is the same as recommended.
- The Division's 2010 budget request takes into consideration expansion of the Paratransit program (SCAT) required to remain in compliance with Americans with Disabilities Act (ADA) regulations. The request includes no provisions to expand services for Suffolk County Transit (SCT) operations.
- The projected number of riders (based on the division's projected ticket revenue) in 2010 for fixed route and paratransit services is 5,201,002. Using that estimate and the 2010 recommended level of expenditures of approximately $54 million; the cost per ride is $10.39.

Revenue

- The Division estimates that bus fare revenue will increase by approximately $224,000 or 3% to $7,500,677 and advertising revenue will remain static at $250,000 in 2010.
- The Division anticipates state aid for mass transit operations to increase by $856,500 to $22,686,000. The Division estimates the cost to provide pass through aid for fixed route service in the Town of Huntington and Village of Patchogue at $910,000, which is just $2,000 more than the 2009 estimate of $908,000. Federal aid in the aggregate is requested and recommended at $2,134,000; a decrease of $178,000 or 7.7% from the estimate of $2,312,000.

- The full and reduced bus fares have not increased since August of 1991 and student fares have not been adjusted since 2002. The Division includes in its narrative the recommendation to increase bus fares as proposed in the following table.

Suffolk County Transit Bus Fares						
	Full	**Student**	**Reduced**	**DSS Tokens**	**Transfers**	**ADA**
Current	$1.50	$1.00	$0.50	$1.50	$0.25	$3.00
Proposed	$2.00	$1.25	$0.75	$2.00	$0.25	$3.00

The Division projects that based on 2009 estimated ridership, a $0.50 increase in the full fare and $0.25 increase to student and reduced fares would result in approximately $1.4 million in increased fare receipts. This estimate does take into consideration the potential loss of riders due to the fare increase, which is estimated by the Division to be as many as 480,000 riders annually. The potential impact to ridership has been inflated to account for the deleterious effects of the economic downturn.

BRO estimates based upon estimated 2009 ridership, that a $0.50 increase in Full fare and $0.25 increase in student and reduced fares would result in approximately $1.95 million in increased fare receipts. Additionally, we estimate that the attrition in ridership of 480,000 persons, assuming the attrition is allocated at the same ratios that the tickets are purchased, will decrease fare receipts by approximately $800,000 resulting in a net increase of farebox revenue of approximately $1.2 million.

Bus System Transit and Implementation Study

- A draft document outlining preliminary findings and potential recommendations concerning bus route changes and system development has been submitted by the consultant.
- The preparation of a preliminary blueprint for implementation of the plan is being prepared by the contractor, which will include recommended phasing-in of service improvements, capital needs, rider projections and costs.
- A final draft of the study is anxiously awaited and due to be released by the end of 2009.

Budget Review Office Recommendations

- Add two new Office Systems Technician positions as requested by the Division in conjunction with the anticipated installation of the Automated Vehicle Locater (AVL) system in 2010. Recommended Permanent Salaries provides sufficient appropriations to fill the positions for the entire year in lieu of filling the three existing vacancies.

Road Machinery (016-5130)

Major Issues

1. Vehicles to be Purchased
2. Authorized Staff

Budget Review Office Evaluation

Vehicles to be Purchased

The Department of Public Works (DPW) requested funding of $7,141,500 to replace 338 (197 public safety and141 non-public safety) vehicles in 2010. The recommended budget includes $1.5 million for the purchase of 60 marked public safety vehicles, which equates to a $5,641,500 or 79% reduction in funding.

- It is the County's policy to replace all gasoline powered vehicles with estimated mileage at 110,000 or above at the end of the year. All law enforcement vehicles continue to be scheduled for replacement at 100,000 miles.
- The Executive's recommendation is non specific with respect to the allocation of the 60 marked public safety vehicles among the County's eligible public safety departments.
- Resolution No. 441-2009 created Capital Project No. 5601- Purchase of Hybrid Electric Vehicles and transferred $400,000 from the operating budget (Purchase of Automobiles 016-DPW-5130-2030) representing the County's 20% match to Federal CMAQ funding of $1.6 million. The resolution indicates that 38 hybrid vehicles will be purchased in 2009 at a cost of approximately $1 million and allocated among various departments within the County.
- Resolution No. 500-2009 created Capital Project No. 5602- Alternative Fuel Infrastructure and Compressed Natural Gas Vehicles which, among other things, replaces vehicles currently in the fleet with 15 compressed natural gas (CNG) vehicles.
- The Department of Labor has six Chevrolet Impalas coming off lease in early 2010, which have a buy-out option to purchase for $7,500 each. Exercising the option could allow for a very cost effective means of augmenting an aging fleet. See the Department of Labor review for more details.

Authorized Staff / Overtime

- The 2010 Recommended Operating Budget provides 64 authorized positions, as requested by the Division, which is one less than the 2009 adopted staffing levels. The Division requested, and the recommended budget includes, the transfer out of two positions and the transfer in of one position within the Department.

- There are nine vacant positions as of September 20, 2009, compared to 12 at this time last year.
- The recommended Permanent Salaries provides sufficient appropriations to fill the Division's nine vacant positions for approximately eight months.

Budget Review Office Recommendations

Vacant positions for which salary appropriations are budgeted should be filled to reduce the need for overtime and to provide sufficient staff to maintain and repair an aging County fleet.

Highway & Bridge Maintenance (105-5110)

Major Issues

1. Workload
2. Authorized Staff
3. Overtime

Budget Review Office Evaluation

Workload

The Division of Highway & Bridge Maintenance continues to provide services and manage a multitude of responsibilities across the entire County with a dwindling workforce. The responsibilities of this Division include, but are not limited to:

- Pavement markings, signs, and traffic control devices on County roads;
- Maintenance of grounds, access roads, and parking lots at all County owned or leased facilities;
- Operation and maintenance of all County bridges;
- Various park and ride lots throughout the County;
- Inspection and repair of 245 recharge basins;
- Relocation of County offices;
- Litter removal, which consumes over 15% of total staff hours

In addition, the Division continues to maintain 42 miles of State owned roadways (35 miles of State owned Long Island Expressway service roads and seven miles of State owned Sunrise Highway service roads) without compensation further hindering their ability to provide services for County roads.

Authorized Staff

- The Division's 2010 request includes 106 positions and includes the transfer of five positions to other divisions within the Department. The number of authorized positions within the Division continues to shrink and is 23 positions or 18% less than the 129 positions in 2001. Recommended staffing includes all transfers as requested however, it also includes the abolishment of a vacant Clerk Typist position.
- There are 16 vacant positions as of September 20, 2009, which represents 15% of current authorized positions.
- The 2010 recommended permanent salary funding is sufficient to fill the four lowest graded vacant positions (grade 10) at entry level for approximately 12 months.

Overtime

- The 2009 estimated expenditure for overtime salaries (105-DPW-5110-1120) is $400,000, which is $25,000 or 6.7% more than adopted, and $51,250 or 7.2% more than the 2009 modified budget of $348,750. The County's Integrated Financial Management System (IFMS) indicates actual overtime expenses of $430,344 as of October 2, 2009, which means the current budget has been overspent already by $81,594.
- Based on recent actual historical overtime expenditures of $576,896 in 2007 and $585,401 in 2008, current staffing levels within the Division, and 2009 year-to-date expenditures of $430,000 as of October, the 2009 estimate is understated and will likely exceed $600,000.
- The 2010 recommended overtime salaries of $375,000 is understated by $225,000, assuming the level of filled authorized positions remains within the confines of recommended salary appropriations.

Budget Review Office Recommendations

Similar to many divisions within the Department of Public Works, diminished staff in conjunction with static or increasing workload has resulted in an increased dependency on overtime to fulfill demands relevant to the Division's core mission.

- Increase 2009 estimated overtime salaries (105-DPW-5110-1120) $200,000 to more accurately reflect anticipated expenditures.
- Increase 2010 recommended overtime salaries (105-DPW-5110-1120) $225,000 to more accurately reflect anticipated expenditures.

Snow Removal (105-5142)

Major Issues

1. Expenditures
2. Snow and Ice Removal Supplies
3. Overtime Salaries

Budget Review Office Evaluation

Expenditures

The 2009 estimated expenditures for snow removal are $3.74 million, which is $248,457 or 7.1% more than adopted. The 2010 recommended funding of $2,713,360 for snow removal is reasonable and in line with recent historical average actual expenditures but $776,420 less than the 2009 Adopted Budget. Budgeting for snow removal is difficult, as it requires predicting the weather several months in advance and being able to predict the affects of future price variables.

Snow and Ice Removal Supplies

Snow and Ice Removal Supplies (105-DPW-5142-3270) is estimated at $1,700,000 for 2009 which is $500,000 or 42% more than adopted and $200,000 less than estimated by the Division in their August update. The 2010 recommended funding is the same as 2009 adopted; $1.2 million. The Division's updated request seeks $1,450,000 which is $250,000 more than their initial 2010 budget request and $250,000 less that the Executive's estimated expenditure for 2009. The Division cites low inventory levels as the reason for the enhancement to their 2010 request. The increased expenditures in this area can be at least partially explained by the fact that the salt contract bid by the State awarded in August 2008 equated to a 24% increase in cost and the addition of a fuel surcharge. Based upon increased costs, low inventory, 2009 expenditures, and the Division's updated request, BRO believes the recommended funding is insufficient by $250,000-$500,000.

Overtime Salaries

Overtime Salaries (105-DPW-5142-1120) is estimated at $640,000, which is $190,000 or 42% more than the adopted funding of $450,000 and is reasonable based upon year-to-date expenditures as of September of $570,635. The 2010 recommended funding of $400,000 is $50,000 or 11.1% less than the 2009 adopted funding and $240,000 or 37.5% less than the 2009 estimate. This Division does not employ any year-round employees but instead relies upon personnel from the other Divisions within the Department and overtime. The Division submitted an updated request in August, which sought $650,000 for this expenditure in 2010. Based upon 2008 actual expenditures of $597,833, 2009 estimated expenditures of $640,000, and the Division's updated request, BRO believes the recommended 2010 Overtime Salaries is insufficient by $200,000.

Budget Review Office Recommendations

- Increase the 2010 Recommended Budget for Snow and Ice Removal Supplies (105-DPW-5142-3270) by $250,000 to more accurately reflect anticipated expenditures.
- Increase 2010 Recommended Overtime Salaries (105-DPW-5142-1120) $200,000 to more accurately reflect anticipated expenditures.

Sanitation

Major Issues

1. Authorized Staff
2. Sludge Removal

Budget Review Office Evaluation

The 2010 Recommended Operating Budget includes funding of $57.4 million for the Sanitation Division, a decrease of $11 million or 16.2% in expenditures compared to the 2009 adopted operating budget and $575,000 or 1.0% less than requested by the Division. The $11 million reduction in expenditures can be attributed to the fact that Southwest Sewer District made its last IDA lease payment of $11 million in 2009 and will no longer be incurring the debt service, which was reflected in Rent: Offices and Buildings (203-DPW-8114-4410) as evidenced in the 2010 requested and recommended funding of $0.

Authorized Staff

The Division requested $19 million for permanent salaries and the recommended budget includes $18.5 million. The 2009 estimate of $17.7 million is reasonable based upon year-to-date expenditures of $12.5 million as of October 1, 2009.
The focus of this Division remains to meet all pertinent criteria for operating and maintaining the growing number of wastewater facilities within its purview in as efficiently and economically a manner as possible. In response to budget and staffing constraints, the Division continually revises its priorities to address the increasing workload and increasing regulatory requirements.

- As of September 20, 2009, there are 368 authorized positions in the Division of which 57 are vacant. This is 15 fewer than last year and represents a 20.8% decrease in vacant authorized positions from 2008.
- The Division's request includes the transfer out of four positions and the transfer in of three positions bringing their total requested authorized positions to 367. The recommended staffing includes the transfers as requested and in addition

includes the transfer out of one Office Systems Analyst II position to the Department of Information Technology (DoIT) and the abolishment of six vacant positions bringing total recommended authorized positions to 360. (Refer to the review of the DoIT for additional information with respect to the transfer of the Office Systems Analyst II position.)

- Some negative ramifications resultant from staff shortages within the Division include, but are not limited to, delaying capital projects, additional overtime, increased outsourcing, fines, backlogs, and inadequate preventative maintenance.
- The recommended Permanent Salaries appropriation allows for the funding of all currently filled positions for the entire year and all current vacancies (57) for approximately four months of the year assuming they are hired at entry level.

Sludge Removal

The disposal of sludge continues to be identified as one of the most critical and difficult challenges in the processing, treatment and disposal of sewage and the County continues to incur the expense of trucking sludge off Long Island for disposal.

- The 2009 expenditures for sludge removal will be the first year the expenditure is based upon the rate of $96.00 per wet ton, which represents a 15% increase in the rate as compared to 2008. The contract negotiated last year provided a two year extension at the $96 rate therefore; the current rate is valid in 2009 and 2010 as well. Beyond 2010 the County will be fully susceptible to price volatility driven by external market forces beyond our control.

Sludge Removal (3490)							
	2004 Act.	***2005 Act.***	***2006 Act.***	***2007 Act.***	***2008 Act.***	***2009 Est.***	***2010 Rec.***
Sewer Dist #3	$5,442,720	$5,222,370	$4,758,592	$7,242,222	$5,076,907	$6,951,217	$7,365,700
Sewer Maint & Oper	$1,037,467	$1,030,625	$937,403	$1,396,351	$1,201,718	$1,750,000	$1,750,000
Total	**$6,480,187**	**$6,252,995**	**$5,695,995**	**$8,050,000**	**$6,278,625**	**$8,701,217**	**$9,115,700**

- The sludge treatment and disposal management study to evaluate sludge disposal costs and consider options, including public/private partnerships, to determine potential cost savings and efficiencies is ongoing.
  - Consultant services have been retained for review of the sludge treatment and disposal alternatives and preparation of a Request for Proposal.

- Stage I involved a presentation to the stakeholders followed by workshops which have been held
- Forty-seven alternatives were generated initially however; this number was reduced to 19 prior to being presented to the stakeholders for evaluation whom in turn narrowed the alternatives down to nine.
- The first of two tours of systems representing the nine alternatives has been held on August 5th with a second tentatively scheduled for September.
- The plan must be completed by the NYSDEC schedule of January 2010.

Budget Review Office Recommendations

Fill vacant positions as recommended funding allows mitigating the Division's reliance on overtime salaries in order to fulfill their core missions.
RD DPW10

REAL PROPERTY TAX SERVICE AGENCY

Major Issues

1. Staffing and Expenses
2. Revenue

Budget Review Office Evaluation

Staffing and Expenses

- The 2009 estimated budget of $1,922,410 for Real Property Tax Service Agency (RPTSA) is reasonable. The 2010 Recommended Budget includes $1,912,008, which is $382,295 or 16.6% less than the 2009 adopted amount and $468,531 or 19.7% less than the Department's request of $2,380,539. Ninety-six percent of this decrease is attributable to the transfer of one Programmer Analyst, the abolishment of four vacant positions and an increase of $231,783 in turnover savings. The remaining four percent decrease is due to reductions in supplies and materials.
- There are currently 42 authorized positions in RPTSA, of which ten are vacant. The 2010 Recommended Budget abolishes four vacant positions: two Real Property Recorder II, one Office Systems Analyst I, and one Map Drafter I. One Programmer Analyst is transferred to the Department of Information Technology Services, but will physically remain in RPTSA to support the department system. This transfer reduces permanent salary expenses in RPTSA by $70,600.
- The recommended funding for permanent salaries does not provide sufficient funding to fill any of the remaining six vacant positions for 2010.

Revenue

- The 2010 Recommended Budget estimates Tax Map Certification Fees (001-RPT-1291) of $4.4 million in 2009, which is reasonable based on the year to date revenue. The 2010 Recommended Budget projects Tax Map Certification Fees of $4.75 million for 2010, which is equal to the RPTSA revised request. Based on the economic downturn, this amount is reasonable.
- RPTSA has developed an Advanced Real Estate Information System (AREIS). Members of the public are able to purchase a subscription to ARIES covering all of Suffolk County for $2,500. RPTSA has found that the real estate industry in Suffolk County is fragmented and that there have been many inquiries from the industry as to whether or not the County has a subscription that covers a more limited area, such as the East End, Brookhaven, or the West End. RPTSA believes that additional revenue could be generated by offering not only a County wide subscription but also subscriptions covering more limited areas. Such subscriptions would sell for about one-third the cost of the full subscription. A resolution by the Legislature would be needed.

Budget Review Office Recommendations

Amend the fee schedule for the ARIES subscription to allow for subscriptions covering the East End, Brookhaven, and the West End.
KD RPTSA10

SHERIFF

Major Issues

1. Expenditure Overview
2. Sworn Officer Staffing and Preparing for the New Jail
3. Civilian Staffing
4. Overtime
5. Inmate Population & Substitute Housing
6. Vehicle Allocation
7. SCAAP Revenue

Budget Review Office Evaluation

Expenditure Overview

The recommended 2010 budget for the Sheriff is $145,557,655 or $23.5 million more than the adopted 2009 amount. Most of this increase is attributable to the contract settled for Correction Officers in April of 2009 that included retroactive payments and annual increases dating back to 2004. Most Correction Officers received a 9.5% increase effective the seventh pay period of 2009 and an additional 7.12% effective the 13th pay period reflecting the retroactive adjustments. The retroactive payments totaled $13.3 million and resulted in permanent salary increases of $9.4 million and overtime increases of $1.9 million. Personnel costs account for 94% of the budget while other major objects of expense include food, clothing and substitute housing.

The recommended 2010 budget includes approximately $1.3 million in funding to hire 20 Correction Officers and 11 Deputy Sheriffs in January and another 20 Correction Officers in late December. Of these positions, 20 are new positions as required by the New York State Commission of Correction (NYS CoC) to maintain minimum staffing levels. The recommended abolishment of one Correction Officer actually leaves the Sheriff one position short of minimum staffing levels, which should be revised.

There is a minimum staffing level required by the NYS CoC. Overtime coverage will still be required to meet the full coverage factor (the number of personnel needed to fully cover mandated posts). The full coverage factor is based upon the number of Correction Officers needed to meet the minimum personnel needs of an eight hour-365-day shift. The full coverage factor is 1.91. In order for a post to be covered 24 hours

per day, the coverage factor is three times that number or 5.73. The County does not have the discretion of leaving a post vacant if the assigned individual is unavailable because of sickness, vacation, or personal reasons.

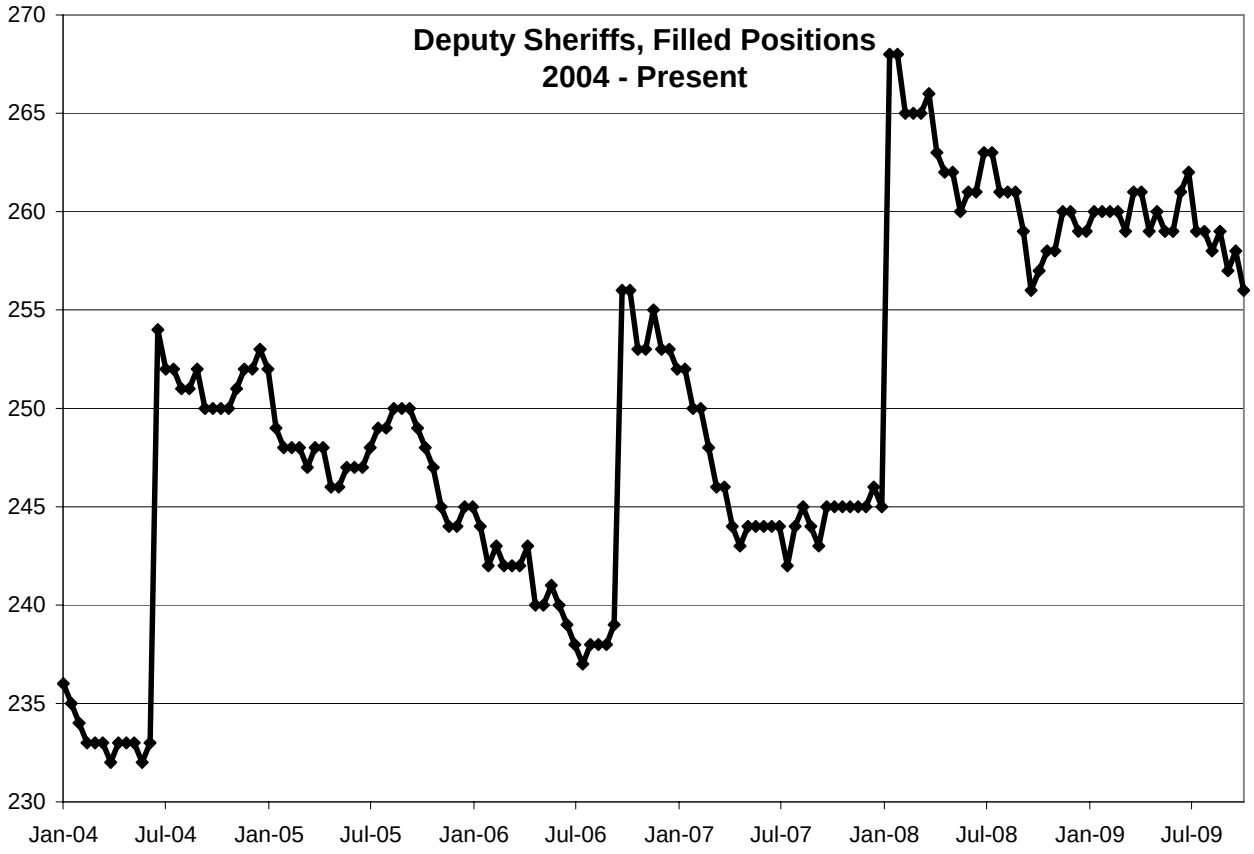
The non-personnel portion of the recommended budget is a cost to continue budget with two exceptions:

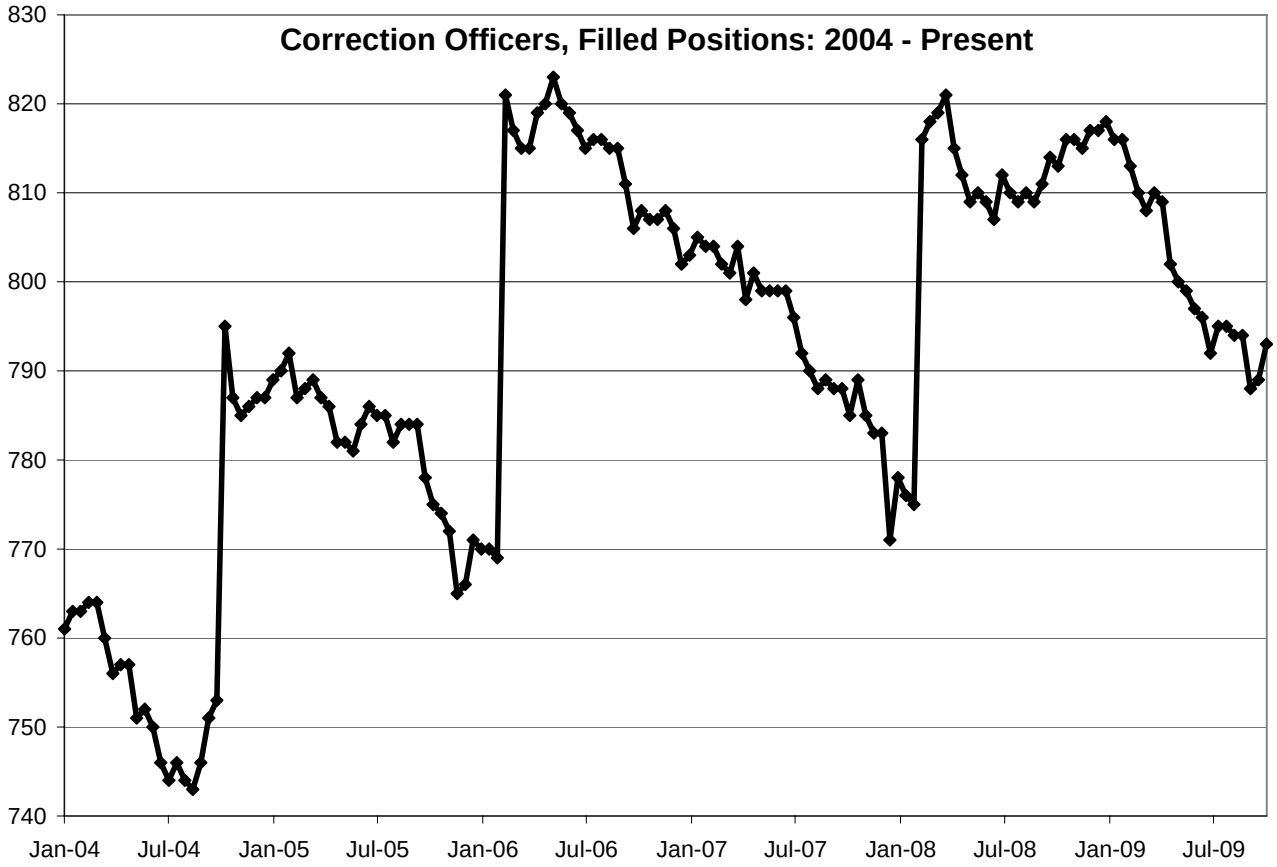
1. An additional $445,400 for Substitute Jail Housing is included as renovations to the Riverhead Correctional Facility (CP 3014) are ongoing, which will displace some inmates. Adding to this problem is general overcrowding and more restrictive inmate classifications (more mental observations, gang separations, etc.). One of the reasons the NYS CoC approved a variance, which provides an additional 152 beds in the Riverhead Correctional Facility, is that the County was committed to renovating existing space.
2. Another factor involved with the 152 extra beds is that additional food is necessary for the inmates. Coupled with inflation, an additional $310,000 is recommended above the 2009 estimated amount. This is still $200,000 less than the adopted 2009 amount. Based upon year-to-date expenditures the Budget Review Office believes that the additional amount can be reduced by $150,000 in 2010.

Sworn Officer Staffing and Preparing for the New Jail

As of the October 4, 2009 position control register, there were 1,049 filled sworn officer positions, comprised of 793 Correction Officers and 256 Deputy Sheriffs. This is a decrease of 21 filled positions compared to this time last year. There are 20 less Correction Officers and one less Deputy Sheriff. There are 41 vacant Correction Officers and 14 vacant Deputy Sheriffs.

The following two graphs show the number of filled sworn officers.





Correction Officer Staffing

The last class of 40 recruits was hired in February 2008. The Sheriff requested two classes totaling 72 Correction Officers in his 2010 budget request:

1. Forty new positions to meet the current mandate of the NYS CoC minimum staffing level of 866 Correction Officers and raise the number of authorized positions towards a goal of 1,064 that will be necessary to open the new correctional facility.
2. Fill 42 vacant positions effectively replacing retirements from 2009 and anticipated in 2010.
3. Reduce dependence on overtime to staff posts.

The recommended budget includes 20 new positions to be filled in late January and funding for 20 positions to be filled on December 31, 2010. The 20 new positions will meet minimum staffing levels but will not provide for an appropriate phase in schedule to accommodate the future needs of the Sheriff to open the new correctional facility in Yaphank by the end of 2011.

In order to reach the NYS CoC goal of 1,064 authorized positions from the current level of 846, the Sheriff will need 218 new positions in 2010 and 2011. Just adding

authorized positions to meet this goal will not suffice, as the estimated number of filled and fully trained Correction Officers that will be required is approximately 985. To go from the current level of 793 filled positions an additional 192 will be necessary by the end of 2011. The Budget Review Office proposes the following hiring plan:

Current	**793**	**Timing**
2010 - Class #1	40	January
2010 - Class #2	40	July
Projected Separations	-24	End of 2010
2011 - Class #1	50	January
2011 - Class #2	50	May
2011 – Class #3 Projected Separations	60 -24	November End of 2011
Ground trained & ready by the end of 2011	**985**	

The maximum number of recruits that can be trained at any given time is 50. It takes a minimum of four to five months to have the recruits ready to man a post.

The 2010 recommended budgeted amount of overtime is predicated on hiring 40 Correction Officers in January. Hiring only 20 will require overtime to be overspent. The Sheriff will also run the risk of the NYS CoC rescinding variances or not allowing the facility to open, which occurred recently in Ulster County. This will result in increased expenditures for overtime, substitute jail housing and prisoner transportation of at least $4 million annually. The Budget Review Office had recommended last year that two classes be included in 2009 to avoid confronting the problem of adding so many new officers in 2010 and 2011. In order to avoid cost overruns and meet the minimum staffing levels to open the new correctional facility, the cost of the Budget Review Office's proposed hiring plan is shown in the following table.

CORRECTION OFFICERS

Date Hired	25-Jan-10	19-Jul-10
# of Recruits	**40**	**40**
# Pay Periods	**24.5**	**12.9**
Base salary	$42,121	$21,846
Holiday pay	$1,724	$1,142
Uniforms*	$3,308	$3,308
Cleaning Allow.	$800	$400
Health Insurance	$9,975	$4,331
Benefit Fund	$1,085	$471
FICA	$3,354	$1,759
Per Recruit	$62,367	$33,255
Total	$2,494,690	$1,330,209
Grand Total	$3,824,898	
*** Includes uniform, body armor, medical bag, etc.**		

The recommended budget already includes $1.3 million; therefore, the additional funding required is approximately $2.5 million. When increased overtime costs, substitute jail costs, prisoner transportation costs and not being able to open the new correctional facility are considered, this additional cost will actually produce cost savings over the next two years.

