Suffolk County Legislature

Budget Review Office

Review of the 2013 Recommended Operating Budget

October 19, 2012

SUFFOLK COUNTY LEGISLATURE

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SUFFOLK COUNTY LEGISLATURE

Gail Vizzini
Director

BUDGET REVIEW OFFICE

October 19, 2012

To: William J. Lindsay, Presiding Officer
and All Suffolk County Legislators

From: Gail Vizzini, Director *Gail Vizzini*
Budget Review Office

Subject: **Review of the 2013 Recommended Operating Budget**

Accompanying this memo is the Budget Review Office evaluation of the County Executive's 2013 Recommended Operating Budget. This year, the major issue is the budget plan to address the 2011-2013 shortfall, is it sufficient and what is around the corner for 2014. A negotiated PBA agreement provides budgetary relief from retroactive payments in 2011 and 2012 but projected costs for existing officers from 2014 through 2018 are substantial. The budget recommends the County borrow $37 million for a contractual settlement award to the Correction Officers. This also provides some short-term relief, but is a further indication that we do not have sufficient recurring revenue to pay our operating expenses.

A modest 2.65% increase in property taxes in the Police District allows the amount of sales tax subsidy to the Police District fund to drop by $13 million from $82 million in 2012 to $69 million in 2013. The recommended budget amortizes $60.7 million in order to address the increase in the employer contribution to the state retirement. One-time revenue includes the sale of land in Yaphank and the privatization of the Skilled Nursing Facility. The transfer from the Assessment Stabilization Reserve in the amount of $8.4 million is made to the Retirement Reserve in 2013 to provide relief to the General Fund pursuant to Resolution No. 625-2011. This is the last year such transfers from the sewer reserve are authorized to the General Fund. The largest balancing act is a proposal for the sale leaseback of County buildings anticipated to generate $70 million in revenue.

The Legislature has many issues to consider before adopting this budget. 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.

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Introduction

"Plans are nothing; planning is everything."

Dwight D. Eisenhower

34th President of the United States

The 2013 recommended operating budget addresses the 2011-2013 short fall in a number of ways. There is a semblance of a plan, but this plan has several moving parts. If the plan doesn't come together there will have to be mid-year corrections. What lies around the corner going into 2014? The 2013 budget sets the course, but we haven't reached our destination yet. There is more to do to achieve budget fiscal stability.

The 2013 recommended budget includes a plan composed of 1) Salary and Benefit Modifications, 2) Borrowing, 3) Sale of Assets, 4) Securitization of Assets, 5) Recurring Revenue and 6) Organizational Changes.

Salary and Benefit Modifications

The recently adopted memorandum of Agreement between the County and the Police Benevolent Association (PBA) provides some budgetary relief in that the negotiated agreement resulted in zero salary increases for 2011 and 2012. No retroactive salary payments need be included in the 2013 budget. Savings will also be achieved based on the salary schedule for new recruits, which will lengthen the time for a Police Officer to reach top step from six to twelve years. The agreement will have increased costs in 2014 and after, which will be addressed in future budgets.

Resolution No. 879-2012 approved the MOA to extend and modify health insurance benefit terms and conditions included for Suffolk County Employees Medical Health Plan (SCEMHP). The benefits portion of the operating budget reflects a reduction in expenditures nearly commensurate with the target annual savings of $17 million. This agreement also provides that all new employees will contribute toward the cost of health insurance, which will provide a future revenue stream based upon the number of new hires.

Borrowing

For the first time, the County will borrow for the arbitrator's award to the Correction Officers covering 2008-2010 salaries. This $37 million cost will be paid through debt service over a period of 5 years. The recommended budget continues the policy of amortizing for the maximum allowed by New York State for the employer contribution to the NYS retirement system. For 2013 the total retirement bill is estimated as $217.6 million. The amount that can be amortized is $66.8 million, less $6 million paid by the Community College, leaving a payment of $145 million required in the operating budget. Amortization for the retirement is over a ten year period and the interest is adding to the cost of future retirement bills.

The policy to bond for replacement public safety vehicles is continued and there is no provision to purchase vehicles on a pay as you go basis. Funding of $2.5 million is included in the adopted 2013 capital budget for public safety vehicles.

Sale of Assets

Revenue of $19.2 million from the sale of property in Yaphank is included in the 2012 estimates and $23 million from the privatization of the Skilled Nursing Facility is included in 2013. If either of these transactions did not occur there would have been a shortfall.

Also under consideration for the future is the potential sale, securitization or other operational change in the sewer system. The 2012 estimates include funding in the County Executive's Office for a professional services contract related to fully exploring the options.

Securitization of Assets

The 2013 recommended budget is "balanced" on the proceeds of $70 million from the sale leaseback of County facilities. Such a transaction will require New York State approval and the proceeds will depend upon market conditions. If the transaction does not move forward, the County needs a plan B, or 2013 could end with a significant shortfall.

Recurring Revenue

The 2013 recommended budget proposes a property tax increase of 2.63% in the Police District which will generate $12.4 million in new revenue. This is actually $1.4 million less than the amount allowable pursuant to the New York State 2% property tax cap. Average homeowner tax bills in the Police District are estimated to increase by $27 or 2.8% to $1,001. The property tax revenue allows for a reduction in the sales tax transfer to the Police District by $13 million compared to 2012.

New York State approval was granted and the recommended budget establishes the Suffolk County Traffic Violations Bureau. In addition to enhanced Red Light Camera revenue from 50 additional locations and relocating 35 existing cameras, and traffic violations fees, there is new revenue from administrative fees for Red Light Cameras and Traffic Violations. Recommended revenue less expenses will allow for a transfer of $16.5 million to the General Fund.

Health Department fees are recommended to increase in certain categories, which are anticipated to generate an additional $1 million in the aggregate.

Organizational Changes

The recommended budget consolidates Consumer Affairs with the Department of Labor. Consumer Affairs staff will relocate to the Labor Department building and there will be efficiencies in terms of administrative functions such as payroll, personnel and clerical support. Risk Management and Workers Compensation are transferred from Civil Service Human Resources to the Law Department.

The Performance Management Unit has been charged with garnering savings related to Workers Compensation among many other aspects of County operations. Some progress has already been in such Departments as Probation and DOIT, but more is expected moving forward.

Forty-six information technology positions from various departments are recommended to be transferred organizationally under the Department of Information Technology (DOIT). Although they may not move physically, a more centralized approach is recommended whereby DOIT will establish priorities. Reimbursed departments such as Probation and Health will find this a challenge in terms of documenting work for reimbursement. This organizational change should be closely monitored so that the County does not lose aid.

Many departments are undergoing transition by adjusting to draconian cuts and layoffs in the 2012 budget. Health Services was hardest hit in 2012 in terms of losing positions. The impact of layoffs is so dramatic in the two County staffed Health Centers that they are now being considered for a transition to Hudson River as Federally Qualified Health Centers (FQHC). Although funded for the 2013 fiscal year, it is not yet determined if the FQHC will be staffed with County employees or some other arrangement. Public Works was also dramatically impacted and this will be a transition year for them in adjusting priorities.

Challenges Beyond 2013

Looking forward to 2014, under certain assumptions, the County could already be looking at a potential shortfall of $154 million. Contributing factors will be the loss of $32.5 million in tobacco revenue, the potential for retroactive payments for public safety unions other than Police and Correction Officers, debt service payments of $7.7 million for the Correction Officers award, and a projected increase in the 2014 retirement bill of $18.7 million.

The economic recovery is slow. Although there is growth in sales tax, it is modest. The Budget Review Office forecasts sales tax growth of 3.4% in 2012 and 3.5% in 2013, which is less optimistic than the recommended budget. It is important to keep in mind that even in a strong economy, in which sales tax grows by an additional three percent, the $35 million that this would generate is not sufficient to solve the County's structural budget deficit.

What other components should there be in the County's fiscal plan? In the opinion of the Budget Review Office, as much as the County endeavors to control expenditures, we have a need for recurring revenue to balance the cost of doing business. BRO would rather recurring revenue be derived from an increase in the rate of sales tax. A ¼ cent increase would generate $70 million and place us at a par with New York City's sales tax rate. Adherence to the New York State 2% property tax cap will not generate sufficient recurring revenue to keep pace with the increase in costs for employee salaries and benefits. The increase in pension payments alone cries out for mandate relief.

The structural imbalance in our operating budget and depleted operating reserves continues to be a problem in terms of our credit worthiness and cash flow. For two years we have had to resort to a Revenue Anticipation Note added to our normal borrowings to address cash flow. Another RAN is scheduled for 2013.

It is essential that the Executive and Legislature continue to communicate and work cooperatively if the County is to restore the structural integrity of the budget including the necessary recurring revenue. Further expenditure reductions and efficiencies should also be considered after a careful review of the impact if certain services will no longer be provided. Assets should be reviewed to determine if they have market value and if it is in our interest to divest ourselves of some. An upturn in the economy, when it occurs, will not be enough to turn things around. We should always be ……planning.

Summary of Findings & Recommendations

Budget Shortfalls

- The 2013 recommended budget includes $210.4 million in non-recurring revenue and expenditure savings, all in the General Fund, including $70 million from the proposed sale-lease back of County owned facilities and $37 million to finance retroactive pay for the recently settled Correction Officers agreement.
- The County's fiscal difficulties are the result of several years of neglect, putting off addressing a structural imbalance that was exacerbated by the Great Recession. The recommended budget has arguably made the best of a bad situation. Our fiscal problems are so large that it would be unfair to think that the recommended budget could solve them all in one year.
- Looking ahead to 2014, a list of the major fiscal problems facing the County results in a shortfall that is estimated at $154 million.
- Three potential solutions to the 2014 shortfall are considered in this report and if enacted could reduce the problem in 2014 to a manageable $27.6 million.
- The three solutions considered are: (1) avoid the proposed $70 million sale-lease back arrangement with the JFA and the associated $5.9 million in annual lease payment over the next 15-years by (2) seeking State approval for a one-quarter cent increase in the County's sales tax rate, replacing a $70 million one-shot with $70 million in recurring revenue; and (3) bond for projected arbitrated retroactive pay increases for public safety unions (other than the recently settled PBA and Correction Officers), reducing the cost in 2014 by $50.5 million, from $77.1 million to $26.6 million.
- We caution that even if these solutions are enacted, additional challenges beyond 2013 include (1) addressing staffing and service delivery shortfalls, (2) significant future cost increases associated with public safety contract settlements, (3) making allowances for future contracts for non-public safety unions that were not addressed in this write-up, (4) an expected downward trend in state and federal aid, and (5) solving the problem of mounting pension costs.
- The Budget Review Office has projected retirement costs over the next five years and could provide projections further into the future if requested. We find that the problem of escalating pension costs is getting worse and is not likely to go away. It requires that a constructive dialogue be opened between the State Retirement System and its municipalities on how to address this situation. The projections made in this report could provide the information necessary to bring all stakeholders to the table.

Sales Tax Revenue

- The single largest source of revenue for Suffolk County is the sales tax.
- The 2013 recommended budget includes estimated sales tax growth of 3.85% for 2012. BRO forecasts only 3.4% growth for 2012.
- BRO projects sales tax revenue to be short by $5.24 million in 2012; $4.89 million in the General Fund and $0.35 million in the Water Protection Fund (477).

- Assuming job growth picks up in the second half, consumer spending will follow, but in our estimation not by enough for the Executive's 2013 recommended 3.75% sales tax growth rate to be reached.
- The Budget Review Office 2013 forecast calls for 3.5% growth. Although this is only one-quarter percent less than the recommended rate, our lower base for 2012 leads to an additional shortfall of almost $8.5 million in 2013.
- The BRO projected 2012-2013 combined budget shortfall is $13.7 million; $12.7 million in the General Find and $1.0 million in the Water Protection Fund.
- BRO recommends reducing General Fund (001) sales tax revenue by $4,888,337 in 2012 and by $7,792,417 in 2013.
- BRO recommends reducing Suffolk County Water Protection Fund (477) sales tax revenue by $353,264 in 2012 and by $656,752 in 2013.

The 2013 Recommended Property Tax Warrant

- The Executive's budget recommends an increase of $11.6 million to the property tax warrant that, when broken down by fund, is a $12.4 million increase in the Police District, $799,087 decrease in the District Court, and no change in the General Fund, College, and MTA tax funds.
- On a percentage basis, the overall tax increase is 2.2%, with an increase of 2.63% in the Police District and a decrease of 10.9% in the District Court.
- BRO estimates average homeowner tax bills to increase by $27 or 2.8% to $1,001.
- In general, taxes will be going up in the western towns, which make up the Police District, and will decline in the eastern towns, which are not in the County's Police District.
- The County Executive's recommended budget includes a property tax impact with a stated increase of $21, which is $6 less than our estimate, and an overall 2013 recommended tax of $994, which is $7 less than our estimate. The difference can for the most part be attributed to our inclusion of the General Fund and Police District portions of the MTA tax.

The 2% New York State Property Tax Cap

- BRO calculates that the maximum property tax increase allowable under the newly enacted 2% New York State property tax cap is $14,682,005 or 2.48%. The one uncertainty in our estimated cap calculations is the values that we assigned for Payments in Lieu of Taxes (PILOTS).
- The difference between the 2% cap and the allowable 2.48% increase for 2013 is based on the calculated formula applied to Suffolk County. An increase above this amount would require a 60% vote to pierce the cap.
- The cap is based on property taxes for all County taxing funds combined. As such, the entire allowable $14,682,005 increase can be in one County fund or split in any combination desired to reach the total.

Cap Compliance

- The 2013 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 2013.
  - 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 2013.
- The Executive's recommended budget document shows compliance with both cap laws.
- The discretionary portion of the budget for 2013 is shown to be $122.7 million below the expenditure cap and $45.2 million below the tax levy cap.
- Many revenue and expenditure items have, in our view, been misclassified as either mandated or discretionary, making it difficult to determine whether the budget complies with the cap laws. Despite the perception of fiscal restraint, cap calculations have been distorted and the resulting information is limited in its utility.

General Fund Revenue

- The 2013 Recommended Budget has a General Fund Property Tax Warrant of $49,037,038, which is unchanged from the previous three years.
- The 2012 estimated budget anticipates a shortfall of $10,537,038 in property tax receipts; however, the method used to calculate property taxes makes it difficult to accurately predict what the actual amount will be. That being said, information from the Treasurer's Office leads us to believe that the estimated amount is too optimistic. If this proves to be the case, the budget would have a $3 million shortfall in property tax revenue.
- Recommended revenue of $2.5 million in 2013, for Gain Sale Tax Acquired property (001-FIN-1051), appears overstated by at least $1.5 million. The County investment in the properties it acquires for non-payment of taxes is often not recouped upon the sale or transfer of those properties. The 2012 estimated revenue of $654,129 is more typical than the 2012 adopted revenue of $8.75 million. Preliminary information on properties being offered at the County's October auction (the only one being held in 2012), does not warrant optimism for a significant increase from the 2012 estimate in 2013.
- In 2012, New York State granted the authorization for Suffolk OTB to file for bankruptcy. It remains to be seen how the bankruptcy reorganizations will improve the profitability of OTB. In the short term, the County should not expect to see any increase in revenue.
- While there has been downward pressure on interest revenues, it appears that 2012 revenues are coming in better than estimated by the Executive, but still far short of the 2012 Adopted Budget. As of September 21, 2012, IFMS reported interest revenues of $360,757, already $192,860 more than the 2012 estimated budget. Based on 2012 revenues, it is likely that the 2013 Recommended Budget is also understated. However, based on the persistence of low cash balances and low interest rates, we believe that any increases to these revenue estimates should be modest.

- The recommended budget includes $19,250,000 in 2012 estimated revenue from the sale of surplus real property in Yaphank, as authorized by Resolution No. 851-2012.
- Resolution No. 732-2012 provided local authorization for the continuation of town chargebacks for Out of County Tuition in 2013 and moving forward. The recommended budget includes $10.25 million in Out of County Tuition expenditures and an equal amount in revenue from the towns for that expenditure. Pursuant to Resolution No. 807-2011, no funds are included for reimbursement to FIT for years three and four.
- It is important to note that New York State has not granted the County the permission to discontinue the additional payments to FIT. If the County is sued and found liable for the expense, the County would be forced to pay $7.5 million for unbudgeted expenses ($3.75 million in 2012 and $3.75 million in 2013).
- In the aggregate, State aid is estimated to decrease by $5.3 million from 2011 to 2012 and another $4.8 million from 2012 to 2013.
- In the aggregate, Federal aid is estimated to decrease by $11 million from 2011 to 2012 and by another $5.3 million from 2012 to 2013.
- Enhanced FMAP (001-DSS-4489) provided by the American Recovery and Reinvestment Act was $17.1 million in 2009 and $19.3 million in 2010, but provided only $3.8 million in 2011 and is estimated at only $900,000 in 2012. The stimulus funding expires completely in 2013.
- State and Federal aid, for all departments, is estimated to be approximately 25.3% of total General Fund revenues in 2012, which is consistent with the average percentage since 2008. The 2013 Recommended Budget projects State and Federal aid to fall to 23.1% of overall General Fund revenue.

Personnel Costs and Issues

- The 2013 Recommended Budget includes $1.5 billion across all funds for salaries, benefits, and other personnel costs; representing approximately 53% of the $2.82 billion recommended budget.
- The 2013 Recommended Budget includes a net reduction of 80 authorized positions from 10,937 to 10,857. The reduction includes the abolishment of 226 positions, 189 of which are in the John J. Foley Skilled Nursing Facility, and the creation of 146 new positions.
- Sixty-six new positions are related to staffing the Jail Medical Unit when the new correctional facility opens in Yaphank.
- Three new positions are added to provide support to the recently established independent Office of the Medical Examiner, which was separated from the Department of Health Services via Resolution No. 736-2012.
- Five positions are created to staff the newly created Suffolk County Traffic Violations Bureau.
- Seven additional Consumer Affairs investigator positions are provided for the Department of Labor, Licensing, and Consumer Affairs.
- Seventy-four Superior Officer and Detective positions are recommended to replace the vacant positions that were abolished in the 2012 Adopted Budget, providing flexibility for the Police Department to address current and future staffing needs.

- In 2012, there were two retirement incentive programs, one for the three police unions (PBA, SOA, SDA) in April and one for all bargaining units (including police) in June/July. The cumulative savings over 2012-2013 will provide an estimated $8.8 million in savings to the General Fund and $10.7 million across all funds assuming no backfill.
- The net two-year savings for the 72 police retirements is $1.5 million.
- The net two-year savings for the 196 countywide retirements is $9.2 million.
- In April, Resolution No. 271-2012 reprioritized the 464 pending layoffs by restoring 300 interim positions and abolishing another 161. Resolution No. 505-2012 restored an additional 19 positions, 18 of which were transferred from the General Fund to the Water Quality Protection Fund. There were 212 employees laid off on July 1, 2012.
- We estimate that the July 1st layoffs resulted in $3.2 million in savings to the General Fund in 2012 and $11.1 million in 2013. Across all funds, there is an estimated savings of $4.8 million in 2012 and $14.1 million in 2013.
- From December 2011 to September 2012, the workforce declined by 663 through retirement incentives, layoffs, and natural attrition.
- The number of active employees on the County payroll has decreased by 1,173 from January 2007 to September 2012.
- The total number of active sworn police personnel decreased by 131 in 2012, from 2,459 in January to 2,328 in September; an unusually high rate of attrition, which can be attributed to the early retirement incentive in April.
- Permanent Salary (1100) costs are estimated to exceed adopted appropriations by approximately $4.4 million across all funds in 2012.
- Our independent analysis of the permanent salary appropriations concludes that, generally, the 2012 estimated permanent salary budget is reasonable. In the aggregate, our projection differs approximately 0.12% on a $774 million expense.
- The 2013 Recommended Budget for Permanent Salaries is reasonable. In the General Fund, we project permanent salaries to be approximately $419 million in 2013. The recommended budget includes $425 million, which leaves approximately $6 million to fill new and vacant positions including a class of 45 Correction Officers, staffing the Jail Medical Unit, and the new Traffic Violations Bureau.
- In the Police District, we project Permanent Salaries to cost $239.2 million in 2013, $438,881 more than the $238.8 million recommended budget ($234.4 million for budgeted salaries and $4.4 million in the Fund 115 salary contingency). The difference between the Budget Review Office projection and the recommended budget is less than 0.2%. Consequently, we conclude that the recommended budget for salaries in the Police District is reasonable.
- For all other funds we estimate that salary funding is tight, but adequate.

Employee Benefits

- Increase 2013 Recommended Major Medical Claims (039-EMP-9060) $3 million to more precisely reflect anticipated IBNR expenses.

- Increase 2013 Recommended Hospital Claims (039-EMP-9061) $3 million to more precisely reflect anticipated IBNR expenses.
- Increase 2013 Recommended Interfund Revenue to Fund 039 by $6 million to offset increases in anticipated IBNR expenses.
- Increase 2013 Recommended Social Security within the General Fund (001-EMP-9030) by $2.96 million to more accurately reflect anticipated expenditures based upon recent FICA contribution rates experienced by the County in Fund 001.
- Increase 2013 Recommended Unemployment Insurance expenditures in Fund 632- John J Foley Skilled Nursing Facility (632-HSV-4530-8350) $500,000 to reflect unemployment claims anticipated in conjunction with the sale and privatization of the facility.
- Increase 2013 Recommended Welfare Fund Contribution from Fund 115 - Police District (115-EMP-9080) $750,000 to more accurately reflect anticipated expenditures to Non-PBA Benefit Funds.
- Reduce the 2012 Estimate for Social Security within the General Fund (001-EMP-9030) by $1.9 million to more accurately reflect anticipated expenditures based upon recent FICA contribution rates experienced by the County in Fund 001.

Debt Service

- Budgeted debt service has been kept artificially low due to the County's 2008 and 2012 securitization of Tobacco Master Settlement Agreement. The impact of tobacco bonds will create a significant fiscal problem, as budgetary relief from the proceeds of these bonds ends in 2013.
- In 2014, there will be no relief from tobacco bond proceeds, resulting in budgeted General Fund debt service costs rising from $90.4 million to a projected $122.8 million, a forecasted increase of $32.4 million.
- The County did not issue BANS from 2004 through 2008. Since then $17,537,214 was issued in 2009, $29,224,970 in 2010, $5,126,000 in 2011, and $3.5 million later this month (October 2012).
- The recommended budget includes $40,272 in interest expense in 2013 for the October 2012 BAN. This amount may be short, as it implicitly assumes an interest rate of about 1.15%.
- The County's budgetary shortfall has made it difficult to have sufficient cash on hand to pay bills. As a result, in May of 2012 an $85 million revenue anticipation note (RAN) was issued. Another RAN is anticipated to be issued in 2013.
- The County borrowed $105 million in DTANS on September 20, 2012, with interest to be paid in September of 2013. Borrowing has steadily risen from $35 million in 2006.
- Although this most recent DTAN is less than the $120 million issued the previous two years, if we add the $85 million RAN that was also issued this year, the total of $190 million far exceeds the $120 million high water mark.
- Cash flow problems also factor into the next County TAN borrowing. For the fourth year in a row, the County expects to issue a TAN in late December, instead of the usual date at

the beginning of January. Again, expected borrowing will be the same $400 million as issued last year.

- BRO recommends increasing the 2013 recommended interest expenses related to tax and revenue anticipation notes (001-DBT-9760-TANs-7840-TAN Interest) $1,895,465 to more accurately reflect anticipated expenditures.
- BRO recommends decreasing overstated 2013 Recommended serial bond costs $339,114 in principal (001-DBT-9710-6900) and $443,311 in interest (001-DBT-9710-7800) equating to $782,425 in the aggregate.
- BRO recommends decreasing overstated 2013 recommended revenue from premiums received in issuing DTANs, TANs, and RANs (001-DBT-2710) $212,215.
- BRO recommends decreasing overstated 2013 recommended revenue from premiums received in issuing serial bonds and earnings on unspent serial bond proceeds (001-DBT-2956) $418,659.

District Court Fund (133)

- Separately identify in Fund 133 all costs incurred on behalf of and all revenues received in support of the District Court.

Judicial Facilities Agency Fund (135)

- Eliminate the transfer from the General Fund of $1,012,959 and the related debt service payment to the JFA in 2013 since payment of debt service would not be required in 2013.

Hotel/Motel Tax Fund (192)

- Increase 2013 aggregate Hotel Motel Tax revenue by $525,000 based on an analysis that included 2012 year-to-date revenue, historical and economic trends, and weather.

Tax Stabilization Reserve Fund (403)

- Expenditures made by the Tax Stabilization Reserve Fund over the 2011 to 2013 period covered in the recommended budget were limited to $40,587,517 in transfers to the Retirement Contribution Reserve Fund (420).
- The 2012 Adopted Budget modified the recommended budget, increasing the 2011 transfer to the Retirement Contribution Reserve Fund (420) by $10,587,517, from $30 million to $40,587,517.
- The surplus in this reserve fund peaked at $126.6 million at the end of 2008 and is recommended to end 2013 at $49.2 million.

Assessment Stabilization Reserve Fund (404)

- Make a policy decision regarding the most proper presentation of the ASRF Status of Fund and its handling of the excess fund balance.
- Review Local Law No. 44-2011 as it pertains to excess fund balance allocations in 2014-2021.

Suffolk County Water Protection Fund (477)

- Fund 477 transferred $22,694,243 to the General Fund for the Property Tax Protection component of the Drinking Water Protection Program (Local Law No. 24-2007).
- Fund 477 transferred $17,647,157 to Fund 404 for the Sewer Taxpayer Protection component of the Drinking Water Protection Program (Local Law No. 24-2007).
- According to Division of Real Property Acquisition and Management records and the recommended budget, pay-as-you-go land acquisition funds related to the newest Drinking Water Protection Program (Local Law No. 24-2007) include, as of September 6, 2012, available appropriated funds of over $12 million, a recommended 2012 year-end fund balance of approximately $22 million, and approximately $5.6 million in net new revenue recommended by the end of 2013. Additionally, there is over $22 million in pending acquisitions.
- The period for allowable bonding for land acquisition has ended. Remaining borrowed funds are accounted for by pending acquisitions and associated costs.
- The 2013 recommended balance for the previous, expired Drinking Water Protection Program (Local Law No. 35-1999), Farmland Component, was increased by $5.8 million from the 2011 actual and 2012 adopted balance, to $8.8 million, due to capital project closeouts.
- The Water Quality Protection and Restoration Program and Land Stewardship Initiatives component of the newest Drinking Water Protection Program has been interpreted to permit funding of operating budget expenditures, including salaries and benefits for County personnel who perform water quality-related tasks, and equipment and supplies for those tasks, in addition to funding a variety of specified environmental programs and projects. Funding for several CCE programs is also included as year-to-year operating expenses.
- In 2012, the Water Quality Protection and Restoration Program and Land Stewardship Initiatives component was utilized to restore positions, previously funded by the General Fund, which would otherwise have been terminated. Since September 18, 2011, twenty-six positions have been added to this fund.
- The recommended budget includes a $4.8 million fund balance at the end of 2013. This presentation does not recognize pending projects that have not been authorized by resolution. Additional resolutions for projects, in late 2012 alone, are anticipated to total almost $1 million, and it is our understanding that approximately $1.8 million in other pending projects have been approved by the Water Quality Review Committee during its 2012 and prior years' meetings. In addition, water quality funding has been scheduled for several projects in the capital program.
- Make a policy decision to determine the extent to which Water Quality Protection funds should be used for costs related to employees, at the expense of projects. We are near the limit of using all incoming revenue on operating expenses, therefore we recommend limiting the number of employees in this Fund through attrition.
- Direct the Water Quality Review Committee to impose a time limit on the introduction of an authorizing and appropriating resolution once the Committee has approved the funding of a project.

Audit and Control

- Add $7,410 in Fees for Services: Non-Employee (001-ACC-1315-4560) in 2013 to provide sufficient funds for Audit and Control to hire independent outside counsel regarding legal matters involving conflicts of interest.

Civil Service/Human Resources

- Due to the poor economy, a larger percentage of Civil Service Exam applicants have become eligible for fee waivers pursuant to Resolution No. 206-2006. Based on this fact and year-to-date receipts, reduce the 2012 revenue estimate for Civil Service Fees (001-1430-1240) by $150,000 and Credit Card Convenience Fees (001-1430-2464) by $50,000.
- The 2013 Recommended Budget transfers the Division of Insurance and Risk Management to the Law Department based on recommendations made by the worker's compensation consultant, Brady Risk Management, and by the County Executive's Performance Management Unit. Operationally, we do not think that there are efficiencies to be gained from moving the Division to the Department of Law that could not also be achieved if the Division remained in the Department of Civil Service, but neither do we find any significant reason to oppose the transfer.

County Clerk

- Add $86,964 to permanent salaries in 2013 to provide sufficient funding to hire two Senior Clerk Typists, three Clerk Typists, one Sr. Micrographic Operator, and one Laborer to adequately staff the Department and avoid broadening backlogs.
- Add $227,950 to the County Clerk's expenditures in 2013 as follows: $40,000 for Office Machines, $37,000 for Postage; $30,000 for Bank Service Charges; $28,000 for Computer Services; $17,950 for Photostat-Photograph-Blueprints and $75,000 for Furniture & Furnishings.

Economic Development and Planning

- Nine CCE projects were transferred from Health Services to EDP.
- It is a policy decision whether to transfer three positions, now in the General Fund, to Fund 192, as recommended. The transfer would relieve pressure on the General Fund but reduce funding available for other purposes.
- It appears likely that 2012 F.S. Gabreski Airport revenue (Fund 625), related to the Rechler at Gabreski LLC lease, is overstated, but it is possible for 2013 revenues to come in higher than recommended.
- The oversight process for farmland and open space, which the County has acquired through its land acquisition programs, should be reviewed, to ensure that recent abuses are not repeated. Revisions to Chapter Eight of the Suffolk County Code, Development of Agricultural Land, should be considered, if necessary.

Ethics Commission

- The 2013 Recommended Budget includes $40,000 to hire a consultant to develop an ethics training program for County officials and employees. The implementation of an ethics training program is a laudable goal; however, given the County's fiscal situation, we recommend postponing this expense or developing the curriculum in-house. Reduce the 2013 Recommended Budget (001-COE-1120-4560) by $40,000.

Executive

- The establishment of the Performance Management division is anticipated to provide the appropriate lines of responsibility between the County Executive's Office and the Performance Management team members that are located within major County departments.

Finance and Taxation

- To improve cash flow for the County, increase Outside Printing by $17,830 for printing tax bills that will be forwarded to mortgage companies and taxpayers.

Fire, Rescue, & Emergency Services

- The Budget Review Office projects that there will be sufficient permanent salaries to allow FRES to fill all of its vacancies for the majority of next year.
- Year-to-date overtime expenditures for FRES administration, principally for the Communications Center operations, strongly suggest that the 2012 overtime estimate is understated. As of October 1, 2012, overtime expenditures for FRES exceed $678,000. At this rate, it would not be unreasonable to project total FRES Administrative overtime expenses of $950,000 for 2012, which exceeds the 2012 estimate of $850,000 by $100,000.
- The FRES Communications Center has been operating with multiple vacancies, with eight vacant emergency dispatch positions at present resulting in increasing overtime costs for FRES. However, FRES indicates that the process has been initiated to begin filling all of these vacancies, plus the backfilled vacancies that will occur due to staff being able to take promotions. This will have many long-term benefits to the optimum operation of the Communications Center and will reduce staff stress levels.
- Increase FRES administrative overtime (001-3400-1120) by $150,000 in 2013 to allow sufficient time for the soon-to-be hired Emergency Dispatchers to fully complete their six month training periods, which will enable the FRES Communications Center to have fuller coverage and rely less on overtime.
- Recommended 2013 funding for the Vocational Education and Extension Board (VEEB), which is the agency that is charged with running the Suffolk County Fire Academy, represents a 4.2% decrease from the 2012 estimate, but is expected to provide the same level of training to volunteer firefighters as in 2012. This is achievable because of the savings on health care contributions related to two active and three past employees passing away this year.
- If the ongoing receipt of LEMPG administrative reimbursement in 2013 for the Public Safety Technical Coordinator and Office Systems Analyst I in FRES Administration is jeopardized

and/or assurances cannot be provided for the ongoing dedication of the functions and responsibilities of the FRES IT Team (Public Safety Coordinator, the GIS Technician III and the OSA I) solely to the requirements of FRES and the County's entire emergency system, then the transfer of these positions to DoIT should be reversed and the salaries of the three FRES technology positions restored to FRES Administration.

Health Services

Administrative/General

- Create a task force or commission to conduct assessments of community strengths, a public health system assessment, and a force of change assessment in coordination with the Department's Community Health Assessment.

Revenues

- Reduce Public Health Nursing Revenues (001-1610) by $500,000 if the Public Health Nursing Bureau is reduced as recommended.
- Reduce Medicaid Fees (001-1672) by $1,998,039 to the requested level.

Emergency Medical Services

- Increase the appropriation for Medical Control by $45,699 in anticipation of a new medical control contract.
- Increase the appropriation for per diem instructors by $150,000, to account for the additional instructional hours required for emergency medical training.

Community Mental Hygiene

- Restore the abolished Psychiatrist position in Mental Health Programs and add $73,641 to permanent salaries, $5,634 in FICA, $6,830 to health benefits, and $703 in Welfare Fund contributions.
- Add $416,951 to permanent salaries, $28,078 in FICA, $88,804 to health benefits, and $9,140 in Welfare Fund contributions to fund the 11 new positions needed in the Jail Mental Health, Alcohol, and Substance Abuse program for six months.
- Add $168,000 to Fees for Services (4340-4560) to cover needed clinical support for the Jail Mental Health, Alcohol, and Patient Care Services Substance Abuse program.

Patient Care Services

- Fund the remaining Health Center contracts at the 2012 estimated level, adding a total of $2.2 million as follows:
    - $830,461 for the Islip Health Center Contract (4100-4980-AJK1)\
    - $894,865 for SE & SW Brookhaven Clinic (4100-4980-APR1)
    - $458,089 for Wyandanch Clinic (4100-4980-AYM1)
    - $19,370 for Peconic Bay MC (4100-4980-GGU1)

Services for Children with Special Needs

- Create one new Special Education Counselor, or a new Special Education Itinerant Teacher title, and fill it immediately to avoid the loss of more than $1.5 million in revenue at a cost of $51,234 in permanent salaries, $1,406 in Welfare Fund Benefits, $13,661 in health benefits, and $3,919 for FICA.

Human Services

- Reduce the 2012 estimate for Permanent Salaries by $189,429 in Community Service for the Elderly.
- Reduce the 2012 estimate for Permanent Salaries by $2,100 in Suffolk County Office for Women unit.
- Add $3,500 for Office Machines in 2013 to purchase one Identification Cards system for the Veterans Service Agency.

Information Technology

- Intensify the search for potential wireless cellular tower sites in appropriate County locations. Definitive sites for development should have expedited installation schedules so as to maintain County revenues if current County facilities with cell towers are impacted by sale-leaseback negotiations.
- Because the list of prospective cell tower sites includes numerous County parks and golf courses, the Commissioner of Parks or his designee should have a seat on the Wireless Communications Review Committee.
- The Department needs to develop a clear and comprehensive means of documentation to meet the requirements for departmental chargebacks. More importantly, DoIT must identify and address all appropriate provisions and requirements within each affected Department for purposes of maintaining existing revenue for Federal and State aid and all grants.
- Continue to support the "as needed" equipment replacement approach in order to take advantage of further expenditure reductions.
- Maintain the current level of Microsoft software and licensing across all County departments to refrain from entering into a new Microsoft Enterprise Agreement in 2013.

Labor, Licensing & Consumer Affairs

- Increase Permanent Salaries (001-LAB-6610-1100) within the Consumer Affairs Division by $178,942 to provide adequate funding for the entire year for one new Investigations Manager position and six new Investigations Assistants that are anticipated by Performance Management to generate approximately $500,000 in additional revenue for the County.

Law

- The recommended budget makes two transfers involving the Department of Law; the Division of Insurance and Risk Management is transferred into the Department from Civil

Service and the Red Light Camera Unit is transferred from the Department to the newly established Traffic Violations Bureau.

- In order to supplement budgeted cash reserves, the County has the option to issue serial bonds to pay for settlements. While this offers the County the advantage of deferring payment and is sensitive to cash flow needs, it leads to higher overall costs. By placing additional funds in the operating budget each year for liability cases, the County could avoid significant debt service costs. Assuming debt service based on a 20-year weighted average maturity (WAM) repayment schedule and variable interest rates that average 4.655%, the County will pay 161% of the original cost of the settlement.

Legal Aid Society

- It is fiscally preferable for the County to have as many cases as possible handled by the Legal Aid Society since Legal Aid attorneys perform the assigned caseload for an annual salary while 18-B lawyers charge much higher hourly rates.
- Legal Aid's request for $1 million to fully fund and close out the frozen defined benefit pension plan makes fiscal sense; however, the County is not in a position to absorb this expense in 2013. We recommend adding $337,000 in 2013 (001-LAS-1170-4770) to provide for the anticipated rise in insurance premiums and approximately half of what was requested for salary increases.

Medical Examiner

- Add $30,000 to Building Repairs (4720-3650) to provide the requested level of funding.
- Add $50,000 to Fees for Services Contracts (4720-4560).

Parks, Recreation and Conservation

- Determine what contract agencies will receive funding in 2013 within appropriation 192-PKS-7512-Museums & Historic Associations-4980-Contracted Agencies. The 2013 Recommended Budget includes $306,803 in Special Services (object 4770) within this appropriation that the Legislature can reallocate.
- Consider re-evaluating the current Park Police Officer requirements that require one new Park Police Officer for every additional 500 acres of land acquired since 1999. The economic climate and our continued land preservation efforts may warrant revisions to the standards.

Police

- The Police Department should prioritize areas where civilian positions, especially where civilian positions replaced sworn positions, are needed to minimize backlogs, avoid potential liability, enhance investigations and abate overtime. A comprehensive plan should be developed and presented to the County Executive and the Legislature for review.

Probation

- Add $50,500 to overtime in 2013 to sufficiently provide for projected overtime expenditures.
- Add $458,138 to permanent salaries; $369,500 for Probation: General Administration (001-3140) and $88,638 for the Electronic Monitoring Program and transfer the following positions from the Probation ITS unit in DoIT's Direct Charge Department Staff Division (16-1682-0600) to restore the six IT positions to the Probation Department where they are currently employed and safeguard the associated aid for these positions.
    - Probation: General Administration (001-3140-0100):
        - One Systems Analyst Supervisor (C-J)
        - Two Programmer Analysts
        - One Office Systems Analyst I
        - One Office Systems Technician
    - Electronic Monitoring Program (001-3189-0100):
        - One Senior Programmer Analyst
- Task the Performance Management Team with reviewing how caseloads are assigned in Probation to maximize staff resources and garner efficiencies, while ensuring public safety.

Public Administrator

- Decrease the 2012 estimate for Public Administrator fees (001-1220) by $27,647 to reflect the Public Administrator Office's estimated amount of $372,353; this estimate is based on actual year-to-date revenue and court ordered decrees for payment of fees to the Public Administrator's Office.
- To increase revenues and shorten disposal transaction time, we recommend the Public Administrator's Office and the County evaluate the utilization of live/online auction services to dispose of estate and surplus real property in their charge.

Public Works

- Increase Permanent Salaries by $260,000 to provide adequate funding for the entire year for filled positions.
- Increase Fees For Services: Non-Employee (001-DPW-1164-Public Works Court Facilities-4560) $100,000, from $1.3 million to $1.4 million, in anticipation of additional state aid that will provide for NYSID to hire back personnel that they had to lay off in 2011 when the Courts reimbursement funding was reduced and help safeguard the County's reimbursement for court cleaning expenses.
- If the analysis on pursuing a change in sewer district operations concludes that Suffolk County should continue to be responsible for the sewer districts, then the sewer billing remittance processing should be reviewed. A goal of DPW's General Administration Division (259-8195) is to produce an RFP for sewer billing remittance processing, including new functionality to allow electronic check and credit card payments.

- Abolish one vacant Clerk Typist position (001-5641-0101) and create a Special Transportation Coordinator (grade 27) position by adding $45,277 for salary and $23,684 for fringe benefits for a total of $68,960 for nine months to address the needs of the disabled community, adhere to court mandates and safeguard the County's future federal funding. Civil Service does not currently have an eligibility list for this title. The position could be filled provisionally until the civil service exam is offered for this title and a candidate is chosen for permanent status as a Special Transportation Coordinator.
- In context to the potential for increases in the cost of electricity that may result from rising natural gas commodity costs, the likelihood of a more severe winter season ahead, and cost fluctuations that may be passed on from LIPA, Budget Review recommends increasing the funding for Light, Power and Water (4020) by $2.8 million (to $29.5 million) in 2013.
- If the PM Team is not already doing the following, then task the PM Team with:
    - Reviewing DPW's backlogs to determine if operational or process related improvements can be made to decrease the Department's backlogs.
    - Reviewing the process that is used in the Materials Testing Laboratory inspection of nonstructural concrete, precast structures and asphalt quantities of less than 350 tons to avoid the need for costly remedies to problems with conformance to specifications up to several days after production.
    - Analyzing the County's infrastructure maintenance efforts to determine if efforts can be made to mitigate damage to the County's buildings and to address repairs in a timely manner to avoid escalation in repair costs.
    - Reviewing the County's print, graphics work, and mailing efforts to determine if cost savings as well as processing efficiencies can be ascertained from consolidating this function in Support Services.
    - Reviewing the State's mandate that the County maintain over 35 miles of State owned Long Island Expressway Service Roads and 13 miles of Sunrise Highway Service Roads to determine if cost savings or staff efficiencies can be ascertained.

Real Property Tax Service Agency

- Add one new Real Property Recorder I position and one new Geographic Information Systems Technician I position, as requested by RPTSA, with additional funding of $118,414 to fill revenue generating positions.
- Abolish one vacant Secretary and one vacant Map Drafter II position as offsets in staffing levels.
- Increase the 2012 estimate for permanent salaries by $41,302.
- The recommended budget includes RPTSA Tax Map Cert Fees (001-1291) revenue of $9 million in 2013. Based on BRO projected 2012 and 2013 revenues and a housing market that has not fully recovered, BRO recommends decreasing RPTSA Tax Map Cert Fees (001-1291) revenue by $1 million, to $8 million, in 2013.

Sheriff

- In order to avoid cost overruns and properly staff the Sheriff in 2013, meet NYS COC minimum staffing levels and prepare for the opening of the new correctional facility, an additional class of 25 new Correction Officer recruits should be scheduled for September of 2013. There are sufficient funds included in permanent salaries to cover the cost of this class. However, clothing and accessories will have to be increased by $53,097 (001-3150-3310) and by $35,398 (001-3162-3310).
- Increased overtime will be required to satisfy department wide needs and meet the full coverage factor when the new Yaphank Facility is eventually opened. We recommend increasing overtime by $1.93 million in 2013.
- Increase computer equipment (001-3110-3160) by $47,524 for the payment of necessary maintenance agreements and licenses.
- Decrease the 2012 estimate for the State Criminal Alien Assistance Program (SCAAP), revenue code 001-4348, by $878,826.

Social Services

- In State Fiscal Year (SFY) 2012/2013, New York began a three-year takeover of the mandated percentage increases in the MA Cap, beginning in SFY 2013/2014 with a reduction from three to two percent increases that the counties must pay for their local share of the Medicaid Program. By SFY 2015/2016, the counties will no longer have to pay an increasing share of their mandated Medicaid Cap costs; this will become a fixed expenditure item.
- DSS cut the eligibility levels for working low income families three times during the year to stay within the 2012 budgeted Day Care appropriation of $29,932,213. By the end of 2012, approximately 2,200 children will have been dropped from Suffolk's child care subsidy rolls. However, with $23,165,415 actual day care costs expended as of October 1, 2012, it is debatable as to whether DSS can remain within its child care budget for fiscal year 2012.
- The $33,460,200 recommended in 2013 for Suffolk's child care subsidies is only sufficient to pay for keeping Suffolk's Day Care program exactly as it is currently structured; that is, if eligibility for new Non-Temporary Assistance (NTA) cases is kept closed; if the income standard is unchanged from 100% of the Federal Poverty Level (FPL); and if there is no significant change in growth for the mandated Temporary Assistance (TA) and guarantee child care population.
- With no significant improvement in the amount of Child Care Block Grant (CCBG) funding provided to Suffolk County by New York State before or during the next state budget deliberation cycle, the County will be facing a more than $3 million direct local hit for a day care subsidy program that provides the minimum requirements to comply with State law and regulation.
- The number of children in foster care has dropped to the lowest level on record, from 1,102 at the end of 2001 to the September 2012 census of 626 children in foster care. DSS significantly increased placement of children with relative caregivers and other non-biological relative resources instead of foster care.
- Filled positions in Social Services in mid-September 2012 stood at 1,568, the lowest level since 2009. Staffing levels for DSS, with the exception of Medicaid Compliance, are

projected to remain at status quo in 2013. Any significant gains in the percentages of filled versus vacant positions will likely not occur, due to the lack of sufficient permanent salaries funding throughout the Department, except in MA Compliance. The end result of the recommended permanent salaries reductions, and the inherent constraints they place upon hiring in 2013, further burdens a department overwhelmed with mandated responsibilities.

- Provide DSS with the necessary supports to obtain transparency from NYS Office of Family and Children's Services (OCFS) regarding the methodology used to determine the Foster Care Block Grant (FCBG) Incentive for Reduction in Foster Care Days and to seek the maximum receipt of such incentives to remunerate Suffolk DSS for reducing foster care caseloads and lengths of stay to historic lows.
- Decrease the 2012 estimate for mandated DSS Institutional Foster Care costs by $1 million to reflect year-to-date downward trends, and reduce the 2013 DSS foster care line by $1.5 million, which adds 7% onto a lower base to account for slight caseload growth and costs for 2013. After 9.5% offsetting Federal aid, the net County savings would be $905,000 in 2012 and $1,357,500 in 2013.
- Decrease the 2012 estimate for mandated DSS Family Foster Boarding Home Care costs by $300,000 to reflect year-to-date moderately decreasing census and costs. Reduce the Family Foster Care line by $150,000 in 2013, which adds small increases in the census and costs onto a lower base for 2013. After 11.9% offsetting Federal aid, the net County savings would be $264,300 in 2012 and $132,150 in 2013.
- Decrease the 2012 estimate for mandated Adoption Subsidies by $400,000 based upon year-to-date lower trends. After 30.2% and 43.3% offsetting Federal and State aid respectively, the net County savings would be $106,000.
- Decrease the 2012 estimate for mandated Institutional Foster Care Probation costs by $1.5 million to reflect a lowering of the census of JD/PINS remanded to residential placement by the courts. Add 11.8% growth in 2013 onto a lower base, which accounts for higher census and costs due to State Training School closures, for an overall reduction of $2.5 million from the recommended level. After offsetting Federal aid of 9.5%, the net County savings would be $1,357,500 in 2012 and $2,262,500 in 2013.
- Reduce the 2012 estimate for the mandated Safety Net program by $3 million, based upon the most current cost trends averaging at a 6% decrease over 2011. Project a 5% increase in 2013 over a lower base to incorporate the basic non-housing needs allowance required by NYS, which equates to a $3 million reduction from the recommended level. After 28.5% in offsetting State and Federal aid, the net savings to the County would be $2,145,000 in 2012 and another $2,145,000 in 2013.
- Increase 2012 by $200,000 and 2013 by $285,000 for the mandated EAA program to incorporate recently occurring increases due to a new State directive. After offsetting State aid, the net additional cost to the County would be $100,800 in 2012 and $143,640 in 2013.
- Restore $882,000 to DSS General Administration permanent salaries in 2013 to sufficiently fund all currently filled positions, particularly for the finance, claims and payment processing functions serving all of DSS. After offsetting State and Federal aid, the net additional cost to the County would be $324,576.

- Restore $150,000 DSS Information Technology (IT) 2013 permanent salaries to enable DSS IT to fill its most critical vacancies and advance the efficiency and productivity of all of DSS through improved technological systems and supports. After offsetting State and Federal aid, the net additional cost to the County would be $37,845.
- Restore $674,000 to 2013 permanent salaries to sufficiently fund all currently filled positions in the Family and Children's Services Administration (FCSA) Division to ensure that children, fragile adults and families in crisis or at risk are protected, and that foster care operations will be resourced to continue the historic decreases of foster care caseloads and costs. After offsetting State and Federal aid, the net additional cost to the County would be $366,049.
- Reinstate the auto fill policy for all Child Protective Services (CPS) positions in the FCSA Division to ensure a seamless system of protection for our community's children at risk.
- Restore $573,000 to Client Benefits Administration (CBA) permanent salaries to maintain present staffing levels with special emphasis upon providing adequate support to the Food Stamp and Temporary Assistance processing functions. Provide sufficient funding to CBA to preserve the DCAP (Disabled Client Assistance Program), which saved gross Safety Net (SN) and Family Assistance (FA) program costs of $4 million in 2011. After offsetting State and Federal aid, the net additional cost to the County would be $342,196.
- Restore $230,000 to Child Support Enforcement Bureau (CSEB) permanent salaries to ensure sufficient funding for current staff. This would ensure adequate support for the revenue-generating, cost avoidance functions that bring in millions of dollars in child support collections and help single-headed households and their children remain independent of public assistance. After offsetting Federal aid the net additional cost to the County would be $93,426.
- Bring new Medicaid (MA) Compliance Examiner staff on board in 2013 as early as possible to ensure the continued capability of the Division to remain in compliance with its mandates and to avert further legal challenges.

Soil and Water Conservation District

- The Budget Review Office recommends that the Soil and Water Conservation District seek assistance from the either the Grants Management Unit in the County Executive's Office or the Department of Economic Development and Planning, where staff may have more specialized knowledge in related fields, such as water quality and farmland protection.
- The Budget Review Office encourages the authorization of expenditure of adopted travel funds, on an as-needed basis.
- Consider making it mandatory for farms on which the County has purchased development rights to comply with the recommended best management practices for farms. The District administers the State Agricultural Environmental Management Program (AEM), which recommends best management practice to farms.
- Encourage development of a mutually beneficial internship program with local colleges and universities to alleviate the burden on existing staff. Expertise in specific areas such as GIS and Design CAD would be very helpful to the staff. Investigate sharing of personnel with other County divisions with this expertise.

Traffic Violations Bureau

- Increase the 2013 estimated Red Light Camera Administrative Fee revenue from $5.7 million to $8.55 million and increase the transfer to the General Fund by $2.85 million.
- Consider the following:
  - Implement a fee for motorists' that appear before the TVB whose cases have been adjudicated to a final disposition other than not guilty to offset the County's cost of adjudicating these cases.
  - Implement a collection fee like in Nassau County. Suffolk currently is not currently doing collections. Reportedly, a collections agreement will be negotiated with the vendor as part of the current negotiation process.
  - Review tickets that are currently dismissed to determine why tickets are being dismissed and if there are any categories within this universe of dismissed fines to pursue payment instead of dismissal based on a cost benefit analysis.
  - Establish a "Boot and/or Tow Program" such as in Nassau County.
  - Implement a Scofflaw Program.
  - Offer an Amnesty Program.

Budget Shortfalls

One-shots in the 2013 Recommended Budget

In most years the County's operating budget includes non-recurring revenues or one time expenditure savings that place some stress on the following year's budget. Depending upon their magnitude and the structural soundness of the budget, these one-shots may or may not present a problem. As seen in the accompanying table, the 2013 recommended budget includes $210.4 million in non-recurring revenue and expenditure savings, all in the General Fund. Only the last item, amortization of the retirement bill, is an option that can be used again in 2014. Although this approach would do nothing to reduce the structural deficit, it would allow the County to avoid significantly higher costs in the short-run, reducing the problem from $210.4 million to $149.6 million.

One-shots in the 2013 recommended budget	**$210.4**
Sale-Leaseback	$70.0
Borrrowing for Correction Officers Retro	$37.0
37.5% of Sewer Stabilzation fund balance above $140 million that will not be available beyond 2013	$8.5
2013 revenue from sale of the Nursing Home (001-R632)	$12.3
2012 revenue from sale of land in Yaphank (001-2660-Sale of Real Property)	$19.3
2012 revenue from Sale of Tobacco Setlement Revenue (001-2661)	$2.5
2013 amortization of the retirement bill	$60.8

The County's fiscal difficulties are the result of several years of putting off addressing a structural imbalance that was exacerbated by the Great Recession. The recommended budget has arguably made the best of a bad situation. Our fiscal problems are so large that it would be unfair to think that the recommended budget could solve them all in one year. With this in mind, we identify our major fiscal problems and offer a few solutions to address them.

Major shortfalls facing the County in 2014

The following table enumerates major shortfalls that the County is likely to face in 2014. This is not meant to be a complete list, but rather it provides a general understanding of the County's fiscal problems. As seen in the table, the shortfall adds up to $154 million. After a brief description of the items that contribute to the problem, we then offer potential solutions to reducing the shortfall to a more manageable level.

		Shortfall	Potential Solutions
	Major shortfalls facing the County in 2014	**$154.0**	**-$126.4**
1	Increase in General Fund debt service due to loss of tobacco relief	$32.4	
2	Additional cost of the PBA Agreement in 2014	$13.1	
3	Annual debt service on a 5-year bond to pay $37 million for Correction Officer Retro	$7.7	
4	Annual debt service on a 15-year bond to repay $70 million from the sale-lease back of County facilities to the JFA	$5.9	-$5.9
5	Retroactive pay through 2014 for public safety unions other than the PBA and Correction Officers	$77.1	-$50.5
6	BRO estimate of other shortfalls in the 2013 recommended budget (excludes gain from additional revenue from Red Light Camera Admin Fee included in item 10)	$25.0	
7	Loss of one-shot revenue from 2013 sale of the Nursing Home (001-R632)	$12.3	
8	37.5% of Sewer Stabilzation fund balance above $140 million that will not be available beyond 2013	$8.5	
9	Recurring savings in 2014 from contracting out for services at County owned health clinics	-$3.0	
10	Additional recurring revenue in 2014 from the Traffic Violations Bureau	-$8.2	
11	Growth in sales tax revenue (based on 3% growth from 2013 recommended General Fund plus Police District sales tax)	-$35.5	-$70.0
12	Projected increase in retirement bill (assuming we continue to amortize)	$18.7	

Shortfall *net of* Potential Solutions	**$27.6**

1. In 2014, there will be no relief from tobacco bond proceeds, resulting in budgeted General Fund debt service costs rising from $90.4 million to a projected $122.8 million, a forecasted increase of $32.4 million.

2. The recently adopted PBA agreement extends through 2018. PBA salaries and related costs are likely to contribute to an increasingly larger share of expenditure growth beyond 2014. The agreement is estimated to cost the County an additional $13.1 million in 2014, an additional $29 million in 2015, and would further escalate by $62.6 million in 2016, an additional $75.0 million in 2017, and $86.9 million in 2018. (see the Sept. 27, 2012 Budget Review Office memo on this topic).

3. The 2013 Recommended Budget includes $37 million (001-2780-Proceeds: Debt) to finance retroactive pay for the recently settled Correction Officers agreement (covering 2008

to 2010). Debt service on the bond would have to be paid off over five years, beginning in 2014, at an estimated cost of $7.7 million per year.

4. The 2013 Recommended Budget includes $70 million in General Fund revenue from the Judicial Facilties Agency Fund 135 (001-R135) for the sale-lease back of County facilities. Debt service in the form of lease payments will be over 15 years, at an annual cost estimated at $5.9 million starting in 2014.

5. Budgeting for contract agreements with public safety unions other than the two that have recenty settled (PBA and Correction Officers) would require an estimated $77.1 million in additional salaries through 2014. This estimate is based on what may be considered likely increases given by an arbitrator and account for the fact that the other public safety bargaining units have been without a contract since at least the end of 2010. According to bond counsel, Finance Law permits bonding for compulsory Interest Arbitration awards as is currently being recommended for the Correction Officers award. Under an arbitration scenario, the budgetary impact of the $77.1 million price tag in 2014 could be reduced, with the difference paid back with interest over the next five years. Alternatively, a negotiated settlement should see savings by avoiding retroactive payments as done with the PBA.

We estimate that $50.5 million of the $77.1 million is retroactive pay through 2013. The remaining $26.6 million is a 2014 cost that would have to be budgeted. Financing the retroactive portion would lower the cost in 2014 to either (1) $37.1 million if a bond was issued in 2013, requiring $10.5 million in debt service payments in 2014, or (2) $26.6 million if a bond was not issued until 2014, putting off the first debt service payment to 2015. We caution that borrowing for such purposes should only be considered as a last resort and even then only as part of a long range plan that recognizes higher costs over the next five years. As is the case with the PBA agreement, this will contribute to an increase in expenditure growth beyond 2014 that will be a challenge to the operating budget.

6. In our review of the recommended budget we estimate there to be shortfalls of about $25 million from a variety of sources, including underfunding of health insurance, social security, Light, Power & Water, and debt service on the expenditure side of the budget and overstating various revenues, including sales tax, Medicaid fees, gain sale tax acquired property, and RPTSA tax map certification fees. This shortfall is partially offset by $2.85 million in recurring revenue, which is part of the Traffic Violations Bureau that is considered in item 10 below.

7. The 2013 recommended budget includes $12.3 million in General Fund net revenue from the sale of the Nursing Home (001-R632). This revenue will not re-occur in 2014.

8. The 2013 recommended General Fund budget includes $8,472,741 in interfund revenue from the Retirement Contribution Reserve Fund (420). This revenue represents 37.5% of the Assessment Stabilization Reserve fund balance in excess of $140 million. As per Resolution No. 625-2011, these funds will not be available for this purpose beyond 2013.

9. Offsetting these shortfalls are an estimated $3 million in annual recurring savings from the proposed contracting out for services at County owned health clinics using the Federally Qualified Health Center (FQHC) model at Tri-Community, Riverhead, Southampton and East Hampton.

10. Additional recurring revenue in 2014 from the Traffic Violations Bureau (TVB) is estimated to be $8.2 million. This accounts for (1) a full year of revenue in 2014 (the new TVB

is not expected to be up and running until April 2013) and (2) the recommended budget understated revenue from Red Light Camera Administrative Fees.

11. An assumed 3% growth in sales tax revenue translates into an additional $35.5 million in recurring revenue to the General Fund and Police District that would partially offset any shortfall. It is important to keep in mind that even in a strong economy, in which sales tax growth was twice the assumed 3% rate, another $35.5 million in revenue would not be sufficient to solve the County's structural budget deficit.

12. The 2014 retirement bill for Suffolk County, estimated by the NYS Retirement System, will result in an $18.7 million increase over 2013. The increase assumes that we will continue to amortize or borrow from the State Retirement System. In order to be current on our 2014 pension invoice, we would have to pay an additional $82.8 million to avoid amortization. In this case, the cost increase would go from $18.7 million to $101.4 million.

The Budget Review Office has projected retirement costs over the next five years as shown in the following chart. As far as we can tell, the NYS Retirement System does not advise municipalities of their projected retirement bills more than one year out. We caution that numerous assumptions went into these projections, which may or may not prove accurate. Nevertheless, we believe this information provides valuable insight into the likely trajectory of pension costs in Suffolk County.

Column (4) shows that even if the County continues to amortize and keeps its pension cost down to a minimum, we will experience another large increase in 2015. Growth in retirement costs will not begin to moderate until 2016, due in large part to an improvement in market performance that is incorporated into contribution rates over a five year smoothing period. As seen in column (2), debt service on borrowed amortized amounts becomes an increasingly larger share of our bill. In fact, if we continue to amortize, projecting out ten years, debt service alone would account for $100 million.

Even worse is the sticker shock that would come from avoiding borrowing and making our full pension contribution. As seen in column (5), allowable amortization is expected to grow to $82.8 million in 2014 and is projected to continue to increase in subsequent years. In the future, should the State Retirement System decide to no longer allow municipalities to amortize, it is difficult to imagine how the County would come up with the necessary funds. In short, this is a problem that is getting worse and is not likely to go away. It requires that a constructive dialogue be opened between the State Retirement System and its municipalites on how to address this situation. The accompanying chart could provide the information necessary to bring all stakeholders to the table.

Potential Solutions

As seen in the second column of the above table, three potential solutions to the shortfall are presented. The first and third items are related and should be considered together. The County could avoid an annual expense of $5.9 million in each of the next 15-years if it can generate $70 million in needed revenue without having to resort to a $70 million sale-lease back arrangement with the Judicial Facilities Authority (JFA). The third item lists the required $70 million needed to replace the sale-lease back proposal. BRO's recommendation is to seek State approval for a one-quarter cent increase in the County's sales tax rate. This equates to $70 million in annual recurring revenue and would in turn save the $5.9 million in annual

recurring debt service payments. In addition, assuming 3% growth in sales tax revenue, that equates to an additional $2.1 million after one year, which would continue to grow in subsequent years. It should be noted that the timing is problematic. In order to prevent having to resort to the sale-lease back proposal and avoid $5.9 million in annual debt service payments over the next 15 years, the quarter-cent increase in the sales tax rate would have to be in effect by the start of 2013.

The other item presented in the table relates to the retroactive pay through 2014 for public safety unions other than the PBA and Correction Officers. Although not a prudent course of action, $50.5 million of the estimated $77.1 million in retroactive pay could be avoided in 2014. Financing is permissable only if compulsory interest arbitration is pursued. As noted above under item 5, this would require that retroactive pay is financed by issuing a 5-year bond in 2014, which would put off the first debt service payment until 2015. Only the 2014 portion, projected to be $26.6 million would have to be paid in 2014. The problem is that the County would have to make annual debt service payments in each of the next five years of $10.5 million to pay for the $50.5 million borrowed to finance retroactive costs through 2013.

If these three options are followed, the shortfall for 2014 could be reduced to a manageable $27.6 million. Arguably this amount could be made up by some combination of further cost cutting, revenue increases, and performance management initiatives that the County Executive is looking into. We caution that this does not paint a complete picture of County fiscal problems. Additional challenges include (1) addressing staffing and service delivery shortfalls, (2) significant future cost increases associated with public safety contract settlements, (3) making allowances for future contracts for non public safety unions that were not addressed in this write-up, (4) an expected downward trend in state and federal aid (as these levels of government address their own daunting deficits), and (5) solving the problem of mounting pension costs.

Suffolk County Projected Retirement Costs (in millions of dollars)

	Assuming County Continues to Amortize in 2014 and beyond					Assuming County does NOT Amortize in 2014 and beyond				
	Current Year Retirement Bill *	***Plus*** Debt Service on Amortized Amounts	***Equals*** Pension Bill Paid by County	Change in Pension Bill Paid	Amortized Amount Borrowed from NYS	Current Year Retirement Bill *	***Plus*** Debt Service on Amortized Amounts	***Equals*** Pension Bill Paid by County	Change in Pension Bill Paid	Amortized Amount Borrowed from NYS
	(1)	(2)	(3) = (1)+(2)	(4) = change in (3)	(5)	(6)	(7)	(8) = (6)+(7)	(9) = change in (8)	(8)
2010 Actual	$92.5	$0.0	$92.5	$0.0	$16.9	$92.5	$0.0	$92.5	$0.0	$16.9
2011 Actual	$113.7	$0.0	$113.7	$21.2	$19.0	$113.7	$0.0	$113.7	$21.2	$19.0
2012 Actual	$129.3	$6.3	$135.6	$21.9	$45.7	$129.3	$6.3	$135.6	$21.9	$45.7
2013 NYS Est	$133.5	$11.9	$145.4	$9.8	$60.7	$133.5	$11.9	$145.4	$9.8	$60.7
2014 BRO Proj	$145.1	$19.0	$164.1	**$18.7**	**$82.8**	$227.9	$19.0	$246.9	**$101.4**	**$0.0**
2015 BRO Proj	$154.2	$28.7	$182.9	$18.8	$85.3	$239.5	$19.0	$258.5	$11.6	$0.0
2016 BRO Proj	$149.0	$38.8	$187.8	$4.9	$87.8	$236.8	$19.0	$255.8	($2.6)	$0.0
2017 BRO Proj	$143.4	$45.5	$188.9	$1.1	$90.5	$233.8	$19.0	$252.8	($3.0)	$0.0

* Current Year Retirement Bill: On the left side of the above chart this represents the non amortized portion (since amortization is assumed to continue). On the right side of the chart, beyond 2013 the full bill, both non amortized and amortized portions are included (since we assume amortization will not take place starting in 2014).

Sales Tax Revenue

The single largest source of revenue for Suffolk County is the sales tax. In Table 1 we present the Executive's recommended revenue along with Budget Review Office projections. In 2008 and 2009 the County experienced its first ever negative growth rates (after adjusting for rate changes). This was a direct result of the Great Recession. Revenue fell by 1.1% in 2008 and an additional 8.5% in 2009. In 2010 the County rebounded, registering an increase of 6.5%, due in part to the lower 2009 base. Since then the economy has continued to grow, but at a slow pace - sales tax grew by 2.61% in 2011, to $1.164 billion, less than the high water mark of $1.177 billion reached in 2007.

The 2013 recommended budget includes estimated sales tax growth of 3.85% for 2012. The Budget Review Office forecasts only 3.4% growth for 2012. This can be seen in the accompanying Table 1. There is some good news, but when one considers other factors, sales tax revenue is projected to be short by $5.24 million in 2012, $4.89 million in the General Fund and $0.35 million in the Water Protection Fund (477). The good news is that year-to-date growth is 3.96%, which exceeds the 2012 budget estimate. Fourth quarter growth would need to be just over 3.59% to meet budget. The bad news is that we project fourth quarter growth to be only a little more than 2%.

Two factors contribute to this less than optimistic forecast: (1) the fourth quarter of last year will be difficult to repeat for technical reasons not related to current consumer spending and (2) we do not expect the economy to be strong in the fourth quarter.

As for the technical reasons, a portion of sales tax receipts are not related to current vendor sales. Instead, they come from prior period adjustments, assessment penalties, and late-filers. In the fourth quarter of 2011, collections from these sources contributed $16.4 million to sales tax receipts – over the past 35 quarters, since 2004, this was the second largest total from these sources. Based on past experience, we would expect about $3.5 million less in the upcoming fourth quarter of 2012. The decrease represents 1% of fourth quarter collections from last year. As a result, consumer spending would need to grow by 1% more than the required 3.59% necessary to meet budget. Under current economic conditions, projected growth of 4.59% after adjusting for these factors is not likely.

Turning to the economy, consumer spending is not expected to gain momentum in the fourth quarter. With the savings rate low, improvement will depend on stronger job and income growth. Unfortunately, economic pressures and uncertainty are likely to maintain downward pressure on job gains. In our forecast, this picture of the economy translates into fourth quarter sales tax growth of a little more than 3% before adjusting for the technical factors noted here, or just over 2% after accounting for them.

In 2013, we believe that the weak fourth quarter of this year will continue through the first half. Job growth is not expected to pick up until the second half. This in turn will keep consumer spending down. Once job growth picks up in the second half, consumer spending will follow, but in our estimation not by enough for the Executive's 2013 recommended 3.75% sales tax growth rate to be reached. Our 2013 forecast calls for 3.5% growth. Although this is only one-quarter percent less than the recommended rate, our lower base for 2012 leads to an additional shortfall of almost $8.5 million in 2013. Our projected 2012-2013 combined budget shortfall is $13.7 million, $12.7 million in the General Find and $1.0 million in the Water

Protection Fund. We caution that although our view of the economy may prove to be too pessimistic compared to the recommended sales tax revenue, there are downside risks that would result in our forecast being too optimistic, leading to a shortfall that is greater than shown in Table 1.

Our forecast for 2013 accounts for improvements in the housing market, healthier bank and household balance sheets (that will lead to growth in consumer spending), and a projected gradual decline in unemployment. However, these factors are not likely to result in stronger growth until the second half of 2013. The problem in the short-run is considerable uncertainty associated with the unresolved Eurozone debt crisis and federal budget problems related to the "fiscal cliff."

As far as the Eurozone is concerned, actions by the European Central Bank (ECB) have helped, but austerity measures have slowed many European economies, dampening demand for U.S. exports. Longer term, there are concerns over the possibility of another major financial crisis, adding an element of caution to business decision making.

The "fiscal cliff" is the mix of federal spending cuts and tax increases that are scheduled to go into effect at the beginning of next year and could tip the U.S. into recession. Spending cuts include $100 billion in automatic reductions, referred to as sequestration. Also scheduled to expire are the 2% Social Security payroll tax cut, expanded assistance to unemployment insurance beneficiaries, and Bush-era tax cuts. The problem is further complicated by the expectation that the debt ceiling will be reached before the end of 2012. A recent Wall Street Journal economic forecasting survey placed the probability at 17% that spending cuts and tax increases would be triggered, resulting in a likely recession. Twenty-two percent thought a deal would be reached to make a dent in long-run deficits, while the remaining 60% believed an agreement would be achieved that does not address the underlying deficit, once again kicking the can down the road. As for our forecast, with the exception of the payroll tax cut, we assume that for the most part the other expiring tax provisions will be renewed for the 2013 tax year.

We conclude our discussion on 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 2011 and 2012 the Police District share ($84,343,593 in 2011 and $82,271,437 in 2012) was more than the one-quarter cent dedicated to the Suffolk County Water Protection Fund ($65,313,029 in 2011 and $67,920,292 estimated in 2012). In 2013 the $69,068,390 recommended Police District share drops below the $70,588,626 quarter-cent equivalent. The 2013 recommended Police District allocation is $13.2 million less than its 2012 distribution and $36.8 million less than the maximum three-eighths allocation of $105.9 million. The reduction in 2013 can be attributed to a $12.4 million increase in the Police

District property tax and recommended salary costs that avoid retroactive payments in 2011 and 2012 as a result of the recently negotiated PBA contract settlement.

- Suffolk County Water Protection Fund (477): Local Law 24-2007 (Resolution No. 770-2007), which went into 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. Quarter-cent sales tax revenue is 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. Resolution No. 625-2011 modifies the sewer component, specifying that if the surplus in the Assessment Stabilization Reserve Fund (404) exceeds $140 million in fiscal years 2011, 2012, or 2013, 37.5% of the excess fund balance shall be reserved for General Fund bonded indebtedness or retirement contributions. The remaining 62.5% is intended to enhance wastewater treatment efforts, including installation, improvements, maintenance, and operation of sewer infrastructure, sewage treatment plants, and for the installation of residential and commercial enhanced nitrogen removal septic systems. The 37.5% share used for General Fund purposes is recommended to be $8,472,741 in 2013. It is important to note that as the legislation currently stands, these funds will not be available to the General Fund in 2014.
- 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%.

Budget Review Office Recommendations

- Reduce General Fund sales tax revenue by $4,888,337 in 2012 and by $7,792,417 in 2013.
- Reduce Suffolk County Water Protection Fund (477) sales tax revenue by $353,264 in 2012 and by $656,752 in 2013.

RL Sales Tax 13

The 2013 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, District Court, and MTA tax funds. The accompanying table summarizes 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.

As seen in the accompanying table, the Executive's budget recommends an increase of $11.6 million. The breakdown by fund is a $12.4 million increase in the Police District, $799,087 decrease in the District Court, and no change in the General Fund, College, and MTA tax funds.

On a percentage basis, the overall tax increase is 2.2%, with an increase of 2.63% in the Police District and a decrease of 10.9% in the District Court. Overall taxes are heavily weighted by the Police District tax, since it accounts for 88% of the combined funds warrant.

Average homeowner tax bills are estimated to increase by $27 or 2.8% to $1,001. Growth in average tax bills exceeds the 2.2% increase in the warrant because value of property continues to fall as the real estate downturn persists. As a comparison, although the increase in average tax bills represents a 2.8% hike in the County portion of homeowner tax bills, the increase is only 0.3% of total homeowner taxes. Total taxes in 2012 are estimated to have averaged $9,231 per homeowner when County, town, fire school, and other taxing jurisdictions are included.

In general, taxes will be going up in the western towns, which make up the Police District, and will decline in the eastern towns, which are not in the County's Police District.

Finally, as a comparison to this presentation, the County Executive includes a property tax impact on page 27 of the recommended budget. The stated increase in that document is $21, or $6 less than our estimate, and the overall 2013 recommended tax is shown to be $994, $7 less than our estimate. The difference can for the most part be attributed to our inclusion of the General Fund and Police District portions of the MTA tax. In addition, our estimate is more accurate in that we are able to make use of more up-to-date information on town assessment rolls that were not available at the time the recommended budget was prepared.

Suffolk County Property Tax Warrant

	Total Tax Levy appearing on the tax warrant (county portion)				Average Homeowner Tax Bills (county portion)				
	2012 Adopted	2013 Recommended	Change	Percent Change (county portion of tax warrant)	2012 Adopted	2013 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	$49,037,038	$49,037,038	**$0**	0.0%	$88.9	$89.3	$0.4	0.4%	0.00%
College	$5,250,467	$5,250,467	**$0**	0.0%	$10	$10	$0.05	0.6%	0.0006%
Police District	$471,166,071	$483,558,389	**$12,392,318**	2.63%	$1,049	$1,083	$34	3.3%	0.4%
District Court	$7,312,389	$6,513,302	**-$799,087**	-10.9%	$16	$14	-$1.62	-10.4%	-0.017%
MTA Tax (excludes sewers)	$2,823,201	$2,823,201	**$0**	0.0%	$10.5	$10.7	$0.2	1.9%	0.0%
Combined Funds	$535,589,166	$547,182,397	**$11,593,231**	**2.2%**	$973	$1,001	**$27**	**2.8%**	**0.3%**
Combined Funds Breakdown:									
Babylon	$66,642,227	$66,591,512	-$50,715	-0.1%	$976	$981	$5	0.5%	0.1%
Brookhaven	$164,923,509	$174,331,611	$9,408,102	5.7%	$985	$1,045	$61	6.2%	0.7%
Huntington	$110,501,527	$113,262,731	$2,761,204	2.50%	$1,506	$1,559	$53	3.5%	0.5%
Islip	$115,254,784	$113,715,141	-$1,539,644	-1.3%	$1,109	$1,100	-$10	-0.9%	-0.1%
Smithtown	$57,485,961	$58,863,379	$1,377,418	2.4%	$1,421	$1,463	$42	2.93%	0.4%
East Hampton	$5,275,551	$5,259,456	-$16,095	-0.3%	$266	$267	$1	0.4%	0.0%
Riverhead	$1,170,992	$1,149,402	-$21,590	-1.8%	$65	$64	-$1	-1.8%	0.0%
Shelter Island	$666,164	$646,599	-$19,565	-2.9%	$246	$239	-$7	-2.9%	-0.11%
Southampton	$11,590,319	$11,281,720	-$308,599	-2.7%	$275	$269	-$6	-2.3%	-0.1%
Southold	$2,078,132	$2,080,845	$2,713	0.1%	$136	$136	$1	0.5%	0.0%
County Total	$535,589,166	$547,182,397	$11,593,231	2.2%	$973	$1,001	$27	2.8%	0.3%
5 Western Towns	$514,808,009	$526,764,374	$11,956,366	2.3%	$1,143	$1,176	$34	3.0%	0.4%
5 Eastern Towns	$20,781,157	$20,418,023	-$363,135	-1.7%	$219	$216	-$3	-1.3%	-0.04%

The 2% New York State Property Tax Cap

In Table 1 we calculate the maximum property tax increase allowable under the newly enacted 2% New York State property tax cap. As seen in the table, the maximum allowable property tax increase is $14,682,005 or 2.48%. The difference between the 2% cap and the allowable 2.48% increase for 2013 is based on the calculated formula applied to Suffolk County, which is shown in the table. An increase above this amount would require a 60% vote to pierce the cap. The one uncertainty in our estimated cap calculations is the values that we assigned for Payments in Lieu of Taxes (PILOTS).

The cap is based on property taxes for all County taxing funds combined. As such, the entire allowable $14,682,005 increase can be in one County fund or split in any combination desired to reach the total. In Table 2 we present several scenarios, starting with 2013 recommended property taxes. The recommended budget increases taxes across the various County funds by a total of $13,254,065 or 2.24%. This is $1,427,940 less than the allowable 2.48% rate of growth. It should be noted that the increase in the sewer districts is 2.98%, as opposed to the usual 3% even, with the difference totaling $9,001.

Scenarios 2 through 4 consider three cases in which taxes are raised an additional $1,427,940 to the allowable cap. In particular:

- Scenario 2: Recommended plus allowable growth in the Police District – Police District taxes are increased by 2.93%, as opposed to the recommended 2.63% increase.
- Scenario 3: Recommended plus allowable growth in the General Fund – General Fund taxes are increased by 2.91%, as opposed to the recommended zero increase.
- Scenario 4: Allowable growth all in the Police District (no increase for sewers) – Police District taxes are increased by 3.29% or $15,481,092, as opposed to the recommended 2.63% or $12,392,319 increase. In this case, the recommended $1,660,833 increase in sewer district taxes is reduced to zero.

Our final case, Scenario 5, considers a property tax increase of 2% even. This would result in a $1,428,479 decrease in the recommended Police District property tax.

Table 1
Calculation of NYS 2% Property Tax Cap

	Components Included in Tax Cap Calculation	Tax Cap Calculation	Comment
Total Real Property Tax Levy in 2012	$591,279,315		2012 Property Taxes for combined General Fund, Police District, MTA Payroll Tax, District Court, Sewers, Community College funds
plus Total Reserve Amount from FYE 12/31/12	$0	$591,279,315	= $591,279,315 + $0
times Tax Base Growth Factor	1.0031	$593,112,281	= ($591,279,315 + $0) * 1.0031
plus PILOTS Receivable in FYE 2012	$9,105,637	$602,217,918	= $593,112,281 + $9,105,637
times Allowable Levy Growth Factor	1.02	$614,262,276	= 1.02 * $602,217,918
less PILOTS Receivable in FYE 2013	$8,303,533	$605,958,743	= $614,262,276 + $8,303,533
plus Increases in retirement expenses in excess of 2% increase in the average contribution rate (not available when amortizing)	$0	$605,958,743	= $605,958,743 + $0
plus Total Tax levy necessary for expenditures from court orders or judgments resulting from tort actions FYE 2013 that exceed 5% of last year's tax levy	$0	$605,958,743	= $605,958,743 + $0
plus Available Carryover from FYE 12/31/2012	$2,576	$605,961,320	2013 Allowable Property Tax = $605,958,743 + $2,576
equals 2013 Allowable Increase		**$14,682,005**	2013 Allowable Increase = $605,961,320 - $591,279,315
2013 Allowable Percent Increase		**2.48%**	2013 Allowable Percent Increase = $14,682,005 / $591,279,315

Table 2
2013 Recommended and Maximum Allowable Property Taxes Based on the NYS 2% Cap

Description	2012 Adopted	Scenario 1 2013 Recommended	Scenario 2 Recommended plus allowable growth in the Police District	Scenario 3 Recommended plus allowable growth in the General Fund	Scenario 4 Allowable growth all in the Police District (no increase for sewers)	Scenario 5 2% even
Property Tax						
General Fund (001-1001)	$49,037,038	$49,037,038	$49,037,038	$50,464,978	$49,037,038	$49,037,038
Police District (115-1004)	$471,166,070	$483,558,389	$484,986,329	$483,558,389	$486,647,162	$482,129,910
MTA Payroll Tax (121-1005)	$2,852,204	$2,852,204	$2,852,204	$2,852,204	$2,852,204	$2,852,204
District Court (133-1001)	$7,312,389	$6,513,302	$6,513,302	$6,513,302	$6,513,302	$6,513,302
Sewers (various-1001)	$55,661,147	$57,321,980	$57,321,980	$57,321,980	$55,661,147	$57,321,980
Community college (818-1001)	$5,250,467	$5,250,467	$5,250,467	$5,250,467	$5,250,467	$5,250,467
All County Funds	**$591,279,315**	$604,533,380	$605,961,320	$605,961,320	$605,961,320	$603,104,901
2012-2013 Growth Rate						
General Fund (001-1001)		0.00%	0.00%	**2.91%**	0.00%	0.00%
Police District (115-1004)		**2.63%**	**2.93%**	**2.63%**	**3.29%**	**2.33%**
MTA Payroll Tax (121-1005)		0.00%	0.00%	0.00%	0.00%	0.00%
District Court (133-1001)		**-10.93%**	**-10.93%**	**-10.93%**	**-10.93%**	**-10.93%**
Sewers (various-1001)		**2.98%**	**2.98%**	**2.98%**	**0.00%**	**2.98%**
Community college (818-1001)		0.00%	0.00%	0.00%	0.00%	0.00%
All County Funds		**2.24%**	**2.48%**	**2.48%**	**2.48%**	**2.00%**
2012-2013 Change						
General Fund (001-1001)		$0	$0	**$1,427,940**	$0	$0
Police District (115-1004)		**$12,392,319**	**$13,820,259**	**$12,392,319**	**$15,481,092**	**$10,963,840**
MTA Payroll Tax (121-1005)		$0	$0	$0	$0	$0
District Court (133-1001)		**($799,087)**	**($799,087)**	**($799,087)**	**($799,087)**	**($799,087)**
Sewers (various-1001)		**$1,660,833**	**$1,660,833**	**$1,660,833**	**$0**	**$1,660,833**
Community college (818-1001)		$0	$0	$0	$0	$0
All County Funds		**$13,254,065**	**$14,682,005**	**$14,682,005**	**$14,682,005**	**$11,825,586**
Change from 2013 Recommneded			*$1,427,940*	*$1,427,940*	*$1,427,940*	*($1,428,479)*

Cap Compliance

Effects of Recommended Budget

The 2013 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 2013.
- 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 2013.

The Executive's recommended budget document shows compliance with both cap laws. The discretionary portion of the budget for 2013 is shown to be $122.7 million below the expenditure cap and $45.2 million below the tax levy cap. This presentation can be found on pages 47 and 48 in Volume No. 1 of the 2013 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 past reviews of the operating budget. The end result has been to make the calculation of the cap compliance a meaningless exercise. 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 2013 recommended General Fund property tax of $49.0 million is made up of a $65.8 million mandated tax and a $16.7 million credit or negative discretionary tax. It is difficult to imagine how discretionary property taxes in the General Fund could be negative, especially given the challenges in generating non property tax revenue in a down economy. 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.

2013 Recommended General Fund Property Tax

	Total	Mandated	Discretionary
Stand Alone Net Property Tax Levy	-$20,188,879	$11,790,059	-$31,978,938
less Fund Balance, Jan. 1	-$69,225,917	-$53,978,988	-$15,246,929
equals General Fund Property Tax Warrant	$49,037,038	$65,769,047	-$16,732,009

Budget Review Office Recommendations

For several years the Budget Review Office has recommended that legislation be introduced to revise or eliminate the cap laws. In context to past practice and in recognition of the superior position now held by the New York State 2% Property Tax Cap, that recommendation has never been more appropriate.

The New York State 2% Property Tax Cap applies to all County taxing funds combined, with no differentiation between Mandatory and Discretionary designations. The 2% Property Tax Cap is likely to be more stringent than County Caps, which restrict growth in the discretionary budget to the greater of 4% or the rate of inflation. The 2% Cap is expected to be the principal driver limiting growth in County property taxes, while the County's local cap laws in our estimation have become irrelevant.

As the County's cap laws currently stand, inconsistent interpretations were made in past years in order to circumvent the caps. Calculations typically do not follow legislated methodology and have been applied in conflicting ways. More importantly, it is not clear how the new State cap may conflict with the County caps. The County caps are less stringent than the State cap and of lesser value because of the effort made to circumvent them and how they are calculated. For these reasons, Budget Review strongly recommends that the County cap laws be rescinded in their entirety.

In addition to repeal of the County tax cap laws, Local Laws 29-1995 and 43-2006 should also be rescinded. These laws require that a minimum of 25% of the General Fund actual discretionary fund balance be transferred to the Tax Stabilization Reserve Fund. The main reason for rescinding this requirement is that the discretionary fund balance is based on inaccurate calculations. Short of rescinding these laws, if the County decides to transfer a portion of the fund balance from the General Fund to Tax Stabilization Reserve, that transfer should be a portion of the total fund balance surplus instead of the discretionary fund balance. As noted above, the discretionary fund balance is not an accurate figure.

RL Cap Compliance 13

General Fund Revenue

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 2013 Recommended Budget has a General Fund Property Tax Warrant of $49,037,038, which is unchanged from the previous three years. Since 2010, the General Fund Warrant has reflected a reduction equal to its portion of the newly established MTA payroll tax, as per Local Law 31-2009. That legislation mandated the collection and payment of the MTA Tax to 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 makes 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 while General Fund property tax revenue often deviates significantly from the adopted budget as a result of making these other taxing jurisdictions whole.

The 2011 Adopted General Fund property tax was $49,037,038, but the actual amount recognized was $38,772,199; a shortfall of $10,264,839. The 2012 estimated budget anticipates a similar shortfall of $10,537,038.

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, exceeding $2 billion in 1990, surpassing $3 billion in 2002, breaking the $4 billion mark in 2006 and reaching $5.19 billion this year (2012). 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 2012 estimated property tax, the method used to calculate property taxes makes it difficult to accurately predict what the actual amount will be. That being said, information from the Treasurer's Office leads us to believe that the estimated amount is too optimistic. If this proves to be the case, the budget would have a $3 million shortfall in property tax revenue.

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 eight

consecutive years (1989 to 1996). After several years in which General Fund property tax revenue exceeded the adopted warrant, collections turned negative in 2005. In 2012, we will have experienced the eighth 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. However, the recommended budget presumes that General Fund Property tax revenue will come in at the adopted amount in 2013 – the County does not adopt budgets with an allowance for a property tax surplus or shortfall, a deficiency in the budget that should be addressed. Consequently, a likely shortfall in 2013 will make a challenging 2013 budget even more difficult.

Real Property Tax Items

Gain Sale Tax Acquired Property (001-FIN-1051)

This revenue represents the gain or loss to the County, upon sale of properties that were acquired for non-payment of taxes. The County investment in these properties can be significant; once the County has taken the deed, the policy is to hold properties for at least three years to provide marketable title. The County pays school and library district taxes (about two thirds of all taxes), for three years after taking the deed, which the General Fund must make whole. After three years, the General Fund must make whole all taxing districts. In addition, the County incurs maintenance and liability costs. Often, the investment is not recouped upon sale of these properties, and is also generally not recouped in the case of 72-h transfers for affordable housing for one dollar, or dedication of tax acquired property to parkland.

The 2011 actual revenue for Gain (from the) Sale of Tax Acquired Property was $89,347 ($250,000 had been adopted), and year-to-date revenue, as of October 1, 2012, was $658,531. This revenue was adopted at $8.75 million for 2012. It seems likely that the 2012 estimate of $654,129 is closer to what we will actually realize in 2012. No revenue was requested for 2013, and the $2.5 million recommended seems optimistic. Based on recent trends and auction results, it is likely that this revenue is overstated by at least $1.5 million in 2013.

It is our understanding that approximately $3.6 million was sold at auction in 2011, but the County investment on those properties was close to $3 million. It is likely that most of these properties closed, or will close, during 2012 and 2013. The Department of Economic Development and Planning records indicate that auction receipts were approximately $1.4 million by the end of May (not yet considering the County investment). The Department estimated that another $500,000 in closings may occur by the end of the year.

Preliminary estimates from the Department regarding the upcoming October 2012 County auction indicated that the total upset price (minimum sale price) on properties offered would be approximately $2.1 million, with a total County investment of approximately $2.5 million. If all properties sold at the upset price, there would then be a net loss of $0.4 million. Auction offerings are subject to change.

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. 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 residual 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.

Overall, betting has decreased, especially on New York State tracks. The result is that OTB handles have decreased, as well as the County share. Revenue has declined by an average of 8.8% annually from 1997 to 2011. The following chart shows OTB revenue since 1997.

Year	County Share of OTB Revenue	% Change
1997	$5,175,615	NA
1998	$5,441,241	5.1%
1999	$5,454,709	0.2%
2000	$5,022,550	-7.9%
2001	$5,923,235	17.9%
2002	$6,221,551	5.0%
2003	$5,730,218	-7.9%
2004	$3,476,472	-39.3%
2005	$2,847,765	-18.1%
2006	$3,124,612	9.7%
2007	$2,497,607	-20.1%
2008	$2,299,051	-7.9%
2009	$2,044,154	-11.1%
2010	$1,602,989	-21.6%
2011	$1,167,594	-27.2%
2012 Est.	$1,285,150	10.1%
2013 Rec.	$1,600,000	24.5%

In 2011, the Legislature passed a resolution authorizing Suffolk OTB to file for Chapter 9 Bankruptcy with the intent of restructuring to enact efficiencies. Subsequently, it was determined by the courts that the County did not have the authority to allow the OTB to file for bankruptcy. It was not until 2012 that the OTB could move forward with the filing, after New York State granted the authorization. It remains to be seen how the bankruptcy reorganizations will improve the profitability of Suffolk OTB. In the short term, the County should not expect to see any increase in revenue.

The 2012 estimated budget anticipates $1,285,150 in revenue, which is $418,850 less than adopted, but $117,556 more than what was actually received in 2011. Based on year-to-date (9/21/12) receipts of $749,672, the estimate is reasonable, but optimistic. The 2013

Recommended Budget includes $1.6 million. Given the trend in OTB revenue and the uncertainty surrounding the recent bankruptcy filing, we believe it is risky to assume an increase over the 2012 estimate.

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

The General Fund earns interest based on the Treasurer's investments. Revenues are a function of interest rates as well as the amount of cash on hand. Interest revenue is comprised of the following categories:

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:

Revenue Code	2011 Actual	2012 Adopted	2012 Estimate	9/21/12 YTD	2013 Recommended
001-FIN-2401	$47,075	$1,524,000	$9,726	$274,137	$50,000
001-AAC-2403	$16,117	$27,840	$28,706	$12,315	$26,813
001-FIN-2404	$120,703	$250,000	$120,000	$64,842	$150,000
001-FIN-2405	$149,193	$180,000	$9,465	$9,464	$8,882
Total	**$333,088**	**$1,981,840**	**$167,897**	**$360,757**	**$235,695**

The recession has had a dramatic effect on General Fund interest revenues. The weak economy has resulted in significantly less cash to invest and lower returns on investment. General Fund interest earnings, which totaled $10.5 million in 2007, were only 3.2% of that amount in 2011. The following chart illustrates the decline in this revenue.

Year	General Fund Interest Revenue	Change from Prior Year
2007	$10,524,290	NA
2008	$6,329,770	-$4,194,520
2009	$2,188,160	-$4,141,610
2010	$724,554	-$1,463,606
2011	$333,088	-$391,466
2012 Est.	$167,897	-$165,191
2013 Rec.	$235,695	$67,798

While there has been downward pressure on interest revenues, it appears that 2012 revenues are coming in better than estimated by the Executive, if still far short of the 2012 Adopted Budget. As of September 21, 2012, IFMS reported interest revenues of $360,757, already $192,860 more than the 2012 estimated budget. Based on 2012 revenues, it is likely that the 2013 Recommended Budget is also understated. However, we believe that increases to these revenue estimates should be modest based on the following:

- Balances in interest bearing accounts, an important determination of earnings, are at historic lows. It is reasonable to assume that the County's cash position in 2013 will persist at low levels.
- Forecasts for short-term interest rates (three month Treasury Bill), which were obtained from the Research Seminar in Quantitative Economics (RSQE), anticipate that interest rates will remain the same in 2013 as in 2012; averaging 0.1%.

Sales of Real Property (001-EVE-2660)

The recommended budget includes $19,250,000 in 2012 estimated revenue from the sale of surplus real property in Yaphank, as authorized by Resolution No. 851-2012, approved September 24, 2012. This is $1.14 million more than the 2012 adopted revenue of $18.11 million. It is our understanding that the 2012 adopted revenue had included the sale of approximately 122 acres of Yaphank property, the sale of surplus property in Selden, and the sale of the Farmingville Health Facility. The Selden and Farmingville sales did not go through in 2012, but a sale of approximately 234 acres of Yaphank land is hoped to be completed by the end of 2012, or as soon as all issues are resolved.

According to the Division of Real Property Acquisition and Management, the $660,000 recommended revenue in 2013 is anticipated from the delayed sale of 6.6 acres in Selden, for use by the State University of New York, Empire State College, which had been authorized by Resolution No. 515-2011, and the Farmingville mental health facility is no longer being offered for sale.

The 2011 adopted revenue had included $12 million from the sale of a portion of the surplus Yaphank parcel now included in the 2012 estimated revenue. This revenue was not realized in 2011, as the sale to the Legacy Village Real Estate Group, LLC was never authorized; actual 2011 revenue of $190,000 was attributed to the Department of Public Works.

Out of County Tuition (001-MSC-2250)

Suffolk County is mandated by State Education Law to pay the sponsor's share of tuition for residents that opt to attend community college outside of Suffolk County. In accordance with Section 6305(5) of the New York Education Law, the County can pass these costs on to the townships. Before 2012, the last time the County exercised its legal right to chargeback the towns was 1994. The 2012 Adopted Budget included $10.25 million in revenue from town chargebacks, representing 73% of the County's $14 million liability for Out of County Tuition (001-MSC-2490-4780). The County retained the responsibility for paying the $3.75 million estimated cost for students attending their third and fourth years of education at the Fashion Institute of Technology (FIT), which is considered a community college under State law. Resolution No. 807-2011 directed the County Comptroller to limit the County's reimbursement to FIT to costs associated with Suffolk residents in FIT's two-year education programs and those seeking two-year associate degrees. By not remitting payment for the third and fourth years of four-year programs, the estimated budget estimates that the County will save $3.75 million in 2012.

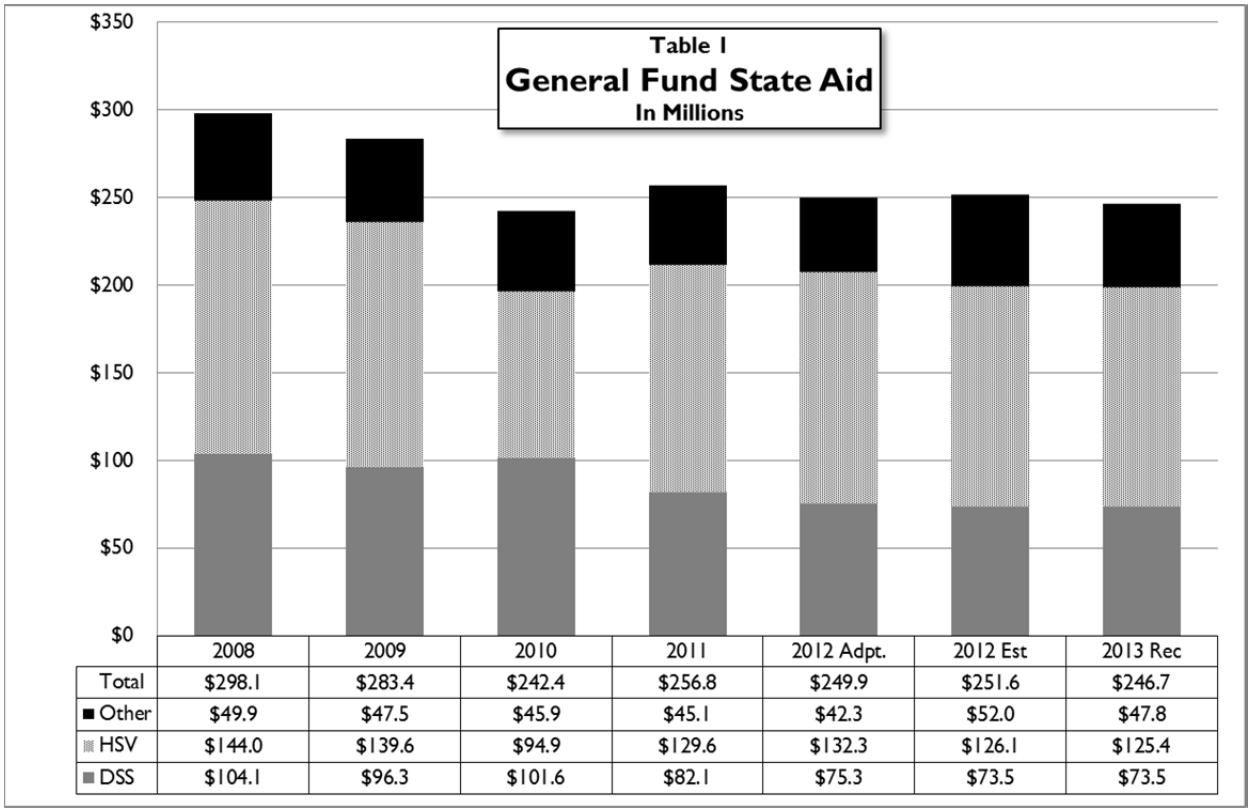
Resolution No. 732-2012 provided local authorization for the continuation of town chargebacks in 2013 and moving forward. The recommended budget includes $10.25 million in Out of County Tuition expenditures and an equal amount in revenue from the towns for that expenditure. Pursuant to Resolution No. 807-2011, no funds are included for reimbursement to FIT for years three and four.

It is important to note that New York State has not granted the County the permission to discontinue the additional payments to FIT. If the County is sued and found liable for the expense, the County would be forced to pay $7.5 million for unbudgeted expenses ($3.75 million in 2012 and $3.75 million in 2013).

State and Federal Aid

The amount of aid received by the County from the Federal Government and New York 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. In the aggregate, State aid is estimated to decrease by $5.3 million from 2011 to 2012 and another $4.8 million from 2012 to 2013. Table 1 depicts the allocations of State aid received for the County's General Fund from 2008 through the 2013 Recommended Budget.



	2008	2009	2010	2011	2012 Adpt.	2012 Est	2013 Rec
Total	$298.1	$283.4	$242.4	$256.8	$249.9	$251.6	$246.7
Other	$49.9	$47.5	$45.9	$45.1	$42.3	$52.0	$47.8
HSV	$144.0	$139.6	$94.9	$129.6	$132.3	$126.1	$125.4
DSS	$104.1	$96.3	$101.6	$82.1	$75.3	$73.5	$73.5

In 2010, the County received $41 million from the American Recovery and Reinvestment Act (ARRA) for Education of Handicapped Children (001-HSV-4277). The stimulus funding was offset by a one year reduction in State aid for the same purpose (001-HSV-3277). For this reason, State aid for the Department of Health Services appears to be exceptionally low in 2010 while Federal aid appears to be abnormally high (See Table 3). State aid for the Department of Health Services is estimated to be $6.2 million less than adopted in 2012; 60% of the shortfall is attributed to a reduction in aid for preschool and early intervention programs. The 2012 estimated budget is also $3.6 million less than what was actually received in 2011, with the largest reduction being for Public Health programs. The recommend budget anticipates State aid for the Health Department to be relatively flat in 2013 with a projected decrease of 0.5% from the 2012 estimate.