Deputy Sheriff Staffing

- The recommended budget includes a class of 11 Deputy Sheriffs to fill vacancies as requested by the Sheriff. The Police academy cannot efficiently process a small amount of Deputy Sheriffs unless other public safety municipalities require classes. The timing of this class will have to be coordinated with other municipalities.
- Assuming this class is hired by the end of January the annual cost including base pay, holiday pay, uniforms, cleaning allowance and benefits will be $630,601. This funding was included in the recommended budget.
- A class of 20 Deputy Sheriffs hired in 2008 has allowed the Sheriff to handle the responsibility to patrol the LIE and Sunrise Highway with 27 to 30 Deputy Sheriffs daily (more than 10% of filled DS positions). The Sheriff has also redeployed Deputy Sheriffs by reducing the number of times when two are needed in a car and realigning zones.

- Filling these vacancies will have a direct effect on mitigating overtime expenditures. New DS positions have to work an extra 6.5 hours of straight time each pay period before qualifying for overtime. Not filling vacant positions on a continuous basis creates the need for additional overtime or may result in a negative impact on civil actions.

Civilian Staffing

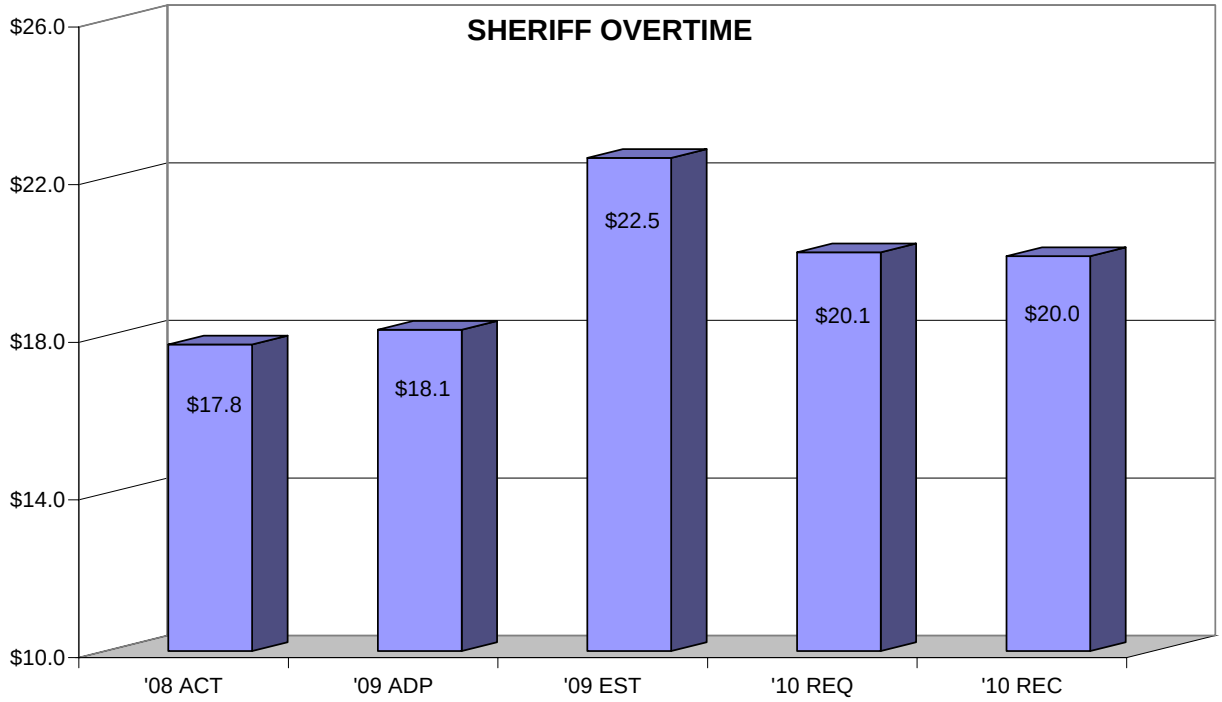
One hundred fifty-six of the authorized 1,284 positions in the Sheriff's Office are civilian positions that provide support services. There are currently 17 vacant civilian positions, a decrease of five from last year. The Sheriff requested six new civilian positions and received three as follows:

1. Purchasing Agent: Currently a Lieutenant is responsible for grant applications and purchasing. This new position will allow the Lieutenant to be utilized more efficiently.
2. Detention Attendants (2): A female DS is required on overtime if a female detainee is held overnight at the County Court Detention area. This occurs on a regular basis. At least one of these positions will be filled by a female employee to reduce overtime costs by utilizing a lower salaried civilian employee.

A Material Control Clerk IV position was requested to further civilianize the Quartermaster Section. The Budget Review Office recommends adding this position to further allow the redeployment of Deputy Sheriffs. The annual salary for this grade 15 position is $34,713 plus $16,747 in fringe benefits for a total of $51,460.

Overtime

The 2010 recommended budget for overtime appropriations is $20 million, slightly less than requested. This is $2.3 million less than the 2009 estimate and is based upon the hiring of 40 Correction Officers and 11 Deputy Sheriffs early in 2010. It does not include grants that are added to the estimated amount during the course of the year as they are accepted. Overtime grants totaled $612,596 in 2009.



The large increase in 2009 is due to contractual increases. The amount of overtime hours has risen modestly over the past two years due to attrition.

Overtime costs are affected by many different factors.

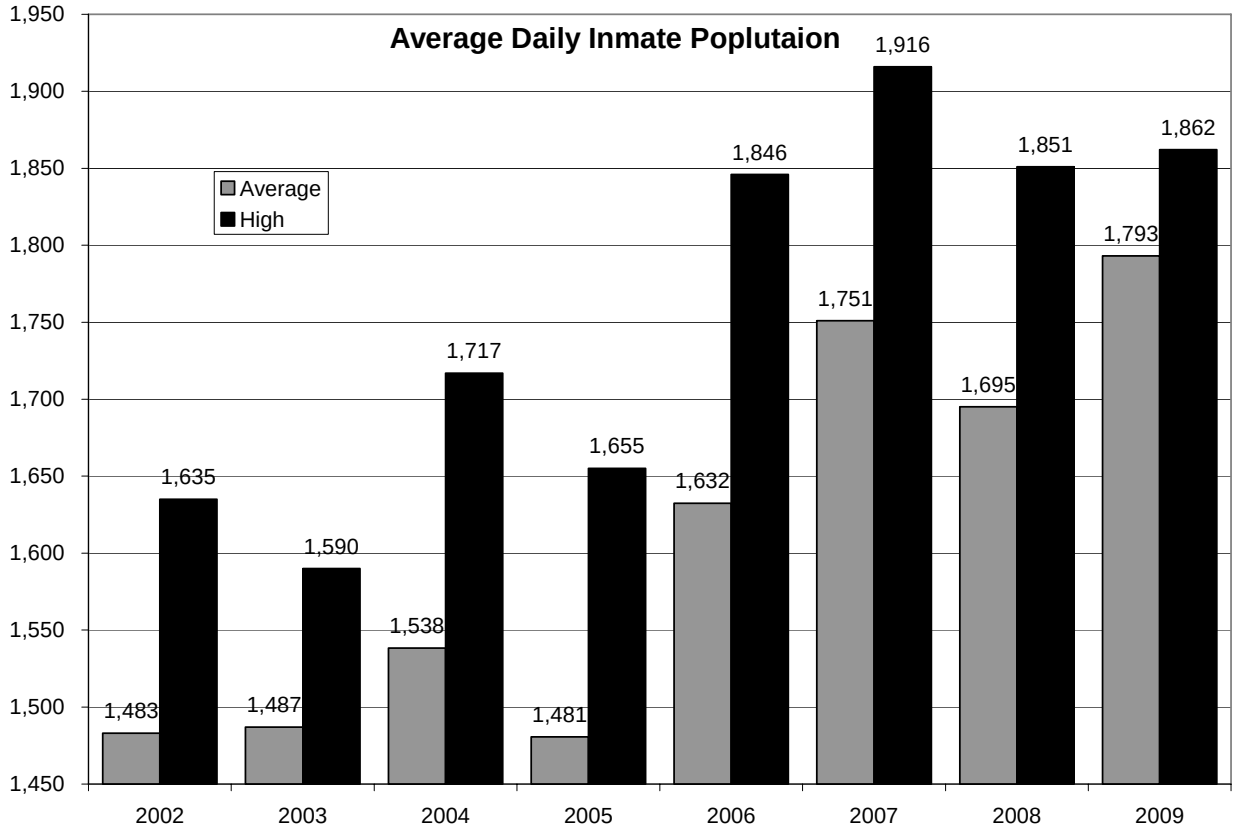
1. Collective bargaining agreements: Both the Deputy Sheriffs' and Correction Officers' contracts have strict seniority rules for the assignment of overtime and for assignment choice. Therefore, most overtime is paid to those with the highest salary rates. These limitations on management prerogatives impede the ability to control costs and assignments.
2. Filling vacant positions and effectively managing staff can result in the reduction of overtime costs. If the number of vacancies increases, overtime costs will increase accordingly.
3. The number of posts: required posts by the NYS CoC as well as ad hoc posts which from time to time have to be created due to prisoner configuration, prisoner classification, program needs, or facility design.
4. The number of prisoners that must be transported out of county.

Based upon reported W-2 earnings in 2008, 79 Deputy Sheriffs were among the top 300 overtime earners. Correction Officers accounted for 93 of the 300 top overtime earners. Despite the fact that the correctional facility is a 24/7 operation, the number of Deputy

Sheriffs and Correction Officers earning high amounts of overtime remains a budgetary concern.

Inmate Population & Substitute Housing

During the first nine months of 2009, the average prisoner population that the Sheriff's Office was responsible for was 1,793, with a high of 1,862. This represents 98 more prisoners than the same period last year. In October of 2007 the population reached its highest level ever at 1,916. During 1999, an average of 300-400 state-ready prisoners were held at the jail. Currently, the number of state ready prisoners is 16 with another 81 awaiting parole.



The legal capacity of the County correctional system is now 1,327 without variances, and includes the 120 beds gained from the opening of the stressed membrane structure erected in 2006. In early 2008, the NYS CoC approved a variance of 152 beds at the Riverhead facility. With current variances, the capacity is 1,838.

The functional capacity of the system is 1,551. The functional capacity is defined as the point at which a facility is able to operate before the effects of crowding occur. Functional capacity considers the physical plant and its ability to accommodate classification differences. Most corrections experts agree that functional capacity is 85% of the approved physical capacity. The Sheriff has managed to increase and maintain this percentage to over 90%, effectively reducing the number of inmates required to be housed "out-of-county" in substitute housing.

As of October 6th, the Sheriff is housing 36 prisoners in "out-of-county" facilities compared to 17 at this time last year. One direct supervision pod is currently being renovated resulting in 12 prisoners transferred to out-of-county facilities. The amount of out-of-county prisoners has been dramatically reduced due to the 152 bed variance. In October of 2007, there were over 200 out-of-county prisoners.

Vehicles

The Sheriff requested the following 34 replacement vehicles:

Marked Crown Victorias	22
Unmarked Crown Victorias	4
Prisoner Vans	3
SUV	3
Motorcycles	2
TOTAL	**34**

All of the requested vehicles will replace vehicles with over 110,000 miles by the end of 2010. The two motorcycles are over 15 years old. The total cost to replace these vehicles is approximately $825,000. Although the 2010 Recommended Budget includes $1.5 million for public safety vehicles, the Budget Office did not provide any detail as to what departments will receive them.

Revenue

Under New York State law, the Sheriff is the primary civil enforcement officer of the court, and is responsible for enforcing all decrees, orders and mandates of the civil courts within the County. The Sheriff is permitted to charge specific fees for services, which are established by the State Legislature.

The County has received reimbursement for expenses related to the incarceration of criminal aliens under the New York State Criminal Alien Assistance Program (SCAAP), revenue code 001-4348. The 2009 estimated budget includes $1,910,681. Funding amounts are based on appropriations in the Federal budget and the relationship of the expenditures of competing jurisdictions. There are over 50 other jurisdictions competing for SCAAP funding. The County recently received confirmation that the grant award amount will be $2,559,573. The 2009 estimate should be increased by $648,892. Based upon a three average the 2010 recommended amount can be increased from $1.9 million to $2.2 million.

New York State has eliminated reimbursement for state ready inmates and parole violators. The budget assumes no revenue for this in either the 2009 estimates or 2010. Analysis of other revenues produced from Sheriff Fees indicates that the amount of revenue estimated for 2009 and recommended for 2010 is reasonable.

Budget Review Office Recommendations

In order to avoid cost overruns and properly staff the Sheriff in 2010, meet NYS CoC minimum staffing levels and prepare for the opening of the new correctional facility in 2011:

- Add 20 new Correction Officer positions to be filled in January 2010.
- Add $2.5 million to fund the additional Correction Officer positions and advance one class to July.
- Add a new Material Control Clerk IV position at a cost of $51,460 to enhance civilianization efforts.
- Based upon the recent grant award, increase New York State Criminal Alien Assistance Program (SCAAP), revenue code 001-4348 by $648,892 in 2009 and by $300,000 in 2010.
- Based upon year-to-date estimates reduce recommended expenditures for food (001-3151-3330) by $150,000.

JO Sheriff10

SOCIAL SERVICES

Major Issues

1. Department Overview of Expenditures and Revenues
2. Divisional Operation Overview:
    - General Administration
    - Client Benefits
    - Family and Children's Services
    - Housing, Adult and Employment Services
    - Child Support Enforcement Bureau
    - Medicaid Compliance
3. Staff
4. Overtime
5. Legal Challenges
6. Vehicles

Budget Review Office Evaluation

Department Overview of Expenditures and Revenues

Total expenditures for the Department of Social Services across all divisions are recommended for 2010 at $521,701,270 which is a 0.5% increase from the 2009 estimate, which in turn is a three percent decrease from the 2008 actual as shown in the following table. Increased federal aid for Medicaid Program costs passed as part of the federal stimulus plan have offset the expenditure increases in 2009 in other areas of Social Services. Medicaid costs comprise 42.1% of all costs for the entire Department.

Admin & Program Costs by Division	2008 Act.	2009 Est.	2010 Rec.
Administration	$11,913,736	$10,580,857	$11,176,839
Client Benefits	$140,964,619	$153,689,857	$155,245,679
CSEB	$8,385,222	$8,338,382	$8,821,393
Family & Children	$107,032,520	$107,241,244	$114,075,583
Housing, Adult & Employ.	$12,266,896	$12,623,419	$12,598,641
Medicaid	$254,179,451	$226,393,431	$219,783,135
Grand Total	$534,742,444	$518,867,190	$521,701,270
Yr. to Yr. % Growth	6.4%	-3.0%	0.5%

Total revenue for DSS in 2010 is recommended at $310,373,170 (59.5 % of all costs) resulting in a net County cost of $211,328,100. The recommended 2010 net County cost represents a 6.7% increase from the 2009 estimated net cost of $198,000,032. This increase in the net County cost is largely connected to the overall 7.4% increase in

permanent salaries for DSS personnel that are reimbursed by the state and federal governments at varying levels based upon the specific programs. Following state and federal aid, County cost for DSS staff ranges from zero percent for Medicaid staff, to 20.3% for Child Support Enforcement staff, to 40.1% for DSS Administration staff including IT, to 58.6% for Client Benefits and Housing staff, and to 61.5% for Family and Children's Services staff. DSS costs for staff and overhead to administer its mandates and missions are mostly considered discretionary, with the notable exception of Medicaid Administration, which is considered mandated with the State and Federal governments funding 100% of the local administrative staff, fringe benefits, overhead and contractual employee costs. All Medicaid staff, with the exception of the MA Hospital Outreach Examiners, is included in the fully funded Appropriation 360-6204 - Medicaid Compliance.

Social Service's program costs represent 78.4% of the recommended 2010 budget for the Department with an overall one percent decrease from the 2009 estimated program cost as shown in the following table:

Program Costs by Division	2008 Act.	2009 Est.	2010 Rec.
Client Benefits (inc. Housing)	$122,158,465	$134,532,842	$135,703,548
Family & Children	$75,741,610	$75,916,189	$81,475,368
Medicaid	$234,988,660	$202,780,236	$192,064,716
Grand Total	$432,888,735	$413,229,267	$409,243,632
Yr. to Yr. % Growth	5.8%	-4.5%	-1.0%

More than 90% of 2010 recommended program costs for DSS are mandated by the federal and state governments.

Highlighted in the following section are some of the major issues and cost trends across all operations in the Department of Social Services in 2009 and 2010:

Divisional Operation Overview

- Medicaid Cap costs are estimated to decrease by $25,680,608 from the 2009 adopted level and lowered by an additional $10,765,520 in the 2010 recommended amount owing to Suffolk County's share of the increased federal aid known as FMAP (Federal Medical Assistance Percentage) as part of the American Reinvestment and Recovery Act of 2009. The 27-month increase in the federal share of the Medicaid Program is projected to save Suffolk County over $97.56 million beginning in 2009 and ending in 2011. More details on the exact 2009 and 2010 impact of FMAP and the Medicaid Cap obligations for Suffolk County are imminent with the anticipated receipt of the annual reconciliation letter from New York State.

- Eight new positions are recommended as requested for the Department of Social Services in 2010 to create a new Preventive Services Team in the Child Protective Services Bureau to address the rising level and severity of reported cases of child abuse and neglect in Suffolk County. At a projected net cost of $318,591 in 2010, it is anticipated that the effort will reduce the number of

children placed in institutional and foster care, ultimately saving an additional $5 million in lowered foster care and institutional program costs achieved in 2009.

- Permanent salaries are recommended to increase across all appropriations in the Department of Social Services in 2010 by $6,208,356 or 7.4% over the 2009 estimates. The majority of this increase is attributable to: the ongoing hiring and training of 155 new 100% state and federally funded Medicaid Compliance staff; a full year's funding for 17 Food Stamp positions created in the 2009 Adopted Budget; eight new positions for the new Preventive Services Team in CPS; and for contractual step increases.

- Program expenditures continue to rise across many areas of Social Services as a direct consequence of the economic downturn. Growing need in our community is evidenced by unprecedented increases in caseloads and new application rates throughout the Department of Social Services, particularly in the areas of Family Assistance, Safety Net for families and individuals, Food Stamps, emergency services, housing, fuel assistance and Medicaid.

- Nearly $2.5 million in a preliminary child care program award for Suffolk County expected to be received from the American Reinvestment and Recovery Act (ARRA) in 2009 is being held in abeyance until NYS OCFS (Office of Children and Family Services) receives the final guidance and reporting requirements from the federal government. In the meantime, as of October 2, 2009, there were 767 wait-listed applicants for child care subsidies from lower income working families waiting for these critically needed funds to be released so that DSS can reopen the list to non-public assistance families.

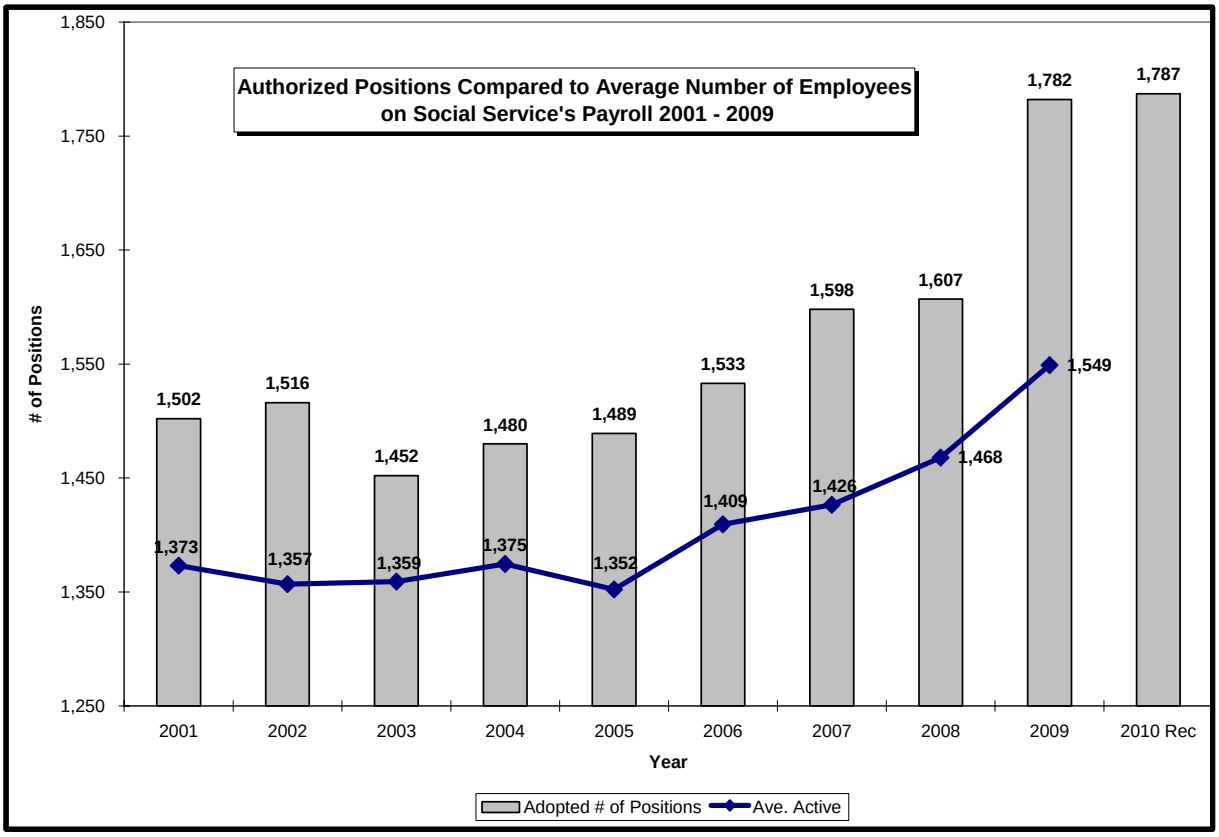
- Over $1.3 million in 100% federal grant monies were reallocated to DSS for the Homelessness Prevention and Rapid Rehousing Program under the American Recovery and Reinvestment Act (ARRA) of 2009. Family Service League will be operating this program under the administration of DSS and will provide services to prevent individuals and families in jeopardy of becoming homeless and rapidly rehouse and stabilize those who have already become homeless. The majority of these funds are not reflected in the 2009 budget estimates due to the recent receipt of the funds. Unspent funds will be rolled over to 2010 as the grant runs through September 30, 2011.

- Legal issues and court challenges continue to have or hold the potential for serious financial impact to the Suffolk County Department of Social Services in 2009 and 2010. The most significant legal challenge currently facing DSS is the lawsuit filed against the County in the latter part of 2008 regarding Medicaid and Food Stamp eligibility determination delays. In accordance with the terms of the settlement agreement, the County must be in 'substantial compliance' by December 31, 2009. Please refer to the section on legal challenges for additional information.

- Year-to-date decreases of nearly 19% are occurring in the two institutional foster care program lines. The first is 001-6118-4690, which represents the DSS portion of institutional foster care. The second appropriation is 001-6121-4690,

which represents the cost of caring for children designated by the courts as Juvenile Delinquents and Persons In Need of Supervision (JD/PINS) in institutional settings, under the supervision of Probation. The success of Alternatives for Youth (AFY) and other preventive efforts being made by Social Services plus the rehabilitative and diversionary PINS and JD programs operated by Probation are positively impacting costs for children in institutional foster care placement. This is saving taxpayers millions of dollars, but the societal and individual benefit of healing families and helping put children back on a good road is priceless.

- As the following chart illustrates, the total number of staff recommended for the Department of Social Services in 2010 stands at an historic high of 1,787. During 2009, the average number of filled positions is 1,549 out of a total of 1,782 positions authorized. The 2009 average of Social Services personnel actively employed is the highest number of on-board DSS staff since BRO started tracking the number of active employees on the payroll in 1988:



- The bulk of the increased staffing has occurred in Medicaid. The Department is in a continuous hiring and training mode as they bring on 155 new Medicaid staff created in the 2009 Adopted Budget. This is the only administrative operation in DSS considered to be mandated, with 100% funding by the state and federal

governments covering all salaries, benefits, furniture, office supplies, and overhead for Medicaid personnel. The Budget Review Office consistently advocated before and after the advent of the Medicaid Cap and the availability of the 100% administration funding, for the fortification of staff to facilitate the Medicaid eligibility and recertification processes to help meet established mandates, facilitate access to the medical and life-saving care and to save taxpayer money by assuring that only those people who are entitled to Medicaid benefits get Medicaid coverage.

- Since 2001, the number of authorized positions for DSS has fluctuated from a low of 1,452 positions in 2003, to a high with the current 2009 level of 1,782. The average vacancy rates for all of Social Services have ranged from a low of 6.4% in 2003 to the current average of 12.4% across all administrative appropriations.

Eligibility criteria for Social Services' various programs are predetermined and local cost control is primarily limited to the accuracy of local oversight. In turn, the effectiveness of local oversight is directly related to the levels and experience of staff operating the Medicaid, Family Assistance, Safety Net, Foster Care, Adoption Subsidy, Institutional Foster Care, Child Support Enforcement and HEAP programs.

The following provides an overview of the major issues and occurrences in the six administrative areas charged with the responsibility to carry out the missions and mandates of the Department of Social Services.

General Administration

Budget Review Office Evaluation

Total expenditures across all DSS General Administration areas, offices and functions including the Office of the Commissioner, Commissioner's Response Unit, Personnel/Payroll, Special Investigations, Facilities Management, Security, Finance (which covers all of Accounting, Revenue and Support Services), Information Technology (IT), DSS Renovations and Staff Training and Development are estimated at $10.6 million in 2009 and recommended at $11.2 million in 2010, representing a 5.6% increase. Recommended funding for all of the units and operations under the purview of DSS Administration includes a net decrease of $837,789 from what was requested for 2010.

In regard to DSS Administration staffing, no new positions were requested or created for any of the areas of General Administration, IT or Staff Development. Two vacant positions were recommended, but not requested by DSS, to be abolished, one Account Clerk in Finance and Administration, leaving 17 Account Clerk positions in DSS Finance, and one Sr. Data Entry Operator in IT, leaving four Sr. Data Entry positions in IT.

The biggest differences in the recommended versus requested budget for DSS Administration in 2010 are attributable to decreases in permanent salaries linked to a 176% overall increase in turnover savings, the removal of the salaries connected to the two abolished positions, a $113,000 decrease in the DSS Renovations budget, which

basically eliminates the entire requested furniture budget in that line, and a $100,000 reduction in overtime for DSS General Administration.

The Budget Review Office estimates that there will be sufficient funding in 2010 in Appropriation 001-6005 (General Administration) to fill the 28 vacancies they currently have for about half of next year. Since many of the vacancies that currently exist are heavily concentrated in the DSS accounting and financial support areas, the filling and maintenance of these positions will be crucial in enabling the Department to comply with the Prompt Payment Policy established by the Legislature. Backlogs in payment processing may fall behind the current timeframes of 28 days for child care payments and 56 days for all other types of vendors.

The permanent salaries for 001-6006 in IT have been reduced by $283,980 in 2010, which effectively limits IT from filling any of their currently 11 vacant positions out of 44 recommended positions to a little more than ten percent of next year. At a time when automation and system enhancements are vital to increasing productivity and efficiency, to perpetuate a more than 25% vacancy rate in DSS IT all through 2010 via this budgetary constraint seems counter productive.

Budget Review Office Recommendations

- The Budget Review Office recommends restoring sufficient permanent salary appropriations to DSS Administration (001-6005) in 2010 by $117,240 to provide a full year's funding for the four vacant Account Clerk positions that were created in the 2008 Operating Budget by the Legislature. These four positions have basically remained vacant since their creation by the Legislature. They were created at the recommendation of an intensive review by Audit and Control to ensure that child care providers are paid within the required 30 days and to facilitate the timely processing of payments to all types of vendors. The salaries and benefits for the Account Clerk positions are estimated to be offset by approximately 59.9% in federal and state aid.
- The Budget Review Office recommends adding $128,702 in permanent salaries for IT to fill its most critical vacancies for one-half of 2010. The ongoing improvements in automation for DSS should not be stymied by a more than 25% vacancy rate in IT staff. The salaries and benefits for DSS IT are estimated to be covered by approximately 59.9% in state and federal aid.

Client Benefits

Budget Review Office Evaluation

Total administrative and program expenditures across all operations and responsibilities of the Client Benefits Division, including the units and programs of Client Benefits Administration, Commodities Distribution, NYS Chargebacks, Family Assistance, Safety Net, HEAP, MI-HEAP and Day Care are recommended at $155.2 million in 2010, a 1.0% increase from the 2009 estimate of $153.7 million.

Recommended funding for Client Benefits in 2010 includes a net increase of $1,555,822 from the 2009 estimate. The major difference in the recommended versus the estimated budgets for Client Benefits relates to a $2,350,000 increase in Safety Net (SN) (001-6140) costs to incorporate the ongoing impact of a sluggish economy and the continuation of a trend in higher numbers of Safety Net singles and families cases.

On the other side of the equation, Day Care Program costs (001-6170) are recommended to decrease in 2010 by a net of $706,294 from the 2009 estimate. This reduction is connected to the lowering of Suffolk's child care program 2009 estimates by $2,493,706 for Suffolk's preliminary share of an ARRA day care funding award, but for which the Department has not yet received the authorization from the federal government to expend. The net difference also includes the removal of an estimated additional $1,500,000 in 100% funded child care subsidies relative to ARRA in 2010. While the County awaits for word from the federal government on how and when to begin spending and claiming the day care money expected from ARRA, the number of child care wait-listed applicants keeps on growing. As of October 2, 2009, this number stood at 767 lower income working families in need of child care subsidies waiting for the release of these critically needed funds so that DSS can reopen the list to non-public assistance families.

The Middle Income Home Energy Assistance Program (MI-HEAP), a Legislative initiative, is requested and recommended in 2010 at $0 from the 2008 actual and 2009 estimated levels of $500,000.

In regard to staffing, no new positions were requested or created for any areas in Client Benefits, and no positions are recommended to be abolished in 2010. The most significant recommended change for 2010 includes a $753,699 decrease in permanent salaries for Client Benefits leaving the Client Benefits Division insufficient permanent salaries to fill their current 39 vacancies for little more than 30% of next year.

This funding level does not provide sufficient staff to process the growing number of individuals and families adversely impacted by the economic downturn, including many who have never needed to turn to public assistance for help before. The 2010 recommended level of permanent salaries will perpetuate the current vacancy rate of 12.7%. The demand for Non-Temporary Assistance (NTA) Food Stamps has increased by 58.6%, Safety Net individual caseloads have gone up by 9.7%, Safety Net families are up by 14%, and Family Assistance caseload has grown by 8.5%. The demand for emergency services at the DSS Centers often keeps line, supervisory and security staff working after hours until each and every person has been seen by a worker and has been referred to the appropriate stream of care.

Budget Review Office Recommendations

- The Budget Review Office recommends restoring $238,799 in 2010 permanent salary appropriations to the Client Benefits Administration (001-6015) appropriation. The additional permanent salaries should enable the division to fill their most critically important vacancies for one-half of next year, provide a level of staffing more commensurate with the current and projected burgeoning need

for public and emergency assistance and reduce the need for and use of overtime. The salaries and benefits for the Client Benefits positions are estimated to be offset by approximately 41.4% in federal and state aid.

- The need for on-site Adult Protective Services (APS) Caseworkers in the Coram and Southwest Centers is critical. The special needs of the homeless and mentally ill showing up at the two main DSS Centers are preoccupying the time of the workers and disrupting the operations of the centers. The assignment of an APS worker to each of these two sites would relieve CBA staff of the time involvement connected with trying to help this population, and free them to help clients. The APS Caseworkers would advocate for the special needs clients and assist them in getting their cases opened and to navigate the system, and serve as liaison to mental health and other services needed by this growing group of clients. Please refer to the section on the Housing, Adult & Employment Services Division for the details regarding this recommendation.

Family and Children's Services

Budget Review Office Evaluation

Total administrative and program expenditures across all operations and responsibilities of the Family and Children's Services Division are estimated at $107.2 million in 2009 and recommended at $114.1 million in 2010, representing a 6.4% increase. This includes all the units and programs of Administration, Child Welfare Direct and Support Services, Operations Support, Handicapped Children's Maintenance Program, Domestic Violence Programs, Purchase of Services (Emergency Housing, Homemaker and Summer Camps), AFY, Institutional Foster Care (split into DSS and Probation J/D PINS components), Family Boarding Foster Care, Adoption Subsidy, and New York State chargebacks for the County share for juvenile delinquents held short-term in secure detention facilities outside of Suffolk County.

Recommended funding for Family and Children's Services administration and program appropriations in 2010 includes $6,834,339 more than the 2009 estimate. Most of this increase is connected to higher program costs, including $1.2 million more for DSS Institutional Foster Care, $2.3 million more for Institutional Foster Care for the JD/PINS populations, $1 million more for Adoption Subsidies and $500,000 more for Family Boarding Foster Home Care.

On the staffing side, a $1,248,412 increase is recommended for Family and Children's Services Administration in 2010 over the 2009 estimate, primarily in permanent salaries for eight new staff requested by the department in their August Update for a new CPS Preventive Services Team, plus contractual salary adjustments for a large portion of staff moving up in the step system. Turnover savings were increased by $249,939 over the requested level. The 2010 recommended permanent salaries in Family and Children's Services Administration appear to be insufficient to honor the auto fill policy in Child Protective Services, and bring the new eight-person CPS Preventive Services Team on-board for three-quarters of 2010.

Year-to-date decreases are occurring in the two institutional foster care program lines.

- DSS Institutional Foster Care (001-6118-4690), which represents the DSS portion of caring for children in residential centers, group and agency operated boarding homes, diagnostic facilities and agency supervised therapeutic foster homes has decreased by nearly 18.8% during the first nine months of 2009 compared to the same time period in 2008. DSS indicates that their preventive services programs and improved performance in placing children with relative resources, has reduced the number and cost of children placed in institutions.
- Institutional Foster Care - JD/PINS (001-6121-4690), which represents the cost of caring for children designated by the courts as JD/PINS in institutional settings, and therefore under the supervision of Probation, is tracking down by 18.9% year-to-date in 2009 versus the same time period in 2008. This decrease is principally due to steady decreases in the average monthly number of children designated as JD/PINS by the courts in Suffolk County thanks to the multi-departmental, coordinative, and comprehensive AFY Program and all of the preventive, diversionary, and rehabilitative programs in both Social Services and Probation.

Budget Review Office Recommendations

- The Budget Review Office has been consistent in its strong support to bolster and sustain staffing resources that protect children at-risk, help heal and keep families together, and facilitate healthy growth of Suffolk's most precious commodity, our children. The eight new recommended positions that will form a new CPS Preventive Services Team in 001-6010-Family and Children's Services Administration in 2010, should help the Bureau address the increasing level and severity of reported cases of child abuse and neglect in Suffolk County while at the same time enhancing the excellent preventive services work that is helping families and children turn their lives around for the betterment of everyone, including the taxpayer.
- Restore $446,103 in permanent salaries for the Family and Children's Services Division in 2010 in order to facilitate the continuation of the auto fill policy in Child Protective Services and Foster Care, which ensures gapless services to Suffolk's families in crisis and children at-risk. This restoration would also provide sufficient funding to bring the new eight-person CPS Preventive Services Team on-board for three quarters of next year. The salaries and benefits for the Family and Children's Services positions are estimated to be offset by approximately 38.6% in federal and state aid.
- The year-to-date cost reductions of nearly 18.8% in DSS Institutional Foster Care primarily attest to the success of preventive service efforts being made by CPS Foster Care and the interdepartmental AFY Program. In recognition of these positive trends, the Budget Review Office recommends reducing the 2009 estimate for DSS institutional foster care (001-6118) by $1 million, to $16 million. This incorporates year-to-date downward trends, and accounts for an increase

for the half-year impact of a 3.5% cost of living adjustment. In order to reflect heightened savings in DSS institutional foster care expected to be achieved by the new CPS Preventive Services Team being brought on-board in 2010, the Budget Review Office recommends decreasing appropriation 001-6118 by $1.2 million in 2010 to $17 million. This projects the 2009 lower cost trends forward into 2010, incorporates the full annual impact of a 3.5% cost of living adjustment and includes some small increases in the census of children in care. These institutional foster care costs are estimated to carry an 87.6% local share.

- Year-to-date decreases of nearly 19% in Probation's institutional foster care costs that are budgeted in DSS reflect a steady decline in the average monthly number of JD/PINS designated by the courts that are placed in foster care. In recognition of this positive trend, the Budget Review Office recommends reducing the 2009 estimate for JD/PINS institutional foster care (001-6121) by $800,000 to $12.9 million. This incorporates year-to-date downward trends, but adds back in the half-year impact of a 3.5% cost of living adjustment. For 2010, the Budget Review Office recommends decreasing appropriation 001-6121 by $1 million to $15 million. This projects the 2009 lower cost trends forward into 2010, incorporates the full annual impact of a 3.5% cost of living adjustment and includes another 12.5% increase owing to the potential closure of several State training schools in 2010 with the diversion of these children into this institutional foster care venue. These institutional foster care costs are estimated to carry an 87.6% local share.

Housing, Adult and Employment Services

Budget Review Office Evaluation

Total administrative expenditures for all the units, offices and functions of the Housing, Adult and Employment Services Division, including Housing Administration, Emergency Services, Family Type Adult Homes, Casework Shelter/Motel, Placements, Homeless Prevention Unit, Center Operations, Adult Services Administration and all of the employment–related units and programs that were transferred from Client Benefits in 2007, are estimated at $12.6 million in 2009 and recommended at just under $12.6 million for 2010, representing a 0.2% decrease.

Resolution Nos. 840 and 841-2009, adopted on September 17, 2009, accepted and appropriated $811,937 from the Town of Islip Community Development Agency and $509,925 from the Town of Babylon Community Development Agency. These 100% federal grant monies were reallocated to the Department of Social Services for the Homelessness Prevention and Rapid Rehousing Program under the American Recovery and Reinvestment Act (ARRA) of 2009. Family Service League will be operating this program under the administration of DSS and will provide needs-based financial assistance and services to prevent individuals and families in jeopardy of becoming homeless and rapidly rehouse and stabilize those who have already become homeless. The majority of these funds are not reflected in the 2009 budget estimates due to the timing of the receipt of the funds. Unspent funds will be rolled over to 2010 and the grant runs through September 30, 2011.

The major difference in the 2010 recommended versus requested budget for Housing, Adult and Employment Services is related to a $620,011 reduction in permanent salaries and a $36,331 decrease in permanent salaries connected to the abolishment of one vacant Social Services Examiner I, leaving 18 remaining positions in that title in throughout the division. The increased turnover savings reduce the capacity of the division to fill its 24 vacancies for little more than 10% of 2010.

The Budget Review Office believes that the timing of constricting the staffing levels of the Housing Division in this manner could not be worse. This will severely limit the ability of the Department to respond to the significantly higher numbers of homeless people in Suffolk County, which stood at a total of 641 children and 614 adults in August 2009, which is a 23.9% increase from 2008, and a double digit growth rate of 11.5% in one month's time. Limiting the ability of the Housing, Adult and Employment Services Division to increase its on-board staffing ratios beyond the current 13.7% vacancy rate will also negatively impact the employment services programs it runs and hamper the response to growing numbers of aging adults in danger of abuse and neglect.

Budget Review Office Recommendation

- The Budget Review Office recommends restoring $362,307 in permanent salaries appropriations for the Housing, Adult and Employment Services Division in 2010 to enable the filling of their most critical vacancies for 50% of the year. This would provide the division with some flexibility and an increased capability to respond to the steadily increasing numbers of homeless families and individuals, fragile and special needs adults in danger of abuse and neglect and assist as many clients as possible to become independent and self supporting. Offsetting federal and state aid of 41.4% is estimated for the salaries and benefits of the staff in the Housing Division.
- Restore a full year's permanent salaries for two vacant Adult Protective Services Caseworkers to be filled and assigned to the Coram and Southwest DSS Centers in 2010. These critically needed positions would respond to the special needs of the homeless mentally ill who are preoccupying the time of Client Benefits Administration (CBA) Caseworkers and disrupting the operations of the centers. The CBA staff would be relieved of the time involvement connected to trying to help this special needs population, and free them up to help the clients they are trained and intended to help. The APS Caseworkers would provide triage services, advocate for the special needs clients, assist in opening their cases, help them navigate the system and serve as liaison to mental health and other services needed by this growing group of clients. Permanent salaries totaling $86,966 should be added back into the 2010 operating budget to provide the two APS Caseworkers for the Coram and Southwest Centers. Offsetting federal and state aid of 41.4% would bring the net County cost of filling the two vacant positions to $50,988.

Child Support Enforcement Bureau (CSEB)

Budget Review Office Evaluation

Total administrative expenditures for all the units, offices and functions of the Child Support Enforcement Bureau (CSEB) including Administration, Court Operations, Establishment/Investigations, Enforcement, Finance and Operations Support are estimated at $8.3 million in 2009 and recommended at $8.8 million in 2010, representing a 5.8% increase, nearly all of which is attributable to a $401,706 difference between the 2009 estimated permanent salaries and the 2010 recommended level.

The $374,283 decrease in 2010 recommended salaries restricts CSEB from filling more than five of its current 19 vacancies for the year.

Properly resourcing CSEB, which is a major revenue generating and cost avoidance force for Suffolk County, directly impacts upon the ability to meet state and federally mandated performance standards. It should also be kept in mind that the funds collected by CSEB have a significant effect upon the County's ability to reduce its Temporary Assistance (TA) expenditures, and help clients move toward self sufficiency. Between 2007 and 2008, there were 1,043 TA clients who were no longer in need of assistance and managed to have their public assistance cases closed because of the child support payments secured by CSEB.

CSEB is the second highest reimbursed operation in the Department of Social Services (second only to the mandated, 100% federally and state funded Medicaid Compliance Division) at an estimated 79.7% combined rate of federal and state aid, for a net local share of 20.3%. Suffolk County's relatively small investment in CSEB really pays off:

- The Budget Review Office finds that for every local $1 that is expended on net CSEB administrative and overhead costs, $63.50 in child support collections are generated. Translating this to 2008 dollars, approximately $2,222,126 spent in net County costs for running CSEB brought back $141,139,867 in total actual child support collections during 2008. Based upon an average of 135 CSEB staff on-board, the Bureau's collections preserved $1,045,480 per staff member.

Budget Review Office Recommendations

- The Budget Review Office supports restoring $154,490 in permanent salaries to CSEB in 2010 in order for this revenue-generating, cost avoidance agency to be able to fill their most critically needed vacancies for one-half of next year. After offsetting federal and state reimbursements estimated at a combined total of 79.7%, the net County cost of this restoration would be $31,361.

Medicaid Services

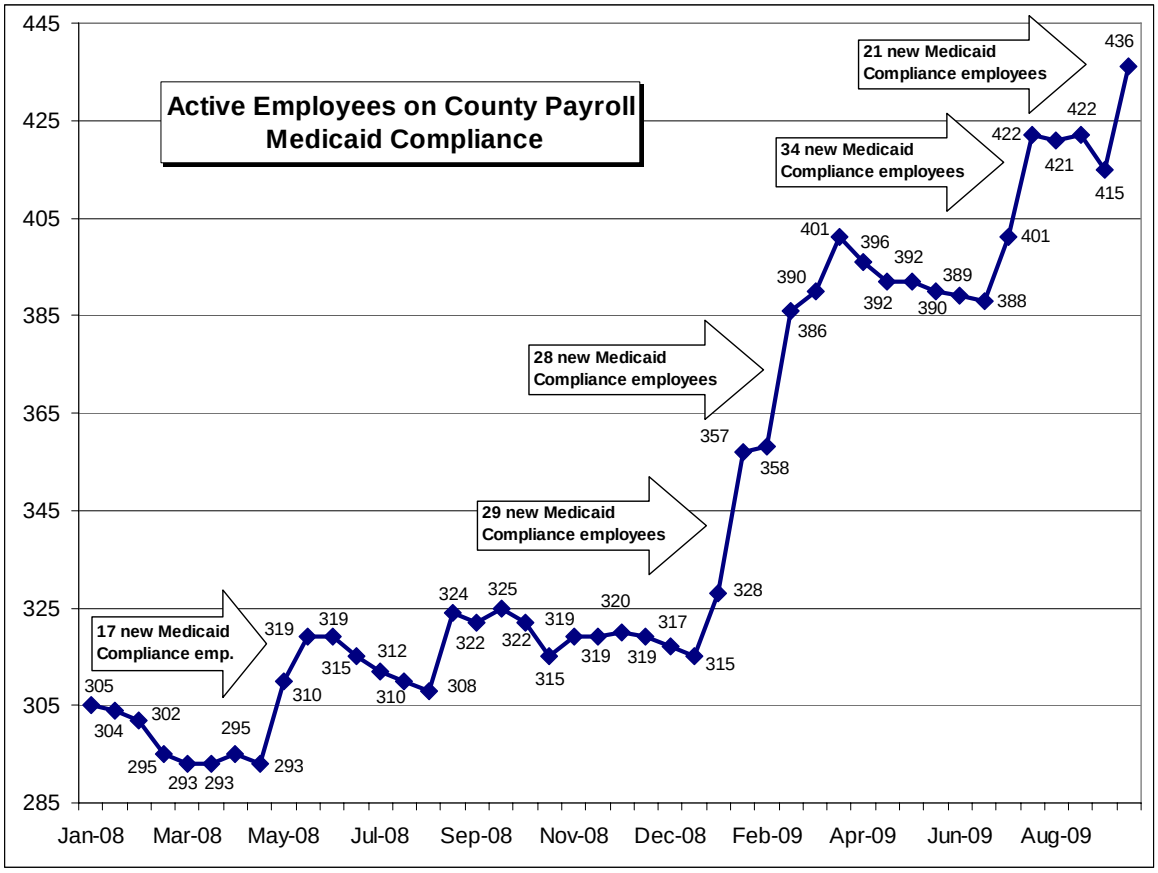
Budget Review Office Evaluation

Total administrative and program expenditures across all operations and responsibilities of what was formerly known as the Medicaid Services Division, including all the units and programs of Administration, Medical Director, Medical Services Bureau, Medical

Transportation/Managed Care, and all of the Medicaid Eligibility operations that are all part of the Medicaid Compliance Fund (360), plus the costs of the Hospital Outreach Services Unit, which remains in the General Fund (001), are estimated at $226.4 million in 2009 and recommended at $219.8 million in 2010, representing a 2.9% decrease. The Hospital Outreach Unit includes out-stationed Medicaid examiners whose salaries and benefits are 50% funded by the hospitals contracting with the County for their on-site eligibility determination services with the other 50% paid by the federal government. All other Medicaid Compliance functions are considered mandated and are 100% reimbursed by the federal and state governments. The Medicaid Cap Payment is a 100% local charge for Suffolk's share of the Medicaid Program.

An increase of $4,051,228 is recommended in the 2010 budget for Medicaid Compliance administration costs over the 2009 estimate. The majority of this increase in cost is connected to the ongoing process of bringing on-board 155 new 100% federally and state aided Medicaid staff authorized in the Adopted 2009 Budget. The massive undertaking of hiring, training, housing and supervising all the new Medicaid Compliance staff, including the procurement and retrofit of an additional building in Great River, is actively underway. Authorization for the 100% funded 155 additional staff was given in 2009 to enable the County to meet the settlement terms of a class action lawsuit regarding the timely processing of Medicaid applications. Since the beginning of 2009, the division has brought 116 Medicaid Compliance positions on-board, for a net increase in overall Medicaid staff from one year ago of 111 positions. The vacancy rate in the Medicaid Services Division stands at 15.2%, but steady progress is being made in bringing on a full complement of new Medicaid Compliance staff in manageable groups of new hires and the vacancy rate is expected to continue to go down.

As the following chart illustrates, there has been a continuous and sustained infusion of additional staff into Medicaid that predates the legal challenge presented in 2009. The increases in Medicaid staff prior to 2009 were all at the initiation of the Legislature, which recognized the value and growing need for providing more Medicaid staffing resources.



If not for the foresight of the Legislature, the Medicaid staffing situation would have been much worse when the County was presented with the class action lawsuit in late 2008 regarding the delays in the Medicaid eligibility determination timeframes.

At the current time, the average timeframe to Medicaid eligibility determination is 40 days, while the mandate is 45 days. This is significant progress from a year ago when the average Medicaid eligibility determination timeframe was 62 days, and going back one year further, the average timeframe stood at 92 days.

The Budget Review Office has continuously and consistently advocated for augmenting and strengthening the Medicaid eligibility and undercare processes via additional staff to meet the State mandated timeframes and to save significant sums of money for the taxpayers. Unfortunately, it took a legal challenge to force administration into finally giving Medicaid the authority to begin building the staffing resources that had long been needed. Careful and proper oversight in making Medicaid eligibility determinations and recertifications are the only way to ensure that <u>only</u> those people who are entitled to Medicaid benefits get Medicaid coverage.

Medicaid Cap Payment

- Medicaid Cap costs are estimated to decrease by $25,680,608 to $201,320,236 from the 2009 adopted level and lowered by an additional $10,765,520 to the 2010 recommended amount of $190,554,716 owing to Suffolk County's share of the increased federal aid known as Federal Medical Assistance Percentage (FMAP) as part of the American Reinvestment and Recovery Act of 2009. The 27-month increase in the federal share of the Medicaid Program is projected to save Suffolk County over $97.56 million beginning in 2009 and ending in 2011.

  More details on the exact 2009 and 2010 impact of FMAP and the Medicaid Cap obligations for Suffolk County are imminent as of this writing with the anticipated receipt of the annual reconciliation letter from New York State. The final reconciliation numbers for Suffolk County from New York State could spell good news or bad news regarding the anticipated receipt of additional ARRA FMAP relief, but the Medicaid Cap Payment can only decrease, not increase beyond the three percent budgeted annual increase as prescribed in the Medicaid Cap Laws of 2005.

Budget Review Office Recommendations

- The Budget Review Office concurs with the level of funding recommended for all of the administrative and program appropriations for Medicaid Compliance and the Medicaid Program in 2010.

Staff

Budget Review Office Evaluation

What the Budget Review Office has stated in the past regarding the budgeted versus actual staffing levels in the Department of Social Services is still relevant; perpetuating a policy of having chronic vacancies in any area of Social Services costs the taxpayers more money in the long run and puts the most fragile of populations at increased risk. Over the past nine years, DSS has carried overall vacancy rates that have ranged from a low of 6.3% in 2003, to the current historic high of 12.4%, which is largely, but not solely, connected to the high percentage of yet-to-be filled, new for 2009, Medicaid Compliance positions.

The widely varying disparity between the authorized versus actual numbers of DSS staff is graphically portrayed in the vacancy rates chart for DSS from 2001 through to the present time as follows:

2001 – 2009 DSS Budgeted vs. Filled vs. Vacant Positions

Budget Year	Adopted # of Positions	# Filled	% Filled	% Vacant
2001	1,502	1,373	91.4%	8.6%
2002	1,516	1,357	89.5%	10.5%
2003	1,452	1,359	93.6%	6.4%
2004	1,480	1,375	92.9%	7.1%
2005	1,489	1,352	90.8%	9.2%
2006	1,533	1,409	91.9%	8.1%
2007	1,547	1,424	92.0%	8.0%
2008	1,607	1,466	91.2%	8.8%
2009	1,782	1,562	86.9%	12.4%

A total of 1,787 positions are recommended in 2010 for the Department of Social Services. However, the high level of recommended staff for DSS in 2010 does not necessarily mean that the Department will actually have sufficient appropriations to fill that many positions. Recommended reductions in 2010 permanent salaries via significant increases in turnover savings are projected to be more problematic to some divisions than others.

Overall, the Budget Review Office estimates that there will be insufficient permanent salaries in 2010 for DSS to fill approximately half of its current vacancies. The following chart includes the number of vacant positions that the Budget Review Office projects the respective divisions in DSS will be able to fill in 2010, based upon the levels of permanent salaries recommended for each division:

DSS Division/ Appropriation #'s	Current # of Vacancies	Projected # Positions to be Filled per 2010 REC Permanent Salaries
DSS Administration – 6005, 6016	28	14
DSS Information Technology - 6006	11	1
Housing, Adult & Employment – 6008	24	2
Family & Children's Services – 6010, 6115	18	2

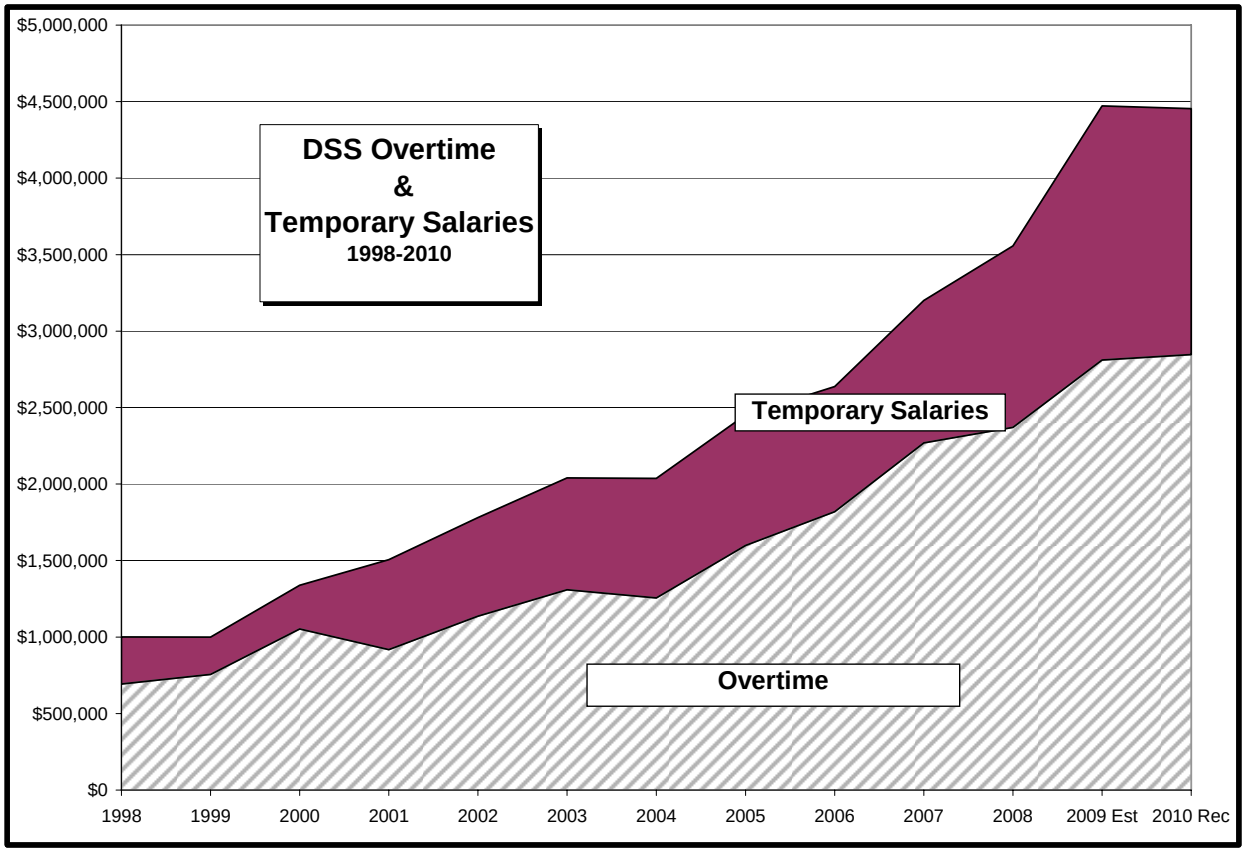
DSS Division/ Appropriation #'s	Current # of Vacancies	Projected # Positions to be Filled per 2010 REC Permanent Salaries
Client Benefits – 6015	39	12
Child Support Enforcement Bureau - 6073	19	5
Medicaid – 6204	81	73
DSS TOTALS	**220**	**109**

Budget Review Office Evaluation

- The Budget Review Office recommends that there be no unnecessary delays in filling vacancies in any area of Social Services. In the long run, short changing the staffing levels in Social Services costs the taxpayers more money and puts the most fragile of populations at higher risk. It presents the County with the specter and financial sting of potential legal challenges and makes it more difficult to meet the mandates of State and Federal Law.

Overtime

Triple and quadruple increases in overtime and temporary salaries have become a more than decade-long tradition in Social Services. The increasing reliance of DSS on overtime and temporary salaries to keep the department running since 1998 is clearly illustrated in the following graph:



The statistics supporting this graph depicting 12 years of growth in overtime and temporary salaries in DSS paint a clear picture of a department that has been understaffed.

Between the 1998 actual and the 2010 recommended amounts, overtime has grown 311% across all divisions and operations. Temporary clerical costs (exclusive of HEAP which has always utilized temporary positions in its 100% federally funded staffing configurations) have risen by 422% between 1998 to the 2010 recommended amount. In sheer dollars, DSS overtime and temporary salaries have grown from $1,000,486 in 1998 to $4,454,443 recommended for 2010, a twelve-year growth rate of 345%.

Ongoing increases in the supplemental services provided by overtime and temporary salaries reflect the expectation that shortages of staff throughout the Department of Social Services will continue into the next budget year, albeit at a minimal decrease of 0.4%. Clearly, Social Services has come to rely more and more heavily on the use of overtime and temporary salaries to make up for the lack of adequate and consistent levels of full-time, fully trained and experienced staff.

Budget Review Office Recommendation

- In order to reduce the levels of overtime and temporary salaries that continue to increase in DSS, it will be necessary to provide higher percentages of on-board and working employees on a consistent basis. Overtime and temporary staff to address seasonal fluctuations in workload and special projects is acceptable practice. However, the chronic reliance on overtime and temporary salaries, which has increasingly characterized the Department of Social Services over the past twelve years is an indication of systemic problems, specifically, the lack of sufficient and consistent levels of trained and on-board staff.