State aid for the Department of Social Services is estimated at $1.8 million less than adopted in 2012. Contributing to the anticipated shortfall are a $2.4 million deficit in Child Support program aid and a $2.8 million deficit in Home Relief aid. State aid for Maintenance of Handicapped Children is estimated to be $1 million more than adopted and reimbursement for DSS administrative costs is expected to exceed the adopted budget by $2.7 million. The 2012 estimate is $8.6 million less than actual DSS aid revenues in 2011, the most significant decrease being an 86% reduction in Child Support Title IV reimbursement. The recommended budget anticipates that DSS revenue from State aid in 2013 will be approximately the same as estimated in 2012.

State aid for other departments is typically estimated at a higher amount than adopted because a large percentage of this revenue is from grant funds that are appropriated during the year via

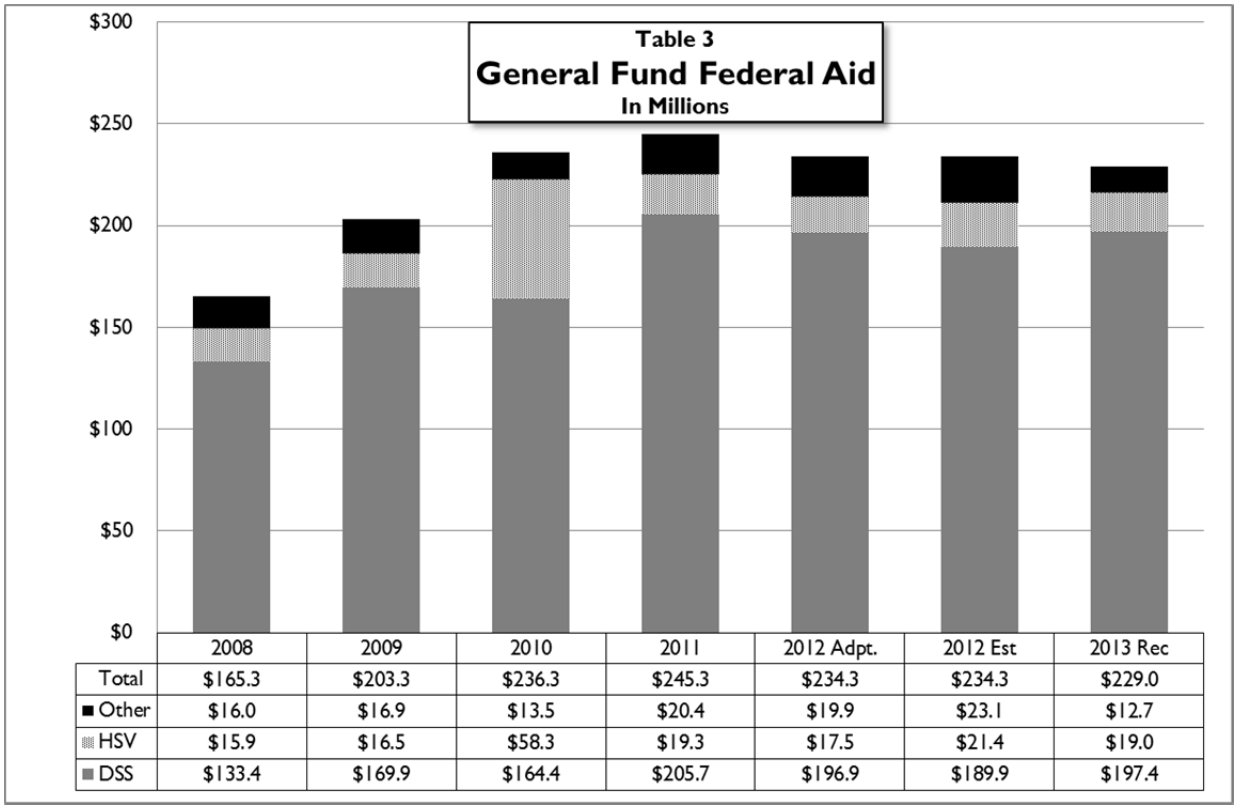
resolution. Estimated State aid in 2012 for departments other than DSS and Health Services is $9.5 million more than adopted. The 2012 estimated budget includes $3.5 million in aid claimed for work done by the Suffolk County Police Department and District Attorney on behalf of the Department of Social Services. Estimated State aid in 2012 for departments other DSS and Health Services is also $6.9 million more than actual 2011 receipts.

Table 2 shows that in the aggregate, State aid represented 13.8% of actual General Fund revenue in 2011. The 2012 estimated budget attributes 13.1% of General Fund revenue to State aid. The 2013 Recommended Budget forecasts that State aid will account for only 12% of total General Fund revenues. This trend can be attributed to the growth in other General Fund revenues and a decline in State aid. General Fund revenue is expected to grow $136.3 million from 2012 to 2013 while State aid is projected to decrease by $5.3 million.

Table 2
Comparison of State Aid to Total General Fund Revenue

Year	Total Fund 001 Revenue	State Aid 001 Revenue	Change in Stae Aid from Previous Year	Percent of Total Revenue Attributed to State Aid
2008	$1,825,945,612	$298,093,235	NA	16.33%
2009	$1,752,005,323	$283,426,489	-4.92%	16.18%
2010	$1,792,138,343	$242,416,092	-14.47%	13.53%
2011	$1,865,687,119	$256,824,325	5.94%	13.77%
2012 Est	$1,921,660,342	$251,556,741	-2.05%	13.09%
2013 Rec	$2,057,974,702	$246,715,559	-1.92%	11.99%
Average	$1,869,235,240	$263,172,074	-3.48%	13.71%

Table 3 depicts the allocations of Federal aid in the County's General Fund from 2008 through the 2013 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; usually slightly more or less than all remaining departments combined. Federal aid is unusually high for the Department of Health Services in 2010 due to the one-time replacement of State aid with ARRA funds. In the aggregate, Federal aid is estimated to decrease by $11 million from 2011 to 2012 and by another $5.3 million from 2012 to 2013.



	2008	2009	2010	2011	2012 Adpt.	2012 Est	2013 Rec
Total	$165.3	$203.3	$236.3	$245.3	$234.3	$234.3	$229.0
Other	$16.0	$16.9	$13.5	$20.4	$19.9	$23.1	$12.7
HSV	$15.9	$16.5	$58.3	$19.3	$17.5	$21.4	$19.0
DSS	$133.4	$169.9	$164.4	$205.7	$196.9	$189.9	$197.4

While State aid has been decreasing for the Department of Health Services, the recommended budget estimates an increase in federal aid of $2.1 million from 2011 to 2012. The increase includes $677,529 in additional aid for Water Pollution Control and additional grant revenue for various programs. The 2012 estimated budget for Health Services aid exceeds the adopted budget by $3.9 million, which is mainly attributable to grant revenue that was not adopted, but appropriated during the year. For the same reason, the 2013 Recommended Budget is $2.4 million less than estimated in 2012.

Federal aid for Social Services in 2012 is estimated to be $7 million less than adopted and $15.8 million less than actual revenue in 2011. The shortfall from the adopted budget can be attributed to an $8.9 million cut in aid for Dependent Children. The estimated decrease from 2011 is substantially comprised by the following: $2.9 million reduction in Federal Medical Assistance Program (FMAP), $4.2 million decrease in reimbursement for DSS administration, and $8.9 million in cuts to Child Care Block Grants. The 2013 Recommended Budget anticipates an increase of $7.5 million over the 2012 estimated budget, which assumes partial restoration of the 2012 cuts to Dependent Children aid and additional reimbursement for DSS administrative costs.

Federal Aid for other departments is mostly in the form of grants. Aid is estimated to be $3.2 million more than adopted in 2012 due primarily to the acceptance of public safety grants for the Department of Fire and Rescue Services (FRES), the Sheriff's Office, and the Police Department, during the year. Federal aid for other departments is estimated to be $2.7 million more in 2012 than in 2011; however, the 2013 Recommended Budget is $10.4 million less than the 2012 estimated budget. This projected decrease is attributed to not budgeting the aforementioned grants.

Similar to the trend in State aid, Federal aid is declining as a percentage of total General Fund revenue. Federal aid represented 13.2% of all General Fund revenues in 2010 and 2011; it is estimated to represent 12.2% in 2012 and 11.1% in 2013. Table 4 shows the change in General Fund federal aid as well as overall General Fund revenue since 2008.

Table 4
Comparison of Federal Aid to Total General Fund Revenue

Year	Total Fund 001 Revenue	Federal Aid 001 Revenue	Change in Federal Aid from Previous Year	Percent of Total Revenue Attributed to Federal Aid
2008	$1,825,945,612	$165,317,894	NA	9.05%
2009	$1,752,005,323	$203,336,580	23.00%	11.61%
2010	$1,792,138,343	$236,295,093	16.21%	13.19%
2011	$1,865,687,119	$245,335,601	3.83%	13.15%
2012 Est	$1,921,660,342	$234,309,917	-4.49%	12.19%
2013 Rec	$2,057,974,702	$229,027,174	-2.25%	11.13%
Average	$1,869,235,240	$218,937,043	7.26%	12.25%

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).

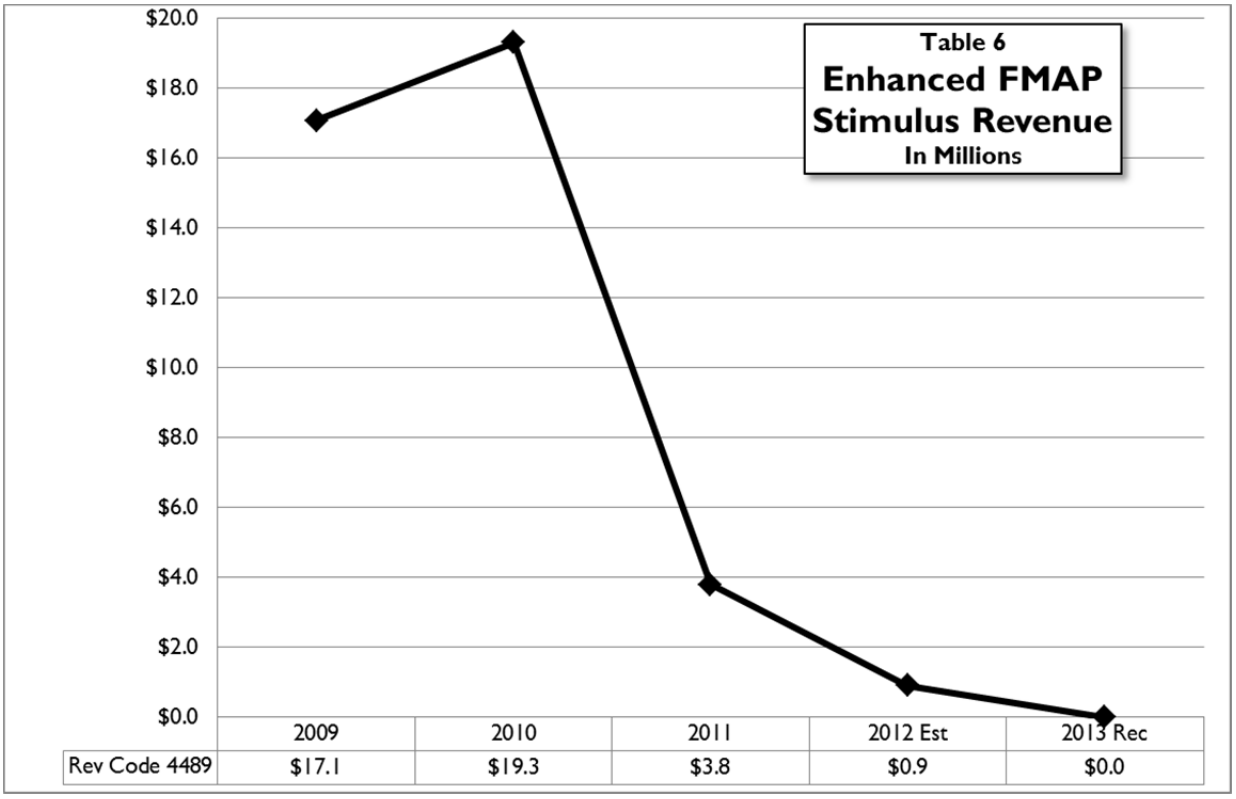
Table 5
Department of Social Services State and Federal Aid and Related Expenditures

Rev Code	Revenue Source	2011 Actual	2012 Estimate	2013 Recommended
3610	State Aid: Social Services Administration	$27,801,531	$25,761,622	$25,515,213
3640	State Aid: Home Relief	$16,512,757	$16,500,450	$17,349,200
3662	State Aid: Foster Care Block Grant	$18,906,867	$17,724,846	$17,724,846
4609	Federal Ais: Dependent Children	$63,785,099	$63,252,700	$71,466,564
4610	Federal Aid: Social Services Administration	$36,608,436	$32,383,248	$34,730,634
4611	Federal Aid: Food Stamp Program	$12,365,309	$11,664,160	$12,091,754
4619	Federal Aid: Child Care (Adc - Fc)	$19,753,833	$20,614,081	$21,473,027
4620	Federal Aid: Child Care Block Grant	$41,696,226	$32,741,140	$30,725,340
Other	Other DSS State and Federal Aid	$50,357,805	$42,758,093	$39,756,560
Total DSS State and Federal Aid		**$287,787,862**	**$263,400,340**	**$270,833,138**
Approp.	**Program Name**	**2011 Actual**	**2012 Estimate**	**2013 Recommended**
6109	Family Assistance	$65,509,594	$64,000,000	$72,149,973
6140	Safety Net	$62,651,281	$62,000,000	$65,000,000
6010	Family, Children & Adult Services	$33,660,850	$34,221,927	$34,532,272
6012	Handi. Child Maint Program	$28,438,223	$26,756,876	$27,500,000
6015	Public Assist Admin	$18,180,691	$17,841,072	$20,769,930
6118	Institutional Foster Care	$16,768,316	$15,000,000	$16,500,000
6120	Adoption Subsidy	$16,661,211	$16,600,000	$17,000,000
6121	Institutional Foster Care/Prob	$12,563,201	$10,000,000	$12,000,000
Other	Other Aided DSS Programs	$37,313,121	$37,307,554	$34,032,730
Total Expenditures in DSS Programs Receiving State and/or Federal Aid		**$291,746,487**	**$283,727,429**	**$299,484,905**
			2011 - 2012	**2012 -2013**
Change in Revenue			**-$24,387,522**	**$7,432,798**
			-8.47%	**2.82%**
			2011 - 2012	**2012 -2013**
Change in Expenditures			**-$8,019,058**	**$15,757,476**
			-2.75%	**5.55%**

DSS revenue from State and Federal aid is estimated to decrease by $24.4 million or 8.5% from 2011 to 2012 while related program expenditures are expected to decrease by $8 million or 2.8%. The net impact to the County is -$16.4 million. State and Federal Aid for DSS is projected to increase from 2012 to 2013 by $7.4 million or 2.8%; however, the growth in

revenue is expected to be outpaced by the growth in expenditures. The recommended budget increases aided expenditures by $15.8 million or 5.6%. The net County impact is -$8.3 million. The combined two year impact is -$24.7 million.

The expiration of enhanced FMAP provided by the federal fiscal stimulus package has contributed to the trend of expenditures outpacing revenues. Enhanced FMAP (001-DSS-4489) was $17.1million in 2009 and $19.3 million in 2010, but provided only $3.8 million 2011 and is estimated at only $900,000 in 2012. The stimulus funding expires completely in 2013. Table 6 shows the decline in FMAP revenue from 2009 through the 2013 Recommended Budget.



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).

Table 7
Department of Health Services State and Federal Aid and Related Expenditures

Rev Code	Revenue Source	2011 Actual	2012 Estimate	2013 Recommended
3277	State Aid: Preschool/Early Intervention	$84,404,612	$83,031,372	$82,773,521
3401	State Aid: Public Health	$20,577,876	$16,382,521	$16,350,127
3486	State Aid: Narcotics Addiction Control	$2,837,231	$3,365,037	$3,334,592
3487	State Aid: Methadone Maintenance	$2,288,467	$2,649,500	$2,649,500
3493	State Aid: Community Support Svc Program	$15,391,800	$17,060,856	$16,957,724
4401	Federal Aid: Public Health	$4,733,569	$3,899,083	$3,242,622
4482	Federal Aid: W.I.C. Nutrition	$2,857,535	$3,828,085	$3,570,000
4490	Federal Aid: Mental Health	$2,288,094	$2,259,322	$2,261,862
4491	Federal Aid: Alcoholism	$5,536,464	$6,180,560	$6,180,560
Other	Other HSV State and Federal Aid	$8,005,138	$8,762,997	$7,077,571
Total HSV State and Federal Aid		**$148,920,785**	**$147,419,333**	**$144,398,079**
Approp.	**Program Name**	**2011 Actual**	**2012 Estimate**	**2013 Recommended**
2960	Education Handicapped Children	$153,149,287	$156,261,031	$156,902,265
4100	Hs: Patient Care Svcs Adm	$38,744,874	$36,101,624	$32,449,434
4101	Patient Care Programs	$9,919,656	$10,576,006	$9,575,290
4310	Div Of Comm Mental Hygiene	$13,416,842	$15,025,502	$15,170,498
4320	Hs: Mental Health Pgms	$7,598,993	$6,655,549	$6,757,458
4330	Hs Community Support Svc	$18,708,038	$19,330,521	$19,025,341
4400	Hs: Environmental Health	$7,441,379	$6,798,667	$6,458,189
4720	Forensic Sciences	$9,637,781	$9,524,867	$0
Other	Other Aided HSV Programs	$40,953,418	$39,970,251	$38,495,695
Total Expenditures in HSV Programs Receiving State and/or Federal Aid		**$299,570,269**	**$300,244,018**	**$284,834,170**
			2011 - 2012	**2012 -2013**
Change in Revenue			**-$1,501,452**	**-$3,021,254**
			-1.01%	**-2.05%**
			2011 - 2012	**2012 -2013**
Change in Expenditures			**$673,749**	**-$15,409,848**
			0.22%	**-5.13%**

Department of Health Services revenue from State and Federal aid is estimated to decrease by $1.5 million or one percent from 2011 to 2012 while related program expenditures are expected to increase by $673,749 or 0.2%. The net impact to the County is -$2.2 million.

State and Federal aid for Health Services is projected to decrease from 2012 to 2013 by $3 million or 2.1%; however, aided expenditures are expected to decrease by $15.4 million or 5.1%. The net County impact is +$12.4 million. The combined two year impact is +$10.2 million.

State and Federal aid, for all departments, is estimated to be approximately 25.3% of total General Fund revenues in 2012, which, as seen in Table 8, is consistent with the average percentage since 2008. The 2013 Recommended Budget projects State and Federal aid to fall to 23.1% of overall General Fund revenue, which is somewhat lower than in recent years.

Table 8
Comparison of Combined State and Federal Aid

Year	Combined State & Federal Aid	Percent of Total Revenue Attributed to State & Federal Aid
2008	$463,411,129	25.38%
2009	$486,763,069	27.78%
2010	$478,711,186	26.71%
2011	$502,159,926	26.92%
2012 Est.	$485,866,658	25.28%
2013 Rec.	$475,742,733	23.12%
Average	$482,109,117	25.87%

As was cautioned in our past reviews, there is the potential that State aid could be reduced by undetermined amounts in the upcoming year due to continued fiscal problems in Albany. Should this happen, the recommended State aid amounts could be overstated and the County may have to restrict expenditures accordingly. A recent example is the State cut to funding received pursuant to Article 6 of NYS Public Health Law. These revenues were reduced based on the decision by New York State not to fund certain optional services, and also due to the settlement of Suffolk County's Article 78 suit against the New York State Department of Health regarding certain previously claimed revenues. Among the eliminated categories of reimbursement were administration of the Children with Special Needs Division, Emergency Medical Services, Medical Examiner costs, and treatment of chronically ill patients older than 21 years of age.

It should also be noted that if services are reduced because of recent layoffs and retirements, costs will also be reduced. It is likely that cost based elements of reimbursement will then be reduced as well. If services are reduced because the staff no longer exists to provide them, then work plan based reimbursement will be reduced because work plan deliverables will not be met. Either way, reimbursement will be reduced. The only questions are whether aid will be reduced proportionally to the failure to provide services; whether the grants and aid will be suspended or withdrawn; and how long it will take Federal and New York State funders to determine the fate of the programs.

As State and Federal aid become less reliable, the County must aggressively seek new local revenue sources and strengthen existing ones in order to lessen its reliance on other governments and avoid catastrophic shortfalls. Recent initiatives such as the Red Light Camera

Safety Program and Out of County Tuition chargebacks to the towns have helped offset declining aid with recurring revenue; however, the County has continued to rely on one-shots to balance its General Fund including Tobacco Securitization in 2008 and 2012, the sale of the John J. Foley Skilled Nursing Facility and the Yaphank parcel in 2012, and the proposed sale/leaseback of County facilities in 2013. These stopgap measures have been necessary because recurring revenue is insufficient to fund growing expenditures. Long term, these practices are fiscally unsustainable; the County must either generate additional revenue to finance expenditures or substantially reduce expenses, likely resulting in severe cuts to service provision.

BP General Fund Rev 13

Personnel Costs and Issues Overview

Personnel Costs (exclusive of the College and Vanderbilt Museum)

The 2013 Recommended Budget includes $1.5 billion across all funds for salaries, benefits, and other personnel costs; representing approximately 53% of the $2.82 billion recommended budget. Contractually obligated raises and step increases as well as escalating pension and benefit costs contribute to growing personnel costs each year. Consequently, the recommended budget projects that personnel costs will increase by 0.6% from the 2012 estimated budget and 2.6% over actual 2011 expenditures, despite reducing the workforce by 677 employees in 2012 through a combination of layoffs, early retirement incentives, and natural attrition, and reducing staff by another 189 by privatizing the John J. Foley Skilled Nursing Facility. The $9.1 million net increase in personnel costs from the 2012 estimated budget to the 2013 Recommended Budget is comprised of a $15.5 million increase in salaries and other employee compensation costs (1000s) and a decrease of $6.4 million in benefit costs (8000s). Growth in personnel costs represents 13.7% of the $66.4 million total recommended increase in expenditures from the 2012 estimated budget compared to 94.3% of the $31.6 million increase from 2011 to the 2012 estimate.

Authorized positions

The 2013 Recommended Budget includes a net reduction of 80 authorized positions from 10,937 to 10,857. The reduction includes the abolishment of 226 positions and the creation of 146 new positions. The following table compares the number of authorized positions in the County's operating budgets over the period of 2002 through 2013.

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	12,052	75
2010	11,824	-228
2011	11,573	-251
2012 Modified	10,937	-636
2013 Recommended	10,857	-80

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 2011 Adopted Budget abolished 191 of the 312 positions vacated in connection with the 2010 Early Retirement Incentive Program. In 2012, over 600 (filled and vacant) positions were abolished resulting in approximately 300 layoffs from February through July. The 2013 Recommended Budget abolishes another189 positions in connection with the privatization of the John J. Foley Skilled Nursing Facility.

New positions

Of the 146 recommended new positions, 66 are related to staffing the Jail Medical Unit when the new correctional facility opens in Yaphank. Three positions are also created to provide support to the recently established independent Office of the Medical Examiner, which was separated from the Department of Health Services via Resolution No. 736-2012. Additionally, the recommended budget includes five new positions to staff the newly created Suffolk County Traffic Violations Bureau and seven additional Consumer Affairs investigator positions in the Department of Labor, Licensing, and Consumer Affairs. Lastly, 74 Superior Officer and Detective positions are recommended to replace the vacant positions that were abolished in the 2012 Adopted Budget, providing flexibility for the Police Department to address current and future staffing needs. The following table lists the recommended new positions by fund, department, and title.

New Positions				
Fund	**Department**	**Title**	**Grade**	**No.**
001	Board of Elections	Assistant Election Clerk	UN	1
001	Health Services	Account Clerk Typist	11	2
001	Health Services	Clerk Typist	9	3
001	Health Services	Clinical Nurse Practioner	27	4
001	Health Services	Jail Medical Attendant	15	26
001	Health Services	Reg. Nurse Supervisor-Clinic	22	3
001	Health Services	Registered Nurse	19	14
001	Labor, Licensing & Consumer Affairs	Investigations Assistant	15	6
001	Labor, Licensing & Consumer Affairs	Investigations Manager	30	1
001	Medical Examiner	Asst. to Chief Med. Examiner	26	1
001	Medical Examiner	Deputy Chief Med. Examiner	38	1
001	Medical Examiner	Senior Budget Analyst	24	1
001	Police	Detective	UN	30
001	Police	Lieutenant	UN	4
115	Police	Detective	UN	10
115	Police	Lieutenant	UN	10
115	Police	Sergeant	UN	20
001	Sheriff	Detention Attendant	10	3
001	Sheriff	Physician III	38	1
136	Traffic Violations Bureau	Clerk Typist (Span. Speaking)	9	1
136	Traffic Violations Bureau	Clerk Typist	9	1
136	Traffic Violations Bureau	Executive Director of T.V.B.	35	1
136	Traffic Violations Bureau	Secretary	17	1
136	Traffic Violations Bureau	Senior Clerk Typist	12	1
Total				**146**

Abolished Positions

The recommended budget abolishes 226 positions; 189 of which are associated with the sale of the John J. Foley Skilled Nursing Facility. The remaining 37 abolished positions are as follows:

Abolished Positions				
Fund	**Department**	**Title**	**Grade**	**No.**
001	Civil Service	Director of Public Info. Mgt.	28	1
001	Economic Development and Planning	Chief Environmental Analyst	33	1
001	Executive: Veterans Service Agency	Veterans Service Officer	16	1
001	Health Services	Administrator II	25	1
001	Health Services	Aids Counselor	19	1
001	Health Services	Clerk Typist	9	1
001	Health Services	Clinic Administrator	27	1
001	Health Services	Clinical Nurse Practitioner	27	1
001	Health Services	Home Health Aide	8	1
001	Health Services	Medical Assistant (Sp. Speaking)	9	1
001	Health Services	Medical Assistant	9	1
001	Health Services	Medical Records Clerk	11	1
001	Health Services	Physician II	37	2
001	Health Services	Physician's Assistant	28	1
001	Health Services	Principal Clerk	14	1
001	Health Services	Psychiatrist II	37	1
001	Health Services	Public Health Nurse I	21	8
001	Health Services	Reg. Nurse Supervisor-Clinic	22	1
001	Health Services	Senior Clerk Typist	12	1
001	Health Services	Systems Analysis Supervisor	30	1
001	Probation	Senior Clerk Typist	12	1
001	Public Works	Building Maintenance Manager	23	1
001	Public Works	Custodial Worker I	8	1
001	Public Works	Maint. Crew Chief (STM/HVAC)	21	1
001	Public Works	Maintenance Mechanic V	20	2
001	Public Works	Material Control Clerk IV	15	1
001	Real Property Tax Service	GIS Technician II	20	1
001	Real Property Tax Service	GIS Technician III	23	1
Total				**37**

According to the September 16, 2012 Position Control Register, seven of these positions are filled; one Home Health Aide and six Public Health Nurses in the Division of Visiting Health Nursing in the Department of Health Services. The narrative in the 2013 Recommended Budget indicates that no layoffs were intended; however, these interim positions are not continued for 2013.

2012 Early Retirement Incentives (ERIP)

In 2012 there were two retirement incentive programs, one for the three police unions (PBA, SOA, SDA) in April and one for all bargaining units (including police) in June/July. The cumulative savings over 2012-2013 will provide an estimated $8.8 million in savings to the General Fund and $10.7 million across all funds, assuming no backfill. In 2012 there is a net cost of $4.35 million because of terminal pay, but savings in 2013 will ultimately offset the loss. The following chart summarizes the combined incentive savings by fund.

Fund #	Fund Name	2012 Net Savings	2013 Net Savings	Combined
001	General Fund	-$1,046,448	$9,855,423	$8,808,974
016	Interdepartmental Operations	-$2,073	$45,563	$43,490
102	Public Safety Communications (E-911)	$89,892	$157,289	$247,180
115	Police District	-$3,544,784	$3,444,187	-$100,597
203	Southwest Sewer District	-$58,809	$335,126	$276,317
259	Building/Sanitation Administration	$6,862	$135,078	$141,940
261	Sewer Maintenance	-$6,477	$415,162	$408,685
320	Workforce Investment	$18,535	$28,754	$47,289
360	Medicaid Compliance	$93,400	$318,947	$412,347
477	Water Protection	$3,996	$26,508	$30,503
632	County Nursing Home	$92,734	$249,969	$342,703
Total		**-$4,353,173**	**$15,012,005**	**$10,658,832**

April Police Early Retirement Incentive

In April an early retirement incentive was agreed to between the County and three police unions (PBA, SDA, and SOA). According to the agreement, participating employees who retired before April 30, 2012 were exempted from paying any healthcare contributions until Medicare eligible, if employee contributions were ever agreed upon in the future. Participants were also entitled to accruals that would have otherwise not been earned until July 1st, at the time of their separation as long as they retired by April 30th. A participation threshold was written into the MOA with each bargaining unit stipulating that if the quotas were met, the County would restore 38 positions scheduled to be abolished on July 1, 2012. Based on information from Audit and Control, there were a total of 72 participants in the incentive, 30 PBA members, 11 SOA members, and 31 SDA members; sufficient participation to prevent any layoffs in the three police unions.

On average, there have been 88 annual sworn police retirements from 2005 to 2011. Based on actual figures through July and historical averages for August through December, BRO projects a total of 134 police retirements in 2012. We attribute 46 (the difference between normal and expected retirements) of the 72 April retirements to the ERIP and 26 to normal retirement.

The adjusted cost/savings associated with the police incentive is the sum of avoided salary, FICA contributions, and benefit fund contributions, net terminal pay for those retirements that are

attributed to the ERIP. In most cases, the amount owed to employees in terminal pay was greater than the salary and benefits that would have been paid if the employee remained on the payroll. Additionally, there is the cost to restore the 38 layoffs, resulting in over $1 million in unbudgeted expenses in 2012. Consequently, we conclude that a net cost of $5.7 million can be attributed to this incentive in 2012. The following chart shows the net cost/savings for the 46 participants we have ascribed to the incentive. While 2012 is a net cost, 2013 savings are significant enough to offset the loss for a net two-year gain.

Fund/ Bargaining Unit	2012 Salary	2012 FICA	2012 Ben. Fd. Contr.	2012 Term Pay	2012 Net
001-General Fund	**$1,339,495**	**$102,471**	**$15,112**	**$3,428,187**	**-$1,971,108**
PBA	$236,839	$18,118	$2,723	$582,581	-$324,901
SDA	$895,237	$68,486	$10,264	$2,250,891	-$1,276,904
SOA	$207,419	$15,868	$2,125	$594,715	-$369,303
115-Police District	**$2,477,640**	**$189,539**	**$29,727**	**$5,270,845**	**-$3,599,923**
PBA	$1,358,469	$103,923	$17,520	$2,366,382	-$886,471
SDA	$556,588	$42,579	$6,433	$1,492,549	-$886,949
SOA	$562,583	$43,038	$5,775	$1,411,913	-$800,518
No Layoffs					-$1,025,984
Combined	**$3,817,135**	**$292,011**	**$44,838**	**$8,699,031**	**-$5,571,031**

In 2013, salary and benefit savings are greater because they are for a full 12 months compared to only May through December in 2012. We also assume that a large portion of the 2012 ERIP terminal pay costs in 2012 will result in terminal pay savings in 2013 since we estimated that 75% of the incentive participants would have retired sometime in 2013 if there was no ERIP. To be consistent, the cost of not laying off Police Officers on July 1, 2012 is $3.3 million in 2013, and is subtracted from the total 2013 savings. When adjusted for retirements and the cost to restore positions, the 2013 savings from the Police Early Retirement Incentive is $7 million. See the following chart.

Fund/ Bargaining Unit	2013 Salary	2013 FICA	2013 Ben. Fd. Contr.	2013 Term Pay Savings	2013 No retirement	2013 Net
001-General Fund	**$1,958,357**	**$128,359**	**$22,089**	**$2,571,140**	**$4,679,945**	**$3,889,143**
PBA	$342,454	$22,877	$3,937	$436,936	$806,203	$667,728
SDA	$1,310,049	$87,274	$15,019	$1,688,168	$3,100,510	$2,570,882
SOA	$305,855	$18,208	$3,133	$446,036	$773,232	$650,533
115-Police District	**$3,618,017**	**$252,373**	**$43,430**	**$3,953,133**	**$7,866,953**	**$3,139,759**
PBA	$1,983,877	$148,698	$25,589	$1,774,787	$3,932,950	$3,123,639
SDA	$820,731	$55,121	$9,486	$1,119,412	$2,004,749	$1,672,748
SOA	$813,409	$48,554	$8,356	$1,058,935	$1,929,254	$1,602,884
No Layoffs						-$3,259,512
Combined	**$5,576,374**	**$380,731**	**$65,520**	**$6,524,273**	**$12,546,898**	**$7,028,902**

For the two years combined, we estimate a total cost of $460,164 in the Police District and a total savings of $1.9 million in the General Fund. The reason that the Police District is short is because the cost of restoring the 38 layoffs was charged to that fund since that is where all 38 of the least senior officers are budgeted. As seen in the chart below for 2012-2013, we estimate that the combined savings for both funds is approximately $1.5 million.

Fund	2012 Net	2013 Net	Total
001-General Fund	-$1,971,108	$3,889,143	$1,918,035
115-Police District	-$3,599,923	$3,139,759	-$460,164
Combined	**-$5,571,031**	**$7,028,902**	**$1,457,871**

June/July Early Retirement Incentive

In May 2012 the County Executive's Office of Labor Relations signed a memorandum of agreement with the Association of Municipal Employees (AME), offering premium-free health insurance until Medicare eligibility for any member who retired between June 15, 2012 and June 30, 2012. The incentive deadline was later extended to July 31, 2012 and offered to all County bargaining units. A total of 196 County employees participated in the early retirement incentive; 188 full time County employees and eight School Crossing Guards. Participation by bargaining unit is shown in the chart below.

Collective Bargaining Unit	No. Emp.
Association of Municipal Employees (AME)	147
Correction Officers Association (COA)	8
Deputy Sheriffs Benevolent Association (DSBA)	4
Exempt	5
Park Police Deputy Sheriffs Benevolent Association	2
Police Benevolent Association (PBA)	11
Probation Officers Association (POA)	6
School Crossing Guards (AME)	8
Suffolk Detectives Association (SDA)	1
Superior Officers Association (SOA)	4
Total	**196**

The gross savings associated with retirement incentives is the avoidance of salaries, employer Social Security FICA contributions and Benefit Fund costs that would have had to be paid if these employees remained on the payroll. These savings are offset in the year of the incentive by the payment of terminal pay, which consists of unused vacation time, a percentage of unused sick time, and any other deferred compensation paid to separating employees. As a consequence of terminal pay costs, savings from the June/July early retirement incentive are relatively modest in 2012.

On a gross basis (not adjusted for normal retirement and other factors) the 2012 savings associated with the incentive are approximately $1.1 million in the General Fund and $577,998 across all funds. Savings are less when all funds are considered due to the significant cost of terminal pay in the Police District. Assuming no backfill in 2013, the gross savings is estimated as $10.8 million in the General Fund and $15.6 million across all funds.

Adjusting for normal retirements and retirement in lieu of lay off, the net savings are somewhat less. First, there were 20 AME employees that participated in the retirement incentive that were scheduled to be laid off on July 1st. For this analysis we excluded these eligible employees thereby reducing the participants to 176 because we assumed these individuals would have retired regardless of whether there was an incentive in order to avoid being laid off.

Second, based on historical data going back to 2005, there has been an average of 78 retirements in June and July for non-ERIP years. (There was a local incentive in 2008 and a State incentive in 2010, both excluded public safety unions). Therefore, we conclude that, in the aggregate, 78 of the remaining 176 participants would have retired in June and July even if no incentive was offered. The net savings is weighted and adjusted based on the average expected and actual participation by bargaining unit. While we found that 71% of AME participants (excluding the 20 to be laid off) could have their retirements attributed to the incentive, we observed that all three police unions had less members retire during June and July than would have been expected in a normal year. These assumptions have an interesting effect on the 2012 net savings from the incentive.

Bargaining Unit	No. Emp	2012 Salary	2012 FICA	2012 Ben. Fd. Contr.	2012 Term Pay	2012 Gross Savings	2012 Net Savings
Association of Municipal Employees (AME)	127	$4,313,398	$329,975	$87,905	$3,176,781	$1,554,496	$1,108,955
Correction Officers Association (COA)	8	$287,801	$22,017	$4,843	$252,651	$62,010	$42,078
Deputy Sheriffs Benevolent Association (DSBA)	4	$174,026	$13,313	$2,392	$348,878	-$159,147	-$147,780
Exempt	5	$299,857	$22,939	$3,528	$89,229	$237,095	$162,579
Park Police Deputy Sheriffs Benevolent Association	2	$68,361	$5,230	$1,223	$108,169	-$33,356	-$25,017
Police Benevolent Association (PBA)	11	$523,741	$40,066	$6,723	$1,513,089	-$942,560	$0
Probation Officers Association (POA)	6	$230,819	$17,658	$3,652	$195,013	$57,117	$48,957
Suffolk Detectives Association (SDA)	1	$57,852	$4,426	$625	$105,283	-$42,380	$0
Superior Officers Association (SOA)	4	$234,631	$17,949	$2,424	$802,979	-$547,974	$0
School Crossing Guards (AME)	8	$72,422	$5,540	$5,559	$55,437	$28,085	$28,085
Total	***176**	**$6,262,908**	**$479,112**	**$118,874**	**$6,647,509**	**$213,386**	**$1,217,858**
*Excludes 20 employees who would have been laid off							

The net savings for 2012 is $1.2 million, which based on our methodology is actually $1 million more than the gross savings. This is because in our analysis we netted out the savings as well as cost of terminal pay for 16 police retirements that would have occurred normally. Typically, terminal pay for sworn personnel exceeds annual salary.

In 2013, the total savings are the sum of salary, FICA contributions, and benefit fund contributions that are avoided by not having employees on the payroll and reduced terminal pay as a result of having a percentage of anticipated 2013 retirees incentivized to leave in 2012. We estimate that 75% of the employees who left because of the ERIP were seriously considering retirement and would have left at some point in 2013 even if no incentive was offered. When this assumption is applied, the 2013 gross savings is reduced by $3.4 million from $11.4 million to $7.9 million.

Bargaining Unit	No. Emp	2013 Salary	2013 FICA	2013 Benefit Fund Contr.	2013 Term Pay Savings	2013 No Retirement	2013 Net Savings
Association of Municipal Employees (AME)	127	$6,275,863	$470,090	$127,384	$1,699,703	$8,573,040	$5,995,539
Correction Officers Association (COA)	8	$453,943	$34,727	$7,633	$128,581	$624,883	$438,770
Deputy Sheriffs Benevolent Association (DSBA)	4	$379,968	$27,134	$5,222	$242,969	$655,292	$500,671
Exempt	5	$389,091	$26,693	$4,821	$45,889	$466,494	$308,767
Park Police Deputy Sheriffs Benevolent Association	2	$117,608	$8,997	$2,109	$60,845	$189,559	$141,291
Police Benevolent Association (PBA)	11	$0	$0	$0	$0	$0	$0
Probation Officers Association (POA)	6	$457,071	$34,966	$7,231	$125,365	$624,633	$437,407
Suffolk Detectives Association (SDA)	1	$0	$0	$0	$0	$0	$0
Superior Officers Association (SOA)	4	$0	$0	$0	$0	$0	$0
School Crossing Guards (AME)	8	$145,941	$11,164	$11,248	$55,437	$223,790	$160,657
Total	***176**	**$8,219,483**	**$613,771**	**$165,647**	**$2,358,789**	**$11,357,690**	**$7,983,102**
*Excludes 20 employees who would have been laid off							

Based on the above calculations we estimate that the total 2012-2013 net savings from the ERIP to be $6.9 million in the General Fund and $9.2 million across all funds. See the following chart for a breakdown by fund and year.

Fund #	Fund Name	2012 Net Savings	2013 Net Savings	2012-2013 Combined
001	General Fund	$924,660	$5,966,279	$6,890,940
016	Interdepartment Operations	-$2,073	$45,563	$43,490
102	Public Safety Communications (E-911)	$89,892	$157,289	$247,180
115	Police District	$55,138	$304,428	$359,567
203	Southwest Sewer District	-$58,809	$335,126	$276,317
259	Building/Sanitation Administration	$6,862	$135,078	$141,940
261	Sewer Maintenance	-$6,477	$415,162	$408,685
320	Workforce Investment	$18,535	$28,754	$47,289
360	Medicaid Compliance	$93,400	$318,947	$412,347
477	Water Protection	$3,996	$26,508	$30,503
632	County Nursing Home	$92,734	$249,969	$342,703
Total		**$1,217,858**	**$7,983,102**	**$9,200,961**

The following chart lists the 72 Police positions vacated as a result of the April Police retirement incentive program.

Police ERIP by Unit and Title		
Unit Name	**Title**	**# Emp**
Police: General Administration	DETECTIVE (POLICE)	19
Police: General Administration	DETECTIVE SGT (POLICE)	2
Police: General Administration	LIEUTENANT (POLICE)	1
Police: General Administration	POLICE OFFICER	4
Police District Administration	DETECTIVE (POLICE)	12
Police District Administration	DETECTIVE LT (POLICE)	1
Police District Administration	DETECTIVE SGT (POLICE)	3
Police District Administration	LIEUTENANT (POLICE)	2
Police District Administration	POLICE OFFICER	26
Police District Administration	SERGEANT (POLICE)	2
Total		**72**

The following chart lists the 196 positions vacated as a result of the June/July retirement incentive program by department, function, and title.

June/July ERIP Participants by Department, Unit, and Title			
Department	**Unit Name**	**Title**	**# Emp.**
Civil Service	Civil Service	DIR PUBL INFO MGMT	1
Civil Service	Civil Service	EMPLOYEE MEDICAL HEALTH PLAN ADMIN	1
Clerk	Co Clerk: Archives	LABORER	1
District Attorney	Da: Aid To Prosecution	HEAD CLERK	1
District Attorney	District Attorney	COURT STENOGRAPHER	2
District Attorney	District Attorney	SR CLERK TYPIST	1
Eco. Dev. & Planning	Div Of Real Prop Acq & Mgmt	ACCOUNT CLK/TYPST	1
Eco. Dev. & Planning	Div Of Real Prop Acq & Mgmt	LAND MGMT SPEC I	1
Executive	Aging: Expanded In Home Services	SR CITIZEN AIDE	1
Executive	Aging: Expanded In Home Services	SR NEIGHBORHOOD AIDE	1
Executive	County Executive	ASST DEP CTY EXEC	1
Health Services	Child Assertive Comm Treatment	PSYCHIATRIC SOCIAL WORKER	1
Health Services	County Nursing Home	ASST NURSING CARE DIR	1
Health Services	County Nursing Home	CLINICAL NURSE PRACT	1
Health Services	County Nursing Home	LIC PRAC NURSE	1
Health Services	County Nursing Home	NURSES AIDE	1
Health Services	County Nursing Home	PHYSICAL THERAPIST ASST	1
Health Services	County Nursing Home	REG NURSE SUPV	1
Health Services	Family Planning	FAMILY PLAN AIDE	1
Health Services	Family Planning	PUBL HEALTH NURSE II	1
Health Services	Forensic Sciences	FORESIC SCI II-CHM	1
Health Services	Hs Community Support Svc	ADMIN II	1
Health Services	Hs: Environmental Protection	PR CLERK	1
Health Services	Hs: Environmental Protection	SR PUBLIC HLTH SANITRN	1
Health Services	Hs: General Admin	ASST FAC SPACE MGR	1
Health Services	Hs: General Admin	SYS ANALYSIS SUPVR	1
Health Services	Hs: Mental Health Pgms	ACCOUNT CLK/TYPST	1
Health Services	Hs: Mental Health Pgms	PSYCHIATRIST II	1
Health Services	Hs: Tri-Community Hlth Ctr	CLERK TYPIST	1
Health Services	Hs: Tri-Community Hlth Ctr	CLNIC ADMIN	1
Health Services	Hs: Tri-Community Hlth Ctr	CUSTODIAL WKR I	1
Health Services	Hs: Tri-Community Hlth Ctr	MEDICAL RECORDS CLERK	1
Health Services	Hs: Tri-Community Hlth Ctr	PHYSICIAN II	1
Health Services	Hs: Tri-Community Hlth Ctr	PHYSICIAN II	1
Health Services	Hs: Tri-Community Hlth Ctr	PUBL HEALTH NURSE I	1
Health Services	Hs: Tri-Community Hlth Ctr	REG NURSE SUPRV CLINIC	1
Health Services	Jail Mh, Alc, & Da Program	PR CLERK	1
Health Services	Jail Mh, Alc, & Da Program	PR CLERK	1
Health Services	Medical Program	MEDICAL RECORDS CLERK	1
Health Services	Medical Program	PHARMACIST II	1
Health Services	Medical Program	PR CLERK	1
Health Services	Medical Program	REG NURSE SUPRV CLINIC	1
Health Services	Methadone Clinics	DRUG COUNSELOR	1
Health Services	Methadone Clinics	GUARD	1
Health Services	Methadone Clinics	PHYSICIANS ASST II	1
Health Services	Methadone Clinics	SR CLERK TYPIST	1
Health Services	Patient Care Programs	NEIGHBORHOOD AIDE	2
Health Services	Patient Care Programs	SR STENOGRAPHER	1
Health Services	Public Health Nursing	PUBL HEALTH NURSE I	3

Department	Unit Name	Title	# Emp.
Info. Tech. Services	Information Technology Service	DATA PROCESS OPER COORD	1
Info. Tech. Services	Telecommunications	SWITCHBOARD OPER	1
Labor	Swep (Suff Works Employ Prog)	ASST DPTY COMM LABOR	1
Labor	Swep (Suff Works Employ Prog)	DEP COMMISSIONER OF LABOR	1
Labor	Swep (Suff Works Employ Prog)	LABOR TECH	1
Labor	Swep (Suff Works Employ Prog)	SECRETARIAL ASST	1
Labor	Workforce Investment Act	PR CLERK	1
Law	Law	BUREAU CHIEF	1
Law	Law	RESEARCH TECH	1
Parks	Organic Maintenance Program	LABORER	1
Parks	Parks, Rec & Conservation	PARK POLICE OFFICER	1
Parks	Parks, Rec & Conservation	PARK POLICE OFFICER III	1
Parks	Parks, Rec & Conservation	RADIO OPERATOR	1
Parks	Parks, Rec & Conservation	SR AUDITOR	1
Parks	Water Quality Environmental Enforcement	SR NEIGHBORHOOD AIDE	1
Police	Police District Administration	ADMIN I	1
Police	Police District Administration	CLERK TYPIST	1
Police	Police District Administration	DETECTIVE LT	1
Police	Police District Administration	MARINE MECHANIC	1
Police	Police District Administration	POLICE OFFICER	9
Police	Police District Administration	PR CLERK	1
Police	Police District Administration	PR STENOGRAPHER	1
Police	Police District Administration	SERGEANT	2
Police	Police: General Administration	CROSSING GUARD	1
Police	Police: General Administration	DETECTIVE	1
Police	Police: General Administration	POL COMM SYS DIR	1
Police	Police: General Administration	POLICE OFFICER	2
Police	Police: General Administration	PRIN MGMT ANALYST	1
Police	Police: General Administration	SERGEANT	1
Police	Police: General Administration	SR EVIDENSE SPEC	1
Police	Police: General Administration	SR POL OPER AID	1
Police	Public Safety Comm E911	EMERG COMP OPER	1
Police	Public Safety Comm E911	EMERG COMP OPER	1
Police	Public Safety Comm E911	EMERG COMPL OPER	1
Police	Public Safety Comm E911	PUBL SFTY DISP I	1
Police	Public Safety Comm E911	PUBL SFTY DISP I	1
Police	School Crossing Guards	SCHOOL CROSSING GUARD	2
Police	School Crossing Guards	SCHOOL CROSSING GUARD	4
Police	School Crossing Guards	SCHOOL CROSSING GUARD	1
Probation	Electronic Monitoring	SR PROBATION OFFICER	1
Probation	Electronic Monitoring	SUPVSNG PROB OFFICER	1
Probation	Non-Mandated Juvenile Detention Services	PR ACCT CLK	1
Probation	Prob: General Administration	ADMIN II	1
Probation	Prob: General Administration	SR CLERK TYPIST	1
Probation	Prob: General Administration	SR PROBATION OFFICER	1
Probation	Prob: General Administration	SUPVSNG PROB OFFICER	1
Probation	Probation Pre Trial Services	SUPVSNG PROB OFFICER	1
Probation	Probation: Stop-D.W.I.	SR PROBATION OFFICER	1
Public Works	Bldg/Sant Administration	EXEC ASST FIN & ADMIN	1
Public Works	Bldg/Sant Administration	SR ACCT CLK	1
Public Works	Objectionable Hazardous Waste	ASSOC MECH ENGINEER	1

Department	Unit Name	Title	# Emp.
Public Works	Objectionable Hazardous Waste	PRETREATMENT PRG COORD	1
Public Works	Objectionable Hazardous Waste	SR INDUST WASTE PRETREAT TECH	1
Public Works	P W: Bldgs Operations & Maint	BLDG MAINT MGR	1
Public Works	P W: Bldgs Operations & Maint	MAIN CRE CHIEF	1
Public Works	P W: Bldgs Operations & Maint	MAINT MECH V	1
Public Works	P W: Bldgs Operations & Maint	MAINT MECH V	1
Public Works	P W: Bldgs Operations & Maint	MATERIAL CONTRL CLK	1
Public Works	P W: Custodial Svcs & Security	CUSTODIAL WKR I	1
Public Works	P W: Custodial Svcs & Security	CUSTODIAL WKR I	1
Public Works	Public Works Court Facilities	CUSTODIAL WKR I	1
Public Works	Public Works Court Facilities	DIR CUST & SECRTY SVCS	1
Public Works	Public Works: Road MacHinery	AUTO MECHANIC III	1
Public Works	Purchasing	SR. ACCT CLK	1
Public Works	Pw: Support Services	DUPL MACH OP III	1
Public Works	Pw: Support Services	MAILROOM SPRVSR	1
Public Works	Sewer District #3	ASS WASTWTR PL OPER SU	1
Public Works	Sewer District #3	DIR OPER & MAINT (SWR DST)	1
Public Works	Sewer District #3	MAIN MECH V	1
Public Works	Sewer District #3	MAINT MECH III	1
Public Works	Sewer District #3	WAREHOUSE WORKER II	1
Public Works	Sewer Maintenance & Operation	ASST WSTWTR PLANT OPER	1
Public Works	Sewer Maintenance & Operation	SR WASTWATER TRT PL OP	1
Public Works	Sewer Maintenance & Operation	TRAINING & SAFETY OFFC	1
Public Works	Vector Control	AUTO EQUIP OPER	1
Public Works	Vector Control	LABORER	1
Public Works	Vector Control	VECTOR CONTRL SUPRV	1
Public Works	Vector Control	VECTOR CONTROL	1
Sheriff	Jail Overcrowding/Recidivism	ACCOUNT CLK	1
Sheriff	Sheriff: Alt Dwi Facility	CORRECTION OFFICER	1
Sheriff	Sheriff: Cty Correctional Fac	ACCOUNT CLK	1
Sheriff	Sheriff: Cty Correctional Fac	CORRECTION OFFICER	4
Sheriff	Sheriff: Cty Correctional Fac	CORRECTION OFFICER III	1
Sheriff	Sheriff: District Court Detent	DEPUTY SHERIFF II	1
Sheriff	Sheriff: District Court Detent	DEPUTY SHERIFF IV	1
Sheriff	Sheriff: General Admin	CLK TYPIST	1
Sheriff	Sheriff: General Admin	CORRECTION OFFICER	1
Sheriff	Sheriff: General Admin	DEPUTY SHERIFF I (INVEST)	2
Sheriff	Sheriff: General Admin	PAYROLL MGR	1
Sheriff	Sheriff: General Admin	PUBL SFTY DISP II	1
Sheriff	Sheriff: General Admin	SR ACCT CLK TYPIST	1
Sheriff	Sheriff: General Admin	SR DATA ENTRY OPER	1
Sheriff	Sheriff: Honor Farm	CORRECTION OFFICER	1
Sheriff	Sheriff: Prisoner Maintenance	ASST JAIL HEAD COOK	1
Social Services	Dss: Administration	ADMIN III	1
Social Services	Dss: Administration	INVEST II (SP)	1
Social Services	Dss: Administration	SECURITY GUARD	4
Social Services	Dss: Child Support Enforcement	CHILD SUPPORT SPEC II	2
Social Services	Dss: Child Support Enforcement	CHILD SUPPRT SPCLST I	1
Social Services	Dss: Child Support Enforcement	PR CLERK	1
Social Services	Dss: Child Support Enforcement	SR ACCT CLK	1
Social Services	Dss: Child Support Enforcement	SR CLERK TYPIST	1

Department	Unit Name	Title	# Emp.
Social Services	Dss: Child Support Enforcement	SR. ACCT CLK	1
Social Services	Dss: Public Assist Admin	CLK TYPIST	1
Social Services	Dss: Public Assist Admin	SOC SERV EXAM I	1
Social Services	Dss: Public Assist Admin	SOC SERV EXAM I (SP)	1
Social Services	Dss: Public Assist Admin	SOC SERV EXAM II	2
Social Services	Family, Children & Adult Services	CASEWKR SUPVR	1
Social Services	Family, Children & Adult Services	CASEWRK SUPVR	1
Social Services	Family, Children & Adult Services	SR CASEWKR	1
Social Services	Family, Children & Adult Services	SR CLERK TYPIST	1
Social Services	Housing Employment & Childcare	SOC SERV EXAM I	1
Social Services	Housing Employment & Childcare	SOC SERV EXAM II	1
Social Services	Medicaid Compliance	ADMIN I	1
Social Services	Medicaid Compliance	ASS DIV ADMIN SOC SERV	1
Social Services	Medicaid Compliance	SOC SERV EXAM I	1
Social Services	Medicaid Compliance	SOC SERV EXAM II	1
Social Services	Medicaid Compliance	SOC SERV EXAM II	1
Social Services	Medicaid Compliance	SOC SERV EXAM III	1
Social Services	Medicaid Compliance	SR CLERK TYPIST	1
Total			**196**

2012 Layoffs

The 2012 Recommended Budget included 464 layoffs, not including the John J. Foley Skilled Nursing Facility. In an effort to mitigate the effects of the recommended budget the Legislature took the following actions:

- Authorized a lag payroll for exempt, Board of Elections, and elected employees
- Restored critical public safety and public health positions and abolished 88 less essential positions
- Restored the remaining abolished positions on an interim basis until July 1, 2012 to give the unions and the new administration time to agree on labor concessions that could prevent layoffs.

In April, Resolution No. 271-2012 reprioritized the pending layoffs by restoring 300 interim positions and abolishing another 161. Resolution No. 505-2012 restored an additional 19 positions, 18 of which were transferred from the General Fund to the Water Quality Protection Fund. When the July 1st deadline arrived, the remaining interim positions expired and two exempt employees and 210 AME employees were laid off.

We estimate that the July 1st layoffs resulted in $3.2 million in savings to the General Fund in 2012 and $11.1 million in 2013. Across all funds, there is an estimated savings of $4.8 million in 2012 and $14.1 million in 2013. Savings in 2012 were calculated by adding the remaining salary and benefit savings from July 1 to December 31 and subtracting terminal pay and unemployment liability. Savings in 2013 are much greater because there is no terminal pay or unemployment costs and salary and benefit savings are for a full year. The following chart shows a breakdown of the savings by fund.

Fund	No. Emp.	2012 Salary Savings	2012 Benefits Savings	2012 Term Pay Cost	2012 Unemp. Cost	Net 2012 Savings	2013 Salary Savings	2013 Benefits Savings	Net 2013 Savings
		1	2	3	4	1+2-3-4	5	6	5+6
001-General Fund	166	$3,813,685	$1,632,695	$513,429	$1,747,980	$3,184,971	$7,719,399	$3,392,862	$11,112,261
016-Interdepartmental Svcs.	12	$289,196	$119,059	$37,224	$126,360	$244,671	$585,248	$247,367	$832,615
105-County Road	6	$101,879	$56,262	$11,848	$63,180	$83,112	$206,472	$117,093	$323,565
115-Police District	6	$110,905	$56,952	$4,361	$63,180	$100,316	$225,513	$118,550	$344,063
192-Hotel/Motel	2	$32,816	$18,666	$3,813	$21,060	$26,608	$66,801	$38,876	$105,678
203-Southwest Sewer District	1	$17,318	$9,403	$1,979	$10,530	$14,212	$35,028	$19,563	$54,590
259-Building/Sanitation Maint.	2	$39,104	$19,147	$3,515	$21,060	$33,676	$79,091	$39,816	$118,907
261-Sewer Maintenance	4	$73,399	$37,927	$7,107	$42,120	$62,099	$148,457	$78,889	$227,346
320-Workforce Investment	4	$120,009	$41,493	$11,115	$42,120	$108,267	$240,850	$84,785	$325,634
477-Water Quality Protection	4	$118,843	$41,404	$27,398	$42,120	$90,729	$240,801	$85,953	$326,754
625-Gabreski Airport	1	$28,558	$10,263	$4,146	$10,530	$24,144	$56,898	$21,236	$78,134
632-County Nursing Home	4	$99,377	$39,914	$5,182	$42,120	$91,989	$200,999	$82,908	$283,907
Total	**212**	**$4,845,087**	**$2,083,185**	**$631,115**	**$2,232,360**	**$4,064,797**	**$9,805,556**	**$4,327,899**	**$14,133,455**

The Departments of Health Services and Public Works experienced the most layoffs. The following chart shows the savings by department.

Dept	No. Emp.	2012 Salary Savings	2012 Benefits Savings	2012 Term Pay Cost	2012 Unemp. Cost	Net 2012 Savings	2013 Salary Savings	2013 Benefits Savings	Net 2013 Savings
		1	2	3	4	1+2-3-4	5	6	5+6
AAC	4	$121,293	$41,591	$21,010	$42,120	$99,754	$245,926	$86,345	$332,271
CLK	5	$91,635	$47,400	$6,113	$52,650	$80,272	$186,197	$98,659	$284,856
DIS	7	$99,888	$64,187	$3,421	$73,710	$86,943	$205,052	$133,867	$338,919
DPW	58	$1,231,688	$562,748	$188,614	$610,740	$995,082	$2,492,269	$1,169,769	$3,662,037
DSS	3	$64,478	$29,167	$9,012	$31,590	$53,043	$129,625	$60,565	$190,191
EDP	9	$243,988	$91,367	$40,024	$94,770	$200,560	$492,625	$189,633	$682,258
EXE	2	$57,968	$20,591	$1,448	$21,060	$56,050	$117,245	$42,735	$159,980
FIN	1	$26,829	$10,130	$4,073	$10,530	$22,356	$54,264	$21,034	$75,298
HSV	75	$1,743,610	$739,236	$177,025	$789,750	$1,516,071	$3,530,171	$1,536,283	$5,066,454
ITS	6	$154,593	$60,294	$18,224	$63,180	$133,483	$313,001	$125,243	$438,244
LAB	8	$217,552	$81,267	$31,751	$84,240	$182,827	$437,351	$167,349	$604,700
LAW	2	$31,768	$18,586	$1,186	$21,060	$28,108	$64,715	$38,717	$103,432
PKS	9	$248,704	$91,728	$51,546	$94,770	$194,115	$502,208	$190,220	$692,428
POL	8	$153,755	$76,386	$7,051	$84,240	$138,850	$312,781	$158,992	$471,773
PRO	8	$201,164	$80,013	$38,736	$84,240	$158,201	$406,242	$166,141	$572,383
RPT	4	$87,102	$38,975	$9,053	$42,120	$74,904	$176,172	$81,009	$257,181
SHF	2	$41,802	$19,354	$7,857	$21,060	$32,239	$84,549	$40,234	$124,783
SWC	1	$27,274	$10,164	$14,970	$10,530	$11,939	$55,165	$21,103	$76,268
Total	**212**	**$4,845,087**	**$2,083,185**	**$631,115**	**$2,232,360**	**$4,064,797**	**$9,805,556**	**$4,327,899**	**$14,133,455**

The following table lists the laid off employees by department, function and title.

Dept	Unit Name	Title	Grade	No.
AAC	Audit & Control	AUDITOR	20	2
AAC	Audit & Control	AUDITOR TRAINEE	17	1
AAC	Audit & Control	BUDGET SYSTEMS ANALYST	25	1
CLK	County Clerk	CLERK TYPIST	09	2
CLK	County Clerk	CLERK TYPIST	09	2
CLK	County Clerk	OFFICE SYSTEMS ANALYST II	21	1
DIS	D.A. Crimes Against Revenue	CLERK TYPIST	09	1
DIS	D.A. Management & Info Tech	CLERK TYPIST	09	1
DIS	D.A. Management & Info Tech	CLERK TYPIST	09	1
DIS	District Attorney	ACCOUNT CLERK	11	1
DIS	District Attorney	CLERK TYPIST	09	2
DIS	District Attorney	GUARD	08	1
DPW	Bldg Design & Construction	ASSOC MECHANICAL ENGINEER	32	1
DPW	Bldg Design & Construction	BUILDING PROJECT COORD	28	1
DPW	Bldg Design & Construction	SENIOR ENERGY COORDINATOR	24	1
DPW	Bldg/Sant Administration	ACCOUNT CLERK	11	1
DPW	Bldg/Sant Administration	SENIOR ACCOUNT CLERK	14	1
DPW	Custodial Svcs & Security	CUSTODIAL WORKER I	08	4
DPW	Custodial Svcs & Security	CUSTODIAL WORKER I	08	1
DPW	Custodial Svcs & Security	SR SECURITY GUARD	17	1
DPW	Engineering	CLERK TYPIST	09	1
DPW	Engineering	ENGINEERING AIDE	12	2
DPW	Engineering	ENGINEERING AIDE	12	1
DPW	Engineering	JR CIVIL ENGINEER	23	1
DPW	Engineering	OFFICE SYSTEMS ANALYST I	19	1
DPW	Engineering	REAL ESTATE APPRAISAL TECH I	16	1
DPW	Engineering	SENIOR ENGINEERING AIDE	14	1
DPW	Engineering: Sewerage	ENGINEERING AIDE	12	1
DPW	Facilities Engineering	CLERK OF THE WORKS	23	1
DPW	Hghwy & Bridge Maintenance	HEAVY EQUIPMENT OPERATOR	13	1
DPW	Hghwy & Bridge Maintenance	LABORER	08	4
DPW	Hghwy & Bridge Maintenance	RADIO OPERATOR	12	1
DPW	Planning: Transportation Proj	GRAPHICS SUPERVISOR	18	1
DPW	Public Works Court Facilities	CLERK TYPIST	09	1
DPW	Public Works Court Facilities	CUSTODIAL WORKER I	08	5
DPW	Public Works Court Facilities	CUSTODIAL WORKER I	08	3
DPW	Public Works Court Facilities	MAINTENANCE MECHANIC I	09	2
DPW	Public Works: Road Machinery	AUTO MECHANIC II	12	1
DPW	Public Works: Road Machinery	AUTO MECHANIC III	16	5
DPW	Purchasing	PURCHASING TECHNICIAN	17	2
DPW	Sewer District #3	AUTO EQUIPMENT OPERATOR	10	1
DPW	Sewer Maintenance & Operation	CONSTRUCTION EQUIP OPER	16	1

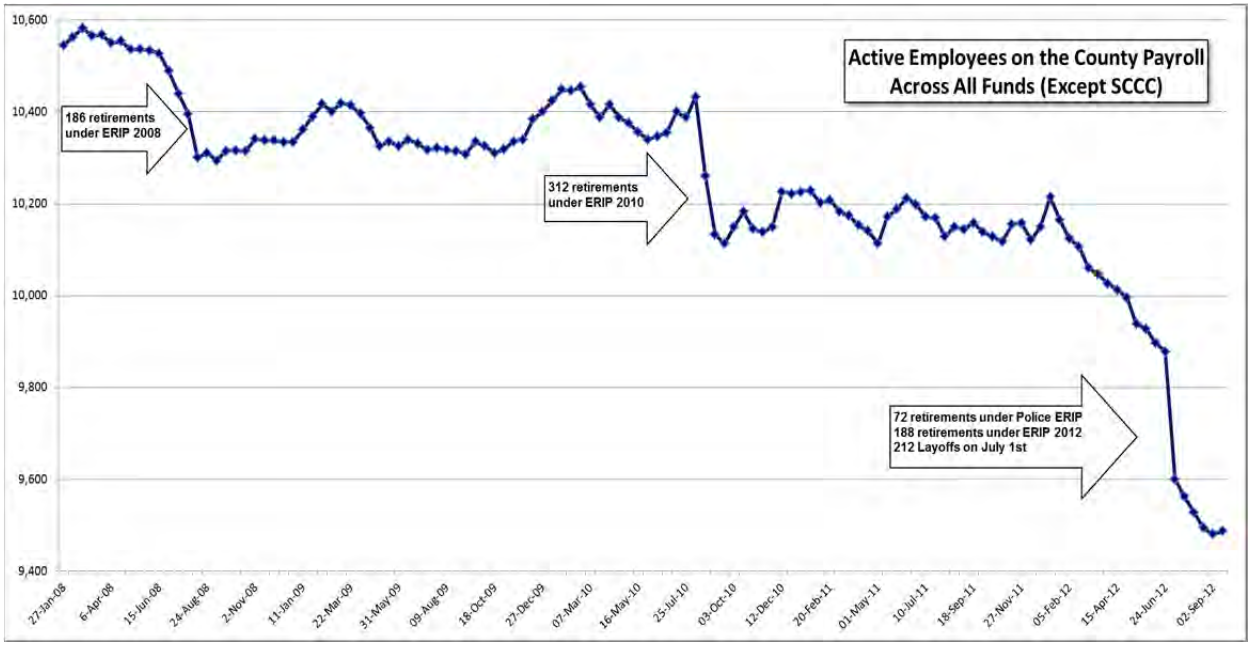
Dept	Unit Name	Title	Grade	No.
DPW	Sewer Maintenance & Operation	LABORER	08	1
DPW	Sewer Maintenance & Operation	MATERIEL CONTROL CLERK II	09	1
DPW	Support Services	COURIER	12	2
DPW	Support Services	DUPLICATING MACH OP III	15	1
DPW	Support Services	DUPLICATING MACH OP III	15	1
DPW	Support Services	FORMS TECHNICIAN	17	2
DPW	Vector Control	AUTO EQUIPMENT OPERATOR	10	1
DSS	DSS: Administration	SECURITY GUARD	13	3
EDP	Aviation Division	AIRPORT MAINT MECHANIC	15	1
EDP	Div Of Real Prop Acq & Mgmt	APPRAISAL REVIEWER	26	1
EDP	Div Of Real Prop Acq & Mgmt	LAND MANAGEMNT SPCLST III	19	1
EDP	Div Of Real Prop Acq & Mgmt	MICROFILM OPERATOR	09	1
EDP	Economic Development Admin	CLERK TYPIST	09	1
EDP	Planning	CLERK TYPIST	09	1
EDP	Planning	PLANNER	21	1
EDP	Water Quality Improvement	ASST LABOR CREW LEADER	11	1
EDP	Water Quality Improvement	ENVIRONMENTAL PROJECTS COORD	28	1
EXE	Aging: Expanded In Home Services	ACCOUNT CLERK/TYPIST	11	1
EXE	County Executive	COUNTY EXEC ASSISTANT III	26	1
FIN	Finance & Taxation	OFFICE SYSTEMS ANALYST I	19	1
HSV	Bioterrorism Prep Response	PUBLIC HEALTH NURSE II	24	1
HSV	Comm Based HIV Primary Care	CLERK TYPIST	09	1
HSV	County Nursing Home	LICENSED PRACTICAL NURSE	14	1
HSV	County Nursing Home	MEDICAL RECORDS CLERK	11	1
HSV	County Nursing Home	MEDICAL SOCIAL WORKER II	23	1
HSV	County Nursing Home	REGISTERED NURSE	19	1
HSV	CSHCN Grant	CLERK TYPIST	09	1
HSV	Drug Free Services	PSYCHIATRIC SOCIAL WORKER	21	1
HSV	Early Intervention Admin Grant	CLERK TYPIST	09	1
HSV	Environmental Health	ASST PUBL HLTH ENGR TRNEE	19	2
HSV	Environmental Health	CLERK TYPIST	09	1
HSV	Environmental Health	ENVIRONMENTAL PLANNER	21	1
HSV	Environmental Health	PUBL HLTH SANITARIAN TRAINEE	16	3
HSV	Environmental Protection	PRINCIPAL CLERK	14	1
HSV	Environmental Protection	PUBLIC HEALTH SANITARIAN	21	1
HSV	Family Planning	REGISTERED NURSE	19	1
HSV	General Admin	ACCOUNT CLERK	11	1
HSV	General Admin	ACCOUNT CLERK/TYPIST	11	4
HSV	General Admin	ACCOUNT CLERK/TYPIST	11	2
HSV	General Admin	CLERK TYPIST	09	2
HSV	General Admin	OFFICE SYSTEMS ANALYST I	19	2
HSV	General Admin	OFFICE SYSTEMS ANALYST I	19	2

Dept	Unit Name	Title	Grade	No.
HSV	General Admin	OFFICE SYSTEMS TECHNICIAN	17	2
HSV	Jail Mh, Alc, & Da Program	PSYCHIATRIC SOCIAL WORKER	21	1
HSV	Lead Prevention Grant	CLERK TYPIST	09	1
HSV	Mental Health Pgms	CLINICAL PSYCHOLOGIST	25	1
HSV	Mental Health Pgms	PSYCHIATRIC SOCIAL WORKER	21	1
HSV	Mental Health Pgms	SENIOR STENOGRAPHER	12	1
HSV	Methadone Clinics	CLERK TYPIST	09	1
HSV	Methadone Clinics	DRUG COUNSELOR	19	8
HSV	Natural Estuary Programs	ENVIRONMENTAL ANALYST	19	1
HSV	Patient Care Programs	CONTRACTS TECHNICIAN	15	1
HSV	Patient Care Programs	DENTAL ASSISTANT	08	2
HSV	Patient Care Programs	FAMILY PLANNING AIDE	08	1
HSV	Patient Care Svcs Admin	OFFICE SYSTEMS ANALYST I	19	2
HSV	Preventative Medicine-Admin	CLERK TYPIST	09	1
HSV	Public Health	BIOLOGIST	21	1
HSV	Public Health Campaign	CLERK TYPIST	09	1
HSV	Public Health Nursing	PRINCIPAL STENOGRAPHER	15	1
HSV	Public Health Nursing	PUBLIC HEALTH NURSE I	21	2
HSV	Riverhead Health Center	ACCOUNT CLERK/TYPIST	11	1
HSV	Riverhead Health Center	CLERK TYPIST (SPAN SPEAK)	09	1
HSV	Riverhead Health Center	REGISTERED NURSE	19	1
HSV	Services To Disabled Children	CLERK TYPIST	09	1
HSV	Services To Disabled Children	SPECIAL EDUCATION COORD	23	1
HSV	Services To Disabled Children	SPECIAL EDUCATION COORD	23	2
HSV	Tobacco Education & Control Prgm	PUBLIC HEALTH EDUCATOR	19	1
HSV	Tobacco Enforcement Program	SENIOR CLERK TYPIST	12	1
HSV	Tobacco Enforcement Program	SENIOR CLERK TYPIST	12	1
HSV	Tri-Community Hlth Ctr	CLERK (SPANISH SPEAKING)	09	1
HSV	Tri-Community Hlth Ctr	GUARD	08	1
HSV	Tri-Community Hlth Ctr	MEDICAL SOCIAL WORKER	21	1
HSV	WIC Grant	DIETETIC TECHNICIAN	13	1
ITS	Information Technology Service	COMPUTER OPERATOR II	16	2
ITS	Information Technology Service	COMPUTER PROGRAMMER	21	1
ITS	Information Technology Service	DATA CONTROL SUPERVISOR	17	1
ITS	Information Technology Service	GEOGRAPHIC INFO SYSTEM TECH I	18	1
ITS	Information Technology Service	PROGRAMMER ANALYST	24	1
LAB	Swep (Suff Works Employ Prog)	LABOR CREW LEADER (35 HOUR)	14	1
LAB	Swep (Suff Works Employ Prog)	LABOR CREW LEADER (35 HOUR)	14	2
LAB	Swep (Suff Works Employ Prog)	NEIGHBORHOOD AIDE	13	1
LAB	Workforce Investment Act	ASST DIR OF MNGMT & RSRCH	33	1
LAB	Workforce Investment Act	CLERK TYPIST	09	1
LAB	Workforce Investment Act	LABOR CREW LEADER (35 HOUR)	14	2

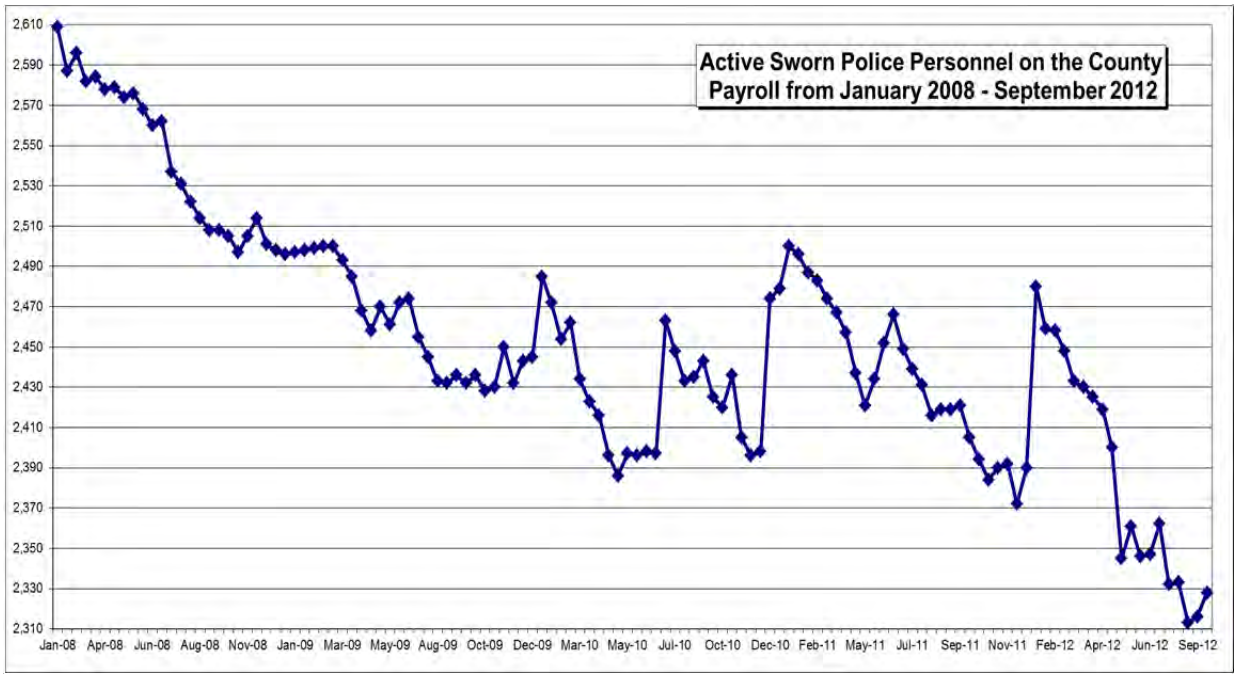
Dept	Unit Name	Title	Grade	No.
LAW	Law	CLERK TYPIST	09	1
LAW	Red Light Cameras	SENIOR CLERK	11	1
PKS	Environmental Enforcement	PARK SUPERVISOR I	15	1
PKS	Organic Maintenance Program	GROUNDS SUPERINTENDENT	25	1
PKS	Parks, Rec & Conservation	AUDITOR	20	1
PKS	Parks, Rec & Conservation	DEP COMM PRKS, REC & CONS	31	1
PKS	Parks, Rec & Conservation	PARK SUPERVISOR I	15	1
PKS	Parks, Rec & Conservation	RADIO OPERATOR	12	1
PKS	Parks: Historic Services	MAINTENANCE MECHANIC I	09	1
PKS	Parks: Historic Services	MAINTENANCE MECHANIC I	09	1
PKS	Water Quality Environ Enforcement	CLERK TYPIST	09	1
POL	Police District Administration	APPLICANT INVESTIGATOR	17	2
POL	Police District Administration	POLICE OPERATION AIDE	11	3
POL	Police District Administration	POLICE OPERATION AIDE	11	1
POL	Police: General Administration	APPLICANT INVESTIGATOR	17	1
POL	Police: General Administration	APPLICANT INVESTIGATOR	17	1
PRO	Jail Overcrowding/Recidivism	LABOR SPECIALIST III	23	1
PRO	Prob: General Administration	CLERK TYPIST	09	2
PRO	Prob: General Administration	PROBATION INVESTIGATOR	17	1
PRO	Prob: General Administration	SENIOR CLERK TYPIST	12	3
PRO	Prob: General Administration	SUPERVISING PSYCHOLOGIST	29	1
RPT	Real Property Tax Service	REAL PPTY RECORDER II	10	4
SHF	Sheriff: General Admin	DATA ENTRY OPERATOR	09	1
SHF	Sheriff: General Admin	SR DATA ENTRY OPERATOR	11	1
SWC	Soil & Water Conservation Dist	SOIL DISTRICT TECHNICIAN	16	1
Total				**212**

Filled Positions (active employees on the payroll)

The number of active employees on the County payroll declined by 79 in 2011, from 10,229 in January to 10,150 in December; a decrease that was offset by two classes of Correction Officers (45 in May and 40 in November). From December 2011 to September 2012, the workforce declined by an additional 663 through retirement incentives, layoffs, and natural attrition. The number of active employees has decreased by 1,173 from January 2007 to September 2012. The following graph shows the decline in staffing from the start of 2008 through September 16, 2012.



Despite hiring a class of 60 recruits in December of 2011, the total number of active sworn police personnel decreased by 131 in 2012, from 2,459 in January to 2,328 in September; an unusually high rate of attrition, which can be attributed to the early retirement incentive in April. The Executive plans to hire a class of 75 recruits in September of 2013. We estimate that the number of retirements from September 2012 through December 2013 will be approximately equal in size to the proposed class. Accordingly, we expect sworn staffing levels to fall below the 20 year low of 2,290 that was experienced in March 1993 before returning to current levels towards the end of 2013. The following chart shows the decline in sworn staffing levels from January 2008 through September 16, 2012.



The following table summarizes the current number of authorized positions in each department based upon the September 16, 2012 position control register. Approximately 12% of the 10,935 authorized positions are vacant. There is no funding in the 2012 Adopted Budget to fill vacancies.

Authorized Positions onSeptember 16, 2012			
Department	Total Authorized Positions	Filled Positions	Vacant Positions
Audit & Control	68	68	0
Board of Elections	122	121	1
Board of Ethics	2	0	2
Civil Service	102	95	7
Consumer Affairs	41	30	11
County Clerk	102	95	7
County Executive	150	119	31
District Attorney	384	366	18
Economic Development & Planning	94	87	7
Finance and Taxation	44	44	0
Fire Rescue & Emergency Services	85	72	13
Health Services	1,158	1,034	124
Information Technology Services	74	65	9
Labor	181	139	42
Law	112	89	23
Legislature	132	121	11
Parks	186	161	25
Police	3,465	2,950	515
Probation	437	351	86
Public Administrator	6	6	0
Public Works	836	695	141
Real Property Tax Service	28	19	9
Sheriff	1,385	1,278	107
Social Services	1,735	1,568	167
Soil & Water Conservation	6	4	2
Total	**10,935**	**9,577**	**1,358**

Permanent Salary Appropriations

Permanent Salary (1100) costs are estimated to exceed adopted appropriations by approximately $4.4 million across all funds in 2012. Because of the way that the Department of

Labor salaries are budgeted for aid reporting purposes, we have included Interim Salaries (1110) for Units 6370, 6380, 6700, 6300, and 6377. In the General Fund, the 2012 estimated budget for permanent salaries is $423 million which is $6.6 million more than the adopted budget of $416.4 million. Typically, the County generates a surplus in salaries from turnover savings, which accumulates in the following ways:

- Not filling funded positions
- Separations from retirement, layoffs, resignations etc.
- Extending the length of time between when a position becomes vacant and when it is refilled
- Filling a position at a lower starting salary than its previous incumbent

The 2012 Adopted Budget included no funding for vacancies, and in many cases, lacked adequate funding for existing staff. Since salaries were budgeted so tightly, there was little margin for error. The combination of efforts, including reprioritizing of layoffs, lag payrolls, and early retirement incentives helped mitigate the number of layoffs and further draconian cuts to service, but these modifications did not achieve a level of savings commensurate with the adopted budget.

The Budget Review Office monitors permanent salary expenditures throughout the fiscal year. Our independent analysis of the permanent salary appropriations concludes that generally the 2012 estimated permanent salary budget is reasonable. In the aggregate, our projection differs approximately 0.12% on a $774 million expense.

The 2013 Recommended Budget for Permanent Salaries is also reasonable. In the General Fund, we project permanent salaries to be approximately $419 million in 2013. The recommended budget includes $425 million, which leaves approximately $6 million to fill new and vacant positions including a class of 25 Correction Officers, staffing the Jail Medical Unit, and the new Traffic Violations Bureau.

In the Police District, we project Permanent Salaries to cost $239.2 million in 2013, $438,881 more than the $238.8 million recommended budget ($234.4 million for budgeted salaries and $4.4 million in the Fund 115 salary contingency). The difference between the Budget Review Office projection and the recommended budget is less than 0.2%. Consequently, we conclude that the recommended budget for salaries in the Police District is reasonable. Assumptions for retirements as well as projected increases for police unions without a negotiated contract are possible explanations for the difference.

For all other funds we estimate that salary funding is tight, but adequate.

BP Personnel 13

Employee Benefits

Health Insurance

Overview

The Employee Medical Health Plan of Suffolk County (EMHP) was created via legislative resolution in 1991 with an effective start date of January 1, 1992. It is a self-insured health plan which provides for a diverse universe of enrollees and their dependents including active employees, retirees, dependent survivors, terminated vested employees, self-paying faculty, COBRA participants, and Benefit Fund employees to whom it offers a wide array of coverage including hospitalization, prescription drugs, mental health, and major medical. The vast majority of County employees and retirees are enrolled in the EMHP; while those whom are not are offered healthcare through one of three available HMO health plans. The County's health insurance plan currently consists of 20,568 enrollees representing 47,238 lives.

The Kaiser Family Foundation and the Health Research and Educational Trust have conducted an annual survey from January to May for each of the last fourteen years targeting non-federal private and public employers on an annual basis in order to compile and analyze current data pertaining to employer sponsored health benefits. They have determined that employers are the leading source for health insurance across the country and that employers' health insurance covers approximately 149 million non-elderly people in America today. "The average annual premiums for employer-sponsored health insurance in 2012 are $5,615 for single coverage and $15,745 for family coverage. Compared to 2011, the average premium for single coverage is three percent higher and the average premium for family coverage is four percent higher. Since 2002, average premiums for family coverage have increased 97%."[1]

The 2012 annual premium for family coverage in EMHP is $16,500, which compares favorably to the average family coverage premium for all plan types of $15,745 and the average family coverage premium for all plans in the Northeast of $17,099 considering the level of benefits provided by the EMHP. "Nineteen percent of covered workers are in plans with an annual total premium for family coverage of at least $18,894 (120% of the average premium)."[2] Although the EMHP is 4.8% more than the average family coverage premium for all plan types in 2012, which is 1% lower than it was in 2011, it also remains 16.7% less than the premium being paid by 20% of all covered workers. Additionally, Kaiser has determined the average annual premium for family coverage within a Point of Service (POS) plan (as is EMHP) in the Northeast in 2012 to be $16,960 which is $460 or 2.8% more than the premium of $16,500 for similar EMHP coverage. The growth in premiums for EMHP between 2011 and 2012 is slightly less than the average growth experienced in all employer sponsored health plans.

EMHP Specific Considerations

Memorandum of Agreement dated July 31, 2012

Resolution No. 879-2012, approved by the Legislature on October 9, 2012, ratified and approved a Memorandum of Agreement (MOA) entered into between Suffolk County and representatives of the 11 collective bargaining units representing County employees on July 31, 2012 to extend and modify health insurance benefit terms and conditions included within the

[1] KFF/HRET Employer Health Benefits 2012 Summary of Findings pg. 1
[2] KFF/HRET Employer Health Benefits 2012 Summary of Findings pg. 1

October 15, 2007 Suffolk County Employees Medical Health Plan (SCEMHP) MOA through December 31, 2020. All modifications to the Plan go into effect on January 1, 2013 unless otherwise specified within the agreement. Approval of the agreement creates the Suffolk Coalition of Public Employees (SCOPE) as a legal entity representing all eleven employee unions that will allow them to negotiate, mediate, grieve, arbitrate, litigate, and otherwise address health insurance benefits as one.

The MOA contains provisions and modifications anticipated to result in both additional savings as well as costs to the County as follows:

- The agreement provides for at least $17 million of recurring prescription benefit savings annually from 2013-2018 in addition to capping the County's liability for growth in prescription benefit costs through 2018 to the average actual growth experienced by the County between 2009 and 2012.
- The agreement includes a provision which will cap the County's liability for growth in the average cost of all benefits under the SCEMHP to the rate experienced within the Northeast Region as determined within the annual Kaiser/HRET Survey of Employer-Sponsored Health Benefits.
- Enrollees in one of the three HMO plans currently offered by the County will now be responsible to pay the difference between the premium of the HMO plan and the EMHP plan cost, single or family, as applicable.
- All employees hired on or after January 1, 2013 shall contribute 15% of the premium or group cost of the health insurance they select, single or family, as applicable. These employees will continue to contribute until such time they are retired and Medicare eligible.
- EMHP will cover emergency treatment costs above the reasonable and customary rate, limited to $100,000 per claim, if utilized on an emergency basis and there is no participating provider available to provide the emergency care.
- The County will reinstate coordination of benefits to all eligible participants hired prior to January 1, 2013.
- The pending grievances for denial of the buy-back payment shall be granted. The buy-back policy shall revert to the policy in place in 2010.
- A participant with a minor child(ren) with a physical or mental disability may be exempted from the out-of-network deductible and may receive 100% reasonable and customary reimbursement for care of the child(ren).
- SCEMHP will afford coverage to dependent grandchildren whom live with covered employees that have legal guardianship of the grandchildren.
- The parties agree to resolution of two Union and one County grievance; all withdrawn with prejudice.

The net savings or cost to the County associated with the new agreement will be calculated on a bi-annual basis by the SCEMHP Benefits Consultant. The first reconciliation to determine the savings/losses will consider 2013 and 2014 and is slated for completion no later than June 1, 2015.

EMHP Expenditures

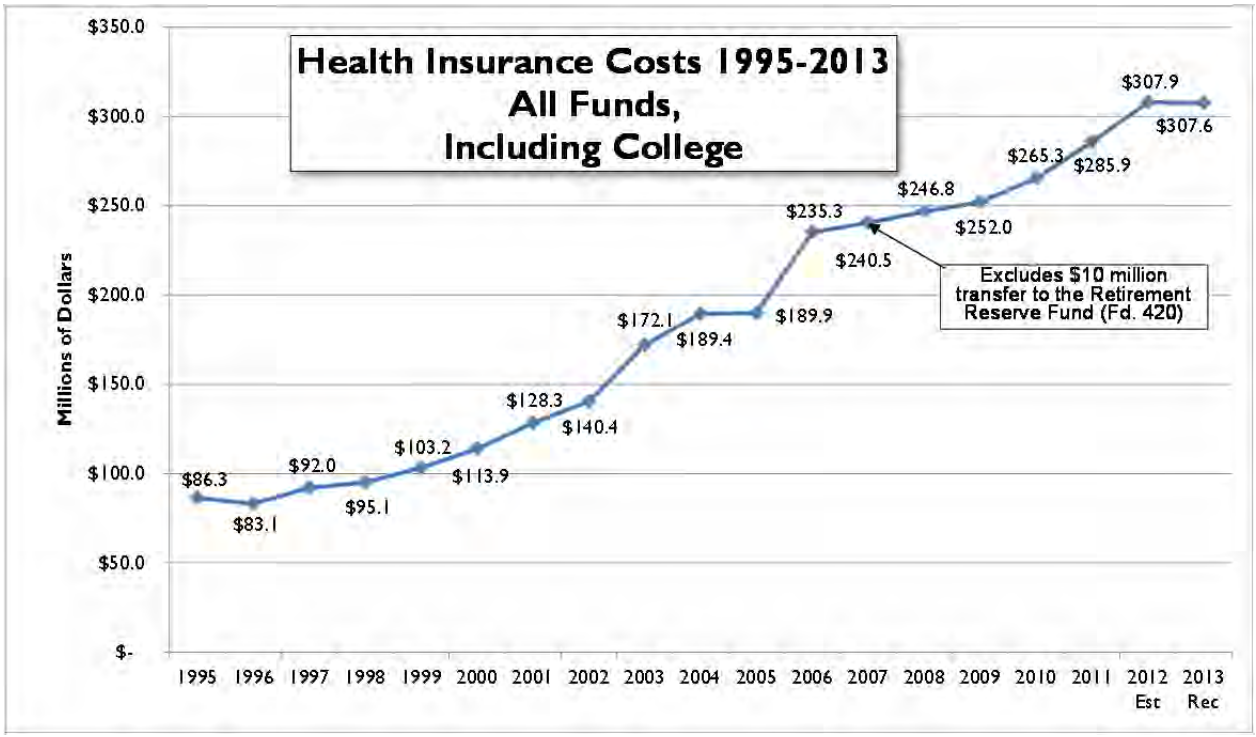
The 2013 recommended expenditure for health insurance is $307.6 million, which is $32.1 million less than the projection of $339.7 million within the most recent Suffolk County Annual Health Benefits Report dated August 23, 2012 and provided by Lockton, the County's health insurance consultant. The vast majority of the difference between the recommended budget and the Consultant's cost projection lies within three expenditures; major medical claims, hospital claims, and prescription claims. The consultant projects major medical costs for EMHP in 2013 at $107.2 million, which is approximately $7.7 million or 7.69% higher than the recommended budget of $99.5 million; hospital claims at $111.5 million which is approximately $7.2 million or 6.95% higher than the recommended budget of $104.3 million and prescription claims at $87.0 million which is approximately $17.5 million or 25.2% higher than the recommended budget of $69.5 million.

The health insurance consultant's medical/hospital, behavioral health, and prescription drug cost trend projections use annual medical trends based on current marketplace trends and claims experience specific to EMHP during the past four fiscal years and adjusted to reflect plan design changes. The consultant's 2013 proposed annual trend rates for EMHP are nine percent for medical claims (major medical and hospitalization), ten percent for prescription drugs, four percent for behavioral health, and five percent for Medicare Part B premium reimbursements. The 2013 proposed trends are identical to Lockton's 2012 proposed trends and may be overly conservative based upon the actual prior four year average increases for medical claims of 6.4% and prescription drugs of 7.5%. The 2013 health consultant cost projections assume a net decrease of 91 enrollees from 21,391 to 21,300 or 0.4%, which may be understated based upon the non-retirement separation from service of nearly 300 County employees, non-inclusive of workers at the John J. Foley Skilled Nursing facility, in 2012. Lockton projects the County's health insurance costs to grow by $26.2 million or 8.4% in 2013 from $313.5 million to $339.7 million. This projection differs significantly from the recommended budget, which indicates health insurance costs will decrease $1.38 million or 0.4% from $308.9 million estimated for 2012 to $307.6 million recommended in 2013. This significant difference can be explained by reductions to prescription benefit expenditures of $17 million, as provided for in the most recent SCEMHP MOA and reflected in the recommended budget, in conjunction with reductions to major medical and hospital claims expenditures of approximately $14.9 million.

BRO's analysis of the 2013 recommended expenditures indicates that they are likely understated by at least $6.0 million. BRO attributes this deficit to the recommended incurred but not reported (IBNR) of $13.8 million that accounts for expenses for claims which were incurred in 2013 but not reported until sometime in 2014. EMHP claims experience and the consultant's projections indicate IBNR comprises approximately 8% of expenditures on an annual basis. The recommended budget for IBNR of $13.8 million represents only 4.7% of recommended expenditures and 52.2% of the Consultant's projected IBNR of $26.6 million. In 2010 Suffolk's actual IBNR represented 7.92% of expenditures and in 2011 actual IBNR represented 8.16% of expenditures. The 2012 Adopted IBNR of $21 million represents 7.2% of expenditures and the recommended budget estimates 2012 IBNR of $19.3 million representing 6.65% of estimated expenditures. Augmenting the proposed level of IBNR by $6 million to $19.8 million would result in a figure representing 6.76% of recommended expenditures, which is still less than our historical experience, but in line with the rate anticipated by the Executive based upon 2012 estimates.

The 2012 budget estimate includes $308.9 million for health insurance costs, which is $11.3 million less than the adopted budget of $320.2 million and $4.6 million less than Lockton's projection of $313.5 million. The difference between the 2012 adopted and the 2012 estimated is primarily observed within major medical claims (-$6.7 million) and prescription drug claims (-$4.2 million). The 2012 estimated health insurance costs of $308.9 million are approximately $2.7 million or 0.8% less than the BRO projection of $311.6 million and are reasonable based upon year-to-date expenditures as of September 2012 that are slightly less than SCEMHP historical experiential data would dictate.

The following graph illustrates health insurance expenditures from 1995 to 2013, excluding the 2006 $10 million transfer to the Retirement Reserve Fund. The source of the data is the relevant County operating budget.



EMHP Revenues

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 2012 Estimated Budget incorporates the 2011 Actual fund balance of $1.0 million, which is $1.0 million more than the 2012 Adopted which assumed there was no available fund balance. The estimated budget includes $290.9 million in revenue from interfund transfers to the Health Insurance Fund (Fund 039), which is $12.5 million less than adopted and approximately $12,000 less than the Budget Review Office (BRO) estimate of $290.9 million based upon 2012 transfers through September 21, 2012. The extremely small variance between the Executives estimate and the BRO estimate supports Estimated 2012 revenue projections as reasonable.

For 2013, the recommended budget includes $285.0 million of interfund revenue representing 92.7% of total revenues, which is approximately 2% less than the typical revenue source allocation within EMHP. The Health Care Consultant has projected that a County contribution of $318.7 million would be required in 2013 predicated upon 21,300 enrollees in the plan. The recommended budget appears to account for County contribution reductions associated with the reduction of approximately 500 filled positions in 2012 inclusive of the John J. Foley Skilled Nursing Facility. The 2013 recommended Departmental Income of $1,774,902 is $120,000 greater than the consultant's projection of $1,654,902 explained by the inclusion of $120,000 of employee contribution premium anticipated from provisions within the latest SCEMHP MOA. The 2013 Recommended revenues from County contributions should be augmented by $6.0 million to $291.0 million in order to adequately fund projected IBNR expenses.

Non-Healthcare Benefit Considerations

Retirement

The Employer Contribution Stabilization Program was signed into State law on August 11, 2010 as Chapter 57 of the Laws of 2010. Participation in the Program is optional and it has been designed to allow those employers whom elect to participate to pay a portion of their annual contributions over time resulting in more level, predictable pension costs.

The State determines each employer's normal annual contribution in the same manner employed historically. The State then establishes a "graded rate" for the employer based upon a methodology established by the Program. The graded rate is used to establish a graded contribution for the employer. The difference between the normal contribution and the graded contribution is equal to the maximum amount the State will allow the employer to amortize. Employers may choose to amortize less than the maximum amount. These computations are made separately for contributions to the Employees Retirement System and the Police & Fire Retirement System. Employers may opt to participate in the Program for one system, both systems, or not at all. Once an employer opts to participate in the Program they cannot opt out however; they may choose not to amortize every year or for a lesser amount than the maximum allowed. If an employer does opt to amortize a portion of their contribution, they will pay interest on the amortized amount at a rate determined by the State Comptroller to be comparable to taxable fixed income investments. The interest rate charged on any portion of a contribution the employer has opted to amortize in a particular rate year will be fixed, for that year, and all subsequent years of the ten year repayment period. The rates charged by the Comptroller may change from one rate year to the next based upon market performance. Portions of required 2011 contributions which were amortized have been charged a 5% rate of interest, portions of required 2012 contributions which were amortized have been charged a 3.75% rate of interest, and for 2013 amortizations the Comptroller has set an interest rate of 3%.