Legal Challenges

During the latter part of 2008, the Department of Social Services was presented with a class action lawsuit relative to the delays in the determination of eligibility for Medicaid and Food Stamps. In direct response to this legal challenge, the 2009 Operating Budget authorized the inclusion of 155 additional Medicaid Compliance positions and 17 additional Food Stamp workers in the Client Benefits Division. As soon as the New Year began, DSS started filling the Medicaid and Food Stamp eligibility workers. On June 8, 2009, the County entered into a stipulation and order of settlement on this lawsuit which provides for the following:

1.) By December 31, 2009, DSS is required to process Food Stamp and Medicaid applications not filed as part of a combined application within the federal and state mandated timeframes of 30 days for Food Stamps and 45 days for Medicaid. If there is systemic non-compliance by DSS, the plaintiffs may seek enforcement.

2.) By April 30, 2010, DSS is required to process Food Stamp and Medicaid applications filed as part of a combined application within the federal and state mandated timeframes. Plaintiffs may seek enforcement if there is systemic non-compliance.

The Department is proceeding with the implementation of their compliance plan. As of August 2009, the average number of days to disposition for Food Stamp applications stood at 19 days and as of this writing, the average number of days to determination on Medicaid applications stands at 40 days. Therefore, DSS has made substantial progress with improving the turnaround time on Food Stamp and Medicaid applications in line with their mandates from the state and federal governments. The key element has been properly resourced, trained and supervised staffing in the areas of Medicaid and Food Stamp eligibility. In addition, new data and technology innovations have been implemented that have enhanced tracking and monitoring to ensure compliance with the settlement schedules. In order to assure compliance, and not have to consider the fiscal consequences of not meeting the terms of the settlement, the staffing levels must be strictly maintained and increased, as the demand for Food Stamps and Medicaid just keeps on hitting new historic highs.

In September, a new possible legal action was presented against DSS, claiming systemic failure of the agency to determine eligibility and provide timely assistance in regards to emergency applications. This action for class certification and injunctive relief is currently pending in the courts.

Budget Review Office Evaluation

The Budget Review Office finds that there should be no unnecessary delays in filling vacancies in any area of Social Services. In the long run, short-changing the staffing levels in Social Services costs the taxpayers more money and puts the most fragile of populations at higher risk.

Continued understaffing presents the County with the specter and financial sting of potential legal challenges and makes it more difficult to meet the mandates of State and Federal Law. The foregoing two legal challenges currently facing the Department of Social Services should be proof and evidence enough that properly resourcing the department so that it can meet its mandates in getting services to people in need in a timely fashion is the right thing to do, and costs less money in the long run.

Vehicles

Budget Review Office Evaluation

DSS indicates that they are in critical need of five vehicles to enable their staff to perform core missions. Two of these requested vehicles are minivans and would be replacements for two decommissioned vehicles. The minivans are used in the transportation of children and their belongings when removal from their homes is necessary on an emergency basis and also to foster care placement, to out-of-state facilities and adoptive homes, and also to provide transportation for mandated court-ordered visitation between children in DSS custody and their parents. Three additional vehicles, including two sedans and one unmarked vehicle are requested. The unmarked vehicle is needed in the Special Investigations Unit to conduct surveillance undetected in the field to investigate allegations of fraud and abuse. One of the two additional sedans is needed to perform housing inspections as a critical part of the process to help homeless clients find suitable housing and to increase the emergency housing resources in Suffolk County. The other sedan is for the transportation of disabled clients to SSI hearings and to assist disabled clients in obtaining SSI disability determinations, all of which help lower the County's costs via the conversion of local pay cases to federal SSI cases.

Budget Review Office Recommendations

The Department should work with the Department of Public Works and the Executive Budget Office to identify pool vehicles that could be reassigned and made available for this purpose. Once these efforts are exhausted, if vehicles are not available, we recommend the following:

- Provide $42,000 in the Family and Children's Services Division 2010 operating budget to provide the two critically needed replacement minivans for Child protective Services and Foster care operations. Net County cost is estimated at $25,809 after offsetting federal and state aid.
- Provide two additional sedans and one unmarked vehicle as requested by DSS for the Housing, Special Investigations Unit (SIU), and Disabled Client Assistance Programs (DCAP) in 2009.

DD DSS10

SOIL AND WATER CONSERVATION DISTRICT

Major Issues

Staffing Levels

Budget Review Office Evaluation

- The 2009 estimated budget is $269,775, which is $14,761 less than the 2009 adopted budget of $284,536. The majority of this reduction is attributed to savings associated with the lag payroll.
- The 2010 Recommended Budget increases turnover savings $41,578 by not funding the Senior Soil District Technician (grade 19). The Senior Soil District Technician is needed to supervise the other technicians in the field. The District planned to promote one of the three technicians to this position to establish a chain of command.
- The 2010 Recommended Operating Budget of $286,824 is $49,555 or 14.7% less than the 2010 request of $336,379. This decrease is attributable to increased turnover savings, a $3,000 reduction in overtime, a $3,060 or 39.7% reduction in supplies and materials, and a $1,917 or 55.6% reduction in contractual expenses.
- Soil & Water Conservation receives revenue from two sources: 001- SWC-2590 for permits and inspections and 001-SWC-3959 State Aid: Soil & Water Conservation. The 2009 estimated and 2010 recommended amounts are reasonable.

Budget Review Office Recommendations

We concur with the budget as presented.

KD Soil&Water10

VANDERBILT MUSEUM AND PLANETARIUM

Major Issues

1. 2009 Operating Budget
2. 2010 Operating Budget
3. Distributions from Endowment Trust Fund and Suffolk County General Fund
4. Hotel Motel Tax Disbursement
5. Staffing

Budget Review Office Evaluation

The Suffolk County Vanderbilt Museum was established in 1949 pursuant to the last will and testament of Mr. William K. Vanderbilt II. The Museum is a wholly-owned instrumentality of Suffolk County, but is incorporated as a not-for-profit institution and is tax exempt pursuant to Section 501(c) (3) of the Internal Revenue Service Code. The Museum is administered by a 15 member Board of Trustees appointed for four year terms by the Suffolk County Legislature.

Although the Museum's financial status is reflected in Fund 708 of the County's Operating Budget, these funds are separate and apart from the County and controlled by the Museum's Board. To balance the Museum's budget, the Board of Trustees has to make adjustments to its revenues and expenditures. Early 2009 disbursements from the endowment were discontinued due to market conditions and the requirement that a minimum balance be maintained in the endowment fund. In 2009, the Museum was funded primarily by a transfer from the General Fund. In 2010, hotel motel tax is the new source of funding replacing the General Fund transfer.

2009 Operating Budget

The Executive's 2009 estimated budget is reasonable. The estimated budget includes $2,022,500 in expenditures and $2,057,300 in revenue for a projected year-end fund surplus of $34,800. However, after combining with the prior years' deficit of $293,277, the year-ending deficit is projected to be $258,477.

In 2009, the Museum underwent several rigorous studies by utilities and energy experts from BRO, DPW, National Grid, and Keyspan and began to institute some of the cost

and energy saving suggestions from these entities. Revenue enhancements included a 10% increase in most fees, implementation of Wizard University (a summer camp for students from ages 6-12), and offering of memorial benches and bricks.

Even though the Museum has been proactive in addressing its financial situation, its $1,043,336 in actual expenditure through July is $119,647 more than its $923,689 actual revenue through July. Additionally, the Museum did not include the MTA Employment Tax in its budget preparation, which is .34% of the Museum's payroll. For 2009, we estimate that the Museum will pay approximately $2,400 for this purpose.

The Museum still has several months to make adjustments to its operating budget. We recommend that the Board actively monitor its monthly Treasurer's report of actual revenues and expenditures so that timely spending plan adjustments can be made.

2010 Operating Budget

The recommended budget includes $1,782,538 in Museum expenditures, which is $336,962 less than the Board of Trustees approved budget of $2,119,500. Both the Executive and the Board presented 2010 operating budgets that took into account the Museum's deficit from prior years. The Executive is projecting that the Museum will have a year-end fund balance of $0 and the Museum is projecting that it will have a year-end fund balance in the amount of $200,963. It should be noted that the Museum's budget has no bearing on the County's fund balance nor is it included in the tax warrant calculation. Projecting the Museum's 2010 operating budget is particularly difficult because of the potential revenue sources that are being explored that could have a fiscal impact on the Museum in 2010, such as:

- *Hotel/Motel Tax*

The recommended budget includes $804,215 in revenue from the Hotel Motel Tax due to the adoption of Resolution No. 805-2009. The new allocation formula for the Hotel Motel Tax provides10% for the Vanderbilt Museum. The Budget Review Office estimates that the Museum's revenue from this funding source will be approximately $692,498, or $111,717 less than the recommended amount.

- *Endowment Fund Distribution*

The recommended budget includes a $200,000 disbursement from the Endowment. The 2009 estimated annual income (interest and dividends) as of August 31, 2009, is projected to be $288,291. We do not recommend making disbursement from the Fund during 2010 because it would adversely impact the Fund's ability to grow and provide for the Museum's future needs. This is a policy decision that will have to be made by the Legislature.

- *Replacement of the GOTO Star Projector*

Replacement of the GOTO star projector is expected to include a three month closure period, which will have an adverse impact on the Museum's revenue. The Museum's

project timeline indicates that an aggressive, best case scenario chronology would have the Planetarium reopened with the new star projector in October 2010. However, the new equipment is expected to significantly increase attendance, will enable the Museum to offer additional shows, both laser and planetarium and has more flexibility than the current equipment and will allow the Museum to increase the variety and frequency of shows presented. The Museum, based on numbers when the Planetarium opened in 1971 and discussions with similar planetariums, expects to more than double its attendance in the first months of operation, both through packed houses and additional offerings.

The Museum will also reevaluate its admission fee structure. The Museum, based on the experience of other new museums and planetariums, expects attendance to drop approximately 50% after the first year unless it continues with aggressive marketing, reaching out to new audiences every season, and providing changing high quality experiences. New quality shows with greater variety, an increased number of shows, higher admission prices, and publicity are all expected to have a positive fiscal impact on the Museum's revenues. Additionally, the new Planetarium will also have the potential flexibility to multifunction for other theatre, corporate and private functions due to the addition of a star projector that can lower below site lines, moveable seats and expanded digital video functions.

- *Cell Tower*

The Museum is preparing an RFP for wireless transmission services through an appropriate structure on the Museum's property. As per Resolution No. 371-2009, any lease, license, or contract for this purpose is subject to approval by the Legislature. The Museum can negotiate its own monthly or annual fees for wireless services independent of any County-negotiated fee schedule and related income is to be appropriated by the Board of Trustees to fund the Museum's operations. This results in a recurring source of revenue for the Vanderbilt Museum.

- *Development Support*

The Museum released an RFP for proposals from qualified entities to provide strategic and implementation fundraising support to the Museum with the goals of establishing enhanced development capacity, helping the Museum engage a diverse range of funding sources that result in a more sustainable Museum and providing for a seamless transition from external to internal development activities at the close of the consulting engagement. Depending upon the successes of the fundraising activities and continued availability of funding to support the development work, the Museum anticipates engaging consulting support for a period of 15 months to two years. Hiring a development person could result in an increase in special events and fundraising.

- *RFP for Catering*

The Museum developed and released an RFP for Food Services and Catering in May 2009 with responses due back the end of June. By December 31, 2009 the Museum is to advise the Oversight Committee of the responses to the RFP, and provide a recommendation for action with a cost/benefit analysis to support their recommendation.

- *Museum Gift Shop*

The Museum gift shop is currently operated in-house off of the Planetarium lobby. The Museum's June 2009 Business Plan indicated that the gift shop is underperforming due to a lack of funds for investing in stock and displays. The plan further stated that, "With the right outside retail partner, the store has the potential to become a major revenue generator". Additionally, the Museum has been investigating new locations on the grounds for satellite seasonal gift shops and kiosks.

- *Corporate Sponsorships*

The Museum has been considering the potential corporate sponsorship of the Planetarium. This could have a significant positive impact on its revenues.

- *Website*

The Museum is looking to redevelop its website to include the potential to generate revenue through advertisement placements. Additionally, the Museum's website now has the capability to accept donations through NYCharities.org.

As the Museum's 2010 operating budget does not impact the County's fund balance nor is it accounted for in the tax warrant calculation and this coming year has numerous revenue anomalies that present a significant challenge in projecting the Museum's budget, we do not recommend changing the recommended budget for the Museum. However, we do recommend the following:

- Direct the Museum's Board to update its June 2009 Business Plan and prepare a 2010 Business Plan. The Business Plan should:

    - Include in the Museum's updated Business Plan the MTA Employment Tax, which was not included in the Museum's budget preparation for 2010, which will be approximately $3,200.

    - No disbursement from the Endowment Trust Fund in 2010.

    - A more conservative estimate ($700,000) of its Hotel Motel Tax revenue than included in its requested budget ($750,000) or the Executive's recommended budget ($804,215).

    - Prepare a contingency plan should revenue from the Hotel Motel Tax or endowment not materialize in the amount included in the recommended budget.

- Direct the Museum's Board to present to the Legislature its updated Business Plan and its more thorough detailed strategic plan that the Museum's 2009 Business Plan said would contain: a development plan, including membership plans, grant and foundation schedules, fundraising activities and a calendar of

fundraising special events; outside service provider plans; education, public programming and special event plans; and management plans.

Distributions from Endowment Trust Fund and Suffolk County General Fund

Mr. Vanderbilt established an endowment fund to finance the long-term upkeep and maintenance of the Museum (the "Endowment Fund"). In 2008, the Museum received its $1.2 million annual distribution, however, the economic downturn and resultant market conditions during 2008 required the suspension of distributions during 2009 with the exception of $45,500 that was distributed to the Museum in February 2009. To support the Museum in meeting its 2009 operating budget expenses, Resolution No. 870-2008 authorized a maximum transfer of $800,000 from the General Fund during 2009 not to exceed $100,000 per month based upon monthly cash flow needs analysis. Thus far in 2009, the Museum has requested $450,664 from Suffolk County's General Fund. The combined $496,164 distribution is detailed in the table that follows.

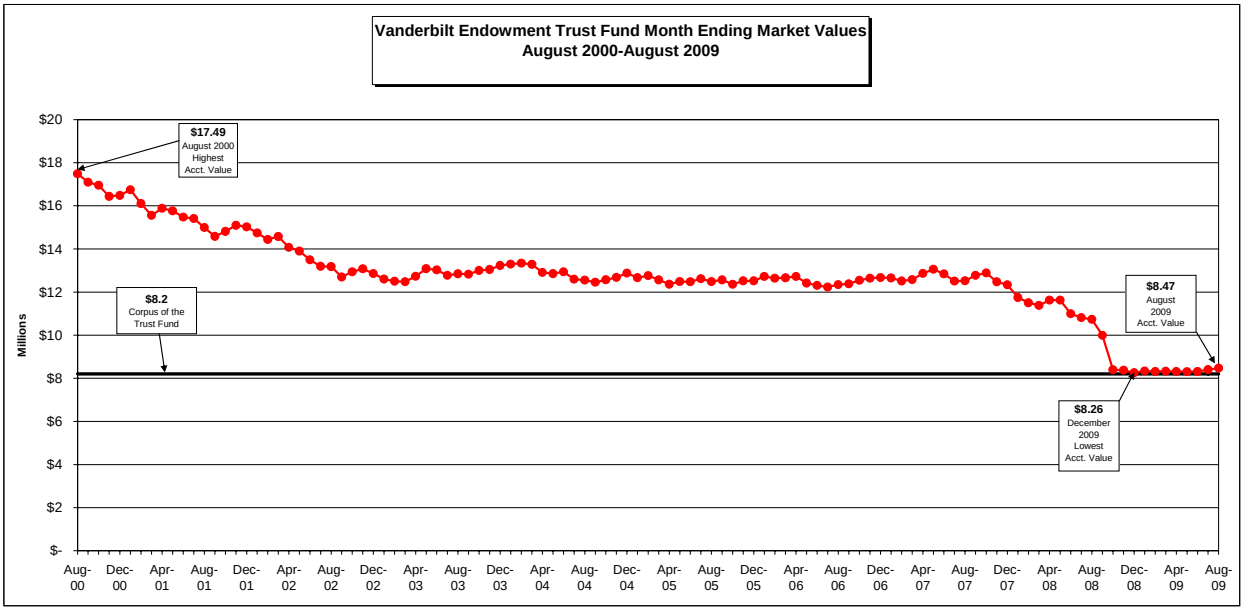
2009 Vanderbilt Museum
General Fund & Trust Fund Transfers

Month	General Fund	Trust Fund
Jan.	$0	$0
Feb.	$0	$45,500
Mar	$10,000	$0
Apr	$79,835	$0
May	$76,470	$0
Jun	$68,980	$0
Jul	$81,279	$0
Aug	$70,821	$0
Sep	$63,279	$0
Oct	$59,875	$0
Total	**$450,664**	**$45,500**

Note: As of this writing, October has not been approved for distribution.

Not including the March distribution, which is significantly lower than the other months, the average monthly distribution has been $75,000. Using this figure as a base, the Museum will require an estimated additional distribution of $225,000 for the last quarter of the year or a total distribution for the year of $675,664. This is well within the $800,000 limit that has been designated for this purpose.

The following chart details the Museum's Endowment Trust Fund month-ending market values from August 2000 through August 2009.



- During the nine-year period from August 2000 to August 2009, the market value of the Fund declined by $9.02 million from $17.49 million to $8.47 million.
- Resolution No. 1266-2007 continued the policy of using realized capital gains to augment the Museum's income as long as the corpus of the Fund did not go below the value of the original bequest ($8.2 million) and any unused funds were returned to the Fund for reinvestment. This authorization expired December 31, 2008. To date, the Legislature has not extended this authorization for 2009, as the market value of the Fund cannot support a $1.2 million distribution.
- The Recommended Budget includes a $200,000 distribution from the Fund. This is within the Fund's August month-ending estimated annual income of $288,291. However, distributions from the Fund during 2010 would adversely impact the Fund's ability to grow and provide for the future needs of the Museum. Therefore, we do not recommend approving distributions from the Fund during 2010.

Hotel/Motel Tax Disbursement

The Hotel Motel Tax revenue is received on a quarterly basis. This disbursement schedule could present a problem with the Museum meeting its monthly cash flow needs. The Legislature could consider directing the Treasurer to make monthly disbursements to the Museum that would have to be adjusted on a quarterly basis based on actual revenue received.

Staffing

The employees of the Suffolk County Vanderbilt Museum are not employees of Suffolk County, but are employees of a privately endowed institution. The Board of Trustees is the appointing body with respect to all personnel engaged in the maintenance, operation and conduct of the programs and activities of the museum and planetarium,

including the Director. Therefore, the County's operating budget does not include staffing pages for the Museum. The Museum reports that it has eleven full time positions filled.

In 2009, the Board chose Carol Hart as the Executive Director of the Museum but has yet to execute a contract for her. Additionally, the Museum went from an outside security force to an in-house security force.

In 2010, the Museum reported that its request included funds for an outside professional development person. The Museum is currently in the beginning stages of the RFP process for filling this position. The request is also said to include funds for an astronomer.

We again strongly recommend that the Board of Trustees review the staffing of the Museum and consider filling a finance related position.

Budget Review Office Recommendations

The following recommendations are for the Legislature:

- Do not change the recommended budget for the Museum.
- Direct the Museum's Board to update its June 2009 Business Plan and prepare a 2010 Business Plan.
- Direct the Museum's Board to present to the Legislature its updated Business Plan and its detailed Strategic Plan.
- Consider directing the Treasurer to make monthly disbursements to the Museum from the Hotel Motel Tax revenue instead of quarterly to allow the Museum to more easily meet its monthly cash flow needs.

The following recommendations are for the Museum's Board of Trustees:

- The Board should include in its Business Plan:
    - The MTA Employment Tax, which was not included in the Museum's budget preparation for 2010, which will be approximately $3,200.
    - No disbursement from the Endowment Trust Fund in 2010.
    - A more conservative estimate ($692,500) of its Hotel Motel Tax revenue than included in its requested budget ($750,000) or the Executive's recommended budget ($804,215).
    - Prepare a contingency plan should revenue from the Hotel Motel Tax and endowment not materialize at the levels included in the recommended budget.

Actively monitor monthly Treasurer's reports of actual revenue and expenditure so that timely spending plan adjustments can be made.

- Review the staffing of the Museum and consider filling a finance related position.

Moss Vanderbilt10

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2008 Actual	2009 Adopted	2009 Estimated	2010 Requested	2010 Recommended
001	4310	AAA2	HSV	Div Of Comm Mental Hygiene	ACCESS-TOWN OF ISLIP	$188,525	$190,546	$190,546	$190,546	$190,546
001	4330	GBQ1	HSV	Hs Community Support Svc	ADELANTE OF SC - DROP IN	$58,413	$65,578	$65,578	$65,578	$65,578
001	7320	GJN1	EXE	Youth Bureau/Office For Child	ADELANTE OF SUFFOLK CTY INC	$231,693	$236,067	$236,067	$236,067	$236,067
001	4330	GNT1	HSV	Hs Community Support Svc	ADELANTE PSYCHO SOCIAL CLUB	$50,009	$51,769	$51,769	$51,769	$51,769
001	4330	GGQ1	HSV	Hs Community Support Svc	ADELANTE SPECIAL EMP	$51,701	$54,276	$54,276	$54,276	$54,276
001	4100	HVK1	HSV	Hs: Patient Care Svcs Adm	ADELPHI NY STATEWIDE BREAST CANCER HOTLINE & SUPPORT PROGRAM	($1,500)	$5,000	$5,000	$0	$0
001	4320	HEH1	HSV	Hs: Mental Health Pgms	AHRC	$9,911	$10,000	$10,000	$0	$0
001	4317	JAD1	HSV	Alternatives For Youth	ALTERNATIVES COUNSELING CENTER, INC.	$675	$32,773	$16,375	$16,375	$16,375
001	7320	HEU1	EXE	Youth Bureau/Office For Child	ALTERNATIVES FOR CHILDREN	$4,353	$5,000	$5,000	$0	$0
001	4100	HVD1	HSV	Hs: Patient Care Svcs Adm	ALZHEIMER'S ASSOCIATION LONG ISLAND - AALI	($1)	$0	$0	$0	$0
001	7320	JCI1	EXE	Youth Bureau/Office For Child	AMERICAN DANCE THEATRE OF LONG ISLAND	$4,877	$0	$0	$0	$0
001	7320	HGY1	EXE	Youth Bureau/Office For Child	AMITYVILLE LITTLE LEAGUE	$5,000	$0	$0	$0	$0
001	4100	JFT1	HSV	Hs: Patient Care Svcs Adm	BABYLON BREAST CANCER COALITION	$0	$5,000	$5,000	$0	$0
001	6410	JBX1	ECD	Economic Development Admin	BABYLON CITIZENS COUNCIL ON THE ARTS	$26,315	$17,500	$17,500	$0	$0
001	7110	HKP1	PKS	Parks, Rec & Conservation	BABYLON CITIZENS COUNCIL ON THE ARTS	$0	$5,000	$5,000	$0	$0
001	7510	JCW1	PKS	Parks: Historic Services	BABYLON TOWN HISTORICAL SOCIETY	$4,838	$0	$0	$0	$0
001	6410	JBY1	ECD	Economic Development Admin	BABYLON VILLAGE ARTS COUNCIL	$4,970	$7,500	$7,500	$0	$0
001	7320	AAS1	EXE	Youth Bureau/Office For Child	BABYLON VILLAGE YOUTH	$13,280	$7,601	$7,601	$8,446	$8,446
001	6410	GZJ1	ECD	Economic Development Admin	BAY SHORE CHAMBER OF COMMERCE	$10,000	$0	$0	$0	$0
001	6410	GZW1	ECD	Economic Development Admin	BAY STREET THEATER	$20,400	$12,500	$12,500	$0	$0
192	6414	GZW1	ECD	Cultural Affairs	BAY STREET THEATER	$0	$0	$0	$0	$20,400
001	6410	GVU1	ECD	Economic Development Admin	BAYPORT-BLUE PT CHAMB.OF COMM.	$9,995	$5,000	$5,000	$0	$0
001	6410	JER1	ECD	Economic Development Admin	BELLPORT CHAMBER OF COMMERCE	$0	$5,000	$5,000	$0	$0
001	7325	ABC1	EXE	Spec Dlnqncy Prevention Pgm	BELLPORT COMM ACTION COMMITTEE	$166,384	$167,838	$167,838	$167,838	$167,838
001	7320	HKV1	EXE	Youth Bureau/Office For Child	BENINCASA - NORTH AMITYVILLE YOUTH PROGRAM	$5,000	$0	$0	$0	$0
001	6511	GHB1	EXE	Administration	BIASHELP, INC	$56,934	$30,308	$30,308	$60,616	$60,616
001	7320	ABL1	EXE	Youth Bureau/Office For Child	BIG BROS OF L I CATH CHARITIES	$51,151	$0	$0	$0	$0
001	4100	HVL1	HSV	Hs: Patient Care Svcs Adm	BIRTHRIGHT (SMITHTOWN)	($1,000)	$0	$0	$0	$0
001	8210	JDB1	EVE	Div Of Water Quality Improvmt	BISHOP MCGANN-MERCY DIOCESAN H.S.	$5,000	$0	$0	$0	$0
001	3198	GBS1	PRO	STOP-DWI	BOCES	$31,541	$32,000	$32,000	$32,000	$32,000
001	4310	ABN1	HSV	Div Of Comm Mental Hygiene	BOCES II	$1,203,042	$1,202,706	$1,202,706	$1,202,706	$1,202,706
001	7320	GVV1	EXE	Youth Bureau/Office For Child	BOYS & GIRLS CLUB OF BELLPORT	$15,000	$10,000	$10,000	$0	$0
001	4100	HLA1	HSV	Hs: Patient Care Svcs Adm	BREAST CANCER HELP, INC	($1,686)	$0	$0	$0	$0
001	7320	HEZ1	EXE	Youth Bureau/Office For Child	BRENTWOOD PUBLIC LIBRARY	$9,716	$8,000	$8,000	$0	$0
001	4310	ABZ1	HSV	Div Of Comm Mental Hygiene	BRENTWOOD UFSD#12	$186,505	$175,910	$175,910	$175,910	$175,910
001	7320	ACB1	EXE	Youth Bureau/Office For Child	BRENTWOOD YOUTH DEVEL CORP	$60,976	$62,196	$62,196	$62,196	$62,196
001	7320	ACE1	EXE	Youth Bureau/Office For Child	BRIDGEHMPTN CHLD CARE & REC CT	$46,512	$47,442	$47,442	$47,442	$47,442
001	6017	DDE1	DSS	Domestic Violence Programs	BRIGHTER TOMORROWS	$179,021	$215,230	$215,230	$215,230	$215,230
001	6015	GEG1	DSS	Dss: Public Assist Admin	BRIGHTER TOMORROWS INC	$16,200	$22,088	$22,088	$22,088	$22,088
001	7323	ACJ1	EXE	Comprehensive Plning-Runaway	BROOKHAVEN HOMELESS	$9,113	$9,295	$9,295	$9,295	$9,295
001	4310	HZQ1	HSV	Div Of Comm Mental Hygiene	BROOKHAVEN MEMORIAL HOSPITAL CENTER	$154,969	$163,173	$163,173	$163,173	$163,173
001	4330	JGC1	HSV	Hs Community Support Svc	BROOKHAVEN MEMORIAL HOSPITAL CENTER	$158,228	$0	$316,456	$316,456	$316,456
001	7320	JFD1	EXE	Youth Bureau/Office For Child	BROOKHAVEN YOUTH COURT	$0	$5,000	$5,000	$0	$0
001	3400	JFO1	FRE	Fire, Rescue & Emergency Svc	C.I.-HAUPPAUGE AMBULANCE	$0	$5,000	$5,000	$0	$0
001	4100	GGU1	HSV	Hs: Patient Care Svcs Adm	C.S.HOSPITAL-RIVERHEAD H.C.	$721,906	$790,756	$790,756	$790,756	$790,756
001	7320	HFC1	EXE	Youth Bureau/Office For Child	CAST(COMM. & SCHOOLS TOGETHER)	$44,340	$48,500	$48,500	$0	$0
001	4310	ACN4	HSV	Div Of Comm Mental Hygiene	CATHOLIC CHARITIE TALBOT HOUSE	$1,485,533	$1,545,906	$1,545,906	$1,545,906	$1,545,906
001	4330	GEB1	HSV	Hs Community Support Svc	CATHOLIC CHARITIES ACT TEAM	$113,156	$121,918	$81,279	$0	$0
001	4320	HLE1	HSV	Hs: Mental Health Pgms	CATHOLIC CHARITIES-BAY SHORE OUTREACH	$3,060	$3,121	$3,121	$3,121	$3,121
001	8750	HSG1	CEX	Cooperative Extension Assn	CCE- 4H YOUTH & DEVELOP & FARM ED PROG	$198,301	$0	$0	$0	$0
477	8751	HSJ1	CEX	Cornell Cooperative Extension	CCE- ALT MGT STRATEGIES FOR CONTROL OF INSECT PESTS	$141,129	$0	$0	$0	$0
477	8751	HSJ1	HSV	Cornell Cooperative Extension	CCE- ALT MGT STRATEGIES FOR CONTROL OF INSECT PESTS	$0	$145,417	$145,417	$145,417	$130,875
477	8751	HSK1	CEX	Cornell Cooperative Extension	CCE- DEVELOP & IMPLEMENT AGRICULTURE STEWARDSHIP PRO	$253,159	$0	$0	$0	$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2008 Actual	2009 Adopted	2009 Estimated	2010 Requested	2010 Recommended
477	8751	HSK1	HSV	Cornell Cooperative Extension	CCE- DEVELOP & IMPLEMENT AGRICULTURE STEWARDSHIP PRO	$0	$289,762	$289,762	$289,762	$260,786
001	4148	GSU1	HSV	Diabetes Education	CCE- DIABETES EDUCATION PROGRAM	$74,280	$0	$0	$0	$0
001	8750	HSH1	CEX	Cooperative Extension Assn	CCE- FAMILY & CONSUMER SCIENCES PROGRAM	$300,118	$0	$0	$0	$0
001	8750	HSI1	CEX	Cooperative Extension Assn	CCE- FARM MEAT PRODUCTION PROGRAM	$910,149	$0	$0	$0	$0
001	8750	HSI1	HSV	Cooperative Extension Assn	CCE- FARM MEAT PRODUCTION PROGRAM	$0	$948,134	$948,134	$948,134	$948,134
477	8751	HSM1	CEX	Cornell Cooperative Extension	CCE- INTEGRATED PEST MANAGMENT PROGRAM (IPM)	$154,328	$0	$0	$0	$0
477	8751	HSM1	HSV	Cornell Cooperative Extension	CCE- INTEGRATED PEST MANAGMENT PROGRAM (IPM)	$0	$208,080	$208,080	$208,080	$187,272
477	8751	HSN1	CEX	Cornell Cooperative Extension	CCE- RESTORATION OF PECONIC BAY SCALLOP POPULATIONS & FISHER	$343,924	$0	$0	$0	$0
477	8751	HSN1	HSV	Cornell Cooperative Extension	CCE- RESTORATION OF PECONIC BAY SCALLOP POPULATIONS & FISHER	$0	$356,045	$356,045	$356,045	$320,441
001	8750	HSD1	CEX	Cooperative Extension Assn	CCE-ADMIN,FIN, & COMM	$791,525	$0	$0	$0	$0
001	8750	HSD1	HSV	Cooperative Extension Assn	CCE-ADMIN,FIN, & COMM	$0	$686,338	$686,338	$686,338	$686,338
001	8750	HSF1	CEX	Cooperative Extension Assn	CCE-AGRICULTURE & HORTICULTURE PROGRAMS	$484,871	$0	$0	$0	$0
001	8750	HSF1	HSV	Cooperative Extension Assn	CCE-AGRICULTURE & HORTICULTURE PROGRAMS	$0	$491,506	$491,506	$491,506	$491,506
001	4100	GGW1	HSV	Hs: Patient Care Svcs Adm	CCE-DIABETES PREVENTION PROGRAM	$277,878	$243,388	$385,875	$385,875	$385,875
001	6015	GHE1	DSS	Dss: Public Assist Admin	CCE-FOOD STAMP PROGRAM	$140,110	$172,922	$157,388	$172,922	$172,922
001	7320	GTQ1	EXE	Youth Bureau/Office For Child	CCE-MARINE DAY CAMP (CEDAR BEACH)	$37,376	$0	$0	$0	$0
001	7320	GTR1	EXE	Youth Bureau/Office For Child	CCE-MARINE DAY CAMP(VANDERBILT)	$16,225	$0	$0	$0	$0
001	8750	HSE1	CEX	Cooperative Extension Assn	CCE-MARINE PROGRAM	$485,908	$0	$0	$0	$0
001	8750	HSE1	HSV	Cooperative Extension Assn	CCE-MARINE PROGRAM	$0	$477,819	$477,819	$477,819	$477,819
001	7320	HLQ1	EXE	Youth Bureau/Office For Child	CCE-PECONIC DUNES CAMP	$29,727	$0	$0	$0	$0
477	8210	GZA1	EVE	Div Of Water Quality Improvmt	CCE-SC STORMWATER PHASE II PROGRAM IMPLEMENTATION	$368,715	$379,000	$379,000	$340,000	$340,000
001	6410	JES1	ECD	Economic Development Admin	CENTER MORICHES CHAMBER OF COMMERCE	$0	$5,000	$5,000	$0	$0
001	6410	GVY1	ECD	Economic Development Admin	CENTEREACH CIVIC ASSN	$10,000	$5,000	$5,000	$0	$0
001	7320	GZZ1	EXE	Youth Bureau/Office For Child	CENTRAL ISLIP CIVIC COUNCIL	$19,586	$20,000	$20,000	$0	$0
001	6410	HLJ1	ECD	Economic Development Admin	CENTRAL ISLIP HIS. PRES SOC.	$4,889	$4,000	$4,000	$0	$0
001	7320	HFD1	EXE	Youth Bureau/Office For Child	CENTRAL ISLIP PUBLIC LIBRARY	$10,000	$8,000	$8,000	$0	$0
001	4109	GVK1	HSV	Medical Program	CENTRAL SUFFOLK HOSPITAL	$193,331	$403,811	$403,811	$403,811	$403,811
001	6010	HIO1	DSS	Dss: Community Svcs Admin	CHILD ABUSE PREVENTION SERVICES	$5,000	$5,000	$5,000	$0	$0
001	6015	GKN1	DSS	Dss: Public Assist Admin	CHILD CARE CNCL CDC SUFF LOAN	$11,584	$11,937	$11,937	$11,937	$11,937
001	6015	ADB2	DSS	Dss: Public Assist Admin	CHILD CARE COUNCIL OF SUFFOLK	$123,490	$133,618	$133,618	$133,618	$133,618
001	6015	GGN1	DSS	Dss: Public Assist Admin	CHILD CARE COUNCIL OF SUFFOLK	$883,854	$939,193	$939,193	$939,193	$939,193
001	6004	HWC1	DSS	Soc Svc: Commodities Dist	CHRIST THE KING OUTREACH	$0	$0	$0	$0	$5,000
001	4330	GNS1	HSV	Hs Community Support Svc	CLUBHOUSE OF SUFF SUPP CASE MG	$185,105	$331,324	$331,264	$331,264	$331,264
001	4320	JAJ1	HSV	Hs: Mental Health Pgms	CLUBHOUSE OF SUFFOLK	$5,000	$0	$0	$0	$0
001	4320	JAN1	HSV	Hs: Mental Health Pgms	CLUBHOUSE OF SUFFOLK	($6,000)	$0	$0	$0	$0
001	4330	JAP1	HSV	Hs Community Support Svc	CLUBHOUSE PROS RIVERHEAD	$10,503	$60,331	$60,331	$60,331	$60,331
001	4330	JAO1	HSV	Hs Community Support Svc	CLUBHOUSE PROS RONKONKOMA	$152,112	$139,225	$139,225	$139,225	$139,225
001	4330	ADK2	HSV	Hs Community Support Svc	CLUBHOUSE PSYCHOSOC/DROP IN CT	$22,856	$22,756	$22,756	$22,756	$22,756
001	4330	JDP1	HSV	Hs Community Support Svc	CLUBHOUSE SHELTER-CLINIC CASE MANAGEMENT	$65,157	$82,834	$82,816	$82,816	$82,816
001	4330	ADM1	HSV	Hs Community Support Svc	CLUBHOUSE:SPCL EMPLOYMENT	($9,816)	$0	$0	$0	$0
001	4330	HEW1	HSV	Hs Community Support Svc	CLUBHSE OF SUFF-ADULT HOME SCM	$47,445	$78,637	$78,624	$78,624	$78,624
001	7325	DDL1	EXE	Spec Dlnqncy Prevention Pgm	COLONIAL YOUTH & FAMILY SERVICE	$254,449	$260,494	$260,494	$260,494	$260,494
001	7320	GAB1	EXE	Youth Bureau/Office For Child	COLONIAL YTH & FAMILY SVC	$139,466	$92,467	$92,467	$54,045	$54,045
001	6770	GDA1	EXE	Sr Ctzns Home Energy Pgm/Wrap	COMM DEVELOPMENT CORP OF LI	$39,841	$90,191	$160,626	$108,236	$108,236
001	3400	JFP1	FRE	Fire, Rescue & Emergency Svc	COMMACK AMBULANCE	$0	$5,000	$5,000	$0	$0
001	7320	JCN1	EXE	Youth Bureau/Office For Child	COMMACK EDUCATIONAL FOUNDATN	$0	$5,000	$5,000	$0	$0
001	3400	HDB1	FRE	Fire, Rescue & Emergency Svc	COMMACK FIRE DEPARTMENT	$13,000	$12,000	$12,000	$0	$0
001	7510	JCG1	PKS	Parks: Historic Services	COMMERDINGER PRESERVATION SOCIETY	$5,000	$5,000	$5,000	$0	$0
001	6004	HLL1	DSS	Soc Svc: Commodities Dist	COMMUNITY ACTION OF SOUTHOLD TOWN (CAST)	$0	$0	$0	$0	$5,000
001	6008	GBG1	DSS	Ss: Housing Services	COMMUNITY DEVELOPE CORP OF LI	$9,393	$9,447	$9,447	$9,447	$9,447
001	7320	ADR1	EXE	Youth Bureau/Office For Child	COMMUNITY PROGRAM CENTER OF LI	$31,789	$29,182	$29,182	$32,425	$32,425

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Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2008 Actual	2009 Adopted	2009 Estimated	2010 Requested	2010 Recommended
477	6411	HGW1	ECD	Downtown Revitalization	COMP.SHELLFISH RESTORATION PRO	$426,509	$0	$298,030	$0	$0
001	7320	ADW1	EXE	Youth Bureau/Office For Child	COMSEWOGUE YOUTH CLUB INC	$27,613	$35,348	$35,348	$28,165	$28,165
001	4330	JDN1	HSV	Hs Community Support Svc	CONCERN	$500,913	$359,312	$359,312	$359,312	$359,312
001	7320	GSL1	EXE	Youth Bureau/Office For Child	CONNETQUOT YOUTH ATHLETIC LG	$10,000	$5,000	$5,000	$5,630	$5,630
001	7320	AEL1	EXE	Youth Bureau/Office For Child	COPIAGUE YOUTH COUNCIL	$54,151	$49,711	$49,711	$55,234	$55,234
001	7320	AEM1	EXE	Youth Bureau/Office For Child	COPIAGUE YOUTH LEAGUE	$5,520	$10,000	$10,000	$5,630	$5,630
001	1167	HSR1	DIS	Enhance Narcotic Prosecution	COUNCIL FOR UNITY	$0	$0	$4,500	$4,500	$4,500
001	7320	GHA1	EXE	Youth Bureau/Office For Child	COUNTYWIDE COUNSEL PGM HUNTGTN	$34,439	$40,475	$40,475	$35,475	$35,475
001	3120	HHG1	POL	Police: General Administration	CRIME STOPPERS OF SUFFOLK CTY	$5,000	$0	$0	$0	$0
001	4310	AET2	HSV	Div Of Comm Mental Hygiene	CTH CHARITY CHEM DEPEND CLINIC	$493,444	$502,600	$502,600	$502,600	$502,600
001	4320	AET3	HSV	Hs: Mental Health Pgms	CTH CHARITY MEN HLTH CTR (	$789,826	$856,282	$856,282	$856,282	$856,282
001	7320	AEX1	EXE	Youth Bureau/Office For Child	DEER PARK COMMUNITY ORG INC	$63,602	$58,387	$58,387	$64,874	$64,874
001	7320	HTP1	EXE	Youth Bureau/Office For Child	DEER PARK LITTLE LEAGUE	$5,000	$5,000	$5,000	$0	$0
001	8050	HTM1	EXE	Handicapped Services	DEVELOPMENTAL DISABILITIES INSTITUTE	$0	$5,000	$5,000	$0	$0
001	6773	HZU1	EXE	Senior Support Programs	DOMINICAN SISTERS FAMILY HEALTH SERVICE, INC.	$5,000	$5,000	$5,000	$0	$0
001	4310	AFM2	HSV	Div Of Comm Mental Hygiene	DRUG ABUSE PREVENTION COUNCIL	$2,807	$5,211	$5,211	$5,211	$5,211
001	6008	GVO1	DSS	Ss: Housing Services	DSS:PUBLIC ASSIST ADMIN	$166,385	$0	$41,716	$0	$0
001	6410	HAH1	ECD	Economic Development Admin	E.NORTHPORT CHAMBEROF COMMERCE	$5,000	$5,000	$5,000	$0	$0
001	6010	HYQ1	DSS	Dss: Community Svcs Admin	EAC	$58,515	$0	$0	$0	$0
001	6008	GYD1	DSS	Ss: Housing Services	EAC - SANCTIONED CLIENT OUT	$185,901	$187,525	$292,472	$187,525	$187,525
001	6015	GYD1	DSS	Dss: Public Assist Admin	EAC - SANCTIONED CLIENT OUT	$257,257	$0	$0	$0	$0
001	6010	GDM1	DSS	Dss: Community Svcs Admin	EAC CHILD ADVOCACY	$144,920	$172,156	$172,156	$172,156	$172,156
001	6010	GVL1	DSS	Dss: Community Svcs Admin	EAC ENHANCED SUPERVISED VISIT	$351,541	$418,831	$418,831	$418,831	$418,831
001	6010	GDQ1	DSS	Dss: Community Svcs Admin	EAC INC FAMILY DRUG COURT	$192,800	$217,922	$217,922	$217,922	$217,922
001	6073	AFN1	DSS	Dss: Child Support Enforcement	EAC,INC.	$184,419	$193,047	$193,047	$193,047	$193,047
001	6115	HKB1	DSS	Dss: Alternatives For Youth	EAC-AFI	$808,621	$889,269	$889,269	$889,269	$889,269
001	6410	JEU1	ECD	Economic Development Admin	EAST END ARTS COUNCIL	$0	$5,000	$5,000	$0	$0
001	6410	HWH1	ECD	Economic Development Admin	EAST END ARTS COUNCIL - WINTERFEST	$10,000	$10,000	$10,000	$0	$0
001	7320	HLT1	EXE	Youth Bureau/Office For Child	EAST END CHILDREN'S MUSEUM	$5,000	$5,000	$5,000	$0	$0
001	4010	HEB1	HSV	Hs: Public Health	EAST END HOSPICE	$5,000	$5,000	$5,000	$0	$0
001	7320	HXS1	EXE	Youth Bureau/Office For Child	EAST FARMINGDALE RECREATION COUNCIL	$2,090	$0	$0	$0	$0
001	7320	AFS1	EXE	Youth Bureau/Office For Child	EAST HAMPTON JUVENILE AID	$18,329	$16,743	$16,743	$18,603	$18,603
001	6773	HLU1	EXE	Senior Support Programs	EAST HAMPTON MEALS ON WHEELS	$5,000	$5,000	$5,000	$0	$0
001	7320	HLV1	EXE	Youth Bureau/Office For Child	EAST ISLIP SOCCER CLUB	$5,000	$5,000	$5,000	$0	$0
001	7320	HYZ1	EXE	Youth Bureau/Office For Child	EASTPORT SOUTH MANOR SPORTS ASSOCIATION(ESMSA)	$5,000	$5,000	$5,000	$0	$0
001	6008	JDQ1	DSS	Ss: Housing Services	EDUCATION AND ASSISTANCE CORPORATION (EAC), SNAP PROJECT	$34,326	$0	$125,674	$0	$0
001	7320	HXW1	EXE	Youth Bureau/Office For Child	ELIZABETH T MCNAMEE MEMORIAL	$5,000	$0	$0	$0	$0
001	6141	AGF1	DSS	Dss: Heap	EMPIRE TRAINING ASSOCIATES	$17,428	$20,394	$20,394	$20,394	$20,394
001	4330	GKQ1	HSV	Hs Community Support Svc	F.E.G.S. LI TRANS/MED MGT	$481,477	$485,293	$485,293	$485,293	$485,293
001	4330	GKX1	HSV	Hs Community Support Svc	F.E.G.S. OF LI DSS PROJECT	$42,344	$43,519	$43,519	$43,519	$43,519
001	4330	GGR1	HSV	Hs Community Support Svc	F.R.E.E.	$158,370	$162,860	$162,860	$162,830	$162,830
001	4330	GTJ1	HSV	Hs Community Support Svc	F.R.E.E. INTEGRATED EMPLOYMENT	$26,937	$27,477	$27,477	$27,477	$27,477
001	4330	GYZ1	HSV	Hs Community Support Svc	F.R.E.E. SINGLE POINT ACCESS	$110,559	$115,167	$115,167	$115,167	$115,167
001	6008	GVM1	DSS	Ss: Housing Services	FAM SRVC LGE SELFSUFFICIENTMOT	$171,907	$0	$0	$0	$0
001	4330	CAD1	HSV	Hs Community Support Svc	FAM SV LG THER. REC.	$74,000	$78,679	$78,679	$78,679	$78,679
001	4330	JGJ1	HSV	Hs Community Support Svc	FAM SVC LEAGUE - CLINIC PLUS	$0	$0	$0	$0	$218,380
001	4330	HEV1	HSV	Hs Community Support Svc	FAM.SERV.LEAGUE-ADULT HOME SCM	$58,735	$78,637	$78,624	$78,624	$78,624
001	6010	GZM1	DSS	Dss: Community Svcs Admin	FAM.SERV.LEAGUE-SO.SH.FAM.CTR	$40,000	$0	$0	$0	$0
001	6010	GNJ1	DSS	Dss: Community Svcs Admin	FAMILY & CHILDRENS ASSOC	$340,437	$350,511	$350,511	$350,511	$350,511
001	4310	HZZ1	HSV	Div Of Comm Mental Hygiene	FAMILY COUNSELING SERVICES	$0	$0	$5,000	$0	$0
001	4317	HZZ1	HSV	Alternatives For Youth	FAMILY COUNSELING SERVICES	$0	$5,000	$0	$0	$0
001	4330	JGM1	HSV	Hs Community Support Svc	FAMILY COUNSELING SVC - CLINIC PLUS	$0	$0	$0	$0	$289,512
001	7320	AGN1	EXE	Youth Bureau/Office For Child	FAMILY COURT WAITING ROOM	$134,151	$136,853	$136,853	$136,853	$136,853
001	6794	GEY1	EXE	Title Vii / Ombudsman	FAMILY LEAGUE SERVICE	$104,269	$105,413	$105,413	$105,413	$105,413
001	6772	GET1	EXE	Older Americans Act Programs	FAMILY SERVICE LEAGUE	$20,753	$20,795	$20,795	$20,795	$20,795

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001	7325	AGS1	EXE	Spec Dlnqncy Prevention Pgm	FAMILY SERVICE LEAGUE	$209,706	$182,249	$182,249	$182,249	$182,249
001	4310	AGW1	HSV	Div Of Comm Mental Hygiene	FAMILY SERVICE LEAGUE	$435,198	$481,113	$481,113	$481,113	$481,113
001	4330	AGP1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE	$58,010	$0	$0	$0	$0
001	6010	HYR1	DSS	Dss: Community Svcs Admin	FAMILY SERVICE LEAGUE	$35,602	$0	$0	$0	$0
001	6008	HMA1	DSS	Ss: Housing Services	FAMILY SERVICE LEAGUE - HUNTINGTON INTERFAITH HOMELESS INITI	$5,000	$5,000	$5,000	$0	$0
001	3142	HTU1	PRO	Dfy-Placement Reduction	FAMILY SERVICE LEAGUE HOME BASE II	$237,084	$279,502	$279,502	$544,140	$544,140
001	3175	HTV1	PRO	Mental Health Juv Del Project	FAMILY SERVICE LEAGUE HOME BASE III	$246,391	$264,638	$264,638	$0	$0
001	6410	JBU1	ECD	Economic Development Admin	FAMILY SERVICE LEAGUE HOMESHARE OF LONG ISLAND	$7,000	$15,000	$15,000	$0	$0
001	3180	HZY1	PRO	Options For Female Adolescents & Adults	FAMILY SERVICE LEAGUE OF SUFFOLK COUNTY, INC.	$119,871	$152,207	$152,207	$152,207	$152,207
001	4330	JAS1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE PROS HAUPPAUGE	$156,898	$42,696	$42,696	$42,696	$42,696
001	4330	JAR1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE PROS HUNTINGTON	$175,788	$55,690	$55,690	$55,690	$55,690
001	6010	HVU1	DSS	Dss: Community Svcs Admin	FAMILY SERVICE LEAGUE-MIDDLE COUNTRY LIBRARY SOCIAL WORKER	$5,000	$0	$0	$0	$0
001	7320	JFE1	EXE	Youth Bureau/Office For Child	FAMILY SERVICE LEAGUE-OPERATION SUCCESS	$0	$5,000	$5,000	$0	$0
001	7320	JFF1	EXE	Youth Bureau/Office For Child	FAMILY SERVICE LEAGUE-SUICIDE	$0	$20,000	$0	$0	$0
001	7320	GLF1	EXE	Youth Bureau/Office For Child	FAMILY SV LEAGUE BAY SHORE CTR	$39,746	$38,694	$38,694	$42,993	$42,993
001	6010	GEF1	DSS	Dss: Community Svcs Admin	FAMILY SV LEAGUE CCSI CONTRACT	$149,049	$160,838	$160,838	$160,838	$160,838
001	7320	GJK1	EXE	Youth Bureau/Office For Child	FAMILY SVC HUNTGN STA FAM CTR	$236,728	$354,268	$354,268	$178,888	$178,888
001	4330	JGG1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE - ACT TEAM	$0	$0	$0	$0	$121,896
001	4330	AGZ1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE - C.A.P.	$32,532	$33,520	$33,520	$33,520	$33,520
001	4330	GPK1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE ACT TEAM	$75,756	$85,620	$85,604	$85,604	$85,604
001	6010	AHE1	DSS	Dss: Community Svcs Admin	FAMILY SVC LEAGUE OF SUFF CTY	$466,621	$529,991	$529,991	$529,991	$529,991
001	6008	GUX1	DSS	Ss: Housing Services	FAMILY SVC LEAGUE PROGRAM HOME	$139,877	$143,380	$143,380	$143,380	$143,380
001	4330	GUT1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE SUPP CASE MG	$301,313	$579,816	$579,662	$579,662	$579,662
001	7320	GHM1	EXE	Youth Bureau/Office For Child	FAMILY SVC LEAGUE/FAST PROGRAM	$117,543	$117,543	$117,543	$39,255	$39,255
001	4320	AHG1	HSV	Hs: Mental Health Pgms	FAMILY SVC LEAGUE-EAST END PRO	$457,689	$444,741	$444,741	$434,741	$434,741
001	4330	AHH1	HSV	Hs Community Support Svc	FAMILY SVC LG PARENT TO PARENT	$91,321	$91,162	$91,162	$91,162	$91,162
001	4330	GZI1	HSV	Hs Community Support Svc	FED OF ORG ADULT HOME PEER SRV	$170,036	$209,700	$209,664	$209,664	$209,664
001	4330	GNR1	HSV	Hs Community Support Svc	FED OF ORG SUPPORTED CASE MGMT	$598,212	$745,478	$745,286	$745,344	$745,344
001	6780	GFC2	EXE	Respite Care Demonstratn Pgm	FED OF ORGANIZATIONS RESPITE	$58,997	$31,311	$61,770	$31,311	$31,311
001	4330	GTL1	HSV	Hs Community Support Svc	FED OF ORG-CLIENT SVC DOLLAR P	$50,420	$58,786	$58,786	$58,786	$58,786
001	4330	AHM1	HSV	Hs Community Support Svc	FED OF ORGNIZATNS NYS MNT DISA	$437,224	$478,182	$478,182	$478,182	$478,182
001	4330	GSV1	HSV	Hs Community Support Svc	FED OF ORG-SINGLE POINT ENTRY	$376,378	$422,546	$422,546	$422,546	$422,546
001	4330	GUR1	HSV	Hs Community Support Svc	FED ORG TRANSPORTATION CSS	$489,763	$296,301	$1,155,156	$1,155,156	$1,155,156
001	4330	GBG1	HSV	Hs Community Support Svc	FEDERATION ADVOCACY	$178,491	$0	$0	$0	$0
001	4330	JGB1	HSV	Hs Community Support Svc	FEDERATION ADVOCACY	$0	$177,540	$177,540	$177,540	$177,540
001	6808	JED1	EXE	End of Life Care program	FEDERATION EMPLOYMENT AND GUIDANCE SERVICE, INC. (D/B/A FEGS	$0	$0	$37,500	$37,500	$37,500
001	4330	AHN1	HSV	Hs Community Support Svc	FEDERATION MULTI-CULTURAL CONF	$4,011	$8,683	$8,683	$8,683	$8,683
001	4330	GZH1	HSV	Hs Community Support Svc	FEDERATION OF ORG ACT TEAM	$113,742	$121,918	$121,896	$121,896	$121,896
001	4330	HSO1	HSV	Hs Community Support Svc	FEDERATION OF ORG OISE	($28,616)	$0	$0	$0	$0
001	4330	JAT1	HSV	Hs Community Support Svc	FEDERATION OF ORG PROS BABYLON	$95,740	$46,408	$46,408	$46,408	$46,408
001	4330	JAU1	HSV	Hs Community Support Svc	FEDERATION OF ORG PROS PATCHOGUE	$100,345	$51,049	$51,049	$51,049	$51,049
001	6772	GES1	EXE	Older Americans Act Programs	FEDERATION OF ORGANIZATIONS	$9,957	$9,977	$9,977	$9,977	$9,977
001	6780	GFC1	EXE	Respite Care Demonstratn Pgm	FEDERATION OF ORGANIZATIONS	$95,550	$95,550	$95,550	$95,550	$95,550
001	4330	GJP1	HSV	Hs Community Support Svc	FEDERATION OF ORGANZATN SESRO	$709,218	$733,868	$733,868	$733,868	$733,868
001	4330	GPA1	HSV	Hs Community Support Svc	FEDERATION PEER BRIDGER PGM	$173,929	$173,089	$173,089	$173,089	$173,089
001	4330	GPE1	HSV	Hs Community Support Svc	FEDERATION PRE-ARREST FRNSC PR	$105,489	$96,007	$96,007	$96,007	$96,007
001	4330	GBG3	HSV	Hs Community Support Svc	FEDERATION PSYCHOSOC/DROP IN	$114,273	$113,766	$113,766	$113,766	$113,766
001	4330	GBD1	HSV	Hs Community Support Svc	FEDERATION REPRESENT PAYEE	$125,666	$124,990	$124,990	$124,990	$124,990
001	4330	GBG2	HSV	Hs Community Support Svc	FEDERATION RESPITE CARE	$33,373	$33,307	$33,307	$33,307	$33,307
001	4330	GCY1	HSV	Hs Community Support Svc	FEDERATION RESPITE HOUSING	$39,431	$39,339	$39,339	$39,339	$39,339
001	4330	AHO1	HSV	Hs Community Support Svc	FEDERATN HOMELESS MENTALLY ILL	$371,366	$368,800	$367,132	$367,132	$367,132
001	4330	AHP2	HSV	Hs Community Support Svc	FEDERATN ORGS NYS MENT DISABLD	$1,115,574	$1,118,843	$1,118,843	$1,118,843	$1,118,843