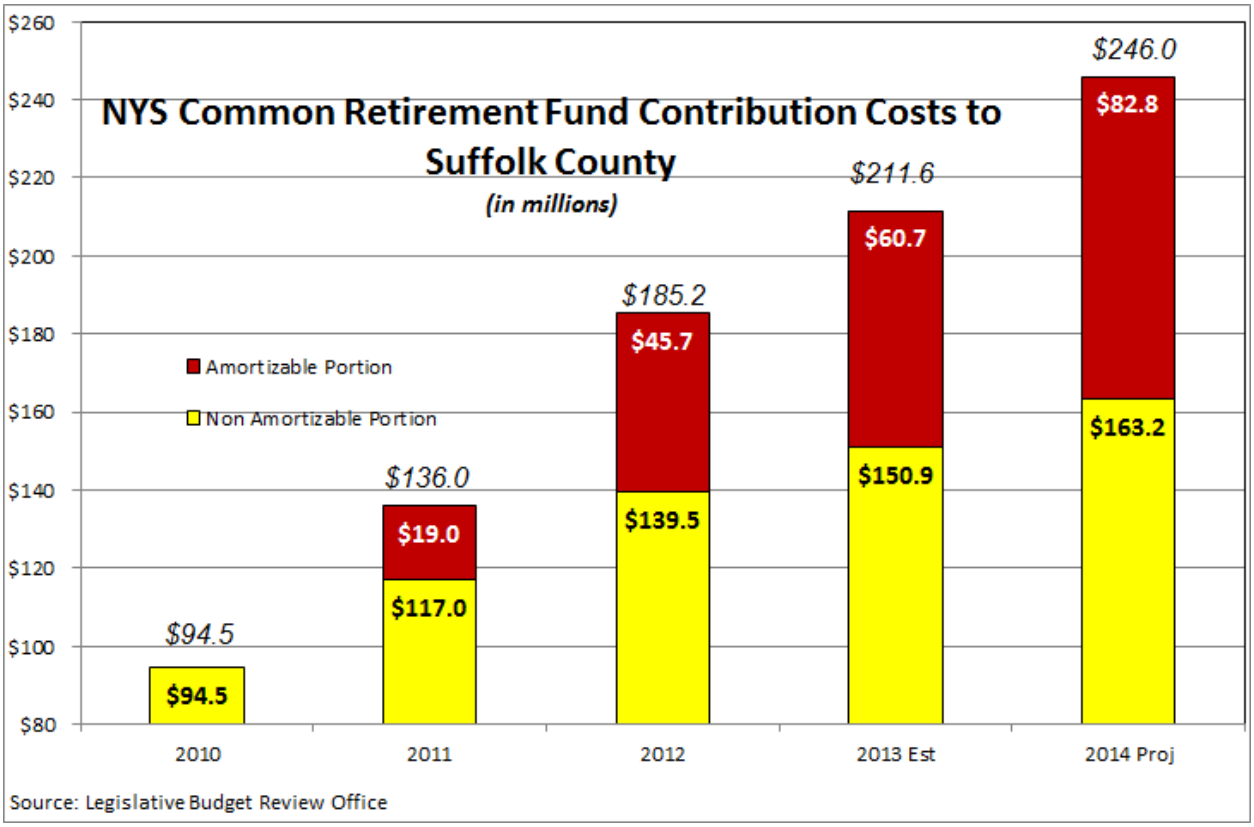
The graded rate increase or decrease is capped at 1%. Therefore, as the average contribution rates rise, annual contributions under the Program will be less than normal contributions. Conversely, as average contributions fall, annual contributions under the Program may exceed normal contributions. Any additional contributions paid in excess of the normal contributions will first be used to pay off existing amortizations. Once all amortizations have been paid, any contributions in excess of the normal contribution will be deposited into a reserve account

maintained by the State and used to offset future increases in contribution rates. Payments into the reserve accounts will continue until reserves equal the employer's total salary base.

Suffolk County opted to amortize approximately $19.1 million of its Employees Retirement System (ERS) contribution due February 2011 to be repaid in equal annual installments of $2,470,993 over a ten year period at a five percent rate of interest beginning with the 2012 payment. No portion of the 2011 Police and Fire Retirement System (PFRS) contribution was eligible to be amortized. Suffolk County opted to amortize $45.7 million, in the aggregate, of the NYS Local Retirement System contribution due February 2012; approximately $24.8 million of its ERS contribution due February 2012 to be repaid in equal annual installments of $3,006,126 over a ten year period at a 3.75% rate of interest beginning with the 2013 payment and $20.9 million of its PFRS contribution due February 2012 to be repaid in equal annual installments of $2,533,172 over a ten year period at a 3.75% rate of interest beginning with the 2013 payment.

The recommended 2013 NYS retirement employer contribution budget of $145,387,356 is reasonable and represents both the Employees' Retirement System (ERS), excluding the College, and the Police and Fire Retirement System (PFRS). The 2013 contribution includes installment 2 of 10, $2.4 million, for repayment of the portion of the 2011 ERS Contribution the County opted to amortize, installment 1 of 10, $3.0 million, for repayment of the portion of the 2012 ERS Contribution the County opted to amortize, installment 1 of 10, $2.5 million, for repayment of the portion of the 2012 PFRS Contribution the County opted to amortize; it also includes installment 2 of 5, $3.8 million, for repayment of the 2010 Early Retirement Incentive Program (ERIP) incentive cost. The recommended budget amortizes the maximum amount allowed by the State; $48.4 million in ERS and $12.3 million in PFRS totaling $60.7 million. Installment payment 1 of 10 beginning in 2014 for the amortized portion of the 2013 ERS contribution will be $5,669,778 and installment payment 1 of 10 beginning in 2014 for the amortized portion of the 2013 PFRS contribution will be $1,448,572.

The 2013 Recommended NYS retirement employer contribution of $145.4 million (excluding SCCC) is $9.8 million more than the 2012 Estimated contribution of $135.6 million. The County's projected employer contribution for 2014 will increase by approximately $11.6 million to $157.0 million (excluding SCCC), assuming we opt to utilize the maximum amortization allowed by the State in 2014 of $82.8 million. The following graph illustrates the growth in retirement costs experienced by the County (including SCCC) in recent history.



GASB 45- Other Post-Employment Benefits

The Governmental Accounting Standards Board (GASB) Statement No. 45 requires governments to establish standards for the measurement, recognition, and display of all other post-employment benefit (OPEB) expenses, expenditures, and related liabilities including, but not limited to, life insurance and healthcare. Suffolk County budgets and finances its OPEB obligations on a pay-as-you-go basis which accounts for current liabilities only as compared to the annualized required contribution (ARC) funding methodology which accounts for both current and accrued liabilities.

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 Suffolk County Interim Year GASB 45 Financial Report generated by Nyhart for the fiscal year ending December 31, 2011 indicates that the County's actuarial accrued liability (AAL) for OPEB is $4.19 billion as of the beginning of 2011, which is approximately $433 million more than our liability at the beginning of 2010 of $3.75 billion.

The County's Net OPEB Obligation (NOO) represents the cumulative difference between the annual OPEB cost and employer contributions. Our NOO has grown approximately $282.4 million or 24.6% from the 2010 year end liability of $1.15 billion to the 2011 year end liability of

$1.43 billion. GASB Statement No. 45 requires municipalities to quantify their accrued OPEB liabilities only. The funding methodology utilized by the County is a policy decision.

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 within the benefit fund contributions 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 2013 with no labor agreements in place. Bargaining units two and six, representing the Suffolk County Association of Municipal Employees (AME), negotiated and entered into a stipulation of agreement on March 2, 2011 which extended the provisions of their Collective Bargaining Agreement through December 31, 2012. One modification to the Agreement was an increase to the Benefit Fund contribution. Effective January 1, 2011 the annual rate of contribution was increased $25 from $1,381 to $1,406 and effective December 31, 2012 the rate will increase $50 from $1,406 to $1,456.

The Suffolk County Police Benevolent Association (PBA) appears to be the only employee union that will enter 2013 with a labor agreement in place. Resolution No. 883-2012 was approved by the Legislature on October 9, 2012 and authorized the County Executive to enter into a labor agreement covering the terms and conditions of employment from Jan 1, 2011 through December 31, 2018 for members of the PBA. Section 6 of the agreement pertains to the PBA Benefit Fund and stipulates that the contributions will increase at varying rates on various dates through December 1, 2016. The agreement indicates the Benefit Fund contribution will increase 1.5% on June 1, 2013 from $1,905 currently to an annual contribution rate of $1,934. The agreement also includes a provision which states that the County shall not be required to make Benefit Fund contributions when the Fund reserve exceeds 32 months; shall make one half the normal Fund contribution when the reserve falls below 32 months, but is greater than 24 months; and shall make full contributions when the reserve falls below 24 months until it reaches 32 months reserve again.

The Estimated 2012 benefit fund/life insurance contribution of $16.3 million is approximately $300,000 more than adopted. Based upon year-to-date expenditures of approximately $13.8 million as of September 21, 2012, which represent 83.8% or 5/6 of the bi-monthly payments, the estimated budget appears reasonable.

The 2013 Recommended Budget includes a total of $12.3 million for benefit fund/life insurance contributions, which is a decrease of approximately $4.0 million or 24.4% as compared to the estimated budget. This significant reduction can be observed entirely within the Fund 115-Police District and is assumed to reflect the provision contained within the PBA labor agreement that the County shall not be required to make Benefit Fund contributions when the PBA Benefit Fund reserve exceeds 32 months. BRO attempted to gather data related to the PBA Benefit Fund balance to determine if the assumption that the County would make no PBA Benefit Fund contribution in 2013 was reasonable however, our inquiries proved unproductive.

BRO projects the 2013 cost for PBA Benefit Fund contributions at approximately $3.25 million therefore; the transfer from Fund 115 to the Benefit Fund is deficient by approximately $750,000 assuming no PBA Benefit Fund contribution is required from the County in 2013. The Fund 115 shortfall is attributable to benefit fund contribution costs for the AME, SOA, and, DET bargaining units, and School Crossing Guards that will still be made from Fund 115 at a cost of approximately $1.75 million.

Social Security (FICA)

Employer's contributions to Social Security tax are computed based upon a pre-determined contribution and benefit base and tax rate for Old Age, Survivors, and Disability Insurance (OASDI) and an unlimited earnings base and pre-determined tax rate for Medicare Hospital Insurance (HI). The 2012 wage base for Old Age, Survivors, and Disability Insurance (OASDI) is $110,100 which is an increase of $3,300 or 3.1% over the 2011 wage base of $106,800. This is the first time since 2009 that the wage base has been increased while the rate remains set by statute at 6.2% as it has been for more than 20 years. The Medicare Hospital Insurance tax has no maximum wage base; it is 1.45% on all wages.

The estimated 2012 Social Security liability of $63.9 million is approximately $2.3 million more than the adopted budget of $61.6 million and represents 6.77% of estimated personal services costs. The estimated General Fund Social Security appropriation of $37.1 million is approximately $2.8 million more than the 2012 Adopted Budget of $34.3 million and represents 7.35% of estimated personal services within the General Fund. This estimate is likely overstated by as much as $1.9 million based upon the 2011 General Fund actual Social Security contribution rate of 6.97% and the 2009-2010 General Fund average actual FICA ratio of 6.99%. The 2012 Estimated Police District Social Security appropriation of $19.8 million is $330,476 less than the 2012 Adopted budget of $20.1 million and represents 5.72% of the estimated personal services within the Police District Fund. This estimate is reasonable and consistent with the 2011 actual FICA ratio of 5.73%.

The 2013 Recommended Budget includes $60.2 million for Social Security, which represents 6.27% of total personal services costs and is 0.3% less than the 2011 actual FICA ratio of 6.57%. The 2013 recommended Social Security funding of $34.1 million in the General Fund represents 6.42% of personal services and appears to be understated by as much as $2.96 million, based upon an average composite FICA ratio of 6.98%, utilizing 2009, 2010, and 2011 average actual FICA ratios, and assuming budgeted personal service costs are fully expended as budgeted. The 2013 Recommended Social Security funding of $19.4 million within the Police District Fund represents 5.73% of personal services and appears reasonable based upon the 2011 actual ratio of 5.73% and the 2012 Estimated ratio of 5.72%.

Unemployment Insurance

The County reimburses the State dollar-for-dollar for all unemployment claims paid to former employees on a quarterly basis. The 2012 estimated unemployment insurance appropriations total $3,179,417 for all funds, which is $44,361 or 1.4% less than the adopted budget of $3,223,778. As of September 2, 2012, $827,220, representing the first and second quarterly payments, has been expended. The vast majority of layoffs in 2012 occurred effective July 1 therefore, most of this unemployment expense is anticipated in the third and fourth quarters of 2012, for which no payments have been issued as of October 11, 2012, per the County's

Integrated Financial Management System (IFMS). The 2012 estimate appears reasonable based upon the anticipated timing for receipt of unemployment claims.

The 2013 Recommended Budget includes $976,800 for unemployment across all funds, which is in line with the County's actual expenditure in 2011 of $987,547. The recommended funding is likely understated based upon the fact that no unemployment funding has been included within Fund 632- John J. Foley Skilled Nursing Facility. BRO anticipates the need for unemployment funding for some employees within this fund based upon the sale and privatization of the Foley Facility. It is unlikely that the new owner will retain 100% of the current employees for various reasons. BRO assumes 75% of the current employees will remain working at the Facility and 25% of the workers will cease working at the facility and collect unemployment benefits at a cost to the County of approximately $500,000.

Budget Review Office Recommendations

- Increase 2013 Recommended Major Medical Claims (039-EMP-9060) $3,000,000 to more precisely reflect anticipated IBNR expenses.
- Increase 2013 Recommended Hospital Claims (039-EMP-9061) $3,000,000 to more precisely reflect anticipated IBNR expenses.
- Increase 2013 Recommended Interfund Revenue to Fund 039 by $6,000,000 to offset increases in anticipated IBNR expenses.
- Increase 2013 Recommended Social Security within the General Fund (001-EMP-9030) by $2,960,000 to more accurately reflect anticipated expenditures based upon recent FICA contribution rates experienced by the County in Fund 001.
- Increase 2013 Recommended Unemployment Insurance expenditures in Fund 632- John J Foley Skilled Nursing Facility (632-HSV-4530-8350) $500,000 to reflect unemployment claims anticipated in conjunction with the sale and privatization of the Facility.
- Increase 2013 Recommended Welfare Fund Contribution from Fund 115 - Police District (115-EMP-9080) $750,000 to more accurately reflect anticipated expenditures to non-PBA Benefit Funds.
- Reduce 2012 Estimated Social Security within the General Fund (001-EMP-9030) $1,900,000 to more accurately reflect anticipated expenditures based upon recent FICA contribution rates experienced by the County in Fund 001.

RD Employee Benefits 13

Debt Service

Effects of Recommended Budget

Serial Bonds

Serial bonds are general obligation debt used to finance most capital improvements. Related debt service costs in the operating budget represent principal and interest payments on bonds issued over the past 20 years. Budgeted debt service has been kept artificially low due to the County's 2008 and 2012 securitization of Tobacco Master Settlement Agreement revenues. 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 impact of tobacco bonds will create a significant fiscal problem, as budgetary relief from the proceeds of these bonds ends in 2013.

- In 2008, the County issued $233 million in tobacco bonds, $219 million of which is being used to pay off a portion of existing County debt from 2008 to 2013. To pay debt service on these bonds, the County had to forgo 36% of tobacco revenue (001-2640) between 2009 and 2012 ($6.6 million per year based on 2011 actual revenue), and 75% of tobacco revenue from 2013 until the bonds are repaid, which is forecast to be in 2034. The 75% loss of revenue is estimated to be $13.8 million per year (based on 2011 actual revenue).
- In 2012, the County issued $38.375 million in tobacco bonds, $31.8 million of which is being used to pay off a portion of existing County debt in 2012 and 2013 and an additional $2.5 million is treated as working capital in 2012 (see revenue code 001-2661-Sale of Tobacco Settlement Revenue). To pay debt service on these bonds, most of the remaining 25% of tobacco revenue will be lost - estimated to be $4.6 million per year (based on 2011 actual revenue). Since required debt service is expected to be less than the remaining 25% of tobacco revenue, the 2013 recommended budget includes $1.76 million in revenue as the residual after debt service obligations are met.

In the General Fund, the impact of tobacco bonds on budgeted debt service costs is:

- $20.0 million in 2008, reducing budgeted debt service from $91.2 million to $71.2 million;
- $48.3 million in 2009, reducing budgeted debt service from $96.1 million to $47.7 million;
- $46.0 million in 2010, reducing budgeted debt service from $115.2 million to $69.2 million;
- $55.5 million in 2011, reducing budgeted debt service from $121.8 million to $66.3 million;
- $55.5 million in 2012, reducing budgeted debt service from $121.9 million to $66.4 million; and
- $33.6 million in 2013, reducing budgeted debt service from $124.0 million to $90.4 million.
- In 2014, there will be no relief from tobacco bond proceeds, resulting in budgeted General Fund debt service costs rising from $90.4 million to a projected $122.8 million, a forecasted increase of $32.4 million. The budget impact is even greater when the above mentioned loss of revenue is considered.

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. The County did not issue BANS from 2004 through 2008. Since then, $17,537,214 was issued in 2009, $29,224,970 in 2010, $5,126,000 in 2011, and $3.5 million later this month (October 2012). 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. The recommended budget includes $40,272 in interest expense in 2013 for the October 2012 BAN. This amount may be short, as it implicitly assumes an interest rate of about 1.15%. We would be more comfortable with a rate of 1.5%, which translates into an additional $12,228, but the difference is nominal.

Tax Anticipation Notes and Revenue 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.

Even with these two annual borrowings, the County's budgetary shortfall has made it difficult to have sufficient cash on hand to pay bills. As a result, in May of 2012 an $85 million Revenue Anticipation Note (RAN) was issued. Another RAN is anticipated to be issued in 2013. The last time the County issued a RAN was during the last major economic downturn and fiscal crisis in the early 1990's.

The County borrowed $105 million in DTANS on September 20, 2012, with interest to be paid in September of 2013. Borrowing has steadily risen from $35 million in 2006. Although this most recent DTAN is less than the $120 million issued the previous two years, if we add the $85 million RAN, that was also issued this year, the total of $190 million far exceeds the $120 million high water mark.

Cash flow problems also factor into the next County TAN borrowing. For the fourth year in a row, the County expects to issue a TAN in late December, instead of the usual date at the beginning of January. Again, expected borrowing will be the same $400 million as issued last year. This note is scheduled to mature in July 2013.

Large annual increases in cash flow borrowings are indicative of the significant mounting fiscal and cash flow problems that the County is experiencing. Revenue shortfalls in sales tax, property tax, and State aid, as well as increases in pension, debt service, and other costs, result in insufficient revenues to pay for day-to-day expenditures.

Budget Review Office Recommendations

The Budget Review Office finds that there is a shortfall in the 2013 recommended General Fund budget of $1,895,465 for interest expenses related to tax and revenue anticipation notes (001-DBT-9760-TANs-7840-TAN Interest) - the budget did not separate out TAN and RAN

expenses. Implicit in our projected shortfall is an assumed 2% interest rate on a $400 million December 2012 TAN borrowing.

In addition, there are other debt related line items that should be adjusted and would have a small positive impact, reducing net costs by $151,552. These line items are:

- A surplus in the 2013 recommended General Fund budget of $782,425 in overstated serial bond costs, made up of $339,114 in principal (001-9710-6900) and $443,311 in interest (001-9710-7800). Our analysis accounts for the likely cost in 2013 of the upcoming yet to be finalized fall 2012 serial bond issue.
- A shortfall in the 2013 recommended General Fund budget of $212,215 in overstated revenue on premiums received in issuing DTANs, TANs, and RANs (001-2710).
- A shortfall in the 2013 recommended General Fund budget of $418,659 in overstated earnings on capital investments associated with premiums received in issuing serial bonds and earnings on unspent serial bond proceeds (001-2956). Implicit in this projected shortfall is an estimate of the premium that will be received from the upcoming, yet to be finalized, fall 2012 serial bond issue.

RL DebtService13

Fees For Services: Non-Employees (4560)

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.

Expenditures (4560)

Department	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Audit & Control	$370,408	$447,910	$440,000	$428,320	$420,910
Board of Elections	$28,468	$70,000	$70,000	$48,500	$48,500
Civil Service	$943,344	$567,000	$496,121	$541,000	$541,000
County Clerk	$0	$0	$0	$35,000	$35,000
Consumer Affairs	$17,261	$30,000	$27,500	$37,200	$0
District Attorney	$701,279	$720,000	$745,000	$730,000	$730,000
Economic Development and Planning	$185,869	$356,461	$101,955	$468,261	$252,000
Employee Benefits	$9,751,798	$10,520,892	$10,481,376	$10,757,632	$10,757,632
Ethics Commission	$16,699	$70,000	$42,600	$134,000	$134,000
Executive	$138,995	$226,708	$465,750	$338,512	$316,250
Finance & Taxation	$0	$200	$100	$200	$200
FRES	$95,024	$30,278	$1,056,668	$30,278	$30,278
Health Services	$23,674,849	$25,675,994	$25,713,849	$19,553,203	$18,806,675
Information Technology	$0	$0	$0	$400,000	$400,000
Labor	$2,755,395	$1,495,500	$3,439,885	$2,849,335	$2,873,704
Law	$1,369,586	$1,067,925	$1,138,725	$980,081	$1,047,581
Legislature	$125,806	$189,400	$40,521	$169,567	$169,567

Expenditures (4560)

Department	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Medical Examiner	$0	$0	$0	$305,130	$231,830
Miscellaneous	$525,882	$6,153,549	$586,880	$638,100	$638,100
Parks	$38,905	$38,905	$44,181	$47,000	$48,000
Police	$1,494,023	$1,491,275	$1,250,747	$1,277,061	$1,277,061
Probation	$306,290	$458,217	$584,757	$388,286	$795,771
Public Administrator	$8,000	$8,000	$8,000	$10,000	$10,000
Public Works	$9,045,165	$13,521,000	$8,291,563	$12,564,852	$2,980,566
Sheriff	$5,238,599	$2,128,333	$6,128,333	$672,502	$672,502
Social Services	$3,675,302	$3,998,000	$3,579,097	$4,074,718	$4,883,682
Traffic Violations Bureau	$0	$0	$0	$1,888,758	$11,836,559
Vanderbilt Museum	$220,988	$125,000	$217,254	$225,000	$125,000
Total	$60,727,935	$69,390,547	$64,950,862	$59,592,496	$60,062,368

Effects of Recommended Budget

The 2013 Recommended Operating Budget includes $60,062,368 for Fees for Services, or 2.2% of total expenditures across all funds. The recommended amount is approximately 7.5% or $4,888,494 less than the 2012 estimate. This is mainly attributed to decreases in FRES, Health Services, Public Works and the Sheriff, which are partially offset by an increase of $11,836,559 for the new Traffic Violations Bureau. A portion of this funding is for services associated with the countywide red light violation camera system previously included in the Department of Public Works. Significant changes include:

- FRES: Expiration of various grant funding totaling approximately $1 million.
- Health Services: A decrease of $6.9 million is mainly attributed to a reduction of $4.45 million due to the sale of the John J. Foley Skilled Nursing Facility, and lesser reductions in patient care programs and services for children with special needs. There are minor increases in funding for mental health programs and methadone clinic services.
- Labor: Decrease of $678,673 associated with the Workforce Investment Act.

- Sheriff: Reduction of $5.46 million for prisoner maintenance, which is used for substitute housing expenses.

In the aggregate, the 2013 recommended amount is $469,872 more than requested, which is mainly attributed to the establishment of the Traffic Violations Bureau and lesser increases in Probation and Social Services. This is offset by the elimination of funding associated with the red light violation camera system in Public Works as well as smaller reductions in Economic Development and Planning and Health Services.

RG FeesForServices13

Interdepartment Operation and Service Fund (016)

The Interdepartment Operation and Service Fund (016) was established in 1983 to account for the costs of certain centralized functions in County government. Costs are redistributed to County departments that benefit from the services supported by this fund in order to enhance accountability and control. Costs are allocated to fund entities like the General Fund and the Police District Fund to ensure equity between property tax supported jurisdictions.

Status of Funds

The 2013 Recommended Budget for the Interdepartment Operation and Service Fund estimates that there will be no 2012 year-end surplus or deficit, compared to a surplus of $2,720,417 in 2011 and $2,224,184 in 2010. The recommended fund balance in 2013 is also $0.

Interdepartment Operation and Service Fund (016) Status of Funds				
Category	**2011 Act**	**2012 Adpt**	**2012 Est**	**2013 Rec**
Revenues	$41,919,794	$39,327,138	$34,944,927	$42,877,581
Fund Balance	$2,224,184	$0	$2,720,417	$0
Expenditures	$41,423,561	$39,327,138	$37,665,344	$42,877,581
Surplus/Deficit	$2,720,417	$0	$0	$0

In 1999, procedures governing Fund 016 were modified to show only chargebacks to separate fund entities rather than departmental expenditure charge backs. The General Fund (001) and the Police District Fund (115), which are both supported directly by real property taxes, contributed approximately 75% of total interfund revenues in 2011; they are recommended at 71% in 2013. All interfund revenues are listed in the following table.

Interfund Revenue Fund 016					
IFT	**Fund Name**	**2011 Act**	**2012 Adpt**	**2012 Est**	**2013 Rec**
R001	General Fund	$18,314,290	$15,593,150	$14,847,083	$18,736,477
R038	Self Insurance	$79,801	$76,739	$52,502	$56,991
R039	EMHP	$128,035	$100,156	$62,864	$62,535
R102	E-911	$210,293	$242,564	$157,841	$179,636
R105	County Road	$2,207,363	$1,952,558	$1,714,926	$1,944,838
R115	Police District	$13,187,790	$13,028,592	$10,308,746	$11,737,490
R203	Southwest S.D.	$562,386	$483,071	$389,960	$442,137
R259	Bldng/Sanit. Admin	$94,286	$73,903	$59,340	$66,694
R261	Sewer Maint/Oper.	$1,268,479	$1,250,430	$1,118,708	$1,348,021
R320	Workforce Invest.	$274,532	$0	$0	$0
R351	Community Dev.	$14,322	$0	$0	$0
R360	Medicaid Comp.	$627,376	$797,839	$807,064	$0
R477	Water Quality	$76,370	$92,869	$67,407	$75,556
R625	Gabreski Airport	$14,754	$15,134	$8,476	$9,543
R818	Community College	$22,245	$22,305	$24,963	$28,330
Total		$37,082,322	$33,729,310	$29,619,880	$34,688,248

Fleet operations, telecommunications, and computer supported information services are the primary functional areas of Fund 016 expenses. Cost allocations are 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 Vehicle Purchases Maintenance: Labor & Parts All Other Cost Items	Actual Utilization
Telecommunications	All Costs Together	Number of Employees
Information Services	I.F.M.S. Communications Main Frame Personal Computer Licenses Desktops All Other Cost Items	Number of Employees Number of Vouchers Paid No. of Personal Computers

2012 Estimated Budget

The 2012 estimated revenue for Fund 016 is $6.97 million less than in 2011 due primarily to a $3.5 million decrease in the interfund transfer from the General Fund and a $2.9 million decrease in the interfund transfer from the Police District Fund. Total estimated expenditures are $3.8 million less than what was spent in 2011, with the largest contributing factors for this related to $2.7 million less for the purchase of automobiles in DPW and $993,086 less for computer software in DoIT. The combination of decreased revenues and expenditures has reduced the estimated carryover fund balance from $2.7 million from 2011 to 2012 to $0 from 2012 to 2013.

2013 Recommended Budget

The recommended budget increases total revenue by $7.9 million from the estimated $34.9 million in 2012 to $42.8 million in 2013. The increase is mainly attributable to an interfund transfer from the General Fund of $3.9 million more than estimated, an interfund transfer from the Police District Fund of $1.4 million more than estimated and revenue from the General Fund of $1.6 million more than estimated in 2012.

Recommended expenditures are $5,212,237 more than the 2012 estimate mainly attributable to the proposed transfer of 43 positions into a Fund 16 Direct Charge Department Staff Division within DoIT from various County Departments to create a "federated approach" to Information Services at a cost of $2,876,525, attributable to a $661,809 more than the 2012 estimated transfer for employee medical health (Fund 39), and a $493,493 more than 2012 estimated transfer for retirement.

JM Fd 16 13

County Road Fund (105)

The County Road Fund operates as an extension of the General Fund. It serves to fund the maintenance of County roads, snow removal, and the relocation of County employees into new buildings. The fund exists under New York State Highway Law Section 114, which dictates that all highway funds be segregated in a common fund such as Fund 105.

Status of Fund		
2012 Estimated	**As of Date Period of Time**	**2013 Recommended**
($1,503,424)	Fund Balance, January 1	$3,138,840
$24,046,220	Plus Revenues, Jan. 1-Dec. 31	$17,978,139
$22,542,796	Total Funds Avaialble	$21,116,979
$19,403,956	Less Expenditures, Jan. 1-Dec. 31	$21,116,979
$3,138,840	Fund Balance, Dec. 31	$0

Effects of the Recommended Budget

The 2013 Recommended Operating Budget forecasts that Fund 105 will end 2012 with a $3,138,840 surplus, which is attributable to:

- A beginning fund balance deficit of $1,503,424 at the start of 2012 that was carried over from 2011, which is $389,076 more than the $1,114,348 deficit that was projected when the 2012 budget was adopted.
- An increase in estimated revenues of $1,147,873 and a decrease in estimated expenditures of $2,380,043.

Revenue

The County Road Fund receives the majority of its revenue in the form of State monies through motor vehicle registration surcharges and consolidated highway fees. The next largest portion of Fund 105 revenue is achieved via interfund transfer from the General Fund. The State monies and General Fund transfer typically comprise over 98% of Fund 105 revenue.

The 2012 estimated revenue of $24.05 million is $729,815 or 2.9% less than the $24.78 million the Fund received in 2011, which is primarily attributable to an increase in Refunds of Prior Year Expenses (rev. code 2701) of $1.28 million coupled with a decrease of $2.22 million in the General Fund transfer. The revenue in Refunds of Prior Year Expenses is related to impact assessment fees that come into the County in an off budget holding account, which are then brought into Fund 105 in revenue code "Refund of Prior Year Expenses" (2701) and is either used to offset staff costs and expenses related to the required capital expenditure or subsequently appropriated by resolution to where they are needed based on why they were collected i.e. for design work, debt service or a particular capital project.

The 2013 recommended revenue of $17.98 million is $6.07 million or 33.8% less than the 2012 estimated revenue of $24.05 million mainly resulting from a proposed reduction of $4.90 million in the General Fund transfer and a decrease of $1.28 million in Refunds of Prior Year

Expenses. Additionally, the General Fund transfer is recommended to be considerably less than in 2012 because the Fund is expected to begin 2013 with a surplus of $3,138,840.

Expenditures

The 2012 estimated expenditures of approximately $19.40 million are $1.70 million or 8.1% less than actual expenditures in 2011 of $21.11 million. The difference is explained by estimated reductions in expenditures for snow removal of $1.45 million, transfer to the County's shared services fund (Fund 16) of $492,437 in conjunction with an increase to the transfer for health insurance (Fund 39) of $153,867.

The 2013 recommended expenditures of $21.12 million are $1.71 million or 8.8% more than estimated for 2012. The largest increases to expenditures are seen in snow removal, which is augmented by $1.48 million and transfer to the County's shared services fund (Fund 16) which is augmented by $229,912.

Budget Review Office Recommendations

The Budget Review Office agrees with the status of funds as presented.

JM County Road Fund 105 13

Police District Fund (115)

2011

- The actual 2011 year end Police District fund balance is $2,477,161 instead of $6,591,305 that was carried over as the fund balance for 2012.
- The two major sources of revenue in the Police District are the property tax and the sales tax. In 2011, the property tax was $458,773,751 and the sales tax was $84,343,593.

2012

- The Police District fund balance at the end of 2012 is estimated to $991,622 insufficient due to the reduction in the carry-over fund balance from 2011.
- The 2012 estimated revenues are very close to the adopted amount. However, expenditures were reduced by $4.6 million due to reductions in the interfund transfers to Fund 016 - Interdepartment Operations & Service Fund and Fund 039 - Employee Medical Health Plan.
- The sales tax allocation to the Police District in 2010 was $54,331,363; it was $84,343,593 in 2011 and is estimated at $82,271,437 for 2012. The amount of sales tax is predicated on Local Law that allows a maximum of 3/8% of sales tax revenue to be used for public safety purposes.

2013

- Recommended 2013 revenue for the Police District is $2,271,878 less than the 2012 estimate.
    - The 2013 recommended property tax allocation to the Police District is $483.6 million or $12.4 million more than the 2012 estimated amount. The tax warrant per $1,000 of full value will be $3.05, which equates to a $0.08 increase from last year.
    - The 2013 recommended sales tax allocation to the Police District is $69,068,390 or $13.2 million less than the 2012 estimated amount. The maximum amount that can be allocated, based on the 2013 Recommended Budget, would be $105.9 million. The reduction in the reliance on sales tax in 2013 is a positive sign. The overdependence on sales tax could result in a future problem if we continue to rely on this revenue source and reduced transfers to other funds that are supported by the General Fund to balance the Police District Fund.
- Recommended 2013 expenditures for the Police District are $6.7 million less than the 2012 estimate.
    - Police District Administration costs are reduced by $11.4 million due to a reduction in personnel costs.
    - The Welfare Fund Contribution was reduced by $4,074,422 from $5,075,500 to $1,001,678.
    - Approximately $1 million in homeland security grants are included in the 2012 estimated amount but will not be added in 2013 until they are accepted via resolution during the year.

- A contingent account of $4,387,094 is included in 2013 to offset the cost of contractual settlements.
- Interfund Transfers to Funds 016, 038, 039 and 102 cumulatively increased by $3.85 million.

Interfund Transfers from the Police District Fund 115

Fund	2012 Estim	2013 Rec	Change
016	$10,308,746	$11,737,490	$1,428,744
038	$15,294,762	$16,802,753	$1,507,991
039	$81,587,864	$82,895,229	$1,307,365
102	$6,919,219	$6,525,470	($393,749)
TOTAL	**$114,110,591**	**$117,960,942**	**$3,850,351**

- The transfer to the General Fund remained flat at $4.3 million.
- Retirement costs increased by $1.3 million in part due to payments related to the amortization of the 2012 retirement bill.
- Debt service increased by $541,461.

JO SOF115 13

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.

Status of Fund		
2012 Estimated	**As of Date Period of Time**	**2013 Recommended**
$2,456,255	Fund Balance, January 1	$2,078,772
$12,533,154	Plus Revenues, Jan. 1-Dec. 31	$11,730,679
$14,989,409	Total Funds Available	$13,089,451
$12,910,637	Less Expenditures, Jan. 1-Dec. 31	$13,809,451
$2,078,772	Fund Balance, Dec. 31	$0

Effects of Recommended Budget

The 2013 Recommended Budget for the District Court Fund forecasts a 2012 year end surplus of $2,078,772, which is attributed to:

Beginning fund balance surplus of $2,456,255 at the start of 2012 that was carried over from 2011, compared to a $144,674 surplus that was anticipated when the 2012 budget was adopted and a reduction in revenue of $230,519.

Revenue

The District Court Fund will receive revenue from the following seven sources in 2012: real property taxes, payments in lieu of real property taxes, interest earnings, fines and forfeited bail, assessments for illegal handicap parking, received reserve for debt service, and court facilities aid from the State.

The 2012 estimated revenue of $12.5 million is $1,678,071 or 11.81% less than the $14.2 million the District Court Fund received in 2011. Additionally, it is $230,519 less than the 2012

adopted revenue, which is mainly attributed to a reduction of $283,571 in fines and forfeited bail coupled with an increase of $92,020 in state aid for court facilities.

The 2013 recommended revenue of $11.7 million includes non-property tax revenue of $5.2 million, which is only $3,388 less than estimated for 2012. The recommended fines and forfeited bail revenue of $3.7 million is approximately $500,000 less than the average annual revenue of $4.2 million over the past six years (2006-2011).

Expenditures

Expenditures charged to the District Court Fund include debt service on bonded debt incurred 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 2012 estimated expenditures of $12.9 million are $1.0 million, or 8.8%, more than expended in 2011. This is attributed to a $1.1 million increase in the interfund transfer to the General Fund, offset by a $54,646 decrease in debt service expenses. The 2013 recommended expenditures of $13.8 million are $898,819, or 6.96%, more than the 2012 estimated expenditures of $12.9 million.

Real Property Tax Levy

The 2013 recommended real property tax levy for the District Court Fund is $6,513,302, which is $799,087 less than the 2012, 2011, 2010 and 2009 Adopted real property tax levy.

Issues for Consideration

Verification of Expenditures

The Budget Review Office cannot independently verify the current year's expenditures and therefore it is difficult to accurately project future expenditures. 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 Unit. 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 line item detail of costs that are included in the transfer to the General Fund.

Budget Review Office Recommendations

Separately identify in Fund 133 all costs incurred on behalf of and all revenues received in support of the District Court.

JM Fund 133 13

Judicial Facilities Agency Fund (135)

The recommended budget creates a new fund entitled the Judicial Facilities Agency Fund 135. This fund was created for the purpose of the sale-lease back of County assets. A sale-lease back involves an agreement whereby ownership of a County asset is transferred for an agreed-upon price, the County continues to use and occupy the asset, and reimburses the new owner for capital costs through lease payments.

The County will require authorization from New York State to enter into a sale of selected County facilities through the Judicial Facilities Authority (JFA). The JFA is currently authorized to issue debt on behalf of Suffolk County for court and correctional facilities.

Arranging a sale-lease back through the JFA has advantages over seeking proposals from the private sector including:

- The JFA will not make a profit unlike private purchasers.
- JFA costs will not increase due to this transaction.
- The cost of capital for the JFA is significantly lower than that available from the private sector since the JFA can issue tax-exempt debt at an interest rate that is likely to be only 25 basis points above yields on County serial bonds.
- The County assets that are sold and leased back from the JFA remain under government control with the County taking ownership at the expiration of the lease in 15 years.

Fund 135 Revenue

The Status of Funds indicates the proceeds from the sale of County assets at $70 million. There is a transfer from the General Fund of $1,012,959 to pay for the debt service in 2013.

Fund 135 Expenditures

The proceeds from the sale of $70 million are transferred to the General Fund. There is a debt service payment (or lease payment) of $1,012,959 for 2013.

The following table is the projected debt service schedule based upon a 15-year bond:

Proposed $70 Million Sale-Lease Back of County owned assets to the JFA									
	Date	Coupon	Principal	Interest	Total Debt Service	Bonds Outstanding	% Principal Paid %	% Principal Paid Cum %	Yield
1	2014	1.20%	$3,124,392	$2,265,388	$5,389,780	$66,875,608	4.46%	4.46%	2.75%
2	2015	1.38%	$4,106,964	$1,861,820	$5,968,784	$62,768,644	5.87%	10.33%	2.83%
3	2016	1.52%	$4,163,640	$1,801,839	$5,965,478	$58,605,004	5.95%	16.28%	2.92%
4	2017	1.69%	$4,226,927	$1,734,477	$5,961,405	$54,378,077	6.04%	22.32%	3.02%
5	2018	1.97%	$4,298,362	$1,656,421	$5,954,783	$50,079,715	6.14%	28.46%	3.12%
6	2019	2.29%	$4,383,040	$1,563,896	$5,946,936	$45,696,675	6.26%	34.72%	3.22%
7	2020	2.60%	$4,483,412	$1,455,426	$5,938,838	$41,213,263	6.40%	41.12%	3.31%
8	2021	2.86%	$4,599,980	$1,331,362	$5,931,342	$36,613,282	6.57%	47.70%	3.39%
9	2022	3.10%	$4,731,540	$1,192,243	$5,923,783	$31,881,743	6.76%	54.45%	3.46%
10	2023	3.26%	$4,878,218	$1,039,390	$5,917,607	$27,003,525	6.97%	61.42%	3.51%
11	2024	3.41%	$5,037,247	$873,990	$5,911,237	$21,966,277	7.20%	68.62%	3.55%
12	2025	3.49%	$5,209,018	$697,207	$5,906,225	$16,757,260	7.44%	76.06%	3.59%
13	2026	3.55%	$5,390,812	$510,623	$5,901,435	$11,366,448	7.70%	83.76%	3.62%
14	2027	3.62%	$5,582,186	$313,898	$5,896,085	$5,784,261	7.97%	91.74%	3.65%
15	2028	3.68%	$5,784,261	$106,430	$5,890,692	$0	8.26%	100.00%	3.68%
Totals			$70,000,000	$18,404,411	$88,404,411		100.00%		

Interest rates are based on the 9/20/2012 MMD yield curve for "A" rated municipalities plus 75 basis points. Rates reflect a likely premium of 25 basis points above County serial bond rates plus an additional 50 basis points to account for uncertainty associated with future rates when proposed debt is issued next year.

Budget Review Office Recommendations

Since the bond would not be issued until 2013, payment of debt service would not be required in 2013. Therefore, the Budget Review Office recommends eliminating the transfer from the General Fund of $1,012,959 and the related debt service payment to the JFA in 2013.

JO Fund 135 13

Hotel Motel Tax Fund (192)

The Hotel Motel Tax was established to assist the County in promoting tourism and convention businesses and in supporting cultural programs and activities relevant to the continuation and enhancement of the tourism industry. The Hotel Motel Tax is described in §523-7 - §523-16 of the Suffolk County Code. The previous 0.75% tax was raised to the current three percent, and extended until December 31, 2015, by Local Law 34-2009. The tax applies to any facility providing lodging on an overnight basis, including bed-and-breakfasts, inns, cabins cottages, campgrounds, tourist homes, and convention centers. It is allocated according to a specified formula, as follows:

- Twenty-four percent of all revenues collected, but not more than $2,000,000 per fiscal year, to a tourism promotion agency (not specified by name) which the County contracts with pursuant to §523-14. The agency is obligated to keep a separate accounting of Suffolk County Hotel Motel Tax revenue and to ensure these monies are used to promote tourism in the targeted region, and not to direct visitors to any particular business. The agency is subject to audit by the County Comptroller. Typically, the Long Island Convention and Visitor's Bureau has been the agency with which the County contracts.
- Ten percent of all revenues are to be utilized to support cultural programs and activities related to the enhancement of the tourism industry. Typically, although not required, a portion of these funds has been allocated to the Citizens Advisory Board for the Arts for distribution, and a portion has been allocated to specified agencies. Beginning in fiscal year 2011, this amount may be increased by the County Legislature by one percent each fiscal year, to an amount not to exceed 15% of all revenues collected. The optional annual one percent increase is linked to an optional annual one percent decrease in the amount allocated to the Vanderbilt Museum.
- Ten percent of all revenues collected are for the support of the Suffolk County Vanderbilt Museum. This amount may be decreased by the County Legislature by one percent in each fiscal year (beginning in fiscal year 2011), up to an amount of not less than five percent of all revenues collected. If the optional one percent decrease is applied, the County may increase the allocation for cultural programs by one percent.
- Eight percent of all revenues collected are for the support of "other" museums and historical societies, historic residences, and birthplaces.
    - 1.5% of the eight percent is specified for the Walt Whitman Birthplace State Historic Site and Interpretive Center.
    - 6.5% of the eight percent is not designated to particular agencies. Typically, the County has used a portion of this unspecified percentage to support the Suffolk County Historical Society.
- Twenty percent of all revenues collected are 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, Recreation and Conservation, for sites and activities that are open to tourists on a regular and predictable basis.

- Not more than two percent of all revenues collected shall be utilized for the promotion of Suffolk County as a film-friendly location through the Department of Economic Development and Workforce Housing, which is now the Department of Economic Development and Planning. The Department is required to submit an annual report to the County Executive and County Legislature on their progress in this endeavor, and annual statistics of revenue generated for this purpose.
- All remaining revenue collected shall be deposited into the general fund to be utilized for general park purposes.

Effects of Recommended Budget

The estimated 2012 and recommended 2013 Hotel Motel Tax are projections based on available data and historical growth rates. The amount of tax collected can be particularly affected by factors such as economic conditions, the weather, and the number of tourists to New York City. The 2012 estimate was not revised from the adopted 2012 amount (which was 3% less than the 2011 actual); however, the 2013 recommended Hotel Motel Tax is $8,537,133, almost 20% higher than the 2012 estimate and 16% higher than the 2011 actual revenue. The $8,543,135 revenue in the chart below includes a minor amount of interest. This amount, plus the January 1 fund balance of $296,021, equals the amount of 2013 recommended expenditure. New revenue to the fund is allocated by formula; fund balances from prior years are distributed to account for adjustments in actual revenues received and for remaining unused funds from prior years. Unused funds remaining in any particular funded component at the end of the year are rolled-over back to that component. The following table summarizes the status of Fund 192 in the 2013 Recommended Operating Budget.

2012 Estimated	Status of Fund 192	2013 Recommended
$339,154	Fund Balance, January 1	$296,021
$7,124,474	Plus Revenue, January 1 to December 31	$8,543,135
$7,463,628	Total Funds Available	$8,839,156
$7,167,607	Less Expenditures, January 1 to December 31	$8,839,156
$296,021	Fund Balance, December 31	$0

In the past, Fund 192 has been used primarily to fund particular programs or agencies. The 2013 Recommended Budget transfers three personnel, currently funded by the General Fund, to Fund 192. This relieves the pressure on the General Fund, but reduces the amount of Hotel Motel funding available for other purposes. It is a policy decision whether to use Fund 192 funding for personnel who do related work, instead of allocating these funds to the particular programs and agencies the fund supports. The table below demonstrates the portion of recommended expenses related to the employee transfers to the Fund. These expenses tend to increase each year. Additional expenses that may be incurred by these employees, such as for supplies or travel, are not included in this table.

Transfer From General Fund Division:	Position Title	Gr	Executive Recommended Transfer to Fund 192 Division	Costs associated with Salaries, Benefits, and Health Insurance
Economic Development Admin.	SENIOR ACCOUNT CLERK	14	To Film Promotion	$79,886
Economic Development Admin.	SENIOR CLERK TYPIST	12	To Cultural Affairs	$166,081
Economic Development Admin.	PROGRAM COORD (CULTURAL AFFRS)	25	To Cultural Affairs	(included in above)
			Total	**$245,967**

In the following table, we summarize how the $8,839,156 recommended total funds available are allocated among the various components the fund supports.

Program Component	Percent Allocation	2012 Adopted	2012 Estimated	2013 Recommend
Tourism Promotion (LICVB)	24%, $2 million max	$1,727,299	$1,727,299	$2,106,337
Cultural Affairs	10%, provisions to adjust	$665,825	$665,825	$886,564
Film Promotion	2% or less	$153,467	$153,467	$207,971
Vanderbilt Museum ("Accredited Museums")	10%, provisions to adjust	$726,499	$726,499	$877,640
Museums & Historic Assoc. ("other museums")*	6.5%	$469,863	$469,863	$582,158
Walt Whitman Birthplace	1.5%	$108,975	$108,975	$128,427
Parks Department for Historic Services/Maintenance	20%	$1,718,837	$1,718,837	$1,768,191
General Fund for Park Purposes	26%, or all remaining	$1,596,842	$1,596,842	$2,281,868
TOTALS	**100%**	**$7,167,607**	**$7,167,607**	**$8,839,156**

*This category includes the Suffolk County Historical Society

Issues for Consideration

The Long Island Convention and Visitor's Bureau (LICVB), which typically receives a portion of the Hotel Motel Tax, produced a 2012 Mid-Year Business Activity Report for Suffolk County. The report points out that although the tourism business on Long Island has not returned to pre-recession levels, there has been a clearly rebounding tourism economy, and an optimistic future. There was pent up demand by leisure travelers, and many in the tri-state area sought drivable locales. The report notes that the unseasonably mild winter in the first quarter of 2012 was good for Long Island tourism. There was very little snow to lure travelers to ski resorts, and less incentive to seek warmer climes elsewhere.

LICVB obtains data from different sources, and has had mixed feedback. Indications were that most of the growth appears due to leisure travel, especially to the East End, while there was no or minimal growth in occupancies, rates, and demand for Long Island's corporate and chain hotels in the first and second quarters of 2012. Improved performance was linked to mid-priced and economy properties, indicating consumer travel tied to value. Economic factors, weather, gas prices, and the number of international travelers to New York City were mentioned as possible influences to the Suffolk County tourism market.

Budget Review Office Recommendations

2012 Hotel Motel Tax revenues have been trending approximately ten percent more than 2011. Historically, the revenue that is collected through the end of September is approximately three quarters of the total revenue, with the majority attributed to the months of July, August and September. Based on an analysis that included 2012 results thus far, historical trends, past

years' quarterly receipts, and economic trends, the Budget Review Office is recommending 2013 Hotel Motel Tax at $9,068,136, a net increase of $525,000 over the Executive recommendation. Actual revenues may vary with economic conditions, the weather, and other factors. The following table demonstrates how the additional $525,000 should be allocated, should the Legislature wish to accept this recommendation. Note that the allocation for Tourism Promotion was adjusted to account for balance adjustments from prior years, as indicated by the Executive Budget Office, and annual maximums, and any surplus was allocated to the General Fund.

AGENCY	Total 2013 Exec Rec Exp.	Total 2013 BRO Rec Exp.	2013 BRO minus 2013 Exec.
Tourism Promotion (192-EDP-6413)	$2,106,337	$2,055,985	($50,352)
Cultural Affairs (192-EDP-6414)	$886,564	$939,064	$52,500
Film Promotion (192-EDP-6415)	$207,971	$218,471	$10,500
Vanderbilt ("Accredited Museums") (192-MSC-7515)	$877,640	$930,140	$52,500
"Other" Museums & Hist Assoc. (192-PKS-7512)	$582,158	$616,283	$34,125
Walt Whitman Birthplace (192-MSC-7516-JG11))	$128,427	$136,302	$7,875
Parks Department, Historic Services/Maintenance (192-PKS-7510)	$1,768,191	$1,873,191	$105,000
General Fund for Park Purposes (001-R192)	$2,281,868	$2,594,720	$312,852
TOTALS	**$8,839,156**	**$9,364,156**	**$525,000**

See our related review of the Department of Economic Development and Planning for further detail on Divisions related to Fund 192.

LH Fund 192 13

Sewer District #3 – Southwest (203)

Southwest Sewer District received substantial federal subsidies to aid in the construction of Suffolk County's largest wastewater treatment facility. Terms of the ensuing agreement provided that the district would be formed as an ad valorem district as well as a user benefit district in order to guarantee a sufficient revenue stream to service the outstanding debt 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.

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 whom are connected to the facilities pay for the operating expenses through user fees, which are billed separately on a quarterly basis.

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. To date, the requirement to connect has never been enforced nor has the County required residents who have not connected to pay user fees.

Status of Fund		
2012 Estimated	**As of Date Period of Time**	**2013 Recommended**
$8,401,650	Fund Balance, January 1	$3,180,467
$79,883,142	Plus Revenues, Jan. 1-Dec. 31	$81,342,806
$88,284,792	Total Funds Available	$84,523,273
85,104,325	Less Expenditures, Jan. 1-Dec. 31	$84,523,273
$3,180,467	Fund Balance, Dec. 31	$0

Effects of the Recommended Budget

The 2013 Recommended Operating Budget forecasts a 2012 year-end surplus of $3,180,467 for Fund 203. This is attributed to a beginning fund balance surplus of $8,401,650 at the start of 2012 that was carried over from 2011, compared to a $5,889,321 surplus that was anticipated when the 2012 budget was adopted, in conjunction with a reduction in revenue of $596,130 and a decrease in expenditures of $1,264,268.

Revenue

The Sewer District #3-Southwest Fund receives approximately 97% of its revenue from real property taxes and departmental income comprised mainly of sewer rents, late fees, and scavenger waste. The residual three percent of revenues is generated from sewer service charges to other governments and interest and earnings.

The 2012 estimated revenue of $79,883,142 is $1,802,638 or 2.3% more than the 2011 actual revenue of $78,080,504 and $596,130 or 0.7% less than the 2012 Adopted revenue of $80,479,272. The reduction of $596,130 or 0.7 % in 2012 estimated revenue, as compared with 2012 adopted revenue, is observed mainly within Department Income and resultant from positive and negative variances across many categories of revenue. The $1.8 million or 2.3% increase between the 2011 actual and 2012 estimated revenues is mainly attributed to an increase in Real Property Taxes of approximately $1.8 million.

The 2013 recommended revenue of $81,342,806 is $1,459,664 or 1.8% more than the 2012 estimate of $79,883,142, which can be attributed to an increase in real property tax revenue of $1,548,689 in conjunction with other negligible revenue reductions. The 2013 revenue projection appears reasonable.

Expenditures

The 2012 estimated expenditures of $85,104,325 are $6,703,047 or 8.5%, more than the 2011 actual expenditure of $78,401,278. The increase is mainly attributed to increased operating expenses of approximately $2.2 million and an interfund transfer to Fund 405-Southwest Assessment Stabilization Reserve Fund of approximately $11.5 million offset by a $4.5 million reduction to the interfund transfer to Fund 404-Assessment Stabilization Reserve Fund and a $2.7 million reduction to the interfund transfer to Fund 261- Sewer Maintenance and Operation.

The 2013 recommended expenditures of $84,523,273 are $581,052 or 0.7% less than the 2012 estimated expenditures of $85,104,325. These differences are explained by numerous adjustments, both additions and deletions, to various expenditures within the District. The 2013 recommended expenditures are $5,000 more than requested for the District and appear reasonable.

Issues for Consideration

Debt Service and Reserves

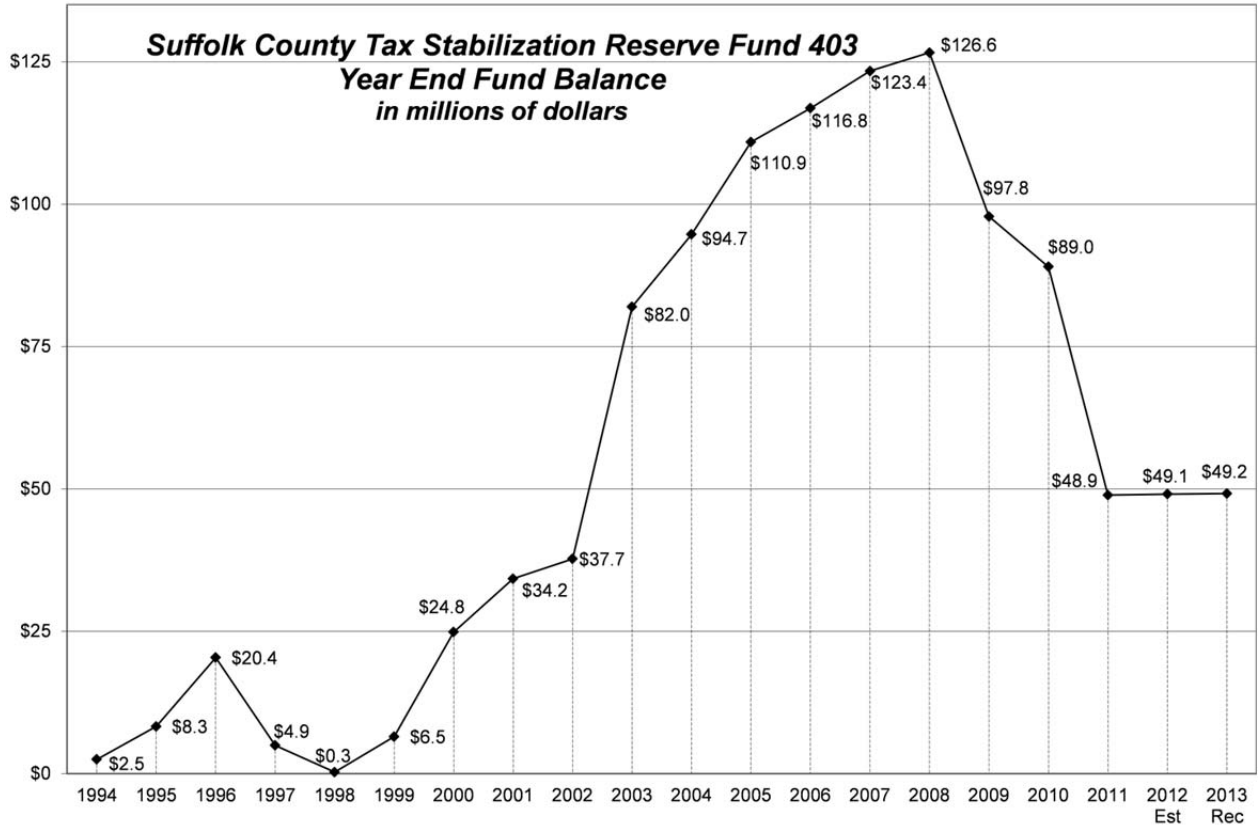
The recommended budget includes an interfund transfer from Fund 203-Southwest to Fund 404-ASRF of $14,665,869, which should serve to retire Southwest's outstanding obligation to ASRF for their outstanding capital loan debt, and fulfills all of Southwest's financial obligations to ASRF. Additionally, the District will once again avail itself of the opportunity to direct funds into Fund 405-Southwest Assessment Stabilization Reserve indicated by a recommended interfund transfer of $33,508,243 within the proposed operating budget. Allocating money to this fund now should allow the district to mitigate interest expense in future years and could decrease the District's reliance on rate stabilization as experienced in the past.

RD Fund 203 13

Tax Stabilization Reserve Fund (403)

Effects of the Recommended Budget

Expenditures made by the Tax Stabilization Reserve Fund over the 2011 to 2013 period covered in the recommended budget were limited to $40,587,517 in transfers to the Retirement Contribution Reserve Fund (420) in 2011, of which $30.1 million was transferred to the General Fund in 2011 and the remainder was part of a larger transfer in 2012. The accompanying chart graphs the year-end Tax Stabilization Reserve fund balance over time. The surplus in this reserve fund peaked at $126.6 million at the end of 2008 and is recommended to end 2013 at $49.2 million. The decrease reflects the County's fiscal health. The great recession, which was in full swing by 2008, has had an adverse impact on County finances and has created tremendous pressure to tap into this reserve fund.



Budget Review Office Evaluation

Suffolk County's Tax Stabilization Reserve Fund (403) is authorized under Section 6-e 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.

- Under Section 6-e of New York State General Municipal Law, 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%. A 2.5% increase in the General Fund property tax would equate to $1,225,926 (2.5% x $49,037,038). Only the County Executive can recommend transfers from the Tax Stabilization Reserve Fund directly to the General Fund.

- As an exception, during the year expenditures from the Tax Stabilization Reserve Fund can be made without raising taxes in order to finance an unanticipated revenue loss or an unanticipated expenditure for which there are insufficient appropriations. This provision was invoked in 2009 and 2010, Resolution No. 327-2009 transferred $30 million from Tax Stabilization to the General Fund and Resolution No. 1282-2010 transferred $9,647,056.

- Another exception to the required 2.5% increase in the property tax is provided under Section 6-r(3) of the General Municipal Law, which allows transfers from Tax Stabilization Reserve to a Retirement Reserve fund.
  - The 2011 recommended and adopted budgets transferred $30 million from the Tax Stabilization Reserve Fund (403) to the Retirement Contribution Reserve Fund (420) in order to pay for pension costs.
  - The 2012 adopted budget modified the recommended budget, increasing the 2011 transfer to the Retirement Contribution Reserve Fund (420) by $10,587,517, from $30 million to $40,587,517
- Finally, Fund 403 is also subject to Local Law 29-1995, 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 required General Fund transfer to the Tax Stabilization Reserve Fund for the years 2009 through 2012. Although this legislation has sunset, a transfer is not required in 2013, since the 2011 year-end General Fund discretionary fund balance is a $31,545,856 deficit (combined with the mandated deficit of $28,095,622 the total 2011 shortfall in the General Fund is $59,641,478).
  - The Tax Stabilization Reserve Fund is estimated to end 2012 with a surplus of $49,061,995 (2.54% of General Fund expenditures) and to end 2013 with a surplus of $49,161,995 (2.47% of General Fund expenditures).

Assessment Stabilization Reserve Fund (404)

The Assessment Stabilization Reserve Fund (ASRF) received funding from 1985 to 1989 as a result of Resolution No. 823-84, which directed a quarter cent (.25%) of sales tax to be allocated to the fund. In 1989 the quarter cent allocation was redirected to Fund 475-the Water Quality Protection Reserve Fund. ASRF received no additional sales tax revenue until 1994 when it received an infusion of $7.6 million and in the following year $12.5 million.

The passage of 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. The law also required sewer districts to increase rates by a minimum of three percent before funds could 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) which then transferred 35.7% of the sales tax to the Assessment Stabilization Reserve Fund. The passage of Local Law No. 24-2007 reduced the transfer from Fund 477 to Fund 404 to 25% of sales tax receipts.

Local Law No. 44-2011 was enacted via the passage of Resolution No. 625-2011, signed by the County Executive on August 17, 2011. This charter law provides for the utilization of ASRF surpluses to enhance wastewater treatment efforts and provide short term property tax relief. The charter law specifies that if the ASRF fund balance exceeds $140 million in fiscal years 2011, 2012, or 2013 that 62.5% of the excess fund balance be used, via duly approved resolutions of the County, for installation, improvements, maintenance, and operation of sewer infrastructure, sewage treatment plants, and for the installation of residential and commercial enhanced nitrogen removal septic systems. Additionally, the remaining 37.5% of the excess fund balance in the above referenced fiscal years shall be appropriated, via duly approved resolutions of the County, to a reserve fund for bonded indebtedness or a reserve fund for retirement contributions. The law provides that in the event the ASRF fund balance exceeds $140 million in fiscal years 2014-2021 that any excess fund balance be used exclusively, via duly approved resolutions of the County, for installation, improvements, maintenance, and operation of sewer infrastructure and sewage treatment plants and for the installation of residential and commercial enhanced nitrogen removal septic systems and that no less than $2 million be appropriated in those years for the installation of residential and commercial enhanced nitrogen removal septic systems. It dictates that any portion of the $2 million appropriated for the installation of residential and commercial enhanced nitrogen removal septic systems which is not used in any given year be used for installation, improvements, maintenance, and operation of sewer infrastructure and sewage treatment plants.

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 Fund		
2012 Estimated	**As of Date Period of Time**	**2013 Recommended**
$140,000,000	Fund Balance, January 1	$140,000,000
$51,660,025	Plus Revenues, Jan. 1-Dec. 31	$36,409,400
$191,660,025	Total Funds Available	$176,409,400
$10,633,060	Less Expenditures, Jan. 1-Dec. 31	$13,358,299
$181,026,965	Fund Balance, Dec. 31	$163,051,101
$15,556,534	Transfer to Fund 420 or 425(37.5% over $140 million)	$8,472,741
$33,782,939	Reserved for Septic/Sewerage Enhancement (62.5% over $140 million)	$48,361,299
$140,000,000	Unreserved Fund Balance, December 31	$140,000,000

Effects of the Recommended Budget

The 2013 Recommended Operating Budget presents the status of Fund 404 inclusive of the implementation of Local Law No. 44-2011 that utilizes Assessment Stabilization Reserve Fund (ASRF) surpluses to enhance wastewater treatment efforts and provide short term property tax relief. The Charter specifically provides that if the ASRF fund balance exceeds $140 million in fiscal years 2011, 2012, or 2013 that 62.5% of the excess fund balance be used, via duly approved resolutions of the County, for installation, improvements, maintenance, and operation of sewer infrastructure, sewage treatment plants, and for the installation of residential and commercial enhanced nitrogen removal septic systems. Additionally, the remaining 37.5% of the excess fund balance in the above referenced fiscal years shall be appropriated, via duly approved resolutions of the County, to a reserve fund for bonded indebtedness or a reserve fund for retirement contributions. The status of fund presentation utilized in the 2013 Recommended Operating Budget fails to account for the portion of the fund balance which has been reserved and unexpended for septic/sewerage enhancements. The BRO status of fund presentation above provides for an accounting of the reserved balance of the 62.5% of the excess fund balance allocated for wastewater treatment efforts.

The 2013 Recommended Operating Budget projects a 2012 unreserved fund balance of $140 million. This unreserved fund balance is predicated upon a transfer of approximately $15.6 million to Fund 420 Retirement Contribution Reserve representing 37.5% of the 2012 excess fund balance of $41,026,965 and the availability of approximately $25.5 million for sewer enhancement representing 62.5% of the excess fund balance.

Revenue

The Assessment Stabilization Reserve Fund receives revenue in the form of repayments from Suffolk County Sewer Districts which have borrowed funds, Fund 477 Suffolk County Water Protection Fund per Local Law No. 24-2007, and interest earnings.

The 2012 Estimated revenue of $51.7 million is approximately $5 million or 8.9% less than the 2011 Actual revenue of $56.7, mainly attributable to a reduction in the interfund transfer from Fund 203-Southwest Sewer District of approximately $4.5 million and a reduction in the interfund transfer from Fund 218-Hauppauge Industrial of approximately $1 million in conjunction with an increase in the interfund transfer from Fund 215-Sewer District #15 Nob Hill of $350,573 and Fund 206-Sewer District #6 Kings Park of $107,313.

The 2013 Recommended revenue of $36.4 million is $15.3 million or 29.6% less than the 2012 Estimated of $51.7 million, mainly attributed to a reduction to the interfund transfer from Fund 203-Southwest Sewer District of $17.6 million in conjunction with increased interfund transfers from Sewer District numbers five, twenty, and twenty-one and Fund 477-Suffolk County Water Protection equating to $2.6 million in the aggregate.

Expenditures

The 2012 Estimated expenditures of $26.2 million are approximately $9 million or 52.9%, more than 2011 Actual expenditures of $17.2 million explained for most part by an increase in the interfund transfer to Fund 420-Retirement Contribution Reserve of approximately $15.6 million in conjunction with reductions to the interfund transfer to Fund 425-Debt Service Reserve of approximately $5.4 million and Fund 206-Sewer District #6 Kings Park of approximately $1 million.

The 2013 Recommended expenditures of $21.8 million are $4.4 million or 16.8% less than the 2012 Estimated expenditures of $26.2 million mainly attributable to a reduction of $7.1 million to the transfer to Fund 420-Retirement Contribution Reserve in conjunction with increases and decreases to fourteen other transfers recommended to be made by Fund 404 in 2013.

Issues for Consideration

Fund 404 Accounting

The status of Fund 404 presentation within the 2013 Recommended Operating Budget has been modified in order to account for the treatment of the excess fund balance as provided for by Local Law 44-2011. In 2012, the Executive Budget Office elected to illustrate the allocations of the excess fund balance following the December 31 Fund Balance line of the presentation which was historically the last line of the presentation. The 37.5% allocation for taxpayer relief was shown as "Transfer to Fund 420 or 425 (37.5% over $140 million)" while the sewer enhancement portion was shown as "Available for Sewers (62.5% over $140 Million)". The line item expenditures for Fund 404 showed the interfund transfers for both the 2011 Estimated and the 2012 Recommended allocations for tax relief however, the line item expenditure lines did not account for the monies allocated for sewer enhancement. The presentation included with the 2013 Recommended Budget looks identical to the presentation included within last years recommended budget with one exception; the 37.5% allocation for taxpayer relief is no longer shown as a separate category within the status of fund. A footnote to the status of funds indicates that the taxpayer relief portion has been lumped in with all other expenses and

will be shown as one of the many interfund transfers making up total expenditures from ASRF. Additionally, the proposed presentation shows only the annual allocation of excess fund balance for sewer infrastructure and not the cumulative unspent balance of the 62.5% of excess fund balance for sewer infrastructure.

In order to account for expenditures and the resulting cumulative balance for the monies allocated to sewer enhancement, the verbiage associated with the sewer allocation could be changed to "Reserved for Sewers" from "Available for Sewers" as portrayed in the previous table. Indicating the monies allocated for sewer enhancement as "reserved" rather than "available" insures that the cumulative balance of the excess fund balance allocated yearly for sewer infrastructure (62.5%) remains intact and does not fall to the unreserved fund balance. Additionally, expenditure of the excess fund balance is more transparent when the excess fund balance allocations are represented separately within the status of fund, as opposed to inclusion of the expenditures of the excess fund balance solely within the Fund's expenditure lines.

ASRF Excess Fund Balance

Local Law No. 44-2011, approved via Resolution No. 625-2011, provided for the use of excess monies in the ASRF to fund sewer infrastructure and provide short term tax relief. Specifically, the law provided that in the event that the ASRF fund balance exceeded $140 million in fiscal years 2011-2013 that 62.5% of the excess fund balance may be used for sewer infrastructure and the remaining 37.5% shall be used to fund a debt service reserve or retirement contribution reserve fund. Furthermore, the Law states that any excess fund balance in fiscal years 2014-2021 shall be used solely for sewer infrastructure. ASRF transferred approximately $5.4 million to Fund 425- Debt Service Reserve in 2011, is estimated to transfer approximately $15.6 million to Fund 420- Retirement Contribution Reserve in 2012, and is recommended to transfer approximately $8.5 million to Fund 420 in 2013. Should Local Law No. 44-2011 remain unchanged from how it currently exists today, there will be no opportunity for ASRF to provide tax relief from 2014-2021.

Budget Review Office Recommendations

A policy decision should be considered with respect to the most proper presentation of the ASRF Status of Fund and its treatment of the excess fund balance. The Legislature may wish to review Local Law No. 44-2011 as it pertains to excess fund balance allocations in 2014-2021.

RD Status Fund 404 13

Suffolk County Water Protection Fund (477)

Effects of Recommended Budget

The Suffolk County Drinking Water Protection Program (DWPP) allocates specified portions of Suffolk County quarter cent sales tax revenue to four components, and Fund 477 contains these funds. The DWPP, in its newest form, was established by Local Law No. 24-2007, and runs from December 1, 2007 through November 30, 2030. Funds for two of the four components (related to property tax protection and sewer tax protection) are immediately transferred out of Fund 477. This report will focus on the two components (related to land acquisition and water quality) which remain in Fund 477.

The 2013 Recommended Operating Budget provides $70,588,626 in 1/4% sales tax revenue to the fund in 2013, which is a 4% increase from the 2012 estimate and an 8% increase from actual 2011 sales tax received. In addition, $150,000 in interest and earnings is recommended, for a total of $70,738,626 in revenues from January 1 through December 31 of 2013. These revenues are based on overall sales tax projections by the Executive, and are subject to change. 2011 actual sales tax was $524,999 less than the 2011 estimate, and 2012 estimated tax is $508,985 less than the 2012 adopted amount. In addition to new sales tax revenues, there are fund balances available for use for land acquisitions and water quality related uses.

Sales tax revenues are allocated under the following formula, as directed by the current DWPP:

- 32.15%, or $22,694,243, is dedicated to County-wide Property Tax Protection. This amount is immediately transferred from Fund 477 to the General Fund, to reduce or stabilize the County's general property taxes. It is not intended to fund new programs or positions of employment.
- 25%, or $17,647,157, is dedicated for Sewer Taxpayer Protection. This amount is immediately transferred to the Assessment Stabilization Reserve Fund, Fund 404, to stabilize sewer district tax rates. Fund 404 also receives revenue from other sources. See our report on Fund 404 for further detail.
- 31.1%, or $21,953,062 is dedicated for Land Acquisition ("Specific Environmental Protection" component). This component, along with the water quality component, also receives proportionate interest. As we will describe, a significant portion of this land acquisition revenue will be used to pay debt service on funds previously borrowed for accelerated land acquisition under this program. Remaining funds can be used for new acquisitions, including open space and purchase of farmland development rights ("PDR"), plus ancillary costs related to those acquisitions. Open Space is acquired outright, but only the development rights are purchased on farmland, typically at a cost of 80%-90% of an outright purchase of the land.
- 11.75%, or $8,294,164, plus proportionate interest, is dedicated for Water Quality Protection ("Water Quality Protection and Restoration Program and Land Stewardship Initiatives" component). This component funds a variety of specified environmental programs and projects. The projects are subject to review by the Water Quality Review Committee and Legislative approval (by resolution or by inclusion in the adopted operating budget). Five such programs are run by Cornell Cooperative Extension and are included in the recommended budget. In addition, this component has been used to fund an increasing

amount of other operating budget expenditures, such as salaries and benefits for County personnel who perform water quality-related tasks, and equipment and supplies for those tasks.

Fund 477 also contains fund balances for both the newest DWPP (Local Law No. 24-2007) and the preceding (now expired) version of the DWPP (Local Law No. 35-1999). The older DWPP does not receive new revenue, but fund balances may increase through Capital Project closeouts.

The following chart details how new revenues are allocated by component, based on the recommended budget, and the associated recommended 2013 expenditure associated with each component. The final column shows the difference between the two (the net new revenue on December 31, 2013). Note that no transfers to the Capital Fund have yet been included for 2013. Such transfers are usually accounted for only after there has been an approved Legislative resolution to use water quality or land acquisition funds.

2013 Recommended Sales Tax Revenue and Expenditure for Fund 477				
Component of DWPP (LL No. 24-2007)	**Total New Revenue (sales tax plus interest)**	**Related 2013 Recommended Expenditure**	**Use of Funds**	**New Revenue Remaining after Expenditures**
Property Tax Protection (32.15%)	$22,694,243	$22,694,243	Transfer to General Fund	$0
Sewer Taxpayer Protection (25%)	$17,647,157	$17,647,157	Transfer to Fund 404	$0
Land Acquisition (31.1%)	$22,061,930	$16,494,142	Serial Bonds for Land Acquisition	$5,567,788
Water Quality Protection (11.75%)	$8,335,296	$8,229,435	Water Quality Operating Budget Expenses (Cornell Projects, Employee Salaries, and Associated Costs)	$105,861
Totals, DWPP (LL No. 24-2007)	**$70,738,626**	**$65,064,977**		**$5,673,649**
Add Expenditure related to older DWPP (LL No. 35-1999)	None- utilizes existing balance	$1,225,328	Land Acquisition Financing	N/A
Total Fund 477	**$70,738,626**	**$66,290,305**		

Land Acquisition Component

The land acquisition focus, of late, has been on the newest Drinking Water Protection Program (Local Law No. 24-2007). This program is funded by 31.1% of the quarter-cent sales tax, and acquisitions made under it do not directly impact the General Fund. The allowable period for bonding (2008-2011) in the quarter-cent program is over. There are remaining borrowed funds, but they are reserved for pending acquisitions already in progress, plus associated acquisition costs. We transitioned to the use of pay-as-you-go funds at the start of 2012.

The following summarizes pay-as-you-go funding in the quarter-cent program, and is based on data from the 2013 Recommended Operating Budget and land acquisition data, as of September

6, 2012, provided by the Division of Real Property Acquisition and Management, in the Department of Economic Development and Planning:

- A total of approximately $31.4 million in pay-go funding has been appropriated (by Resolution No. 997-2011, and Resolution Nos. 220-2012, 295-2012, 367-2012, 368-2012, 386-2012, 388-2012, and 389-2012). These appropriations are accounted for in Capital Project No. 8714.210.
- Over $19 million in 2012 closings, plus other costs associated with acquisitions, have decreased available appropriations to $12,230,490. In addition, there are $22,448,866 in potential purchases that are in various stages of the acquisition process. If these potential purchases all go to closing, the amount needed exceeds what has already been appropriated. However, there is an additional cash balance that has not yet been appropriated.
- The recommended budget estimates that we will end 2012 with a balance of approximately $22 million, which we can turn to once existing appropriations have been exhausted, and an additional $5.6 million in net new revenue by the end of 2013 (after deducting $16.5 million in debt service on previous bonding from incoming sales tax revenue and interest of $22.1 million). That leaves a recommended fund balance of $27.6 million at the end of 2013.
- If all $22.4 million in currently pending acquisitions close by the end of 2013, the potential fund balance at the end of 2013 (after using $12.2 in existing appropriations) is $17.4 million.
- Final balance will vary with actual sales tax receipts, number of closings that actually occur for pending acquisitions, ancillary costs related to acquisitions, and any new acquisitions.

(Old) Drinking Water Protection Program (Local Law 35-1999)

Although the previous DWPP (Local Law 35-1999) is an expired program and no longer receives new sales tax revenue, the 2013 Recommended Operating Budget indicates a $5.8 million increase from the 2011 actual and 2012 adopted Farmland component balance, to $8.8 million in the 2012 estimate and the 2013 recommended balance for this component. The Water Quality component balance is increased by $126,519 from 2011 actual amounts, to a $169,177 recommended balance in 2013. These increases appear related to capital project closeouts; however, requested detail had not been received at the time of this report. The Open Space component balance at the end of 2013 is recommended at approximately $1 million.

Water Quality Component

The Water Quality Protection and Restoration Program and Land Stewardship Initiatives component (referred to as the "Water Quality" component) is funded by 11.75% of the quarter-cent sales tax. It has been interpreted that this component could be used for water quality-related capital projects, water quality related projects contained within the operating budget, salaries and benefits for employees doing water quality-related work, and for other associated operating expenses, such as equipment and supplies.

In 2012, this fund was utilized to restore positions, previously funded by the General Fund, that would otherwise have been terminated. The increasing use of Fund 477 for salaries of

employees who perform water quality related work relieves pressure on the General Fund, but reduces the monies available for water quality related projects.

Net New Water Quality Revenue

- The 2013 Recommended Operating Budget includes approximately $8.3 million in new revenue and $8.2 million in operating expenses linked to this component, yielding net revenue of approximately $100,000 by the end of 2013. It should be noted that the 2013 recommended expenditure related to employee health insurance was only $42,688 more than 2011 actual amounts and $2,756 more than the 2012 estimate. This amount does not appear adequate to reflect the 26 positions added to the fund since September 18, 2011. If actual amounts prove higher, net revenues could become a negative number. We are at a critical juncture. Should the cost of salaries, Cornell water quality related projects, and other expenses built-in to the operating budget surpass sales tax revenue to the fund, the fund balance will diminish, even before considering the costs of projects that may be approved by resolution.

Water Quality Fund Balance

- The recommended budget includes an estimated $4.7 million fund balance at the end of 2012, and a $4.8 million balance at the end of 2013 (after adding the $100,000 in net new revenue for 2013). This presentation includes expenditures for capital projects already approved by resolution in 2012, but does not consider the effect of any appropriating resolutions that may be presented in late 2012 or in 2013. In addition, there are water quality projects scheduled in the capital budget, which are not accounted for until there is an approved appropriating resolution. We detail pending projects later in this report.

The following table demonstrates positions recommended to be funded by Fund 477, in various Departments, as compared to September 18, 2011. The largest increase is seen in the Department of Health Services (HSV), which previously had none, and now has seventeen water quality funded positions. Note that the new Department of Economic Development and Planning (EDP) includes the former Departments of Environment and Energy (EVE) and Planning (PLN). Overall, one position was vacant as of September 18, 2011, and four were vacant as of September 16, 2012.

Number of 477 Positions			
Department	**477 Positions 9/18/11**	**477 Positions 9/16/12**	**477 Positions Recommended 2013**
DPW	1	10	10
DHS	0	17	17
EDP	N/A	17	17
EVE	16	N/A	N/A
PKS Org. Maint.	23	27	27
PKS Env. Enf.	10	7	7
PLN	2	N/A	N/A
Total	**52**	**78**	**78**

The following table shows the increase in salary related operating expenditures paid by the water quality component since 2011. (There are other employee-related operating costs, including costs for benefits, health insurance, and equipment and supplies used by those employees.)

477 Operating Budget Expenditure Related to Employees Salaries					
2011 Actual	2012 Adopted	2012 Estimate	2013 Recommended	2013 Rec minus 2011 Actual	2013 Rec minus 2012 Estimate
$2,659,598	$3,236,253	$3,826,932	$4,259,813	$1,600,215	$432,881

The following table demonstrates costs for Cornell Cooperative Extension water quality related projects included in the operating budget.

477 Operating Budget Expenditure Related to Cornell Projects					
2011 Actual	2012 Adopted	2012 Estimate	2013 Recommended	2013 Rec minus 2011 Actual	2013 Rec minus 2012 Estimate
$1,185,890	$1,306,194	$1,306,194	$1,205,303	$19,413	-$100,891

Water Quality Appropriations by Resolution

Approximately $1.4 million was approved by resolution for water quality projects in 2011, of which almost $600,000 had not been previously included in the budget. The 2011 actual balance was adjusted accordingly. Three resolutions, totaling $380,000, have been approved in 2012 thus far. These projects have already been accounted for in the recommended budget presentation. Another $963,500 in projects is expected to be presented by resolution in late 2012, and these have not yet been included as expenses to the fund. Approval of these resolutions will have a commensurate effect on the actual fund balance at the end of 2012. The following two tables present the projects already approved by resolution in 2012 and those with anticipated 2012 resolutions.

Water Quality Funding for Projects, Approved by Resolution in 2012				
Resolution No.	Capital Project No.	Project Title	Approved by WQRC	Amount
454-2012	8240.110 & 8240.328	Watchogue Creek Stormwater Mitigation - Town of Islip	2011	$125,000
452-2012	7180.115	Islip Regional Shellfish Hatchery	2011	$150,000
740-2012	7180.116	CCE Eelgrass Restoration	2011	$105,000
			Total	**$380,000**

Water Quality Funding for Projects, Resolutions Expected in late 2012		
Project Title	**Approved by WQRC**	**Amount**
Indian Island County Park Restoration	2010	$300,000
Fish Ladder Lower Yaphank Lake (July Meeting)	2011	$200,000
Southampton Project, Town	2011, revision of sunset project	$322,500
Restoration of Wetlands	Included in 2012 Capital Budget	$141,000
	Total	**$963,500**

In addition, there are numerous other pending projects, which have already been approved by the Water Quality Review Committee (WQRC) at its annual meetings, or which are included in the Capital Program, which have not yet been introduced or approved by Legislative resolution (and therefore have yet to be included as expenses to the fund). After the anticipated 2012 resolutions, there remains approximately $700,000 in projects approved by the WQRC in 2011 or prior, and approximately $1.1 million approved at their 2012 meeting. Project funding requests at the 2012 meeting totaled over $9 million. There are additional pending projects included in the Capital Program.

It is our understanding that all Water Quality projects (both capital and operating) must go before the Water Quality Review Committee (WQRC) prior to seeking Legislative approval. The Committee determines whether the project meets the criteria for inclusion in the program, ranks it, and makes advisory recommendations to the County Executive and the Legislature. Cornell projects included in the operating budget are typically approved by the WQRC and included in the operating budget approval process. This year, because the Committee met after the release of the recommended budget, Cornell projects were reviewed, but specific recommendations were not made.

Budget Review Office Recommendations

The Budget Review Office recommends that all resolutions appropriating 477 funding for water quality projects, including projects in the capital program, should include a clause indicating that the project has been reviewed by the WQRC, the date reviewed, and the Committee's recommendations.

It is a policy decision to determine the extent to which Water Quality Protection funds should be used for costs related to employees, at the expense of projects. As we are near the limit of using all incoming revenue on operating expenses, we suggest that consideration be made to limit, by attrition, the number of employees in this Fund.

The WQRC considers all pending projects already approved by them, when deciding how much more funding is available to approve. We continue to recommend that the Committee impose a time limit by which an authorizing resolution must be introduced. Once an authorizing resolution has been approved, the five year sunset rule would apply to use of the funds. This will free up water quality funds that are not being used in a timely manner, for other projects.

See our related reviews of the Department of Economic Development and Planning and Cornell Cooperative Extension.

LH Fund 477 13

Suffolk County Ballpark Fund (620)

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.

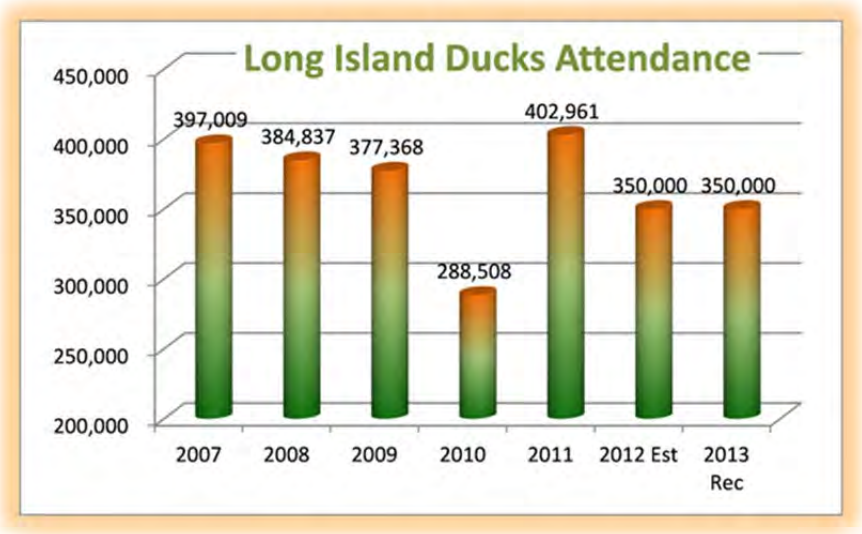
Resolution No. 642-1998 accepted and appropriated a $14.4 million grant from the NYS Empire State Development Corporation for the construction of the ballpark and the purchase of the land.

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 Independent Atlantic League 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.

The 2012 estimated fund balance is $796,357. When combined with the 2013 recommended revenue of $901,000 and recommended expenditures of $509,883, the 2013 recommended fund balance is $1,187,474.

Each year, $90,000 is reserved for future capital improvements to the ballpark in a reserve fund. For 2013, $150,000 is scheduled for structural improvements and $75,000 is estimated in 2012. Outside of capital improvements, the major cost center for the ballpark is debt service to pay the County's portion of the construction costs. The 2012 estimated debt service is $389,478 and $359,883 is recommended in 2013.



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. The Ducks attendance has averaged 370,137 over the last five years and is projected to be 350,000 in 2013 based upon the $1 ticket revenue included in the recommended budget. Congratulations are due to the Ducks who captured the Atlantic League Championship in 2012.

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Departments and Agencies

Audit and Control

Personnel (as of 9/16/2012)

Authorized Positions:	68	**Filled Positions:**	68
Vacant Positions:	0	**Percentage Vacant:**	0%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$4,939,917	$4,816,367	$5,128,600	$5,118,897	$5,121,666
Equipment (2000s)	$990	$19,900	$7,400	$25,910	$22,700
Supplies (3000s)	$39,500	$58,300	$46,600	$52,275	$51,875
Contracts (4000s)	$373,406	$462,910	$446,000	$435,920	$428,510
Totals	$5,353,813	$5,357,477	$5,628,600	$5,633,002	$5,624,751

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$0	$0	$0	$0	$0
Other Income	$3,054,034	$3,668,568	$3,000,032	$3,519,961	$3,469,961
Totals	$3,054,034	$3,668,568	$3,000,032	$3,519,961	$3,469,961

Effects of Recommended Budget

Personal Services

The 2012 estimate for permanent salaries, $5,021,447, is reasonable, but exceeds the 2012 Adopted amount by $302,280. The 2013 Recommended Budget provides $5,021,016 for permanent salaries, which is consistent with the Department's request and adequate to fund all 68 filled positions in 2013.

Expenditures

Not including Personal Services and the estimated cost of $400,000 for the preparation of the County's 2012 Annual Audit, the 2012 estimated expenditures total $100,000, which is $41,110 less than adopted.

Not including Personal Services and $388,000 for the preparation of the County's 2013 Annual Audit, the Department requested $126,105 for expenditures in 2013. The recommended budget provides $115,085, which is $26,025 less than the 2012 Adopted, and $11,020 less than requested.

Revenue

The 2012 estimated revenue of $3,000,032 is $668,536 or 18.2% percent less than adopted. The 2013 recommended revenue of $3.5 million, is $198,607 or 5.4% less than the 2012 Adopted amount. Both the estimated and recommended revenue amounts are reasonable.

Issues for Consideration

Computer Equipment

Without any workload reduction, the Department's authorized positions decreased by 17 (from 85 to 68) or 20% from 2011 to 2012. This reduced staffing level and the Department's aging computers and software highlights the necessity for reliable and functioning computer equipment in 2013. The computer equipment requested to be replaced is reported to be from 2004 and cannot be upgraded with newer software. The current operating system is Windows XP, which will no longer be supported by Microsoft as of April 2014. The Department's plan is to replace half of these obsolete machines (28 computer systems) in 2013 and the balance in 2014. The Department requested $24,110 for Office Machines; the recommended budget provides $22,000. This funding level will slightly delay the requested replacement of obsolete machines, but is realistic in these tough economic times.

Fees For Services

The recommended budget provides $32,910 for fees for services (001-AAC-1315-4560), which is $15,000 less than the 2012 adopted amount of $47,910 and $7,410 less than the Department's requested amount of $40,320. The following table reflects the Department's request for Fees For Services: Non-Employee.

Description of Services	Requested
Preparation of the Indirect Cost Allocation Plan	$24,000
Application Fee for Certificate of Excellence (CAFR Program)	$1,095
Application Fee for Certificate of Excellence (PAFR Program)	$225
Independent outside counsel for legal matters involving conflicts of interest	$15,000
	$40,320

The difference between the recommended and requested amounts will limit the County Comptroller's ability to hire independent outside counsel for legal matters involving conflicts of interest.

Budget Review Office Recommendations

To provide sufficient funds for the hiring of Independent outside counsel for legal matters involving conflicts of interest, we recommend funding as requested by the Department. Therefore, increase for Fees For Services: Non-Employee by $7,410 in 2013.

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Board of Elections

Personnel (as of 9/16/2012)

Authorized Positions:	122	**Filled Positions:**	121
Vacant Positions:	1	**Percentage Vacant:**	0.8%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	1

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$8,170,704	$9,045,782	$9,250,694	$8,812,606	$8,709,610
Equipment (2000s)	$386	$0	$0	$0	$0
Supplies (3000s)	$2,159,302	$2,775,800	$2,636,550	$2,521,500	$2,234,500
Contracts (4000s)	$2,280,803	$4,419,400	$4,373,300	$3,270,800	$3,168,600
Totals	$12,611,195	$16,240,982	$16,260,544	$14,604,906	$14,112,710

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$118,131	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$0	$0	$0	$0	$0
Other Income	$120,886	$147,150	$143,680	$120,097	$125,569
Totals	$239,017	$147,150	$143,680	$120,097	$125,569

Effects of Recommended Budget

The 2013 Recommended Budget is $2.1 million or 13% less than the 2012 estimated budget due to the fact that 2012 is a presidential election year, which entails two countywide primaries as well as a countywide general election with high voter turnout. In the aggregate, 2012 estimated expenditures are approximately $20,000 more than the 2012 Adopted budget, which is reasonable. In 2013, the recommended appropriations for the Board of Elections are $492,196 less than requested, but $1.5 million more than was actually expended in 2011 due to the increased cost of salaries, overtime, ballot printing, and Elections Inspectors.

Revenue associated with the Board of Elections is minor and is typically in the range of $75,000 to $150,000 annually for the rental of voting equipment to local jurisdictions such as school districts and fire departments. The 2012 estimated revenue is $143,680, which includes $118,111 for the rental of equipment and $25,569 in other miscellaneous revenues. The 2013 Recommended Budget includes $125,506 for all Board of Elections revenues. Both the 2012 estimate and 2013 Recommended Budget are reasonable.

Permanent Salaries

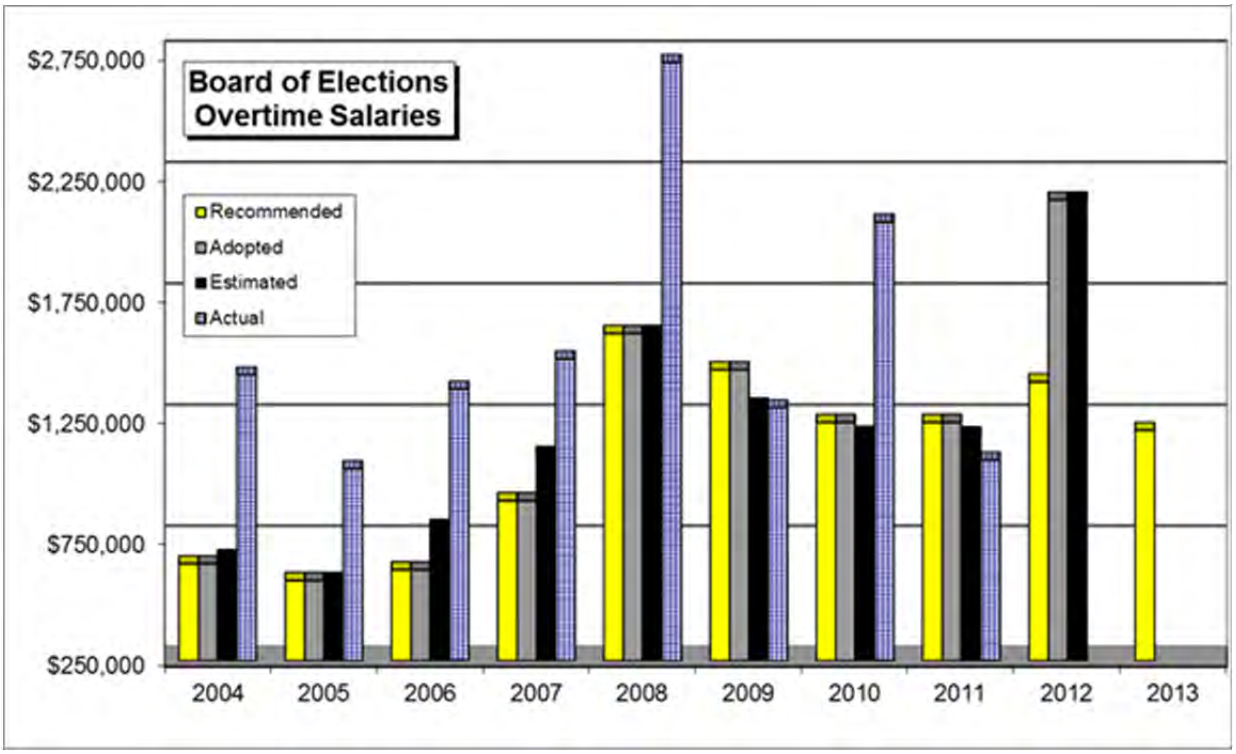
The 2012 Adopted Budget abolished one vacant Assistant Election Clerk position and Resolution No. 42-2012 authorized a lag payroll for Board of Elections employees as cost savings measures to partially offset the cost of restoring nine filled abolished positions. The 2013 Recommended Budget creates one new Assistant Election Clerk position to adjust for the political imbalance that resulted when the position was abolished in 2012. The recommended budget includes $7,198,010 for Permanent Salaries (001-BOE-1450-1100), which is equal to what was requested by the Board of Elections and is sufficient to fund all currently filled positions for the duration of 2013 as well as the new Assistant Election Clerk position.

Issues for Consideration

Overtime Salaries

Estimating expenditures for the Board of Elections is challenging since a large percentage of expenditures are not incurred until election season, which takes place after the budget cycle is substantially complete. Overtime Salaries (001-BOE-1450-1120) are typically one of the largest variables associated with elections expenses. Overtime costs were exceptionally high during the last presidential election in 2008 and during the first year of the full implementation of Help America Vote Act (HAVA) procedures in 2010. However, the Board of Elections was able to limit overtime to under the adopted amount in 2009 and 2011.

The 2012 estimate for overtime is $2.15 million, which is equal to the 2012 Adopted Budget, but 20% less than the $2.7 million that was spent for the last presidential election in 2008. Although the Board informs us that they are working hard to limit their use of overtime, the estimated budget may be understated. The 2013 Recommended Budget of $1.2 million is reasonable based on actual expenditures in recent non-presidential election years. The following chart shows Board of Elections overtime expenditures since 2004.



Other Election Costs

In 2013, the two most significant differences between the recommended budget and the Board's request are Outside Printing (001-BOE-1450-3040) for ballots and Elections Inspectors (001-BOE-1450-4510) to work the poll sites. Outside printing is recommended at $800,000, which is $200,000 less than requested. The recommended budget provides $3,030,000 for Elections Inspectors, which is $100,000 less than requested. Based on historical expenditure data, we believe that the recommended budget is reasonable for both of these objects.

HAVA Grants

Resolutions Nos. 720-2012 and 721-2012 extended the authorization to spend New York State BOE grant funds that were first appropriated in 2008 for poll worker training and improved voting access for individuals with disabilities. Resolution No. 722-2012 appropriated $917,378 in additional state aid for reimbursable equipment expenditures related to improving voting access to HAVA standards. These funds are not available for ongoing operating expenses such as ballot printing.

Budget Review Office Recommendations

Both the estimated and recommended budgets are reasonable.

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Civil Service

Personnel (as of 9/16/2012)

Authorized Positions:	102	**Filled Positions:**	95
Vacant Positions:	7	**Percentage Vacant:**	6.8%
Positions Abolished in the Recommended Budget:	1	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$6,165,423	$5,938,210	$6,208,642	$6,438,003	$4,997,935
Equipment (2000s)	$1,445	$16,336	$11,500	$5,367	$1,231
Supplies (3000s)	$151,248	$180,225	$122,975	$179,015	$140,006
Contracts (4000s)	$947,262	$575,787	$502,661	$549,346	$549,026
Totals	$7,265,379	$6,710,558	$6,845,778	$7,171,731	$5,688,198

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$2,385,866	$675,000	$675,000	$500,000	$500,000
Other Income	$196,842	$236,885	$236,885	$210,010	$210,010
Totals	$2,582,708	$911,885	$911,885	$710,010	$710,010

Effects of Recommended Budget

The 2013 Recommended Budget transfers the Division of Insurance and Risk Management from Civil Service to the Department of Law. Accordingly, the recommended budget for Civil Service is $1.1 million less than the 2012 estimated budget and $1.5 million less than requested. Excluding the transfer, the $5.8 million recommended budget is $252,678 more than estimated in 2012 and $20,099 less than requested by the Department in 2013. Most of the recommended increase over the 2012 estimate can be attributed to contractual increases in personnel costs. The difference between the recommended budget and the request is due to a reduction in Authorized Tuition-Other than AME (001-CIV-1430-3791) from $42,000 to $22,391.

The 2013 recommended revenue of $710,010 for Civil Service is equal to the Department's request, but is $201,875 less than estimated in 2012. The projected decrease is based on the increasing number of applications for fee waivers. For the same reason, we believe that estimated revenue for 2012 may be overstated. As of September 21, 2012, the County's Integrated Financial Management System (IFMS) showed total collected revenues of $469,588, which is only 51.5% of the Executive's $911,885 estimate.

Risk Management

In 2001, the Insurance and Risk Management Division and the Employee Benefits Division were transferred from the Department of Audit and Control to the Department of Civil Service. The Employee Benefits Unit relocated to the Civil Service building in North County Complex; however, Risk Management remained in the H. Lee Dennison Building.

The 2007 Recommended Budget transferred the Division of Insurance and Risk Management from Civil Service to the Law Department to streamline the processing of settlements. According to General Municipal Law and the Suffolk County Code, settlements between $10,000 and $25,000 require the approval of both the County's insurance manager and the County Attorney. At that time, the Legislature believed that due to the fiscal nature of Risk Management's operations, the Division most appropriately belonged back in the Department of Audit and Control. The transfer was adopted in the 2007 operating budget, but it was never fully effectuated. Resolution No. 440-2007 transferred the Division back to Civil Service.

The 2013 Recommended Budget once again proposes to transfer the Division of Insurance and Risk Management to the Law Department. The transfer is based upon reasoning similar to what was stated in 2007 as well as recommendations made by the worker's compensation consultant, Brady Risk Management, and by the County Executive's Performance Management Unit.

A case can be made that the Division of Insurance and Risk Management belongs in any of the three departments since there is a legal, financial, and human resources component to the work done by the Division. Operationally, we do not think that there are efficiencies to be gained from moving the Division to the Department of Law that could not also be achieved if the Division remained in the Department of Civil Service, but neither do we find any significant reason to oppose the transfer.

For a financial review of the County's liability and settlement expenses, see the Insurance and Risk Management subsection in the Department of Law section of this report.

Positions and Permanent Salaries

Two employees in the Department of Civil Service participated in the 2012 Early Retirement Incentive Program, one Employee Medical Health Plan Administrator (grade 30) and one Director of Public Information Management (grade 28). The Employee Medical Health Plan Administrator position was retained and filled. In an effort to preserve the savings from the incentive, the Department requested and the Executive recommended that the Director of Public Information Management position be abolished.