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001	4330	JGL1	HSV	Hs Community Support Svc	FEGS - CLINIC PLUS	$0	$0	$0	$0	$187,489
001	4330	GZB1	HSV	Hs Community Support Svc	FEGS FAMILY SUPPORT	$113,527	$117,821	$117,821	$117,821	$117,821
001	4330	GPL1	HSV	Hs Community Support Svc	FEGS OF LI ACT TEAM	$111,555	$121,918	$121,896	$121,896	$121,896
001	4330	GPD1	HSV	Hs Community Support Svc	FEGS OF LI PRE-ARREST FORENSIC	$11,583	$27,257	$27,257	$27,257	$27,257
001	4330	JAQ1	HSV	Hs Community Support Svc	FEGS PROS COPAIGUE	$386,586	$127,623	$127,623	$127,623	$127,623
001	4330	GZC1	HSV	Hs Community Support Svc	FEGS SUPPORT CASE MANAGEMENT	$88,474	$414,157	$414,050	$414,080	$414,080
001	6004	HVY1	DSS	Soc Svc: Commodities Dist	FIRST BAPTIST CHURCH OUTREACH FOOD PANTRY	$4,093	$5,000	$5,000	$0	$5,000
001	6410	JEA1	ECD	Economic Development Admin	FISCHER-HEWINS VFW POST 6249	$14,834	$30,000	$30,000	$0	$0
001	6773	AHT1	EXE	Senior Support Programs	FISHER ISLAND SENIOR HOTLINE	$2,186	$6,494	$6,494	$6,494	$6,494
001	4330	GPJ1	HSV	Hs Community Support Svc	FLS SUPPORTIVE CASE MGMT	$269,400	$278,830	$278,784	$278,784	$278,784
001	6073	GDP1	DSS	Dss: Child Support Enforcement	FOCUS	$55,238	$45,534	$45,534	$45,534	$45,534
001	6773	AHV1	EXE	Senior Support Programs	FOSTER GRANDPARENT PROGRAM	$175,228	$178,733	$178,733	$178,733	$178,733
001	6410	HAK1	ECD	Economic Development Admin	FRIENDS OF E.NORTHPORT LIBRARY	$5,000	$0	$0	$0	$0
001	6010	GZP1	DSS	Dss: Community Svcs Admin	FRIENDS OF KAREN	$104,667	$90,000	$90,000	$0	$0
001	6410	HHF1	ECD	Economic Development Admin	FRIENDS OF SMITHTOWN LIBRARY	$30,000	$30,000	$30,000	$0	$0
001	7110	HXB1	PKS	Parks, Rec & Conservation	FRIENDS OF ST. PATRICK	$5,000	$0	$0	$0	$0
001	6410	JET1	ECD	Economic Development Admin	FRIENDS OF THE BIG DUCK	$0	$5,000	$5,000	$0	$0
001	6773	GVE1	EXE	Senior Support Programs	FRIENDS RET & SR VOL ADM RSV	$32,464	$33,113	$33,113	$33,113	$33,113
001	6772	GVB1	EXE	Older Americans Act Programs	FRIENDS RET & SR VOL IIIB TELE	$64,291	$64,420	$64,420	$64,420	$64,420
001	6792	GVD1	EXE	Title Iii-F	FRIENDS RET & SR VOL IIID DISE	$22,345	$22,390	$22,390	$22,390	$22,390
001	4330	AHH2	HSV	Hs Community Support Svc	FSL COORD CHILD SERV INIT	$36,067	$36,356	$36,356	$36,356	$36,356
001	4330	JDO1	HSV	Hs Community Support Svc	FSL SHELTER-CLINIC CASE MANAGEMENT	$79,156	$82,834	$82,816	$82,816	$82,816
001	4330	JDM1	HSV	Hs Community Support Svc	FSL SUICIDE PREVENTION PROGRAM	$35,000	$69,048	$0	$0	$0
001	4320	HVQ1	HSV	Hs: Mental Health Pgms	FSL-SUICIDE PREVENTION & RESPONSE PROGRAM	$32,595	$46,000	$46,000	$0	$0
001	7320	HFJ1	EXE	Youth Bureau/Office For Child	GERALD RYAN OUTREACH	$48,875	$60,000	$60,000	$0	$0
001	7320	HMI1	EXE	Youth Bureau/Office For Child	GIRL SCOUTS OF SUFFOLK COUNTY CONEXIONES CONNECTION	$10,000	$0	$0	$0	$0
001	4100	HVO1	HSV	Hs: Patient Care Svcs Adm	GOOD SAMARITAN HOSPITAL	($10,000)	$0	$0	$0	$0
001	4100	JDX1	HSV	Hs: Patient Care Svcs Adm	GOOD SAMARITAN HOSPITAL	$30,485	$47,571	$56,604	$56,605	$56,605
001	4100	HVN1	HSV	Hs: Patient Care Svcs Adm	GOOD SAMARITAN NURSING HOME	($10,000)	$0	$0	$0	$0
001	4010	HJY1	HSV	Hs: Public Health	GOOD SHEPARD HOSPICE	$1,469	$10,000	$10,000	$0	$0
001	3400	HVA1	FRE	Fire, Rescue & Emergency Svc	GORDON HEIGHTS FIRE DEPARTMENT	$5,000	$0	$0	$0	$0
001	7320	AIF1	EXE	Youth Bureau/Office For Child	GORDON HEIGHTS YOUTH PROGRAM	$36,568	$44,422	$44,422	$38,247	$38,247
001	7320	AIG1	EXE	Youth Bureau/Office For Child	GREAT SOUTH BAY YMCA,BAY SHORE	$21,807	$20,271	$20,271	$22,523	$22,523
001	6410	JBW1	ECD	Economic Development Admin	GREATER BELLPORT COALITION (VISIONING)	$10,000	$0	$0	$0	$0
001	6017	GNM1	DSS	Domestic Violence Programs	GREATER HAMPTONS INTERFAITH CO	$0	$1,082	$0	$0	$1,082
001	6410	GSZ1	ECD	Economic Development Admin	GREATER PORT JEFF ART COUNCIL	$10,000	$10,000	$10,000	$0	$0
001	6410	JDA1	ECD	Economic Development Admin	GREATER SAYVILLE CHAMBER OF COMMERCE	$5,000	$0	$0	$0	$0
001	6410	HAN1	ECD	Economic Development Admin	GUILD HALL OF EAST HAMPTON	$15,300	$12,500	$12,500	$0	$0
192	6414	HAN1	ECD	Cultural Affairs	GUILD HALL OF EAST HAMPTON	$0	$0	$0	$0	$12,500
001	7320	AII1	EXE	Youth Bureau/Office For Child	HALF HOLLOW HILL YOUTH DEV CTR	$9,204	$8,449	$8,449	$9,388	$9,388
001	7320	HTQ1	EXE	Youth Bureau/Office For Child	HALF HOLLOWS HILLS LITTLE LEAGUE	$10,000	$10,000	$10,000	$0	$0
001	4330	GZG1	HSV	Hs Community Support Svc	HALI CSS	$6,586	$7,511	$7,511	$7,511	$7,511
001	4330	GPC1	HSV	Hs Community Support Svc	HALI PEER ADVOCACY	$180,428	$182,663	$182,663	$182,663	$182,663
001	4330	GPF1	HSV	Hs Community Support Svc	HALI PRE-ARREST FORENSIC PGM	$115,816	$116,743	$116,743	$116,743	$116,743
001	4330	JAV1	HSV	Hs Community Support Svc	HALI PROS CENTRAL ISLIP	$266,491	$102,098	$102,098	$102,098	$102,098
001	4330	HAL2	HSV	Hs Community Support Svc	HALI PSYCHOSOC/DROP IN CTR	$69,417	$69,972	$69,972	$69,972	$69,972
001	4330	HAL3	HSV	Hs Community Support Svc	HALI PSYCHOSOC/SELF DIR REHAB	($310)	$0	$0	$0	$0
001	4330	HAL1	HSV	Hs Community Support Svc	HALI TRNG/CONF/RESOURCE CTR	$26,528	$27,767	$27,767	$27,767	$27,767
001	7510	JFY1	PKS	Parks: Historic Services	HALLOCKVILLE MUSEUM FARM	$0	$5,000	$5,000	$0	$0
001	6410	HAO1	ECD	Economic Development Admin	HAMPTON BAYS BEAUTIFICATION AS	$5,000	$5,000	$5,000	$0	$0
001	7320	AIJ3	EXE	Youth Bureau/Office For Child	HAMPTON COUNCIL OF CHURCHES IN	$69,017	$72,891	$72,891	$72,891	$72,891
001	4310	AIJ1	HSV	Div Of Comm Mental Hygiene	HAMPTON COUNCIL OF CHURCHES IN	$424,342	$468,705	$468,705	$468,705	$468,705
001	6410	HIP1	ECD	Economic Development Admin	HAMPTON FILM FESTIVAL	$15,300	$12,500	$12,500	$0	$0
192	6414	HIP1	ECD	Cultural Affairs	HAMPTON FILM FESTIVAL	$0	$0	$0	$0	$12,500
001	4330	AIN1	HSV	Hs Community Support Svc	HANDS ACROSS LI ADVOCACY PGRM	$199,325	$200,920	$200,920	$200,920	$200,920
001	4330	AIM1	HSV	Hs Community Support Svc	HANDS ACROSS LI PSYCHOSOCIAL	$104,450	$105,286	$105,286	$105,286	$105,286

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001	6004	JEI1	DSS	Soc Svc: Commodities Dist	HARRISON HALE COMMUNITY ACTION CENTER	$0	$0	$0	$0	$5,000
001	6410	JEV1	ECD	Economic Development Admin	HARRISON HALE GORDON HEIGHTS COMMUNITY ACTION CENTER	$0	$5,000	$5,000	$0	$0
001	7320	GQB1	EXE	Youth Bureau/Office For Child	HAUPPAUGE EDUCATIONAL FOUNDATN	$4,562	$5,000	$5,000	$0	$0
001	3400	HMU1	FRE	Fire, Rescue & Emergency Svc	HAUPPAUGE FIRE DEPARTMENT	$5,000	$5,000	$5,000	$0	$0
001	6410	GWH1	ECD	Economic Development Admin	HAUPPAUGE INDUSTRIAL ASSN	$12,500	$12,500	$12,500	$0	$0
001	7320	GNZ1	EXE	Youth Bureau/Office For Child	HAUPPAUGE YOUTH ORGANIZATION	$34,097	$10,000	$10,000	$34,779	$34,779
001	6004	JEP1	DSS	Soc Svc: Commodities Dist	HAVING FRIENDS INN	$0	$5,000	$5,000	$0	$5,000
001	7320	GDK1	EXE	Youth Bureau/Office For Child	HECKSHER STATE PARK YOUTH	$34,299	$22,500	$22,500	$34,985	$34,985
001	7320	JFG1	EXE	Youth Bureau/Office For Child	HELPING HANDS RESCUE MISSION	$0	$5,000	$5,000	$0	$0
001	7320	HXL1	EXE	Youth Bureau/Office For Child	HILLS FOUNDATION	$6,000	$0	$0	$0	$0
001	6410	GTY1	ECD	Economic Development Admin	HOLBROOK CHAMBER OF COMMERCE	$10,000	$10,000	$10,000	$0	$0
001	6410	JEW1	ECD	Economic Development Admin	HOLTSVILLE CIVIC ASSOCIATION	$0	$10,000	$10,000	$0	$0
001	3400	JFQ1	FRE	Fire, Rescue & Emergency Svc	HOLTSVILLE FIRE DISTRICT	$0	$10,000	$10,000	$0	$0
001	6010	HYS1	DSS	Dss: Community Svcs Admin	HOPE FOR YOUTH	$19,754	$0	$0	$0	$0
001	6123	HUA1	PRO	Mandated Juvenile Detention Sv	HOPE FOR YOUTH INC	$1,036,699	$1,158,633	$1,158,633	$1,158,633	$1,158,633
001	4310	JBA1	HSV	Div Of Comm Mental Hygiene	HOPE FOR YOUTH, INC	$68,885	$205,678	$205,678	$205,678	$205,678
001	6010	GVI1	DSS	Dss: Community Svcs Admin	HOPE FOR YOUTH, INC	$424,993	$456,709	$456,709	$456,709	$456,709
001	4317	JAI1	HSV	Alternatives For Youth	HOPE FOR YOUTH, INC.	$12,525	$32,773	$16,375	$16,375	$16,375
001	4310	AIS2	HSV	Div Of Comm Mental Hygiene	HUGS INC	$62,514	$63,936	$133,936	$123,936	$133,936
001	6004	HVZ1	DSS	Soc Svc: Commodities Dist	HUMAN RESOURCES PROGRAM OF SOUTHAMPTON	$0	$0	$0	$0	$5,000
001	4100	HMY1	HSV	Hs: Patient Care Svcs Adm	HUNTINGTON BREAST CANCER COALITION	($3,252)	$17,000	$17,000	$0	$0
001	6004	HVS1	DSS	Soc Svc: Commodities Dist	HUNTINGTON COMMUNITY FOOD COUNCIL	$5,000	$5,000	$5,000	$0	$5,000
001	7320	HMZ1	EXE	Youth Bureau/Office For Child	HUNTINGTON FREEDOM CENTER	$4,949	$10,000	$5,000	$0	$0
001	7323	AIV1	EXE	Comprehensive Plning-Runaway	HUNTINGTON HOMELESS	$16,463	$16,792	$16,792	$16,792	$16,792
001	4100	AIU1	HSV	Hs: Patient Care Svcs Adm	HUNTINGTON HOSPITAL	$3,086,972	$3,236,972	$3,000,000	$2,313,351	$2,313,351
001	7320	JFH1	EXE	Youth Bureau/Office For Child	HUNTINGTON STATION KIDS KAFE	$0	$10,000	$10,000	$0	$0
001	6510	HTL1	EXE	Veterans Service	HUNTINGTON VETERANS ADVISORY BRD/HUNTINGTON HUMAN SERV INST	$10,000	$5,000	$5,000	$0	$0
001	7320	AIZ1	EXE	Youth Bureau/Office For Child	HUNTINGTON VILLAGE YOUTH	$25,978	$23,848	$23,848	$26,498	$26,498
001	7320	AJA1	EXE	Youth Bureau/Office For Child	HUNTINGTON YMCA	$5,520	$0	$0	$0	$0
001	7110	HHX1	PKS	Parks, Rec & Conservation	IGHL FOUNDATION	$25,000	$25,000	$25,000	$0	$0
001	6004	HNC1	DSS	Soc Svc: Commodities Dist	ISLAND HARVEST	$79,825	$65,000	$65,000	$65,000	$65,000
001	4310	AJF1	HSV	Div Of Comm Mental Hygiene	ISLIP ACCESSO CLINIC	$440,676	$445,652	$445,652	$445,652	$445,652
001	6410	BBU1	ECD	Economic Development Admin	ISLIP ARTS COUNCIL	$30,000	$30,000	$30,000	$0	$0
001	4100	AJK1	HSV	Hs: Patient Care Svcs Adm	ISLIP HEALTH CENTER	$10,129,123	$12,379,727	$12,157,642	$11,125,165	$11,125,165
001	7323	AJL1	EXE	Comprehensive Plning-Runaway	ISLIP HOMELESS-YMCA	$9,295	$9,481	$9,481	$9,481	$9,481
001	7320	JDH1	EXE	Youth Bureau/Office For Child	ISLIP UNION FREE SCHOOL DISTRICT	$8,448	$0	$0	$0	$0
001	7325	AJO1	EXE	Spec Dlnqncy Prevention Pgm	ISLIP YMCA-OUTREACH	$79,208	$88,641	$88,641	$88,641	$88,641
001	4310	AJR1	HSV	Div Of Comm Mental Hygiene	J MATHER MEMORIAL HOSPITAL	$138,809	$179,782	$179,782	$179,782	$179,782
001	4100	JBP1	HSV	Hs: Patient Care Svcs Adm	J. T. MATHER MEMORIAL HOSPITAL (BARIATRIC SURGERY DATABASE)	$10,000	$0	$0	$0	$0
001	7510	JFZ1	PKS	Parks: Historic Services	JAMESPORT MEETING HOUSE PRESERVATION TRUST RIVERHEAD LANDMAR	$0	$5,000	$5,000	$0	$0
001	4330	CAB1	HSV	Hs Community Support Svc	JCSLI/FEGS - CSS	$21,597	$31,480	$31,480	$31,480	$31,480
001	4330	GBE2	HSV	Hs Community Support Svc	JEW COMM SVC/FEGS PSYCHOSOC/D	$66,004	$91,023	$91,023	$91,023	$91,023
001	4330	GGP1	HSV	Hs Community Support Svc	JEWISH COM SVC FEGS SP EMP	$39,399	$58,044	$58,044	$58,044	$58,044
001	4330	AJS1	HSV	Hs Community Support Svc	JEWISH COMM SVC LIFE/PRTNR/PSY	$95,633	$96,398	$96,398	$96,398	$96,398
001	4320	AJS7	HSV	Hs: Mental Health Pgms	JEWISH COMMUNITY SVC LI (90%)	$486,483	$496,213	$496,213	$496,213	$496,213
001	4100	JAK1	HSV	Hs: Patient Care Svcs Adm	JT MATHER MEMORIAL HOSPITAL	$39,238	$0	$0	$0	$0
001	6410	HZF1	ECD	Economic Development Admin	KEEP ISLIP CLEAN	$5,000	$5,000	$5,000	$0	$0
001	7320	HXI1	EXE	Youth Bureau/Office For Child	KEVIN WILLIAMS MEMORIAL FOUNDATION	$10,000	$7,500	$8,500	$0	$0
001	6410	GWO1	ECD	Economic Development Admin	KINGS PARK CHAMBER OF COMMERCE	$7,051	$8,000	$8,000	$0	$0
001	3400	GWP1	FRE	Fire, Rescue & Emergency Svc	KINGS PARK FIRE DEPT	$8,000	$8,000	$8,000	$0	$0
001	7510	HNQ1	PKS	Parks: Historic Services	L I MARITIME MUSEUM	$4,957	$25,000	$25,000	$0	$0
001	7110	HII1	PKS	Parks, Rec & Conservation	L.I. 2 DAY WALK BREAST CANCER	$9,500	$5,000	$5,000	$0	$0
001	7110	JEN1	PKS	Parks, Rec & Conservation	L.I. 2 DAY WALK BREAST CANCER	$13,422	$0	$0	$0	$0

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001	4100	AKU2	HSV	Hs: Patient Care Svcs Adm	L.I. ASSOC OF AIDS CARE	$196,306	$199,101	$199,101	$199,101	$199,101
001	6410	JDZ1	ECD	Economic Development Admin	LAKE GROVE BEAUTIFICATION AND HISTORICAL SOCIETY	$4,008	$5,000	$5,000	$0	$0
001	7320	GTZ1	EXE	Youth Bureau/Office For Child	LAKE GROVE TRIANGLE SOCCER	$0	$5,000	$5,000	$5,630	$5,630
001	6410	JEX1	ECD	Economic Development Admin	LAKE RONKONKOMA CIVIC ORGANIZATION	$0	$5,000	$5,000	$0	$0
001	7320	JDS1	EXE	Youth Bureau/Office For Child	LEAGUE OF WOMEN VOTERS	$4,950	$0	$0	$0	$0
001	6772	GER1	EXE	Older Americans Act Programs	LEGAL AID SOCIETY	$551,612	$578,161	$578,161	$218,567	$218,567
001	7320	GQJ1	EXE	Youth Bureau/Office For Child	LI CNCL CHURCHES BLDG BRIDGES	$5,412	$0	$0	$0	$0
001	6004	HNK1	DSS	Soc Svc: Commodities Dist	LI COUNCIL OF CHURCHES FOOD PANTRY	$5,000	$5,000	$5,000	$0	$5,000
001	4330	GKR1	HSV	Hs Community Support Svc	LI FAMILIES TOGETHER	$33,921	$36,165	$36,165	$33,582	$33,582
001	7320	GFF1	EXE	Youth Bureau/Office For Child	LI GAY & LESBIAN YOUTH	$117,196	$119,325	$119,325	$106,325	$106,325
001	6773	GJX1	EXE	Senior Support Programs	LI SENIOR GAMES INC.	$25,000	$20,000	$20,000	$0	$0
001	6410	HAS1	ECD	Economic Development Admin	LI SHAKESPEARE	$5,000	$7,000	$7,000	$0	$0
001	7320	JCS1	EXE	Youth Bureau/Office For Child	LI SOUND SHARKS FOOTBALL	$5,000	$5,000	$5,000	$0	$0
001	7320	GKJ1	EXE	Youth Bureau/Office For Child	LIFELINE MEDIATION CENTER	$155,518	$163,137	$163,137	$33,122	$33,122
001	6004	HNL1	DSS	Soc Svc: Commodities Dist	LIGHTHOUSE MISSION	$0	$0	$0	$0	$5,000
001	7320	AKD1	EXE	Youth Bureau/Office For Child	LINDENHURST YTH SVCS BOARD IN	$102,826	$94,395	$94,395	$104,883	$104,883
001	4005	JAM1	HSV	Hs: General Admin	LITERACY SUFFOLK, INC.	$63,703	$0	$0	$52,412	$0
001	6511	HWX1	EXE	Administration	LONG ISLAND ACT-SO PROGRAM	$8,372	$5,000	$5,000	$5,000	$5,000
001	3193	HTZ1	PRO	Alternatives For Youth	LONG ISLAND ADVOCACY CENTER (AFY)	$184,760	$195,922	$195,922	$195,922	$195,922
001	3145	HTY1	PRO	Pins Diversion Plan	LONG ISLAND ADVOCACY CENTER (PINS DIVERSION)	$250,210	$256,009	$256,009	$256,009	$256,009
001	3140	JEB1	PRO	Prob: General Administration	LONG ISLAND ADVOCACY CENTER, INC.	$0	$173,400	$173,400	$173,400	$173,400
001	7320	GJY1	EXE	Youth Bureau/Office For Child	LONG ISLAND ADVOCACY CTR	$4,330	$0	$0	$0	$0
001	6004	AKL3	DSS	Soc Svc: Commodities Dist	LONG ISLAND CARES	$130,571	$225,548	$225,548	$225,548	$225,548
001	4310	JGD1	HSV	Div Of Comm Mental Hygiene	LONG ISLAND GAY & LESBIAN YOUTH	$0	$0	$58,300	$50,000	$50,000
001	7320	HXK1	EXE	Youth Bureau/Office For Child	LONG ISLAND SCHOOL OF THE ARTS	$4,985	$0	$0	$0	$0
001	7320	AKP1	EXE	Youth Bureau/Office For Child	LONGWOOD YOUTH SPORTS ASSN	$8,000	$5,000	$5,000	$0	$0
001	7320	HFU1	EXE	Youth Bureau/Office For Child	MADD	$5,000	$0	$0	$0	$0
001	7323	AKT2	EXE	Comprehensive Plning-Runaway	MADONNA HEIGHTS	$202,547	$204,400	$204,400	$204,400	$204,400
001	4310	AKT1	HSV	Div Of Comm Mental Hygiene	MADONNA HEIGHTS	$634,055	$996,580	$996,580	$996,580	$996,580
001	4100	HNT1	HSV	Hs: Patient Care Svcs Adm	MARCH OF DIMES - PERINATAL PROGRAM @ SUNY SB	$30,111	$35,000	$35,000	$0	$0
001	4100	GRH1	HSV	Hs: Patient Care Svcs Adm	MARCH OF DIMES LI DIVISION	$28,025	$33,000	$33,000	$0	$0
001	6510	HNU1	EXE	Veterans Service	MARINE HELICOPTER SQUADRON	$13,364	$10,000	$10,000	$0	$0
001	7320	HFV1	EXE	Youth Bureau/Office For Child	MARV AVERY PALMORE CTR.OF HOPE	$64,842	$45,000	$45,000	$0	$0
001	4330	ALC1	HSV	Hs Community Support Svc	MARYHAVEN	$1,171,473	$1,097,995	$1,097,995	$1,097,995	$1,097,995
001	4330	GSJ1	HSV	Hs Community Support Svc	MARYHAVEN CTR HOPE TRANSPRTN	$858,855	$838,726	$0	$0	$0
001	4330	JAW1	HSV	Hs Community Support Svc	MARYHAVEN PROS RIVERHEAD	$48,270	$58,938	$58,938	$58,938	$58,938
001	4330	JAX1	HSV	Hs Community Support Svc	MARYHAVEN PROS YAPHANK	$65,481	$37,127	$37,127	$37,127	$37,127
001	4330	ALC5	HSV	Hs Community Support Svc	MARYHAVEN:SPECIAL EMPLOYMENT	($11,000)	$0	$0	$0	$0
001	3400	JFR1	FRE	Fire, Rescue & Emergency Svc	MASTIC BEACH AMBULANCE	$0	$5,000	$5,000	$0	$0
001	6410	JEY1	ECD	Economic Development Admin	MASTIC BEACH PROPERTY OWNERS ASSOCIATION	$0	$5,000	$5,000	$0	$0
001	3400	GRR1	FRE	Fire, Rescue & Emergency Svc	MASTIC FIRE DEPT	$0	$22,500	$22,500	$0	$0
001	7320	GUD1	EXE	Youth Bureau/Office For Child	MASTIC SPORTS	$0	$5,000	$5,000	$8,280	$8,280
001	4100	GLH1	HSV	Hs: Patient Care Svcs Adm	MATHER MEMORIAL HOSP FORTUNATO	$74,332	$40,000	$40,000	$0	$0
001	4330	DDD1	HSV	Hs Community Support Svc	MENTAL HEALTH ASSN - CSS	$76,147	$81,681	$81,681	$81,681	$81,681
001	4330	ALG3	HSV	Hs Community Support Svc	MENTAL HLTH ASSC CHILD & YOUTH	$37,607	$38,093	$38,093	$38,093	$38,093
001	4330	ALG4	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC ANTI-STIGMA	$5,290	$5,376	$5,376	$5,376	$5,376
001	4330	GBF1	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC S C ADVOC	$80,175	$86,544	$86,544	$86,544	$86,544
001	4330	GBF2	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC S C ELEC EMP	$31,555	$32,433	$32,433	$32,433	$32,433
001	4330	ALG5	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC SUFFOLK CNTY	$21,984	$24,527	$24,527	$24,527	$24,527
001	7323	ALM1	EXE	Comprehensive Plning-Runaway	MERCY CENTER	$201,602	$209,411	$209,411	$209,411	$209,411
001	6410	JDU1	ECD	Economic Development Admin	MIDDLE COUNTRY COALITION FOR SMART GROWTH	$8,750	$0	$5,000	$0	$0
001	7320	JDV1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY GIRLS YOUTH LACROSSE ASSOCIATION, INC.	$5,000	$5,000	$0	$0	$0
001	6015	JEL1	DSS	Dss: Public Assist Admin	MIDDLE COUNTRY LIBRARY DATABASE RESOURCE	$0	$45,000	$45,000	$0	$45,000
001	7320	GJQ1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY PUBLIC LIBRARY	$17,922	$16,452	$16,452	$18,280	$18,280