The recommended budget provides $4,145,948 for Permanent Salaries in Civil Service's General Fund appropriation (001-CIV-1430-1100), which is sufficient to fund all currently filled positions for the duration of 2013 and five vacant positions for 30% of the year. The $490,887 salary budget recommended for the Employee Medical Health Plan Unit (039-CIV-1317-1100) is sufficient to fund all positions for the duration of 2013 (there are currently no vacancies in this unit).

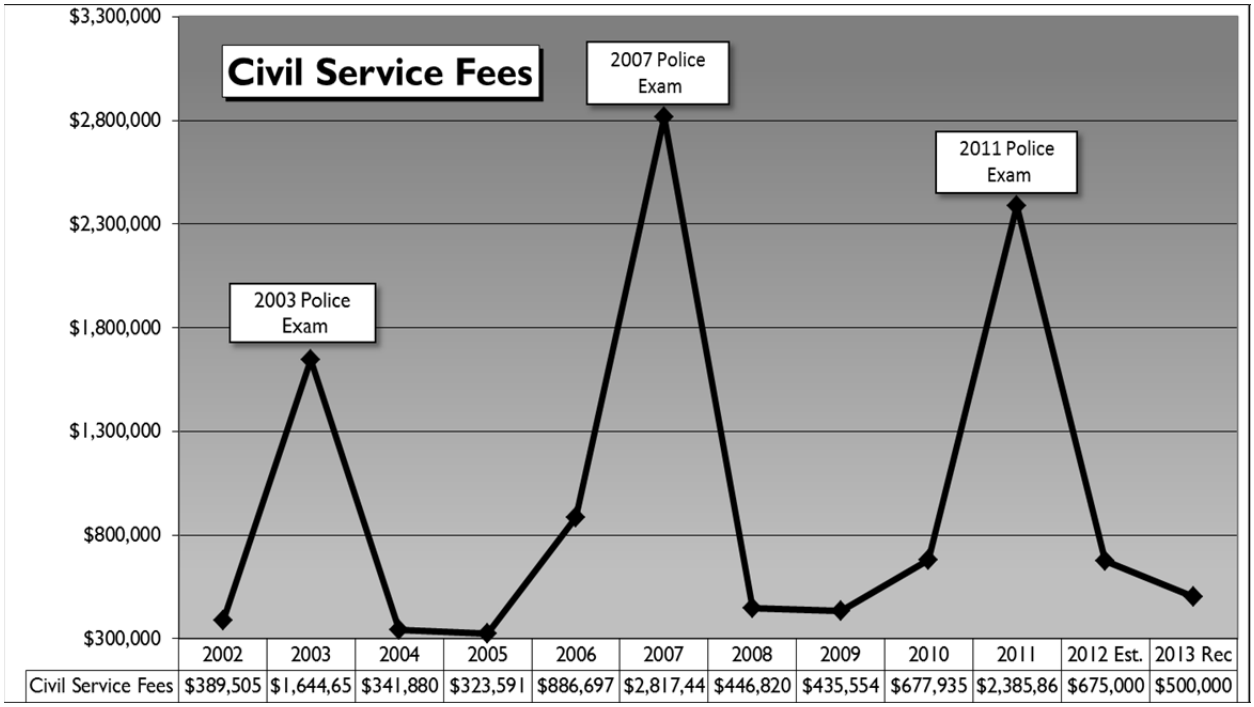
Issues for Consideration

Workload

Despite a 10% reduction in staff since 2010, Civil Service's workload has been increasing. The Department is responsible for administering exams and performing personnel analysis for all of Suffolk County's municipal employers, including towns, villages, and school districts. As local governments have struggled financially, the Department has been asked by multiple jurisdictions to conduct time consuming layoff analyses. This is in addition to the layoff analyses that the Department prepared for the County in 2012.

Civil Service Fees

The Department of Civil Service is authorized by law to charge exam fees to offset the cost of giving Civil Service tests. Revenue from fees follows a predictable pattern based on the police officer exam that is given every four years. Revenue is highest in the year of the police test, followed by two years of modest revenue, and then slightly higher revenue in the third year as applicants begin to prepay for the next police exam. The following chart shows revenue from Civil Service Fees since 2002.



The recommended budget projects a decrease in fee revenue in 2013 based on the growing number of applicants taking advantage of waivers. Pursuant to the following legislation, the following groups are entitled to have exam application fees waived:

Resolution No.	Exemption
206-2006	Unemployed, Medicaid Recipients, TANF Recipients, and Food Stamp Recipients
326-2007	Auxiliary Police
459-2007	Veterans
254-2008	Volunteer Fire Department and EMT Personnel
402-2009	Volunteer Members of the Community Emergency Response Team (CERT)

Due to the poor economy, a larger percentage of applicants have become eligible for fee waivers pursuant to Resolution No. 206-2006. Resolution No. 823-2011 amended Resolution No. 206-2006 to specify that eligible applicants must not simply lack a job, but be able to certify to the Suffolk County Department of Civil Service that they are unemployed (as defined in Section 50 5b of New York State Civil Service Law) and primarily responsible for the support of a household. Even under the stricter criteria, the amount of eligible applicants continues to rise.

Budget Review Office Recommendations

Due to the increasing eligibility of applicants for fee waivers and based on year-to-date receipts, we recommend reducing the 2012 revenue estimate as follows:

- -$150,000 for Civil Service Fees (001-1430-1240)
- -$50,000 for Credit Card Convenience Fees (001-1430-2464)

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Cornell Cooperative Extension of Suffolk County

CCE General Fund (Fund 001) Contractual Expenditures

Contracts (4000s) Pseudocode	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
GGW1 (Diabetes)	$381,562	$293,265	$273,323	$283,880	$283,880
GHE1 (Food Stamp)	$128,093	$130,167	$149,807	$149,807	$149,807
HSD1 (Admin.)	$620,631	$641,790	$577,611	$554,700	$554,700
HSE1 (Marine)	$434,704	$434,843	$391,359	$408,101	$408,101
HSF1 (Agriculture)	$451,006	$479,281	$431,353	$425,317	$425,317
HSG1 (4H Youth)	$59,500	$0	$0	$40,609	$40,609
HSI1 (Farm- Meat)	$825,788	$900,727	$810,654	$803,788	$903,788
JHU1 (Fam. Health)	$168,459	$0	$0	$101,294	$101,294
JJT1 (Juv. Day)	$541,121	$574,588	$574,588	$545,859	$545,859
Totals	$3,610,864	$3,454,661	$3,208,695	$3,313,355	$3,413,355

CCE Water Protection Fund (Fund 477) Contractual Expenditures					
Contracts (4000s) Pseudocode	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
GZA1 (Stormwater)	$349,253	$406,820	$406,820	$386,479	$386,479
HSJ1 (Mngmt.Pests)	$130,875	$130,875	$130,875	$124,331	$124,331
HSK1 (Ag. Steward)	$233,150	$260,786	$260,786	$247,747	$247,747
HSM1 (IPM)	$178,605	$187,272	$187,272	$142,327	$142,327
HSN1 (Bay Scallop)	$294,007	$320,441	$320,441	$304,419	$304,419
Totals	$1,185,890	$1,306,194	$1,306,194	$1,205,303	$1,205,303

Effects of Recommended Budget

Transfer of Cornell Programs to EDP

Cornell Cooperative Extension (CCE) is not a separate Department, but it is a major provider of contracted services for the County, through various Departments, including the Department of Social Services (DSS), the Department of Health Services (HSV), the Probation Department (PRO), and the Department of Economic Development and Planning (EDP). Cornell notes that they have a unique status as a subordinate governmental agency established under NYS County Law § 224 (8)(b). Nine programs are funded through the General Fund (Fund 001), and five are funded through the Suffolk County Water Protection Fund (Fund 477).

The recommended budget makes a functional change in that it transfers jurisdiction for all Fund 477 programs and five of the nine General Fund programs, from the Department of Health Services, to the Department of Economic Development and Planning (EDP).

Issues for Consideration

Our report highlights several programs that are underfunded, compared to the request CCE submitted to the Departments. Cornell prepares its own, separate budget request, which includes ten of the fourteen programs in our report. An Executive directive required budget requests for contract agencies be submitted at a five percent reduction from the 2012 Adopted Operating Budget. Two CCE agencies did not receive any funding in 2012, but were re-established with reduced funding, in the 2013 Recommended Budget.

Cornell notes that use of County dollars and property are augmented and maximized by Federal and State funds, State employee fringe benefits, paid by Cornell University, and use of

University resources. Many of its programs support the agricultural industries, which are an important part of the County's economy.

General Fund CCE Programs

Collectively, the nine programs funded in the General Fund were recommended at a one percent decrease from 2012 adopted amounts. If we remove two programs which received no funding in 2012 from the calculation, the remaining seven were collectively recommended at a five percent decrease from 2012 adopted amounts. The five percent was not consistently applied to each individual program; the range was from negative 14% to positive 15%.

CCE has indicated that they consider six of these programs to be their "core programs", most relevant to the basic mission of the organization, and that these six fall under a separate contract with the County. The core programs include the five General Fund programs which are transferred to EDP, plus Family Health and Wellness, which remains in HSV.

General Fund programs that are recommended to remain in their existing Departments are as follows:

- CCE Food Stamp Program (GHE1) - will stay in DSS. Recommended 2013 expenditure matches the amount requested by the Department for 2013 and the amount estimated to be spent in 2012, and is 15% more than the 2012 adopted amount of $130,167.
- CCE Diabetes Prevention Program (GGW1) - will stay in HSV. Recommended 2013 expenditure matches the amount requested by the Department and is 3% less than adopted in 2012.
- CCE Family Health and Wellness Program (JHU1) - will stay in HSV. This program was not funded in 2012; funding was re-established in 2013 with $101,294, or $64,992 less than requested by Cornell. CCE considers this one of its "core" programs. Program goals include improving family and community health through food and nutrition education, reducing obesity by prevention and management, and providing parent education to encourage healthy families. CCE was able to keep the program going in 2012 at severely reduced levels by using other funding sources. At this level, grants and contracts will be curtailed, fewer educational opportunities can be provided, and they will reach fewer people.
- CCE Juvenile Day Reporting Center (JJT1) - will stay in the Probation Department. Funding was recommended at a 5% decrease from the 2012 adopted amount.

General Fund "Core" programs recommended transferred to EDP, Economic Development Administration Unit, are as follows:

- CCE Administration, Finance and Communication (HSD1) - Recommended 2013 expenditure is 14% less than the 2012 adopted amount, and $55,000 less than requested by CCE. This program is vital for invoicing, reporting, documenting, and providing information. CCE notes that the decrease in funding will hamper the programs ability to manage contracts and grants that sustain its programs, and to report and invoice in a timely manner. As of September 21, 2012, all 2012 adopted funding has been spent.
- CCE Marine Program (HSE1) - Recommended 2013 expenditure is six percent less than the 2012 adopted amount, and $5,000 less than CCE requested. This program provides

research and education related to fishing industries. A reduction will reduce services and opportunities for commercial fishermen, aquaculturists, and related business, and will hamper efforts at critical habitat restoration. As of September 21, 2012, all 2012 adopted funding has been spent.

- CCE Agriculture and Horticulture Program (HSF1) (Not to be confused with the CCE Agricultural Stewardship program in Fund 477) - Recommended 2013 expenditure is an 11% decrease from the 2012 adopted amount, or $30,000 less than CCE requested. This program provides a broad array of research and educational opportunities for the benefit of Suffolk County's agricultural industries and professional horticulturists (landscapers and arborists). As of September 21, 2012, all 2012 adopted funding has been spent.
- CCE 4H Youth Development and Farm Education Program (HSG1) - This program was not funded in 2012; funding was re-established in 2013 with $40,609, which is $39,262 less than requested by CCE. The program is based at the Suffolk County Farm and Education Center, which serves as a "hands-on" learning laboratory. Responsibility and leadership are encouraged and sustainable agriculture is showcased. Cornell indicates that they were able to get by in 2012 by relying primarily on fees, which were raised, but programs were severely curtailed. Loss of funding will reduce the hours of Farm operation and the 4H Youth Development Program, as well as educational and recreational opportunities for thousands of Suffolk residents.
- CCE Farm Meat Production (HSI1) - Recommended at a 0.3% increase over 2012 adopted amounts, to provide for sufficient meat production and purchasing for the needs of the Jail and Sheriff. Recommended funding matches CCE updated request. As of September 21,2012, all 2012 adopted funding has been spent.

Two of the nine CCE programs in the General Fund (and considered core) had funding restored by the Legislature in 2010 and 2011, but were unfunded in 2012. Funding for these programs was included in the 2013 Recommended Operating Budget, but at greatly reduced levels. Because funding was zero in 2012, technically, any recommended funding for these programs is an increase. In the first table below, we compare funding for these organizations to 2011 actual amounts to provide a more meaningful analysis. The recommended budget provides $104,254 less than Cornell requested. In the second table below, we examine three core programs with over a five percent recommended decrease, or $90,000 less than Cornell requested. (The sixth core program, Farm Meat Production, was funded as requested.)

General Fund Programs Not Funded in 2012:

CCE "Core" Programs which did not receive 2012 funding:	2011 Actual	CCE 2013 Request	EXE 2013 REC.	2013 REC Minus 2011 Actual	% Decrease REC from 2011 Actual	$ Difference REC from CCE REQ
CCE- 4H Youth & Development & Farm Education Program	$59,500	$79,871	$40,609	-$18,891	-32%	-$39,262
CCE-Family Health & Wellness	$168,459	$166,286	$101,294	-$67,165	-40%	-$64,992
Total for Restored Programs not funded in 2012	**$227,959**	**$246,157**	**$141,903**	**-$86,056**	**-38%**	**-$104,254**

General Fund Programs with more than five percent decreases in 2013:

CCE "Core" Programs with more than a five percent decrease recommended in 2013	CCE 2013 Request	EXE 2013 REC.	% Decrease REC from 2012 Adopted	$ Difference REC from CCE REQ
CCE-Administration, Finance and Communication	$609,700	$554,700	14%	-$55,000
CCE-Marine Program	$413,101	$408,101	6%	-$5,000
CCE-Agriculture and Horticulture Programs	$455,317	$425,317	11%	-$30,000
Total	**$1,478,118**	**$1,388,118**		**-$90,000**

Fund 477 CCE Programs

CCE requested all Fund 477 projects at five percent less than 2012 adopted amounts. Executive recommendations for 2013 funding were also at five percent less than 2012 adopted EXCEPT Integrated Pest Management (IPM), which was recommended for 2013 at 24% less than adopted in 2012. An additional $35,581 would be needed should the Legislature decide to fund this program as CCE requested. CCE has indicated that funding as recommended would profoundly cripple, and possibly end, the current program, which supports the pesticide phase-out law and the nitrogen fertilizer reduction law.

CCE Fund 477 Program with more than a five percent decrease recommended in 2013	CCE 2013 Request	EXE 2013 REC.	% Decrease REC from 2012 Adopted	$ Difference REC from CCE REQ
CCE- Integrated Pest Management Program (IPM)	$177,908	$142,327	24%	-$35,581

The Fund 477 Program already existing in the Water Quality Improvement Unit in EDP is as follows:

- CCE Stormwater Phase II Program Implementation (GZA1) - This program prepares NYSDEC-required annual reports, updates the Stormwater Management Plan, educates the

public on ways to reduce pollutants, monitors illicit discharge, and provides education and documents related to storm water runoff control.

The Fund 477 Programs being transferred to EDP, Water Quality Improvement Unit, are as follows:

- CCE Alternative Management Strategies for Control of Insect Pests (HSJ1) - This program is geared towards pests that affect agriculture and landscapes, and impacts of potential remedies to the groundwater. The program's diagnostic lab can identify insects that people bring in and identify a specific remedy that targets only the specific pest. As of September 21, 2012, all 2012 adopted funding has been spent.
- CCE Agricultural Stewardship (HSK1) - The goal of this program is to protect the County's sole source aquifer and surrounding waters and wetlands by encouraging the implementation of improved technology and best management practices in the agricultural industry. On-site farm demonstration projects are provided. Education can lead to the use of the least toxic alternative for weeds, pests, and fertilizers. This is a cooperative effort with the Suffolk County Soil and Water Conservation District and the USDA Natural Resources Conservation Service. As of September 21, 2012, all 2012 adopted funding has been spent.
- CCE Integrated Pest Management (IPM), (HSM1) - This is the only 477 program not funded as requested by CCE. 2013 funding was recommended at a 24% decrease from 2012 adopted amounts, and $35,581 less than requested by Cornell. CCE indicates that this reduction would profoundly cripple, and possibly end this program. This program supports County laws regarding pesticide phase-outs and the reduction of nitrogen fertilizer, and is particularly geared toward County properties and buildings. These laws serve to protect natural resources of the County and our water supply. Many times, a site visit and proper pest identification will enable the least toxic alternative to be implemented. As of September 21, 2012, all 2012 adopted funding has been spent.
- CCE Restoration of Peconic Bay Scallop Populations and Fisheries (HSN1) - This program is a large scale effort to restore bay scallop populations in the Peconic Estuary. There have been increases in scallop density since the start of the program, and the goal is to reach numbers that will enable the restoration of the scallop fisheries. As of September 21, 2012, all 2012 adopted funding has been spent.

Budget Review Office Recommendations

Transfer to EDP

Under the Suffolk County Charter, EDP (with its incorporation of the functions of the former Department of Environment and Energy) is responsible for the supervision, administration, and implementation of the Water Quality Protection and Restoration component of the Drinking Water Protection Program. The transfer of water quality funded projects is consistent with the Charter and prior Budget Review Office recommendations. The transfer of Cornell programs funded by the General Fund also seems reasonable, based on the nature of the agencies transferred. The Department indicates that it does not oppose the transfer and will be able to administer the programs with existing personnel. See our review of the Department of Economic Development and Planning for related discussion.

General Fund Projects

Should the Legislature wish to provide funding for Cornell core projects in the General Fund, at the level requested by CCE, an additional $194,254 would be needed.

Suffolk County Water Protection Fund (Fund 477)

Typically, CCE projects included in the operating budget and funded by Fund 477 are reviewed annually by the Water Quality Review Committee, which recommends funding for the subsequent year. This year, the Committee meeting occurred after the release of the recommended operating budget, due to positions restored in 2012 using Fund 477, and a subsequent need to re-evaluate funds available. The Committee reviewed the Cornell projects, but did not make a formal recommendation on funding. These programs are included in the year- to- year operating expenses charged to the fund (as opposed to water quality related capital projects). If annual expenses to the fund are higher than annual revenue, the fund balance will eventually become depleted. Use of the fund balance is a policy decision. Should the Legislature wish to provide CCE's requested level of funding for the Integrated Pest Management program, an additional $35,581 would be needed. See our related report on the Suffolk County Water Protection Fund.

LH CCE 13

County Clerk

Personnel (as of 9/16/2012)

Authorized Positions:	102	**Filled Positions:**	95
Vacant Positions:	7	**Percentage Vacant:**	6.9%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$5,694,184	$5,797,773	$5,716,738	$6,057,726	$5,901,822
Equipment (2000s)	$200,280	$195,590	$193,661	$173,680	$53,340
Supplies (3000s)	$501,022	$612,014	$567,462	$701,076	$606,226
Contracts (4000s)	$692,996	$655,650	$645,400	$634,950	$603,300
Totals	$7,088,482	$7,261,027	$7,123,261	$7,567,432	$7,164,688

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$11,076	$15,000	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$17,238,306	$17,230,000	$17,929,406	$17,540,000	$17,903,534
Other Income	$8,914	$5,400	$5,215	$5,200	$6,400
Totals	$17,258,296	$17,250,400	$17,934,621	$17,545,200	$17,909,934

Effects of Recommended Budget

Personal Services

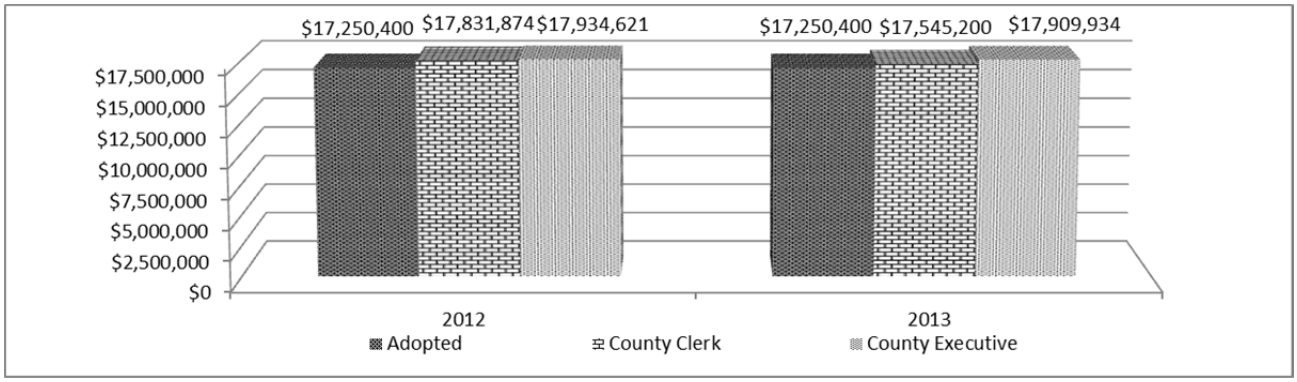
The recommended budget provides $5.5 million for permanent salaries, which is adequate to fund all 95 filled positions in 2013. The Department requested $5.6 million or $144,804 more to maintain all 95 filled positions, and fill seven vacant positions over the year.

Expenditures

Not including Personal Services, the estimated 2012 expenditures of $1.4 million are reasonable. The recommended 2013 expenditures are $1.26 million, which is $200,388 or 13.7% less than the 2012 adopted and $246,840 or 16.4% less than requested.

Revenue

The 2012 revenue estimate is $17.9 million, a $684,221 or four percent increase compared to the adopted amount of $17.3 million. The recommended revenue of $17.9 million is a $659,534 or 3.8% increase in 2013 compared to the 2012 adopted amount. Both the 2012 estimate and the 2013 recommended revenue are slightly higher than County Clerk projections, as shown in the following chart:



Issues for Consideration

Personal Services

The Suffolk County Clerk's Office is the busiest County Clerk's Office in the State. The County Clerk's Office reported generating more than $244 million in revenue for the State and local governments in 2011. The majority of vacant positions in the County Clerk's Office are the workforce that interacts with the general public on a daily basis and processes the records in the office. These records include deeds, mortgages, court judgment, certificates of incorporation, and papers in accordance with County and State Laws. Based on discussions with the County Clerk's Office and field visits, processing time has increased and back logs have occurred. To address these issues, the Department has relied on temporary staff and overtime, but has expressed concern that staff members are becoming burned out and sick time has increased as a result of this practice.

The recommended budget provides $275,000 for temporary salaries, which is an increase of $75,000 or 38% compared to the 2012 adopted and $10,000 less than requested. Funding for overtime is $59,000, which is $10,000 or 20% more than adopted, as requested. Overtime and

temporary salaries expenditures in the County Clerk's Office have increased $108,850 or 48% from the 2011 actual amount of $225,150 to the 2013 recommended amount of $334,000. This trend is a result of staff reductions and unfilled positions in 2012 and 2013. The recommended funding for temporary salaries and overtime is reasonable if staff levels are maintained, vacant positions are filled during the year, and no layoffs occur in 2013.

The Department requested $5.6 million to maintain all 95 filled positions, and fill seven vacant positions during 2013. The recommended budget provides $5.5 million for permanent salaries, which is adequate to fund all 95 filled positions in 2013, but only provides $57,840 to fill the seven vacant positions over the year. BRO estimates the annual 2013 salary cost to fill all seven positions is $214,412.

BRO recommends funding as requested by the County Clerk's Office to fill the seven vacant positions during the year; increase permanent salaries by $86,964 to provide $144,804 for this purpose. The following table lists the positions the County Clerk's Office requested funding to fill in 2013:

REQ.	Job Title	Grade
Two	Senior Clerk Typist	12
Three	Clerk Typist	9
One	Sr. Micrographics Operator	10
One	Laborer	8

To address the current backlog of processing legal documents and maintain operations efficiently, the County Clerk's Office submitted a request to provide sufficient funds in 2013 to fill two Senior Clerk Typist and three Clerk Typist positions in the 1st quarter of 2013. The following table estimates the cost of filling these positions in 2013 as $196,925:

Job Title	Salary	Fringes	Salary & Fringes	Number of positions to fill	Cost to fill one year	Cost to fill nine months
Senior Clerk Typist	$31,268	$23,619	$54,887	2	$109,774	$82,331
Clerk Typist	$28,162	$22,769	$50,931	3	$152,793	$114,595
						$196,925

Based on discussions with the County Clerk's Office these positions receive offsetting revenue of 60% of their salary and 33% of their benefits through proceeds of the mortgage tax. If these positions are not funded and filled as requested, the recommended revenue amount that is associated with these positions will be overstated. Based on filling these positions for nine months, we estimate the offsetting revenue to be $131,949 in 2013.

Departmental Income

Based on historical revenue trends, improving local economic conditions and projected incoming workload, the 2012 estimated and 2013 recommended revenue of $17.9 million is reasonable. This revenue assessment assumes that the current backlog of documents requiring verification of tax map numbers has been addressed by the Real Property Tax Service Agency (RPTSA).

Every land use document that is recorded by the County Clerk's Office is reviewed and verified by RPTSA. This includes deeds, notices of pendency, tax liens, mechanics liens, covenants and restrictions, various mortgage documents, and other real property related documents. The County Clerk's Office has expressed concern that if the turnaround time for the verification of tax map numbers goes past 90 days, checks that accompany these document will go stale. The turnaround time will be further extended awaiting replacement checks. Not filling the nine vacant positions in the Real Property Tax Service Agency in 2012 has contributed to the current backlog (as of 9/28/2012) of 13,000 documents requiring verification of tax map numbers. The estimated unrealized revenue in RPTSA is $780,000. The RPTSA is currently utilizing part-time employees and overtime to address this backlog, as well as positioning a RPTSA employee within the County Clerk's Office to expedite the flow of documents that require verification of tax map numbers. (See review of RPTSA)

Expenditures

The County Clerk's Office requested funding for non-personnel expenditures in 2013 with a small increase of $46,452 or 3.2% compared to the 2012 adopted. The recommended budget provides $200,388 or 13.7% less than the 2012 adopted. The following table identifies leading recommeded reductions in 2013.

Object Name	Unit	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended	2013 Req. vs Rec.
Office Machines	1410	$70,390	$70,390	$78,540	$38,540	-$40,000
Postage	1410	$140,000	$138,000	$182,000	$145,000	-$37,000
Bank Service Charges	1410	$8,000	$8,000	$40,000	$10,000	-$30,000
Computer Services	1410	$629,900	$619,900	$564,300	$536,300	-$28,000
Photostat, Photograph & Bluepr	1412	$45,000	$40,000	$57,950	$40,000	-$17,950
Furniture & Furnishings	1413	$95,000	$93,571	$75,000	$0	-$75,000
		$988,290	**$969,861**	**$997,790**	**$769,840**	**-$227,950**

The County Clerk's Office requested increases and decreases based on information received from venders, economic trends, and the necessity to replace office machines and furniture that is failing or no longer useable by staff and the public, and on projected cost reductions for computer services.

Budget Review Office Recommendations

To provide the necessary human resources and to avoid backlogs, increase recommended funding for permanent salaries by $86,964 to $5,549,136. This funding provides an estimated $144,804 for the phasing in of the following staff in 2013:

REQ.	Job Title	Grade
Two	Senior Clerk Typist	12
Three	Clerk Typist	9
One	Sr. Micrographics Operator	10
One	Laborer	8

To provide for the projected 2013 funding requirements for Office Machines, Postage, Bank Service Charges, Photostat-Photograph-Blueprints, Computer Services, and Furniture &

Furnishings, increase non-personal services by $227,950 over the 2013 recommended amount as follows:

Object Name	Unit	2013 EXE Recommended	2013 Increase	2013 BRO Recommended
Office Machines	1410	$38,540	$40,000	$78,540
Postage	1410	$145,000	$37,000	$182,000
Bank Service Charges	1410	$10,000	$30,000	$40,000
Computer Services	1410	$536,300	$28,000	$564,300
Photostat, Photograph & Bluepr	1412	$40,000	$17,950	$57,950
Furniture & Furnishings	1413	$0	$75,000	$75,000
			$227,950	

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District Attorney

Personnel (as of 9/16/2012)

Authorized Positions:	384	**Filled Positions:**	367
Vacant Positions:	17	**Percentage Vacant:**	4.4%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$30,816,931	$30,464,870	$31,159,686	$32,604,290	$32,420,472
Equipment (2000s)	$310,056	$195,681	$225,839	$208,227	$208,227
Supplies (3000s)	$724,607	$1,076,956	$1,053,859	$1,091,974	$1,091,974
Contracts (4000s)	$1,457,728	$1,543,100	$1,753,681	$1,531,340	$1,536,340
Totals	$33,309,322	$33,280,607	$34,193,065	$35,435,831	$35,257,013

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$2,918,139	$2,631,450	$5,040,671	$3,293,624	$3,645,843
Federal Aid (4000s)	$459,885	$139,705	$402,155	$365,828	$10,000
Departmental Income	$0	$0	$0	$0	$0
Other Income	$197,750	$130,064	$139,857	$1,628,441	$76,540
Totals	$3,575,774	$2,901,219	$5,582,683	$5,287,893	$3,732,383

Effects of Recommended Budget

Expenditure Overview

Total 2013 expenditures are recommended at $35,257,013, which is $1,957,106 or 5.9% more than the 2012 Adopted amount. This increase is directly attributable to permanent salaries. The 2013 Recommended Budget includes the majority of the District Attorney's cost-to-continue budget request, including additional permanent salaries to address personnel issues.

Personnel Issues & Costs

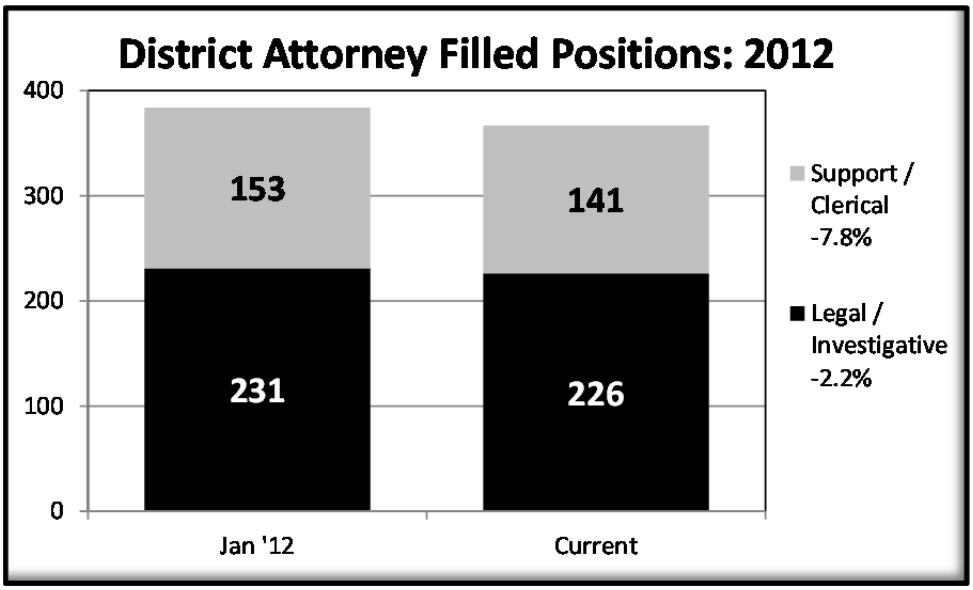
A major concern for the District Attorney is staffing. Layoffs, retirements and other separations from service coupled with the inability to hire additional staff has strained the DA's staff to maintain the level of investigative and prosecutorial services the County has come to expect. With a further increase in areas such as caseload, complexity of investigations, number of specialty courts and new DA units, it will become even more difficult for the DA to handle critical public safety issues.

Examples of areas that have increased the demands placed upon the DA:

- The abuse of prescription drugs: The prosecution of these cases spans multiple bureaus including Homicide, Major Crime and Narcotics.
- Heroin addiction: The dual scourge of prescription drug abuse and heroin addiction has become a major point of emphasis where the continued use of long term eavesdropping investigations are used to arrest, prosecute and incarcerate these criminals.
- Robberies, burglaries and other thefts prosecuted across multiple bureaus are on the rise due to the continued pursuit of money by those addicted to drugs.
- Creation of a Vehicular Crimes Unit: The prosecution of crimes resulting from drugged and/or drunken drivers has witnessed a dramatic increase in cases reflected by the number of laboratory blood draws from drivers.
- Financial crimes and mortgage fraud: Due to the ongoing recession, these complex cases are increasing and are particularly time consuming for professional and support staff because they often involve thousands of documents and multiple electronic devices that must be reviewed and analyzed.
- Technical complexities: The large majority of cases now involve cell phones, smart phones, computers, social media websites, video cameras, etc. adding to the complexity of prosecuting cases.
- Guns and Gangs: The continuing proliferation of the use of guns and gang activity poses an ongoing threat and requires targeted, specific initiatives resulting in the seizure of weapons that may have been used in multiple crimes after being passed between gang members.

Specialty courts, village courts and night courts: The increasing number of courts being established that must be covered by the DA and often require intensive and multiple court appearances have become an increasing burden.

The following graph illustrates the decrease in personnel in 2012.



Currently there are 11 vacant positions remaining as the DA recently hired a new class of five Assistant District Attorneys:

VACANT POSITIONS	#
CLERK TYPIST	4
COURT STENOGRAPHER	1
DIVISION CHIEF	1
INVESTIGATIVE ASST (TECH SVCS)	1
PRINCIPAL STENOGRAPHER	1
SENIOR CLERK	1
SENIOR CLERK TYPIST	1
ASST SPECIAL INVESTIGATOR	1
TOTAL	**11**

While the DA did request a cost-to-continue budget, additional permanent salaries were requested for the reasons outlined above. The 2013 Recommended Budget provides sufficient funding for:

- All currently filled positions.
- Contractual increases.
- The ability to fill a portion of the 11 vacant positions or backfill positions as they become vacant during 2013. The Budget Review Office estimates that there are sufficient permanent salaries to fill the equivalent of four to five positions for a full year, depending on job title and the associated salary cost.

Vehicles

The DA has an authorized fleet of 133 vehicles and currently has 125 vehicles in the fleet. Over 20% of the fleet has mileage ranging from 102,000 to 153,000 miles. Every month approximately 10% of their fleet is out of service for maintenance and repairs. The last time the DA received new vehicles was in 2010. Vehicles are used to transport staff, witnesses and defendants, conduct surveillance, undercover operations, and in general for the prosecution and investigation of criminal offenses. The DA requested the replacement of 25 sedans at a cost of $495,000. Asset forfeiture funds may be available to purchase vehicles. The 2013 Capital Budget includes $2.5 million for the purchase of public safety vehicles countywide.

Revenue

A new revenue, 001-1165-3610 Social Service Administration, has been created to account for State Aid to reimburse the DA and the Police Department for expenses related to Child Protective Services investigations under the purview of the Suffolk County Strike Force on Child Abuse and Neglect. The Department of Social Services will be filing the claims with the State for reimbursement. The role of the DA as a Strike Force participant is to prosecute criminal violations of the law as they relate to CPS investigations of child abuse and the enumerated maltreatment cases. The DA must also provide a liaison to CPS whose role will be to facilitate a working relationship.

This will be a recurring revenue of approximately $2 million per year. Revenue of $1,473,684 will be accepted in 2012 (which includes reimbursement for 2011 and 2012) with a 2013 estimate of $800,000 for the DA.

This revenue is completely dependent on the expenses for the services performed. If the cost of the services being performed goes up (increases in personnel costs), there will be higher revenue or if expenses go down, such as staff reductions or less time spent on the CPS activities, revenue will go down.

Budget Review Office Recommendations

The Recommended 2013 Operating Budget provides the District Attorney a cost-to-continue budget with the flexibility to fill a portion of their vacant clerical/support titles.

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Economic Development and Planning

Personnel (as of 9/16/2012)

Authorized Positions:	94	**Filled Positions:**	87
Vacant Positions:	7	**Percentage Vacant:**	7%
Positions Abolished in the Recommended Budget:	1	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$7,221,138	$5,545,370	$6,514,709	$6,516,055	$6,419,294
Equipment (2000s)	$2,233	$1,550	$1,550	$1,200	$0
Supplies (3000s)	$187,705	$187,833	$151,528	$293,684	$256,800
Contracts (4000s)	$4,648,064	$3,641,031	$3,335,926	$3,859,787	$6,947,378
Totals	$12,059,140	$9,375,784	$10,003,713	$10,670,726	$13,623,472

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$75,055	$0	$0	$390,000	$390,000
Departmental Income	$1,313,434	$2,345,074	$2,092,941	$1,745,114	$1,707,230
Other Income	$7,808,348	$25,865,300	$26,891,480	$9,491,209	$10,017,983
Totals	$9,196,837	$28,210,374	$28,984,421	$11,626,323	$12,115,213

Effects of Recommended Budget

Departmental Reorganization

This newly formed Department consists of the former Departments of Economic Development, Environment and Energy, and Planning. The three former separate Departments were combined and reorganized as Divisions of a newly formed Department of Planning in the 2012 Adopted Operating Budget. Local Law 16-2012 (Resolution No. 56-2012), then refashioned the Department as the Department of Economic Development and Planning (EDP). Companion Resolution No. 58-2012 made personnel and budgetary changes associated with the new Department.

In our analysis, and in the chart above, we combined data from the former individual Departments, the briefly adopted Department of Planning, and the final 2012 version of the Department of Economic Development and Planning, for a more effective comparison to past years' budgets.

Staffing

Departmental reorganization and consolidation has resulted in 26 fewer positions in the recommended budget, or a 22% decrease, than the combined total of 119 in the three former Departments on September 18, 2011. The overall current vacancy rate is at seven percent; slightly less than a previous combined vacancy rate of 12%. The recommended budget includes insufficient funding to fill all currently filled positions in Fund 351, Community Development, for all of 2013. Funding for existing filled positions in all other funds is sufficient for all of 2013, and sufficient to fund currently vacant positions in the General Fund for approximately two months in 2013.

The recommended budget abolishes one of seven vacant positions, a vacant Chief Environmental Analyst position in the Recycling and Waste Management Division. This Division is not funded in the recommended budget.

Two other former Divisions are not funded in the recommended budget, and existing position titles are moved elsewhere. The sole position, Senior Energy Coordinator (vacant), in the Office of Energy, is transferred to the Economic Development Division. The only two positions (both currently filled) in the Environmental Quality Council (CEQ) Division are transferred to a newly formed "Pine Barrens Review Unit" in the Planning Division. Local Law 16-2012 specifically mentions inclusion of an Office of Energy and the creation of the Suffolk County Pine Barrens Zone. The Suffolk County Planning Commission is charged with adopting standards for review of municipal zoning and subdivision actions proposed within the Pine Barrens Zone. The Department has indicated that the transfer of CEQ staff will not affect the performance of their duties as outlined in the Charter.

The recommended budget also transfers funding for three positions, in Economic Development Administration, from the General Fund to the Hotel Motel Tax Fund (Fund 192). In 2012, there were no Hotel Motel Tax- funded positions in EDP. These position transfers, shown in the table below, relieve pressure on the General Fund, but remove available funding for other permitted uses of this fund. See our section on Hotel Motel Tax Fund (192) for more detail.

Positions Recommended Transferred to Fund 192				
Transfer From	**Job Title**	**Gr.**	**Department Requested**	**Executive Recommended**
Ec Dev Admin	SENIOR ACCOUNT CLERK	14	No change	To Film Promotion
Ec Dev Admin	SENIOR CLERK TYPIST	12	To Cultural Affairs	To Cultural Affairs
Ec Dev Admin	PROGRAM COORD	25	To Film Promotion	To Cultural Affairs
Related Expenditure in Recommended Budget			**$197,967**	**$245,967**

Expenditure

The reduction in personnel has resulted in a recommended 11% ($801,844) decrease in expenditures related to employee salaries, from 2011 actual amounts.

The recommended budget transfers nine Cornell Cooperative Extension programs from the Department of Health Services to EDP. This transfer, with a related expenditure of $3,151,339, is the primary reason that the recommended expenditure for contracts more than doubled from the 2012 estimate and for the recommended 37% increase in all expenditure for the Department, from the 2012 estimate.

Four of these programs receive funding from the Water Quality Protection and Restoration Program (Fund 477) and would join one existing Fund 477 Cornell project already in the Water Quality Improvement Division of EDP. The recommended budget also transfers five Cornell programs funded by the General Fund to the Economic Development Administration Division. These Cornell programs are the only contracted agencies requested or recommended to be funded in the General Fund within the Department. The Department indicates that it will be able to meet the additional responsibilities associated with these transfers using existing personnel and concurs with their transfer. See our separate section on Cornell Cooperative Extension for further detail on these programs.

An additional $130,000 was recommended for advertising in Economic Development Administration, as requested. A strategic marketing program is part of the Division's plan to spur economic growth.

Revenue

The most significant components of the revenue to the Department are related to Sales of Real Property, the Hotel Motel Tax, and revenue related to F.S. Gabreski Airport. (See our separate write-ups on Revenue Code 2660 (Sales of Real Property) and Hotel Motel Tax Fund (Fund 192) for further detail on these items).

Sales of Real Property (Revenue Code 2660)

With the 9/24/12 approval of Resolution No. 851-2012, $19,250,000 in revenue from the sale of Yaphank property is estimated in 2012. This is $1.14 million more than adopted, and constitutes 66% of all estimated revenue for the Department in 2012. The Department indicates the sale is expected to close quickly, once all matters are resolved. Twelve million dollars in revenue, adopted in 2011, from the anticipated sale of a portion of this Yaphank property, was never realized. The $660,000 recommended in 2013, in this revenue category, anticipates a delayed Selden sale which is now expected to close in 2013.

Hotel Motel Tax Revenue (Fund 192)

Hotel Motel Tax is used to fund several Divisions in the Department: Tourism Promotion, Cultural Affairs, and Film Promotion. The tax is distributed according to a set formula; however, amounts may be adjusted for any differences in actual revenues and expenses from prior years. The recommended budget leaves the 2012 estimate unchanged from the 2012 adopted amount, but recommends a 16% increase in new revenue to the fund in 2013, as compared to actual new revenue received in 2011 (or a 20% increase from the 2012 estimate). This projection for increased revenue resulted in significant increases in recommended 2013 expenditures for each Division funded by this tax. While, so far, 2012 monthly revenues from the tax are running higher than last year, it is difficult to project what will happen in 2013. See our separate section on Hotel Motel Tax for more detail on revenue projections and distribution formulas.

F.S. Gabreski Airport Revenue (Fund 625)

Almost two thirds of recommended Airport revenue is related to leases of airport property, and almost one third is from take-off/ landing fees. It is likely that at least a portion of lease-related airport revenue will not be realized in 2012, as one major lease has not commenced in as timely a manner as originally anticipated. Resolution No. 379-2009 first authorized the execution of a lease agreement with Rechler at Gabreski LLC (Rechler), for the proposed development of a 55 acre industrial park.

The Division's requested revenue related to this lease included $793,069 in 2012 (which included a $650,000 deposit plus $143,069 for three month's rent at the first year lease rate) and $484,775 in 2013 ($429,206 for nine more months at the first year lease rate and $55,569 for three months at the second year lease rate). These payments will not be due until Rechler has obtained the required permits and approvals for overall development of the site. It is our understanding that Rechler will be appearing before the Planning Board in mid-October.

If no related revenue is realized in 2012, but the lease is able to commence at the beginning of 2013, the net, two year difference in revenue would be approximately $55,569 (equivalent to three months at second year rate), assuming receipt of the deposit and one year's full rent at the first year lease rate. We understand the first year's rent is higher because it includes $350,000 towards Community Preservation Fund payments, which were deemed necessary due to the nature of the lease. The following table contains the lease schedule.

Lease Year	Annual Rent	Lease Year	Annual Rent	Lease Year	Annual Rent
1	$572,275	7 to 8	$777,963	21 to 25	$1,000,117
2	$222,275	9 to 10	$889,100	26 to 30	$1,040,121
3 to 4	$444,550	11 to 15	$924,664	31 to 35	$1,081,726
5 to 6	$666,825	16 to 20	$961,651	36 to 40	$1,124,995

The recommended 2013 revenue for Revenue Code 2770, "Other Unclassified Revenue" was $126,000 higher than the 2012 estimate of $3,000, to reflect an anticipated Military Base Retention Grant from New York State. Matching County expenditure of $126,000 was

included in the $141,000 recommended for sub-object 4560, "Fees for Services". It is our understanding that the grant will be used to benefit the Air National Guard, which is based at the Airport. The intention is to enhance the possibility of retaining the Air National Guard base at the Airport during the Federal government's periodic review of its existing military locations.

Issues for Consideration

Aviation Division

There are six positions recommended in 2013, a 25% decrease from the eight filled positions the Division had on 9/18/2011. The positions include Airport Manager, Airport Light Specialist, Assistant Airport Light Specialist and three office-related positions. The work on this 1,500 acre property peaks in certain seasons and at certain times. Airport use is higher in fair weather, but in foul weather, help with plowing is necessary. The staff struggles to clear runways and have the Airport open within five hours after a storm, as required by the FAA. The Department of Public Works assists with plowing entrance roads, dumping garbage, and maintaining landscaping. The Sheriff's SLAP program and the Labor Department's "Back to Work" program provide some assistance with mowing and other chores.

The recommended budget provides $141,000 for "Fees for Services", $25,000 less than the $166,000 requested. It is our understanding that the recommended $141,000 includes $126,000 for the County match on a New York State grant that will benefit the Air National Guard, leaving only $15,000 to pay for needed sealing of cracks and joints on all taxiways and emergency repairs of high voltage electrical lines and water main breaks, whereas $40,000 was requested for these purposes. The Division has indicated that cracks and joints on all taxiways were last sealed in 2010. Funds in 2011 and 2012 were insufficient for this necessary and recurring maintenance.

A site visit to the airport clearly showed cracks on some runways approaching the allowable size limit. Uneven runway surfaces create safety and liability issues, and routine maintenance reduces rehabilitation costs and extends the usable life of pavement. The County is mandated to maintain and operate the Airport in a safe and serviceable condition.

Expense for Light, Power & Water is requested at $171,000, but the recommended budget provides only $140,000. The 2012 estimate is $175,000. The Department was looking into solar panels to mitigate this expense, but the FAA has indicated that glare issues may prove to be a contraindication. Sightlines and height restrictions are also issues that need to be considered. Of note is that the Airport expects a switch from its aging utility poles to underground utilities, expected to be completed by 2014/2015 (Capital Project 5734, Aviation Utility Infrastructure), at which point the Long Island Power Authority would be willing to take them over and would become responsible for maintenance and repairs. In addition, existing tenants will be able to have their own meters. At present, there is a master meter, and tenants are billed.

Hangar space is at capacity, and there is demand for additional hangars. Hangar development can attract new tenants and new revenue, and the Airport is working in this regard. The Division has increased aircraft landing fees to correspond with nearby airports, and related 2011 actual revenues have increased 35% from 2010 actual amounts. Eight jets are currently based at the airport. The Division indicates that one corporate jet can generate $1 million in

spending and five direct jobs. The Airport is cognizant of the needs of the surrounding community in its long-term plans, and seeks a balance between optimum use of the facility and concerns of neighbors regarding noise, light, traffic, and flight patterns.

F.S. Gabreski Airport Fund (Fund 625)

The Federal government, on July 12, 1972, signed a "quitclaim deed", which conveyed F.S. Gabreski Airport to the County "for the development, improvement and operation and maintenance of the airport" under the oversight of the FAA. Related covenants and restrictions are enforceable through a reverter clause in the quitclaim deed. The creation of the F.S. Gabreski Airport Fund, a/k/a the Aviation Enterprise Fund, was a Legislative initiative, based on a recommendation by the Budget Review Office. The fund allows identification of County airport expenditures and revenues, facilitates reinvestment of any fund surpluses for use in the maintenance and development of the airport, and can be used to demonstrate the County's compliance with the covenant and restrictions of the Quitclaim Deed. Airport revenue must be spent on the Airport.

The following table illustrates the status of Fund 625, as provided in the 2013 Recommended Operating Budget. The table indicates an estimated 2012 year end deficit of $144,021. If none of the Rechler lease related revenue for 2012 (discussed under F.S. Gabreski Airport Revenue, above) is realized, there will be an additional $793,069 deficit in 2012. Depending on if and when the lease actually starts, some of this deficit could be mitigated by 2013 lease-related revenue. The fund status below includes a $976,137 transfer from the General Fund in 2012 estimated (and adopted) revenue, and a transfer of $575,357 in 2013 recommended revenue.

2012 Estimated	Status of Fund 625 F.S. Gabreski Airport	2013 Recommended
($1,372,937)	Fund Balance, January 1	($144,021)
$2,905,668	Plus Revenue, January 1 to December 31	$2,269,985
$1,532,731	Total Funds Available	$2,125,964
($1,676,752)	Less Expenditures, January 1 to December 31	($2,125,964)
($144,021)	Fund Balance, December 31	$0

Tourism Promotion

The recommended budget includes $2,106,337 for Tourism Promotion, a 22% increase over 2012 adopted and estimated amounts and 12% more than requested. Twenty four percent, up to a maximum of $2 million, of Hotel Motel Tax funding is allocated to a tourism promotion agency, typically the Long Island Convention and Visitors Bureau. The new revenue component of this expenditure is $2,050,352, and it is our understanding that the rest is comprised of adjustments from previous years. It would appear that this component is overfunded by $50,352 based on the County Executive's Hotel Motel Tax projection. It is our understanding that any surplus over $2 million should instead be allocated to the General Fund, to be utilized for general park purposes, as per Chapter 523 of the Suffolk County Code. All other Hotel Motel Tax components receive specific percentages of revenue collected.

Cultural Affairs

The recommended budget includes $886,564 in Hotel Motel Tax Funding to the Cultural Affairs Division, a 33% increase over 2012 adopted and estimated amounts. Of this amount, $385,447 is allocated for Special Services (4770), a portion of which is typically used for distribution to agencies as determined by the Citizens Advisory Board for the Arts. Another $324,036 is allocated for contracted agencies (not specifically identified), 19% less than the 2012 estimate. An additional $130,317 of the total is recommended for expenses related to the salaries of two employees transferred to this Division in the recommended budget, $35,764 for health insurance and other employee-related costs, and $11,000 for supplies. Allocation of Hotel Motel Tax for employee salaries relieves the impact of those salaries on the General Fund, but reduces the amount of funding available to provide to specific agencies and programs. The following chart shows specific contracted agencies which received a total of $395,000 in 2012, but did not receive specific allocations in 2013 (although the non-specific $324,036 may be applied). The chart does not include $7,165 adopted in 2012 for non- specific contracted agencies.

Cultural Affairs Contracted Agencies		
Activity Code	**Activity Name**	**2012 Estimate**
JBX1	BABYLON CITIZENS COUNCIL ON THE ARTS	$7,500
JBY1	BABYLON VILLAGE ARTS COUNCIL	$5,000
GZW1	BAY STREET THEATER	$15,000
JER1	BELLPORT CHAMBER OF COMMERCE	$10,000
HLT1	CHILDRENS MUSEUM OF THE EAST END	$5,000
JGY1	COPIAGUE CHAMBER OF COMMERCE	$10,000
JKX1	DIX HILLS PERFORMING ARTS CENTER	$7,500
JKS1	EAST END ARTS COUNCIL - HARVEST GOSPEL CONCERT SERIES	$5,000
HWH1	EAST END ARTS COUNCIL - WINTERFEST	$10,000
JKY1	EAST END TOURISM ALLIANCE	$5,000
JEA1	FISCHER-HEWINS VFW POST 6249	$25,000
HHF1	FRIENDS OF SMITHTOWN LIBRARY	$40,000
JHC1	GALLERY NORTH ARTS FESTIVAL	$5,000
GSZ1	GREATER PORT JEFF ART COUNCIL	$10,000
HAN1	GUILD HALL OF EAST HAMPTON	$15,000
JNZ1	HOLBROOK CHAMBER OF COMMERCE	$10,000

Cultural Affairs Contracted Agencies		
Activity Code	**Activity Name**	**2012 Estimate**
JGW1	HUNTINGTON ARTS COUNCIL, SUMMER ARTS FESTIVAL	$35,000
JOA1	INCORPORATED VILLAGE OF MASTIC BEACH	$10,000
BBU1	ISLIP ARTS COUNCIL	$40,000
JKZ1	LONG ISLAND LATINO TEACHERS ASSOCIATION, INC.	$5,000
JIY1	LONG ISLAND PHILHARMONIC, INC.	$10,000
JHA1	LONG ISLAND WINE COUNCIL	$10,000
JNX1	LUMIERE	$5,000
JEY1	MASTIC BEACH PROPERTY OWNERS ASSOCIATION	$5,000
HHJ1	NESCONSET CHAMBER OFCOMMERENCE	$15,000
JLE1	PRINCESS RONKONKOMA HISTORICAL SOCIETY	$5,000
JEZ1	REFLECTIVE GARDENS AT COMMON GROUND	$15,000
JHW1	TEATRO EXPERIMENTAL YERBABRUJA, INC.	$20,000
JJW1	THE SMITHTOWN PERFORMING ARTS COUNCIL, INC.	$10,000
JNY1	THEATER THREE	$10,000
GTG1	WESTHAMPTON BCH PERFORM ARTS	$15,000
	Total	**$395,000**

The following chart shows 2012 cultural funding allocations to various agencies identified by the Citizens Advisory Board for the Arts, as per Resolution No. 290-2012:

Citizens Advisory Board for the Arts	
Grantee	**2012 Grant Amount**
Airmid Theater Company	$5,000
Atlantic Wind Symphony, Inc	$5,000
Bridgehampton Chamber Music Festival	$5,000
Bridgehampton Historical Society	$5,000
Brookhaven Arts and Humanities Council, Inc.	$5,000
Byrd Hoffman Water Mill Foundation	$5,500
Children's Museum of the East End	$5,000
East End Arts and Humanities Council, Inc.	$12,000
Gallery North	$5,000
Gateway Performing Arts Center	$5,000
Greater Port Jeff Art Council	$6,500
Guild Hall of East Hampton, Inc.	$5,000
Hallockville, Inc.	$9,000
Hamptons Shakespeare Festival	$6,500

Citizens Advisory Board for the Arts	
Grantee	**2012 Grant Amount**
Heckscher Museum	$9,000
Herstory Writers Workshop, Inc.	$5,000
Huntington Arts Council	$10,500
Huntington Choral Society	$5,000
Islip Arts Council, Inc.	$12,500
Long Island Baroque Ensemble	$5,000
Long Island Museum of American Art, History & Carriages	$7,500
Long Island Philharmonic, Inc.	$7,500
Long Island Wine Council	$10,500
Longhouse Reserve	$7,500
Parrish Art Museum	$5,000
Patchogue Arts Council, Inc.	$6,160
Patchogue Village Center for the Performing Arts	$5,000
Ridotto Arts Organization, Inc.	$5,000
Smithtown Township Arts Council, Inc.	$10,000
Sol y Sombra Spanish Dance Co.	$8,000
Southampton Colonial Society dba Southampton Historical Museum	$5,000
Southampton Cultural Center	$5,000
Stony Brook Foundation, Inc. (Pollock-Krasner House)	$5,000
Teatro Experimental Yerbabruja, Inc.	$7,500
The Babylon Chorale, Inc	$5,000
The Perlman Music Program	$5,000
The Whaling Museum Society, Inc. Cold Spring Harbor	$5,000
Theatre Three Productions, Inc.	$10,000
Westhampton Beach Performing Arts Center, Inc.	$12,500
Total	**$263,660**

Film Promotion

The recommended budget provides $207,971 for film promotion, of which $45,478 is related to the salary for one position transferred into this Division (to be paid with Hotel Motel Tax funding), $34,408 for employee-related benefits, and $60,000 for the following three contracted agencies:

Activity Code	Activity Name	2012 Estimate
HBP1	STALLER FILM FESTIVAL	$20,000
HIP1	HAMPTON FILM FESTIVAL	$20,000
JGU1	CINEMA ARTS CENTRE	$20,000
	Total	**$60,000**

An additional $34,935 is allocated for Special Services. The $30,000 adopted in 2012 for this purpose was allocated by recommendation of the Suffolk County Motion Picture/TV Film Commission (as per Resolution No. 288-2012) for the promotion of Suffolk County as a film-friendly location:

Name of Program	2012 Allocation
Next Exposure: Suffolk County Low Budget Independent Film completion Grant	$7,000
Emerging Film Exhibition Programs:	
Hamptons Take 2 Film Festival	$6,000
Westhampton Beach Performing Arts Center- Finest in World Cinema	$6,000
Plaza Cinema and Media Arts Center	$6,000
Greater Port Jefferson Arts Council- Port Jefferson Documentary Series	$5,000
Total	**$30,000**

Community Development Fund (Fund 351)

As per the Division, the Community Development Fund receives primarily Federal HUD (Housing and Urban Development) funding, which has been cut significantly in the past few years. A portion of grant funding allocated to the Community Development and Home Investment Partnership Divisions, for programs, is used to reimburse the County for a portion of its operating expenditures associated with the administration of the programs. We understand there are restrictions on the types of expenditures that the grants will cover. Some of the grants are multi-year grants, and there are timing issues in their receipt and expenditure.

County operating expenditures in excess of reimbursement by Community Development Grants are causing fund deficits. The Fund had an actual 2011 year-end fund balance deficit of $1,106,183, an estimated 2012 year-end deficit of $1,028,928, and a recommended 2013 year end deficit of $1,018,138. The expenditure side of the fund includes all the funding for the two related Divisions, which included a total recommended $56,038 transfer to Fund 39. The Division transfers to Fund 039 appear to be already included in the $118,381 transfer to Fund 039 in the Status of Funds. As per prior Budget Review Office recommendation, an inter-fund transfer from the General Fund to Fund 351 should be included for non-reimbursable expenditures. The following chart demonstrates the status of the fund as per the recommended budget.

2012 Estimated	Status of Fund 351 Community Development	2013 Recommended
($1,106,183)	Fund Balance, January 1	($1,028,928)
$806,462	Plus Revenue, January 1 to December 31	$833,105
($299,721)	Total Funds Available	($195,823)
($729,207)	Less Expenditures, January 1 to December 31	($822,315)
($1,028,928)	Fund Balance, December 31	($1,018,138)

Three resolutions accepting and appropriating 100% reimbursed Federal grants were approved in 2012 (described below) for Federal Fiscal Year 2012, with the portion allocated for County operating expenses totaling $410,474. The 2012 estimated revenue to the fund, from all sources, was $806,462.

Community Development Entitlement Block Grant (Off Budget Fund 352)

Resolution No. 617-2012 accepted $2,862,167 in Federal aid for the Community Development Entitlement Block Grant, of which $2,585,951 is to be distributed to cooperating municipalities (see table below for distribution) for contracted services and $276,216 is to be transferred to Fund 351 to reimburse the County for its operating expenses associated with this program.

Act. Code	Name of Town / Village	Amount
JON1	Town of Brookhaven	$1,598,775
JOO1	Town of East Hampton	$102,147
JOP1	Town of Riverhead	$106,880
JOQ1	Town of Shelter Island	$9,984
JOR1	Town of Smithtown	$326,255
JOS1	Town of Southampton	$112,746
JOT1	Town of Southold	$86,039
JOU1	Village of Bellport	$19,717
JOV1	Village of Lake Grove	$48,052
JOW1	Village of Patchogue	$71,236
JOX1	Village of Port Jefferson	$14,363
JOY1	Village of Sag Harbor	$24,869
JOZ1	Village of Southampton	$32,596
JPA1	Village of Westhampton Beach	$22,293
	Long Island Housing Services	$10,000
	Total Grants to Cooperating Municipalities	**$2,585,951**

HOME Investment Partnerships Program Grant (Off Budget Fund 353)

Resolution No. 618-2012 accepted $1,125,954 in Federal aid for the HOME Investment Partnerships Program Grant, of which $1,013,359 is to be distributed to contracted agencies, and $112,595 will reimburse budgeted County operating expenses in Fund 351, Community Development Administration.

Emergency Shelter Grant (Off Budget Fund 354)

Resolution No. 616-2012 accepted $288,839 in Federal aid for the Emergency Shelter Grant, of which $267,176 is for contracts with non-profit contracted agencies and $21,663 will be transferred to Fund 351 to reimburse the County for its operating expenses in Community Development Administration.

Real Property Acquisition and Management

Due to economic conditions, this Division is under increasing workload related to maintenance and upkeep of properties in the County inventory taken for non-payment of taxes, and their eventual disposal through auction, redemption by the homeowner, sales to adjacent neighbors, 72-h sales to municipalities, donation to the Parks Department, or other means. Costs to maintain properties can be considerable. The recommended budget provides insufficient funding for "Expenses on Property Acquisitions". The 2012 adopted included $72,000 and $72,000 was requested in 2013. However, the 2013 recommended budget is $20,000. As of September 28, 2011, $30,202 had already been spent, and at least another approximately $41,000 was anticipated to be needed by year-end. The County auction's timing in October necessitated expenditures later in the year to prepare the properties. Unexpected expenses, such as removing felled trees on County properties after hurricanes, or demolishing condemned structures, can add to the expense. Advertising funding is also spent later in the year, before the County auction, and only $500 was recommended, while the Division requested $6,400.

Planning Division

This Division has been proactive in obtaining grant funding. It is in the process of completing a grant funded study regarding Transfer of Development Rights, consistent with prior Budget Review Office recommendation, which will provide insight to the Legislature on how the County inventory of Development Rights could best be used. There were approximately 394 credits available for use and 226 credits pending, as of October 5, 2012. The Division is also completing a Legislative- initiated study of the rating system used for land acquisition, and is applying ratings to properties the County wishes to acquire. This important step can help assure that land acquisition funds are spent for the most desirable properties.

Responsibilities of this Division include oversight of the Water Quality Review Committee and related Water Quality projects, as well as the Farmland Program. See our related reports on the Suffolk County Water Protection Fund (Fund 477) and Cornell Cooperative Extension.

The Planning and Real Property Acquisition and Management Divisions both have roles in the acquisition of farmland development rights and open space, and their oversight, once purchased. Recently, there was news coverage regarding unauthorized removal of prime agricultural soils from property in East Hampton on which the County had purchased development rights. The intent was to install a drainage basin. It was brought to County attention by a concerned

citizen, but much of the damage was done. The County spends millions of dollars on protecting farmland and open space, and it is important to protect the County investment on the taxpayers' behalf.

Budget Review Office Recommendations

Administration

The Local Law which formed the new Department specifically mentioned inclusion of an Office of Energy and the creation of the Suffolk County Pine Barrens Zone. Funding is not provided for the Office of Energy in the 2013 Recommended Operating Budget. We recommend a review and refinement of operational structure and the Local Law to ensure consistency as the Department moves forward in its new form.

Tourism

To comply with the $2 million maximum allocation of Hotel Motel Tax collections for a tourism promotion agency, typically the Long Island Convention and Visitors Bureau, the corresponding expenditure (192-EDP-6413-4980) should be reduced by $50,352 and re-allocated to the General Fund.

Cultural Affairs

Hotel Motel Tax is allocated to Cultural Affairs as a whole; there is no required percentage that must be used for Special Services (typically for the Citizen's Advisory Board for the Arts or CAB). If CAB funding is restored to the 2012 estimate of $263,660, an additional $121,787 for contracted agencies would be available. Funding for contracted agencies would need to be increased by $78,129 to be restored to the 2012 estimate of $402,165.

Fund 192 Position Transfers

It is a policy decision whether to transfer three positions, now in the General Fund, to Fund 192, as recommended. The transfer would relieve pressure on the General Fund but reduce funding available for other purposes. Approximately $245,967 of recommended expenditure is related to employee salaries and employee-related benefits. Other recommended expenses, such as for supplies and travel, may also be affected.

Community Development Fund

Reduce expenditure for "Transfer to Fund 039 Self Health Insurance" (sub-object 9550) by $16,451 in the Community Development Division and by $39,587 in the Home Investment Partnership Division, as these expenses were already included in an inter-fund transfer to Fund 039 under Status of Funds for Fund 351. Division expenditure in Status of Funds should also be reduced accordingly.

As per prior Budget Review Office recommendation, an inter-fund transfer from the General Fund to Fund 351 should be included to cover non-reimbursable expenditures.

As Fund 351 has been running at a deficit and Federal aid has been decreasing, consider reducing operating budget expenses in the two fund-related Divisions; possibly reduce staff by attrition, leaving vacant positions unfilled.

Airport

It appears likely that 2012 revenue related to the Rechler lease is overstated by at least one month ($47,690) of the three months included in the Division's request, and possibly for the full $793,069, depending on when the lease actually starts. It is also possible that 2013 revenues come in higher than recommended, if the lease starts at the beginning of the year and the deposit is also received at that time. Fund 625 should be adjusted accordingly and the transfer from the General Fund increased if necessary. Effort should be made to ensure that the company is making good faith efforts to obtain necessary permits and approvals, and that the process is expedited.

Increase the recommended expenditure Fees for Services (sub-object 4560) by $25,000 to match the requested $166,000. This amount is needed to provide for necessary, but overdue, operational and safety related upkeep and to maintain the airport to required FAA standards.

Increase the recommended expenditure for Light, Power, and Water by $31,000 to match the requested $171,000. The 2012 estimate is $175,000, and it is unlikely this expense will decrease in 2013.

Investigate the feasibility of using small, roof-top wind turbines on existing or future buildings, in lieu of solar panels, to reduce future utility costs.

Real Property Acquisition and Management

Due to the large inventory of tax acquired property that the County must retain and maintain, add $52,000 in 2013 to restore Expenses on Property Acquisitions (sub-object 4730) to the requested amount of $72,000. The 2012 estimate was low, as expenses are higher later in the year. The Division spends both money and time on maintenance and management of these properties. For a more comprehensive solution: first, investigate what can or should be done to aid homeowners and thereby reduce the number of properties that come into County possession for non-payment of taxes; second, investigate whether the length of time the County must hold a property before disposal can or should be reduced; and third, evaluate current procedures for property evaluation and disposal, for maximum expediency and return of the County investment, or for donation or transfer for the public good, when desired. See our report on "Disposition of Tax Acquired Property" in our Review of the 2012 Recommended Operating Budget for an overview of this topic and our recommendation regarding advantages of holding online auctions for property disposal.

Add $5,900 in 2013 Advertising (sub-object 3770). The 2012 estimate was low because most of this expense comes in late in the year, to advertise the County auction. As per prior Budget Review Office recommendation, we continue to recommend investigating the possibility of holding online auctions, for increased exposure. The Division is making progress in this direction, in that descriptions with links to photos of properties to be auctioned were first available on the County website this year.

Farmland Protection

The recent clearing, and removal and sale of prime farm soil from East Hampton farmland, on which the County owns development rights, may be an anomaly, but it is important to investigate what went wrong in that case. It is important to investigate if or how the parties were able to get the necessary permits without the County's knowledge or permission. It is

also important for property owners, and subsequent property owners, to know their obligations when development rights to their land have been bought by the County and funded by taxpayers. The Division should examine how often, and by what method, the oversight of this program could best be accomplished, especially with reduced staffing levels; possibly by review of aerial photos and maps. It should be determined whether sufficient penalties exist to deter similar actions, and what revisions, if any, should be made to Chapter 8 of the Suffolk County Code, Development of Agricultural Land. (Also see farmland-related recommendation under Soil and Water Conservation District.)

LH EDP 13

Suffolk County Board of Ethics

Personnel (as of 9/16/2012)

Authorized Positions:	2	**Filled Positions:**	0
Vacant Positions:	2	**Percentage Vacant:**	100%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$115,456	$142,066	$83,398	$140,000	$140,000
Equipment (2000s)	$0	$0	$10,000	$0	$0
Supplies (3000s)	$0	$2,800	$8,500	$7,670	$7,670
Contracts (4000s)	$16,699	$94,000	$45,875	$140,000	$140,000
Totals	$132,155	$238,866	$147,773	$287,670	$287,670

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$0	$0	$0	$0	$0
Other Income	$97	$100	$100	$100	$100
Totals	$97	$100	$100	$100	$100

Effects of Recommended Budget

The 2013 Recommended Budget for the Board of Ethics is $48,805 more than the 2012 Adopted Budget and $139,897 more than the 2012 estimate. The increase over the estimate is partially attributable to the fact that the Executive Director and Secretary positions have been vacant since April 2012, but will be filled for the duration of 2013. Additionally, Fees For Services (001-COE-1120-4560) are recommended at an increase of $91,400.

Issues for Consideration

Resolution No. 828-2011

Resolution No. 828-2011 abolished the Suffolk County Ethics Commission and created a new Article 30 of the Suffolk County Charter, establishing a Board of Ethics. The Board consists of five members; two appointed by the County Executive and one each by the Presiding Officer, Majority Leader, and Minority Leader.

The responsibilities of the Ethics Board include: ethics training and education for County officials and employees, rendering advisory opinions, reviewing financial disclosure statements, conducting investigations/hearings, and imposing penalties for ethics violations.

The Board of Ethics is authorized to appoint an executive director, outside counsel, and other support staff. These hires do not require the County Executive's approval and will not be supervised by the Department of Law. Personnel expenditures are limited to available appropriations in the adopted County operating budget.

The Board has been without a director or secretary since April and initial appointments to the Board have been made throughout the year. Therefore, 2012 does not represent a good base year for projecting future costs. The first year that the Board will be fully operational is 2013.

Personnel Costs

The 2012 Adopted Budget for Permanent Salaries (001-COE-1120-1100) was $142,066. However, the Executive Director (grade 25) and Secretary (grade 17) positions have been vacant since April and year-to-date salary expenditures are only $29,800 (as of 9/21/12). The 2013 Recommended Budget includes $140,000 for permanent salaries, which implies that both positions will be filled at step 10. If these positions are filled by September 30, 2012 at step 10, then the 2012 estimate of $71,050 is reasonable.

In addition to permanent salary costs, board members are entitled to $200 for each Board meeting they attend, not to exceed $400 per month. Accordingly, the maximum possible cost for five members is $24,000. The recommended budget includes $6,000, which assumes that the Board will meet six times in 2013.

Fees for Services

Pursuant to the Suffolk County Charter, the Board of Ethics may hire outside counsel for legal and advisory opinions as well as consultants to assist with the execution of its duties. The 2013 Recommended Budget includes $134,000 for these expenditures, of which $40,000 is to hire a consultant to develop an ethics training program for County officials and employees.

Budget Review Office Recommendations

The implementation of an ethics training program is a laudable goal; however, given the County's fiscal situation, we recommend postponing this expense or developing the curriculum in-house. Reduce the 2013 Recommended Budget (001-COE-1120-4560) by $40,000.

BP Ethics 13

Executive Office

Personnel (as of 9/16/2012)

Authorized Positions:	62	**Filled Positions:**	47
Vacant Positions:	15	**Percentage Vacant:**	24.2%
Positions Abolished in The recommended budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$4,447,278	$4,103,145	$4,285,212	$4,660,727	$4,660,727
Equipment (2000s)	$0	$16,500	$500	$13,300	$13,300
Supplies (3000s)	$86,238	$143,816	$85,544	$136,788	$136,788
Contracts (4000s)	$119,369	$195,870	$456,572	$312,668	$312,665
Totals	$4,652,886	$4,459,331	$4,827,828	$5,123,483	$5,123,480

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$0	$0	$0	$0	$0
Other Income	$28	$2,250	$10,598	$2,250	$2,250
Totals	$28	$2,250	$10,598	$2,250	$2,250

Effects of Recommended Budget

Staffing

The recommended budget creates the Performance Management division by transferring two filled positions from the County Executive's Office, a Deputy County Executive - Administration and a County Executive Assistant IV, and one filled Assistant Deputy County Executive position from the Intergovernmental Relations division; and provides $125,000 for Fees For Services.

The recommended budget organizes the County Executive's Office in 2013 as follows:

- Office of Budget and Management
    - Grants Management
- Intergovernmental Relations
- Office of Labor Relations
- Performance Management
    - Constituent Affairs

The 2013 Recommended Budget provides $5.1 million, a $664,149 or 14.9% increase over the adopted amount of $4.5 million. The primary increases are associated with Personal Services and Contractual Expenses.

Personal Expenditures

The recommended budget provides $4.7 million, a $557,582 or 13.6% increase over the adopted amount of $4.1 million for Personal Services. The recommended funding for permanent salaries, $4.59 million, is sufficient to fund the 47 filled positions and $362,649 or 43.2% of the estimated $839,141 necessary to fill all 15 vacant positions in 2013.

Contractual Expenses

The recommended budget provides $312,665, a $116,795 or 59.6% increase over the adopted amount of $195,870 for contractual expenses. The principal increase is associated with the establishment of the Performance Management division, which includes $125,000 for Fees for Services.

Issues for Consideration

Performance Management

The Performance Management Team was created in 2012 by the County Executive to make Suffolk County Government more assessable and constituent-friendly, delivering cost effective, high quality and timely services. This is anticipated to provide appropriate lines of responsibility between the Performance Management division and Performance Management team members that are located within major County departments.

MUN EXE 13

Finance and Taxation

Personnel (as of 9/16/2012)

Authorized Positions:	44	**Filled Positions:**	44
Vacant Positions:	0	**Percentage Vacant:**	0%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$2,910,783	$2,804,357	$2,971,791	$3,035,535	$3,035,535
Equipment (2000s)	$5,382	$20,000	$5,000	$13,007	$11,587
Supplies (3000s)	$273,265	$275,050	$251,550	$342,995	$316,565
Contracts (4000s)	$460,730	$733,695	$692,395	$945,994	$945,994
Totals	$3,650,160	$3,833,102	$3,920,736	$4,337,531	$4,309,681

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$681,222	$819,594	$755,203	$736,525	$736,525
Other Income	$1,791,058,661	$1,888,509,693	$1,851,014,651	$1,901,759,539	$1,907,149,143
Totals	$1,791,739,883	$1,889,329,287	$1,851,769,854	$1,902,496,064	$1,907,885,668

Effects of Recommended Budget

Personal Services

The 2012 estimate for permanent salaries, $2.8 million, is reasonable, and is projected by BRO to exceed the 2012 adopted amount of $2.6 million by $190,751 or 7.2%. The 2013 Recommended Budget provides $2.86 million for permanent salaries, which is consistent with the Department's request and adequate to fund all 44 filled positions in 2013.

Expenditures

Not including Personal Services, in the aggregate the 2012 estimated expenditures are $79,800 or 7.8% less than adopted. The 2013 recommended funding is $245,401 or 23.9% more than the 2012 adopted amount of $1 million, which is reasonably consistent with the Department's request.

Issues for Consideration

Expenditures

Compared to 2012 adopted, the principal increases are in: Computer Services ($201,824), Bank Service Charges ($19,000), Postage ($15,000), and Expenses on Property Acquisition ($10,000). However, the recommended budget does not include the full amount requested for Outside Printing and Postage.

With the abolishment of nine or 17% of the authorized positions between September 18, 2011 and September 16, 2012, the Department is now even more dependent on technology and outsourcing to mitigate the downsizing of staffing levels.

The Department has the responsibility for maintaining the tax history for over 584,000 parcels in Suffolk County to accommodate the myriad of functions related to this responsibility. The Department, to improve the reliability and serviceability of the County's system, amended their contract with Tyler Technologies to provide Tyler Munis ASP. Tyler Technologies now maintains the software, hardware, servers, provides technical support, and host and provides backup capabilities from their data center in Falmouth, Maine. The Tyler Munis ASP system is now critically important for the management and storage of essential tax parcel information and is relied upon by the Department to administer property tax collection and assist taxpayers by phone or in person. The increase in Computer Services expenditures is associated with the upgrade to Tyler Munis ASP.

As requested, the recommended budget provides $19,000 for Bank Service Charges to pay transaction charges associated with payments estimated to be $2 million in 2013. The Department requested an increase of $18,000 over the adopted amount of $170,000 for Postage bassed on projected increase rates from the United States Postal Service and an increase in the volume of mailings in 2013; the recommended budget provides an increase of $15,000. The $10,000 increase for Expenses on Property Acquisition, from the adopted amount of $100,000, is a reflection of a depressed housing market and a struggling economy. This expenditure covers the payment of Village Taxes on County property acquired by tax deed. There has been a steady increase in Village takings, consequently, an increase in arrears payments. The Department requested an increase of $22,300 over the adopted amount of $45,500 for Outside Printing based on yearly printing of the Tax Receivers' tax bills, which is a

countywide charge that is mandated by the Suffolk County Tax Act. In part the increase is a result of the towns requesting additional bills so they may be forwarded to the mortgage companies as well as the taxpayers. The recommended budget provides an increase of $4,500 or $17,830 less than requested.

Property Taxes

The Department of Finance and Taxation is heavily impacted by economic conditions. A slow economy results in a greater amount of property tax delinquencies, the amount of tax collected is reduced, and taxpayer refunds and certioraris increase. For supplementary information see: General Fund Revenue - Real Property Taxes.

Cash Flow

The County budgets on an accrual basis, meaning the amount of cash on hand at any one point in time, is a fraction of budgeted revenue and varies significantly from day to day. During 2012, managing cash flow has been extremely challenging as expenses come due sooner than associated revenues are received. Historically high levels of interfund borrowing, Tax Anticipation Note and Revenue Anticipation Note issuances have been necessary to generate the liquidity needed to meet outlays for the last few years. We expect cash flow management to remain a challenging exercise in 2013.

Interest Earnings (2401, 2403, 2404, and 2405)

During 2011, the Department of Finance and Taxation reportedly managed a monthly average of $526.5 million in County funds. Actual interest earnings for the General Fund totaled $333,088 in 2011 down from $724,554 in 2010. For all fund entities, actual interest earnings totaled $1.5 million in 2011, 37.9% less than the $2.4 million earned in 2010. The last few years of recession have taken a dramatic toll on interest revenue; interest rates are at historic lows while the amount of cash on hand to invest has declined steeply. General Fund earnings in 2011 were 3.2% of what the County earned in 2007, which was $10.5 million, and 6.14% of $24.4 million across all funds.

The 2012 estimate for General Fund interest revenue is $167,897, which is $1.81 million less than adopted and $165,191 less than the actual 2011 receipts of $333,088. As of September 21, 2012, IFMS interest revenue is $360,757, which is $192,860 more than estimated, but significantly less than adopted. The Department requested $226,813 and the recommended budget includes $235,695 for 2013. Assuming similar conditions, our projections suggest 2013 recommended General Fund interest revenue may also be understated.

The 2012 estimate for interest revenue across all funds is $943,999, which is $3.1 million less than adopted and $553,168 less than the actual 2011 receipts of $1.5 million. Based on year-to-date revenue of $607,399, the 2012 estimate is reasonable. The Department requested $2 million and the recommended budget includes $988,479 for 2013. Our projections suggest all funds interest revenue in 2013 to be consistent with recent patterns.

Budget Review Office Recommendations

The recommended budget does not include sufficient funds for printing the necessary number of tax bills to be able to forward copies to mortgage companies as well as the tax payers. The intent is to collect and realize property taxes earlier and on time. To improve cash flow for the County, we recommend increasing Outside Printing by $17,830 to provide the necessary funds, as requested by the Department.

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Fire, Rescue and Emergency Services (FRES)

Personnel (as of 9/16/2012)

Authorized Positions:	85	**Filled Positions:**	72
Vacant Positions:	13	**Percentage Vacant:**	15.3%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$5,759,022	$5,176,859	$6,312,492	$6,091,760	$4,855,223
Equipment (2000s)	$590,869	$52,000	$1,360,216	$52,000	$44,000
Supplies (3000s)	$727,005	$464,753	$929,618	$464,653	$450,075
Contracts (4000s)	$2,695,504	$2,187,676	$4,192,451	$2,035,896	$2,058,686
Totals	$9,772,400	$7,881,288	$12,794,777	$8,644,309	$7,407,984

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$1,656	$0	$27,532	$0	$0
Federal Aid (4000s)	$4,404,450	$9,549,385	$5,265,904	$549,385	$549,385
Departmental Income	$0	$0	$0	$0	$0
Other Income	$155,884	$80,296	$80,380	$25,000	$196,296
Totals	$4,561,990	$9,629,681	$5,373,816	$574,385	$745,681

Effects of Recommended Budget

Expenditures

The operations under the auspices of the Department of Fire, Rescue and Emergency Services (FRES) include Administration, FRES Commission, Fire and EMS Communications, Fire Marshall's Office, Arson Task Force, Deputy County Fire Coordinators Program, Domestic Preparedness, Office of Emergency Management, Office Systems Management and the Vocational and Education and Extension Board (VEEB), which runs the Suffolk County Fire Academy. Expenditures across all appropriations are recommended at $7,407,984 for 2013, which is a 14.3% decrease from the total budget of $8,644,309 requested by FRES, and a 42.1% decrease from the 2012 estimate of $12,794,777.

The 2012 estimated budget includes $5,265,904 in grant appropriations that reflect 2012 grant expenditures as well as grant appropriations carried over from prior years. Other Federal and State grants may continue into 2013 and authorizations for new grant appropriations will be addressed by resolution in 2013.

The 2013 Recommended Budget is $1,236,325 less than the Department's request, which is primarily attributable to:

- A $500,000 reduction in overtime salaries, which represents a 50% decrease from the $1 million in overtime requested by FRES. This decrease is tied to the recently given approval for FRES to begin the hiring process to fill 12 Emergency Services Dispatcher (ESD) positions (seven ESD I, four ESD II and one ESD III).
- A decrease of $386,921 in 2013 permanent salaries under the FRES Grant Positions Unit, which is tied to the inclusion of the funding for these positions under the SHSP and UASI Grants, which are carried over year-to-year as rollover expenses. FRES then journal vouchers the payroll expense from 001-FRE-3401-1100 to the appropriate grant under interim salaries.
- A decrease of $332,466 in FRES Administration permanent salaries connected to the recommended, but not requested, transfer of three FRES Technology Unit positions, one Public Safety Technical Coordinator, one GIS Technician III, and one Office Systems Analyst I to the Department of Information Technology (DoIT) and an increase in turnover savings.

Revenue

Total 2013 revenue recommended for FRES is $745,681, comprised primarily of Federal aid with $549,385 for the Local Emergency Management Performance Grant (LEMPG). This amount is for the Federal Fiscal Year (FFY) 2012 LEMPG, which has not yet been announced, but is projected at the same amount as the FFY 2011 LEMPG. This is a recurring grant from FEMA technically covering up to 50% of emergency management administrative costs. This grant is capped and comes in the form of a lump sum payment.

The second greatest source of revenue recommended in 2013 for FRES is $141,000 for Fire Extinguisher Licensing fees, which is $116,000 more than the 2012 estimate and the Department's request. This increase reflects the two-year renewal cycle for most of these licensing fees expected to occur in 2013.

Issues for Consideration

Staff

The 2013 Recommended Budget transfers three filled positions in the FRES Technology Unit (001-FRE-3400-0700) to a new unit formed in the Department of Information Technology (016-ITS-1682-0100) entitled "Direct Charge Department Staff - Fire Rescue ITS". The specific duties and responsibilities of each of these positions in FRES are as follows:

- One Public Safety Technical Coordinator is the principal staff person responsible for maintenance of the FRES radio system, Communications Center, tower sites and base station infrastructure; this position also oversees expansion of the radio system, currently under development. Provides support of the E911 Telephony System, facilitates emergency response to scenes for support in the command system, and handles scene support logistics and communications issues. Fifty percent of the salaries of this position are reimbursed via the LEMPG (Local Emergency Management Performance Grant).
- One GIS Technician III does the mapping for all the County's fire departments and ambulance corps on the Computer Aided Dispatch (CAD) system and electronic (ETEAM) map for FRES, a critical function that is vitally important to the efficacy of the fire departments and ambulance companies and to optimum functioning of the County's emergency response system, which protects lives and property on a daily basis.
- One Office Systems Analyst (OSA) I has the primary responsibility for all the specialized software and computer systems supporting the day-to-day operation of the Department. This includes confidential information and sensitive material regarding alarms, events and data in the FRES system, which only specially trained FRES personnel are authorized to access. Twenty percent of the salaries of this position are reimbursed via the LEMPG (Local Emergency Management Performance Grant).

Concern has been expressed that if the FRES technology positions are transferred to the Department of Information Technology (DoIT), there could be problems with the LEMPG grant funding based upon FRES personnel meeting specialized standards that a regular IT staff member will not meet. If the FRES IT personnel are moved to DoIT, there could be loss of control over the verification of such standards, and possible jeopardization of the LEMPG administrative reimbursement.

The critical factor to protecting the funding stream for the FRES IT positions appears to be connected to the requirement that their responsibilities and functions remain with FRES on a full-time, permanent basis and are not redirected, offloaded or affected in any way by an administrative reassignment to DoIT. According to FRES, the LEMPG aid application names specific employees and titles eligible for reimbursement, assignment of the FRES IT employees to other departments, even on a temporary basis, would complicate the claiming process, as well as if other IT personnel from DoIT were assigned to FRES.

At the current time, FRES has 85 authorized positions, of which 13 are vacant. No vacancies are recommended to be abolished in 2013, and although the recommended budget increases turnover savings by $105,738 in FRES Administration, the Budget Review Office estimates that there will be sufficient permanent salaries to allow FRES to fill all of its vacancies for the majority of next year.

FRES Overtime

Year-to-date overtime expenditures for FRES administration, principally for the Communications Center operations, strongly suggest that the 2012 overtime estimate is understated. As of October 1, 2012, overtime expenditures for FRES exceed $678,000. At this rate, it would not be unreasonable to project total FRES Administrative overtime expenses of $950,000 for 2012, which exceeds the 2012 estimate of $850,000 by $100,000.

Overtime for FRES is driven by the frequency and duration of the Emergency Operations Center (EOC) activation for the County during natural or manmade disasters and severe weather events, recent examples being Tropical Storm Irene and the Manorville wildfires. Other FRES regularly occurring overtime situations include evening and weekend work connected to properly supporting the needs of the County's volunteer fire and ambulance service companies. In the Communications Center personnel area, overtime is connected to peak workload periods such as New Year's Day, Memorial Day, July 4th and Labor Day, and is significantly impacted by emergency dispatch personnel on maternity, family medical and extended sick leaves.

For a prolonged period of time, the FRES Communications Center has been operating with multiple vacancies, with eight vacant emergency dispatch positions at present resulting in increasing overtime costs for FRES. However, FRES indicates that the process has been initiated to begin filling all of these vacancies, plus the backfilled vacancies that will occur due to staff being able to take promotions, and this will have many long-term benefits to the optimum operation of the Communications Center and reduced levels of stress for its entire staff.

For 2013, the Budget Review Office projects that the $500,000 recommended for FRES administrative overtime is under budgeted. The unpredictability and wide disparity between overtime needs for FRES in just one year's time is evidenced by the more than $246,000 difference between the 2010 and 2011 actuals for overtime, which were $775,059 and $1,021,775, respectively.

Although FRES is currently canvassing to fill its vacant ESD I, II and III positions, FRES estimates a full six month's training period for the new emergency dispatchers, which FRES hopes are all on-board by the end of 2012.

Therefore, the Budget Review Office recommends that FRES administrative overtime (001-3400-1120) be increased by $150,000 to $650,000 in 2013 to allow for the expected new emergency dispatchers to complete their training periods and enable the FRES Communications Center to be able to rely less on overtime.

Vocational Education and Extension Board (VEEB)

The Vocational Education and Extension Board (VEEB) was created in 1943 for the sole purpose of developing and delivering a volunteer firefighter training program. VEEB is an authorized agency of Suffolk County that operates on a contractual basis to run the Suffolk County Fire Academy. The 2013 Recommended Budget includes total funding of $1,935,733 for VEEB, which represents a 4.2% decrease from the 2012 estimate of $2,017,233.

According to VEEB, the amount of funding recommended to run the Fire Academy next year should be sufficient to provide the same level of training to volunteer firefighters as in 2012.

This is achievable is because of the savings on health care contributions related to two active and three past employees passing away this year.

Budget Review Office Recommendations

- Ensure the ongoing receipt of LEMPG administrative reimbursement for the Public Safety Technical Coordinator and Office Systems Analyst I in FRES Administration in 2013 before proceeding with the proposal to transfer these two positions to the Department of Information Technology (DoIT). Any possible jeopardization of the revenue for these highly specialized emergency management and systems support personnel should cancel the transfer and reverse the positions and their salaries back to FRES Administration.
- Ensure that the specialized functions and dedicated responsibilities of the Public Safety Coordinator, the GIS Technician III and the OSA I, all three of whom form the entire FRES Technology Unit, would not be compromised before further consideration of the proposal to transfer any of the positions to DoIT. If assurance cannot be provided for the ongoing dedication of the functions and responsibilities of the FRES IT Team solely to the requirements of FRES and the County's entire emergency system, then the transfers should be reversed and the salaries of the three FRES technology positions restored to FRES Administration.
- Increase FRES administrative overtime (001-3400-1120) by $150,000 in 2013 to allow sufficient time for the soon-to-be hired Emergency Dispatcher I positions to complete their training periods and enable the FRES Communications Center to have fuller coverage and rely less on overtime.

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Health Services

Personnel (as of 9/16/2012)

Authorized Positions:	1,160	**Filled Positions:**	1,034
Vacant Positions:	126	**Percentage Vacant:**	10.9%
Positions Abolished in the Recommended Budget:	213	**New Positions:**	48

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$80,042,048	$76,188,297	$77,690,987	$58,047,245	$56,840,778
Equipment (2000s)	$659,690	$446,567	$676,397	$359,593	$190,693
Supplies (3000s)	$9,720,606	$9,598,528	$10,427,828	$7,604,434	$6,711,935
Contracts (4000s)	$244,661,735	$254,675,387	$248,706,987	$237,820,109	$236,037,489
Totals	$335,084,079	$340,908,779	$337,502,199	$303,831,381	$299,780,895

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$129,647,461	$132,271,708	$126,054,959	$126,234,039	$125,425,922
Federal Aid (4000s)	$23,899,017	$27,012,349	$31,018,594	$21,072,408	$22,544,448
Departmental Income	$80,759,084	$87,521,985	$77,181,740	$53,342,664	$57,409,173
Other Income	$2,872,859	$10,076,918	$4,218,514	$25,420,380	$25,736,680
Totals	$237,178,421	$256,882,960	$238,473,807	$226,069,491	$231,116,223

Effects of Recommended Budget

Overview

The County Executive's 2013 Recommended Operating Budget for the Department of Health Services is approximately $37 million less than the 2012 estimate, and is about $2 million less than the Department's 2013 requested budget. Most of the change from 2012 is due to:

- the divestment through sale of the John J. Foley Skilled Nursing Facility, which will reduce expenditures by $18.6 million in 2013 compared to the 2012 estimate;
- the detachment of the Division of Medical Legal Investigations into a separate new department, the Office of the Medical Examiner, which transfers $10.7 million in expenditures out of Health Services;
- the transfer of most Cornell Cooperative Extension programs to the new Department of Economic Development and Planning, which reduces the Department's budget by another $3 million;
- the savings associated with the July 2012 layoffs, reductions in agency and fee for services contracts, and the transition of the Elsie Owens North Brookhaven Family Health Center from Suffolk County's Diagnostic and Treatment Center License to the license of Hudson River Healthcare, a Federally Qualified Health Center.

Most of the layoffs and service reductions contained in the 2012 Adopted Budget and in budget shortfall mitigation measures such as Resolution No. 271-2012, are institutionalized in the 2013 Recommended Operating Budget. Health Services began 2012 with 1,016 employees, not including the nursing home; 848 personnel remain as of September 16th, 2012. The recommended budget contains 873 positions in the Department of Health Services.

The 2013 Recommended Operating Budget continues the practice of excluding certain grants from the recommended budget, and appropriating the expenditures and accepting the revenues in the course of the fiscal year. This is particularly the case with many Homeland Security, Law Enforcement, and Emergency Preparedness grants.

Subsequent sections describe the budget's effects on personnel, equipment, supplies and contracts, and on the individual Divisions of the Department. Unless otherwise noted, the descriptions and analyses will NOT include comparisons concerning the John J. Foley Skilled Nursing Facility, or the new Office of the Medical Examiner.

Personnel

The 2013 Recommended Operating Budget retains 873 of the 1,063 positions requested by the Department of Health Services. This reduction, like the reduction in expenditures, is primarily due to the sale of the skilled nursing facility and the reorganization of the Division of Medical Legal Investigations into a separate, new department. The divestment of the nursing home results in the abolition of 189 positions, most of which are filled; the creation of the Office of the Medical Examiner results in a transfer out of 105 positions. Another cause of the reduction in personnel is the transfer of almost all information technology personnel to the Department of Information Technology (DoIT). While these personnel will for the most part remain in place in Health Services, they will be assigned to DoIT.

All but one Health Services Division lost personnel due to layoffs in 2012. The Divisions with the largest losses were Patient Care Services, Health Services Administration, and Community Mental Hygiene. Several employees also retired in 2012; Patient Care Services and Community Mental Hygiene had the largest number of employees retire. Combined with "normal" attrition, the net loss to the Department in 2012 as of September 16th was 146 employees. Most of these positions will not be refilled in 2013, either because the position was abolished upon vacancy (layoff or otherwise), or as a result of an increase in turnover savings. There are sufficient personnel appropriations available to the Department, as a whole, to pay permanent salaries for current employees, and to cover at least some of the new and vacant positions.

Six filled positions are abolished in the Preventive Medicine Division (in the Visiting Nursing appropriation, 4508), and one filled position is abolished in Patient Care Services (in appropriation 4104, Brentwood Health Center). The remaining 48 interim positions are returned to various units within the Department.

Pursuant to Resolution No. 505-2012, 17 positions in the Division of Environmental Quality are now funded through the Water Quality Fund (Fund 477). However, these personnel remain in the Department of Health Services.

Two Health Services Divisions received new positions; the Department's Administration Division received two new Account Clerk Typists, and the Jail Medical Unit in the Division of Patient Care Services added 36 new positions, in anticipation of the new jail opening.

The following table illustrates personnel losses incurred by the Department of Health Services in 2012.

Department of Health Services Personnel Losses by Division							
Division	Personnel as of 1/8/2012	July Layoffs	Early Retirement	Other Losses	Personnel as of 9/16/2012	2012 Net Loss	Possible 2013 Losses
JJFSNF	212	4	6	12	190	22	190
Patient Care Services	291	17	16	8	250	41	up to 91
Community Mental Hygiene	172	14	10	3	145	27	up to 65
Administration	99	15	2	0	84	15	0
Medical Legal Investigation and Forensic Sciences*	102	0	1	6	95	7	0
Preventive Medicine	45	7	1	1	36	9	6
Environmental Quality	125	8	0	1	116	9	0
Public Health	69	4	2	2	61	8	0
Emergency Medical Services*	14	0	0	3	11	3	0
Services for Children with Special Needs	52	6	0	-	47	5	0
TOTALS	**1,181**	**75**	**38**	**36**	**1,035**	**146**	**287**

In addition to the losses already incurred in 2012, and the losses scheduled to occur in 2013, up to 155 additional positions, 137 of them currently filled, may be abolished in 2013, 65 at the Methadone Clinics (appropriation 4321), 39 at the Maxine S. Postal Tri-Community Health Center (appropriation 4103), and 51 at the three Health Centers on the East End of Suffolk County (appropriation 4102). Unless other provisions are made, these losses may occur because of the transition to Hudson River Healthcare, in the case of the Health Centers, and, in the case of the Methadone Clinics, the possibility of privatization as a result of Request for Proposal 12018, Proposals on the Provision of Opioid Treatment Program Services.

Two vacant Nurse Practitioner positions are abolished in the recommended budget, one in the Jail Medical Unit, and one in the Methadone Clinic program. These positions are abolished to comply with Suffolk County Law, which directs that vacant positions in titles with filled positions being laid off must be abolished before the employees in the filled positions can be terminated; this is required because of the layoff of two Nurse Practitioners at the Skilled Nursing Facility.

Revenues

Excluding the John J. Foley Skilled Nursing Facility Fund (Fund 632), the Department of Health Services 2013 Recommended Operating Budget anticipates approximately $200 million in revenues. This is a net $2.3 million increase compared to the Departmental request. The increase is in two lines—an increase of about $2 million in Health Center Medicaid Fees, (Revenue Code 1672), and an increase in the Bad Debt and Charity Award (Revenue Code 1673).

Recommended revenues for 2013 are reduced by $5.6 million compared to the 2012 Estimate. This reduction is a combination of reductions in State aid, reductions in anticipated Article 12 Fine Revenue, reductions in various Medicaid revenues, and fewer refunds of prior years' expenses.

Several Environmental Quality and Public Health revenues are disaggregated. Revenue Code 1607, Environmental Quality Fees, is separated into four new separate codes 1622-1625; Revenue Code 1602 is also separated into four new codes, 1611-1614. Within these revenue items, the Department has raised some fees, created a fee for the food manager's course, and created a wastewater management fee. To date, the new fee schedule for the Department of Health Services has not been provided to the Budget Review Office; it is pending final approval. The estimated revenue increase is approximately $1 million. The new fee schedule is pending final approval by the Health Services Commissioner and the County Executive. These increases and new fees are within the authority of the Health Commissioner to impose, and will probably not require amendment to local law.

The following tables show the new fees and proposed fee increases. The total revenue generated from these new and increased fees is about $1 million.

Department of Health Services
Proposed New Fees for 2013

Revenue Code	Description	Proposed Additional Revenue	Proposed Fee	Comment
1612	Food Managers course	$169,520	$50--3-day course (11 hours) $40--Renewal Course (7.5 hours) $35--Limited Course (4 hours) $20--Reciprocal Certificate $30--Online Course $50--Spanish Course (10 hours)	Fee for classroom and online courses. Suffolk County is the last local muncipality to implement this fee.
1614	Body Art Class	$14,720	$80	184 expected certificates
1625	Sanitary Abandonment fee	$45,000	$150	300 sites expected
1625	Remediation Oversight fee	$75,000	$500	150 expected remediations
Total New Fee Revenue:		**$304,240**		

Suffolk County Department of Health Services

Proposed Fee Increases For 2013

Revenue Code	Description	Proposed Additional Recurring Revenue	Current Annual Revenue	Current Fee	Proposed Fee	% Increase	Comment
1611	Temporary Residence Fee	$46,902	$190,335	$290 + $1 per room	$380 + $2 per room	25%	
1612	Food Establishment Review Fee	$21,690	$38,590	$170 base fee	$200.00 base fee plus scale based on seating capacity	56%	
1613	Radiation Inspection Fee	$16,813	$168,135	$190-$560	of 10%	10%	
1614	Children's Camp Fee	$36,736	$10,300	$200 permit fee	$200 permit fee + $290 per pool/beach + $375 food service	357%	Permit fee is set by New York State Law. New inspection fee based on services provided. 70% of camps are fee exempt (non-
1614	Body Art Permit Fee	$6,800	$23,200	$290	$375.00	29%	Expected Revenue based on 80 Permits
1620	Mental Health Sliding Fee Scale	$43,680	$95,000	Avg. Fee $8.00	Most patients would pay $8.00 to $15.00 per visit	46%	Sliding fee scale based on annual income and number of dependents
1623	Article 12 Plan Review	$25,000	$192,500	$770.00	$870.00	13%	Expected Revenue based on 250 tanks
1623	Public Swimming Pool Inspection Fee	$224,510	$175,040	Indoor $440 Outdoor $290	Indoor $1,000 Outdoor $650 Splish Splash $5,950	128%	Expected Revenue based on 92 indoor pools 464 outdoor pools
1623	Operating Permit Fee (Gas & Fuel Storage)	$200,000	$200,000	Sliding scale based on storage volume	Existing operating permit fees are assessed on a sliding scale. The proposal would double the scale.	100%	Typical Gasoline Service Station pays $113.00 (30,000 gallons of storage) Proposal is to double fees.
1630	Methadone Sliding Fee Scale	$81,640	$200,000	Avg. Fee $0.00 to $6.00	Most Patients would pay $10.00 to $15.00 per visit	41%	Sliding fee scale based on annual income and number of dependents
Total Revenue from Fee Increases		**$703,771**					

Equipment and Supplies

The 2013 Recommended Operating Budget reduces the Health Services equipment request in the General Fund by $168,900, a 47.2% decrease, as compared to the Department's request. Most of the decrease may be explained by a $103,585 reduction in the request for new computers, and a $58,705 reduction in furniture and medical equipment in Patient Care programs (appropriation 4101).

Supplies are reduced by 11.7% in the recommended budget as compared to the Department's request. The most significant reductions are in Patient Care programs, where the recommended budget reduces the request by 25.7%, almost $500,000, with most of the decrease in Medical Supplies and in Computer Software. These reductions reflect decisions to reduce influenza vaccine purchases, to indefinitely defer full fielding of the Electronic Medical Record in the Health Centers, and they anticipate the handover of the Health Centers staffed by County employees to Hudson River Healthcare. Building Repairs were decreased across the

Department, by $211,200, a 58.6% decrease, as many units relocated to the Department's new headquarters in Great River.

Contracts and Other Expenditures

Contracts expenditures as a whole are increased 2.6% in the recommended budget as compared to the Department's request, about $1.9 million. The increase is almost entirely because of the addition of $2.4 million for the Dolan Family Health Center contract with Huntington Hospital, in appropriation 4100; the requested budget did not include any funding for this contract. If this one contract is discounted, there is a 0.7% decrease in funding for all remaining contracts in Health Services. Most contract agencies funded in the 2012 Adopted Budget but not recommended by the County Executive in that budget have been defunded in the 2013 Recommended Operating Budget.

Fee for Services contracts are decreased by 8.1%, about $746,000. Most of this reduction is due to a $418,000 (10%) reduction in Patient Care Programs, a $100,000 (21%) reduction in Public Health Nursing, $50,000 reduction in Emergency Medical Care and Mental Health Programs, and a reduction of $50,205 (9.1%) in Methadone Clinics.

With the exception of the Diabetes Prevention Program (4100-4980-GGW1) and the Family Health and Wellness Program (8750-4980-JHU1), all Cornell Cooperative Extension programs have been transferred out of the Department of Health Services.

Significant effects specific to individual divisions within the Department of Health Services are discussed below:

Administration

Two new Account Clerk Typists positions have been added to the Revenue Unit, to mitigate the loss of some of the personnel lost in the July 2012 layoffs. Eight information technology positions are transferred to the Department of Information Technology; a vacant Systems Analysis Supervisor is abolished. Turnover savings in the recommended budget is about $100,000 less than requested, which will allow for the hiring of a Chief Deputy Health Commissioner sometime in 2013.

Services for Children with Special Needs

The Division of Services for Children with Special Needs now comprises more than half of the Department of Health Services budget. In 2013, the recommended budget is one percent less than the Department's request. Most of the funding in the Division passes through to the various child care providers and school districts that perform the services for children needing early intervention services and aid to physically handicapped preschool children. The County expenses for the program are contained primarily in appropriation 4813, Services to Disabled Children. This appropriation is 4.6% less in the 2013 Recommended Operating Budget compared to the request, a reduction of $154,724. Most of the reduction is in permanent salaries (4813-1100), as turnover savings was increased by a little over $100,000. The Department will be precluded from replacing the Special Education Coordinator who acted as the Special Education Itinerant Teacher (SEIT) within the program. Lack of this replacement puts approximately $1.6 million in Pre-School Flow Through Funds (Revenue Code 1662) at risk.

Public Health

The 2013 Recommended Public Health Division budget is 2.7% less than the Department's request. More than half of the decrease is due to an $87,643 increase in turnover savings in appropriation 4015, Public Health Protection; this may preclude hiring in at least one vacant position. One small mandatory training appropriation line is eliminated, 4015-4360, a $2,000 reduction, and medical supplies (4010-3370) is reduced by $19,000 a 14% decrease.

Environmental Quality

The 2013 Recommended Operating Budget for the Division of Environmental Quality is 2.5% less than the Department's request. Most of the reduction is comprised of $202,694 in permanent salaries, $127,892 in appropriation 4400, Environmental Quality, and $74,802 in the Public Health Environmental Lab. The reduction in Environmental Quality is a combination of the transfer out of one Office Systems Specialist III to DoIT, and an increase in turnover savings.

Pursuant to Resolution No. 505-2012, 17 positions in the Division of Environmental Quality were funded from the Suffolk County Water Protection Fund. They are a combination of personnel from the Groundwater Protection unit and other personnel from the Bureau of Groundwater Resources and the Office of Wastewater Management. These positions were funded as requested in the recommended budget.

Patient Care Services

The 2013 Recommended Operating Budget for Patient Care Services is 4.3% more than the Department's request. About $2.4 million of the $2.6 million increase is to fund the contract with Huntington Hospital's Dolan Family Health Center in Huntington/Greenlawn. No funding for this Health Center was included in the Departmental request, which complied with the County Executive's directive to base the 2013 request on the 2012 Recommended Budget, and not on the 2012 Adopted Budget. The other major increase in the Division is $1.9 million in permanent salaries in the Jail Medical Unit, to partially fund 36 new positions.

Significant decreases in Patient Care Programs, appropriation 4101, especially in the equipment and supply budget lines, anticipate the transition of the Health Centers staffed by County employees to operation and management by Hudson River Healthcare, who currently operate the Elsie Owens North Brookhaven Family Health Center under Hudson River Healthcare's Federally Qualified Health Center certification and New York State Diagnostic and Treatment Center License. The contract with Hudson River Healthcare is funded in Patient Care Programs, appropriation 4101, not in Patient Care Administration, appropriation 4100. The recommended amount for this contract is $1,066,667. The budget accounts for neither any increase in the Hudson River Healthcare Contract, nor any decrease in appropriations for the Maxine S. Postal Tri-Community Health Center or the three Health Centers within the appropriation for Riverhead Health Center. Health Center expenditures are detailed in the table below.

Health Center Budgets								
Health Center	2011 Actual	2012 Adopted	2012 Estimate	2012 Requested	2013 Recommended	REC. v. 2012 EST	REC v. REQ	% Change REC v. REQ
Contract Health Centers								
Huntington Hospital (Dolan)	$2,612,562	$2,481,934	$2,481,934	$0	$2,481,934	$0	$2,481,934	
Islip Health Center-(Brentwood)-Southside	$10,573,650	$10,851,352	$10,851,352	$10,020,891	$10,020,891	($830,461)	$0	0%
North BrookHaven Clinic (Coram)/ Hudson River	$3,879,157	$2,123,415	$1,456,748	$666,667	$1,066,667	($390,081)	$400,000	
SE & SW Brookhaven Clinic (Patchogue & Shirley)-Brookhaven	$13,276,754	$13,276,574	$13,276,574	$12,381,709	$12,381,709	($894,865)	$0	0%
Wyandanch Clinic (MLK)-Good Samaritan	$5,406,213	$5,499,487	$5,499,487	$5,041,398	$5,041,398	($458,089)	$0	0%
Peconic Bay MC - RVHD HLTH CLNC	$358,616	$511,753	$511,753	$492,383	$492,383	($19,370)	$0	0%
County Health Centers								
Riverhead Health Center (Includes Southampton and East Hampton)	$4,200,953	$4,275,626	$4,320,447	$4,222,587	$4,183,216	($137,231)	($39,371)	-1%
Tri-Community Health Center	$2,974,481	$2,840,462	$2,659,220	$2,353,027	$2,270,146	($389,074)	($82,881)	-4%
Brentwood Health Center (County Portion of Islip HC)	$839,880	$705,919	$671,615	$697,417	$808,452	$136,837	$111,035	16%
Contracted Only	**$36,106,952**	**$34,744,515**	**$34,077,848**	**$28,603,048**	**$31,484,982**	**($2,592,866)**	**$2,881,934**	**10%**
County Portion Only	**$8,015,314**	**$7,822,007**	**$7,651,282**	**$7,273,031**	**$7,261,814**	**($389,468)**	**($11,217)**	**0%**
All Health Centers	**$44,122,266**	**$42,566,522**	**$41,729,130**	**$35,876,079**	**$38,746,796**	**($2,982,334)**	**$2,870,717**	**8%**

Community Mental Hygiene

The 2013 Recommended Operating Budget for the Division of Community Mental Hygiene is about 1.2% less than the Department's request. If contract agencies, which are substantially aided, are excluded, the reduction is 4.9%, about $832,000. The largest reductions, approximately $130,000 in total, are in Fees for Services contracts in the Methadone Clinics (4321-4560), in Mental Health Programs (4320-4560), and in the Jail Mental Health, Alcohol & Drug Abuse Programs (4340-4560). Unlike the Jail Medical Unit, appropriation 4109, there is no commensurate expansion of the Jail Mental Health, Alcohol & Drug Abuse Program to accompany the opening of the new Yaphank Correctional Facility.

Several Community Mental Hygiene appropriations are consolidated, eliminated or reduced in the 2013 Recommended Operating Budget. Appropriation 4317, the Health Services portion of the Alternatives for Youth Program, is a distinct program, and personnel are moved to

appropriation 4320, Mental Health Programs. This consolidation was also included in the Department's request. Appropriation 4322, the Day Reporting Center, is eliminated, and personnel are moved to other units in the Division. The Family Court Consultation (appropriation 4325) unit is eliminated as a separate unit, and the single position in this appropriation is moved to Mental Health Programs. Three positions are moved from appropriation 4331, the Children's Assertive Community Treatment grant.

Preventive Medicine

The 2013 Recommended Operating Budget for the Division of Preventive Medicine is 16.8% less than the Department's request, a reduction of $643,586. About 92% of the total reductions are in the Public Health Nursing Bureau (appropriation 4508). Salaries are reduced by 49% and Fees for Services contracts (4508-4560) are reduced by 21%. There are insufficient funds for permanent salaries within this appropriation (4508-1100) to pay the remaining personnel. The budget appears to conform with the Department's intention to downsize the Bureau and convert from a Certified Home Health Agency (CHHA) to a Licensed Home Care Service Agency (LHCSA).

Implicit in the downsizing is an opportunity for some of the public health nurses to transition to the Medical Service Specialist positions in the new Patient Advocate Unit in the Department of Social Services, created by Resolution No. 859-2012.

The remainder of the Division consists of the Administration appropriation, the Health Education unit and the Tobacco Enforcement unit. These functions are recommended at 1.2% less than the Department's request, a $31,950 reduction, with most of the reduction from two lines—Fees for Services contracts (4501-4560) and Building Repairs (4501-3650).

Emergency Medical Services

Appropriation 4618-4980, the contract for Medical Control, is recommended at 9.75% below the 2012 adopted level. Instruction for emergency medical personnel, in the Fees for Services budget line (4618-4560) is recommended at 13.3% below the 2012 adopted level. One Clerk Typist in the unit was transferred to another unit in the Department of Health Services as part of the redistribution of personnel following the layoffs in July 2012. The 2013 Recommended Operating Budget leaves the Division with one clerical staff.

EMS revenues (Revenue Code 3476) reflect the reduced ability of the Division to provide training with reduced staff and fewer appropriations for per diem instructors.

John J. Foley Skilled Nursing Facility (Fund 632)

Pursuant to Resolution No. 823-2012, the John J. Foley Skilled Nursing Facility was declared surplus to the needs of Suffolk County and sold to private nursing home operators, SSS Operating, LLC, and SSS Realty, LLC, for $23 million. The 2013 Operating Budget realizes this revenue, as well as collection agency revenue, and the 2012 Upper Payment Limit/Intergovernmental transfer from New York State as 2013 revenues in Fund 632.

Expenditures include an interfund transfer to the Employee Medical Health Plan for the retirees paid for from Fund 632, and in appropriation 4530, funding for terminal pay, a finder's fee for the sale, the state retirement bill associated with the facility, and a transfer to the self-insurance fund. No equipment or supply appropriations are included, nor are any appropriations for permanent salaries.

Three of the 190 employees are retained and transferred; two to other units in Health Services and one to the Department of Information Technology. The remaining employees, who have been in interim positions since the adoption of the 2012 Budget, are terminated.

Neither the sinking fund required to defease the $15-16 million in debt service, nor the HEAL-NY Phase 21 Grant that will be used to establish the fund are shown in the 2013 Recommended Operating Budget. The Nursing Home Fund's deficit, $10 million more than was expected in 2012, is carried into 2013, and is reduced by the sale proceeds and Upper Payment Limit revenues. Ultimately, the recommended budget anticipates a transfer of $12,251,251 from the Nursing Home Fund to the General Fund. No Medicare or Medicaid revenues are anticipated in 2013.

Issues for Consideration

Overview

Excepting the elimination of one function, long term residential care, and the transfer of another to an independent agency, Medical Legal Investigations, the recommended budget is a reasonable approximation of a cost to continue budget for the Department of Health Services. That being said, implicit within the budget are reductions in Suffolk County's role assuring provision of health services where none are otherwise available, monitoring health status, informing and educating personnel about health issues, and enforcing laws and regulations that protect health and safety. These service reductions, begun as a result of the 2012 budget, are continued through 2013.

In the Review of the 2012 Recommended Budget, the Budget Review Office warned that the 2012 Recommended Budget would render Suffolk County a less healthy and less safe place to live. Much of the service reductions and enforcement drawbacks that elicited that statement have now been in place since July 2012, when the layoff of personnel pursuant to the 2012 Adopted Budget and the Phase I Budget Shortfall Mitigation took place.

Service reductions since July 2012 include:

- A 25% reduction in visits at the Maxine S. Postal Tri-Community Health Center.
- A 20% reduction in visits at the three East End Health Centers.
- Reductions in visits at Mental Health Clinics.
- Reductions in visits at the Methadone Clinics, such that the New York State Office of Alcohol and Substance Abuse Services expressed concern with the County's ability to meet program obligations, because of insufficient prescriber (typically a physician or nurse practitioner) visits.
- Further reductions to inspections of restaurants. Loss of staff has forced the Public Health Protection Bureau to further concentrate on higher risk establishments, at the expense of fewer inspections of all food service establishments.
- Fewer inspections of sewage treatment plants.

These reduced service levels may be expected to continue through 2013, and perhaps beyond. The 2013 Recommended Operating Budget does not prepare units for expanded operations in

later years; for example, unfunded new positions are not added to any of the units that were most affected by the 2012 layoffs.

The staff reductions of 2012, which are not alleviated by the 2013 Recommended Operating Budget, have forced the Department to change its focus from prevention, early detection and intervention to response and mitigation. This change, engendered by the reduced staffing, will have several effects:

- In Environmental Quality, less capacity for regular inspection means greater risk for the potential of groundwater contamination.
- In Public Health, it means a decreased likelihood of detecting the already difficult to detect problem of source contamination.
- In Patient Care, reduced visit capacity will cause longer waiting times, both in the health centers and between appointments. This typically results in patients being seen later in their illnesses, and in forgoing preventive care.

None of the changes and reductions in the 2013 Recommended Operating Budget, nor in the two operating budgets preceding, was undertaken with any deliberate planning process or after a needs assessment. While the Department regularly conducts and reports a Community Heath Assessment, per New York State Law, a more comprehensive health systems assessment, integrating community needs, an assessment of the public health system, the community health assessment and an assessment of all forces affecting the community's health is warranted. Since 2013 will begin the process of updating the state-required Community Health Assessment, a commission or task force that could conduct this more strategic assessment is recommended. This is a project that could be undertaken with the cooperation of the School of Public Health at SUNY Stony Brook, to assist with the assessments.

Revenues

Approximately $2 million in revenue was added to the 2013 Recommended Operating Budget for Medicaid Fees collected by the Suffolk County Health Center System, at the same time that the narrative accompanying the budget describes the divestment of four sites staffed by County employees. The Department of Health Services plans on completing the transfer of the three East End Health Center sites (Riverhead, Southampton, and East Hampton) and the Maxine S. Postal Tri-Community Health Center to the license and control of Hudson River Healthcare by the end of 2012. The transfer of these sites would reduce patients at the health centers by approximately 28%. The reductions in the contracts at the remaining centers as recommended, will also probably reduce patient capacity and consequently revenues. Given the likely reductions in visits implicit in the budget, Revenue Code 1675, Cash Payments, is probably overstated as well.

The 2013 Recommended Operating Budget contains $1,005,000 in revenue related to public health nursing services in a Medicaid revenue line (Revenue Code 1610). This line should be reduced if the staff is reduced and the intended transition from a Certified Home Health Agency to a Licensed Home Care Service Agency takes place.

Health Department Personnel Transfer to Department of Information Technology

The Department of Health Services makes aid claims, particularly New York State Public Health Aid to Municipalities, against the work that its information technology workforce performs. If

these personnel are moved out of the control of the Department, care must be taken not to jeopardize that aid. To be able to continue to claim the aid, the work performed must be under the direction of the Health Services Commissioner, and the cost of the employee time must be directly charged to the Department of Health Services. The Department is working on an interdepartmental agreement with DoIT that will address these issues.

Administration

While the two new clerical positions in the Revenue Unit will assist in the processing of claims, which had decreased after the loss of personnel in July 2012, the possible outsourcing of remaining direct care claims bears exploring, especially since the full field of the Electronic Medical Record will not occur.

Community Mental Hygiene

The New York State Office of Alcohol and Substance Abuse Services cited the Division in 2012 for insufficient prescriber visits. Despite the "sharing" of prescribers among the units of the Division, and even with support from a physician from outside the Division, the prescriber problem remains critical. It is certainly unwise to abolish one Psychiatrist II position.

According to Suffolk County Law, if a filled position is abolished, as for example in the skilled nursing facility, all vacancies in that position must be abolished, regardless of their criticality in other areas. This problem has particularly impacted Nurse Practitioner positions in Community Mental Hygiene, and has contributed to the critical loss of prescribers to the Division. A more specific Civil Service title, for example Psychiatric Nurse Practitioner or Pediatric Nurse Practitioner, would preclude this unintended consequence.

The staffing for the Jail Mental Health, Alcohol, and Drug Abuse Program was not increased in anticipation of the opening of the new Jail. It is unlikely, given the reductions in staffing experienced in the Community Mental Hygiene Division in 2012, that the Division could support the new correctional facility without additional staff. To adequately staff the new Yaphank facility, and to make up for losses at the Riverhead facility caused by the transfer of personnel to other Division units in the wake of the July 2012 layoffs, 11 staff members would be required, as follows:

- 2 Psychiatrists
- 1 Nurse Practitioner
- 1 Senior Psychiatric Social Worker
- 2 Psychiatric Social Workers
- 2 Drug Counselors
- 1 Case Manager
- 2 Clerk Typists

An additional $168,000 of expected additional clinical support should be added to the Fees for Services contract lines.

There are insufficient funds in the permanent salary lines of four separate appropriations within the Division: Methadone Clinics ($222,000), Mental Health ($206,000), Community Support Services ($10,400) and, Jail ($1,534).

Emergency Medical Services (EMS)

Both of the contract appropriations within the 2013 Recommended Operating Budget for EMS are insufficient to meet expenses. Suffolk County's Medical Control contract with Stony Brook University Hospital (in appropriation 4618-4980) expired at the end of 2010. The hospital continues to provide medical control to the 100 EMS agencies in the County, but has not received payment since mid-2011. One of the physicians required for 24/7 medical control operations is paid for by the hospital at a cost of about $200,000 annually. A medical control agreement, whether with Stony Brook Hospital or with another hospital, is required for advanced life support care. The recommended budget is insufficient to assure continuance of the contractor's support, which amounts to about 22,000 medical control contacts annually.

Funds for contract instructors of the various emergency medical courses taught by the Division are in the Fees for Services (appropriation 4618-4560) line. The recommended budget includes $50,000 less than requested. New York State has increased the course hour requirement for the Emergency Medical Technician (EMT) basic course from 130 to 190 hours, and for the EMT refresher course from 37 to 67 hours. The additional material has also added to the cost of the instructional materials. Even at the requested level, reductions in the number of courses, and therefore in the number of Suffolk County certified EMTs available for emergency medical care, will be reduced to below 2012 levels.

Patient Care Services

At this point, significant reductions in Health Center resources such as those in the 2013 Recommended Operating Budget will lead to service reductions, and consequently reductions in revenues, reductions which have not typically been accounted for in the last two recommended budgets. The three hospital contracts should be restored to the 2012 adopted level to avoid further service reductions as the County staffed Health Centers transition to Hudson River Healthcare control.

One filled interim position in appropriation 4104 was inadvertently abolished. This position, a Medical Assistant (Spanish Speaking), should be transferred out of the interim unit and the position restored.

There are funds in the Jail Medical Unit permanent salary lines (4109-1100) for about six months of the new positions. We believe this to be sufficient; however, if the unit is required to ramp up staff at a more rapid pace, more appropriations will be needed for this mandated appropriation. There is no contingency fund for the Jail Medical Unit in the 2013 Recommended Operating Budget.

Public Health Nursing

Public health nursing is reduced by another five Nurses and one Home Health Aide in the 2013 Recommended Operating Budget. According to the Department, the intent is for the County to divest itself of its Certified Home Health Agency (CHHA) license and to convert to a Licensed Home Care Service Agency (LHCSA). The Bureau would continue to see uninsured patients, but would transfer insured patients to other home care providers. As a LHCSA, the

Bureau would no longer be able to bill for Medicaid or Medicare, although it would continue to see patients, and would generate some offsetting revenues from New York State Public Health Aid to Municipalities (Article 6 aid) and from payments from sliding scale fee and self-pay patients.

Environmental Quality

In addition to the nine personnel lost in 2012, the Division of Environmental Quality never replaced most of the personnel lost to the 2010 Early Retirement Program. As a result, the Division has lost 25 personnel in the last two years.

If the positions funded in 477 are to remain there past 2013, restructuring those positions as a unit, or two units, would simplify administrative housekeeping and state and federal aid calculations.

John J. Foley Skilled Nursing Facility (JJFSNF)

The 2013 Recommended Operating Budget accepts considerable risk regarding the pace of transition to the private owners. Suffolk County could continue to employ personnel at the facility without personnel appropriations, and incur a deficit in the personnel lines of the 2013 Operating Budget. However, the absence of supply appropriations, particularly Food (632-4530-3330), Medical Supplies (632-4530-3370) and Laundry and Sanitation (632-4530-3920) is more problematic, as is the ability to augment staff with contract employees; there are no appropriations available in Fees for Services (632-4530-4560). The 2009, 2011, and 2012 attempts at closure or sale budgeted at least three months of expenditures to effect an orderly transition for the facility.

On September 29, 2012, the Budget Review Office submitted questions to the Office of the County Executive and the Chief Deputy County Executive, regarding the timeline for transition, the status of the Certificate of Need (CON), and any official updates on the acceptable use of the HEAL-NY Phase 21 Grant. On October 1st, an Assistant Deputy County Executive acknowledged receipt of the questions. No other response has been forthcoming as of this writing. As of October 11, 2012, there was no CON application in the New York State Electronic Certificate of Need system requesting transfer of ownership of JJFSNF from Suffolk County to the purchasers. The change in ownership requires a full review, and the time required for approval of the 32 CON submitted to New York State in the last three years for changes in ownership ranges six to twelve months.

The orderly transition of this facility to private ownership affects the 2013 Operating Budget, the lives of the 187 patients who remain at the facility, 190 Suffolk County employees, and the families of those employees and patients, yet the recommended budget provides inadequate contingency for the typical transition time for transfer of Residential Health Care Facility ownership in New York State. An additional $800,000, for three months of supplies would allow the facility to operate through the end of March. Whether the 2013 Recommended Operating Budget is modified now or next year, it will ultimately decrease the expected $12.3 million transfer to the General Fund anticipated in the recommended budget. It is also possible that claims "runout" from previous years will accrue to 2013, and be available to at least partially offset expenditures required because of a delay in transition.

Budget Review Office Recommendations

Administrative/General

- Create a task force or commission to conduct assessments of community strengths, a public health system assessment, and a forces of change assessment in coordination with the Department's Community Health Assessment.

Revenues

- Reduce Public Health Nursing Revenues (Revenue Code 1610) by $500,000 if the Public Health Nursing Bureau is reduced as recommended.
- Reduce Medicaid Fees (Revenue Code 1672) to the requested level, by $1,998,039.

Emergency Medical Services

- Increase the appropriation for Medical Control by $45,699 in anticipation of a new medical control contract.
- Increase the appropriation for per diem instructors by $150,000, to account for the additional instructional hours required for emergency medical training.

Community Mental Hygiene

- Add $73,641 to permanent salaries, $5,634 in FICA, $6,830 to Health Benefits, and $703 in Welfare Fund contributions for a Psychiatrist in Mental Health Programs for six months. Restore the abolished Psychiatrist in Mental Health Programs.
- Add $416,951 to permanent salaries, $28,078 in FICA, $88,804 to Health Benefits, and $9,140 in Welfare Fund contributions to fund the 11 new positions needed in the Jail Mental Health, Alcohol, and Substance Abuse program for six months.
- Add $168,000 in Fees for Services in appropriation 4340-4560 to cover needed clinical support for the Jail Mental Health, Alcohol, and Substance Abuse program.

Patient Care Services

- Fund the remaining Health Center contracts at the 2012 estimated level, adding a total of $2.2 million as follows:
    - $830,461 for the Islip Health Center Contract (4100-4980-AJK1)
    - $894,865 for SE & SW Brookhaven Clinic (4100-4980-APR1)
    - $458,089 for Wyandanch Clinic (4100-4980-AYM1)
    - $19,370 for Peconic Bay MC (4100-4980-GGU1)

Services for Children with Special Needs

- Create one new Special Education Counselor, or one new Special Education Itinerant Teacher title, and fill it immediately to avoid the loss of more than $1.5 million in revenue. The cost is $51,234 in permanent salaries, $1,406 in Welfare Fund Benefits, $13,661 in Healthcare Benefits, $3,919 in FICA.

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Human Services

Personnel (as of 9/16/2012)

Authorized Positions:	88	**Filled Positions:**	72
Vacant Positions:	16	**Percentage Vacant:**	18.2%
Positions Abolished in the Recommended Budget:	1	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$5,077,649	$4,501,619	$4,873,409	$4,785,191	$4,658,891
Equipment (2000s)	$7,164	$4,640	$700	$2,151	$1,903
Supplies (3000s)	$558,252	$1,258,846	$659,429	$1,186,381	$1,170,176
Contracts (4000s)	$17,767,760	$14,816,662	$14,688,564	$14,648,519	$14,632,426
Totals	$23,410,825	$20,581,767	$20,222,102	$20,622,242	$20,463,396

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$7,250,489	$6,701,402	$7,724,502	$7,271,420	$7,173,930
Federal Aid (4000s)	$4,746,871	$4,757,015	$4,722,892	$4,542,305	$4,661,646
Departmental Income	$0	$0	$0	$0	$0
Other Income	$104,654	$107,148	$101,223	$97,148	$93,135
Totals	$12,102,014	$11,565,565	$12,548,617	$11,910,873	$11,928,711

Effects of Recommended Budget

County Executive Office - Human Services

The Human Services division of the County Executive's office is comprised of four operational areas: Office of the Aging, Office for People with Disabilities, Community Services (Minority Affairs, Youth Bureau and Office for Women), and Veterans Services. In the aggregate, the 2012 estimate for expenditures is $20.22 million, which is $359,665 or 1.7% less than adopted. The recommended budget provides $20.46 million in 2013, which is $118,371 or .6% less than the 2012 adopted and $158,846 less than requested.

In the aggregate, the 2012 estimated revenue is $12.55 million, which is $983,052 or 8.5% more than the 2012 adopted amount of $11.57 million. This is associated with a $1 million increase in State Aid for the Office of the Aging. The recommended budget includes $11.93 million, which is $363,146 or 3.1% more than the 2012 adopted and $17,838 more than requested.

Issues for Consideration

Office of the Aging

The Office of the Aging is designated as the area agency on aging and is charged with the responsibility of administering federal, state and county programs for persons 60 years of age or older on the county level. Based on the 2000 and 2010 census, Suffolk County's population of 60 years of age or older has increased by 26.8% and is now estimated to be 285,071 or 19% of the population. Based on this increase, the Office of the Aging has been able to increase the level of State aid in 2012 and 2013; and by utilizing the County's reduced bus fare program as the required 25% local match, has saved the direct cost of the local match.

The increase in 2012 and 2013 expenditures and revenues are reflected in the Office of the Aging's Community Services for the Elderly program (CSE) and Expanded in Home Services for the Elderly program (EISEP).

The 2012 estimated expenditures of $13.75 million, are $709,132 or 5.4% more than adopted. The recommended budget provides $13.76 million, which is $128,172 less than requested, but $712,700 more than the 2012 adopted.

The 2012 revenue estimate in the aggregate is $11.78 million for Office of the Aging, which is $1.1 million or 10.2% more than adopted.

The recommended budget includes $11.16 million, which is $23,238 more than the requested and $470,685 more than adopted.

The increase in 2012 expenditures compared to the 2012 adopted is primarily associated with increased program costs in the Community Services for the Elderly program (CSE) (Permanent Salaries $255,393 and Contracted Agencies $149,090) and the Expanded in Home Services for the Elderly program (EISEP) (Permanent Salaries $109,993 and Contracted Agencies $243,009). The 2013 recommended increase is primarily associated with increased program costs with the Community Services for the Elderly program (CSE) (Permanent Salaries $105,918 and Contracted Agencies $99,090) and the Expanded in Home Services for the Elderly program (EISEP) (Permanent Salaries $98,852 and Contracted Agencies $499,576). The expenditures in these two programs are offset by 75% State aid.

The 2012 revenue estimate includes an increase of $1.1 million or 10.2% compared to the 2012 adopted amount for State Aid associated with the Community Services for the Elderly program (CSE) at $614,580, the Expanded in Home Services for the Elderly program (EISEP) at $371,222, and the Point of Entry program at $133,454.

The recommended budget includes an increase of $470,685 or 4.4% over the 2012 adopted revenue associated with an increase in State Aid for the Community Services for the Elderly program (CSE) at $116,178, the Expanded in Home Services for the Elderly program (EISEP) at $371,222, and the Point of Entry program at $83,407.

Staffing

As of September 16, 2012, the Office of the Aging had seven vacant positions out of 61 for a vacancy rate of 11.5%. Three of the vacant positions are in Older Americans Act Program (Title III-B), one Senior Citizen Aid, one Clerk Typist, and one Community Relations Assistant; two are in Community Service for the Elderly (CSE), one Caseworker, and one Dietetic Technician; one is in Expanded in Home Services for the Elderly Program (EISEP), Senior Caseworker; and one in Older Americans Act Title III-C-1, Head Clerk.

Based on year to date Permanent Salaries expenditures, the 2012 estimate for Community Service for the Elderly (CSE) (6777) can be reduced by $189,429. The recommended budget provides $41,090 in Older Americans Act Program (Title III-B) (6772) and $45,280 in Community Service for the Elderly (CSE) (6777) to fill vacant positions in 2013.

The recommended budget reduces the Office of the Aging's 61 authorized positions to 59 via transfer of one Office Systems Analyst I and one Data Control Supervisor to the Department of Information Technology as part of an initiative by the Executive to create a "federated approach" to information services.

Office of Community Services

The County Executive's Office of Community Services is comprised of the Youth Bureau, Minority Affairs, and the Suffolk County Office for Women. Community Services states their mission is “carried out though administering and management of contracts with independent not-for profit youth agencies, technical assistance, a women’s hotline, oversight of minority and women’s advisory boards, and support to Town Youth Bureaus throughout Suffolk County”.

Youth Bureau

Expenditures

The 2012 estimated expenditures for the Youth Bureau are $5.44 million, which is $493,161 less than adopted. The majority of this decrease, $448,138, is a result of decreased expenditures for contracted agencies. The 2013 Recommended Budget provides $5.19 million, which is $8,292 less than requested.

The Youth Bureau did not request funding in 2013 for Madonna Heights (AKT2) (adopted at $198,630 in 2012) for the Rose Pellietier Program. Madonna Heights informed the County that they will no longer operate the Rose Pelletier residence for homeless girls in 2013.

Revenues

The 2012 revenue estimate is $658,105 for the Youth Bureau, which is $97,139 or 12.9% less than the 2012 adopted amount of $755,244. The 2013 revenue is $658,105, as requested.

The majority of the revenue for the Youth Bureau is State aid, estimated at $640,726 in 2012, with the same amount recommended in 2013. The Youth Bureau has expressed concern on the declining level of State aid for youth programs. In 2010, the actual aid was $993,808.

Staffing

The Youth Bureau has five authorized positions, of which three are filled, one Youth Services Coordinator, one Youth Services Supervisor and one Account Clerk/Typist. There are two vacant positions, one Youth Services Supervisor and one Runaway Coordinator, which is a vacancy rate of 40%.

Based on year-to-date expenditures, there are sufficient funds for the three filled positions in 2012. The recommended budget includes permanent salary funding for all currently filled positions and only $15,445 to fill vacancies.

Minority Affairs

The mission of Minority Affairs is to address the needs of African-American, Hispanic American, Asian-American, Muslim-American, Women and other minority residents of Suffolk County under federal, state and local laws that provide protections and benefits in business and the workplace.

Expenditures

The 2012 estimated expenditures are $84,808, which is $37 less than adopted. The 2013 Recommended Budget provides $68,869, which is $7,772 less than requested due to reductions in temporary salaries and fees for services.

Staffing

The Minority Affairs unit has two positions, one filled Clerk Typist (Spanish Speaking) position and one vacant Principal Clerk.

There are insufficient funds to fill the vacant Principal Clerk position in 2013. Based on discussions with Community Services, a County Executive Assistant I, funded elsewhere in the County Executive's Office, has been actively engaged in fulfilling the staffing requirements of Minority Affairs and other units within Human Services.

Suffolk County Office for Women

The mission of the Office for Women includes identifing the needs and concerns of the female population of Suffolk County seeking County services and to advocate and stimulate awareness on that behalf.

Expenditures

The 2012 estimated expenditures of $166,546 are $29,589 less than adopted. The recommended budget provides $99,767 in 2013, which is $7,799 less than requested due to a reduction in fees for services. A program that provided legal services to aid women in

obtaining a divorce, that could not afford the costs of a divorce and were victims of domestic violence, is discontinued. The estimate for this program is $77,056.

Staffing

The Suffolk County Office for Women unit is recommended with three positions and currently has one filled position, Women's Resources Advisor I, and two vacant Secretary positions. The recommended budget provides $96,517 in permanent salaries, which is sufficient to fund the Women's Resources Advisor I and $34,242 to fill vacant positions. BRO estimates this amount is sufficient to fill one of the vacant Secretary positions in the first quarter or both vacant Secretary positions in the third quarter of 2013.

Office for People with Disabilities

Expenditures

For the Office for People with Disabilities, the 2012 estimated expenditures are $309,212, which is $59,713 or 16% less than adopted. The 2013 recommended expenditures are $352,363, which is $6,498 less than requested. BRO projects Permanent Salaries to exceed the 2012 estimate by $13,690. The recommended budget provides $10,430 to fill vacant positions in 2013.

Revenues

The 2012 revenue estimate (112-EXE-8054-2619) for Surcharge - Handicap Parking is $45,000, which equals the 2012 adopted and 2013 requested and recommended amounts. Based on year-to-date revenue and historical amounts, BRO estimates the 2012 estimate and 2013 recommended amounts are over stated by $17,000 in each year.

Staffing

As of September 16, 2012, the Office for People with Disabilities had two vacant positions out of eight for a vacancy rate 25%. The vacant positions are one Community Organization Specialist (grade 25), and one Auto Equipment Operator (grade 10). The Recommended Budget provides $10,430 for Permanent Salaries to fill one or both of these vacant positions in the last quarter of 2013.

The recommended budget provides sufficient funds to maintain operations in the Office for People with Disabilities in 2013 as in 2012. This includes funding for six positions as follows: Director of Office for People with Disabilities, Education Coordinator, Neighborhood Aide, Senior Clerk Typist, Clerk Typist, and Community Service Aide. At the same time, the recommended budget does not provide any additional funds that would be required to expand service delivery.

Veterans Service Agency

The County has its main Veterans Service Agency office in Hauppauge and a satellite office in Riverhead. The County's Veterans Service Agency mission includes assisting members of the armed forces, veterans, their dependents and survivors in relation to (1.) matters pertaining to education, training and retraining services and facilities, (2.) health, medical and rehabilitation services and facilities, (3.) provisions of federal, state and local laws and regulations affording special rights and privileges to the members of the armed forces, war veterans and their

families, (4.) employment and re-employment services, and other matters of similar related or appropriate nature.

Expenditures

The 2012 estimated expenditures are $468,175, which is $13,704 or 3% more than adopted. The recommended budget provides $492,432, which is $365 less than requested

Revenues

The 2012 revenue estimate for State Aid (001-EXE-6510-3710) is $64,908, which equals both the 2012 adopted and 2013 requested/recommended amounts. Based on Article 17, Section 359, of the New York State Executive Law, the allotment of State funds for disbursement to County Veterans Service Agencies, BRO agrees with these amounts.

Staffing

As of September 16, 2012, the Veterans Service Agency had two vacant positions out of nine for a vacancy rate of 22%. The vacant positions are one Veterans Service Officer (grade 16), and one Senior Clerk Typist, (grade 12). The filling of the Veterans Service Officer position is necessary before February 2013 in order to obtain the mandated training required to perform the job. The recommended budget provides $69,338 in Permanent Salaries to fill the two vacant positions in the first quarter of 2013, as requested by the Veterans Service Agency. One interim possition is not continued.

The Veterans Service Agency reported a backlog in their workload of eight weeks. Based on discussions with the Veterans Service Agency the back log is a result of: 1.) being down one Veterans Service Officer, 2.) the State reduced the number of Veterans Service Officers in Suffolk County (two lost at the Northport Veterans Hospital), 3.) an increase in the number of skilled nursing homes now referring veterans and their dependents to the Suffolk County Veterans Service Agency for processing of benefit requests and, 4.) an increase in the number of widows and dependents of Veterans currently seeking services. The filling of the vacant Veterans Service Officer position in the first quarter of 2013 is anticipated to assist in reducing the Agency's backlog after the individual hired obtains and passes the mandated training.

The Veterans Service Agency issues Veteran Identification Cards. Some of the equipment used is from 2007 and is reaching the end of its useful life. It is estimated that $7,000 would be necessary to equip the Hauppauge and Riverhead offices with one ID printer each. Currently, the Riverhead office is without this equipment and transmits the veteran's information along with their photo to the Hauppauge office for processing. The cards are then mailed to the veteran. The Veterans Service Agency did not request funding for this equipment and the recommended budget does not provide any funding for this equipment. To prevent a breakdown of service delivery in 2013, BRO recommends adding $3,500 for one Identification Cards system.

Budget Review Office Recommendations

- Reduce the 2012 estimate for Permanent Salaries by $189,429 in Community Service for the Elderly (CSE) (6777).
- Reduce Permanent Salaries expenditures by $2,100 in Suffolk County Office for Women unit (8051) in 2012.
- Add $3,500 for Office Machines (2020) in 2013 to purchase one Identification Cards system for the Veterans Service Agency.

MUN Human Services13

Information Technology Services

Personnel (as of 9/16/2012)

Authorized Positions:	74	**Filled Positions:**	65
Vacant Positions:	9	**Percentage Vacant:**	12.2%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$5,623,652	$5,419,806	$5,309,984	$5,377,362	$8,221,988
Equipment (2000s)	$496,299	$904,150	$537,339	$1,013,547	$736,847
Supplies (3000s)	$5,070,696	$4,317,881	$3,833,220	$4,153,797	$4,116,850
Contracts (4000s)	$4,568,258	$5,358,637	$5,172,616	$5,220,116	$5,180,116
Totals	$15,758,905	$16,000,474	$14,853,159	$15,764,822	$18,255,801

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$14,044	$0	$55,043	$0	$0
Departmental Income	$0	$0	$0	$0	$0
Other Income	$2,063,131	$2,201,629	$2,182,395	$2,310,700	$2,560,699
Totals	$2,077,175	$2,201,629	$2,237,438	$2,310,700	$2,560,699

Effects of Recommended Budget

The 2013 Recommended Budget for Information Technology Services (ITS) represents a 14.1% increase in total expenditures, excluding debt service, from the Department's 2012 Adopted Budget. This increase is attributable to a net appropriations transfer of $2,828,225 into Personal Services (016-ITS-1682), which accounts for the transfer of forty-three Information Technology (IT) positions from various County Departments to ITS. Noted in the 2013 Budget are reductions of 18.5% for equipment, 4.7% for supplies and 3.3% for contracts. In 2010, the Department instituted an "as needed" replacement policy for computer and office equipment, which has resulted in expenditure reductions over the 2012 Adopted Budget. Furthermore, certain contract negotiations and expirations in 2011 and 2012 have reduced Contractual Expenses, and the Department continues to consolidate costs across departments in order to maximize the purchasing power of the County.

Anticipated revenues in the 2013 Recommended Budget indicate a 16.3% increase over the 2012 Adopted Budget for ITS. Growth in the development of Suffolk County's cellular tower sites are credited with this rise in revenue from Wireless Communication Carrier commissions (016-ITS-1651-2450). Moreover, the Department foresees a 3.7% increase in 2013 inmate coin operated telephone commissions (016-ITS-1651-2456) when the Yaphank Correctional Facility opens. The proposed revenue growth is reasonable.

Personnel

The 2013 Recommended Operating Budget funds the Department of Information Technology (DoIT) with $8,098,088 for permanent salaries of the existing seventy-four ITS positions along with the permanent salaries covering a transfer of forty-three IT positions from eight other County Departments. The budget establishes a new Direct Charge Department Staff Unit (016-ITS-1682) within ITS to contain the transferred positions and, while intentions are for these employees to remain located at their current departmental workstations, the planning, policy and certain work activities will be coordinated through DoIT. The Direct Charge Unit has been created in order to maintain accuracy of chargeback areas eligible for departmental reimbursement and State or Federal aid.

The following table outlines the affected positions.

Transferred Positions			
Department	Title - (Qty. >1)	Grade	Status
County Executive :	Office Systems Analyst I	19	Filled
	Data Control Supervisor	17	Filled
Fire Rescue :	Public Safety Technical Coordinator	24	Filled
	GIS Technician III	23	Filled
	Office Systems Analyst I	19	Filled
Health Services :	Office Systems Analyst IV	28	Filled

Transferred Positions			
	Office Systems Analyst III - (5)	24	Filled
	Programmer Analyst	24	Filled
	Office Systems Analyst II - (5)	21	Filled
	Office Systems Analyst I - (5)	19	Filled
Labor :	Data Processing System Coordinator	27	Filled
	Office Systems Analyst III - (2)	24	Filled
	Programmer Analyst - (2)	24	Filled
	Computer Programmer	21	Vacant
	Office Systems Analyst I	19	Filled
	Office Systems Technician	17	Vacant
Medical Examiner :	Office Systems Analyst III	24	Filled
	Office Systems Analyst I	19	Filled
Parks :	Office Systems Analyst I	19	Filled
Probation :	Systems Analyst Supervisor	30	Filled
	Sr. Programmer Analyst	27	Filled
	Programmer Analyst - (2)	24	Filled
	Office Systems Analyst I	19	Filled
	Office Systems Technician	17	Vacant
Public Works :	Sr. Programmer Analyst	27	Filled
	Programmer Analyst	24	Vacant
	Office Systems Analyst II - (2)	21	Filled

Equipment and Supplies

In 2010, DoIT instituted an "as needed" replacement policy for computer and office equipment among all County departments encompassed within the ITS Operating Budget. This policy change allows Suffolk County to augment reductions in the 2013 Recommended Budget over the 2012 Adopted Budget of $175,000 for Office Machines (016-ITS-1680-2020) and $69,316 for Computer Software (016-ITS-1680-3160).

Through the use of virtualization software (VMware) and licensing, the Department is continuing with its server consolidation initiative. Since implementation of virtualization began, approximately 65% of the Department's entire server population no longer resides on stand-alone hardware and DoIT states the goal is to achieve 85% virtualization within the next twenty-four months. In 2011, the Department negotiated a three-year agreement for unlimited VMware software use in DoIT, Police and County Clerk. All other departments must remain at their current level of virtualization otherwise additional licensing costs will be incurred by ITS.

The Treasurer's Tax History System has been removed from the ITS Budget in response to the Treasurer's request for a migration to a hosted application handled by Finance and Taxation and the vendor, Tyler Software. DoIT is no longer supporting this application, which represents an annual savings of $494,000 to the Department.

Contracts

In the category of Telephone & Telegraph (016-ITS-1651-4010 and 016-ITS-1680-4010), combined funding for both the 1651 and 1680 units in the 2012 Adopted Budget was $4,576,960 and now the combined funding in the 2013 Recommended Budget is $4,370,058. A three-year extension of the Verizon Centrex Agreement is credited with the $206,902 savings. Prior to the agreement's expiration, the Department made a request to the RFP Waiver Committee to extend the current contract an additional three years through the third quarter of 2013.

In June 2012, the County's Microsoft Enterprise Agreement (EA) expired and DoIT has made the decision not to renew at this time. All County Departments must remain at their present level of Microsoft software and licensing until a new EA is negotiated. The expired EA covered a 3.5 year term with a total cost of $4,058,040 to the County.

Revenues from Suffolk County's cellular tower Wireless Communications Carrier contracts continue to increase under the Wireless Communications Review Committee. Presently, there are six Wireless Communications Carriers with which the County has agreements that encompass eleven cellular tower locations throughout Suffolk County. The current list of Carriers under contract includes AT&T, Crown Castle, Metro PCS, Sprint/Nextel, T-Mobile and Verizon.

The following table indicates the eleven current County cell tower locations.

Existing Cellular Tower Sites		
1st Precinct	H. Lee Dennison	Tri- Community Health Center
2nd Precinct	Cohalan Court Complex	Sewer District 8
6th Precinct (former location)	Riverhead Court Bldg.	Mt. Misery
7th Precinct	DPW Commack Garage	

The following table outlines revenue growth over a six-year period.

Total Revenue from Wireless Carriers	
2008	$210,051
2009	$366,585
2010	$413,435
2011	$518,260
2012 (Estimated)	$533,876
2013 (Projected)	$646,000

Debt Service

The Debt Service for capital expenditures in the Inter-department Operation and Service Fund (016) is reflected in DoIT's budget. The 2012 Adopted Budget included $869,418 and is now estimated to be $544,285 for the year. The 2013 Recommended Budget includes $558,825.

Issues for Consideration

Personnel and Transfers

Based on Budget Review Office (BRO) projections, the 2013 recommended permanent salaries across its combined three units, 1651, 1680 and 1682, is insufficient to adequately fund the currently filled positions for a full year along with the thirteen vacancies.

Findings of the 2013 BRO Turnover Savings Model conclude:

- Funding for the Telecommunications Unit (016-ITS-1651) results in a surplus of $37,930, which is sufficient to fill 50% of the permanent salaries for this unit's two vacant positions in 2013.
- Funding for the Information Technology Services Unit (016-ITS-1680) results in a surplus of $92,245, which is sufficient to fill 24% of the permanent salaries for this unit's seven vacant positions in 2013.
- Funding through 2013 for the Direct Charge Department Staff Unit (016-ITS-1682) results in a deficit of $236,276 for the permanent salaries of this unit's positions, which include four vacancies.
- Funding for the combined three Units results in sufficient funding for currently filled positions and $93,899 to fill vacancies.

The County Executive's proposed departmental transfer of forty-three IT positions to DoIT has both positive and negative potential consequences that include:

Positive consequences

- Increased enhancement and efficiency of County IT resources resulting from DoIT's control and oversight.

- Global IT related needs of the County may be prioritized over individual departmental needs.
- Potential for cross-training of IT related functions. Much of the County's IT workforce is in departments that have unique computer hardware and software needs. If technical staff is cross-trained then they could act as a backup for personnel in these specialized areas.

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 and management will have less control and oversight of their IT staff.
- Transferred personnel may be subject to addressing global County IT needs in lieu of the needs of their individualized departments.
- IT personnel may be required to travel to remote locations.
- Transferring the supervision of IT personnel from on-site to management across departments may obstruct and limit necessary local direct supervision.
- Transferring IT staff out of their respective departments may result in a potential loss in Federal and State aid revenue. The 2013 Recommended Operating Budget tries to address this issue by establishing the Direct Charge Department Staff Unit (016-ITS-1682). However, it is not clear whether or not these outside entities will accept this solution; for example, the Probation Department states that aided reimbursement requires staff to reside in Probation specifically. On the other hand, Health Services contends that a Memorandum of Agreement (MOA) between itself and DoIT will suffice.
- At present, it is unclear what mechanisms the Department intends to use in order to accurately and appropriately measure and document work completed for Federal and State aid and all grants. There may be a need for a variety of documents and forms to satisfy individual departmental requirements for compensation.
- Similarly, the Department has no comprehensive means of documentation or precise metric for calculating and delineating time spent by IT staff on DoIT work versus work for the local department. The Department states they are in the process of developing a modified time sheet to ensure accurate chargebacks for departmental reimbursement.
- DoIT will need to address the issue of forty-three added personnel to their staffing levels with their current payroll and clerical staff. There may be a need for additional hires.
- The Department will need to manage and maintain an increase in computer hardware and software and office supplies for the transferred IT staff.

From the Department's perspective, the transfer and consolidation of IT staff allows for improved communications across the respective departments and greater oversight to attain common goals concerning the County's needs. DoIT further contends that, after the transfers occur, they will realign specific staff to ensure efficient and proper management and coverage.

Wireless Communications

Wireless Communications Carrier agreements are a growing source of revenue for the County. Each contract comprises a 29 year term, which covers an individual Carrier at a specific cell tower location. Moreover, each agreement has a built-in three percent increase year-over-year for its duration. While presently there are eleven cell tower locations scattered across the County from which revenues are derived, DoIT has identified a number of potential sites for development with many located on County parks and golf courses.

The 2013 Recommended Operating Budget includes a sale-lease back plan of numerous County-owned facilities and several of these locations contain wireless cellular towers from which the County derives Carrier revenue. The sale of these particular facilities could impact Carrier agreements and reduce revenues to the Department in 2013 and beyond; and should be taken into account during any negotiations.

The following table highlights revenues from potential sale-lease back facilities with cell towers.

Combined Carrier Revenues At Proposed Sale Facilities		
Cell Tower Sites	2012	2013 (Projected)
H. Lee Dennison	$123,803	$157,517
Cohalan Court Complex	$21,000	$21,630
Tri-Community Health Center	$23,297	$44,996
Riverhead Court Bldg.	$23,641	$24,350
1st Precinct	$44,927	$46,275
2nd Precinct	$45,582	$46,949

Budget Review Office Recommendations

- Intensify the search for potential wireless cellular tower sites in appropriate County locations. Definitive sites for development should have expedited installation schedules so as to maintain County revenues if current County facilities with cell towers are impacted by sale-leaseback negotiations.
    - Because the list of prospective cell tower sites includes numerous County parks and golf courses, the Commissioner of Parks or his designee should have a seat on the Wireless Communications Review Committee.
- The Department needs to develop a clear and comprehensive means of documentation to meet the requirements for departmental chargebacks. More importantly, DoIT must identify and address all appropriate provisions and requirements within each affected

Department for purposes of maintaining existing revenue for Federal and State aid and all grants.

- Continue support of the "as needed" equipment replacement approach in order to take advantage of further expenditure reductions.
- Maintain the current level of Microsoft software and licensing across all County departments to refrain from entering into a new Microsoft Enterprise Agreement in 2013.

CAF ITS13

Labor, Licensing, and Consumer Affairs

Personnel (as of 9/16/2012)

Authorized Positions:	222	**Filled Positions:**	169
Vacant Positions:	53	**Percentage Vacant:**	23.9%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	7

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$13,080,193	$12,539,557	$12,502,425	$13,682,902	$12,473,569
Equipment (2000s)	$22,866	$2,000	$63,794	$1,900	$1,900
Supplies (3000s)	$256,612	$283,958	$256,315	$224,297	$224,297
Contracts (4000s)	$2,859,481	$1,558,693	$3,503,607	$2,919,349	$2,906,518
Totals	$16,219,152	$14,384,208	$16,326,141	$16,828,448	$15,606,284

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$735,462	$573,398	$1,022,424	$1,022,424	$1,022,424
Federal Aid (4000s)	$9,038,910	$7,955,986	$10,578,451	$10,898,041	$11,074,699
Departmental Income	$0	$0	$0	$0	$0
Other Income	$5,396,263	$5,019,700	$5,015,498	$5,084,750	$5,814,750
Totals	$15,170,635	$13,549,084	$16,616,373	$17,005,215	$17,911,873

* The table above reflects combined revenues and expenditures for the Department of Labor and the Department of Consumer Affairs in the 2011 Actual, 2012 Adopted, 2012 Estimate, and 2013 Requested categories to provide appropriate figures for comparison with the 2013 Recommended, which assumes the merger of these two Departments.

Effects of Recommended Budget

Departmental Merger

The 2013 Recommended Budget reflects the merger of the Department of Consumer Affairs with the Department of Labor to form the Department of Labor, Licensing, and Consumer Affairs as proposed via the County Executive's Introductory Resolution No. 1926-2012 that was laid on the table on September 13, 2012. The new Department is established to realize synergies in promoting the health, safety, and economic well-being of both the business community and the public. The back-up included with the Executive's statement of fiscal impact pertaining to the merger of the Departments indicates approximately $900,000 in savings resultant from the relocation of Consumer Affairs personnel to the Labor building, increases in turnover savings, and reassignment of staff.

Investigations Unit (01-6610-Office of Consumer Affairs-6000)

Seven new positions are included in conjunction with the creation of the new Department to form an Investigations unit. This new unit is proposed to consist of six new Investigations Assistants and one Investigations Manager. The addition of these positions is anticipated to increase revenues from fines and fees by 10% or approximately $500,000 as compared with 2012 adopted levels.

Taxi - Limousine Commission

New York State has authorized Suffolk's creation of a Taxi-Limousine Commission, which the Executive places under the oversight of the newly formed Department. Going forward, taxi and limousine companies will be required by the Commission to pay a fee to register with Suffolk County, which will administer background checks of the companies and its employees to enhance safety for consumers of these services. Additionally, the County will now be eligible to enter into reciprocity agreements with Nassau, Westchester, and New York City allowing Suffolk based companies offering these services the ability to provide services outside of Suffolk.

Centralized Coordination of Information Technology

The 2013 Recommended Budget transfers 42 information technology positions from various departments to the Department of Information Technology (DoIT) to create a "federated approach" to information tech services. The recommended budget transfers eight information technology affiliated positions with aggregated salaries of $583,230 from the new Department to DoIT.

Net Cost to the County

The County's 2013 General Fund expenditure for the Department of Labor, Licensing, & Consumer Affairs is recommended at $4.2 million or 22.6% of the new Department's total expenditures, as detailed in the table that follows. The General Fund cost for the Department of Labor, Licensing, & Consumer Affairs is now comprised of expenditures for Administration (6370), Consumer Affairs (6610), Living Wage (6700), and approximately 30% of the expenditure for the Suffolk Works Employment Program (SWEP) (6380), per the Department.

Net Cost to the County for the Department of Labor, Licensing, & Consumer Affairs					
Description	**2011 Actuals**	**2012 Adopted**	**2012 Estimated**	**2013 Requested**	**2013 Recommended**
Total Expenditure Including Interfunds	$17,291,131	$15,861,806	$18,638,845	$19,377,704	$18,617,002
Fund 001 Net Cost to the County	$4,736,528	$4,470,575	$4,381,141	$4,774,039	$4,200,550
Net County Cost (%)	27.4%	28.2%	23.5%	24.6%	22.6%

* The table above reflects combined expenditures for the Department of Labor and the Department of Consumer Affairs in the 2011 Actual, 2012 Adopted, 2012 Estimate, and 2013 Requested categories to provide appropriate figures for comparison with the 2013 Recommended, which assumes the merger of these two Departments.

Revenue Overview

Department of Labor, Licensing, & Consumer Affairs Revenue							
Fd.	Rev.	Revenue Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
320	2389	Other Services	$47,999	$48,000	$0	$0	$0
320	2701	Refunds Of Prior Year Expenses	$0	$0	$621	$0	$0
320	3790	State Aid Various Labor Progrm	$187,354	$25,000	$145,048	$145,048	$145,048
320	3790	State Aid Various Labor Progrm	$513,397	$513,398	$842,376	$842,376	$842,376
320	4790	Fa: Various Labor Programs	$7,831,463	$6,953,965	$9,506,979	$9,684,334	$9,633,598
320	4790	Fa: Various Labor Programs	$1,207,447	$1,002,021	$1,071,472	$1,213,707	$1,191,101
001	2403	Department Interest & Earnings	$606	$500	$500	$150	$150
001	2546	Licensing And Complaints	$3,588,940	$3,200,000	$3,200,000	$3,376,100	$3,897,207
001	2547	Weights & Measures Fees	$1,400,275	$1,500,000	$1,500,000	$1,407,000	$1,557,519

Department of Labor, Licensing, & Consumer Affairs Revenue							
Fd.	Rev.	Revenue Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	2631	Fines - Weights And Measures	$304,430	$235,000	$235,000	$240,000	$263,581
001	2632	Fines - Licensing & Complaints	$53,725	$35,000	$77,765	$60,000	$94,793
001	2636	Fines- Lawful HiringLL52-06	$0	$1,000	$1,000	$1,000	$1,000
001	2770	Other Unclassified Revenues	$288	$200	$612	$500	$500
001	3089	Other	$34,711	$35,000	$35,000	$35,000	$35,000
001	4549	Taxi and Limo Fees	$0	$0	$0	$0	$250,000
		Total	**$15,170,635**	**$13,549,084**	**$16,616,373**	**$17,005,215**	**$17,911,873**

* The table above reflects combined revenues for the Department of Labor and the Department of Consumer Affairs in the 2011 Actual, 2012 Adopted, 2012 Estimate, and 2013 Requested categories to provide appropriate figures for comparison with the 2013 Recommended, which assumes the merger of these two Departments.

The Department receives a substantial portion of its revenue from the State and Federal governments, which each have different fiscal years from the County. The State fiscal year is April to March, the Federal government is October to September, and the County is January to December, which presents a challenge when estimating and projecting the Department's revenue. Due to the differences in fiscal years, the Department will consider 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.

The recommended budget includes estimated revenues of $16.6 million when combining the estimates for the Department of Labor and the Department of Consumer Affairs for 2012, which is reasonable based upon historic revenue realization trends. The 2013 recommended revenue of $17.9 million is approximately $900,000 more than requested, and is also reasonable, based upon the addition of a Taxi and Limousine Commission estimated to generate $250,000 in fee/fine revenue, an Expeditor registry estimated to generate $200,000 and a 10% increase in fees estimated to generate an additional $497,000 resultant from the addition of six new Investigations Assistant positions within the new Department.

Expenditure Overview

Department of Labor, Licensing, & Consumer Affairs Expenditure by Unit							
Fd.	Unit	Unit Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	6370	Labor: Admin	$749,857	$592,622	$431,092	$562,711	$565,955
001	6380	SWEP (Suff Works Employ Program)	$5,421,017	$5,049,929	$4,845,604	$4,998,656	$4,591,781
001	6381	Transitional Jobs Program	$111,732	$0	$81,273	$0	$0
001	6610	Consumer Affairs	$1,899,366	$2,008,802	$2,099,836	$2,377,709	$1,927,062
001	6700	Living Wage Unit	$349,268	$354,172	$315,259	$334,022	$329,999
320	6300	Workforce Investment Act	$7,023,477	$6,315,210	$8,876,336	$8,981,561	$9,084,672
320	6345	Project School	$1,071,012	$952,173	$1,002,021	$1,135,621	$1,130,109
320	6377	Labor: Displaced Homemaker	$150,538	$27,500	$145,048	$145,048	$145,048
320	6378	Brookhaven	$47,999	$48,000	$0	$0	$0
320	6600	Summer TANF	$466,865	$513,398	$842,376	$842,376	$842,376
		Total	$17,291,131	$15,861,806	$18,638,845	$19,377,704	$18,617,002

* The table above reflects combined expenditures for the Department of Labor and the Department of Consumer Affairs in the 2011 Actual, 2012 Adopted, 2012 Estimate, and 2013 Requested categories to provide appropriate figures for comparison with the 2013 Recommended, which assumes the merger of these two Departments.

The 2012 estimated expenditures of $18,638,845 are reasonable. They are $2,777,039 more than adopted mainly attributable to approximately $1.9 million of WIA grant funds appropriated or re-appropriated throughout 2012 that were not included in the adopted budget for various WIA programs and positions and approximately $800,000 transferred to Fund 039-EMHP for health insurance, which was not previously reflected within the Department's request. The 2012 estimated expenditure for permanent and interim salaries across all appropriations is $12,502,425, which appears sufficient to fund all currently filled positions for the remainder of the year.

The 2013 recommended expenditures of $18,617,002 are $760,702 or 3.9% less than requested by the Department for 2013 and are mainly attributable to reductions in salary expenditures in the County's WIA and SWEP programs. Precise salary funding requirements are difficult to project within these heavily aided programs as grant funding that is provided throughout the year to offset these costs is an unquantifiable variable until it is actually realized.

Based on our projections, the recommended budget includes sufficient funding in the aggregate, across all divisions within the Department, to adequately fund salaries for the Department's existing filled positions, seven proposed new positions, and approximately $260,000 worth of vacant position salaries in 2013.

Issues for Consideration

Consumer Affairs Division Revenues

The recommended budget provides for the consolidation of the Department of Consumer Affairs with the Department of Labor. The fiscal impact statement provided by the County Executive's Budget Office with respect to this consolidation indicates that a positive fiscal impact to the County of $1.8 million is anticipated as a result of this action. The positive impact consists of approximately $950,000 of additional revenues and $900,000 of expenditure savings. The additional revenues projected by Performance Management in conjunction with the consolidation exist solely within the newly formed Division of Consumer Affairs. The recommended budget indicates that this Division will generate an additional $250,000 in 2013 via fines and fees associated with the establishment of a Taxi and Limousine Commission, and $730,000 in additional fines and fees resulting from the establishment of an expeditor registry ($200,000) and efficiencies realized in collecting existing fees and fines ($530,000) resultant from the hiring of six Investigation Assistants and one Investigations Manager. The issue warranting consideration with respect to these optimistic revenue enhancements is staffing within the Division. As of September 16, 2012, there were 11 vacancies within the Division. The recommended permanent salary funding within the Division allows for the seven new positions to be filled for approximately four and a half months and no filling of vacant positions. It seems unlikely that the Division will be able to realize the enhanced level of revenues included in the recommended budget that involves taking on additional responsibilities and the gleaning of efficiencies at the staffing levels for which funding is provided.

Budget Review Office Recommendations

If the objective is to fill these revenue generating positions in January 2013, we recommend increasing Permanent Salaries (001-LAB-6610-1100) within the Consumer Affairs Division by $178,942. This will provide adequate funding for one new Investigations Manager position and six new Investigations Assistants, which is anticipated by Performance Management to generate approximately $500,000 in additional revenues for the County.

RD Labor 13

Law

Personnel (as of 9/16/2012)

Authorized Positions:	112	**Filled Positions:**	89
Vacant Positions:	23	**Percentage Vacant:**	20.5%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$8,547,240	$8,468,417	$7,858,532	$7,734,557	$8,814,572
Equipment (2000s)	$10,462	$0	$0	$0	$3,236
Supplies (3000s)	$244,982	$210,843	$200,466	$206,339	$224,404
Contracts (4000s)	$7,487,086	$4,753,050	$5,344,802	$4,665,038	$5,252,441
Totals	$16,289,769	$13,432,310	$13,403,800	$12,605,934	$14,294,653

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$3,375,098	$2,634,074	$3,122,337	$3,150,000	$3,150,000
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$0	$0	$0	$0	$0
Other Income	$6,856	$333,630	$355,807	$333,630	$282,408
Totals	$3,381,955	$2,967,704	$3,478,144	$3,483,630	$3,432,408

Effects of Recommended Budget

The 2013 Recommended Budget of $14.3 million for the Department of Law is $890,853 more than the 2012 estimated budget due primarily to the transfer of the Division of Insurance and Risk Management to the Department of Law from the Department of Civil Service. Even with this added expense, the recommended budget is approximately $2 million less than 2011 actual expenditures, which is attributable to 2012 savings resulting from the lay off of 12 Assistant County Attorneys in January and lower estimated costs for the Assigned Counsel Defender Program (18-B).

The County attributes Court Facilities Aid (001-LAW-3021) from New York State for maintaining and operating court facilities to the Department of Law in the budget; however, the reimbursable expenditures are incurred by the Department of Public Works (001-DPW-1164). The 2012 estimate for this revenue is $3.1 million, which is equal to year-to-date receipts (as of 9/21/12) and $488,263 more than adopted. The recommended revenue for 2013 is $3.15 million. Both the estimate and recommended amounts are reasonable.

Transfers

The recommended budget makes two transfers involving the Department of Law. The Division of Insurance and Risk Management is transferred into the Department from Civil Service and the Red Light Camera Unit is transferred from the Department to the newly established Traffic Violations Bureau. The transfer of the Division of Insurance and Risk Management results in an increase of $1.46 million to the Department of Law's budget and the transfer of the Red Light Camera Unit results in a $277,992 decrease; a net increase of $1.18 million. The following chart shows the positions being transferred from Civil Service to Law.

Risk Management Positions Transferred from Civil Service to Law			
Filled Positions			
Title	**Gr**	**No.**	**2013 Salary**
Assistant Workers Compensation Supervisor	23	2	$157,254
Clerk Typist	09	1	$34,339
Contracts Examiner	20	1	$64,147
County Safety Officer	28	1	$99,676
Personnel Analyst	19	1	$54,264
Risk Management Administrator	30	1	$106,964
Senior Clerk Typist	12	5	$224,209
Senior Insurance Contract Analyst	24	1	$71,301
Senior Workers Compensation Claims Examiner	19	1	$63,219
Workers Compensation Claims Examiner	17	6	$326,696
Workers Compensation Coordinator	28	1	$86,827
Workers Compensation Investigator	21	1	$61,338
Total		**22**	**$1,350,234**
Vacant Positions			
Title	**Gr**	**No.**	**2013 Salary**
Clerk Typist	09	1	$28,266
Workers Compensation Claims Examiner	17	1	$39,489
Total		**2**	**$67,756**

The County Executive anticipates efficiencies in processing settlements as a result of this reorganization. For more detail on the rationale of the recommend transfer of Risk Management from Civil Service to Law, see the Civil Service section of this report.

The following chart shows the positions being transferred from Law to the Traffic Violations Bureau.

Red Light Camera Positions Transferred from Law to TVB			
Filled Positions			
Title	**Gr**	**No.**	**2013 Salary**
Senior Clerk	11	4	$170,540
Research Analyst	20	1	$34,339
Total		**5**	**$204,879**
Vacant Positions			
Title	**Gr**	**No.**	**2013 Salary**
Assistant County Attorney	24	1	$57,838
Account Clerk Typist	11	1	$30,485
Senior Clerk	11	1	$28,266
Total		**2**	**$88,322**

The transfer to the TVB of the Red Light Camera Unit from Law, and vendor expenses and fine revenues from Public Works, will unify the Red Light Safety Program from a budgetary perspective. Operationally, adjudicating both red light camera tickets and traffic violations under one roof makes sense.

Permanent Salaries

The Department of Law is budgeted in two funds, the General Fund, which contains the department's general administration (001-1420), DWI Vehicle Seizure Program (001-1429), and the Human Rights Commission (001-8040), and the Self Insurance Fund, which contains the existing Insurance Tort Unit (038-1712) and the newly transferred Insurance and Risk Management Division (038-1316). There are sufficient recommended appropriations to fund all currently filled positions for the duration of 2013 in each fund. We estimate that there is approximately $20,000 to fill the 18 vacancies in the General Fund and $66,000 for the four vacancies in the Self Insurance Fund.

Issues for Consideration

Staffing

There are currently 89 employees in the Department of Law, which is 15% less than the number of employees that were working in the Department at the end of 2011. Twelve County Attorneys were laid off in January preceding the passage of Resolution No. 58-2012, which transferred $1 million in Law salaries to the newly established Department of Economic Development and Planning to hire additional staff. The Department of Law also had two employees participate in the 2012 Early Retirement Incentive Program; one Bureau Chief (grade 37) in the Family Court Bureau and one Research Technician (grade 17) in the Bureau of General Litigation.

Insurance and Risk Management

Risk Management oversees the County's self-insurance program, workers' compensation, and auto and general liability. The Division is responsible for processing these expenditures; however, the actual expenses are accrued to the miscellaneous category in the County's Self

Insurance Fund (038). The following table is a summary of the County's budgeted liability from 2011 through the 2013 Recommended Budget.

Category	2011 Actual	2012 Adopt	2012 Estimate	2012 YTD	2013 Recommended
Auto Liability	$1,168,726	$645,000	$595,000	$1,510,517	$570,000
Auto Physical Damage	$1,364,451	$1,401,000	$1,500,000	$961,061	$1,401,000
Bus-3CD	$2,264,042	$1,250,000	$1,725,200	$835,860	$1,225,000
Employee Practices Liability	$609,999	$100,000	$0	$0	$50,000
General Liability	$7,550,548	$915,000	$819,900	$700,021	$845,000
Medical Malpractice Insurance	$220,000	$100,000	$4,795,000	$0	$50,000
Unallocated Insurance	$4,142,120	$4,181,706	$4,011,488	$3,925,470	$4,315,000
VDT Claims	$67,527	$85,000	$66,000	$41,738	$80,000
Worker'S Compensation	$30,021,430	$31,078,880	$31,366,075	$23,333,612	$32,081,100
Total	**$47,408,843**	**$39,756,586**	**$44,878,663**	**$31,308,279**	**$40,617,100**

The above liability expenses include the cost of settlements, which are typically recommended and adopted at a fraction of their eventual cost. The 2012 Adopted Budget included $1.5 million for settlements; the 2012 estimate is $6.6 million. The 2013 Recommended Budget provides $1.3 million. In order to supplement budgeted cash reserves, the County has the option to issue serial bonds to pay for settlements. While this offers the County the advantage of deferring payment and is sensitive to cash flow needs, it leads to higher overall costs. By placing additional funds 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 requires the County to identify additional revenue to offset the expense.

Assuming debt service based on a 20-year weighted average maturity (WAM) repayment schedule and variable interest rates that average 4.655%, the County will pay 161% of the original cost of the settlement. The following chart shows the additional interest cost associated with bonding liability settlements for 2009 through 2012 (as of September 13, 2012).

Cost to Bond Liability Settlements				
Cost Element	**2009**	**2010**	**2011**	**2012 YTD**
Serial Bonds Authorized	$2,575,000	$3,968,908	$9,715,000	$5,045,000
Interest Costs	$1,582,775	$2,439,568	$5,971,518	$3,101,010
Total Estimated Debt Service	**$4,157,775**	**$6,408,476**	**$15,686,518**	**$8,146,010**

Bar Association – Indigent Defendants Program

The Indigent Defendants Program (001-1171-4770) provides for private attorneys, which are necessary for homicide cases and in certain dual defendant cases, when the Legal Aid Society cannot represent more than one defendant. It is more cost efficient for the County for Legal Aid attorneys to perform the assigned caseload for an annual salary instead of 18-B lawyers contracted through the Department of Law at much higher hourly rates. However, the

ultimate decision as to which defense will be provided is the decision of the court judges. When a conflict exists, the use of 18-B outside counsel is unavoidable.

The 2012 estimated budget for private 18-B lawyers is $4.2 million, which is equal to the 2013 Recommended Budget, but $520,150 more than the 2012 Adopted Budget. Based on year to date expenditures, the estimated budget seems reasonable. The 2013 Recommended Budget is also reasonable, provided the County continues to have the majority of its cases handled by the Legal Aid Society.

Budget Review Office Recommendations

The recommended revenues and expenditures for the Department of Law are reasonable.

BP Law 13

Legal Aid Society

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$0	$0	$0	$0	$0
Equipment (2000s)	$0	$0	$0	$0	$0
Supplies (3000s)	$0	$0	$0	$0	$0
Contracts (4000s)	$11,528,680	$12,128,990	$12,081,352	$13,949,093	$12,507,976
Totals	$11,528,680	$12,128,990	$12,081,352	$13,949,093	$12,507,976

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$3,002,630	$3,439,600	$3,423,500	$3,415,000	$3,415,000
Federal Aid (4000s)	$114,057	$85,600	$81,892	$53,400	$53,400
Departmental Income	$0	$0	$0	$0	$0
Other Income	$0	$0	$0	$0	$0
Totals	$3,116,687	$3,525,200	$3,505,392	$3,468,400	$3,468,400

Effects of Recommended Budget

In the aggregate, the 2013 Recommended Budget for the Legal Aid Society is $378,986 or 3% more than the 2012 Adopted Budget. However, the additional appropriations are New York State grant funds for the expansion of services; these funds cannot be used to offset the rising costs for existing Legal Aid expenses. Legal Aid requested an increase of $1.8 million over the 2012 Adopted Budget for the following:

- $394,000 in new grant funds for an expansion of services through a Spanish Language Initiative

- $231,492 for increased salary costs
- $220,800 for rises in employee healthcare costs
- $1,000,000 to pay down frozen pension obligations

The recommended budget provides the funds requested for the Spanish Language Initiative, which the Legal Aid Society will use to hire Spanish Speaking employees to better serve the growing Hispanic population. The additional funds for salaries, healthcare costs, and pension obligations are not included in the recommended budget.

Issues for Consideration

Revenue

Suffolk County receives state reimbursement for several of the functions provided by the Legal Aid Society, as well as federal aid for the DCJS Sex Offender Program. The Executive estimates revenues to be relatively flat at approximately $3.5 million in both 2012 and 2013. Both estimates are reasonable.

In 2010, New York State established the Office of Indigent Legal Services to oversee the Indigent Legal Services Fund (ILSF), from which the State disburses aid to counties. Prior to its creation, aid had been disbursed by the New York State Comptroller's Office based upon a formula. Starting in 2011, the Office of Indigent Legal Services was given discretion to distribute a portion of the dedicated aid to counties on a competitive basis in the form of "target grants". The Office of Indigent Legal Services was authorized to allocate 10% of the available funding in 2011 and 25% in 2012. In 2013, the Office will be responsible for the distribution of 50% of available aid. The allocation will increase to 75% in 2014 and 100% of all aid to counties will be under the Office's discretion by 2015. It is unclear at this time whether the new method of distribution will ultimately increase or decrease Suffolk County's share of the revenue.

Staffing

The Legal Aid Society has stated over the years that it has had difficulty recruiting and retaining attorneys due to a disparity in wages and benefits between what it is able to offer its lawyers and what is offered by the District Attorney, County Attorney, and private practices. As the workload increases, the caseload per attorney increases. According to the Legal Aid Society, its attorneys typically handle 400-600 misdemeanor cases per year. Based on New York City Bar Association standards, the maximum caseload should be around 300. The American Civil Liberties Union (ACLU) has filed a suit against the State and County claiming that the attorney to client ratio is in violation of the federal mandate to provide acceptable indigent defense. If the ACLU prevails, the County will have to either increase its contract with Legal Aid or refer more cases to the 18-B panel.

Legal Aid Versus Assigned 18-B Counsel Program

Article 18-B of the NYS 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 Legal Aid Society, which is a cost effective means for providing legal counsel to indigent defendants. In cases of murder trials, conflict of interest, or when there is more than one defendant, counsel is assigned to the 18-B panel, which is contracted

through the Law Department. It is fiscally preferable for the County to have as many cases as possible handled by the Legal Aid Society since Legal Aid attorneys perform the assigned caseload for an annual salary while 18-B lawyers charge much higher hourly rates. Legal Aid estimates that its cost per case is approximately $400, compared thousands of dollars if the case is referred to the 18-B panel. The ultimate decision as to which defense will be provided is the decision of the court judges.

Cost Cutting Measures

Pension and health plan costs have traditionally represented a large percentage of Legal Aid's budget. The Legal Aid Society has been proactive in addressing rising benefit costs. In 2010, Legal Aid froze their defined benefit pension plan and moved to a defined contribution 401K plan. In 2011, the Legal Aid Society successfully petitioned the State to allow its employees to participate in the New York State Health Insurance Program, saving approximately 30% of the cost of its previous health plan. In 2012, the Legal Aid Society increased employee premium contributions from 15% to 20% to mitigate the growth in healthcare costs.

Budget Review Office Recommendations

Legal Aid's requested increases for salaries and healthcare expenses are not unreasonable. The request for $1 million to fully fund and close out the frozen defined benefit pension plan makes fiscal sense; however, the County is not in a position to absorb this expense in 2013. We recommend adding $337,000 to 2013 Recommended Budget (001-LAS-1170-4770) to provide for the anticipated rise in insurance premiums and approximately half of what was requested for salary increases.

BP Legal Aid 13

Medical Examiner

Personnel (as of 9/16/2012)

Authorized Positions:	105	**Filled Positions:**	95
Vacant Positions:	10	**Percentage Vacant:**	9.5%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	3

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$0	$0	$0	$8,625,728	$8,678,430
Equipment (2000s)	$0	$0	$0	$93,120	$83,820
Supplies (3000s)	$0	$0	$0	$1,406,129	$1,357,629
Contracts (4000s)	$0	$0	$0	$337,730	$263,570
Totals	$0	$0	$0	$10,462,707	$10,383,449

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$0	$0	$0	$0	$625,000
Other Income	$0	$0	$0	$0	$0
Totals	$0	$0	$0	$0	$625,000

Effects of Recommended Budget

Overview

Resolution No. 736-2012 established the Office of the Medical Examiner as a separate department on September 19, 2012. Previously, the Medical Examiner had been a division in the Department of Health Services known as the Division of Medical Legal Forensic Investigations, comprised of the Medical Examiner and the Suffolk County crime lab. The new department subsumes that division in its entirety and adds certain personnel required by the establishing resolution and for administrative control purposes. All personnel, equipment, and supplies previously located within the Division of Medical Legal Forensic Investigations are moved, as are revenues previously associated with the operation of the medical examiner and crime lab. This includes grant revenues and grant appropriations.

The 2013 Recommended Budget for the Office of the Medical Examiner is 3.1% less than requested, a reduction of $341,121. The largest non-interfund transfer portion of this reduction was a $73,300 reduction in Fees for Services contracts (4720-4560). This line is typically used for contract pathologists.

Personnel

Three new positions are added to the Office of the Medical Examiner to allow it to function as a separate department. Three forensic scientists are moved to different appropriations within the Office. Total Permanent Salaries are sufficient to fund all current personnel and to fund the three new positions and fill vacant positions for at least six months.

Supplies and Equipment

The recommended budget reduces the requested supply and equipment appropriations by $57,800, a decrease of 3.1%. Most of the decrease is a $30,000 reduction for building repairs (4718-3650).

Issues for Consideration

Personnel

The Office of the Medical Examiner lost one pathologist to retirement in 2012; that position is currently vacant. One of the new positions in this Department, the Deputy Chief Medical Examiner, will also be a qualified pathologist. The inclusion of these positions and the funding for them in the 2013 Recommended Budget would appear to obviate the need for contract pathologists. However, even at top step, Suffolk County pay is considerably below the more than $200,000 average salary for forensic medical examiners in the United States, and particularly in this region. This has made replacing permanent staff problematic. The requested level of funding in fees for services is a more prudent hedge against the difficulty of finding deputy medical examiners.

Buildings

Forensic Scientists utilize highly sensitive scientific equipment and volatile chemical processes to examine and process evidence. These items accelerate the deterioration of physical plant structures. Also included in the building repairs line are contingency funds for emergency repairs to the morgue refrigerators, morgue plumbing, and the building ventilation system. The

Department's requested budget more accurately reflects appropriate planning for anticipated problems.

Budget Review Office Recommendations

- Increase Building Repairs (4720-3650) to the requested level, adding $30,000.
- Increase Fees for Services Contracts (4720-4560) by $50,000.

CF MED13

Parks, Recreation, and Conservation

Personnel (as of 9/16/2012)

Authorized Positions:	186	**Filled Positions:**	161
Vacant Positions:	25	**Percentage Vacant:**	13.4%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$13,213,742	$12,819,169	$12,408,586	$12,914,803	$12,233,995
Equipment (2000s)	$198,938	$264,900	$172,483	$241,800	$239,300
Supplies (3000s)	$1,866,700	$2,185,149	$2,117,105	$1,978,929	$2,066,095
Contracts (4000s)	$1,064,286	$1,005,469	$1,062,422	$1,172,393	$1,173,539
Totals	$16,343,666	$16,274,687	$15,760,596	$16,307,925	$15,712,929

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$143,794	$0	$0
Federal Aid (4000s)	$39,868	$0	$436,384	$0	$0
Departmental Income	$8,878,964	$9,727,196	$9,563,560	$9,054,900	$9,504,900
Other Income	$1,283,300	$1,049,050	$968,782	$1,288,580	$1,289,080
Totals	$10,202,131	$10,776,246	$11,112,520	$10,343,480	$10,793,980

Effects of Recommended Budget

Staff

The recommended budget reduces the Parks Department's 186 authorized positions to 185 via transfer of one Office Systems Analyst I to the Department of Information Technology as part of an initiative by the Executive to create a "federated approach" to information services. Current authorized positions of 186 represent an 11.8% reduction from the 211 authorized positions within the Department at this time one year ago. The recommended budget includes sufficient funding to fill 7 of the 21 vacant positions within the main Parks appropriation (01-7110-PARKS) for the entire year.

Expenditures

The 2012 estimated budget of $16,138,507 is $485,139 or 2.9% less than adopted and is reasonable. The majority of the difference between the estimated and adopted expenditure budgets is in permanent salaries. It appears that there are sufficient funds for the Department's filled positions in 2012.

The 2013 recommended budget of $16,126,304 is $603,908 or 3.6% less than requested and reasonable considering the high level of turnover savings included within the proposed budget for the Department. The narrative indicates that the recommended budget provides adequate resources for the Department to meet its core goals while assuring a balanced budget. The recommended level of funding will dictate that the Department balance the demands of maintaining our parks system and optimizing the use of reduced financial resources.

Revenue

The 2012 estimated revenue of $11.1 million appears reasonable based upon unverified point of sales data through August 2012 and the Department's receipt of approximately $575,000 of State and Federal disaster aid in 2012. As of September 21, 2012, IFMS only had $2.5 million posted representing 22.6% of the estimated revenue. Therefore, the Budget Review Office was unable to validate the revenue included in the estimated budget using the County's Integrated Financial Management System (IFMS). Alternatively, we used the Department's unverified data through August, which included $9.1 million in revenue.

The 2013 recommended revenue of $10.8 million is approximately $450,000 or 4.4% greater than the Department requested and is reasonable. The difference can be explained by Beach and Pool Charges recommended at $2.6 million, which is $450,000 more than requested. Unverified point of sales data through August indicates 2012 revenue in excess of $2.4 million for beach and pool charges validating the recommended figure for 2013.

Issues for Consideration

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. In recent years existing staff has assumed additional tasks while incurring expanding geographical areas of responsibility. These acquisitions in conjunction with attrition in Park Police Officer (PPO) positions has resulted in the Department's inability to comply with current legislation pursuant to Resolution No. 242-1999 as amended by Resolution No. 1361-2006. This legislation requires one new Park Police Officer for every additional 500 acres of land acquired since 1999.

The chart that follows details the calculation used to determine that 11 new PPO positions are required to comply with existing legislation.

Detail for the Calculation of the Number of Park Police Officer Positions						
(1) 1999 # of Authorized Positions (as per 3/21/99 position control register)	(2) 2012 # of Authorized Positions (as per 9/16/12 position control register)	(3) Additional Authorized Positions since 1999 (2-1)	(4) Total Acreage that Meets Criteria through August 2012 as per Dept. of Env. & Energy*	(6) 1 New PPO per 500 Additional Acres Since 1999 (4/500)	(7) # of New Park Police Officer Positions Required (6-3)	(8) Total # of Authorized Positions Needed (1+3+7)
39	44	5	8,101.42	16	11	55

To meet the standard of 55 PPO positions would require filling eight vacancies and the addition of 11 new positions. The salary and fringe benefit cost to fill all 19 positions as PPO I at entry level is estimated at $1,328,943 consisting of $818,729 for salary and $510,214 for fringe benefits. In addition, the cost to outfit the 19 PPO positions required with the necessary policeman supplies (clothing, equipment, and a Glock 9mm pistol) would exceed $60,000.

The County's Position Control Register indicates that as a result of retirements in 2012, the Department no longer employees any PPO in a position higher than PPO II. This observation begs the question of whether or not there is adequate supervision and direction for the remaining PPOs within the Department.

Contract Agencies

It is a legislative policy decision to determine what contract agencies will receive funding in 2013 in the following appropriation.

- 192-PKS-7512-Museums & Historic Associations-4980-Contracted Agencies

In 2012, this appropriation included $189,863 for 26 contract agencies. The 2013 Recommended Budget also includes $306,803 in Special Services (object 4770) within this appropriation that the Legislature can reallocate.

Budget Review Office Recommendations

- Determine what contract agencies will receive funding in 2013 within appropriation 192-PKS-7512-Museums & Historic Associations-4980-Contracted Agencies. The 2013 Recommended Budget also includes $306,803 in Special Services (object 4770) within this appropriation that the Legislature can reallocate.
- Consider re-evaluating the current Park Police Officer requirements contained within Resolution No. 1361-2006, which is the legislation that requires one new Park Police Officer for every additional 500 acres of land acquired since 1999. The County's current economic climate and continued land preservation efforts may warrant revisions to the standards established originally in 1999.

RD Parks 13

Police (General Fund)

Personnel (as of 9/16/2012)

Authorized Positions:	572	**Filled Positions:**	459
Vacant Positions:	113	**Percentage Vacant:**	20%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	34

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$72,254,698	$68,457,065	$71,333,475	$64,629,481	$62,335,372
Equipment (2000s)	$1,267,027	$99,415	$1,727,181	$82,290	$67,844
Supplies (3000s)	$1,818,614	$1,952,868	$2,052,487	$1,990,192	$1,931,192
Contracts (4000s)	$2,230,545	$2,133,909	$2,953,424	$2,006,410	$2,322,791
Totals	$77,570,885	$72,643,257	$78,066,567	$68,708,373	$66,657,199

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$908,538	$0	$2,710,763	$210,500	$1,310,500
Federal Aid (4000s)	$2,816,222	$0	$4,117,151	$0	$0
Departmental Income	$0	$0	$0	$0	$0
Other Income	$138,363	$179,997	$605,452	$151,550	$151,550
Totals	$3,863,123	$179,997	$7,433,366	$362,050	$1,462,050

Police (District Fund 115)

Personnel (as of 9/16/2012)

Authorized Positions:	2,735	**Filled Positions:**	2,362
Vacant Positions:	373	**Percentage Vacant:**	13.7%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	40

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$352,054,202	$344,169,857	$346,059,043	$331,030,980	$334,539,079
Equipment (2000s)	$582,558	$157,045	$994,876	$149,763	$120,755
Supplies (3000s)	$2,523,740	$2,588,067	$2,421,311	$2,534,053	$2,469,036
Contracts (4000s)	$8,526,238	$8,370,684	$8,350,680	$8,403,457	$8,403,457
Totals	$363,686,738	$355,285,653	$357,825,910	$342,118,253	$345,532,327

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$674,287	$2,157,691	$978,453	$334,740	$334,740
Federal Aid (4000s)	$660,036	$100,000	$2,180,842	$104,220	$104,220
Departmental Income	$134,695	$147,520	$127,435	$134,200	$134,200
Other Income	$3,575,994	$3,782,575	$2,681,717	$2,244,857	$3,277,782
Totals	$5,045,012	$6,187,786	$5,968,447	$2,818,017	$3,850,942

Police (Fund 102 - Public Safety Communications E-911)

Personnel (as of 9/16/2012)

Authorized Positions:	159	**Filled Positions:**	129
Vacant Positions:	30	**Percentage Vacant:**	19%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$8,874,294	$8,937,543	$8,531,448	$8,736,408	$8,901,342
Equipment (2000s)	$4,964	$5,684	$4,734	$10,400	$8,400
Supplies (3000s)	$21,345	$32,259	$26,957	$25,782	$23,282
Contracts (4000s)	$5,302,881	$4,999,282	$4,828,961	$4,817,742	$4,818,017
Totals	$14,203,484	$13,974,768	$13,392,100	$13,590,332	$13,751,041

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$0	$0	$0	$0	$0
Other Income	$8,655,308	$8,379,459	$7,955,930	$7,906,856	$7,906,856
Totals	$8,655,308	$8,379,459	$7,955,930	$7,906,856	$7,906,856

Effects of Recommended Budget

Expenditure Overview

The 2013 Recommended Budget for the Police Department is $428,579,164, which represents a decrease of $15.4 million (-3.5%) from the 2012 Adopted Budget. The decrease in funding is due mostly to a $10.4 million decrease in permanent salary costs attributed to the attrition of sworn personnel in 2012. Other personnel costs were decreased by $5.4 million and are also associated with a decreased number of sworn officers including:

- Terminal Pay: -$1.2 million
- Overtime: -$1.1 million
- Longevity: -$902,583
- Workers Compensation: -$882,469
- Night Differential: -$841,301
- Holiday Pay: -$547,677

Total non-personnel costs were cumulatively decreased by $174,439 or 0.86%.

Personnel services constitute 95% of the recommended Police budget. The Police District Fund 115 accounts for 80.6% of the 2013 recommended Police Department expenditures ($346 million), the General Fund ($66.7 million) accounts for 15.6% and Fund 102 – Public Safety Communications Systems E-911 ($16.4 million) is 3.8%.

The 2013 Recommended Budget for the Police Department represents a cost-to-continue budget with adjustments made for a new Police Officer recruit class, impacts of contractual settlements and the attrition of sworn and civilian staffing levels.

Personnel Issues

The Budget Review Office projects that the amount included in the recommended budget for permanent salaries is sufficient. The BRO projection includes:

- The cost to keep all filled positions on the payroll as of September 30, 2012 filled during 2013,
- The cost of the PBA contract settlement[1],
- Contractual salary increases and appropriate step increases for all bargaining units,
- A projected equitable increase for the Superior Officers and Detectives based upon the PBA agreement[2],
- A recruit class of 75 Police Officers in September[3], and
- The savings attributable to the attrition of 60 sworn officers over the course of the year[4].

[1] The 2013 cost of the PBA agreement for personnel costs will be $3,495,134 in permanent salaries and $4,784,838 for all personnel costs (including permanent salaries).

[2] The 2013 cost for the SOA and SDA assuming an equitable increase would be $1.9 million in permanent salaries.

[3] The September 2013 class of 75 recruits will cost $1,715,880 in 2013 including permanent salaries, holiday pay, benefits, Social Security, cleaning allowance and cost to outfit.

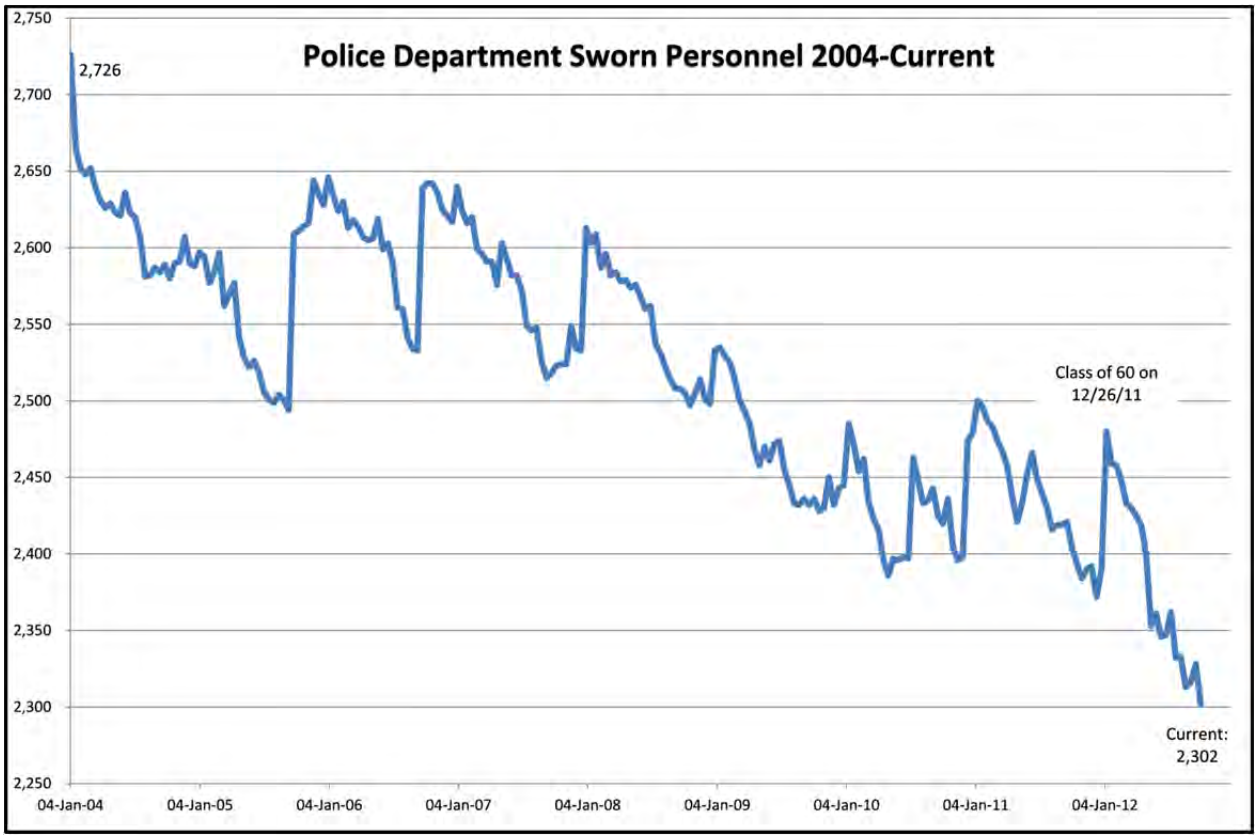
[4] Savings for attrition assumes a blended salary for PBA, SOA and SDA with 15 separating in January and another 45 separating in July.

New Positions

There are 74 new unfunded sworn positions in the recommended budget for the Police Department including four Lieutenants and 30 Detectives in the General Fund and 10 Lieutenants, 20 Sergeants and 10 Detectives in the Police District Fund. Instead of promoting Police Officers to Superior Officer status by earmarking their title, creating vacant unfunded titles allows for promotion without lowering the number of authorized Police Officer titles. These unfunded positions simply give the Department flexibility. The filling of vacancies, including promotions requires the approval of the County Executive.

Staffing Levels and Crime

The following graph shows the number of active sworn personnel on the payroll from January 2004 through September 30, 2012 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. There has been a decrease of 424 sworn personnel over this period. Due in part to retirement incentive agreements with the sworn bargaining units in 2012, there have been 131 sworn separations since the beginning of the year through September. Historically, approximately 80 to 90 sworn officers separate from service each year.



While there is a nationwide trend of diminishing crime starting in 1993, which Suffolk County has mirrored, by the end of 2012 reductions in sworn staffing will coincidently result in the lowest level of filled sworn officers since 1993. In the aggregate, crime statistics may show a decreasing trend but specific actions such as gang activity (reported gang membership has nearly tripled over the last ten years in Suffolk County), the heroin epidemic, hate crimes and street crimes remain a major concern in many parts of the County. (See the following Index Crime Data statistics).

Index Crimes Reported to Police: 2004 – 2011

	Suffolk County									
	2004	2005	2006	2007	2008	2009	2010	2011	2004-11	2010-11
Index Crime	32,016	32,092	32,595	31,374	34,014	32,603	32,634	31,067	**-3.0%**	**-4.8%**
Violent Crime	**2,844**	**3,109**	**3,099**	**2,657**	**2,612**	**2,739**	**2,377**	**2,193**	**-22.9%**	**-7.7%**
Murder	28	32	38	30	39	33	52	32	14.3%	-38.5%
Forcible Rape	130	103	110	109	112	85	68	58	-55.4%	-14.7%
Robbery	958	1,159	1,142	957	985	1,058	877	810	-15.4%	-7.6%
Agg. Assault	1,728	1,815	1,809	1,561	1,476	1,563	1,380	1,293	-25.2%	-6.3%
Property Crime	**29,172**	**28,983**	**29,496**	**28,717**	**31,402**	**29,864**	**30,257**	**28,874**	**-1.0%**	**-4.6%**
Burglary	4,316	4,294	4,182	4,067	4,778	4,555	4,821	5,043	16.8%	4.6%
Larceny	22,091	22,311	22,830	22,389	24,522	23,648	23,838	22,569	2.2%	-5.3%
MV Theft	2,765	2,378	2,484	2,261	2,102	1,661	1,598	1,262	-54.4%	-21.0%

Source: DCJS, Uniform Crime/Incident-Based Reporting systems.