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2008 Actual	2009 Adopted	2009 Estimated	2010 Requested	2010 Recommended
001	7320	GWW1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY SOCCER	$10,000	$7,500	$7,500	$0	$0
001	7320	GHQ1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY YOUTH ASSN	$20,824	$12,500	$17,500	$11,040	$11,040
001	7320	HOA1	EXE	Youth Bureau/Office For Child	MIDDLE ISLAND CARING FOR KIDS	$12,500	$7,500	$7,500	$0	$0
001	7510	HOC1	PKS	Parks: Historic Services	MILLER PLACE-MT. SINAI HISTORICAL SOCIETY	$4,263	$5,000	$5,000	$0	$0
001	6010	GZQ1	DSS	Dss: Community Svcs Admin	MINISTRY OF HOPE OF EASTERN LI	$10,000	$15,000	$15,000	$0	$0
001	6410	HAX1	ECD	Economic Development Admin	MONTAUK CHAMBER OF COMMERCE	$5,000	$5,000	$5,000	$0	$0
001	7110	HOD1	PKS	Parks, Rec & Conservation	MONTAUK OBSERVATORY	$0	$5,000	$5,000	$0	$0
001	7320	JFI1	EXE	Youth Bureau/Office For Child	MONTAUK YOUTH ASSOCIATION	$0	$5,000	$5,000	$0	$0
001	7320	HOE1	EXE	Youth Bureau/Office For Child	MORICHES COMMUNITY CENTER, INC.	$5,000	$5,000	$5,000	$0	$0
001	4100	HVF1	HSV	Hs: Patient Care Svcs Adm	MULTIPLE SCLEROSIS SOCIETY	($5,000)	$0	$0	$0	$0
001	6410	GWX1	ECD	Economic Development Admin	N AMITYVILLE TAXPAYERS ASSN	$5,000	$0	$0	$0	$0
001	6410	JGA1	ECD	Economic Development Admin	NACEC	$0	$16,000	$16,000	$0	$0
001	6008	GKP1	DSS	Ss: Housing Services	NASSAU/SUFFOLK COALTN HOMELESS	$36,435	$38,646	$38,646	$38,646	$38,646
001	6017	AMF1	DSS	Domestic Violence Programs	NASSAU/SUFFOLK LAW SERVICES	$171,307	$185,041	$138,780	$0	$0
001	8050	HTD1	EXE	Handicapped Services	NASSAU/SUFFOLK SERVICES FOR THE AUTISTIC INC	$0	$5,000	$5,000	$0	$0
001	4330	HYO1	HSV	Hs Community Support Svc	NASSAU-SUFFOLK LAW SERVICES	$169,723	$191,272	$191,272	$212,525	$212,525
001	6410	HHJ1	ECD	Economic Development Admin	NESCONSET CHAMBER OFCOMMERENCE	$5,000	$10,000	$10,000	$0	$0
001	3400	HOJ1	FRE	Fire, Rescue & Emergency Svc	NESCONSET FIRE DEPARTMENT	$5,000	$5,000	$5,000	$0	$0
001	3400	HDQ1	FRE	Fire, Rescue & Emergency Svc	NISSEQUOGUE FIRE DEPT.	$8,000	$8,000	$8,000	$0	$0
001	6410	0000	ECD	Economic Development Admin	CONTRACTED AGENCIES	$23,535	$0	$0	$0	$0
192	6410	0000	ECD	Economic Development Admin	CONTRACTED AGENCIES	$1,180,621	$1,240,358	$1,240,358	$1,142,242	$0
192	6413	0000	ECD	Tourism Promotion	CONTRACTED AGENCIES	$0	$0	$0	$0	$2,020,130
001	6510	0000	EXE	Veterans Service	CONTRACTED AGENCIES	$0	$25,000	$25,000	$25,000	$25,000
001	6511	0000	EXE	Administration	CONTRACTED AGENCIES	$2,848	$15,000	$38,000	$25,000	$25,000
001	6772	0000	EXE	Older Americans Act Programs	CONTRACTED AGENCIES	$0	$25,000	$25,000	$50,000	$50,000
001	6774	0000	EXE	Sup Nut Program	CONTRACTED AGENCIES	$743,387	$756,664	$930,563	$1,013,324	$1,013,324
001	6777	0000	EXE	Comm Svcs For The Elderly	CONTRACTED AGENCIES	$719,276	$535,015	$535,015	$535,015	$535,015
001	6778	0000	EXE	Expanded In Home Services	CONTRACTED AGENCIES	$2,737,540	$2,567,080	$2,567,080	$2,567,080	$2,567,080
001	6790	0000	EXE	Title Iii C-1	CONTRACTED AGENCIES	$1,542,756	$1,628,718	$1,846,013	$1,651,020	$1,651,020
001	6797	0000	EXE	Title Iii C-2	CONTRACTED AGENCIES	$1,978,699	$2,048,553	$2,155,484	$1,843,335	$1,843,335
001	6800	0000	EXE	State Ltcop	CONTRACTED AGENCIES	$39,769	$54,000	$72,920	$72,920	$72,920
001	6801	0000	EXE	Title Iii E	CONTRACTED AGENCIES	$380,970	$403,260	$403,260	$403,260	$403,260
001	6805	0000	EXE	Long Term Care Ed & Outreach	CONTRACTED AGENCIES	$16,445	$0	$42,211	$0	$0
001	6806	0000	EXE	AAA TRANSPORTATION PROGRAM	CONTRACTED AGENCIES	$132,903	$129,048	$59,427	$129,048	$129,048
001	6807	0000	EXE	POINT OF ENTRY	CONTRACTED AGENCIES	$0	$100	$200	$100	$100
001	7320	0000	EXE	Youth Bureau/Office For Child	CONTRACTED AGENCIES	$0	$15,000	$15,000	$25,000	$25,000
001	7323	0000	EXE	Comprehensive Plning-Runaway	CONTRACTED AGENCIES	$0	$0	$0	$193,707	$193,707
001	7329	0000	EXE	Pins - Adj Service Plan	CONTRACTED AGENCIES	$128,908	$156,060	$156,060	$156,060	$156,060
001	8050	0000	EXE	Handicapped Services	CONTRACTED AGENCIES	$0	$15,000	$15,000	$25,000	$25,000
001	8051	0000	EXE	Sc Office For Women	CONTRACTED AGENCIES	$26,631	$167,975	$167,975	$162,225	$162,225
001	3414	0000	FRE	SAFER	CONTRACTED AGENCIES	$194,118	$0	$257,729	$0	$0
001	4100	0000	HSV	Hs: Patient Care Svcs Adm	CONTRACTED AGENCIES	($2,249)	$0	$0	$0	$0
001	4310	0000	HSV	Div Of Comm Mental Hygiene	CONTRACTED AGENCIES	$0	$200,000	$0	$0	$0
001	4317	0000	HSV	Alternatives For Youth	CONTRACTED AGENCIES	($220,200)	$0	$0	$0	$0
001	4320	0000	HSV	Hs: Mental Health Pgms	CONTRACTED AGENCIES	$0	$350,000	$0	$150,000	$150,000
320	6300	0000	LAB	Workforce Investment Act	CONTRACTED AGENCIES	$2,672,434	$269,166	$2,990,155	$2,500,000	$2,500,000
320	6377	0000	LAB	Labor: Displaced Homemakers	CONTRACTED AGENCIES	$19,374	$39,899	$39,899	$76,700	$76,700
320	6565	0000	LAB	Disability Program Navigator	CONTRACTED AGENCIES	$62,776	$70,000	$61,825	$64,526	$64,526
192	7516	0000	MSC	Museums & Historic Associations	CONTRACTED AGENCIES	$0	$0	$0	$282,740	$282,740
001	3296	0000	POL	Human Trafficking Task Force Supplemental	CONTRACTED AGENCIES	$0	$0	$6,242	$0	$0
001	1239	0000	PRO	PROBATION: DAY REPORTING	CONTRACTED AGENCIES	$5,000	$5,000	$5,000	$5,000	$5,000
001	3140	0000	PRO	Prob: General Administration	CONTRACTED AGENCIES	$168,568	$100,000	$0	$180,000	$0
001	3145	0000	PRO	Pins Diversion Plan	CONTRACTED AGENCIES	$136,338	$524,000	$524,000	$524,000	$524,000
001	3169	0000	PRO	Prob: Adol Sex Offend Program	CONTRACTED AGENCIES	$0	$22,200	$41,400	$0	$0
001	3172	0000	PRO	PAROLE REENTRY TASK FORCE	CONTRACTED AGENCIES	$0	$0	$357,000	$0	$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2008 Actual	2009 Adopted	2009 Estimated	2010 Requested	2010 Recommended
001	3172	0000	PRO	PAROLE REENTRY TASK FORCE	CONTRACTED AGENCIES	$167,590	$0	$0	$0	$0
001	3173	0000	PRO	Juvenile Supervision and Treatment Services	CONTRACTED AGENCIES	$9,688	$20,454	$20,454	$0	$0
001	3184	0000	PRO	Com Svc Alternative Sentencing	CONTRACTED AGENCIES	$600,141	$674,477	$674,477	$674,477	$674,477
001	3190	0000	PRO	Juvenile Day Reporting Center	CONTRACTED AGENCIES	$497,157	$574,588	$574,588	$574,588	$574,588
001	3199	0000	PRO	JUSTICE ASSISTANCE GRANT	CONTRACTED AGENCIES	$0	$0	$114,000	$0	$0
001	6123	0000	PRO	Mandated Juvenile Detention Sv	CONTRACTED AGENCIES	$0	$135,000	$0	$135,000	$0
001	5631	0000	DPW	Planning: Omnibus	CONTRACTED AGENCIES	$34,789,331	$38,568,000	$35,500,000	$36,472,000	$36,472,000
001	5643	0000	DPW	Trans: Mass Tran Oper Assist	CONTRACTED AGENCIES	$887,750	$944,750	$908,000	$910,000	$910,000
001	6018	0000	DSS	Homeless Intervention Program	CONTRACTED AGENCIES	$0	$0	$250,000	$0	$0
001	6115	0000	DSS	Dss: Alternatives For Youth	CONTRACTED AGENCIES	$308,431	$324,299	$324,299	$324,299	$324,299
001	6201	0000	DSS	Dss: Medical Assist Admin	CONTRACTED AGENCIES	$80,344	$0	$0	$0	$0
360	6204	0000	DSS	MEDICAID COMPLIANCE	CONTRACTED AGENCIES	$0	$675,000	$31,974	$47,573	$46,974
001	7320	AMJ1	EXE	Youth Bureau/Office For Child	NORTH AMITYVILLE COMM ECON CNL	$16,000	$15,043	$15,043	$16,714	$16,714
001	7320	AMK1	EXE	Youth Bureau/Office For Child	NORTH BABYLON TEEN CENTER INC	$43,297	$39,747	$39,747	$44,163	$44,163
001	4100	AML1	HSV	Hs: Patient Care Svcs Adm	NORTH BROOKHAVEN CLINIC	$4,612,270	$4,692,419	$4,692,419	$4,645,967	$4,645,967
001	4100	HVI1	HSV	Hs: Patient Care Svcs Adm	NORTH FORK BREAST HEALTH COALITION	$5,000	$5,000	$5,000	$0	$0
001	3400	JFS1	FRE	Fire, Rescue & Emergency Svc	NORTH PATCHOGUE FIRE DISTRICT	$0	$20,000	$20,000	$0	$0
001	7320	JCQ1	EXE	Youth Bureau/Office For Child	NORTH SHORE COLTS FOOTBALL LEAGUE	$5,000	$5,000	$5,000	$0	$0
001	7320	JCU1	EXE	Youth Bureau/Office For Child	NORTH SHORE HOLIDAY HOUSE	$5,000	$0	$0	$0	$0
001	7320	HFZ1	EXE	Youth Bureau/Office For Child	NORTH SHORE LITTLE LEAGUE	$5,000	$5,000	$5,000	$0	$0
001	7320	AMN1	EXE	Youth Bureau/Office For Child	NORTH SHORE YOUTH COUNCIL	$166,740	$170,075	$170,075	$170,075	$170,075
001	7320	HGA1	EXE	Youth Bureau/Office For Child	NORTHEAST YOUTH SPORTS ASSOC.	$4,650	$5,000	$5,000	$0	$0
001	6015	HOR1	DSS	Dss: Public Assist Admin	OUR LADY OF LOURDES PARISH OUTREACH	$4,752	$0	$0	$0	$0
001	7320	HGC1	EXE	Youth Bureau/Office For Child	P.A. LOPEZ MEM. SCHOLARSHIP FD	$0	$5,000	$5,000	$0	$0
001	7320	GHD1	EXE	Youth Bureau/Office For Child	PARENTS FOR MEGANS LAW	$388,822	$387,554	$387,554	$387,554	$387,554
001	7320	GAC1	EXE	Youth Bureau/Office For Child	PATCHOGUE MEDFORD YOUTH	$126,395	$128,923	$128,923	$128,923	$128,923
001	8050	JFN1	EXE	Handicapped Services	PATCHOGUE VFW	$0	$10,000	$10,000	$0	$0
001	7320	HXJ1	EXE	Youth Bureau/Office For Child	PAT-MED CLUB (YOUTH FOOTBALL & CHEERLEADING CLUB INC)	$9,000	$10,000	$10,000	$0	$0
001	4100	JAL1	HSV	Hs: Patient Care Svcs Adm	PECONIC BAY MEDICAL CENTER	$63,866	$65,638	$56,605	$56,605	$56,605
001	6008	HYN1	DSS	Ss: Housing Services	PECONIC COMMUNITY COUNCIL	$41,987	$43,095	$43,095	$43,095	$43,095
001	7320	JFJ1	EXE	Youth Bureau/Office For Child	PECONIC YMCA	$0	$5,000	$5,000	$0	$0
001	4330	GEC1	HSV	Hs Community Support Svc	PEDERSEN KRAG ACT TEAM	$89,251	$121,918	$121,896	$121,896	$121,896
001	4330	GKU1	HSV	Hs Community Support Svc	PEDERSEN KRAG CLINIC (AOT)	$7,164	$14,824	$14,824	$14,824	$14,824
001	6010	GNV1	DSS	Dss: Community Svcs Admin	PEDERSON KRAG	$125,071	$135,399	$101,549	$0	$0
001	4330	JGK1	HSV	Hs Community Support Svc	PEDERSON KRAG - CLINIC PLUS	$0	$0	$0	$0	$143,611
001	4330	GPN1	HSV	Hs Community Support Svc	PEDERSON KRAG ACT TEAM	$89,251	$121,918	$121,896	$121,896	$121,896
001	4330	GGH1	HSV	Hs Community Support Svc	PEDERSON KRAG C & Y TRAINING	$7,424	$11,447	$11,447	$11,447	$11,447
001	4330	GUU1	HSV	Hs Community Support Svc	PEDERSON KRAG C&F EMERGCY CARE	$244,245	$264,619	$264,619	$264,619	$264,619
001	4330	GUS1	HSV	Hs Community Support Svc	PEDERSON KRAG CASE MGMT TRAIN	$2,544	$8,191	$8,191	$8,191	$8,191
001	4317	JAB1	HSV	Alternatives For Youth	PEDERSON KRAG CENTER INC.	$0	$32,773	$16,375	$16,375	$16,375
001	6010	JDK1	DSS	Dss: Community Svcs Admin	PEDERSON KRAG ENHANCED COMPREHENSIVE CASE MANAGEMENT PROGRAM	$90,405	$182,000	$182,000	$0	$0
001	4330	GGG1	HSV	Hs Community Support Svc	PEDERSON KRAG FAM SUPP/RESPT	$215,553	$242,947	$242,947	$242,947	$242,947
001	4330	GGJ1	HSV	Hs Community Support Svc	PEDERSON KRAG MICA TRAINING	$5,000	$9,802	$9,802	$9,802	$9,802
001	4330	GGF1	HSV	Hs Community Support Svc	PEDERSON KRAG MICA-TFIP	$418,120	$457,636	$457,636	$457,636	$457,636
001	6010	HYT1	DSS	Dss: Community Svcs Admin	PEDERSON KRAG POST ADOPTION SERVICES	$879	$0	$0	$0	$0
001	4330	JAY1	HSV	Hs Community Support Svc	PEDERSON KRAG PROS CORAM	$434,836	$88,177	$88,177	$88,177	$88,177
001	4330	JAZ1	HSV	Hs Community Support Svc	PEDERSON KRAG PROS SMITHTOWN	$69,841	$20,420	$20,420	$20,420	$20,420
001	4330	PKP1	HSV	Hs Community Support Svc	PEDERSON KRAG PSYCHOSOC/DROP	$58,150	$68,343	$68,343	$68,343	$68,343
001	4330	GPM1	HSV	Hs Community Support Svc	PEDERSON KRAG SPOA	$120,708	$163,029	$163,029	$163,029	$163,029
001	4330	ANL2	HSV	Hs Community Support Svc	PEDERSON KRAG SUPPRTV CASE MGT	$176,763	$331,324	$331,264	$331,264	$331,264
001	4310	ANL7	HSV	Div Of Comm Mental Hygiene	PEDERSON-KRAG CLINIC INC (96%)	$430,827	$1,006,981	$1,006,981	$1,006,981	$1,006,981
001	4320	ANL5	HSV	Hs: Mental Health Pgms	PEDERSON-KRAG CLINIC INC (96%)	$1,048,552	$1,205,646	$1,205,646	$1,075,646	$1,075,646
001	4310	ANL9	HSV	Div Of Comm Mental Hygiene	PEDERSON-KRAG COMPUL GAMBLING	($20,193)	$116,408	$147,802	$146,802	$146,802
001	4330	GST1	HSV	Hs Community Support Svc	PEDERSON-KRAG CTR INC SCHOOL S	$384,343	$486,014	$486,014	$486,014	$486,014

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2008 Actual	2009 Adopted	2009 Estimated	2010 Requested	2010 Recommended
001	4100	HOT1	HSV	Hs: Patient Care Svcs Adm	PEDIATRIC DENTAL FUND OF THE HAMPTONS	$2,000	$5,000	$5,000	$0	$0
001	4330	GPB1	HSV	Hs Community Support Svc	PHOENIX HOUSE RESIDENTIAL PGM	$112,583	$113,484	$113,484	$113,484	$113,484
001	8020	HEQ1	PLN	Planning	PLANNING FEDERATION	$5,122	$0	$0	$0	$0
001	7320	ANO1	EXE	Youth Bureau/Office For Child	POLICE ATHLETIC LEAGUE-CTYWIDE	$97,137	$98,835	$98,835	$98,835	$98,835
001	3400	HUY1	FRE	Fire, Rescue & Emergency Svc	PORT JEFFERSON VOLUNTEER AMBULANCE CORP	$5,000	$5,000	$5,000	$0	$0
001	4317	JAC1	HSV	Alternatives For Youth	PROJECT OUTREACH	$9,675	$32,773	$16,375	$16,375	$16,375
001	4310	GNC1	HSV	Div Of Comm Mental Hygiene	PROJECT OUTREACH (CMS)	$342,041	$417,721	$301,322	$0	$262,522
001	6511	HIV1	EXE	Administration	PRONTO OF LONG ISLAND	$20,400	$20,808	$20,808	$20,808	$20,808
001	6010	ANU1	DSS	Dss: Community Svcs Admin	PRONTO OF LONG ISLAND, INC	$85,931	$86,457	$64,843	$0	$0
001	6010	HYU1	DSS	Dss: Community Svcs Admin	PRONTO OF LONG ISLAND, INC	$3,654	$0	$0	$0	$0
001	7320	HOW1	EXE	Youth Bureau/Office For Child	PUERTO RICAN COALITION FOR BETTER COMMUNITY	$5,000	$4,000	$4,000	$0	$0
001	7320	JFK1	EXE	Youth Bureau/Office For Child	RAINBOW CHIMES, INC.	$0	$10,000	$10,000	$0	$0
001	6410	JEZ1	ECD	Economic Development Admin	REFLECTIVE GARDENS AT COMMON GROUND	$0	$10,000	$10,000	$0	$0
001	4320	AOD1	HSV	Hs: Mental Health Pgms	RESPONSE	$132,342	$138,099	$138,099	$133,099	$133,099
001	7320	AOE1	EXE	Youth Bureau/Office For Child	RESPONSE OF SUFFOLK COUNTY IN	$47,848	$48,973	$48,973	$48,973	$48,973
001	7325	AOF1	EXE	Spec Dlnqncy Prevention Pgm	RESPONSE OF SUFFOLK COUNTY IN	$37,168	$39,174	$39,174	$39,174	$39,174
001	6410	JFA1	ECD	Economic Development Admin	RIVERHEAD CHAMBER OF COMMERCE	$0	$5,000	$5,000	$0	$0
001	7320	AOJ1	EXE	Youth Bureau/Office For Child	RIVERHEAD COMM AWARENESS PROG	$116,160	$118,073	$118,073	$118,073	$118,073
001	4310	AOH1	HSV	Div Of Comm Mental Hygiene	RIVERHEAD COMMUNITY AWARENESS	$164,901	$171,678	$171,678	$171,678	$171,678
001	7320	AOO1	EXE	Youth Bureau/Office For Child	RIVERHEAD TEEN CENTER	$31,820	$32,261	$32,261	$32,261	$32,261
001	6410	GXC1	ECD	Economic Development Admin	RONKONKOMA CHAMBER OF COMM	$4,953	$5,000	$5,000	$0	$0
001	3400	HPF1	FRE	Fire, Rescue & Emergency Svc	RONKONKOMA FIRE DEPARTMENT	$0	$5,000	$5,000	$0	$0
001	6410	GSQ1	ECD	Economic Development Admin	ROTARY CLUB OF SAYVILLE	$10,000	$0	$0	$0	$0
001	7320	AOV1	EXE	Youth Bureau/Office For Child	S SHORE BOYS CLUB INC SAYVILLE	$111,879	$114,117	$114,117	$114,117	$114,117
001	4100	DDB1	HSV	Hs: Patient Care Svcs Adm	S. FORK RURAL HEALTH	$33,305	$33,779	$33,779	$33,779	$33,779
001	7320	JFL1	EXE	Youth Bureau/Office For Child	S.C.C.C. FOUNDATION-SURVEY COMMUNITY YOUTH	$0	$10,000	$10,000	$0	$0
001	4330	ASR1	HSV	Hs Community Support Svc	S.U.N.Y. SAYVILLE	$287,366	$301,885	$301,885	$301,885	$301,885
001	7320	JCH1	EXE	Youth Bureau/Office For Child	SACHEM ATHLETIC CLUB	$5,000	$0	$0	$0	$0
001	7320	JDT1	EXE	Youth Bureau/Office For Child	SACHEM COMMUNITY YOUTH SERVICES	$5,000	$5,000	$5,000	$0	$0
001	7320	JCO1	EXE	Youth Bureau/Office For Child	SACHEM EDUCATIONAL FOUNDATN	$4,892	$0	$0	$0	$0
001	7320	GUJ1	EXE	Youth Bureau/Office For Child	SACHEM LITTLE LEAGUE	$5,000	$0	$0	$0	$0
001	7320	AOZ1	EXE	Youth Bureau/Office For Child	SACHEM TEEN CENTER INC	$107,065	$98,285	$98,285	$109,206	$109,206
001	7320	GQC1	EXE	Youth Bureau/Office For Child	SACHEM YOUTH ADVISORY GROUP	$10,000	$0	$0	$0	$0
001	7320	HXZ1	EXE	Youth Bureau/Office For Child	SAG HARBOR AFTER SCHOOL EDUCATION PROGRAM (SHAEP)	$4,450	$0	$0	$0	$0
001	6004	HWA1	DSS	Soc Svc: Commodities Dist	SAG HARBOR FOOD PANTRY	$5,000	$5,000	$5,000	$0	$5,000
001	7320	APC1	EXE	Youth Bureau/Office For Child	SAG HARBOR SCHOOL DISTRICT	$3,300	$0	$0	$0	$0
001	7320	GGZ1	EXE	Youth Bureau/Office For Child	SAG HARBOR SD YOUTH AT RISK	$18,530	$5,000	$5,000	$13,801	$13,801
001	7320	APF1	EXE	Youth Bureau/Office For Child	SAG HARBOR YOUTH CENTER INC	$45,566	$45,293	$45,293	$50,326	$50,326
001	6004	HPI1	DSS	Soc Svc: Commodities Dist	SAINT JOHN THE EVANGELIST ROMAN CATHOLIC CHURCH FOOD PANTRY	$0	$0	$0	$0	$5,000
001	7320	HXE1	EXE	Youth Bureau/Office For Child	SAJES TEEN ACTION PROJECT	$15,000	$15,000	$15,000	$0	$0
001	4010	HPK1	HSV	Hs: Public Health	SAVE-A-PET	$5,000	$5,000	$5,000	$0	$0
001	7320	JCJ1	EXE	Youth Bureau/Office For Child	SAYVILLE LACROSSE CLUB	$10,000	$0	$0	$0	$0
001	4330	APK2	HSV	Hs Community Support Svc	SAYVILLE PROJ PSYCHOSOC/DROP	$45,712	$45,512	$45,512	$45,512	$45,512
001	4330	APK1	HSV	Hs Community Support Svc	SAYVILLE PROJ SUPPRTV CASE MGT	$34,856	$331,324	$331,264	$331,264	$331,264
001	4330	HYP1	HSV	Hs Community Support Svc	SAYVILLE PROJECT ADULT HOME CASE MGT.	$51,004	$52,425	$52,416	$52,416	$52,416
001	6410	JBV1	ECD	Economic Development Admin	SAYVILLE VILLAGE IMPROVEMENT SOCIETY, INC.	$5,000	$0	$0	$0	$0
001	6015	GNL1	DSS	Dss: Public Assist Admin	SC COALITION AGAINST DOM VIOL	$39,208	$44,174	$44,174	$44,174	$44,174
001	6017	GNK1	DSS	Domestic Violence Programs	SC COALITION AGAINST DOM VIOL	$705,717	$727,697	$727,697	$632,890	$632,890
001	3252	HRO1	POL	Project Scope	SC COALITION AGAINST DOMESTIC VIOLENCE	$0	$0	$18,983	$0	$0
001	7320	DDI1	EXE	Youth Bureau/Office For Child	SC POLICE ATHELETIC LEAGUE	$31,903	$29,287	$29,287	$32,541	$32,541
001	4330	JGN1	HSV	Hs Community Support Svc	SCO FAMILY OF SERVICES - CLINIC PLUS	$0	$0	$0	$0	$151,300
001	6010	JDW1	DSS	Dss: Community Svcs Admin	SCO FAMILY OF SERVICES, INC	$516,992	$779,743	$779,743	$779,743	$779,743
001	6010	JEQ1	DSS	Dss: Community Svcs Admin	SCO FAMILY OF SERVICES, INC	$0	$92,819	$0	$0	$0
001	4100	APR1	HSV	Hs: Patient Care Svcs Adm	SE & SW BROOKHAVEN CLINICS	$15,063,073	$15,264,222	$15,174,569	$14,464,569	$14,464,569
001	7320	HXP1	EXE	Youth Bureau/Office For Child	SECCA	$8,000	$8,000	$8,000	$0	$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2008 Actual	2009 Adopted	2009 Estimated	2010 Requested	2010 Recommended
001	7110	HEM1	PKS	Parks, Rec & Conservation	SECOND CHANCE WILDLIFE RESCUE	$9,449	$0	$0	$0	$0
001	6410	HBF1	ECD	Economic Development Admin	SELDEN CIVIC ASSOCIATION	$0	$5,000	$5,000	$0	$0
001	7320	APT1	EXE	Youth Bureau/Office For Child	SELDEN-CENTEREACH YTH ASSN IN	$147,763	$145,646	$145,646	$150,718	$150,718
001	7320	GHR1	EXE	Youth Bureau/Office For Child	SELDN/CENTEREACH LITTLE LEAGUE	$20,000	$25,000	$25,000	$11,040	$11,040
360	6204	JEM1	DSS	MEDICAID COMPLIANCE	SERVISAIR, LLC	$0	$0	$628,026	$662,427	$628,026
001	7320	APY1	EXE	Youth Bureau/Office For Child	SHELTER ISLAND COMM YOUTH ASSN	$12,655	$11,617	$11,617	$12,908	$12,908
001	6773	HPQ1	EXE	Senior Support Programs	SHELTER ISLAND SENIOR CITIZENS	$4,991	$5,000	$5,000	$0	$0
001	6773	HZJ1	EXE	Senior Support Programs	SHELTER ISLAND SENIOR NUTRITION PROGRAM	$4,618	$5,000	$5,000	$0	$0
001	4618	GUN1	HSV	Emergency Medical Care	SHIRLEY COMMUNITY AMBULANCE	$0	$5,000	$5,000	$0	$0
001	7320	HPS1	EXE	Youth Bureau/Office For Child	SHOREHAM WADING RIVER LITTLE LEAGUE	$5,000	$5,000	$5,000	$0	$0
001	4330	AQA1	HSV	Hs Community Support Svc	SKILLS SPECIAL EMPLOYMENT	$18,131	$52,254	$61,004	$61,004	$61,004
001	4330	AQA2	HSV	Hs Community Support Svc	SKILLS UNLIMITED	$319,348	$300,539	$300,539	$300,539	$300,539
001	4320	AQA4	HSV	Hs: Mental Health Pgms	SKILLS UNLIMITED (98%)	$282,612	$303,710	$303,710	$303,710	$303,710
001	7325	AQC4	EXE	Spec Dlnqncy Prevention Pgm	SMITH HAVEN MINISTRIES MALL	$128,247	$129,333	$129,333	$129,333	$129,333
001	4010	HZK1	HSV	Hs: Public Health	SMITHOWN ANIMAL SHELTER-VET VISITS	($1,000)	$0	$0	$0	$0
001	7320	JFM1	EXE	Youth Bureau/Office For Child	SMITHTOWN ALUMNI ASSN	$0	$5,000	$0	$0	$0
001	6410	GXG1	ECD	Economic Development Admin	SMITHTOWN CHMBR OF COMM	$14,898	$13,000	$13,000	$0	$0
001	3400	GXH1	FRE	Fire, Rescue & Emergency Svc	SMITHTOWN FIRE DEPARTMENT	$13,000	$13,000	$13,000	$0	$0
001	8050	GXI1	EXE	Handicapped Services	SMITHTOWN GUIDE DOG FOUNDATION	$15,300	$0	$0	$0	$0
001	7510	GFW1	PKS	Parks: Historic Services	SMITHTOWN HISTORICAL SOCIETY	$4,637	$10,000	$10,000	$0	$0
001	6410	HPU1	ECD	Economic Development Admin	SMITHTOWN LIBRARY FOUNDATION	$7,500	$0	$0	$0	$0
001	4100	JDI1	HSV	Hs: Patient Care Svcs Adm	SMITHTOWN PARKINSON'S THERAPY ASSOC.	($1,500)	$0	$0	$0	$0
001	7320	DDK1	EXE	Youth Bureau/Office For Child	SMITHTOWN VETERANS YOUTH	$31,195	$10,000	$15,000	$35,166	$35,166
001	7320	AQH1	EXE	Youth Bureau/Office For Child	SMITHTOWN YOUTH/KINGS PARK	$16,109	$14,788	$14,788	$16,431	$16,431
001	7320	AQI2	EXE	Youth Bureau/Office For Child	SNAP	$258,027	$262,603	$262,603	$262,603	$262,603
001	7320	HXG1	EXE	Youth Bureau/Office For Child	SNAP LONG ISLAND-AFTER SCHOOL PROGRAM FOR RIVERHEAD	$5,000	$5,000	$5,000	$0	$0
001	8050	JDY1	EXE	Handicapped Services	SOAR FOUNDATION, INC.	$5,000	$5,000	$5,000	$0	$0
001	7320	JCR1	EXE	Youth Bureau/Office For Child	SOUND BEACH SOCCER LEAGUE	$0	$5,000	$5,000	$0	$0
001	4100	HPY1	HSV	Hs: Patient Care Svcs Adm	SOUTH FORK BREAST HEALTH COALITION	($4,000)	$5,000	$5,000	$0	$0
001	7320	JCK1	EXE	Youth Bureau/Office For Child	SOUTH SHORE COMMUNITIES YOUTH SPORTS CENTER, INC.	$2,500	$0	$0	$0	$0
001	4010	AQS1	HSV	Hs: Public Health	SOUTH SHORE HOSPICE	($209)	$0	$0	$0	$0
001	7320	GXK1	EXE	Youth Bureau/Office For Child	SOUTH SHORE YOUTH	$10,000	$5,000	$5,000	$0	$0
001	7320	HGK1	EXE	Youth Bureau/Office For Child	SOUTHAMPTON YOUTH BUREAU	$0	$5,000	$5,000	$0	$0
001	4310	AQX2	HSV	Div Of Comm Mental Hygiene	SOUTHMPTN ALTERNATIVE/EAST END	$869,930	$878,548	$878,548	$878,548	$878,548
001	7320	ARH1	EXE	Youth Bureau/Office For Child	SOUTHOLD YOUTH BUREAU	$10,449	$10,585	$10,585	$10,585	$10,585
001	7320	HQB1	EXE	Youth Bureau/Office For Child	SPLASHES OF HOPE	$3,700	$5,000	$5,000	$0	$0
001	7320	ARN1	EXE	Youth Bureau/Office For Child	SPRINGS YOUTH ASSOCIATION	$9,632	$10,542	$10,542	$11,713	$11,713
001	4100	JBQ1	HSV	Hs: Patient Care Svcs Adm	ST CHARLES HOSPITAL INDEPENDENCE SQUARE PROJECT	$10,000	$0	$0	$0	$0
001	7320	HGM1	EXE	Youth Bureau/Office For Child	ST CYRIL & METHODIUS OUTREACH	$5,000	$10,000	$10,000	$5,000	$5,000
001	6410	GUP1	ECD	Economic Development Admin	ST JAMES CHAMBER OF COMMERCE	$10,000	$8,000	$8,000	$0	$0
001	7320	GHU1	EXE	Youth Bureau/Office For Child	ST JOHN BAPTIST PEER MINISTRY	$5,081	$4,968	$4,968	$5,520	$5,520
001	7320	GQG1	EXE	Youth Bureau/Office For Child	ST JOSEPHS RC CHURCH YOUTH	$5,405	$0	$0	$0	$0
001	7320	GHS1	EXE	Youth Bureau/Office For Child	ST MARGARET'S SCHOOL SCOTLAND	$10,824	$0	$0	$0	$0
001	7320	GQH1	EXE	Youth Bureau/Office For Child	ST PHILLIP & JAMES RC CHURCH Y	$0	$4,968	$4,968	$0	$0
001	7323	ARS1	EXE	Comprehensive Plning-Runaway	ST VINCENT DEPAUL (RYAN HOUSE)	$192,277	$193,707	$193,707	$0	$0
001	4100	HQE1	HSV	Hs: Patient Care Svcs Adm	ST. CHARLES FOUNDATION	($8,193)	$0	$0	$0	$0
001	6004	JBS1	DSS	Soc Svc: Commodities Dist	ST. ELIZABETH'S PARISH OUTREACH	$5,000	$5,000	$5,000	$0	$5,000
001	6004	HWB1	DSS	Soc Svc: Commodities Dist	ST. MARY'S FOOD PANTRY	$0	$0	$0	$0	$5,000
001	6004	HYW1	DSS	Soc Svc: Commodities Dist	ST. PATRICK HOSPITALITY CENTER	$5,000	$0	$0	$0	$5,000
001	6004	JBR1	DSS	Soc Svc: Commodities Dist	ST. PETER'S PARISH OUTREACH	$5,000	$5,000	$5,000	$0	$5,000
001	7320	HGO1	EXE	Youth Bureau/Office For Child	ST.HUGH'S OUTREACH	$3,875	$5,000	$5,000	$5,000	$5,000
001	6004	HHU1	DSS	Soc Svc: Commodities Dist	ST.JOSEPH'S PARISH O/R SHEPARD	$0	$0	$0	$0	$5,000
001	6004	HQG1	DSS	Soc Svc: Commodities Dist	ST.MARY'S OUTREACH (EAST ISLIP)	$5,000	$5,000	$5,000	$0	$5,000
001	6410	HBP1	ECD	Economic Development Admin	STALLER FILM FESTIVAL	$25,200	$22,200	$22,200	$0	$0