	July 2011 v. 2012			Year-to-Date		
	2011	2012	%Change	2011	2012	%Change
Index Crime	**2,465**	**2,306**	**-6.5%**	**14,379**	**14,006**	**-2.6%**
Violent Crime	**180**	**199**	**10.6%**	**1,019**	**1,089**	**6.9%**
Murder	2	2	0.0%	17	13	-23.5%
Forcible Rape	4	6	50.0%	26	26	0.0%
Robbery	69	68	-1.4%	379	427	12.7%
Agg. Assault	105	123	17.1%	597	623	4.4%
Domestic Violence	30	33	10.0%	136	187	37.5%
Property Crime	**2,285**	**2,107**	**-7.8%**	**13,360**	**12,917**	**-3.3%**
Burglary	320	325	1.6%	2,134	2,020	-5.3%
Larceny	1,846	1,691	-8.4%	10,541	10,317	-2.1%
MV Theft	119	91	-23.5%	685	580	-15.3%
Guns Recovered Through ATF	**9**	**12**	**33.3%**	**165**	**180**	**9.1%**

Source: New York State Division of Criminal Justice

The following table illustrates that while Suffolk's crime index per 100,000 population is healthier than the New York state average, it is lagging behind Nassau, Westchester and Queens counties.

2011 County Index Crime Counts & Rates

per 100,000 Population

County	2011 Population	Count	Rate
Nassau	1,345,553	19,143	1422.7
Westchester	953,379	15,852	1662.7
Queens	2,240,748	39,863	1779.0
Suffolk	1,500,062	31,067	2071.0
Kings	2,515,957	59,014	2345.6
Bronx	1,391,333	35,130	2524.9
New York	1,593,000	50,858	3192.6
New York State	**19,460,666**	**445,131**	**2287.3**

Source: DCJS, Uniform Crime/Incident Based Reporting systems.

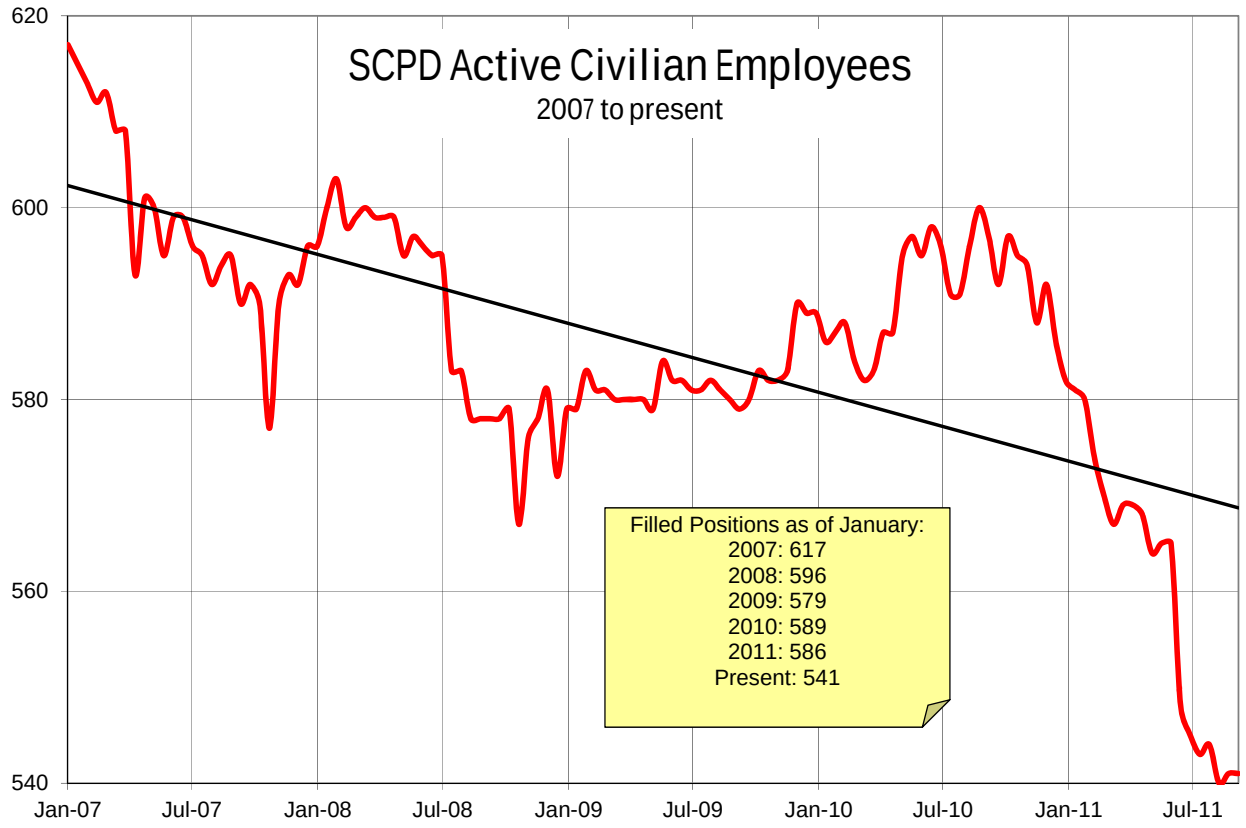
NOTE: A lower "Rate" equals a lower crime index per population.

Civilianization

Over the past several years the Department has redeployed police officers to patrol functions by replacing them with civilians and light duty officers. While there have been new civilians hired during this effort, repeated Early Retirement Incentive Programs over the past five years

have reduced the amount of civilians to a level that is 12% lower than it was at the beginning of 2007. While there are 74 new positions in the recommended budget, none are in civilian titles nor is there sufficient funding in recommended permanent salaries to backfill the increasing number of vacant civilian positions (except for E911 Operators and Dispatchers). Examples of the lack of civilian staff that is affecting productivity include:

- Central Records: Suffering major backlogs up to seven months. Time sensitive documents such as accident reports (10 days), sealing of sensitive records and FOIL requests are lagging, leading to potential liability issues by failing to comply with the legal time limits. They are also feeling increased pressure from the public and insurance companies to provide timely reports.
- Technical Services: The Police Communications Director retired and several Communication Technician positions remain vacant. This bureau handles the 800 MHz system with over 8,000 radios serving not only the Police Department but also the Sheriff, DPW, bus transit system, FRES, etc. The system is aging and maintenance issues have been a growing concern. Not only is the radio communication system at risk but so is the E911 system. Not having oversight and field technicians available poses a potential public safety hazard.
- Identification Section: This is an area that was civilianized by removing Detectives and replacing them with Evidence Control Specialists. It takes between three and five years for Evidence Control Specialists to develop the proper expertise to be able to present a case in court. Because of the low salary and lack of staff, the Department is having a retention problem. Detectives often have to work overtime to cover these functions. Also, due to lack of staff some investigations are not being performed at full capacity. Short staffing is not allowing the Department to fully investigate the addition of palm prints to the Automated Fingerprint Identification System. The result is either increased overtime or potential criminals not being properly investigated.
- Fleet Services: With an aging fleet and a lack staff there has been a spike in overtime.



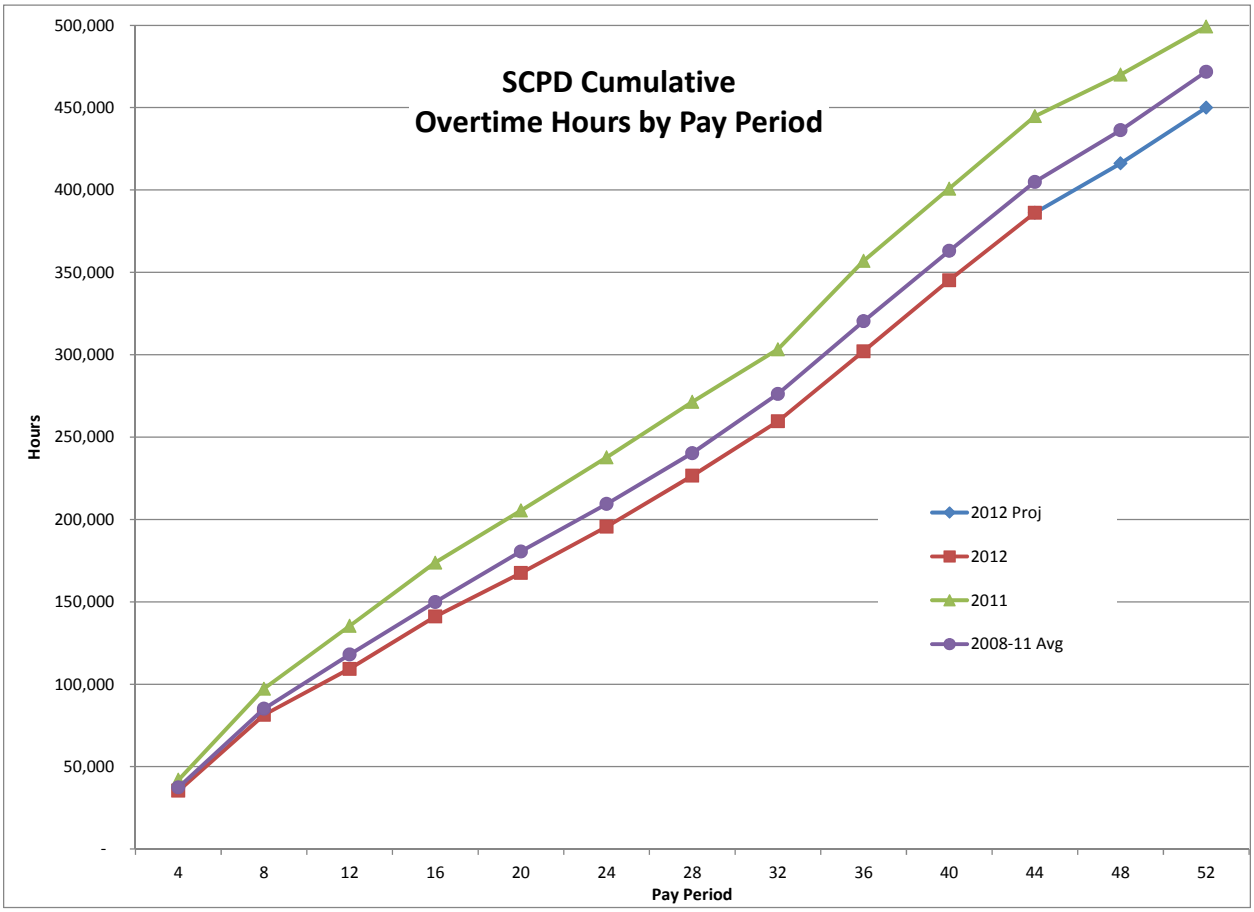
Overtime

Overtime (object 1120) is recommended at $25,669,000 or $1,071,939 less than the 2012 Adopted amount. As previously mentioned, there have been 131 sworn separations in 2012 through September. No new recruits have been hired since December 26, 2011. Another 60 sworn personnel are projected to retire in 2013. Factors impacting overtime in 2013 will be:

- The lowest level of sworn personnel since 1993.
- The continued natural attrition of sworn and civilian staff.
- The PBA contractual agreement will raise the overtime rate for existing officers by 2%.
- The potential responsibility of patrolling the LIE and Sunrise Highway.
- The scheduled class of 75 recruits in September will have little impact on overtime in 2013, as they will spend six months in the academy and another three months in field training. However, the December 2011 class of 57 whose "boots hit the streets" recently should help abate overtime.

Department wide policies instituted in 2012 by the new acting Commissioner restraining the amount of overtime hours were effective. With attrition outpacing hiring, it will be challenging for these policies to be successfully enforced again in 2013 without curtailing essential police services. It is unlikely that the overtime costs will decrease or even remain flat in 2013.

Overtime hours are 5.7% lower in 2012 from the 2008-2011 average and 11.4% below the 2011 pace. Due to this reduction in overtime hours, the Budget Review Office estimates that overtime costs for 2012 will be approximately $3 million less than the 2011 actual amount and $675,000 less than adopted.



Overtime costs represent 6% of the Police Department's total expenditures. Approximately $2 million of the $26 million overtime budget can be applied to State and Federal grants that are accepted and appropriated during the year. This high level of overtime continues to be a budgetary concern.

2011 W-2 Sworn Remuneration by Bargaining Unit

Bargaining Unit (BU#)	# of Active Employees	Average W-2 Remuneration	Average Overtime Remuneration	Overtime as a % of Total Remuneration
Police Benevolent Association (1)	1,704	$136,014	$11,854	8.7%
Superior Officers Association (5)	433	$177,200	$13,413	7.6%
Detectives Association, Police (15)	350	$194,396	$27,427	14.1%

Fleet

The Department requested 307 new/replacement vehicles at a cost of $8,172,500 as follows:

- 140 marked sedans @ $29,000 each for $4,060,000.
- 13 extended cargo vans (10 marked, 3 unmarked) @ $27,000 each for $351,000.
- 15 4WD @ $28,500 each for $427,500.
- 1 motorcycle @ $18,000 each for $18,000.
- 2 prisoner vans @ $29,500 each for $59,000.
- 70 unmarked sedans @ $29,000 each for $2,030,000.
- 3 unmarked patrol sedans @ $31,000 each for $93,000.
- 63 used undercover vehicles @ $18,000 each for $1,134,000.

The Police Department will have more than 300 vehicles projected to have over 130,000 miles driven by the end of 2013. Sixty-eight replacement vehicles purchased through the 2012 Capital Budget are in the process of being delivered, striped and equipped. Like 2012, vehicles will be purchased through the Capital Program in 2013. However, as the 2013 Adopted Capital Budget for CP 3512 includes $2.5 million, the Department will need to prioritize its purchases.

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 previous formula, which was essentially abandoned several years ago, was based on an original 1997 allocation, adjusted upward or downward each fiscal year subsequent to 1997, taking into account changes in sales tax revenues.

The 2013 Recommended Budget includes a total distribution of $6,588,343, which is the same amount allocated from 2010 through 2012. The goodwill agreement for revenue sharing expired after 2009 resulting in no increases in the recommended amount for the last three years.

JURISDICTION	2013 RECOMMENDED
TOWN OF EAST HAMPTON	$691,117
TOWN OF RIVERHEAD	$1,178,655
TOWN OF SHELTER ISLAND	$112,661
TOWN OF SOUTHAMPTON	$1,943,561
TOWN OF SOUTHOLD	$885,473
VILLAGE OF AMIITYVILLE	$462,502
VILLAGE OF ASHAROKEN	$40,189
VILLAGE OF EAST HAMPTON	$69,836
VILLAGE OF HEAD OF HARBOR	$67,201
VILLAGE OF HUNTINGTON BAY	$75,766
VILLAGE OF LLOYD HARBOR	$166,685

JURISDICTION	2013 RECOMMENDED
VILLAGE OF NISSEQUOQUE	$81,037
VILLAGE OF NORTHPORT	$377,512
VILLAGE OF OCEAN BEACH	$6,588
VILLAGE OF QUOGUE	$44,801
VILLAGE OF SAG HARBOR	$106,072
VILLAGE OF SOUTHAMPTON	$198,309
VILLAGE OF SALTAIRE	$1,977
VILLAGE OF WESTHAMPTON BEACH	$78,401
TOTAL	$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 that 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. As of October 8, 2012, the Town of Shelter Island and the Village of Sag Harbor had failed to file a report.

Public Safety Communications System E-911 (Fund 102)

The enhanced 911 (E911) Emergency Telephone System went online in 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 $16.4 million for 2013, an increase of 2.04% from the 2012 Adopted Budget. The system is supported by surcharges on land lines, cell phones and VOIP lines as well as inter-fund transfers from both the General and Police District Funds. The surcharges are estimated to generate $7,954,589 in 2012 and $7,900,356 in 2013.

There are sufficient recommended funds for a cost-to-continue budget for the E911 System in 2013. While the recommended overtime funding is $50,000 less than the 2012 estimated amount, additional funds are included in permanent salaries to fill a portion of the 28 vacant positions(as of 9/16/2012), which would aid in reducing overtime. Vacant positions are primarily comprised of Emergency Complaint Operators and Public Safety Dispatcher titles. The equivalent of eight positions could be filled for a full year.

Resolution No. 974-2009 (LL 1-2010) effective January 1, 2010, created 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. Local Law 1-2010 mandates that no less than 20% of the wireless revenue will be allocated to the Public Safety Answering Points (PSAP's). The anticipated revenue for 2012 is

estimated at $4,125,000 and $4,251,000 for 2013. Twenty percent of the 2012 estimate is $825,000 and 20% of the 2013 recommended revenue is $850,200.

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. Previously, the surcharge was only levied against subscribers to telephone services provided by telephone companies. The anticipated revenue of $1.8 million is included in the 2013 Recommended Budget.

PSAP's

The operating budget does not line-item detail the amount designated for individual PSAP's. The single line item (102-3020-4560) for PSAP's is recommended at $772,909 for 2013. This is equal to the required 20% of the 2013 recommended revenue from the wireless communication surcharge, less the FRES PSAP, which is funded directly from the Police Department budget.

PUBLIC SAFETY ANSWERING POINTS

	12 PSAP's	W/E	2012 Adopted	2012 Estimated	2013 Recommended
1	Amityville Village	W	$81,001.00	$68,181.82	$77,290.91
2	Smithtown FD	W	$81,001.00	$68,181.82	$77,290.91
3	Babylon Central Fire Alarm	W	$81,001.00	$68,181.82	$77,290.91
4	Northport Village	W	$81,001.00	$68,181.82	$77,290.91
5	SCPD	W	$0.00	$0.00	$0.00
6	FRES	W	$0.00	$0.00	$0.00
7	Riverhead	E	$81,001.00	$68,181.82	$77,290.91
8	Southampton Village	E	$81,001.00	$68,181.82	$77,290.91
9	Southampton Town	E	$81,001.00	$68,181.82	$77,290.91
10	East Hampton Town	E	$81,001.00	$68,181.82	$77,290.91
11	East Hampton Village	E	$81,001.00	$68,181.82	$77,290.91
12	Southold Town	E	$81,001.00	$68,181.82	$77,290.91
	TOTAL		$810,010.00	$681,818.18	$772,909.10

- There are 12 PSAP's but 11 share the surcharge revenue. FRES is funded directly from the Police Department line item budget and also receives in-kind services.
- The SCPD does not receive a percentage of the wireless surcharge as the remainder of the revenue is received by the Department.

Revenue

A new revenue, 001-1165-3610 Social Service Administration, has been created for State Aid to reimburse the Police Department and the District Attorney for Child Protective Services investigations under the purview of the Suffolk County Strike Force on Child Abuse and Neglect. The Department of Social Services will be filing the claims with the State for reimbursement. The role of the Police Department as a Strike Force participant is to conduct criminal investigations including interviewing the child, perpetrator, other family members, witnesses and others, gather evidence and case file preparation.

This will be a recurring revenue of approximately $2 million per year split between the SCPD and the DA. For the Police Department, revenue of $2,063,316 is estimated in 2012 (which includes reimbursement for 2011 and 2012) and $1,100,000 is included in 2013.

This revenue is completely dependent on the expenses for the services performed. If the cost of the services being performed go up (increases in personnel costs), there will be higher revenue or if expenses go down, such as staff reductions or less time spent on the CPS activities, revenue will go down.

Budget Review Office Recommendations

The Police Department should prioritize areas where civilian positions, especially where civilian positions replaced sworn positions, are needed to minimize backlogs, avoid potential liability, enhance investigations and abate overtime. A comprehensive plan should be developed and presented to the Executive and Legislature for review.

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Probation

Personnel (as of 9/16/2012)

Authorized Positions:	437	**Filled Positions:**	351
Vacant Positions:	86	**Percentage Vacant:**	20%
Positions Abolished in the Recommended Budget:	1	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$28,647,220	$27,602,205	$27,557,413	$28,030,324	$26,492,481
Equipment (2000s)	$137,335	$15,725	$67,044	$10,105	$ 8,700
Supplies (3000s)	$1,068,408	$1,260,203	$1,314,143	$1,191,786	$1,168,225
Contracts (4000s)	$11,286,014	$13,213,512	$13,110,203	$12,101,371	$11,981,242
Totals	$41,138,977	$42,091,645	$42,048,803	$41,333,586	$39,650,648

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$6,280,819	$5,692,116	$6,315,305	$5,393,754	$6,342,681
Federal Aid (4000s)	$1,030,096	$652,901	$1,225,052	$1,054,542	$1,093,471
Departmental Income	$1,288,083	$1,992,107	$2,006,898	$2,217,622	$2,317,622
Other Income	$814,640	$811,689	$1,108,588	$653,343	$763,864
Totals	$9,413,638	$9,148,813	$10,655,843	$9,319,261	$10,517,638

Effects of the Recommended Budget

Overview

The recommended budget for Probation includes nearly $1.2 million more in revenue and nearly $1.7 million less in expenditure than requested by the Department; virtually a $3 million difference between the budgets, and a reduction of seven authorized positions for 2013.

Revenue

The 2012 estimated revenue of $10,655,843 is approximately $1.2 million more than the Department's actual revenue in 2011. However, it is reasonable based on the following:

- Approximately $700,000 is related to the Department's aggressive nine-step program to increase Department revenues.
- Approximately $500,000 is attributable to additional revenue estimated in 2012 compared to 2011 for Stop DWI Fines.
- Approximately $230,000 more in State and Federal aid estimated in 2012 compared to 2011.
- Approximately $269,000 less in Vehicle Seizure Program revenue.

The recommended revenue includes $10,517,638, which is $138,205 less than estimated for 2012 and $1.2 million more than requested by the Department. The recommended budget is reasonable. The difference between the recommended and requested budgets can be attributed to the following:

- The recommended budget includes an initiative to provide a web-based payment option for probationers, which is expected to generate an additional $100,000 annually.
- The recommended budget includes revenue for State Aid revenue code 3310 as requested by the Department in its August Update but does not reflect the Department's updated request for this revenue in the requested column of the recommended budget. The Department indicated that, "Effective 2011 NY State Division of Criminal Justice Services changed their State Aid to Localities process with the establishment of a Block Grant Allocation." Due to the changes in the State Aid allocation, the Department accounts for it in its main appropriation (3140) instead of distributing this revenue to each aided appropriation.
- The recommended budget includes $904,927 in additional revenue that Probation identified in its August update after adjustment for Rockefeller Drug Law Reform estimated funds. The requested column in the recommended budget did not include this August update from the Department.
- The recommended budget includes $2,800 in revenue from Refunds of Prior Year Expenses that the Department did not request.
- The recommended budget includes revenue that the Department identified in its August update, which it expects to be accepted and appropriated through resolution during the year but does not include the expenditure for the Long Island Gang Task Force (001-3139)

$17,202, the US Marshalls Fugitive Task Force (001-3153) $16,000 and Operation Impact VIII (001-3662) $44,000.

- The recommended budget includes $5,727 in reimbursement for soft body armor (revenue code 4347) that the Department did not include in its requested budget.
- The recommended budget includes $107,721 in Vehicle Seizure Program revenue that the Department did not include in its requested budget. The 2011 actual revenue was $633,923 and the 2012 estimated revenue is $364,619.

Expenditure

The 2012 estimated expenditure of $42,140,177 is $48,532 more than adopted. The estimated budget is reasonable given year-to-date expenditure as of September 21, 2012 of approximately $24.6 million, approximately $7.3 million in permanent salary expenditure through the end of the year and approximately $7.3 million in pending expenditure for the State Training School. BRO's year-end permanent salary estimate is $25.6 million and the estimated budget includes $25.6 million for permanent salaries across all appropriations.

The 2013 recommended budget of $39,650,648 is approximately $1.7 million or 4.1% less than requested, which is attributable to the recommended budget being approximately $1.5 million less than requested for permanent salaries:

- $1,224,656 in Probation: General Administration (001-3140); the recommended budget transfers five positions to DoIT that the Department did not request
- $179,778 in Electronic Monitoring (001-3189); the recommended budget transfers one position to DoIT that the Department did not request
- $43,274 in Probation: Day Reporting (001-3138)
- $12,860 in Juvenile Accountability Incentive Program (001-3185)

The recommended budget includes $25,141,926 for permanent salaries across all appropriations in 2013. Based on our projections, the recommended budget includes sufficient funding to adequately fund the Department's filled positions in 2013.

Of the remaining $222,370 difference between the recommended and requested budgets, the recommended budget is $50,500 less than requested and $65,079 less than the 2012 estimate for overtime department wide. In 2012, the Executive's new stringent guidelines to better monitor and curtail use of overtime were in place. To sufficiently provide for overtime, we recommend adding $50,500 to overtime, as requested by the Department.

The remaining $171,870 expenditure difference between the recommended and requested budgets is across departmental appropriations. Considering the magnitude of the Department's expenditure budget, this is negligible.

Staff

The 2013 Recommended Budget reduces the Department's 437 authorized positions to 430 by abolishing one vacant Senior Clerk Typist in the typing and file room division and transferring six positions to the Department of Information Technology (DoIT). The narrative indicates that these are six of 43 positions that are proposed to be transferred from various County Departments to DoIT to create a "federated approach" to Information Services. It is expected

that IT staff for the most part will remain at their current workstations, planning, policy and certain work activities will be coordinated through central IT, which is supposed to result in identification of technological synergies, maximization of staff resources and provision of a streamlined approach to IT.

The six positions transferred to DoIT are as follows:

- Probation: General Administration (001-3140):
    - One Systems Analyst Supervisor (C-J)
    - Two Programmer Analysts
    - One Office Systems Analyst I
    - One Office Systems Technician
- Electronic Monitoring Program (001-3189):
    - One Senior Programmer Analyst

Transferring the Probation staff could have a direct negative fiscal impact on Probation's State Aid revenue. According to the Department, the annual State Aid Application accounts for every individual by title so the loss of staff is reportable as are the salaries and fringe benefits. The costs associated with the Department are a direct factor in the determination of the State Aid Block Grant. An MOU or MOA type of agreement between Probation and DoIT is not a solution to the proposed transfer of personnel as the State will not pay for the positions unless they are specifically in the Probation Department because the reimbursement is specific to the Probation Department. Current reimbursement is 11% for salaries and 20% for fringe benefits.

The transfer changes the recruitment, training, and supervision of the staff members with them answering to an offsite supervisor instead of directly to Probation administration. The priorities of Probation and DoIT may not be the same, which will leave these departments and staff members in what could be a problematic situation. Probation will essentially lose control of this aspect of its operations.

Due to the budget implications of the proposed transfer, we recommend restoring the six positions to the appropriations in the Probation Department where they are currently employed. To reverse the proposed transfer, we recommend adding $458,138 to the associated permanent salary lines; $369,500 for Probation: General Administration (001-3140) and $88,638 for the Electronic Monitoring Program (001-3189), with an offsetting decrease in DoIT.

Billing for Probation: State Training School

The recommended budget indicates that oversight and fiscal management of the State Training School Placements will be looked at by the Performance Management Team, Probation & DSS to determine if there are fiscal and programmatic efficiencies in transferring the program to DSS. This appropriation is a significant expenditure for the County.

The 2012 estimated budget for Probation: State Training (001-PRO-6129) is $7,287,911. The Department's request for 2012 was $7.5 million. According to Probation, this funding is anticipated to cover the expenses applicable to the 1st through 4th quarters of 2011 and the 1st quarter of 2012 with some funding available to pay the 2008 retro rate adjustments. The billing

for the 1st quarter of 2011 is for just over $1.3 million. Currently, billings have been posted through the 1st quarter 2011 but these bills are only accessible through a State-issued billing link and that link is problematic. To date, the link has not been accessible for quarterly bills and repeated attempts for this access problem to be corrected have gone unanswered. Additionally, requests for these bills to be created in a PDF file and emailed to Probation if the website is a problem have also gone unanswered. As of the 1st quarter 2011 billing (dated 2/4/12), no retro rates increases had been established for 2009 or 2010. These rate increases will be billed as they are set by the State and usually payable upon presentation. To bring the County up to a point where the payments are through the 3rd quarter of the current year (2012), would require an additional two quarters of payments. The estimated 2012 and requested 2013 budgets may accommodate an additional quarter dependent upon the number of actual care days and the final decision regarding the retro rates. The recommended budget is $6.75 million, as requested by the Department.

Two major concerns regarding the State Training School are:

- The State requires the County to pay for services that the Probation Department cannot verify were provided on behalf of the County because the Department cannot access the State's billing system.
- The County's state aid can be withheld in DSS to pay retroactive rate adjustments and back billing. In accordance with the provisions in the 2010 – 2011 New York State budget, the State can withhold the equivalent aid to the County should the County not meet its financial obligation for outstanding OCFS bills. Imposition of this stipulation impacts the overall state aid to the County's Department of Social Services not Probation. The enactment of this provision took place in late 2010 with the withholding of funding to Suffolk County DSS on the basis of the OCFS bills remaining unpaid in 2010. Additionally, the procurement of these funds is made on the basis of outstanding money according to the OCFS fiscal system regardless of circumstances or the dispute of a payment. This leads to the potential that Suffolk County may be paying for juveniles that are not our responsibility and for potential days when juveniles were not in the State care, since we cannot independently verify the billing.

Issues for Consideration

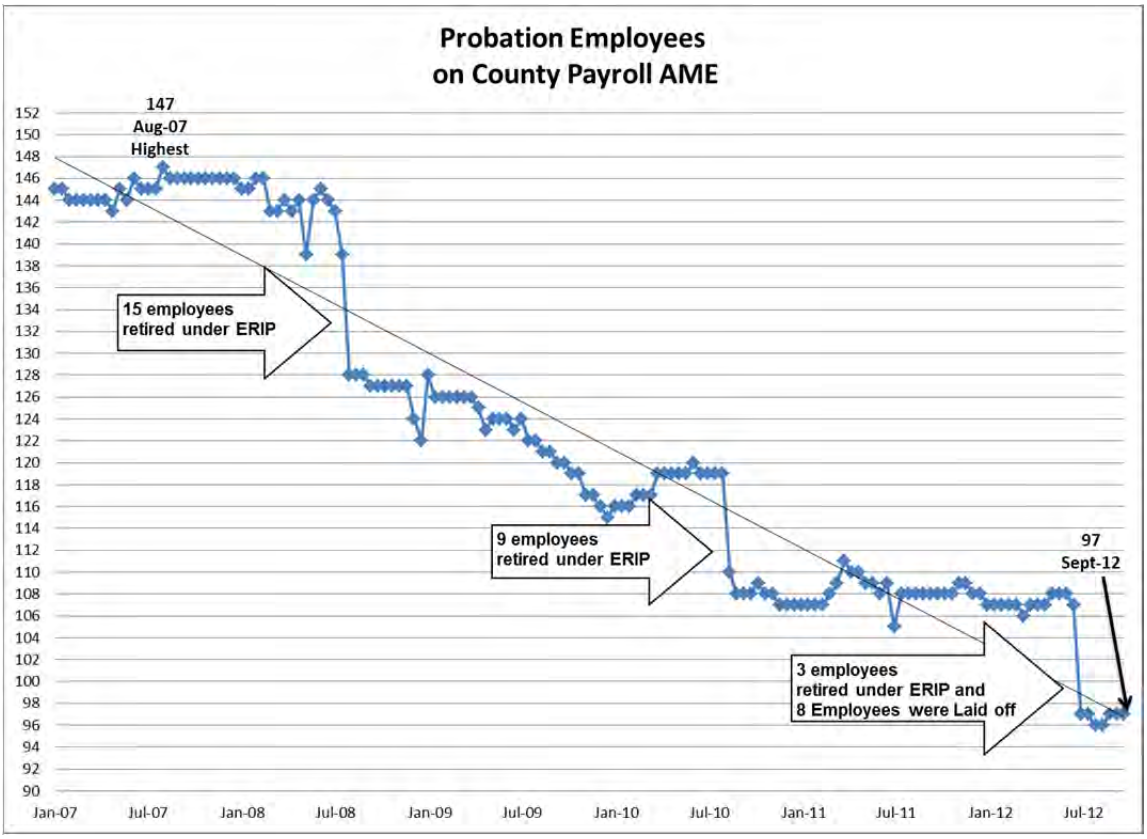
Personnel

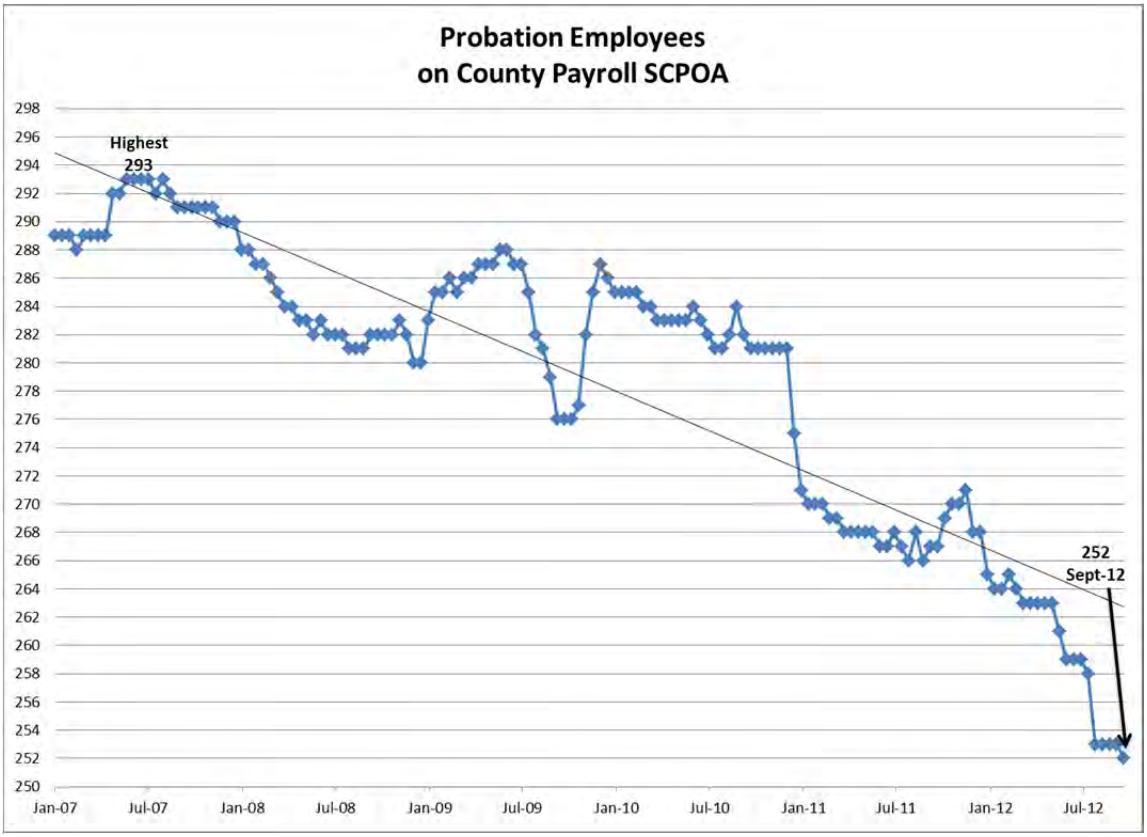
Probation reportedly has approximately 70 people eligible for retirement in the next two years, mainly sworn officers. The Department reports that it is functioning at a high level but that this will not continue to be the case if attrition proceeds at anything close to the possible rate. At the September 6, 2012 Public Safety Committee meeting, Probation's Director indicated that the Department is looking at an estimated class of 15 Probation Officer Trainees in August 2013, but that the actual number will be a direct result of attrition and turnover savings. If additional Probation Officer Trainees are included in an August 2013 class, then Probation's expenditure on salaries and benefits as well as policeman supplies (001-PRO-3140-3390) will be impacted to outfit the new officers.

The Department's August update states, "This budget request provided for an operating budget with the essential fiscal resources requested to meet our mission of community protection and client assistance and rehabilitation. The role of the Probation Department is to provide

community supervision of the offender populations to ensure the highest level of public safety. In order to continue to achieve this departmental objective, attention must be paid toward the maintenance of sufficient staffing levels."

Probation staffing levels have been considerably diminishing. The number of active civilian positions and the number of active sworn personnel has been trending significantly downward, as can be seen in the charts that follow.





In September 2012, there were 97 active AME employees on Probation's payroll. This is 50 less than there were in August 2007, just five years ago. During this same time period, the number of active sworn positions in Probation went from 293 to 252, a reduction of 41 active sworn positions. Six people in sworn positions left County service as a result of the 2012 Early Retirement Incentive Program (ERIP).

Remote Electronic Monitoring Services for the Electronic Monitoring Program

Per the Department, this is a new request for a service that is presently awarded under an approved waiver, due to expire December 31, 2012. A continuation of the waiver until at least June 30, 2013 will be requested as the contract for these services was not fully executed and the services begun until July 9, 2012. An extension of waiver until June 30, 2013 will allow the Department to analyze and critique the required service and prepare comprehensive technical specifications for the future provision of the monitoring services. The issuance of and responses to this RFP would then be addressed in early 2013. The responses will be the determining factor for the impact to the 2013 budget. The awarded contract for this service would then have an effective time period of July 1, 2013 through June 30, 2016 with two one-year extension options. It is projected that the related expense will continue to be an offset to the overtime costs previously incurred in operating this monitoring program on a 24/7 required basis in appropriation 3189 (Electronic Monitoring).

RFP for Community Service Alternative Sentencing (001-3184) Programs

The Community Service Program for Adult and Juvenile Probationers was awarded pursuant to an RFQ and will be administered by Education and Assistance Corp. (EAC) under a fee-for-

service contract. The program has been overseen by the Probation Department since April 30, 2012, the date of termination of the American Red Cross contract. The proposed start date for EAC is September 1, 2012 with Probation staff remaining involved in those cases that will be completed with their required hours by December 31, 2012. All cases transferred to EAC will be done so at the flat rate of $250 per transfer as agreed to by EAC. Thereafter all new referrals will come at a cost to the County depending on whether the individual is an adult or a juvenile. Caseload and referral numbers will have to be reconciled in the future before an accurate cost can be stated for the EAC component. The recommended budget includes $450,000 for this purpose.

Nine-Step Program for Revenue

Probation is implementing an aggressive nine-step program to increase departmental revenues. The departmental narrative in the recommended budget states, "In 2011 the Probation Department collected approximately $1.3 million in probationer fees and with this new plan an additional $700,000 will be collected in 2013." The "Nine-Step" program includes the following:

- Credit card payments
- Increased Probation Fees per Res. No. 1161-2011
- Implementation of contract with new collections agency
- Enlistment of Probation Officers in fee collection effort
- Improved automated case management system and National Address Forward Software
- Contacting "Final Notice" clients
- Retooling and reassigning existing clerical staff part time to fees collection
- Redesigning operations to facilitate fee collection (PSI's and other notifications)
- Revamping the "waiver" process

Probation fees are not Conditions of Probation, but rather administrative fees as promulgated in the Laws of Suffolk County in Chapter 390 § 390-1, with the exception of fees that cannot be set locally because they are in accordance with the Laws of NYS, such as the fee for DWI Supervision.

Juvenile Accountability Incentive Program (001-3185)

Resolution No. 621-2012 was adopted on August 7, 2012. This legislation accepted and appropriated $67,606 in 90% Federal funds awarded as pass-through funding by the New York State Division of Criminal Justice Services to the Probation Department and authorized the County Executive to execute related agreements.

These funds will provide for a mental health crisis team that will respond to mental health crises in students that might lead to an arrest. Qualified mental health professionals coordinating with Probation will provide training, respond to crisis, assess students, and provide linkages to services and community programs.

Performance Management Team

As reported by the Department, the Performance Management Team has been looking at:

- Establishing metrics for tracking outcomes and monthly reporting of same
- Grant funding issues and concerns, primarily maintaining a current grant for our Day Reporting Center program:
    - A June 2012 report on Probation's 100% State Funding Proposal to Reduce the Cost of Jail Overcrowding in 2012/2013 indicated that there is concern regarding the need for the DRC to have certified and licensed treatment staff or lose both its mental health and substance abuse licenses, and have Community Mental Hygiene no longer involved in the program. If Suffolk's DRC program no longer operates as a clinic, we will likely lose over $400,000 remaining in the 'Second Chance Act' Federal grant. A second grant application to remove parole violators from the jail will clearly be lost without DRC's licenses and status as a clinic. A third pending Federal grant for 'Smart Probation' federal funding for jail bound, mentally ill offenders will also suffer the same fate. Also, if Suffolk County defaults on its obligations, the County's ability to secure federal grant funds will be seriously diminished in the competitive Federal grant environment. The target populations of these entire grant programs are high-risk, jail bound offenders who have a high probability of incarceration.
- Issues that present impediments in the contract process
- An MOU between Probation and DSS for emergency sex offender housing
- The role of the Criminal Justice Coordinating Council
- Removing obstacles in establishing the ability for probationers and others on their behalf to make credit card payments via computer
- Restructuring of Probation's GPS Unit
- A proposal for Probation to hire returning retirees on a part time basis, at an entry level salary, to perform presentence investigations in order to eliminate overtime for this function and provide the Department with the ability to redeploy staff.

Caseload vs. Workload

Diminishing staff may negatively impact the caseloads and workloads of the Department's sworn personnel. The American Probation and Parole Association, says that the issue of the ideal size for a probation caseload has been discussed for as long as there have been professionals in the field. Why can't a definitive answer be given to the question of how many offenders a caseload officer should carry? According to the Association, not every offender needs the same type or amount of supervision. To be effective and efficient, there must be varying amounts of supervision provided to offenders. The more serious or higher priority cases are assigned a greater level of supervision, meaning that the officer will be expected to have more frequent contact with that offender. Lower priority cases demand less time of the caseload officer. This is where workload comes in because it is based on differentiation among cases. Under the workload approach, time factors into the weight that a case receives in

assigning it to an officer and for accounting for its contribution to the officer's total responsibilities. Therefore workload, based on differentiation of case supervision, makes it more difficult to define an ideal caseload in numbers. Per the Association, the process of developing a workload model for a given supervision agency is fairly straightforward, and has been well refined. The difficulty comes in the diversity and pluralistic nature of the probation and parole field. The policies and procedures of probation and parole agencies across the U.S. varies so that there is not enough consistency of practice to support national workload standards.

The American Probation and Parole Association provides the following example to illustrate why workload is a more accurate and fair way to describe officer caseloads and why it is difficult to define an ideal caseload in numbers.

Supervision Caseload		
Case Priority	**Hours Per Month**	**Total Cases**
High	4	30
Medium	2	60
Low	1	120

If the maximum number of hours available to the caseload officer is 120 per month, the caseload can be made up of 30 high priority cases (4 hours times 30 cases), 60 medium priority cases (2 hours times 60 cases), or 120 low priority cases (1 hour times 120 cases). In all three instances, the officer would have a full workload, i.e., one where the number of hours needed to fulfill the minimum requirements on all the cases (demand) is equal to the amount of hours available to the officer (supply).

As the table illustrates, there are three caseloads where the total number of cases is very different, but the total workload is equal. When there is a mixture of all three priority level cases in one caseload, there are almost endless possibilities (between 30 and 120 in the example) as to the total number of cases in a given caseload that would equate to a full workload.

Probation does not use a workload management system for determining caseload assignment. According to the Department, caseloads, even those within units supervising special groups of offenders, are set up on the basis of geography for efficiency in making home visits. Given the size of the County, geography is an important factor. Meeting the mandated amount of monthly contacts, depending upon the different levels of supervision in the state risk assessment system, is another factor. The ongoing challenge is to keep caseloads at a number within which the contacts can be made. Probation does not have sufficient resources to implement a workload management system. The Department periodically examines caseloads and reassign towns and people as needed.

The Budget Review Office recommends tasking the Performance Management Team with reviewing how caseloads are assigned in Probation to maximize staff resources and garner efficiencies, while ensuring public safety.

Budget Review Office Recommendations

- To sufficiently provide for overtime, we recommend adding $50,500 to the Department's overtime expenditure.
- To restore the six IT positions to the Probation Department where they are currently employed and safeguard the associated aid for these positions, add $458,138 to permanent salaries; $369,500 for Probation: General Administration (001-3140) and $88,638 for the Electronic Monitoring Program and transfer the following positions from the Probation ITS unit in DoIT's Direct Charge Department Staff Division (16-1682-0600) to:
    - Probation: General Administration (001-3140-0100):
        - One Systems Analyst Supervisor (C-J)
        - Two Programmer Analysts
        - One Office Systems Analyst I
        - One Office Systems Technician
    - Electronic Monitoring Program (001-3189-0100):
        - One Senior Programmer Analyst
- Task the Performance Management Team with reviewing how caseloads are assigned in Probation to maximize staff resources and garner efficiencies, while ensuring public safety.

JM Probation 13

Public Administrator

Personnel (as of 9/16/2012)

Authorized Positions:	6	**Filled Positions:**	6
Vacant Positions:	0	**Percentage Vacant:**	0%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$399,249	$408,326	$432,562	$452,362	$452,362
Equipment (2000s)	$0	$0	$0	$0	$0
Supplies (3000s)	$6,290	$5,087	$4,303	$5,087	$5,620
Contracts (4000s)	$8,200	$8,380	$8,230	$10,380	$10,330
Totals	$413,739	$421,793	$445,095	$467,829	$468,312

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$225,336	$400,000	$400,000	$400,000	$400,000
Other Income	$175	$200	$200	$200	$200
Totals	$225,511	$400,200	$400,200	$400,200	$400,200

Effects of Recommended Budget

Staffing

The 2012 estimate for permanent salaries is short by $1,703. The 2013 Recommended Budget includes sufficient funding for all six currently filled positions for all of 2013

Expenditure

To be within the Executive's guidelines for the 2013 Operating Budget, the Department requested funding for office supplies as adopted in 2012 at $1,703. However, the Department reported that this level of funding has been insufficient and required borrowing of supplies and materials from other departments. Although the Recommended Budget includes $2,200 in 2013, the Department requires an additional $500.

The Department also reported the necessity to purchase two typewriters at an estimated cost of $1,200 to replace two borrowed typewriters (which are failing) from the Surrogate Court. These typewriters are used to create financial instruments and documents that safeguard and protect the County from fraud. To stay within the Executive's guidelines, the Department did not request funding for replacement typewriters in 2013.

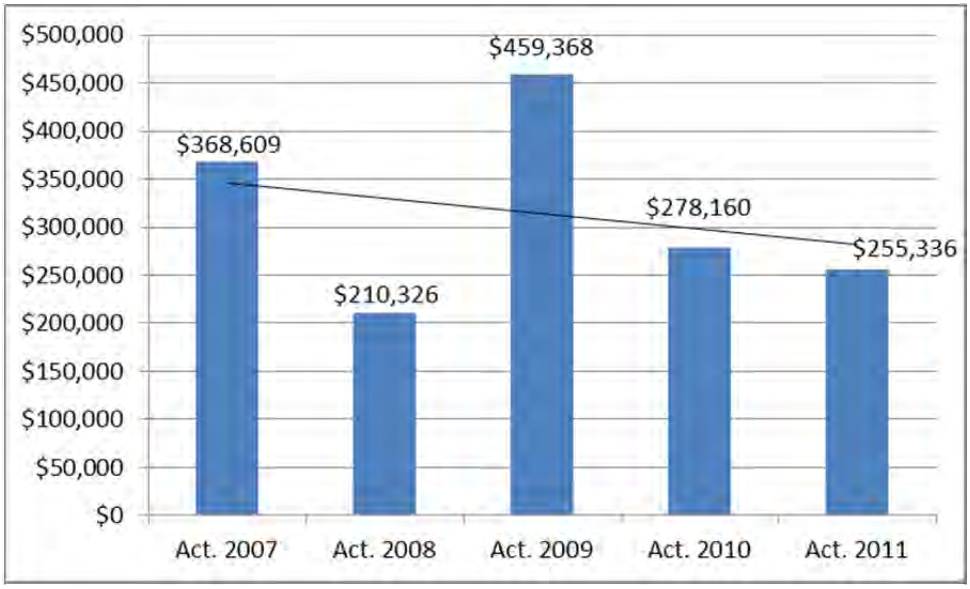
The Department is one year behind in its mandated annual audit due to old contract language only permitting one audit per year. The 2013 Recommended Budget includes $10,000 for the 2011 audit as requested. Based on discussions with the Department, the bid for the 2011 audit is $7,500. The 2012 audit is estimated to cost $10,000. In order to bring the Department into compliance, an additional $7,500 is required in fees for services: non-employee in 2013 to have the 2012 audit performed. If this funding is provided, the current contract between the County and the firm that audits the Public Administrator will need to be amended to permit more than one audit of the Public Administrator per year.

Revenue

The Department's revenue is derived from commissions allowed under the Surrogate Court Procedure Act. The value of assets administered determines the amount of revenue, and the nature of the asset determines how quickly revenue is realized. Commissions typically take six months to receive from the date of sale of real estate. Revenue is received much more quickly from the administration of non-real estate assets, barring delays from kinship hearing or IRS audits.

The Department indicates that the glut of properties already on the real estate market has had a negative impact on their ability to sell properties at auction, especially because many of the properties are in poor condition.

The Department holds two or three auctions per year, with four or less properties offered at each. Auctions are the Department's preferred sales method. If properties are not sold at auction, they are sold through brokers. The following chart shows actual Public Administrator fee revenue (001-1220) from 2007 to 2011.



Public Administrator fee revenue as of September 1, 2012 was reported in the County system as $86,353. Based on discussions with the Public Administrator's Office on October 2, 2012, an estimated additional $286,000 is projected to come in by the end of the year (based on September's court decrees). The 2013 Recommended Budget estimates 2012 fee revenue at $400,000 and recommends $400,000 in 2013. Based on the updated estimated revenue of $372,353 for 2012, we recommend reducing the 2012 estimated revenue by $27,647 to reflect the Public Administrator Office's estimate. Based on information provided by the Public Administrator's Office, there are a few multi-million dollar estates in their inventory. When these assets are sold, they will produce sufficient fee revenue to realize the recommended amount of $400,000 in 2013.

Issues for Consideration

Disposition of Real Property

The Public Administrator's Office sells real estate similar to the Auction and Direct Sales Unit within the Department of Economic Development and Planning. After publicizing in local print news outlets, the real estate is offered for sale at a live local public auction, if not sold, is then listed with a local broker. This approach has not kept pace with present marketing strategies that reach a broader audience of potential willing and able purchasers. The real estate market is still a buyers' market. Not only is the County competing with local properties sellers, but with an ever growing approach by municipalities and others to sell real property at a live/online auction. This is not an uncommon strategy. The following New York state municipalities are scheduled to have a live/online real estate auction in the last week of October 2012: Onondaga County, Warren County, City of Lockport, and City of Niagara Falls.

Staffing

The Department has a small staff of six to oversee millions of dollars in assets (estimated at $17.7 million in 2012) and is subject to a high level of scrutiny. The positions of Public Administrator and Deputy Public Administrator are appointed by a Surrogate Court Judge and are required to report to him on a monthly basis. The balance of the Department is made up

of four positions: Administrator I, Secretary, Senior Account Clerk and Account Clerk. The Public Administrator acts as the Administrator, Guardian, and Trustee pursuant to the Surrogate Court Procedure Act.

As a result of its staffing size, staff is cross trained. If the Department's workload increases above current levels or a number of clerical staff are out sick, it will be challenging for existing staff to complete their work assignments on a timely manner without requiring overtime. The Department did not request, and the Recommended Budget does not include, any funding for overtime salaries.

Budget Review Office Recommendations

Revenue

Decrease the 2012 estimate for Public Administrator fees (001-1220) by $27,647 to reflect the Public Administrator Office's estimated amount of $372,353; this estimate is based on actual year-to-date revenue and court ordered decrees for payment of fees to the Public Administrator's Office.

Disposition of Real Property

To increase revenues and shorten disposal transaction time, we recommend the Public Administrator's Office and the County evaluate the utilization of live/online auction services to dispose of estate and surplus real property in their charge. The advantages are as follows:

- Administrative time and costs would likely be reduced and market exposure would be increased. In addition, it allows for a quantification of administrative costs that may otherwise be more difficult to recoup.
- Property is currently marketed on the Public Administrator's website, and usually in Newsday and a local paper. The wider audience and exposure of the online auction could create increased bidding activity and ultimately higher sales price for the estate, and higher commissions for the Department.
- The buyer need not be physically present to bid and win.
- The online bidder's binding financial commitment is submitted; a non-refundable deposit is taken (if bidder fails to complete purchase transaction after being the high bid) before the bidder is permitted to bid.
- All property information can be placed online, avoiding excessive County staff time spent on potential buyers seeking information, and "tire kickers" who request information but never intend to bid or make a purchase.
- Legal electronic documents and payment transactions can be administered online.
- Anticipated better overall auction outcome should reduce or eliminate the additional expenditure for broker services after an unsuccessful auction where real property was not sold.

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Public Works

Personnel (as of 9/16/2012)

Authorized Positions:	836	**Filled Positions:**	695
Vacant Positions:	141	**Percentage Vacant:**	17%
Positions Abolished in The recommended budget:	6	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$53,018,704	$50,056,081	$49,069,185	$49,334,165	$47,102,997
Equipment (2000s)	$4,558,256	$3,959,585	$2,831,420	$3,926,026	$2,370,863
Supplies (3000s)	$43,957,895	$44,955,954	$44,084,529	$46,850,135	$45,850,251
Contracts (4000s)	$134,191,156	$140,365,667	$135,566,084	$144,765,383	$135,347,485
Totals*	$235,726,011	$239,337,287	$231,551,218	$244,875,709	$230,671,596

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$26,297,986	$26,434,236	$28,522,761	$27,864,743	$27,865,298
Federal Aid (4000s)	$2,543,863	$2,151,600	$2,379,235	$2,911,510	$2,911,510
Departmental Income	$48,330,950	$50,710,162	$49,405,703	$51,181,957	$51,651,957
Other Income	$21,400,865	$35,418,110	$22,409,221	$35,367,386	$12,169,143
Totals	$98,573,663	$114,714,108	$102,716,920	$117,325,596	$94,597,908

*Approximately $46.5 million or 19.9% of Public Work's total expenditures are borne by the County's 21 Sewer Districts and their administration, operation, and maintenance. Each Suffolk County Sewer District is a separate taxing jurisdiction that maintains its own unique operating fund via the levy of taxes and/or fees among residents and commercial entities within the district. The costs associated with operating Suffolk County Sewer Districts do not impact the General Fund tax levy.

Effects of Recommended Budget

Expenditures

The 2013 Recommended Operating Budget includes $215.1 million for aggregated expenditures within the Department (excluding employee benefits 8000s), which is $13.8 million or 6.0% less than the Department's request of $228.9 million. Compared to the Department's 2013 request, the largest difference is $9.4 million in contractual expenses (4000s) mainly due to the transfer of contract responsibilities for expenditures and revenues associated with the Red Light Safety Program from the Department of Public Works to the new Traffic Violations Bureau. The next largest difference is personnel expenditures (1000s), which are $2.2 million less than requested, of which $1.3 million of the difference is permanent salaries, partially due to the transfer of four positions to the Department of Information Technology, and $865,370 of the difference is overtime. Equipment expenditures (2000s) are $1.6 million less than requested primarily for the Purchase of Automobiles. The recommended budget includes no funding for the purchase of automobiles; the Department requested $1.4 million. Supplies (3000s) are $1.0 million less than requested across numerous appropriations, the greatest of which are gasoline and motor oil recommended at $400,000 less than requested, chemicals $210,508 less than requested and $128,129 less than requested for repairs to licensed vehicles. The County may be able to reduce the cost of chemicals by jointly purchasing them with Nassau County.

Revenues

The 2013 Recommended Operating Budget includes $94.6 million in aggregated revenue department-wide, which is $22.7 million less than the Department's request of $117.3 million. The majority of the differences can be attributed to:

- The Red Light Safety Program is $23.9 million less than requested related to the transfer of the program from the Department of Public Works to the Traffic Violations Bureau.
- Bus Operation Fares is $470,000 more than requested associated with the proposed increase in SCAT fees.
- The sale of scrap and excess materials in Purchasing is $600,000 more than requested. The Performance Management (PM) Team is doing inventory audits, which it plans to expand countywide, and is looking into the possibility of selling back (or auctioning) old or out dated stock, once a complete inventory is done. Auctioning off old inventory at BOMARC is being considered as well as selling scrap. According to the Executive's Office, efforts are underway to auction cars and identify scrap metal opportunities to bring in revenue. The inventory control audits have been a joint effort by the PM Team, DPW and Grainger Inc., which conducted site visits to various departments to inspect the entire ordering process. The main focus was on operations and maintenance. It was reported that this exercise will try to minimize the amount of stock being ordered by going to a Just In Time (JIT) ordering system.

Staff

Public Works has 109 fewer authorized positions (836 vs. 945) than it did at this time last year with which to accomplish its core mission. The Department currently operates with 695 filled positions, which is 118 less than last year at this time. The recommended budget abolishes six vacant positions and transfers four technology positions to DoIT. The recommended budget provides $41.6 million for permanent salaries, which is $1.3 million or 3% less than requested. Although the recommended budget indicates that funding has been included for maintenance mechanics to staff the new correctional facility, in the aggregate recommended permanent salaries are insufficient to fill any vacant positions. Additionally, our analysis indicates that recommended permanent salaries are deficient by approximately $260,000 to fund the filled positions within the Department for 2013. We recommend providing adequate funding for the entire year for filled positions.

The six vacant positions recommended to be abolished are as follows:

- Buildings Operations and Maintenance (001-1494):
    - One Maintenance Crew Chief (STM/HVAC)
    - One Building Maintenance Manager
    - Two Maintenance Mechanic V
    - One Materiel Control Clerk IV
- Custodial Services and Security (001-1611):
    - One Custodial Worker I

The four technology positions recommended to be transferred to DoIT are as follows:

- One Senior Programmer Analyst; in Highway Design and Construction (001-1490)
- Two Office Systems Analyst II; one in Highway Design and Construction (001-1490) and one in an interim position in Sewer Maintenance and Operations (261-8199)
- One Programmer Analyst; in Vector Control Field Unit (001-1495)

The transfer changes the recruitment, training, and supervision of the staff members with them answering to an offsite supervisor instead of directly to DPW's administration. The priorities of DPW and DoIT may not be the same, which will leave these departments and staff members in what could be a problematic situation. DPW will essentially lose control of this aspect of its operations; however the transfer would not have a fiscal impact. Therefore, this is a policy decision.

All 13 DPW interim positions are transferred to positions that are included in the 2013 Recommended Budget.

Court Facilities (001-1164)

The requested budget for DPW's Court Facilities division states that due to manpower shortages, it has become necessary to utilize overtime for all extra services such as floor stripping and waxing, and gang cleaning. Also due to shortages, a number of regular daily shifts must be covered by employees working overtime. The New York State Office of Court

Administration closely monitors the cleaning of all court facilities, and any lapse in custodial care can jeopardize our annual 100% reimbursement for court cleaning expenses from them.

Custodial services at the Cohalan Court Complex, including grounds maintenance, are performed by contract with the New York State Industries for the Disabled (NYSID). The recommended budget for 2013 includes funding at the same level as 2012 for this purpose. In 2013, additional aid from NYS will enable the Department to increase its funding to NYSID from $1.3 million to $1.4 million. The additional funding will provide for NYSID to hire back personnel that they had to lay off in 2011 when the Courts reimbursement funding was reduced and help safeguard the County's reimbursement for court cleaning expenses. The Budget Review Office agrees with the Department and recommends including this expenditure as requested by the Department.

Purchase of Automobiles (016-5130)

The recommended budget includes no operating funds for the purchase of vehicles in 2013, while the Department requested $1.425 million to replace a portion of decommissioned vehicles. DPW anticipates having the balance of the projected number of vehicles required appropriated under capital project 3512 for public safety vehicles and capital projects 5601 and 5602 for non public safety vehicles. The 2012 estimated budget, as well as the year-to-date expenditures as of September 21, 2012, indicate that the County is not expected to expend any operating funding in 2012 for the purchase of vehicles. Actual expenditures have been trending downward from $11.7 million in 2006 to $1.6 million in 2010 with an uptick in 2011 when actual expenditures were $2.7 million.

Insufficient funding for the purchase of replacement vehicles has resulted in vehicles retained on the fleet beyond their useful life, which the Department indicates results in more costly repairs, extensive downtime for vehicles and disruption of operations for user agencies. Additionally, it is expected that there will be more repairs because of an increase in out of warranty vehicles. The Department's August updated budget request decreased its requested funding for auto supplies because there is less personnel to perform repairs to the County's increasingly aging fleet and increased its funding request for Repairs: Licensed Vehicles for repairs that are performed by outside vendors. Consequently, the aging County fleet is becoming increasingly burdensome to our repair facilities as parts availability lessens and the cost to provide maintenance and repairs increases. The Department tries removing its oldest and most problematic vehicles in the County's fleet by replacing them with more efficient hybrid, CNG and longer lasting diesel powered vehicles.

As of September 1, 2012:

- CP 3512, Public Safety Vehicles, has $2.5 million appropriated for approximately 91 replacement vehicles with an available balance of $710,172. The Adopted 2013 Capital Budget includes $2.5 million. DPW has determined that in order to sustain the Public Safety fleet at current levels, $11,253,661 would be required based on the existing decommissioning requirements of 120,000 miles for patrol cars and 130,000 miles for the remainder of the Public Safety fleet.
- CP 5601, Purchase of Hybrid Electric Vehicles, has $5,771,250 appropriated with an available balance of $2,010,331. Of the $1.9 million scheduled in the Adopted 2012 Capital

Budget, $1,146,250 has been appropriated for the purchase of 52 hybrid electric vehicles. The Adopted 2013 Capital Budget includes $1.15 million.

- CP 5602, Clean Cities – Alternative Fuel Infrastructure and Compressed Natural Gas (CNG) Vehicles, has $13,933,000 appropriated with an available balance of $5,685,317. The Adopted 2013 Capital Budget includes $1.15 million.

Operation of the County Bus System and SCAT Bus Fare

The County Executive proposes to invest in North-South mass transit connections, and develop a plan to create bus rapid transit systems with dedicated bus lanes, methods of collecting fares before rider's board buses to shorten time at stops, and technology that allows buses to control traffic lights. The County Executive does not think the improvements are feasible at the current cost of providing services. Therefore, he is charging the Budget Office, Executive Administrative staff and the Department of Economic Development & Planning to work collaboratively with the Department of Public Works Transportation Division to draft recommendations to reduce the County's bus transportation costs while increasing services provided. The net cost to the County for operating the Suffolk County Bus system has increased from $15 million in 2005 to approximately $29 million in 2013 without a like increase in service.

The recommended budget includes $60.4 million, as requested by the Department, for bus carriers whom contract with the County to provide Suffolk County Transit and Suffolk County Para-transit (SCAT) services. The recommended budget includes the following alternatives to the current transportation delivery system to be considered for further exploration:

- Renegotiation of the existing contracts
- Restructuring current routes to meet highest demand
- Examining alternative methods of service delivery, like Nassau County

The 2013 Recommended Budget directs the Commissioner of DPW to hold public hearings as soon as possible to determine the need for a one-way SCAT bus fare increase of one dollar ($1.00) to be effective as soon as practical after such hearings are concluded and which will be deemed approved upon the determination of the need for such increase by the Commissioner. Resolution No. 535-2012, which was not adopted, directed DPW to do this as well but did not include a specific fare increase. The recommended budget proposes an increase in the SCAT bus fare and includes $470,000 more than requested for Bus Operation Fares (rev. code 001-5631-1751). The proposed Bus Operation Fares revenue is reasonable if the SCAT bus fare increase is implemented. If not, it is unlikely the additional revenue will materialize.

The Federal Transit Administration's (FTA) 2011 triennial review of the County's transit operations found that the number of Para-transit trip denials was too high, which is an indicator of capacity constraints. To keep up with growing registration in the program and increasing demand, DPW will need to continue to provide additional vehicles. The Department indicated that additional SCAT buses will be added in 2013. Para-transit vehicles are purchased through the County's Capital Program via CP 5658, Purchase of Public Transit Vehicles and 80% aided through a Federal Transit Authority Administration Grant and 10% aided through NYSDOT. The Department plans to purchase Para-transit buses with clean diesel technology at a cost of approximately $65,000 per bus via CP 5658.

Sewer District Operations

The recommended budget indicates that the County is currently exploring a collaborative relationship with the Suffolk County Water Authority (SCWA) for sewer district operations as there is a "natural nexus" between the County and SCWA. It is expected that this collaborative relationship will enhance the capital expansion of the sewer systems, which is very expensive, but critical to economic development initiatives. Other municipal governments around the country have privatized sewer operations to raise revenues and expand the ability to build and upgrade sewer systems and recently Nassau County announced plans to seek a public-private partnership to help eliminate debt and improve its sewer treatment plants.

The 2012 estimated budget includes funding in the County Executive's Office for a professional services contract related to fully exploring cost savings and operational trade-offs from pursuing a change in sewer district operations. The County Executive will be working closely with the Legislature on this issue with any proposal, sale, or memorandum of understanding related to a change in sewer operations having a full public vetting and authorization by the Legislature.

If the analysis concludes that Suffolk County should continue to be responsible for the sewer districts then the sewer billing remittance processing should be reviewed. A goal of DPW's General Administration Division (259-8195) is to produce an RFP for sewer billing remittance processing, including new functionality to allow electronic check and credit card payments.

Sewers

The 2013 Recommended Budget includes 333 authorized positions for sewer operations, which is one more than the 2012 modified. It transfers in two positions within the Department from the General Fund (001) to Sewer Operations (one General Services Manager and one Senior Clerk Typist) and transfers out one position (Office Systems Analyst II) to the Department of Information Technology.

The recommended budget for sewer operations is $1,153,166 less than requested. The majority of the difference or $1,123,750 is attributable to the following:

- Overtime is $381,739 less than requested. The majority or $337,339 of the difference is overtime for Southwest Sewer District #3 for emergency repairs and shift coverage at the Bergen Point Plant, pumping stations, and the collections systems. The recommended overtime expenditure of $1.05 million for Southwest Sewer District #3 is reasonable in comparison to actual overtime expenditures in 2009, 2010 and 2011.
- Chemicals are $210,508 less than requested. The County may be able to reduce the cost of chemicals by jointly purchasing them with Nassau County.
- Sludge removal is $50,000 less than requested for the Southwest Sewer District #3. Actual expenditure in 2011 for this purpose was approximately $5.5 million and the average expenditure between 2006 and 2011 was $5.5 million. The recommended budget includes $6.15 million, which is reasonable when compared to historical expenditure for sludge removal.

DPW's request included no revenue for the Electrical Demand Reduction Program (203-DPW-8113-2708) because the contract ends May 31, 2012 and it was not renewed.

Rent: Offices and Buildings (001-1363)

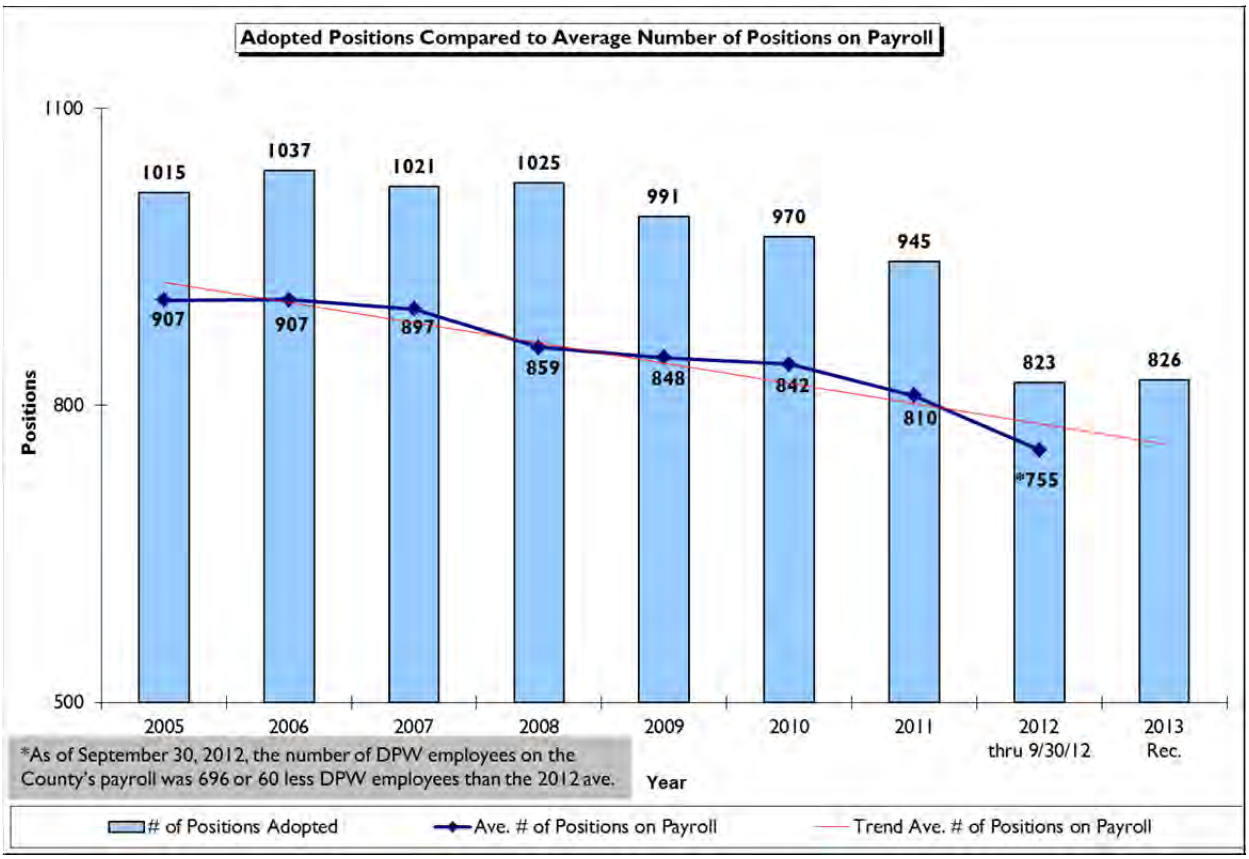
This Division within the Department contains the countywide appropriation for the majority of rental expenses associated with buildings occupied by various County departments, programs, and entities. The rental space is primarily for Health Services, DSS and Legislative Offices. The costs are based on annual rental fees, along with tax, maintenance, and other reimbursements. Rental costs are set by lease agreements. DPW has 46 building rentals in all with 41 paid for through this division, four paid for through Court Facilities (001-1164) and one paid for through Sanitation Operations and Maintenance (261-8199).

The 2012 estimate of $16.3 million for the County's building rental expense is $601,436 more than the 2011 actual expenditure of $15.7 million and $343,700 more than estimated by the Department in its August update. The 2013 Recommended Budget includes $17.0 million, which is approximately $1.4 million more than the Department's August update. The differences between the budgets is an accounting issue with the rent abatement for Great River; Governmental Accounting Standards Board (GASB) requires the County to include the abated rent in the 2012 and 2013 budgets as an expense and then take a percentage savings each year over the life of the lease.

Issues for Consideration

Personnel

Staffing levels within DPW have reached historically low levels over the past several years. The Department began 2012 with 802 employees on the payroll, which has steadily declined to 696 as of the end of September 2012. The loss of seasoned staff has divested the Department of valuable institutional knowledge. As can been seen in the chart that follows, the number of DPW employees on the County's payroll has been trending downward.



Backlogs

With the DPW operating with 118 less filled positions than last year at this time and insufficient funding being recommended for filling any vacancies, backlogs in the Department will be exacerbated. The following bullets serve to illustrate some, but not all, potential ramifications of the areas that are being impacted by the Department's diminishing staffing levels:

- The Appraisals and Condemnations Unit has a backlog in processing settlement claims due to the large number of vestings in 2009 and 2010. DPW says the number of Federal and State funded condemnations is increasing dramatically. Projects usually have a large number of claimants requiring ordering and careful review of numerous appraisals and title reports. With only two people assigned to all appraisal matters and two people assigned to all title matters, it is difficult to assure that these matters are being expedited in accordance with the high standards afforded them.
- The Highway, Design and Construction Unit will use a Student Intern II position to supplement survey staff to address its backlog and heavy workload in the Highway Construction area, as well as to assist computer personnel.
- The Bridges, Structures and Waterways Unit will use a Student Intern II to supplement the Bridges Division in assessing bridge needs and alleviate its backlog of studies.
- Facilities Engineering has a backlog and is need of additional overtime because it currently has one unfilled Senior Engineering position.

- The Transportation Division is experiencing a backlog in responding to requests for new or revised services as well as resolving passenger and ADA related issues for both SCAT and SCT riders.
- The Division of Road Machinery has a backlog in repairs; outfitting new vehicles, primarily new police cars; servicing of vehicles during peak usage periods (snow equipment, mowing equipment, Vector control spraying equipment).

We recommend tasking the PM Team with reviewing DPW's backlogs to determine if operational or process related improvements can be made to decrease the Department's backlogs.

DPW Materials Testing Laboratory (001-1490)

The Materials Testing Laboratory insures that the materials used on County projects meet the required specifications. Per the DPW's requested budget, the Materials Testing Laboratory inspection of nonstructural concrete, precast structures and asphalt quantities of less than 350 tons is now performed through a certification process where batch weights are reviewed for conformance to specifications by lab personnel up to several days after production. Because of this, problems are only detected after they occur, which can result in the need for costly remedies.

If they are not already doing this, we recommend tasking the PM Team with reviewing the process that is used in the Materials Testing Laboratory inspection of nonstructural concrete, precast structures and asphalt quantities of less than 350 tons to avoid the need for costly remedies to problems with conformance to specifications up to several days after production.

Infrastructure Maintenance

Infrastructure maintenance efforts become increasingly challenging as the County's structures inventory ages and damage occurs to structures. Some areas within DPW that are impacted are as follows:

- The Division of Bridge and Structure Design and Construction (001-1490) has experienced growth in its responsibility for infrastructure maintenance. Each year this Division finds more old deteriorating structures the County either built or had cost sharing responsibilities and is now fully responsible for maintenance and has become responsible for more channel dredging projects each year, upon Dredge Project Screening Committee approvals.
- The Buildings Design and Construction Division (001-1493) is charged with oversight of an expanding and aging facilities inventory. Dealing with environmental, health, and safety issues particularly during alterations in existing buildings, has added to the list of things to be considered i.e. asbestos removal during construction requires additional planning to incorporate the work safely into the project.
- The Buildings Operations and Maintenance Division (001-1494) has a particular concern regarding the constant repair and maintenance efforts within County correctional facilities as a result of damages inflicted by inmates.

If they are not already doing this, we recommend tasking the PM Team with analyzing the County's infrastructure maintenance efforts to determine if efforts can be made to mitigate

damage to the County's buildings and to address repairs in a timely manner to avoid escalation in repair costs.

Support Services (001-1660)

The Division of Support Services has expanded its graphics capabilities and now provides high speed mail foldings and inserting. The Division indicated that a concerted County-wide effort should be made to consolidate print, graphics work, and mailing needs into Support Services. According to DPW's requested budget, centralization will reduce related procurement, equipment and labor expenses. Additionally, the Department continues to review all County contracts for external printing services to determine if the work can be done in-house for less cost.

If they are not already doing this, we recommend tasking the PM Team with reviewing the County's print, graphics work, and mailing efforts to determine if cost savings as well as processing efficiencies can be ascertained from consolidating this function in Support Services.

Special Transportation Coordinator Position

The Transportation Division is required by court order to appoint a staff member with responsibility as an ADA Coordinator responsible for responding to complaints and taking necessary corrective action. With the retirement of the Special Transportation Coordinator in 2010, the position was abolished and leaves the Division in non-compliance with the stipulations of the settlement. Filling this position is essential to safeguarding the County's Federal funding; however the recommended budget includes insufficient funding to fill any of the Department's vacancies.

We recommend abolishing a vacant Clerk Typist position and creating a Special Transportation Coordinator (grade 27) position to enable the County to comply with court orders and address the needs of the disabled. The salary and fringe benefit cost for nine months is $68,960.

Highway Maintenance of LIE and Sunrise Highway (105-5110)

The Highway and Maintenance Division maintains over 35 miles of State owned Long Island Expressway Service Roads and 13 miles of Sunrise Highway Service Roads as mandated by the State. This limits the County's ability to provide services desperately needed on County owned and maintained roadways.

We recommend tasking the PM Team with reviewing this state mandate to determine if cost savings or staff efficiencies can be ascertained.

Energy

Traditional supply and demand influences have little influence on energy markets and prices remain volatile. Despite geopolitical factors in the Middle East, weather events in the Gulf of Mexico, and processing disruptions at domestic refineries on both the east and west coasts, except for sporadic fluctuations in crude oil prices we should expect to end 2012 with the same average price per barrel (approximately $95) as a year ago. Home heating oil is much more sensitive to acute price spikes as we approach the winter heating season. Still, other less predictable factors continue to influence month-to-month volatility in crude oil prices than market demand would suggest. In contrast, a shift away from the Gulf of Mexico to inland

supplies has resulted in relatively stable pricing for natural gas – but over supply is contributing to reduced production and an upward trend in prices.

The 2012 Adopted Budget for Gasoline and Motor Oil (3150) was approximately $10.1 million across all funds. The recommended budget includes approximately $12.3 million across all funds, which is $410,000 less than requested. The recommended General Fund allocation represents approximately 23% of total funding for this object, with approximately $2.7 million for Suffolk Transit buses. Another $9.3 million is included for Public Works: Road Machinery (Fund 016), used for countywide fleet services.

Commodity market prices for refined fuels (gasoline and diesel) have increased by approximately 18% compared to the same period a year ago. This is largely due to the cost of crude oil, several refinery issues, and the seasonal switch from gasoline to home heating fuel. In that context, year-to-date expenditures for gasoline and diesel fuel have increased by only 2.5% over the same period a year ago. The cost per gallon of regular gasoline and diesel has increased in the last month by approximately 1.5% but prices should be expected to decline slowly through the closing months of 2012.

At the time of this writing, DPW has logged year-to-date expenditures of approximately $1.6 million in the General Fund, and $6.3 million from Fund 016. In context to NYMEX commodity contracts and anticipated contract costs for fuel through the remainder of this year, Budget Review concurs with the 2012 estimate for Gasoline and Motor Oil (3150).

Budget Review agrees with 2013 funding for Gasoline and Motor Oil (3150) as recommended by the County Executive.

Natural gas commodity prices in 2012 have averaged approximately 35% lower than the same period a year ago – but is trending upward to near parody with year-ago prices as we approach the heating season. While LIPA's fuel hedging program may subject the utility to higher than market pricing, the relatively stable cost of natural gas commodity is significant because LIPA relies on natural gas for approximately 90% of its fossil fueled electric generation. In addition, the vast majority of Suffolk County facilities use natural gas for space conditioning (heating and cooling).

Expenditures for electricity and natural gas used in County buildings represent approximately 80% and 15%, respectively, of funds from Light, Power and Water (4020). Ongoing energy efficiency improvements at County facilities have helped to reduce consumption of energy in all forms. Natural gas consumed at County facilities has been purchased through a commodity broker during the previous two winter seasons, contributing to a year-over-year savings on the unit cost of energy.

LIPA has had a history of "absorbing" operating costs with cash on hand, and "deferring" operating costs that are then compounded by debt service. This practice has made it difficult to forecast expenditures for electricity and may have kept electric rates artificially low, with negative long-term consequences for ratepayers. The utility is now proposing to adjust for fuel and purchased power costs on an ongoing monthly basis. This would bring the utility into conformity with other regulated utilities in the State and help to better guide the County when forecasting related expenditures.

Budget Review agrees with the 2012 estimate for Light, Power and Water (4020).

In context to the potential for increases in the cost of electricity that may result from rising natural gas commodity costs, the likelihood of a more severe winter season ahead, and cost fluctuations that may be passed on from LIPA, Budget Review recommends increasing the funding for Light, Power and Water (4020) by $2.8 million (to $29.5 million) in 2013.

Budget Review Office Recommendations

- Increase 2013 Recommended Permanent Salaries $260,000 to provide adequate funding for the entire year for filled positions.
- Increase 2013 Recommended Fees For Services: Non-Employee (001-DPW-1164-Public Works Court Facilities-4560) $100,000, from $1.3 million to $1.4 million, in anticipation of additional state aid that will provide for NYSID to hire back personnel that they had to lay off in 2011 when the Courts reimbursement funding was reduced and help safeguard the County's reimbursement for court cleaning expenses.
- If the analysis on pursuing a change in sewer district operations concludes that Suffolk County should continue to be responsible for the sewer districts then the sewer billing remittance processing should be reviewed. A goal of DPW's General Administration Division (259-8195) is to produce an RFP for sewer billing remittance processing, including new functionality to allow electronic check and credit card payments.
- Abolish one vacant Clerk Typist position (001-5641-0101) and create a Special Transportation Coordinator (grade 27) position by adding $45,277 for salary and $23,684 for fringe benefits for a total of $68,960 for nine months to address the needs of the disabled community, adhere to court mandates and safeguard the County's future federal funding. Civil Service does not currently have an eligibility list for this title. The position could be filled provisionally until the civil service exam is offered for this title and a candidate is chosen for permanent status as a Special Transportation Coordinator.
- Increase funding for Light, Power and Water (4020) by $2.8 million in 2013.
- If the PM Team is not already doing the following, then Task the PM Team with:
    - Reviewing DPW's backlogs to determine if operational or process related improvements can be made to decrease the Department's backlogs.
    - Reviewing the process that is used in the Materials Testing Laboratory inspection of nonstructural concrete, precast structures and asphalt quantities of less than 350 tons to avoid the need for costly remedies to problems with conformance to specifications up to several days after production.
    - Analyzing the County's infrastructure maintenance efforts to determine if efforts can be made to mitigate damage to the County's buildings and to address repairs in a timely manner to avoid escalation in repair costs.
    - Reviewing the County's print, graphics work, and mailing efforts to determine if cost savings as well as processing efficiencies can be ascertained from consolidating this function in Support Services.

- Reviewing the State's mandate that the County maintain over 35 miles of State owned Long Island Expressway Service Roads and 13 miles of Sunrise Highway Service Roads to determine if cost savings or staff efficiencies can be ascertained.

JM DPW 13

Real Property Tax Service Agency

Personnel (as of 9/16/2012)

Authorized Positions:	28	**Filled Positions:**	19
Vacant Positions:	9	**Percentage Vacant:**	32.14%
Positions Abolished in the Recommended Budget:	2	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$1,545,585	$1,355,889	$1,287,511	$1,315,550	$1,299,098
Equipment (2000s)	$0	$0	$0	$0	$0
Supplies (3000s)	$37,018	$26,536	$26,386	$26,386	$19,700
Contracts (4000s)	$0	$0	$150	$0	$0
Totals	$1,582,604	$1,382,425	$1,314,047	$1,341,936	$1,318,798

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$5,265,630	$9,830,000	$7,875,000	$6,650,000	$9,000,000
Other Income	$273,833	$300,275	$135,275	$350,275	$200,275
Totals	$5,539,463	$10,130,275	$8,010,275	$7,000,275	$9,200,275

Effects of Recommended Budget

Personal Services

The 2012 estimate for permanent salaries is $1,203,705, which is $41,302 less than projected by the Budget Review Office. The recommended budget provides $1,299 million for Personal Services in 2013, which is sufficient to fund all 19 filled positions with $34,062 to fill vacancies.

Revenue

Revenue from Tax Map Certification Fees (001-1291) in 2012 is estimated to be $1.79 million less than adopted. The 2013 aggregate revenue is recommended to be $9.2 million, which is $2.2 million greater than requested, and $930,000 less than the adopted amount of $10.1 million.

Issues for Consideration

Personal Services

The recommended budget abolishes two vacacnies in 2013: one Geographic Information Systems Technician III and one Geographic Information Systems Technician II. As per RPTSA, the abolsihed positions are associated with generating revenue. Seven vacancies remain for 2013 as follows:

- 1 Map Drafter III
- 2 Map Drafter II
- 1 Secretary
- 1 Senior Account Clerk
- 1 Principal Clerk
- 1 Real Property Recorder I

BRO estimates $275,148 is required to fill all seven vacant position in 2013.

The abolishment of five positions in 2012 has resulted in a slower turnaround time per each work unit (Parcel Count). This slower turnaround time has negatively impacted realized revenues in 2012 to the County from the verification of tax map numbers; and has negatively impacted the County Clerk's Office. The County Clerk's Office is the main intake point for most of the documents that RPTSA processes. As mandated by New York State, the RPTSA prepares and maintains tax map parcels for ad valorem purposes and collects parcel related ownership data. Every land use document that is recorded by the County Clerk's Office is reviewed and verified by RPTSA, including deeds, notices of pendency, tax liens, mechanics liens, covenants and restrictions, various mortgage documents, and other real property related documents.

The County Clerk’s Office has expressed concern that if the turnaround time for the verification of tax map numbers goes past 90 days, checks that accompany these document will go stale. The turnaround time will be further extended awaiting replacement checks. Not filling the nine vacant positions in 2012 has contributed to the current backlog (as of 9/28/2012) of 13,000 documents requiring verification of tax map numbers. The estimated unrealized

revenue is $780,000. The backlog of 13,000 documents requiring verification of tax map numbers not only prevents the County from realizing $780,000 in revenue in an acceptable time period, it also stagnates millions of dollars of real-estate transactions in Suffolk County.

To address the current backlog, Real Property Tax Service Agency prepared a plan for 2013 that includes 1) filling the currently vacant Real Property Recorder I position for the full year, 2) create one new Real Property Recorder I position with funding for the full year, and 3) create one Geographic Information Systems Technician I position with funding for nine months in 2013. The following table estimates the cost of filling these positions:

Job Title	Salary	Fringes	Salary & Fringes	Number of positions to fill	Cost to fill one year	Cost to fill nine months
Real Property Recorder I	$28,162	$22,769	$50,931	2	$101,862	$76,397
Geographic Information Systems Technician I	$41,160	$26,325	$67,485	1	$67,485	$50,614
						$127,010

Since $34,062 is available to fill vacancies, this plan will require an additional $53,132 in salaries and $65,282 in benefits for a total of $118,414. Revenue is already included in the recommended budget, but is unlikely to be received unless these specific positions are filled.

Revenue

Based on discussions with RPTSA, workload and revenues have increased moderately compared to when the housing market was strong. Prior to the downturn in the U.S. housing market, RPTSA revenue was correlated to certified documents connected with new mortgages and re-financing. Now, banks and finance firms are taking legal action and moving forward with clearing their books of bad mortgages. The current workload requires the same if not more staff resources, but generates less revenue than a healthy housing market.

RPTSA Tax Map Cert Fees (001-1291)

2012

The recommended budget estimates RPTSA Tax Map Cert Fees at $7.9 million, which is $1.8 million or 18.5% less than the adopted amount of $9.7 million. This estimate is reasonable contingent on RPTSA's ability to process and clear the backlog of documents requiring verification of tax map numbers before the end of the year. The decline of $1.8 million or 18.5% between the 2012 adpoted and estimated amounts is a result of over budgeting for this revenue.

2013

The Department requested RPTSA Tax Map Cert Fees at $6.7 million or $3 million less than 2012 adopted; the recommended budget includes $9 million or $0.7 million less. The Budget Review Office recommends $8 million, which is $1.7 million less than the 2012 adopted amount of $9.7 million.

Based on talks with the Department, their revenue amounts are based on local economic and housing conditions. BRO projected revenue for 2013 is based on historical trends and an improving housing market.

County Tax Map Sales (001-2656)

2012

The 2012 estimate for County Tax Map Sales, $135,000, is $165,000 or 55% less than the adopted amount of $300,000. Based on year to date revenue, this estimate is reasonable.

2013

The Department requested revenue from County Tax Map Sales at $350,000 and the recommended budget includes $200,000, which is $100,000 less than the 2012 adopted amount of $300,000. Based on previous annual Tax Map Sales revenue and trends, the recommended budget amount of $200,000 in 2013 is reasonable.

Budget Review Office Recommendations

- Add one new Real Property Recorder I position and one new Geographic Information Systems Technician I position, as requested by RPTSA, with additional funding of $118,414 to fill revenue generating positions.
- Abolish one vacant Secretary and one vacant Map Drafter II positions as offsets in staffing levels.
- The recommended budget estimates permanent salaries at $1,203,705 which is projected by BRO to be $41,302 insufficient; increase the 2012 estimate for permanent salaries by $41,302.
- The recommended budget includes RPTSA Tax Map Cert Fees (001-1291) revenue of $9 million in 2013. Based on BRO projected 2012 and 2013 revenues and a housing market that has not fully recovered, BRO recommends decreasing RPTSA Tax Map Cert Fees (001-1291) revenue by $1 million, to $8 million, in 2013.

MUN RPT13

Sheriff

Personnel (as of 9/16/2012)

Authorized Positions:	1,385	**Filled Positions:**	1,279
Vacant Positions:	106	**Percentage Vacant:**	7.7%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	4

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$134,747,656	$129,162,435	$135,295,290	$142,197,858	$173,687,441
Equipment (2000s)	$357,764	$264,510	$1,161,713	$345,002	$289,792
Supplies (3000s)	$5,161,321	$5,860,929	$5,715,708	$6,709,400	$6,209,005
Contracts (4000s)	$5,865,116	$2,609,433	$6,789,968	$1,239,302	$1,205,302
Totals	$146,131,857	$137,897,307	$148,962,679	$150,491,562	$181,391,540

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$440,414	$245,732	$450,931	$417,960	$417,960
Federal Aid (4000s)	$4,229,373	$2,539,561	$4,375,399	$3,490,077	$3,020,536
Departmental Income	$2,799,060	$3,113,500	$2,940,003	$3,003,121	$3,003,121
Other Income	$1,083,385	$1,890,111	$793,458	$2,123,510	$622,636
Totals	$8,552,233	$7,788,904	$8,559,791	$9,034,668	$7,064,253

Effects of Recommended Budget

Expenditure Overview

The 2013 Recommended Budget for the Sheriff is $146.4 million (excluding $35 million for retroactive pay for the Correction Officer Association labor settlement), which is $8.5 million or 6.2% more than the 2012 adopted and $2.5 million less than the 2012 estimate. Contributing factors to the increase over adopted include:

- Personnel costs, excluding overtime, are increased by $11.5 million (Contractual increases, new Correction Officer recruits for the new Yaphank Facility and four new positions).
- Overtime has been reduced by $1.9 million.
- Substitute inmate housing has been reduced by $1.5 million from the adopted 2012 amount and $5.5 million from the 2012 estimate due to the opening of the new Yaphank Facility which will alleviate the need for excessive substitute housing.

Personnel costs account for 94.7% of the budget while other major objects of expense include food, clothing and substitute inmate housing.

Sworn Officer Staffing

As of September 16, 2012, there were 1,141 active filled sworn officer positions, comprised of 880 Correction Officers (CO) and 261 Deputy Sheriffs. As required by the New York State Commission of Correction (NYS COC) to maintain minimum staffing levels, a new CO recruit class of 25 is scheduled to be hired in March of 2013.

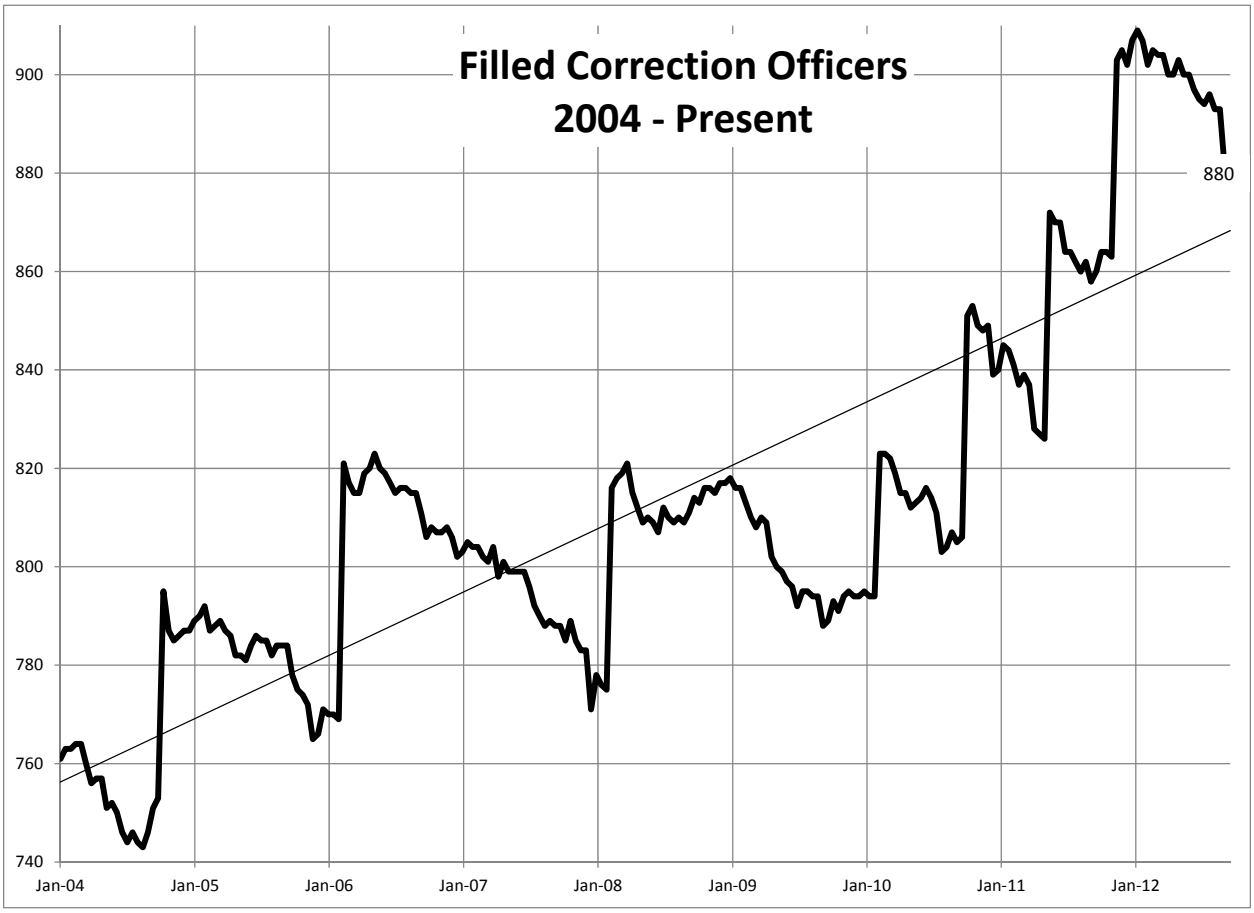
Based upon funding included in the recommended budget, we project that there is sufficient funding for the class of 25 in 2013. Even with the new recruit class, overtime coverage will be required to meet the full coverage factor (the number of personnel needed to fully cover mandated posts). The full coverage factor is based upon the number of CO's needed to meet the minimum personnel needs of an eight hour-365-day shift.

While two classes of Correction Officers were hired in 2011 totaling 83 new recruits, none were hired in 2012. Historically between 20 and 25 CO's retire each year. A class of 25 in 2013 will be needed purely to keep up with attrition. With the recent settlement of the CO contract it is plausible that more than the usual number of CO's will retire in 2013 as many remained on the payroll to be eligible for retroactive payments.

The Sheriff requested the hiring of two classes in 2013; 50 in March to meet COC mandates and another class in September to backfill separations and promotions. With the starting salary of a new CO reduced by $10,000, hiring additional CO's instead of authorizing overtime may be prudent. Failure to hire CO's to meet the COC required minimum staffing levels will result in more overtime and could result in the loss of variance beds with the consequence of increased substitute jail housing costs. The combination of overtime and substitute jail housing could dwarf the cost of a CO recruit class.

Even with the new Correction Officer recruits, in order to achieve the staffing level required for the new Yaphank Facility, 15 CO's now assigned to the D.W.I. Alternative Facility and 45 CO's (or their overtime equivalent) now assigned to the Riverhead Correctional Facility, will be transferred to the new Yaphank Facility when it becomes operational.

The NYS COC mandates that we have a total of 982 Correction Officer positions filled when the new Yaphank Correctional Facility becomes operational. The actual number is 1,064; however, the Commission is allowing the filling of ten percent of designated security posts on overtime. While the County has not fully satisfied the NYS COC mandates, the COC is aware of the fiscal climate and has been willing to allow the County to proceed with the previous hiring plans the past two years. In a recent meeting with the Sheriff, the COC strongly advised the County that supervision levels needed to be addressed and new recruit hires were absolutely required. The recommended budget will allow for necessary promotions for supervision but this would leave the CO I ranks even thinner. The COC will scrutinize the adopted 2013 budget and the Sheriff's Office does not believe a single class of 25 new CO recruits will be a satisfactory figure for the COC. We currently have 880 active filled positions and considering potential attrition, additional classes will be necessary to reach the mandated level of 982 positions. The Budget Review Office recommends that an additional class of 25 CO's be included in September. The following graph illustrates Correction Officer filled staffing since 2004.



The 2013 Recommended Budget includes increased personnel costs associated with the recent contract awarded to the Correction Officers Association covering the years 2008-2012. The recommended budget also includes sufficient funding for permanent salaries factoring in the following:

- All currently filled sworn and civilian positions.

- A recruit class of 25 Correction Officers in March.
- Normal attrition.
- Recommended new positions.
- NYS COC mandated supervisory promotions.

The Budget Review Office finds that the cumulative permanent salary accounts in the Sheriff's Office are overfunded by approximately $1 million or perhaps funding was included to fill currently vacant positions. BRO also believes that there is sufficient funding for a second class of 25 new recruits if they are hired in September. If the first new 2013 recruit class is delayed or cancelled there will be a further surplus in permanent salaries. However, a greater amount will be needed to cover overtime and a likely increase in substitute jail housing costs.

Overtime

The 2013 Recommended Budget for overtime is $17.5 million. The 2012 estimate is $21.9 million and the 2011 actual was $25.6 million.

Overtime costs are affected by the following factors.

- Collective bargaining agreements: The Correction Officers' contract has 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.
- Filling vacant positions and effectively managing staff can result in the reduction of overtime costs. If the number of vacancies increases due to attrition and lack of hiring, overtime costs will increase accordingly.
- 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.
- The number of prisoners that must be transported out of county.

The Budget Review Office believes the amount of recommended overtime will be insufficient. The recommended amount is $4.4 million below the 2012 estimated amount. With the opening of the new Yaphank Facility there is a need for more Correction Officers as mandated by the NYS COC. The Budget Review Office recommended hiring 150 CO's in 2011 to alleviate this need. Only 83 were hired in 2011, none in 2012 and only 25 are scheduled to be hired in 2013. Coupled with a likely attrition of 25 separations in 2012 and 25+ separations in 2013, overtime will be necessary to man all posts to a greater extent than in 2012. The delay in hiring CO's was shortsighted and will cost the County more in 2013 for overtime. Even if a second class of CO's are hired in September they will have no impact on overtime as they will be in the academy until 2014. The Budget Review Office recommends increasing overtime in 2013 by $1.93 million as shown on the table below.

Fd-Unit-Obj	Unit Name	2012 Estimated	2013 Recomnd	2013 Adopted	Change
001-3110-1120	General Administration	$3,673,863	$1,979,247	$2,450,680	+$471,433

Fd-Unit-Obj	Unit Name	2012 Estimated	2013 Recomnd	2013 Adopted	Change
001-3115-1120	Prisoner Transportation	$2,378,568	$858,030	$1,299,456	+$441,426
001-3150-1120	Cty Correctional Facility	$8,897,466	$9,065,816	$9,755,730	+$689,914
001-3154-1120	District Court Detention	$1,229,530	$574,431	$903,499	+$329,068
	TOTAL				+$1,931,840

Other factors impacting overtime costs:

- Portions of the Old Yaphank Facility will be closed during 2013 for CP 3009, to renovate the deteriorating existing dormitories before they are condemned by the State. This will serve to mitigate a portion of the Sheriff's overtime expenditures as housing units are closed for renovation and the attendant staff is reassigned. This could save up to $1 million in overtime costs.
- Even if overtime hours remained static, the COA award increases overtime costs for Correction Officers, which is approximately two-thirds of the Sheriff's overtime, by 10.1%.
- With the contract for the PBA finalized, the prevailing thought is that overtime estimated at $800,000 annually for Deputy Sheriffs to patrol the LIE and Sunrise Highway would be eliminated. However, there is the potential for litigation regarding the agreement between the Deputy Sheriffs Benevolent Association and the former County Executive to patrol those highways through 2017.

The average amount of overtime for a Deputy Sheriff was $37,796 and for a Correction Officer it was $15,523 in 2011. Based upon reported W-2 earnings in 2011, 196 of the 300 top overtime earners were from the Sheriff's Office, a decrease from 198 in 2010 and 238 in 2009. 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

The projected 2012 average daily inmate population is 1,713 (2011 Actual: 1,783), with a high of 1,910 (2011: 1,912). The 1,910 count was close to the all-time high of 1,916 which occurred in October of 2007.

The total functional capacity of the County correctional system is now 1,838 including 511 variance beds and 120 beds gained from the opening of the stressed membrane structure erected in 2006. 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.

Due to delays resulting from rainfall leaks and moisture issues in the new Yaphank facility, the projected opening has been postponed to November of 2012 at the earliest. The Budget Review Office anticipates that the facility will be fully operational by January of 2013. The

eventual opening of the new Yaphank facility will introduce 440 additional beds to the County Correctional System. Even after accounting for the loss of 240 beds when the four large Yaphank dorms are closed for renovations, there should be sufficient capacity in the system to absorb our current level of housed out inmates. The projected amount for substitute jail housing in 2012 is over $5.5 million. While some substitute jail housing may be required in 2013 when inmate levels peak, funding was requested by the Sheriff and recommended at $540,000 for 2013.

Computer Software

The Sheriff requested $101,174 for necessary software maintenance agreements and licenses. None of this amount is for new or replacement equipment. The recommended budget only includes $53,650, which is equal to the amount the Sheriff required in 2012. The Budget Review Office recommends adding $47,524 to 001-3110-3160 for the payment of these necessary maintenance agreements and licenses.

Civilianization / New Positions

Four new civilian positions requested by the Sheriff were included. Three new Detention Attendants will be used to replace Deputy Sheriffs at the County Court Detention area and in Riverhead to reduce the need for Deputy Sheriff overtime and will allow the Deputy Sheriffs to be redeployed. A part-time Physician III will be added to the Medical Evaluation Unit to perform Independent Medical Exams on employees, instead of contracting this service out at $550 for a basic medical exam. This position will also reduce the number of Independent Medscope Evaluations, which cost $1,000 per visit.

Vehicles

The Sheriff requested the following replacement vehicles at a cost of $1.5 million:

Type	No.	Mileage of Vehicles to be Replaced as of April 2012
Mid-Sized	11	104,811 – 126,824
Unmarked Interceptor Sedans	6	103,539 – 137,299
Marked Interceptor Sedans	30	119,350 – 138,643
Prisoner Vans	2	110,943 – 151,242
Expeditions	3	102,098 – 110,068
Undercover	1	157,386
TOTAL	53	

The Sheriff's Office is projected to have more than 50 vehicles over 130,000 miles by the end of 2013, many of which will be decommissioned. With only $2.5 million included in the 2013 capital budget to purchase public safety vehicles countywide, the Sheriff will have to prioritize their fleet needs.

Revenue

The County receives reimbursement for expenses related to the incarceration of criminal aliens under the New York State Criminal Alien Assistance Program (SCAAP), revenue code 001-4348. Funding amounts are based on appropriations in the federal budget and the relationship of the expenditures of competing jurisdictions. The 2012 estimate is $2,274,924. The County

recently received confirmation that the grant award amount will be $1,396,098. Therefore, the 2012 estimate should be decreased by $878,826.

Budget Review Office Recommendations

In order to avoid cost overruns and properly staff the Sheriff in 2013, meet NYS COC minimum staffing levels and prepare for the opening of the new correctional facility, the Budget Review Office recommends:

- An additional class of 25 new Correction Officer recruits should be scheduled for September of 2013. There are sufficient funds included in permanent salaries to cover the cost of this class. However, clothing and accessories will have to be increased by $53,097 (001-3150-3310) and by $35,398 (001-3162-3310).
- Increased overtime will be required to satisfy department wide needs and meet the full coverage factor when the new Yaphank Facility is eventually opened. We recommend increasing overtime by $1.93 million in 2013.
- Computer equipment (001-3110-3160) should be increased by $47,524 for the payment of necessary maintenance agreements and licenses.
- Decrease the 2012 estimate for the New York State Criminal Alien Assistance Program (SCAAP), revenue code 001-4348, by $878,826.

Budget Review Office Recommended Changes

2013 Expenditures

Fd-Unit-Obj	Description	2013 Rec	2013 Adopted	Change
001-3110-1120	Overtime	$1,979,247	$2,450,680	+$471,433
001-3115-1120	Overtime	$858,030	$1,299,456	+$441,426
001-3150-1120	Overtime	$9,065,816	$9,755,730	+$689,914
001-3154-1120	Overtime	$574,431	$903,499	+$329,068
001-3150-3310	Clothing & Accessories	$580,000	$633,097	+$53,097
001-3162-3310	Clothing & Accessories	$275,000	$310,398	+$35,398
001-3110-3160	Computer Software	$53,650	$101,174	+$47,524

2012 Revenues

Fd-Unit-Rev	Description	2012 Est	2012 Actual	Change
001-3150-4348	SCAAP	$2,274,924	$1,396,098	-$878,826

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Social Services (DSS)

Personnel (as of 9/16/2012)

Authorized Positions:	1,735	**Filled Positions:**	1,568
Vacant Positions:	167	**Percentage Vacant:**	9.6%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$92,725,113	$92,461,218	$96,415,851	$101,543,303	$96,663,709
Equipment (2000s)	$55,670	$159,517	$115,375	$162,195	$137,450
Supplies (3000s)	$1,646,914	$1,807,468	$1,604,210	$1,733,940	$1,699,451
Contracts (4000s)	$498,510,368	$518,815,869	$503,502,596	$529,113,502	$527,270,914
Totals	$592,938,065	$613,244,072	$601,638,032	$632,552,940	$625,771,524

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$102,892,918	$97,904,441	$95,136,964	$104,502,059	$97,509,309
Federal Aid (4000s)	$226,182,444	$219,258,159	$211,316,681	$226,830,140	$221,204,309
Departmental Income	$23,594,988	$19,271,542	$24,085,667	$23,427,714	$24,488,406
Other Income	$1,193,362	$1,173,168	$1,817,800	$1,173,168	$1,177,026
Totals	$353,863,711	$337,607,310	$332,357,112	$355,933,081	$344,379,050

Effects of Recommended Budget

Department Wide Expenditures

The grand total of expenditures for the Department of Social Services (DSS) across all divisions, including General Fund and Fund 360 (Medicaid Compliance) costs are recommended for 2013 at $642,994,827, with $625,771,524 in personnel, equipment, supplies, contracts and other services costs, plus $17,223,303 in fringe benefits and interfund transfers for Medicaid (MA) Compliance being presented as direct expenditures of Fund 360 rather than as transfers to the General Fund and Funds 016, 038 and 039. This change in presentation decreases the total expenditures for the entire Department of Social Services that are attributable to the General Fund as opposed to Fund 360 for MA Compliance.

Not including the MA Compliance fringe benefits and interfund transfer expenditures, the total recommended budget for DSS in 2013 is $625,771,524, which represents an increase of 4% over the 2012 estimate and a 5.5% increase from the 2011 actual. DSS expenditures paid from the General Fund are recommended to increase in 2013 over the 2012 estimate by 3.9%, while MA Compliance expenditures are recommended in 2013 to increase by 66.7% over the 2012 estimate, With the fringe benefits and interfund transfers taken out, the MA Compliance 2013 recommended budget constitutes a 6.8% increase over the 2012 estimate.

The 2013 recommended total for all General Fund and Fund 360 DSS administrative and program appropriations is $10,441,887 higher than requested. The major differences between the requested and recommended totals are tied to the inclusion of $17,223,303 in MA Compliance fringes and interfund transfers in the 2013 budget as direct expenditures of Fund 360, which, in turn, are primarily offset by decreases of $4,843,250 in permanent salaries throughout DSS, and overall reductions of $2,490,943 in DSS program appropriations.

Department Wide Staff

Total staffing across all DSS operations for 2013 are recommended to remain at the 2012 modified level of 1,735, with no positions recommended to be abolished in 2013. There are currently 167 vacant positions in DSS, which represents a department wide vacancy rate of 9.6%. This compares to an overall vacancy rate of 14.2% in September 2011 when there was a total of 1,881 authorized DSS positions.

However, the proportionate improvement in the ratios of filled versus vacant staff in DSS between last year and now is misleading. The actual number of filled versus vacant positions throughout DSS has declined from 1,613 filled staff in September 2011 to 1,568 filled positions at the current time. This means that there are 45 less personnel occupying the department's authorized positions comparing one year ago and today.

Total Revenue and Net DSS Costs

Total revenue for DSS in 2013 is recommended at $344,379,050, which is projected to cover 53.6% of all administrative and program costs. DSS 2013 total recommended revenue translates to a 3.6% increase from the 2012 estimate of $332,357,112 covering 55.2% of all costs. Therefore, the 2013 recommended net County cost of $298,615,777 for DSS represents a 10.9% increase over the 2012 estimated net cost of $269,280,920.

Federal Aid

Federal aid for DSS department wide administrative and program costs in 2013 are recommended at an overall increase of $9.9 million or 4.7% over the 2012 estimated total. Some of the major positive influences in Federal revenue for DSS include a transition to full federalization of the Family Assistance (FA) Program (001-6109-4690). Federal aid for FA program costs increased from the previous level of approximately 50% in 2010 to 88% in 2011 to 97% in 2012. In line with the increasing Federal aid for FA costs, the 2013 recommended total for Revenue Code 4609 is increased over the 2012 estimate by $8.2 million, which also provides for ongoing FA caseload growth and State mandated increases in the basic non-housing needs allowance.

The second greatest recommended increase in Federal revenue for DSS in 2013 compared to the 2012 estimated level includes a $2.3 million increase for DSS Fund 001 and $2.4 million more for Medicaid Compliance Fund 360 to cover higher administrative costs.

State Aid

State reimbursement for all DSS administrative costs is recommended in 2013 at an overall increase of nearly $2.4 million from the 2012 estimate. Compared to the 2012 estimates, the 2013 Recommended Budget includes increases in administrative State aid for DSS personnel under Revenue Code 3610 of approximately $2.4 million for Fund 360 Medicaid (MA) Compliance staff. State reimbursement for DSS staff paid for out of the General Fund are included in the 2013 budget at a slight decrease. The expectation is that the staffing levels for all DSS operations with the exception of Medicaid Compliance will remain basically status quo. Any significant gains in the percentages of filled versus vacant positions would not be expected to occur due to the lack of sufficient permanent salaries funding anywhere throughout the operations of DSS in 2013 except for MA Compliance.

<u>New State Reimbursement for SCPD and DA CPS Investigations</u>

Included in the 2012 estimated and the 2013 recommended amounts for DSS Administrative State Aid Revenue Code 3610, is $5,437,000 in retroactive reimbursement for the Suffolk County Police Department (SCPD) and the District Attorney's (DA) Office for their services in connection with Child Protective Services (CPS) investigations and prosecutions. Going forward, this new source of State aid is expected to bring in approximately $2 million in recurring revenue each year.

Medicaid (MA) Cap Expenditures

Medicaid Program costs, also known as the MA Cap, carry a 100% County cost and comprise 40.8% of all recommended costs for DSS in 2013 as compared to the 42.0% estimated share of all DSS costs tied to the 2012 MA Cap. The 2013 recommended total for the MA Cap is $254,999,872, which is a 0.8% increase over the 2012 estimate of $252,893,571, and which constitutes an 11.5% increase over the 2011 actual of $226,866,869. The larger spread of MA CAP costs between 2012 and 2011 was due in part to the three percent yearly base growth level established by the Medicaid Cap Laws, but it was more a result of a step-down schedule of decreasing Federal aid for Medicaid Program costs that began in January 2011 and was complete by July 2011. This is when the mandated Medicaid (MA) Cap payments for New York State returned to the original Federal aid level of 50% along with concomitant increases in both State and local shares for Suffolk's Medicaid Program expenses.

One of the most positive items to the local districts to come out of the New York State Fiscal Year (SFY) 2012/2013 budget adoption process was a three-year takeover of the mandated percentage increases in the MA Cap, beginning in SFY 2013/2014 with a transition from three to two per cent increases that the counties must pay for their local share of the Medicaid Program. By SFY 2015/2016, the counties will no longer have to pay an increasing share of their mandated Medicaid Cap costs, this will be a fixed expenditure item.

Timing has provided a measure of relief to the 2013 Recommended Budget by not having to include an anticipated fifty-third weekly share payment for the MA Cap in 2013. This mandated cyclical payment occurring every four or five years for the local districts is expected to be dated December 31, 2013. But the required payment of County funds to the State that are normally due on Wednesday, will be made instead on Thursday, January 2, 2014, because of the holiday. Therefore, County fiscal year 2014, rather than 2013, will include 53 weekly share cycle payments for Suffolk's local share of the Medicaid Program costs.

Issues for Consideration

FMAP (Federal Medical Assistance Percentage)

New York State is one of a handful of states currently receiving the lowest level of Federal aid for the mandated Medicaid Program. The Federal Medical Assistance Percentage (FMAP) that is paid to New York State and shared with all of its local districts is 50%. This level of reimbursement is based upon a state-by-state per capita income-based formula that was created back in 1965 and has not been considered for possible permanent change since then. Other states such as Mississippi and Arkansas receive FMAP aid of 76% and 74% respectively. The relative wealth of New York State versus all other states and territories has undergone many changes over the past four decades plus. It is time for the federal government to update the formulas that determine how much Federal aid goes to the states for providing Medicaid services to their residents.

The Budget Review Office estimates that for every one-percentage point increase in FMAP aid for New York State (i.e. an increase from the current 50% level to 51%), the savings that would accrue in the first year to New York State would exceed $516.1 million, which would provide an estimated first-year savings approaching $2.3 million for Suffolk County. A five percent increase in FMAP would bring an estimated $2.58 billion in additional Federal aid for Medicaid back to New York State in the first year, of which Suffolk County's share would be estimated at $103.2 million.

State Medicaid Takeover

Discussion and speculation are ongoing as to the possibility of New York State ultimately taking over the entire cost of the Medicaid Program, meaning that there would be no more Medicaid local share program or administrative costs for the local districts to carry in their operating budgets. The plan for all Medicaid staff to become employees of New York State is under development. When and if both proposals come to fruition, all Medicaid administrative costs as well as the local MA Cap expenditures would be removed from the counties' operating budgets. The gross and net costs of the Department of Social Services as well as the entire Suffolk County Operating Budget will be significantly reduced and the local burden of funding the Medicaid Program will end.

Budget Review Office Recommendations

In order to act as a catalyst in obtaining a permanent increase in New York State's FMAP, which would provide significant financial relief and benefit all of the counties of New York, the Budget Review Office recommends that the Suffolk County Legislature pass a Home Rule Message to petition the State Legislature to request from the federal government a permanent increase in FMAP aid for New York State. In addition, we recommend that this issue be pursued by all the counties via NYPWA and NYSAC in order to pressure New York State to bring this important and timely issue before the federal government.

Effects of Recommended Budget

Mandated and Discretionary Chargeback and Program Expenditures

Suffolk's share of the mandated Medicaid Program (MA Cap) makes up more than 40% of the total 2013 recommended budget for DSS. Aside from the MA Cap, the combined total for all other social services program and chargeback costs, including both mandated and discretionary lines, comprises another 41% of the total recommended budget for DSS in 2013.

The overwhelming majority of program expenditures incurred by DSS are mandated by the federal and state governments. Mandated program and chargeback costs are payments of assistance made on behalf of clients in the areas of Medicaid, Family Assistance, Safety Net, Adoption Subsidy, Handicapped Children, DSS and Probation Institutional Foster Care, Family Boarding Foster Care, and Emergency Aid to Adults. Although the program costs are confusingly listed as discretionary, the parameters of Suffolk's Child Care (Day Care) program are authorized and regulated by New York State; therefore, this program area should be categorized and listed in the budget as mandated.

With the MA Cap and Child Care Subsidies included, all mandated program (4690) and chargeback (4610) expenditures total $511,209,045 and represent 81.7% of the total DSS recommended 2013 budget, compared to 81.2% of the 2012 estimate. Clearly, DSS program and chargeback costs across all areas are taking up the greatest proportion of all DSS expenditures.

Program Costs, Savings and Shortfalls

Family Assistance, Safety Net and Day Care

The three program lines that account for the greatest share of the increase across all DSS program costs are Family Assistance (FA) program (001-6109-4690) costs recommended at $72,149,973, which is $8,149,973 more or 12.7% higher than the 2012 estimate, Day Care program (001-6170-4690) costs recommended at $33,460,200, which is $3,460,200 or 11.5% over the 2012 estimate and Safety Net (SN) program costs (001-6140-4690) recommended at $62 million, which is an increase of $3.0 million or 4.8% over the estimated level for 2012.

Family Assistance and Safety Net

FA and SN constitute the two largest public assistance programs in DSS, both of which are mandated, and for which there is no local discretion in determining who is eligible for either program, nor for the levels of benefits afforded to FA or SN clients. Taken together, FA and SN program costs recommended for 2013 add up to over $137 million and make up 54.8% of all DSS program expenditures.

Day Care

Day Care program costs constitute the third largest program expenditure area in DSS. Child care services and subsidies under Day Care (001-6170-4690) are considered as discretionary, but in reality are operated by the counties under the mandates and regulations of New York State and the Office of Children and Family Services (OCFS). It is the opinion of the Budget Review Office that Day Care program costs should be considered as mandated.

Unclear and unstable formulas generated by OCFS for determining how much each county receives in Child Care Block Grant funding (CCBG) to pay for their day care program have most recently disadvantaged Suffolk County and prompted DSS to cut the eligibility levels for working low income families three times in 2012 in order to try to stay within the budgeted appropriation of $29,932,213. By the end of this year, it is estimated that approximately 2,200 children will have been dropped from Suffolk's child care subsidy rolls. Despite these drastic measures, with $23,165,415 actual day care costs having been expended as of October 1, 2012, it is debatable as to whether DSS can remain within its child care budget for fiscal year 2012.

Going forward into 2013, the requested and recommended $33,460,200 for Suffolk's child care subsidies is the amount of funding projected as sufficient only to pay for keeping Suffolk's Day Care program exactly as it is currently structured; that is, if eligibility for new Non-Temporary Assistance (NTA) cases is kept closed, if the income standard is unchanged from 100% of the Federal Poverty Level (FPL), and if there is no significant change in growth for the mandated Temporary Assistance (TA) and guarantee child care population.

With no significant improvement in the amount of CCBG funding provided to Suffolk County by New York State before or during the next state budget deliberation cycle, the County will be facing a more than $3 million direct local dollar hit with a day care subsidy program that offers no more than the bare minimum within the confines of State law and regulation.

The entire Suffolk County Legislature recently sent a letter appealing to Governor Cuomo to immediately restore $3.9 million in CCBG funding to Suffolk on an emergency basis, citing a precedent for Erie County when faced with a similar situation. An additional $3.9 million in recurring child care subsidy funding for Suffolk County was also requested in order to maintain day care subsidies for the Non-Temporary Assistance (NTA) population at 125% of the Federal Poverty Level (FPL). Prior to January 2012, the eligibility level for the NTA population was 200% of the FPL, it now stands at the lowest possible level of 100% of the FPL.

Issues for Consideration

Proposed Federal Child Care Funding Law Changes

Recognizing the fact that the Child Care Block Grant (CCBG) authorized by OCFS has historically been insufficient to meet the actual demand for subsidized child care in Suffolk County, DSS developed a legislative proposal for the Welfare-To-Work (WTW) Child Care Subcommittee. This proposal would involve a change to the Federal laws governing the Child Care Development Fund (CCDF). The proposed change would give the Federal government the authority to require the states to take into consideration the Non-Temporary Assistance (NTA) enrollments, needs and demands of low income working families for child care services when issuing the CCBG allocations.

Proposed CCBG Methodology Changes

Another proposal developed by DSS for the WTW Child Care Subcommittee would ensure that the CCBG allocation formula developed and authorized by OCFS would fund child care services provided to low income families at a uniform income standard across all local districts. Provision would be made to allow local districts to supplement a higher standard as local funding permits. Ideally, DSS recommends that the CCBG formula be multifaceted and consider the following methodologies:

Mandatory Funding Stream

This funding must consider actual local district caseloads and account for growth in Temporary Assistance (TA) cases, 100% of the Federal Poverty Level (FPL) cases and all Child Care Guarantee cases. A district's TANF/SN Maintenance of Effort (MOE) participation rate needs to be considered as there is a direct correlation between the district's rate and the cost of child care expenditures.

Discretionary Funding Stream

The balance of the CCBG funding should be distributed proportionately in accordance with a district's low income population, local child care modalities, and regional cost of care. In addition, the CCBG allocation should reflect increases in the State Income Standard (SIS).

Budget Review Office Recommendations

The Budget Review Office recommends that the Suffolk County Legislature lend its support to the DSS proposals developed for the Welfare-To-Work Child Care Subcommittee authorizing the Federal government to require the States to create fairer, more uniform and more equitable, district-specific CCBG allocation formula processes ensuring high quality child care subsidies for families on or transitioning off assistance, all of the child care guarantee populations, and working, low income families, who might not be able to remain in the workforce and ultimately achieve complete independence without the provision of child care subsidies.

Foster Care

Institutional foster care program costs, both on the DSS side (001-6118-4690) and on the Probation JD/PINS (Juvenile Delinquent/Persons In Need of Supervision) side (001-6121-4690), are contributing nearly $4.5 million to the higher 2013 recommended total for all DSS program costs. DSS Institutional Foster Care is recommended at an increase of 10% over the 2012 estimate, while JD/PINS Institutional Foster Care is included in the recommended budget at 20% higher than the 2012 estimate. These recommended increases follow several years of steady decreases in the census and cost of care for children in the two major venues of institutional foster care.

One major factor explains the notable residential foster care cost increases that began in 2011, were originally projected to continue into 2012, but for the most part have stabilized and reversed during 2012. Toward the latter part of 2010, the agencies serving these two segments of youth in residential foster care began expediting their billing systems and are now basically caught up with billing the County for all the children in care. This inflated the average monthly costs per child principally during 2011, with some catch-up costs spilling over into 2012 that have been accrued back to 2011. The catch-up payments have now been paid and the rate of

increase in month-to-month payments for institutional foster care is coming down. Taken together, the 2012 estimates for both institutional foster care program lines are more than $4.3 million less than the 2011 actuals.

Despite the higher costs recommended for 2013 in the two institutional foster care program lines, it should be kept in mind that all of the County's preventive services programs in both Social Services and Probation are continuing to have a positive impact on keeping families together and diverting children away from residential foster care and the courts. The census of children in all types of residential foster care has declined as a direct result of these efforts. The County's preventive programs have undoubtedly saved millions of taxpayer dollars in unspent residential foster care costs. More importantly, no price can be put upon the lives of young people that have been turned around thanks to all the preventive efforts and programs operated and funded by Suffolk County.

Issues for Consideration

Foster Care Block Grant (FCBG) Incentive for Reduction in Foster Care Days

DSS estimates more than $1.4 million in revenue to be received in 2012 and 2013, in addition to the basic Foster Care Block Grant (FCBG) funding included under Revenue Code 3662, as an incentive to local districts achieving a reduction in the number of foster care days. At the current time, DSS proudly reports the number of children in foster care has dropped to the lowest level on record, from 1,102 at the end of 2001 to the September 2012 census of 626 children in foster care. DSS has vastly improved their performance in finding and placing children with relative caregivers and other non-biological relative resources instead of foster care. This effort, combined with all of the earlier and ongoing preventive measures are adding up to historic success in keeping more and more children out of foster care in Suffolk County.

Whether Suffolk County is receiving the maximum FCBG Incentive for Reduction in Foster Care Days from New York State is not known. According to DSS, the local social services districts don't apply for the receipt of these funds. The Office of Children and Family Services (OCFS) purportedly sets aside an amount associated with the district's foster care savings as part of the State's final settlement, which ultimately gets applied to the local DSS Preventive Services claim.

Budget Review Office Recommendations

The Budget Review Office questions the methodology utilized by OCFS to provide fiscal incentives to counties achieving reductions in foster care costs, lengths of stay and numbers of children in foster care. We believe that the historic achievement of DSS to reduce the numbers of children in foster care in Suffolk County to an all-time low should be recognized by OCFS and remunerated via the established FCBG Incentive for Reduction in Foster Care Days to the maximum extent possible.

The Budget Review Office recommends that the Suffolk County Legislature provide the supports necessary to DSS to obtain transparency from New York State OCFS regarding the methodology used to determine the FCBG Incentive for Reduction in Foster Care Days and to seek the maximum receipt of such incentives for Suffolk DSS in their historic achievement to reduce foster care caseloads to an all-time low.

Issues for Consideration

Budget Review Office Differences in DSS Program Estimates & Recommended Totals

When the Budget Review Office receives the recommended budget to review for all the County departments, operations and funds, it has the benefit of almost six months of additional data, up-to-date expenditure and revenue receipts, and more current workload and caseload trends over the original June departmental budget submission. Approximately one month more of up-to-date expenditure and revenue data is available to the Budget Review Office as compared to when the recommended budget presentation is being finalized.

As a result, the Budget Review Office has reviewed all of the mandated and discretionary program lines in DSS utilizing the most recent cost, revenue and caseload trend information, and finds that downward adjustments can be made in five program lines from the 2012 estimate and four program lines can be decreased from the 2013 recommended amounts. One program line, the Emergency Aid to Adults (EAA) program (001-6142-4690) appears to require upward modifications from the 2012 estimated and 2013 recommended amounts.

Overall, the Budget Review Office estimates additional DSS program gross savings of $6 million in 2012, which would result in a net County savings of $4,677,000 after Federal and State reimbursements. For 2013, the Budget Review Office projects additional gross DSS program savings of $6,865,000, which results in a net savings of $5,753,510 after deducting Federal and State aid compared to the 2013 Recommended Budget. The following table and subsequent narrative provide details by the individual DSS program lines of the 2012 estimated and 2013 recommended differences promulgated by the Budget Review Office in its analysis of the recommended budget on both gross and net County share levels:

BRO DIFFERENCES IN DSS PROGRAM 2012 EST & 2013 REC TOTALS

Appropiation Number	Program Name	2012 EST	BRO 2012 EST	Difference Savings (Shortfall)	Estimated % County Share	Estimated County Savings (Shortfall)
001-6118-4690	Institutional Foster Care	$ 15,000,000	$ 14,000,000	$ 1,000,000	90.5%	$ 905,000
001-6119-4690	Foster Care - Family Boarding Home Care	$ 5,500,000	$ 5,200,000	$ 300,000	88.1%	$ 264,300
001-6120-4690	Adoption Subsidy	$ 16,600,000	$ 16,200,000	$ 400,000	26.5%	$ 106,000
001-6121-4690	Institutional Foster Care - JD/PINS	$ 10,000,000	$ 8,500,000	$ 1,500,000	90.5%	$ 1,357,500
001-6140-4690	Safety Net	$ 62,000,000	$ 59,000,000	$ 3,000,000	71.5%	$ 2,145,000
001-6142-4690	Emergency Aid to Adults	$ 1,300,000	$ 1,500,000	$ (200,000)	50.4%	$ (100,800)
2012 TOTAL DIFFERENCES		**$ 110,400,000**	**$ 104,400,000**	**$ 6,000,000**		**$ 4,677,000**

Appropiation Number	Program Name	2013 REC	BRO 2013 REC	Difference Savings (Shortfall)	Estimated % County Share	Estimated County Savings (Shortfall)
001-6118-4690	Institutional Foster Care	$ 16,500,000	$ 15,000,000	$ 1,500,000	90.5%	$ 1,357,500
001-6119-4690	Foster Care - Family Boarding Home Care	$ 5,750,000	$ 5,600,000	$ 150,000	88.1%	$ 132,150
001-6121-4690	Institutional Foster Care - JD/PINS	$ 12,000,000	$ 9,500,000	$ 2,500,000	90.5%	$ 2,262,500
001-6140-4690	Safety Net	$ 65,000,000	$ 62,000,000	$ 3,000,000	71.5%	$ 2,145,000
001-6142-4690	Emergency Aid to Adults	$ 1,365,000	$ 1,650,000	$ (285,000)	50.4%	$ (143,640)
2013 TOTAL DIFFERENCES		**$ 100,615,000**	**$ 93,750,000**	**$ 6,865,000**		**$ 5,753,510**

DSS Institutional Foster Care (001-6118-4690)

DSS Institutional Foster Care includes the cost of care for children in residential treatment centers, group homes, agency operated boarding homes, diagnostic facilities and agency supervised therapeutic foster homes. The 2011 actual included a cost overrun of $2,768,316 tied to unforeseen improvements in agency billing systems that resulted in catch-up payments inflating the average monthly costs per child in DSS residential foster care over and above current cost trends at that time.

It appears that the DSS foster care agencies are now completely caught up and current with billing, and that the recommended estimate of $15 million for DSS residential foster care in 2012 can be reduced slightly. The Budget Review Office 2012 estimate for DSS Institutional Foster Care takes the October 1, 2012 year-to-date expenditures of $9,272,341, factors out the accruals attributable to 2011 payment of catch-up claims, adds on three more months of payments at an average of $1.5 million per month and comes up with a total of $13,772,241 rounded up to $14 million. This equates to a gross savings of $1 million from the recommended 2012 estimate, with a net savings of $905,000 after Federal aid of 9.5%.

For 2013, the Budget Review Office adds seven percent on to the 2012 estimate of $14 million to allow for very slight caseload growth and increasing DSS foster care costs, for a total of $15 million. This amounts to a gross savings of $1.5 million from the 2013 recommended total of $16.5 million, with a net savings of $1,357,500 after Federal aid of 9.5%.

Foster Care - Family Boarding Home Care (001-6119-4690)

Based upon year-to-date moderately decreasing census and costs for children in the DSS Family Foster Boarding Home Care program, the Budget Review Office estimates 2012 expenditures for this mandated program at $5.2 million, which decreases the 2012 recommended estimate by a gross difference of $300,000. After approximately 11.9% Federal aid, the net County savings would be $264,300.

Building upon the slightly lower 2012 cost base estimated by the Budget Review Office, and projecting a small increase in the Family Foster Care census and costs to account for the new Kinship Guardianship Program in 2013, we project $5.6 million in Family Boarding Home Care program costs, or a gross difference of $150,000 from the 2013 recommended level of $5,750,000. The net difference after approximately 11.9% Federal aid would be a County savings of $132,150.

Adoption Subsidy (001-6120-4690)

Based upon year-to-date comparable caseloads and adoption subsidies that underwrite extra costs connected with adopting handicapped or hard-to-place children, the Budget Review Office estimates 2012 expenditures for this mandated program at $16.2 million, which decreases the 2012 recommended estimate by a gross difference of $400,000. After approximately 73.5% combined Federal and State aid, the net County savings would be $106,000.

The Budget Review Office concurs with the 2013 recommended total of $17 million for Adoption Subsidies, which would provide for a five percent increase over 2012 estimated costs.

Institutional Foster Care - JD/PINS (001-6121-4690)

The year-to-date trends in this mandated program line that includes costs for children in residential foster care designated by the courts as Juvenile Delinquents (JD) or Persons In Need of Supervision (PINS) is trending down due to current decreases in the census of JD/PINS remanded to institutional foster care. Increased costs were observed in this program line in 2011 and early 2012 due to improvements the foster care agencies made to their billing systems.

It appears that the foster care agencies caring for the JD/PINS populations are now completely caught up and current with billing. More importantly, the census of Suffolk's JD/PINS in foster care is coming down, with average monthly (January through August) JD/PINS placements of 124 in 2010, 110 in 2011 and 65 in 2012, representing a near 48% decrease over two years. It is for these reasons that the Budget Review Office believes that the recommended 2012 estimate for JD/PINS residential foster care costs of $10 million can be reduced. Based upon the most recent cost and census trends, the Budget Review Office estimates 2012 costs for JD/PINS Institutional Foster Care at $8.5 million, which decreases the 2012 recommended estimate by a gross difference of $1.5 million. After 9.5% Federal aid, the net County savings would be $1,357,500.

For 2013, the Budget Review Office estimates a lower 2012 base than the level included in the recommended budget and builds on an 11.8% growth rate for JD/PINS Foster Care to account for higher costs and a potentially higher census due to the closure of a number of OCFS State Training Schools. This would translate to 2013 JD/PINS Institutional Foster Care program costs of $9.5 million, with a gross difference of $2.5 million from the recommended amount. After 9.5% Federal aid, the net difference would be $2,262,500 in lower JD/PINS Institutional Foster Care expenditures for 2013.

Safety Net (SN) Program (001-6140-4690)

At present, the cost savings for the mandated SN program in 2012 are estimated in the 2013 Recommended Budget at $3 million. A significant part of this decrease is traceable to the efforts of DSS that began in April 2011 to aggressively examine the SN single and family caseloads with the purpose of maximizing federal reimbursement and reducing local expenditures under the Safety Net Specialist Project. In its first full year of operation, this project decreased the SN caseload by 99 cases, which was a caseload reduction of 10.6%, and carried an estimated local savings of over $9 million.

The most recent month-to-month differences in SN costs are showing a year-to-date average decrease of six percent from the same time period in 2011. Therefore, based upon the most current cost trends, the Budget Review Office estimates 2012 SN costs at $59 million, which would equate to an additional gross savings of $3 million over the 2012 recommended estimate. After approximately 28.5% State and Federal aid, the net additional County savings in 2012 would be $2,145,000.

For 2013, the Budget Review Office believes that the recommended budget of $65 million for the mandated SN program can be decreased by a gross amount of $3 million, down to $62 million. This would provide for an increase of about 5% over the 2012 estimate to incorporate the increased cost of the basic non-housing needs allowance required, but not funded, by New

York State. After approximately 28.5% State and Federal aid, the net additional savings to the County would be $2,145,000.

Emergency Aid to Adults (EAA) 001-6142-4690

EAA is a mandated program used to meet the fuel and utility emergency needs of SSI recipients who have exhausted their HEAP benefits, and also to pay rent and mortgage arrears in order to prevent homelessness in this population. Based upon the 2012 year-to-date monthly trends in costs for EAA, the Budget Review Office estimates 2012 EAA costs at $1.5 million, which represents a gross cost overrun of $200,000 from the 2012 adopted and estimated budget. The net added cost to the County after 49.6% State aid for the increased 2012 EAA estimate would be $100,800.

According to DSS, Suffolk's year-to-date EAA cost increases of nearly 40% are connected to a directive from New York State to the local districts issued this summer that has very recently resulted in a shifting of costs under the EAF program (100% Federally funded) to the EAA program (50/50 State/locally funded). DSS indicates that the intent of this directive is meant to ensure that eligible families are assured a six month guarantee of benefits if their utilities are shut off.

For 2013, the Budget Review Office projects that EAA costs will continue to grow as a consequence of the new State directive, but at a more moderate level of ten percent over the 2012 estimate. Therefore, we are projecting EAA costs of $1,650,000 in 2013, which is a gross increase of $285,000 over the recommended budget amount, a net additional County cost of $143,640 after 49.6% State aid.

Budget Review Office Recommendations

- Decrease the 2012 estimate and the 2013 recommended totals for the mandated Safety Net (SN) program by a gross difference of $3 million in both years, which translate to net County savings of $2,145,000 in both years after offsetting 28.5% State and Federal aid.
- Decrease the 2012 estimate and the 2013 recommended totals for the mandated JD/PINS Institutional Foster Care program by gross differences of $1.5 million and $2.5 million respectively, which translate to net County savings of $1,357,500 in 2012 and $2,262,500 in 2013 after offsetting 9.5% Federal aid.
- Decrease the 2012 estimate and the 2013 recommended totals for mandated DSS Institutional Foster Care costs by gross differences of $1 million and $1.5 million, respectively. After 9.5% offsetting Federal aid, the net County savings would be $905,000 in 2012 and $1,357,500 in 2013.
- Decrease the 2012 estimate total for the mandated Adoption Subsidy program by a gross difference of $400,000. After offsetting State and Federal revenue of 73.5%, the net savings to the County would be $106,000 in 2012.
- Decrease the 2012 estimate and the 2013 recommended totals for the mandated Family Boarding Home Foster Care program by gross differences of $300,000 and $150,000, respectively. After offsetting Federal aid of 11.9%, the net County savings would be $264,300 in 2012 and $132,150 in 2013.

- Increase the 2012 estimate and the 2013 recommended totals for the mandated Emergency Aid to Adults (EAA) program by $200,000 and $285,000, respectively. After offsetting State aid of 49.6%, the net additional cost to the County would be $100,800 in 2012 and $143,640 in 2013.

Effects of Recommended Budget

Discretionary Expenditures

The overwhelming majority of discretionary expense in DSS relate to costs for staff and overhead to administer DSS mandates and missions. This includes permanent salaries, longevity pay, overtime and temporary salaries, disability payments and workmen's compensation, equipment, supplies and supportive services, contractual expenses, fees for services and contract agency costs. The only exception is Medicaid Compliance administration, which is considered as mandated, with the State and Federal governments funding 100% of the local administrative staff, fringe benefits, overhead and contractual employee costs.

Therefore, exclusive of the 100% funded Medicaid Compliance operations and the discretionary program lines connected to the child care (day care) program that are not administrative in nature, recommended discretionary expenditures total $82.8 million or 13.2% of all recommended costs in DSS in 2013, which is a negligible increase from the 2012 discretionary cost estimate of $82.7 million, taking up an estimated 13.7% share of all costs in DSS this year.

The recommended 2013 level for all discretionary administrative expenditures is $3.5 million less than requested, most of which is traceable to a net reduction of $4.4 million in permanent salaries. This reduction is principally tied to an increase of $4,385,952 in recommended turnover savings from the level requested by DSS for all administrative staff paid from the General Fund.

Staff

The Department of Social Services began 2012 with 1,737 authorized positions and an overall vacancy rate of 6.7% with 116 unfilled positions. However, only one month prior, the authorized staffing level for DSS department-wide was 1,881 with 268 vacancies and a vacancy rate of 14.2%. Just before the conclusion of County fiscal year 2011, 142 vacant positions were abolished from most areas of DSS, reducing the Department's potential workforce by nearly eight percent.

Therefore, the early 2012 6.7% vacancy rate based upon the newly reduced authorized workforce level makes it appear as if the situation has improved for on-board staffing of DSS, which it has not. Between the end of 2011 and the beginning part of 2012, the number of filled positions in DSS varied only slightly, from 1,613 to 1,621.

Between the beginning of 2012 and now, the on-board staffing picture for DSS has worsened as the DSS vacancy rate has increased to 9.6% with 167 vacancies out of total authorized staff of 1,735 per the September 16, 2012 payroll register. The staffing losses include 31 DSS employees who took the ERIP this past summer, plus other staff who have taken regular retirements, personnel taking positions elsewhere in the County or outside the County, and employees not passing their probationary periods. Therefore, the actual number of staff on-board in DSS in mid-September stood at 1,568, the lowest level of filled positions since 2009.

No New DSS Staff

No new positions were requested by DSS in 2013. Included in the recommended budget narrative, but not in the DSS recommended staffing pages, was the creation of a Patient Advocate Unit within Medicaid (MA) Compliance to assist vulnerable populations and hard-to-place patients in getting connected to the health care resources they need, including skilled nursing facilities. This new unit, to be comprised of two Medical Services Specialists and one Principal Stenographer, was created by Resolution No. 859-2012. The operating costs of the new unit are to be covered by existing 2012 salary appropriations from the 100% State and Federal funded MA Compliance Division. The activities of this unit are to be coordinated by the Commissioner of Social Services via an agreement with the Commissioner of Health.

The connection of this new unit to the possible sale or closure of the John J. Foley Skilled Nursing Facility, or the possible displacement of its patients for any reason is not known. In any case, the staffing pages for the MA Compliance Division need to be modified to reflect the two additional Medical Services Specialists and one Principal Stenographer in the Medical Services Unit.

Increased Turnover Savings

Compared to the 2012 Recommended Operating Budget, the most onerous reductions in the DSS recommended budget for 2013 are not represented by lay-offs or abolished positions. This year the bad news is hidden in significantly increased turnover savings. Total turnover savings requested by DSS across all operations and divisions of the Department, including discretionary General Fund 001 administrative appropriations and the 100% funded mandated MA Compliance or Fund 360 administrative lines, total over $2.9 million in 2013. This is the sum total of what all the major divisions of DSS included in their budget requests as the amounts of permanent salaries they projected will not get spent in their divisions due to retirements, attrition and normal turnover.

Instead, the 2013 recommended budget triples DSS turnover savings from the overall requested level of $2.9 million to nearly $7.8 million for all administrative operations in DSS. This effectively reduces permanent salaries by nearly $4.4 million over the requested levels for Fund 001 DSS divisions, bureaus and units, and decreases the permanent salaries that will be available in 2013 for MA Compliance Fund 360 operations by $446,000.

The following chart illustrates the requested versus recommended turnover savings by fund and division in DSS as well as the current vacancy rates for all of the divisions and bureaus for the Department:

DSS Requested & Recommended Turnover Savings (TOS) by Division & Reductions to Permanent Salaries							
Division	2013 REQ TOS	2013 REC TOS	$ Diff. REQ vs. REC TOS - Permanent Salaries Reductions	% Difference REQ vs. REC TOS	No. Filled Positions	No. Vacant Positions	% Vacant
001-6005 - DSS Administration	$217,774	$1,776,622	-$1,558,848	716%	113	19	14%
001-6006 - Information Technology (IT)	$68,192	$217,281	-$149,089	219%	33	7	18%
001-6008 - Housing	$85,599	$193,313	-$107,714	126%	86	11	11%
001-6010 - Family,Children & Adult (FCSA) Services	$917,558	$1,596,148	-$678,590	74%	454	17	4%
001-6015 - Client Benefits Administration (CBA)	$554,936	$1,464,968	-$910,032	164%	260	24	8%
001-6016 - Training & Staff Development	$4,138	$4,138	$0	0%	2	0	0%
001-6073 - Chld Support Enforement Bureau (CSEB)	$235,427	$1,217,106	-$981,679	417%	124	24	16%
001-6115 - Alternatives For Youth (AFY)	$9,552	$9,552	$0	0%	7	0	0%
FUND 001 TOTALS	$2,093,176	$6,479,128	-$4,385,952	210%	1,079	102	9%
360-6204 - Medicaid (MA) Compliance	$833,668	$1,300,000	-$466,332	56%	489	65	12%
FUND 360 TOTALS	$833,668	$1,300,000	-$466,332	56%	489	65	12%
TOTALS	**$2,926,844**	**$7,779,128**	**-$4,852,284**	166%	**1,568**	**167**	**10%**

Fund 001

DSS General Administration Permanent Salaries Reductions

One of the hardest hit operations in DSS in 2013 will be General Administration, with a more than 700% increase in turnover savings, or a $1.5 million reduction in their available permanent salaries. DSS Administration, which includes all the accounting, finance, payment and claims functions for the entire Department, is already straining under a 14% vacancy rate. With personnel funding constraints of the magnitude recommended by the 2013 budget, the Budget Review Office projects that there will be insufficient funding to fill any of the current vacancies across all the operations of DSS Administration next year. Even more importantly, the Budget Review Office projects total gross deficits of $882,000 in 2013 permanent salaries for all currently filled positions in General Administration.

Child Support Enforcement Bureau Permanent Salaries Reductions

The Child Support Enforcement Bureau (CSEB) is recommended for a more than 400% increase in turnover savings, which equates to a $980,000 loss of permanent salaries for their operations in 2013. The revenue generating, cost avoidance functions of CSEB are already being hampered by a 16% vacancy rate, but with the reduced level of permanent salaries recommended in the 2013 budget, the Budget Review Office finds that there will be insufficient funding for CSEB to fill any of its vacancies next year. In fact, Budget Review projects that at

least $230,000 in additional permanent salaries would need to be provided to CSEB in 2013, just to maintain its current level of on-board staff.

Client Benefits Administration Permanent Salaries Reductions

The Client Benefits Administration (CBA) Division is recommended for a more than 160% increase in turnover savings, which cuts their available permanent salaries by $910,000 in 2013. CBA is operating at present under an eight percent vacancy rate, which seems low, but which is critical because of the mounting legal challenges brought against the Department relative to not meeting mandated food stamp application processing timeframes.

The Budget Review Office finds that with the 2013 level of permanent salaries recommended for CBA, there will be insufficient funding to fill any of their current vacancies next year. In addition, we project that $573,000 will need to be restored to the 2013 permanent salaries line of CBA, just to maintain the present levels of on-board staffing. DSS continues to try to reassign and shift personnel to the most critical areas in CBA, but it has reached the point where it cannot stretch a shrinking workforce to cover historic workload increases and satisfy unending legal challenges.

DCAP, or the six-person Disabled Client Assistance Program, is in imminent danger of being disbanded because of the pressing need to redeploy those staff in CBA to FS and TA eligibility processing areas. DCAP is a locally initiated unit that helps public assistance recipients with long term disabilities become eligible for Supplemental Security Income (SSI) benefits, and come permanently off the local welfare rolls. During 2011, the Suffolk DCAP Unit helped 220 Safety Net (SN) singles, 9 SN families and 70 Family Assistance (FA) families become eligible for SSI, with gross savings estimated at $4 million. With a 71% County share for the SN clientele, the successful efforts of the DCAP Unit save 71 cents on every dollar spent on the SN population. Without an infusion of additional staff for the Food Stamp and Temporary Assistance eligibility processing areas, the DCAP Unit will by necessity fall by the wayside and the County will lose an opportunity to save millions of local dollars.

Family and Children's Services Permanent Salaries Reductions

Turnover savings for the Family and Children's Services Administration (FCSA) Division are increased by 74% over the requested level in the 2013 Recommended Budget, translating to a permanent salaries reduction of nearly $679,000. Although the current vacancy rate of four percent in the FCSA Division appears to be a positive indicator, it masks the fact that the Child Protective and Preventive Services, Adoptions, Foster Care and Adult Protective Services operations in this life-saving division were depleted by 16 vacant positions that were abolished at the end of 2011.

With personnel funding constraints of the magnitude recommended by the 2013 budget, the Budget Review Office projects that there will be insufficient funding to fill any of the current vacancies in the Family and Children's Services Division next year. Even more importantly, the Budget Review Office projects total gross deficits of $674,000 in 2013 permanent salaries for all currently filled positions in the FCSA Division.

Making matters worse, the autofill policy for all vacancies occurring in Child Protective Services ceased to exist about a year ago, and there is no more guarantee that vital CPS vacancies will be filled in a timely manner. This is unacceptably putting the most fragile of children in our society at heightened risk, which can be corrected by the simple reversal to a common sense

policy that may leave less surplus appropriations in the FCSA salary lines at the end of the year, but that does the right thing by ensuring a seamless system of providing protection for our community's children at risk.

Information Technology Permanent Salaries Reductions

Compared to all other DSS divisions and bureaus, the Information Technology (IT) Division has the highest vacancy rate of 18% at present, with seven of its 40 authorized positions unfilled. This high rate of unfilled positions in DSS IT is especially troublesome in recognition of the criticality of this operation to the efficiencies and productivity of the entire Department of Social Services. The dependence of DSS upon its IT Division has grown exponentially since its creation in 1976 by the laws of New York State, when the age of automation was in its infancy.

DSS IT turnover savings is recommended for a near 220% increase, which cuts their available permanent salaries by almost $150,000 in 2013. With this level of recommended funding, the Budget Review Office finds that there are insufficient permanent salaries for DSS IT to fill any of its outstanding vacancies for more than a small portion of 2013. For an enormous, expensive and technology dependent department such as DSS, under-resourcing its IT operations suggests small savings at great cost to overall operations.

A particular technological problem that could possibly benefit by better resourcing the DSS IT Division, concerns the State Office of Children and Family Service (OCFS) Child Care Time and Attendance (CCTA) System. This State imposed system is fraught with technological deficiencies that present daily problems to DSS in the processing of child care claims. This is the system that the State required Suffolk County to implement instead of the locally designed KinderTrack and KinderAttend systems (which were working well). Additional supports to and resourcing of DSS IT are needed in order to help with the day-to-day local fixes and workarounds to the CCTA, plus working with OCFS in order to get permanent system enhancements and modifications accomplished.

Housing Permanent Salaries Reductions

The DSS Housing Division is recommended for a more than 125% increase in turnover savings, which equates to a $108,000 loss of permanent salaries for their operations in 2013. At present, the Housing Division is operating with a vacancy rate of 11%, with 11 of their 97 authorized positions unfilled. As the problem of homelessness continues to grow in Suffolk County, the Housing Division has been increasingly challenged with their mandated mission to provide emergency housing and supportive services to homeless families and singles, to work with shelter operators to expand shelter capacity more equitably throughout the County, and to transition homeless families and singles to permanent housing.

A promising new initiative that has involved the participation of the Housing Division, is the Recovery Home Services pilot program that is under development by the Recovery Home RFQ Subcommittee, as a subset of the Legislature's Sober Home Oversight Board. The ultimate goal of this pilot is to ensure that DSS clients in recovery from alcoholism or substance abuse treatment have a safe and supportive living environment until their recovery is complete and they can be independent.

Enhanced sober home payments for homes with kitchen privileges, and homes with room and board for the first pilot group of 45 people in recovery are expected to add approximately $72,000 to gross program costs that would already be charged to the Safety Net (SN) program.

After 29% State aid, the Recovery Homes pilot program is projected to cost Suffolk County $51,120, but is anticipated to save system costs many times that amount. Such cost avoidance will be traceable to preventing people in recovery from relapsing and needing to repeat their treatment programs, reducing the need for intervention by the police, probation and the health departments, plus protecting the integrity of the communities in which the "Recovery (rather than Sober) Homes" are located.

The Housing Division appears to have sufficient permanent salaries recommended in their 2013 budget to fill approximately half of their 11 vacant positions for most of next year.

Fund 360

Medicaid (MA) Compliance Permanent Salaries Reductions

The 100% funded and mandated Medicaid (MA) Compliance Division has a vacancy rate of 12%, with 65 of its 554 authorized positions unfilled. For 2013, MA Compliance is recommended for a 56% increase in turnover savings, which equates to a loss of approximately $466,000 in permanent salaries in 2013.

The biggest ongoing challenge for MA Compliance is to continue processing the ever-increasing numbers of applications for Medicaid within the mandated timeframes and in accordance with the stipulation of settlement negotiated in 2009. This is no small feat as it is now estimated that more than 12% of the entire Suffolk County population is already on Medicaid, and with more than 6,500 Medicaid applications coming in each month to be processed, the caseloads and workloads are expected to just keep increasing.

Since properly trained, resourced and supervised staff are the most crucial variable in enabling MA Compliance to meet its mandates, any reductions to permanent salaries could impair the ability of the Division to remain in compliance with the stipulation order of settlement. The Budget Review Office estimates that the permanent salaries needed to fill all 65 vacant MA Compliance positions for all of 2013 would be $2.8 million. According to our projections, the $1.3 million recommended increase in turnover savings will reduce to less than half the total number of vacancies that can be filled in 2013. Since the training periods are so long and involved for Medicaid Examiners, it is essential for the Division to maintain a steady flow of trainees in order to keep up with normal attrition as well as staying current with the ongoing increases in workloads and caseloads.

The Budget Review Office projects that there will be sufficient permanent salaries funding to hire 26 new Medicaid Examiners in 2013, which may or may not allow the Division the capability of remaining in compliance with its mandates and to avert further legal challenges. Since the process of hiring, training and bringing these new Medicaid Examiners through their learning curve periods to full productivity is so long and involved, the Budget Review Office recommends that first priority be given to bringing the new MA Compliance staff on board as early in 2013 as possible. We recommend that the County take a proactive rather than a reactive approach to the perpetually growing demands of the mandated Medicaid Program.

In conclusion, the end result of the recommended permanent salaries reductions and the inherent constraints they will place upon the hiring of replacement and backfilled positions for DSS operations in 2013 is further burdening a department overwhelmed with mandated

responsibilities, which is already dangerously straining its dwindling workforce beyond their limits.

No other County department has been hit harder by the poor economy than DSS, which has experienced historic increases in demand for help from growing numbers of the most fragile of our society. Elder and child abuse, homelessness, hunger, mental illness, alcohol and substance abuse, lack of food, lack of heat, lack of a job, lack of health insurance and lack of decent housing are just some of the problems that DSS must contend with day after day.

Budget Review Office Recommendations

- Restore $882,000 to DSS General Administration permanent salaries in 2013 to ensure that there is sufficient funding for all currently filled positions, particularly to provide adequate support for the finance, claims and payment processing functions serving all of DSS.
- Restore $230,000 to permanent salaries for the Child Support Enforcement Bureau (CSEB) to ensure sufficient funding for its current staff. This would ensure adequate support for the revenue-generating, cost avoidance functions that bring in millions of dollars in child support collections and help single-headed households and their children remain independent of public assistance.
- Restore $573,000 to permanent salaries for the Client Benefits Administration (CBA) Division to maintain present levels of staffing with special emphasis upon providing adequate supports to the Food Stamp and Temporary Assistance processing functions. Provide CBA with sufficient funding to preserve the DCAP (Disabled Client Assistance Program), which saved gross Safety Net (SN) and Family Assistance (FA) program costs of $4 million in 2011.
- Restore $674,000 to 2013 permanent salaries to provide sufficient funding for all currently filled positions in the Family and Children's Services Division to ensure that children, fragile adults and families in crisis or at risk are protected, and that the numbers of Suffolk's children in foster care continue their historic decreases to the betterment of all.
- Reinstate the autofill policy for all Child Protective Services (CPS) positions in the FCSA Division to ensure a seamless system of protection for our community's children at risk.
- Restore $150,000 to DSS Information Technology (IT) in 2013 permanent salaries to enable the Division to fill several of its most critical vacancies so that it can advance the efficiency and productivity of the entire Department of Social Services through improved technological systems and supports.
- Bring new Medicaid (MA) Compliance Examiner staff on board in 2013 as early as possible to ensure the continued capability of the Division to remain in compliance with its mandates and to avert further legal challenges.

DD DSS13

Soil and Water Conservation District

Personnel (as of 9/16/2012)

Authorized Positions:	6	**Filled Positions:**	4
Vacant Positions:	2	**Percentage Vacant:**	33%
Positions Abolished in the Recommended Budget:	0	**New Positions:**	0

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$294,281	$274,578	$313,984	$364,256	$304,865
Equipment (2000s)	$0	$0	$0	$0	$0
Supplies (3000s)	$1,554	$4,500	$2,780	$3,173	$3,116
Contracts (4000s)	$741	$1,385	$500	$724	$544
Totals	$296,576	$280,463	$317,264	$368,153	$308,525

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$75,000	$75,000	$75,000	$75,000	$75,000
Federal Aid (4000s)	$8,574	$6,106	$5,500	$5,500	$5,500
Departmental Income	$0	$0	$0	$0	$0
Other Income	$4,775	$17,500	$2,500	$2,500	$2,500
Totals	$88,349	$98,606	$83,000	$83,000	$83,000

Effects of Recommended Budget

Staffing

Insufficient staffing has been an ongoing problem for this small Department. Currently filled positions include two Soil District Technicians, one Principal Account Clerk, and the District Manager. The vacancies include the Senior Soil District Technician, and a more recently vacated Soil District Technician position. There is only one clerical position and no back up staff for this work. Any absences by existing employees are strongly felt. The recommended budget includes sufficient funding for all currently filled positions for all of 2013, and includes sufficient funding to fill vacant positions for approximately six months. Recommended salary-related expenditure is 99% of the District's total budget.

Expenditure

The District requested $724 and the recommended budget includes $544, for travel, but notes it has had difficulty obtaining authorization to use the funds in past years. The District notes that travel is necessary to attend seminars and training sessions, which themselves are often free of charge, and aids the District in participating in grant revenue generating programs.

Revenue

State aid in 2013 consists of the maximum $30,000 reimbursement to Districts from the New York State Department of Agriculture and Markets, $40,000 in Agricultural Environmental Management (AEM) funding for overseeing programs such as installation of irrigation and fuel systems, and $5,000 through the Department of Environmental Conservation (DEC) for administering Agricultural handling facilities. Federal aid is a reimbursement for County time spent assisting the USDA.

The District notes that, although its fees to fill out Soil Group Worksheets increased from $25 to $50 in 2012, the number of worksheets has decreased, leading to an overall decrease in related revenue. Once a worksheet has been done on a property, it does not need a new one unless the property changes hands or is sub-divided.

Issues for Consideration

Goals

The District's primary goal is the conservation of the natural resources of the County through planning, sediment and erosion control, nonpoint source pollution control, irrigation, drainage, and flood control, and natural resource protection. Cropland in a Farmland Protection Program receives highest priority. The District Manager is a member of the Farmland Committee and serves as a technical advisor. According to the District's webpage, Agricultural Environmental Management (AEM) Plans can be provided to farmers, to both document good stewardship practices of their operation and suggest corrections or improvements for compliance with USDA Standards of Best Management Practices. Adherence to Best Management Practices can lead to optimum crop performance while protecting and conserving soil, water, and related resources. All decisions are made by the landowner/operator.

Technical assistance regarding EPA Phase II Stormwater regulations is also provided by the District. As per these stormwater regulations, which now apply to any construction activity disturbing one acre or more (previously, five acres or more), each site requires an Erosion and

Sediment Control Plan. The Soil and Water District's expertise in sediment and erosion control helps deal with the problem of contaminated waterways at the source, by prevention, which is a more efficient and economical way to deal with the problem than remediation, after contamination has occurred.

Grants to Farmers

The District administers grants that directly benefit farmers. Such grants have positive economic and environmental effects through creation of efficiencies in land use and use of environmentally-friendly practices. According to the Long Island Farm Bureau website, Suffolk County is the State's largest revenue-producing agricultural region, and has a reputation for excellence and earth-friendly production methods. Food grown locally has environmental and health benefits.

Budget Review Office Recommendations

Grant Writing

The District is short staffed and has indicated that it could use grant writing assistance. The Budget Review Office recommends that the District seek assistance from the either the Grant Management Unit in the County Executive's Office or the Department of Economic Development and Planning, where staff may have more specialized knowledge in related fields, such as water quality and farmland protection.

Travel

Travel expenses are minor, but important to the District's work and its ability to generate revenue. The Budget Review Office encourages the authorization of expenditure of adopted travel funds, on an as-needed basis.

Farmland

An ongoing recommendation of the Budget Review Office is that the County should consider making it mandatory for farms on which the County has purchased development rights to comply with the recommended best management practices for farms. The District administers the State Agricultural Environmental Management Program (AEM), which recommends best management practice to farms.

Drainage

Protection of open space and farmland and water quality protection are inter-related and concurrent goals of the County. Collaboration with other Divisions with similar functions and goals, such as Divisions in the Departments of Public Works, Parks, Health Services, and Economic Development and Planning may allow maximization of available expertise.

Staffing

As per prior Budget Review Office recommendation, encourage development of a mutually beneficial internship program with local colleges and universities to alleviate the burden on existing staff. Expertise in specific areas such as Geographic Information System (GIS) and Computer Aided Design (CAD) would be very helpful to the staff. Investigate sharing of personnel with other County divisions with this expertise.

LH SWC13

Traffic Violations Bureau

Personnel (as of 9/16/2012)

Authorized Positions:	0	**Filled Positions:**	0
Vacant Positions:	0	**Percentage Vacant:**	0
Positions Abolished in the Recommended Budget:	0	**New Positions:**	5

Expenditures

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
Personnel (1000s)	$0	$0	$0	$258,941	$535,746
Equipment (2000s)	$0	$0	$0	$40,000	$40,000
Supplies (3000s)	$0	$0	$0	$197,000	$198,187
Contracts (4000s)	$0	$0	$0	$9,847,121	$19,794,922
Totals	$0	$0	$0	$10,343,062	$20,568,855

Revenues

Budget Category	2011 Actual	2012 Adopted	2012 Estimate	2013 Requested	2013 Recommended
State Aid (3000s)	$0	$0	$0	$0	$0
Federal Aid (4000s)	$0	$0	$0	$0	$0
Departmental Income	$0	$0	$0	$0	$0
Other Income	$0	rr	$0	$13,191,905	$37,076,239
Totals	$0	$0	$0	$13,191,905	$37,076,239

Effects of Recommended Budget

The recommended budget establishes the Suffolk County Traffic Violations Bureau (TVB) pursuant to Resolution No. 374-2012, which directed the County Executive to establish a local Traffic and Parking Violations Agency to be operational as quickly as possible and enabling State legislation, Assembly Bill A9539D, that amended the General Municipal Law to authorize the County to establish a Traffic and Parking Violations Agency as of April 1, 2013 to replace the administrative adjudication of traffic summonses currently provided by the New York State Department of Motor Vehicles – Suffolk County Traffic Violations Bureau (DMV–TVB). The 2013 Recommended Budget creates the Traffic Violations Bureau (TVB) in a new Fund (136) and transfers the Red Light Safety Program and staff from the County Attorney's Office to the newly created Bureau. Contract responsibilities for expenditures and revenues associated with the Red Light Safety Program are transferred from the Department of Public Works to the Traffic Violations Bureau. The transfer of the Red Light Safety Program is expected to provide centralized adjudication and coordination efforts. The Nassau County Red Light Camera Program is being managed by the Traffic Safety Board, which organizationally is in the Department of Public Works (DPW), with violations being adjudicated by the Traffic and Parking Violations Agency. The Nassau County 2013 Recommended Budget for the NCTPVA includes $12.4 million in expenditure and $55.1 million in revenue.

Staff

The recommended budget includes 13 positions, as follows:

- Creates the following five new positions in a Traffic Violations Bureau Division:
    - One Executive Director of Traffic & Parking Violations Bureau position, grade 35, to be responsible for the oversight and the administration of the TVB once appointed by the County Executive and confirmed by the Legislature. The Executive Director will select Traffic Prosecutors, which are expected to reduce overtime in the Police Department. Currently, Police Officers serve as traffic prosecutors. The criteria for Traffic Prosecutors is attorney admitted to practice in NYS and precluded from other employment as a traffic prosecutor regarding traffic/parking matters (any other capacity).
    - One Secretary (grade 17)
    - One Senior Clerk Typist (grade 12)
    - One Clerk Typist (grade 9)
    - One Clerk Typist (Spanish Speaking) (grade 9)
- Transfers the following eight (five filled and three vacant) positions from the Law Department into a Red Light Cameras Division:
    - One vacant Assistant County Attorney (grade 24)
    - One filled Research Analyst (grade 20)
    - One vacant Account Clerk/Typist (grade 11)
    - Four filled and one vacant Senior Clerk (grade 11)

Amongst the responsibilities of these positions is the job duty of inspecting recorded images produced by a traffic-control signal photo violation-monitoring system, to determine if a red light has been violated by a motorist. The County must process each violation in accordance with state laws and/or County laws within 7 business days to determine if violations occurred.

- Judicial Hearing Officers (JHOs) will be appointed by the Administrative Judge of the County to adjudicate cases. The criteria to be a JHO, per the County's RFP for the Development and Operations of the new Suffolk County Traffic Violations Bureau, are to be admitted to practice in NYS to be village court justices or retired judges with at least two years of experience conducting trials of traffic/parking violations, and to be precluded from other employment as a JHO regarding traffic/parking matters. Suffolk County JHO's will have to be approved by the Suffolk County Bar Association Judiciary.

The Law Department's requested budget indicated that additional personnel is needed to handle the voluminous task of processing each red light camera violation, which will be exacerbated by an anticipated increase in violations to be reviewed when additional red light cameras are installed.

According to the RFP, for FY 2010-11, Suffolk NYS TVB handled approximately 104,000 tickets with three hearing rooms and the following positions:

- Four Administrative Law Judges (one as Supervisor)
- Three Supervisors
- Ten – Twelve Clerk/Cashiers
- Two Per Diem employees (who work two days each week)

It is not clear at this time if the TVB will be staffed with personnel that were recently laid off from the County. As a comparison to Suffolk's 13 proposed positions, Nassau's 2013 Proposed Budget for its Traffic and Parking Violations Agency includes 71 positions, 43 full time and 28 part time positions.

Whether or not Suffolk's TVB will have sufficient authorized positions will depend on the outcome of the RFP and the resultant responsibilities of the County and the vendor.

Revenue

As a result of establishing the Traffic Violations Bureau, the County is expected to realize increased revenues that will be used to offset expenses in the General Fund. The recommended budget transfers $16.3 million to the General Fund (001) from this revenue source. The 2013 Recommended Budget includes approximately $37.1 million in revenue, which is about $16.5 million more than the approximately $20.6 million recommended in expenditures, as well as $181,772 for employee benefits contained in Fund 136. The revenue details are included in the table that follows.

Traffic Violations Bureau Revenue Fund 001 in 2011 and 2012 and Fund 136 in 2013							
UNIT	**REV**	**REVENUE NAME**	**2011 Act**	**2012 Adpt**	**2012 Est**	**2013 Req**	**2013 Rec**
1496	2461	Return Check Fee	$2,680	$2,050	$2,050	$4,963	$4,963
1496	2464	Credit Card Convenience Fee	$334,868	$550,000	$270,064	$620,084	$620,084
1496	2643	Red Light Camera Fines	$11,701,925	$22,600,000	$8,200,000	$21,668,774	$21,668,774
1496	2644	Red Light Camera Late Fees	$858,935	$578,180	$544,302	$1,590,513	$1,590,513
1496	2646	Red Light Camera Admin Fee	$0	$0	$0	$5,700,000	$5,700,000
Subtotal			**$12,898,408**	**$23,730,230**	**$9,016,416**	**$29,584,334**	**$29,584,334**
1130	2647	TVB – Ticket Fines	$0	$0	$0	$3,579,192	$3,579,192
1130	2648	TVB – Ticket Admin Fee	$0	$0	$0	$3,912,713	$3,912,713
Subtotal			**$0**	**$0**	**$0**	**$7,491,905**	**$7,491,905**
Total			**$12,898,408**	**$23,730,230**	**$9,016,416**	**$37,076,239**	**$37,076,239**

Although the 2012 Adopted Operating Budget included $22.6 million in gross fine revenue for Red Light Camera Fines, the 2012 estimate of $8.2 million or $14.4 million less than adopted is a reasonable conservative estimate. The estimated $5.8 million vendor expense associated with this program, which is based upon revenue, is also reasonable.

In 2013, gross RLC fines and fees revenue is recommended at $23.88 million or $1.99 million monthly on average. This revenue is expected to include RLC fines adjudicated in the District Court from January to the end of March and RLC fines that are adjudicated via the new TVB from April to the end of December as well as revenue from the 50 additional red light camera intersections and the relocation of 35 existing red light cameras. The State recently authorized the County to increase the number of intersections with red light cameras from 50 to 100. The number of cameras at an intersection can vary depending on the entity that owns the roads that intervene. The County Executive's Office reportedly based its projections on a camera-by-camera and month-by-month forecast with a phased in installation schedule that erred on the side of caution for the 50 new intersections (as per Performance Management, the installation schedule is not complete at this time), relocation of 35 existing red light cameras and an individual camera decay schedule for the existing red light cameras. The decay schedule is said to include a factor for motorists to learn of the red light camera and modify their behavior, seasonal variations in cameras, such as school sessions and summer east end travel. Seasonal factors regarding snowfall can also adversely impact the revenue because if there is a lot of snowfall and the white line is not visible in the RLC pictures and video, the infraction may not be as definitive. The specific details of this analysis were not provided to BRO, however the following Executive Office assumptions were:

- $2 million was included related to an increase in collecting unpaid RLC fines and late fees, which the County has about $4.4 million in unpaid RLC fines and late fees as of October 5, 2012 for 64,653 unpaid fines and/or late fees. An increase in the collection of the unpaid fines and fees is expected because of the implementation of default judgments being filed with the County Clerk. The default judgment process reportedly began recently in District Court and almost 700 default judgments have been filed. They are electronically filed with the County Clerk. In October of this year, another 900 cases were scheduled for default judgment calendars in District Court, and each red light camera district court date going

forward will have a default judgment calendar. When the County's TVB begins, they will continue the default calendar process. The magnitude of the backlog in unpaid fines and fees is not expected to continue each year as the implementation of default judgments should reduce the number of individuals that opt not to pay their fines and fees. However, as individuals pay these RLC fines and/or late fees, credit card convenience and return check fees and collection procedures should also have a positive fiscal impact. It is not clear at this time if citations where a default judgment has been issued will be subject to the proposed $30 red light camera administration fee through the new Suffolk County Traffic Violations Bureau.

- Nassau County categorizes their outstanding parking ticket receivables into uncollectible, not likely, somewhat and highly. Suffolk's registrants with unpaid fines and fees fall into the following three categories:
  - Individuals that never paid the RLC fine and/or RLC late fees. These individuals owe $75; a $50 RLC fine and a $25 RLC late fee.
  - Individuals that replied to the RLC fine and requested a court date but then did not appear in court are referred to as "Failed to Appear" or FTAs. These individuals owe $50 because they are not subject to the $25 RLC late fee as they responded to the RLC fine.
  - Individuals that appeared in court and were found guilty but did not subsequently pay the RLC fine and/or fees. These individuals owe the $50 RLC fine per the judge's verdict but not the $25 RLC late fee.

- $1 million was included related to favorable contract negotiations for the County with the vendor that manages the Red Light Camera System. This includes:
  - Relocating 35 existing cameras based on performance. As drivers learn of a particular intersection with red light cameras they change their behavior and avoid running red lights at the intersection thereby increasing the safety of the intersection. This allows for the cameras to be relocated albeit assuming that drivers' behavior will not revert back to running the red light once the camera is relocated. It also assumes a relatively uneventful relocation of the cameras. Relocating the cameras involves a State DOT approval process, engineering studies, electrical work, access to cable modems, and favorable weather conditions.

Although the Budget Review Office's assumptions were slightly different than the County Executive Office's assumptions, we found the recommended aggregated RLC fines and fees revenue in the amount of $23.88 million to be optimistic but reasonable. They are 85.2% more than the 2011 actual revenue. The recommended vendor expense for the red light cameras of $9.95 million may be understated based on current contract terms but will ultimately depend on the terms of the contract once renegotiated. The terms are not available, which hinders our ability to project this expenditure.

The recommended budget includes $5.7 million in a new revenue code, RLC Administrative Fee (1496-2646), which is $30. The $5.7 million recommended revenue divided by the $30 RLC Administrative Fee equates to the expectation of 190,000 RLC Administrative Fees paid in 2013. It is unclear at this time if this fee will be applicable to the fines processed through the TVB that occurred prior to the TVB operational date and whether it will be applicable to the

default judgment cases. As per Performance Management, an average of 9.5 paid citations per day per camera is estimated in 2013 and they expect to have 110 cameras operational in 2013. Using the Executive Office's information, there would be approximately 381,425 fines paid for the year. Using a conservative 380,000 fines paid, with an administrative fee of $30 per fine, the year-end projection for revenue from the RLC Administrative Fee would be $8.55 million or $2.85 million more than recommended.

The recommended budget for TVB - Ticket Fines revenue in the amount of $3,579,192 is reasonable. The County has never had a TVB so the Executive's Office's assumptions were based on the prior year data at the State TVB.

The recommended TVB - Ticket Administrative Fee revenue in the amount of $3,912,713 is also reasonable.

- Since the TVB is scheduled to be operational April 1, 2013, the recommended budget includes nine months of monthly revenue.
- Nine months or 75% of the 104,339 tickets is 78,254 projected tickets times $50 per ticket equates to $3,912,713.

Expenditure

The 2013 Recommended Budget for expenditure in the Traffic Violations Bureau is reasonable. The Recommended expenditure is $20.57 million as follows:

Traffic Violations Bureau Expenditure (Fund 136)		
UNIT	**Unit Name**	**2013 Rec**
1425	Red Light Cameras	$277,992
1496	Red Light Cameras	$9,947,801
Subtotal		**$10,225,793**
1130	Traffic Violation Bureau	$10,343,062
Total		**$20,568,855**

Of the $20.57 million expenditure $19.79 million, or 96.2%, is for the following contractual expenses.

- $9.95 million (136-TVB-1496-Red Light Cameras) for the ACS State and Local Solutions, Inc. to plan, design, implement, operate, maintain, and manage the Red Light Camera System in specified locations in Suffolk County in accordance with Suffolk County Local Law No. 20-2009. This contract is effective for two years with an option to renew through March 31, 2015. The vendor administers the RLC Program in its entirety with the exception of the electrical work, which is subcontracted and reviews of the citations by County employees as required by the enabling legislation.
- The County Executive's 2013 projection did not take into account the County having a more favorable payment structure once negotiations are complete with the vendor. Because the negotiations are not complete, there were no details that could be provided at the time of this writing. The RLC fine and fee revenue is gross, not net of the vendor expense. The recommended vendor expense for the red light cameras of $9.95 million may

be understated based on current contract terms but will ultimately depend on the terms of the contract once renegotiated. The terms are not available, which hinders our ability to project this expenditure. Currently, the contract with the vendor is based on a two tiered system of compensating the vendor for program operations/capital costs, which uses the number of RLC fines per camera per month with the vendor receiving $37 and the County receiving $13 of the $50 RLC fine for the first 90 fines paid per camera per month and the vendor receiving $17 and the County receiving $33 of the $50 RLC fine for 91 fines and more. The contract negotiations are reportedly near completion, including the collections agreement. All fees are paid directly to the County with checks made out to the Suffolk County Treasurer, which are deposited into a Suffolk County Treasurer account. On a monthly basis, the vendor invoices the County for the number of paid citations for the month based on the above tiers. The vendor does not collect the money and hold onto it; the vendor deposits the County's checks into a Suffolk County account. All the fees paid online also go into a Suffolk County account. Consequently, the County earns the interest on the revenue.

- $9.85 million (136-TVB-1130-Traffic Violations Bureau) in contractual expenses in the TVB; mainly for contract agencies ($7.85 million) and Fees for Services: Non-Employee ($1.89 million). Contractual expenses related to the RFP for the Development and Operations of the new Suffolk County Traffic Violations Bureau will be expended from these funds, if a contract is executed. Use of these funds may also be necessary for additional TVB personnel depending on the outcome of the RFP and staffing needs of the new Bureau.

Taken by division, the RLC Division is projected to generate $29,584,334 in revenue and $10,225,793 in expenditure for a surplus of $19,358,541 and the TVB Division is projected to generate $7,491,905 in revenue and $10,343,062 in expenditure for a deficit of $2,851,157. As a Bureau, there appears to be a surplus of $16,507,384. From this, $40,985 will be used to pay for Social Security, $12,654 for Welfare Fund Contributions, and $128,133 for the Employee Medical Health Plan. The remaining $16,325,612 will be transferred to the General Fund.

Issues for Consideration

Background

- Suffolk County was the only county in New York State to have a Red Light Safety Program without having an existing traffic violations bureau to adjudicate not-guilty pleas. Originally, the New York State Traffic Violations Bureau was to adjudicate Suffolk's red light camera cases, however the State declined taking on a new caseload, therefore another adjudication forum had to be identified.
- A new part in Suffolk County First District Court in Central Islip was created in 2010 to adjudicate red light camera cases. To establish the new part, renovations were required at District Court to provide a new payment window for citations, red light citation video viewing stations were set up in a public access area and equipment was acquired to view videos in the court rooms. The Suffolk County Attorney's Office prosecutes the cases, which are heard by either Judicial Hearing Officers or Judges in District Court.
- The TVB will operate under the auspices of the County Executive and will administratively adjudicate non-criminal traffic violations.

- The Traffic Violations Bureau will be an arm of the SC District Court and is expected to assist District Court in the administration and disposition of traffic and parking infractions, reduce the backlog of unanswered and unpaid traffic and parking summonses issued in Suffolk County, assure speedy and equitable disposition of charges for traffic and parking violations and generate new and recurring revenue for the County.
- The TVB will follow Office of Court Administration (OCA) guidelines.
- As of this writing, the operational hours and source of security are unknown. Security options are currently being evaluated.
- The TVB is expected to have a police room and 3-4 hearing rooms.
- According to the Executive's Office, 350 motorists are expected to enter the TVB per day.
- According to the Executive's Office, in January a small TVB staff is expected to start at District Court, which will then move to the TVB by February 15, 2013 in order to be ready for operations by April 1, 2013.
- Currently, if a motorist pleads "not guilty" to a traffic ticket, a hearing is scheduled before a DMV Administrative Law Judge (ALJ). The current process is an administrative one; there is no plea negotiation, motorists are either found not guilty or guilty. In the Suffolk County Traffic and Violations Bureau, plea bargaining will be instituted.

Start-up Costs

The H. Lee Dennison building has been chosen as the location for the Traffic and Parking Violations Bureau. This has not gone before the Space Committee nor has the displacement and relocation of the staff currently in the space where the TVB will be housed. A new capital project, Construction of the Traffic and Parking Violations Bureau (CP 6409), is before the Legislature, which includes all ancillary capital costs associated with constructing the Traffic and Parking Violations Bureau at the H. Lee Dennison building, including costs associated with moving various County departments and modifying those locations. IR No. 2011-2012, proposes to use $2.5 million in capital project offsets for this purpose, as follows:

CP #	CP Title	Offset Amount
1616	Fuel Management /Preventive Maintenance and Parts Inventory Control System	$550,000
7433	Restoration of Driveways, Gutters and Catch Basins at Suffolk County Vanderbilt Museum	$700,000
1726	Fiber Cabling Network and Wan Technology Upgrades	$300,000
1765	Renovations to Building 50, North County Complex, Hauppauge	$125,000
4008	Purchase and Installation of Generators for Full Power Supply at County	$375,000
4055	Purchase of Equipment for Health Centers	$125,000
5604	Upgrade of Public Works Repair Garages for Compressed Natural Gas (CNG) Vehicle Maintenance	$325,000
	Total	**$2,500,000**

Computer Interface

Per the County's RFP for the Development and Operations of the new Suffolk County Traffic Violations Bureau, it is unknown at this time if there will be a cost for the interface for the Red Light Camera system (assessed by the current RLC contractor) into the TVB IT System.

Fines/Fees

Administrative fees for the Traffic Violations Bureau, that are proposed to take effect April 1, 2013, are expected to offset the costs of administering the Red Light Safety Program and adjudication of traffic tickets. The fee/fine schedule for the Traffic Violations Bureau will be as follows:

Traffic Violations Bureau Fine/Fee Schedule	
Return Check Fee	$20
Credit Card Convenience Fee	$4
Red Light Camera Fines	$50
Red Light Camera Late Fees	$25
Red Light Camera Admin Fee	$30
TVB – Ticket Fines	varies
TVB – Ticket Admin Fee	$50

The fine/fee schedule includes a Red Light Camera Late Fee but not a comparable TVB - Ticket Late Fee because currently, the State TVB does not have a late fee for traffic infractions. The TVB ticket fines and administration fees will be for each infraction of traffic and parking laws, ordinances, rules and regulations processed by the Bureau.

It is believed that the TVB will have primary jurisdiction over all non-criminal moving Vehicle and Traffic Law violations within the SCPD Police District which fall outside the jurisdiction of Village Courts. Many State and local law enforcement agencies write summonses, including the Suffolk County Police Department, the New York State Police, Suffolk County Sheriff, New York State Park Police, SUNY – Stony Brook and the Metropolitan Transportation Authority (MTA). At this time, it is not clear which of these entities will have their summonses processed through the TVB. As a comparison, the Nassau County Traffic and Parking Violations Agency (NCTPVA) assists the District Court and some municipalities in administering the adjudication of traffic and parking tickets and Red Light Camera Notice of Liability (NOL).

According to the RFP documents, the TVB does not have jurisdiction over offenses which do not specifically involve the operation of a motor vehicle, including, but not limited to bicycle/bicyclist infractions, pedestrian infractions and parking infractions. Further, it states "Suffolk County is not currently seeking to include parking violations in the newly developed Traffic Violations Bureau". However, the RFP documents also indicate that it's the County's intention to include parking ticket processing as part of the overall TVB plan. Consequently, although the County is authorized to establish the TVB as of April 1, 2013, it is uncertain as to whether the scope of its responsibilities will be broadened to include parking violations. Nassau County has a Traffic and Parking Violations Agency.

Traffic Violations Bureau RFP

Per the County's RFP for the Development and Operations of the new Suffolk County Traffic Violations Bureau, the County is exploring all options to manage the full range of traffic violation ticket management services. These services include ticket data entry, processing, payment processing, notice processing, customer service, delinquent account management, adjudication and enforcement support services. The vendor may process the County's traffic violation tickets from initial data entry through ultimate disposition.

Per the RFP documents:

- The proposal due date was September 27, 2012.
- There were 2 respondents to the RFP. At the General Meeting of the Legislature on October 9, 2012, the County Executive's Office stated that the two respondents' to the RFP were rejected. It is not clear if the RFP will be reissued.

Items to Consider for Further Investigation

Once the TVB is established, the County will have greater flexibility in establishing related fees and programs. Some areas that can be considered for further investigation follow:

- Implement a fee for motorists' that appear before the TVB whose cases have been adjudicated to a final disposition other than not guilty to offset the County's cost of adjudicating these cases. Nassau has proposed (Proposed Ordinance No. 190-2012) an "Initial Deferred Payment Fee" and a "Subsequent Deferred Payment Fee - Per Deferral-Per Ticket" fee. At the time of this writing, we were unable to determine if this proposal has been adopted. In 2011, according to the County Executive's Office, there were 57 Hearing Dates scheduled with one cancellation due to inclement weather. There were 55 hearing dates adjudicated by Judicial Hearing Officers and 2 adjudicated by Judges. On average, 25% of the defendants scheduled on a given date appeared. The number of defendants scheduled per court date increased as the year progressed. The outcome of hearings has been overwhelmingly in favor of the County, indicating that the citations are being issued fairly and properly and that the court fee would be collectible. As per the Executive's Office, in 2011, 1.3% of individuals receiving red light citations requested court hearings and 0.325% resulted in an actual trial. Almost half of those scheduled for court hearings pay the fine prior to court. A very small percentage of defendants' (0.024%) have been found not guilty in District Court. Again, confirming that the court fee would be collectible.

Suffolk County Red Light Safety Program Cases									
	# Citations Issued	# Defendants	Total Trials Held	Found Guilty at Trial	Found Not Guilty at Trial	Pled Guilty	Adjourned	Fine Paid on Court Date	Default Judgments Ordered
TOTAL	278,332	3689	904	748	67	89	189	1576	970
%		1.30%	24%	83%	7%	10%	5%	43%	26%

- Implement a collection fee like in Nassau County. Suffolk is not currently doing collections. Reportedly, a collections agreement will be negotiated with the vendor as part of the current negotiation process. Nassau County has an aggressive in-house collection process and utilizes contract vendors to recoup revenue from delinquent defendants. Once a

traffic, parking or RLC ticket is forwarded to a collection agency, Nassau receives all of the fines, penalties and fees and a collection fee is added to each ticket. The collection vendor is paid with the collection fee.

- Review tickets that are currently dismissed to determine why tickets are being dismissed and if there are any categories within this universe of dismissed fines to pursue payment instead of dismissal based on a cost benefit analysis. For example, there is a sample within this universe of dismissed tickets for rental vehicles. A cost benefit analysis would need to be done to determine if it would be beneficial to pursue payment in lieu of dismissal for these cases. This category reportedly is very small in comparison to the overall number of fines issued, approximately 38 fines for rental vehicles were voided from 2011 through October 2012. The RLC fine is a registrant liability. Therefore, the entity renting the vehicle would be responsible for paying the fine and then recouping their loss from the individual that rented the vehicle per the car rental contract. This is similar to when a rental car receives a parking ticket. According to AVIS's website, "rental customers are responsible for payment of any tolls, parking, and moving traffic violations along with a reasonable administrative fee." According to Hertz's website, "All parking, traffic, and toll violation processing and billing is administered by American Traffic Solutions (ATS)". Hertz directs patrons' questions relating to a violation, including penalties and administration fees, to ATS.
- Establish a "Boot and/or Tow Program" such as in Nassau County. In Nassau, vehicles belonging to vehicle owners who have been issued three or more parking or three or more Red Light Safety Camera Notices of Liability within an 18-month period may be booted and/or towed and a seizure notice is placed on the window with instructions for the owner. The boot device, painted yellow to ensure visibility, is placed on the vehicle. Typically, an 8.5" x 11" notice will be affixed to the driver's window and a copy placed under the windshield wiper to instruct the owner on how to get the boot removed. Nassau County is using "SmartBoots," which can be released by the driver by entering a code into a keypad on the boot device. The code is provided to the driver upon payment and his or her agreement to return the SmartBoot. Payments by credit card can be provided to the Boot Release Line, a call center that operates 24 hours a day, 7 days a week, resulting in a release within minutes. After removing the boot, motorists can drop off the boot at a designated drop-off site within 24 hours of release. If motorists do not return the boot within 24 hours of release, a late fee of $25 per day will be levied. If motorists intentionally damage or fail to return a boot, a replacement fee of $500 can be levied. The owner can request assistance during the phone call to have someone release the boot for them within 1-4 hours. Generally, the vehicle will be released from boot or impound upon payment of all parking fines, late fees, and booting and/or tow fees associated with the vehicle. Nassau's boot fee is $166. The Boot Release Line accepts credit cards, debit cards, and bank account transfers. If the driver is unable to pay by credit card, he or she has multiple options including: enlisting friends or family to pay by credit card for him or her, the Boot Release Line operators can assist by calling on his or her behalf; purchasing a credit card gift card to use for payment; or paying cash at TPVA during normal business hours. Removing a "smart" boot is faster, easier and cheaper than towing for those affected. Towing a vehicle is a time-consuming, burdensome process for vehicle owners as they have to find a ride to the impound lot and it doesn't allow for the vehicle owners to readily access their personal

belongings, such as baby car seats, prescription drugs, or important paperwork left in a vehicle.

- Implement a Scofflaw Program. In Nassau, a scofflaw is a person who has received three or more parking or Red Light Safety Camera Notices of Liability. Scofflaw vehicle booting started in March 2012 in Nassau County. Previously, the County would place DMV holds on the vehicle's registration, which could prevent the vehicle's registration from being renewed or having the vehicle's registration immediately suspended. Although DMV holds will still remain in effect, scofflaws' vehicles will now be eligible to be immobilized or towed through the new program. Scofflaws are identified by vehicles equipped with "license plate recognition" (LPR) technology. Nassau cannot boot a scofflaw vehicle if it is parked on private property or in a privately owned parking lot with the exception of those owners of private parking lots that allow the Police Department to enforce parking and traffic laws.
- Offer an Amnesty Program. This may be beneficial in collecting a portion of the unpaid RLC fines and late fees, which as of October 5, 2012 were approximately $4.4 million for 64,653 unpaid fines and/or late fees. Nassau County initiated a parking ticket Amnesty Program beginning May 16, 2011 through September 15, 2011 for tickets issued prior to January 1, 2010. During the program, the payments due on qualifying tickets automatically reflected waived late fees and collection fees at a minimum. Once the Amnesty Program concluded, Nassau's TPVA initiated its Boot and Tow Program.

Budget Review Office Recommendations

- Increase the 2013 estimated Red Light Camera Administrative Fee revenue from $5.7 million to $8.55 million and increase the transfer to the General Fund by $2.85 million.
- Consider the following:
    - Implement a fee for motorists' that appear before the TVB whose cases have been adjudicated to a final disposition other than not guilty to offset the County's cost of adjudicating these cases.
    - Implement a collection fee like in Nassau County. Suffolk is not currently doing collections. Reportedly, a collections agreement will be negotiated with the vendor as part of the current negotiation process.
    - Review tickets that are currently dismissed to determine why tickets are being dismissed and if there are any categories within this universe of dismissed fines to pursue payment instead of dismissal based on a cost benefit analysis.
    - Establish a "Boot and/or Tow Program" such as in Nassau County.
    - Implement a Scofflaw Program.
    - Offer an Amnesty Program.