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192	6414	HBP1	ECD	Cultural Affairs	STALLER FILM FESTIVAL	$0	$0	$0	$0	$10,200
001	4320	ARV1	HSV	Hs: Mental Health Pgms	SUFF COMM CNCL-CLRNG HOUSE PG	$71,496	$72,593	$72,593	$72,593	$72,593
001	4100	HEE1	HSV	Hs: Patient Care Svcs Adm	SUFF.CTY.PERINATAL COALITION	$0	$5,173	$5,173	$5,173	$5,173
001	7320	GFD1	EXE	Youth Bureau/Office For Child	SUFFOLK ASSN FOR JEWISH ED SVC	$36,734	$0	$0	$0	$0
001	7320	ARY1	EXE	Youth Bureau/Office For Child	SUFFOLK CNTY SPECIAL OLYMPICS	$69,568	$70,690	$70,690	$70,690	$70,690
001	8050	HSS1	EXE	Handicapped Services	SUFFOLK COMMUNITY COUNCIL HANDICAPPED PROGRAMS	$20,400	$20,808	$20,808	$20,808	$20,808
001	4330	GZD1	HSV	Hs Community Support Svc	SUFFOLK COMMUNITY COUNCIL-SPA	$14,524	$16,071	$16,071	$16,071	$16,071
001	7320	ASA1	EXE	Youth Bureau/Office For Child	SUFFOLK COUNTY BOY SCOUTS	$25,921	$17,039	$17,039	$17,039	$17,039
001	3252	JDL1	POL	Project Scope	SUFFOLK COUNTY COALITION AGAINST DOMESTIC VIOLENCE	$274,098	$0	$480,338	$0	$0
001	3178	GDE1	PRO	Stop Violence Against Women	SUFFOLK COUNTY COALITION AGAINST DOMESTIC VIOLENCE	$35,504	$40,044	$40,044	$40,044	$40,044
001	7320	ASC1	EXE	Youth Bureau/Office For Child	SUFFOLK COUNTY GIRL SCOUTS IN	$43,820	$30,615	$30,615	$30,615	$30,615
192	7516	JGH1	MSC	Museums & Historic Associations	SUFFOLK COUNTY HISTORICAL SOCIETY	$0	$0	$0	$240,000	$240,000
001	4010	GSP1	HSV	Hs: Public Health	SUFFOLK COUNTY SPCA	$0	$12,500	$12,500	$0	$0
001	6017	GHC1	DSS	Domestic Violence Programs	SUFFOLK CTY COALITION (VAP)	$72,919	$73,838	$73,838	$73,838	$73,838
001	7320	GQD1	EXE	Youth Bureau/Office For Child	SUFFOLK JEWISH COMM CENTER	$510,000	$508,180	$500,180	$520,200	$520,200
001	6410	JFB1	ECD	Economic Development Admin	THE GREATER MIDDLE COUNTRY CHAMBER OF COMMERCE	$0	$5,000	$5,000	$0	$0
001	6004	HTC1	DSS	Soc Svc: Commodities Dist	THE GREATER SAYVILLE FOOD PANTRY	$0	$5,000	$5,000	$0	$5,000
001	7323	ASU1	EXE	Comprehensive Plning-Runaway	THE MINISTRIES INC (RESIDENCE)	$423,628	$433,335	$433,335	$433,335	$433,335
001	6410	HUR1	ECD	Economic Development Admin	THE PERLMAN MUSIC PROGRAM	$15,300	$0	$0	$0	$0
192	6414	HUR1	ECD	Cultural Affairs	THE PERLMAN MUSIC PROGRAM	$0	$0	$0	$0	$5,000
001	3178	GDF1	PRO	Stop Violence Against Women	THE RETREAT	$41,717	$42,564	$42,564	$42,564	$42,564
001	6015	GEJ1	DSS	Dss: Public Assist Admin	THE RETREAT INC	$22,088	$22,088	$22,088	$22,088	$22,088
001	6017	ASX1	DSS	Domestic Violence Programs	THE RETREAT, INC.	$210,955	$202,368	$202,368	$197,368	$197,368
001	7320	GDT1	EXE	Youth Bureau/Office For Child	THE SUNSHINE CENTER INC	$46,539	$48,270	$48,270	$37,270	$37,270
001	4100	HEG1	HSV	Hs: Patient Care Svcs Adm	THE WITNESS PROJECT	$0	$10,000	$10,000	$0	$0
001	4310	GGX1	HSV	Div Of Comm Mental Hygiene	THREE VILLAGE CENT SCHOOL DIST	$52,461	$0	$0	$0	$0
001	7320	ASY1	EXE	Youth Bureau/Office For Child	THREE VILLAGE COMMUNITY SVCS	$177,843	$168,260	$168,260	$181,400	$181,400
001	7320	GMM1	EXE	Youth Bureau/Office For Child	THREE VILLAGE YOUTH	$12,990	$0	$0	$0	$0
001	4100	HQL1	HSV	Hs: Patient Care Svcs Adm	THURSDAY'S CHILD	$85,000	$106,700	$106,700	$31,700	$31,700
001	7320	HZT1	EXE	Youth Bureau/Office For Child	TIME FOR TEENS, INC.	$5,000	$5,000	$5,000	$0	$0
001	6010	JEO1	DSS	Dss: Community Svcs Admin	TIMOTHY HILL RANCH	$0	$92,818	$92,818	$0	$161,082
001	6773	GJC1	EXE	Senior Support Programs	TOURO ELDERCARE	$15,000	$0	$0	$0	$0
001	6772	GEL1	EXE	Older Americans Act Programs	TOWN OF BABYLON	$24,611	$25,431	$25,431	$25,431	$25,431
001	7323	ASZ1	EXE	Comprehensive Plning-Runaway	TOWN OF BABYLON	$19,874	$20,271	$20,271	$20,271	$20,271
001	4317	JAE1	HSV	Alternatives For Youth	TOWN OF BABYLON	$6,675	$32,773	$16,375	$16,375	$16,375
001	7110	JCE1	PKS	Parks, Rec & Conservation	TOWN OF BABYLON (SANCHEZ PARK)	$25,000	$0	$0	$0	$0
001	7110	JFU1	PKS	Parks, Rec & Conservation	TOWN OF BABYLON (VAN BOURGANDIEN PARK)	$0	$20,000	$20,000	$0	$0
001	7110	JFV1	PKS	Parks, Rec & Conservation	TOWN OF BABYLON (VENETIAN SHORES PARK)	$0	$10,000	$10,000	$0	$0
001	4310	ATC1	HSV	Div Of Comm Mental Hygiene	TOWN OF BABYLON NARC GUID CNC	$212,533	$433,476	$433,476	$433,476	$433,476
001	7110	JFW1	PKS	Parks, Rec & Conservation	TOWN OF BABYLON PHELPS LANE PARK IMPROVEMENTS	$0	$10,000	$10,000	$0	$0
001	8051	HCR1	EXE	Sc Office For Women	TOWN OF BABYLON UJIMA PROGRAM	$5,000	$10,000	$10,000	$0	$0
001	7320	GLA1	EXE	Youth Bureau/Office For Child	TOWN OF BABYLON YOUTH BUREAU	$63,628	$91,946	$91,946	$93,785	$93,785
001	7320	HTR1	EXE	Youth Bureau/Office For Child	TOWN OF BABYLON YOUTH COURT	$9,992	$15,000	$15,000	$0	$0
001	3408	HUL1	FRE	Pre Disaster Mitigation Grant	TOWN OF BABYLON-PRE DISASTER MITIGATION GRANT	$11,230	$0	$5,054	$0	$0
001	6410	JEE1	ECD	Economic Development Admin	TOWN OF BROOKHAVEN	$20,000	$0	$0	$0	$0
001	6772	GEM1	EXE	Older Americans Act Programs	TOWN OF BROOKHAVEN	$25,380	$25,380	$25,380	$25,380	$25,380
001	7320	ATJ1	EXE	Youth Bureau/Office For Child	TOWN OF BROOKHAVEN	$24,897	$24,897	$24,897	$25,395	$25,395
001	3408	JEG1	FRE	Pre Disaster Mitigation Grant	TOWN OF BROOKHAVEN	$0	$0	$15,000	$0	$0
001	6410	JEF1	ECD	Economic Development Admin	TOWN OF BROOKHAVEN -STREET LIGHTING	$16,889	$0	$0	$0	$0
001	6772	GEV1	EXE	Older Americans Act Programs	TOWN OF EAST HAMPTON	$27,061	$27,061	$27,061	$27,061	$27,061
001	3408	JEH1	FRE	Pre Disaster Mitigation Grant	TOWN OF EAST HAMPTON	$0	$0	$38,808	$0	$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2008 Actual	2009 Adopted	2009 Estimated	2010 Requested	2010 Recommended
115	3135	ATZ1	POL	Town & Village Revenue Sharing	TOWN OF EAST HAMPTON	$586,217	$638,667	$638,667	$638,667	$691,117
001	3198	AUA1	PRO	STOP-DWI	TOWN OF EAST HAMPTON	$23,035	$24,220	$24,220	$24,220	$24,220
176	1423	GDI1	EVE	Section 12-5 (E)	TOWN OF HUNTINGTON	$0	$0	$2,470,000	$0	$0
001	6772	GEN1	EXE	Older Americans Act Programs	TOWN OF HUNTINGTON	$25,380	$25,431	$25,431	$25,431	$25,431
001	7323	AUC1	EXE	Comprehensive Plning-Runaway	TOWN OF HUNTINGTON	$7,730	$7,885	$7,885	$7,885	$7,885
001	4317	JAF1	HSV	Alternatives For Youth	TOWN OF HUNTINGTON	$5,325	$32,773	$16,375	$16,375	$16,375
404	8131	DDM1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	TOWN OF HUNTINGTON	$144,701	$144,701	$144,701	$144,701	$144,701
001	7320	AUD1	EXE	Youth Bureau/Office For Child	TOWN OF HUNTINGTON YOUTH BOARD	$130,580	$130,580	$130,580	$133,192	$133,192
001	4310	AUG1	HSV	Div Of Comm Mental Hygiene	TOWN OF HUNTINGTON/STARSHINE	$507,752	$663,169	$663,169	$663,169	$663,169
001	3408	HUG1	FRE	Pre Disaster Mitigation Grant	TOWN OF HUNTINGTON-PRE DISASTER MITIGATION GRANT	$2,727	$0	$2,980	$0	$0
001	6772	GEP1	EXE	Older Americans Act Programs	TOWN OF ISLIP	$25,380	$25,431	$25,431	$25,431	$25,431
001	7320	AUJ1	EXE	Youth Bureau/Office For Child	TOWN OF ISLIP	$82,296	$82,296	$82,296	$83,942	$83,942
001	7323	AUI1	EXE	Comprehensive Plning-Runaway	TOWN OF ISLIP	$17,979	$18,339	$18,339	$18,339	$18,339
001	7325	AUK1	EXE	Spec Dlnqncy Prevention Pgm	TOWN OF ISLIP	$63,014	$68,588	$68,588	$68,588	$68,588
001	4317	JAG1	HSV	Alternatives For Youth	TOWN OF ISLIP	$2,775	$32,773	$16,375	$16,375	$16,375
001	4100	HQO1	HSV	Hs: Patient Care Svcs Adm	TOWN OF ISLIP BREAST CANCER COALITION	$0	$5,000	$5,000	$0	$0
001	4310	AUT1	HSV	Div Of Comm Mental Hygiene	TOWN OF ISLIP/ACCESS	$334,656	$410,931	$410,931	$410,931	$410,931
001	6772	GEQ1	EXE	Older Americans Act Programs	TOWN OF RIVERHEAD	$27,579	$27,701	$27,701	$27,701	$27,701
115	3135	AUW1	POL	Town & Village Revenue Sharing	TOWN OF RIVERHEAD	$999,755	$1,089,205	$1,089,205	$1,089,205	$1,178,655
001	3198	AUV1	PRO	STOP-DWI	TOWN OF RIVERHEAD	$25,000	$25,000	$25,000	$25,000	$25,000
404	8131	DDN1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	TOWN OF RIVERHEAD	$146,688	$146,688	$146,688	$146,688	$146,688
001	3408	HUH1	FRE	Pre Disaster Mitigation Grant	TOWN OF RIVERHEAD-PRE DISASTER MITIGATION GRANT	$0	$0	$54,881	$0	$0
115	3135	AUY1	POL	Town & Village Revenue Sharing	TOWN OF SHELTER ISLAND	$95,561	$104,111	$104,111	$104,111	$112,661
001	3198	AUX1	PRO	STOP-DWI	TOWN OF SHELTER ISLAND	$2,350	$2,375	$2,375	$2,375	$2,375
001	3408	HUI1	FRE	Pre Disaster Mitigation Grant	TOWN OF SHELTER ISLAND-PRE DISASTER MITIGATION GRANT	$0	$0	$12,496	$0	$0
001	7320	AVB1	EXE	Youth Bureau/Office For Child	TOWN OF SMITHTOWN	$23,025	$23,025	$23,025	$23,486	$23,486
001	4317	JAH1	HSV	Alternatives For Youth	TOWN OF SMITHTOWN	$825	$32,773	$16,375	$16,375	$16,375
001	4310	AVH1	HSV	Div Of Comm Mental Hygiene	TOWN OF SMITHTOWN/HORIZONS	$730,187	$741,723	$741,723	$741,723	$741,723
001	3408	HUJ1	FRE	Pre Disaster Mitigation Grant	TOWN OF SMITHTOWN-PRE DISASTER MITIGATION GRANT	$1,372	$0	$15,144	$0	$0
115	3135	AVJ1	POL	Town & Village Revenue Sharing	TOWN OF SOUTHAMPTON	$1,648,561	$1,796,061	$1,796,061	$1,796,061	$1,943,561
001	3198	AVK1	PRO	STOP-DWI	TOWN OF SOUTHAMPTON	$34,280	$34,500	$34,500	$34,500	$34,500
115	3135	AVL1	POL	Town & Village Revenue Sharing	TOWN OF SOUTHOLD	$751,073	$818,273	$818,273	$818,273	$885,473
001	3198	AVM1	PRO	STOP-DWI	TOWN OF SOUTHOLD	$37,230	$19,000	$19,000	$19,000	$19,000
001	3408	HUK1	FRE	Pre Disaster Mitigation Grant	TOWN OF SOUTHOLD-PRE DISASTER MITIGATION GRANT	$0	$0	$12,166	$0	$0
001	4320	AVO1	HSV	Hs: Mental Health Pgms	TRANSITNL SVC:SPEC EMPLOYMENT	$60,000	$70,000	$70,000	$0	$0
001	7320	HKA1	EXE	Youth Bureau/Office For Child	TRI-COM YTH AGY HUNTINGTON SD	$14,898	$15,000	$20,000	$0	$0
001	7320	GMH1	EXE	Youth Bureau/Office For Child	TRINITY EVANGELICAL LUTHERAN	$18,475	$20,271	$20,271	$22,523	$22,523
001	6004	HQQ1	DSS	Soc Svc: Commodities Dist	TRINITY LUTHERAN FOOD PANTRY	$5,000	$5,000	$5,000	$0	$5,000
001	4320	AVV1	HSV	Hs: Mental Health Pgms	UNITED CEREBRAL PALSY (95%)	$616,147	$622,971	$622,971	$599,680	$599,680
001	7320	AVY1	EXE	Youth Bureau/Office For Child	UNITED NO AMITY YOUTH	$124,788	$122,191	$122,191	$82,859	$82,859
001	6008	HHI1	DSS	Ss: Housing Services	UNITED VETERANS BEACON HOUSE	$59,322	$141,832	$141,832	$141,832	$141,832
001	4618	AVW1	HSV	Emergency Medical Care	UNIVERSITY HOSPITAL	$439,195	$447,979	$447,979	$447,979	$447,979
001	6410	HBU1	ECD	Economic Development Admin	VENNTTES CULTURAL WORKSHOP	$0	$5,000	$0	$0	$0
001	7320	HBU1	EXE	Youth Bureau/Office For Child	VENNTTES CULTURAL WORKSHOP	$0	$0	$5,000	$0	$0
001	6510	JFC1	EXE	Veterans Service	VETERANS OF FOREIGN WARS FARMINGVILLE MEMORIAL POST 400	$0	$10,000	$0	$0	$0
001	6510	JDR1	EXE	Veterans Service	VETERANS OF FOREIGN WARS SUFFOLK COUNTY COUNCIL	$2,729	$25,000	$25,000	$0	$0
001	6510	JDF1	EXE	Veterans Service	VFW TORDIK-DIEDERICH-DUFFIELD POST #4927	$0	$0	$5,000	$0	$0
001	3178	GDD1	PRO	Stop Violence Against Women	VIBS	$124,272	$131,735	$131,735	$126,735	$126,735
001	6035	GSG1	DSS	Tanf Non Res Dom Violence	VICTIMS INFO BUREAU OF SUF CTY	$43,687	$47,602	$51,516	$47,602	$47,602
001	6015	GEK1	DSS	Dss: Public Assist Admin	VICTIMS INFO BUREAU OF SUFFOLK	$22,087	$22,088	$22,088	$22,088	$22,088

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2008 Actual	2009 Adopted	2009 Estimated	2010 Requested	2010 Recommended
001	4100	AWB1	HSV	Hs: Patient Care Svcs Adm	VICTIMS INFORMATION BUREAU	$48,068	$51,353	$51,353	$51,353	$51,353
001	6017	AWF1	DSS	Domestic Violence Programs	VICTIMS INFORMATION BUREAU	$634,478	$645,551	$645,551	$526,358	$526,358
115	3135	AWH1	POL	Town & Village Revenue Sharing	VILLAGE OF AMIITYVILLE	$392,302	$427,402	$427,402	$427,402	$462,502
001	3198	AWI1	PRO	STOP-DWI	VILLAGE OF AMIITYVILLE	$22,000	$22,000	$22,000	$22,000	$22,000
115	3135	AWK1	POL	Town & Village Revenue Sharing	VILLAGE OF ASHAROKEN	$34,089	$37,139	$37,139	$37,139	$40,189
001	3198	AWJ1	PRO	STOP-DWI	VILLAGE OF ASHAROKEN	$2,350	$0	$0	$0	$0
001	3408	HUM1	FRE	Pre Disaster Mitigation Grant	VILLAGE OF ASHAROKEN-PRE DISASTER MITIGATION GRANT	$0	$0	$750	$0	$0
001	7110	JFX1	PKS	Parks, Rec & Conservation	VILLAGE OF BABYLON	$0	$20,000	$20,000	$0	$0
001	3408	HUN1	FRE	Pre Disaster Mitigation Grant	VILLAGE OF BELLPORT-PRE DISASTER MITIGATION GRANT	$957	$0	$3,750	$0	$0
115	3135	AWL1	POL	Town & Village Revenue Sharing	VILLAGE OF EAST HAMPTON	$59,236	$64,536	$64,536	$64,536	$69,836
001	3198	AWM1	PRO	STOP-DWI	VILLAGE OF EAST HAMPTON	$4,342	$11,000	$11,000	$11,000	$11,000
404	8131	AWS1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF GREENPORT	$26,984	$26,984	$26,984	$26,984	$26,984
115	3135	AWV1	POL	Town & Village Revenue Sharing	VILLAGE OF HEAD OF HARBOR	$57,001	$62,101	$62,101	$62,101	$67,201
001	3198	AWX1	PRO	STOP-DWI	VILLAGE OF HEAD OF HARBOR	$2,350	$0	$0	$0	$0
115	3135	AWY1	POL	Town & Village Revenue Sharing	VILLAGE OF HUNTINGTON BAY	$64,266	$70,016	$70,016	$70,016	$75,766
001	3408	HUO1	FRE	Pre Disaster Mitigation Grant	VILLAGE OF HUNTINGTON BAY-PRE DISASTER MITIGATION GRANT	$14,196	$0	$18,574	$0	$0
001	7110	JCF1	PKS	Parks, Rec & Conservation	VILLAGE OF LINDENHURST (PARKS)	$15,000	$20,000	$20,000	$0	$0
115	3135	AXB1	POL	Town & Village Revenue Sharing	VILLAGE OF LLOYD HARBOR	$141,385	$154,035	$154,035	$154,035	$166,685
115	3135	AXD1	POL	Town & Village Revenue Sharing	VILLAGE OF NISSEQUOQUE	$68,737	$74,887	$74,887	$74,887	$81,037
001	3198	AXC1	PRO	STOP-DWI	VILLAGE OF NISSEQUOQUE	$1,520	$0	$0	$0	$0
115	3135	AXG1	POL	Town & Village Revenue Sharing	VILLAGE OF NORTHPORT	$320,212	$348,862	$348,862	$348,862	$377,512
001	3198	AXH1	PRO	STOP-DWI	VILLAGE OF NORTHPORT	$12,500	$12,500	$12,500	$12,500	$12,500
404	8131	AXF1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF NORTHPORT	$126,851	$126,851	$126,851	$126,851	$126,851
001	3408	HUQ1	FRE	Pre Disaster Mitigation Grant	VILLAGE OF NORTHPORT-PRE DISASTER MITIGATION GRANT	$809	$0	$16,519	$0	$0
115	3135	AXI1	POL	Town & Village Revenue Sharing	VILLAGE OF OCEAN BEACH	$5,588	$6,088	$6,088	$6,088	$6,588
404	8131	AXJ1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF OCEAN BEACH	$28,017	$28,017	$28,017	$28,017	$28,017
404	8131	AXK1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF PATCHOGUE	$18,099	$18,099	$18,099	$18,099	$18,099
115	3135	AXM1	POL	Town & Village Revenue Sharing	VILLAGE OF QUOGUE	$38,001	$41,401	$41,401	$41,401	$44,801
001	3198	AXN1	PRO	STOP-DWI	VILLAGE OF QUOGUE	$10,000	$10,000	$10,000	$10,000	$10,000
115	3135	AXO1	POL	Town & Village Revenue Sharing	VILLAGE OF SAG HARBOR	$89,972	$98,022	$98,022	$98,022	$106,072
001	3198	AXL1	PRO	STOP-DWI	VILLAGE OF SAG HARBOR	$14,500	$14,500	$14,500	$14,500	$14,500
404	8131	AXP1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF SAG HARBOR	$19,938	$19,938	$19,938	$19,938	$19,938
115	3135	AXR1	POL	Town & Village Revenue Sharing	VILLAGE OF SALTAIRE	$1,677	$1,827	$1,827	$1,827	$1,977
115	3135	AXQ1	POL	Town & Village Revenue Sharing	VILLAGE OF SOUTHAMPTON	$168,209	$183,259	$183,259	$183,259	$198,309
001	3198	AXS1	PRO	STOP-DWI	VILLAGE OF SOUTHAMPTON	$8,047	$14,000	$14,000	$14,000	$14,000
115	3135	AXU1	POL	Town & Village Revenue Sharing	VILLAGE OF WESTHAMPTON BEACH	$66,501	$72,451	$72,451	$72,451	$78,401
001	3198	AXT1	PRO	STOP-DWI	VILLAGE OF WESTHAMPTON BEACH	$4,070	$7,500	$7,500	$7,500	$7,500
001	6010	GGY1	DSS	Dss: Community Svcs Admin	VINES	$186,152	$201,544	$151,158	$0	$0
192	7516	JGI1	MSC	Museums & Historic Associations	WALT WHITMAN BIRTHPLACE	$0	$0	$0	$120,632	$120,632
001	7510	JCV1	PKS	Parks: Historic Services	WARD MELVILLE HERITAGE ORGANIZATION ARCHIVE PROJECT	$5,000	$0	$0	$0	$0
001	4100	HRB1	HSV	Hs: Patient Care Svcs Adm	WEST ISLIP BREAST CANCER COALITION	($2,500)	$0	$0	$0	$0
001	6410	HRD1	ECD	Economic Development Admin	WEST ISLIP COMMUNITY ORCHESTRA	$5,000	$0	$0	$0	$0
001	7320	AYF1	EXE	Youth Bureau/Office For Child	WEST ISLIP YES	$102,653	$94,235	$94,235	$104,706	$104,706
001	6410	GTG1	ECD	Economic Development Admin	WESTHAMPTON BCH PERFORM ARTS	$20,000	$17,500	$17,500	$0	$0
001	6004	HRI1	DSS	Soc Svc: Commodities Dist	WESTMINSTER PRESBYTERIAN CHURCH OUTREACH PROGRAM	$0	$0	$0	$0	$5,000
001	7110	HEN1	PKS	Parks, Rec & Conservation	WILDLIFE REHAB.CTR.OF THE HAMP	$5,000	$5,000	$5,000	$0	$0
001	7320	GXX1	EXE	Youth Bureau/Office For Child	WILLIAM FLOYD COMMUNITY SUMMIT	$3,617	$0	$0	$0	$0
001	4310	HKC1	HSV	Div Of Comm Mental Hygiene	WSNCHS EAST, INC	$121,536	$181,831	$436,815	$436,815	$436,815
001	4100	AYM1	HSV	Hs: Patient Care Svcs Adm	WYANDANCH CLINIC	$5,808,050	$5,901,790	$5,883,924	$5,914,316	$5,914,316
001	6410	HRM1	ECD	Economic Development Admin	WYANDANCH COMMUNITY DEVELOPMENT CORP.	$0	$5,000	$5,000	$0	$0
001	7325	AYP1	EXE	Spec Dlnqncy Prevention Pgm	WYANDANCH YOUTH SERVICES, INC	$156,100	$141,742	$141,742	$157,491	$157,491

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001	7320	HXM1	EXE	Youth Bureau/Office For Child	YAPHANK PRESBYTERIAN CHURCH YOUTH PROGRAM	$5,000	$5,000	$5,000	$0	$0
001	7320	HGT1	EXE	Youth Bureau/Office For Child	YES INC	$20,000	$8,000	$8,000	$0	$0
001	4310	AYU1	HSV	Div Of Comm Mental Hygiene	YMCA OF L I INC	$949,911	$1,183,457	$1,183,457	$1,183,457	$1,183,457
001	7320	GTH1	EXE	Youth Bureau/Office For Child	YOUTH EXPERIENCE ART (YEA) PRO	$98,501	$50,235	$50,235	$100,471	$100,471
001	7320	AZB1	EXE	Youth Bureau/Office For Child	YTH DEVLPMT ASSN OF COMMACK IN	$25,531	$0	$8,000	$0	$0