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	4310	AAA2	HSV	Div Of Comm Mental Hygiene	ACCESS-TOWN OF ISLIP	$188,977	$188,251	$188,251	$186,071	$188,251
001	4330	GBQ1	HSV	Hs Community Support Svc	ADELANTE OF SC - DROP IN	$64,853	$64,201	$64,201	$63,251	$63,251
001	7320	GJN1	EXE	Youth Bureau/Office For Child	ADELANTE OF SUFFOLK CTY INC	$192,600	$191,117	$175,445	$181,561	$181,561
001	4330	GNT1	HSV	Hs Community Support Svc	ADELANTE PSYCHO SOCIAL CLUB	$50,000	$48,659	$48,659	$48,659	$48,659
001	4330	GGQ1	HSV	Hs Community Support Svc	ADELANTE SPECIAL EMP	$53,684	$53,684	$53,684	$53,684	$53,684
001	6410	JLV1	ECD	Economic Development Admin	AFRICAN AMERICAN FILM FESTIVAL	$5,000	$0	$0	$0	$0
001	4310	JAD1	HSV	Div Of Comm Mental Hygiene	ALTERNATIVES COUNSELING CENTER, INC.	$0	$8,500	$8,500	$8,075	$8,075
001	6510	JCD1	EXE	Veterans Service	AMERICAN LEGION PEARL HARBOR MEMORIAL POST 1941	$5,000	$0	$0	$0	$0
001	3184	JJS1	PRO	Com Svc Alternative Sentencing	AMERICAN RED CROSS	$563,391	$0	$0	$0	$0
001	4100	JFT1	HSV	Hs: Patient Care Svcs Adm	BABYLON BREAST CANCER COALITION	$15,500	$0	$0	$0	$0
001	6410	JBX1	ECD	Economic Development Admin	BABYLON CITIZENS COUNCIL ON THE ARTS	$5,000	$0	$0	$0	$0
192	6414	JBX1	EDP	Cultural Affairs	BABYLON CITIZENS COUNCIL ON THE ARTS	$7,500	$7,500	$7,500	$0	$0
001	6004	JLF1	DSS	Soc Svc: Commodities Dist	Babylon Inter Faith Clergy Cluster	$0	$4,750	$4,275	$0	$0
001	6004	JLG1	DSS	Soc Svc: Commodities Dist	Babylon Rotary Club (Food Collection)	$5,000	$4,750	$4,275	$0	$0
001	3422	JOC1	FRE	2009 HazMat Grant Program	BABYLON TOWN	$0	$0	$7,000	$0	$0
001	7510	JCW1	PKS	Parks: Historic Services	BABYLON TOWN HISTORICAL SOCIETY	$5,000	$0	$0	$0	$0
001	6410	JBY1	ECD	Economic Development Admin	BABYLON VILLAGE ARTS COUNCIL	$4,964	$0	$0	$0	$0
192	6414	JBY1	EDP	Cultural Affairs	BABYLON VILLAGE ARTS COUNCIL	$5,000	$5,000	$5,000	$0	$0
001	7320	AAS1	EXE	Youth Bureau/Office For Child	BABYLON VILLAGE YOUTH	$8,125	$7,719	$7,719	$7,333	$7,333
001	6410	GZJ1	ECD	Economic Development Admin	BAY SHORE CHAMBER OF COMMERCE	$14,000	$0	$0	$0	$0
001	3400	JMB1	FRE	Fire, Rescue & Emergency Svc	Bay Shore Fire Department	$5,000	$0	$0	$0	$0
001	6410	JIF1	ECD	Economic Development Admin	BAY SHORE HISTORICAL SOCIETY	$4,635	$0	$0	$0	$0
192	7512	JIF1	PKS	Museums & Historic Associations	BAY SHORE HISTORICAL SOCIETY	$5,000	$5,000	$5,000	$0	$0
001	6410	GZW1	ECD	Economic Development Admin	BAY STREET THEATER	$5,000	$0	$0	$0	$0
192	6414	GZW1	EDP	Cultural Affairs	BAY STREET THEATER	$10,000	$15,000	$15,000	$0	$0
192	7512	JHS1	PKS	Museums & Historic Associations	BAYPORT HERITAGE ASSOCIATION	$3,356	$5,000	$5,000	$0	$0
001	6410	GVU1	ECD	Economic Development Admin	BAYPORT-BLUE PT CHAMB.OF COMM.	$5,000	$0	$0	$0	$0
001	6410	JIG1	ECD	Economic Development Admin	BAYSHORE BEAUTIFICATION SOCIETY	$5,000	$0	$0	$0	$0
001	7320	JKR1	EXE	Youth Bureau/Office For Child	BAYSHORE HIGH CREW	$5,000	$0	$0	$0	$0
192	6414	JER1	EDP	Cultural Affairs	BELLPORT CHAMBER OF COMMERCE	$10,000	$10,000	$10,000	$0	$0
001	7325	ABC1	EXE	Spec Dlnqncy Prevention Pgm	BELLPORT COMM ACTION COMMITTEE	$161,357	$162,020	$152,947	$156,081	$156,081
001	3145	JJU1	PRO	Pins Diversion Plan	BERKSHIRE FARM CENTER AND SERVICES FOR YOUTH	$259,770	$289,890	$279,744	$284,000	$284,000
001	6511	GHB1	EXE	Minority Affairs	BIASHELP, INC	$51,391	$0	$0	$0	$0
001	7320	ABL1	EXE	Youth Bureau/Office For Child	BIG BROS OF L I CATH CHARITIES	$3,652	$0	$0	$0	$0
001	3198	GBS1	PRO	STOP-DWI	BOCES	$32,000	$24,000	$0	$0	$0
001	4310	ABN1	HSV	Div Of Comm Mental Hygiene	BOCES II	$1,212,333	$1,201,267	$1,201,267	$1,199,900	$1,201,267
001	7320	GVV1	EXE	Youth Bureau/Office For Child	BOYS & GIRLS CLUB OF BELLPORT	$9,630	$10,000	$9,000	$0	$0
001	4100	HLA1	HSV	Hs: Patient Care Svcs Adm	BREAST CANCER HELP, INC	$5,000	$0	$0	$0	$0
001	3400	JMC1	FRE	Fire, Rescue & Emergency Svc	Brentwood Fire Department	$5,000	$0	$0	$0	$0
001	7320	HEZ1	EXE	Youth Bureau/Office For Child	BRENTWOOD PUBLIC LIBRARY	$5,000	$0	$0	$0	$0
001	4310	ABZ1	HSV	Div Of Comm Mental Hygiene	BRENTWOOD UFSD#12	$141,815	$175,738	$175,738	$175,574	$175,738
001	7320	JMP1	EXE	Youth Bureau/Office For Child	Brentwood Youth Activities, Inc.	$12,899	$0	$0	$0	$0
001	7320	ACB1	EXE	Youth Bureau/Office For Child	BRENTWOOD YOUTH DEVEL CORP	$56,900	$56,132	$50,519	$53,325	$53,325

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	7320	ACE1	EXE	Youth Bureau/Office For Child	BRIDGEHMPTN CHLD CARE & REC CT	$45,687	$42,698	$38,428	$40,563	$40,563
001	6017	DDE1	DSS	Domestic Violence Programs	BRIGHTER TOMORROWS	$214,194	$212,690	$208,011	$209,680	$209,680
001	3136	JIT1	PRO	DCJS SVAW RECOVERY ACT	BRIGHTER TOMORROWS	$9,665	$0	$0	$0	$0
001	3178	JNR1	PRO	Stop Violence Against Women	BRIGHTER TOMORROWS	$15,590	$0	$18,167	$0	$0
001	6015	GEG1	DSS	Dss: Public Assist Admin	BRIGHTER TOMORROWS INC	$21,903	$22,088	$22,088	$22,088	$22,088
001	3424	JOH1	FRE	2010 HazMat Grant Program	BRKHVN TOWN 2010 HAZ MA	$0	$0	$6,000	$0	$0
001	7323	ACJ1	EXE	Comprehensive Plning-Runaway	BROOKHAVEN HOMELESS	$9,295	$8,830	$8,830	$8,388	$8,388
001	4310	HZQ1	HSV	Div Of Comm Mental Hygiene	BROOKHAVEN MEMORIAL HOSPITAL CENTER	$163,173	$163,016	$163,016	$162,867	$163,016
001	3422	JOG1	FRE	2009 HazMat Grant Program	BROOKHAVEN NATIONAL LAB	$0	$0	$4,000	$0	$0
001	3420	JKW1	FRE	2008 HAZMAT GRANT PROGRAM	BROOKHAVEN NATIONAL LABORATORY	$0	$0	$6,013	$0	$0
001	3420	JKU1	FRE	2008 HAZMAT GRANT PROGRAM	BROOKHAVEN TOWN	$0	$0	$15,633	$0	$0
001	3422	JOB1	FRE	2009 HazMat Grant Program	BROOKHAVEN TOWN	$0	$0	$9,500	$0	$0
001	3199	JMW1	PRO	JUSTICE ASSISTANCE GRANT	BYRNE JAG PGM - HOPE OF YOUTH	$0	$0	$68,000	$0	$0
001	3199	JMV1	PRO	JUSTICE ASSISTANCE GRANT	BYRNE JAG PGM - SOUTH OAKS	$0	$0	$69,999	$0	$0
001	4100	GGU1	HSV	Hs: Patient Care Svcs Adm	C.S.HOSPITAL-RIVERHEAD H.C.	$358,616	$511,753	$511,753	$492,383	$492,383
001	7320	HFC1	EXE	Youth Bureau/Office For Child	CAST(COMM. & SCHOOLS TOGETHER)	$50,335	$40,000	$36,000	$0	$0
001	4310	ACN4	HSV	Div Of Comm Mental Hygiene	CATHOLIC CHARITIE TALBOT HOUSE	$1,694,906	$1,689,689	$1,689,689	$1,684,733	$1,689,689
001	4320	HLE1	HSV	Hs: Mental Health Pgms	CATHOLIC CHARITIES-BAY SHORE OUTREACH	$3,121	$2,965	$2,965	$2,817	$2,817
001	6410	HSG1	EDP	Economic Development Admin	CCE- 4H YOUTH & DEVELOP & FARM ED PROG	$59,500	$0	$0	$40,609	$40,609
477	8038	HSJ1	EDP	Water Quality Improvement	CCE- ALT MGT STRATEGIES FOR CONTROL OF INSECT PESTS	$130,875	$130,875	$130,875	$124,331	$124,331
477	8038	HSK1	EDP	Water Quality Improvement	CCE- DEVELOP & IMPLEMENT AGRICULTURE STEWARDSHIP PRO	$233,150	$260,786	$260,786	$247,747	$247,747
001	6410	HSI1	EDP	Economic Development Admin	CCE- FARM MEAT PRODUCTION PROGRAM	$825,788	$900,727	$810,654	$803,788	$903,788
477	8038	HSM1	EDP	Water Quality Improvement	CCE- INTEGRATED PEST MANAGMENT PROGRAM (IPM)	$178,605	$187,272	$187,272	$142,327	$142,327
477	8038	HSN1	EDP	Water Quality Improvement	CCE- RESTORATION OF PECONIC BAY SCALLOP POPULATIONS & FISHER	$294,007	$320,441	$320,441	$304,419	$304,419
001	6410	HSD1	EDP	Economic Development Admin	CCE-ADMIN,FIN, & COMM	$620,631	$641,790	$577,611	$554,700	$554,700
001	6410	HSF1	EDP	Economic Development Admin	CCE-AGRICULTURE & HORTICULTURE PROGRAMS	$451,006	$479,281	$431,353	$425,317	$425,317
001	4100	GGW1	HSV	Hs: Patient Care Svcs Adm	CCE-DIABETES PREVENTION PROGRAM	$381,562	$293,265	$273,323	$283,880	$283,880
001	8750	JHU1	HSV	Cooperative Extension Assn	CCE-FAMILY HEALTH & WELLNESS	$168,459	$0	$0	$101,294	$101,294
001	6015	GHE1	DSS	Dss: Public Assist Admin	CCE-FOOD STAMP PROGRAM	$128,093	$130,167	$149,807	$149,807	$149,807
001	6410	HSE1	EDP	Economic Development Admin	CCE-MARINE PROGRAM	$434,704	$434,843	$391,359	$408,101	$408,101
477	8038	GZA1	EDP	Water Quality Improvement	CCE-SC STORMWATER PHASE II PROGRAM IMPLEMENTATION	$349,253	$406,820	$406,820	$386,479	$386,479
001	6008	GBG1	DSS	Housing Employment & Childcare	CDC HOMELESS FAMILY CASE MGT.	$5,000	$0	$0	$4,706	$0
001	6410	GVY1	ECD	Economic Development Admin	CENTEREACH CIVIC ASSN	$4,871	$0	$0	$0	$0
001	3400	JMD1	FRE	Fire, Rescue & Emergency Svc	Centereach Fire Department	$7,456	$0	$0	$0	$0
001	7320	GZZ1	EXE	Youth Bureau/Office For Child	CENTRAL ISLIP CIVIC COUNCIL	$37,855	$10,000	$9,000	$0	$0
192	7512	HLJ1	PKS	Museums & Historic Associations	CENTRAL ISLIP HIS. PRES SOC.	$9,646	$8,500	$8,500	$0	$0
001	7320	HFD1	EXE	Youth Bureau/Office For Child	CENTRAL ISLIP PUBLIC LIBRARY	$3,116	$0	$0	$0	$0
001	4109	GVK1	HSV	Medical Program	CENTRAL SUFFOLK HOSPITAL	$218,274	$403,811	$403,811	$403,811	$403,811
001	6010	HIO1	DSS	Family, Children & Adult Services	CHILD ABUSE PREVENTION SERVICES	$5,000	$0	$0	$0	$0
001	6015	GKN1	DSS	Dss: Public Assist Admin	CHILD CARE CNCL CDC SUFF LOAN	$11,799	$0	$0	$10,773	$10,773
001	6015	ADB2	DSS	Dss: Public Assist Admin	CHILD CARE COUNCIL OF SUFFOLK	$107,027	$0	$0	$120,590	$120,590

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	6015	GGN1	DSS	Dss: Public Assist Admin	CHILD CARE COUNCIL OF SUFFOLK	$991,427	$939,193	$1,033,079	$1,033,079	$1,033,079
001	6172	JMU1	DSS	DSS: Day Care- ARRA	CHILD CARE COUNCIL OF SUFFOLK	$294,637	$0	$0	$0	$0
192	6414	HLT1	EDP	Cultural Affairs	CHILDREN¿S MUSEUM OF THE EAST END	$5,000	$5,000	$5,000	$0	$0
192	7512	JLA1	PKS	Museums & Historic Associations	CHILDREN'S MARITIME MUSEUM	$5,000	$0	$0	$0	$0
192	6415	JGU1	EDP	Film Promotion	CINEMA ARTS CENTRE	$19,003	$20,000	$20,000	$0	$20,000
001	4330	GNS1	HSV	Hs Community Support Svc	CLUBHOUSE OF SUFF SUPP CASE MG	$308,234	$327,605	$327,600	$327,600	$327,600
001	4330	JAP1	HSV	Hs Community Support Svc	CLUBHOUSE PROS RIVERHEAD	$84,944	$84,944	$91,193	$91,193	$91,193
001	4330	JAO1	HSV	Hs Community Support Svc	CLUBHOUSE PROS RONKONKOMA	$192,242	$192,242	$200,267	$200,267	$200,267
001	4330	ADK2	HSV	Hs Community Support Svc	CLUBHOUSE PSYCHOSOC/DROP IN CT	$22,506	$22,568	$22,568	$22,568	$22,568
001	4330	JDP1	HSV	Hs Community Support Svc	CLUBHOUSE SHELTER-CLINIC CASE MANAGEMENT	$73,860	$81,902	$81,900	$81,900	$81,900
001	4330	HEW1	HSV	Hs Community Support Svc	CLUBHSE OF SUFF-ADULT HOME SCM	$77,760	$77,760	$77,760	$77,760	$77,760
001	7325	DDL1	EXE	Spec Dlnqncy Prevention Pgm	COLONIAL YOUTH & FAMILY SERVICE	$249,461	$249,945	$233,199	$239,904	$239,904
001	7320	GAB1	EXE	Youth Bureau/Office For Child	COLONIAL YTH & FAMILY SVC	$72,225	$51,343	$46,209	$48,776	$48,776
001	6770	GDA1	EXE	Sr Ctzns Home Energy Pgm/Wrap	COMM DEVELOPMENT CORP OF LI	$125,411	$108,236	$108,236	$108,236	$108,236
001	3400	HDB1	FRE	Fire, Rescue & Emergency Svc	COMMACK FIRE DEPARTMENT	$10,000	$0	$0	$0	$0
192	7512	JCG1	PKS	Museums & Historic Associations	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)	$3,154	$4,750	$4,275	$4,512	$5,000
001	7320	ADR1	EXE	Youth Bureau/Office For Child	COMMUNITY PROGRAM CENTER OF LI	$28,101	$26,264	$23,638	$24,951	$24,951
001	7320	ADW1	EXE	Youth Bureau/Office For Child	COMSEWOGUE YOUTH CLUB INC	$41,882	$26,757	$24,081	$25,419	$25,419
001	4330	JDN1	HSV	Hs Community Support Svc	CONCERN	$533,036	$533,036	$533,036	$533,035	$533,035
001	4310	JOJ1	HSV	Div Of Comm Mental Hygiene	CONCERN FOR INDEPNDT LVNG	$0	$0	$91,334	$60,889	$60,889
001	7320	GSL1	EXE	Youth Bureau/Office For Child	CONNETQUOT YOUTH ATHLETIC LG	$5,000	$0	$0	$0	$0
001	6410	HAC1	ECD	Economic Development Admin	Copiague Chamber of Commerce	$20,000	$0	$0	$0	$0
192	6414	JGY1	EDP	Cultural Affairs	COPIAGUE CHAMBER OF COMMERCE	$5,000	$10,000	$10,000	$0	$0
001	7320	AEL1	EXE	Youth Bureau/Office For Child	COPIAGUE YOUTH COUNCIL	$47,225	$44,864	$40,378	$42,621	$42,621
001	7320	AEM1	EXE	Youth Bureau/Office For Child	COPIAGUE YOUTH LEAGUE	$5,000	$0	$0	$0	$0
001	3190	JJT1	PRO	Juvenile Day Reporting Center	CORNELL COOPERATIVE EXTENSION ASSOCIATION OF SUFFOLK COUNTY	$541,121	$574,588	$574,588	$545,859	$545,859
001	7320	GHA1	EXE	Youth Bureau/Office For Child	COUNTYWIDE COUNSEL PGM HUNTGTN	$32,558	$31,927	$28,734	$30,331	$30,331
001	4310	AET2	HSV	Div Of Comm Mental Hygiene	CTH CHARITY CHEM DEPEND CLINIC	$483,600	$467,586	$467,586	$452,373	$467,586
001	4320	AET3	HSV	Hs: Mental Health Pgms	CTH CHARITY MEN HLTH CTR (	$856,282	$813,468	$813,468	$772,795	$772,795
001	7110	HWP1	PKS	Parks, Rec & Conservation	Custer Institute and Observatory	$5,000	$0	$0	$0	$0
001	4310	JOI1	HSV	Div Of Comm Mental Hygiene	DAYTOP VILLAGE, INC.	$0	$0	$552,972	$552,972	$552,972
192	7512	JHM1	PKS	Museums & Historic Associations	DEEPWELLS FARM HISTORICAL SOCIETY	$5,000	$5,000	$5,000	$0	$0
001	7320	AEX1	EXE	Youth Bureau/Office For Child	DEER PARK COMMUNITY ORG INC	$55,468	$52,695	$47,426	$50,060	$50,060
001	3400	JME1	FRE	Fire, Rescue & Emergency Svc	Deer Park Fire District Community Outreach Program	$4,914	$0	$0	$0	$0
001	7320	HTP1	EXE	Youth Bureau/Office For Child	DEER PARK LITTLE LEAGUE	$5,000	$0	$0	$0	$0
001	8050	HTM1	EXE	Handicapped Services	DEVELOPMENTAL DISABILITIES INSTITUTE	$4,430	$0	$0	$0	$0
192	6414	JKX1	EDP	Cultural Affairs	DIX HILLS PERFORMING ARTS CENTER	$7,500	$7,500	$7,500	$0	$0
001	6773	HZU1	EXE	Senior Support Programs	DOMINICAN SISTERS FAMILY HEALTH SERVICE, INC.	$5,000	$0	$0	$0	$0
001	4010	HVC1	HSV	Hs: Public Health	Double D Bar & Ranch	$4,712	$0	$0	$0	$0
001	6410	JIA1	ECD	Economic Development Admin	DOWNTOWN BEAUTIFICATION ORGANIZATION OF CENTER MORICHES, INC	$5,000	$0	$0	$0	$0
001	4310	AFM2	HSV	Div Of Comm Mental Hygiene	DRUG ABUSE PREVENTION COUNCIL	$5,211	$5,206	$0	$0	$0
001	6015	GVO1	DSS	Dss: Public Assist Admin	DSS:PUBLIC ASSIST ADMIN	$0	$0	$27,935	$0	$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	6410	HAH1	ECD	Economic Development Admin	E.NORTHPORT CHAMBEROF COMMERCE	$5,000	$0	$0	$0	$0
001	6008	JDQ1	DSS	Housing Employment & Childcare	EAC - SAFETY NET ASSISTANCE PROJECT (SNAP)	$28,272	$0	$0	$0	$0
001	6010	GDM1	DSS	Family, Children & Adult Services	EAC CHILD ADVOCACY	$157,010	$169,341	$164,091	$166,581	$166,581
001	6010	GVL1	DSS	Family, Children & Adult Services	EAC ENHANCED SUPERVISED VISITATION	$390,411	$413,302	$402,556	$407,888	$407,888
001	6015	GYD1	DSS	Dss: Public Assist Admin	EAC SANCTIONED CLIENT OUT	$158,973	$181,937	$173,750	$176,506	$176,506
001	7320	JNC1	EXE	Youth Bureau/Office For Child	EAC SUFF CNTY CHILDREN	$4,855	$0	$0	$0	$0
001	6010	GDQ1	DSS	Family, Children & Adult Services	EAC, INC. FAMILY DRUG COURT	$196,417	$215,046	$209,455	$212,229	$212,229
001	6073	AFN1	DSS	Dss: Child Support Enforcement	EAC,INC.	$188,505	$190,904	$186,704	$187,029	$187,029
001	6115	HKB1	DSS	Dss: Alternatives For Youth	EAC-AFY	$794,822	$885,089	$878,008	$876,681	$876,681
192	6414	JKS1	EDP	Cultural Affairs	EAST END ARTS COUNCIL - HARVEST GOSPEL CONCERT SERIES	$5,000	$5,000	$5,000	$0	$0
192	6414	HWH1	EDP	Cultural Affairs	EAST END ARTS COUNCIL - WINTERFEST	$10,000	$10,000	$10,000	$0	$0
001	4010	HEB1	HSV	Hs: Public Health	EAST END HOSPICE	$5,000	$0	$0	$0	$0
192	6414	JKY1	EDP	Cultural Affairs	EAST END TOURISM ALLIANCE	$5,000	$5,000	$5,000	$0	$0
001	6004	JLH1	DSS	Soc Svc: Commodities Dist	East Hampton Food Pantry	$3,660	$4,750	$4,275	$0	$0
192	7512	JHP1	PKS	Museums & Historic Associations	EAST HAMPTON HISTORICAL SOCIETY & MUSEUMS	$0	$5,000	$0	$0	$0
001	7320	AFS1	EXE	Youth Bureau/Office For Child	EAST HAMPTON JUVENILE AID	$0	$17,673	$15,906	$16,789	$16,789
001	6773	HLU1	EXE	Senior Support Programs	EAST HAMPTON MEALS ON WHEELS	$5,000	$0	$0	$0	$0
001	3422	JOE1	FRE	2009 HazMat Grant Program	EAST HAMPTON TOWN	$0	$0	$5,000	$0	$0
001	6022	JIR1	DSS	GREEN JOBS CORPS PROGRAM	EDUCATION & ASSISTANCE CORPORATION, INC.	$119,187	$0	$189,739	$0	$0
001	7320	HXW1	EXE	Youth Bureau/Office For Child	ELIZABETH T. MCNAMEE MEMORIAL FUND	$5,000	$0	$0	$0	$0
001	6141	AGF1	DSS	Dss: Heap	EMPIRE TRAINING ASSOCIATES	$17,623	$20,394	$20,394	$20,394	$20,394
001	4330	GKQ1	HSV	Hs Community Support Svc	F.E.G.S. LI TRANS/MED MGT	$480,571	$480,571	$480,571	$480,571	$480,571
001	4330	GKX1	HSV	Hs Community Support Svc	F.E.G.S. OF LI DSS PROJECT	$43,162	$42,445	$42,445	$42,445	$42,445
001	4330	GGR1	HSV	Hs Community Support Svc	F.R.E.E.	$161,032	$161,032	$161,032	$161,032	$161,032
001	4330	GYZ1	HSV	Hs Community Support Svc	F.R.E.E. SINGLE POINT ACCESS	$121,995	$113,834	$113,834	$113,834	$113,834
001	4330	CAD1	HSV	Hs Community Support Svc	FAM SV LG THER. REC.	$87,294	$78,028	$97,615	$97,615	$97,615
001	4330	HEV1	HSV	Hs Community Support Svc	FAM.SERV.LEAGUE-ADULT HOME SCM	$52,277	$77,760	$77,760	$77,760	$77,760
001	6010	GNJ1	DSS	Family, Children & Adult Services	FAMILY & CHILDRENS SERVICES INDEPENDENT LIVING PROG	$337,085	$349,231	$346,786	$347,939	$347,939
001	4330	JGM1	HSV	Hs Community Support Svc	FAMILY COUNSELING SERVICES-CLINIC PLUS	$286,145	$286,145	$0	$0	$0
001	7320	AGN1	EXE	Youth Bureau/Office For Child	FAMILY COURT WAITING ROOM	$130,598	$130,591	$118,968	$124,642	$124,642
001	6794	GEY1	EXE	Title Vii / Ombudsman	FAMILY LEAGUE SERVICE	$105,077	$103,305	$103,305	$103,305	$103,305
001	7325	AGS1	EXE	Spec Dlnqncy Prevention Pgm	FAMILY SERVICE LEAGUE	$162,752	$162,939	$152,837	$156,785	$156,785
001	4310	AGW1	HSV	Div Of Comm Mental Hygiene	FAMILY SERVICE LEAGUE	$447,184	$465,886	$465,886	$451,421	$465,886
001	6772	GET1	EXE	Older Americans Act Programs	FAMILY SERVICE LEAGUE	$20,331	$19,755	$19,755	$19,755	$19,755
001	6800	JJY1	EXE	State Ltcop	FAMILY SERVICE LEAGUE	$36,844	$48,906	$48,906	$48,906	$48,906
001	6008	HMA1	DSS	Housing Employment & Childcare	FAMILY SERVICE LEAGUE - HUNTINGTON INTERFAITH HOMELESS INITIATIVE	$5,000	$4,750	$4,275	$0	$0
001	4330	JGG1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE ACT TEAM WEST	$92,276	$120,556	$120,556	$120,556	$120,556
001	6115	JKE1	DSS	Dss: Alternatives For Youth	FAMILY SERVICE LEAGUE- AFY AFTERCARE	$316,312	$322,775	$320,193	$319,709	$319,709
001	3142	HTU1	PRO	Placement Reduction Program	FAMILY SERVICE LEAGUE HOME BASE II	$519,116	$516,933	$465,240	$506,600	$491,086
001	6410	JBU1	ECD	Economic Development Admin	FAMILY SERVICE LEAGUE HOMESHARE OF LONG ISLAND	$10,000	$0	$0	$0	$0
001	3180	HZY1	PRO	Sheriff: Aviation Division	FAMILY SERVICE LEAGUE OF SUFFOLK COUNTY, INC.	$146,387	$144,597	$144,597	$137,500	$137,500

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001	4330	JAS1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE PROS HAUPPAUGE	$52,979	$70,638	$63,477	$63,477	$63,477
001	4330	JAR1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE PROS HUNTINGTON	$60,000	$71,533	$73,312	$73,312	$73,312
001	6010	GEF1	DSS	Family, Children & Adult Services	FAMILY SERVICE LEAGUE-CHILDREN'S COORDINATED SERVICES INITIATIVE - HOME BASE	$157,063	$160,082	$158,801	$158,561	$158,561
001	7320	JFE1	EXE	Youth Bureau/Office For Child	FAMILY SERVICE LEAGUE-OPERATION SUCCESS	$4,815	$0	$0	$0	$0
001	7320	GLF1	EXE	Youth Bureau/Office For Child	FAMILY SV LEAGUE BAY SHORE CTR	$51,032	$40,843	$36,759	$40,843	$38,801
001	7320	GJK1	EXE	Youth Bureau/Office For Child	FAMILY SVC HUNTGN STA FAM CTR	$261,662	$257,236	$231,512	$161,447	$161,447
001	4330	AGZ1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE - C.A.P.	$33,721	$33,721	$33,721	$33,721	$33,721
001	6008	GUX1	DSS	Housing Employment & Childcare	FAMILY SVC LEAGUE - PROGRAM HOME	$136,596	$139,107	$132,847	$134,955	$134,955
001	4330	GPK1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE ACT TEAM	$84,549	$84,661	$84,660	$84,660	$84,660
001	4330	JGJ1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE- CLINIC PLUS	$43,326	$43,326	$0	$0	$0
001	6010	AHE1	DSS	Family, Children & Adult Services	FAMILY SVC LEAGUE OF SUFF CTY	$514,810	$522,995	$509,397	$516,144	$516,144
001	4330	GUT1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE SUPP CASE MG	$562,928	$573,309	$573,300	$573,300	$573,300
001	7320	GHM1	EXE	Youth Bureau/Office For Child	FAMILY SVC LEAGUE/FAST PROGRAM	$108,253	$0	$0	$0	$0
001	4320	AHG1	HSV	Hs: Mental Health Pgms	FAMILY SVC LEAGUE-EAST END PRO	$612,368	$585,631	$413,004	$392,354	$392,354
001	4330	AHH1	HSV	Hs Community Support Svc	FAMILY SVC LG PARENT TO PARENT	$99,144	$90,408	$90,408	$90,408	$90,408
001	3400	JMF1	FRE	Fire, Rescue & Emergency Svc	Farmingville Fire Department	$7,500	$0	$0	$0	$0
192	7512	JHG1	PKS	Museums & Historic Associations	FARMINGVILLE HISTORICAL SOCIETY	$9,430	$0	$0	$0	$0
001	4330	GZI1	HSV	Hs Community Support Svc	FED OF ORG ADULT HOME PEER SRV	$164,908	$181,440	$181,440	$181,440	$181,440
001	4330	GNR1	HSV	Hs Community Support Svc	FED OF ORG SUPPORTED CASE MGMT	$660,560	$737,111	$737,100	$737,100	$737,100
001	6780	GFC2	EXE	Respite Care Demonstratn Pgm	FED OF ORGANIZATIONS RESPITE	$55,360	$31,311	$31,311	$31,311	$31,311
001	4330	GTL1	HSV	Hs Community Support Svc	FED OF ORG-CLIENT SVC DOLLAR P	$22,305	$28,300	$28,300	$28,300	$28,300
001	4330	AHM1	HSV	Hs Community Support Svc	FED OF ORGNIZATNS NYS MNT DISA	$427,480	$523,410	$523,410	$577,445	$577,445
001	4330	GSV1	HSV	Hs Community Support Svc	FED OF ORG-SINGLE POINT ENTRY	$356,696	$403,881	$516,909	$554,586	$554,586
001	4330	GUR1	HSV	Hs Community Support Svc	FED ORG TRANSPORTATION CSS	$1,059,581	$1,145,598	$1,032,570	$994,893	$994,893
001	4330	JGB1	HSV	Hs Community Support Svc	FEDERATION ADVOCACY	$180,517	$180,517	$180,517	$180,517	$180,517
001	4330	AHN1	HSV	Hs Community Support Svc	FEDERATION MULTI-CULTURAL CONF	$6,439	$8,810	$8,810	$8,810	$8,810
001	4330	GZH1	HSV	Hs Community Support Svc	FEDERATION OF ORG ACT TEAM	$115,025	$120,556	$120,556	$120,556	$120,556
001	4330	JAT1	HSV	Hs Community Support Svc	FEDERATION OF ORG PROS BABYLON	$65,274	$65,274	$75,100	$75,100	$75,100
001	4330	JAU1	HSV	Hs Community Support Svc	FEDERATION OF ORG PROS PATCHOGUE	$77,791	$77,791	$104,604	$104,604	$104,604
001	6772	GES1	EXE	Older Americans Act Programs	FEDERATION OF ORGANIZATIONS	$9,977	$9,478	$9,478	$9,478	$9,478
001	6780	GFC1	EXE	Respite Care Demonstratn Pgm	FEDERATION OF ORGANIZATIONS	$86,019	$88,035	$88,035	$88,035	$88,035
001	4330	GJP1	HSV	Hs Community Support Svc	FEDERATION OF ORGANZATN SESRO	$722,815	$726,035	$726,035	$726,035	$726,035
001	4330	GPA1	HSV	Hs Community Support Svc	FEDERATION PEER BRIDGER PGM	$171,657	$171,657	$171,657	$171,657	$171,657
001	4330	GPE1	HSV	Hs Community Support Svc	FEDERATION PRE-ARREST FRNSC PR	$98,812	$98,812	$98,812	$98,812	$98,812
001	4330	GBG3	HSV	Hs Community Support Svc	FEDERATION PSYCHOSOC/DROP IN	$114,720	$114,720	$114,720	$114,720	$114,720
001	4330	GBD1	HSV	Hs Community Support Svc	FEDERATION REPRESENT PAYEE	$123,305	$350,622	$350,622	$350,622	$350,622
001	4330	GBG2	HSV	Hs Community Support Svc	FEDERATION RESPITE CARE	$33,031	$33,031	$33,031	$33,031	$33,031
001	4330	GCY1	HSV	Hs Community Support Svc	FEDERATION RESPITE HOUSING	$39,014	$39,014	$39,014	$39,014	$39,014
001	4330	AHO1	HSV	Hs Community Support Svc	FEDERATN HOMELESS MENTALLY ILL	$365,276	$446,863	$446,863	$446,863	$446,863
001	4330	AHP2	HSV	Hs Community Support Svc	FEDERATN ORGS NYS MENT DISABLD	$1,093,229	$771,205	$771,205	$771,205	$771,205
001	4330	GZB1	HSV	Hs Community Support Svc	FEGS FAMILY SUPPORT	$129,656	$117,284	$136,871	$136,871	$136,871
001	4330	GPL1	HSV	Hs Community Support Svc	FEGS OF LI ACT TEAM	$113,991	$120,556	$120,556	$120,556	$120,556
001	4330	GPD1	HSV	Hs Community Support Svc	FEGS OF LI PRE-ARREST FORENSIC	$34,278	$41,353	$41,353	$41,353	$41,353
001	4330	JAQ1	HSV	Hs Community Support Svc	FEGS PROS COPAIGUE	$141,500	$188,666	$169,869	$169,869	$169,869

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Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	4330	GZC1	HSV	Hs Community Support Svc	FEGS SUPPORT CASE MANAGEMENT	$339,060	$409,507	$409,500	$409,500	$409,500
001	4330	JGL1	HSV	Hs Community Support Svc	FEGS-CLINIC PLUS	$43,327	$43,326	$0	$0	$0
001	6004	HVY1	DSS	Soc Svc: Commodities Dist	FIRST BAPTIST CHURCH OUTREACH FOOD PANTRY	$0	$0	$0	$4,512	$0
001	8050	JKN1	EXE	Handicapped Services	FIRST CONGREGATNL CHURCH	$5,000	$0	$0	$0	$0
001	6410	JEA1	ECD	Economic Development Admin	FISCHER-HEWINS VFW POST 6249	$20,000	$0	$0	$0	$0
192	6414	JEA1	EDP	Cultural Affairs	FISCHER-HEWINS VFW POST 6249	$24,500	$25,000	$25,000	$0	$0
001	6773	AHT1	EXE	Senior Support Programs	FISHER ISLAND SENIOR HOTLINE	$3,538	$0	$0	$0	$0
001	4330	GPJ1	HSV	Hs Community Support Svc	FLS SUPPORTIVE CASE MGMT	$273,823	$275,696	$275,688	$275,688	$275,688
001	6073	GDP1	DSS	Dss: Child Support Enforcement	FOCUS	$21,993	$45,029	$0	$0	$0
001	6773	AHV1	EXE	Senior Support Programs	FOSTER GRANDPARENT PROGRAM	$100,000	$50,000	$45,000	$47,500	$47,500
001	6410	JKP1	ECD	Economic Development Admin	FRIENDS OF BAYSHORE-BRIGHTWATERS LIBRARY, INC.	$5,000	$0	$0	$0	$0
001	6010	GZP1	DSS	Family, Children & Adult Services	FRIENDS OF KAREN	$81,000	$0	$0	$0	$0
001	6410	HHF1	ECD	Economic Development Admin	FRIENDS OF SMITHTOWN LIBRARY	$14,989	$0	$0	$0	$0
192	6414	HHF1	EDP	Cultural Affairs	FRIENDS OF SMITHTOWN LIBRARY	$29,305	$40,000	$40,000	$0	$0
192	7512	JET1	PKS	Museums & Historic Associations	FRIENDS OF THE BIG DUCK	$5,000	$5,000	$5,000	$0	$0
001	6773	GVE1	EXE	Senior Support Programs	FRIENDS RET & SR VOL ADM RSV	$33,113	$15,728	$14,155	$14,942	$14,942
001	6772	GVB1	EXE	Older Americans Act Programs	FRIENDS RET & SR VOL IIIB TELE	$64,420	$61,199	$61,199	$61,199	$61,199
001	6792	GVD1	EXE	Title Iii-F	FRIENDS RET & SR VOL IIID DISE	$29,014	$31,160	$31,160	$31,160	$31,160
001	4330	AHH2	HSV	Hs Community Support Svc	FSL COORD CHILD SERV INIT	$36,055	$36,055	$36,055	$36,055	$36,055
001	4330	JDO1	HSV	Hs Community Support Svc	FSL SHELTER-CLINIC CASE MANAGEMENT	$68,707	$81,902	$81,900	$81,900	$81,900
001	4330	JDM1	HSV	Hs Community Support Svc	FSL SUICIDE PREVENTION PROGRAM	-$19,620	$0	$0	$0	$0
001	4320	HVQ1	HSV	Hs: Mental Health Pgms	FSL-SUICIDE PREVENTION & RESPONSE PROGRAM	$34,127	$38,000	$38,000	$0	$0
192	6414	JHC1	EDP	Cultural Affairs	GALLERY NORTH ARTS FESTIVAL	$5,000	$5,000	$5,000	$0	$0
001	7320	HFJ1	EXE	Youth Bureau/Office For Child	GERALD RYAN OUTREACH	$48,631	$25,000	$22,500	$0	$0
001	4100	JDX1	HSV	Hs: Patient Care Svcs Adm	GOOD SAMARITAN HOSPITAL	$56,605	$0	$0	$0	$0
001	4010	HJY1	HSV	Hs: Public Health	GOOD SHEPARD HOSPICE	$5,000	$0	$0	$0	$0
001	6410	JLS1	ECD	Economic Development Admin	Gordon Heights Chamber of Commerce	$3,418	$0	$0	$0	$0
001	7320	AIF1	EXE	Youth Bureau/Office For Child	GORDON HEIGHTS YOUTH PROGRAM	$44,876	$36,335	$32,702	$34,518	$34,518
001	6410	HAM1	ECD	Economic Development Admin	Greater Patchogue Foundation	$4,990	$0	$0	$0	$0
192	6414	GSZ1	EDP	Cultural Affairs	GREATER PORT JEFF ART COUNCIL	$10,000	$10,000	$10,000	$0	$0
192	7512	JLB1	PKS	Museums & Historic Associations	GREENLAWN-CENTERPORT HISTORICAL SOCIETY	$5,000	$5,000	$5,000	$0	$0
001	6410	HAN1	ECD	Economic Development Admin	GUILD HALL OF EAST HAMPTON	$5,000	$0	$0	$0	$0
192	6414	HAN1	EDP	Cultural Affairs	GUILD HALL OF EAST HAMPTON	$10,000	$15,000	$15,000	$0	$0
001	7320	AII1	EXE	Youth Bureau/Office For Child	HALF HOLLOW HILL YOUTH DEV CTR	$8,027	$0	$0	$0	$0
001	7320	HTQ1	EXE	Youth Bureau/Office For Child	HALF HOLLOWS HILLS LITTLE LEAGUE	$9,000	$0	$0	$0	$0
001	4330	GPC1	HSV	Hs Community Support Svc	HALI PEER ADVOCACY	$182,028	$182,028	$182,028	$182,028	$182,028
001	4330	GPF1	HSV	Hs Community Support Svc	HALI PRE-ARREST FORENSIC PGM	$119,436	$119,436	$119,436	$119,436	$119,436
001	4330	JAV1	HSV	Hs Community Support Svc	HALI PROS CENTRAL ISLIP	$83,154	$83,154	$76,879	$76,879	$76,879
001	4330	HAL2	HSV	Hs Community Support Svc	HALI PSYCHOSOC/DROP IN CTR	$67,080	$69,393	$69,393	$69,393	$69,393
001	4330	HAL1	HSV	Hs Community Support Svc	HALI TRNG/CONF/RESOURCE CTR	$27,537	$27,537	$27,537	$27,537	$27,537
192	7512	JFY1	PKS	Museums & Historic Associations	HALLOCKVILLE MUSEUM FARM	$5,000	$5,000	$5,000	$0	$0
001	4310	AIJ1	HSV	Div Of Comm Mental Hygiene	HAMPTON COUNCIL OF CHURCHES IN	$424,512	$459,824	$459,824	$451,387	$459,824
001	7320	AIJ3	EXE	Youth Bureau/Office For Child	HAMPTON COUNCIL OF CHURCHES IN	$56,712	$56,439	$51,924	$53,617	$53,617
192	6415	HIP1	EDP	Film Promotion	HAMPTON FILM FESTIVAL	$20,000	$20,000	$20,000	$0	$20,000

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001	4330	AIN1	HSV	Hs Community Support Svc	HANDS ACROSS LI ADVOCACY PGRM	$201,655	$201,655	$201,655	$201,655	$201,655
001	4330	AIM1	HSV	Hs Community Support Svc	HANDS ACROSS LI PSYCHOSOCIAL	$104,414	$104,414	$104,414	$104,414	$104,414
001	6410	JEV1	ECD	Economic Development Admin	HARRISON HALE GORDON HEIGHTS COMMUNITY ACTION CENTER	$7,000	$0	$0	$0	$0
001	6410	GWH1	ECD	Economic Development Admin	HAUPPAUGE INDUSTRIAL ASSN	$15,000	$0	$0	$0	$0
001	7320	GNZ1	EXE	Youth Bureau/Office For Child	HAUPPAUGE YOUTH ORGANIZATION	$9,630	$0	$0	$0	$0
192	7512	JHK1	PKS	Museums & Historic Associations	HECKSCHER MUSEUM OF ART, HUNTINGTON	$5,000	$5,000	$5,000	$0	$0
001	7320	JFG1	EXE	Youth Bureau/Office For Child	HELPING HANDS RESCUE MISSION	$4,985	$0	$0	$0	$0
001	6410	JGE1	ECD	Economic Development Admin	HERITAGE TRUST	$5,000	$0	$0	$0	$0
001	6410	GTY1	ECD	Economic Development Admin	HOLBROOK CHAMBER OF COMMERCE	$20,000	$0	$0	$0	$0
192	6414	JNZ1	EDP	Cultural Affairs	HOLBROOK CHAMBER OF COMMERCE	$0	$10,000	$10,000	$0	$0
001	6010	GVI1	DSS	Family, Children & Adult Services	HOPE FOR YOUTH - INTENSIVE CASE MGT	$432,533	$450,680	$438,962	$444,776	$444,776
001	6123	HUA1	PRO	Mandated Juvenile Detention Sv	HOPE FOR YOUTH INC	$1,037,091	$1,129,088	$1,071,505	$1,100,000	$1,100,000
001	4310	JBA1	HSV	Div Of Comm Mental Hygiene	HOPE FOR YOUTH, INC	$205,878	$205,678	$205,678	$205,678	$205,678
001	4310	JAI1	HSV	Div Of Comm Mental Hygiene	HOPE FOR YOUTH, INC.	$1,350	$8,500	$8,500	$8,075	$8,075
001	4310	AIS2	HSV	Div Of Comm Mental Hygiene	HUGS INC	$137,914	$100,000	$100,000	$98,056	$100,000
001	6004	HVZ1	DSS	Soc Svc: Commodities Dist	HUMAN RESOURCES PROGRAM OF SOUTHAMPTON	$5,000	$4,750	$4,275	$4,512	$5,000
192	6414	JGW1	EDP	Cultural Affairs	HUNTINGTON ARTS COUNCIL, SUMMER ARTS FESTIVAL	$10,000	$35,000	$35,000	$0	$0
001	4100	HMY1	HSV	Hs: Patient Care Svcs Adm	HUNTINGTON BREAST CANCER COALITION	$20,900	$0	$0	$0	$0
192	6414	JGV1	ECD	Cultural Affairs	HUNTINGTON CHAMBER OF COMMERCE, LI FALL FESTIVAL	$24,804	$0	$0	$0	$0
001	6004	HVS1	DSS	Soc Svc: Commodities Dist	HUNTINGTON COMMUNITY FOOD COUNCIL	$5,000	$4,750	$4,275	$4,512	$5,000
192	7512	JLC1	PKS	Museums & Historic Associations	Huntington Historical Society	$5,000	$5,000	$5,000	$0	$0
001	7323	AIV1	EXE	Comprehensive Plning-Runaway	HUNTINGTON HOMELESS	$16,792	$15,952	$14,357	$15,154	$15,154
001	4100	AIU1	HSV	Hs: Patient Care Svcs Adm	HUNTINGTON HOSPITAL	$2,612,562	$2,481,934	$2,481,934	$0	$2,481,934
001	6410	JDG1	ECD	Economic Development Admin	Huntington Station Business Improvement District	$10,000	$0	$0	$0	$0
001	6510	HTL1	EXE	Veterans Service	HUNTINGTON VETERANS ADVISORY BRD/HUNTINGTON HUMAN SERV INST	$3,990	$0	$0	$0	$0
001	7320	AIZ1	EXE	Youth Bureau/Office For Child	HUNTINGTON VILLAGE YOUTH	$22,656	$21,523	$19,371	$20,447	$20,447
001	7110	HHX1	PKS	Parks, Rec & Conservation	IGHL FOUNDATION	$34,992	$0	$0	$0	$0
192	6414	JOA1	EDP	Cultural Affairs	INCORPORATED VILLAGE OF MASTIC BEACH	$0	$10,000	$10,000	$0	$0
001	6004	JLJ1	DSS	Soc Svc: Commodities Dist	Interfaith Nutrition Network - Rocky Point Invited INN	$4,058	$0	$0	$0	$0
001	6004	JLI1	DSS	Soc Svc: Commodities Dist	Interfaith Nutrition Network - The Welcome INN	$4,863	$14,250	$12,825	$0	$0
001	6004	JLK1	DSS	Soc Svc: Commodities Dist	Interfaith Nutrition Network - Thee Island INN	$4,989	$0	$0	$0	$0
001	6004	HNC1	DSS	Soc Svc: Commodities Dist	ISLAND HARVEST	$95,000	$90,250	$81,225	$63,175	$63,175
001	4310	AJF1	HSV	Div Of Comm Mental Hygiene	ISLIP ACCESSO CLINIC	$445,652	$432,822	$432,822	$427,049	$432,822
001	6410	BBU1	ECD	Economic Development Admin	ISLIP ARTS COUNCIL	$10,000	$0	$0	$0	$0
192	6414	BBU1	EDP	Cultural Affairs	ISLIP ARTS COUNCIL	$70,000	$40,000	$40,000	$0	$0
001	4100	AJK1	HSV	Hs: Patient Care Svcs Adm	ISLIP HEALTH CENTER	$10,573,650	$10,851,352	$10,851,352	$10,020,891	$10,020,891
001	7323	AJL1	EXE	Comprehensive Plning-Runaway	ISLIP HOMELESS-YMCA	$9,481	$9,007	$9,007	$8,557	$8,557
001	3422	JOD1	FRE	2009 HazMat Grant Program	ISLIP TOWN	$0	$0	$8,500	$0	$0
001	6511	HFP1	EXE	Minority Affairs	Islip Town NAACP	$2,338	$0	$0	$0	$0
001	7325	AJO1	EXE	Spec Dlnqncy Prevention Pgm	ISLIP YMCA-OUTREACH	$79,970	$85,481	$80,438	$82,275	$82,275
001	4310	AJR1	HSV	Div Of Comm Mental Hygiene	J MATHER MEMORIAL HOSPITAL	$179,782	$175,218	$175,218	$170,882	$175,218

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192	7512	JFZ1	PKS	Museums & Historic Associations	JAMESPORT MEETING HOUSE PRESERVATION TRUST RIVERHEAD LANDMAR	$5,000	$5,000	$5,000	$0	$0
001	4330	CAB1	HSV	Hs Community Support Svc	JCSLI/FEGS - CSS	$31,220	$31,220	$31,220	$31,220	$31,220
001	4330	GBE2	HSV	Hs Community Support Svc	JEW COMM SVC/FEGS PSYCHOSOC/D	$86,121	$90,270	$90,270	$90,270	$90,270
001	4330	GGP1	HSV	Hs Community Support Svc	JEWISH COM SVC FEGS SP EMP	$57,564	$57,564	$57,564	$57,564	$57,564
001	4330	AJS1	HSV	Hs Community Support Svc	JEWISH COMM SVC LIFE/PRTNR/PSY	$95,600	$95,600	$95,600	$95,600	$95,600
001	4320	AJS7	HSV	Hs: Mental Health Pgms	JEWISH COMMUNITY SVC LI (90%)	$636,980	$613,393	$438,447	$394,162	$394,162
001	7320	JMA1	EXE	Youth Bureau/Office For Child	Kaeli Kramer Foundation	$12,100	$0	$0	$0	$0
001	6410	HZF1	ECD	Economic Development Admin	KEEP ISLIP CLEAN	$15,000	$0	$0	$0	$0
192	7512	JHN1	PKS	Museums & Historic Associations	KETCHUM INN FOUNDATION	$5,000	$5,000	$5,000	$0	$0
001	7320	HXI1	EXE	Youth Bureau/Office For Child	KEVIN WILLIAMS MEMORIAL FOUNDATION	$8,185	$0	$0	$0	$0
001	6410	GWO1	ECD	Economic Development Admin	KINGS PARK CHAMBER OF COMMERCE	$5,673	$0	$0	$0	$0
001	3400	GWP1	FRE	Fire, Rescue & Emergency Svc	KINGS PARK FIRE DEPT	$7,983	$0	$0	$0	$0
001	7320	JJX1	EXE	Youth Bureau/Office For Child	KNIGHTS OF COLUMBUS OUR LADY OF ROSARY COUNCIL NO. 4428	$4,815	$0	$0	$0	$0
001	6510	JLY1	EXE	Veterans Service	Knights of Columbus-Father Thomas A. Judge Council 6893	$5,000	$0	$0	$0	$0
192	7512	HNQ1	PKS	Museums & Historic Associations	L I MARITIME MUSEUM	$50,000	$45,863	$45,863	$0	$0
001	4100	AKU2	HSV	Hs: Patient Care Svcs Adm	L.I. ASSOC OF AIDS CARE	$159,101	$154,010	$144,307	$147,389	$147,389
001	6410	JDZ1	ECD	Economic Development Admin	LAKE GROVE BEAUTIFICATION AND HISTORICAL SOCIETY	$5,000	$0	$0	$0	$0
001	7320	GTZ1	EXE	Youth Bureau/Office For Child	LAKE GROVE TRIANGLE SOCCER	$4,815	$0	$0	$0	$0
001	6410	JEX1	ECD	Economic Development Admin	LAKE RONKONKOMA CIVIC ORGANIZATION	$5,000	$0	$0	$0	$0
001	3146	JGP1	PRO	Byrne JAG Recovery Program	LEGAL AID SOCIETY	$0	$0	$40,650	$0	$0
001	6004	HNK1	DSS	Soc Svc: Commodities Dist	LI COUNCIL OF CHURCHES FOOD PANTRY	$0	$0	$0	$4,512	$0
001	4330	GKR1	HSV	Hs Community Support Svc	LI FAMILIES TOGETHER	$33,304	$33,304	$33,304	$33,304	$33,304
001	7320	GFF1	EXE	Youth Bureau/Office For Child	LI GAY & LESBIAN YOUTH	$116,836	$105,000	$105,000	$95,959	$95,959
001	4330	JPE1	HSV	Hs Community Support Svc	LI HOME PARTIAL HOS	$0	$0	$22,142	$0	$44,284
001	7320	JCS1	EXE	Youth Bureau/Office For Child	LI SOUND SHARKS FOOTBALL	$7,222	$0	$0	$0	$0
001	4330	JML1	HSV	Hs Community Support Svc	LICADD Heroin HOPE Program	$34,962	$35,000	$35,000	$0	$0
001	7320	GKJ1	EXE	Youth Bureau/Office For Child	LIFELINE MEDIATION CENTER	$142,783	$60,966	$54,869	$38,918	$38,918
001	6004	HNL1	DSS	Soc Svc: Commodities Dist	LIGHTHOUSE MISSION	$0	$0	$0	$4,512	$0
001	7320	AKD1	EXE	Youth Bureau/Office For Child	LINDENHURST YTH SVCS BOARD IN	$97,175	$92,316	$83,084	$87,700	$87,700
001	6511	HWX1	EXE	Minority Affairs	LONG ISLAND ACT-SO PROGRAM	$10,000	$0	$0	$5,000	$5,000
001	3193	HTZ1	PRO	Alternatives For Youth	LONG ISLAND ADVOCACY CENTER (AFY)	$197,861	$198,858	$191,699	$194,880	$194,880
001	3145	HTY1	PRO	Pins Diversion Plan	LONG ISLAND ADVOCACY CENTER (PINS DIVERSION)	$256,925	$262,869	$253,406	$257,612	$257,612
001	3140	JEB1	PRO	Prob: General Administration	LONG ISLAND ADVOCACY CENTER, INC.	$187,291	$193,582	$174,224	$183,903	$183,903
001	6004	AKL3	DSS	Soc Svc: Commodities Dist	LONG ISLAND CARES	$234,328	$222,821	$200,539	$203,557	$203,557
001	4310	JGD1	HSV	Div Of Comm Mental Hygiene	LONG ISLAND GAY & LESBIAN YOUTH	$24,084	$47,500	$47,500	$45,125	$45,125
192	6414	JKZ1	EDP	Cultural Affairs	LONG ISLAND LATINO TEACHERS ASSOCIATION, INC.	$4,472	$5,000	$5,000	$0	$0
192	7512	JNU1	PKS	Museums & Historic Associations	LONG ISLAND MUSIC HALL OF FAME	$0	$5,000	$5,000	$0	$0
001	6410	JIY1	ECD	Economic Development Admin	LONG ISLAND PHILHARMONIC, INC.	$5,000	$0	$0	$0	$0
192	6414	JIY1	EDP	Cultural Affairs	LONG ISLAND PHILHARMONIC, INC.	$5,000	$10,000	$10,000	$0	$0
001	7320	HXK1	EXE	Youth Bureau/Office For Child	Long Island School of the Arts	$4,815	$0	$0	$0	$0
192	6414	JHA1	EDP	Cultural Affairs	LONG ISLAND WINE COUNCIL	$10,000	$10,000	$10,000	$0	$0

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192	7512	JHT1	PKS	Museums & Historic Associations	LONG MUSEUM OF AMERICAN ART HISTORY AND CARRIAGES	$5,000	$5,000	$5,000	$0	$0
192	6414	JNX1	EDP	Cultural Affairs	LUMIERE	$0	$5,000	$5,000	$0	$0
001	4310	AKT1	HSV	Div Of Comm Mental Hygiene	MADONNA HEIGHTS	$841,185	$996,002	$996,002	$995,453	$996,002
001	7323	AKT2	EXE	Comprehensive Plning-Runaway	MADONNA HEIGHTS	$196,837	$198,630	$185,918	$0	$0
001	4100	HNT1	HSV	Hs: Patient Care Svcs Adm	MARCH OF DIMES - PERINATAL PROGRAM @ SUNY SB	$47,005	$35,000	$26,250	$0	$0
001	4100	GRH1	HSV	Hs: Patient Care Svcs Adm	MARCH OF DIMES LI DIVISION	-$2,229	$20,000	$20,000	$20,000	$20,000
001	7320	HFV1	EXE	Youth Bureau/Office For Child	MARV AVERY PALMORE CTR.OF HOPE	$65,002	$50,000	$45,000	$50,000	$50,000
001	4330	ALC1	HSV	Hs Community Support Svc	MARYHAVEN	$468,691	$490,408	$490,408	$490,408	$490,408
001	4310	JNA1	HSV	Div Of Comm Mental Hygiene	MARYHAVEN CENTER OF HOPE, INC.	$148,000	$0	$0	$0	$0
001	4330	JAW1	HSV	Hs Community Support Svc	MARYHAVEN PROS RIVERHEAD	$107,079	$107,079	$96,557	$96,557	$96,557
001	4330	JAX1	HSV	Hs Community Support Svc	MARYHAVEN PROS YAPHANK	$25,036	$25,036	$33,974	$33,974	$33,974
192	6414	JEY1	EDP	Cultural Affairs	MASTIC BEACH PROPERTY OWNERS ASSOCIATION	$3,465	$5,000	$5,000	$0	$0
001	4100	GLH1	HSV	Hs: Patient Care Svcs Adm	MATHER MEMORIAL HOSP FORTUNATO	-$18	$0	$0	$0	$0
001	6410	HWF1	ECD	Economic Development Admin	Medford Chamber of Commerce	$9,650	$0	$0	$0	$0
001	4330	DDD1	HSV	Hs Community Support Svc	MENTAL HEALTH ASSN - CSS	$78,897	$77,305	$77,305	$77,305	$77,305
001	4330	JPF1	HSV	Hs Community Support Svc	MENTAL HEALTH ASSOCIATION	$0	$0	$16,958	$0	$25,438
001	4330	ALG3	HSV	Hs Community Support Svc	MENTAL HLTH ASSC CHILD & YOUTH	$37,778	$37,778	$37,778	$37,778	$37,778
001	4330	ALG4	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC ANTI-STIGMA	$5,332	$5,332	$5,332	$5,332	$5,332
001	4330	GBF1	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC S C ADVOC	$80,050	$80,828	$80,828	$80,828	$80,828
001	4330	GBF2	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC S C ELEC EMP	$29,560	$26,955	$26,955	$26,955	$26,955
001	4330	ALG5	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC SUFFOLK CNTY	$22,333	$24,260	$24,260	$24,260	$24,260
001	7323	ALM1	EXE	Comprehensive Plning-Runaway	MERCY CENTER	$206,478	$207,935	$194,003	$203,776	$203,776
001	6015	JEL1	DSS	Dss: Public Assist Admin	MIDDLE COUNTRY LIBRARY DATABASE RESOURCE	$44,985	$42,750	$40,826	$40,612	$40,612
001	7320	GJQ1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY PUBLIC LIBRARY	$17,334	$0	$0	$0	$0
001	7320	GHQ1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY YOUTH ASSN	$11,000	$0	$0	$0	$0
001	7510	HOC1	PKS	Parks: Historic Services	MILLER PLACE-MT. SINAI HISTORICAL SOCIETY	$5,000	$0	$0	$0	$0
001	6010	GZQ1	DSS	Family, Children & Adult Services	MINISTRY OF HOPE OF EASTERN LI	$13,215	$0	$0	$0	$0
001	6410	HAX1	ECD	Economic Development Admin	MONTAUK CHAMBER OF COMMERCE	$5,000	$0	$0	$0	$0
192	7512	JHQ1	PKS	Museums & Historic Associations	MONTAUK HISTORICAL SOCIETY	$5,000	$5,000	$5,000	$0	$0
001	7320	HOE1	EXE	Youth Bureau/Office For Child	MORICHES COMMUNITY CENTER, INC.	$4,815	$0	$0	$0	$0
001	6008	GKP1	DSS	Housing Employment & Childcare	NASSAU/SUFFOLK COALTN FOR THE HOMELESS	$35,630	$36,714	$33,043	$34,878	$34,878
001	6017	AMF1	DSS	Domestic Violence Programs	NASSAU/SUFFOLK LAW SERVICES	$9,485	$0	$0	$0	$0
001	8050	HTD1	EXE	Handicapped Services	NASSAU/SUFFOLK SERVICES FOR THE AUTISTIC INC	$4,625	$0	$0	$0	$0
001	4330	HYO1	HSV	Hs Community Support Svc	NASSAU-SUFFOLK LAW SERVICES	$209,266	$199,761	$199,761	$199,761	$199,761
192	6414	HHJ1	EDP	Cultural Affairs	NESCONSET CHAMBER OFCOMMERENCE	$15,000	$15,000	$15,000	$0	$0
001	3400	HOJ1	FRE	Fire, Rescue & Emergency Svc	NESCONSET FIRE DEPARTMENT	$5,000	$0	$0	$0	$0
001	6510	JII1	EXE	Veterans Service	NEW BEGINNINGS	$4,706	$0	$0	$0	$0
001	3400	HDQ1	FRE	Fire, Rescue & Emergency Svc	NISSEQUOGUE FIRE DEPT.	$5,844	$0	$0	$0	$0
001	7320	AMK1	EXE	Youth Bureau/Office For Child	NORTH BABYLON TEEN CENTER INC	$37,760	$35,872	$32,285	$34,078	$34,078
001	4100	AML1	HSV	Hs: Patient Care Svcs Adm	NORTH BROOKHAVEN CLINIC	$3,879,157	$2,123,415	$1,456,748	$0	$0
001	4100	HVI1	HSV	Hs: Patient Care Svcs Adm	NORTH FORK BREAST HEALTH COALITION	$5,000	$0	$0	$0	$0
001	6410	JLT1	ECD	Economic Development Admin	North Fork Promotional Council	$5,000	$0	$0	$0	$0
001	7320	JCQ1	EXE	Youth Bureau/Office For Child	NORTH SHORE COLTS FOOTBALL LEAGUE	$7,222	$0	$0	$0	$0

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001	7320	AMN1	EXE	Youth Bureau/Office For Child	NORTH SHORE YOUTH COUNCIL	$161,571	$153,492	$139,371	$145,817	$145,817
001	3120	JMO1	POL	Police: General Administration	Ocean Beach Police Dept	$5,000	$0	$0	$0	$0
001	6015	HOR1	DSS	Dss: Public Assist Admin	OUR LADY OF LOURDES PARISH OUTREACH	$7,735	$4,750	$4,275	$0	$0
001	3120	GHD1	POL	Police: General Administration	PARENTS FOR MEGANS LAW	$377,722	$334,349	$334,349	$0	$317,631
001	3199	JOK1	PRO	JUSTICE ASSISTANCE GRANT	PARENTS FOR MEGAN'S LAW	$0	$0	$30,000	$0	$0
001	3120	JJB1	POL	Police: General Administration	PARENTS FOR MEGAN'S LAW CRIME VICTIMS CENTER	$40,000	$25,000	$25,000	$0	$23,750
001	7320	GAC1	EXE	Youth Bureau/Office For Child	PATCHOGUE MEDFORD YOUTH	$122,477	$116,353	$104,718	$110,535	$110,535
001	7320	HXJ1	EXE	Youth Bureau/Office For Child	PAT-MED CLUB (YOUTH FOOTBALL & CHEERLEADING CLUB INC)	$13,482	$0	$0	$0	$0
001	4100	JAL1	HSV	Hs: Patient Care Svcs Adm	PECONIC BAY MEDICAL CENTER	$56,834	$0	$0	$0	$0
001	6008	HYN1	DSS	Housing Employment & Childcare	PECONIC COMMUNITY COUNCIL	$39,558	$40,940	$36,846	$38,893	$38,893
001	4330	GEC1	HSV	Hs Community Support Svc	PEDERSEN KRAG ACT TEAM	$117,494	$120,556	$120,556	$120,556	$120,556
001	4330	GKU1	HSV	Hs Community Support Svc	PEDERSEN KRAG CLINIC (AOT)	$11,026	$14,701	$14,701	$14,701	$14,701
001	4330	GPN1	HSV	Hs Community Support Svc	PEDERSON KRAG ACT TEAM	$120,556	$120,556	$120,556	$120,556	$120,556
001	4330	GGH1	HSV	Hs Community Support Svc	PEDERSON KRAG C & Y TRAINING	$9,139	$11,352	$11,352	$11,352	$11,352
001	4330	GUU1	HSV	Hs Community Support Svc	PEDERSON KRAG C&F EMERGCY CARE	$264,184	$264,184	$264,184	$264,184	$264,184
001	4330	GUS1	HSV	Hs Community Support Svc	PEDERSON KRAG CASE MGMT TRAIN	$1,311	$4,000	$4,000	$4,000	$4,000
001	4310	JAB1	HSV	Div Of Comm Mental Hygiene	PEDERSON KRAG CENTER INC.	$0	$8,500	$8,500	$8,075	$8,075
001	4330	GGG1	HSV	Hs Community Support Svc	PEDERSON KRAG FAM SUPP/RESPT	$260,712	$241,886	$261,473	$261,473	$261,473
001	4330	GGJ1	HSV	Hs Community Support Svc	PEDERSON KRAG MICA TRAINING	$4,902	$0	$0	$0	$0
001	4330	GGF1	HSV	Hs Community Support Svc	PEDERSON KRAG MICA-TFIP	$443,852	$450,656	$450,656	$453,196	$453,196
001	4330	JAY1	HSV	Hs Community Support Svc	PEDERSON KRAG PROS CORAM	$155,581	$155,581	$160,929	$160,929	$160,929
001	4330	JAZ1	HSV	Hs Community Support Svc	PEDERSON KRAG PROS SMITHTOWN	$44,707	$44,707	$47,384	$47,384	$47,384
001	4330	PKP1	HSV	Hs Community Support Svc	PEDERSON KRAG PSYCHOSOC/DROP	$68,296	$68,296	$68,296	$68,296	$68,296
001	4330	GPM1	HSV	Hs Community Support Svc	PEDERSON KRAG SPOA	$137,276	$148,399	$148,399	$148,399	$148,399
001	4330	ANL2	HSV	Hs Community Support Svc	PEDERSON KRAG SUPPRTV CASE MGT	$162,944	$327,605	$327,600	$327,600	$327,600
001	4330	JGK1	HSV	Hs Community Support Svc	PEDERSON KRAG-CLINIC PLUS	$16,333	$17,335	$0	$0	$0
001	3199	JOL1	PRO	JUSTICE ASSISTANCE GRANT	PEDERSON-KRAG	$0	$0	$10,000	$0	$0
001	4320	ANL5	HSV	Hs: Mental Health Pgms	PEDERSON-KRAG CLINIC INC (96%)	$1,248,490	$1,146,708	$1,021,864	$970,771	$970,771
001	4310	ANL7	HSV	Div Of Comm Mental Hygiene	PEDERSON-KRAG CLINIC INC (96%)	$540,766	$980,118	$1,035,118	$1,009,599	$1,035,118
001	4310	ANL9	HSV	Div Of Comm Mental Hygiene	PEDERSON-KRAG COMPUL GAMBLING	$90,634	$86,554	$86,554	$86,319	$86,554
001	4330	GST1	HSV	Hs Community Support Svc	PEDERSON-KRAG CTR INC SCHOOL S	$407,811	$480,958	$480,311	$480,311	$480,311
001	4330	JPC1	HSV	Hs Community Support Svc	PEDERSON-KRAG FMLY BASED T	$0	$0	$179,310	$0	$0
001	4100	HOT1	HSV	Hs: Patient Care Svcs Adm	PEDIATRIC DENTAL FUND OF THE HAMPTONS	$5,000	$0	$0	$0	$0
001	4330	JJA1	HSV	Hs Community Support Svc	PHOENIX HOUSE	$58,813	$61,697	$63,477	$63,480	$63,480
001	4330	GPB1	HSV	Hs Community Support Svc	PHOENIX HOUSE RESIDENTIAL PGM	$112,545	$112,545	$112,545	$112,545	$112,545
001	7320	ANO1	EXE	Youth Bureau/Office For Child	POLICE ATHLETIC LEAGUE-CTYWIDE	$95,178	$94,186	$87,216	$89,770	$89,770
001	3400	HUY1	FRE	Fire, Rescue & Emergency Svc	PORT JEFFERSON VOLUNTEER AMBULANCE CORP	$5,000	$0	$0	$0	$0
192	7512	JLD1	PKS	Museums & Historic Associations	PORTJEFFERSON HISTORICAL SOCIETY	$5,000	$5,000	$5,000	$0	$0
192	7512	JNW1	PKS	Museums & Historic Associations	PORTUGESE AMERICAN CENTER OF SUFFOLK, INC.	$0	$8,500	$8,500	$0	$0
001	6410	JNT1	ECD	Economic Development Admin	PORTUGUESE AMERICAN CNTR	$552	$0	$0	$0	$0
192	6414	JLE1	EDP	Cultural Affairs	PRINCESS RONKONKOMA HISTORICAL SOCIETY	$5,000	$5,000	$5,000	$0	$0
001	3199	JOM1	PRO	JUSTICE ASSISTANCE GRANT	PRISON FAMILIES ANONYMOUS	$0	$0	$8,472	$0	$0
001	4310	JAC1	HSV	Div Of Comm Mental Hygiene	PROJECT OUTREACH	$13,696	$22,556	$22,556	$29,503	$29,503

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	4310	GNC1	HSV	Div Of Comm Mental Hygiene	PROJECT OUTREACH (CMS)	$199,656	$260,881	$260,881	$259,322	$260,881
001	6511	HIV1	EXE	Minority Affairs	PRONTO OF LONG ISLAND	$20,808	$19,768	$19,768	$15,000	$15,000
001	6010	ANU1	DSS	Family, Children & Adult Services	PRONTO OF LONG ISLAND, INC	$30,000	$28,500	$25,650	$0	$0
001	7320	HOW1	EXE	Youth Bureau/Office For Child	PUERTO RICAN COALITION FOR BETTER COMMUNITY	$4,815	$0	$0	$0	$0
001	6410	JIB1	ECD	Economic Development Admin	RAILROAD MUSEUM OF LONG ISLAND	$5,000	$0	$0	$0	$0
001	7320	JFK1	EXE	Youth Bureau/Office For Child	RAINBOW CHIMES, INC.	$4,993	$0	$0	$0	$0
192	6414	JEZ1	EDP	Cultural Affairs	REFLECTIVE GARDENS AT COMMON GROUND	$15,000	$15,000	$15,000	$0	$0
001	4320	AOD1	HSV	Hs: Mental Health Pgms	RESPONSE	$130,074	$126,444	$126,444	$120,122	$120,122
001	7320	AOE1	EXE	Youth Bureau/Office For Child	RESPONSE OF SUFFOLK COUNTY IN	$47,003	$47,033	$43,506	$44,681	$44,681
001	7325	AOF1	EXE	Spec Dlnqncy Prevention Pgm	RESPONSE OF SUFFOLK COUNTY IN	$43,340	$37,186	$33,467	$35,704	$35,704
001	7320	AOJ1	EXE	Youth Bureau/Office For Child	RIVERHEAD COMM AWARENESS PROG	$113,704	$113,085	$101,777	$108,881	$108,881
001	4310	AOH1	HSV	Div Of Comm Mental Hygiene	RIVERHEAD COMMUNITY AWARENESS	$250,930	$251,370	$251,370	$251,077	$251,370
001	7320	AOO1	EXE	Youth Bureau/Office For Child	RIVERHEAD TEEN CENTER	$31,067	$30,648	$30,648	$29,116	$29,116
001	3420	JKV1	FRE	2008 HAZMAT GRANT PROGRAM	RIVERHEAD TOWN	$0	$0	$9,620	$0	$0
001	7510	HYD1	PKS	Parks: Historic Services	Rocky Point Historical Society	$5,000	$0	$0	$0	$0
001	6410	GXC1	ECD	Economic Development Admin	RONKONKOMA CHAMBER OF COMM	$10,000	$0	$0	$0	$0
001	3400	HPF1	FRE	Fire, Rescue & Emergency Svc	RONKONKOMA FIRE DEPARTMENT	$12,500	$0	$0	$0	$0
001	7320	AOV1	EXE	Youth Bureau/Office For Child	S SHORE BOYS CLUB INC SAYVILLE	$109,696	$108,215	$97,394	$100,000	$100,000
001	4100	DDB1	HSV	Hs: Patient Care Svcs Adm	S. FORK RURAL HEALTH	$31,779	$0	$0	$0	$0
001	4330	ASR1	HSV	Hs Community Support Svc	S.U.N.Y. SAYVILLE	$272,750	$257,801	$257,801	$257,801	$257,801
001	7320	AOZ1	EXE	Youth Bureau/Office For Child	SACHEM TEEN CENTER INC	$103,371	$98,202	$88,382	$93,292	$93,292
001	6004	HWA1	DSS	Soc Svc: Commodities Dist	SAG HARBOR FOOD PANTRY	$5,000	$4,750	$4,275	$4,512	$5,000
001	7320	GGZ1	EXE	Youth Bureau/Office For Child	SAG HARBOR SD YOUTH AT RISK	$14,500	$0	$0	$0	$0
192	7512	JHR1	PKS	Museums & Historic Associations	SAG HARBOR WHALING & HISTORICAL MUSEUM	$5,000	$5,000	$5,000	$0	$0
001	7320	APF1	EXE	Youth Bureau/Office For Child	SAG HARBOR YOUTH CENTER INC	$43,460	$47,527	$42,774	$45,151	$45,151
192	7512	JPD1	PKS	Museums & Historic Associations	SAG HRBR HISTORICAL SOCIETY	$0	$0	$5,000	$0	$0
001	6777	HZW1	EXE	Comm Svcs For The Elderly	SAGE-LI (Services & Advocacy for Gay Elders)	$10,000	$0	$0	$50,000	$50,000
192	7512	GUK1	PKS	Museums & Historic Associations	SAGTIKOS MANOR HISTORICAL SOCIETY	$5,000	$5,000	$5,000	$0	$0
001	6004	HPI1	DSS	Soc Svc: Commodities Dist	SAINT JOHN THE EVANGELIST ROMAN CATHOLIC CHURCH FOOD PANTRY	$0	$0	$0	$4,512	$0
001	6004	JLL1	DSS	Soc Svc: Commodities Dist	Salvation Army - Riverhead Food Pantry	$5,000	$4,750	$4,275	$0	$0
001	4010	HPK1	HSV	Hs: Public Health	SAVE-A-PET	$5,000	$0	$0	$0	$0
001	7320	JCJ1	EXE	Youth Bureau/Office For Child	SAYVILLE LACROSSE CLUB	$5,000	$0	$0	$0	$0
001	4330	APK2	HSV	Hs Community Support Svc	SAYVILLE PROJ PSYCHOSOC/DROP	$45,512	$45,135	$45,135	$45,135	$45,135
001	4330	APK1	HSV	Hs Community Support Svc	SAYVILLE PROJ SUPPRTV CASE MGT	$296,548	$327,605	$327,600	$327,600	$327,600
001	4330	HYP1	HSV	Hs Community Support Svc	SAYVILLE PROJECT ADULT HOME CASE MGT.	$50,286	$51,840	$51,840	$51,840	$51,840
001	6017	GNK1	DSS	Domestic Violence Programs	SC COALITION AGAINST DOM VIOL	$660,022	$643,996	$629,828	$615,928	$615,928
001	6015	GNL1	DSS	Dss: Public Assist Admin	SC COALITION AGAINST DOM VIOL	$41,574	$44,174	$44,174	$44,174	$44,174
001	7320	DDI1	EXE	Youth Bureau/Office For Child	SC POLICE ATHELETIC LEAGUE	$26,482	$24,750	$22,275	$23,512	$23,512
001	6010	JDW1	DSS	Family, Children & Adult Services	SCO FAMILY OF SERVICES, PREVENTIVE SERVICE PROGRAM	$711,265	$769,450	$749,444	$759,370	$759,370
001	4330	JGN1	HSV	Hs Community Support Svc	SCO FAMILY OF SERVICES-CLINIC PLUS	$149,116	$149,805	$0	$0	$0
001	4100	APR1	HSV	Hs: Patient Care Svcs Adm	SE & SW BROOKHAVEN CLINICS	$13,276,754	$13,276,574	$13,276,574	$12,381,709	$12,381,709
001	7320	HXP1	EXE	Youth Bureau/Office For Child	SECCA	$4,829	$8,000	$8,000	$0	$0
001	6410	HBF1	ECD	Economic Development Admin	Selden Civic Association	$9,532	$0	$0	$0	$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	3400	JMG1	FRE	Fire, Rescue & Emergency Svc	Selden Fire Department	$7,375	$0	$0	$0	$0
001	7320	APT1	EXE	Youth Bureau/Office For Child	SELDEN-CENTEREACH YTH ASSN IN	$146,914	$139,568	$125,611	$132,590	$132,590
001	6017	JLR1	DSS	Domestic Violence Programs	SEPA MUJER	$4,830	$5,000	$4,500	$0	$0
360	6204	JEM1	DSS	MEDICAID COMPLIANCE	SERVISAIR, LLC	$659,669	$684,287	$684,287	$684,287	$684,287
001	7510	JMN1	PKS	Parks: Historic Services	Shelter Island Historical Society	$5,000	$0	$0	$0	$0
001	6773	HPQ1	EXE	Senior Support Programs	SHELTER ISLAND SENIOR CITIZENS	$5,000	$0	$0	$0	$0
001	6773	HZJ1	EXE	Senior Support Programs	SHELTER ISLAND SENIOR NUTRITION PROGRAM	$5,000	$0	$0	$0	$0
001	4330	AQA2	HSV	Hs Community Support Svc	SKILLS UNLIMITED	$420,842	$420,842	$471,382	$471,382	$471,382
001	4330	JIZ1	HSV	Hs Community Support Svc	SKILLS UNLIMITED	$94,782	$94,782	$62,583	$62,583	$62,583
001	4320	AQA4	HSV	Hs: Mental Health Pgms	SKILLS UNLIMITED (98%)	$299,862	$287,422	$287,422	$275,604	$278,157
001	7325	AQC4	EXE	Spec Dlnqncy Prevention Pgm	SMITH HAVEN MINISTRIES MALL	$124,548	$124,900	$118,031	$120,363	$120,363
001	6410	GQQ1	ECD	Economic Development Admin	Smithtown Arts Council	$5,000	$0	$0	$0	$0
001	6410	GXG1	ECD	Economic Development Admin	SMITHTOWN CHMBR OF COMM	$11,694	$0	$0	$0	$0
001	3400	JNB1	FRE	Fire, Rescue & Emergency Svc	SMITHTOWN FIRE CHIEFS ORGANIZATION, INC.	$4,264	$0	$0	$0	$0
001	3400	GXH1	FRE	Fire, Rescue & Emergency Svc	SMITHTOWN FIRE DEPARTMENT	$10,000	$0	$0	$0	$0
192	7512	GFW1	PKS	Museums & Historic Associations	SMITHTOWN HISTORICAL SOCIETY	$9,281	$9,000	$9,000	$0	$0
001	6410	HBI1	ECD	Economic Development Admin	Smithtown Performing Arts	$40,000	$0	$0	$0	$0
001	6410	JLU1	ECD	Economic Development Admin	SMITHTOWN TOWNSHIP ARTS COUNCIL	$5,000	$0	$0	$0	$0
001	7320	DDK1	EXE	Youth Bureau/Office For Child	SMITHTOWN VETERANS YOUTH	$19,249	$15,000	$13,500	$14,250	$14,250
001	7320	AQH1	EXE	Youth Bureau/Office For Child	SMITHTOWN YOUTH/KINGS PARK	$14,049	$0	$0	$0	$0
001	7320	AQI2	EXE	Youth Bureau/Office For Child	SNAP	$258,726	$249,839	$227,104	$203,488	$203,488
001	8050	JDY1	EXE	Handicapped Services	SOAR FOUNDATION, INC.	$5,000	$0	$0	$0	$0
001	3146	JGO1	PRO	Byrne JAG Recovery Program	SOUTH OAKS	$35,069	$0	$2,383	$0	$0
001	3199	JJC1	PRO	JUSTICE ASSISTANCE GRANT	SOUTH OAKS	$18,902	$0	$13,570	$0	$0
001	4100	JJV1	HSV	Hs: Patient Care Svcs Adm	SOUTHAMPTON HOSPITAL ELLEN HERMANSON BREAST CENTER	$4,374	$0	$0	$0	$0
001	3420	JKT1	FRE	2008 HAZMAT GRANT PROGRAM	SOUTHAMPTON TOWN	$0	$0	$6,013	$0	$0
001	3422	JOF1	FRE	2009 HazMat Grant Program	SOUTHAMPTON TOWN	$0	$0	$5,500	$0	$0
001	7320	HGK1	EXE	Youth Bureau/Office For Child	SOUTHAMPTON YOUTH BUREAU	$4,804	$0	$0	$0	$0
001	4310	AQX2	HSV	Div Of Comm Mental Hygiene	SOUTHMPTN ALTERNATIVE/EAST END	$847,066	$863,292	$883,292	$876,427	$883,292
001	7320	ARH1	EXE	Youth Bureau/Office For Child	SOUTHOLD YOUTH BUREAU	$10,193	$9,527	$9,527	$9,051	$9,051
001	7320	ARN1	EXE	Youth Bureau/Office For Child	SPRINGS YOUTH ASSOCIATION	$5,386	$0	$0	$0	$0
001	7320	HGM1	EXE	Youth Bureau/Office For Child	ST CYRIL & METHODIUS OUTREACH	$10,858	$7,125	$7,125	$6,769	$6,769
001	6410	GUP1	ECD	Economic Development Admin	ST JAMES CHAMBER OF COMMERCE	$7,000	$0	$0	$0	$0
001	6004	JBS1	DSS	Soc Svc: Commodities Dist	ST. ELIZABETH'S PARISH OUTREACH	$6,000	$4,750	$4,275	$5,415	$5,000
001	6004	JLN1	DSS	Soc Svc: Commodities Dist	St. Francis Desales Outreach	$2,399	$4,750	$4,275	$0	$0
001	6004	JLO1	DSS	Soc Svc: Commodities Dist	St. Joseph The Worker Outreach	$1,189	$4,750	$0	$0	$0
001	6004	JLP1	DSS	Soc Svc: Commodities Dist	St. Louis De Montfort R.C.C. Outreach	$612	$4,750	$4,275	$0	$0
001	7320	JIO1	EXE	Youth Bureau/Office For Child	ST. MARGARET'S BASEBALL/SOFTBALL LEAGUE	$5,000	$0	$0	$0	$0
001	6004	HWB1	DSS	Soc Svc: Commodities Dist	ST. MARY'S FOOD PANTRY	$0	$0	$0	$4,512	$0
001	6004	HYW1	DSS	Soc Svc: Commodities Dist	ST. PATRICK HOSPITALITY CENTER	$5,000	$4,750	$0	$0	$0
001	6004	JBR1	DSS	Soc Svc: Commodities Dist	ST. PETER'S PARISH OUTREACH	$6,000	$4,750	$4,275	$5,415	$5,000
001	6004	JLQ1	DSS	Soc Svc: Commodities Dist	St. Sylvester Parish Outreach	$5,000	$4,750	$4,275	$0	$0
001	7320	HGO1	EXE	Youth Bureau/Office For Child	ST.HUGH'S OUTREACH	$10,593	$4,750	$4,750	$0	$5,000
001	6004	HHU1	DSS	Soc Svc: Commodities Dist	ST.JOSEPH'S PARISH O/R SHEPARD	$0	$0	$0	$4,512	$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	6004	HQG1	DSS	Soc Svc: Commodities Dist	ST.MARY'S OUTREACH (EAST ISLIP)	$0	$0	$0	$4,512	$0
192	6415	HBP1	EDP	Film Promotion	STALLER FILM FESTIVAL	$20,000	$20,000	$20,000	$0	$20,000
001	3653	JMX1	POL	SCOPE 2010	SUFF CNTY COALITION AGA	$173,681	$0	$365,003	$0	$0
001	4130	JPB1	HSV	Wic Grant	SUFF CNTY PERINATAL CO	$0	$0	$139,096	$168,480	$168,480
001	7320	ARY1	EXE	Youth Bureau/Office For Child	SUFFOLK CNTY SPECIAL OLYMPICS	$67,036	$67,155	$60,440	$63,797	$63,797
001	6015	JIW1	DSS	Dss: Public Assist Admin	SUFFOLK COUNTY BAR PRO BONO FOUNDATION	$11,780	$23,750	$21,375	$0	$0
001	7320	ASA1	EXE	Youth Bureau/Office For Child	SUFFOLK COUNTY BOY SCOUTS	$17,372	$8,568	$8,568	$8,140	$8,140
001	3178	GDE1	PRO	Stop Violence Against Women	SUFFOLK COUNTY COALITION AGAINST DOMESTIC VIOLENCE	$40,027	$39,023	$37,735	$38,442	$38,442
001	3252	JDL1	POL	Project Scope	SUFFOLK COUNTY COALITION AGAINST DOMESTIC VIOLENCE	$49,068	$0	$0	$0	$0
001	7320	ASC1	EXE	Youth Bureau/Office For Child	SUFFOLK COUNTY GIRL SCOUTS IN	$29,482	$14,542	$13,088	$13,815	$13,815
192	7516	JGH1	MSC	Museums & Historic Associations	SUFFOLK COUNTY HISTORICAL SOCIETY	$260,000	$280,000	$280,000	$275,355	$275,355
001	4010	GSP1	HSV	Hs: Public Health	SUFFOLK COUNTY SPCA	$35,000	$0	$0	$0	$0
001	6017	GHC1	DSS	Domestic Violence Programs	SUFFOLK CTY COALITION (VAP)	$73,567	$72,967	$71,362	$71,934	$71,934
001	7320	GQD1	EXE	Youth Bureau/Office For Child	SUFFOLK JEWISH COMM CENTER	-$20,000	$0	$0	$0	$54,150
001	6511	JLZ1	EXE	Minority Affairs	Suffolk Y JCC- Long Island For Social Change	$10,000	$0	$0	$0	$0
001	6370	JKM1	LAB	Labor: Administration	SUFFOLK Y JCC-CONNECT TO CARE	$75,000	$20,000	$20,000	$19,000	$19,000
001	6015	JKF1	DSS	Dss: Public Assist Admin	SUFFOLK Y JCC-KIDSPLACE	$62,063	$0	$0	$0	$58,663
001	6773	JKL1	EXE	Senior Support Programs	SUFFOLK Y JCC-SENIOR CENTER	$95,000	$80,750	$72,684	$76,713	$76,713
001	4813	JKJ1	HSV	Services To Disabled Children	SUFFOLK Y JCC-THE RODGER SCHOOL OF MUSIC FOR CHILDREN WITH SPECIAL NEEDS	$34,864	$0	$0	$0	$31,588
001	6010	JKH1	DSS	Family, Children & Adult Services	SUFFOLK Y JCC-TRANSITIONAL FAMILIES	$75,000	$0	$0	$0	$67,688
001	6410	JHW1	ECD	Economic Development Admin	TEATRO EXPERIMENTAL YERBABRUJA, INC.	$15,000	$0	$0	$0	$0
192	6414	JHW1	EDP	Cultural Affairs	TEATRO EXPERIMENTAL YERBABRUJA, INC.	$9,530	$20,000	$20,000	$0	$0
192	7512	JNV1	PKS	Museums & Historic Associations	THE BELLPORT BROOKHAVEN HISTORICAL SOCIETY	$0	$5,000	$5,000	$0	$0
001	6004	HTC1	DSS	Soc Svc: Commodities Dist	THE GREATER SAYVILLE FOOD PANTRY	$4,145	$4,750	$4,275	$4,512	$5,000
192	7512	JHI1	PKS	Museums & Historic Associations	THE MASTIC PENINSULA HISTORICAL SOCIETY	$5,000	$0	$0	$0	$0
001	7323	ASU1	EXE	Comprehensive Plning-Runaway	THE MINISTRIES INC (RESIDENCE)	$420,202	$416,915	$388,148	$399,885	$399,885
001	3178	GDF1	PRO	Stop Violence Against Women	THE RETREAT	$42,505	$41,522	$40,152	$40,871	$40,871
001	6015	GEJ1	DSS	Dss: Public Assist Admin	THE RETREAT INC	$32,088	$22,088	$22,088	$22,088	$22,088
001	6017	ASX1	DSS	Domestic Violence Programs	THE RETREAT, INC.	$222,368	$205,862	$201,333	$191,988	$191,988
192	6414	JJW1	EDP	Cultural Affairs	THE SMITHTOWN PERFORMING ARTS COUNCIL, INC.	$10,000	$10,000	$10,000	$0	$0
001	7320	GDT1	EXE	Youth Bureau/Office For Child	THE SUNSHINE CENTER INC	$45,521	$30,000	$30,000	$28,500	$28,500
192	6414	JNY1	EDP	Cultural Affairs	THEATER THREE	$0	$10,000	$10,000	$0	$0
001	7320	ASY1	EXE	Youth Bureau/Office For Child	THREE VILLAGE COMMUNITY SVCS	$174,847	$166,105	$149,495	$130,105	$130,105
192	7512	HEP1	PKS	Museums & Historic Associations	THREE VILLAGE HISTORICAL SOCIETY	$5,000	$5,000	$5,000	$0	$0
001	4100	HQL1	HSV	Hs: Patient Care Svcs Adm	THURSDAY'S CHILD	$126,094	$100,000	$90,000	$0	$0
001	7320	HZT1	EXE	Youth Bureau/Office For Child	TIME FOR TEENS, INC.	$5,000	$0	$0	$0	$0
001	6010	JEO1	DSS	Family, Children & Adult Services	TIMOTHY HILL RANCH	$52,990	$0	$0	$0	$0
001	6015	JGT1	DSS	Dss: Public Assist Admin	TOURO LAW CENTER-MORTGAGE FORECLOSURE AND BANKRUPTCY LAW CLI	$40,000	$40,000	$36,000	$36,100	$36,100
001	6772	JGS1	EXE	Older Americans Act Programs	TOURO LAW SCHOOL	$217,752	$218,567	$218,567	$218,567	$218,567
001	7323	ASZ1	EXE	Comprehensive Plning-Runaway	TOWN OF BABYLON	$20,271	$19,257	$17,331	$18,294	$18,294
176	1423	GDH1	LAW	Section 12-5 (6)	TOWN OF BABYLON	$0	$0	$2,867	$0	$0
001	6772	GEL1	EXE	Older Americans Act Programs	TOWN OF BABYLON	$18,969	$24,159	$24,159	$24,159	$24,159

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	4310	JAE1	HSV	Div Of Comm Mental Hygiene	TOWN OF BABYLON	$0	$8,500	$8,500	$8,075	$8,075
001	7110	JMM1	PKS	Parks, Rec & Conservation	Town of Babylon (Park)	$40,000	$0	$0	$0	$0
001	4310	ATC1	HSV	Div Of Comm Mental Hygiene	TOWN OF BABYLON NARC GUID CNC	$299,545	$424,370	$424,370	$420,273	$424,370
001	8230	JLX1	EVE	Off Of Recycling & Waste Mgmt	Town of Babylon Recycling Receptacle Program	$10,000	$0	$0	$0	$0
001	6510	HWW1	EXE	Veterans Service	Town of Babylon Veterans Advisory Council	$3,179	$0	$0	$0	$0
001	7320	GLA1	EXE	Youth Bureau/Office For Child	TOWN OF BABYLON YOUTH BUREAU	$74,498	$82,982	$74,684	$78,833	$78,833
001	7320	HTR1	EXE	Youth Bureau/Office For Child	TOWN OF BABYLON YOUTH COURT	$14,445	$0	$0	$0	$0
192	7512	JHL1	PKS	Museums & Historic Associations	TOWN OF BABYLON, OLD TOWN HALL MUSEUM, BABYLON	$12,750	$9,000	$9,000	$0	$0
001	7320	ATJ1	EXE	Youth Bureau/Office For Child	TOWN OF BROOKHAVEN	$23,652	$22,469	$20,222	$21,346	$21,346
001	6772	GEM1	EXE	Older Americans Act Programs	TOWN OF BROOKHAVEN	$19,558	$24,111	$24,111	$24,111	$24,111
115	3135	ATZ1	POL	Town & Village Revenue Sharing	TOWN OF EAST HAMPTON	$691,117	$691,117	$691,117	$691,117	$691,117
001	3198	AUA1	PRO	STOP-DWI	TOWN OF EAST HAMPTON	$20,660	$24,220	$24,220	$24,220	$24,220
001	6772	GEV1	EXE	Older Americans Act Programs	TOWN OF EAST HAMPTON	$27,061	$25,708	$25,708	$25,708	$25,708
001	6777	JJZ1	EXE	Comm Svcs For The Elderly	TOWN OF EAST HAMPTON	$0	$19,380	$19,380	$19,380	$19,380
001	7323	AUC1	EXE	Comprehensive Plning-Runaway	TOWN OF HUNTINGTON	$7,885	$7,491	$7,491	$7,116	$7,116
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	6772	GEN1	EXE	Older Americans Act Programs	TOWN OF HUNTINGTON	$24,724	$24,159	$24,159	$24,159	$24,159
001	4310	JAF1	HSV	Div Of Comm Mental Hygiene	TOWN OF HUNTINGTON	$525	$8,500	$8,500	$8,075	$8,075
001	7320	AUD1	EXE	Youth Bureau/Office For Child	TOWN OF HUNTINGTON YOUTH BOARD	$124,051	$117,848	$106,063	$111,956	$111,956
001	4310	AUG1	HSV	Div Of Comm Mental Hygiene	TOWN OF HUNTINGTON/STARSHINE	$510,058	$649,307	$649,307	$643,069	$649,307
001	7323	AUI1	EXE	Comprehensive Plning-Runaway	TOWN OF ISLIP	$18,339	$17,422	$15,680	$16,551	$16,551
001	7320	AUJ1	EXE	Youth Bureau/Office For Child	TOWN OF ISLIP	$75,288	$74,272	$66,845	$70,558	$70,558
001	7325	AUK1	EXE	Spec Dlnqncy Prevention Pgm	TOWN OF ISLIP	$47,554	$48,285	$45,050	$46,512	$46,512
001	6772	GEP1	EXE	Older Americans Act Programs	TOWN OF ISLIP	$25,431	$24,160	$24,160	$24,160	$24,160
001	4317	JAG1	HSV	Alternatives For Youth	TOWN OF ISLIP	$0	$8,500	$0	$0	$0
001	6410	JNS1	ECD	Economic Development Admin	TOWN OF ISLIP (PARKS DEPT)	$4,965	$0	$0	$0	$0
001	4310	AUT1	HSV	Div Of Comm Mental Hygiene	TOWN OF ISLIP/ACCESS	$379,630	$397,761	$397,761	$391,835	$397,761
001	3198	AUV1	PRO	STOP-DWI	TOWN OF RIVERHEAD	$22,660	$25,000	$25,000	$25,000	$25,000
115	3135	AUW1	POL	Town & Village Revenue Sharing	TOWN OF RIVERHEAD	$1,178,655	$1,178,655	$1,178,655	$1,178,655	$1,178,655
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	6772	GEQ1	EXE	Older Americans Act Programs	TOWN OF RIVERHEAD	$24,325	$26,316	$26,316	$26,316	$26,316
001	3198	AUX1	PRO	STOP-DWI	TOWN OF SHELTER ISLAND	$2,375	$2,375	$2,375	$2,375	$2,375
115	3135	AUY1	POL	Town & Village Revenue Sharing	TOWN OF SHELTER ISLAND	$112,661	$112,661	$112,661	$112,661	$112,661
001	6777	JKA1	EXE	Comm Svcs For The Elderly	TOWN OF SHELTER ISLAND	$11,569	$19,380	$19,380	$19,380	$19,380
001	7320	AVB1	EXE	Youth Bureau/Office For Child	TOWN OF SMITHTOWN	$21,874	$20,780	$18,702	$19,741	$19,741
001	4310	JAH1	HSV	Div Of Comm Mental Hygiene	TOWN OF SMITHTOWN	$2,250	$8,500	$8,500	$8,075	$8,075
001	6777	JKB1	EXE	Comm Svcs For The Elderly	TOWN OF SMITHTOWN	$20,300	$23,750	$23,750	$23,750	$23,750
001	4310	AVH1	HSV	Div Of Comm Mental Hygiene	TOWN OF SMITHTOWN/HORIZONS	$713,138	$728,277	$728,277	$722,226	$728,277
115	3135	AVJ1	POL	Town & Village Revenue Sharing	TOWN OF SOUTHAMPTON	$1,943,561	$1,943,561	$1,943,561	$1,943,561	$1,943,561
001	3198	AVK1	PRO	STOP-DWI	TOWN OF SOUTHAMPTON	$33,707	$34,500	$34,500	$34,500	$34,500
176	1422	GBX1	PLN	Sect 125(0) Land Acquisition 1	TOWN OF SOUTHAMPTON	$858,298	$0	$0	$0	$0
001	6777	JKC1	EXE	Comm Svcs For The Elderly	TOWN OF SOUTHAMPTON	$0	$19,380	$19,380	$19,380	$19,380
115	3135	AVL1	POL	Town & Village Revenue Sharing	TOWN OF SOUTHOLD	$885,473	$885,473	$885,473	$885,473	$885,473
001	3198	AVM1	PRO	STOP-DWI	TOWN OF SOUTHOLD	$18,752	$19,000	$19,000	$19,000	$19,000

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2011 Actuals	2012 Adopted	2012 Estimated	2013 Requested	2013 Recommended
001	6777	JKD1	EXE	Comm Svcs For The Elderly	TOWN OF SOUTHOLD	$12,587	$19,380	$19,380	$19,380	$19,380
001	7320	HKA1	EXE	Youth Bureau/Office For Child	TRI-COM YTH AGY HUNTINGTON SD	$18,791	$0	$0	$0	$0
001	7320	GMH1	EXE	Youth Bureau/Office For Child	TRINITY EVANGELICAL LUTHERAN	$11,261	$0	$0	$0	$0
001	6004	HQQ1	DSS	Soc Svc: Commodities Dist	TRINITY LUTHERAN FOOD PANTRY	$0	$0	$0	$4,512	$0
001	4320	AVV1	HSV	Hs: Mental Health Pgms	UNITED CEREBRAL PALSY (95%)	$546,770	$540,102	$539,730	$523,895	$523,895
001	7320	AVY1	EXE	Youth Bureau/Office For Child	UNITED NO AMITY YOUTH	$122,081	$90,000	$81,000	$74,781	$74,781
001	6008	HHI1	DSS	Housing Employment & Childcare	UNITED VETERANS BEACON HOUSE	$103,456	$115,650	$115,650	$0	$0
001	4320	JMY1	HSV	Hs: Mental Health Pgms	UNITED WAY-MEDIATION & CLEARING HOUSE	$57,940	$57,857	$16,117	$0	$0
001	4330	JMZ1	HSV	Hs Community Support Svc	UNITED WAY-SPA	$25,938	$25,438	$8,480	$0	$0
001	4618	AVW1	HSV	Emergency Medical Care	UNIVERSITY HOSPITAL	$421,048	$447,979	$447,979	$404,301	$404,301
001	6510	JDR1	EXE	Veterans Service	VETERANS OF FOREIGN WARS SUFFOLK COUNTY COUNCIL	$20,970	$0	$0	$0	$0
001	3178	GDD1	PRO	Stop Violence Against Women	VIBS	$161,194	$133,385	$126,049	$129,585	$129,585
001	6035	GSG1	DSS	TANF Non Res Dom Violence	VICTIMS INFO BUREAU OF SUF CTY	$22,974	$0	$0	$0	$0
001	6015	GEK1	DSS	Dss: Public Assist Admin	VICTIMS INFO BUREAU OF SUFFOLK	$22,088	$22,088	$22,088	$22,088	$22,088
001	4100	AWB1	HSV	Hs: Patient Care Svcs Adm	VICTIMS INFORMATION BUREAU	$51,282	$0	$0	$0	$0
001	6017	AWF1	DSS	Domestic Violence Programs	VICTIMS INFORMATION BUREAU	$541,197	$535,650	$523,866	$517,542	$517,542
115	3135	AWH1	POL	Town & Village Revenue Sharing	VILLAGE OF AMIITYVILLE	$462,502	$462,502	$462,502	$462,502	$462,502
001	3198	AWI1	PRO	STOP-DWI	VILLAGE OF AMIITYVILLE	$21,046	$22,000	$22,000	$22,000	$22,000
115	3135	AWK1	POL	Town & Village Revenue Sharing	VILLAGE OF ASHAROKEN	$40,189	$40,189	$40,189	$40,189	$40,189
001	7110	JFX1	PKS	Parks, Rec & Conservation	VILLAGE OF BABYLON	$15,345	$0	$0	$0	$0
115	3135	AWL1	POL	Town & Village Revenue Sharing	VILLAGE OF EAST HAMPTON	$69,836	$69,836	$69,836	$69,836	$69,836
001	3198	AWM1	PRO	STOP-DWI	VILLAGE OF EAST HAMPTON	$8,670	$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	$67,201	$67,201	$67,201	$67,201	$67,201
115	3135	AWY1	POL	Town & Village Revenue Sharing	VILLAGE OF HUNTINGTON BAY	$75,766	$75,766	$75,766	$75,766	$75,766
001	7110	JCF1	PKS	Parks, Rec & Conservation	VILLAGE OF LINDENHURST (PARKS)	$40,000	$0	$0	$0	$0
115	3135	AXB1	POL	Town & Village Revenue Sharing	VILLAGE OF LLOYD HARBOR	$166,685	$166,685	$166,685	$166,685	$166,685
115	3135	AXD1	POL	Town & Village Revenue Sharing	VILLAGE OF NISSEQUOQUE	$81,037	$81,037	$81,037	$81,037	$81,037
404	8131	AXF1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF NORTHPORT	$126,851	$126,851	$126,851	$126,851	$126,851
115	3135	AXG1	POL	Town & Village Revenue Sharing	VILLAGE OF NORTHPORT	$377,512	$377,512	$377,512	$377,512	$377,512
001	3198	AXH1	PRO	STOP-DWI	VILLAGE OF NORTHPORT	$12,500	$12,500	$12,500	$12,500	$12,500
115	3135	AXI1	POL	Town & Village Revenue Sharing	VILLAGE OF OCEAN BEACH	$6,588	$6,588	$6,588	$6,588	$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	$44,801	$44,801	$44,801	$44,801	$44,801
001	3198	AXN1	PRO	STOP-DWI	VILLAGE OF QUOGUE	$9,590	$10,000	$10,000	$10,000	$10,000
001	3198	AXL1	PRO	STOP-DWI	VILLAGE OF SAG HARBOR	$14,500	$14,500	$14,500	$14,500	$14,500
115	3135	AXO1	POL	Town & Village Revenue Sharing	VILLAGE OF SAG HARBOR	$106,072	$106,072	$106,072	$106,072	$106,072
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	$1,977	$1,977	$1,977	$1,977	$1,977
115	3135	AXQ1	POL	Town & Village Revenue Sharing	VILLAGE OF SOUTHAMPTON	$198,309	$198,309	$198,309	$198,309	$198,309
001	3198	AXS1	PRO	STOP-DWI	VILLAGE OF SOUTHAMPTON	$8,794	$14,000	$14,000	$14,000	$14,000
001	3198	AXT1	PRO	STOP-DWI	VILLAGE OF WESTHAMPTON BEACH	$5,297	$7,500	$7,500	$7,500	$7,500
115	3135	AXU1	POL	Town & Village Revenue Sharing	VILLAGE OF WESTHAMPTON BEACH	$78,401	$78,401	$78,401	$78,401	$78,401

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192	7516	JGI1	MSC	Museums & Historic Associations	WALT WHITMAN BIRTHPLACE	$105,765	$108,975	$108,975	$108,975	$128,427
001	7320	JMR1	EXE	Youth Bureau/Office For Child	West Babylon Community Youth Center	$5,694	$0	$0	$0	$0
001	6510	JIL1	EXE	Veterans Service	WEST ISLIP AMERICAN LEGION	$9,116	$0	$0	$0	$0
001	6410	JHY1	ECD	Economic Development Admin	WEST ISLIP ASSOCIATION	$5,000	$0	$0	$0	$0
001	6410	JHX1	ECD	Economic Development Admin	WEST ISLIP BEAUTIFICATION SOCIETY	$5,000	$0	$0	$0	$0
001	4100	HRB1	HSV	Hs: Patient Care Svcs Adm	WEST ISLIP BREAST CANCER COALITION	$4,916	$0	$0	$0	$0
001	6410	HRD1	ECD	Economic Development Admin	WEST ISLIP COMMUNITY ORCHESTRA	$5,000	$0	$0	$0	$0
001	3400	JMH1	FRE	Fire, Rescue & Emergency Svc	West Islip Fire Department	$5,000	$0	$0	$0	$0
001	7320	JMS1	EXE	Youth Bureau/Office For Child	WEST ISLIP LIBRARY	$9,630	$0	$0	$0	$0
001	6410	JMT1	ECD	Economic Development Admin	WEST ISLIP SUMMIT COALITION	$8,100	$0	$0	$0	$0
001	7320	AYF1	EXE	Youth Bureau/Office For Child	WEST ISLIP YES	$95,600	$94,309	$84,878	$80,374	$80,374
001	6410	GTG1	ECD	Economic Development Admin	WESTHAMPTON BCH PERFORM ARTS	$6,000	$0	$0	$0	$0
192	6414	GTG1	EDP	Cultural Affairs	WESTHAMPTON BCH PERFORM ARTS	$14,336	$15,000	$15,000	$0	$0
001	4310	HKC1	HSV	Div Of Comm Mental Hygiene	WSNCHS EAST, INC	$387,337	$325,000	$330,206	$323,951	$330,206
001	4100	AYM1	HSV	Hs: Patient Care Svcs Adm	WYANDANCH CLINIC	$5,406,213	$5,499,487	$5,499,487	$5,041,398	$5,041,398
001	6410	HRM1	ECD	Economic Development Admin	WYANDANCH COMMUNITY DEVELOPMENT CORP.	$5,000	$0	$0	$0	$0
001	7325	AYP1	EXE	Spec Dlnqncy Prevention Pgm	WYANDANCH YOUTH SERVICES, INC	$122,774	$123,392	$116,235	$119,117	$119,117
192	7512	JHJ1	PKS	Museums & Historic Associations	YAPHANK HISTORICAL SOCIETY	$10,000	$9,000	$9,000	$0	$0
001	7320	HXM1	EXE	Youth Bureau/Office For Child	YAPHANK PRESBYTERIAN CHURCH YOUTH PROGRAM	$6,741	$0	$0	$0	$0
001	7320	HGT1	EXE	Youth Bureau/Office For Child	YES INC	$9,630	$0	$0	$0	$0
001	4310	AYU1	HSV	Div Of Comm Mental Hygiene	YMCA OF L I INC	$1,141,977	$1,122,738	$1,139,738	$1,132,055	$1,139,738
001	7320	AZB1	EXE	Youth Bureau/Office For Child	YTH DEVLPMT ASSN OF COMMACK IN	$30,000	$20,000	$18,000	$0	$0